

**Statement by
Ambassador Syed Akbaruddin, Permanent Representative**

Global South-South Development Expo

**Panel Discussion
Innovative Financing Mechanisms for
South-South and Triangular Cooperation**

28 November 2018

USG Ms. Fekitamoela Katoa Utoikamanu,

Excellencies,

May I also welcome all of you for joining us here today. We are happy to host this Panel discussion with the UN Office of South South Cooperation.

2. The success of the implementation of SDGs hinges on the mobilization of adequate resources, fact recognised in SDG17. The task ahead continues to be huge.
3. The upcoming BAPA+40 Conference in a few months time provides a useful context to focus on how south-south cooperation has expanded significantly in recent years.
4. India's development partnership efforts over the past seven decades have proceeded in different formats from purely bilateral arrangements to regional such as BIMSTEC in our neighbourhood or the wider India-Africa Forum Summit and the Forum for India-Pacific Islands Cooperation.
5. At the UN, these include the innovative IBSA Fund that brings together India, Brazil and South Africa. More recently, we have launched in June 2017 the India-UN Development Partnership Fund with the UNOSSC.
6. As we are focusing on innovative financing mechanisms, I would like to give some examples of how the India-UN Fund with being innovative and flexible in meeting the requirements of our partners.
 - The very first project under this Fund was a **multi-country** project to enhance climate resilience capacities in seven Pacific Island states. Due to the constraints of location and size, making this a multi-country project with similar modules in each of the countries not

only made this more efficient but brought in a regional perspective to addressing the transboundary challenges posed by Climate Change.

- In a more conventional manner, the Fund financed an agriculture project in Benin. Based on the attractiveness of the project, these resources worked as “seed money” and were **leveraged** to secure funding from the host government and the UN to scale up the project upto five times of the initial funding.
- In Uruguay, the Fund contributed to an **existing ongoing project** on digital governance, helping bridge a certain **funding gap** in that project. The Fund is not about mere visibility or taking credit. It is all about helping development partners in areas of their choice.
- Early response is a feature of the Fund. In cases of natural disasters, the Fund is able to make commitments of resources, even before projects are finalized. Among the first few projects under the Fund were those relating to **disaster recovery** in some Caribbean and Pacific islands. In three cases resources were committed **at a very early stage**, providing assurance of certainty of funding for disaster recovery projects.
- While trilateral cooperation through the UN system is usually the route for implementation, in an instance, a suitable **Civil Society Organisation**, initially identified as a support organization through the UN System, emerged as a lead partner as the project unveiled, in view of its expertise in the area of implementation.
- The Fund is also working with sub-regional and regional initiatives that can have demonstration effects. For example we are funding the Solar Head of State initiative of the Pacific Islands Development Forum (a regional entity) which aims to use solar power for the residences of Heads of States of its members and its own Headquarters. The aim is to have a demonstration effect.
- Similarly, the Fund is amongst the first sources of resources to support **Africa Adaptation Initiative**, a regional effort initiated by Gabon.
- The Fund now also has a **special Commonwealth window** for projects requested by Commonwealth members. Its governance model includes a **peer review** aspect by including one Director from a Commonwealth country. This is a unique feature that adds to the transparency.
- The Fund is also open to assisting **partner countries who are traditionally not looked at as developing countries but may have unique requirements to meet SDGs**. This again is a new and flexible and non-prescriptive feature.

8. We are approaching this Fund with a very open attitude. **All these innovations are, however, not at the cost of due diligence or transparency or accountability.** These are only

intended to explore options of helping partners meet their development requirements. The **UN Resident Coordinator** system is closely involved in the implementation of this Fund. The projects identified by the partner governments are worked upon by the UNRC with a certain flexibility by identifying appropriate agencies.

9. We are emphasising the aspect of **speedy implementation of projects** under this Fund with the UN agencies since we have tried to **cut down the processing time** significantly for decision making and **providing the funding upfront**.

10. We are terming this as a **1-2-3 approach**. We commit to approval of projects within one month of submission. We urge our partners across the UN development system to implement projects within 2 years. And in no case the projects should not take more than 3 years to complete.

11. These are only some instances. We must continue to explore more innovative mechanisms and partnerships to achieve our collective goals.

12. We have several experts among us here today who have a much wider understanding of innovative financing. I look forward to hearing from them and towards an enriching discussion in this very important aspect on our path to achieving the 2030 Agenda.

Thank you.