

**Workshop on “Budgeting for the SDGs: Progress in Budget Reforms,  
Monitoring and Accountability for the SDGs”**

26 May 2017  
New York, U.S.A.

Summary

On 26 May 2017 in New York, the United Nations Development Programme (UNDP), the United Nations Department of Economic and Social Affairs (UNDESA), and the International Budget Partnership (IBP) convened representatives of ministries of finance, supreme audit institutions, UN agencies, civil society organizations, and bilateral development partners for a one-day workshop on “Budgeting for the SDGs: Progress in Budget Reforms, Monitoring and Accountability for the SDGs”.

The workshop aimed to share good practices on budget reporting, monitoring, and accountability and to develop practical, collaborative actions to help governments fulfill their commitments to sustainable development. Specifically, the workshop’s objective were to: (i) foster policy coherence by anchoring the SDGs in budgets; (ii) share good practices of SDG budgeting, monitoring and reporting; and (iii) develop practical approaches at the international and national levels for effective and accountable spending, monitoring and reporting on the SDGs.

The workshop followed the Financing for Development Forum, which acknowledged the demands the 2030 Agenda puts on public budgets and capacities, and recognized “the importance of better disaggregation of budget and expenditure data at the national and subnational levels, including by sex, to improve tracking of spending related to the Sustainable Development Goals and efforts to improve gender equality, accountability and transparency...”<sup>1</sup> It is a critical time for actors in various institutions to explore how SDGs are translating into national policy, budgets, spending and results and to connect the dots across actors and sectors.

Participants highlighted questions to consider in aligning policies and budgets. They include how SDG budgeting approaches may support budget reform, for example, as countries move towards performance-based budgeting; how to address different 2030 Agenda issues and sectors in the budget in a holistic way; and whether to take a “big bang” approach or more incremental approaches to SDG budgeting. An example of the latter would be to have a checklist of SDGs when formulating or assessing a project. An example of the former would be to adopt a financial management information system, which is fully coded to the SDGs.

Participants noted the challenges involved in SDG budgeting, including revealing the importance of this long-term agenda and convincing various actors of it; low capacity for governments to undertake cost-benefit analysis; and balancing different policy priorities, such as climate,

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<sup>1</sup> Final Draft Outcome of the Financing For Development Forum,  
[http://www.un.org/esa/ffd/ffdforum/wp-content/uploads/sites/3/2017/05/E-FFDF-2017-L.1\\_Draft-Outcome.pdf](http://www.un.org/esa/ffd/ffdforum/wp-content/uploads/sites/3/2017/05/E-FFDF-2017-L.1_Draft-Outcome.pdf)

biodiversity, gender and poverty. Time and human resources are critical factors as well. Some countries, such as Mexico, may take less than a year to align the SDGs with the budget using their existing system, while for others this may require integrating this agenda over many years as part of their long-term budget reform process.

There are many lessons to learn from the MDGs, including the difficulties of tracking spending and comparing data. There were distinct challenges in tracking some goals, such as gender, and delays in producing and publishing data on actual expenditure. Factors such as decentralization, privatization and off-budget support and expenditures can further complicate monitoring efforts.

To overcome such challenges in budgeting and monitoring, participants emphasized the importance of connecting with existing systems, indicators and human resources; understanding and articulating how the SDGs relate to domestic priorities and decision-making processes; being open with aid data and budget information in a timely, consistent manner, ensuring they reflect government plans and policies over a multi-year period; joining up data and making it 'SDG-readable' and having a clear, legal mandate for the collection of data. In countries such as Malawi, expenditure tracking surveys, public expenditure reviews, program-based budgeting, effective sector working groups and the aid management platform have enabled reporting and tracking. In Mexico, the institutional architecture allowed for the alignment of the budget with the SDGs through its national planning design, accounting harmonization, programmatic structure based in budgetary programs and its existing performance evaluation system and team.

Collaboration across different stakeholders, including parliament, civil society, supreme audit institutions and the media can help strengthen accountability for the resources invested in pursuit of the SDGs. Auditing or reviewing country preparedness for SDG implementation and conducting performance audits in sectors related to SDGs, for example, can help enhance planning, policy coherence, coordination and government's monitoring and evaluation. The implementation of strong communication strategies can encourage engagement of different stakeholders and promote sharing effective practices. Experiences in Brazil, India, Lusophone Africa, the Philippines and Serbia demonstrate how various accountability actors are working together to strengthen public financial management systems and governance towards development goals.

### **Practical steps going forward**

Participants noted several ideas to further enhance SDG budgeting, monitoring and accountability. They include capturing the experience and methodology of countries that have aligned the SDGs with their budgets and developing guidance on integrating the SDGs in the budget process. Key messages and examples can be written up in forthcoming publications, such as UNDESA's World Public Sector Report, Inter-Agency Task Force on Financing for Development progress reports, as well as case studies on specific system-wide and sector-based approaches.

At the country level, there can be fora that bring different actors around the table to localize the SDGs, map processes for engagement, provide feedback on indicators, and complement government data with citizen-generated data. There can be outreach to influential actors such as the insurance industry, international service organizations and faith-based communities. Media engagement and citizens budgets that explain investments towards the SDGs can foster inclusion in the 2030 Agenda and enhance accountability. Commitments and progress on SDG budgeting, monitoring and accountability can be captured in voluntary national reviews to the High Level Political Forum, performance evaluation systems and national monitoring, follow-up and review efforts and reports.

There can also be further analysis of the challenges countries face, such as delays in reporting. A deep dive in existing data on budget reports, for example, can help understand how long it takes governments to report and identify incentives for improved timeliness of reports. Standards and benchmarks can also help improve reporting performance.

Participants appreciated the diverse perspectives and methodologies presented in the workshop. They welcomed further engagement on these issues, including the organization of regional workshops, virtual sharing of tools and practices, and peer exchanges.