Training Toolkit on Effective National to Local Public Governance for SDG Implementation
Resource Allocation and Capacity Building

Module 3.7
## Learning Outcomes

- Reshaping both national and local financial systems in line with sustainable development
- Learn various financing mechanisms for SDG localization
- Putting basic building blocks in place: investing in infrastructure and skills to be digital-ready
- Understand different mechanisms for building capacity of local government
- Develop civil service skills for public value
"Expenditures and investments in sustainable development are being devolved to the subnational level, which often lacks adequate technical and technological capacity, financing and support."

SDG 17 Partnerships for the goals: Financing for SDGs

**TARGET 17-1**
- Mobilize resources to improve domestic revenue collection

**TARGET 17-2**
- Implement all development assistance commitments

**TARGET 17-3**
- Mobilize financial resources for developing countries

**TARGET 17-4**
- Assist developing countries in attaining debt sustainability

**TARGET 17-5**
- Invest in least developed countries

**Five targets are related to Financing**

Training Toolkit on Effective National to Local Public Governance for SDG Implementation
I. Financing for Sustainable Development (Cont.)

Key steps to boost financing for SDGs

1. Provide leadership - setting guiding principles, galvanizing action, and ensuring policy

2. Mobilize investment - raising finance and reorienting financial markets towards investment in SDG sectors

3. Channel investment - promoting and facilitating investment into SDG sectors

4. Maximize investment impact – increasing the sustainable development benefits and minimizing the risks of investment in SDG sectors
I. Financing for Sustainable Development (Cont.)

Challenges

At National Level

1. Gap in financing to achieve the SDGs at $2.5 \text{ trillion per } in developing countries alone
2. How to channel global financial assets into SDG sectors
3. Structurally weak economies
4. Uneven growth
5. Significant downside risks
6. Slowing economic growth
7. Declining Assistance
8. Growing Financial Risks
9. High Debt Risk
10. Increasing Trade Restrictions
11. Increasing Environmental Shocks

At Local Level

1. National government restrictions on local powers of revenue generation
2. Limited local capacity to collect revenues and/or deliver services
3. Local revenue generation disincentives from poorly designed fiscal transfer programs, and
4. Inadequate funding as a result of inadequate financial planning
5. Low political credibility/accountability of local governments, weakening revenue compliance
6. Climate change requires resilient planning and infrastructure
I. Financing for Sustainable Development (Cont.)

Addressing the challenges

- Promote collaboration between the banking sector, national and local governments and financial regulators
- Build partnerships and strengthen engagement with public and private stakeholders
- Strengthen the capacity of developing countries to replicate proven solutions in local contexts
- Strengthen national, local and city government capacity to improve long-term climate resilient infrastructure planning
- Build project finance and implementation capacity at national and local levels
- Support countries to apply methodologies to local contexts and develop integrated national financing frameworks (INFFs)
- Strengthen the capacity of sub-national governments to improve tax revenue collection and mobilize other resources at local levels
Main source of finance

External
- ODA Grants and Concessional Loans
- Other Official Flows (OOFs)
- South-South and Triangular Cooperation
- INGO donations (on-budget)
- Public borrowing from capital markets

Domestic
- Tax Revenues
- Non-Tax Revenues
- Mineral Related Taxation
- Public Private Partnerships
- Public Domestic Borrowing
- Sovereign Wealth Funds

Public
- Private borrowing from Capital Markets
- Foreign Direct Investment
- INGO donations (off-budget)

Private
- Private Borrowing
- Inclusive Business Finance
- Domestic Philanthropy and NGOs
- Corporate Social Responsibility

Source: UNDP (2018)
I. Financing for Sustainable Development (Cont.)

Effective Use of Financing

The assumption is that finance should not be mobilized only by expanding the financial envelope but also by spending current resources more effectively.

- Demand Management
- Life cycle analysis
- Efficient Management of Assets
- Financial Planning
- Natural Resources
  - Equipment’s
  - Buildings
  - Infrastructure

Similarly, by taking actions to avoid future expenditures, scarce public and private resources will be freed for development spending.

Approaches

- Results-based Budgeting and Budgeting for Outcomes
- Subsidy Reform
- Strategies to reduce future expenditures
I. Financing for Sustainable Development (Cont.)

**Bonds**
- Sovereign bonds issued on international and domestic markets
- GDP-linked bonds
- Social impact bonds
- Diaspora bonds
- Green/blue bonds
- Development impact bonds

**Loans and guarantees**
Loans (Including: Multilateral and bilateral development banks, other official flows (OOFs), counter-cyclical loans, contingent credit facilities, development policy loan deferred drawdown options, catastrophe risk deferred, drawdown options, debt buy backs, debt-swaps, blended finance, public-private partnerships, guarantees)

**Public Revenue**
Taxes and levies (Including: income taxes, value added/consumption tax, property taxes, tariffs, green taxes, domestic financial transaction tax, airline ticket tax)

**Insurance**
- Weather index-based insurance
- Catastrophe Risk Insurance Facility

**Funds**
- Vertical Funds (e.g. GAVI Alliance, Global Fund and UNITAID, Adaptation Fund, Global Environment Facility, Green Climate Fund, Securities and structured funds)
- Microfinance investment funds

**Grants**
- Official Development Assistance (ODA)
- Philanthropic and other private donations

Source: UNDP (2018)
I. Financing for Sustainable Development (Cont.)

Financing Framework for Sustainable Development

1. The main sources of financial and non-financial means of implementation

2. A national financing strategy

3. The institutions and processes that underpin these relations

Source: UN DESA
I. Financing for Sustainable Development (Cont.)

1. Assessment and diagnostics
2. Financing strategy
3. Monitoring and Review
4. Governance and coordination frameworks

Source: UN DESA
I. Financing for Sustainable Development (Cont.)

Early movers toward INFFs

- **Sierra Leone**: The country’s National Development Plan financing portion helped to broaden the focus of the implementation strategy, incorporating policy toward both private and public financing. It has supported reforms to be taken in 2019, including establishing an INFF.

- **Uzbekistan**: Government is developing a long-term national development plan centered around a strong financing pillar and dialogue process.

- **Costa Rica**: Government developing a road map on financing and alliance-building for sustainable development across public and private finance.

- **Timor-Leste**: Government is bringing together a process on an overall financing strategy and reforms across public and private financing for national priorities.

- **Bangladesh**: In Bangladesh, the Ministry of Finance designed the first ever SDG financing strategy in 2018.

- **Mozambique**: Government taking steps to create an integrated national financing framework.

- **Nepal**: Government created an SDG financing strategy to support sub-national SDG implementation, launched in early 2019.

Source: UNDP
I. Financing for Sustainable Development (Cont.)

Be opportunistic. Situations may change rapidly. No-regrets investments and preparedness for opportunity can deliver substantial returns.

Work collaboratively. Curb self-interest and the need to own results.

Accept risk. Learn to manage risk, rather than avoid it.

Invest in public goods. Including evidence, standards, codes and guidance.

Aim high but be realistic. Achieving results without change is common - achieving change requires long term commitment.

Financing for Stability: Country Level Strategies

Governance and co-ordination
- Commit to developing a financing strategy
- Establish governance and coordination arrangements

Identify sources of financing
- Understand the financing landscape

Understand and forecast financing need
- Prioritize and elaborate a change narrative linking finance to results
- Cost, forecast, sequence

Build contingent financing capacity for risks
- Anticipate and build contingent capacity against risk

Develop a resource mobilisation plan
- Match tools and instruments to priorities, timelines and capabilities
- Align the financing architecture to support results

Establish indicators to monitor progress
- Identify key indicators to monitor progress, challenges and risks

Source: UN DESA.

Be creative. Allow staff and programmes to innovate and adapt.

Provide flexibility and adaptability. Learn to learn, and adapt to new evidence and circumstances.

Be self-critical. Be vigilant about doing no harm.

Use financing strategically. Create incentives to promote priority behaviours and investments.

Invest in enablers. Test and pilot new approaches, fund analysis, and invest in platforms for dialogue.
I. Financing for Sustainable Development (Cont.)

Key Trends to Accelerate the Transition Toward Sustainable Finance

First Accelerator: Harness digital technologies in support of sustainable finance
- Prioritize inclusion
- Prioritize labour

Second Accelerator: Nurture the growing interest in sustainable investment
- Policymakers must encourage the growing interest in sustainable investment and help to implement the following three measures

Actions
1. Build Basic Digital Access
2. Coordinate Regulation Across Sectors
3. Cooperate across borders

1. Adopt Sustainability Risk Disclosures
2. Establish Sustainability Standards
3. Require Sustainability Preference Solicitation
II. Financing Frameworks from National to Local

- Effective coordination among levels of government
- Embedding local plans within national development strategies
- Assessment of the financial costs associated with implementing the SDGs
- Multilevel governance coordination
- Empowerment of local governments
- Raise and combine different investment sources

Module 3.7: Resource Allocation and Capacity Building

Training Toolkit on Effective National to Local Public Governance for SDG Implementation
II. Financing Frameworks from National to Local

Discussion - National strategies for financing the SDGs at the local level

In your country, is there a dialogue between central and local governments about how to finance Agenda 2030?

How can a local government finance the SDGs implementation? Should central government add a new line of budget to be accessed by local governments to implement Agenda 2030? Or should another mechanism be considered?

What are the biggest challenges to define a financial strategy for financing the SDGs at local level? What could be done differently?

What is the added value of aligning international funding opportunities with the SDGs? Has your institution allocated any specific budget line to help countries to achieve the 2030 Agenda?
II. Subnational Financing for Sustainable Development

Local taxes/surcharges
User tariffs
Transfers and grants from higher levels of government
Asset management and monetization
Cost recovery or value capture

Development banks
Public private partnerships
Grants from international and philanthropic organizations
Municipal credit markets

Financing the localization of the SDGs
## II. Subnational Financing for Sustainable Development (Cont.)

### Subnational lending mechanisms / external source revenue

<table>
<thead>
<tr>
<th>Management and finance</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Government agency</td>
</tr>
<tr>
<td>Lead institution</td>
<td>Ministry of Finance or local government</td>
</tr>
<tr>
<td>Source(s) of finance</td>
<td>National budget or external donors</td>
</tr>
</tbody>
</table>

Source: UN DESA
II. Subnational Financing for Sustainable Development (Cont.)

Action areas for SDG Localization

1. Promoting revenue raising authorities
   - Empowering subnational authorities
   - Capitalizing on the revenue potential of municipal assets

2. Strengthening institutional framework for national/subnational interface
   - Formal and clear assignment of functions and revenue generation responsibility
   - Transparent and accountable capacity and incentives to function effectively
   - Intergovernmental transfers should be made more predictable and transparent
   - Contribute to global, national, and local development goals

3. Fostering access to sustainable long-term finance
   - International public finance
   - Enhancing access to commercial finance
   - Public-private partnerships (PPPs)
II. Subnational Financing for Sustainable Development (Cont.)

Budget Preparation: Why is Asset Management important?

- Most budgets do not consider the entire lifecycle of assets, which account for up to 70%-85% of their total budget.

To refresh:

An Asset: is something that is of value to a person or an organization. Can be tangible or not.

Physical public assets: are tangible assets (infrastructure, buildings, equipment, property and natural assets) that are owned and/or managed by the government.

Asset Management in short:
The right assets, in the right place, at the right time, managed by the right people.
## II. Subnational Financing for Sustainable Development (Cont.)

### Budget Preparation: Examples of good and poor Asset Management

<table>
<thead>
<tr>
<th>Good asset management</th>
<th>Poor asset management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undertaking regularly scheduled maintenance, like oiling machinery, painting buildings or grading roads, ensures that assets last</td>
<td>Not maintaining assets reduces service value and requires expensive replacements</td>
</tr>
<tr>
<td>Redeveloping or selling under-used land generates revenue and financial value for the community</td>
<td>Neglecting infrastructure disrupts water and sanitation services, resulting in health hazards and possibly social unrest</td>
</tr>
<tr>
<td>Open, competitive procurement and contracting enhance public confidence</td>
<td>Starting construction with insufficient funding jeopardizes its completion. A local school sits unfinished and deteriorates -- and so does public confidence</td>
</tr>
</tbody>
</table>
II. Subnational Financing for Sustainable Development (Cont.)

A tool to assess Budget Preparation: UN Asset Management Diagnostic Tool

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>✔ Internal dialogue on goals, assets and challenges</td>
<td>✔ Inclusion of external experts</td>
<td>✔ Strengths</td>
</tr>
<tr>
<td>✔ Determination of key stakeholders</td>
<td>✔ Reviewal of asset management enablers (people, technology, resources)</td>
<td>✔ Weaknesses</td>
</tr>
<tr>
<td>✔ Recording of main physical assets</td>
<td>✔ Interviews to discern processes</td>
<td>✔ Areas of potential improvement</td>
</tr>
</tbody>
</table>

Increased **awareness** of what must be done

*Source IAM Handbook (2021)*
### II. Subnational Financing for Sustainable Development (Cont.)

#### Land-based finance

Land-based financing aims to enhance the availability of resources for local development.

The instruments included are the annual tax on immovable property, public land leases and sales, developer exactions, classical land value sharing, betterment charges and special assessments, the sale of development rights, and transfer taxes.

- can be adapted to a variety of institutional and cultural contexts
- aims to enhance the availability of resources for local development Far-reaching social and economic benefits.
- Tends to have fewer negative impacts on private investment than other types of revenue tools and can even have positive spatial and social impacts.

#### Expenditure efficiency

Addressing the infrastructure gap and the SDGs is not just about increasing the resources available to local governments, but also the efficiency with which existing resources are spent.

Increased resources may result in increased government salaries or significant losses in the procurement of third-party suppliers.

#### Political will

- The needed further increases in revenue will require application of political will to tax policy and administrative reform, expanding the tax base and improving compliance.
Participatory Budgeting at the Local Level

Participatory Budgeting (PB) is a democratic process in which community members decide how to spend part of a public budget. It gives people real power over real money.

A typical PB process follows these steps:

1. **Design the Process**: A steering committee that represents the community creates the rules and engagement plan.
2. **Brainstorm Ideas**: Through meetings and online tools, residents share and discuss ideas for projects.
3. **Develop Proposals**: Volunteer “budget delegates” develop the ideas into feasible proposals.
4. **Fund Winning Projects**: The government or institution funds and implements the winning ideas.
5. **Vote**:
   - Residents vote on the proposals that most serve the community’s needs.

PB’s Impacts:

- Increased civic engagement
- Stronger and more collaborative relationships between residents, government, and community organizations
- More inclusive political participation, especially by historically marginalized communities
- New community leaders
- More equitable and effective public spending

[https://www.participatorybudgeting.org/](https://www.participatorybudgeting.org/)
III. Financial Innovations for SDG Localization (Cont.)

PLANNING AND BUDGETING MECHANISM
- example of Indonesia

E-Planning integrated with e-budgeting increases progress towards a whole-of-government and whole-of-society approach for the SDGs.
Social Impact Investing

III. Financial Innovations for SDG Localization (Cont.)

The spectrum of capital

<table>
<thead>
<tr>
<th>Focus:</th>
<th>Finance-only</th>
<th>Responsible</th>
<th>Sustainable</th>
<th>Impact</th>
<th>Impact-only</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Limited or no regard for environmental, social or governance (ESG) practices</td>
<td>Mitigate risky ESG practices in order to protect value</td>
<td>Adopt progressive ESG practices that may enhance value</td>
<td>Address societal challenges that generate competitive financial returns for investors</td>
<td>Address societal challenges that require a below-market financial return for investors</td>
</tr>
<tr>
<td></td>
<td>Delivering competitive financial returns</td>
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<td></td>
<td></td>
<td>Mitigating Environmental, Social and Governance (ESG) risks</td>
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<td></td>
<td></td>
<td>Pursuing Environmental, Social and Governance opportunity</td>
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<td></td>
<td>Focusing on measurable high-impact solutions</td>
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</tbody>
</table>

Source: Bridges Ventures (2015). The Bridges Spectrum of Capital
III. Financial Innovations for SDG Localization (Cont.)

Social Impact Bonds

A model of public–private partnership

Innovative financing mechanism and outcome-based contracting

Shifting risk from government and to the private sector

Government pays for results

Other terms:
• pay-for-success financing
• pay-for-success bond
• social benefit bond
• social bond
• health bonds, environmental bonds, development bonds

Investors

Ministry

Service Provider(s)

Intermediary NGO

Independent Evaluators

Loan agreement

Reimbursement of loan + interest according to results

SIB Agreement

Performance fee

Service agreement

Implementing intervention

Agreement

Impact assessment

A model of public–private partnership

Innovative financing mechanism and outcome-based contracting

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Other terms:
• pay-for-success financing
• pay-for-success bond
• social benefit bond
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• health bonds, environmental bonds, development bonds
III. Financial Innovations for SDG Localization (Cont.)

Colombia – Social Impact Bonds (SIB) for Employment

(Source: SIBs.CO. Translation by UNPOG)
III. Financial Innovations for SDG Localization (Cont.)

Environmental Impact Bond (EIB) - Paying for Stormwater Solutions

Let us watch a short video on working with EIB at the Chesapeake Bay in the United States

Discussion

1. Do you feel these types of bonds could be applied to your local context?
2. Have you heard of SIBs, EIBs or similar impact bonds used in your country?
3. What are the key factors to make impact bonds work according to what we have learned so far?
4. Do you think this could be a feasible change project for your institution?
III. Financial Innovations for SDG Localization (Cont.)

Private Sector Financing

Actions for National and Local Governments to Scale Up Private Sector Finance and Investment in Sustainable Development

Strategic Framework for Private Investment in the SDGs

Source: UNCTAD 2014
III. Financial Innovations for SDG Localization (Cont.)

**Investments for Sustainable Development:** Why Asset Management improves creditworthiness?

1. Well-managed and evaluated assets (e.g., land that is properly titled, registered, and valued) can be used as collateral for future investments.
2. The financial viability of a local or central government is enhanced because future costs are anticipated, and reserves set aside.
3. Government transparency is enhanced, which leads to better communication with the public and greater public confidence in government.
4. Proper Asset Management leads to better Asset Valuation and can provide important sources of revenue from property taxation.

**Don’t forget that:**

**Physical public assets:** are tangible assets (infrastructure, buildings, equipment, property, and natural assets) that are owned and/or managed by the government.
III. Financial Innovations for SDG Localization (Cont.)

Investments for Sustainable Development: Why Asset Management improves Fiscal Stability?

- Because Asset Management helps balancing the fiscal budget of governments; and
- Healthy fiscal budgets also improve creditworthiness.

Benefits from Asset Management policies are scalable

Balanced public budget improves creditworthiness

- Improved Collateralization
- Higher Revenues
- Cost reduction of delivering services
- Matching current and future needs
- Good Asset Information
IV. Financing SD in an Era of Transformative Digital Technologies

Financing policy responses to the digital revolution – a strategic approach

Put in place basic building blocks:
- STI and complementary infrastructure
- regulatory frameworks
- digital skills

Adapt financing policies and institutions:
- financial market regulation
- public financial management and taxation
- the ‘real economy’: investment, trade, technology and related policies

Use digital technologies for achieving the SDGs:
- for inclusive, stable and long-term oriented financial systems
- for enabling sustainable growth paths
- for achieving equitable outcomes

Source: UN DESA
### IV. Financing SD in an Era of Transformative Digital Technologies (Cont.)

Traditional financial solutions, fintech solutions, and their underlying technological innovations

<table>
<thead>
<tr>
<th>(i) Payments</th>
<th>Virtual currencies</th>
<th>Mobile payments</th>
<th>DLT-based settlement / P2P payments</th>
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<tbody>
<tr>
<td>- Cash/ATM</td>
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<tr>
<td>- Checks - Wire transfers</td>
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<tr>
<td>- Debit and credit cards</td>
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<tr>
<td>- Centralized settlement</td>
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<tr>
<td>(ii) Intermediation: saving and borrowing</td>
<td>Bank deposits and loans</td>
<td>Blockchain bonds, digital assets, mobile market funds</td>
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<tr>
<td>- Traditional brokerage</td>
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<td>Brokerage platforms</td>
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<tr>
<td>- Bonds and equities</td>
<td>Improve efficiency, scope and security in the delivery of financial services</td>
<td>Platform lending</td>
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<td>- Mortgages</td>
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<td>Crowdfunding</td>
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<tr>
<td>(iii) Information management &amp; advisory services</td>
<td>Structured products</td>
<td>Automated wealth management, robo-advising</td>
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<tr>
<td>- Brokerage underwriting</td>
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<td>Smart contracts, Regtech</td>
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<td>- Regulatory compliance</td>
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<td>e, KYC</td>
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<tr>
<td>- Insurance</td>
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<tr>
<td>- Financial planning and advice</td>
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<tr>
<td>Technological Innovations</td>
<td>Artificial intelligence, machine learning platforms, cloud computing, big data analysis</td>
<td>Distributed Ledger Technologies, cryptography, blockchain mobile technology, Internet of Things application programme interfaces</td>
<td></td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>Depository institutions: banks, credit unions, mortgage loan companies</td>
<td>Investment institutions: investment banks, underwriters, brokerage firms</td>
<td>Contractual institutions: insurance companies and pension funds</td>
</tr>
</tbody>
</table>

Source: UN DESA
Digital technology and public financial management

- Facilitate access to timely and precise information on the state of the economy
- Facilitate public financial management and service delivery
- Improve transparency and accountability
Areas for policy action

IV. Financing SD in an Era of Transformative Digital Technologies (Cont.)

Making national and local development strategies fit for the digital age

Creating an enabling environment for digitalization

Promoting innovation and learning in the digital economy

Aligning international engagement with national policy objectives
IV. Financing SD in an Era of Transformative Digital Technologies (Cont.)

Key recommendation for and invest in digital technologies, **always putting people first**:

- Take a strategic approach to digital technologies and finance
- Invest in basic building blocks (infrastructure and skills)
- Overcome silo-style regulation
- Enforce competition to harness the power of big tech and support innovation
- Incentivize use of digital technologies that support labor-enhancing development pathways
- Step up global collaboration
V. Local Government Finance for COVID-19 Emergency Response

"Local governments are uniquely positioned to shape, adapt and deliver a holistic response to epidemics."

(UNCDF, 2020)

1. Own source revenues
2. Intergovernmental transfers
3. Subnational borrowing
V. Local Government Finance for COVID-19 Emergency Response (Cont.)

Why is Asset Management related with public health and Emergency Response?

Your local or national government’s tangible assets—physical infrastructure, buildings, equipment, property and land—are the first line of community defense against the potential harm from communicable person-to-person diseases, vector-borne and zoonotic diseases outbreaks and other acute public health events.

Certain assets can be included in economic and social recovery programmes following a major disease outbreak or epidemic event.

Vector-borne and zoonotic diseases, such as malaria or avian flu, are caused by the transmission of pathogens that spread through vectors, like mites or mosquitoes, or through direct contact between animals and people.
### How to mitigate future public health crisis via Asset Management?

<table>
<thead>
<tr>
<th>Step</th>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Hazard assessment</td>
<td>Identification of agent causing adverse health effects</td>
</tr>
<tr>
<td>02</td>
<td>Exposure assessment</td>
<td>Recognition of populations exposed to agent</td>
</tr>
<tr>
<td>03</td>
<td>Define the Assets’ risk</td>
<td>Likelihood of asset failure x Consequences of its failure</td>
</tr>
<tr>
<td>04</td>
<td>Identify the Assets availability to at-risk populations</td>
<td>Revise the new needs during the crisis</td>
</tr>
<tr>
<td>05</td>
<td>Prevent critical Asset failure</td>
<td>Prioritize maintenance for key assets</td>
</tr>
</tbody>
</table>
What are the specific SDGs and indicators that you have considered as a priority in your city? How have you planned to fund these SDG priorities?

Have you initiated a budgetary exercise specifically focused on the SDGs?

What are the relations with regional or central governments related to funding the 2030 Agenda? Is there any opening? What are the difficulties?

Do you think that the 2030 Agenda is an opportunity for your city to obtain more financial resources? How so?

How can the social and economic actors of your city contribute to the 2030 Agenda?

Is central government opening the debate and involving the private sector in 2030 Agenda related discussions?

Is there any public sector strategy at national or local level to make sure the private sector, with a special focus to Small and Medium Enterprises including Social and Solidarity Economy actors, feel part of the process of implementing the 2030 Agenda? What are the main challenges for their involvement? And how could they be addressed?

Has your country undertaken any reform process of the national statistics system to monitor the SDGs? In particular, has your country established any particular follow-up mechanism regarding financing the SDGs?

Has your city established a methodology to measure progress on SDGs locally? Alternatively, how do you plan to measure the impact of public actions to achieve the SDGs locally?

What is the mechanism that your country/institution has put in place to measure the impact of public policies? Is your institution aligning its budget with the 2030 Agenda?
Inadequate human resources or weak capacities, along with limited local interest and/or awareness are the main challenges facing local and regional governments pursuing the SDGs.

- Capacity building
- Building endogenous capacities
- Peer-to-peer learning and capacity building
VI. Mechanisms for Building Capacity of Local Government

- Legislation
- Training Programme
- Partnerships
- External experts
- Accountability
- Technology
- Best Practices

Module 3.7: Resource Allocation and Capacity Building

Training Toolkit on Effective National to Local Public Governance for SDG Implementation
VII. Effective Civil Service for SDG Localization

Promote awareness, competencies and skills of civil servants at the national and local levels

Better civil service practices can improve front line service delivery

Better civil service practices can lead to better designed and managed policies

Better civil service management can translate to better citizen outcomes

Better civil service practices can create more impact for SDG achievement
Civil Servants need “update” in line with the 2030 Agenda

Breaking down silo mentalities

Building civil service awareness of the SDGs

Strategic human resources management in the context SDGs

Skills and competencies essential for implementation of the SDGs

Reflections on emerging technologies

Skills framework for civil servants

VII. Effective Civil Service for SDG Localization (Cont.)

Competency framework for Civil Servants

- Communication
- Teamwork
- Planning & Organizing
- Accountability
- Creativity
- Commitment to Continuous Learning
- Client Orientation
- Technological Awareness

Managerial Competencies

- Leadership
- Vision
- Empowering Others
- Managing Performance
- Building Trust
- Judgement/Decision-making

Module 3.7: Resource Allocation and Capacity Building
VII. Effective Civil Service for SDG Localization (Cont.)

Civil service skills for public value: a framework

**Develop policy**
- **Strategic orientation:** Foresight, evidence, resilience
- **Innovation capabilities:** New tools for policy making
- **Professional expertise:** Legal, regulatory, economic...

**Commission and contract**
- **Strategic orientation:** using and developing markets to improve policy outcomes
- **Innovation capabilities:** Agile development, social finance
- **Professional expertise:** Value for money, business and commercial...

**Collaborate in networks**
- **Strategic orientation:** Align objectives, resources, actions
- **Innovation capabilities:** Social innovation, government as platform
- **Professional expertise:** Stakeholder relations, partnership development

**Work with Citizens**
- **Strategic orientation:** Engaging citizens to improve policy outcomes
- **Innovation capabilities:** crowdsourcing, co-creation
- **Professional expertise:** Service, outreach, communications...

Adapted from: OECD. Skills for a High Performing Civil Service
The Role of Public servants during the COVID-19 Pandemic

Ensuring continuity of public services

Service before self: courage and humanness in practice

Quick thinking, creativity and innovation

Reliable information and awareness as a critical service

Strategic thinking and planning amidst chaos

Sustaining resilience and building a more effective and responsive public service

Building and enhancing state legitimacy, government credibility and people’s trust

Resource allocation and accountability

Collaborative and networked leadership

Profile of a public servant who can work effectively in crisis
VII. Effective Civil Service for SDG Localization (Cont.)

The Role of Public servants during the COVID-19 Pandemic

Key messages

Comprehensive public service capacity development

Institutionalize early warning, emergency planning, preparedness and quick response in the public service:

Network, collaborate, share and learn from successful practices and mistakes to build better and more effective public services for future pandemics and crisis

Sustain development of responsible, responsive, accountable and people-focused leadership in public sector institutions
VIII. Key Takeaways

1. **Reshape both national and local financial systems** in line with sustainable development. If we fail to do so, we will fail to deliver the 2030 Agenda.

2. The demands of the 2030 Agenda call for utilizing a diversity of financing instruments according to their relative strengths and complementarity.

3. **Integrated national and local financing frameworks** are a powerful tool, which can help overcome many of the existing impediments to financing sustainable development.

4. There are four main building blocks for the design and operationalization of financing frameworks: (i) assessment and diagnostics; (ii) the financing strategy; (iii) monitoring, review and accountability; and (iv) governance and coordination.

5. Two key trends that can help accelerate the transition toward sustainable finance: **(1) the rapid growth of digital technologies** and (2) the growing interest in sustainable investing.

6. **Civil servants need an “update”** in line with the 2030 Agenda that ensures they have the latest knowledge and key competencies at their fingertips.
References


• UCLG (2019). Towards the localization of the SDGs. https://www.uclg.org/sites/default/files/towards_the_localization_of_the_sdgs_0.pdf


• UNDG (2017). Mainstreaming the 2030 Agenda for Sustainable Development.


Thank you