IsDB’s Reverse Linkage Mechanism

Enhancing South-South and Triangular Cooperation to Achieve the SDGs

25th January, 2019
Regional Forum for Arab Parliamentarians on SDGs
Beirut, Lebanon
Background on IsDB – Key Facts

- Established in 1975 with HQ in Jeddah, Saudi Arabia
- Over 1,000 staff distributed across entities and regional hub
- 57 member countries from the “South” spanning 4 continents
- 11 Regional Hubs
- Authorized capital of US$ 140 Billion, and subscribed US$ 70 Billion
IsDB Group Approvals

1395H-2017 Approvals In Numbers

CUMULATIVE NET APPROVALS (1395H-2017)
ID89.5 billion
$128.7 billion

By country and Major Mode of Financing (1395H-2017)
Project Financing
Technical Assistance Operations
Trade Financing
Special Assistance Operations

TRADE FINANCING
ID0.5 BILLION
$76.4 MILLION

50.1%

100%

ID7 billion
$9.8 billion

IDB Group approval in 2017
FOR 361 OPERATIONS

50.1%
39.9%
9.3%
0.3%
0.4%

50.1%

90%

IDB ORDINARY CAPITAL RESOURCES
ISSUANCE

2,656
2,542
1,574
1,451

Trade Financing
Project Financing
Special Assistance Operations
Special Assistance Operations

www.isbd.org
IsDB’s Long-Standing Experience in South-South Cooperation

- Long standing tradition of promoting MC-to-MC technical cooperation since 1982
- Launched several programs: Technical Cooperation Program, Trade Cooperation & Promotion Program, Investment Promotion Technical Assistance Program, etc.
- Based on the experience gained, the Reverse Linkage modality has been introduced
Evolution of Capacity Development and Technical Cooperation at the IsDB

Technical Cooperation Programme
“Match capacity needed with capacity available”

Technical Assistance
“Provision of technical expertise, means and know-how”

Reverse Linkage
Enhanced concept

Enabling Environment

Human Development
Organizational Development

RL
Reverse Linkage - Definition

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

Animation film (4 min) on RL concept and process: https://www.youtube.com/watch?v=puAp2qdf32s
Reverse Linkage – Guiding Principles

- Respect of national sovereignty
- National ownership and independence
- Equality
- Non-conditionality
- Non-interference in domestic affairs
- Mutual benefit

The same principles found in SSC
## Reverse Linkage – Stakeholders

<table>
<thead>
<tr>
<th>The Recipient</th>
<th>The Provider</th>
<th>The IsDB as Facilitator</th>
<th>Development Partners</th>
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<tbody>
<tr>
<td>- This is the beneficiary of a RL intervention. It can be a public, private, or third sector institution(s)</td>
<td>- This is a Resource Center (RC)—which is an institution in a MC, having proven knowledge, expertise, technology and resources. The provider RC can be from the public, private or third sectors.</td>
<td>- As a facilitator, IDB works to support the exchange and to ensure the adequate and timely implementation of the RL intervention.</td>
<td>- These can be bilateral technical cooperation agencies, multilateral development institutions, public and private foundations, NGOs, private sector companies that are involved in development projects</td>
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Reverse Linkage - Core Features

1. Strategic Alignment
2. Inclusiveness
3. Win-Win Arrangements
4. Ownership & Commitment
5. Peer-to-Peer Approach
Reverse Linkage - Key Feature 1: Peer to Peer Approach

Adoption of the **P2P: peer-to-peer approach** to formulate RL project
MCs demonstrate their commitment to RL primarily through **financial contribution** in addition to in-kind contribution.
Reverse Linkage in Numbers

- More than 20 RL projects designed since 2014
- Wide variety of sectors covered
- Total financing for RL projects is US$ 130 million with partner contributions
- US$ 1.1 million provided for project preparation
- More than US$ 40 million provided by providers, recipients, and other development partners
Reverse Linkage - Partnerships

MOUs related to Reverse Linkage signed with MCs institutions

- **BAPPENAS**: Indonesia National Development Planning Agency
- **AMCI**: Moroccan Agency for International Cooperation
- **TIKA**: Turkish Cooperation and Coordination Agency
- **EAPD**: Egyptian Agency of Partnership for Development

Mapping studies for identifying Resource Centers
Reverse Linkage in Practice – An example

- RL project to enhance capacity of the Islamic University in Uganda (IUIU) on delivering vocational training for youth
- Turkey is providing expertise through Istanbul Metropolitan Municipality Lifelong Learning Center (ISMEK)
- Turkish Cooperation and Coordination Agency (TIKA) is providing expertise as well as funding
- The scope includes Training of Trainers Program on numerous vocational skills to be delivered by resident teachers provided by ISMEK
- The IUIU will develop its capacity to deliver vocational training courses to its own students, as well the public (including youth and women)

Islamic Development Bank
Providing facilitation and catalyst funding

Turkey
1) ISMEK providing expertise in curriculum development, administration support, trainers for TOR programs; 2) TIKA providing expertise and funding

Uganda
IUIU is the recipient institution. Providing funding from the university’s budget, in-kind resources in the form of accommodation.
IsDB’s Support to Member Countries on SDGs

The IsDB has embraced Agenda 2030 and is working on ensuring the SDGs are mainstreamed in its operations.

To support MCs, the IsDB has partnered with the UNDP and UNESCWA to develop a capacity development program for Arab Parliamentarians.

The program includes regional fora for awareness-building, and experience sharing.

In addition, 3 Technical Assistance (TA) projects are underway for Somalia, Tunisia and Jordan as pilot cases.

The TAs are designed to focus on capacity development for parliamentarians to effectively and transparently legislate, adopt budgets and monitor implementation of the SDGs.
How Can RL Support the Capacity Development on SDGs Implementation?

Mapping studies to identify specific solution providers and solutions on how to implement SDGs effectively and efficiently

Supporting the development of relevant country policies and strategies on SDGs implementation through solidarity based partnerships among MCs

Developing joint Reverse Linkage projects that target specific capacity gaps in order to enhance the capacity of institutions by facilitating transfer of adaptable expertise, and resources across institutions -> one example may be projects for NSO
Thank you