

Financial Innovation and Sustainable Development: *Exploring New Modalities of Finance for the Global South*

Abstract

This project investigates how financial innovation can support sustainable development in the Global South, where the annual financing gap has surged to over USD 4.2 trillion. It focuses on the dynamic interplay between finance, innovation, and sustainability, aiming to generate actionable insights for climate finance, inclusive growth, and the restructuring of global public goods. The initiative encourages interdisciplinary research and policy engagement to explore novel financial instruments—such as blue bonds, impact bonds, and debt-for-development swaps—that can mobilize resources, reduce risk, and enhance investment outcomes. The issue also examines how financial systems shape technological deployment and sectoral transitions, offering a fresh lens on the role of finance in enabling sustainable development.

Project Lead: Prof. Anthony Bartzokas

Expected Output

A Special Issue of Innovation and Development Journal will feature peer-reviewed contributions across eight thematic areas, including green finance, impact investment, project upstreaming, and macroeconomic policy frameworks. It will provide empirical and theoretical insights into how financial innovation can unlock sustainability transitions in developing economies. A dedicated paper development workshop will foster collaboration and coherence among contributors. The final publication aims to inform the international financial architecture and support the design of inclusive, resilient, and scalable financing solutions tailored to the needs of the Global South.