# IDB and UNDP Renew Partnership for Sustainable Development in Latin America and the Caribbean

**Date**: 2024-04-22

**Location**: Washington D.C., United States

## Executive Summary

The IDB and UNDP have renewed their 25-year partnership with a new framework agreement aimed at enhancing sustainable development in Latin America and the Caribbean. This agreement focuses on key areas such as poverty reduction, climate action, productivity, and institutional capacity building. It aims to streamline operational processes, enabling more efficient joint actions and resource mobilization. The expected impact includes improved development outcomes through reduced duplication and enhanced collaboration. Additionally, a separate cooperation agreement between CAF and UNDP targets climate vulnerability and flood risk reduction in coastal urban areas of Chile and Ecuador, with a budget of approximately $12.88 million. This project emphasizes risk adaptation and knowledge sharing among stakeholders.

## Characteristics

* **Enhanced Collaboration Framework**: The IDB and UNDP renewed their partnership with a new agreement to accelerate sustainable development in Latin America and the Caribbean, streamlining operational processes for joint action.
* **Priority Areas**: Focus on poverty reduction, climate action, productivity and innovation, and institutional capacity building, with joint programs targeting vulnerable populations.
* **Implementation Modalities**: Involves joint analysis, co-financed projects, and shared knowledge products to enhance development impact.
* **Specific Project Agreement**: The CAF-PNUD agreement targets climate vulnerability and flood risk reduction in urban coastal areas of Chile and Ecuador, emphasizing collaboration and knowledge sharing.
* **Financial Commitment**: The project is funded with $12.88 million from the Adaptation Fund, with strict guidelines on resource allocation and reporting.
* **Monitoring and Reporting**: Regular progress reports and audits are mandated to ensure compliance and effective use of resources throughout the project lifecycle.

## Actors

| Category | Actor |
| --- | --- |
| Political Actors | Inter-American Development Bank (IDB); United Nations Development Programme (UNDP); Ilan Goldfajn; Achim Steiner; Juan Bernardo Requena Blanco; Matilde Mordt |
| Economic Actors | Inter-American Development Bank (IDB); Development Bank of Latin America and the Caribbean (CAF); World Bank |

## Main Themes

| Category | Subcategory |
| --- | --- |
| Regional & International Cooperation | Bi-regional Cooperation; Global Digital Cooperation |
| Data & Governance | Digital Governance; Data Governance |
| Inclusion & Social Development | Sustainable Digital Development; Digital Inclusion |

## Practical Applications

* **IDB & UNDP Enhanced Collaboration Framework Agreement**: A renewed partnership agreement signed on April 22, 2024, aimed at accelerating sustainable development in Latin America and the Caribbean, focusing on poverty reduction, climate action, productivity, innovation, and institutional capacity building.
* **Joint Programmes for Poverty & Inequality Reduction**: Initiatives targeting vulnerable populations as part of the collaboration between IDB and UNDP.
* **Climate Action Projects**: Coordinated support for mitigation, adaptation, and resilience projects under the IDB and UNDP partnership.
* **Productivity & Innovation Initiatives**: Programs to foster sustainable growth and digitalization as part of the IDB and UNDP collaboration.
* **Project on Climate Vulnerability Reduction**: A cooperation agreement between CAF and UNDP for a regional project in Chile and Ecuador aimed at reducing climate vulnerability and flood risk in urban and semi-urban coastal areas.
* **Funding from the Adaptation Fund**: The project between CAF and UNDP is funded by the Adaptation Fund, with a total budget of $12,880,000 allocated for its execution.
* **Project Management by UNDP**: The UNDP is responsible for executing the project aimed at reducing climate vulnerability in coastal cities, ensuring compliance with environmental, social, and gender policies.
* **Establishment of a Steering Committee**: A committee formed by representatives from CAF, the Ministries of Environment of Chile and Ecuador, and UNDP to oversee the project’s implementation.
* **Regular Progress Reports**: The project requires the submission of semi-annual progress reports to ensure accountability and track the project’s advancement.
* **Capacity-Building Workshops**: Shared knowledge products and workshops are part of the implementation modalities under the IDB and UNDP collaboration framework.

## Commitments

* IDB and UNDP will co-finance projects and blended-finance instruments to support sustainable development in Latin America and the Caribbean, with specific targets to be defined in joint programmes.
* The Adaptation Fund will provide up to **$12,880,000** for the execution of the project aimed at reducing climate vulnerability and flood risk in coastal urban and semi-urban areas of Latin America.
* The project will focus on three cities, specifically targeting hydrometeorological hazards, with a commitment to implement the project within the timeframe established in the agreement, which will not exceed the duration of the CAF-FA agreement.
* The project will deliver a **mid-term evaluation report** within **90 days** after the fifth semi-annual report.
* The project will submit a **final evaluation report** within **90 days** of project completion.
* The project will provide a **semi-annual progress report** to CAF within **30 days** after the commitment of **80%** of the semi-annual acquisition plan is executed.