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Representative of a Partner country, recipient country perspective, tbd

Introduction by **Martin DAHINDEN**, Director-General of the SDC

Moderation by **Susanne BRUNNER**, SRF – Schweizer Radio und Fernsehen

Concluding remarks by **Ivo GERMANN**, Head of Operations, SECO Economic Co-operation and Development

Wednesday, 2nd April 2014, 14:00 – 16:00 (followed by Aperitif)

SDC, Freiburgstrasse 130, Berne (Room A2023)

Innovative Financing Mechanisms for Sustainable Development



The world is preparing for a new development framework post-2015 aiming to achieve global sustainable development, addressing the social, economic and ecological dimension of sustainability. Such a new framework calls also for a coherent overall financing structure.

The development finance landscape has gone through considerable changes in the last years, both with respect to resources and actors. In a post-2015 framework, aid flows will remain essential to eradicate poverty, particularly in least developed countries. However, financing the post-2015 development agenda will require more than aid. Donors are asked to use Official Development Assistance (ODA) in a "smart" way: to catalyze additional funds from other actors in support of development, especially from the private sector. This is meant to increase the overall resources available in the poorest countries. Many instruments have been developed for this purpose in the last years, including so-called "innovative financing mechanisms".

Innovative financial mechanisms aim at inducing public and private investors to finance activities which may not be financially viable on their own but are expected to have a significant development impact. Development Finance Institutions (DFIs) play an important role in this regard, offering long-term corporate financing for example by investing in developing countries' venture capital funds which then provide private equity to SMEs. Other examples of innovative financing mechanisms are for instance development impact bonds or matching grants.

Against this background, the following questions will be addressed:

- 1.) What results have innovative finance instruments yielded in developing countries?
- 2.) What are the recipients' perspectives on such mechanisms?
- 3.) What benefits and risks does further use of innovative financing mechanisms entail for sustainable development?
- 4.) What does innovative financing imply for the global aid architecture and for bilateral development agencies in particular?

We are looking forward to a lively debate!

Registration by March 24, at traverse@deza.admin.ch

(Free of charge, limited number of participants. Language: English)

For further information: www.deza.admin.ch/traverse