Joint capacity-building webinars on Total Official Support for Sustainable Development (TOSSD)

Webinar 1 - General introduction to TOSSD

The IsDB approach to South-South and Triangular Cooperation

10 February 2022 at 10:00 am Paris Time / 12:00pm Jeddah Time.
ISLAMIC DEVELOPMENT BANK IN BRIEF

- IsDB is a Multilateral Development Bank
- Established in 1975 to promote social and economic development in its member countries
- IsDB has 57 member countries spread across the globe—all from the South
- Provides financing for public and private sector projects and supports capacity development in various sectors/thematic areas
- Long-standing experience in South-South Cooperation since 1983 through Technical Cooperation Program
DEFINITION OF SSC IN IsDB CONTEXT

• **South-South Cooperation (SSC)**: is a result-focused exchange of knowledge, skills, resources, between and among stakeholders and partners in developing countries.

• The definition of South-North is not strictly geographic:
  • The “North” equates to the members of the OECD/DAC;
  • The “South” consist of all other countries, regardless of income groups or status as aid provider.

• The main actors in SSC are governments and their sectoral institutions, academia, NGOs and Private sector.
IsDB’s Long-Standing Experience in South-South Cooperation

• South-South Cooperation is in the DNA of IsDB

• Technical Cooperation Program (TCP) established in 1983 to provide short term capacity development interventions for addressing the needs of the MCs

• TCP aims at strengthening the cooperation among MCs of the Bank while focusing on human capacity development

2,439 Operations
21,963 trained
More than 550 experts dispatched

Principles of South-South Cooperation

- Respect of National Sovereignty
- National Ownership and Independence
- Equality
- Non-interference in Domestic Affairs
- Non-conditionality
- Mutual Benefit
LESSONS LEARNED FROM TCP

26 YEARS OF EXPERIENCE

MCs possess a wealth of expertise and ready to share it on a solidarity-basis

Focus of technical cooperation should not be only limited to one dimension of capacity development, i.e. individual

Long-term engagements for capacity development among MCs can produce more sustainable results
REVERSE LINKAGE

“A technical cooperation mechanism enabled by the IsDB whereby MCs exchange their knowledge, expertise, technology and resources to develop their capacities and devise solutions for their autonomous development”

IsDB’s role of a connector and a catalyst

specific capacity needs of Recipient MC matching with capacities available in Provider MC

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Two Types of RL

- Stand-alone
- Embedded component of a project

If 2 or more recipient countries are involved, the RL intervention is considered a Regional Project/Program.

**Grants**
- The most frequent mode of financing

**Loans**
- Introduced recently, especially for bigger ticket RL projects, which cannot only be supported by grants
LARGE GEOGRAPHICAL AND SECTORAL COVERAGE

129 RESOURCE CENTERS WERE IDENTIFIED THROUGH FOUR MAPPING EXERCISES

THE IsDB APPROVED
47 REVERSE LINKAGE PROJECTS AND COMPONENTS CONNECTING
33 MEMBER COUNTRIES TOGETHER

SECTOR KEY
- a Renewable Energy
- b Health
- c ICT For Development
- d Disaster Risk Management
- e Education
- f Agriculture
- g Water Resources Management
- h Livestock
EVOLUTION OF REVERSE LINKAGE

ACCUMULATED PROJECTS AMOUNT (MILLION $) UNTIL 2020

- 2013: 2.25
- 2014: 4.52
- 2015: 15.94
- 2016: 85.73
- 2017: 119.44
- 2018: 129.96
- 2019: 154.78
- 2020: 172.92

Distribution of source of funding for grant based RL:
- IsDB Grant: 31%
- Provider Country: 21%
- Recipient Country: 11%

- 47 Projects and components
- 33 countries connected

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PROJECTS’ PORTFOLIO AS OF DECEMBER 2020

DISTRIBUTION OF SOURCE OF FUNDING (GRANTS & LOANS)

- IsDB Grant: 4%
- Provider Country: 8%
- Recipient Country: 11%
- IsDB Loan/Other IsDB non grant financing: 56%
- Other Partners: 21%

REVERSE LINKAGE PROJECTS AND COMPONENTS BY SECTOR

- Renewable Energy: 72,910,000, 42%
- Education: 48,618,137, 28%
- Agriculture: 16,755,470, 10%
- Disaster Risk Management: 1,012,000, 1%
- ICT For Development: 1,981,500, 1%
- Health: 25,155,810, 15%
- Livestock: 2,430,000, 1%
- Microfinance: 223,600, 0%
- Water Resources Management: 3,806,610, 2%
WHAT ARE THE RESULTS OF REVERSE LINKAGE PROJECTS?

- **143,357** Training Man/Days
- **31,056** Experts Man/Day
- **2,636,629** Indirect Beneficiaries
- **24,924** Direct Beneficiaries
PROJECTS EXAMPLES
CHALLENGES IN QUANTIFYING SOUTH-SOUTH COOPERATION

- Long-standing and controversial issue of statistics on SSC.
- Statistical systems on SSC are extremely weak across the board.
- Lack of global reference for SSC data, compared to the North-South Development Assistance.
- Lack in incentives for South countries to improve the reporting of their SSC achievements.
- Technical challenges quantifying economic and technical cooperation between developing countries.
- The quantification of SSC solely on a monetary basis offers an incomplete view of the efforts undertaken by developing countries in partnerships with other countries.
- Often the substance of the cooperation offered (knowledge, experience) has an intrinsic value much greater than the cost of technical hours, per diems, equipment, donations and other expenses.
WHAT IsDB IS DOING FOR IMPROVING SSC MEASUREMENTS

“SSC INDEX,” for monitoring and evaluating the different components of the SSC national ecosystem.
CONCLUDING REMARKS

➢ Institutionalizing a process for capturing SSC data is essential for assessing the results and impacts of those activities and consequently identify ways and means for enhancing SSC.

➢ IsDB is ready to partner with national, regional and international SSC stakeholders for institutionalizing a process for capturing SSC data, and to share its practical experience in this regard.
THANK YOU

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