– SDG Financing –
SDG Budget tagging, prospective simulation, and policy options to achieve the 2030 Agenda

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(Integrated National Financing Frameworks)

1-slide presentation: SDG can be the RBM-system needed.

1. **Significant differences between bottom-up and top-down approaches:** from a few selected topics of interest to an SDG-approach.
   - Conceptual.
   - Institucional.
   - Total resources.

2. **SDGs provide an overarching results framework** that can be used to understand development, resource planning and monitoring.
   - And solve some of the fragmented issues that arise in Budget trackers

3. Using a line-by-line Budget tagging for 2020 (and 2021-22) a propective quantitative simulation between budgets and goals shows **only 43% of goals under current as-is scenario will be achieved.**
   - The simulation provides policy options to rethink the current SDG framework.

CHALLENGES IN BUDGET TRACKING
FOR A FEW THEMES

Governance of Budget tagging: thematic Budget trackers have limitations.

1. COL has 4 thematic budget trackers. Reported information is sent by ministries to MoF + NPD.
2. In bottom-up approaches:
   (i) quality of information **varies between ministries** and
   (ii) quality of information **depends on person chosen** within a Ministry (+staff rotation).

   Risks: double-counting (intra-government transfers), rigid criteria leads to underestimation.

- Top-down SDG-approach detects 3x more than bottom-up approaches.
- Once a sector has a successful tagging, there is a tendency for all sector to desire a budget tag.
- Successful tagging gives a diagnosis but does not accelerate the closing of development gaps.
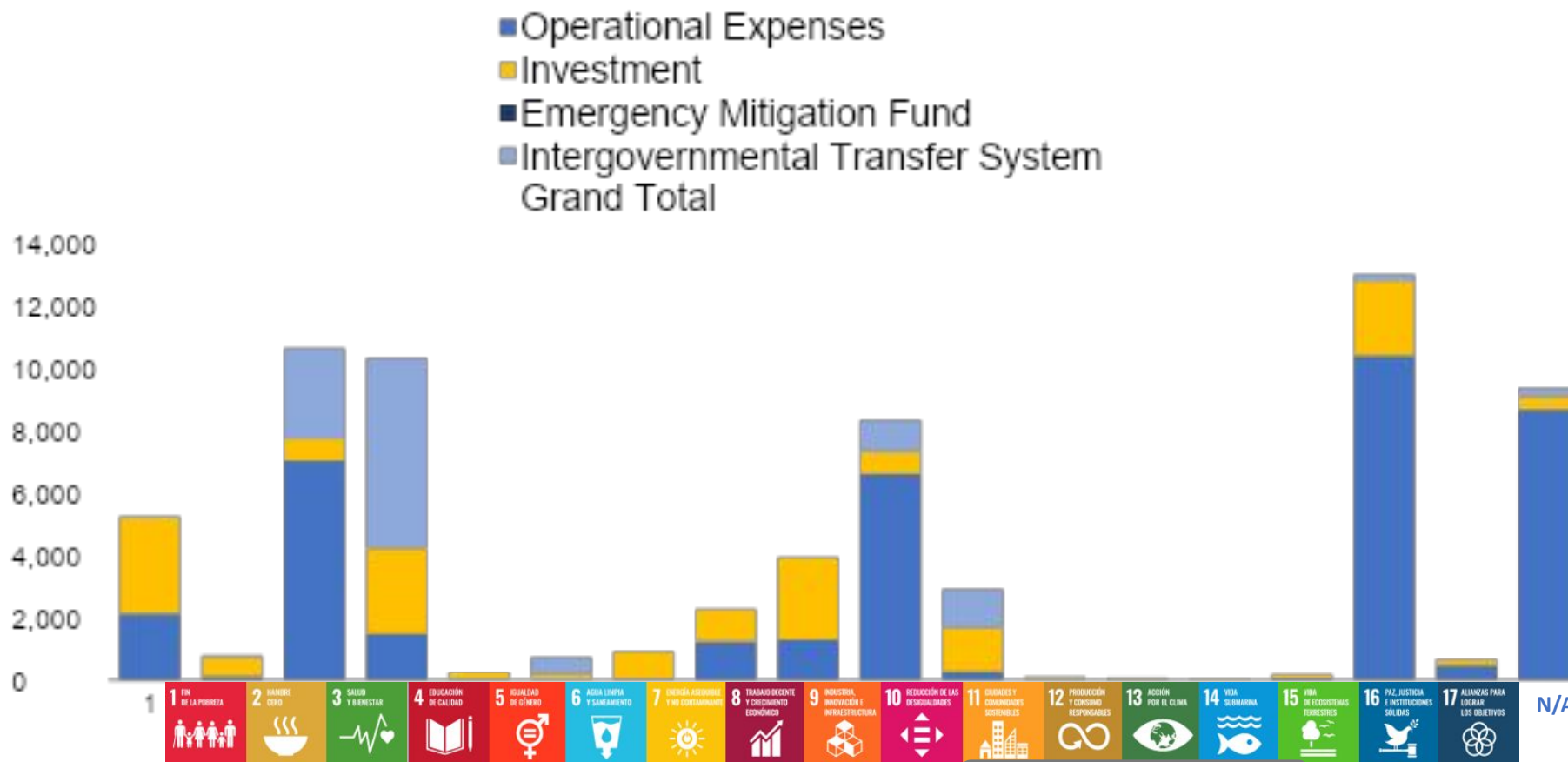
Interoperability between Green Taxonomies and SDG-related taxonomies.

86% OF THE 2022 NATIONAL BUDGET IS ALIGNED WITH THE SDGs
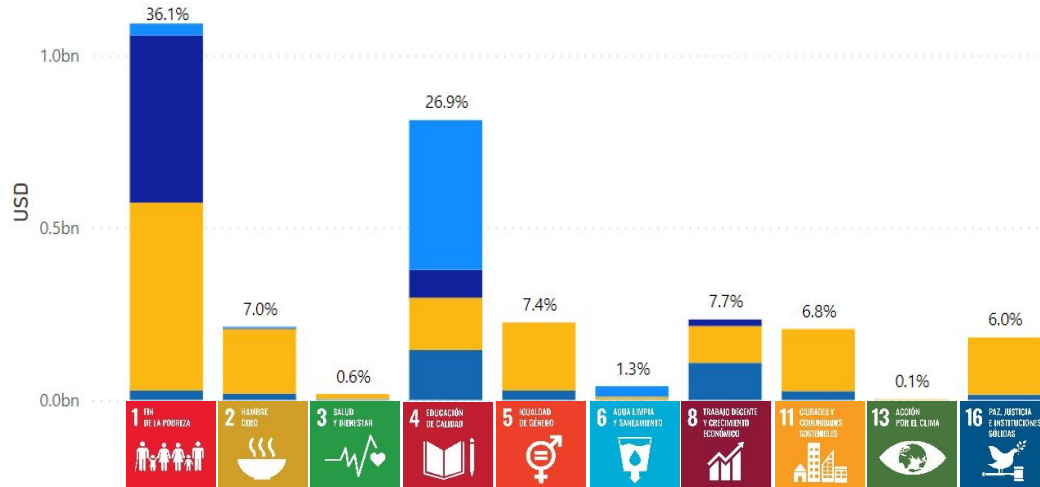
THE METHODOLOGY ALLOWS FOR SPECIFIC THEMATIC ANALYSIS

2022 National Budget alignment to SDG targets related to Gender Equality

3 Bill. USD

0.37bn (12.39%)
0.5bn (16.64%)
1.56bn (51.53%)
0.59bn (19.44%)

TYPE OF EXPENDITURE ● 1-Operating Expenses ● 2-Investment ● 3-FOME ● 4-SGP
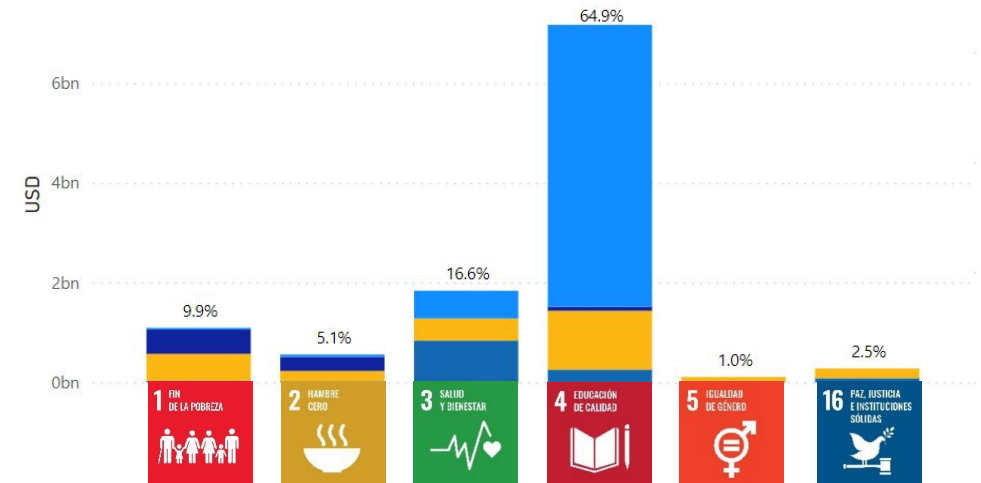
36.1% · 7.0% · 0.6% · 26.9% · 7.4% · 1.3% · 7.7% · 6.8% · 0.1% · 6.0%
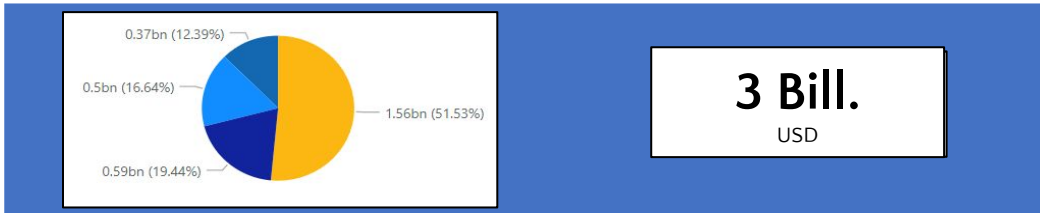
Source: PNUD–INFF based on SIIF 2022

2022 National Budget alignment to SDG targets related to Childhood and Adolescent Protection

11 Bill. USD

0.85bn (7.68%)
1.25bn (11.31%)
2.66bn (24.07%)
6.29bn (56.95%)

TYPE OF EXPENDITURE ● 1-Operating Expenses ● 2-Investment ● 3-FOME ● 4-SGP

9.9% · 5.1% · 16.6% · 64.9% · 1.0% · 2.5%

SDG Budget Tagging

THE APPLICATION OF THE *POLICY PRIORITY INFERENCE* FOR COLOMBIA

What does the computational model do?

1. Simulates progress of development indicators from historical evidence.
2. Allows to carry out counterfactual exercises regarding budgeting planning.

What information is used for the analysis?

1. Evolution and interdependence between indicators
2. Budget allocations
3. 2030 SDG targets
4. Governance indicators

Which are the results generated by the simulations?

1. Detect which targets can be achieved with different budget forecasts.
2. Identify indicators with structural bottlenecks.
3. Estimate the impact of budget reallocations.

THE DATABASE
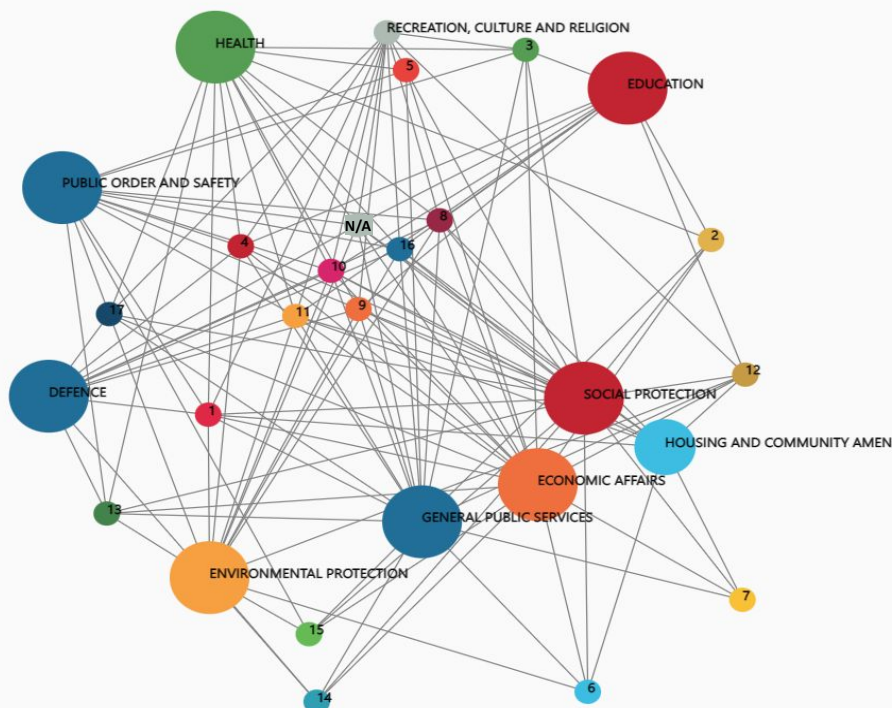
❏ It was built by INFF–Col using official information sources.

❏ 99 indicators at the national level, comprising all 17 SDGs and 58 SDG targets.

❏ Time period for the estimation/calibration (21 years): 2000–2020.

❏ Data pre-processing: (i) estimation of missing values, (ii) standardisation, (iii) inverting when needed (more = better), (iv) transformation to generate increasing series.
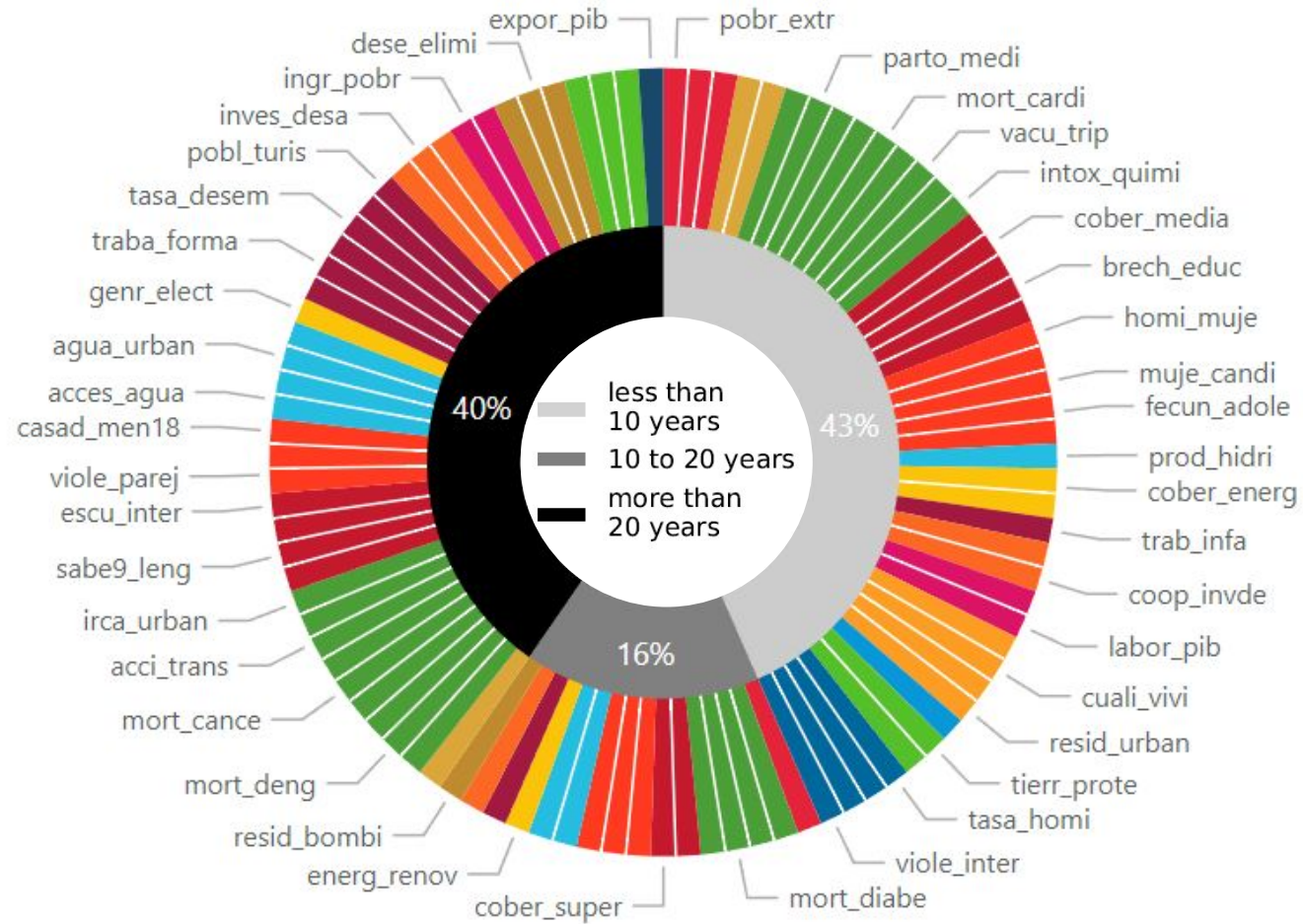
❏ 2020 Budget data aggregated at the SDG target level.

❏ If an SDG target has several indicators, corresponding budget is distributed by the model endogenously.

❏ Indicators are only link to one specific SDG target.

IS IT POSSIBLE TO ACHIEVE THE 2030 AGENDA ON TIME?

Base scenario: 2000–2021 average annual budget forecasted until 2040

- ❑ 43% of the established targets for the SDG indicators can be achieved by 2030.

- ❑ Another 16% can also be achieved but in a longer term.

- ❑ 40% of SDG indicators make slower progress because of:
  (i) last mile,
  (ii) requirement of additional resources,
  (iii) requirement of programme adjustments.

BOTTLENECK IDENTIFICATION

months of savings

Average indicator level (greater=better)

Potential structural bottlenecks

- ❑ **Gray area:** structural factors might be hindering development.
- ❑ An important number of indicators (46) shows potential progress with more resources and/or their level already is relatively high.
- ❑ 4 indicators from SDG 12 show the most severe bottlenecks.

BETTER RESULTS WITH BUDGET REALLOCATION BETWEEN ELASTIC INDICATORS

Original budget trend
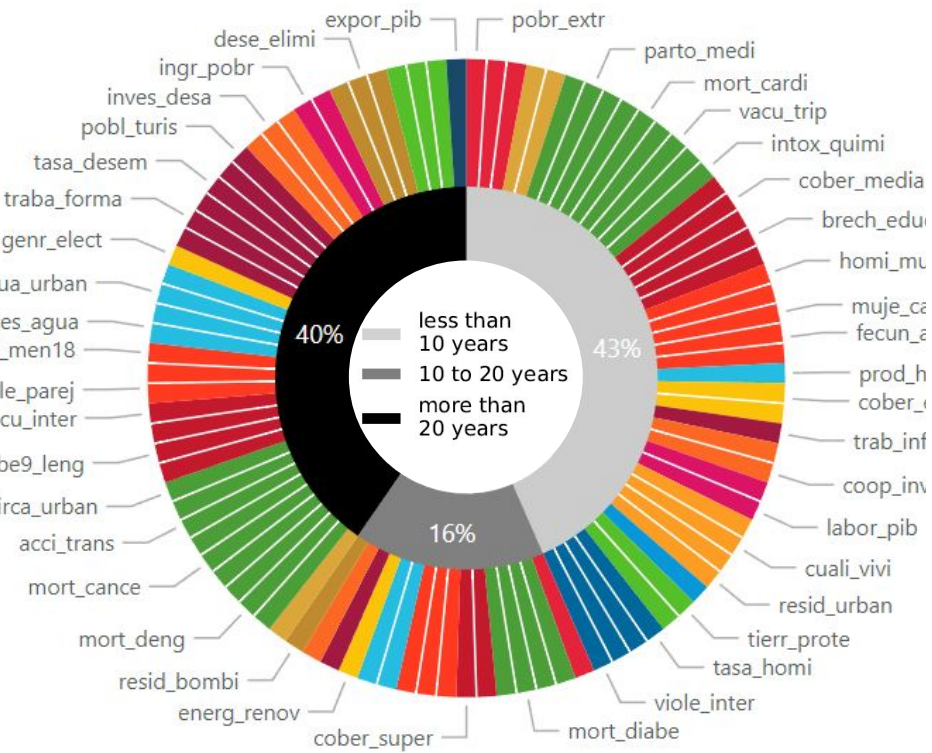
20% general increase
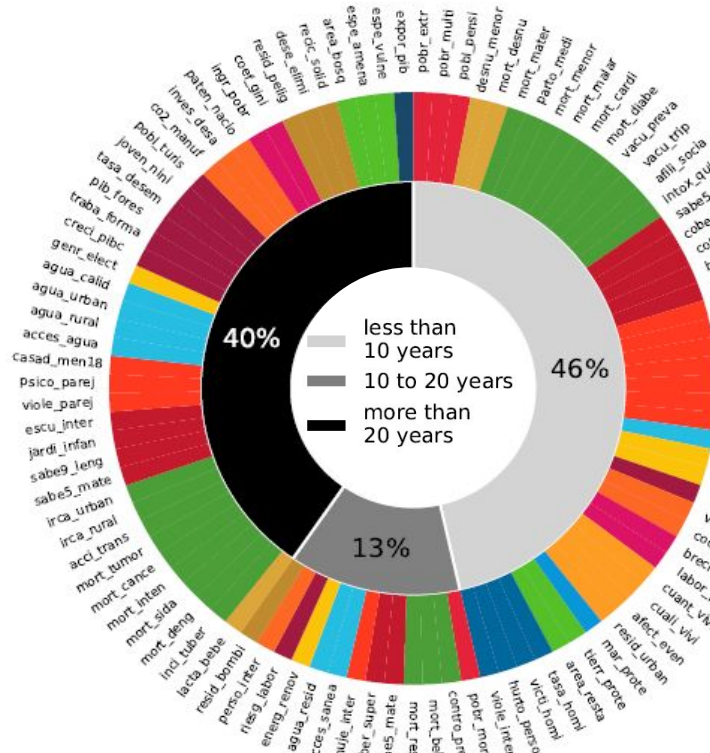
Optimisation without budget increase

NEW SIMULATION – CONVERGENCE TIMES FOR SELECTED SDG INDICATORS

Convergence with current national targets

Convergence with adjusted targets
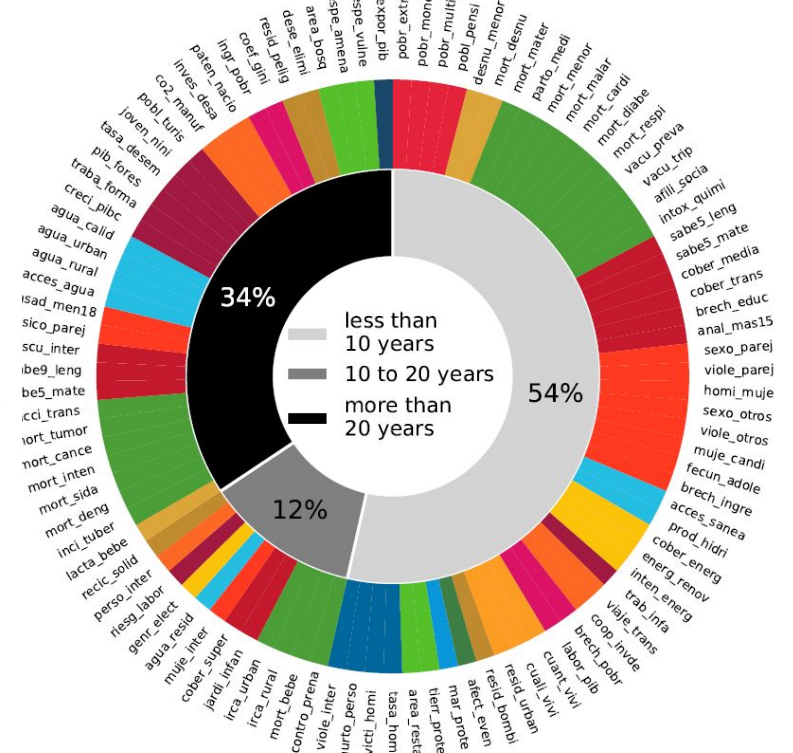
3 SALUD Y BIENESTAR

The Integrated National Financing Framework – INFF Colombia – estimated the financial contribution of the public and private sectors, as well as the development cooperation to the SDG 3. In addition, the necessary time-frame to achieve the national targets was also estimated.

SDG 3 has 13 SDG targets and 28 suggested indicators. In Colombia, the monitoring framework for SDG 3 has 38 indicators, being 21 global indicators and 17 local indicators.

*Some of the SDG 3 indicators were not included into the PPI methodology because of the lack of historical data.

unicef ONU MUJERES PNUD

INFF Colombia

More information about INFF:
https://bit.ly/3I8kMao

SDG 3 – Key Messages

- SDG 3 is one of most funded goals, given the substantial resources allocated to the public healthcare system, including subsidized coverage. This has allowed 96% of the Colombian population to have access to healthcare.
- Although indicators related to child immunization are on the right track, it is recommended to strengthen programmes related to communicable diseases, cancer and suicide.
- It is recommended to reassess programmes related to road traffic accidents, mental health, and general well-being.
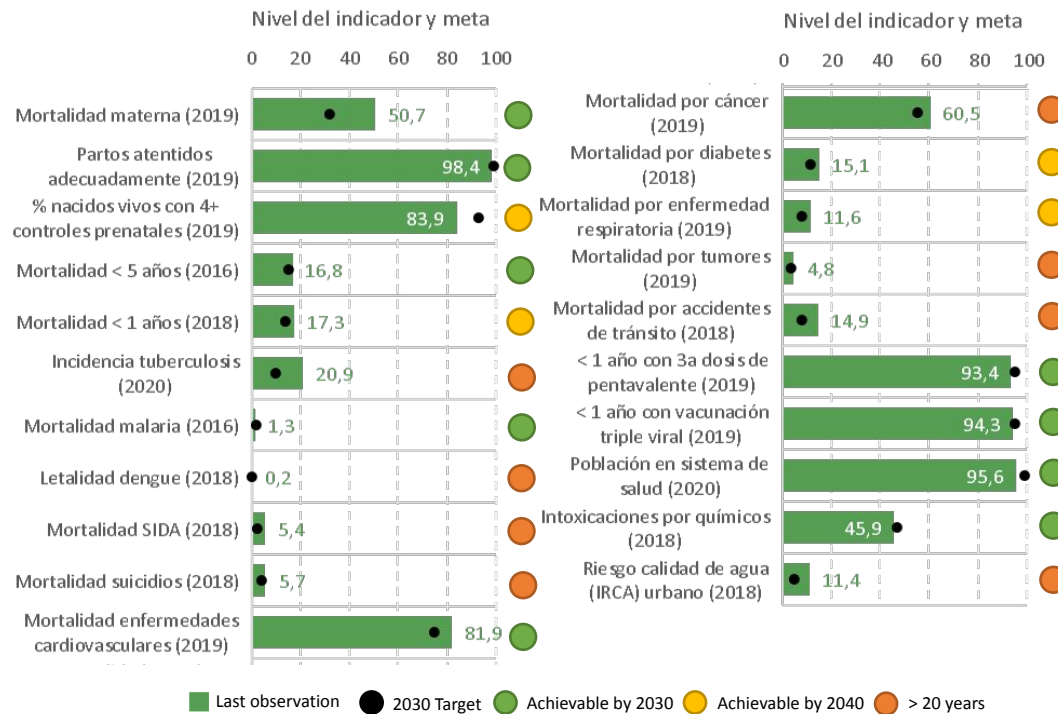
SDG 3 – Funding aligned
Three pillars of financing (COP)

Public Sector (2022) — 533,43
42,9 M

Private Sector* (2019)

Cooperation (2020)
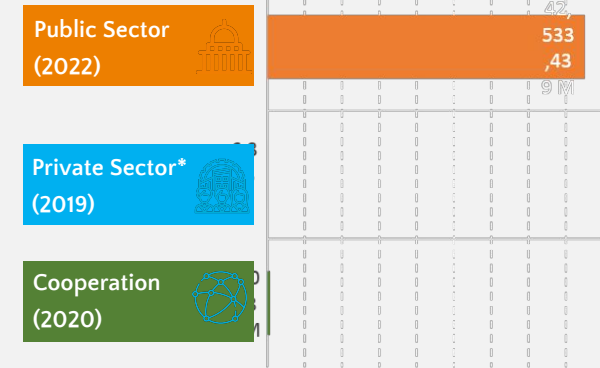
42.9 Trill.
Total

*232 companies participated in the SDG Corporate Tracker

Indicators performance and convergence times

Nivel del indicador y meta

Indicador	Valor
Mortalidad materna (2019)	50,7
Partos atentidos adecuadamente (2019)	98,4
% nacidos vivos con 4+ controles prenatales (2019)	83,9
Mortalidad < 5 años (2016)	16,8
Mortalidad < 1 años (2018)	17,3
Incidencia tuberculosis (2020)	20,9
Mortalidad malaria (2016)	1,3
Letalidad dengue (2018)	0,2
Mortalidad SIDA (2018)	5,4
Mortalidad suicidios (2018)	5,7
Mortalidad enfermedades cardiovasculares (2019)	81,9

Nivel del indicador y meta

Indicador	Valor
Mortalidad por cáncer (2019)	60,5
Mortalidad por diabetes (2018)	15,1
Mortalidad por enfermedad respiratoria (2019)	11,6
Mortalidad por tumores (2019)	4,8
Mortalidad por accidentes de tránsito (2018)	14,9
< 1 año con 3a dosis de pentavalente (2019)	93,4
< 1 año con vacunación triple viral (2019)	94,3
Población en sistema de salud (2020)	95,6
Intoxicaciones por químicos (2018)	45,9
Riesgo calidad de agua (IRCA) urbano (2018)	11,4

■ Last observation ● 2030 Target ● Achievable by 2030 ● Achievable by 2040 ● > 20 years

Public policy recommendations – National budget

	Indicators	Representative expenses in National budget
Keep current budget	o Mortalidad materna o Partos atendidos o Mortalidad < 5 años o Mortalidad por malaria o Mortalidad por enfermedades cardiovasculares o < 1 año con 3ª dosis de pentavalente o < 1 año con vacunación triple viral o Afiliación al sistema de salud o Intoxicaciones por químicos	• Financiación régimen subsidiado en salud • Fortalecimiento a los servicios de salud en hospitales militares • Programa aplicado de inmunizaciones
Increase budget	o Incidencia tuberculosis o Letalidad dengue o Mortalidad SIDA o Mortalidad suicidios o Mortalidad por cáncer	• Programas de prevención y control de enfermedades transmitidas por vectores • Programas de salud mental • Programas de identificación temprana de cáncer
Review programme design and implemen-tation	o Controles prenatales o Mortalidad < 1 año o Mortalidad por diabetes o Mortalidad por enfermedades respiratorias o Mortalidad por tumores o Mortalidad accidentes de tránsito	• Mejoramiento de los componentes de seguridad vial y aplicación de medidas para una movilidad segura • Desarrollo de actividad física y hábitos de vida saludable

THANK YOU!

For more information, you can refer to:

- IPP final report
- Report's appendix
- Report's references