



Nações Unidas
SÃO TOMÉ E PRÍNCIPE



UNITED NATIONS SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK

Sao Tome & Principe
2023 - 2027

United Nations Sustainable Development Cooperation Framework



Sao Tome & Principe
2023-2027

Declaration of Commitment

The United Nations Cooperation Framework for Sustainable Development 2023-2027 is the primary instrument for the planning and implementation of sustainable development activities of all UN entities operating in Sao Tome and Principe towards the achievement of the 2030 Agenda.

The Cooperation Framework is the result of an extensive participatory process at technical level, co-led by the Government and UN, including civil society, bilateral and multilateral development partners and non-resident UN agencies, as well as at policy level through a strong dialogue at the highest level of Government, at the Prime Minister's Office, thanks to the trust that the UN enjoys in Sao Tome and Principe.

The United Nations system is committed to focus its development efforts on an inclusive social system, climate action, green and blue growth as well as transparent and accountable institutions, which are key national priorities and part of the country's core development policies. The Government of Sao Tome and Principe is looking forward to a strengthened UN program to support its renewed efforts in accelerating the Sustainable Development Goals and to leave no one behind.

By signing herewith, the Government of Sao Tome and Principe and the United Nations entities operating in Sao Tome and Principe endorse the Cooperation Framework 2023-2027 and reaffirm their shared commitment to the strategic priorities.

United Nations System

Government of Sao Tome and Principe

Resident Coordinator

Prime Minister

Signatures

In witness thereof, the undersigned, being duly authorized, have signed this United Nations Sustainable Development Cooperation Framework for the period 2023 -2027 on xx of xxx in Sao Tome and Principe, underscoring their joint commitment to its priorities and cooperation results.

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Representative for Angola
and Sao Tome and Principe
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Francoise Bigirimana
Representative a.i.
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UN Women

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Bernard Gomez
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West and Central Africa
WMO

Jean Luc Mastaki
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ECA

Juan Carlos Alvarez
Representative Angola and
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WB

“The World Bank Group’s Country Partnership Framework for Sao Tome and Principe (STP) sets out the partnership objectives agreed between the World Bank Group and the national authorities. Within this country partnership, the World Bank Group broadly contributes to priority areas also reflected in the UN’s Sustainable Development Cooperation Framework for STP, consistent with its development mandate and country engagement approach, and coordinates closely with the UN, STP and other development partners”

Pietro Toigo
Representative Angola and
Sao Tome and Principe
AfDB

“Building on the African Development Bank Country Strategy, the High 5s and the Ten Years Strategy and Agenda 2063 priority areas, the AfDB intends to support the priority areas of the UN’s Sustainable Development Cooperation Framework for 2023-2027 in São Tomé and Príncipe, that are consistent with the AfDB’s strategic commitment as agreed with the Government of São Tomé and Príncipe. The Bank intends to partner with the UN on the coordination of aid and effectiveness of development. The AfDB may open consultation with the UN system on the development of its Country Strategy and on its programming choices”

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List of acronyms and abbreviations

AfDB - African Development Bank
BOS –Business Operations Strategy
CCA – Common Country Analysis
EU – European Union
FAO – Food and Agricultural Organization
GCF –Green Climate Fund
GEF –Global Environment Fund
HACT – Harmonized approach to cash transfers
ICAO - International Civil Aviation Organization
IFAD – International Fund for Agricultural Development
IFI – International Financial Institutions
ILO – International Labour Organization
UNCG – United Nations Communication Group
MICS – Multiple Indicator Cluster Survey
NGO – Non-governmental organization
OHCHR – Office of the High Commissioner for Human Rights
OMT –Operations Management Team
LDC - Least Developed Countries
LNOB - Leaving No One Behind
NDC - Nationally Determined Contributions
ODA - Official Development Aid
RBM - Results Based Management
SDG - Sustainable Development Goals
SIDS - Small Island Development States
STP - Sao Tome and Principe
ToC – Theory of Change
UNECA - United Nations Economic Commission for Africa
UNEP – United Nations Environment Programme
UNCT – United Nations Country Team
UNDG – United Nations Development Group
UNDP – United Nations Development Programme
ECCAS - Economic Community of Central African States
VNR – Voluntary National Report for the Sustainable Development Goals
UNESCO – United Nations Educational, Scientific and Cultural Organization
UNHCR – The United Nations High Commissioner for Refugees
UNICEF – United Nations Children’s Fund
UNIDO – United Nations Industrial Development Organization
UNODC – United Nations Office for Drugs and Crime
UNSDCF – United Nations Sustainable Development Cooperation Framework
UN Women - United Nations Entity for Gender Equality and the Empowerment of Women
WASH – Water, Sanitation and Hygiene
WB – World Bank
WHO – World Health Organization



Executive summary

This Cooperation Framework concerns the period 2023-2027 and is the main instrument for the UN to support the Government in achieving the Sustainable Development Goals (SDG) by 2030, thus covering 5 of the 7 remaining years to implement Agenda 2030. The UN's joint analysis has identified 7 main cross-cutting development challenges which underpin the roadmap to make the Sustainable Development Goals a reality for those left mostly behind. These are:

Weak economy which does not generate enough decent jobs nor resources for socio-economic development

Quality of education is insufficient to access decent jobs to young women and men in particular

Poor nutrition, hygiene and **low access to improved sanitation and clean water** affect health and educational outcomes of the poor

Delivery of **essential health services** is insufficient to evolving needs while vulnerable people are not adequately covered by social protection programs

Adaptation to Climate change and biodiversity conservation are not mainstreamed in policy making and implementation

Weaknesses in control mechanisms, institutional capacities and core public administration functions, affect the effective delivery of services to the population

Weaknesses in the justice system affect negatively the protection of vulnerable groups and the development of the private sector development

The country's strategic vision has been captured in the transformative agenda "Sao Tome and Principe 2030: The Country We Want", the pathway towards sustainable economic and social development as well as the Sustainable Development Plan for the autonomous region of Principe, called "Principe 2030". It presented its first Voluntary National Report (VNR) in July 2022 that provides for an overview of the progress so far, though lack of disaggregated and recent statistics hampers an in-depth analysis of trends and emerging policy challenges.

The UN's support takes into account its comparative advantages as a multilateral organization and is focusing on 4 main strategic areas:

1. INCLUSIVE SOCIAL SYSTEM

The UN will contribute significantly to the following development outcome:

By 2027, people in STP, in particular the people left behind and most vulnerable, benefit from quality and inclusive social systems and have access to integrated social protection

The UN support will be focused on four areas:

- Institutional capacities are strengthened - with active community participation - to implement the national health policy and strategies, including nutrition and WASH, for universal health coverage
- Institutional capacities are strengthened, with active community participation, to achieve quality learning results, including behavioral changes and market-oriented skills
- The governance of the social protection system is reinforced, including civil society capacity, to ensure effective and integrated social protection to the most vulnerable
- Multi-sectoral case management is strengthened, for the prevention and coordinated response to violence, especially against women and children

2. CLIMATE ACTION

The outcome to which the UN will significantly contribute concerns:

By 2027, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation

The UN support is centered on 4 areas aiming at the following results:

- Institutional capacities for measuring and integrating climate change and low carbon into policies and program implementation are strengthened

- Institutional and civil society capacities to protect, fund and manage the land and marine biodiversity are strengthened
- The capacities for disaster risk preparedness, early warning systems and response mechanisms to address SIDS climate vulnerabilities are strengthened
- Public Institutions have strengthened capacities and funding to implement renewable energies

3. BLUE AND GREEN GROWTH

The outcome to which the UN system will significantly contribute concerns:

By 2027, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy

The UN will channel its support to contribute to results in the following areas:

- Institutional capacities are strengthened to design and implement policies to increase productivity using environmentally friendly techniques and to ensure commercialization of local products derived from green and blue economy
- Entrepreneurs' access to financial and non-financial business services is improved, in particular for women and youth
- Institutional capacities to reinforce Blue Economy governance and attract investments for decent blue jobs and entrepreneurship, in particular for women and youth, are strengthened.

4. TRANSPARENT AND ACCOUNTABLE INSTITUTIONS

The outcome to which the UN system will significantly contribute concerns:

By 2027, people benefit from transparent, responsive and gender-sensitive institutions

The UN will provide its support to achieve the

following results:

- Improved capacity to provide access to equitable, gender/child sensitive, and impartial justice system to all
- The implementation of the international standards and best practices for transparency, control mechanisms and accountability are strengthened
- Increased capacities for collection and analysis of disaggregated data, for policy and planning RBM and performance management in support of the acceleration of SDGs and those left behind

The above areas will likely be impacted by the main external risks that the country faces such as the high dependency on aid and imported goods/fuel, the risk of mismanagement of potential oil bonanza, the vulnerability of a small island state to climate change, the Ukraine Russia war, international crime and regional dynamics that impact the peace and security of STP.

Four cross-cutting themes have been identified, which are also reflected in the accelerators for sustainable development. First, **digitalization**. For a small island state, which suffers from the high cost of insularity, including transportation, digitalization can offer great opportunities to be better connected with state-of-the-art knowledge and allow development leaps. Second, **innovation and technology**. Lessons learned from the past and new ideas should open up the ways for fast-tracking development and leapfrogging. Third, **resilience** of the population who resides in a small island state that is very vulnerable to climate change while being one of the few carbon-neutral countries in the world. Fourth, **gender equality**, as more equal participation by both men and women in all aspects of development will contribute to more sustainable outcomes.

Furthermore, the country is set to graduate from the Least Developed Country (LDC) category by 2024, which will impact its ability to access certain inherent facilities that have been supporting development in the past, thus requiring a new modality of leadership and a renewed focus on the

building blocks and accelerators to implement STP's vision by 2030. This will also impact the funding for the UN as the country moves out of the ODA dependency.

This Cooperation Framework represents the collective efforts of all UN agencies, resident and non-resident, to contribute with their expertise to Sao Tome and Principe's development. It will be operationalised through joint work plans with an

online platform «UN Info» with real-time data on achievements and an overall Steering Committee co-chaired by the Ministry of Foreign Affairs and the Resident Coordinator of the UN in Sao Tome and Principe to ensure transparency and accountability of UN operations, in line with national priorities. At the end of its program cycle, a joint evaluation will be conducted to document the lessons learned and to formulate recommendations for the next cycle.



CHAPTER 1

Progress towards the 2030 Agenda

STP faces development challenges that are typical of small and insular states, imprinted in its structural multi-dimensional vulnerabilities, and that affect its ability to deal with all sorts of shocks and to achieve balanced budgets, with high dependence on imports to satisfy domestic demand, particularly basic consumer goods and fossil fuels. Its remoteness increases production costs and its size and ability to reach production scales curbs the diversification of its economy, making it more vulnerable to external shocks.

In 2022 the country presented its first VNR, to showcase the great socio-economic progress since its independence in 1975 with base education enrolment rates of girls and boys close to 100%, a life expectancy that is over 70 years of age (73 years for women), and vaccination rates, maternal mortality (130/100 000 live births) and under five mortality rates (16.1/ 1000 live births) among the best in the region. Average expenditures for the health and education sectors over 2016-2020 have been at 13.9% and 16.6% of the general government expenditures, well above the ECCAS mean of 5.9% and 12.9% respectively. The economic performance, measured by GDP, shows an important increase per capita, from \$1,130 in 2010 to \$2,449 in 2021, and the country is now considered a middle-income country. Access to electricity has evolved from 69% in 2014 to 83% in 2019. Thanks to its rich biodiversity, both on land and in the sea, it qualifies as one of the few carbon-negative countries in the world.

The inaccessibility of much of the primary forest that covers more than one fourth of the landmass makes it one of the richest and most diverse forest ecosystems in Africa and a haven for endemic and threatened species.

The geographical location of the two islands, Sao Tome and Principe, surrounded by an Exclusive Economic Zone that is 160 times the land surface, explains the country's geostrategic importance.

Unfortunately, the incidence of poverty in STP has remained practically unchanged in the past decade, with the worsening of inequality in income distribution and a slightly increasing

gender inequality index to 0.49 in 2021. The Covid-19 pandemic and the Ukraine crisis have negatively impacted the country, causing a huge drop of tourists income since 2020, which compounded by the impact of the high prices of agricultural and fuel imports, have worsened the public debt, now close to 100% of the GDP.

Climate change induced problems such as reduced rainfall and consequent reduction of river flows, flooding, loss of biodiversity, pollution of rivers, streams, and springs by chemicals, and increased coastal erosion are of great concern to the national authorities. The disorderly expansion of urban areas, deforestation and forest degradation, the use of areas with agricultural potential for other purposes and the consequent degradation of the soil are also part of the list of problems.

The socio-economic development of STP has been largely funded by Government expenditures, sustained by external aid and government borrowing, as well as by foreign direct investment mostly in the tourism and related services sector. About 97% of the public investment budget is financed through debt and external aid. The country has grown accustomed to relying on foreign resources but national sources of wealth and its comparative advantages as a small island state have not yet been sufficiently exploited to cater for the needs of a youthful population with a median age of 22.5 years and 61% under the age of 25.

The VNR also notes that STP reduced official unemployment rates over the past 10 years, however, this relates to the formal sector, which employs less than a third of the working population. Moreover, the report highlights the persisting problem of sexual abuse of minors, gender inequality, high rates of Gender-Based Violence (GBV) and girls' marriage before the age of 15. The problem of early pregnancy of girls is also highlighted. Worryingly the VNR informs that in recent years the subject of corruption has gained much prominence in Santomean society, especially in the public domain.





CHAPTER 2:

UN System support to the 2030 Agenda

2.1. Process of establishing priorities

This Cooperation Framework is based on the Common Country Analysis (CCA) of the United Nations, an in-depth and independent multidimensional analysis of the country's situation, focused particularly on the state of implementation of the 2030 Agenda and the identification of the most vulnerable population groups, with a view to leaving no one behind (LNOB) and understanding the reasons why these groups are in the situation of exacerbated vulnerability. Data used in this document have been taken from the CCA 2022, which is the reference document for the Cooperation Framework.

It adopts a Human Rights-based approach, anchored in the principles of the LNOB, considering equality, equity and non-discrimination, participation and accountability, gender equality, women's and youth empowerment, and multidimensional resilience building as integral components of its results programming, and integrated and multidimensional programming approach, aligning directly with the "five Ps" of the 2030

Agenda: People, Prosperity, Planet, Peace and Partnerships.

The priorities of the new Cooperation Framework are based on a Theory of Change, reflecting the strengths and weaknesses of the development landscape but also the opportunities and the risks that the CCA identified. These concern, among others, the structural vulnerabilities of a small island state with a small internal market, low degree of economic diversification and disproportionately impacted by the consequences of climate change, the impact of the Ukraine-Russia war compounded by the high dependence on ODA and imported goods, in particular fuel and food products, the regional dynamics of the Gulf of Guinea impacting peace and national security and possible cause of displacement and the potential discovery of oil which represents a huge opportunity as well as threat to an inclusive and green economy. The 7 main cross-sectoral development challenges that the CCA has identified, concern:

Weak economy which does not generate enough decent jobs nor resources for socio-economic development

For the majority of the population, income is generated through low-productivity subsistence farming, fishing and other informal activities. The subsistence agriculture, however, cannot satisfy domestic demand both in terms of quantity and price, and most food products are imported. A minority of the working population is engaged in formal high productive sectors such as tourism, services and manufacturing. The fishing sector is suffering from over-exploitation and depletion of marine resources. The value of imports are nine times that of exports, and fuel is a major source of

foreign debt as 90% of electricity is generated by thermal power stations while the country possesses great potential for renewable energy. Socio-economic investments are mostly driven by ODA with insufficient private sector capital to accelerate progress towards SDGs while the state budget is covering operational expenditures and the cost of a heavily subsidized social sector and public utilities.

Quality of education is insufficient to provide decent jobs to young women and men in particular

With 61% of the population below 25 years and a median age of 18.6 years, the labor market is unable to absorb the large number of unskilled youths with poor educational ratings. Enrolment rates for basic education are high but not the quality of education prevents that most youth are able to successfully access the formal labor market. The high net annual population growth of 2% is putting additional strains on the education system but could also become an important source of growth in future. Early childbearing (22% of girls bear their first child before 18 years of age) often reduces the chances of girls for a quality education.

Poor nutrition, hygiene and low access to improved sanitation and clean water affect health and educational outcomes of the poor

Most dwellings do not have any form of improved sanitation, 45% of the population practice open defecation and only 24% meet the SDG criteria for basic domestic water and sanitation and hand-washing facilities. The country suffers a double burden of malnutrition with 59% of children under 5 suffering from anaemia while obesity rates are among the highest in Africa. One fifth of the poor households had to take their kids out from school due to their financial situation. This explains why the most deprived have the poorest health and educational outcomes.

Delivery of essential health services is insufficient to evolving needs while vulnerable people are not adequately covered by social protection programs

Despite a good network of health posts and medical personnel, the access to health prevention, promotion, treatment, and medicines is inadequate. Social protection is covering around 13 % of the population while extreme poverty is at 25.9%, and thus is not sufficiently comprehensive to allow those most vulnerable to develop their potential and rise out of poverty. High consumption of locally brewed alcohol, drug use by youth, poor nutrition and low physical activity impact on the disproportionately high rate of non-communicable diseases.

Adaptation to Climate change and biodiversity conservation are not mainstreamed in policy making and implementation

Climate change already produces noticeable effects in STP, e.g., with rapid pace of sea level rise already causing severe coastal degradation and salinization, and an increase in the incidence of extreme weather events and a highly variable climate which could also result in displacement of the affected population. Natural hazards increasingly impact the islands. In addition, there are few incentives put in place to preserve marine and land biodiversity. Illegal logging for housing construction and the demand for new farmland for agriculture and horticulture are potential threats

to the forests. Firewood and charcoal are the main sources of fuel used for cooking by most of the San Tomean population, especially in rural communities.

Weaknesses in control mechanisms, institutional capacities and core public administration functions affect the effective delivery of services to the population

The current control mechanisms are weak, and the relatively large public service has severe capacity weaknesses. Social and family networks play an important role in a small society. Basic institutional capacity to plan, implement and monitor policies have structural challenges. This also includes the inability to effectively enforce fishing licenses to foreign industrial fishing fleets and illegal harmful fishing practices that have depleted marine resources and led to over-exploitation. Potential oil discoveries, which can be an important source of sustainable growth, will put additional strains on the existing governance mechanisms.

Weaknesses in the justice system negatively affect the protection of vulnerable groups and the development of the private sector development

Women, youth, children, and the poorest segments of society have difficulties in accessing and in obtaining justice. More than one third of households are headed by women. The incidence of domestic violence and sexual abuse of women and children is a major concern. Negative social norms further undermine efforts to bring justice to perpetrators and victims. The private sector is also impacted by the weak justice system with low capacity to settle disputes and uphold property and contractual rights.

The priorities of the UN for this Development Cooperation Framework consider its comparative advantages for each of the 7 cross-sectoral challenges. The CCA analysis of the root causes and structural transformation conditions has also identified a set of development accelerators. These are reflected in the following table.

CROSS-SECTORAL CHALLENGES AND ACCELERATORS FOR THE ACHIEVEMENT OF SDG in STP

	Weak economy which does not generate enough decent jobs and not enough resources for socio economic development	Quality of education is insufficient to provide decent jobs to young women and men in particular	Poor nutrition, hygiene and low access to improved sanitation and clean water affect health and educational outcomes of poor	Delivery of essential health services is insufficient to evolving needs while vulnerable people are not adequately covered by social protection	Adaptation to climate change, and biodiversity conservation are not mainstreamed in policies and implementation	Weaknesses in control mechanisms, institutional capacities and core administration functions affect effective delivery of services	Weaknesses in the justice system affect negatively the protection of the vulnerable and the development of the private sector
ACCELERATORS	Reform of electricity sector and transition to green energy	Improved teacher capacities and school management	Improved local production and commercialization of local food products	Digitalization of health care systems and interlinkage with social registry	Evidence generation and evidence-based planning for climate adaptation	Improve PFM systems and fiscal policy	Digitalization of the justice system
	Financial inclusion, access to mobile banking and finance system	Digitalization in educational learning methods	Investment in adequate water/sanitation in schools and health structures	Community health prevention programs	Improved protection of land and marine biodiversity	Improved digitalization of public services and data	Strengthened role of the Attorney General's Office.
	Entrepreneurship development in lucrative value chains	Introduction of healthy behavior, life skills and entrepreneurship in education	Improved urban planning	Production and management of evidence-based health data to inform policies and resource allocation	Green financing, climate adaptation and resilience investments	Inter-sectoral coordination and approaches	Training of judges
	Innovative mechanisms to involve diaspora in development	Increased investment in professional and vocational training	Solid waste management and waste-water treatment as well as recycling investments	Capacitated health workers and available basic equipment in clinics	Increased capacity for preparedness, early warning, and response to disasters	Improved RBM and performance management. Core administrative functions of planning, budgeting, implementation, and monitoring	Improved women political and civic participation
	Better regulatory framework for private sector and its enforcement	Partnership with tertiary institutions		Improved laws and systems to ensure availability of quality drugs and medical products		Strengthened anti-corruption and IATI compliance for oil revenue management	Review of legal framework to enhance independence of justice and rules for ethical conduct
	Fiscal reforms for improved tax base and tax collection			Expanded social security system		Strengthening of civil society and local actors for advocacy, public transparency and conflict prevention	Improved access of rights holders to justice and integrated GBV services

2.2 Theory of Change

Despite significant socio-economic progress stemmed from large inflow of official development aid and the transition from a large self-subsistence agriculture-based model to a service-oriented economy driven by wholesale, retail trade and tourism, many challenges remain. The 7 main cross-sectoral challenges that have been identified by the UN team concern the weak formal economy that is unable to generate sufficient decent jobs and resources to fund the continued socio-economic development for a rapidly growing population and the social protection system to protect the most vulnerable. Closely interrelated to the first challenge, the quality of the education system both formal and vocational/professional training, is not sufficient to provide decent jobs to the young population. Although enrolment rates on basic education are high, pre-primary enrolment rate and secondary education completion rates remain low and quality overall is insufficient. Similarly, the acquisition of foundational and soft skills is not properly preparing the young to meet the demands of the formal labour market. Third, poor access to sanitation, including inadequate sanitary practices, as well as poor nutrition that manifests itself in relatively high rates of anaemia and obesity are impacting on the health and educational outcomes. Fourth, the health system while having a large geographical coverage and providing for free health care is not geared to deliver an integrated package of essential health services to address, among others, the steep rise in non-communicable diseases. This is linked to unhealthy habits and consumption patterns, but also limited qualified human resources and specialized equipment. Fifth, climate change is impacting negatively on the socio-economic infrastructure of the country which is rich in land and marine biodiversity but not sufficiently addressed. Sixth, the governance challenges weigh heavily on all sectors, including state companies, as core public administration functions such as budgeting, planning, translating policies into programs, coordination, monitoring and evaluation are weak, and put the achievement of the SDGs at risk. Finally, the effectiveness and independence of

the justice sector as well as the application of accountability and control mechanisms in the country, which hampers private sector investment, are put to the test with growing resources and potential oil revenues in future. Public leadership in tackling the above challenges will determine whether STP can achieve the SDGs by 2030.

The collective analysis of the UN identified four main strategic areas of focus where it has the comparative advantages to advance the SDGs and make impact: (i) an **inclusive social system** that ensures that people most left behind have access to health, education and social protection, while addressing the root causes of governance weaknesses, poor nutrition and sanitary practices as well as unhealthy consumption patterns; (ii) **climate action** that addresses the potential impact of climate change to protect communities and that ensures a transition to renewable energies, reducing the high dependency on imported fuel for electricity generation; (iii) **green and blue growth** that guarantees sustainable exploitation of the rich resources in an environmentally friendly way; and (iv) **transparent and accountable institutions** that consolidate the governance system across all sectors, which is the backbone of the previous 3 strategic areas.

With an important presence in-country, a general recognition as a key development actor and trusted partner, the UN can convene stakeholders for collective joint efforts and to mobilize development expertise in order to strengthen national capacities. Additionally, the UN System supports resource mobilization from private sector, bilateral and multilateral funding sources. The UN system facilitates knowledge sharing and supports data collection, building the capacity of Government as well as civil society.

The four strategic areas will contribute to the country's overall vision of having people live decently in a stable and democratic Santomean society. The expected results of the UN System

initiatives and joint work should contribute significantly to ensure that by 2027, people in STP, in particular, the people left behind and most vulnerable, benefit from quality and inclusive social system and have access to integrated social protection, benefit from institutions which integrate climate action and renewable energies into policies and programmatic implementation, and from national stakeholders who create more decent jobs in environmentally friendly blue and green economy and benefit from transparent, responsive and gender-sensitive institutions.

The people left behind have been identified as those in situation of poverty or extreme poverty, women and youth suffering from violence and lack of access to the labour market, children suffering from violence and poor nutrition, people working in the

informal sector, people in rural areas in particular Caué and Lembá who have relatively the lowest access to services, people on the island of Principe due to double insularity and high cost of transport, the elderly and people living with disabilities.

Overall, the UN system will advocate for greater resilience of the population and institutions to vulnerabilities, in social, economic and environmental areas. The sustainability of the UN actions will depend on the capacity of the government to mobilize domestic and external resources, either public or private. Innovative and multi-stakeholder alliances are required as well as the use of digitalization, new approaches as well as new technologies. The theory of change (ToC) for the UNSDCF is summarized in the text box below.

In 2030, people live decently in a stable and democratic Santomean society with an inclusive social system and integrated social protection; transparent, accountable, and gender-sensitive institutions which mainstream climate action and renewable energies in policies and programmes; with a strong private sector that is able to create decent jobs in the green and blue economy,

IF, people receive equitable quality social services and the most marginalized enjoy social and legal protection that empowers them to advance,

AND IF, institutions and strategies develop and implement sound evidence-based policies, fostering innovation and digital technology, to create decent job opportunities, sustainably manage the green and blue economy, mitigate climate vulnerabilities, and uphold justice and rule of law in line with international human rights standards,

AND IF the people, diaspora, and civil society are resilient, connected to knowledge and engaged in socio-economic development

AND IF the country can mobilize the domestic and external funding, either public or private, for sustainable development, including energy transition and biodiversity conservation

THEN, People live decently in a stable and democratic Santomean society with an inclusive social system, transparent and accountable institutions and a vibrant green and blue economy that create decent jobs

2.3 Strategic Priorities for the UN System

The United Nations System in São Tomé and Príncipe will support the acceleration of national development priorities and progress towards the SDGs in an integrated way, with an increased commitment to leave no one behind, in order to build intersectoral resilience. As Sao Tome and Principe is committed to graduation from the LDC category by 2024, the country team will assist the transition to a more diverse funding base, with increased private and external funding beyond the strong dependency on ODA. The four Strategic Priorities, following from the preceding Theory of Change are as follows:

2.3.1 Strategic Priority 1: Inclusive Social System

The large investment which has been made in education and health over the past decades has led to a remarkable improvement of social indicators, in particular in terms of access. However, the institutional capacities to implement policies that are evidence-based and that allocate resources according to empirical data and trend analysis are not advancing at the same speed. The governance system in education, health as well as in social protection is the main bottleneck in addressing the weaknesses in the quality of the service delivery. A steady increase in domestic resources to the health and educational sector has shown its impact but require further consolidation. The quality of human capital, including through the opportunities that a sound social protection system can offer to lift people out of a situation of vulnerability, is essential in boosting the productivity of the economy. In small island states like Sao Tome and Principe, digitalization is a key enabler to provide access to knowledge and expertise in the social sectors. The health and educational outcomes are also closely co-related to the quality of access to water and sanitation as well as to improved nutrition. An improved health system must count on health financing reform and an integrated package of essential services including prevention protection, diagnostic, treatment and rehabilitation at community and primary health care, in line with National

Health Policy 2022-2023. The promotion of healthy behavioural changes to increase the knowledge of health risks, the environmental and digital awareness, to reduce the high alcohol and sugar consumption and increase physical exercise show strong benefits for the socio-economic welfare of the population. Strengthening the social system requires a two-pronged approach at policy implementation level as well as at community level, involving civil society, community, and religious leaders. Policy implementation needs to rely more heavily on improved and disaggregated data generation and analysis as well as strong leadership and management. The quality of education, with market-oriented skills training and supported by a structured and sustainable nutrition programme, will determine the future development outcomes of the country in an increasingly competitive world in which the sharply growing young population will need to participate actively to attain the goals of socio-economic progress, environmental protection and effective governance. The sustainability of the social sectors requires a gradual phasing out of the aid dependency and a strengthened link with the formal labour market that will allow the increased allocation of domestic resources.

2.3.2 Strategic Priority 2: Climate Action

Climate changes are impacting disproportionately the socio-economic infrastructure of the country, and are not yet sufficiently integrated in policy making and program implementation. The major source of greenhouse gas emissions is the 95% of total electricity produced from fossil fuel, which also negatively impacts the country balance of payments. Coastal communities are the most vulnerable to the rising sea level and the risk of flooding. Deficiencies in solid waste management and in hygiene practices form a particular risk for the public health, while climate change is also impacting the agriculture and fisheries sector. Overfishing and unsustainable fishing practices have decreased fish populations and reduced the capacity of marine resources to absorb carbon emissions and to regenerate. As biodiversity at land and at sea are considered public goods, the institutional capacities of Government ministries are key to protect these resources and to implement climate adaptation. As premised in the Nationally Determined Contributions (NDC) report of Sao Tome and Principe and its goal of reducing emissions by 27%, the mitigation of climate change requires external funding and focuses mainly on the energy transition towards renewable energy sources such as solar and hydro-electric power

generation, instead of fossil fuels, while vegetable charcoal still constitutes a large part of the fuel needs of rural communities. Increased energy efficiency and reduced network losses will also help this transition. Greater public awareness of the environmental challenges and the role of Government can be strengthened through greater civil society engagement. The financing of the rich biodiversity of the archipelago through carbon pricing or emissions offsetting is key to preservation of primary forest, mangroves and marine resources, and its endemic species. The climate change challenges also require a stronger degree of preparedness and response to natural disaster as well as early warning systems and mechanisms to measure climate change and its detrimental effect on development gains. Its rich biodiversity and its status of Small Island State requires a strong presence of Sao Tome and Principe in international forums to advocate for climate action and climate financing. The creation of World Heritage sites, biosphere reserves and geoparks could also help support government efforts and strengthen the mobilization of the international community to conserve biodiversity and foster sustainable development.

2.3.3 Strategic Priority 3: Green and Blue Growth

The vulnerability of the eco-system in STP does not allow for systemic large scale agriculture or industrial activities. The high cost of transport and logistics as a small island development state, the high cost of energy and the small market are negatively impacting the competitiveness of the economy and the viability of businesses. Digitalization can overcome some of these disadvantages. In

addition, ecological agriculture and its processing using environmentally friendly techniques can target external niche markets, based on sound value chain analysis and international partnerships. Ecotourism could also provide for a major source of economic growth and job creation if stronger linkages to the green and blue economy and related service sector are created. Overall, the

business environment for domestic and foreign private sector operators as well as the availability of financial and non-financial business services need to be enhanced to attract private capital and to facilitate the transition of the informal economic operators. An increased capacity of electricity generation to allow for more reliable energy supply to businesses is a basic condition to develop any green or blue sector. A mutually reinforcing and enabling policy framework for biodiversity conservation and sustainable exploitation of land and marine resources, as well as the enforcement of environmental protection, can boost the economy. This also implies a strong role of civil society in monitoring the implementation of environmentally friendly practices and in developing innovative solutions to preserve biodiversity and foster environmental awareness. While the blue

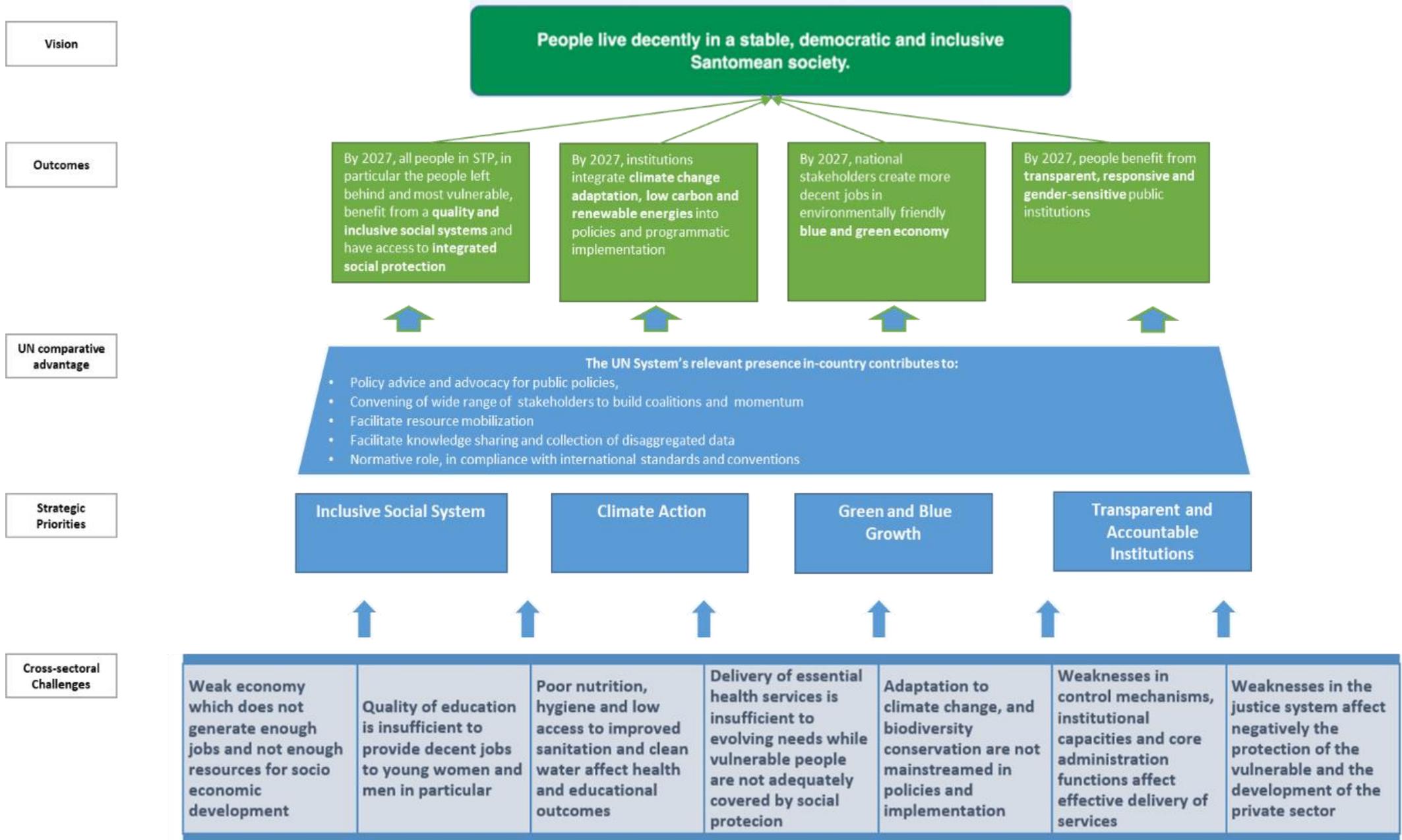
economy provides for great opportunities due to the large size of the exclusive economic zone surrounding the islands, the limited monitoring and enforcement mechanisms to ensure the sustainability of fishing practices and its related blue economy activities are a source of concern. International partnerships and domestic efforts to strengthen the rule of law are required to scale up the sustainable exploitation of marine resources. Despite achieving better educational results, women are lagging behind in economic empowerment. Unemployment rates for women almost double those for men and socio-economic norms are hampering their full involvement in formal employment in the blue and green economy.

2.3.4 Strategic Priority 4: Transparent and Accountable Institutions

The achievement of results in the economic, social and environmental area requires strong and accountable institutions that provide leadership and are able to formulate realistic and measurable SDG driven policies and programs, with investment plans and monitoring mechanisms. The reform of the justice sector is at the heart of the modernization of the governance system as the trust of citizens as well as businesses in an independent and professional justice system is condition *sine qua non* for sustainable development. Similar to other SIDS, with a small internal market and high operational costs, economic opportunities are relatively limited, while illicit traffic, financial flows and offshore financial constructions are tangible external threats. Technology can increase transparency and compliance with international norms and standards as digitalization of systems and tools are introduced in public institutions.

A strong voice of civil society in the advocacy and monitoring of transparency and accountability of institutions is an incentive to implement reforms. The rights of the most vulnerable can only be protected through an independent and professional justice system that is impartial and upholds high standards of ethics, but also the ratification and domestication of relevant international and regional human rights treaties. The high cost of fuel imports weighs heavily on the state budget and reduces the fiscal space to invest in the modernization of the state apparatus. As private sector funding and public sector loans will increasingly finance development efforts while ODA flows will reduce over time, the public finance management and anti-corruption measures are essential to ensure efficient use of resources.

THEORY OF CHANGE



2.4

DEVELOPMENT OUTCOMES



OUTCOME 1: By 2027, people in STP, in particular the people left behind and most vulnerable, benefit from quality and inclusive social systems and have access to integrated social protection

Weaknesses/challenges	Accelerators	United Nations contributions
<p>Major deficiencies in teacher trainings</p> <p>Poor in market-oriented skills</p> <p>Weaknesses in nutrition, hygiene and waste management practices</p> <p>Poor access to clean water and improved sanitation</p> <p>Social protection and child protection services are not interlinked and are silo oriented</p> <p>Basic public administration functions of planning, data analysis and monitoring</p> <p>Poor infrastructure, limited equipment and lack of qualified staff</p> <p>Limited awareness on healthy and protective behaviours</p> <p>Socio-cultural norms that reinforce gender inequality</p>	<p>Capacitated workforce and improved school management</p> <p>Increased investment in non-formal education and professional and vocational training</p> <p>Introduction of healthy behaviour, life skills and entrepreneurship</p> <p>Digitalization of information and management systems in social sector and evidence-based policy making</p> <p>Community health and violence prevention programs</p> <p>Improved framework for availability of quality drugs and medical products</p> <p>Investment in adequate water/sanitation</p> <p>Solid waste management, treatment and recycling</p> <p>Expanded social security system</p>	<p>Institutional capacities are strengthened - with active community participation - to implement the national health policy and strategies, including nutrition and WASH, for universal health coverage</p> <p>Institutional capacities are strengthened - with active community participation - to achieve quality learning results including behavioural changes and market-oriented skills for those left behind</p> <p>The governance of the social protection system is reinforced - including civil society capacity - to ensure effective and integrated social protection, to the most vulnerable</p> <p>Multi-sectoral case management is strengthened for the prevention and coordinated response to violence, especially against women and children</p>

The access to health, education and social protection have greatly improved but the emphasis is shifting to more quality services and to ensure that the most vulnerable also benefit from the system. Despite its increasing performance and geographical coverage, the health system remains fragile, highly dependent on external financing and unable to cope with the epidemiological transition and emerging threats. In general, delivery of health services in Sao Tome and Principe has been impeded by governance challenges and poor health infrastructure. The current learning offer for the growing young population of school-age children is insufficient and inadequate and not adapted to the needs of labour market, with a limited offer of

technical and vocational training. Pre-schooling is far from universal and youth policies are not fully integrated in the social environment, therefore, the need for strengthened institutional capacities, including statistics and planning, to implement evidence-based policies, as well as greater civil society involvement. Certain deeply rooted socio-cultural norms continue to lead to Gender Based violence and violence against children, one of the major human rights concerns. The social protection system's future effectiveness will depend on how it can integrate the various support schemes and empower the vulnerable population to contribute to the socio-economic development of the country.

Theory of Change

Institutions will provide efficient, quality, resilient and sustainable social services and ensure access to integrated social and legal protection schemes, in particular to the most vulnerable, **IF**:

- Their capacities to develop and implement the national health policy and strategies for universal coverage, including the water, sanitation and nutrition dimensions, are strengthened,
- Their capacities to produce nationwide quality learning results, including behavioral changes and market-

oriented skills are strengthened,

- The protection system to ensure increased, effective, and integrated social protection to the general population is strengthened, and,
- The Multi-sectoral case management to prevent and coordinate the response to violence, especially against women and children, is strengthened.

THEN, people in STP, in particular the people left behind and most vulnerable, benefit from quality and inclusive social systems and have access to integrated social protection

Comparative advantages of the United Nations in Social sector and Social protection:

The comparative advantages of the UN are the following:

- (i) In-country presence of the UN with strong social policy expertise and program implementation capacity to accompany the Government in its efforts to improve the quality of health and education
- (ii) Capacity to mobilize funds from international partners and at regional and global level, such as the HIV AIDS Tuberculosis, Malaria Global Fund and the Global Alliance for Vaccination (GAVI);
- (iii) Strong expertise in capacity building of national partners;
- (iv) Partnerships with civil society organizations and capacity building programs aimed at strengthening the role of civil society actors;
- (v) Expertise in the area of social policies, health and education, nutrition and social protection
- (vi) Strategic planning expertise and monitoring and evaluation capacity;
- (vii) Normative role of the UN and ensuring the compliance with international norms and standards;
- (viii) Data generation and analysis, in particular with respect to LNOB.

Support from the United Nations:

Health strategies and policy: The UN will contribute with technical and normative support, including policy support, health financing reform, medicine management, WASH in health centres and schools, community prevention and social behavioural change, evidence-based planning, data gathering/analysis and information systems, family planning services, obstetric services, sexual reproductive health, early preparedness, response and recovery plans for health outbreaks and capacity building for the national nutrition program.

Quality learning and market-oriented skills: The UN System will contribute with school management and capacity building of teachers, coordination initiatives with parents' associations and trade unions, evidence-based advocacy for increasing domestic funding, digital learning, parental education, capacity building for non-formal education and vocational training centres and national school feeding program, strengthen information management systems, and comprehensive sexual education in-out of school.

Effective and integrated social protection: The UN System will contribute with technical and normative support in social protection, integrated services, and expansion of coverage of social security, advocacy for single social registry, evidence-based advocacy (using the budget briefs) for increased domestic funding, evidence-based real time data in social protection system, and capacity building for social workers and psychosocial support.

Response to violence, especially against women and children: The UN System will contribute with technical support to operationalise multi-sectoral coordination for case management, community prevention programs and multi-sectoral behavioural change strategy to address GBV/VAC, capacity building for GBV/VAC with Government and Civil Society, data collection and evidence based advocacy, positive parenting, and development of standards for prevention and response (reporting mechanism and referral system).

Partnerships:

To deliver the outcome 1, UN will partner with Government Ministries (specifically the Ministries of Health, of Education, of Labour and Social Protection, of Youth, Justice, Infrastructure), the National Social Security Institute, National Gender Equity Institute, civil society organizations, private sector and international development actors (AfDB, WB, Global Fund) and Bilateral partners.

OUTCOME 2: By 2027, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation

Weaknesses/challenges	Accelerators	United Nations contributions
Lack of funding for biodiversity conservation	Evidence generation and evidence-based planning for climate adaptation	Institutional capacities for measuring and for integrating climate change and low carbon into policies and program implementation are strengthened
Limited political leadership to position STP for climate funding	Improved protection and management of land and marine biodiversity	The capacities of institutions and civil society to protect, fund and manage the land and marine biodiversity are strengthened
Weak mainstreaming of climate change adaptation in policies	Green financing, climate adaptation and resilience investments	The capacities for disaster risk preparedness , early warning systems and response mechanisms to address SIDS climate vulnerabilities are strengthened and protect the most vulnerable
Weak capacity to disaster risk preparedness and response and the lack of early warning systems	Increased capacity for preparedness, early warning and response to disasters	Public Institutions and private sector have strengthened capacities and funding to implement renewable energy and energy efficiency projects and related business models
Poor enforcement mechanisms for biodiversity conservation of land and marine resources	Inter-sectoral coordination and enhance regional integration	
Lack of integrated solid waste management strategy	Improved RBM and performance management. Core administrative functions of planning, budgeting, implementation and monitoring	
High dependence on fossil fuel electricity generation and high cost and various barriers for the integration of renewable energies	Strengthening of civil society and local actors	
Limited public knowledge and awareness	Reform of the electricity sector and transition towards renewable energy	

Sao Tome and Principe's ecosystem is rich in endemic species and the large maritime resources are a major contribution to the carbon sink in the world. Its rich biodiversity is being jeopardized by rapid population growth, which is putting pressure on resources. The use of forest resources is an important part of life in rural communities and contributes to nutrition and food security. Additionally, it depends on imported oil for energy production, with only 5% coming from clean sources, and the high price of electricity (potentially on the rise due to external shocks), combined with frequent power cuts means that alternative energy sources such as biomass (firewood and agricultural waste) become an important source of energy at the household level and in the small-scale commercial sectors. Furthermore, 46% of Santomean households use polluting fuels and technologies for cooking, with only 3% using clean fuels and technologies for cooking and lighting. Both practices accentuating even more the pressure on the environment.

In recent years, climate change has affected the length of the rainy season, the amount and frequency of rainfall, and resulted in higher temperatures. Its impacts have not gone unnoticed on the socio-economic infrastructure and livelihoods derived from agriculture and/or fishing in STP and on coastal communities at risk, but also disproportionately on women. It is becoming clear that the expansion of economic activities to support inclusive and sustainable growth while maintaining biodiversity must consider the potential impact of climate change and natural hazards that have already led to major socio-economic losses for the country and that may lead to internal displacement of people. The country is signalling a willingness to embark on the energy transition and the blue economy. However, despite the efforts to strengthen the environmental legal and regulatory framework, STP's institutional capacity to sustainably manage and safeguard its natural resources remains limited.

Theory of Change

People in Sao Tome and Principe will have increased resilience to vulnerabilities, especially to climate change, and the public policies and strategies will further foster the sustainable development of the economy, taking advantage of the vast natural resources for the benefit of the present and future generations, **IF:**

- The institutional capacities to measure and integrate climate change and low carbon into all policies and programmes are strengthened,
- The institutional and civil society capacities to protect, fund and manage the land and marine biodiversity are strengthened,
- The disaster risk preparedness plans, early warning systems and response mechanisms to address SIDS climate vulnerabilities are in place, and,
- public institutions have expanded partnerships, increased technical capacities and funding to implement the energy transition

THEN, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation

Comparative advantages of the United Nations in Climate Action:

The comparative advantages of the UN System are the following:

- (i) Expertise in evidence generation on climate change impact and adaptation practices
- (ii) In-country presence to advocate for low carbon development model
- (iii) Resource mobilization expertise to access – among others - GEF, Adaptation Fund, Central African Forests Initiative (CAFI), and Green Climate Fund
- (iv) Public policy expertise and conceptual framework for energy transition
- (v) Normative standards and norms related to international UN conventions on climate and protection of affected population, and support to its reporting and implementation of international obligations
- (vi) Community level engagement to raise awareness and capacitate civil society, women and youth groups

Support from the United Nations:

Measuring and integrating Climate Change: The UN System will contribute with the elaboration of National Adaptation Plan and measuring climate change, small grant projects, urban resilience, climate resilient irrigation infrastructure, and capacity building for agriculture from the perspective of Climate Change.

Protect, fund and management of land and marine biodiversity: The UN System will contribute with capacity building initiatives for protected marine and land areas, mobilization of climate financing, forest and landscape restoration, review of legal and regulatory framework of natural resources management, introducing low cost and durable innovative technological solutions, small grants program, and youth engagement.

Disaster risk preparedness, early warning and response: The UN System will contribute with initiatives for mitigation of floods impacts on agriculture, assessment of disasters risk response, financial and technical capacity building in disaster risk management and for emergency response.

Strengthen capacities to implement renewable energies: The UN will contribute to de-risking the investment in renewable energies, by improving the legal and policy framework, increasing national capacities to manage the energy transition, increase access to clean energy by increasing the financial viability and promoting scaled-up commercial investment with a focus on cost-reduction levers and innovative business models

Partnerships:

To deliver the outcome 2, UN will partner with Government Ministries such as the Ministries of Infrastructure, of Finance/Blue Economy, Agriculture, Environment, and Tourism and Culture. It will also work closely with CONPREC, the national council for disaster prevention and response. In addition, the UN will partner with international development actors (AfDB, WB and EU), financing mechanisms such as GEF and GCF, bilateral partners, private sector, specialized institutions such as IRENA, and UNESCO World Network of Reserves.

OUTCOME 3: By 2027, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy

Weaknesses/Challenges	Accelerators	United Nations contributions
<p>High transportation cost</p> <p>High dependence on imports and fossil fuels</p> <p>Cumbersome procedures for setting up a business</p> <p>Weak regulatory framework for private sector companies</p> <p>Unreliable electricity supply, due to lack of capacity and inefficiencies, and its high cost</p> <p>Limited bandwidth</p> <p>Weak mechanisms for dispute resolution and enforcement of contractual obligations</p> <p>High degree of informal economy</p>	<p>Financial inclusion, access to mobile banking and finance system</p> <p>Entrepreneurship development in lucrative value chains</p> <p>Better regulatory framework for private sector and its enforcement</p> <p>Fiscal reforms for improved tax base and tax collection</p> <p>Improved local production and commercialization of local food products</p> <p>Inter-sectoral coordination and enhance regional integration</p> <p>Improved RBM and performance management. Core administrative functions of policy, planning, budgeting, implementation, and monitoring</p> <p>Strengthening of civil society and local actors</p>	<p>The institutional capacities are strengthened to design policies and implement programs to increase productivity using environmentally friendly techniques and to ensure commercialization of local products derived from green and blue economy</p> <p>The access of entrepreneurs to financial and non-financial business services is improved, in particular for women and youth</p> <p>The institutional capacities to reinforce Blue Economy governance and attract investments for decent blue jobs and entrepreneurship, in particular for women and youth, are strengthened</p>

The economy of Sao Tome and Principe remains structurally small, insufficiently diversified and highly vulnerable to shocks. For most of the population, income is generated through low-productivity subsistence agriculture, fishing, and other predominantly informal activities. A minority of the working population is engaged in high-productivity formal sectors such as tourism, services, and manufacturing, which explains why only 21% of the population is covered by social security, and why two-thirds of the population is still considered poor. The private sector is small, underdeveloped and largely informal, the technical and financial capacity of local entrepreneurs is limited, and the investment climate is poor due to weaknesses in regulations, in the judicial system, in the financial sector, as well as a deficient, expensive, and unreliable electricity sector with insufficient capacity. The high cost of fuel imports reduces the prospects for mobilizing more internal and external development finance. The country trade for both

goods and services is barely connected with the sub-region. However, despite these disadvantages, STP has some unique comparative advantages, which, if well exploited, could boost socio-economic development and the implementation of the SDGs. Some of the economic growth factors that have been identified include accelerating access to finance, including mobile banking, entrepreneurship development and reviewing the regulatory framework for the private sector to allow more investment in tourism, services sector and green/blue economy. Fiscal reforms could improve the tax base and the interest of the well-educated diaspora in the green/blue economy and related tourism sector may become another comparative advantage. Enhancing regional integration can also help overcome some of the limitations of the current domestic market and create new business opportunities.

Theory of Change

Stakeholders will develop and implement sound evidence-based policies and strategies, fostering innovation and digital technology, sustainably managing the green and blue economy to create decent job opportunities,

and the country will be able to mobilize additional public and private funding for sustainable socioeconomic development, **IF:**

- The institutional capacities to design policies and implement programs to increase productivity using environmentally friendly techniques and to ensure commercialization of local products derived from green and blue economy are strengthened,
- The institutional capacities to manage the Blue Economy and to attract investments for decent blue jobs and entrepreneurship are strengthened, and,
- The entrepreneurs, particularly women and youth, access to financial and non-financial business services are improved.

THEN, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy

Comparative advantages of the United Nations in Green and Blue Economy :

The UN System's comparative advantages in the area of green and blue economy are as follows:

- (i) Relevant presence in-country to accompany Government in formulation and implementation of programs
- (ii) Capacity to mobilize resources for the Government in the area of Green and Blue Economy
- (ii) Subject matter expertise on environmentally friendly techniques for green economy
- (iii) Partnerships with private sector and civil society organisations
- (iv) Expertise on the legal framework for green and blue economy
- (v) Value chain analysis from sustainable development perspective
- (vi) Data generation and analysis for the green and blue economy

Support from the United Nations:

Increase productivity, transformation and commercialization of local products: The UN System will contribute with increasing climate smart agricultural and fisheries practices, value chain analysis for the green and blue economy, general census of agriculture, bio transition for green economy, strengthen information management systems, capacity building, access to markets, and impulse to agro-ecology reference centre and the development of a circular economy associated to waste management.

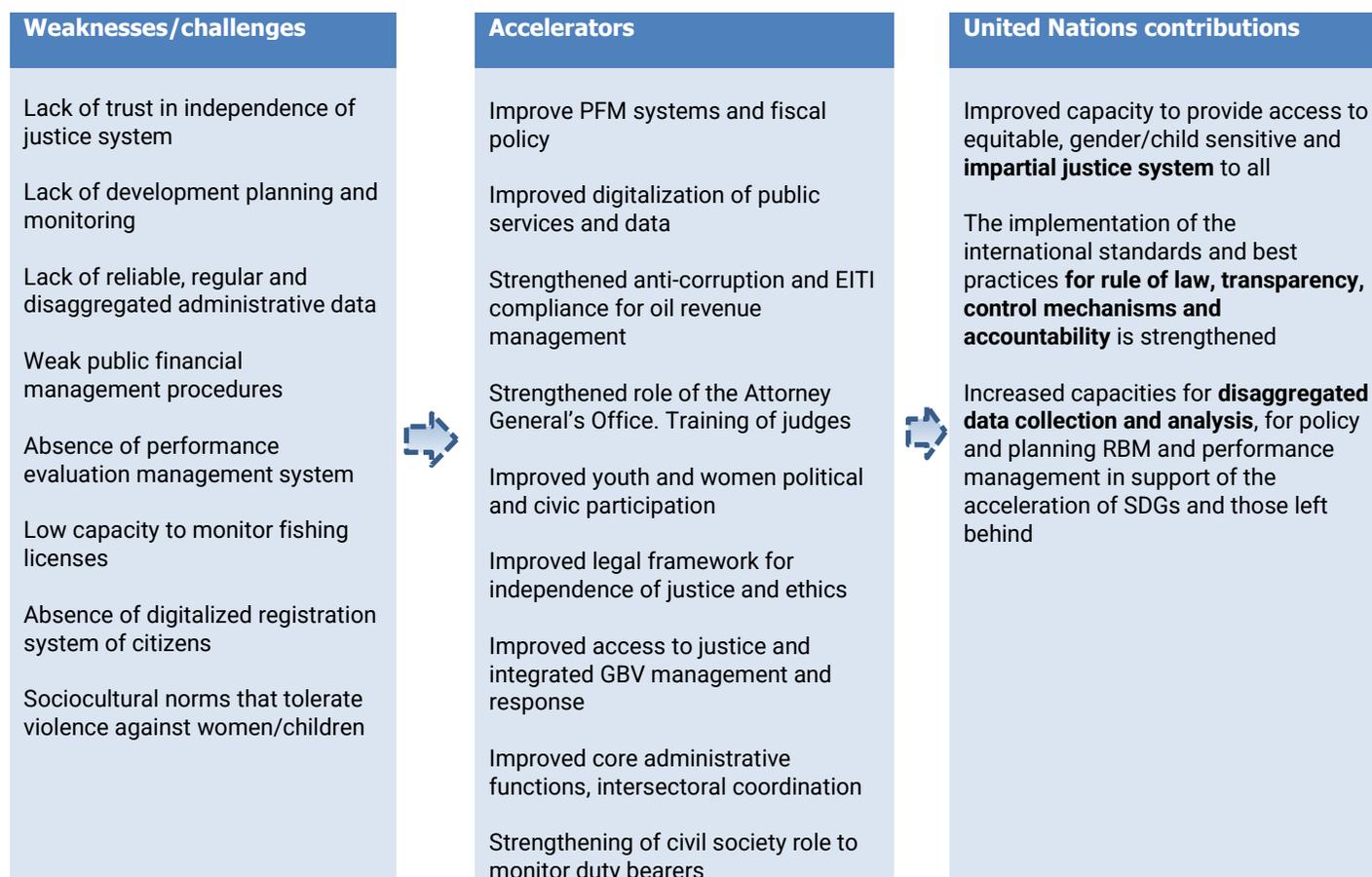
Access of entrepreneurs to financial and non-financial business services: The UN System will contribute to improving the business environment and strengthening the entrepreneurial ecosystem, especially supporting youth and women, coordination between business organizations, development of market intelligence and inclusive markets, promoting dedicated legal and tax regimes for small operators and financial inclusiveness. Special focus will be given to blue and green economic sectors such as tourism, agrobusiness, waste management, renewable energies and sustainable fisheries, and to participation of women.

Reinforce Blue Economy governance and Attract investments to Blue economy: The UN System will contribute with strategy development and capacity building of the national Blue Economy strategy, financing and investment for Blue Economy and climate adaptation, strengthening of governance and multi-annual planning and data generation in blue sectors. The UN system will also contribute to the improvement of the business legal and operating framework as well as to the regional market integration of the country.

Partnerships:

To deliver the outcome 3, UN will partner with Government (specifically the Ministries of Infrastructure, of Finance, of Agriculture, of Labour, of Youth, The Central Bank, the National Institute for Statistics), the Chamber of Commerce, international development actors (AfDB, WB, EU), bilateral partners and climate funds, the AfCFTA secretariat.

OUTCOME 4: By 2027, people benefit from transparent, responsive and gender-sensitive institutions



Sao Tome and Principe is considered an example of democracy and peace in the Central African region. The governance system is based on a social contract between Citizens and the State, and the backbone for upholding the Constitution is an effective rule of law that protects citizens' freedoms and rights and ensures access to justice. However, the challenges of governance and the Citizen/State social contract are abundant. On the one hand the state is seen by the population as the provider of wealth and services, but tax payments are minimal, making ODA seen as the solution to all problems. On the other hand, the political environment is hampered by permanent latent conflict, mutual distrust between the main political actors, and the poor social cohesion is linked to poverty and poor social indicators, except health and education.

Social cohesion is also affected by growing economic inequality, and citizens do not see the benefits in their social contract with the state, with poor and inefficient service delivery. Complicating matters further, the social contract is also weakened by a growing informal economy. Yet

another challenge lies at the level of rule of law institutions, in particular the relatively weak justice system. The widespread perception of corruption and the lack of credibility and independence of the justice system are signs of weak social cohesion. The imbalance of the rule of law and the justice system is the main challenge for the fight against corruption and the implementation of the development agenda and the sustainability of peace in the country. There is a perception that there is neither equality before the law nor fairness in the application of the law, excluding vulnerable members of the population. This also impacts on justice for children with limited prosecution capacity. In addition, there is frequent arbitration, lack of procedural and legal transparency, and lack of independent instruments for oversight of the justice sector, with the politicization of justice as an additional factor contributing to political instability and economic fragility. Moreover, the still emerging civil society faces structural weaknesses to become a dominant voice, with no institutional spaces to channel its position to the organs of sovereignty.

Theory of Change

The country will benefit from a sound leadership, underpinned by technically and financially capable and productive public institutions, working for all populations, and upholding justice and rule of law, **IF:**

- Citizens' access to an equitable, gender sensitive and impartial justice system is improved,
- The implementation of the international standards and best practices for transparency, control mechanisms and accountability is strengthened, and,
- The institutional capacities for disaggregated data collection and analysis, for RBM and performance management in support of the acceleration of SDGs are increased.

THEN, people benefit from transparent, responsive and gender-sensitive institutions

Comparative advantages of the United Nations in transparent and responsive institutions:

The UN System's comparative advantages are the following:

- (i) Relevant presence in-country with in-depth political analysis and well-established networks
- (ii) Global network of expertise and good practices for anti-corruption, transparency, access to information and accountability.
- (iii) Capacity building expertise for core administrative functions such as planning, monitoring, results-based management, and accountability framework for gender and diversity.
- (iv) Impartiality of UN system and trusted partner of the Government for sensitive governance reforms
- (v) Convening power of the UN to involve a wide range of partners in advocacy
- (vi) Data generation and analysis based on the principle of leaving no one behind
- (vii) Intersectoral approaches and convening role in coordination of development actors

Support from the United Nations:

Access to equitable, gender and child sensitive impartial justice system: The UN System will contribute with justice system modernization (digitalization, e-registry and e-governance), child protection (international norms, parenting policies, social support etc.), youth and women political participation, human rights support and advocacy for ratification of UN conventions, mapping and capacity building on justice, gender and human rights, initiatives on workers legal protection and labour standards, and justice for adolescents and children.

International standards and best practices for transparency and accountability: The UN System will contribute to enhance combat and prevention of corruption and illicit traffic, support civil society and media role in transparency and accountability, training on justice and law enforcement, training on budget implementation, strengthen capacities of parliamentary and supreme audit institutions.

Data collection, analysis and performance: The UN System will contribute with initiatives for gender-sensitive budgeting, data collection and analysis, capacity building on results-based management and performance management, and analysis for planning function.

Partnerships:

To deliver the outcome 4, UN will partner with public institutions (specifically the Ministries of Justice and of Finance, the General Attorney, the Supreme Court of Justice, the National Police, the National Assembly, the Youth Parliament, the Court of Auditors, National Gender Institute, and the National Institute for Statistics), and the civil society and private sector (CSOs, media, Counselling Centre for protection of violence against children, south south cooperation and international development actors (EU and Bilateral partners).

SYNERGIES BETWEEN COOPERATION FRAMEWORK OUTCOMES

The four strategic areas and outcomes of the Cooperation Framework 2023-2027 are interrelated and take in consideration cross-cutting relations among economic, social, and environmental dimensions of sustainable development. The four outcomes are interdependent and together contribute to the 2030 Agenda through mutually reinforcing progress towards the achievement of the Sustainable Development Goals.

The Cooperation Framework aims to address the root causes of development challenges in the country, while ensuring that no one is left behind. Many synergies exist between outcomes. As an example, outcomes 1 and 3 consider interventions that improve life skills, healthy behaviour and entrepreneurship development in value chains. This will lead to more decent jobs. By implementing health prevention programs and increasing the capacity for preparedness to disasters, outcomes 2 and 3 strengthen the active involvement of civil society at community level through innovative mechanisms of participation. Outcome 4 addresses the transversal components of digital governance,

rule of law, institutional capacity building and evidence-based planning to consolidate the governance system across all sectors, underpinning the achievement of outcomes 1, 2 and 3.

Embedded in all the outcomes are the cross-cutting themes of digitalization and innovation, resilience and gender equality, further reinforcing the synergies between outcomes. This requires an integrated policy advice by the UN in order to better support the country to achieve the SDGs.

Cross-pillar results are expected in climate change adaptation which involves all 4 strategic areas, and the NAP is the basis for integrated policy advice by the UN. Gender equality and provision of equitable services to LNOB is another area where tangible cross-pillar results are foreseen through better disaggregated data collection and analysis, institutional changes to link access to services and living conditions to governance mechanisms and civil society strengthening to amplify the voice of those left behind.

Alignment between Cooperation Framework Strategic Areas and Global Agendas

Agenda 2063 is the continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development, reflected on the Pan African Vision of an integrated, prosperous and peaceful Africa, driven by its own citizens, representing a dynamic force in the international arena. The Key Transformational Outcomes of this Agenda are: Improvements in living standards; Transformed, inclusive and sustainable economies; an Integrated Africa; Empowered Women, Youth and Children; and Well-governed, peaceful and cultural centric Africa in a Global context. Through identified priority areas, Agenda 2063 linking to Sustainable Development Goals intends synergies and alignment with the Cooperation Framework as follows:

UNSDCF 2023-2027 in Sao Tome and Principe	<i>Inclusive Social System</i>	<i>Climate Action</i>	<i>Green and Blue Growth</i>	<i>Transparent and accountable Institutions</i>
Strategic Areas and Outcomes	By 2027, people in STP, in particular the people left behind and most vulnerable, benefit from quality and inclusive social systems and have access to integrated social protection	By 2027, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation	By 2027, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy	By 2027, people benefit from transparent, responsive and gender-sensitive institutions
Agenda 2063 Goals	1, 2, 3, 5, 7, 11, 12, 13, 17, 18, 20	1, 3, 4, 7, 9, 10, 19, 20	1, 4, 5, 6, 7, 17, 18, 19, 20	1, 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 17, 18, 19, 20
Sustainable Development Goals (SDG)	1, 2, 3, 4, 5, 6, 10, 11 and 16	1, 3, 7, 8, 9, 10, 11, 12, 13 and 17	1, 2, 8, 9, 5, 10, 12, 13, 14, 15 and 17	1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16 and 17

2.5. Configuration of the UN Team

The United Nations System in Sao Tome and Principe will support the acceleration of national development priorities and progress towards the SDGs in an integrated way, with an increased commitment to leave no one behind. It builds on the programmatic strategies of the previous Cooperation Framework to reinforce social cohesion, improve employability, and strengthen country's external credibility to facilitate regional and global economic integration. The evaluation of the UNDAF 2017-2021 highlighted the lack of focus on LNOB, the 2030 Agenda and the absence of a theory of change. It also mentioned the deficiencies in M&E capacity at UN level and the need for more capacity development of national counterparts. That is why the new UNSDCF has been designed around LNOB and mobilizes the collective expertise of the UN to the key strategic priority areas to accelerate progress of the SDGs, with a more robust results framework with indicators and outputs.

The collective analysis of the UN identified four main strategic areas of focus where it has the comparative advantages to advance the SDGs and make impact: (i) an inclusive social system that ensures that people most left behind have access to health, education and social protection, while addressing the root causes of governance weaknesses, poor nutrition and sanitary practices as well as unhealthy consumption patterns; (ii) climate action that addresses the potential impact of climate change and that ensures a transition to renewable energies, reducing the high dependency on imported fuel for electricity generation; (iii) green and blue growth that guarantees sustainable exploitation of the rich resources in an environmentally friendly way; and (iv) transparent and accountable institutions that consolidate the governance system across all sectors, which is the backbone of the previous 3 strategic areas. To deliver on these, the UN will provide the capacities across the System and will be configured to include agencies, both resident and non-resident, committed to contributing towards the cooperation framework outcomes. An expansion of the resident agencies' team is expected with the deployment of a UNODC presence in STP.

UNCT Sao Tome and Principe participation in UNSDCF outcomes

STABLE, DEMOCRATIC, AND INCLUSIVE SAO TOME AND PRINCIPE	Outcome 1 Inclusive social system	By 2027, all people in STP, in particular the people left behind and most vulnerable, benefit from a quality and inclusive social system and have access to integrated social protection services
		WHO, UNICEF, WFP, UNFPA, UNDP, FAO, UNESCO, UNIDO, ILO
	Outcome 2 Climate Action	By 2027, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation
		UNDP, UNEP, FAO, UN-Habitat, UNIDO, WMO, UNESCO, UNDRR
Outcome 3 Green and blue growth	By 2027, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy	
	FAO, IFAD, WFP, UNDP, UN-Habitat, UNESCO, ILO, ICAO	
Outcome 4 Transparent and accountable institutions	By 2027, people benefit from transparent, responsive and gender-sensitive institutions	
	UNDP, UNICEF, OHCHR, UNFPA, UNODC, ILO, UNIDO, UNHCR, UN Women	

Recognizing that STP faces development challenges typical of small and insular states, imprinted in its structural multi-dimensional vulnerabilities, that affect its ability to deal with all sorts of shocks and achieve balanced budgets, with high dependence on imports to satisfy domestic demand, particularly basic consumer goods and

fossil fuels, an exercise was undertaken to identify a UN configuration, needs-based and tailor-made to country context and to respond the priorities of the UNSDCF. In a series of dialogues and discussions, UN entities reflected on capacities (functional and financial), advantages, presence (local and regional level), expertise in international norms and standards, added value, and engagement to identify cross-cutting challenges and accelerator to deliver on UNSDCF commitments and to achieve SDGs in the country.

With an important presence in-country, and general recognition as a key development actor the UN can facilitate partnerships, including cooperation for development priorities and provide the guiding principles of leave no one behind, human rights and gender transformative approaches, as an impartial convener. Through its role as custodian of international treaties and conventions, the UN provides value in international norms and standards fulfilment of duties and obligations through recommendations, from the respective treaties and conventions to which the country is party. The UN support on international standards considers human rights, education, health, nutrition, education, justice and rule of law, labour practices, governance and the environment, among others. Currently, the UN has 8 agencies with a presence in Sao Tome, of which 2 agencies have resident accredited representatives. It is foreseen that the enhanced engagement of non-resident agencies through regional, sub regional or multi-country offices will provide greater access of Sao Tome to specialized expertise.

UNCT Sao Tome and Principe configuration

UN entity	Resident Representative Office *	Deputy / Assistant Representative / Head of Office **	Regional, sub-regional or multi-country office	Short-term technical support
FAO		●		
IFAD			●	
ILO		●	●	
ICAO				●
OHCHR			●	
UNDP	●			
UNDRR				●
UNEP			●	●
UNESCO			●	
UNFPA		●		
UN Habitat		●		
UNHCR			●	
UNICEF		●		
UNIDO			●	●
UNODC			●	
UN Women			●	
WFP		●		

WHO	●			
WMO			●	

* Led by Representative in the country with accreditation from Government – Ministry of Foreign Affairs

** Representing locally the Agency in UNCT / SMT meetings

Collectively, the UN agencies have the required expertise and resources to work towards the attainment of the 4 outcomes through (a) supporting capacity building of institutions and civil society actors at national and local levels (b) use of disaggregated data and advocacy to stay focused on the LNOB agenda (c) leveraging regional/global knowledge networks, strategic policy advice, sharing good practices and offering innovative and integrated solutions and (d) strengthening communities with access to knowledge.

While the main responsibility for the implementation of the Cooperation Framework will rest with the UN signatories, additional expertise from across System, including regional and global levels will be mobilised to support as necessary. The expertise will be essential to provide cutting-edge advice. Resources from the UN System will be utilised on a need basis, with the UN Resident Coordinator playing a key role in mobilising expertise. The non-resident entities will be involved in the work under the UNSDCF by virtual participation in meetings and included in important joint communication.

The UN System responds to the needs of country context through a needs and cross-cutting challenges based tailored presence (resident and non-resident agencies). The UNCT configuration will ensure availability of capacities to implement and achieves UNSDCF commitments. Non-resident agencies will participate in UNCT and in outcome groups through video conference. The UNCT configuration can be revised at any time during the implementation cycle based on gaps or overlaps across entities. The RC office will play a crucial role in ensuring effective interagency responses and policy advice to development challenges of the country.

The new Cooperation Framework provides an opportunity to increase UN capacities in Sao Tome and Principe through the mobilization of the expertise of non-resident agencies. This new approach of implementation could improve the UN support to Government, leveraging its synergies and partnerships exemplified by UN Women, towards formulation and implementation of programmes for removing gender related barriers, end violence against women and girls, women leadership and women’s economic empowerment, and by UNODC contributions to drugs prevention, anti-corruption practices, money-laundering and transnational organized crimes prevention actions. Other new agency partnerships are foreseen with WMO (in close partnership with UNEP and UNDP on measuring climate change), UNDRR (in close coordination with UNDP and FAO on Disaster Risk Reduction) and ICAO (supporting the airport security in order to be taken out of the European Union airport safety blacklist which is constraining the air connections with Europe).

UN modalities of cooperation for planned contribution to the Cooperation Framework

Normative expertise Expertise in international norms and standards for country ratifications and commitments	Partnerships Engagement in networks and partnerships with international and national stakeholders	Advocacy and communication For improvement of formulation, implementation, and evaluation of public policy	Strengthening of institutional capacities, For the achievement of national priorities and development goals
Capacity development Technical knowledge to strengthen civil society capacities and resources	Promotion of citizen participation Informed and active decision making in formulation and evaluation of public policy	Systematization of good practices Identification and collection of tools for decision making and improvement	Knowledge Management Formulation, analysis, use and dissemination of data to improve policies and programmes



CHAPTER 3: UNSDCF IMPLEMENTATION PLAN

3.1. Strategic partnerships

The implementation of the Cooperation Framework requires a range of partnerships, both operational and strategic. National institutions will be central to the assistance, but the UN will also aim at strengthening its collaboration with civil society organizations and academic/research institutions. The UN will deepen its collaboration with International Financial Institutions, including the IMF, the World Bank, and the African Development Bank, in order to pursue a more collective approach in which SDGs, macroeconomic stability, resilience, growth and LNOB are at the core of the efforts. In addition, private sector partnerships will increasingly be explored with the aim to engage private sector in sustainable development and tap into the opportunities for technological innovations.

The Cooperation Framework will be executed under the overall coordination of the Ministry of Foreign Affairs and will be operationalized through the development of joint work plans. The UN is committed to provide support required in addressing the needs of the Government and the most vulnerable and ensuring the outputs of the Cooperation Framework will continue to be aligned with the development priorities of the country.

3.2. Governance of the Cooperation Framework

Joint Steering Committee

The Joint Steering Committee is the highest governing body of the UN Sustainable Development Cooperation Framework, co-chaired by the Minister of Foreign Affairs and Cooperation and the UN Resident Coordinator and is convened on an annual basis to ensure strategic direction and oversight of the implementation of the Cooperation Framework, aligned with national priorities. The UN Resident Coordinator submits an Annual Report to the Government of Sao Tome and Principe which

highlights the main achievements of the UN team with respect to the Cooperation Framework, including financial execution.

The UN organizations, signatories to this Cooperation Framework, will develop Joint Annual Work Plans with budgets and annual targets, as well as provide periodic reporting updates on its implementation that form the basis of the monitoring by the Joint Steering Committee.

The UN System will support resource mobilization from private sector, bilateral and multilateral funding sources. As STP is scheduled to graduate from LDC status by end of 2024, which will impact on ODA levels, the UN system will help the Government in designing a Resource Mobilization strategy in the transition phase. Government resources will be essential to the sustainability of UN actions in this Cooperation Framework. STP ratified the Paris agreement in November 2016 but international funding to climate change adaptation and the energy transition has been limited, for which the UN can leverage its network of expertise.

Coordination with government, national stakeholders, multilateral organizations, donors, and international community will be undertaken in a manner that increases capacities and reduces risks and vulnerabilities. Complementing strategic partnerships with civil society, NGOs, academy, private sector, local governments will strengthen multisector coordination towards inclusive sustainable development and mobilizing resources.

United Nations Country Team

The United Nations Country Team (UNCT) is led by the Resident Coordinator and will ensure coherence and strategic oversight of the UN agency programs and activities, in line with the Mutual Accountability Framework (MAF) of the UN. The UNCT is the main interagency coordination and decision-making mechanism in

which all the resident and non-resident agencies, funds and programs which are part of the Cooperation Framework participate. The UNCT members remain accountable to their respective entities on individual mandates and to the Resident Coordinator for their contribution to the agreed upon results as defined in this Cooperation Framework, in line with the MAF. The Resident Coordinator will be supported by the UN inter-agency outcome groups, the Gender Theme Group, the Monitoring and Evaluation Group, the Operations Management Team and the Communications Group.

Outcome Groups

The four Outcome Groups are responsible for in-depth analysis, monitoring of progress and reporting on the implementation of the joint work plans at outcome level, as well as coordinated resource mobilization. The outcome groups will comprise experts from the UN entities regardless of their in-country presence and Government representatives from relevant departments and co-chaired by a UN agency and Government representative.

Gender Group

The Gender Group, established by UNCT, ensures that gender equality is clearly addressed throughout the Cooperation Framework, promotes joint advocacy and the integration of gender indicators in evidence-based reporting across all outcomes. It also supports the use of the UNCT-System-wide Action Plan Scorecard and its indicators for gender equality and the empowerment of women.

Monitoring and Evaluation Group

The Monitoring and Evaluation Group, established by UNCT, works in close collaboration with the Outcome Groups to ensure quality Joint Work Plans and reporting of agency results in the web-based real-time UN Info platform to which both Government and UN agencies have access. The platform tracks progress against targets of Annual Work Plans and uses disaggregated data to report on the support to LNOB and gender equality. The Group also prepares joint evaluations if deemed necessary.

Operations Management Team

The Operations Management Team ensures operational coherence, harmonization and optimization of resources that enable the UN to deliver on the results of the Cooperation Framework and the 2030 Agenda with greater efficiency and effectiveness. The implementation of the Business Operations Strategy (BOS) 2.0 is at the core of its mandate, which is to be updated on an annual basis.

UN Communications Group

The UN Communications Group will develop an internal and external communication strategy for the Cooperation Framework to ensure visibility of its results. It is composed of Communication and Information Officers or focal points of all UN agencies in the country. It is responsible for joint UN communications, including strategic advocacy, outreach and joint programme communication, support to partnership building, media relations, digital communications and joint UN publications.

The programme will be nationally executed under the overall co-ordination of the Ministry of Foreign Affairs. Government Ministries, NGOs and UN system agencies will implement programme activities.

The Cooperation Framework will be made operational through the development of joint work plan(s) (JWPs)¹.

To the extent possible, the UN system and partners will use the minimum documents necessary, namely the signed Cooperation Framework and signed joint or agency-specific work plans and project documents to implement programmatic initiatives. However, as necessary and appropriate, project documents can be

¹ As per the UNDG Standard Operating Procedures (SOPs) for countries adopting the “Delivering as One” approach.

prepared using, inter alia, the relevant text from the Cooperation Framework and joint or agency-specific work plans and / or project documents². Cash assistance for travel, stipends, honoraria and other costs shall be set at rates commensurate with those applied in the country, but not higher than those applicable to the United Nations system (as stated in the ICSC circulars).

The UN system support to the implementation of activities of the Cooperation Framework will include technical support, cash assistance, supplies, commodities and equipment, procurement services, transport, funds for advocacy, research and studies, consultancies, programme development, monitoring and evaluation, training activities and staff support. Part of the UN system entities' support may be provided to non-governmental [and civil society] organizations as agreed within the framework of the individual workplans and project documents.

Additional support may include access to UN organization-managed global information systems, the network of the UN system agencies' country offices and specialized information systems, including rosters of consultants and providers of development services, and access to the support provided by the network of UN specialized agencies, funds and programmes. The UN system shall appoint staff and consultants for programme development, programme support, technical assistance, as well as monitoring and evaluation activities.

Subject to annual reviews and progress in the implementation of the programme, the UN system funds are distributed by calendar year and in accordance with the Cooperation Framework. These budgets will be reviewed and further detailed in the workplans and project documents. By mutual consent between the Government and the UN development system entities, funds not earmarked by donors to UN development system agencies for specific activities may be re-allocated to other programmatically equally worthwhile activities.

² In the case of UNDP, the Government Coordinating Authority will nominate the Government Co-operating Agency directly responsible for the Government's participation in each UNDP-assisted workplan. The reference to "Implementing Partner(s)" shall mean "Executing Agency(s)" as used in the SBAA. Where there are multiple implementing partners identified in a workplan, a Principal Implementing Partner will be identified who will have responsibility for convening, coordinating and overall monitoring (programme and financial) of all the Implementing Partners identified in the workplan to ensure that inputs are provided and activities undertaken in a coherent manner to produce the results of the workplan.





CHAPTER 4:

Monitoring and evaluation

4.1. Monitoring of the progress of the Cooperation Framework

The monitoring plan will be developed according to the UN Evaluation Group norms and standards and include the following dimensions: monitoring of program delivery, quality of implementation, accountability, value-for-money and learning. The monitoring responsibility will be first and foremost with the Monitoring and Evaluation Group and with the Outcome Groups for final quality assurance. The Joint Work Plans are the main instrument for capturing activities, resources and targets per output, and will be used to gauge progress. Outputs reflect the joint efforts of UN entities for an aggregate of agency activities.

The UN will maximise the use of national available data and information systems, and where necessary, jointly support statistical capacity building and innovative approaches for data collection and evidence generation, in particular the inclusion of data on the most vulnerable. Data collected throughout the implementation of the Cooperation Framework will be systematically integrated in UN Info for transparency and accountability of results.

Under the overall quality assurance of the Outcome Groups, the Monitoring and Evaluation Group prepares the annual review of the Joint Work Plans. The Outcome Groups report to the UNCT and Joint Steering Committee on results and the use of resources. They also provide an in-depth analytical contribution to the achievement of the outcomes, including risks and opportunities to inform decisions and course correction.

The UN entities signatory to this Cooperation Framework will ensure that their country programme directly contributes to the framework and is well aligned, using the same outcomes and outputs of the Cooperation Framework, which can be adjusted in the Joint Steering Committee.

Under the leadership of the RC, the UN Country Team prepares an annual report that takes into account the conclusions of the annual review by the Joint Steering Committee. It will also ensure the periodic update of the Common Country Analysis.

4.2 Evaluation

An independent evaluation of the Cooperation Framework will be conducted in the penultimate year of the implementation cycle. The Monitoring and Evaluation Group, with quality assurance by the Development Cooperation Office at regional level, will finalize the Terms of Reference. The evaluation will adopt an inclusive participatory approach involving all stakeholders and ensure the independence and impartiality of the evaluation team, in line with the UN Evaluation Group norms and standards as well as OECD-DAC evaluation criteria. The Outcome Groups will ensure that complete information is provided of agency-specific progress and bottlenecks. The lessons learned section of the evaluation will be used for the new Cooperation Framework cycle.

Implementing Partners agree to cooperate with the UN system agencies for monitoring all activities supported by cash transfers and will facilitate access to relevant financial records and personnel responsible for the administration of cash provided by the UN system agencies. To that effect, Implementing Partners agree to the following:

1. Periodic on-site reviews and spot checks of their financial records by the UN system agencies or their representatives, as appropriate, and as described in specific clauses of their engagement documents/contracts with the UN system agencies’.
2. Programmatic monitoring of activities following the UN system agencies’ standards and guidance for site visits and field monitoring.
3. Special or scheduled audits. Each UN organization, in collaboration with other UN system agencies (where so desired and in consultation with the respective coordinating Ministry) will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of cash assistance provided by the UN system agencies, and those whose financial management capacity needs strengthening.



Annex 1: Results Matrix

Strategic Priority Area 1: Inclusive Social System

Agenda 2063 Goals	1, 2, 3, 5, 7, 11, 12, 13, 17, 18, 20
SDGs	1, 2, 3, 4, 5, 6, 10, 11 and 16
SDG targets	3.1.1; 3.1.2; 3.8.1; 3.7.1; 3.7.2; 4.1.2; 1.3.1; 1.4.1; 5.6.1
Results	By 2027, people in STP, in particular the people left behind and most vulnerable, benefit from quality and inclusive social systems and have access to integrated social protection

1	Outcome Performance indicators	Baseline (year)	Target (year)	Source / Means of Verification	SDG Indicator
1.1	Maternal mortality rate (per 100 000 live births)	130 (2019)	70 (2027)	MICS 2019 WHO health estimated indicators	SDG 3.1.1
1.2	Coverage of essential health services	63% (2019)	73% (2027)	MICS 2019	SDG 3.8.1
1.3	Prevalence of stunting among children under 5 years of age	17.2% (2019)	12% (2019)	MICS 2019	SDG 2.2.1
1.4	Proportion of population using (a) safely managed sanitation services and (b) a hand-washing facility with soap and water	a) 45% (2019) b) 54% (2019)	a) 60% (2027) b) 70% (2027)	DHS / MICS 2019 / VNR 2022	SDG 6.2.1
1.5	Completion rate (primary education, lower secondary education, upper secondary education)	P: 87%, LS: 60%, US: 10% (2019)	P: 92%, LS: 63%, US: 14% (2027)	MICS 2019	
1.6	Proportion of population covered by social protection floors/systems	21% (2019)	25% (2027)	MICS / INE / INSS 2022	SDG 1.3.1
1.7	Adolescent birth rate (aged <19 years) per 1,000 women in that age group	21.9 (2019)	15 (2027)	MICS 2019	SDG 3.7.2

Output 1.1 Institutional capacities are strengthened - with active community participation - to implement the national health policy and strategies, including nutrition and WASH, for universal health coverage
Output 1.2 Institutional capacities are strengthened - with active community participation - to achieve quality learning results including behavioural changes and market-oriented skills for LNOB
Output 1.3 Enhanced governance of the social protection system for effective and integrated social protection for the most vulnerable
Output 1.4 Multi-sectoral case management is strengthened for the prevention and coordinated response to violence, especially against women and children

Participating Agencies / Indicative contributing UN Agencies	WHO, UNFPA, UNICEF, WFP, FAO, UNDP
Key Partners	MoH, NGOs, Private sector (Shell), AfDB, Global Fund



Strategic Priority Area 2: Climate Action

Agenda 2063 Goals	1, 3, 4, 7, 9, 10, 19, 20
SDGs	1, 3, 7, 8, 9, 10, 11, 12, 13 and 17
SDG targets	7.2.1; 7.a.1; 13.2.2
Results	By 2027, institutions integrate climate change adaptation, low carbon and renewable energies into policies and programmatic implementation

2	Outcome Performance indicators	Baseline (year)	Target (year)	Source / Means of Verification	SDG Indicator
2.1	Percentage of installed renewable energy-generating capacity in energy mix (in watts per capita)	(5%) (2021) 12 watts per capita	(30%) (2027) 72 watts per capita	EMAE Report Donors Reports VNR	SDG 7.b.1
2.2	Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies	42% (2022)	100% (2024)	Approved adaptation plans	SDG 13.1.3
2.3	Total amounts mobilized for climate finance	\$26M (2018 & 2019)	\$40M (2025 & 2026)	Ministry of Planning and Finance Report (CPA 2022)	
2.4	Forest area as a proportion of total land area	54.7% (2022)	60% (2027)	UNDESA World Statistics 2022	SDG 15.1.1
2.5	Coverage of protected marine areas	0% (2022)	20% (2027)	Report on marine areas protection	SDG 14.5.1
2.6	Total greenhouse gas emissions per year	0.7 mt (2019)	0.59 mt (2027)	Climate Watch. 2020. GHG Emissions.	SDG 13.2.2

Output 2.1 Capacities of national Institutions strengthened for measuring and for integrating climate change and low carbon into policies and programs
Output 2.2 Institutions and civil society enabled to protect, fund and manage the land and marine biodiversity
Output 2.3 Capacities of key national institutions strengthened for disaster risk preparedness, early warning systems and response mechanisms to address SIDS climate vulnerabilities and protect the most vulnerable
Output 2.4 Public Institutions have strengthened capacities and funding to implement renewable energies

Participating Agencies / Indicative contributing UN Agencies	UNDP, UNEP, WMO, FAO, UN Habitat, UNIDO, UNICEF, UNDRR, WFP
Key Partners	GCF, GEF, Prime Minister office, Ministry of Infrastructure, Ministry of Agriculture, Ministry of Finance, WB, CONPREC, IRENA, AfDB, WB, Shell

Strategic Priority Area 3: Green and Blue Growth

Agenda 2063 Goals	1, 4, 5, 6, 7, 17, 18, 19, 20
SDGs	1, 2, 8, 9, 5, 10, 12, 13, 14, 15 and 17



SDG targets	2.4.1 and 14.7.1
Results	By 2027, national stakeholders generate substantially more decent jobs in an environmentally friendly blue and green economy

3	Outcome Performance indicators	Baseline (year)	Target (year)	Source / Means of Verification	SDG Indicator
3.1	Proportion of informal employment in total employment	68.3% (2020)	55% (2027)	INE, Firms Registry Survey 2021	SDG 8.3.1
3.2	Proportion of agricultural area under productive and sustainable agriculture	TBC	60% (2027)	General Agricultural Census	SDG 2.4.1
3.3	Tourism direct GDP as a proportion of total GDP	14.2% (2016)	25% (2027)	Central Bank reports 2016	SDG 8.9.1
3.4	Proportion of youth (aged 15–24 years) not in education, employment, or training	22.6% (2016)	18% (2027)	IOF 2017	SDG 8.6.1
3.5	Financial Inclusion Index	People 0.24 (2019) Enterprises 0.04 (2019)	People 0.50 (2027) Enterprises 0.10 (2027)	BCSTP 2019	SDG 8.10.2
3.6	Green and blue economy contribution to GDP	24.9% (2019)	60% (2027)	The World of Organic Agriculture Report 2021 INE	

Output 3.1 The institutional capacities are strengthened to design policies and implement programs to increase productivity and to ensure commercialization of local products derived from green and blue economy
Output 3.2 Access to financial and non-financial business services enabled for entrepreneurs particularly women and youth
Output 3.3 The institutional capacities to reinforce Blue Economy governance and attract investments for decent blue jobs and entrepreneurship, in particular for women and youth, are strengthened

Participating Agencies / Indicative contributing UN Agencies	IFAD, FAO, WFP, UNDP, ILO, UN Habitat, UNESCO
Key Partners	Ministry of Agriculture, MoF/Blue Economy, Ministry of Infrastructure and Environment, AfDB, WB, Ministry of Youth, Chamber of commerce, INE, BCST, MoA, MoLabor, MoFinance and blue economy, GCF

Strategic Priority Area 4: Transparent and Accountable Institutions

Agenda 2063 Goals	1, 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 17, 18, 19, 20
SDGs	1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16 and 17
SDG targets	
Results	By 2027, people benefit from transparent, responsive and gender-sensitive institutions

4	Outcome Performance indicators	Baseline (year)	Target (year)	Source / Means of Verification	SDG Indicator
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4.1	Statistical capacity indicator for Sustainable Development Goal monitoring	48% (2018)	60% (2027)	INE 2018	SDG 17.18.1
4.2	Percentage of Judiciary institutions capacity to process cases digitally	0% (2022)	90% (2027)	Annual Report of the Courts and Public Prosecutor's Office	
4.3	Proportion of seats held by women in (a) national parliaments and (b) local governments	a) Parliament 15% (2022) b) Central Government Ministers/Ministers 23.5% (2018)	a) Parliament 40% (2027) b) Central Government Ministers/Ministers 40% (2027)	National Assembly and Decree of President of Republic	SDG 5.5.1
4.4	Number of victims of violence in the previous 12 months that have accessed by at least by health, social work, justice/law enforcement, or essential services	648 (2021)	390 (2027)	National GBV network / Project reports CSO reports	

Output 4.1 Justice institutions at the national and sub national levels have improved capacity to provide access to equitable, gender/child sensitive and impartial justice to all
Output 4.2 The implementation of the international standards and best practices for transparency, control mechanisms and accountability is strengthened
Output 4.3 Institutions at national and sub national levels have Increased capacities for disaggregated data collection and analysis, for RBM planning and performance management to accelerate SDGs

Participating Agencies / Indicative contributing UN Agencies	UNDP, UNICEF, OHCHR, ILO, UNODC, UNFPA
Key Partners	Ministry of Justice, General Attorney, Supreme Court, Centre for counseling for protection of violence against children, Judiciary police, Civil society, Police, Media, National Assembly, Youth Parliament, Court of auditors, General inspection finance, Ministry of Finance, INE



Annex 2: Legal Annex

1. Whereas the Government of Sao Tome and Principe (the “Government”) has entered into the agreements listed below with the United Nations, including its Funds, Programmes and other subsidiary organs, and other organizations of the United Nations System (“UN System Organizations”), which are applicable to their program activities in Sao Tome and Principe (the “UN Agreements”) under the United Nations Sustainable Development Cooperation Framework (the “Cooperation Framework”);

2. Whereas the UN Agreements, together with the Convention on the Privileges and Immunities of the

United Nations of 13 February 1946 (the “General Convention”) and/or the Convention on the Privileges and Immunities of the Specialized Agencies of 21 November 1947 (the “Specialized Agencies Convention”) as applicable, form the primary existing legal basis for the relationship between the Government and each UN System Organization for supporting the country to deliver on the Cooperation Framework, and are non-exhaustive and without prejudice to any other legal instruments the Government may enter into, including additional agreements with UN System Organizations for the purpose of their activities in the country:

UN Entity	Agreement
United Nations Development Programme (UNDP)	a) With the United Nations Development Programme (UNDP) , a basic agreement to govern UNDP’s assistance to the country, which was signed by the Government and UNDP (the “Standard Basic Assistance Agreement” or “SBAA”) in March 1976. This Cooperation Framework, together with a joint results group work plan specifying UNDP programme activities further to this Cooperation Framework (which shall form part of this Cooperation Framework and is incorporated herein by reference), constitute together a “project document” as referred to in the SBAA. The implementing partner and UNDP will sign a project agreement containing the specific arrangements for each project further to the relevant project document.
Food and Agriculture Organization of the United Nations (FAO)	b) With the Food and Agriculture Organization of the United Nations (FAO) , the SBAA between the Government of Sao Tome and Principe and UNDP also cover FAO.
United Nations Human Settlement Programme (UN-Habitat)	c) With the United Nations Human Settlement Programme (UN-Habitat) , the SBAA between the Government of Sao Tome and Principe and UNDP also cover UN-Habitat.
United Nations Industrial Development Organization (UNIDO)	d) With the United Nations Industrial Development Organization (UNIDO) , the SBAA between the Government of Sao Tome and Principe and UNDP also cover UNIDO.
United Nations Children’s Fund (UNICEF)	e) With the United Nations Children’s Fund (UNICEF) , a Basic Cooperation Agreement (BCA) concluded between the Government and UNICEF in 2016.
World Food Programme (WFP)	f) With the World Food Programme (WFP) , a Basic Agreement concerning assistance from the World Food Programme, which Agreement was signed by the Government and WFP in November 1977.



United Nations Population Fund (UNFPA)	g) With the United Nations Population Fund (UNFPA) , an agreement concluded by an exchange of letters, which entered into force on 1 May 2015, pursuant to which the standard basic assistance agreement between the Government and the United Nations Development Programme shall mutatis mutandis apply to UNFPA in the country.
International Labour Organization (ILO)	h) With the International Labour Organization (ILO) , the Convention on the Privileges and Immunities of the Specialized Agencies and its Annex I concerning the ILO, to which Sao Tome and Principe is a party since 30 November 2012.
World Health Organization (WHO)	i) With the World Health Organization (WHO) , a Basic Agreement for the Provision of Technical Advisory Assistance signed by the Government and WHO on 1976.

3. **With respect to all UN System Organizations**, assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions, decisions, rules and procedures of each UN System Organization.

4. Without prejudice to the above, the Government shall:

(i) apply to each UN System Organization and its property, funds, assets, officials and experts on mission the provisions of the General Convention and/or the Specialized Agencies Convention; and

(ii) accord to each UN System Organization, its officials and other persons performing services on behalf of that UN System Organization, the privileges, immunities and facilities set out in the UN Agreement applicable to such UN System Organization.

5. United Nations Volunteers performing services on behalf of a UN System Organization shall be entitled to the privileges and immunities accorded to officials of such UN System Organization.

6. Any privileges, immunities and facilities granted to a UN System Organization under the Cooperation Framework shall be no less favourable than those granted by the Government to any other UN System Organization signatory of the Cooperation Framework.

7. Without prejudice to the UN Agreements, the Government shall be responsible for dealing with any claims which may be brought by third parties against any of the UN System Organizations and

their officials, experts on mission or other persons performing services on their behalf, and shall hold them harmless in respect of any claims and liabilities resulting from operations under the Cooperation Framework, except where it is mutually agreed by the Government and the relevant UN System Organization(s) that such claims and liabilities arise from gross negligence or misconduct of that UN System Organization, or its officials, or persons performing services.

8. Nothing in or relating to this Cooperation Framework shall be deemed:

(i) a waiver, express or implied, of the privileges and immunities of any UN System Organization; or

(ii) the acceptance by any UN System Organization of the jurisdiction of the courts of any country over disputes arising from this Cooperation Framework, whether under the General Convention or the Specialized Agencies Convention, the UN Agreements, or otherwise, and no provisions of this Cooperation Framework shall be interpreted or applied in a manner, or to an extent, that is inconsistent with such privileges and immunities.

Annex 3:

Harmonized Approach to Cash Transfers

All cash transfers to an Implementing Partner are based on the Work Plans (WPs³) agreed between the Implementing Partner and the UN system agencies.

Cash transfers for activities detailed in work plans (WPs) can be made by the UN system agencies using the following modalities:

1. Cash transferred directly to the Implementing Partner:
 - a. Prior to the start of activities (direct cash transfer), or
 - b. After activities have been completed (reimbursement);
2. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner;
3. Direct payments to vendors or third parties for obligations incurred by UN system agencies in support of activities agreed with Implementing Partners.

Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. The UN system agencies shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorized amounts. Following the completion of any activity, any balance of funds shall be refunded or programmed by mutual agreement between the Implementing Partner and the UN system agencies.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an assessment of the financial management capacity of the non-UN⁴ Implementing Partner. A qualified consultant, such as a public accounting firm, selected by the UN system agencies may conduct such an assessment, in which the Implementing Partner shall participate. The Implementing Partner may participate in the selection of the consultant.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

In case of direct cash transfer or reimbursement, the UN system agencies shall notify the Implementing Partner of the amount approved by the UN system agencies and shall disburse funds to the Implementing Partner in within a timeframe defined by each agency's guidelines.

In case of direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; or to vendors or third parties for obligations incurred by the UN system agencies in support of activities agreed with Implementing Partners, the UN system agencies shall proceed with the payment within a timeframe defined by each agency's guidelines.

The UN system agencies shall not have any direct liability under the contractual arrangements concluded between the Implementing Partner and a third-party vendor. Where the UN system agencies and other UN system agency provide cash to the same Implementing Partner, programme monitoring, financial monitoring and auditing will be undertaken jointly or coordinated with those UN system agencies.

³ Refers to results Groups' or agency specific annual, bi-annual or multiyear work plans

⁴ For the purposes of these clauses, "the UN" includes the IFIs.

A standard Fund Authorization and Certificate of Expenditures (FACE) report, reflecting the activity lines of the work plan (WP), will be used by Implementing Partners to request the release of funds, or to secure the agreement that UN organizations will reimburse or directly pay for planned expenditure. The Implementing Partners will use the FACE to report on the utilization of cash received. The Implementing Partner shall identify the designated official(s) authorized to provide the account details, request and certify the use of cash. The FACE will be certified by the designated official(s) of the Implementing Partner.

Cash transferred to Implementing Partners should be spent for the purpose of activities and within the timeframe as agreed in the work plans (WPs) only.

Cash received by the Government and national NGO Implementing Partners shall be used in accordance with established national regulations, policies and procedures consistent with international standards, in particular ensuring that cash is expended for activities as agreed in the work plans (WPs), and ensuring that reports on the utilization of all received cash are submitted to UN organizations within six months after receipt of the funds. Where any of the national regulations, policies and procedures are not consistent with international standards, the UN system agency financial and other related rules and system agency regulations, policies and procedures will apply.

In the case of international NGO/CSO and IGO Implementing Partners cash received shall be used in accordance with international standards in particular ensuring that cash is expended for activities as agreed in the work plans (WPs), and ensuring that reports on the full utilization of all received cash are submitted to UN organizations within six months after receipt of the funds.

To facilitate scheduled and special audits, each Implementing Partner receiving cash from [UN organization] will provide UN system agency or its representative with timely access to:

- all financial records which establish the transactional record of the cash transfers provided by UN system agency, together with relevant documentation;
- all relevant documentation and personnel associated with the functioning of the Implementing Partner's internal control structure through which the cash transfers have passed.

The findings of each audit will be reported to the Implementing Partner and UN organizations. Each Implementing Partner will furthermore:

- Receive and review the audit report issued by the auditors.
- Provide a timely statement of the acceptance or rejection of any audit recommendation to the UN organizations that provided cash so that the auditors include these statements in their final audit report before submitting it to UN organizations.
- Undertake timely actions to address the accepted audit recommendations.
- Report on the actions taken to implement accepted recommendations to the UN system agencies on a quarterly basis (or as locally agreed).

The audits will be commissioned by the UN system agencies and undertaken by private audit services.



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