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Environmental
Finance

CoP-PF4SD Conference 2025

Mobilising Private Finance Towards 2030 and Beyond

SUMMARY REPORT

4 – 5 February 2025

In light of the 2015 Addis Ababa Action Agenda, the mobilisation of private finance has become an established pillar of financing sustainable development and climate objectives. Partnering with and mobilising the private sector is a fundamental piece of the puzzle to scale up financing for sustainable development in partner countries, complementing Official Development Assistance (ODA) inflows. Blended finance is a crucial part of this.

Despite this, significant shortfalls continue to exist: while the annual SDG financing gap stands at USD 3.9 trillion, private finance mobilised by official development interventions reached only [USD 70 billion in 2023](#), confirming however an upward trend of the past decade. It is clear that we need new thinking and a new narrative on mobilisation and blended finance.

The Community of Practice on Private Finance for Sustainable Development (CoP-PF4SD) Conference 2025 aimed to address these issues and propose solutions. 2025 is a critical year for development finance – with the UN 4th International Conference on Financing for Development (FfD4) taking place in June/July – and the CoP-PF4SD Conference 2025 was a unique opportunity to step up momentum and ambitions.

Over two days, [the CoP-PF4SD Conference 2025](#) convened **500 in-person participants from over 50 countries**, including 90 speakers. Participants included representatives from donor governments, Multilateral Development Banks (MDBs), Development Finance Institutions (DFIs), Non-Governmental Organisations (NGOs), private sector, academia, and civil society. The Conference was developed in partnership with media company [Environmental Finance](#) and with sponsorship from Amundi, BNP Paribas, Moody's, MUFG and PIDG. A total of 25 sessions, both plenary high-level discussions and technical deep-dives, took place over the two days.

This document provides an overview of the key messages delivered throughout the event. Discussions stressed the need for enhanced co-ordination and co-operation, for standardisation and replication, and for blended finance to be both concessional and non-concessional. Private sector participants underscored their appetite for mobilisation, while data, transparency, and regulatory constraints limit their entry efforts. Developing countries called for a real and significant scaling of resources, while highlighting the importance of locally-led efforts to establish country platforms and genuine partnerships.

What is the [OECD DAC Community of Practice on Private Finance for Sustainable Development \(CoP-PF4SD\)](#)? Established in 2020 by the OECD Development Assistance Committee (DAC), the CoP-PF4SD is a platform for mutual learning and exchange between DAC members, DFIs, MDBs and the private sector to advance the mobilisation of private finance for sustainable development.

DAY 1 – February 4th, 2025

Welcoming and Scene-setting Remarks



Carsten Staur
Chair
OECD DAC



Eva Granados
Secretary of State for International
Cooperation
Spanish Ministry of Foreign Affairs, EU and
Cooperation



Mathias Cormann
Secretary-General
OECD

The Conference opened with high-level speeches by OECD Secretary-General Mathias Cormann, OECD DAC Chair Carsten Staur, and Spain's Secretary of State for International Cooperation Eva Granados. Key takeaways included:

- **OECD's role in private finance mobilisation:** Secretary-General Mathias Cormann outlined key ways in which the OECD supports both development providers and policy-makers in developing countries. This includes advancing principles and guidance for the effective use and design of blended finance; promoting local currency financing and deepening local financial markets; supporting Foreign Direct Investment (FDI) through sound investment policy frameworks; and providing reliable and comparable data and pushing for more transparency.
- **ODA and the DAC in the mobilisation agenda:** OECD DAC Chair Carsten Staur emphasised ODA's role in de-risking investments and fostering enabling environments, and the need to strike a balance between strategically optimising ODA resources and mobilising at scale. In the lead-up to FfD4, he called for a clear strategy for donor efforts and stronger donor-private finance co-operation.
- **Spain's approach to private finance mobilisation:** Spanish Secretary of State Eva Granados stressed that within increasing global complexity, the SDGs ought to remain a guiding light. She highlighted the necessity to bring visibility to the opportunities, rather than the risks, of investing in the SDGs. She presented Spain's efforts to catalyse and mobilise private finance and its ambition for FfD4 in Sevilla to drive a more integrated approach to financing and development. Finally, she underscored the ambition of FfD4 to enable a paradigm shift in financing, with political support to go from commitment to concrete action.

A recording of Opening Remarks by OECD Secretary-General and OECD DAC Chair is [available here](#), and a recording of high-level Keynote Remarks by Spanish Secretary of State for International Co-operation is [available here](#).

High-level Panel – why are we still talking, and not delivering more mobilisation?



Baron Waqa
Secretary-General
Pacific Islands Forum



Mary Beth Goodman
Deputy
Secretary-General
OECD



Navid Hanif
Assistant
Secretary-General
UN DESA



Steve Waygood
Chief Sustainable
Finance Officer
Aviva Investors

Moderator



Peter Cripps
Editor
Environmental Finance

Deputy Secretary-General of the OECD Mary Beth Goodman provided Opening Remarks stressing the need for enhanced cooperation and alignment to bridge the SDG financing gap, with the OECD leading efforts to increase mobilisation by identifying root blockers, developing solutions and sharing best practices.

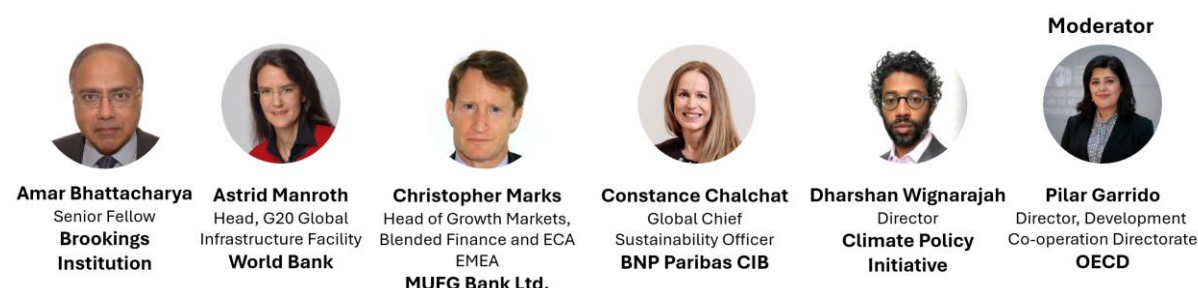
Panellists discussed persistent challenges and potential solutions for mobilising private finance for development, emphasising the need for structural and systemic changes. Key points included:

- **Addressing structural barriers to mobilisation:** Financial and capital markets in developing countries lack depth, and regulations are misaligned. Private investors are hesitant due to low financial returns on SDG-related investments and high perceived risks. Panellists also noted that blended finance remains at an early stage of development, with limited accessibility for many countries.
- **Reforming financial & regulatory frameworks:** Current valuation models and portfolio construction ignore long-term sustainability. Structural regulatory changes are needed to internalise externalities and improve market integrity. OECD and international institutions must play a role in advising governments and aligning financial incentives.
- **Challenges in specific regions:** Least Developed Countries (LDCs) and Small Island Developing States (SIDS) face financial, structural and logistical barriers to attracting investment. Climate risks particularly threaten development efforts in these regions, deterring long-term investment. These countries need genuine partnerships beyond profit-driven engagement to enhance their resilience.
- **Next steps & calls to action:** Panellists called for a shift focus from "de-risking" to "risk-sharing" in private-public partnerships. Other proposed solutions include: developing standardised blended finance instruments and better impact measurement frameworks; addressing foreign exchange risks and reforming sovereign credit rating methodologies; and strengthening long-term financing commitments through ODA and structural regulatory changes.

The discussion emphasised the need for systemic transformation rather than temporary fixes, urging global institutions to restore trust and ensure effective implementation at FfD4 in Sevilla.

A recording of the session is [available here](#).

How can development actors unlock private sector flows to get capital flowing towards climate adaptation action in developing countries?



Amar Bhattacharya provided scene-setting remarks on global finance for climate action, highlighting that investments in resilience are increasingly falling behind despite having the highest payoffs. Investments in adaptation are hard to monetise and investment returns difficult to capture. This is a global challenge, not just in developing countries. Indeed, a much greater focus on domestic resource mobilisation will be essential in the coming years, which we can already see accelerating.

Pilar Garrido highlighted the potential of blended finance in increasing financing for adaptation-relevant sectors. She outlined the crucial role of international development providers in providing and mobilising finance to support adaptation in developing countries. In this light, she referenced the forthcoming *OECD Guidance on Blended Finance for Climate Change Adaptation*.

Panellists examined the challenges and opportunities in financing climate change adaptation, emphasising the need for structural reforms, risk perception shifts, and greater co-ordination among financial institutions. Key takeaways included:

- **Risk perception and complexity are significant obstacles:** Unlike mitigation finance, adaptation lacks a clear strategic framework for private investors. The complexity of adaptation projects, combined with uncertainty in measuring returns, discourages private sector participation. Addressing these obstacles requires greater clarity, standardisation, and tailored financial solutions.
- **Enhanced co-ordination among MDBs and DFIs is needed:** Development finance institutions must work together more effectively, adopting a unified, ecosystem-based approach to scaling investments in adaptation. Improved collaboration can help streamline project pipelines and align funding strategies.
- **Reviving innovation in financial instruments will be fundamental:** Innovation in adaptation finance—particularly from philanthropic and impact investors—has slowed post-COVID-19. A renewed focus is needed to develop and deploy financial tools that support climate resilience, ensuring investments align with regional and sectoral needs.
- **Regulatory and structural barriers limit adaptation investments:** Existing financial frameworks, including Basel regulations, need to better accommodate long-term adaptation investments. Policymakers must create incentives for financial institutions to prioritise climate resilience, particularly in emerging markets and vulnerable regions.

A recording of Scene-setting Remarks is [available here](#) and a recording of the session is [available here](#).

What lessons can be learnt from the GSSS bonds market?



Adnane Lekhel
Head of Institutional Structuring
Senior Portfolio Manager
Amundi



Miguel Navarro
Manager Financial Products
and Client Solutions
World Bank



Paroche Hutachareon
Bond Market Advisor
Public Debt Management
Office, Thailand



Rahul Ghosh
Managing Director
Moody's Ratings



Moderator
Barbara Oldani
Lead of Stakeholders
Engagement
SSDH, NatureFinance

Panellists explored the roles of different market stakeholders in effectively expanding green, social, sustainability and sustainability-linked (GSSS) bond issuances in developing countries – emphasising market incentives and disincentives, the need for collaboration, and the importance of replicating successes. Key takeaways included:

- **Developing countries face challenges in entering the GSSS bond market, which are also very context-specific:** This can include limited level of capital market development, low technical awareness of these instruments within relevant ministries, and lacking data availability. The current pushback against ESG in certain advanced markets also risks making certain investors less likely to look towards EMDEs.
- **Blended finance can significantly support issuances:** Beyond capital provision, technical assistance facilities can help issuers structure bonds and related KPIs, address regulatory hurdles, and enhance market confidence. Innovation in blended finance can be driven by development actors as well as investors, and there is a need to replicate approaches that work.
- **Support also needs to target a robust enabling environment:** This can include capacity building to familiarise issuers with the advantages of GSSS bonds compared to vanilla bonds, and support in choosing appropriate KPIs. Credible policies increase investor confidence in issuances (including on issuers' debt sustainability), while strong data and metrics are fundamental to credit ratings and to post-issuance assessments.
- **Bond characteristics are crucial to investor confidence:** Especially for newer sustainability-linked bonds, investors are sceptical of unambitious targets and structural loopholes. In more established sustainable finance and GSSS bond markets, the relevance of the 'greenium' was also raised.

The latest reports in the OECD series on GSSS bonds can be found [here](#) and [here](#). A recording of the session is also [available here](#).

Taking stock: the reform of MDBs and the mobilisation of private finance



Carleigh Chiaviello
Analyst
Newmarket Capital



Hans Peter Lankes
Deputy Chief Executive
and Managing Director
ODI Global



Siby Diabira
Head of Western Europe
IFC - World Bank Group



Isabelle Braly Cartillier
Lead specialist,
Structured Partnerships
Inter-American
Development Bank



Moderator
Nancy Lee
Director for Sustainable
Development Finance
Center for Global
Development

Panellists examined key transformations needed for Multilateral Development Banks (MDBs) to enhance private finance mobilisation, emphasising project pipelines, systemic reform, and capital efficiency. Key takeaways included:

- **A global public good approach to project development:** MDBs should focus on generating and scaling bankable projects, addressing pipeline shortages, and positioning themselves as central actors in financing global public goods.
- **Creating investable environments across sectors:** Rather than financing isolated projects, MDBs should adopt programmatic approaches and support project development through partnerships with local banks. Many successful models exist but have yet to be scaled effectively.
- **Systemic reform and standardisation across MDBs:** While some progress has been made in mobilising private capital through asset class models, regulatory and behavioural barriers continue to hinder scaling. Greater collaboration is needed to standardise methodologies, data collection and de-risking strategies.
- **Scaling mobilisation through co-ordination:** MDBs must move beyond isolated efforts, working as a system to create efficient investment pipelines and enhance their impact on private sector engagement.

A recording of the session is [available here](#).

Fireside chat



The discussion with Tim Gocher, CEO of Dolma Fund Management, highlighted his experience leading Nepal's first international private equity firm. More broadly, the conversation pointed to the investment opportunities and challenges in frontier markets – with key points including:

- **A proven investment track record has important demonstration effects:** Dolma has demonstrated predictable returns in renewable energy and healthcare, attracting DFIs and institutional investors. This helped overcome perceptions about investment risks in frontier markets and paved the way for others to enter the market.
- **Scaling renewable energy requires market integration:** While donor support is fundamental, alone it is insufficient. Integration with capital markets is essential for substantial growth.
- **There is an urgent need for FX risk mitigation:** Unlocking large-scale investment in frontier markets depends on financial mechanisms to address foreign exchange risks, ensuring access to global capital markets.

A recording of the session is [available here](#).

How can data and transparency enable private financial flows to developing countries?



Anne Laible
Senior Policy Officer
BMZ - German Federal
Ministry for Economic
Cooperation and Development



Louise Walker
Head, Private Sector and
Capital Markets Department
Foreign Commonwealth
and Development Office



Gary Forster
CEO
Publish What
You Fund



Hélène Macé
Director for Private
Finance Mobilisation
Proparco



Matt Kaczmarek
Managing Director
BlackRock



Matt Robinson
Associate
Managing Director
Moody's Ratings



Moderator
Haje Schutte
Deputy Director
OECD

Germany's Anne Laible and the UK's Louise Walker provided Opening Remarks on necessary actions to fill in the data gap, linking back to the inaugural Hamburg Sustainability Conference where the Hamburg Data Alliance was launched – with the broad mission statement of improving risk pricing and unlocking investments for the SDGs in emerging markets through better data.

Panellists discussed how better availability and accessibility to high-quality, transparent, and standardised data can improve investment decisions and mobilise private capital for sustainable development. Key takeaways included:

- **Better data improves risk perception and drives investment:** Investors hesitate due to misunderstood risks. More granular data is needed to enhance risk assessments and boost confidence in emerging markets. Ratings can also be part of the solution when a rating becomes a data point that informs risk taking – however the rating in itself relies on data.
- **DFIs and MDBs must be bolder when it comes to data transparency:** DFIs and MDBs should lead efforts in disclosing granular data that meets investors' needs, contributing to global data platforms, and standardising data disclosure formats.
- **Public actors hold valuable data that can drive private investment:** Legal and institutional barriers often prevent transaction-specific disclosure from DFIs and MDBs. A shift in contracting practices and policy alignment can support greater access to data. Donors as shareholders of DFIs and MDBs have a critical role to play, while also recognising the limitations that these actors face.
- **Data alone is not a silver bullet:** While transparency is crucial, investment also depends on stronger government policies, regulatory frameworks, and enabling conditions in emerging markets.

A recording of the session is [available here](#).

At the crossroads between crises and development: the role of blended finance in crises and conflict-affected contexts



Martina Brandli
Blended Finance
Economist
EBRD



Maryna Rymkina
Investment Director,
Impact & ESG Advisory
Horizon Capital



Michał Faleńczyk
Head of the OECD -
Ukraine Liaison Office
OECD

Moderator



Romina Bandura
Senior Fellow
CSIS



Yuriy Butsa
Government Commissioner
for Public Debt Management
Ministry of Finance
of Ukraine



Søren Peter Andreasen
Deputy CEO
Danish Investment
Fund for Developing
Countries

Ukraine's Yuriy Butsa provided scene-setting remarks on the role and potential of blended finance for Ukraine's reconstruction and resilience, by highlighting the role of local currency and innovative financial instruments in scaling up financing for development and climate action in the country.

Panellists explored the role of blended finance in mobilising private capital for Ukraine's reconstruction and development, in the post-conflict phase. The discussion highlighted strategies for enhancing private investments in crisis-affected contexts. Key takeaways included:

- **Blended finance being tested in Ukraine:** Blended finance is seen as a crucial way to mobilise private capital in crisis situations. Ukraine's reconstruction needs are vast, requiring significant private finance to complement limited public funding. A blended finance approach, leveraging DFIs and guarantees, is essential.
- **DFI-government collaboration is critical:** Effective coordination between development finance institutions (DFIs) and Ukraine's government is crucial. The Ukrainian government initiated several programs to foster an enabling environment that can facilitate private investments as well as collaboration with DFIs.
- **Defining clear risk appetite and objectives:** In crisis settings, defining risk appetite and financial objectives early on is crucial for structuring blended finance solutions effectively. Given the scale and complexity of post-conflict reconstruction, stakeholders must push their own risk boundaries, increase donor resources, and ensure co-ordination among themselves.
- **Sustainable and green reconstruction:** Ukraine's rebuilding efforts present an opportunity to integrate sustainability and innovation, serving as a test case for blended finance in post-conflict recovery. The country has the potential to adopt greener, more resilient approaches that align with global climate and sustainability goals.

A recording of the session is [available here](#).

Practical insights – showcasing effective platforms and initiatives (1)



Cécile Goubet
Managing Director
**Institut de la Finance
Durable (IFD)**



Ross Ferguson
Senior Private Sector Adviser
MOBILIST Programme



Veronica Chau
Partner and Director
BCG



Moderator
Daniel Preston
Clinical Professor
Indiana University

The session presented examples of initiatives that are successfully tackling challenges to effectively scaling the mobilisation of private finance. The aim was to share key insights on and from these solutions – to ultimately increase co-operation and consider ways to replicate them.

- The **MOBILIST Product Platform and Research & Policy Platform** both aim to strengthen the crucial role of public markets: *through anchor investments, support to listing companies, and technical assistance to the broader enabling environment, MOBILIST expands listed instruments available for institutional investors to invest in developing countries.*
- The **Catalytic Capital Recovery, developed by Boston Consulting Group (BCG) and Institut de la Finance Durable (IFD)**, aims to address the fragmentation and lack of transparency in the blended finance ecosystem: *a centralised repository would enable stakeholders to better navigate and more easily access all available catalytic capital opportunities, thereby reducing transaction costs, improving fair and equal accessibility of information, bridging potential funding gaps and identifying synergies.*

A recording of the session is [available here](#).

DAY 2 – February 5th, 2025

High-level Remarks



Diego Guevara
Minister of Finance and Public Credit
Ministry of Finance, Colombia



Luis Fernando Medina Sierra
Permanent Representative of
Colombia to the OECD

Ambassador of Colombia to the OECD Luis Fernando Medina Sierra introduced the recorded remarks of Minister Guevara by highlighting the concrete commitment of Colombia to sustainable development. The remarks by Colombian Minister of Finance Diego Guevara looked at necessary steps to mobilise private finance, including setting an adequate price on environmental externalities and changing the macroeconomic setting. He shared examples of successful Colombian efforts in this space.

A recording of the opening and keynote remarks is [available here](#).

What is next for blended finance to live up to its potential?



Adjii Sokhna Mbaye
CEO
BOAD TITRISATION



Christopher Clubb
Managing Director
Convergence
Blended Finance



Leticia Ferreras
Astorqui
Senior Portfolio Manager
Allianz Global
Investors



Patrick Carter
Head of Development
Economics
British International
Investment



San Bilal
Executive Director
ECDPM

Moderator

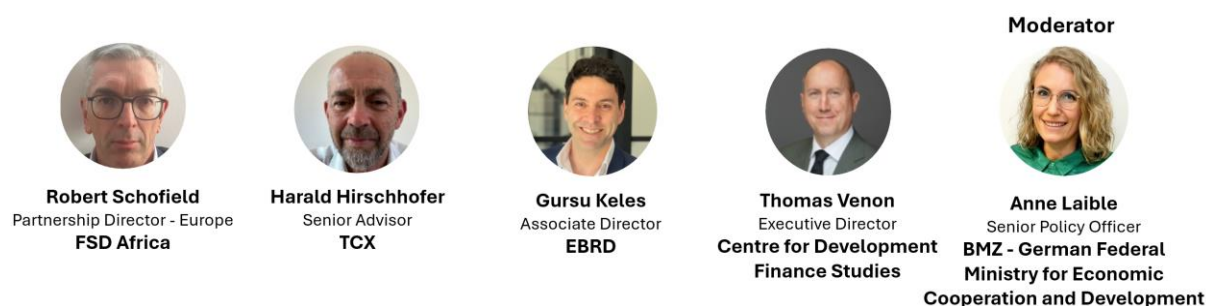
Panellists examined the evolving role of blended finance, emphasizing the need for clearer objectives, improved risk-sharing, and more strategic approaches to mobilising private capital. Key points included:

- **Necessity to define a clear purpose for blended finance:** Blended finance must have a well-defined role—maximizing scarce public capital to align investment needs with commercial interests. It should complement rather than replace private sector investments.
- **Challenges on de-risking stem from the absence of consensus on good practice:** While investors are interested in accessing riskier markets, conditions often remain unfavourable, and panellists highlighted the need for better risk-sharing mechanisms between development and private actors.
- **One size does not fit all:** The level of blending required by institutional investors varies and panellists emphasized the importance of leveraging existing alliances and platforms to tailor solutions effectively rather than applying a standardised approach.

- **Moving toward transformative approaches:** Blended finance should move beyond project-based, demand-led approaches toward long-term partnerships that drive systemic change and scale impact. The session took note of the forthcoming update of the OECD-DAC Blended Finance Principles Guidance and encouraged the update to respond to the international calls for mobilisation at scale using more co-ordinated approaches.

The OECD DAC Blended Finance Principles are available [here](#), and the Guidance (which is currently being updated) is available [here](#). A recording of the session is [available here](#).

Local Currency Financing: Exploring the challenges and policy solutions available for donors, DFIs and MDBs



Panellists explored the critical role of local currency financing in increasing sustainable financial markets and reducing dependency on foreign capital. To help improve the accessibility and affordability of local currency financing, multiple solutions were put forward:

- **DFIs and MDBs should integrate local currency financing into their mandates:** There is a need for them to ensure it is a strategic priority rather than an afterthought. Donors have a role to play here by pushing MDBs harder to offer local currency as an alternative option to traditional hard currency lending.
- **Effective local currency financing requires collaboration with central banks:** The latter play a proactive role in managing currency risks and developing supportive regulatory environments. Coordinating with MDBs can help create sound financial structures that foster stability while expanding access to local currency lending.
- **Strengthening local financial markets is key:** Sustainable local currency financing requires robust local market infrastructure, including better capital market development, diversified investment options, and enhanced regulatory frameworks. This process demands long-term policy and regulatory support to create a more sophisticated financial ecosystem.
- **Mobilising domestic savings plays an important role as part of the solution:** Unlocking local savings pools—such as pension funds and local bank savings—can provide a sustainable source of long-term financing in local currency. Encouraging the active participation of local institutional investors will enhance market depth and resilience.

The session also launched a new OECD report: [Unlocking local currency financing in emerging markets and developing economies: What role can donors, development finance institutions and multilateral development banks play?](#) The report puts forward a number of potential solutions – including mandating MDBs and DFIs to review currency risk frameworks, mobilising domestic financial actors, and strengthening financial infrastructure to deepen local capital markets. A recording of the session is [available here](#).

Mobilising private finance for biodiversity in developing countries: Understanding entry points for development actors



Aurélie Godefroy
Deputy Head of Unit
European Commission



Frank Rijsberman
Global Head, Policy
and Public Funding
TNC



Gregory Watson
Acting Unit Chief,
Biodiversity and
Natural Capital
IADB



Joanna Wolstenholme
Senior Programme
Officer, Nature Economy
UNEP-WCMC



Eva Beuselinck
Head, Policies and
Networks Division
OECD

Moderator

Panellists explored the role of private finance for biodiversity and the need for stronger alignment between policies, investment flows, and conservation goals. Key points included:

- **Integrating biodiversity into capital markets:** A sustainable future requires jurisdictional approaches aligned with compliance markets, particularly under Article 6 of the Paris Agreement¹. However, securing private sector investments in nature-positive initiatives remains difficult due to return expectations. Regenerative agriculture, or green infrastructure provide viable opportunities, supported by development capital that can absorb early-stage risk.
- **Aligning private finance with national biodiversity priorities:** Governments must improve the alignment of financial flows to ensure biodiversity funding is effectively channelled. Many resources are currently misdirected, creating inefficiencies. A consolidated policy document outlining national priorities, investment needs, and regulatory frameworks can help private investors navigate opportunities in the sector.
- **Mobilising private capital through conservation finance:** By de-risking early-stage nature-positive initiatives, long-term private sector involvement in conservation finance can be generated. Thereby the two pathways include impact-driven investments and those that reduce harm to nature, broadening the scope of investable opportunities. This highlights the relevance of innovative financial instruments and mechanisms for biodiversity, including biodiversity credits, guarantees, and insurance products as mobilisers for natural infrastructure.
- **Opportunities in national biodiversity strategies:** As countries update their strategies to align with the Kunming-Montreal Global Biodiversity Framework (KMGBF) and its 23 targets, there is a critical window for investment. Engaging the private sector alongside indigenous communities, women's groups, and sub-national governments can ensure financial flows support national objectives. Emerging models demonstrate how grant-based match funding, payment for ecosystem services, and sustainable taxonomies can unlock further capital.

A recording of the session is [available here](#).

¹ Standardised methodologies can enhance collaboration across stakeholders to meet the goals set in the Paris Agreement.

Regulatory barriers and unintended consequences inhibiting private finance flows to developing countries



Andrew Wilson
Deputy Secretary
General – Policy
**International
Chamber
of Commerce**



**Bernard de
Longevialle**
Global Head of
Sustainable Finance
S&P Global



Emmanuelle Assouan
Director General Financial
Stability and Operations
Banque de France



Samantha Attridge
Principal Research
Fellow
ODI



**Yasemin Saltuk
Lamy**
Managing Director
Legal & General



Mathilde Mesnard
Deputy Director OECD
Climate, Green Finance
Coordinator Environmental
Directorate
OECD

Moderator

Panellists examined the challenges of scaling finance for emerging markets, highlighting regulatory barriers, data gaps, and misaligned financial incentives. Key points included:

- **Credit ratings and sectoral neutrality:** In principle, credit ratings apply uniformly across sectors and geographies—a Single B rating in the U.S. is treated the same as a Single B rating in an emerging market. However, in practice, financial flows continue to favour established economies, raising concerns about accessibility for emerging market borrowers.
- **Persistent data and rating challenges in blended finance:** The lack of reliable data on private creditors and blended finance instruments hampers their effective assessment. Without high-quality information, rating agencies and investors struggle to calibrate risk appropriately, limiting capital flows to underserved markets.
- **Regulatory barriers and market incentives:** While the existing regulatory frameworks are strong, panellists noted the need for greater flexibility. Strict regulations, particularly in insurance and banking, discourage investments in emerging markets. Basel rules, for instance, disincentivise bank lending in these regions, a challenge that must be addressed at the G20 level. There was also recognition that regulation at the national level, both in developed and developing countries, could be an impediment.
- **Behavioural and structural biases:** Beyond regulation, institutional conservatism plays a major role in limiting financial flows. From risk-averse advisors to regulatory cliffs like the BBB rating threshold, systemic biases need to be addressed to unlock investment in high-impact sectors.

A recording of the session is [available here](#).

Navigating structured funds: How best should we structure Collective Investment Vehicles to de-risk private finance investments?



**Alessandra
Nibbio Bonnet**
Head of Blended Finance
BlueOrchard



Philippe Valahu
CEO
**Private Infrastructure
Development Group**



Sophie Gioanni
Head of Investor Relations
ILX Fund



Umberto Marengo
Manager, Corporate Strategy
& Impact Management
**British International
Investment**



Christian Brändli
Head of Private
Sector Development
SECO, Switzerland

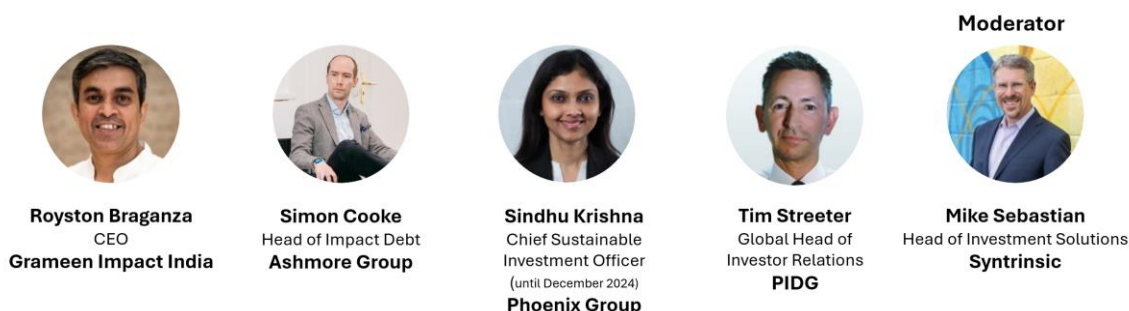
Moderator

Panellists discussed how to effectively mobilise private capital in emerging markets, focusing on risk perception, concessional finance, and the role of institutional investors. Key points included:

- **Strategic deployment of concessional capital:** Concessional finance should be used selectively to address market failures, close viability gaps, and de-risk high-risk projects where private capital alone is insufficient.
- **Addressing the perception vs. actual risk gap:** Many investors overestimate the risks of investing in EMDEs, often relying on country credit ratings instead of assessing project-level risks, which may be lower than perceived.
- **Challenges in scaling structured funds:** Institutional investment is constrained by a lack of standardisation, differing stakeholder priorities, and conservative investor behaviour. Large investors often favour familiar asset classes, creating a need for innovative approaches to unlock capital.
- **Strengthening data infrastructure and transparency:** Greater transparency on fund performance, particularly at the tranche level, and improved data collection can help reduce uncertainty and increase confidence among investors. MDBs and DFIs must play a key role in bridging this gap.

A recording of the session is [available here](#).

Strategic asset allocation: How can we get investors to invest in developing countries?



Panellists explored the challenges and opportunities for asset owners investing in emerging markets, emphasizing regulatory barriers, data needs, and alternative funding sources. Key points included:

- **Bridging the knowledge gap:** Despite immense investment opportunities, a lack of education and engagement limits investor participation. Both institutional investors and consumers, such as pension fund contributors, need better awareness of the potential and impact of investing in emerging market.
- **Scaling investment to meet demand:** Many projects in emerging markets are too small to attract large institutional investors, who typically require multi-billion-dollar opportunities. Aggregating smaller investments into larger vehicles is necessary to bridge this gap and unlock funding at scale. There are considerable volumes of finance that can be invested in line with sustainable development – but need to be directed towards developing countries.
- **Rethinking risk and return:** While investors demand commercial-level returns with impact, the real risks of emerging markets are often misunderstood. Factors such as liquidity constraints, reputational risks, and currency volatility must be carefully assessed—neither overestimated nor underestimated.

- **Expanding capital sources and financial innovation:** The current system is designed for the Global North, limiting funding access for emerging markets. To scale investment, panellists emphasized the need to tap into new pools of capital from all regions such as Korea, Australia, and the Middle East – while also exploring innovative financial instruments like blockchain and sustainable bonds.

A recording of the session is [available here](#).

Impact and blended finance: how much do we (not) know?



Arnaud Gillin
Partner
Innpact



Krisztina Tora
Managing Director
GSG Impact



Magdalena Orth
Senior Evaluator,
Team Leader
German Institute for
Development Evaluation



Ylva Lindberg
EVP Strategy &
Communication
Norfund



Priscilla Boiardi
Coordinator netFWD and
Centre on Philanthropy
OECD

Moderator

Panellists examined the role of impact measurement and management in delivering blended finance, emphasizing the crucial role of evaluations, the importance of long-term incentives, and the challenges of nascent regulations. Key points included:

- **Embedding impact into investment strategies:** Public and private investors must prioritise integrating adaptable impact measurement and management frameworks into development finance strategies, to ensure investments deliver meaningful, measurable results for final beneficiaries.
- **Financial viability as a foundation for impact:** Sustainable impact relies on financially healthy businesses and projects. Without financial viability, long-term social and economic benefits remain limited. Policymakers should focus on fostering a business environment that supports both profitability and impact.
- **Aligning incentives for long-term thinking:** Governments need to shift from short-term, GDP-driven metrics toward a wellbeing-centred approach. Regulatory frameworks and incentives should encourage long-term investment strategies that generate sustainable development outcomes.
- **Balancing impact measurement costs:** While robust impact monitoring is essential, excessive reporting requirements risk becoming a burden—especially for SMEs. Policymakers must streamline reporting frameworks and determine fair cost-sharing mechanisms between public and private stakeholders.
- **Avoiding unintended consequences of regulation:** Well-intended policies, such as EU-centric regulations, can have unintended negative impacts. Policymakers should carefully assess how regulations affect different markets and ensure they do not create unintended barriers to participation.

A recording of the session is [available here](#).

High-level Remarks



Mia Mottley
Prime Minister
Barbados

Prime Minister of Barbados Mia Mottley delivered a speech on the urgent need to **mobilise resources and strengthen partnerships for transformative global change**. She highlighted the critical interplay between public and private actors and outlined actionable strategies to increase ambition and drive significant progress. Her intervention underscored the **Bridgetown Initiative's call for MDBs, DFIs and donors to come together and mobilise at least USD 500 billion dollars of private capital**, with four key pillars: (i) targeting higher mobilisation ratios, (ii) scaling risk-sharing and credit enhancement structures that reduce high cost of capital and address high perceived and actual risks of investments, and (iii) recognising country platforms as central to strengthening public-private partnerships and serving as vehicles to align international and domestic private finance with national priorities, and (iv) tackling regulatory impediments and incentives which make it hard to invest in developing countries. As FfD4 approaches, her forward-looking remarks challenged stakeholders to rethink collaboration, innovate boldly, and elevate efforts to address pressing global challenges.

A recording of Mia Mottley's remarks is [available here](#).

Action plan: do we need innovation or how can we raise the game for more effective co-operation?



Baron Waqa
Secretary-General
Pacific Islands Forum



Arsalan Mahtafar
Head, Development
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Carmen Nuzzo
Professor in Practice,
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Laura Hillis
Director, Climate
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The Church of
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Nes Ruwo
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Susanna Gable
Deputy Director
Bill & Melinda
Gates Foundation



Rupert Schlegelmilch
Chair OECD
Investment Committee
OECD

Baron Waqa highlighted how shifting the role of development finance to catalyse the private sector, rethinking risk and returns to encapsulate tangible human, social, and environmental progress, and enhancing local institutions and capacity could enable capital to flow to the places that need them most. He added that the Pacific Resilience Facility could be an example of blended finance for the future.

Panellists explored strategies to mobilise private finance towards developing countries - emphasizing risk, capacity, and collaboration. Key points included:

- **Changing the game:** Development finance institutions should focus on catalysing private investment rather than simply deploying capital. This shift requires innovative

approaches to risk-sharing, financial structuring and refocusing on an originate to distribute model.

- **Rethinking risk and return:** Private capital tends to flow toward middle-income countries, which can free up ODA for the most vulnerable economies. Derisking the underlying context supports market creation. To attract large-scale participation, Sustainable investment must be framed within traditional risk-return mechanisms. These investments must walk, talk, and look like a mainstream strategy in terms of risk and return for the asset.
- **Addressing the supply-demand mismatch:** While demand for sustainable investment in emerging markets is rising, there are too few investment-ready opportunities based on current industry practices and criteria. Developing standardised and harmonised frameworks to measure sustainable impact could help bridge this gap.
- **Enhancing data transparency to build market confidence:** Investors need clear, reliable data to make informed decisions. Artificial intelligence (AI) could play a role in improving transparency, but the technology is still in its early stages. Greater collaboration within and across institutions is necessary to break down silos and drive market confidence. If there is transparency and the right risk-adjusted returns, even mainstream investors could invest.

A recording of the session is [available here](#).

Practical Insights – Showcasing effective platforms and initiatives (2)



Ariane Pevide
Director, Global Blended
and Climate Finance
MUFG Bank Ltd.



Vitaline Copay
Market Intelligence Manager
LuxSE



Jennifer Forrest
Reporter
Environmental Finance

Moderator

The session presented examples of initiatives that are successfully tackling challenges to effectively scaling the mobilisation of private finance. The aim was to share key insights on and from these solutions – to ultimately increase co-operation and consider ways to replicate them.

- **MUFG Bank’s GAIA Climate Loan Fund** seeks to mobilise private capital at scale for emerging market climate adaptation and mitigation projects focusing on SIDs and LDCs: *its blended finance structure includes a tiered fund, credit enhancement features, and reserve accounts – to ultimately drive systemic change in climate finance.*
- The **Luxembourg Green Exchange (LGX)** is the world’s leading sustainable finance platform: *it supports market development by enforcing strict listing criteria, providing tailor-made support from pre-issuance to reporting, and fostering a more transparent and accessible market with structured data.*

A recording of the session is [available here](#).



Get in touch at dcdpf4sd@oecd.org for any questions, feedback or further discussion.



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