

Third United Nations Conference on Landlocked Developing Countries

# Side Event

### at The Third UN Conference on Landlocked Developing Countries (LLDC3)

Awaza, Turkmenistan

# Unlocking SDG Finance in LLDCs through Integrated National Financing Frameworks

## Organized by INFF Facility (UNDP, UNDESA, UNICEF, OECD), UNDP, Government of Turkmenistan (TBC)

**Date and time**: 7th August, 2025, 18:15-19:45 (GMT+5) **Venue**: Room TBC, Awaza Conference Center

#### Background

Landlocked Developing Countries (LLDCs) face significant financing challenges due to their geographic isolation, high trade and transport costs, and limited access to global markets. Infrastructure deficits, including inadequate roads, railways, and energy systems, further restrict economic growth and investment opportunities. Foreign direct investment remains low as geographic barriers and perceived risks discourage external investors. Additionally, LLDCs are highly vulnerable to climate change with extreme weather events, including droughts, floods, and rising temperatures, which threaten agriculture, water resources, and infrastructure. Substantial investment in adaptation and resilience is required, yet access to climate finance remains insufficient. Addressing these challenges requires integrated approach to financing and enhanced international cooperation to mobilize resources effectively.

Integrated National Financing Frameworks (INFFs) provide a comprehensive approach for countries to mobilize and align public and private investments with their policy frameworks, ensuring that financial flows are effectively channeled towards sustainable development goals (SDGs). More than twenty LLDCs are using an INFF approach to forge a more inclusive, sustainable and resilient financing ecosystem with a focus on enhancing disaster risk reduction and accelerating climate action initiatives. LLDCs are using INFFs in diverse ways, from developing a comprehensive INFF financing strategy linked to the Medium-Term Development Plan in Mongolia, to developing a sector-based financing strategy in Armenia and Nepal, to leveraging innovative financing instruments such as sovereign SDG Bond to finance infrastructure development, green energy and other SDGs in Uzbekistan.

The new Programme of Action (PoA) for LLDCs (2024–2034) emphasizes the critical role of INFFs in mobilizing resources, strengthening financial planning, and fostering international cooperation to address LLDC-specific challenges. By integrating INFFs into national strategies, LLDCs can unlock sustainable financing, enhance resilience, and drive inclusive economic growth.

### Objectives of the side event

The side event aims to:

- 1. Highlight how LLDCs are using the INFF approach to shape country-led financing strategies for the implementation of the new Programme of Action (PoA) and the national development priorities
- 2. Exchange country experiences and best practices in developing and implementing INFFs
- 3. Emphasize the role of INFFs in helping LLDCs formulate and implement robust financing policy frameworks that align with SDG investments
- 4. Discuss partnerships to support SDG financing and INFFs in LLDCs

### Guiding Questions for discussion/s

- What are the financing priorities at the country level?
- How can INFFs help LLDCs align their financing strategies with national development priorities and SDGs?
- What are country examples leveraging INFFs in strengthening public and private financing ecosystem and unlocking finance to SDG priorities?
- What innovative financing mechanisms are being used by LLDCs use to mobilize domestic and international resources effectively? How can LLDCs utilize INFFs to finance critical infrastructure projects, including transport and digital connectivity?
- What successful examples of LLDCs implementing INFFs can provide insights for other countries facing similar financing challenges?
- How can global partnerships and donor coordination be enhanced through INFFs to

support LLDCs?

• How does the latest PoA for LLDCs (2024–2034) integrate INFFs as a key solution for financing development?