

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

1. Introduction

This Issue Paper identifies emerging issues, systemic challenges, and barriers to progress on the achievement of SDG 17: Multi-Stakeholder Partnerships.

2. Landscapes of Issues under SDG 17

Fragmented development finance architecture and limited pipeline of bankable projects

- Africa faces persistent financing gaps for sustainable development despite the availability of global and domestic capital.
- High borrowing costs, mispriced risk perceptions, fragmented investment frameworks, and shallow capital markets limit countries' ability to mobilize affordable development finance.
- Many infrastructure and development projects fail to reach feasibility due to weak project preparation and limited investor-ready pipelines. About 25% of priority regional projects never reaching feasibility due to inadequate early-stage preparation and difficulty attracting private capital.¹
- Debt dynamics heighten the urgency. 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.²

Limited mobilization of domestic and private capital for SDG investments

- Although domestic institutional capital (including pension funds, insurance assets, and diaspora remittances) is growing, it remains insufficiently channelled into productive SDG-aligned investments.
- Fragmented financial frameworks and weak investment facilitation mechanisms reduce opportunities for blended finance and risk-sharing structures.
- As a result, African countries remain highly dependent on external financing sources, increasing vulnerability to global financial shocks.

Fragmented digital systems and limited cross-border interoperability

- Digital infrastructure such as digital identity systems, payment platforms, and data exchange mechanisms remains uneven across countries.
- Limited interoperability between national systems constrains cross-border digital trade, financial inclusion, and regional economic integration.
- Gaps in connectivity, digital governance, and technical standards reduce the ability of governments and businesses to leverage digital technologies for development partnerships.

¹ <https://www.au-pida.org/nepad-infrastructure-project-preparation-facility/>

² Africa Sustainable Development Report, 2025.

- The execution of the AfCFTA Protocol on Digital Trade needs to be accelerated: 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.

Weak data ecosystems and limited transparency for development finance and partnerships

- Data gaps, fragmented reporting systems, and weak statistical capacity prevent accurate monitoring of SDG progress and development financing flows.
- Limited transparency in public finance, public–private partnerships (PPPs), and sovereign debt reduces investor confidence, weakens accountability, 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.
- 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.

Limited institutional capacity to implement complex partnerships and financing mechanisms

- Many countries face shortages of technical, legal, and financial expertise required to design, prepare, and manage complex development projects.
- Weak institutional coordination across ministries, agencies, and stakeholders constrains integrated implementation of SDG programmes.
- Capacity limitations in areas such as debt management, PPP structuring, and data governance reduce countries' ability to mobilize partnerships at scale.
- Infrastructure delivery and PPP execution depend on specialized capabilities within ministries, regulators, and implementing agencies. PPP performance reporting, prefeasibility studies, bankability assessments, and procurement governance remain inconsistent across the continent.
- New demands of institutions emerge from cybersecurity, data protection, interoperability, and digital -ID systems. Regional frameworks recognize that institutional leadership and capacity are critical for managing trusted, rights based, and -development-oriented- data ecosystems.