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**Third Preparatory Committee (Prep Com) Session for the Fourth International Conference on Financing for Development (FfD4)**

**10 – 14 February 2025 | UN Headquarters (UNHQ), New York**

**International Fund for Agricultural Development (**[**IFAD**](https://www.ifad.org/en/)**)**

**Interventions During Informal Negotiations**

**12 February 2025**

**3rd Informal Session: Domestic Public Resources - Para 30 to 32**

Thank you, Chair.

* Our contribution is related to the paragraph on national public development banks.
* At IFAD, we welcome the outcome document's focus on Public Development Banks, particularly at the national level, as catalytic actors, able to leverage their balance sheets and deploy innovative tools for development outcomes.
* We encourage recognition of the potential for national PDBs to work with other Development Banks at all levels, collaborating as a system, taking advantage of their transformative potential when working together.
* This is particularly important in the agricultural sector where PDBs provide nearly 2/3 of formal agricultural financing. In that regard we suggest recognition of the work of the Finance in Common network – a global network of all Public Development Banks – of which IFAD is an active partner.

Thank you.

**12 February 2025**

**4th Informal Session: Domestic and international private business and finance – Para 33 to 36**

Thank you, Chair

* We commend the Co-facilitators for their diligent efforts in drafting the Zero Draft of the Outcome Document. We particularly appreciate the inclusion of concrete actions on remittances, such as reducing transaction costs, promoting digital solutions, enhancing competition and transparency, harmonizing regulatory frameworks, and strengthening data collection. These measures are essential for optimizing the developmental potential of remittances.
* While the Zero Draft recognizes the importance of remittances, it does not sufficiently emphasize their transformative role in development. Beyond their financial value, remittances are a key driver of **financial inclusion and economic resilience, particularly in rural and underserved areas where they have the greatest impact.** Strengthening the Outcome Document with a more explicit focus on these dimensions would ensure that remittances are not merely seen as capital flows but as strategic assets for sustainable development.
* The Addis Ababa Action Agenda already underscored the crucial role of remittances, and since its adoption, this recognition has been further reinforced through various **UN resolutions and international frameworks.** Notably, the establishment of the **International Day of Family Remittances (2018), the Global Compact for Safe, Orderly and Regular Migration,** and multiple UN resolutions on migration and development have acknowledged the powerful role of remittances in **advancing financial inclusion and economic stability.** The Outcome Document should explicitly align with and build upon these existing commitments.
* To fully harness remittances as a development tool, the Outcome Document should include **action-oriented measures** that leverage the complementary roles of both the **public and private sectors.** This includes fostering policies and investment frameworks that not only **enhance ACCESS to remittances but also promote their effective USE** in achieving the SDGs.Examples of those are the inclusion of remittances in national financial inclusion or rural transformation strategies, and to private sector, incentives to develop basic financial products bridging remittances with savings, credit and insurance.
* Regarding diaspora investment, we recommend placing it under **Private Capital Mobilization for Sustainable Development Impact.** Unlike Foreign Direct Investment (FDI), diaspora investments are not formally recorded in national balance of payment accounts. Classifying them appropriately will help highlight their distinct role in economic development and facilitate policies that optimize their contribution.
* Finally, migrants’ remittances and diaspora investments provide an **extraordinary opportunity for rural communities to build climate resilience and break the cycle of climate-induced forced migration.** This aspect is critical and should not be overlooked in the Outcome Document. Incorporating this perspective will reinforce the role of remittances as a catalyst for climate adaptation, particularly for vulnerable communities

Thank you.

**14 February 2025**

**8th Informal Session: Data, monitoring and follow up**

Thank you, Chair.

* We believe that this section on data, monitoring and follow-up is truly critical for the success of this important process as accurate information is needed to make informed decisions and to track progress.
* We know that targeting financing flows to agri-food systems and to rural areas in developing countries – where nearly 80% of the world’s poorest people live – is one of the most impactful investments for reducing poverty and hunger, unlocking economic growth, and creating jobs.
* For that reason, it is critical for policy-makers to be able to track, plan and target financing flows across agri-food systems. We therefore recommend inclusion, in paragraph 63, the need to apply dedicated tools to track financing to this sector, such as the Financing Flows to Food Systems Tool – or 3FS – developed by IFAD and the World Bank.

Thank you.