

15 May 2017

**LFI Global Programme Board
Annual Session 2017**

**15-16 May 2017
Dar Es Salaam**

Decision

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LFI Programme Board Decision

1. *Considering that, in Least Developed Countries, the promotion of local economic development largely falls under the core mandate and responsibilities of local governments;*
2. *Considering further that catalytic and transformative investment for local economic development is essential to resilient and sustainable local economies that can provide employment and income for households at increasingly higher value;*
3. *Considering that the objective of LFI is to develop standard and recognized country-based platforms for the promotion of Local Economic Development Finance with the objective to invest primarily domestic resources in local economies for catalytic and transformative investments, with measurable impact, in the areas of local economic development, climate resilience, food security and land degradation, clean energy and women and youth economic empowerment.*
4. *Considering that Uganda and Tanzania are signatories to country LFI project documents and have agreed to become founder members of the LFI global programme board together with Benin and Bangladesh, which have signed country framework agreements with UNCDF under the auspices of the global programme document signed on 4 April 2014.*
5. *Membership of the LFI global programme is open to eligible countries upon signature of a country framework agreement under the terms of the global programme document.*

The LFI Programme Board

6. Decides to endorse the progress report 2016 and recognizes the endorsement by national steering committees of the 2017 workplans and budgets.
7. Takes note with appreciation of the efforts of the LFI programme team during 2016 that resulted in activities in Lesotho, Bangladesh, Guinea, Tanzania, Uganda and Benin.
8. Notes that Uganda, Benin, Bangladesh and Tanzania constitute the LFI Board Members for 2016.
9. Encourages other countries to join the programme subject to the attainment of conditions for entry specified in paragraph 8 below.
10. Approves the conditions for membership of LFI as the following: 1) Letter of application delivered to the Chair of the LFI board and signed by the Permanent Secretary or equivalent level of the Government Ministry or Government Department responsible for local government affairs with the no objection from the Ministry of Finance; 2) Proven existence of the source of funding for LFI seed capital (from government, local government, development partners or other sources); 3) Sufficient regulatory environment to enable investment in LFI pipeline (this includes

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regulatory environment for public private partnerships with local government and for SME investments). UNCDF, as secretariat of the Board, will verify that these conditions have been met and communicate to Board members.

11. Confirms that the Director of Local Development Finance at the United Nations Capital Development Fund is the Chair of the Programme Board and decides to appoint a Co Chair from the members of LFI Board to serve for one year on a rotating basis.

12. Appoints Tanzania as Co-Chair of the LFI Board for 2017 – 2018 until the next annual board meeting. Uganda will Co-chair the LFI Board for 2018-2019 and host the 2018 Board meeting.

13. Acknowledges and thanks the efforts of the LFI programme manager and team for the year 2016 – 2017.

14. Welcomes the presence of the Honourable Minister and delegation from Burundi at the LFI programme board and looks forward to receiving Burundi's application to join LFI subject to the conditions of clause 7 above.

15. Notes that the LFI global programme document was signed on 4th April 2014 for a five year period and notes that the cover page of the document refers to the period 2014 to 2017, which is a four year period. The programme board decides that the effective end date of the current programme is 4th April 2018, in the spirit of the 5 year design of the programme.

16. Given the progress to date, the LFI Board requests that the LFI Programme Manager prepares a proposal and budget for a three year extension of the programme (2018 – 2021) to be presented to the Board for consideration within the six months of the 2017 Board meeting.

17. The LFI Programme Manager is requested to review the governance structure at global and country level and make appropriate recommendations within three months of the 2017 Board meeting to review any duplications or overlaps between steering committees and boards specified in the original documents of the programme. Any changes to be formally approved at the 2018 Board meeting.

Signed

David Jackson
Director, Local Development Finance, United Nations Capital Development Fund

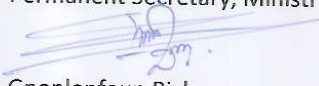


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