

## SDG-STYIP Impact Labs Issue Paper for SDG 17: Multi-Stakeholder Partnerships

### 1. Introduction

Africa's progress toward SDG 17 and Agenda 2063 requires a shift from fragmented initiatives to integrated, investable, and scalable solutions. Although the continent has made important strides in areas such as domestic resource mobilization, digital transformation, and regional integration, persistent structural barriers continue to limit transformation at scale. These include high financing costs, limited project bankability, shallow capital markets, low levels of intra-African trade, weak cross-border value chains, and data gaps that hinder investment and accountability.

Impact Labs provide a practical mechanism to address these constraints. Designed as multi-stakeholder, problem-solving platforms, they bring together governments, the private sector, AU organs, UN agencies, DFIs, civil society, academia, and youth to identify root causes, test solutions, and prepare bankable pathways for national and regional implementation. The Impact Lab model ensures that solutions are technically sound, financially viable, digitally enabled, data-anchored, and institutionally scalable.

To organize action coherently and support scaling, this Impact Lab framework is structured around **four strategic transformation levers**: **(1)** transforming development finance; **(2)** harnessing digital transformation and innovation; **(3)** strengthening data ecosystems; and **(4)** strengthening human and institutional capacities.

Together, these levers address the financial, technological, governance, and capability foundations needed for countries to convert SDG commitments into investable, scalable solutions that deliver tangible results.

### 2. Strategic transformation levers Under SDG 17

#### 1) Transforming Development Finance for Sustainable Growth

Transforming Africa's development-finance architecture sits at the heart of SDG 17, which calls for mobilizing domestic and international resources (17.1, 17.3), improving debt sustainability (17.4), strengthening investment promotion (17.5), and ensuring policy coherence and partnerships (17.14, 17.16–17.17). Africa's structural financing constraints stem less from a shortage of capital and more from mispriced risk, high borrowing costs, shallow financial markets, fragmented investment frameworks, and weak pipeline visibility. The Economic Report on Africa 2025, which positions AfCFTA implementation as a catalytic driver of investment and diversification, stresses that Africa must undertake "strategic investments and structural reforms" to unlock long-term growth and reduce reliance on costly external finance.

Debt dynamics heighten the urgency. The Africa Sustainable Development Report 2025 notes large financing gaps and rising debt service pressures that crowd out social investment and slow SDG progress, underscoring the need for new, evidence based fiscal and financing approaches aligned with the continent’s growth priorities. Likewise, emerging research on Africa’s domestic debt markets (via the African Debt Database) shows that debt transparency is feasible at granular levels—demonstrating that institutional reforms can significantly improve investor confidence, pricing, and maturity structures.

At the same time, Africa’s infrastructure and connectivity needs remain vast. PIDA assessments reveal ongoing project preparation bottlenecks, with about 25% of priority regional projects never reaching feasibility due to inadequate early stage preparation and difficulty attracting private capital. Addressing this gap is essential for SDG 17, which emphasizes partnership based infrastructure development.

Finally, while private capital (including pension assets, insurance pools, and philanthropy) is growing, it remains under-channeled into productive SDG-aligned investments. Strengthening enabling institutions, de-risking mechanisms, and blended finance structures is thus central to SDG 17’s resource-mobilization mandate.

## 1.1 What the Impact Lab Will Test

### a. Remittance Pooling Mechanisms

- Pilot diaspora pooling models (community notes, co-investment windows) that aggregate small transfers into investable capital for WASH, energy, and basic services.
- Deploy governance and transparency templates to ensure citizen oversight and proportional verification.
- Build on the continental potential highlighted in the ERA 2025, which identifies remittances as a stable resource base for development finance

### b. Blended Finance Templates

- Develop replicable risk-sharing structures combining public, concessional, philanthropic, and private capital.
- Translate government priorities into investor-ready, structured opportunities, addressing the “pipeline visibility” gaps highlighted across continental assessments.
- Align with recommendations in the Africa Sustainable Development Report on strengthening institutions to boost SDG investment.

### c. Community Level Project Preparation

- Introduce simple, standardized prep criteria for WASH, energy, and municipal infrastructure.
- Test aggregation models to bundle small projects into investment-grade portfolios.
- Use early-stage project-preparation insights from PIDA, which shows that lack of maturity prevents many viable projects from moving forward

### d. Domestic Resource Mobilization (DRM)

- Practical reforms to broaden tax bases, improve compliance, simplify administration, and digitalize revenue systems

- Mechanisms to channel domestic institutional savings into productive assets.
- e. Debt-Sustainability and Cost of Capital Solutions**
- Support credit-rating capacity-building, including ratings simulations, data-room preparation, and engagement protocols.
  - Explore local-currency and state-contingent debt instruments and liability-management operations.
  - Leverage evidence from the African Debt Database that demonstrates feasibility and value of granular sovereign debt disclosure.
  - Approaches to implement G20 capital adequacy reforms and rechanneled SDRs via regional DFIs.

### 1.2 Near-Term Outputs

- A Cost-of-Capital Playbook on credit ratings
- Transaction blueprints for local-currency bonds, concessional-blended structures, and partial-guarantee stacks.
- A community project-prep toolkit and investor-ready template package.
- DRM policy menus and frameworks for mobilizing institutional capital.

### 1.3 Risks & Mitigation

- Institutional capacity gaps: delivered through targeted TA, streamlined minimum-viable processes, and INFF alignment.
- Investor caution: addressed via guaranteed stacks, transparent pricing, and improved disclosure.
- Data and ratings gaps: mitigated by standardized sovereign data submissions and AfCRA pilots.
- Affordability concerns: addressed through targeted subsidies and clear lifecycle cost disclosures.

### 1.4 Relevance across countries and subregions

This lever matters for **all African countries**, from fragile states to middle-income economies. It expands fiscal space, improves debt sustainability, reduces FX exposure, and aligns domestic resources with SDG priorities. It is the financial engine that supports the corridors, clusters, digital systems, and institutional reforms developed across the other four levers.

## 2) Harnessing Digital Transformation & Innovation

Digital systems—digital identity, payments, and data exchange—are SDG 17 partnership enablers that lower transaction costs, expand access, and make cooperation operational across borders. In SDG 17 terms, these “digital rails” are the technology and knowledge-sharing mechanisms (17.6–17.8) that allow governments, firms, and citizens to interoperate—turning AfCFTA market access into everyday, trusted transactions and services. Recent work frames Digital Public Infrastructure (DPI) as interoperable, modular, open-standards building blocks governed by clear protocols—precisely the kind of global-to-local technology cooperation SDG 17 envisages.

On the governance side (17.14/17.16), Africa is advancing digital governance/GovTech (e-ID, e-services, interoperability, e-procurement), with diagnostic and risk-management toolkits now available to help countries implement safely and coherently. Yet gaps in connectivity, capacity, and cross-border interoperability still fragment markets and limit digital dividends—underscoring the need for coordinated policy and standards to realize inclusive, accountable service delivery.

Regionally, the AfCFTA Protocol on Digital Trade provides the continental rulebook for electronic transactions, payments interoperability, data governance, business/consumer trust, and transparency—a direct accelerator for multi-stakeholder partnerships (17.16–17.17) tied to real trade outcomes. The priority now is execution: translating the protocol and its annexes (e.g., digital ID, cross-border payments, cross-border data transfers, cybersecurity, fintech) into working systems and shared metrics.

## 2.1 What the Impact Lab Will Test

### a. Low fee, interoperable digital remittance & payments corridors (DPI ready)

- Design corridor pilots that use open, protocol-based payment rails and risk-tiered onboarding, aligning to DPI principles (interoperability, extensibility, data federation) so providers can plug-and-play and users see lower costs and faster settlement.
- Map policy/technical gaps for cross border digital payments (e.g., identity assurance levels, API standards, settlement messaging), with a view to future alignment under AfCFTA Digital Trade Protocol provisions on payments and platform access

### b. Proportionate e-KYC/e-AML and digital ID use-cases

- Implement “Good Digital ID” principles in selected countries and corridors (e.g., layered assurance, privacy-by-design) and link to high-value use-cases (trade facilitation, account opening, targeted transfers). Prioritize interoperability and governance guardrails to build trust
- Pilot cross-border recognition of digital credentials where legal basis exists or via bilateral sandboxes—informing the AfCFTA annex on Digital Identities and continental interoperability efforts

### c. Government systems that “talk to each other” (GovTech + interoperability)

- Stand up secure data-exchange layers (e.g., API gateways, registries, consent/authorization services) to connect revenue, customs, social protection, and business registries—reducing fraud and delays while improving audit trails and user experience.
- Adopt playbooks for digital procurement, e-invoicing, and digital tax modules to expand fiscal space and reduce leakages—sequenced with capability-building and risk management.

### d. AfCFTA Digital Trade Protocol operationalization

- Translate protocol provisions into implementable checklists: e-signatures, paperless trade, disclosure/transparency, consumer protection, data-transfer safeguards, and incident/cyber readiness; align pilots to the eight supplementary annexes under negotiation

- Support national strategies to harmonize laws and develop KPIs, using step-by-step implementation guidance tailored for ministries, regulators, and private stakeholders

## 2.2 Near-Term Outputs

- DPI corridor toolkit: technical standards map (payments, identity, data exchange), interoperability profiles, and testing scripts for providers/regulators
- e-KYC/e-AML and Digital ID guide: assurance levels, proportionality matrices, consent/data-minimization templates, and a cross-border credential pilot plan aligned to AU interoperability guidance
- GovTech data-exchange pack: API governance, security baselines, cataloguing and logging templates that link priority registries and revenue/customs workflows.
- AfCFTA Digital Trade “readiness sheet”: checklists and draft legal texts for electronic transactions, paperless trade, data governance, consumer trust, and dispute-resolution transparency.

## 2.3 Risks & Mitigation

- Fragmented standards / vendor lock-in → Use open, protocol-based DPI building blocks; require portability and publish interface specifications ex-ante
- Privacy, cybersecurity, and trust deficits → Embed privacy-by-design, federated data approaches, security baselines, and incident-response drills; align with continental data/ID guidance.
- Institutional capacity gaps → Pair deployments with GovTech capacity-building, manuals, and peer-learning networks; apply incremental, use-case-driven rollouts
- Policy-implementation lag under AfCFTA DTP → Provide national gap analyses and a sequenced plan anchored in the protocol’s obligations and annex roadmap.

## 2.4 Relevance across countries and subregions

This lever lowers the cost of participation for citizens and SMEs, strengthens public-sector productivity, and enables trusted cross-border transactions that operationalize AfCFTA. A DPI-first approach—rooted in interoperability, open standards, and strong governance—helps countries move quickly from pilots to scale, while the AfCFTA Digital Trade Protocol provides the legal ceiling for continent-wide digital trade. Together, these measures unlock inclusion and resilience, allowing African states to implement digital services that are secure, reliable, and portable across borders

## 3) Strengthening Data Ecosystems for Accountability & Investment

Robust data ecosystems are the backbone of SDG 17 implementation, especially under targets 17.14 (policy coherence), 17.16–17.17 (multi-stakeholder partnerships), and 17.18–17.19 (data availability and monitoring capacity). Africa’s development trajectory continues to be constrained by data gaps, fragmented reporting systems, weak statistical capacity, and limited transparency in public finance, PPPs, and debt.

The Africa Sustainable Development Report 2025 highlights that data gaps prevent a full picture of the continent’s performance and that strengthened statistical systems are essential to track

Agenda 2030 and Agenda 2063 commitments. UNECA, the World Bank, and Open Data Watch emphasize that SDG 17.18 requires countries to significantly expand the availability of high-quality, timely, disaggregated, and interoperable data, measured through indicators such as ODIN and the Statistical Performance Indicators (SPI).

Similarly, debt transparency has emerged as a regional priority. The African Debt Database—covering more than 50,000 debt instruments across 54 countries—demonstrates that transparent debt reporting is feasible even in data-scarce environments and essential for lowering risk premia and strengthening fiscal governance.

On infrastructure, PPP and project-performance data remain uneven, limiting the ability to attract private capital, benchmark value for money, and replicate successful models. Continental reports stress that the lack of consistent cross-country data limits investment readiness and project preparation quality.

At the same time, Africa’s evolving data governance landscape—from the AU Data Policy Framework to the Malabo Convention on cybersecurity and personal data protection—seeks to promote secure, rights-based, and interoperable data systems. UNESCO’s 2025 review stresses that data governance must evolve beyond compliance toward inclusivity, accountability, and empowerment to support sustainable development.

### **3.1 What the Impact Lab Will Test**

#### **a. Transparency layer for financial flows and results**

- Open templates and dashboards showing inflows, allocations, milestones, and outcomes for public finance, debt, PPPs, and externally funded projects.
- Minimum-viable disclosure standards, drawing on debt-transparency lessons from the African Debt Database which demonstrated feasibility of granular instrument-level reporting across 54 countries.

#### **b. Standardized PPP and project performance data**

- PPP reporting packs covering lifecycle performance, VfM, risk allocation, revenue models, and job outcomes—critical given Africa’s widening infrastructure financing gap and reliance on PPPs.
- Use of PIDA-aligned tools and AUDA-NEPAD project-preparation standards to ensure comparability across countries.

#### **c. Strengthened sovereign and fiscal data disclosure**

- Debt, revenue, and expenditure transparency aligned with SDG 17.1 and emerging global practices; integrate debt-service and risk metrics to support fiscal sustainability monitoring.
- Harmonized statistical methods consistent with SDG 17.18’s ODIN and SPI benchmarks.

#### **d. Integrated data-governance frameworks**

- Alignment with AU Data Policy Framework, Malabo Convention, and UNESCO/UNDP/AUC’s Data Governance Toolkit, which stresses inclusive, rights-based, interoperable data ecosystems
- Country pilots to strengthen institutional mandates, clarify roles of data controllers/processors, and ensure compliance with continental cybersecurity and privacy frameworks.

#### **e. National statistical system capability building**

- Strengthen NSOs and broader NSSs through training and integration of administrative data, digital tax data, customs data, PPP registries, and debt-management systems.
- Introduce interoperable data sharing systems across ministries (finance, trade, planning, statistics) to support evidence driven decision-making.

### 3.2 Near-Term Outputs

- A transparency toolkit: dashboards, debt/PPP templates, open fiscal-reporting formats, and minimum-viable data standards.
- PPP data-reporting pack: lifecycle KPIs, performance metrics, disclosure tiers, and a harmonized African template for PPP projects.
- Debt and fiscal disclosure pack: aligned with Africa’s emerging debt-transparency norms and the micro-level African Debt Database structure.
- National Data Governance Blueprint adapted from AU and UNESCO principles (privacy, inclusivity, human rights, interoperability)
- Statistical capacity strengthening module to guide countries in improving data quality and availability.

### 3.3 Risks & Mitigation

- Fragmented or siloed data systems → adopt interoperability frameworks from AU/UNESCO toolkits; strengthen cross-ministry data governance mandates
- Limited NSO capacity and budget constraints → implement minimum-viable standards and embed training within existing budgeting and M&E cycles; leverage the Africa Initiative for tax transparency as a model for coordinated data system strengthening.
- Political sensitivity around debt and PPP disclosure → build transparency incentives by linking disclosure to better credit assessments (supported by new evidence of feasibility and benefits)
- Weak data protection and cybersecurity → support implementation of Malabo Convention and national data-protection laws; emphasize privacy-by-design and security baselines

### 3.4 Relevance across countries and subregions

Lever 4 directly supports all African countries, regardless of income or fragility level. The Africa Sustainable Development Report identifies data gaps as a central barrier to tracking SDG progress and Agenda 2063 implementation, highlighting that strengthened statistical systems, fiscal transparency, and integrated data governance are prerequisites for effective and accountable development. Likewise, debt-transparency research shows that African countries can produce granular, high-quality debt data across thousands of instruments—proving feasibility and value for fiscal sustainability. Similarly, AUDA-NEPAD, AfDB, and UNESCO report that harmonized data systems enable cross-country comparability, investor confidence, and coherent digital governance

## 4) Strengthening Public–Private Partnership Data for Accountability

SDG 17 explicitly identifies institutional capacity-building as a core enabler of all other goals. Target 17.9 calls for enhanced support to develop the institutional capacity needed for integrated national plans; 17.16–17.17 highlight multi-stakeholder coordination; 17.18–17.19 underline the

need for capable statistical, fiscal, and data-governance institutions.

Across Africa, recent assessments confirm that weak institutional capacity—not a shortage of ideas or capital—is one of the most persistent barriers to achieving Agenda 2030 and Agenda 2063. The Africa Sustainable Development Report 2025 stresses that many countries remain off-track on SDGs partly due to limited statistical and institutional capacity, noting that data gaps and weak systems impede monitoring and delivery. Likewise, continental analyses of debt systems emphasize that stronger institutional capacity is essential for transparent borrowing, fiscal governance, and sustainable debt trajectories. The African Debt Database (2025) demonstrates that Africa can produce granular, high-quality sovereign-debt data across 54 countries—but doing so sustainably requires improved institutional processes and skills.

Furthermore, infrastructure delivery and PPP execution depend on specialized capabilities within ministries, regulators, and implementing agencies. PPP performance reporting, pre-feasibility studies, bankability assessments, and procurement governance remain inconsistent across the continent. AUDA-NEPAD and AfDB underscore this in their PPP and PIDA assessments: Africa’s infrastructure gap persists partly because many countries lack sufficient technical, legal, and financial expertise to prepare and manage complex cross-border and PPP projects.

On the data-governance side, institutions must also navigate new demands: cybersecurity, data protection, interoperability, and digital-ID systems. Regional frameworks—from the AU Data Policy Framework to the Malabo Convention—recognize that institutional leadership and capacity are critical for managing trusted, rights-based, and development-oriented data ecosystems. UNESCO’s 2025 analysis affirms that Africa needs strong institutions capable of coordinating data governance, enforcing standards, and ensuring inclusive digital transformation.

#### 4.1 What the Impact Lab Will Test

##### a. Institutional capacity for sovereign credit ratings & debt sustainability

- Support ministries of finance, DMOs, and central banks in building ratings-ready data rooms, aligning to rating methodologies, and preparing for surveillance cycles—foundational steps for lowering borrowing costs and improving fiscal sustainability, consistent with the new evidence on data transparency feasibility.
- Provide training on debt-sustainability analysis, liability management, disclosure standards, and integration of domestic and external debt datasets.

##### b. Strengthening PPP and project-preparation capabilities

- Build technical capacity for pre-feasibility, feasibility, financial structuring, VfM analysis, and risk allocation—responding to AUDA-NEPAD and AfDB findings on weak institutional readiness as a core constraint to Africa’s infrastructure agenda.
- Develop institutional SOPs for project screening, procurement, contract management, and performance reporting.

##### c. Domestic Resource Mobilization (DRM) and public-finance governance

- Provide training on digital tax administration, broadening tax bases, reducing exemptions, tackling illicit financial flows, and improving collection efficiency—aligned with OECD’s Tax Transparency in Africa 2025 findings that transparency and institutional coordination are key to DRM gains.
- Support ministries in integrating administrative data and modern PFM systems to strengthen

SDG tracking and fiscal transparency.

#### **d. Statistical and data-governance capacity**

- Strengthen national statistical systems (NSOs + NSSs) to improve availability and disaggregation of SDG indicators, consistent with UNSD, ODIN, and SPI frameworks
- Provide capacity-building on data governance, privacy, cybersecurity, and interoperability, aligned with AU continental frameworks and UNESCO’s 2025 data-governance toolkit

#### **e. Institutional coordination for multi-stakeholder implementation**

- Strengthen whole-of-government coordination through inter-ministerial mechanisms aligned with SDG 17.14 and 17.16 guidelines.
- Build capacity for RECs and AUDA-NEPAD to harmonize approaches to project preparation, data reporting, and policy implementation across corridors and subregions.

### **4.2 Near-Term Outputs**

- Sovereign rating engagement toolkit: data-room templates, ratings-simulation modules, engagement calendars, surveillance-preparation tools—rooted in Africa’s emerging debt-transparency evidence.
- PPP and project-prep capacity pack: standardized analysis templates, VfM tools, bankability checklists, and procurement/contract-management SOPs
- DRM & tax-transparency capacity kit: modules for exchange-of-information readiness, digital tax systems, risk analytics, and IFF tracking
- NSO/NSS strengthening toolkit aligned with SDG 17.18.1 custodians (ODIN/SPI), including administrative-data integration and indicator-production workflows
- Data-governance institutional blueprint (roles/mandates, data-protection processes, cybersecurity baselines), based on UNESCO–AU–UNDP frameworks

### **4.3 Risks & Mitigation.**

- Staff turnover & institutional memory loss → create standardized SOPs, knowledge repositories, and recurring training cycles.
- Fragmented mandates → establish clear institutional roles for debt management, PPP units, NSOs, and data authorities; embed coordination anchored in AU frameworks.
- Low absorption of capacity-building → pair training with real-time operational labs (e.g., live debt-data reporting, real PPP transactions).
- Political sensitivity around fiscal and data transparency → use continental norms (PIDA, AU Data Policy, Africa Debt Database) to anchor reforms in shared commitments.

### **4.4 Relevance across countries and subregions:**

Lever 4 is universally relevant: all countries—whether resource-rich, fragile, landlocked, or middle-income—face institutional gaps in creditworthiness management, infrastructure preparation, DRM, data governance, and statistical production. The **Africa Sustainable Development Report 2025** stresses that achieving the SDGs requires accelerated institutional strengthening. Debt-transparency research shows that with the right capacity, African institutions can generate world-class fiscal and debt data. PPP and infrastructure assessments highlight that

institutional readiness is a decisive factor for mobilizing private capital at scale. Meanwhile, the AU's digital and data-governance frameworks emphasize strong institutions as essential for secure, inclusive digital transformation.