

#### RAJAB 1440 - MARCH 2019



#### EDITORIAL Rami Ahmad Special Envoy on SDGs



"Transformation in a Fast-Changing World: The Road to the SDGs" is the theme of the ISDB's Annual Meetings this year. The Meetings will be held in

Marrakesh, Morocco in the first week of April. The theme is clearly implying that 'transformation' is a prerequisite to achieving the SDGs. What type of transformations? At what level; national, organizational, etc.? And how can transformations succeed?

At the global level, the 2030 Agenda for Sustainable Development has clearly made the compelling case for the transformation of the development mindset in order to achieve comprehensive human development, leaving no one behind. At the national level, more countries are mainstreaming the SDGs into their national development plans and involving more stakeholders in shaping and executing the transformation plans to achieve the development aspirations of their countries. The Voluntary National Reviews (VNRs) are one mechanism to present progress made on the road to the SDGs. The process of preparing the VNRs is a great partnership effort reflecting the involvement of a wide range of stakeholders. Such partnerships are key in any successful transformation at the national level.

At the organizational level, and in order to survive and stay relevant, public and private organizations are building their capacity to adapt in this fast-changing world. The question of organizational transformation and potential contribution to the SDGs is definitely on the minds of practitioners in MDBs and other organizations, both in developed and developing countries.

You hardly find anyone who would argue against transformation, especially if the case for change is clearly compelling. However, and despite all the good intentions, a shocking 70% of transformations fail for a variety of reasons. Seth Goldstrom of McKinsev sites ten top reasons for unsuccessful efforts. To mention a few: Focus on activities. not outcomes; absence of a structure to capture and track initiatives: misalignment of enablers and incentives; and weak development of talent and capabilities. We look forward to the activities of our annual meetings to address some of these important questions and challenges.

The IsDB's SDGs Community of Practice is grateful to the support of management and professionals in the Bank. Our SDGs Digest has been growing in terms of content and circulation. We are also thankful for the intellectual contribution by partner institutions. You will find in this issue over a dozen pieces on a wide variety of SDGs related topics. I hope you find this issue of the Digest enjoyable and informative! To achieve the SDGs, we need to pay attention to the root causes of poverty. We need to diversify the economy. Despite the youthful population in our member countries, they are exporting raw materials. Our focus should be on the causes not the symptom



#### **IN THIS ISSUE**

- Transforming our approach to development, for the SDGs
- 6<sup>th</sup> Open Dialogue of The SDGs Community of Practice
- Tackling the Root Causes of Poverty
- Communicating SDGs at the grass-root level
- Parliamentarians for the 2030 Agenda in Arab States
- VNRs : How IsDB Plans to Build the Capacity
- ISFD : Helping Member Countries to Achieve SDGs
- IsDB Member Countries Likely to Miss the Target on SDG1
- Energy Security in the post Paris Agreement Era
- IsDB Hosting the Sustainable Energy for All
  (SEforALL) Middle East Hub
- Islamic Finance and SDGs
- Integrating Innovation in Development Projects
- SDG2 : Investing in smallholder farmers to achieve zero hunger
- Agro-ecology for a Sustainable Development in of Agriculture
- ESSP Fundamental for achieving SDGs
- Youth Employability Platform (YEP) !
- The SDG8 Global Council toward Economic Growth and Decent Work
- How Fael Khair Program is Helping Countries to achieve SDGs

# Transforming our approach to development for the SDGs



WALID ABDUL WAHAB Director General Country Relations and Services Islamic Development Bank

s we enter our second year of transformation as a Bank, we are heading to our 44th Annual meeting in Marrakesh next month with grand ambitions for our member countries on the road to achieving the Sustainable Development Goals. Despite the urgency of helping member countries transform in this fast changing world (the theme of our next Annual meeting), we had to find the time to first transform ourselves and the way we approach development as per the famous proverb "An empty hand has nothing to give". Following the organizational reform which focused on moving our most valuable "operational assets", our staff, to the ground in one of the most ambitious decentralization moves by any MDB, we are now focusing on delivering tailored development solutions to member countries using our new business model. One of the key new tools we are deploying in member countries is the Global Value Chains based Member Country Partnership Strategy (GVC-MCPS). We started with four countries in 2019: Gabon and Morocco, which we hope to launch during the Annual meetings in Marrakesh, and Turkey and Maldives which are progressing at a good pace. Next year, we plan to start in seven more countries.

The GVC-MCPS tool is an important



milestone in the Bank's transformation journey, not because of its new features, but more so because it marks a shift in the Bank's approach to financing projects in member countries. In the past, the Bank's financing to member countries was limited to what the Bank can mobilize on its own balance sheet. The GVC-MCPS, being transformational, is designed to focus on "transformative" sectors and industries which require much more resources than the Bank can afford relying on its own balance sheet. Therefore, mobilizing off-balance sheet resources from the capital market is one of the key value addition of the new MCPS approach. The Country Relations and Services (CRS) is working closely with Strategy and Transformation (DOST) and Partnership Development to expand the Bank's financial and implementation muscles by tapping capital markets and working with various development players (developers) to deliver higher value, country-specific solutions to member countries.

The entire new approach of the Bank and its determination to transform itself is motivated by the burning need of the member countries to meet the SDGs. Realizing the size of the financial (and knowledge) gap facing countries in meeting their own ambitions as articulated in their commitments to the SDGs, the Bank realized that it cannot continue operating using the traditional approach of providing official development assistance, which represents only a drop (around \$140 billion in 2016) in the ocean of the \$2 trillion annual financing gap to meeting the SDGs. His Excellency the President, IsDB put this transformation in the heart of his Five-Year President's Program (5YP) as he started his first term in 2016. Now, the entire transformation journey of the Bank is guided by this Program. As we close the transition year (2018) of our transformation journey, we look forward to working with all stakeholders to help member countries complete their own transformation on the road to meeting their own ambitions: the SDGs.





6<sup>th</sup> Open Dialogue of the SDGs Community of Practice: Zakat, SMEs and good governance major imperatives for ending poverty



nderstanding the root causes and improving the collection and implementation of Zakat, development of SMEs and ensuring good governance are among the imperatives required for ending poverty in IsDB member countries. These were some of the views expressed during the 6th Open Dialogue organized by the Community of Practice (CoP) on SDGs. The theme of the dialogue was: The Road to No Poverty: The Role of IsDB Group in Achieving SDG1.

Key dignitaries in attendance during the lively discussion moderated by Dr. Rami Ahmad, Special Envoy on SDGs include IsDB President Dr. Bandar Hajjar, Vice Presidents, CEOs, DGs, Advisors and many staff members.

According to the Vice President, Finance, Dr. Zamir Iqbal, the way to end poverty is by improving the collection and implementation of Zakat, adding that studies have shown

that if Zakat is property collected, many OIC countries will be lifted out of poverty.

In his remarks, Vice President, Administration, Br Sayed Aqa stated: "Good governance is crucial to ending poverty. We need good governance to build strong institutions, that is how to attract investors."

In his opinion, the CEO of ICD, Mr Ayman Seijini said to achieve SDG1 by ending I believe focusing on SDG8, SDG9 & SDG17 will help us deal with the root causes of poverty and thus make progress on SDG1

**Dr. Bandar Hajjar** IsDBG President

Tweet	s Tweets & replies	Media
	have to diversify the #econom	ay attention to the root causes of #poverty. We y. Our member countries are exporting their raw population. #Job creation is central to poverty

poverty, developing SMEs is the way to go, that was how Germany built one of the most successful strategies for ending poverty.



# **Tackling the Root Causes of Poverty**



Ahmed Elkhodary Director, Strategy & Transformation

## Half a billion increase in MCs population by 2030

Our Member countries' (MCs') population is estimated to increase to 2.2 billion by 2030 from 1.7 billion in 2015 (i.e., half a billion). The working youth (15 to 30 years) who will continue to represent most entrants in the workforce will increase by 100 million between 2015 and 2030. Almost 80% of this growth will happen in urban areas resulting in the proportion of the urban population to increase from 49% to 56%. -. Mulling over recent and emerging trends in geopolitics, technology and the future of work, climate change and resource constraints, one can envision three existential challenges that represent must win battels for member countries by 2030:

- This rapid demographic growth will require our economies to create 10 million new jobs every year between now and 2030; It will require also a wider access to better standards of social services such as education & health to share the benefits of economic prosperity with the entire population and hence diminish inequality and strengthen social cohesion.
- To meet the SDGs, we currently have a significant financing gap of 1 trillion dollars every year, requiring us going beyond conventional resources by mobilizing new partners, devising new strategies and creating new innovative tools and instruments for resource mobilization;
- The emerging and continuing trends in demographics, geopolitics, inequality and exclusion, climate change, resources constraints, urbanization, deindustrialization, new emerging





technologies, the nature of future jobs, all require a comprehensive response that future-proof our countries for emanant approaching fourth industrial revolution. Failing to facilitate a coordinated response to this transition may lead to growing trade deficit, fragmentation of our societies, rising inequalities, increasing urban poverty leading to precarious living conditions, high living costs and rising crime rates;

#### What will happen if we don't change?

Investment needs to tackle these challenges and meet the SDGs in developing countries stand at US\$ 4.5 trillion per year while total current investment in developing countries stands at US\$ 1.4 trillion per year. This leaves an annual investment gap in sectors critical to the SDGs of around US\$ 3.1 trillion. For IsDB Member Countries, this translates into annual funding of between US\$ 700 billion and US\$1 trillion. The gap is far greater than the available ODA funding of US\$ 145 billion annually. Thus, public expenditure needs to increase eightfold to meet the funding targets by 2030. Is this sustainable?

If MCs continue to depend on public spending as the engine of economic growth and on exporting raw material without first adding value to it or creating an enabling environment for investment, the natural consequences are increased unemployment, social and political unrest, vulnerability to climate change, illegal immigration and many other outcomes that drive the whole world – not just MCstowards a future of fragility with a yet more vicious poverty cycle by 2030.

With 140 months left to solve these challenges (i.e., by the SDGs 2030 horizon) -equivalent to less than two sovereign project cycles-, it is becoming urgent to explore alternative development options to give MCs the best chance of success.

#### How are we responding?

IsDB new business model promotes a change in the global development narrative from focusing on symptoms and immediate pain points to tackling deep systemic root causes. This is achieved by reorienting development



into a growth strategy that transforms member countries' economies from raw material exporters to competitive industrial economies. Such strategy empowers member countries to capture an increasing share of strategic global value chains to create jobs domestically, upgrade industrial capacity inline with Industry 4.0 requirements to remain competitive, and provide the right balance of risk/return for the capital market to invest more in MCs. By building better economies that export to the world more exciting, competitive, and diverse goods and services, we can tackle the root causes of the vicious poverty cycle identified under SDGs 1-7.

Has this been done before? Is there any evidence that this is true? The answer is yes and the evidence is overwhelming. Evidence from the Millennium Development Goals (MDGs) shows that success in tackling poverty on global aggregate level has been largely driven by two countries (i.e., China and India). Upon deeper look into the secret formula of these two countries, one can clearly see that their success has been largely attributed to comprehensive transformation into competitive industrial economies that export diverse products by domestic firms that create so many jobs. In fact, evidence also show that countries that failed to make this transformation have not been able to alleviate poverty despite all the interventions and good intentions of multilaterals and other global development institutions providing ODA.

#### The 1/5/10 Opportunity

This new development orientation unveiled a massive opportunity for member countries that can turn the challenges mentioned earlier into a historical opportunity summarized as the 1/5/10 Opportunity. This refers to the mobilization of US\$ one (1) trillion, to champion 5 (five) strategic industries globally, which can generate 10 million new jobs annually. The president program (i.e., publication title "The Road to SDGs: A New Business Model for a Fast Change World") describes in details IsDB approach to help member countries realize this historical opportunity and thus tackle the root causes of poverty.



## Capturing the imagination of ordinary people: Communicating SDGs at the grass-roots level



Muhammad Jameel Yusha'u Lead Communications Specialist

n September 2008 the world was hit by a storm, you might even call it an economic hurricane that had not been seen since the great depression of the 1930s. Lehman Brothers had fallen, financial crisis was now real. As a journalist working in Bush House at the time, one of my responsibilities was to ensure the public understood what the financial crisis was about and how it would make an impact on their lives.

One of my duties was to translate stories about the crisis from English to my native Hausa language. My colleagues working in Swahili, Arabic, Urdu and Somali sections did the same. But how do you make sure that a farmer in Mogadishu, a herdsman in the outskirts of Yaounde or a small-scale trader in Karachi understands the difference between economic depression and economic recession in his native language without much explanation? How do you translate 'credit crunch' or 'economic turmoil' to a non-English speaker in the simplest term to avoid any confusion?

This was the debate we were having in the newsroom. Then one of our editors intervened. "When you are writing your story, think of your grandmother who had not been to school. If she can understand the story, then you are communicating," he said.

The question to ask is, are we communicating the SDGs in a way that our grandmothers who have not been to school can understand? You will agree with me that the target beneficiaries of the SDGs are the ordinary people in different parts of the world. Unlike the MDGs, the SDGs are different because developing countries were part and parcel of formulating them. But are citizens of these countries, in whose names the SDGs are being implemented, fully informed about the 2030 agenda?

In his classic book, "Banker to the Poor: Micro-lending and the Battle Against World Poverty," Nobel Laurette Muhammad Yunus stated that he considers giving credit to the poor to end hunger in the world as a human right issue. I must add that communicating the global goals to empower the citizens of our member countries is a fundamental human right. Writing in the London Guardian during the debates on the post-MDGs agenda, Judith Randel, then Executive Director of Development Initiative, stated that "based on our experience and available evidence, we believe the post-2015 settlement must harness the power of technology and information to empower citizens with choice and control over the decisions that impact their lives."

During the negotiations on the SDGs, Ireland's permanent representative to the United Nations, David Donoghue, stated that to achieve the SDGs, there is need "in some way to capture the imagination of ordinary people around the world."

The good news is some countries have understood this. Netherlands has developed a communication plan for communicating the SDGs at the grass-roots level particularly by targeting young people. The SDGs have been integrated in school curriculum as part of the strategy for inclusive dialogue and consultation. Indonesia, an IsDB member country making headway in the implementation of the SDGs, has developed a monitoring dashboard for the SDGs called Satu Data Initiative (https://www.satuindonesia.com/satu/) and the website is available in local language. Any user can visit the dashboard and select any of the SDGs to see the report card on the success recorded so far. A Reverse Linkage between Indonesia, IsDB and other member countries on how to develop an SDGs dashboard could be a good starting point.

Clayton M. Christensen

Efosa Ojomo and Karen Dillor

How Innovation Can Lift

Nations Out of Poverty

Prosperi

# **Book Review**

**Title :** The Prosperity paradox: How Innovation Can Lift Nations Out of Poverty (2019) **Authors :** Clayton M. Christensen, Efosa Ojomo and Karen Dillon **Reviewer :** Muhammad Jameel Yusha'u

here is a reason why poverty eradiation is linked to sustainable development, and it is not surprising that the first objective of the Sustainable Development Goals (SDGs) is about ensuring a poverty free world. In a research entitled "Poverty reduction within the framework of SDGs and Post-2015," published in the journal, Advances in Climate Change Research (2015), LIU Qian-Qiana, YU Manb and WANG Xiao-Lin stated that "poverty reduction and sustainable development are inseparable and poverty reduction is the premise for sustainable development".

Several governments, NGOs, and international development institutions have attempted to offer an enduring solution to the challenge of poverty eradication. One major contribution that is thought provoking on how developing countries can address the challenges of SDG 1 is the book, The Prosperity paradox: How Innovation Can Lift Nations Out of Poverty co-authored by Clayton M. Christensen, a Professor of Public Administration at the Harvard Business School, along with two other authors, Efosa Ojomo and Karen Dillon.

Prosperity Paradox comprises 11 chapters discussing how innovation can help create prosperity and assist developing countries to alleviate poverty. The book brought unique examples on how countries can be rich without being prosperous. To be prosperous a country must provide "access to education, health care, safety and security, good governance" in a sustainable manner. One way of achieving this is through "market-creating innovations" that completely change the culture of society. The creation of Ford in the United States, and companies like Samsung in South Korea created opportunities that completely changed the economic DNA of these countries. China is another successful example according to the authors, because out of the one billion people lifted out of poverty from 1990-2015, more than 700 million were in China. What is the secret? innovations that create prosperity. The last chapter of

the book, "From Prosperity Paradox to Prosperity Process" provides advice on how countries can develop their own path to prosperity. The book is not perfect, the over glorification of capitalism as a saintly economic system requires additional debate. But every development practitioner should read this book.

# Parliamentarians for the 2030 Agenda in Arab States!





Maisaa Youssef Sustainable Development Officer Unit on the 2030 Agenda, UN ESCWA

"We acknowledge also the essential role of national parliaments through their enactment of legislation and adoption of budgets and their role in ensuring accountability for the effective implementation of our commitments. Governments and public institutions will also work closely on implementation with regional and local authorities, sub regional institutions, international institutions, academia, philanthropic organizations, volunteer groups and others."

> Article 45 of the General Assembly Resolution 70/1 Transforming Our World: the 2030 Agenda for Sustainable Development

he 2030 Agenda for Sustainable Development heralded a new development paradigm, a new way of doing business, including a rights-based development approach: by leaving no one behind; tackling inequality; and adopting a multistakeholder, whole-of-society approach for the achievement of the Sustainable Development Goals (SDGs).

Common to all is the need to strengthen or rebuild trust and mechanisms for dialogue between the different actors engaged in development. We need collective work for a common goal: alleviating problems now while ensuring sustainability for future generations. We need to change consumption and production patterns. We need to listen to and engage women and youth, local communities, the poor and the vulnerable. We need mechanisms to enhance relations between decision makers and everyone else.

Parliamentarians are a critical link: they represent the people and engage with government. They have the mandate to listen and advocate. They can introduce and/or review legislation, scrutinize policies and budgets, and hold

governments to account. When parliaments are strong, so is trust and accountability in policy making.

In 2017, the UN's Economic and Social Commission for Western Asia (ESCWA), the United Nations Development Programme (UNDP), and the Islamic Development Bank (IsDB), launched a programme to strengthen the engagement of parliamentarians in the Arab states with the 2030 Agenda. The program emerged out of a deep conviction of the potential role Parliaments and Parliamentarians can play in ensuring that national development plans, policies and budgets support sustainability and equality.

Built around annual forums, the programme raises the awareness of parliamentarians from across the region on the 2030 Agenda and its implementation in Arab states. It also builds their capacity to engage with the 2030 Agenda through technical assistance projects. This includes knowledge of national, regional and global

UNITED NATIONS



processes like Voluntary National Reviews (VNRs), the Arab Forum for Sustainable Development (AFSD), and the High-Level Political Forum for Sustainable Development (HLPF). It also includes opening channels for dialogue and collaboration between parliamentarians and governmental and non-governmental actors like statistical institutions and civil society organizations.

> As parliamentarians come together at these meetings, needs and challenges are identified and so are opportunities and existing practices that we can capitalize on. At the latest forum, held in Beirut at the UN House from 24-25 January 2019 in collaboration with the International Parliamentary Union, parliamentarians charted a way forward together, agreeing on a set of "Practical Steps to Enhance the Role of Parliament in Achieving the SDGs". Examples include briefings to parliamentary committees and decision-making bodies, creating research units around the SDGs, initiating communication with national councils for women or youth, institutionalizing communication with national statistics offices, or organizing consultative meetings with parliamentary or political party blocks

on national progress towards achieving the SDGs.

The annual parliamentary forums conclude with a set of key messages to guide the way forward. Chief among these is the right to access information, so Parliamentarians, and the people they represent, can contribute to transformative change in the Arab world.

A long-term programme to support the engagement of parliamentarians, supported by ESCWA, UNDP and the IsDB, allows us to go beyond isolated awareness raising or capacity development activities. It allows us to address the structural issues and the enabling environment for a participatory approach to the 2030 Agenda. It allows us to strengthen whole of society approaches and relations of trust between different stakeholders. And it builds the platform for a network of parliamentarians that support each other and mobilize their collective force to push for inclusive and sustainable development.

## VNRs: How IsDB Plans to Build the Capacity of Member Countries to Achieve SDGs





**Riad Ragueb Ahmed,** Manager, Reverse Linkage

Ahmed Faruk Diken, Sr. Technical Cooperation Coordinator, MENA & Europe, Reverse Linkage

n the 5th issue of the SDG's Digest, Br. Syed Husain Quadri, ISDB Country Strategy &Market Integration, elaborated on how the Voluntary National Reviews (VNRs)—reporting tools developed by countries to track their progress on achieving the SDGs—are being integrated into the Member Country Partnership Strategy (MCPS) process in order to develop a relevant strategy based on reliable and robust data on SDGs.

According to the United Nations Department of Economic and Social Affairs (UNDESA), 111 VNRs have already been prepared and presented at the High Level Political Forum since 2016, and an additional 51 reports are expected in 2019 .In the VNRs already submitted, countries not only provided information on how well they are progressing towards achieving the SDGs, but also outlined the ways and means through which they are developing their VNRs, including how the SDGs are being integrated into national development plans, the national institutional arrangements for implementing and monitoring the SDGs and ways of engaging with various stakeholders within their countries to collect data, among other things. The synthesis of the VNRs clearly demonstrates the importance of institutionalizing the VNR preparation process in a structured and participatory approach.

Among the IsDB's membership, 30-member countries have already reported their VNRs—some reporting more than once—while 19-member countries plan to report their VNRs in 2019 or 2020. The experience that has been developed by member countries which reported their VNRs is of great value and can help develop the missing capacity in other member countries through the right exchange mechanisms. The IsDB, through its capacity development and technical cooperation mechanisms can play the facilitator role in actualizing these exchanges.

In this regard, the IsDB is preparing the groundwork to enhance the capacity of member countries to prepare their VNRs by providing them with platforms to exchange expertise and to matchmake the capacity available and the gaps in preparing and reporting VNRs. To do so, the IsDB Reverse Linkage team has entered into discussions with United Nations Department of Economic and Social Affairs (UNDESA). The Bank and UNDESA are planning to organize a workshop at the IsDB Headquarters In 2019 to facilitate experience and expertise sharing among MCs on the VNRs preparation and reporting processes, and to identify specific opportunities that can mature into specific cooperation projects.

The 2019 Edition

VOLUNTARY National Reviews

**SDGs** DIGEST

Through this platform, the Bank and the UNDESA will be able to contribute to the process of reporting on how well Agenda 2030 is doing and whether the countries are on track to meeting the SDGs. It will also be an opportunity to identify further weaknesses and capacity issues that the IsDB, together with its development partners, can address through targeted interventions.





# ISFD: Helping Member Countries to Achieve SDGs





Azhari Gasim Ahmed Lead Economist & Resource Mobilization Specialist, ISFD

he Islamic Solidarity Fund Development (ISFD) was launched in May 2007 with two overarching themes that define its objectives: Improving and enhancing the income of the poor and promoting the development of human capital. The Fund implements programs that are aligned with the SDGs, and therefore supports member countries to achieve their sustainable development objectives ahead of 2030.

The first Sustainable Development Goal, SDG 1, challenges the ISFD to develop effective partnerships and projects to support member countries to fight extreme poverty. To achieve this goal, the ISFD programs are based on the principle that ending poverty requires interventions that reduce inequalities, enhance human capital, improve connectivity of the poor to markets, promote youth employment and access to income generation opportunities. It also means ensuring that the implemented programs impact all segments of the targeted population.

The Fund has achieved sustained increase in its grants and projects approvals over the past 10 years, which amounted to US\$1.2 billion. Guided by the IsDB Policy for Poverty Reduction, approvals have been allocated to propoor programs in the main productive sectors, such as health, education, renewable energy and rural development.

More recently, the Fund has joined programs aimed at taking bold action against poverty. It supported the Life



Extreme poverty anywhere is a threat to security and human dignity anywhere. We must join hands to stop this serious phenomenon in IsDB member countries. Ending poverty is not about charity, it's about human rights and justice.

**Dr. Waleed Al Wohaib** Director General, ISFD

& Livelihood Fund (LLF), set-up by the IDB and Bill & Melinda Gates Foundation (BMGF), to develop rural sectors and combat infectious diseases in LDMCs. It has also joined the "Enrolment and Retention of Out-of-School Children Program" which aims to serve as the basis for a global alliance to bring back all children of member countries who have left school back to school. It has also provided the leadership and support to the "Fight Against Avoidable Blindness Program," which aims to conduct 100,000 eye surgeries and 1 million treatment cases over five years, in addition to participating in strengthening the capacities and best practices in eye health in the targeted member countries.

Despite these efforts, almost 32% of the population of our member countries still live under the \$1.90/day poverty line. The share of deprived population in the multidimensional poverty index ranges from 0.6% of the population in Kazakhstan to 92.4% in Niger – a level of deprivation that is clearly unacceptable. Moreover, while several member countries have seen marked improvements in maternal mortality, school enrolments, and others, persistent gaps in access to crucial services for the poorest still act as impediment to ending extreme poverty by 2030.

To be an effective partner in the efforts to assist member countries in achieving the SDGs means that work cannot be as usual. We need to accelerate the drive towards resource mobilization, which is currently a major obstacle to upgrading ISFD programs. Member Countries also need to address the drivers of inclusive economic growth, stimulating the sectors where the poor work, and providing the minimum essential levels of basic services to the poor.



# IsDB Member Countries Likely to Miss the Target on SDG1: Special Focus on Nigeria



**Cheikh Diop** Senior Economist, ERIL

he number of people in extreme poverty (below the poverty line at \$1,90 a day) has continued to fall significantly from nearly 1.9 billion in 1990 (35.9 percent of the world population) to about 736 million in 2015 (10 percent of the world population). Most of this decline happened in Asia, especially in East Asia and Pacific where the number of extremely poor dropped dramatically from 1.1 billion to 52.5 million between 1990 and 20155, mainly due to China's progress.

According to the World Data Lab, under 600 million people (8 percent of the world population) live in extreme poverty as of January 2019, of which over 422 million or (71 percent) are in Africa. By 2030, the number of extremely poor across the world is expected to fall to some 436

Nigeria Mozambique

Bangladesh Uganda

Indonesia Indonesia

> Yemen Guinea

Sudar

Niger Burkina

Mali Chad Somalia Benin

Cameroun

e d'lvoire Senegal

Togo erra Leone

Uzbekistan Libya

Mauritania Suriname

Guyana

0.00

Guinea Bissau Gambia million and nearly 90 percent of these will live in Africa, while the share of Asian countries is projected to fall below one percent.

Comparing the actual trends in poverty reduction and the average speed needed to end poverty by 2030, the World Data Lab has categorized countries into four clusters: No Extreme Poverty, On-Track, Off-Track, Poverty is Rising. Countries On-Track are those, which can eliminate extreme poverty by 2030 based on their current escape rate. Countries Off-Track will not reach the SDG target without favourable change in their current trajectory. Countries classified in No Extreme Poverty category are those where the poverty headcount ratio is below 3%.

Across, the world, 12 Countries are On-Track (of which, six are IsDB Member Countries); 36 are Off-Track (of which 17 are IsDB MCs), while poverty is rising in 13 countries including four IsDB MCs (Figure 1). The situation of Nigeria deserves specific attention. Nigeria has overtaken India as the country with the largest population living in extreme poverty globally. Based on the current trend, Nigeria will keep this position in 2030. Furthermore, the country will be hosting 25 percent of the world's population living in extreme poverty.

Africa's largest economy is facing tough challenges that curb development outcomes and spur vulnerabilities: high commodity dependence, low government effectiveness, conflict and violence. Addressing these challenges is critical for reducing poverty in this country and in West Africa.

There is a need for urgent, massive, efficient and effective development interventions in Nigeria. Given the size of the country and the severity of the issues, only a strong and coordinated support can deliver significant results. This support could be articulated around the following principles:

- emphasize national ownership and leadership to develop and implement a comprehensive strategy centered on sustainable human development;
- build a common framework for development interventions, bringing together all the partners: public and private actors, civil society organizations, bilateral donors and international organizations;
- promote mutual accountability to deliver on the commitments and monitor progress.

The IsDB could take the initiative of organizing an international partnership conference to develop an Action Agenda for Nigeria.

Source: World Bank, World Development Indicators Database, November 2018.

100.00

90.00

#### Figure 1. IsDB Member Countries Poverty Ranking (million people in extreme poverty)

Source: World Poverty Clock, December 2018.

20.00

30.00

40.00

50.00

60.00

70.00

80.00

10.00

# Energy Security in the post Paris Agreement Era



Dr. Farid Ahmed Khan, Operations Team Leader, Energy

n accordance with SDG-7, access to affordable and sustainable energy resources are instrumental for economic development and growth. Traditionally, Energy Security has been concerned with the 3A's, i.e. Availability, Accessibility and Affordability. The emphasis was on variety and diversification. Availability of sufficient amounts of energy at affordable prices was considered key to ensuring Energy Security.

Subsequent to the Rio Earth Summit held in 1992, there has been an increased focus on the adverse influence on the climate of the GHG emissions resulting from the burning of fossil fuels for generation of energy. More recently, the Paris Agreement has renewed the focus on sustainability as an important pillar of Energy Security. In order to meet the targets set during the COP21 (Paris) to limit the global temperature rise by less than 2oC, the nation states cannot continue to rely on fossil fuels to meet their countries energy requirements without adequate mitigation measures such as Carbon Capture and Storage.

While there is a renewed interest in renewable energy, especially solar and wind, their widespread application continues to be limited by their intermittency and reliance on nature, which prohibits them from being dispatched as per the requirements of the grid. Therefore, solar and wind, which are presently the most popular renewable energy resources, cannot be relied on to effectively meet the base load demand, without adequate investments in energy storage facilities. Moreover, hydropower is limited to certain geographical regions which have been blessed with abundant river flows and associated gradients.

Geothermal energy, while capable of displacing coal power plants to supply base load, is financially viable in limited geographic regions. Tidal waves is still an area of research and will require additional investments for the technology to mature. Therefore, in the interim, gas may act as a transition fuel to facilitate the shift to low carbon generation facilities.

IsDB member countries can enhance their Energy Security by developing indigenous renewable energy resources, by implementing the following key policy initiatives:

- a. Net Metering: Allowing households and industries to sell back electricity to the grid through institutionalizing net-metering, encourages investments in Renewable Energy resources especially rooftop solar panels.
- b. Feed-in-Tariffs: While the cost of both solar and wind, which are the most popular renewable energy resources, have declined significantly over the past few years, instituting preferred Feed-in-Tariffs helps provide the necessary incentives to private sector to invest in the large scale renewable energy resources, especially in markets where

renewable energy resources are still nascent and have not achieved significant market penetration.

- c. Carbon Tax: While not very popular with certain segments of the society, instituting a carbon tax, to fully reflect the price of carbon associated with its adverse impact on the environment, will help make a strong economic case for prioritizing investments in renewable energy resources.
- d. Grid Integration with neighboring Countries: By creating interconnections with neighboring countries, the penetration of renewable energy resources can be increased as the larger network load helps to better absorb generation fluctuations associated with the solar and wind power plants.

As an integral part of its effort to support member countries to achieve their SDG-7 targets, IsDB can provide a suitable platform for member countries to come together to share experience and explore the various low-carbon power generation options, available to them, to help them chart the most optimal path forward to ensure Energy Security in the post Paris Agreement era.





## Making an Impact: IsDB Hosting the Sustainable Energy for All (SEforALL) Middle East Hub



Mohammad Al Sayed Manager, Economic Infrastructure Member, UN Technical Advisory Group on SDG7

s part of the President's Five-Year Program (P5P), the Global Practices Departments were established with a clear focus of evolving the Bank from a development bank to a bank for developers. To achieve such status, new partnerships had to be established along the with new platforms that connect governments, private sector, investors and technical experts around the globe with the intent of achieving tangible development results in IsDB member countries. The Global Practices Departments are utilizing such platforms and networks to mainstream the international development agenda into the Bank's daily operations and ensure alignment with the Sustainable Development Goals (SDGs).

Since the Bank's transformation in 2018, the Economic & Social Infrastructure Department has actively participated in major global forums related to Agriculture, Education, Energy, Health, ICT and Transport. Several partnership agreements were signed to establish new platforms. One of the important agreements signed was with the Suitable Energy for All (SEforALL), an international organization working



with governments, private sector and civil society to drive further action towards the achievement of SDG7 (Access to affordable, reliable, sustainable and modern energy for all). It also aims towards meeting the call of the Paris Climate Agreement and the recent special report of the Intergovernmental Panel on Climate Change (IPCC) to reduce greenhouse gas emissions and limit global warming to below 1.5°C.

The Bank signed the partnership agreement to launch the SEforALL Middle East Hub to be hosted at the Bank's Headquarters. In addition. the United Nations Economic and Social Commission for Western Asia (ESCWA) has signed a joint declaration with the Bank to cohost the SEforALL Middle East Hub to provide support to the relevant countries in the assessment, preparation and implementation of national action plans related to the transitions to sustainable energy systems and reaching the targets of SDG7. The Hub is the fourth SEforALL Hub following the Africa, Asia, Latin America Hubs hosted by the African Development Bank (AfDB), Asian Development Bank (AsDB) and the Inter-American Development Bank (IaDB) respectively. The Middle East Hub will raise awareness at the national and regional level of the challenges, constrains and opportunities available while achieving the three core objectives of SDG7 (i) ensuring universal access to energy, (ii) doubling the share of renewable energy in the global energy mix and (iii) doubling the global rate of improvement in energy efficiency.

The Hub will serve as a platform for the region for technology and knowledge transfer given the major milestones achieved in providing renewable energy solutions at competitive prices. It will also work with governments and private sector to tap on the potential for energy efficiency in the commercial and residential sectors. The Hub will assist fragile member states to provide energy access and develop plans for reconstruction of its energy sector. Meanwhile, the Hub will leverage the resources and synergies of SEforALL partners worldwide to increase the number and quality of the Bank's projects.

## Islamic Finance and Sustainable Development Goals (SDGs)



Wasim Abdul Wahab Director, Islamic Financial Sector Development Service

slamic finance is a Shariah based system for providing financial services to Muslims and Non-Muslims alike, through various means such as Banking, Microfinance, Takaful, Islamic Capital Markets (Sukuks). It also includes Islamic social finance areas such as Awqaf, Zakat, etc. To provide those financial services, various modes of finance such as Mudaraba, Murabaha, Musharaka, Salam and Istisna'a are used.

Islamic finance also supports the Maqasid Al Shariah, specially the area related to wealth. Furthermore, it can be stated that the objectives of Islamic economics are supposed to guide the objectives of Islamic banking and Finance<sup>1</sup>. In this context, Dr. Chapra<sup>2</sup> highlighted four objectives of Islamic economics in promoting the values and holistic purpose of this system, which are as follows:

I. To achieve economic well-being within the framework of the moral norms of Islam:

- II. To uphold universal brotherhood and justice;
- III. To attain equitable distribution of income; and
- IV. To accomplish freedom of the individual within the context of social welfare.

As far as the SDGs are concerned "the Sustainable Development Goals (SDGs), otherwise known as the Global Goals, are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. These 17 Goals build on the successes of the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected – often the key to success on one will involve tackling issues more commonly associated with another.<sup>3</sup>"

Considering the commonalities in the objectives of Islamic finance and the SDGs, the following reasons are being presented on why we should use Islamic banking and finance for our everyday financial transactions in general and for the SDGs in particular:

• Islamic finance framework is based on principles of equality, justice and risk sharing



- It provides customized solutions for all needs linked to the real economy, thus promoting financial stability
- Islamic finance can play a vital role in alleviating poverty and enhancing financial inclusion
- Islamic finance can help in resource mobilization through alternate means, thus broadening the financial net
- Islamic finance has potential to play a unique role in promoting sustainable economic development globally

The following table presents the interaction between Islamic finance and the SDGs:

As can be seen clearly from the above, Islamic finance has a big role to play in the achievement of SDGs. To conclude, it is the endeavour of the Islamic Development Bank in general and the Islamic Financial Sector Development Department in particular, to support SDGs through the development of the Islamic financial sector which can in turn assist in the achievement of SDGs.

\*3 UNDP Website

Category	Number of SDGs	Islamic Finance Mechanism
Financing for Infrastructure Development	Eight SDGs (SDG 4, SDG 7, SDG 9, SDG 11, SDG 13, SDG 14, SDG 15, SDG 17)	Raising wholesale funding mainly from 1. Sukuk program 2. Islamic Syndicated financing
Finance for Social Development	Six SDGs (SDG 1, SDG 2, SDG 3, SDG 5, SDG 8, SDG 10)	Islamic Social and Financial Inclusion. 1. Zakat 2. Waqf 3. Islamic Microfinance (including Micro-takaful)
Financing to Promote Innovation in Achieving Efficiency	Six SDGs (SDG 6, SDG 7, SDG 8, SDG 13, SDG 14, SDG 15)	Equity based structure is more suitable in promot- ing innovation such as: 1. Islamic Private Equity 2. Islamic Venture Capital 3. Equity Funds 4. Crowdfunding

<sup>\*1</sup> The Objective of Islamic Economic and Islamic Banking in Light of Maqasid Al-Shariah: A Critical Review Mustafa Omar Mohammad and Syahidawati Shahwan.

<sup>\*2</sup> Chapra, M.U., 1979. Objectives of the Islamic Economic Order, The Islamic Foundation, Leicester.



## **Integrating Innovation in Development Projects**



Naguib Chowdhury Senior Knowledge Management Specialist

DGs are increasingly pushing development organizations to rethink their operation and business models in an integrated manner by pooling financial resources, knowledge and innovation. Their approaches need to be agile, scalable and co-created with the multi-stakeholders the organizations themselves need to be highly adaptive, flexible, fast and forwardlooking in order to deliver high-impact, innovative solutions.

This organizational shift is a major task for many organizations, which have been dealing with legacy systems, policies and embedded bureaucracy. Changing culture is an uphill task, especially when the workforce remains the same. One way could be to test new ideas in an incubator, which is a dedicated unit and outside of the regular business processes environment. The organization needs to allocate some funding to the incubator and allow for exception and failure.

Disruptive technologies, like the blockchain, will increase the efficiency and transparency of aid work to a greater extent. Embedding new tech such as drones, social data analytics, machine learning, artificial intelligence, robotic process automation will enhance the effectiveness of development interventions in various countries.

The question is how to successfully integrate them into the development project cycle?

My personal experience suggests that the job is not that easy, especially when people are comfortable with doing business as usual. Therefore, have perseverance. Adding a new component in a traditional project always adds some level of risk in its implementation. On top of that, the client may not see the value of having a new component as this may increase costs and implementation time.

Secondly, do not try to embed an innovation that has not been tested with a positive outcome. If the proposed innovation is not being tested and at a basic research level, integrating with a project will be extremely difficult due to a low level of buy-in from the management.

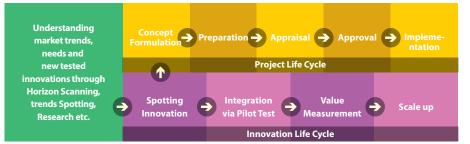
Thirdly, have a pilot. Start implementing small innovations in not so complicated projects, measure the value and then scale up.

The below image describes at what stage innovation can be integrated:

innovation component, which increases road durability by 3 times. We had spotted three innovations from three different countries during the Annual Meeting Innovation exhibition followed by identification of a prospective client – a Member Country in Africa.

Several technical workshops were organized with government agencies at the client's destination with all three innovators. After careful consideration, one of the innovations was considered highly relevant to the country's need.

A technical tour was organized in the innovator's country of origin, where detailed study and observation took place. Convinced of the innovation's impact on the road infrastructure, the project proposal was then developed, and financing was extended to the client country.



Usually, any development project starts with formulating the concept, followed by preparation and appraisal. Integration of innovative solutions can be done at the conceptualization stage of the project. At this point, calculate how much extra budget may be required, seek sponsorship for this extra cost and once management approval is obtained, go for a small-scale implementation. A pilot study of how drones can be used to produce Arial Mapping for Disaster prone areas can cost USD 20.000. A Blockchain based financial donations and tracking platform would cost USD 15,000 as a start. Some other technologies can be costlier. A successful pilot always triggers wider implementation. But first, you must demonstrate that it works.

#### A Case Study

Three years ago, the IsDB implemented an infrastructure project with an



References: UNDP (2017): Moon Shots & Puddle Jumps-Innovation for Sustainable Development Goals accessed 04/03/2019 from https://www.undp.org/content/undp/en/ home/librarypage/development-impact/undp-innovationfacility-vear-in-review.html

# SDG 2: Investing in smallholder farmers to achieve zero hunger





Nur Abdi Manager, Agriculture & Infrastructure

Usb Saharan Africa spent USD 5.3 billion in 2016 to import rice, a strategic food security commodity, in terms of dietary energy source, in many African countries. This is a strategic commodity for which many countries have good agroecological conditions to produce it well. More than 750 million people in sub-Saharan Africa consume rice on daily basis - a demand that is growing at average rate of 6 percent per annum. Self-sufficiency in rice production is now a priority for many governments in Africa not only for food security but to stem the rising import bill.



Figure 1: Regional Rice Value Chain Program Group 1 Countries

In April 2018 the Islamic Development Bank announced a Rice Value Chain program that would benefit 10 countries in Western and Central Africa, and 2 million smallholder farmers within them. The program will be launched in five West African countries in 2019 namely: The Gambia, Guinea, Senegal, Sierra Leone and Niger. The program aims at developing sustainable and inclusive rice value chains. This would help to commercialize produce of subsistence smallholders and sustain higher rates of productivity and production. To that end, the program aims to invest in the following three major areas:

**Increasing rice productivity and production:** Today, rice yields in Africa and particularly West Africa lag-behind the rest of the developing regions (fig 2). The program aims to close this yield gap by investing in yield enhancing technologies and innovations i.e. high yielding seed varieties, appropriate fertilizer



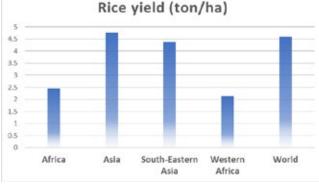


Figure 2: Rice yield - regional comparison (FAO 2019)

blends, good agronomic practices, and production and irrigation infrastructure. The program established strategic alliances with key technical partners including Africa Rice – CGIAR affiliate center – based in Abidjan, Cote d'Ivoire, to support the national agricultural research systems in the program beneficiary countries, to deploy new seed technologies. This includes a recently released hybrid rice variety that is high yielding (5-6 t/ ha) and early maturing, allowing farmers grow two rice crops per year. In between crops, the program will promote the production of vegetables and grain legumes to improve both nutrition and incomes of the farmers.

*Linking farmers to "buyers":* the growing demand for rice is primarily driven by a growing urban middle-income consumer. These urbanites are willing to pay a premium price for quality and brand name. The program will invest in building partnerships between

smallholders and millers, and support local Argo-dealers, rice millers and farmers groups with branding and marketing strategies. To this end, the program established partnership with private companies to support smallholder out-growers with



Figure 1: Packaged rice - Sierra Leonean rice company



contract farming arrangements ("salam"). The World Food Program, as program partner, will also support to procure rice from farmers supported by the program for local school feeding programs and relief operations in the region. This is much needed in some countries where the private sector is relatively week.

Enabling environment for sustainable value chain: This is particularly important to ensure sustainability of in-put and output markets. In this regard, the program will invest in institutional



#### capacity building of key national partners involved in the value chain to ensure sustainable performance of the input-output chain with great emphasis on public-private partnerships. The program will introduce advanced digital solutions, to provide real time information for farmers on weather, agriculture extension and prices; and IT based Monitoring and Evaluation Systems including the georeferenced database system. To achieve this the program will engage MANOBI - a nongovernmental agency based in Dakar Senegal.

**Cause of Optimism:** The program design is informed by three principles: a) building on lessons and experiences from other regions, particularly Asia, that have achieved rice selfsufficiency; b) strong national stakeholders' ownership; c) engaging coalition of partners based on their technical expertise and comparative advantage to assist beneficiary countries at the various stages of the value chain.

With the introduction of 200,000 tons of high yielding seeds, development of more than 47,000 ha of agricultural land and engagement of private sector, the program is poised to substantially increase rice yields to more than 4 tons/ha (doubling the current yields), hence bringing the continent closer to achieving zero hunger by 2030.

# Agro-ecology for a Sustainable Development of Agriculture in IsDB Member Countries





Abderrafia Abdelmouttalib Agriculture Expert (Former IsDB Staff)

gro-ecology looks at the interaction between flora and fauna in the environment, and the integration of ecological principles into agricultural systems in order to increase productivity, improve soil fertility, sustain yields over time, avoid loss of biodiversity, and hence enhance resilience of farmers' livelihoods.

Important aspect of Agro-ecology is its contribution to SDG-2 (Nutrition) supporting to overcome deficiency in vitamin A in particular was prevalent among children under five in Africa as well as pregnant and lactating women. This deficiency increases their vulnerability to common illnesses and impairs growth, development, vision and immune systems. The orange-fleshed sweet potato played traditionally a vital role in combatting hunger in all continents. The orange-fleshed sweet potato is considered

a miracle crop as it can yield 8000 microgram of Beta carotene per 100g1 of fresh weight, which satisfies daily Vitamin A requirements for adults. In addition, it provides calories, vitamins (B, C, and iron) and reduces morbidity including upper respiratory tract related illnesses and skin related conditions

There is a great potential of Agro-ecology, in IsDB Member Countries (MCs) to strengthen the knowledge of existing farmers and innovation through diverse approaches like Reverse Linkage. These techniques include plant diversification; intercropping, application of manure or compost for soil fertility; integrated production and pest management (IPPM); water management for irrigation; agroforestry; erosion prevention; biodiversity preservation; CO2 sequestration; among others.

Agro-ecology is not a one-size-fits-all set of practices; declining fertility in semi-arid West African soils for example puts food security in these countries at stake. Low-levels of organic matter reduce soil's water holding capacity as well as its CEC (cation exchange capacity).

Farmers who integrate Mucuna<sup>2</sup> planting as fallow in the cropping system have seen the yield of maize increased substantially. Seriously degraded land which was subject to desertification was restored in the Sahel ecological zone through three techniques: block plantation of trees, trench planting, and bench terraces.

Moreover, simple techniques of water harvesting such as contour stone bunds. and rock dams for gully rehabilitation are capable of stabilizing soil, conserving rainfall by decreasing runoff and rising water table levels. Farmers adopting these techniques have improved their crop yield, enhanced tree germination and survival, and produced vegetation and crop residues for livestock.

In addition, the use of IPPM<sup>3</sup> has reduced the use of chemical pesticides<sup>4</sup> and fertilizers while improving yields. The production of organic cotton is a good example whereby pests are controlled through a natural pesticide made from neem extract and by planting trap crops nearby to attract pests away from the cotton. Overall, organic farmers' net profit margin per hectare is far greater than for conventional farmers due to the increasing demand for organic products.

1 Against 9000 grams of white-flesh sweet potato variety to satisfy daily requirements of Vitamin A for an adult.

2 Mucuna or velvetbean is an edible vine that grows in moderately poor soil. It is drought resistant, has bacteria which stores air nitrogen in tiny nodules in its rooting system, and provides more than 100 kg nitrogen/ha for the next maize planting.

3 The Integrated production and pest management program (IPPM) was modelled in Southeast Asia and implemented in Africa since 2001. The IPPM varies according to the agro-ecosystem and aims at reducing pesticide and synthetic fertilizer uses while increasing yields through crop diversification and capacity building of farmers in the field of environment, and agricultural techniques

4 These are harmful to honey bee production, water irrigation, human health, and the environment in general

# **Environmental and Social Safeguards Policy** (ESSP)- Fundamental for achieving SDGs



#### Aamir Ghani Meer, Manager, Operations Quality and Results

SDGs

DGs provide a comprehensive agenda for pursuing better development outcome and ensuring effective use of natural resources and preservation for future generations.

As an institutional obligation, all Multilateral Development Banks (MDBs) have adopted mandatory Environmental and Social Safeguards policies which guides their development interventions and ensuring that these are compiled and consistent with guidelines on land acquisition/displacements, re-settlements, environmental concerns, child labour, biodiversity and cultural heritage etc.

IsDB has embarked on the journey of developing Environmental and Social Safeguards Policy (ESSP) which will bring it at par with all other sister MDBs and a vehicle for greater co-financing and partnership opportunities to overcome huge financing gap for achieving

IsDB is founded on Islamic Principles which make it incumbent on the Bank to ensure that all negative impacts of interventions are mitigated. Adoption and gradual implementation of the ESSP in its operational activities will help the Bank to support more sustainable development in member countries. The ESSP would provide a framework for the Bank to effectively manage and mitigate environmental and social risks/concerns in projects and to improve development outcomes.

During the development phase of the ESSP,



the Bank will undertake intense external consultations with member countries and development partners. Adopting the ESSP carries additional responsibility on the Bank; which in turn will be beneficial for both IsDB and member countries in supporting a better and sustainable development.

Our new decentralized operational model, development of sectoral/thematic policies and enhancing project planning process provides the Bank with required mechanisms which will help in the adoption of Environmental and social safeguard in future interventions of the Bank and make development more sustainable.





#### **Sharia Walker**

Senior Youth Development Specialist Women and Youth Empowerment Division Resilience and Social Development Department

he Women and you Youth Empowerment (WYE) Division is working on creating a Youth Employability Platform (YEP), which is a knowledge sharing platform for governments and policymakers, youth-led and youth-focused organizations, donor agencies, civil society organizations, multilateral organizations, private sector entities, and educational entities. The Platform focuses on youth development, and sheds light on good practice, success stories, strategies, and programs from member countries (MCS), which aim to improve youth employability skills. The YEP is referred to as an employability Platform rather than employment as its focus is beyond the discourse of "getting a job" and more about creating a conducive environment and ecosystem, including attitudes, skills, functions and structures required to be in place to perpetuate economic growth. The Platform contributes to SDG 8 "Decent Work and Economic Growth", and it is in line with the IsDBG's, 10-Year Strategic Framework specifically with the strategic objective of inclusiveness, the P5P and more specifically it is in line with the three pillars of the Bank's draft Youth Development Strategy: Education, Economic Empowerment and Engagement. Moreover, the new priority of the Bank is based on a global value chain (GVC) approach which aims to provide a focused solution for MCs to ensure that competitive markets would enable the countries to obtain inclusive and sustainable development.

Accordingly, the YEP identifies employability skills and showcases success stories, and case studies aligned with the five industries the Bank is championing: Food and Agribusiness Industry, Textiles, Clothing, Leather and Footwear (TCLF) Industry, Petrochemicals and Petroleum Industry, Construction Industry, and Islamic Finance. The aim of YEP is to act as a resource center in the area of youth employability along the five identified industries.

## The SDG8 Global Council toward Economic Growth and Decent Work



**Eng. Maysa'a Shaqaqha** Project Engineer/ Ministry of Planning and International Cooperation **Ms.Rasha Dabouri** Researcher/ Ministry of Planning and International Cooperation **Ministry of Planning** Government of Jordan

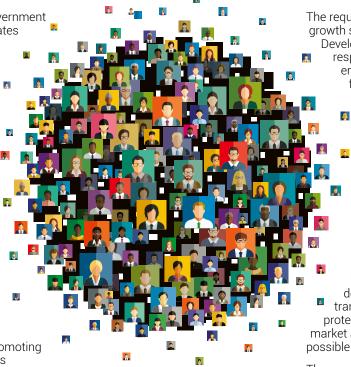
n February 2018 the government of the United Arab Emirates has launched a new platform, "the SDGs Global Councils", which preceded the World Government Summit, this initiative is a great vehicle towards supporting the SDGs agenda, it aims to share innovative practices and discuss the creative implementation of the 0 SDGs at national and global levels. and relates to role of governments as active players in knowledge exchange with development partners from private sector, international organizations, academia, Youth and innovators.

The global council on SDG8 "Decent Work and Economic Growth" has set its vision to "Promoting an economic market which takes into consideration the social and environmental systems".

SDG Goal 8, is especially important because more than anything else, decent work is about human dignity, inclusive growth fills the pledge that "no one is left behind".

For countries at all levels of development, an adequate supply of productive jobs is the foundation of sustained prosperity and economic and social inclusion. Employment-rich economic growth is the necessary foundation for decent jobs, but by itself is not sufficient for achieving decent work for all.

Global unemployment increased from 170 million in 2007 to nearly 202 million in 2012, of which about 75 million are young women and men. And nearly 2.2 billion people live below the US\$2 poverty line and that poverty eradication is only



possible through stable and well-paid jobs. Where 470 million jobs are needed globally for new entrants to the labour market between 2016 and 2030, and according to the International Labour Organization, more than 204 million people are unemployed in 2015, Studies also find that an increase in broadband penetration of 10 percent stimulates economic growth by 0.43-1.38 percent (World Bank 2009).

The role of governments has widenedintegrated development planning, while keeping partnership and innovation channels open with inputs from the public because the SDG agenda is interlinked. The 2030 Agenda introduces inter-linkages between the goals to the extent never experienced before. This requires full and genuine governments' ownership of the global agenda. The requirement for inclusive economic growth set out in the Sustainable Development Goals imposes a responsibility on governments to ensure that inequalities arising from economic development do not result in individuals,

- particularly those most vulnerable, being excluded from the material benefits to
   the extent that they become incapable of observing social norms and common lifestyles of their country.
- Education policy plays an important role in avoiding income inequality, as it can help to reduce skill gaps between workers in higher- and lower-wage sectors. Deliberately designed and efficient tax and transfer systems and social protection schemes, influencing market actors' incentives as less as

The question of jobs and livelihoods brings along, concepts such as for human dignity, economic sustainability, and social cohesion and stability in a context where huge number of people have been obliged to flee conflict areas, with the repercussions into neighbouring countries economy, labour market and development gains.

For the successful implementation of the Sustainable Development Goals, their inclusion and mainstreaming into national policies, plans and strategies will be crucial. Without a doubt, the fulfilment of the pledge to "leave no one behind" will also depend on how well the ones furthest behind will be taken into account when drafting the required policies and plans. This will require the income of the bottom 40 per cent of the population to grow faster than the national average; the empowerment, social and economic inclusion of all.

# Sustainable philanthropy: How Fael Khair Program is Helping Countries to achieve SDGs



Ahmad Saleh Hariri Manager, Fail Khair Program

ver since the Fael Khair Program (FKP) was established in 2008, the programme has responded to the dire needs of the victims of Cyclone Sidr that hit Bangladesh in 2007, leaving thousands homeless., This generous donation from the late King Abdullah of Saudi Arabia amounting to US\$130 million, managed and implemented by IsDB, has helped the victims of the cyclone in restoring their livelihood through the micro-credit interest free loans from the grant component amounting to US\$20 million; and has revolved 7.5 times making total value of loans given up to US\$150 million.

The program has helped millions of students to go back to school cum shelters that were built by the program numbering 172, spread throughout the southern coastal belt of Bangladesh. These schools cum shelters were built to last and sustain future cyclones and were equipped with solar panels generating enough electricity and water tanks for collection of rain water. This project helped Bangladesh towards achieving SDGs 1 and 4.

Fael Khair Program then grew further as demand increases, by responding to the drought that hit Somalia in 2013 by



donating US\$26.7 million to build 72 water wells and 35 schools in their vicinity. This project helped relieve the victims from water shortage, and walking miles to fetch water, In line with the objectives of SDG 6.

FKP then responded further to other needs, such as sponsoring orphans from the Tsunami, fighting Ebola in West Africa, providing 75 Medical Mobile Clinics to seven Asian Countries, providing relief to the Rohingya refugees in Bangladesh, building the Girls Campus in the Islamic University of Niger, and rehabilitation of Al Malam region in Darfur, South Sudan, all of which amounted to US\$761.4 million. These grants have directly helped these countries work towards achieving goals 1,2,3, and 4 of the SDGs.

Thanks to the generous donation by the late King Abdullah of Saudi Arabia, IsDB is proud to have been entrusted with the program implementation during which the bank has partnered with several local, regional, and international organizations and NGOs leading to SDG 17. This donation is a source of inspiration to other philanthropists to follow suit and help the needy and achieve the SDGs by 2030.







## SDGs Update (I)



## UN Releases World Youth Report for 2030 Agenda

The United Nations has released a new report entitled "World Youth Report: Youth and 2030 Agenda for Sustainable Development." According to the report, sustainable development can only be achieved by engaging the youth and addressing the challenges facing them with specific focus on education and employment.

"In education, 142 million youth of upper secondary age are out of school. In employment, 71 million young people are unemployed; and millions more are in precarious or informal work. Disparities within and between countries in education and employment among youth are stark, with gender, poverty, rurality, disability, and migrant/refugee status all being major elements of disadvantage," says the UN Report.

Youth development is one of the central tenets of Islamic Development Bank's strategies for member countries. In line with this objective, IsDB organize major events on youth activities during its Annual Meetings. To achieve the objectives outlined in the 2030 agenda, IsDB has established a division on Women and Youth Empowerment.

## Dubai on track to achieve the targets of SDG11

The City of Dubai, United Arab Emirates has achieved a new feat among IsDB member countries by achieving most of the targets outlined in SDG 11. SDG 11 focuses on making cities and human settlements inclusive, safe, resilient and sustainable. Gulf News reported that speakers at the UAE Public Policy Forum stated this during a panel discussion titled 'Sustainable and resilient cities: opportunities and policy challenges to building smart cities.' Meera Al Shaikh, senior project manager at Smart Dubai stated that in the housing sector, zero per cent of the population live in slums.

## Economists suggest using satellite to track poverty-stricken households

A study by economists from Aarhus university, Denmark has suggested the use of satellite images to monitor poverty-stricken households to help achieve the targets of SDG 1 on poverty eradication. The economists have estimated that it would cost US \$253 billion to monitor socio-economic targets over the life time of the SDGs. The study titled "Socioecologically informed use of remote sensing data to predict rural household poverty," published in The Proceedings of the National Academy of Sciences used remotely-sensed satellite data to monitor rural poverty in low and middle-income countries. The study was able to identify the poorest households with 62 percent accuracy in a rural area of Western Kenya.

## Germany to help African countries achieve 2030 Agenda in agriculture

German Agricultural company AGCO has signed a Letter of Intent (LOI) with the German Federal Ministry of Economic Cooperation and Development (BMZ) to implement a joint agricultural project in Africa. A statement by Dr. Gerd Müller, German's Federal Minister for Economic Cooperation and Development states that the aim of the LOI is to help achieve UN's 2030 Agenda.

## Youth meet in Tanzania to work on data initiatives for UN's global goals

26 young data innovators selected from 2000 applicants have met in Arusha, Tanzania from 21-25 January 2015 to participate in the Goalkeepers Youth Action Accelerator, a one-year initiative focused on sourcing and using data to drive progress towards the UN's Global Goals. Participants were selected from 22 countries in Africa, Latin America, Asia and Middle East. Each participant will receive US \$30,000 to implement his project in his country.

## **SDGs Events:**



Arab Region Parliamentary Forum, IsDB is supporting The Role of Parliamentarian in pushing the Agenda of the SDGs, UN House, Beirut, Lebanon (24-25 January 2019)





#### SDGs in Action @ World Government Summit (UAE), 09-12 February 2019

It is imperative to consider the profound impact of innovation and technology on 'Youth Employability.' The special Envoy participated in the vibrant discussions among the members of the SDG8 Global Council in the 'SDGs in Action' day at the World Government Summit @ SDGs with ILO leadership.



SDGs CoP Open Dialogue No. 6 (March 13, 2019): The Road to SDG 1



Private Finance for Sustainable Development Week, OECD, Paris, 15-18 January 2019

ICD represented the IsDBG and provided a talk on how the SDGs Agenda constitutes a good opportunity to put Impact at the heart of businesses.



### "How Can Voluntary National Reviews (VNRs) Enhance Partnerships on the Road to Achieving the SDGs?"

4:30 pm – 6:00 pm, Friday 05 April 2018 Palmeraie Congress Palace (Orangeraie), Marrakech - Morocco