

INNOVATIVE FINANCING FOR THE ELIMINATION OF HARMFUL PRACTICES

FRAMEWORK FOR GOVERNMENT COLLABORATION

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01 | BACKGROUND

Through an extensive consultative process with the female genital mutilation (FGM) Donor Working Group and Civil Society, UNICEF undertook a scoping exercise to identify promising innovative financing (IF) models that support gender equality and the empowerment of

girls. UNICEF in partnership with multiple stakeholders at the global and national levels will advance at least two models or financing tools. In both cases the role and capacity of national partners is crucial. This brief framework outlines how UNICEF and other contributing stakeholders will collaborate with national governments within a broader public-private partnership (PPP) initiative. UNICEF has developed an Innovative Financing Strategy that follows the four 'A' principles **'Amplify, Align, Accelerate and Access,'** which should unlock opportunities to leverage an additional US\$ 3 billion for children.

02 | CONTEXT AND PURPOSE

IF is a generic term covering a wide range of 'non-traditional' financing mechanisms that are used to mobilize new, yet unexplored sources of development finance. Current traditional funding models assume that the development partners provide funds to the government and/or civil sector in a developing country to implement a particular programme/project. Funding assumes provision of financial resources to be spent on specified activities, whilst financing is the provision of finances that has to be repaid with interest, which implicitly implies that results have to be achieved.

To develop and utilise IF models and mechanisms, both development partners and national counterparts (governments and/or civil sector organizations) must develop an appetite for and understand the risk associated with the innovative mechanisms and ultimately have the capacity to devise and implement appropriate IF mechanisms that are in line with national development and social plans. Early experience with IF suggests that capacity building and human capital development have to feature strongly on the development agenda to ensure the success of IF mechanisms/instruments.

03 | DEVELOPING COLLABORATIVE FRAMEWORK

UN agencies working on ending harmful practices (UNFPA, UNICEF) have long and rich experience of advocacy with national governments. Building on that experience, UNICEF and its international and national partners should utilise existing infrastructures or set up a working body (including sub committees) with highly interested and committed national governments in countries with a high prevalence of harmful practices. This will ensure national coordination for ending harmful practices (with a policy focus), securing successes in policy coordination, programme coordination, monitoring and data management, financing and capacity building. A financing subcommittee, for instance, whose members would come from public and private financial institutions and operational civic sector organizations would provide a platform for advancing prioritized/novel financing approach(es) and mechanism(s).

3.A. WHERE NATIONAL GOVERNANCE INFRASTRUCTURE IS AVAILABLE

In the last nine years, UNICEF and its partners have been engaged in global and national level advocacy and implementation of two of the largest United Nations Joint Programmes on the elimination of harmful practices, focusing on target 5.3 of the Sustainable Development Goals (SDGs). This has necessitated not only close collaboration with the public sector, i.e., government, but also other societal players. In all countries affected by harmful practices, where these Joint Programmes are implemented, some level of governance infrastructure is available and can be easily engaged in raising awareness of IF and developing potential IF mechanisms. The following steps may be considered when initiating collaboration on IF initiatives in such cases.

STEP 1: Conduct a scoping study on the ending harmful practices funding and financing, considering all the development finance flows, outlining the funding/financing gaps and suggesting preliminary measures for improving the financial position;

STEP 2: Develop understanding of IF and the modalities that have been used in different development sectors (health, education, climate change) and explore the opportunities of integrating ending harmful practice outcomes in the impending IF mechanisms (option 1), or developing a specific mechanism (medium- to long-term), where there is a national appetite (option 2);

STEP 3: Agree on expected outcomes or results, a monitoring mechanism, preferably that which is embedded within the national systems for sustainability. Address bottlenecks, if any, and strengthen monitoring and reporting frameworks generally, data collection and monitoring is key to being able to manage outcomes effectively;

STEP 4: Define the programmes, projects and activities that are most likely to demonstrate results in short- to medium-term and package them to be 'financially viable' i.e., of interest for private investors (well defined, with clear outputs and outcomes, with the capacity to demonstrate impact, and provide knowledge for further development);

STEP 5: Explore domestic and international markets for possible investors, linked with experience 'IF brokers' (market developers) which may assist in marketing the proposal and developing IF mechanism;

STEP 6: Agree and sign an underlying contract, establish the IF mechanism and prepare necessary the support infrastructure for implementation;

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STEP 7: Implement the project(s), ensuring regular high-quality monitoring and implementation evaluation;

STEP 8: Implement the project to the closure and ensure that knowledge is shared and the quality of a 'learning organization' is exhibited throughout the entire process, using active management tools;

STEP 9: Evaluate the experience and develop other possible 'bankable' projects.

3.B. WHERE GOVERNANCE AND COORDINATION INFRASTRUCTURES ARE UNAVAILABLE OR WEAK

Where such an infrastructure is unavailable or is ineffective, it is necessary to develop a high-level political body that would focus on gender equality and engage directly with issues of harmful practices directly or through a specialised multi-sectoral (sub) committee. Such a committee should be representative and encompass representatives of the national government including sector ministries for finance, gender equality etc., sub-national governments, international development partners, civic society, academia, and other societal stakeholders.

The Multi-Sectoral Committee should, besides providing a strategic direction and guidance, engage with operational issues (including finance mobilization) either directly or through a separate working group. In either case, the ministry in charge of finance should be involved, and an existing reporting framework should be used to support data-informed decision-making. This is especially valid if the country has implemented Gender-Responsive Budgeting (GRB).

Where existing structures may be weak and or underperforming, they have to be strengthened before the IF mechanism development activities are undertaken, as per the steps outlined in the section above (3a).

The following steps may be considered in setting up and accelerating collaboration with governments where there is no governance infrastructure:

STEP 1: Assess and align the existing institutional frameworks and ensure the formation of an effective ending harmful practices governance

architecture (i.e., the National Committee, or a part of the larger Committee addressing the Gender Equality agenda);

STEP 2: Use the existing gender equality infrastructure to build a strong national coalition for ending harmful practices; mobilize the head of state as ending harmful practices agenda champion;

STEP 3: Support and develop national data gathering and reporting capacities, ensuring that the ending harmful practices outputs and outcomes can be meaningfully captured and well-documented;

STEP 4: Engage the National Committee directly or through a special sub-committee with resource mobilization, and ideally develop a national ending harmful practices financing strategy (either as a separate document or as a part of the larger document);

STEP 5: Advocate for the increase in public finance sources for ending harmful practices, their ring-fencing and more effective, efficient and transparent use;

STEP 6: Open the discussion about IF mechanisms which can complement existing financial sources for ending harmful practices, with the national government and international donors active in the country;

STEP 7: Initiate awareness raising and training on IF mechanisms and other alternative finance options possibly available to developing countries and facilitate decisions on which financing tool is feasible;

STEP 8: Where impact bonds are selected, advocate for the spending of existing SDG/impact bond proceeds on ending harmful practices (1-3 per cent of sum raised).

STEP 9: Raise awareness of other IF mechanisms that may be utilized for financing ending harmful practices (most notably debt swap for least developed countries (LDCs), blended financing options, public-private sector co-financing and mobilizing corporate social responsibility (CSR) resources in a coordinated manner, etc.);

STEP 10: Ensure the ongoing monitoring of the ending harmful practices agenda implementation and effective impact measurement, management and reporting.



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04 | CONCLUSION

National governments are the most effective actors in ending harmful practices, as they have a wide set of policy instruments at their disposal, including the powers of legislation and law enforcement. Developing an effective national collaborative framework would ensure that the larger society and local communities were active in promoting the change in social norms that would ultimately result in ending harmful practices.

The National Committee would be a driving force in not only leading the public policy agenda, but also coordinating mobilization of financial resources, needed for implementing programmes and policies targeting ending harmful practices. In the case of a federal or quasi-federal country it may be necessary to mirror the governance models in the federal units and support an effective coordination of efforts at different levels of governance. Development of the capacity to engage with IF, is necessary, assuming and ensuring that IF is just one of the financing segments for ending harmful practices, besides the national public finance, overseas development assistance (ODA) (and other traditional forms of development finance) and philanthropic financing sources.

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