



**Third Preparatory Committee (PrepCom) for the Fourth International Conference  
on Financing for Development (FfD4), NY, 10-14 February, 2025**

**Wednesday February 12, 2025**

**Rodolfo Lahoy, IBON International on behalf of the CS FfD Mechanism Intervention  
Domestic and international private business and finance**

Thank you. I am Rodolfo Lahoy from IBON International and the CS FfD Mechanism.

FfD4 could reinforce the role of the UN in economic governance by establishing normative and actionable proposals to rethink the prevalent private finance-first approach.

For this reason it is key to strengthen the FfD4 process and to uphold transparency and inclusiveness for CSOs amid restrictions foreseen in the negotiation roadmap. We look forward to clarity, by this Friday, on CSO participation and access to the negotiations across the entire process, towards our full engagement.

Secondly, we note an appetite to standardise blended finance, from the ministerial segment and paragraph 35. Our actions on blended finance should be based on a clear view on *whether* it is a reliable tool. Issues of unclear development outcomes and lack of financial additionality require transparent and inclusive discussion.

We propose to replace the first sentence of 35.d with: “We will establish a UN intergovernmental process to review the sustainable development outcomes, fiscal, labour and human rights impacts of blended finance and other financing instruments to leverage private finance, as well as public-private partnerships,” and the corresponding deletion of 35.f. The said review should provide the basis to identify the appropriate policy toolkit to regulate private finance in the public interest.

Lastly, regulation requires Southern policy space *to decide* which private actors are apt for our contexts, strategies, and industrial and agricultural transformation. There is no “one size fits all,” as noted by Cuba. We propose the line “We support the advancement of sustainable industrial policy in developing countries, as a basis for notions of impact,” to replace the first two sentences of 36.a. We also propose revising 35.a. with “aligning appropriate and demand-driven foreign direct investment with national development priorities.” We recommend the deletion of 34.e and 35. g,h,i – we are concerned with the expansion of MDB roles in catalysing capital and projects, amid outstanding issues of harms, trends of resource extraction, and diversion of scarce public resources in de-risking approaches promoted by major MDBs. Thank you for your attention.