



PRESS RELEASE

# Joint Statement from MDBs and IMF Head on Financing for Development

April 16, 2015

## From Billions to Trillions – Transforming Development Finance

### *Post-2015 Financing For Development: Multilateral Development Finance*

*Statement by the Heads of the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the World Bank Group and the International Monetary Fund*

1. 2015 marks a critical year for development, as the international community works towards agreeing on a set of Sustainable Development Goals (SDGs) to meet the dual challenges of overcoming poverty and protecting the planet. With their welcome emphasis on issues such as the environment, employment, infrastructure, and inequality, the SDGs send a clear message to policy-makers and development practitioners. As leading sources of policy advice and financing for developing countries, international financial institutions (IFIs) fully support this comprehensive approach. However, the resources needed to implement such an ambitious agenda far surpass current development financial flows.

2. Achieving the SDGs will require moving from billions to trillions in resource flows. Such a paradigm shift calls for a wide-ranging financing framework capable of channeling resources and investments of all kinds—public and private, national and global. There is no substitute for concessional resources, especially for the poorest, most fragile or conflict-torn countries. But marshalling other types of financing at the levels needed will demand greater efforts to unlock, leverage, and catalyze more public and private flows. Financing from private sources, including capital markets, institutional investors and businesses, will become particularly important. Countries also need to improve their institutional and policy environments to attract more private investment and financing, at the same time as they pursue truly sustainable and inclusive growth, so prosperity translates into poverty reduction and social progress.

3. IFIs are well-positioned to assist member countries in creating such an enabling environment. Guided by our institutional mandates and our member countries' own development goals, we are committed to helping raise an important part of the required flows, either through direct financing, leveraging our capital or catalyzing other resources. We are determined to continue:

- Combining our knowledge and experience with our member countries' perspectives, offering policy and technical advice tailored to local conditions;
- Building a global safety net by providing counter-cyclical support to economies affected by adverse shocks;

- Helping countries implement actions for climate change adaptation and mitigation and disaster risk management;
- Working to strengthen domestic financial markets and deepen financial inclusion;
- Promoting the highest social, environmental and governance standards;
- Attracting more concessional funding to provide grants and concessional lending to low-income, fragile and conflict-affected countries.

4. But we could and should do more. Within our respective mandates, we can and should do more to provide innovative financing and policy solutions customized to the particular needs of each country, subnational entity and region. We need to work harder on sharing the experiences, lessons learned and best practices acquired through our work. This will include working with member countries to translate the SDGs into national targets and introduce and implement the policies and programs needed to achieve them. We also need further improve coordination and complementarity among IFIs and with other public and private sector actors. And we have to enhance how we measure effectiveness in order to continue to learn from what works and what does not.

5. 2015 brings critical opportunities to change the future, from July's Third International Conference on Financing for Development in Addis Ababa to the UN Summit on the SDGs and the 21st Conference of the Parties to the UN Framework Convention on Climate Change in Paris in December. This is a challenging agenda, but improving lives and protecting our planet deserve no less. We must work together to generate the needed financial resources and achieve the transformative vision that the SDGs entail. With our member countries in the lead role, we accept this challenge, and stand ready to play our part.

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