

## Preparatory Process for the Third International Conference on Financing for Development

### **Substantive informal on private and blended finance**

New York, 13 November 2014

Swiss Statement

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Distinguished Co-Chairs

Mr. Moderator

Excellencies,

Ladies and Gentlemen,

We very much appreciate that the co-chairs allocated a full day to discussing domestic and international private finance as an important stepping stone in this preparatory phase of the route to Addis.

As we have heard on multiple occasions throughout the last couple of days: If we look at the financial needs that would be required to finance the SDGs, only a fraction

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billion USD. Private money transfers made by international migrants amounted to \$550 billion, whereof \$434 billion were sent to developing countries. And resources from foundations and corporations for social investment in developing countries reached almost \$60 billion.

So let's be clear about one thing: in the Addis conference and the outcome document, the private sector needs to be more than an actor amongst others; We need to outline a blueprint of concrete measures with which the domestic and international financial system can be put to work for sustainable development by setting the right incentives and putting in place an enabling environment for domestic and international private investments in sustainable development.

The private sector, as the main provider of jobs in developing countries, does not only provide additional financing resources for the pursuit of sustainable development. It brings qualitative value by fostering innovation, encouraging the emergence of bottom-up solutions, contributing to technology transfer, demonstrating cutting-edge ways to do business, improving the competitiveness of local enterprises in partner

does best, namely create jobs, innovate, and contribute to economic growth. Therefore, establishing a predictable, transparent, and conducive investment climate, and engage with private entities according to principles that support rather than undermine the viability of markets is the key to attracting additional private resources for sustainable development.

Second, take advantage of the fast growing group of investors looking for opportunities for investment approaches addressing social and economic challenges at the same time. Both in developing and developed countries, social impact investors are growing fast and there are new models for socially and environmentally responsible investments. The public sector / ODA can play a catalytic role in bringing in private resources, especially during early project preparation and development which is costly and

