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14/7/2022

UN Development Programme

Brazil - Brasilia

Project: 00145012

Project Title: ENGMT: Brazilian SDG FUND inception

Start Year: 2022

End Year: 2022

Implementing Partner: UNDP

Responsible Parties: UNDP

Revision Type: Initial Project Approval

Budget (US$) as of Last Revision on 13-July-2022

Donor	Fund	Amount
UNDP	04010 TRAC 2	50,000.00
Total Budget (2022 and Beyond)		50,000.00
Total Utilization (2021 and Prior)		0.00
Project Total		50,000.00
Unprogrammed/Unfunded		0.00

Project Description:

The purpose of this project is to allow the initial studies and concept design necessary for the inception of a national SDG fund - aimed to receive resources from public and private sources that will become available to the Development Financial Institutions to increase their targeted lendings, focused on project that are SDG accelerators.

Agreed by: Katyna Argueta

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Agreed by: Resident Representative

Agreed by: UNDP-Brazil

Agreed by: 14-07-2022

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REGIONAL BUREAU FOR LATIN AMERICA AND THE CARIBBEAN
TRAC 2 CALL FOR PROPOSALS 2022

MAXIMIZING THE STRATEGIC PLAN ENABLERS IN LATIN AMERCIAN AND THE CARIBBEAN

Deadline: Friday, 3 June 2022

UNDP Brazil Proposal

Project Title:	Brazilian SDG FUND inception: setting up the bases to boost development financing
The Why:	Brazil is a large country with big challenges in all SDGs. The pace of progress, in terms of human development, has been slow and slowed further with the pandemic impact. There is a consensus that a large flow of targeted investments will be needed to enable Brazil to get on track for the 2030 Agenda. However, the current and prospective fiscal situation, both national and subnational, the lack of an Integrated National Finance Framework and the lack of coordination with private and financial sectors jeopardizes the capacity of mobilizing and targeting the necessary resources. There is therefore a need of creating alternatives that could fill this gap, engaging not only the public sector but also the financial sector, aiming to build frameworks and

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	instruments that embeds the logic and the spirit of the 2030 Agenda, therefore creating the right economic incentives to direct resources to projects that are SDG accelerators.
The Enabler:	This initiative is at the core of the promotion of the enabler "Development financing" as it enables a partnership between UNDP and the Financial Sector, specifically the national and subnational development banks and agencies through the Brazilian Development Association (ABDE). ABDE is the official Brazilian representative association of the Development Financial Institutions (DFI), including 32 public and private institutions (agencies / banks) which together have 37,9 million clients, a credit portfolio amounting US$ 400 billion, or 45% of the whole national financing system, and assets worth US$ 1 trillion. Working with a partner with of such relevance and scale to develop the foundations of a SDG-focused fund is essential to build the frameworks needed to mobilize finance at scale. ABDE is currently an UNDP partner in Brazil, having signed a MOU and already developing some joint activities, including developing a methodology to measure the DFI´s credit flows to the SDGs. Earlier this year ABDE launched its new strategic plan called ABDE 2030, and in this plan the need to develop such frameworks aimed at directing resources linked to the SDGs to the DFI´s is a high priority.
The What:	The project will allow for the initial studies and concept design necessary for the inception of a

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	national SDG fund - aimed to receive resources from public and private sources that will become available to the Development Financial Institutions to increase their targeted lendings, focused on project that are SDG accelerators.
The How:	The projected will be developed and implemented in a close partnership with the ABDE, as the engagement of the DFI´s are crucial to it success. The activities to be conducted include alignment meetings with ABDE and its associates, design of a TOR, hiring of a specialized consulting services with expertise on fund design considering the Brazilian fiscal frameworks and legislation, that will conceive the fund in details, map potential financing sources and design a draft of its governance.
Expected results	By Dec 2022, UNDP, ABDE and its associates will have a first draft of the proposed fund, including the mapping of possible sources of financing, the legal mechanisms, and the governance model, allowing for the necessary advocacy with the new legislative and executive powers that will take office in early 2023., after general elections in October 2022. Therefore, the timing will be ideal for ABDE, supported by UNDP, to start, in the first semester of 2023, a process of engagement of relevant actors and stakeholders on behalf of the institution of such a fund. Hopefully, by July 2023, it is expected that the executive and

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	legislative representatives engaged in the discussion of such fund, can propose and start working for the approval of a bill to create the official / national SDG fund with appropriate funding.
Proposed Budget	The budget for allow for the expected result is US$ 50 k, itemized as bellow: US$ 40 k – hiring of consulting services US$ 10 k – partial salary of the team that will be working in the project (staff / NPSA) The proposed will be co-funded by ABDE, who will contribute additional US$ 40 k in this project – therefore totalizing US$ 90 k. ABDE resources will be used mainly in 2023 for further detailing the Fund´s mechanisms and other needed actions for its advocacy.

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Annual Work Plan

Brazil - Brasilia

Project: 00145012

Project Title: ENGMT: Brazilian SDG FUND inception

Report Date: 14/7/2022

Year: 2022

Output	Key Activities	Timeframe		Responsible Party	Planned Budget			
		Start	End		Fund	Donor	Budget Descr	Amount US$
00132523 ABDE	ABDE - initial studies & cond	10/7/2022	31/12/2022	UNDP	04010	UNDP	72100 Contractual Services-Companies	40,000.00
				UNDP	04010	UNDP	74500 Miscellaneous Expenses	10,000.00
TOTAL								**50,000.00**
GRAND TOTAL								**50,000.00**

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United Nations Development Programme
ENGMT-ABDE [0000145012-00132523]- Brazilian SDG FUND inception

Initial Revision - July 14, 2022

Main Source of Funds: ASL
Executing Agency: UNDP/Brazil

Acct	Donor	Funding		Total	2022
51005	00012	04010	**Net Contrib.**	**50,000.00**	50,000.00
			CO Adm. %	N/A	-
			CO Adm.	N/A	-
			Total	**50,000.00**	50,000.00
51005	C/S Total	----------	**Net Contrib.**	**50,000.00**	50,000.00
			CO Adm. %	N/A	-
			CO Adm.	N/A	-
			Total	**50,000.00**	**50,000.00**

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United Nations Development Programme

C/S Schedule of Payments

Project: **ENGMT-ABDE- Brazilian SDG FUND inception**

Atlas Award: **00145012**
Atlas Project: **00132523**

Main Source of Funds: **ASL**
Executing Agency: **UNDP/Brazil**
Budget Currency: **USD**

Account	Fund/Donor	Year	Date	Budgeted Amount	Scheduled Amount	Balance
51005	04010/00012	2022				
			14-Jul	50,000	50,000	
				50,000	**50,000**	0
		Grand Total		**50,000**	**50,000**	**-**