

Domestic and private business and finance intervention

3:00 p.m.–4:30 p.m 4th December 2024; FFD4 Prepcomm2

Thank you chair.

Australia's comments are focused on three quick points:

- We strongly support development of domestic financial markets that increase access to finance. At the same time, we must focus efforts on the scale-up of catalytic capital; Governments and MDBs have need to take on more risk, and act as anchor investors to crowd in private investment.
- Australia supports efforts to identify and promote standardised blended finance products that are proven to be effective, are replicable across developing countries, and will help to mobilise blended capital at scale.
- It is important to increase access to banking services in developing countries, especially in the Pacific. Correspondent banking relationships have declined, impacting economic resilience, growth and financial inclusion. We must, and can, turn this around, including by building upon the outcomes of Pacific Banking Forum earlier this year, and promoting sustainable access to the global financial system for SIDS.

Thank you and I look forward to discussing these important issues with everyone here this week.

Australia views FFD4 as the platform to bring together all sources of development finance to achieve all the Sustainable Development Goals. Development must be for all, by all – and scaling up private business and financing is essential to bridging financing gaps in developing countries.

We must incentivise the private sector through actions that build partnerships, transparency, knowledge sharing and trust.

We strongly support development of domestic financial markets that increase access to finance. At the same time, we must focus efforts on the scale-up of catalytic capital; Governments and MDBs have need to take on more risk, and act as anchor investors to crowd in private investment.

Australia supports efforts to identify and promote standardised blended finance products that are proven to be effective, are replicable across developing countries, and will help to mobilise blended capital at scale.

Our experience demonstrates that there is demand from developing countries for new and innovative blended finance tools, and we must meet calls for scaling-up existing mechanisms that are crowding-in more finance from the private sector.

It is equally important to increase access to banking services in developing countries, especially in the Pacific. Correspondent banking relationships have declined, impacting economic resilience, growth and financial inclusion.

We must, and can, turn this around, including by building upon the outcomes of Pacific Banking Forum earlier this year, and promoting sustainable access to the global financial system for SIDS. Institutional capacity building and technical assistance will be critical to implementing the correspondent banking relationship roadmap, including through the World Bank's Pacific Strengthening Correspondent Banking Relationships project.

Australia looks forward to continuing work with you all to deepen private partnerships to enable development outcomes.