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The voice of the IsDB Community of Practice (CoP) on SDGs

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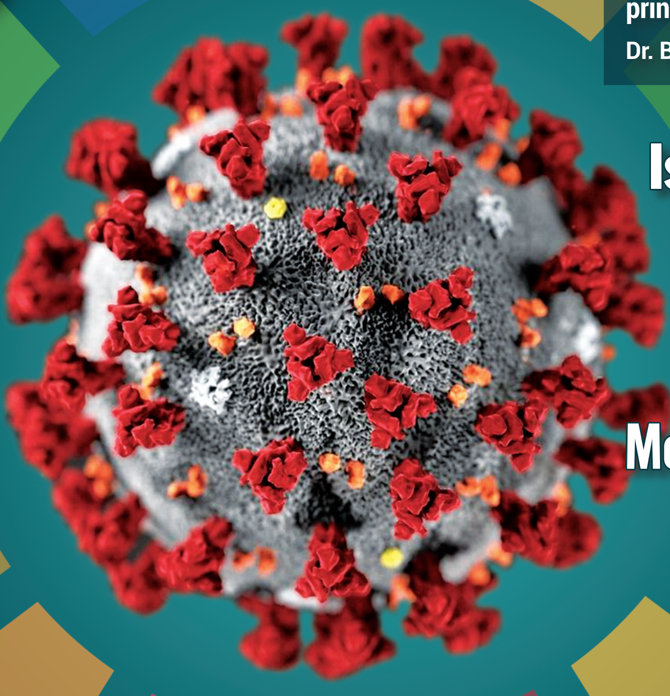
COVID-19 DISRUPTS...

“IsDB's immediate response and call for joint action is represented in “The 3 Rs,” Respond, Restore, and Restart. We will deliver “The 3 Rs package” through a unified country platform, in line with G20 principles.”

Dr. Bandar Hajjar, IsDB President



IsDB Announces US$2.3 Billion Strategic Preparedness Response for Member Countries

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Editorial: Rami Ahmad, Special Envoy on SDGs

Welcome to the age of disruption- in the negative sense of the word! No doubt the Coronavirus outbreak has disrupted all aspects of our lives in a fashion that has never been witnessed before. This epidemic has not only caused a global health crisis, but also a financial and an economic crisis. This threefold crisis will potentially also cause dire consequences on social and economic development all over the world, and in particular for developing countries.

Capitalizing on seventy years of collective wisdom, the international community has reached a great compromise and agreed back in 2015, at the highest political level, on a comprehensive global agenda for sustainable development. The 2030 Agenda with its SDGs represented our best hope for really saving the planet and leaving no one behind. Despite emerging anti-globalization sentiments, the world renewed its commitment to the SDGs in the UN General Assembly last September. However, and as everyone was gearing up for a 'Decade of Action,' the coronavirus showed up and all of a sudden powerful economies came down to their knees. Policy makers, politicians and practitioners are astonished and really grappling to come up with proper responses. Developed countries might have the capacity and the resources to respond and restart a journey back to normality, but how about the developing countries?

There is no doubt about the profound negative impact on the SDGs with massive loss of jobs and the possibility of sending tens of millions of people back into poverty. In this issue of the Digest, we are just beginning to scratch the surface trying to understand the impact on the progress towards achieving the SDGs. Would this generation be doomed with the consequences of this crisis and miss out on the opportunity of achieving the 2030 Agenda? Or would it be a once-in-a-generation opportunity to rearrange priorities and have a stronger bounce back towards saving this planet and leaving no one behind?

Let's see what happens. MDBs are announcing their responses. IsDB Group is no exception. Work has started in earnest to implement a $2.3 billion package to help our member countries respond, restore and restart their journeys towards sustainable growth. We all have realized how fragile we are. We hope and pray that Allah may alleviate the suffering and guide us all to the right path towards wellbeing for humanity and dignity for all.. Ameen!

SDGs Digest is a Newsletter published by the SDGs Community of Practice (CoP) in IsDB Group. You can submit your articles, feedback, book reviews, reports and other topics related to the SDGs via **SDGsCoP@isdb.org**

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COVID-19 Disrupts...

IsDB Announces **US$2.3 Billion** Strategic Preparedness Response for Member Countries

In recent years disruption is associated with something positive. This was largely associated with the work of scholars of innovation such as Clayton M. Christensen. The Cambridge Dictionary defined the word disrupt as "to prevent something, especially a system , process, or event, from continuing as usual or as expected." An example of this according to the dictionary is to say for instance "heavy snow disrupted travel into the city this morning." With the experience of Coronavirus, the word is reverting to its initial meaning.

The last two months of the year 2020 has reflected the original meaning of disruption due to the impact of Coronavirus. The global economy is in crisis. Airports and schools have been closed, curfews have been imposed to control the movement of people, key industries and development institutions have asked their staff to work from home. Major economies have announced economic stimulus to inject life to the economy and support small businesses.

King Salman of Saudi Arabia is leading a global effort to unite G20 countries to come up with a strategy to respond to the impact of the pandemic. United States Congress has approved US$2 Trillion stimulus to support its economy.

As of the time of writing this piece, Johns Hopkins University's Resource Centre on Coronavirus has confirmed 1,170,159 cases worldwide. Out of this 63,832 have died while 237,978 people have recovered from the virus.

The Islamic Development Bank (IsDB), a major international Islamic financial institution serving 57 Countries across Asia, Africa, Middle East, Europe and Latin America did not rest.

First, the bank took measures to protect its staff by asking them to work from home. Regular advisory is issued by the Business Continuity Management Committee to make sure staff at the headquarters and the Regional Hubs are fully aware of the guidelines shared by senior government and health officials.

What about the Member Countries who count on the support of institutions like the IsDB? In an opinion piece published by the President of IsDB Dr. Bandar Hajjar, an aid package of US$2.3 Billion was announced by the bank to help tackle this pandemic. Dr. Hajjar Hajjar stated that: "The scale of the COVID-19 outbreak demonstrates that we are not prepared for large-scale pandemics. So, where are we today? On average, there are more than 1,000 new cases of COVID-19 every day with rapid exponential growth. The crisis has already shattered capital markets and the picture for economic growth in 2020 looks bleak. COVID-19 disrupted global supply chains and created poor trading conditions. SMEs are hardest hit in certain IsDB Member Countries and will deteriorate further. As a result, the world is set to lose 25 million jobs according to many studies."

Dr. Hajjar called the package "The 3 Rs", meaning, Respond, Restore, Restart. He explained the 3 Rs as follows:

- **Respond:** This track delivers immediate action through South-South and North-South reverse linkage operations focused on a) strengthening health systems to provide care to the infected; b) building capacity in production of testing kits and vaccines; and c) building Pandemic Preparedness capacity, in cooperation with G20 Global Initiative;
- **Restore:** This track delivers medium term action through financing for trade and SMEs to sustain activity in core strategic value chains, and to ensure continuity of the necessary supplies mainly to the health and food sectors, and for other essential commodities.
- **Restart:** This track delivers long-term action to build resilient economies on solid foundations and catalyze private investment by supporting economic recovery and countercyclical spending, with a targeted US $10 billion that aims to unlock $1 trillion USD worth of investments.

The President of IsDB then reiterated the commitment of the bank to work with partners such as the United Nations, World Health Organisation, philanthropists and other stakeholders to help Member Countries to build resilience against the pandemic.

Tackling COVID-19: How IsDB Group Stands with Member Countries

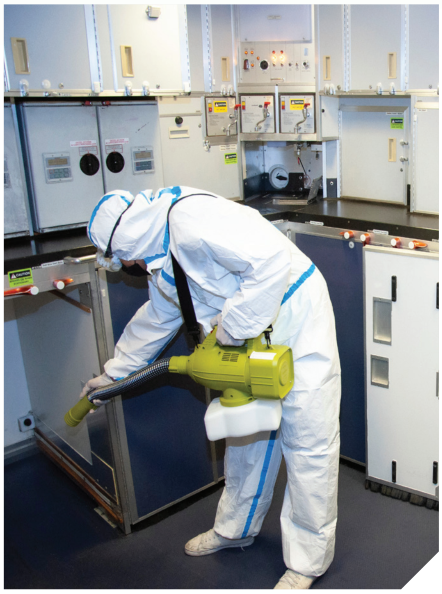
Mansur Muhtar
Vice President, Country Programs Complex, IsDB

The Novel Coronavirus (COVID-19) pandemic has viciously stricken the world, overwhelming and overburdening the health systems world-wide. The cascading impact of COVID-19 has not been limited to the health system. It has devastating spillover effects across the entire economy. As countries moved quickly to limit the spread of the pandemic through quarantines and restrictions on movement, many businesses and factories have been forced to close down, supply chains disrupted, and millions of jobs lost.

As the COVID-19 crisis unfolds, many IsDB Member Countries are currently encountering severe pressures, even as governments struggle hard to restrict the spread of the pandemic and limit its impact on the economy. Middle income Member Countries have been utilizing their fiscal space, including through monetary and fiscal expansion, to enable large-scale emergency support. On the other hand, the Least Developed Member Countries do not have the same fiscal space and/or ability to mobilize resources from financial markets. These countries are finding it difficult to cope with the crisis and are now turning to IsDB Group and other development partners for support.

The IsDB Group has moved quickly to answer the call for support from its Member countries, working in synergy. Senior Management has been directly and proactively involved in shaping our strategic response to deal with the crisis. In this regard, the Bank established a "High Level Committee (HLC)" for COVID-19 Pandemic Related Activities" under the chairmanship of H.E. The President to provide overall strategic guidance, direction and oversight in the design and implementation of IsDB Group program of support to Member Countries - the "Strategic Preparedness and Response Plan (SPRP)", which was recently approved by the IsDB Board.

The objective of the IsDB program is to support the MCs efforts in preventing, containing, mitigating and recovering from the impact of the COVID-19 pandemic. We are bolstering our financial support with the promise of technology, which underlies the design of all our interventions. We are relying on our diverse partners through the 5-P approach, focusing on public, private,



philanthropists, people and people organizations to scale-up the impact of our response program. Through our Reverse Linkage modality, we are moving fast to build and benefit from our knowledge and technology transfer networks.

Our response plan comprises of two key components: (i) Health Emergency Response and Preparedness and (ii) Sustaining and Reviving the Economic and Social Sectors. The program adopts a 3-R approach under each component focused on Response, Restore and Restart, thus holistically addressing the MCs emergency, short-term and medium-term needs.

We have committed around US$2.3 billion, made up of contributions from IsDB, ICD, ITFC, ISFD and ICICEC, to assist Member Countries in mitigating the impact of COVID-19 pandemic. In addition, the IsDB Group will be making significant efforts to mobilize additional financing from all its partners.

The IsDB Group stands ready to play its role in supporting its MCs efforts to mitigate the impact of the pandemic as well as the restoration of economic activity. We believe that the Islamic principle of solidarity is the key binding force that would enable our MCs and the globe to collectively come out of this difficult time.

ITFC Contribution to the Global Response to the COVID-19 Crisis

Hani Salem Sonbol
CEO - ITFC

The ongoing COVID-19 pandemic is posing an unknown and unprecedented challenge to the global economy. In addition to the enormous burden it represents for national health systems, the pandemic is causing major disruptions to the global trade, with a drop in commodity prices and a halt in global transport. The current crisis exposes existing inequalities as it is affecting first those who are most vulnerable to external shocks. The Small and Medium Enterprises, already constrained in accessing finance, are being severely impacted by the decline in consumer demand. Already, losses of jobs are being registered at an alarming rate, especially among vulnerable employees. The spread of the coronavirus and related economic uncertainty is, therefore, threatening to undermine our Member Countries' social fabric.

Based on these immediate concerns, the international community, including Multilateral Development Banks, is seeking to provide support as part of a global emergency response. The IsDB Group has pledged US$2.3 billion towards a 'Strategic Preparedness and Response Facility' to mitigate the negative health and socio-economic impact of the COVID-19 pandemic. I am glad to see ITFC contributing to the Group's efforts with US$300 million of trade finance. It is during such challenging times, in fact, that ITFC interventions become even more crucial to come up with creative and innovative solutions to meet clients' needs. Being additional is at the core of ITFC ten-year strategy, which emphasizes the need to address trade finance gaps for the underserved and to provide support to Member Countries in times of difficulty.

ITFC response to the ongoing crisis aims at supporting our clients to meet their immediate needs during the outbreak and strengthening their long term resilience to external shocks. In this sense, ITFC adopted a two-phase response to the COVID-19 crisis:

- A first phase, **the Rapid Response Initiative**, intends to sustain supply chains and enable the revival of trade. For this purpose, a US$300 million package is allocated to the purchase of emergency COVID preparedness related medical equipment and supplies, as well as strategic commodities, such as staple food: The financing will help ITFC clients to meet the increasing demand for these goods and avoid any shortages.
- A second phase, **the Recovery Response Program (RRP)**, is meant to support the most vulnerable OIC Countries, including OIC LDCs, to cope with the short to mid-term consequences of COVID-19 Pandemic. The RRP will provide US$550 million of trade finance to support strategic sectors over the next two years. In parallel, ITFC will further strengthen its integrated approach through capacity building interventions in the health sector and support to SMEs access to finance.

The COVID-19 and the social distancing it implies is also affecting the way we work and interact with our clients. In such a context, we must make the most of technology and innovation to maintain high effectiveness and efficiency in delivering results. At ITFC, decentralization has made us more aware of our clients' needs and improved our ability to be of assistance.

Our dedicated staff are closely monitoring ongoing operations in order to anticipate any adverse change and are acting preemptively to provide additional support to clients. ITFC also has a dedicated business continuity plan that covers its Policy, Technical Assistance and Capacity Building programs.

The COVID-19 outbreak highlights the key positioning of SDG 3 - Good Health and Well Being - and its interlinkages with the other SDGs. Indeed, strengthening the capacity of Member Countries, for early warning, risk reduction and management of national and global health risks (SDG 3.d) becomes now, more than ever, a pre-requisite to achieve the 2030 Development Agenda. ITFC, together with its networks of partners, will be closely following the evolution of the pandemic and its repercussion, in order to adapt our response and maximize our support to the Global and OIC economies.

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ICD is Ready to Support Member Countries to Address the Impact of COVID-19

Ayman Sejiny
CEO - ICD

During these unprecedented times, ICD stands ready and well-equipped to support its 55 member countries for their combat with COVID-19. Today, ICD possesses strong financial fundamentals in terms of liquidity, portfolio diversification and shareholder support. Specifically, we have around $1.3Billion of liquid assets, which cumulatively constitutes more than half of our total assets. As far as the capital adequacy ratio is concerned, ICD stands above the required threshold of 35%. In terms of portfolio diversification, ICD holds well-balanced business lines, as over the last few years, the green-field equity portfolio has been diluted to constitute less than 10% share in ICD's total assets. Going forward, ICD aims at focusing on higher quality equity transactions (i.e. brownfields) rather than greenfield equity.

Operation wise, we have made significant strides in member countries during the last 20 years, with gross cumulative approval of $6.5Billion and total disbursement of $3.4billion by reaching out to 50 member countries with over 480 projects. Very recently, we have also established clear strategic objectives for the next 10 years with the following operational and developmental goals: a) Creating or sustaining 550,000 jobs; b) Reaching 95,000 MSMEs with financial and/or technical assistance; and c) Providing access to Islamic finance for 1,000,000 people.

COVID-19 and SDGs Agenda of ICD

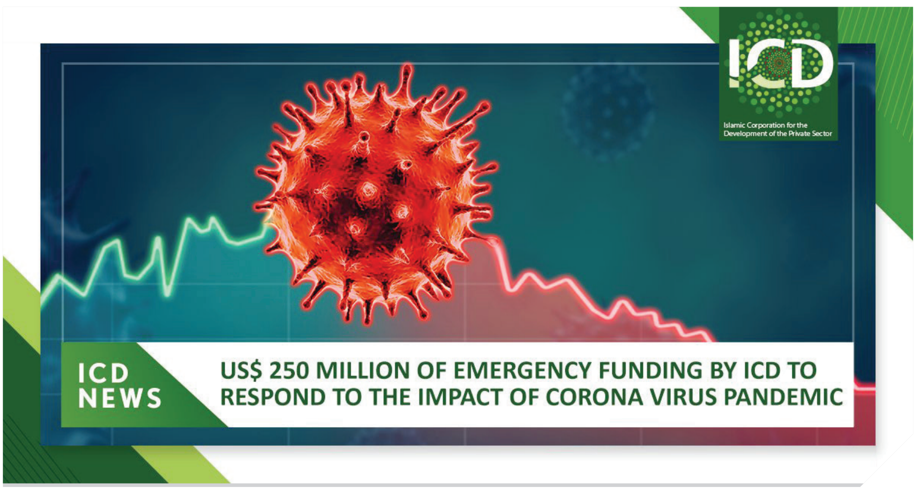
The COVID-19 pandemic has highlighted the drawbacks of global interdependency and the fragility of our planet. On the development front, this outbreak is testing our ability to continue with the implementation of the SDG agenda, posing a real risk in achieving targets. Not only has the coronavirus exposed the limitations of various countries' healthcare system (SDG3), but it has already unleashed economic damage (SDG8) to many economies across the globe. In addition, nationwide school closures in over 150 countries in the world have already disrupted learning (SDG4). Unless measures are taken to protect the vulnerable and mitigate the pandemic's impact across the food system, we also risk a looming food crisis (SDG2).

During the COVID-19 outbreak, we are even more committed to the SDGs, and keep our focus on implementing long-term strategies that empowers the private sector to create scalable impact. We aim to enhance our development effectiveness by considering 10 SDGs through 'theory of change' – Invest, Engage, and Impact. This means that ICD will target SDGs, both directly and indirectly, through investments in real economy. We will enable, and continue to improve on creating conducive business environments, facilitating interaction and engagement between key stakeholders, and eventually aim at achieving indirect impact on SDGs.

COVID-19 and ICD Response

In order to help our member countries in their fight with COVID-19, we have immediately taken the following business actions: • Urgent Financing Package: to allocate $250Million from ICD resources towards the activities such as, 1) Line of Finance to address immediate needs of MSMEs via our own resources and through utilizing 110+ FIs in the connect platform and beyond, 2) Term Financing /Infrastructure financing directly for healthcare, energy and agri-business sectors, 3) Equity Investment and Collaboration to support our investee companies and overall financial sector in member countries.

- **Client Responsiveness:** to be flexible in accommodating the rescheduling requirements of some of our clients, with which we have been working for several years.
- **New Products/Platforms:** to introduce new products/mechanisms for addressing the requirements of our member countries.
- **Fast Track Processes:** to adopt a fast track investment approach to respond member country requirements in an agile manner.



Achieving SDGs Through Local Actions in Asia

Bambang Susantono
Vice-President for Knowledge Management and Sustainable Development,
Asian Development Bank (ADB)

The ability of Asia and the Pacific countries to achieve the Sustainable Development Goals (SDGs) depends heavily on their success in integrating the SDG action plans in their cities and communities; and whether these subnational agencies and other local stakeholders—including local businesses and civil society organizations—can effectively plan, deliver, and monitor programs in line with national priorities.

In fact, around 65% of 169 SDG targets can only be met with engagement of local governments. Subnational expenditures already account for 33% of GDP on key areas such as education, social protection, and health[1]. Local governments also have a vital role to play in addressing global challenges such as climate change.

The good news is that Asian governments' Voluntary National Reviews (VNRs) of SDG implementation increasingly recognize the role of subnational government. But approaches vary significantly: some countries highlight inclusion of subnational governments in VNR consultations, assessments, and planning, while others report on local SDG awareness-raising campaigns, implementation plans, or data collection[2]. In Pakistan, provinces have started to develop localized plans, policies, and legal measures aligned with SDGs[3]. The Government of Indonesia has also advanced SDG planning at the subnational level through the preparation of Regional SDG Action Plans and integration of SDGs into its Regional Medium-Term Development Plan 2020–2024 working with regional planning agencies and national SDG Centers.

The Asian Development Bank (ADB) is encouraging and fostering deeper local actions to address the SDGs. Since 2017, ADB has been implementing a USD 2.3 million regional Technical Assistance project[4] that aims to build awareness and skills related to the SDGs, through training and knowledge-sharing sessions; piloting innovative institutional capacity interventions; and advancing dialogue among national, regional, and international stakeholders.

As an example under this project, ADB has organized in Cambodia a knowledge-sharing fora on institutional capacity for SDG localization with the United Cities and Local Governments (UCLG) and the National League of Local Councils of Cambodia. In addition, ADB supports an e-Learning course focused on SDG localization in multilevel governance systems. We are studying the steps that subnational governments are taking to respond to the SDGs in countries that have carved out an express role for local actions in SDG implementation. These studies will build on our ongoing efforts to capture national SDG implementation in ADB member countries through "SDG implementation snapshots" produced in partnership with the UN system.

Under ADB's Strategy 2030, we are collaborating with diverse stakeholders to find tailored solutions to help countries achieve the SDGs. The operational priorities under the Strategy, such as "strengthening governance and institutional capacity" and "making cities livable" in particular, will enable local governments to advance the SDGs. We are working to strengthen the links between ADB's operations and the SDGs on multiple levels, and will continue to monitor our contributions to this ambitious global agenda. While the SDGs are designed on a global scale, collective actions at local levels are vital to their overall success.

Since 2017, ADB has been implementing a USD 2.3 million regional Technical Assistance project that aims to build awareness and skills related to the SDGs, through training and knowledge-sharing sessions; piloting innovative institutional capacity interventions; and advancing dialogue among national, regional, and international stakeholders.

1 J. Sachs, G. Schmidt-Traub, C. Kroll, G. Lafortune, G. Fuller. 2019. Sustainable Development Report 2019. New York: Bertelsmann Stiftung and Sustainable Development Solutions Network (SDSN).

2 Oosterhof, Pytrik Dieuwke. 2018. Localizing the Sustainable Development Goals to Accelerate Implementation of the 2030 Agenda for Sustainable Development: The Current State of Sustainable Development Goal Localization in Asia and the Pacific. ADB Governance Brief. December 2018. Manila: Asian Development Bank.

3 Government of Pakistan. 2019. Pakistan's Implementation of the 2030 Agenda for Sustainable Development – Voluntary National Review. pp 20–21.

4 Asian Development Bank. Regional: Strengthening Institutions for Localizing Agenda 2030 for Sustainable Development. https://www.adb.org/projects/50385-001/main.

Articles

The Year 2020 Marks a Crossroad for the World & the SDGs

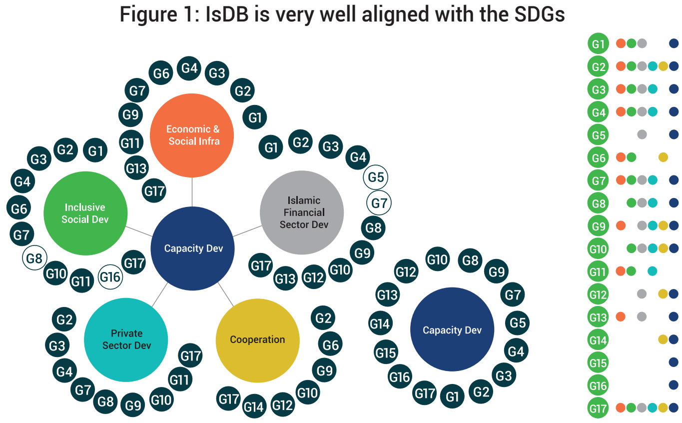
Walid Abdelwahab
Director General,
Country Relations and Services,
IsDB

Five years have passed since the launch of the Global Goals, SDGs, marking one third of the way towards meeting the Goals. It is timely to ask how likely are we to meet the goals? Clearly the answer varies across goals and across countries. To start with, the World has gotten much better in measuring progress over the past five years. Many organizations are also doing better in aligning their structures, strategies, and business models around the SDGs. IsDB provides a good example (Figure 1). This is all well captured in the President's Five-Year Plan (P5P) which is making sure that IsDB and its key interventions take us forward on the road to the SDGs.

But are we at a crossroad? And where are we heading? I believe, not only the IsDB, but the entire development community is at a critical juncture in the journey of the SDGs. We have less than 10 years to meet the targets and many of our member countries are still significantly lagging behind. On the positive side, we are improving how we measure and monitor achievements of SDGs by member countries. This is critical, because the standing of member countries on SDGs inform our country strategies and operational interventions. Figure 2 looks at IsDB member countries. It shows a mixed basket of results which, when taken together, reveals that some countries are lagging at 40% achievement rate, while others are doing very well with 72% (as of September 2019).

However, the road to the SDGs is not even or straight. We should resist the feeling of exuberance (and, hence, complacency) with the achievements so far. Unfortunately, the remaining part of the road to the SDGs, even before the COVID-19 pandemic, is more hilly and circuitous and requires more energy and renewed commitment. Not to mention the last mile in the road, which will be hardest to achieve. This is not a call for despair. As we gear up for the remaining two thirds of the road, we must work harder and fight at all fronts. For example, when it comes to the most critical aspect of the SDG agenda, Financing, we must knock all doors and leave no stone unturned. We must look for innovative ways for raising funds externally and internally, locally, regionally and at the global level. We must also put renewed emphasis on Science and Technology and its role in addressing some of the most pressing and stubborn SDG challenges, such as elimination of diseases, or making renewable energy more affordable and accessible. Think of the global impact of finding a vaccine or treatment to the new

Figure 1: IsDB is very well aligned with the SDGs



Source: IsDB (2016) SDG and 10 Year Strategy

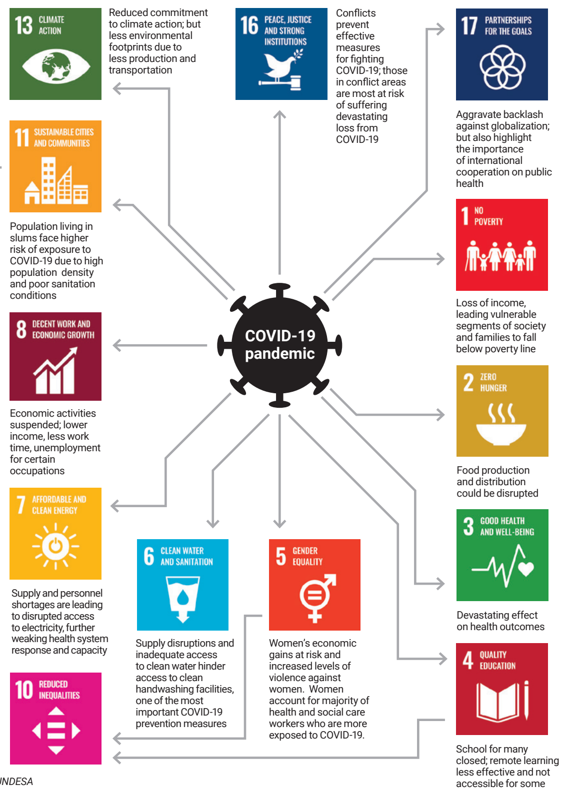
Figure 2: SDG Achievement (%) by IsDB Member Countries

Source: IsDB (2019) Reaching the SDGs, Progress of the IsDB Member Countries (ERIL)

Coronavirus (COVID-19) that is wreaking havoc on the world and threatening the progress made in achieving the SDG in many most developing countries possible sending tens of millions of people back into poverty (Figure 3). There is realistic hope that future innovations and inventions can find solutions to meeting some of the SDGs at much lower costs, which will make the current estimates of SDG gaps in trillions of dollars seem exaggerated, but we must continue to mobilize funds from all possible sources.

Finally, the debate about which SDG to focus on continues to be an important one for specific stakeholders, such as MDBs who are struggling to do more with less, as often demanded by their shareholders. At IsDB, we will continue exploring new approaches of addressing the SDGs through innovative resource mobilization efforts and use of science and technology, while helping our member countries address their traditional development and humanitarian challenges, which are becoming increasingly inseparable.

Figure 3: COVID-19 and SDGs



Source: Shared Responsibility, Global Solidarity: Responding to the Socio-economic Impacts of COVID-19, UN (2020).

Looking Ahead for an Impactful G20 and Heads of MDBs Alliance on the COVID-19

"IsDB Group's Proactive and Solidarity Response"

Abdulhakim Elwaer
Advisor to the President on Global Advocacy & IsDB Spokesperson, IsDB

The COVID-19 outbreak has put the world in front of its responsibility: "Only the solidarity between Nations coupled stricto sensu with respect of the Universal Declaration of Human Rights could overcome such unprecedent global pandemic" declared H.E. The President of IsDB Group.

The global impact is tremendously high and growing on the day to day, and the human lives harvested by such terrifying virus is huge.

The international community is putting enormous responsibility on our shoulders as MDBs and they do expect quick and impactful responses on the ground with the appropriate accelerated focused interventions articulated with fitting mitigation strategies to minimize the disaster of losing daily lives and to stop the spread fear among the population around the world.

As one of the key pioneers since nearly half century, IsDB Group has promptly and vigorously reacted to save people's lives, by providing hastily mitigation measures that can soften the severity of the social and economic chocks.

At the IsDB Group level, we were one of the few MDBs to take quick action by ensuring that as Group, to collectively address the MCs vital needs via a dedicated and agile coordination mechanism. Indeed, IsDB Group has set up a "High Level IsDB Group Committee for COVID-19 Pandemic related Activities" chaired by H.E The President of IsDB Group to manage on a daily basis the IsDB Group coordinated engagement which includes a Short, Medium and LT strategic focused actions. A comprehensive package response was identified under the 3Rs initiative (Response, Restore, and Restart) and a gradually Emergency Country Platform with an objective to better integrate and align our collective interventions at the MCs level is being set up. The COVID-19 envelope stands today at $ 2.3 billion, which IsDB Group is mobilizing from its own resources.

As per today, MDBs have pulled their effort to secure an overall COVID-19 envelope of up to USD 285 billion and nearly USD 1 Trillion is being provided by IMF to support the lending capacity of its affected countries.

MBDs global responses has been tailored first to address the threats on people's lives in a proactive manner to include short-term emergency health sector financing, accelerated infrastructure investment financing, and unconventional financing as well as infrastructure project financing.

It aims also at supporting SMEs and Mid-caps working capital & trade finance as well as health sector response focus on financing the acquisition of consumables and medical equipment.

It was agreed at the MDBs Call for Action to exceptionally soften the lending and procurements rules & procedures as well as partnership legal arrangements in order to speed up the disbursement of the approved funds in priority to the most affected countries.

The G20 leaders, who virtually met for the first time ever, and committed a total of $ 5 trillion, addressed, among other critical issues, mitigating policies to minimize the impact of COVID-19 on key sectors, to financial and technical support to affected people which were directly and indirectly hit by the crisis, and finally to discuss appropriate policies that prevent excessive economic disruption including monitoring the debt vulnerabilities risks in in low-income countries.

Under the proactive Presidency of Saudi Arabia, Finance Ministers, Central Bank Governors have held 2 extraordinary virtual meetings, both attended by H.E. Dr. Bandar Hajjar, where he announced the comprehensive integrated package to support IsDB Member Countries with a total envelope of 2.3bn$, built around 3Rs: Respond, Restore, Restart. G20 Trade Ministers also held an extraordinary meeting and G20 Health Ministers will held theirs later in April.

IsDB Group, through its G20 Task Force, is following all the works and already contributed to the G20 Action Plan in Response to COVID-19 which is being drafted under the supervision of the Framework Working Group.

Can Africa Survive the Plague? Have We Over Reacted?

Belay Begashaw
Director General
The Sustainable Development Goals Center for Africa (SDGC/A).

Hoping humanity will survive once again, despite the unimaginable wind-whirl (angry tempest of nature) as it did many others in the past. Obviously, this Coronavirus (COVID-19) is a wide-world nature challenge, that affects everybody, without discrimination of race, sex or social status. Be it wealthy or otherwise, can't escape from the destructive and pulverizing anger of nature as it unfolds and stretches its invisible, noiseless and unmatchable secrets of power which once it releases, the results are no less than doomsday. It simply creeps on fast, far and wide pervading the entire space and landscape of nature in all directions, without hint, trace, sound or shape but making sure that its aim is achieved effectively be it of long or short duration. Its impact can destruct everything on its way to ashes with a lightning speed pervading quickly everywhere as and when it chooses.

Nature is not bounded by a geo-political border nor directions. It can move everyhwere, left, right, front or back, there is no escape-way for us blind souls having no chance or choice to see or visualize as to which direction is much safer. This is what all weak and helpless earthly human beings are suddenly exposed to. Whether one hides within the confines of home for weeks, months or so, there is nothing immediately available as a secured safety valve or escape shoot or tunnel, safe enough and reliable other than dealing with the impossible against the angry odds, destructive force, angry and invisible enemy.

On the other hand, though not uniform, as some could have been more proactive and responsive than what they were, there has been a relentless effort, across the board in taking on the challenge. All invaded countries and those still spared but at risk of being invaded wage a war against the enemy though it is more of impulsive than systematic. Our health professionals, regardless have shown unprecedented level of determination and rescuing us even at the expense of their unreplaceable life. Let us support these soldiers while in the battle field and not forget those sacrifices and celebrate our martyrs.

Many countries in Africa have just started their slow phase. The virus expands exponentially as it is highly infectious, an average confirmed person infects at least 3 people. According to experts, if unchecked, the virus is expected to expand uncontrollably. It reached to 150 countries within 100 days of its first appearance. It has already reached nearly 50 countries in Africa. Globally, as of 2nd April 2020, the virus confirmed cases reached one million and 59,000 deaths, which is more than fivefold increase from just two weeks ago. In the current trajectory Africa's peak is to come in the coming 4 to 6 weeks. Similar to its slow catch up to peak, it may take exceptionally long time to see the delta curve in Africa, which only happens only after the peak is over. The entire cycle therefore will be much longer and more painful as it characterizes by a prolonged dooming environment. Worse still, the prospects of vaccine hang in medium term. Thus, the impact of the situation in Africa will obviously be deeper and severe, superseding the epoch of the pandemic itself. It is beyond health or economic damage. It could be a complete catastrophe that will leave a number of countries to be stateless. The cumulated grievances and dissatisfaction of citizens against the system failed them, could culminate to a stage where they will no longer be obedient and standing against all advices and orders. In a situation where everyone is striving to bail out (including African governments), it is hard to expect any support that will cushion the shake.

Since the beginning of 2020, more than $4.6 trillion has been pledged by governments, bilateral donors, multilateral institutions, philanthropic donors, NGOs, and the private sector in the fight against COVID-19. But this number just scratches the surface of the expenditure that will be required in the coming months. Millions of people lost their jobs in the past 4 weeks alone, some jobs such as travel and restaurant business have gone for good, as people will no more have confidence for non-compulsory travel.

Rescuing, the laid off and ensuring their very sustenance takes a huge toll, less back to track those business permanently gone.

As often be the case, Africa this time around also enormously disadvantageous and expected to deeply hurt. Africa debt stress levels are fast rising at low levels of development (with 32 of 36 low human development economies found in Africa). Nearly four in ten African countries are at high risk of debt stress or debt stressed. The prolonged corona effect will likely dent sub Saharan economic growth – to the extent of negative per capita growth in 2020. The shortage of foreign exchange manifesting in exchange rate movements will also increase debt burden. In short, the COVID-19 will adversely affect the macroeconomic assumptions underlying the Debt Sustainability Analysis. There aren't much African countries could do to mitigate the situation through applying currently practiced measures such as locking down people at home or shutting down business when they don't have any supply to keep them survive. Nothing could be done in enforcing compliances if people will risk more than the plague by locking themselves. If not handled wisely the situation could easily turnout to a mess with un-intended consequences.

African leaders will be forced to choose between evils and no wonder if they go for the lesser. Either by coming up with a swift working solution in substitutions of the high bar compliance requirement of like stay home when there is no home, or make the right investment to keep people in available and new safe shelters including turning existing public spaces to temporary residence. With no African country with fiscal capacity to stand alone, the international community has a moral obligation to reach out, fast and effectively and help out on such unique challanges. Solutions are and must be contexctual. Even when the problem is global. The challenges at hand, as evidenced, traverse borders and must be dealt with holistically, jointly, and openly. Aluta continua!

Are We Failing the Less Privileged?

Amir Hamza Syed
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After being self-isolated for five days (and counting) and while working remotely using several online tools for business continuity purposes, an SMS alert of the salary credit validated the privilege conventional office goers like you, and I possess. Admittedly, many of us don't need to worry about not being able to work from home, lack of access to high quality health service or the disruption in our income as the rest of the population around the globe grapples with the disparaging impacts COVID-19.

Nation states have undertaken several measures to flatten the (spread of) pandemic curve and avoid straining the health system capacities. Travel bans and near-to-total lock downs have been imposed besides the self-quarantine and social distance measures. Social distancing has become a necessity. Adopting social distancing is within our means. Would this be true to the daily wage labourers, taxi drivers or vegetable vendors who live hand-to-mouth? We are going to see severe economic distress among the less privileged without an effectively policy prescription.

The collective response of the Central Banks and Governments has been impressive in combating the COVID-19 effects on the failing market indices, evaporated stock market wealth and the standstill economic activity that has led to job losses. Multilateral Development Banks (MDBs), many OECD countries and several others have launched stimulus packages with a multidisciplinary response comprising of health system support, targeted social safety nets and economic stimulus to provide liquidity to the private sector companies. These also include relaxation of payment dues for Small and Medium Size Enterprises (SMEs). Central Banks proposed interest rate cuts with near-zero interest rates, bond-buying back programs and targeted fiscal spending programs. Bailouts are also being proposed to ease the most affected businesses. Though reactionary, these steps are hoped to combat the global recession and the global growth estimates that are already halved by the World Bank for 2020.

Comparisons with similar pandemics of the past are also plentiful viz. the Spanish Flu of the early 19th century or the SARS-CoV, H1N1 from the 20th century and the economic fall outs of the two World Wars or the more recent Global Financial Crisis. The onus then too, like now, fell on the Governments to ensure the private sector doesn't collapse, to press the reset button to restore and kick start the economic activity. The Journal of Health Economics published a study in 2013 focused on Sweden that studied the impact of 1918 Spanish Flu on its economic performance. The research found that after Swedish Government's economic interventions there was an increase in GDP and a fast growth in real wages. However, in-contradiction to the theory the pandemic had a strong and lasting effect on the increase in poverty rates with many families losing the primary bread winner, businesses losing working age employees, reduced education attainment, higher rates of physical disability and the resultant lower income. Similar trends could be observed post the recent crises, over the last half-century, with rising inequality compounded with the asymmetry of the benefactors of the stimulus packages.

Drawing lessons, can the Governments fundamentally rethink the approach in tackling both health and economic impacts transcending the barriers of social status, income and asset ownership? Certainly, overcoming COVID-19 situation warrants going beyond a temporary direct cash/in-kind disbursement to the lower income groups. According a consistent adequate space in the fiscal budgetary resources to the ordinary could act as the support base to fall back on during the moments of crises. Perhaps this decade has begun with the opportunity to address and retrace the steps towards achieving collective economic prosperity.

Lest we forget, many of the 2030 Sustainable Development Goals (SDGs) cannot be achieved unless the issues plaguing the bottom 40 percent of income earning categories are fully addressed.

A Dashboard Tracking COVID-19

Economic Research and Institutional Learning Department

Difficult decisions are made easier when evidence-based. This is even more critical during crises when demand outstrips availability of limited resources by multiples. At times like this, there is a need for timely, relevant data and information to support decision making. It is against this backdrop that ERIL under the leadership of the VP (CP) embarked on developing a COVID-19 Dashboard to support internal decision making.

So instead of rushing to a different website each time we want to examine the extent of the pandemic in our member countries, or manually trying to, identify the most affected countries etc, we can easily access or member country information from a readily available single source.

The COVID-19 Dashboard dashboard allows us to quickly examine the extent of the pandemic in our member countries both collectively and individually. Hence, it assists us in identifying countries most affected and deciding on how best to allocate scarce resources. An equally important feature is individual country infection curves, which over time will enable us to gauge whether interventions undertaken at the country level are having the desired effect to help "flatten the curve". The dashboard also provides us with a single source of "truth for our member countries" so that we all speak with one voice and quote the same numbers at a given point in time.

This easy to understand and simple to navigate dashboard is being used both internally to facilitate evidence-based decision making, and serves as a useful resource for those who may wish to quickly ascertain the extent of the pandemic in IsDB/OIC countries.

The data is sourced from the Johns Hopkins University Center for Systems Science and Engineering and the system gets updated automatically once at the end of each day (this allows for consistent comparison across countries).

It may be noted that the dashboard is only available within the IsDB for internal use.

What lessons COVID-19 has for SDGs



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The outbreak of a novel coronavirus COVID-19 is stretching healthcare systems in many countries around the world to breaking point. The social and economic costs are rising as more and more countries find themselves racing against the clock to contain the pandemic. It is a global health crisis of an unprecedented scale that is highly exacerbated by social media.

Economists warn of a possible global recession. And some experts estimate that a single percentage point slowdown of the global economy would increase the numbers of poor and food-insecure people by 2 percent, or 14 million and possibly more depending on the nature of the economic disruptions.

The question is, then, if and how the pandemic effects will undermine global efforts to reduce hunger and poverty under the Sustainable Development Agenda 2030.

As countries are closing borders and imposing lockdowns, this crisis is laying bare vulnerabilities in many sectors, including agriculture, food production and supply. Food self-sufficiency and Food Sovereignty has come to the fore while concerns grow over how long the pandemic will last. Panic buying has put supply chains in many countries to the test and dominated the news.

Amid this crisis, we have also come to realize how important regional and international trade and cooperation are as countries are running short of medical and other supplies. What is more, the pandemic has drawn a clear line between food security and food self-sufficiency.

If past experience is anything to go by, epidemics tend to have a major negative impact on food security and nutrition, especially that of at-risk groups such as children, women, elderly and poor. When governments place restrictions on the movement of people, goods and services during outbreaks, food production and supply are often disrupted, leading to food shortages and price hikes. The longer the restrictions are in place, the more challenging it gets for the most vulnerable in society. And things get worse when governments decide to restrict food exports in response to increased domestic demand and panic buying. Food prices soar globally.

In the current situation, this scenario is all the more worrying as nearly 820 million people are already undernourished and some 155 million children are stunted. Today they are at a far greater risk due to COVID-19 directly and indirectly.

While high-income nations are usually food self-sufficient and those which are not can perhaps buy their way out, people in low-income countries are vulnerable to price hikes for staples and other products.

Unlike past epidemics, this crisis is also disturbing for another reason. It is happening at a critical time for agriculture in many countries. Preventive measures are necessary to contain the spread but if they are not thought out and implemented well, they may have unintended consequences for agricultural production as farmers may not be able to get inputs in time for cultivation. This is particularly true of developing countries where supply chains are often not stable.

Smallholder farmers who produce up to 80 percent of the food in Africa and Asia might bear the brunt of any negative impact. This may have serious implications for their livelihoods and food security and nutrition.

The current pandemic also shows why more diversified and resilient food systems are important. When smallholder farmers grow underutilized and indigenous crops, they are less susceptible to supply chain and market shocks. Not only are they more food-secure as a result, but they also have more nutritious food.

Unfortunately, the pandemic is not over yet. We are probably yet to learn many lessons from it. But some of the things are already clear. Our progress towards the Sustainable Development Goals is likely to slow down for some time. But as soon as the pandemic ends, governments and global institutions will have to double their investments and efforts if we are to achieve the 2030 targets.

What this crisis has also shown us is that when the world faces a common threat, all should come and work together. What matters most is putting human being at the center; galvanizing political goodwill and collaboration. They are as crucial for the fight against COVID-19 as for bigger threats like Food Security, Malnutrition, and climate change.

Perhaps the only silver lining of the pandemic is a global reduction in carbon emissions as many industries have been ground to a halt. It is, then, not so impossible after all.

COVID-19 Initial Response: The First Wave of Change

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Since the first case of Coronavirus (COVID-19) was reported in Wuhan, Hubei China on 17 November 2020, and then recognized by WHO as Pandemic on 11 March 2020, there was complete underestimation on how the virus would impact humanity. As the spread of COVID-19 demonstrated its inability to be fully contained, the resilience of people, communities, and governments are perpetually being tested.

Over the past five months the socio-economic implications of COVID-19 have already become visually apparent on a global scale. Market crashes, MSMEs and businesses' unexpected closures have created an increase in unemployment, leaving the current figure in the millions. Income is depleted, creating a wider gap between social-economic groups and hence exacerbating global levels of poverty.

The resiliency of the healthcare system is being severely strained; the supply chain of essential and medical resources is being derailed due to disruption in trade links as well as the inability of the pharmaceutical industry to meet the growing demands. Prices of essential commodities are soaring given the instability of exchange rates, as well as a negative impact on financial markets as foreign direct investments and remittances are in decline. Further pressure on already existing potable water resources has increased.

According to UNESCO, nationwide school's closures have affected more than 1.5 billion youth; education facilities (from Kindergarten to universities) around the world shut down leaving more than 800 million students relying on distance learning, yet only those with connectivity could follow classes and millions of other students are left astray. Borders have been shut-down and public transportation (air, sea and road) are suspended. The impact of social distancing is yet to be measured and will require careful analysis; life as we understand it is being transformed by the digital world and the lasting impact will require further investigation.

The impact on SDGs from the signs we are seeing could be detrimental! The COVID-19 pandemic is taking a huge toll on Least Developed/Low-Income Countries thus undermining gains made over the past years towards achieving the SDGs. According to OECD, the growth forecast for 2020 is around 2.4%; down from recorded 2.9% in November 2019'. OECD also projected that a longer and intensified outbreak of the pandemic may stunt the growth to around 1.5%.

IsDB member countries are no different; Since 29 January 2020, when the United Arab Emirates reported its first case of COVID-19, many other countries have started reporting confirmed cases. The figure below shows an exponential increase in COVID-19 amongst IsDB member countries. As of 26 March 2020, 52 out of 57 MCs reported 43,614 confirmed cases with 2,570 deaths. Iran reported the highest with 29,406 cases including 2, 234 deaths.

The exponential increase in COVID-19 cases in member countries exposed their vulnerabilities as well as their inability to prevent the spread of the pandemic inter- and intra-countries. Although many nations took preventative measures including travel bans, shutting public spaces including parks, and religious places and enforcing teleworking.. etc; the psycho-social, political and economic implications of this pandemic must be monitored closely, as any surge could occur abruptly and lead to further instability.

Weakened healthcare systems and over-capacitated infrastructure, limited number of professional resources, and the inadequate medical supplies, antiseptics, and personal protective gear for healthcare workers and people has made dealing with this adversary extremely challenging. As a result, like many countries around the world, the majority of IsDB MCs began to face economic downturn, shortage in public financing and liquidity; loss of jobs and income for daily wages, restricted movement and long curfews coupled with availability and/or affordability of essential food commodities could result in compounded crises. Losses in GDP is expected to hike according to think tanks from ESCWA, OECD and other renowned institutions.

With the above in mind, IsDB Group mobilized financial and human resources to respond swiftly and effectively to the negative impact of COVID-19 across its member countries. Towards that, IsDB embarked on assessing the needs of MCs through its regional hubs, as well as developed a corona response program to support countries financially and through technical assistance, and transfer of know-how and technology capitalizing on its previous experience in Ebola response.

Furthermore, IsDB Group adopted a three-pronged approach that is addressing immediate to long tern needs. This approach works in tandem to build resilience in member countries through (i) Responding to the immediate health and social sector needs in terms of capacities, material and equipment, (ii) Restoring health and economic sectors with focus on strengthening response preparedness, trade finance, SMEs operations, and provision of social services, and (iii) Restarting long-term actions focusing on early warning systems, and supporting the revival of the economy and catalyzing private investments.

IsDB is examining various scenarios that will inform its response; in order to enhance peoples and governments capacity to prevent, mitigate and respond adequately to the various challenges COVID-19 presents, it is imperative to build and foster communal resilience toward the pandemic. This can be done through capitalizing on people's indigenous knowledge across IsDB countries, strengthening and attracting a greater unified response through partnerships and alliances and through the efficient use of available resources. Scenario one: In line with the current response plan whereby it is expected that the virus is contained within six months and response in the immediate phase corresponding with needs of the Member countries. Health care system is more resilient to shocks and MC are enabled to deal effectively with the pandemic. Scenario Two: What if the short and immediate term response lasts beyond six months with little progress on the containment and treatment of the pandemic? If populations become debilitated, what should IsDB Group do differently to influence the course of events in member countries in an agile and swift manner? Scenario three: what if the entire medical care system collapses? The health workers are themselves infected and unable to provide the necessary services? The pharmaceutical industry is not able to provide the necessary supplies. Chaos and conflict erupt in countries creating compounded- multi-dimensional complexities…etc.

To answer the above-mentioned questions, joint global actions from partners including MDBs, private sector, philanthropists, government, developmental and humanitarian partners, civil society and the people themselves are needed.

Shared global responsibility to find innovative solutions to fight against this pandemic, will bring hope to find solutions to on-going complex crises!

COVID-19: Does Every Cloud Really have a Silver Lining?

Areef Suleman
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Is COVID-19 really a cause for concern or is it just a lot of hype over nothing? Irrespective of how we respond to this simple yet difficult to answer question, what is clear is that we cannot ignore it. Although the direct impacts of the virus are widespread, it is difficult to quantify as both the depth and breath of this virus remains uncertain. However, the impact we are currently experiencing is not directly related to the actual virus itself, but rather on the reaction and measures taken to contain it.

Priorities?

While economists, think-tanks, researchers and others are grappling with quantifying the economic and social impacts of something whose full extent is yet unknown, globally, governments have adopted a laser-like focus on tackling the issue of containment.

What is nonetheless clear is that the pandemic has resulted in a major loss of confidence by both the private sector and civil society. The longer governments grapple with containment, the longer the panic lasts, and the greater is the loss of confidence. Hence, in terms of sequencing of actions, once there is sufficient progress on containment, the focus will then shift towards restoring investor confidence to increase effective demand. Again, this is not going to be easy. In this context, we are already witnessing governments trying to shore up investment and demand with the recent unprecedented emergency interest rate cuts. Hence, it is only after these elements have been tackled, will governments start looking to protect the erosion of social and economic development. As such, it is not surprising that currently, the impact on the global development agenda is not a priority on any government agenda.

Impacts?

Irrespective of scale and time to containment, the adverse impact of COVID-19 on growth is obvious with convergence of different scenarios pointing to lower growth than 2020 (already the lowest in a decade) and some doomsday scenarios highlighting just 0.5% growth in 2020. Clearly COVID-19 has brought with it an increase in human suffering and will slow-down or even reverse some of the gains achieved on SDGs (a more in-depth analysis on the economic impacts in currently underway).

There are several channels through which COVID-19 could impact the global economy. Directly, on the supply (production and supply chains) and demand (consumption and investment) sides. Direct impacts of the pandemic and related containment measures will affect SDG3 (Health), SDG8 (Decent Work and Economic Growth), SDG9 (Industry, Innovation and Infrastructure) and SDG 11 (Sustainable Cities and Communities).

Indirect effects through loss of income and a shift in government priorities could also have a significant negative impact on several other SDGs, especially SDG1 (No Poverty), SDG2 (Zero Hunger) and SDG4 (Quality Education). For some IsDB member countries (MCs) that were already under stress due to conflicts and geopolitical tensions and for the Least-Developed MCs characterized by weak capacity, the overall impact on SDGs could be quite sizeable if COVID-19 was to spread further.

Is there a Silver Lining?

There is increased awareness on the value of cooperation to tackle the challenge and the importance of global public goods. Development partners including the IsDB are all exploring ways and means of supporting their countries confront the challenge beyond just emergency support packages.

The need to spread the risk and diversify supply chains may bode well for member countries as they try and address key socio-economic challenges and the SDGs by diversifying their economies and build competitive value chains. In the short run, the sudden slowdown of manufacturing activity in PRC will reduce the global growth. China will most definitely throw all its resources at restoring business confident. Nonetheless, confidence has been shaken, and its long-term effects could result in the decoupling of existing supply chains and the creation of new ones with an increased focus on regionalism.

Ultimately, COVID-19 has adversely impacted on economic growth and will set us back on the SDGs. How severe an impact and by how much we have been set back, only time will tell. Nonetheless, it has brought to the fore the need for global collaboration, multilateralism and could present an opportunity for member countries as manufacturers seek to broaden existing supply chains.

Governments have prioritized containment and are not yet focusing on the impact of COVID-19 on development outcomes and the development agenda

Is the Cure Worse than the Disease?

Karim Allaoui
Global Partnership and Resource Mobilisation Department, IsDB

Is the cure worse than the disease? Policy-makers and health experts are grappling with this question. According to the OECD, economies are shedding off up to 2 percent of GDP for every month spent in Covid-19 containment. But was quick to add that it should be viewed as an investment in the recovery phase.

Advanced economies have already approved over $10 trillion in QE and additional budget spending to shore up their economies—the US alone accounts for $6.2 trillion and is planning a fourth rescue package targeting local governments. Some utilitarian economists feel this may be too high a price to pay for "saving a bunch of old folks who didn't have much time to live anyway". Fortunately, these economists are, for the time being, in the minority. But how long for?

If the Covid-19 pandemic managed to overwhelm mighty Europe and mighty America, can we imagine the devastation it might inflict on low-income countries in Africa and Asia (especially in the Indian sub-continent), where health systems are notoriously weak and even access to basic services such as water and sanitation (the first line of defense against Covid-19) is uneven? The death toll there could be of unimaginable proportions.

None of us is safe until we're all safe, wisely commented Mark Lowcock, a senior UN official. Covid-19 will continue to circulate around the globe until an effective vaccine becomes available—possibly in 12-18 months. This means normality cannot really return until then (see what happened recently in China, after bringing the Covid-19 outbreak under control through extreme but effective measures, China has had to shut down again its borders recently due to the influx of Covid-19 cases brought back by travelers across its borders).

The global economy cannot afford a shutdown for the next 12-18 months. It will reopen gradually (possibly within the next couple of months or so), but it will be patchy and uneven and will probably operate in fits and starts in different parts of the globe. One thing is sure though, transactional costs will increase significantly, and global trade and supply chains will not be able to operate unimpeded until "normality" is eventually restored in 2021-2022.

The full impact of the Covid-19 pandemic is not yet known. Many believe that it might do more damage that the 2007-2008 global financial crisis. It is ironic that Covid-19 has temporarily suspended capitalism (the state will be paying workers' salaries and private corporations are being told by the state what to do, just like in socialist states of yesteryears) and democracy (most countries have declared a "state of emergency" and banned the freedom of assembly and other civil rights).

The post-Covid-19 era is likely to witness re-structuring on an unprecedented scale both at the national and corporate levels. WFH ("work from home" for non-millennials!) is likely to become a more permanent feature of re-structured business models desperate to reduce operating costs.

Should China be let off the hook? This is going to be a highly sensitive matter. It may be too early to start the blame game now when so many lives are still at stake. Furthermore, the world needs China right now—most medical supplies and equipment, including the much needed personal protective equipment is manufactured in China these days. The Covid-19 pandemic will be extremely costly in blood and treasure though we still don't know the final bill and, most importantly, the global death toll. However, there will be many lessons to learn from this epic crisis, which has exposed the dismal resilience of the global system. Experts, including Bill Gates, have been warning governments for many years to be better prepared for a pandemic of this scale. It seems few governments heeded the advice, judging from the unfolding devastation across the globe.

Having said that, some argue that China's actions (or the lack of, rather) may have exacerbated the problem. What did China know about Covid-19 and when did she know it? are questions that China may need to answer, at some stage. It is too soon to say if this could lead to an international litigation case, but it is conceivable and may, at least, weigh heavily in the future balance of power between China and the West (and the rest of the world). Some posit that the West will seek to extract major concessions, through a "new deal", from China that may clip its wings and significantly slowdown its rise to global dominion.

In the meantime, some European leaders are already calling for a new "Marshall Plan", including the mutualization of EU debt (so-called Corona Eurobonds, that Germany, Europe's bankroller, [and its northern neighbors] is likely to oppose once again, as it did in the aftermath of the global financial crisis). Covid-19 will be a test of solidarity for the EU, G20 and OIC member states.

The Elephant in the Room. 2020 is likely to go down in history as the year that never was. The Covid-19 pandemic is simply a nightmare scenario for policy- and decision-makers in the sense that no one really knows how bad it is going to be, making it extremely difficult to calibrate a response.

Many developing countries have imposed sudden lockdowns to prevent the spread of Covid-19 that are likely to inflict great hardship on the most vulnerable segments of society (with potential adverse impact on social cohesion and even law & order). Many of these countries are simply unable to provide adequate social safety nets to offset the economic toll of lockdowns, let alone the longer-term economic devastation that this pandemic is likely to unleash for years to come.

The Covid-19 pandemic is likely to wipe out many of the hard-earned development and poverty reduction gains achieved by developing nations over many years, sending millions of people back into poverty. Advanced nations are injecting trillions of dollars precisely to keep workers and businesses afloat during the shutdown of the global economy. Developing nations cannot afford such generous measures. Wealthy nations have a moral duty to show solidarity and help the developing world.

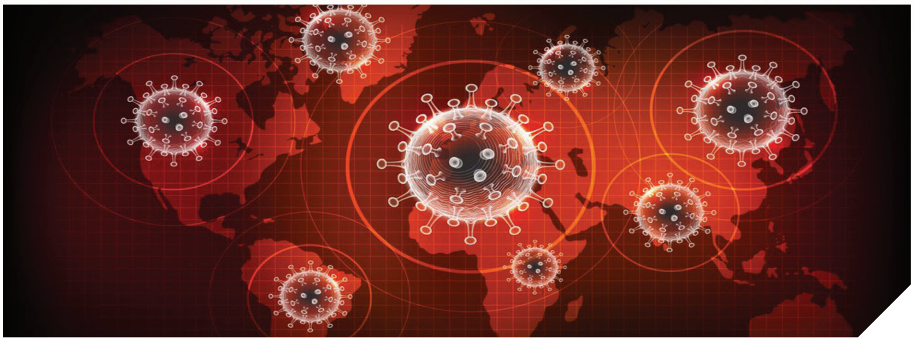
The UN is calling for a $2.5 trillion Covid-19 crisis package for developing nations, including $1 trillion through the expanded use of special drawing rights, $1 trillion of debt write-off (around one eighth of the current external debt stock of developing nations, which stands at around $7.8 trillion), and $500 billion as grant to fund a "Marshall Plan". As ambitious (and radical) as this UN proposal may sound, it is definitely a step in the right direction and a sobering reminder that the worst is yet to come. Multilateral institutions such as IFIs should support the UN call for a strong collective action, which may be led by the G20.

Furthermore, developing nations should be given equitable access to the Covid-19 vaccine when it is eventually rolled out. Alexander Fleming, who won the Nobel Prize in 1945 for his discovery of penicillin, the world's first antibiotic, refused to patent his invention saying it amounted to "patenting the sun"—coincidentally, Fleming was working on the Influenza virus when he accidently stubbled across penicillin. It may be wishful thinking to hope that the Covid-19 vaccine inventors would emulate the altruistic behavior of Fleming and waive their patent rights to allow for the fast and cheap production of the Covid-19 vaccine around the world.

I must confess my blatant ignorance of the eventual impact of the Covid-19 pandemic on the Bank and our business going forward. But one thing is sure, we are entering uncharted and choppy waters. The Bank/Group is facing a delicate balancing act: leaning forward to assist our member states in their hour of need while weathering the very big storm brewing ahead of us. The impact of the Covid-19 pandemic will spare no one. Everybody is currently in a survival and damage-control mode...

Where IsDB Member Countries Stand on Coronavirus

Ammar Abdo Ahmed
Senior Global Health Specialist, Social Infrastructure Global Practices, IsDB



What is the level of preparedness and response of IsDB member Countries?

The Global average of SDG 3 Target 3.d, related to "strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks" for IsDB Member Countries (MCs), remains far from satisfactory. Most IsDB MCs (81%) have not the required satisfactory 13 International Health Regulations (IHR) core capacity scores of which are basic health system functions that focus on issues related to health security, and require: (a) strong health systems with good information and surveillance infrastructures; (b) an adequate health workforce; and (c) effective service delivery, including access to medicines and vaccines.

The table-1 below is showing that we are not immune and we would need to make greater sacrifices for saving our lives and our economies from a Public Health Emergency of International Concern as COVID-19. The growing number of cases and the fatality rates related by the medias, are sourced from the combined high exposure and poor preparedness levels of the health systems.

Moreover, as per the table-1, of our 57 Member Countries, 21 (37%) had response and prevent capacities at levels 1 or 2. These countries did not have an effective enabling function for public health risks management. 11 (19%) countries only had "prevent and response capacities" at levels 4 and 5, indicating that these countries were operationally ready. The remaining 25 MCs at level 3 had not enough effective enabling function, however, some of them could take stock of Ebola Virus Disease Management i.e. Guinea, Liberia, Mali, Nigeria, Senegal and Sierra Leone.

What concrete actions the Bank could carry out to mitigate COVID-19 effect?

As a leading development organization in the region, the IsDB is well placed to mount a response to curtail the potential economic and social effects of the COVID-19 outbreak.

The Multilateral Development Banks used the following margins of maneuvers to leverage more resources and support country platform to prevent, detect and respond to the rapid spread of COVID-19: (1) Reaching out potential philanthropic donors; (2) Savings under projects and technical assistance grants to be relocated; (3) Reprogramming health and social projects under the Annual Work Program 2020; (4) Redeployment of assets

Table 1: COVID-19 Preparedness and Response Status for IsDB Member Countries as of 01st April 2020

Risk Level	Country Preparedness Capacity				
	Level 5	Level 4	Level 3	Level 2	Level 1
5- Community transmission					
4- Local transmission	Malaysia United Arab Emirates	Algeria Bahrain Brunei-Darussalam Egypt Iran Kuwait Oman Turkey Saudi Arabia	Albania, Azerbaijan Bangladesh, Cameroon, Côte d'Ivoire, Guinea, Guyana, Indonesia, Jordan, Kazakhstan, Lebanon, Maldives, Mali, Morocco, Mozambique, Niger, Nigeria, Qatar, Senegal Tunisia, Uganda	Afghanistan Burkina Faso Djibouti Iraq Kyrgyzstan Libya Pakistan Palestine Togo Uzbekistan	
3- Imported cases			Sierra Leone Sudan Suriname	Benin, Chad, Gabon, Gambia, Guinea-Bissau, Mauritania, Somalia, Syria	
2- High risk of imported cases			Turkmenistan	Tajikistan Yemen	Comoros
1- Preparedness					

already procured (e.g., health facilities, labs, sample transportation systems) under disbursing health projects; (5) restructuring health and social projects with more than 50% cumulative undisbursed commitments; and (6) processing financing facility to IsDB Member Countries largest private pharmaceutical distributors to maintain adequate stock of medical supplies (N95 masks, disinfectants, etc.), antiviral drugs and personal protective equipment (PPE) for distribution to hospitals and retail pharmacy outlets.

Ideally, the request may tell us (a) what the country's COVID-19 response plan is, (b) how the IsDB support fits into the national response, (c) what they wish to procure using World Health Organization (WHO) quantification tool, (d) how World Health Organization (WHO) guidance was considered in the national COVID-19 action plan, and (e) importantly, discuss effects on health sector if health project funds are used for COVID-19 and suggest mitigations.

It is worth mentioning that our COVID-19 Program adopts a 3-R approach (Response, Restoration and Restart), which comprises two main packages: (i) Health Emergency Response and Preparedness, and (ii) Sustaining and Reviving the Economic and Social Sectors. As the Global Economy is gripped by a twin supply-demand shock, the last package will contribute to mitigate the social and economic effects. This will support the production of goods and maintain the demand level through making available liquidity, working capital and trade finance.

The eligible health activities include, but are not limited to: (1) Epidemic preparedness assessment, (2) rapid identification and diagnosis, (3) Management of cases and follow-up of contacts, (4) Infection prevention and control in health facilities and at the point of entry, and (5) awareness raising in the population. The approval process is fast-tracked but it is not automatic, every case will be decided individually and thorough assessment will be carried out. Given the Global Market Shortage, our Lower and Middle-Income Countries (LMICs) have already missed the next 60, 90, 120 days to be procured in pre-qualified PPE, COVID-19 testing and ventilators respectively. Once available, the LMICs will pay the highest price, either directly or through a third party. The situation is worsened by insufficient strategic national stockpile of essential health supplies.

From a strategic perspective, we may consider engaging a policy-dialogue with our MCs to establish and finance strategic vaccine, diagnostic testing and pharmaceutical industries. Investing in health is a "best-buy", which will drive down healthcare cost, better protect our population and improve the governance.

Containing COVID-19;

The Political Economy of Health

3 GOOD HEALTH AND WELL-BEING

Ima Arit Kashim
Global Health Specialist,
IsDB

The current Coronavirus epidemic in China and many other countries has wrought an unprecedented impediment to development, with economic corridors worldwide in convulsive throes of wobbling stock prices, oil prices plummeting and fears of looming recession. This is challenging development institutions such as IsDB to drive a new response in Member countries (MCs) to avert the immediate outcome of the infection and the subsequent politico -economic impact on the economies of its MCs.

Why should we be afraid of a simple public health threat like Coronavirus? One reason is that there is limited information available to characterize the spectrum of clinical illness associated with coronavirus disease, so it's not even clear how to diagnose it. Also, people without any symptoms can transmit the virus, and thus no clear way to contain what is not known. In addition, there is no vaccine or specific treatment for COVID-19; only supportive care. The way to confirm infection with the virus is through laboratory testing, and only a limited number of test kits available. In the scientific world, ending the epidemic is to contain the spread, by identifying and isolating the sick. Containment was how the 2003 SARS outbreak — also caused by a member of the coronavirus family — ended. Questions now being asked is how do you contain a virus that is racing in healthy populations, undetected and not likely to be detected given the slow pace of test kit availability even in the United States?

The World Health Organization (WHO) in Geneva has just raised the profile of the coronavirus outbreak to a pandemic after a 13-fold rise in the number of cases outside of China and a tripling of countries affected in the first two weeks of March. The virus in over 110 countries, infecting some 120,000 people, of whom more than 4,000 have died was the final straw leading to this declaration by WHO. Still measures to manage the pandemic remain containment, but increasing local transmission of the virus, means social distancing is a must. Could this be the worst nightmare for the Organization of Islamic Countries (OIC)? It has a diverse mix of low-, middle- and high-income countries; average Gross Domestic Product (GDP) of its member countries as a percentage of the average for all developing countries' GDP is low. OIC Member Countries have a higher population growth rate than developed countries, a large, unstable and displaced population- this is indeed the ultimate developers' nightmare. Disasters and conflicts remain rife in some OIC MCs and pose a serious obstacle to socio-economic development. The economic outlook of these countries between 2014 -2018 showed the worrisome widening gap between higher income and the lower income OIC countries, whose poor development status could suffer hugely from the politico- economic impact of this virus. Indeed in 2018, only around 8% of the global Foreign Direct Investment inflows ended up in the OIC countries, a sure indication that now more than ever, in the face of this devastating pandemic- higher income OIC MCs need to support lower income countries, because no one else will.

COVID-19, Digital Divide and the Rise of Online Education

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Lead Crowd Engagement Specialist
Partnerships Dev. Complex, IsDB

If there is one gargantuan development challenge the framers of the Sustainable Development Goals (SDGs) wouldn't have envisaged, it is the possibility of a global shut down. And that is exactly what has happened because of COVID-19. As the innovative cover of the *Economist* of 21 March 2020 puts it, the world is literally "closed."

Like many workers around the world, I am working from home. I wrote this piece from home, because the world has shut down, making the home both the family abode and the workplace. Before the year 2020, working from home was a 'luxury' accepted by employers to give flexibility to employees. Today, it is the new normal.

While working from home, one major thing strikes me. Despite the closure of schools, my children are still attending classes, albeit virtually. Their computers and mobile phones have been transformed into classrooms. "Dad, I noticed something very interesting today," my daughter said. What was that? I asked inquisitively. "Our teacher had a better control of the class online," she replied, and the conversation permeated into the advantages and disadvantages of online education.

I looked around the countries devastated by the impact of COVID-19. The story was the same in most countries with high or reasonable internet penetration. Back in 2011, Harvard University Professor Clayton M. Christensen and his co-author Henry Eyring, in their book "The Innovative University: Changing the DNA of Higher Education from the Inside Out", made a clarion call to the ivory towers of learning to change and embrace online education. For them, traditional education was due for disruption. In fact, the introductory chapter of the book was titled "Ripe for Disruption—and Innovation".

It wouldn't be out of context to quote them: "a disruptive innovation [...] disrupts the bigger-and-better cycle by bringing to market a product or service that is not as good as the best traditional offerings but is more affordable and easier to use. Online learning is an example." The two authors went on to warn institutions of higher learning that "if they cannot find innovative, less costly ways of performing their uniquely valuable functions, they are doomed to decline, high global and national rankings notwithstanding. Fortunately, such innovations are within their power."

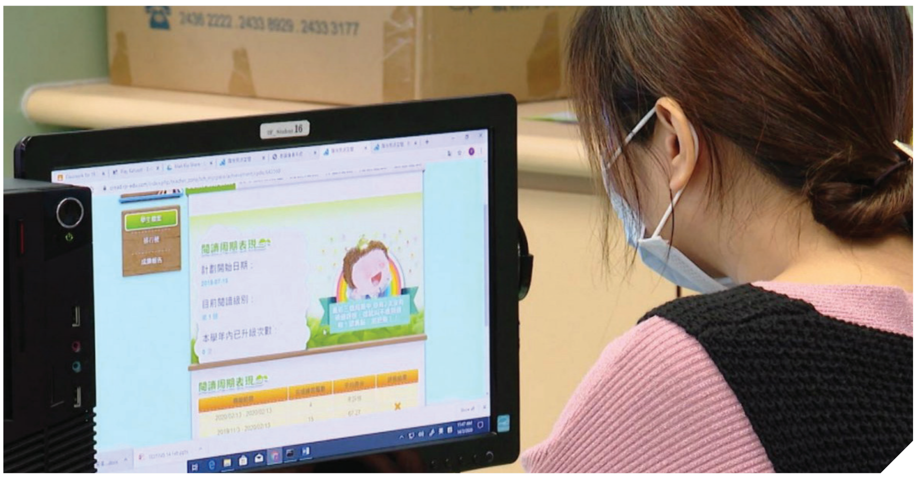
Many institutions have heeded the call and are providing classes online. With COVID-19 a major advantage has been unveiled. Online education will move from alternative to the mainstream. Competition will skyrocket. Cheaper means of acquiring education will ensue. But that is only one part of the story. A friend told me that he was glad that one positive thing that has come out from this pandemic was that educational institutions charging parents exorbitant fees would have to rethink. Our children could receive quality education from home.

COVID-19 has exposed a major weakness that development institutions must help tackle, and that is the digital divide in accessing quality education. While children in high- and middle-income economies could study from the comfort of their homes, those from poor countries could remain spectators in a world that should provide equal opportunity for all.

Lack of connectivity and access to the internet is leaving communities in a disadvantaged position even in developed countries. Brad Smith, the President of Microsoft, and Carol Ann Brownie, Microsoft's senior director of communications and external relations, stated in their 2019 classic, "Tools and Weapons: The Promise and the Peril of the Digital Age", that "rural areas that lack broadband are still living in the twentieth century. " They found that "the highest unemployment rate in the country is located in the counties with the lowest availability of broadband, highlighting the strong link between broadband availability and economic growth."

Certainly, there is global attention on returning 260 million children back to school worldwide. The answer is not in building mega physical infrastructure, rather, as Brad and Carol stated, we should concentrate on building what they called "Rural Broadband: The Electricity of the Twenty-First Century."

Digital divide is the latest form of economic inequality. Development practitioners and policy makers should join hands to make the availability of the internet in developing countries a major development priority.



Impact of the COVID-19 School Closures

4 QUALITY EDUCATION

Jawara Gaye
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The World Health Organization (WHO) declared on 11 March 2019, the novel coronavirus (COVID-19) a Global Pandemic with 176 countries reporting cases. The virus spread rapidly engulfing the world at an alarming rate with severe impact not only on the health systems but on the world economy as well. With medical advice to maintain social distance to reduce the spread, the education system was quickly impacted resulting in the closure of schools and universities. By the end of March, UNESCO reported that 165 countries, including 55 of the 57 IsDB MCs, had instituted nation-wide school closures with 1.5 billion learners affected (87.1% of total enrolled learners).

Schools serve several purposes in our society beyond transmitting knowledge and academic skills to learners including a medium of socialization and the transmission of cultural norms and values. Thus, although the school closures present a logical contribution to enforcing social distancing within communities, COVID-19 is going to have far reaching implications for the education systems if immediate mitigation measures are not taken by countries with support from the global community.

Even before the COVID-19 pandemic, the World Development Report 2018 had declared a learning crisis noting that schooling without learning is not just a wasted opportunity, but a great injustice. The learning crisis was attributed to poor learning outcomes, caused by lack of preparedness of learners and teachers, inadequate inputs and poor management of education systems. The world is not being able to address the poverty crisis, the climate crisis, the health crisis or the learning crisis if it does not invest in providing all children with required knowledge and skills.

School closures, social distancing and self-quarantining measures have compelled education systems to establish new routines to mitigate the disruptions and ensure continued learning. It, therefore, serves as an opportunity to test the use and role of Information Communication Technology (ICT) in education, especially distance learning including its potentials for internationalization of higher education provision. Notwithstanding, the distance learning alternative poses serious concerns over its potential to exacerbated inequalities and widen the digital divide largely due to the ill preparedness of many developing and low-income countries due to lack of internet connectivity or absence of digital content and related capacities.

The impact of the abrupt school closures will not only expose the inherent weakness in many education systems (in terms of management and governance) but the general lack of preparedness and resilience for such emergencies.

The first impact is the disruption to learning due to lack of access to in-school learning opportunities. The vulnerable and disadvantaged children have fewer opportunities for learning at home and hence the interruptions to learning have a disproportionate impact on the poorest children, especially girls and those in fragile and conflict-affected environments. The shift to distance learning could, therefore, widen the digital divide as many poor children lack access to the technology.

Meanwhile, many countries and Examination Boards have postponed or cancelled high stake terminal examinations affecting millions of youths and potentially disrupting transitions to higher learning for secondary school hopeful graduates this academic year. Many countries that are using various distance learning means during this school closures do not have the infrastructure and capacity to conduct online assessments of learners.

With the closure of schools, being a hub for socialization amongst students, many children and youths lose that important social contact which is not only essential for learning and development but reduces isolation and its consequences.

The IsDB joins the global efforts to support Member Countries adjust and respond according to their context and plan for continuity in learning. This will entail engaging with other development partners at the country level to support the development of recovery plans and prepare for school reopening, while collaborating with the global community to leverage resources and expertise to expedite a coordinated response. The ultimate goal of the mitigation measures must be to ensure inclusive continuity in learning particularly for the marginalized, to close the learning gap and build resilience when schools eventually reopen. In the long term, IsDB would consider embedding in its future project financing, the use of ICT to reinforce resilience and ensure learning in emergency situation.

As the world enters the last decade of the Education 2030 Agenda and conscious of the explicitly expression in SDG 4 aimed at ensuring that countries focus on the most deprived and marginalized regions, communities and groups in society, the commitment to "leave no one behind" needs to be reechoed at every opportunity/fora as the world fights the COVID-19 pandemic. Education cannot just wait.

Articles

Eight Lessons for a Successful Delivery of IsDB's Response to Combat COVID-19 Pandemic

Operations Evaluation Department, IsDB

Since the outbreak of Coronavirus disease (COVID-19) and its subsequent declaration as a global pandemic by the World Health Organization (WHO), the IsDB has taken several initiatives to support governments of its MCs as they embark on clear and decisive responses to mitigate the human and economic impact of this outbreak. Among such initiatives are the setting-up a special 'Strategic Preparedness and Response Facility' for sovereign projects and programs, Trade Finance and Insurance coverage and the launching of the 3 Rs" (Respond, Restore, and Restart) Package. The Special Evaluation of the Bank's emergency response to the Ebola Crisis in West Africa presents a learning opportunity. The following eight key lessons are for the Bank's consideration as it prepares to design in concert with MCs interventions relative to the COVID-19 and their successful implementation.

1. **Emergency response operations require rapid response guidelines and processes to effectively achieve response objectives.** The adoption of crisis-specific rapid response policy frameworks and operational procedures which allow greater delegation of authority to regional hubs and project managers, and provide the needed flexibility at operational level is key to ensure prompt action and efficient use of financial resources during emergency situations. The policy should maintain quality at entry, accountability, and ensuring transparency.

2. **Harmonization of donor support and its alignment to country needs is crucial during emergencies.** Better utilization of resources during emergencies requires harmonized support from donors in order to align interventions to the country's specific needs, improve complimentarity and avoid duplication and missed opportunities. To achieve this there is a need for greater dialogue among the donors and the beneficiary countries.

3. **Mobilizing resources from philanthropic sources requires convening and brokering capacity.** As a trusted partner of MCs, IsDB played a catalyst role in the successful mobilization of significant amount of resources from Philanthropies during the Ebola crisis in West Africa. Because of the magnitude of the impact of COVID-19, a more concerted effort will be needed to crowd in more resources towards the emergency outbreak response considering the number of affected MCs.

4. **Partnering with specialized UN agencies and other international and regional organizations present on the ground would improve effectiveness and expedite project implementation.** During the Ebola crisis, the Bank's partnership with UNOPS, UNICEF, and WHO sped up the delivery of its intervention through leveraging on the expertise and capacities of these agencies. This was demonstrated in Guinea and Liberia where these UN agencies played a critical role in the construction and equipping of the health facilities/treatment centers, and in procuring medical supplies.

5. **Cross-border cooperation is vital for effective and successful public health emergency management.** Stopping infectious diseases warrants the establishment of transnational coordination mechanisms. The four West-African countries affected by Ebola took a coordinated set of actions such as the establishment of border checkpoints which contributed to ending the spread of the Ebola virus. Furthermore, the dialogue facilitated by IsDB at the launch of the program between the public health emergency officials of the countries was also critical in ensuring a coordinated response mechanism.

6. **Adopting a health protective behavior as a first line of defense can contribute to slowing the spread of epidemics.** While managing the reported Ebola cases and patients, it was necessary to curtail the spread at the same time. The campaign for adoption of protective measures contributed to the stoppage of spread of the Ebola. For similar outbreaks in the future, more attention should be given to the soft components that focus on communication and disseminations strategies that go beyond short-term awareness-raising to sustaining long-term behavior change.

7. **Short-term emergency response should be complemented by mid-term interventions for strengthening the health systems to achieve sustained results.** The Ebola program adopted a dual approach which balanced its intervention to cope with emergency care while building resilience of the health systems to drive post-pandemic recovery. These included immediate supply thermometers and thermal cameras as well as capital investments in health infrastructure, medical equipment and training of health professionals.

8. **Breaking free of the pandemic trap requires substantial investment in enhanced surveillance, rapid laboratory diagnosis, and vaccine development.** Building and expanding national capabilities of member countries for data collection and early detection, laboratory investigation, prompt implementation of control measures, and vaccine production through deployment of Science, Technology and Innovation (STI) is quintessential to prevent epidemic-prone disease outbreaks.

The GIF and the SDGs:
Why Project Preparation Matters

WORLD BANK GROUP

Jason Lu
Head, Global Infrastructure Facility,
World Bank

Housed within the World Bank, the Global Infrastructure Facility (GIF) serves as a center of excellence for preparing infrastructure projects in developing economies. Working closely with its technical partners—multilateral development banks (MDBs)—it provides funding and hands-on technical expertise for designing and structuring projects that are attractive to private sector investors.

The World Bank estimates that developing countries need to invest around 4.5 percent of GDP to achieve infrastructure-related Sustainable Development Goals (SDGs). Most governments in developing countries do not have the capital and technical expertise necessary to develop infrastructure projects, making private sector participation critical. This is where the GIF can make a difference.

Launched in 2015, the GIF operates as a global collaboration platform where governments, private investors, and MDBs work together to develop viable infrastructure. Since its inception, it has approved 88 activities in 46 countries, which are expected to mobilize $69 billion in total investments—including $46 billion from the private sector. In addition, about 21 percent of the GIF's approved funding targets least-developed countries.

Given that infrastructure is a crucial enabler for many SDGs, the GIF's work is contributing to achieving them on multiple fronts. It is needed now more than ever—especially with the 2030 deadline only a decade away. To illustrate:

Many GIF projects contribute to SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). More than 45 percent of GIF-approved funds are for energy and almost 70 percent for climate-smart projects. In Burkina Faso, the GIF is providing $785,000 in funding and technical expertise to support a solar PV-plus-storage project that will be the largest hybrid and first utility-scale project in West Africa. The project also includes the country's first competitive auction for an independent power producer allowing the government to evaluate offers based on their price per unit of electricity and other criteria.

The GIF also supports projects that contribute to achieving SDG 6 (Clean Water and Sanitation). About 8 percent of GIF-approved funding is for water and sanitation. In Tunisia, the GIF will provide nearly $300,000 to support the national utility to conduct a detailed feasibility study of the Desalination PPP Project, which uses energy-efficient desalinization technology to produce potable water. The project is expected to mobilize $138 million of investment capital from public and private sources.

Another area where the GIF is making an impact is in SDG 11 (Sustainable Cities and Communities). GIF projects in this space include urban transportation, low-carbon infrastructure services, and trade-enabling projects such as rail networks and ports. In Abidjan, the GIF is supporting the government with detailed feasibility, commercial/financial due diligence, and transaction advisory services for a $400 million Bus Rapid Transit (BRT) PPP project to address critical urban mobility issues.

The GIF is now entering its post-pilot period in an environment where demand for its support is growing. Today, the GIF is scaling up its work and building new partnerships, such as the one with the IsDB. In working with MDBs, donors, governments, and the private sector, the GIF is helping bridge the multi-trillion-dollar gap to achieve the SDGs by 2030.

The GIF operates as a global collaboration platform where governments, private investors, and MDBs work together to develop viable infrastructure. Since its inception, it has approved 88 activities in 46 countries, which are expected to mobilize $69 billion in total investments—including $46 billion from the private sector

Strengthening Collaboration to Achieve the SDGs through Integrated National Financing Frameworks

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UNDP's Finance Sector Hub, UNDP

A great deal of focus has been given to the financing gap in achieving the SDGs – with trillions of dollars required over the decade to 2030. As a global community it is not so much a question of a lack of resource - global financial wealth has now increased to USD 317 trillion and global personal wealth grew to $202 trillion – a scale of resource way beyond that required to achieve the SDGs. The more fundamental question is how to channel this resource to where it is needed most and ensure in particular that private finance flows alongside public finance towards the SDGs.

Ministries of Finance and planning are trying to answer this question by putting in place the comprehensive financing strategies to align these flows of finance with the ambitions in their national development plans and the SDGs. Recent research has shown that whilst there is a resurgence in national planning, less than 75% of those plans are costed and even fewer include financing or resource mobilization strategies to support their delivery. So there is still much to be done .

It is in response to this need that the UN has scaled up its support for Integrated National Financing Frameworks (INFFs) at the country level. In September 2019, the UN and EU committed to support 15 pioneer countries, including Cabo Verde, Kyrgyzstan, Bangladesh and Indonesia, in establishing more comprehensive financing strategies for their national development plans as part of INFFs. Aligned with the IsDB-UNDP Action Plan, UNDP and IsDB are joining forces with countries such as Egypt, Lebanon and Somalia to develop INFFs that help direct public and private finance towards locally-driven development plans .

Globally, the United Nations Development Programme (UNDP) is involved in over 80 countries in these endeavours. We have been working with Ministries of Finance and Planning across the world to take forward the steps necessary to put in place INFFs. Development Finance Assessments have been implemented in 36 countries to map out different financial flows that can be leveraged for the SDGs; we have developed guidance for integrating the SDGs into the budgetary process; together with other partners we have worked with government and the corporate sector to mobilise SDG-aligned debt instruments; and we have developed and taken forward tools to help align private capital with the SDGs including through SDG investor mapping - a tool to identify private sector investment opportunities aligned with the SDGs.

However, it is ultimately the support for INFFs from development partners like the IsDB that will be critical to success in enabling our partner governments to better finance their development priorities. By aligning our collective resources with well-articulated and sequenced financing strategies we can ensure that we achieve maximum value for money in our grants and loans – using scarce international finance to catalyse further flows of domestic public and private finance for the SDGs.

UNDP looks forward to working with the IsDB to help governments establish Integrated National Financing Frameworks to help them finance and accelerate their development goals. Together, it is undoubtable, we can achieve more.

1 The 'New' national development planning and global development goals: Processes and partnerships, Admos O. Chimhowu et al, World Development 210, 2019

SDGs Indicators: Reporting Harmonization

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There is an ever-greater need of setting up an international development effectiveness standards body which can pave the way forward for the harmonization and standardization of SDGs reporting and address the development challenges in a coordinated manner.

July 6, 2020 will mark the third year, since the adoption of the global indicator framework of the Sustainable Development Goals (SDGs) by the United Nations General Assembly and we are fast approaching the final decade of implementation of the 2030 Agenda for Sustainable Development. The challenges are multifaceted and amongst the most pressing issues such as SDG Financing gap, alignment of SDGs into the national country planning processes, awareness of the SDGs by the international donor community, civil society, and international organizations, etc. The biggest challenge yet remains the presence of a consistent way of monitoring and reporting on the progress, both at a country level as well as at a global level. The lack of harmonization in collecting the data at a country level poses a bigger threat to ensuring accountability of stakeholders, which as a result could lead to an underestimation of the grave issues being faced by us today.

With the objective of employing a uniform approach, the global indicator framework includes 232 indicators which are classified into three tiers, i.e. Tier 1, Tier 2 and Tier 3. Only in the case of Tier 1, there is an agreed methodology and the data is available for 50 percent of the countries, whereas for the Tier 2, there is an established methodology but no data is available at a country level and lastly for Tier 3, where neither a unified methodology nor any data is available, as per the United Nations, Department of Economics and Social Affairs, Statistics Division. This aspect can make the implementation of the 2030 Sustainable Development Agenda more challenging.

More than ever, there is a need for the multilateral development banks (MDBs), international donor community and key actors, to join hands and have a more collaborative approach towards the attainment of the SDGs. This will provide a uniform front to the development community by collectively highlighting the underlying complexities in the form of informed data-driven decision-making. Furthermore, the availability of data in a consistent manner may also provide a strong foundation to attract the private sector which can play a vital role in bridging the SDGs financing gap.

In the context of IsDB and other multilateral development banks, alignment of the interventions with the SDGs gap is a good starting point and the 2020 Work Program is developed keeping in mind the SDGs gap. The SDGs are used as a basis for the strategic planning with a particular focus on SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure) and SDG 17 (Partnerships for the Goals) and these priorities are cascaded downwards. Taking this element into consideration the proposed 2020 work program with the ready projects (amounting to $ 1.64 billion) are mostly in line with the sectoral distribution of the SDG gaps (within less than ± 5%).

There is a need of greater ownership at a country level and the MDBs can play their role in building statistical capacities of the countries. As H.E. the President of IsDBG is the Chair of the MDBs forum, he is keen to work towards developing a joint MDBs Report on SDGs, which will be the first of its kind across the MDBs and this effort will definitely bring the MDBs a step closer towards the harmonization, standardization and consistency of SDGs reporting in the longer run.

SDG17: The Role of Resilience and Human Development Sectors in Supporting the Global Goals

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IsDB

Recent fires in Amazon and in Australia, locust swarm expansion causing enormous devastation of crops in Horn of Arica, violent conflicts in many countries, and current COVID-19 pandemic are only a few images of the status of our planet today.

Almost all of the 57 member countries of the Islamic Development Bank (IsDB) are affected by some form of disaster. The IsDB President H.E. Bandar Hajjar recognized that energetic efforts need to be done by the Bank to address issues that make countries highly vulnerable. The establishment of the Bank's Resilience and Social Development Department (RSD), just over two years ago, was the first step to address this vulnerability.

In the new business model of IsDB, there are now numerous interventions that – while complying with the SDGs – do focus on Women and Youth Empowerment, Human Development (including support to NGOs and Civil Society), and Climate Change that supports member states.

The Bank recently engaged with new partner institutions, each having expertise with resilience and social development programs. One of such, new partners of the Bank is the World Food Program (WFP). Founded in 1961, WFP is the United Nations' frontline agency with a dual humanitarian and developmental mandate to supports global food and nutrition security, as well as the social and economic development. The WFP is meant to provide a food assistance during emergencies and to work with governments and communities – all meant to improve resilience and address the root causes of hunger and malnutrition. The Memorandum of Understanding (MoU) between IsDB and WFP was signed in January 2020 during the World Economic Forum (WEF) in Davos, Switzerland.

The two institutions agreed that areas of cooperation incorporate an identification of co-financing, including alternative financing mechanisms; cooperation opportunities for programs and projects, particularly in humanitarian, fragility disaster crisis settings as well as developmental project, particularly in the agriculture and rural development sector. Furthermore, the two institutions agreed to cooperate in project development, implementation and support in the capacity development, in: (i) operations, procurement and other potential activities in respective member states; (ii) common priority sectors and regional initiatives with a view to achieving their common development objectives; and (iii) promoting South-South and Triangular cooperation, as well as the Reverse Linkages at regional and national levels.

Finally, the two institutions agreed to set the best practices and information exchange mechanism talking particularly: Agribusiness Value Chains; Water; Science and Technology and Innovation (STI); Climate change, crisis response and recovery; Poverty reduction; Women's and youth empowerment; Disaster risk reduction; Human and institutional development, to name but few. In order to achieve joint impact on the ground, the IsDB and WFP teams have developed a Joint Action Plan that will be monitored and reviewed periodically.

At the Second Riyadh International Humanitarian Forum (RIHF) that was held on 1-2 March 2020, the IsDB President himself led the Bank's delegation. This Forum hosted 1,280 participants representing 80 countries, 21 international organizations and 46 governmental entities. It included officials and heads of international and UN humanitarian bodies, representatives of civil society institutions, NGOs, the private sector, academics of 11 universities, and the specialized research groups, in addition to the attendance of parties interested in humanitarian affairs. The RIHF provided the Bank an opportunity to meet existing and new partners in the humanitarian sphere.

Objectives of the RIFH were to: (i) exchange ideas and experiences on bridging the gaps between the humanitarian and developmental sectors in order to achieve more sustainable results; (ii) find innovative and effective solutions to challenges and difficulties in providing humanitarian health assistance; (iii) develop practical and effective solutions to the humanitarian challenges facing both migrants in their communities of origin and in their host communities; (iv) share experiences and best practices in supporting children, women and youth affected by conflict, disasters and violent extremism; and (v) promote creativity and innovation through evidence-based

professional practices in humanitarian intervention.

Even though, the King Salman Humanitarian Aid and Relief Center (KSRelief) was established in 2015, the Center has done a lot in supporting refugees worldwide, particularly those from Syria, Yemen and Myanmar. Using a similar document signed with the RIHF as a platform, the IsDB President signed a Memorandum of Understanding (MoU) with Mr. Abdullah bin Abdulaziz Al Rabeeah, Supervisor General of KSRelief. Its aim is cooperation and joint financing, among others, fostering of urgent relief and humanitarian assistance programs and actions in situations of need, such as natural disasters to the IsDB member states and Muslim societies in large. Just like with other partner institutions, this MoU envisages development of Joint Action Plan between the relevant technical teams of the two institutions.

The IsDB will continue to strengthen and develop new partnerships. In resilience and social development sectors, some of the new partner agencies – with which the Bank is becoming involved are the European Civil Protection and Humanitarian Aid Operations (ECHO), Norwegian Refugee Council (NRC), Save the Children, United Nations Volunteers (UNV), Omnia Education Partnerships (OEP) and Finn Church Aid (FCA), to name a few.

The IsDB is renewing its cooperation with the specialized entities of the UN: They are primarily the World Health Organization (WHO), UN High Commissioner for Refugees (UNHCR) and the Nairobi-based UN Environmental Programme (UNEP).

Further to its resilience and social development sectors, the IsDB will continue and strengthen its cooperation with its traditional Multilateral Development Bank (MDB) partners (World Bank, African Development Bank, Asian Development Bank, Inter-American Development Bank) as well as with the UNICEF, United Nations Office for Projects Services (UNOPS), German GIZ, UN Development Program (UNDP), the Centre for Environment and Development for the Arab Region and Europe (CEDARE), etc.

In all partnerships, the Bank should have integrated approach across all relevant departments and entities in IsDBG. The partnerships should be governed by the following four key principles: (i) good governance; (ii) sustainability; (iii) visibility and (iv) impact.

As our President tirelessly repeats "only a coordinated, timely sustained and join efforts of all stakeholders – be it intergovernmental or not – will answer the problems affecting our member countries and the whole planet to its everlasting betterment."

Stretching The Frontier of Trade Finance

Abdouramane Diallo
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Only two decades ago did trade finance start to be distinguished in the mainstream as paramount, when WTO identified its scarcity as an epitome of the Asian financial crisis in the backdrop of severe liquidity shortage for South East Asia countries (WTO, 1998). IMF joined the conversation to assess the potential damage of shrinking trade finance as enormous for the real economy (IMF, 2003). No doubt trade finance has legitimately been perceived as the fuel for trade. Today, 80% of the global trading system is supported by some sorts of trade finance instruments.

But the narrative remains on technical banking jargons rather than on a global development finance perspective. Loans, insurance and guarantees from commercial banks and export credit agencies are used to overcome transport, liquidity and exchange rate risks. Authoritative reports offer highly informative data on the global trade finance gap—estimated at US$1.5 trillion—negatively impacting SMEs' performance. In July 2015 in Addis Ababa, when the UN Conference on Financing for Development and the SDGs analyzed financial and non-financial means of implementation for the SDGs and discussed a new framework for development finance, access to trade finance was once again considered in terms of its availability.

Trade finance is more than a fuel, it is an underestimated development finance tool through which development impacts are created. It is pervasive through all SDGs goals. IsDB, a first mover, has financed international trade operations since 1977. Since 2008, ITFC leveraged US$31 billion worth of external trade finance to help offset the trade finance gap. As a result, an estimated 79 million people were provided with access to reliable energy, US$5.6 billion supported the food and agriculture sectors and about a million people have been alleviated from poverty. In the meantime, US$4.2 billion of intervention to financial institutions to support SMEs, knowing that 70% of their trade finance requests are rejected despite them creating 90% of jobs in LDCs. In 2018 only, ITFC financing supported around 300,000 jobs, 10% of which directly related to women.

Not only is trade finance an effective vehicle to produce development impact, it offers the opportunity to tackle various other issues simultaneously. In the Gambia for example, ITFC uses a combination of trade finance and capacity building interventions to reduce negative effects of aflatoxin contamination on trade, agriculture, public health and poverty. In Indonesia, ITFC is incubating vocational training and education as part of its coffee program, which mixes trade finance and coffee growing training in hundreds of coffee cooperatives. Climate change gradually will have to enter the discussion around enablers for climate sensitive trade finance and the policy and institutional capacity implications required to better align climate and trade.

Above all, trade finance's short-term nature at the higher end of the credit spectrum affords it a faster absorption capacity relative to other development finance means. This makes it a swifter and more effective development instrument appealable to wide categories of financiers and donors alike. All these provide food for thought for trade finance to be considered a legitimate global development finance tool worthy of contributing to achieve our 2030 goals.

Articles

How the Rise of Sustainable Investing can Rewrite the Traditional Risk-Return Equation

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The idea of sustainable investing (also sometimes referred to as impact investing, socially responsible investing, social investment or responsible investing, and used interchangeably hereafter) is not a new one and is certainly not a byproduct of the post-2015 Development Agenda. In fact, many observers trace back the birth of the conviction of the concept of sustainable investing to the change it brought about in assisting the dismantlement of the Apartheid system in South Africa. Continuous divestment of financial interests by international investors away from South Africa between the 1970s and the early 1990s, and the resulting capital outflow, forced the country's top businessmen, representing about 75% of South African employers, to negotiate for an end to the Apartheid system. Nonetheless, the 2030 Agenda has undoubtedly helped sustainable investing gain momentum and enter the mainstream of the development and financial worlds.

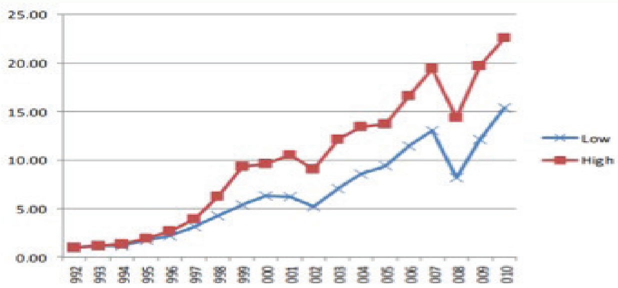
According to the Global Sustainable Investment Alliance (GSIA), sustainable investing assets, defined as assets obtained as a result of an investment approach that considers environmental, social and governance (ESG) factors in portfolio selection and management, stood at $30.7 trillion at the start of 2018 in the five major markets[1], a 34% increase in two years[2]. This impressive rise is further proof that impact investing is not an activity to be pursued to tick off annual corporate responsibility targets, but that sustainable investing strategies can create value, manage risks, and improve returns over time. Some of the available data is worth examining closely.

According to research published by the Harvard Business Review in 2011, "high sustainability" firms dramatically outperformed the "low sustainability"[3] ones in terms of both stock market and accounting measures over an 18-year period from 1992-2010 (Chart1)[4]. Moreover, according to research by Arabesque Partners and Oxford University, an overwhelming percentage of studies found sustainability practices to have had positive financial impacts, as of 2015 (Chart 2). Furthermore, as per Friede, Busch and Bassen (2015), almost 50% of studies conducted as of 2015 found an impact between ESG practices and corporate financial performances in developed countries, while more than 60% of studies found the same in emerging countries (Chart 3). This is only some of the evidence available that ESG considerations can reformulate the risk return equation as it is traditionally viewed, and even presents the possibility of deploying ESG factors to generate alpha.

In fact, according to a joint report published in 2020 by KPMG, CREATE-Research, AIMA and CAIA, 'opportunities to generate alpha[5]' came in as the most quoted response by institutional investors to the question of "What are your organization's key drivers of ESG-oriented investments?". 'Alignment with the corporate mission or values' came in fifth (Chart 4)[6] .

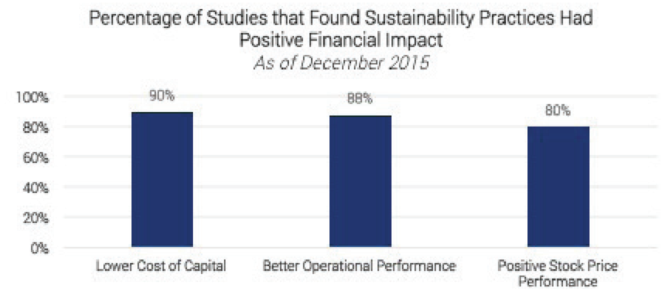
There remains, however, a huge room for improvement, in terms of increasing the volume of sustainable investing. Markets can still do a much better job in pricing-in risks and externalities such as environmental degradation, climate change, rising income inequalities and exploitative labor practices, which would go a long way to thwart short-termism in financial markets.

Chart 1: Evolution of $1 invested in the stock market in value-weighted portfolios:



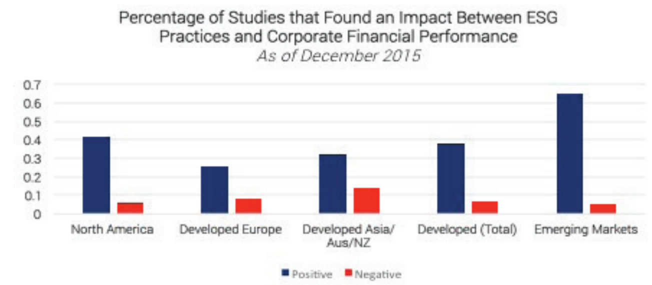
Source: Eccles, Robert G. et al. "The Impact of a Corporate Culture of Sustainability on Corporate Behavior and Performance." (2011).

Chart 2: Percentage of Studies that Found Sustainability Practices Had Positive Financial Impact:



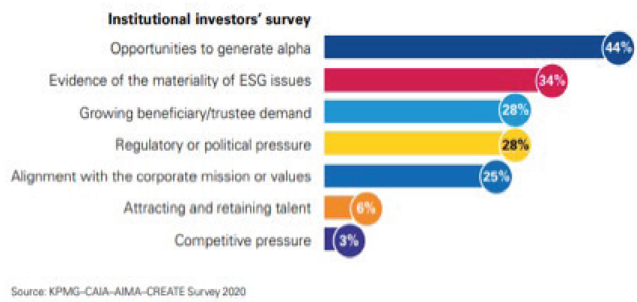
Source: Arabesque Partners and Oxford University. "From the Stockholder to the Stakeholder: How Sustainability can Drive Financial Outperformance". (2015).

Chart 3: Percentage of Studies that Found an Impact Between ESG Practices and Corporate Financial Performance:



Source: Gunnar Friede, Timo Busch & Alexander Bassen. "ESG and Financial Performance: Aggregated Evidence from more than 2000 Empirical Studies". Journal of Sustainable Finance & Investment, 5:4, 210-233. (2015).

Chart 4:



Using Technology for Monitoring and Evaluation

Prashanth Kotturi
Evaluation Analyst - IFAD

Introduction. Sustainable Development Goals (SDGs) provides the guiding framework for the development efforts over the next decade. The fundamental difference between SDGs and the predecessor in the form of Millennium Development Goals (MDGs) is the that crafting of the SDGs has been regarded as an unparalleled participatory policy process. However, this also means that SDGs have set a highly ambitious agenda[1] in the form of seventeen goals, 169 targets measured through 232 indicators.[2] However, the international development community currently lacks the means and data to meet such ambition. As an example, in Asia and Africa, only 20 per cent of the SDG indicators have data available to measure progress. Similarly, World Bank finds that only 35 per cent of the African continent has poverty related data, key to achieving SDG2, collected since 2015.[3] Thus, in the absence of paradigm altering data architecture, measuring progress on SDGs will be a distant dream.

Luckily for evaluators, bigger challenges have also been accompanied by bigger means to address them. Technologies such as wireless communications, remote sensing, machine learning have brought the potential to collect data more accurately, faster and cheaper for the benefit of a wider population.

Technology as a source of data. Data is being created at an exponential rate. Over 90 per cent of the data that exists today was created in the last two years and this rate of data generation is expected to continue.[4] A large part of such data is generated through use of digital tools such as social media, internet and a host of other devices connected to them. More specifically, for development professionals, large sets of data are being created in the form of satellite imagery and user generated mobile data which have the potential to provide us with invaluable knowledge on the state of human and ecological systems.

Technology as an instrument to collect and interpret data. There are certain simpler but equally powerful purposes that technology can serve in undertaking our current functions of data collection and analysis more efficiently. As an example, wireless devices are now ubiquitously used to collect monitoring and evaluation data in the field. This enables a real time monitoring of data collection exercise. The digitized nature of such exercise also enables basic real time analysis and visualization of results. Improvements in computing power, newer programming languages and improvement in our ability to facilitate interaction between various datasets has exponentially improved our ability to analyse data and not only make summative assessment but have also provided us with the power to make formative assessments. Machine learning[5] provides the ability to process large datasets, isolate the underlying relationships hidden in the data and bring out hidden trends and provide predictions.

What do this mean for SDGs. SDGs are ambitious in terms their timeline and they also recognize the inherent complexity of the goals and the interrelationships. The vast amount of data being created at the pace today may serve to fill the data gap in measuring SDGs at a speed that traditional methods might not permit us to. In addition, the ability to look at interrelationships between various goals through machine learning algorithms and analysing various kinds of datasets in an integrated manner helps development professionals disentangle the complexity to some extent.

Words for caution. Development professionals will have to be cognizant of concerns around inclusion, privacy and ethics. When drawing on big data datasets sourced from various platforms, we need to be cognizant of whose voices are represented in those datasets and how inclusive these datasets are. Ultimately, every data point we use is someone's story and it is our responsibility to not only ensure that we are telling the right story but also to ensure that the right person's story is being told. In addition, the granularity of information that technology can deliver can easily expose the most vulnerable populations to privacy breaches. Thus, enhanced protocols for using technology in development work and evaluation are necessary if the international community is to reap full and equitable benefit of technology.

In summary, technology is rapidly changing the way we conduct our day to day life and development may not be immune to it. Newer technologies and newer ways to use existing technologies might become available to us just when we need them the most and we should not ignore them.

[1] From MDGs to SDGs: What are Sustainable Development Goals: https://www.local2030.org/library/251/From-MDGs-to-SDGs-What-are-the-Sustainable-Development-Goals.pdf
[2] SDG Tracker: https://sdg-tracker.org/
[3] Counting on the World to Act by Sustainable Development Solutions Network: https://countingontheworld.sdsntrends.org/static/files/19COTW.pdf
[4] What's the big deal with data, BSA: The software alliance
[5] Machine learning is an application of artificial intelligence (AI) that provides systems the ability to automatically learn and improve from experience without being explicitly programmed. Machine learning focuses on the development of computer programs that can access data and use it to learn for themselves.

Multilateral Development Banks, too, have an important role to play. For instance, investors overwhelmingly cite the lack of data, addressing quantification of a company's ESG contribution, as well as being unable to assess a company's ESG intentionality (e.g. short-term vs. long-term commitment to ESG goals) as a barrier to sustainable investing. This is partially due to governments not mandating companies to provide data on the aspects that matter for sustainable investing. MDBs can therefore work with governments and the private sector alike to overcome this challenge by, for instance, passing legislation, raising awareness, and building capacity.

IsDB, specifically, being the world's most prominent Islamic Finance institution, is extremely relevant to sustainable investing, since Islamic Finance encompasses many of the core principles of sustainable investing. By being at the forefront of sustainable investing, IsDB can help develop sustainable investing into a "new frontier for sustainable development".

1 Europe, the United States, Canada, Japan, and Australia and New Zealand.
2 http://www.gsi-alliance.org/wp-content/uploads/2019/06/GSIR_Review2018F.pdf.
3 "high sustainability" defined as companies that adopted all or most of certain environmental and social policies, and "low sustainability" defined as companies that adopted almost none of these policies.
4 https://hbswk.hbs.edu/item/the-impact-of-corporate-sustainability-on-organizational-process-and-performance.
5 In finance, alpha is defined as a measure of performance indicating the excess return of a strategy/trader/portfolio over a market return/index over a period of time.
6 https://assets.kpmg/content/dam/kpmg/xx/pdf/2020/02/sustainable-investing.pdf.

Debt as an Obstacle to Achieving the SDGs in the Caribbean

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Since the adoption of Barbados Program of Action in 1994, the key focus of international community remained to be the achievement of sustainable development for Caribbean countries in the context of financial constraints. Discussions on development finance have traditionally been centered around resource mobilization to fill huge financing gap with limited attention to sustainability of the financing.

Attracting more overseas development assistances (ODAs), external and domestic borrowing, foreign direct investment and funding from capital markets, as well as other non-traditional off-balance sheet resources are essential to finance development goals. However, there is a risk that even such innovative financing mechanisms will increase debt burdens via contingent off-balance sheet liabilities which would require even more careful management and mitigation.

Debt sustainability concern for development goals was initially brought up in the UN Secretary General Report (2005) with its definition as "the level of debt that allows a country to achieve the Millennium Development Goals and reach 2015 without an increase in debt ratios". Although Caribbean region demonstrated a progress in some MDGs, including halving extreme poverty (85% as of 2016) and education coverage and access (90% as of 2016), the performance of the region in other MDGs were mixed. Moreover, this relatively low achievement and progress in MDGs was accompanied by a significant increase of indebtedness of the region, e.g. Suriname's external debt reaching record level of 102% of GDP in 2018 (IMF, 2019 Article IV). MDGs were not only progressing well, but the debt level of Caribbean countries became a top priority policy issue to address.

In view of the above, SDG Agenda includes a Target 17.4 under SGD Goal 17 "Partnerships for the Goals": "Developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress". Caribbean countries are addressing debt sustainability by maintaining primary fiscal balance within manageable and sustainable level, henceforth committing to improve domestic revenue mobilization and maintain strict expenditure policy at all levels of governments.

Efficiency gains and revisited role of Government in SDG finance

What is missing is critical debate on the size of the government / public sector in terms of share of its expenditure in total SDG finance which by itself might be an important factor in crowding out of private sector. The focus of discussions and deliberations is still on how to fill US$2.5-3 trillion annual financing gap to achieve SDGs without consideration of mutual exclusivity problem of public-private sector cleavage whereby dominant role of the former is usually played at the expense of the latter. This is especially relevant for the Caribbean where share of public sector continues to dominate SDG Agenda to maximize fiscal revenue collection to finance SDG and boost debt repayment capacity. Nevertheless, public sector inefficiency is yet to be addressed to get rid of redundant public functions and administration, create competition with less cumbersome and bureaucratic regulation, while promoting entrepreneurship and letting market forces to work. In most of the cases, unsustainable debt level in the region is not the result of market failure, but rather its absence or weak operating market mechanisms.

Can Oil Revenues sustainably finance SDGs in the Caribbean?

With expected record 86 percent of annual GDP growth in 2020 (IMF, 2019), Guyana will be the fastest growing economy in the world, this is thanks to the start of production of recently discovered offshore crude oil in Stabroek Block (more than 8-billion-barrel estimate). In addition, recent announcement about significant offshore oil discoveries in Surinamese costs will make headlines in 2020. Massive oil windfall in both countries will present unprecedented opportunity to achieve SDGs. To fully benefit from this historical transformation of the region, the following two major risks should be managed in SDG finance:

- *Significant increase of public spending:* high oil prices in 70s led some Caribbean countries, such as Trinidad and Tobago to use its oil revenues to finance large-scale projects and programs and increasing wages in the public sector. This led to sharp increase in inflation, REER appreciation and erosion of competitiveness of non-oil sectors. With weakening of oil prices in the beginning of 80s, country started to face sharp decline in oil revenues, affecting negatively public spending. So, within a decade, rapid economic

Caribbean countries are addressing debt sustainability by maintaining primary fiscal balance within manageable and sustainable level, henceforth committing to improve domestic revenue mobilization and maintain strict expenditure policy at all levels of governments.

من مناهج الشريعة لتحقيق أهداف التنمية المستدامة:
مكافحة الفقر نموذجا

الهادي النحوي
أخصائي التمويل الإسلامي

صودق رسميا على فكرة التنمية المستدامة خلال مؤتمر قمة الأرض الذي عقد في ريو دي جانيرو سنة ١٩٩٢، والتنمية المستدامة كما عرفتها بعض الهيئات المتخصصة هي: " التنمية التي تلبي احتياجات الحاضر دون التأثير على قدرة الأجيال المستقبلية على إشباع حاجاتها."

وتسعى التنمية المستدامة لتحقيق ١٧ هدفا أولها القضاء على الفقر الذي عرفه تقرير التنمية في العالم ١٩٩٠ بأنه "عدم القدرة على تحقيق الحد الأدنى من مستوى المعيشة"، واليوم مازال أكثر من ٨٠٠ مليون شخص يعيشون بأقل من ١،٢٥ دولار في اليوم يفتقر كثير منهم إلى الغذاء الكافي ومياه الشرب والصرف الصحي.

الشريعة وسبل استئصال الفقر

كرم الله الإنسان باستخلافه في الأرض فسخر له ما فيها وضمن له الرزق والحياة الطيبة، فموارد الأرض تكفي الإنسان لكن بشروط من أهمها العمل والعدل.

وقد سن الشارع عدة مناهج للقضاء على الفقر واستئصاله منها ما أوجبه وجوبا أصليا بشروط معينة مثل الزكاة ومنها ما أوجبه وجوبا طارئا كالكفارات: كفارات الصيام والحج والظهار واليمين وقد تكون هذه الكفارات إطعاما او ذبحا أو نقدا حسبما فصله الفقهاء.

كما سن الشارع أوجها أخرى للإنفاق منها الأوقاف التي كانت وما زالت وسيلة أساسية للإنفاق على طلبة العلم والفقراء والمساكين.

ورغبت الشريعة أيضا في القرض الحسن وإنظار المعسر وكل ذلك رفقا بالمحتاج والفقير والمسكين حتى لا يتمكن منه الفقر فيقعده ويحول حياته إلى ضنك وحرج.

وعندما حثت الشريعة على الإنفاق فإنها رغبت في أعلاه قيمة قال تعالى: (لَن تَنَالُوا الْبِرَّ حَتَّىٰ تُنفِقُوا مِمَّا تُحِبُّونَ).

ومن أوجه الإنفاق الوصية بالمال لكن الشرع إذ يرغب في الإنفاق إنما يرشد إلى التوازن. فنهى النبي صلى الله عليه وسلم سعد بن أبي وقاص عن التصدق بأكثر من ثلث ماله "والثلث كثير، إنك أن تذر ورثتك أغنياء خير من أن تذرهم عالة يتكففون الناس ..".

والشارع يربط الإنفاق بالإيمان والأخلاق والإيثار (وَيُؤْثِرُونَ عَلَىٰ أَنفُسِهِمْ وَلَوْ كَانَ بِهِمْ خَصَاصَةٌ). وورد في الحديث: "ليس المؤمن الذي يشبع وجاره جائع إلى جنبه".

وقد بين الشارع عموما أن مسؤولية الفقراء تقع ضمن ثلاث دوائر وهي الأرحام فعلى الميسورين أن ينفقوا على أقربائهم أما الدائرة الثانية فهي بيت المال فعلى القائمين على الشأن العام أن يخصصوا جزءا من أرصدة بيت المال لتأمين حاجيات الفقراء، أما الدائرة الثالثة فهي المجتمع كله فعليه مسؤولية دينية وأخلاقية للعناية بالفقراء وسد حاجاتهم وأقلها حد الكفاف.

والشارع عندما ندب إلى العناية بالفقراء والإنفاق عليهم بين أهمية إغنائهم، يقول سيدنا عمر بن الخطاب: "إذا أعطيتم فأغنوا" سواء تعلق الأمر بالزكاة أو بأنواع الإنفاق الأخرى، ويقول النووي: يعطى الفقير والمسكين ما ينقله من الفقر إلى الغنى دون أن يعود فقيرا مرة أخرى.

وقد اهتم الشارع بمحاربة الفقر لخطورته فهذا نبينا صلى الله عليه وسلم كان يتعوذ من الفقر. ويقول الإمام علي بن أبي طالب: لو كان الفقر رجلا لقتلته.

وورد في الأثر: كاد الفقر أن يكون كفرا: قال الإمام الغزالي أي كاد أن يوقع في الكفر لأنه يحمل على حسد الأغنياء، والحسد يأكل الحسنات.

وقد حث الشارع على العمل الصالح والإنتاج كما رغب في الإنفاق ورتب لذلك الحياة الكريمة الطيبة في الدنيا والأجر والمثوبة في الآخرة: "مَنْ عَمِلَ صَالِحًا مِنْ ذَكَرٍ أَوْ أُنْثَى وَهُوَ مُؤْمِنٌ فَلَنُحْيِيَنَّهُ حَيَاةً طَيِّبَةً":

ذكر المفسرون عدة أقوال في هذه الآية منها أن الحياة الطيبة هي الرزق الحلال. وهذا ما تهدف إليه التنمية المستدامة.

وفي هذا السياق اهتم البنك الإسلامي للتنمية بمكافحة الفقر وهي من ضمن أهدافه الإستراتيجية فقدم البنك القروض الميسرة طويلة الأجل للدول الأعضاء الأقل نموا وأسس مؤسسات التمويل الأصغر للوصول إلى الطبقات الفقيرة المحرومة وقدم خطوط التمويل بالتعاون مع الدول الأعضاء لتمويل المؤسسات الصغيرة والمتوسطة هذا فضلا عن برامج متعددة لتطوير الأوقاف والاستثمار فيها.

وكل هذا ينسجم مع التوجه العالمي لتحقيق أهداف التنمية المستدامة.

والصلاة والسلام على الحبيب الشفيع

boom and large public spending did not produce sustainable development. This happened because of lost opportunity to boost competitiveness and develop non-oil sectors with greater role of SMEs.

- *Unsustainable indebtedness in medium to long term:* to tackle fiscal deficits and maintain level of public spending when oil prices are low pushes governments to borrow, while expecting resurge of oil prices. This can lead to increase of dependence on the debt aggravating vulnerability of the economy.

Therefore, oil revenues cannot be reliable and sustainable source of SDG financing in the medium to long term, even though it may provide relief to short term stresses and public investment needs. Oil revenues should mainly serve as an enabler/booster to have non-oil productive and revenue generating sectors and industries, rather than being direct source of SDG finance. In both countries, authorities acknowledge the importance of these measures to prepare needed framework and undertook number of policy measures, such as NRF Act (Fiscal Responsibility Framework, Guyana) or establishment of Sovereign Wealth Fund in Suriname. Other structural reforms are being implemented to promote competitiveness and entrepreneurship which should become the key drivers in achieving SDGs.

Debt will continue to be an obstacle to achieve SDGs if enabling environment for competition and sustainable revenue generation by private sector is not ensured.

Realising the Global Goals through Humanitarian Investing Initiative

Mohamed Hedi Mejai
Director of Investments Department, IsDB

The World Economic Forum (WEF), in partnership with the co-chairs of the Humanitarian Investing Initiative, the International Committee of the Red Cross (ICRC) and the World Bank Group, announced during the last WEF the release of a new white paper entitled, "Humanitarian Investing – Mobilizing Capital to Overcome Fragility".

The paper outlines the role and landscape of humanitarian investing, which provides financing to respond to crises and fragility while seeking a return on that investment. By harnessing the growing pool of investment capital looking for a double bottom line, humanitarian investing also focuses on situations of conflict and fragility that are causing increasing flows of migrants and refugees.

There is a clear need to rethink humanitarian assistance. About 2 billion people live in countries that are affected by fragility, conflict and violence and, according to OECD predictions, by 2030, more than 80% of the world's poorest people (many of them in IsDB member countries) will live in such conditions. Climate change could bring internal displacement figures to 140 million by 2050, according to the United Nations Office for the Coordination of Humanitarian Affairs.

While the number of internationally led responses to crises doubled between 2005 and 2017, the current environment faces increasing pressures and there is a lack of investment opportunities for investors who are looking to drive impact.

At the same time, there has been increased focus among investors seeking more purpose-oriented investment options and an emerging opportunity to bring together a new mix of partners to design long-term solutions.

Humanitarian investing acts as a market to match impact-driven investment capital to opportunities that enhance resilience, mitigate crises or promote stability and recovery. The paper explores how this inclusive, sustainable financing model complements traditional humanitarian assistance, leverages development financing instruments and broadens the potential to use investment opportunities to tackle long-term challenges.

Humanitarian investing applies capital to investable opportunities that:

- Directly impact and empower people exposed to fragility, conflict and violence and the ecosystems around them
- Address the needs of the fragility-crisis cycle, from resilience to response to recovery
- Are structured to take advantage of differences in mandates, return objectives, risk tolerances and investment horizons
- Bring together public and private partners, expertise and capabilities
- Create collaboration guided by humanitarian principles of neutrality, independence and impartiality
- Help to transform the efficiency of the humanitarian system
- Measure and report on human impacts and financial performance

Humanitarian investing helps those most affected by fragile situations and crises by responding to their needs, ensuring their dignity and agency, addressing inefficiencies in aid and aid delivery systems, overcoming restrictions on the nature of aid given, and advocating for high-need communities.

Since, its establishment IsDB made a total of USD 56.5 billion financing. While IsDB is yet to compute the amount financed directly to address fragility, the scale of conflict and crises in various IsDB Member countries, IsDB should intensify the current momentum towards addressing fragility, protracted crises and forced displacement and develop new financial tools for people. Indeed, Humanitarian investing can unlock new capital and identify investable opportunities to support vulnerable communities and assist in meeting the sustainable development goals in IsDB Member countries.

The Humanitarian Investing Initiative brings together key humanitarian and development actors and representatives from the investor and corporate communities. IsDB as a multilateral institution with a large constituency affected by fragility should not be left behind!

Technical and Vocational Education and Training as a Sustainable Service - the Finnish Model

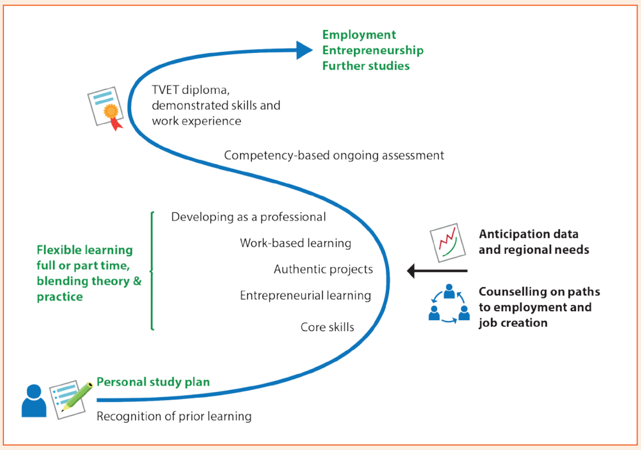
Maria Salervo
Project Coordinator
Omnia Education Partnerships Ltd.

Industry 4.0 and disruptive changes are common denominators challenging the relevance of education and training globally. Countries like Finland face the consequences of an aging population, while others struggle with high youth unemployment. Can investments in innovative and agile technical and vocational education and training (TVET) provide global solutions while making an impact on various Sustainable Development Goals (SDGs), most notably on SDG 4 (Quality Education) and SDG8 (Decent Work and Economic Growth)? In Finland, we believe so. We have developed our TVET as a service, adhering to the UN 2030 SDGs, empowering individuals and boosting local economy.

The most recent TVET reform in Finland took place in 2018. The focus was to ensure diverse, flexible programs meeting the continuous training needs of individuals and industry. Finnish TVET is mainly publicly financed, which makes it accessible to all, ensuring gender equality. The financing model drives providers to take into account anticipation data and offer programs leading to employment and job creation in their area. Counselling is embedded into the programs.

Finnish TVET builds on 3000 competency-based modules, which can be combined into 160 different diploma tracks serving learners from 16 to 60 years old. All modules have been developed with the respective industries. Initial TVET programs focus on building entry-level professional and strong general skills required in working life, including digital and entrepreneurial skills and a sustainable mindset; choosing sustainable working methods, raw material, responsible choices as a consumer and recycling waste. These programs, in the medium to long-term, address Responsible Consumption and Climate Action under SDGs 12 and 13 respectively.

The reform also brought the possibility to offer Finnish TVET diplomas in non-EU countries. Finnish diplomas have now been implemented through public and private partnerships in China, India, Qatar, Saudi Arabia and Uganda, strengthening SDG 17—Partnerships for the Goals. In Uganda, the Finnish diploma program for entrepreneurs has paved the way to sustainable livelihood for refugees, while in Saudi Arabia, the Finnish Future Entrepreneurs program increased high school



students' positive thinking about entrepreneurship, and motivation to become an entrepreneur more than doubled. "I used to think of entrepreneurship as a career choice for someone who failed in university", admits Ammar, one of the students whose perception of entrepreneurship changed drastically for the positive.

Training of trainers, relevant curriculum, student-centered methodology and links to industry are the corner stones of TVET as a service, whereas localization, flexible delivery and facilitation of knowledge transfer are at the core of successful implementation regardless of location.

Our goal at Omnia Education Partnerships, the international training arm of four Finnish organizations, is to showcase how TVET might be transformed, support piloting and quality processes, reinforcing local good practice. We believe innovation needs to happen at all levels of TVET to disrupt the low image it has in many countries. The ecosystem approach of working together is embedded into our system. TVET needs to play its part, but also be included in regional development with sufficient resources to carry its weight. In the end, it is a win-win solution. Investing in people is a core part of success on all continents.

Our Children and the SDGs:
A Renewed Frontier

Mohamed Nouman
Editor, Office of the President, IsDB

Much has already been said and written about the Global Goals, outlined by the UN in 2015, and the need to embrace them to end poverty, protect the planet and ensure prosperity for all by 2030. Nearly all the countries in the world have committed themselves to the 17 life-changing goals.

There's no denying that the role of civil society is instrumental in achieving these goals. This role is underpinned by 'Goal 17: Partnerships for the Goals' and it is cherished by the IsDB as a critical success factor for its New Business Model based on the Bank's President Five-Year Program (P5P).

But to what extent can these goals be found at grassroots level? How many people who have never heard about the SDGs before?

In truth, the Bank has made rapid strides in promoting the SDGs, not only by joining hands with peer MDBs, various stakeholders and civil society groups, but also by reaching out to the youth, the pulsing heart of any community. However, further efforts are still needed to secure a place for these goals in many people's hearts and minds.

A child who is imbued with the true principles of development is well-prepared for the tasks and challenges of the future. To enable students to identify important environmental and development issues that are not addressed in school curricula, there is a need to communicate with them through various means, including on-campus hands-on workshops/seminars, environmental trips and field activities.

In Tunisia, for example, the UN Information Center in Tunis produced an Arabic-language children's magazine meant to raise awareness about the SDGs and the importance of achieving them in the country. "Rami's Bag" takes the young reader on a journey through which he will learn about the 17 Goals in the Tunisian national contexts.

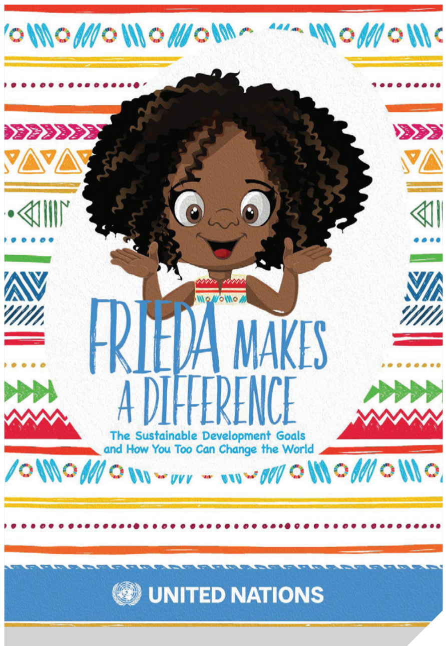
Similarly, the UN Information Centre in Windhoek, Namibia, created "Frieda and the Sustainable Development Goals," a story book aimed at 3-11 years old children.

With IsDB President's taking over chairmanship of MDBs meetings for 2020, the time is ripe for a deeper IsDB's engagement. This could involve developing a bottom-up approach by targeting school-going children.

The Bank may team up with relevant public/private stakeholders in member countries to sensitize students to the importance of SDGs and their vital future role in achieving them. The benefit is twofold: building awareness among larger audience and increasing the Bank's visibility.

At headquarters, awareness-raising campaigns targeting employees' children can offer another opportunity for intensified internal and external networking alike.

I was thrilled when my daughters recently started a discussion with me on



SDGs. Much to my delight, I learnt from them they were part of a UN Volunteers workshop on SDGs in their school. Believe it or not, the first time their mother knew about these goals was on that day.

School students constitute nearly a quarter of the society and their influence naturally extends to parents, family members and local communities. They represent a segment that should receive the greatest attention for them to assimilate and champion the SDGs.

Mainstreaming Climate Actions into National Development Plans in Developing Countries

13 CLIMATE ACTION

Haruna Kachalla Gujba
Climate Change Division, IsDB

Climate change continues to pose significant threats to economic and social development at the global, regional, national and local levels. Extreme weather events and shocks are continuing to have negative impacts in several key sectors and areas including agriculture and food security, water supply, health, energy, etc. With future warming across the globe projected to increase, more extreme climate-related 'shocks will exacerbate the vulnerabilities within these various sectors/ areas. Economic losses from extreme weather events due to climate change cost the global economy US$330 billion in 2017 alone. Conservative estimates also indicate that yearly costs of adaptation to climate change could reach between US$280 – 500 billion per year by 2050.

Concrete Climate Actions are necessary to maintain global temperature at acceptable levels to support and enhance sustainable development as stipulated in the Sustainable Development Goals (SDGs) and the Paris Agreement. This requires huge efforts from both developed and developing countries to ensure a low carbon and climate resilient trajectory in future development. Low Carbon and Climate Resilient Pathways offer opportunities to develop and implement strategies that target the specific economic and social development needs of countries at the local, regional and national levels while at the same time addressing climate change.

Countries have pledged to support mitigation and adaptation efforts through their Nationally Determined Contribution (NDCs). Globally, 183 countries including 56 out of 57 IsDB Member Countries have developed and submitted their NDCs to the United Nations Framework Convention for Climate Change (UNFCCC) as of 2019. An important enabling factor for the implementation of climate change initiatives in developing countries is the alignment and mainstreaming of Climate Action and NDCs into their national development objectives, priorities and plans. This is important to ensure that climate action plans complement and contribute to development efforts in the country. An effective mainstreaming process will require:

- Finding the entry points of Climate Actions into national development and/ or sectoral plans;
- Integrating the Climate Actions' objectives into national and local policy and regulatory frameworks;
- Creating an enabling environment for the implementation of climate and development action plans including institutional strengthening, capacity building, enabling market development, finance sourcing and technical co-operation and training amongst others.

One of the major barriers to effective Climate Action in developing countries is low levels of available financing. Conservatively, the gap in climate finance at the global level is still more than US$70 billion per year despite huge commitments from the Multilateral Development Banks (MDBs). In 2017 alone, the MDBs spent more than US$35 billion as climate finance to fund various projects in their respective Member Countries. Between 2013 – 2017, the Islamic Development Bank (IsDB) spent over US$20.7 billion on 283 projects in the agriculture, energy, transport, and water, sanitation and urban services sectors, of which 20% represented climate finance. However, the urgency to promote and follow climate resilient and low carbon development pathways calls for mobilising and catalysing investments from all available sources including both public and private financing at the domestic and international levels.

Another major barrier that needs to be addressed is the inadequacy of policies and regulatory frameworks to effectively mainstream and implement climate actions as priorities in national development plans. There is a need to develop and adopt policies and frameworks that create an enabling environment for all stakeholders to engage in the implementation of climate actions. There is also a need to strengthen existing institutions through capacity building in mainstreaming climate change into their development plans and priorities.

The low levels of data and information also present one of the key barriers in formulating clear policies and targeted adaptation and mitigation projects to address climate change. This requires efficient data collection, interpretation and dissemination to a wide variety of stakeholders at the local, national and regional levels, which will help to create awareness and ensure effective participation, cooperation and coordination in the implementation of Climate Actions.

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Interview

SDGs Should Focus on Education, Health Care and Clean Energy, says Jeffrey Sachs

Renowned United States Professor and the Director of Centre for Sustainable Development at Columbia University, USA, Professor Jeffrey Sachs has stated that the implementation of the SDGs should focus on education with specific focus on Out-of-School Children, health care, clean energy and the utilization of technology to achieve sustainable development.

Professor Sachs stated this during an interactive discussion with IsDB Group Staff at the headquarters of the bank in Jeddah on 3rd February 2020. The session moderated by Dr. Rami Ahmad, Special Envoy on SDGs payed specific attention to the challenges and complication of implementing the SDGs as a strategy.

Professor Sachs added that one of the challenges retarding the successful implementation of the SDGs is the concurrent conflict and geo-political divides. As a result, there is no shared global vision on economic development.

The erudite professor of economic development added that Muslim countries have a major advantage in attaining sustainable development because of the ample opportunities offered by Islamic finance with instruments like Zakat (obligatory alms) and Waqf (endowments).

Professor Sachs concluded that to address some of the core issues in the 2030 Agenda, such as universal healthcare and education, large amounts of funding is needed, and these cannot always be mobilized from the market. Islamic sources of aid, such as Zakat, can be a vital source of funding to achieve some of the SDGs, and IsDB is in a unique position to mobilize such funding.

Following the conversation with IsDB Group Staff, which was attended by Vice Presidents, CEOs, DGs and various strata of IsDB Group Staff, Professor Sachs granted an exclusive interview to ***Dr. Muhammad Jameel Yusha'u*** on behalf of SDGs Digest:

SDGs Digest: *Listening to your lecture today, it seems education is the most important pillar in achieving the SDGs, why?*

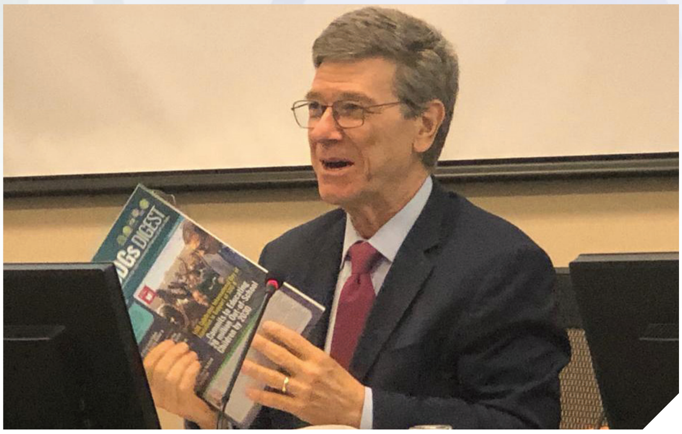
Jeffrey Sachs: Thank you very much and for listening to me carefully, we live in a knowledge economy and the knowledge

and skills of each person are the most important resource in the society. 100 years ago, or 200 years ago, it was the commodities that determine the well being of countries, now it is education and skills and empowerment of people, boys and girls that determine the societal well being and ability to move in a fast-changing world. A world with new opportunities because of technological advancement, but also many risks because of environmental crises; in this case therefore, SDG4 which calls for universal schooling, at least all boys and girls should go through the upper secondary level in my view is the most important of all the 17 Sustainable Development Goals. I was often asked which is the most important among the Millennium Development Goals, I say they are all important because they are interconnected, but we can't say that with the SDGs. I want to say that education is the most important because it will empower societies in all the other goals, in poverty, creating decent work, addressing environmental challenges, living in peace and having more tolerance, all of these are the benefits of education.

SDGs Digest: *During the lecture, you mentioned that there are around 260 million Out-Of-School Children and 28 million of them are in IsDB Member Countries, and you said there are resources available, what prevents institutions from accessing these resources?*

Jeffrey Sachs: The resources are potentially available because we are a rich world, but too many resources in the hands of the very rich who are perhaps not asked to contribute, or who yet don't have the mindset, or evading taxes they should be paying that will enable governments to finance more. So the world is rich, I often marvel at the fact that, or the expression of almost shock that the 2000 billionaires in our world today have a combined net-worth of $10 trillion, and the 50 richest people in the planet now have a combined net-worth of $2 trillion, just 50 people. In this sense we are rich enough as humanity to ensure that every child is in school, to ensure that every person has access to healthcare, to ensure that every person has access to safe water and sanitation.

I think the fundamental pillar in Islam, of zakat is a very crucial idea of decency. That means everybody in society is responsible for everybody else, and the richest have a direct responsibility that their funds should be addressed to the needs of the



community. In this sense I would like to see the world operate on such a moral basis as well, recognizing that in a rich world, we should not have any child bereft of school because they are too poor, or their community is too poor, or their nation is too poor. We can ensure that every child is put in school to get the skills that they need in the 21st century.

I am thrilled that the Islamic Development Bank is taking the initiative to return Out-of-School Children and to use creative financial mechanism including the endowment concept as a noble Islamic based way to achieve this very bold goal.

SDGs Digest: *In this sense, the IsDB is introducing the concept of Cash Waqf Sukuk (CWS), where a bond is issued in the market, and benefactors subscribe, the proceeds will be invested and the profit will be utilized to fund Out-of-School children. Subscribers have the option to forfeit both the principal and the profit for this scheme, how do you think this will help in addressing the problem of Out-of-School Children?*

Jeffrey Sachs: I think this is an ingenious idea and I want to get behind it, support it, and promote it. It is ingenious for many reasons. One is that it taps into a fundamental pillar and culture and Islamic belief. So, it is a form of giving for the common good. Second, unlike a normal development aid, the cash endowment that is being proposed will be 10-years of systematic flow. This is much better than a normal aid project which gives aid a year at a time, and then each year you have to scramble to try to make the next budget; here you have 10-years to be able to make a profound transformation in the local education system. I think this is an extremely innovative approach. Third, this is a kind of modern crowdsourcing, because this is an invitation to the richest people who indeed should do more, but everybody also to put in a small amount, because this funding will tap to small contribution for those with modest means, as well a very large contribution for those of major means. The bank is offering an ingenious and powerful mechanism.

In this endowment scheme, individuals, both the large wealth holders and average people will put money into this new fund, it will generate income for 10-years to enable children Out-of-School to have a place in school, a seat in the classroom with a qualified teacher and to be learning the skills and empowerment they need for our knowledge economy. At the end of 10-years those who have contributed can draw their funds or they can decide to make their funding as a permanent endowment. I believe that this is transformative in giving a long time perspective for development, in harnessing the endowment concept in Islamic finance for achieving sustainable development goal number 4, and I believe that this will mobilize huge interest and huge financing for phenomenal benefit for the children of the Islamic world. I couldn't be more excited to learn about this initiative and its enormous promise.

"It's urgent for every nation, indeed every community, to step up the rapid isolation of symptomatic individuals to save millions of lives and to make it possible to restart the economy as quickly as possible without setting off a new explosion of disease."
Jeffrey Sachs on COVID-19

International Women's Day 2020: Major Milestones Recorded by IsDB for Women's Economic Empowerment

May Babiker & Youth and Economic Empowerment Team, IsDB

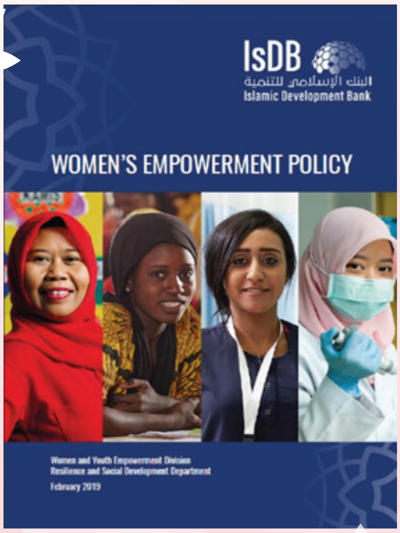
The International Women's Day is observed globally every year on 8th March to recognize the political, social and economic achievements of women. This day is celebrated not only to recognize what women have achieved but to show solidarity by acknowledging that nations cannot succeed and proposer unless both women and men are working together and benefitting equally from social and economic development. It is a call to action for accelerating gender equality. The theme for this year's celebration is #EachforEqual. The message of the theme draws from the notion of 'Collective Individualism' to highlight that humans are individuals that form humanity. Accordingly, the individual actions, behaviors, and mindsets of each human has an impact on the larger society. Power, influence and change occurs when an individual man, woman, society, or organization act in the collective. This year's theme focuses on galvanizing individuals to make the conscious decision and effort to work collectively to create a gender equal world.

2020 is a landmark year for gender equality and women's empowerment, as it will mark the 25th anniversary of the Fourth World Conference on Women and adoption of the Beijing Declaration and Platform for Action (1995) the most progressive blueprint ever developed for advancing women's rights around the world.

In this day, the Islamic Development Bank takes stock of the institutional advancements it has made last year to improve its capacity to partner and contribute to the global efforts to advance gender equality. As a Multilateral Development Bank, the Bank has made several institutional contributions to achieving gender equality and women's empowerment.

In 2019:

- The Bank made a major milestone in approving the first ever Women's Empowerment Policy for the institution. The Policy centers around 4 pillars Access, Mainstreaming, Agency and Learning. This sets the institutional commitments of the Bank to ensure the development assistance it provides to its member countries supports the advancement of women.
- Over 1million US dollars in grant funding was allocated to support operations benefitting women. This included promoting girls' education in STEM and supporting entrepreneurship, and financial inclusion of women. This is in addition to its ordinary operations that mainstreamed women empowerment in its design.
- The Business Resilience Assistance for Value Added Enterprises (BRAVE) Women Program funded under the Women Entrepreneurs Finance Initiative to be implemented Yemen, Nigeria and Burkina Faso has reached 1,220 women and helped to develop the capacity of 500 women owned and led SMEs in Yemen.
- The Bank is also making important stride to promote greater focus and attention to women in the Islamic Finance Industry. It has published a resource guide to improve the practices of Islamic Microfinance Institutions to improve their services and support to female clients.



- In 2019, IsDB initiated the establishment of a task force of women's empowerment for the Arab Coordination Group in order to improve the coordination efforts of the group members to optimize the impact of the development financing and effectiveness of the aid it provides to support women's empowerment.

The world is at a turning point for women's rights and realizing gender equality, especially with only 10 years left for the realization of the 2030 Agenda. The empowerment of women and girls, SDG 5 must be a pre-requisite for the achievement of the rest of the SDGs. Everyone has a responsibility to act not only as an individual but also as an institution. It is the time to seize all opportunities at national, regional and global levels to ensure women and girls live a life of opportunity, security and dignity.