



# Science, Technology and Innovation (STI) Policy for the IsDB

STI Department

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## Acronyms and Abbreviations

10YSF	10-Year Strategic Framework
AAAA	Addis Ababa Action Agenda
AOSTI	African Observatory of Science, Technology and Innovation
ASEAN	Association of Southeast Asian Nations
COMSTECH	OIC Standing Committee on Science and Technology
ECOWAS	Economic Community of West African States
FDI	Foreign Direct Investment
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GO-SPIN	Global Observatory of Science, Technology and Innovation Policy Instruments
ICD	Islamic Corporation for the Development of the Private Sector
ICIEC	Islamic Corporation for the Insurance of Investment and Export Credit
IDB	Islamic Development Bank
IP	Intellectual Property
IRTI	Islamic Research and Training Institute
IsDBG	Islamic Development Bank Group
ISFD	Islamic Solidarity Fund for Development
ITAP	Investment Promotion Technical Assistance Programme
ITFC	International Islamic Trade Finance Corporation
KPI	Key Performance Indicator
LDMCs	Least Development Member Countries
MCs	Member Countries
MDB	Multilateral Development Bank
MSMEs	Micro, Small and Medium-sized Enterprises
NIS	National Innovation System
NMCs	Non-Member Countries
OECD	Organisation for Economic Co-operation and Development
OED	Operations Evaluations Department
OIC	Organization of Islamic Cooperation
P5P	President's Five-Year Plan
PAD	Project Appraisal Document
PCD	Project Concept Document
PMF	Policy Management Framework
R&D	Research and Development
RRP	Report and Recommendation of the President
S&T	Science and Technology
SDGs	Sustainable Development Goals
SESRIC	Statistical, Economic and Social Research and Training Centre for Islamic Countries
SETI	Science, Engineering, Technology and Innovation
SME	Small and Medium Enterprises
STI	Science, Technology and Innovation
UIS	UNESCO Institute for Statistics (Montreal)

UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund

## Policy Purpose and Objective

1. The STI Policy for the Islamic Development Bank (IsDB) is based on the institutional science, technology and innovation profile of the IsDB which was prepared following the UNESCO's Global Observatory of Science, Technology and Innovation Policy Instruments (GO-SPIN) methodology. The STI profile aims at supporting the Bank's endeavours in STI mainstreaming to realise its vision and contribute to the attainment of the sustainable development goals (SDGs).
2. The IsDB recognises that STI is an imperative for sustainable and inclusive development of its Member Countries (MCs) and Muslim Communities in Non-member Countries (NMCs) and for the achievement of SDGs. So, the STI policy is a key pillar of IsDB's institutional policies that provides a coordinated and integrated approach for supporting socio-economic development. The IsDB, with the new STI leap forward backed by strong leadership with high-level commitment as well as the experience built and lessons learnt from the previous STI interventions, is well positioned to act as a reliable institution for solving development challenges and for attaining SDGs.
3. The Policy objective is to promote and strengthen Science, Technology and Innovation in the MCs for socio-economic development through a wide array of interventions including capacity building, policy support and adequate policy instruments. The specific success indicators of the policy will include;
  - Increase the average R&D intensity of the MCs and increase the share of business sector in R&D;
  - Increase the number of researchers with focus on gender balance in MCs;
  - Increase the world share of scientific articles produced by the MCs;
  - Increase the share of patent applications in the world filed by the MCs;
  - Increase the share of MCs in world total high-tech exports;
  - Increase the share of MCs in total world merchandise exports.

## Global Context

4. At global level, there is an increase in expenditure on R&D<sup>1</sup>; research spending progressed faster (30.5%) than the economy (20.1%) and global population (7.3%) between 2007 and 2013. Overall, the G20, which constitutes 64% of the global population, accounts for 92% of research spending.
5. It is observed that there is a converging trend in R&D spending due to disengagement in R&D by the public sector in many high-income countries (Australia, Canada, USA, etc.) and a growing investment in R&D on the part of lower income countries. On the other hand, R&D expenditures in developing countries (except for the Republic of Korea, Singapore and China) remain much smaller both in absolute terms and relative to gross domestic product, than the world average.
6. The number of researchers in developing regions is growing but they are very unevenly distributed around the world, relative to population, and are still pursuing career opportunities abroad. However, their destination of choice is widening. More firms are relocating their R&D functions abroad, and this development generates a growing global labour market for researchers and university students.
7. The geographical distribution of science, technology, engineering and mathematics (STEM) graduates is also very unequal, with two thirds of them being in Asia – mainly in India (29.2%) and China (26%) – only 5.2% in Latin America and less than 1% in Africa.
8. Women still constitute a minority in the research world and tend to have more limited access to funding than men. Patents are still dominated by a small number of countries: the European Union, China, Japan, Republic of Korea and the USA hold nine out of ten triadic patents.
9. The Fourth Industrial Revolution, characterised by digitalising industry to revitalise manufacturing and artificial intelligence, is on the top of the agenda of countries. Investment in the development of green technologies is another area which is given a growing priority.
10. Innovation is occurring in countries of all income levels, according to the Science Report. The significant differences in innovation rate and typologies observed among developing countries, that otherwise have comparable levels of income, are of distinct policy interest.

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<sup>1</sup> UNESCO (2015) Science Report: Towards 2030

## Member Countries' Context and Challenges

11. The MCs of the IsDB constitute a very heterogeneous group of countries with wide discrepancies. The majority of them are characterised by extreme poverty and high level of inequalities within their populations. While 21 MCs are among the world's poorest countries, those with significant oil and gas resources are among the richest economies. The population in the least developed member countries (LDMCs) face extreme poverty (living on less than US\$1.25 per day). Furthermore, around 465 million people are regarded as multidimensional poor, accounting for 29% of the world total multidimensional poor in 2014.
12. The average Human Development Index (HDI) for all MCs is low at 0.6 for the period 2006-2016<sup>2</sup>. According to the 2018 data, nearly 60% of the MCs are in low and medium human development categories<sup>3</sup>.
13. The level of education is a significant concern for the majority of the countries. The literacy rates in the MCs were 74.5% in 2014 as opposed to the non-member developing countries' average of 87%<sup>4</sup>. In LDMCs, literacy rates are below 50%.
14. Women empowerment and inequality is another serious challenge. The average HDI for women is significantly lower than that of men especially in countries in the low human development category, 60% of which are among MCs. The Gender Inequality Index (GII), which captures the inequalities women face in education, the labour market, political representation and reproductive health, is high at 0.531 in the Arab States and 0.569 in Sub-Saharan Africa.
15. The majority of the MCs are exposed to fragile or in conflict situations. Out of 33 countries categorised in fragile situations by the World Bank, 15 are IsDB's MCs<sup>5</sup>.
16. Average unemployment rate in the MCs is high at around 7.4%. While there are improvements since 2005, female unemployment in MCs remains highest with 9.3% in 2017. Youth unemployment is even higher (around 16.2% in 2017 compared to 11.5% in non-member developing countries). Female unemployment among young people is significantly rising in MCs (18.2% in 2017).
17. A great majority of the MCs lack awareness, resources (both human and financial) and long-term political commitment to invest in STI. The national innovation systems (NIS)

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<sup>2</sup> IsDB, Development Effectiveness Report 2017

<sup>3</sup> UNDP (2018) Human Development Indices and Indicators: 2018 Statistical Update

<sup>4</sup> SESRIC (2016) Education and Scientific Development in OIC Countries

<sup>5</sup> <http://www.worldbank.org/en/topic/fragilityconflictviolence/brief/harmonized-list-of-fragile-situations>

are underdeveloped and lack basic STI infrastructures and institutions. Furthermore, the linkages and collaboration between the NIS actors are either weak or inexistent. Also, the size of the private sector is small and dominated by micro-enterprises that lack capabilities and operate in the informal sector.

18. The available statistics show that the MCs lag behind the world average almost in all dimensions of STI. For instance, the R&D intensity in the MCs is significantly low at 0.37% while the world average is 1.75%. Also, the number of researchers per million inhabitants in the MCs is 661 compared to the world average of 1,643. As a result of the highly limited inputs, STI outputs of the MCs are remarkably poor; they account for about 1.7% of total patent applications and 6.9% of scientific articles in the world. High-technology exports are low as well, at 3.3% of the world's total, owing to the highly limited R&D expenditures due to the structural challenges explained above<sup>6</sup>.
19. Finally, the entrepreneurship culture and ecosystems are underdeveloped in the vast majority of countries; the MCs have much lower risk acceptance and cultural support for entrepreneurship compared to advanced economies<sup>7</sup>. Entrepreneurship support mechanisms and infrastructures are also quite limited in the MCs. For example, the OIC regions have the lowest number of incubators in a sample comprised of 64 countries from 6 regions: only 3% of incubators in the sample are located in MENA region compared to 35% in Europe and 30% in Latin America.

## Definitions

20. **Science** refers to the systematic study of the physical or material world and the study of the society that generates or creates knowledge from which data and information is drawn.
21. **Technology** is the application of scientific knowledge to develop techniques to produce a product and/or deliver a service or as the application of scientific knowledge for practical ends.
22. **Technology Policy** aims to improve social welfare by influencing the rate and direction of technological change. Technology can be acquired through transfer or indigenous development. Both require knowledge and skills embedded in the institutional and human resources.

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<sup>6</sup> SESRIC (2016) Education and Scientific Development in OIC Countries

<sup>7</sup> SESRIC (2017) State of Youth in OIC Member States 2017

23. **Technology Transfer** requires know-how skills to acquire, adopt and utilise the technology effectively. Technology Development requires deeper levels of know-why, knowledge and skills. Technology Utilisation requires skilled workers, while Technology absorption and technology development require resilient STI infrastructure that includes engineers, high quality academic institutions, R&D institutions, industries and others. Technology transfer, especially in modern manufacturing and cleaner production, can be expensive and sophisticated that involves trade and/or investment.
24. **Innovation** means deriving the benefits from a new or significantly improved product (good or service), or process (such as a new marketing method) or a new organisational method (such as in business practices, workplace organization or external relations). A key point to differentiate innovation from improvement is that innovation derives significantly (as opposed to incrementally) more impact (economic, social and environmental) from existing products, processes and services or from a combination of proven and new science and technology to develop new products, processes or services. Innovation should be understood as something new to a local context. It may also include adapting imported technologies to local conditions.
25. **Social Innovation** refers to innovation that meets social needs while creating new social relationships or collaborations. In other words, they are innovations that change society and enhance its capacity to act.
26. **Inclusive Innovation** refers to any innovation that helps expand affordable access to quality products and services that create and increase livelihood opportunities for excluded populations on a sustainable basis and with significant outreach. This type of innovation seeks to expand access to essential goods and services, thereby improving quality of life, and enhancing economic empowerment through knowledge creation, acquisition, adaption, absorption, and deployment efforts targeted directly at the needs of excluded populations, primarily at the 'Base of the Pyramid' - those earning less than two dollars a day<sup>8</sup>.
27. **Science, Technology and Innovation (STI)** is defined as an integrated life cycle where science leads to new technologies from which innovations develop. Innovative ways of doing things can change and influence the development of science and how and what technologies are brought forth which, in turn, also influence the innovation process.
28. **STI Policy Mix** refers to the combination of IsDB's direct and indirect STI programmes through which financial and non-financial support is provided to the MCs and NMCs.

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<sup>8</sup> World Bank (2013) China-Inclusive Innovation For Sustainable Inclusive Growth

Programme, policy instrument and policy measure are the terms used interchangeably to describe an intervention, which is multi-annual and has a pre-defined budget, specific target group and objectives, implementation rules and regulations, as well as a monitoring and evaluation framework.

29. **GO-SPIN** is a methodological tool, developed by UNESCO to map STI landscapes and analyse STI policies and their implementation through stocktaking exercises that precede policy development.
30. **The STI Department:** is the unit within the Bank dedicated to harnessing the power of STI as a main driver for institutional effectiveness and supporting the member countries to formulate effective STI policies, strategies and programs that promote a robust STI ecosystem to achieve economic growth and prosperity, and regain dignity of our member countries.
31. **The Board of Trustees:** is the Board of Trustees of the IsDB-STI Fund, comprised of philanthropist and high government officials that provides expertise, counselling as well as strategic directions to ensure that the Funds fulfils its goal in a transparent, efficient and sustainable manner.
32. **Scientific Advisory Board:** a multi-disciplinary international panel with expertise in broad areas of STI and commercialization. The functions of the Scientific Advisory Panel includes (a) highlighting to the Board of Trustees critical issues and emerging global trends in basic and commercially-led research where STI activities could fill a gap or meet a need; (b) advising to the Board of Trustees on new areas of research where member countries of the Bank can reap the benefits of cutting edge science and build the foundation for enterprise and industry growth; (c) advising the Board of Trustees on entrepreneurs and on the management of Research and Development including the allocation of funding and the assessment of research outcomes.
33. **The Institutional STI Committee:** the representatives of various functions, inter alia, STI, Investment, Legal, Compliance and Shariah function of IsDB, supporting IsDB-STI Fund.

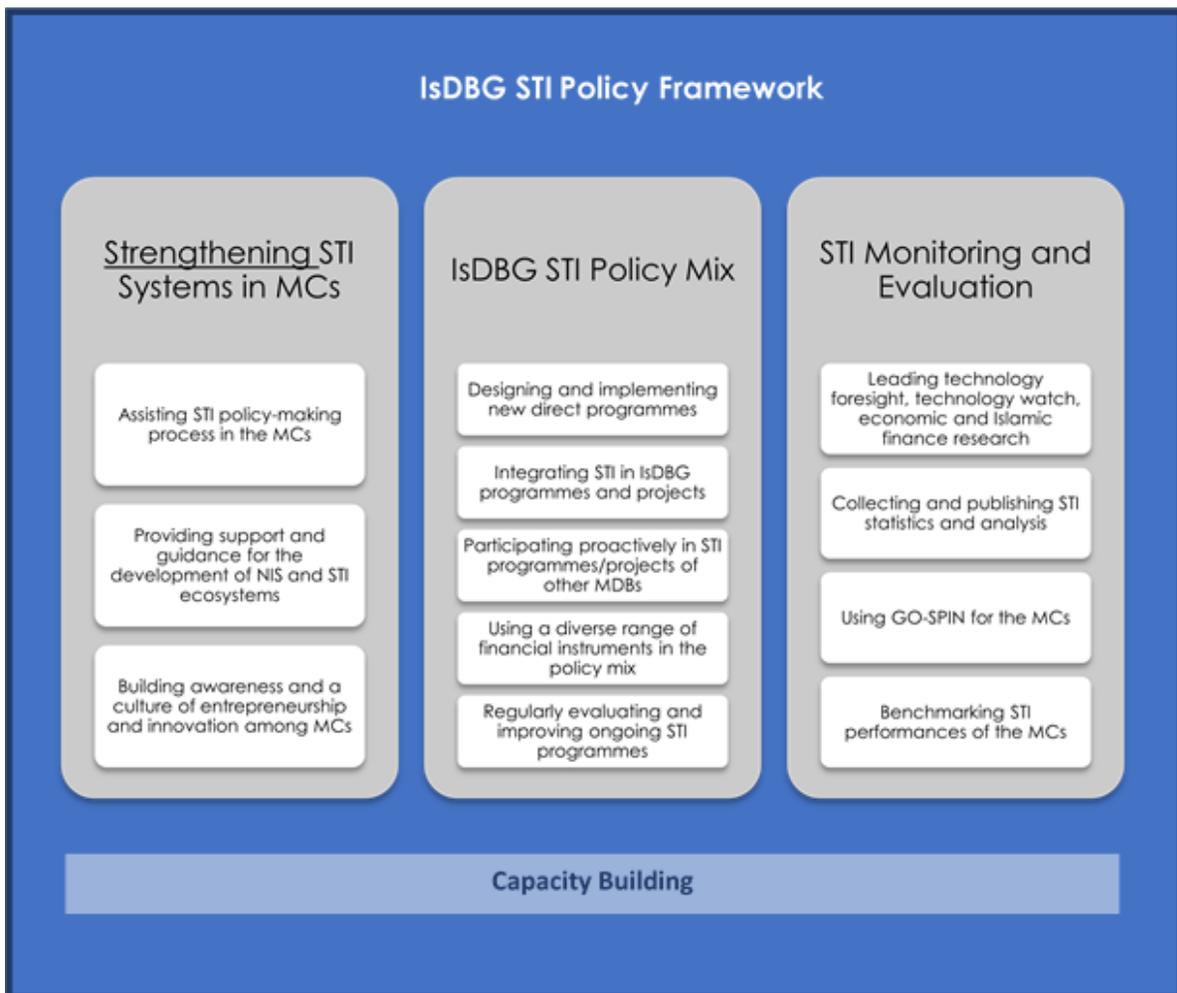
## Scope of the Policy

34. This is an IsDB Policy and it will guide the Bank's investment in Science, Technology and Innovation. It will also collaborate with the IsDBG entities to facilitate cross sectoral investment and complementarity. The Policy applies also to all IsDB-financed projects, programmes and initiatives in STI domain. It provides a platform for synergies

within the IsDB to bring about the desired development impact while maximizing efficiency.

35. In addition, the policy enables IsDB to forge purposeful partnerships with international development partners, including Multilateral Development Banks (MDBs), civil society organizations and the private sector. In this context, it will guide the joint investment between IsDB and its Strategic Partners.

36. **The Policy Framework:** The STI Policy will work under three overarching pillars and will focus on specific Priorities. “Policy Mix” is the main pillar and is supported by two pillars; namely “Strengthening STI System in MCs” and “Monitoring and Evaluation”. The cross-cutting policy action of “Capacity Building” ensures effective implementation of the three pillars (see policy framework in the figure below). The following subsections describe those pillars and the associated priorities.



## Policy Pillars and Priorities

- I. **STI Policy Mix:** This pillar puts in place a balanced institutional STI policy mix to support STI through direct policy instruments and as a cross-cutting element in sectoral and other interventions. The Policy Priorities for this Pillar are:
  - a. **Designing and implementing new direct programmes:** STI programmes addressing specific needs and challenges of individual MCs or a group of countries (most notably the LDMCs and STI lagging MCs) will be designed and implemented.
  - b. **Integrating STI in IsDB programmes and projects:** STI will be included as a cross-cutting element in sectoral programmes and projects implemented in the MCs. To this end, starting from the first step in the programme cycle where needs and opportunities are identified for any MC, the IsDB will be involved proactively in the process. It will be early engaged in the project design and will work closely with national stakeholders. STI will be incorporated in the logical frameworks and project indicators as an integral part of the project documents (PCD, PAD, RRP, etc.), and a thorough assessment of technologies, methods, products and processes to be used in projects will be conducted at the outset. This new practice will seek to guarantee that project outputs generate sustainable, reliable, effective and efficient solutions that will lead to higher socio-economic impacts.
  - c. **Participating proactively in STI programmes/projects of other MDBs:** The IsDB will take part as a co-designer and co-funder in high impact STI projects and programmes conceptualised by other MDBs and international funding organisations in order to increase development impact generated in the MCs and achieve policy objectives. Similarly, the IsDB will invite other MDBs to jointly design and implement an STI project/programme based on a need or opportunity identified by the Bank. This approach will also help IsDB to further enhance its skills to support STI projects and programmes and continue to build a strong track record in the field of STI funding.
  - d. **Using a diverse range of financial instruments in the policy mix:** The IsDB will ensure that the finance provided for STI programmes/projects will be adequate to create intended impact. Thus, STI Initiatives will be financed through both ordinary and

concessionary lines using appropriate modes and instruments. The main financial instruments to be used will be loans and other types of Islamic finance tools, while grants will be also provided as a part of the budget allocated for a programme/project for technical assistance and capacity building purposes. Venture capital and other forms of equity financing will be used with ultimate care in direct interventions provided that they are managed by highly experienced team in such programmes. The IsDB will also act as a catalyst for creating sustainable financing mechanisms, for example, by founding a dedicated business network with the investors supporting inclusive innovation projects and social entrepreneurs and establishing a Fund together with international finance organisations experienced in this area.

- e. **Regularly evaluate and improve ongoing STI programmes:** The IsDB, under the coordination of the STI Department and in collaboration with other departments such as the Operations Evaluations Department (OED), will ensure that ongoing STI programmes (i.e. Transform Fund, Scholarship Programmes, etc.) are regularly evaluated and improved to create intended outputs, outcomes and impacts. For this purpose, a robust monitoring and evaluation mechanism will be put in place based on international good practices.

II. **Strengthening STI Systems in MCs:** This pillar provides STI policy support and guidance to MCs to ensure that they develop effective STI policies and national innovation systems and build a dynamic STI ecosystem. The Policy Priorities for this Pillar are:

- a. **Assisting STI policy-making process in the MCs:** The IsDB will help the MCs, particularly the LDMCs and STI lagging countries which do not have STI policies and lack policy-making capabilities, to develop their national STI policies. The STI specialists to be employed in the Regional Hubs and entities will be engaged in this process under the coordination of the STI Department.
- b. **Providing support and guidance for the development of NIS and STI ecosystems:** The IsDB will work with the MCs to create and improve the elements of the NIS and build dynamic STI ecosystems. This support will encompass a wide range of areas required to be improved for successful implementation of policies and

programmes, and could include; updating public procurement frameworks, establishing national quality systems, building technology infrastructures, improving investment climate, etc. For this purpose, the STI Department will be equipped with tools and capabilities required to offer STI policy support.

- c. **Building awareness and a culture of entrepreneurship and innovation among MCs:** The IsDB, together with MCs and partner organisations such as COMSTECH and other MDBs, will design and carry out activities to raise awareness of STI among different target groups in the MCs, particularly the LDMCs and STI lagging countries. Moreover, interventions to build a culture supportive to creativity, innovation and entrepreneurship will be initiated across the MCs. Role models and success stories emerging from the Transform Fund, Engage Platform and other interventions will be widely promoted as a part of this action, and roadshows will continue to be organised as an effective tool for reaching the target groups.

III. **Monitoring and Evaluation:** This pillar will strive to design and maintain an online STI Observatory for the MCs to support evidence-based policy-making and implementation, inform MCPS preparation process, and enable benchmarking of progress made in STI performances. Policy Priorities for this Pillar are:

- a. **Leading technology foresight, technology watch, economic and Islamic finance research:** In order to generate new knowledge required to inform policies and programmes, the IsDB, together with partner organisations such as COMSTECH and AOSTI, will conduct technology foresight, technology watch, economic and Islamic finance research studies, and include their findings in the STI Observatory.
- b. **Collecting and publishing STI statistics and information:** The IsDB will collaborate with the UIS, SESRIC and other international organisations to regularly collect and analyse STI data for the MCs. The IsDB will collaborate with International Organizations (i.e. UNCTAD, UNESCO) to prepare and publish national reports and country level data and information to feed the knowledge platform. The aim will be to fill the information gap by providing key information on STI governing bodies, legal frameworks, policy instruments and

long-term series of indicators for evidence-based policy analysis, design and foresight studies.

- c. **Benchmarking STI performances of the MCs:** The IsDB will design and implement a cross-country benchmarking tool for measuring STI performances of similar country groups using a set of selected indicators (such as R&D intensity, number of researchers, etc.) both to contribute to the needs identification process and to help increase awareness of STI among MCs.

37. Under the leadership of the STI Department, capacity building measures will be designed and carried out both for the IsDB and towards the MCs for effective implementation of the STI policy. In this process, active collaboration will be sought with STI specialised international organisations.

## Guiding Principles

38. The basic guiding principles of the IsDB's STI policy and its implementation are the following:

- **Relevance and Strategic Alignments:** Under this principle, each STI designed initiative/programme is subjected to thorough examination to determine its relevance to the country's development plans and IsDB priorities. The initiatives must broadly target main challenges facing MCs in particular poverty eradication, productivity increase, job creation and women's empowerment and equality. In other words, all STI initiatives must target key priority sectors of the Bank including Health, Education, Water, Energy, Infrastructure and Agriculture. Hence, STI will work closely with Country Programs Complex -including Global Practice- and with the other Complexes and Entities of IsDB Group to ensure that functional and operational linkages are well established to achieve the desired results.
- **Synergy and complementarity:** STI interventions must be inclusive with a multi-disciplinary approach to address complex development challenges. This requires establishing and maintaining a balanced policy mix, that harmonises and integrates IsDB's direct and indirect STI instruments for greater and sustainable impact. The STI policy requires all Group entities to work together as a one institution and collaborate closely and effectively at every step of programme/project cycle starting from needs identification in the MCs.

- **Partnership for Development:** There must be a conscious effort for regional and global cooperation and partnerships around STI and SDGs. Working in a proactive partnership with the MDBs and other international funding organisations to support STI in the MCs will be important to achieve the policy targets as well as the SDGs.
- **Inclusive Innovation:** The STI policy takes a broad view of innovation, with a clear and specific focus on social and inclusive innovation and promotes active participation of women and youth in policy implementation, including gender related indicators and targets, and use gender-sensitive criteria for the assessment of projects.
- **Cost-effectiveness:** This principle requires each STI initiative to be cost-justified in terms of the methods, tools and resources it employs to achieve the desired results. The policy strives to secure long-term and predictable funding for STI with better targeting financial resources to those countries that need it the most

## Roles and Responsibility

39. The STI policy of the IsDB will be implemented by the STI Department under the auspices of the President. The Board of Trustees will act as a steering organ for policy implementation whereas the Scientific Advisory Panel will provide strategic guidance.
40. An 'Institutional STI Committee' involving the STI specialists at the Regional Hubs and entities will be formed and led by the STI Department in order to coordinate policy implementation across the Group. A member from the Country Programmes Complex will also be involved to ensure coordination with the country level policies and programmes.
41. The committee will establish and maintain continuous two-way information flow between the Headquarter and the Hubs. Specifically it will; set up an effective collaboration framework for the implementation of the policy in the MCs, act in a coordinated way for creating partnerships and mobilising resources and facilitate regular exchange of knowledge and experience within the IsDB. The committee members will also identify and develop "STI champions" (managers and staff who are willing to play an active role in STI mainstreaming) in their departments to promote STI and STI-oriented thinking across the Group.

42. The STI Department, together with the Institutional STI Committee members will develop an 'STI Policy Implementation Plan', including the intervention logframe of the policy as well as input (such as annual budget to be allocated for each direct STI programmes) and activities (e.g. number of STI projects to be supported under each direct STI programme) indicators and targets, and will conduct regular reviews of the plan to assess the progress.
43. In the management of different policy instruments, the Group entities would undertake different roles, under the coordination of the STI Department, according to their areas of expertise. For instance, programmes aiming to support innovation in the private sector could be implemented by the ICD while IRTI could include in its training programmes STI related modules. Programmes for creating infrastructures to help producers in MCs to integrate into global value chains (for instance by establishing the quality, standards, and accreditation infrastructures and systems) could be managed by the ITFC and the ICIEC.
44. The IsDB will adopt the international good practices in the design and implementation of STI policy instruments. The STI Department, together with the Institutional STI Committee, will ensure that these practices are employed throughout the policy and programme cycle.

## **Related Policies and Documents**

45. IsDB's STI Policy is aligned with the Bank's institutional vision, mission, 10-Year Strategic Framework (10YSF), the President's Five-Year Programme (P5P) and the 2030 Agenda for Sustainable Development.
46. The 10YSF sets the foundation for mainstreaming STI in IsDB operations. Attainment of the objectives under its strategic pillars<sup>9</sup> as well as its commitment to SDGs entail the effective use of STI in its operations. The P5P acknowledges the importance of STI in achieving the IsDB's strategic objectives. The measures included in the 'Road Map for Change into a Bank of Development and Developers' highlight the role of STI in the Bank's short-term actions required to transform the the Bank into a proactive, fast and adaptive organisation fulfilling the aspirations of the MCs.
47. STI plays an important and central role for achieving the Sustainable Development Goals (SDGs). First of all, STI is a crosscutting theme in SDGs as there is not a single

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<sup>9</sup> The strategic pillars of the 10YSF are Economic and Social Infrastructure, Private Sector Development, Inclusive Social Development, Cooperation between MCs, Islamic Finance Sector Development and Capacity Development.

SDG that will not require inputs from STI. Second, it features directly in the goals (particularly in SDG9: Industry, innovation and infrastructure, and SDG17: Partnerships for the goals). Third, there are implications for STI on some goals (SDG6: Clean water and sanitation; SDG7: Affordable and clean energy; SDG8: Decent work and economic growth; SDG13: Climate action; SDG14: Life below water; SDG15: Life on land). Finally, STI is essential for the implementation and monitoring of the SDGs.

48. The policy is also related to IsDB policies, strategies and guidelines on Natural Resources Management, Poverty Reduction, Partnership, Resilience and Social Development, and Capacity building. With regard to member countries, the policy is linked to national priorities, plans and strategies on Science, Technology and innovation. This linkage can be further endorsed through the Member Country Partnership Strategy (MCPS). The policy also trickles down to operational levels to guide the development of project concept documents, Project detailed design and project completion reports in addition to other related operational documents.

### **Policy Revision, Monitoring and Evaluation**

49. The STI Department, with the assistance of the relevant Departments, will conduct regular monitoring and evaluation of the STI policy against the STI Policy Implementation Plan and indicators. A framework for monitoring and evaluation will be designed in parallel with the development of the implementation plan and will be an integral part of it. Monitoring will be carried out throughout the implementation of the policy by systematic collection of data on previously identified indicators.

50. Evaluation will examine the inputs, activities, outputs, outcomes and impacts regarding the implementation of the STI policy. It will be conducted independently at regular intervals. It will aim, inter alia, to understand how the policy was implemented, identify differences between planned and actual implementation as well as the reasons behind them; determine barriers to and facilitators of implementation; improve implementation process; assess and demonstrate the outcomes and impacts, and inform future policies.

51. The STI policy will be revised under the coordination of the STI Department with the involvement of the Institutional STI Committee. The revisions will take place every five years taking into account the developments at global and MCs level, evidence collected and analysed through the STI Observatory, and monitoring and evaluation results of the STI policy and policy instruments.