

2025 INFF Facility Partner Meeting

SESSION NINE

From Crisis to Resilience through INFFs

Date and time: 23 January – 12:00-13:00

Session focal point: Piper Hart (piper.hart@undp.org)

Background

As the number of countries facing fragility and crisis increases, it is imperative that policy reforms and solutions put forward through the FfD4 process focus on ensuring that sustainable development financing reaches these contexts.

Persistent poverty and inequality, deadly conflicts, gender-based violence, the climate emergency, rising inflation and debt distress threaten SDG progress and are leading to an increase in the number of countries characterized as fragile or crisis-affected. These countries are particularly vulnerable to becoming trapped in a crisis cycle, wherein limited financial resources are used for crisis response, leaving no room for investment building resilience and supporting sustainable development.

In this era of polycrisis, the global community must recognize that today's crises are increasingly long-lasting, recurring, and complex, and therefore require multi-year, integrated development and financing solutions. In particular, significantly increased investment is needed to address the root causes of fragility and crisis, to manage risk and to accelerate implementation of the SDGs.

Despite a clear and pressing need, sustainable finance is not reaching fragile and crisis contexts at the scale and speed necessary. There are a number of challenges faced in financing in fragile and crisis contexts. First, far too often, ODA is seen as the only viable source of finance in fragile and crisis contexts. ODA, even when used as effectively as possible, will never be sufficient to meet financing needs. The global community must look at how to invest ODA in leveraging new sources of public and private finance in fragile and crisis contexts.

Second, when financing is available, it often does not respond to core crisis prevention and response needs – needs that must be addressed as a prerequisite to achieving the SDGs. There is a need to ensure that financing for development includes financing to address ongoing crises to and to build resilience to future shocks, whether related to climate, conflict, health or others.

Third, many financing solutions require strong ownership and capacity at country level, as well as a functioning institutional and regulatory environment. There is a need to work closely with country counterparts in fragile and crisis contexts, including national and sub-national governments, private sector entities, civil society, community groups, media, parliaments and others, to build readiness to take forward and monitor progress of financing efforts.

Finally, both real and perceived risks limit investment in fragile and crisis contexts. In a world that is facing unprecedented risks, we must support risk-informed and risk-tolerant financing, and bring it to those places facing the highest levels of risk. This includes building coalitions to de-risk private sector and IFI investment in these contexts.

While the AAAA notes that development finance can contribute to reducing vulnerability to crisis and highlights the importance of coherence of financing across the HDP Nexus, it does little to ensure that diverse financing sources reach fragile and crisis contexts. As we look at the state of the world in the lead up to FfD4, it is vital that we use this opportunity to make a global commitment to support all countries in accessing public and private financing, as an essential piece in moving from fragility and crisis to resilience and sustainable development.

Objectives

The primary objective of this session is to discuss how INFFs can be used to leverage financing to support crisis prevention and response, while building resilience, promoting peace and accelerating achievement of the SDGs. Specifically, it will:

- Provide an opportunity to reflect on why financing is not reaching fragile and crisis contexts, despite these countries being home to more than half of the world's poor
- Highlight how policymakers are already using INFFs to increase public and private finance available in fragile and crisis contexts, and ensure it is aligned to HDP priorities
- Strengthen partnerships to support financing in fragile and crisis contexts, including how to engage the humanitarian community in financing dialogue
- Discuss key priorities and messages on financing in fragile and crisis contexts, to be highlighted within the FfD4 process and outcome

Guiding Questions

- What specific challenges are faced by countries facing fragility and/or crisis in mobilizing public and private finance?
- How can INFFs support countries in increasing financing available for resilience and sustainable development?

- How does the INFF approach need to be adapted to better respond to the challenges faced by fragile and crisis contexts?
- What commitments are needed in the FfD4 outcome to ensure financing reaches fragile and crisis contexts?

Format

The session will begin with interventions from two policymakers, who will share experiences in using the INFF approach to increase financing for crisis prevention and/or response, as well as for sustainable development priorities. The panel will continue with interventions from two development partners, who reflect on how they are scaling up support to financing efforts in fragile and crisis contexts. Following initial panel interventions, there will be time for questions and comments from participants.

Agenda

60 minutes

TIME	SESSION	SPEAKERS
5 mins	Welcome + introduction	Ms. Corli Pretorius , Head of Research, Analytics, Learning and Innovation Team, UNDP
25 mins	Panel discussion 5 minutes per panelist	Panelists: <ul style="list-style-type: none"> • H.E. Semereta Sewasew, State Minister of Finance, Ethiopia • Mr. Franck Corneille Mampouya-M'Bama, Director General of Planning and Development, Ministry of Planning, Statistics, and Regional Integration, Republic of Congo • Mr. Hammad Hundal, Manager, Country Strategy and Engagement Division, IsDB • Mr. Vitalice Meja, Executive Director, Reality of Aid Network Africa • Mr. Carlos Acosta, Deputy Director, Programme Group, UNICEF
20 mins	Questions and comments	All
10 mins	Key takeaways and implications for FfD4	All