



RESOURCE MOBILIZATION IN THE CONTEXT OF SOUTH-SOUTH AND TRIANGULAR COOPERATION (SSTC)

***WHAT STRATEGIES SHOULD BE IMPLEMENTED TO DEVELOP A
STRUCTURED APPROACH FOR SOUTH-SOUTH RESOURCES WITHIN
COUNTRIES OR REGIONAL DEVELOPMENT COMMUNITIES***

PROFESSOR JOSEPH ADELEGAN

***PROFESSOR OF PUBLIC HEALTH ENGINEERING
PAN AFRICAN UNIVERSITY, TLEMCEN, ALGERIA***

09 JULY 2024

PRESENTATION OUTLINE

- ***COST OF ACHIEVING THE AMBITIOUS SDG TARGETS***
- ***DEVELOPMENT OF PPD RESOURCE MOBILIZATION STRATEGY FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)***
- ***INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)***

COST OF ACHIEVING THE AMBITIOUS SDG TARGETS

- *UNCTAD and the Economist estimated that the cost of achieving the ambitious SDG targets is between \$6.9 and \$7.6 trillion per year with funding gap of \$1.4 and \$3 trillion from now and 2030 (equivalent to \$337 billion annually)*
- *World Development Report estimated that the cost of achieving the ambitious SDG targets is between \$5.0 and \$7.0 trillion per year with \$3.3 and \$4.5 trillion per year dedicated to developing countries.*
- *These funding gap cannot be mobilised through traditional resource mobilisation techniques neither can domestic resource mobilization or development aids meet this funding gap.*

VISION AND MISSION OF PPD AND THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

VISION

To promote South-South cooperation for attaining the global population and reproductive health agenda for sustainable development.

MISSION

To materialize the vision through sustained advocacy, capacity building, networking, knowledge management/ sharing and transfer of technology in the field of RH, Population and Development within the framework of SSC.

2030 AGENDA

- *Goal 3 (Ensure healthy lives and promote well-being for all at all ages); Goal 5 (Achieve gender equality and empower all women and girls);*
- *Goal 10 (Reduce inequality within and among countries);*
- *Goal 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels); and Goal 17 (Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development),*

COST OF ACHIEVING THE AMBITIOUS SDG TARGETS

If we are targeting transformation in the achieving the ambitious SDG Goals 3, 10 and 16 according to the vision and mission of PPD in the context of south-south and triangular cooperation (SSTC), it cannot be resource mobilization with the “business as usual model”. The way to go is through innovative mechanisms financing mechanisms.

DEVELOPMENT OF PPD RESOURCE MOBILIZATION STRATEGY FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

- *South-south cooperation is partnership between countries to explore their strengths beyond the traditional role of aid recipients. This model has been further strengthened with the support of traditional donor countries in the form of triangular cooperation.*
- *Hence, south-south and triangular cooperation improves the effectiveness and efficiency of development assistance efforts through COLLABORATIVE, INNOVATIVE, ADAPTABLE, SCALEABLE, AFFORDABLE AND COST-EFFICIENT AND CONTEXT-BASED DEVELOPMENT SOLUTIONS.*

DEVELOPMENT OF PPD RESOURCE MOBILIZATION STRATEGY FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

- *However, south-south is not a substitute but rather complementary to North-South cooperation.*
- *In Principle, South-South cooperation has therefore become a signature of collaboration and partnerships among countries in the south to share development solutions with proof of concept, provide policy support and transfer knowledge and technology beyond traditional aid recipient countries.*

DEVELOPMENT OF PPD RESOURCE MOBILIZATION STRATEGY FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

- *PPD has a five-year strategic plan (2020-2024). However, it will be important to incorporate resource mobilisation strategy into the next five-year strategic plan (2025-2030) for the south-south and triangulation cooperation to include innovation financing mechanisms.*
- *The resource mobilisation strategy should include operational dimensions with SSTC as one of the accelerators with measurable impacts.*

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

- *Traditional resource mobilization including traditional donors and domestic resources to fund SSTC will not be ignored rather it will be amplified.*
- *Funding mechanism for SSTC created by countries of the south including China South-South Cooperation Assistance Fund (SSCAF), India, Brazil and South Africa facility (IBSA Funs), the India-UN Development Partnership Fund and the Perez-Guerrero Trust Fun for SSTC among others should be harnessed.*

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

However, considering the huge funding gap to fund the ambitious SDG targets, innovative financing mechanisms including bankable development solutions (with project preparation grants) in accordance with PPD strategic pillars will be developed to be funded regional development financial institutions (DFIs), International development financial institutions and multilateral institutions among others.

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

- *Funding from public and concessional sources are scarce. Hence, an engaged private sector is needed to make significant investments SSTC.*
- *Using public and concessional funds to catalyze and mobilize private financing rather than to pay the underlying costs of SSTC offers the twin advantages of being more sustainable and minimizing the possibility of crowding out the private sector.*
- *Publicly funded financial instruments should target the barriers or risks that are constraining or inhibiting private investment, rather than simply being used to fund SSTC.*

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

Examples of other innovative financing mechanisms includes:

- **SOVEREIGN WEALTH FUNDS**

The NSIA Healthcare Development and Investment Company (“NHDIC”), an NSIA Company, in collaboration with the Federal Ministry of Health (“FMOH”) executes a joint venture for investments in 3 federal healthcare institutions in Nigeria namely, the Lagos University Teaching Hospital (LUTH, Lagos), the Aminu Kano Teaching Hospital (AKTH, Kano) and the Federal Medical Centre Umuahia (FMCU, Abia).

<https://nsia.com.ng/nhdic-and-federal-ministry-of-health-co-invest-in-healthcare/>

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

▪ PENSION FUNDS

In the finance industry, pension funds are a major group. Around the world they include retirees and savers and are in charge of more than US\$22 trillion worth of global assets. These could be in the form of concession or equity financing

INNOVATIVE FINANCING MECHANISMS FOR THE SOUTH-SOUTH AND TRIANGULATION COOPERATION (SSTC)

▪ GLOBAL CLIMATE FINANCE ARCHITECTURE

These includes climate investment funds, Global Environmental Facility, Adaptation Fund and Green Climate Fund among others. These could finance climate change, migration and population development solutions.

• GREEN BONDS

This refers to instruments whose proceeds are specifically utilized (through securitization, direct exposure of development solutions on existing or new green solutions. When development solutions promote climate or other environmental sustainability, they are green bonds. 'Climate bonds are funds Exclusive designed to finance environmentally friendly development solutions.