

May 2023



**BACKGROUND DOCUMENT
25TH STEERING COMMITTEE MEETING**

FUNDING NOTE



1. Objective

This document provides background information to ANNEX 1 of the draft GPEDC work programme in response to the call in the [Geneva Outcome Document](#) for a costed work programme. In doing so, it:

- a) Describes the **funding structure of the GPEDC Work programme and its indicative budget**,
- b) Identifies **different ways in which all GPEDC stakeholders can support** the implementation of the work programme financially or in-kind,
- c) Provides the **minimal budget needs of the GPEDC Joint Support Team** to carry out their core functions for the duration of the work programme and presents the current funding gap and needs, and
- d) Aims to prompt discussion amongst Steering Committee members on how to make the implementation of the Work programme a success by addressing **resource gaps, supporting the needs of stakeholders**, and exploring avenues for **more sustainable multi-year financing** of the GPEDC Secretariat.

2. Costed work programme – stakeholder contributions and resourcing needs

The GPEDC work programme is centred on three core outputs:

- Output 1 **Generating evidence through the new monitoring** with the aim to generate stronger evidence on the uptake of the effectiveness principles at the country level and a better understanding of context-specific political and operational challenges that delay progress.
- Output 2 **Driving informed policy dialogue and action.** Leveraging country dialogues and strategic partnerships to intensify national and global multi-stakeholder policy dialogue and action on effectiveness challenges at country level with all relevant stakeholders engaged, contributing to more informed policy decisions.
- Output 3 **Fostering political awareness and uptake.** Adopting targeted advocacy and outreach to raise political awareness of the benefits and uptake of effective development co-operation and systematic learning.

These 3 core outputs are implemented through 1) support of the GPEDC Secretariat (Joint Support Team) and 2) collective action of the GPEDC membership. These constitute the primary and immediate funding requirements for GPEDC to implement the work programme.

2.1. OECD/UNDP JST budget

To support the three core outputs, UNDP and OECD have developed a division of labor on the basis of comparative advantage and the strengths of both host organizations. At a glance, this involves the following in line with the core functions of the JST¹:

1. Management of the Monitoring Process and Framework Process (OECD: methodology, data collection and analysis; UNDP: country-level roll-out from inception and institutionalisation to dialogue and action planning),
2. Secretariat and Advisory Services to Co-Chairs and Steering Committee Secretariat services (led by OECD), and Advisory and Partnerships Services (jointly led by OECD/UNDP) to Co-Chairs and Steering Committee,

¹ A more detailed breakdown can be found in the OECD/UNDP Division of Labor

3. Advocacy, Strategic Communication, Learning and Knowledge Management (led by UNDP).

As noted in the Geneva Outcome Document, the JST's ability to fulfil these functions is subject to adequate, balanced and predictable resources of both OECD and UNDP.

Additional roles and support of the JST will require additional resources that would need to be mobilized once the full funding needs in the below table have been met, and should be discussed by the Steering Committee in the context of this costed work programme.

At a glance, the minimum resourcing needs of both institutions to carry out core JST functions are as follows²:

Table A. JST Resource Needs (all figures are indicative and subject to change)

Core function	OECD (EUR)				UNDP (USD) ³			
	2023 ⁴	2024	2025	2026	2023	2024	2025	2026
Output 1: Monitoring	884,705	884,705	TBC	TBC	1,066,440	878,021	1,121,237	1,043,237
Output 2: Country Dialogues & Strategic Partnerships	530,823	530,823	TBC	TBC	717,592	781,383	781,383	781,383
Output 3: Targeted Advocacy and Outreach	88,470	88,470	TBC	TBC	414,622	465,412	465,412	497,812
TOTAL	1,504,000	1,504,000	TBC	TBC	2,198,654	2,124,816	2,368,032	2,322,432
Current resourcing gap⁵	815 000	1.5m⁶	TBC	TBC	901,433	1,924,816	2,368,032	2,322,432
Additional member-led budget for core activities such as in-person Steering Committee meetings, Summits, High-level Meetings, travelling and interpretation costs etc. ⁷								

² A detailed breakdown of these summary annual figures can be provided by the JST.

³ Figures as at May 2023. Numbers are inclusive of GMS. Meeting the minimum amount of JST resourcing will enable support to partner countries that choose to lead the monitoring exercise in country. On average based on past monitoring rounds, this would amount to roughly 20-25 countries annually in terms of the capacity that the JST could support should this number of countries opt to do the monitoring. This does not include the final year of the Work Programme in 2026, which will focus on the preparation of a global report.

⁴ All figures are indicative as per the funding ceiling set under the OECD/DAC 2023-2024 Programme of Work and Budget (PWB), and consist of a mix of assessed contributions, non-earmarked voluntary contributions and voluntary contributions earmarked for GPEDC. These amounts do not include contributions from non-DAC members that may be availed in addition to the funding envelope set out for DAC contributions to OECD/JST and would allow to cover additional resource needs. The agreed funding envelope under the 2023-2024 OECD/DAC is significantly below the resources under the previous PWB (- 6.5 staff) and represents the absolute minimum amounts for the core aspects of the methodological work on the monitoring and basic secretariat support functions to be performed. Below this threshold, critical functions will not all be performed (such as the support to the substantive organization of Steering Committee meetings, validation of monitoring data validation to ensure quality of the monitoring exercise, production of country briefs and other analytical products on the basis of the raw data).

⁵ The OECD/JST funding gap is calculated taking into account a portion of OECD's assessed contributions to GPEDC, voluntary contributions carried forward from 2021-2022 and new voluntary contributions received for 2023-2024.

⁶ The 2024 funding gap includes an estimated rollover amount required to ensure business continuity into the 2025-2026 OECD/DAC PWB.

⁷ To cover additional ad hoc costs related to the organization of Steering Committees, Senior Level Meetings, High Level Meetings, trainings and/or other events.

Table B. Current grant agreements and pipeline

OECD			UNDP			
Donor	Amount (EUR)	Grant duration	Donor ⁸	2022	2023	2024
Canada	156,643	end date 31.12.2025	Canada	518,024	TBC	TBC
UK	114,152	end date 31.03.2023	EC		TBC	TBC
Korea	57 000	end date 31.12.2024	ROK	300,000		
Germany	150,000	31.12.2023	Sweden	477,920	In-kind (second ment)	In-kind (second ment)
EC	400 000	end date 31.10.2023	Switzerland	200,000	200,000	200,000
Ireland	100 000	end date 31.08.2023				

Risks and mediating actions

There are significant consequences if the JST does not have access to adequate, balanced and predictable resources. If the short-term resourcing needs of both the OECD and UNDP sides of the JST are not met, staff will be further reduced in the second half of 2023. This will severely impact JST capacity to support implementation of the work programme and carry out its core functions. Uptake, quality of engagement, analysis of results and reporting related to the monitoring exercise will be hampered or halted. The intended national and global multi-stakeholder policy dialogue and action, as well as advocacy and outreach efforts, will be weakened, ultimately jeopardizing the GPEDC's ability to function and deliver on the mandate provided by the Geneva Outcome Document.

The recently re-established **GPEDC funding committee** with members representing the broad partnership will periodically meet and agree on appropriate actions and new initiatives to broaden and strengthen the donor base. The funding committee will focus both on actions to meet the immediate resourcing needs of the JST and initiate fundraising actions to secure multi-year funding for the JST for the duration of the work programme. They will look into different modalities (in-kind contributions, secondments to JST) and membership models that would lead to more sustainable multi-year financing for the JST. The funding situation will be tabled at each Steering Committee meeting for deliberations amongst all stakeholders. Co-chairs will actively engage with Steering Committee members to encourage appropriate resourcing in line with the roles and responsibilities as part of annex 3 of the Geneva Outcome Document.

2.2. Resource requirements and funding needs of the GPEDC membership

The member-led nature of the GPEDC programme requires active involvement and contribution from all GPEDC members, in line with annex 3 of the [Geneva Outcome Document](#) that sets out the Global Partnership Working Arrangements, Roles and Responsibilities.

⁸ USD249,143 roll over from contributions in the 2020-2023 cycle were received from Canada (DFATD), EC, Germany (BM)Z, Republic of Korea, Sweden, and Switzerland (SDC)

Each constituency has investments to make to support the implementation of the core outputs of the work programme. This investment can be:

- **Financial**, either through a contribution to the Joint Support Team or by financing parallel activities (trainings on the monitoring such as the KOICA LAP, high-level meetings such as the Indonesia multi-stakeholder Summit, the Busan Forum or the GPEDC Senior Level or High Level Meeting, in-person steering committee meetings), or through decentralized financing of in-country activities or entities.
- **In-kind**, either through allocating internal capacities to lead on the monitoring or contribute to the data collection and process, or by facilitating/participating in capacity building activities, peer learning, supporting/participating in a regional caucus, supporting regional consultations and/or regional and global outreach events.

Table C. GPEDC stakeholder contributions and support⁹

Core function	GPEDC stakeholder contributions
OUTPUT 1: Generating EVIDENCE: The New Monitoring	<ul style="list-style-type: none"> • Lead monitoring exercise and convene partners (partner countries) • Mobilise constituency representatives at country level to engage in the monitoring (development partners, non-state actors) • Engage and contribute to monitoring inception phase and data collection (development partners, non-state actors) • Organize and support monitoring trainings (Co-Chairs)
OUTPUT 2: Driving INFORMED POLICY DIALOGUE & ACTION: Country Dialogues & Strategic Partnerships	<ul style="list-style-type: none"> • Lead inclusive follow-up country dialogues (partner countries) • Engage in and contribute to country dialogues (development partners, non-state actors) • Coordinate and consult across constituencies (all SC members) • Host and organize in-person SC meetings (Co-Chairs and SC members) • Lead Regional Caucuses and foster peer learning (NEPAD, Asia, LAC, etc.) • Develop and nurture strategic partnerships (UNDS, DAC, MDBs, Dual Countries, Private Sector, Researchers etc.)
OUTPUT 3: Fostering POLITICAL AWARENESS & UPTAKE: Targeted Advocacy and Outreach	<ul style="list-style-type: none"> • Lead and engage in events (including e.g. Busan Forum, UN Events, regional events) (Co-Chairs, all SC members) • Raise awareness on effectiveness issues in global policy arena (Co-Chairs, all SC members) • Host and engage in preparations of upcoming senior-level meetings (SLM) and high-level effectiveness meetings including potentially a HLM4 Summit towards the end of the work programme.

2.3. Member led thematic learning initiatives

Thematic Initiatives are fully member-led and financed. Financial and in-kind requirements depend on the work plans of each thematic initiative. Each lead or coalition of actors is responsible for mobilising resources. JST does not budget for supporting thematic initiatives but will assist by ensuring synergies with the core activities of the work programme.

Further detail forthcoming, once member-led thematic learning initiatives have been decided.

⁹ The table outlines contributions that are indicative and not exhaustive and for illustrative purposes only.

3. Indicative questions for discussion at the SCM25

- 1. How do you intend to contribute to resourcing the work programming, including but not limited to funding the JST?**
- 2. To ensure that the JST has access to adequate, balanced and predictable resources to support implementation of the GPEDC multi-year work programme, would your organisation/ constituency support a fee-based membership for GPEDC Steering Committee members?**
- 3. What resource needs are there at country-level to implement the work programme, and what support will your constituency contribute to meet these needs?**