



## Joint Press Release

***The International Development Finance Club (IDFC) and the World Federation of Development Financing Institutions (WFDFI) jointly call for a Summit of Development Banks to fully tap the potential of Development Finance institutions towards the Paris Agreement and SDGs agendas***

**Washington, October 20, 2019 – For the first time, the WFDFI, the World Federation of Development Financing Institutions, regrouping the Continental Associations of Development Finance Institutions in Africa, Asia-Pacific, the Middle East, Latin America and the Caribbean, and IDFC, the international group of 26 leading national and regional development banks, invited each other to participate at their respective Board of Governors Meeting (WFDFI) and Annual Meeting (IDFC), both held in Washington, D.C. on October 18 and 20, to bundle the potential of all development banks worldwide to promote and leverage sustainable development investment.**

The Board of Governors of the World Federation of Development Financing Institutions (WFDFI) met in Washington, D.C. on October 18, 2019. The meeting, chaired by Mr. Thabo Prince Thamane, Chairman of the World Federation of Development Financing Institutions, Chairman of the Association of African Development Finance Institutions (AADFI), and CEO of the Citizen Entrepreneurial Development Agency (CEDA), Botswana, was attended by the Secretaries General of the four member-regional associations of DFIs:

- AADFI, African Association of DFIs, Abidjan, Ivory Coast, which currently runs the Secretariat of the WFDFI.
- ADFIAP, Association of DFIs in Asia and the Pacific, Manila, Philippines.
- ADFIMI, Association of DFIs in Member-Countries of the Islamic Development Bank, Istanbul, Turkey.
- ALIDE, Latin American and the Caribbean Association of DFIs, Lima, Peru.
- The Secretary General of the WFDFI.
- The Adviser to the WFDFI.
- A special invitee, in the person of the Honorary Chairman of the AADFI and CEO of the Development Bank of Southern Africa (DBSA).

An IDFC delegation, headed by Mr. Rémy Rioux, IDFC's Chairperson and CEO of Agence Française de Développement (AFD), also attended the meeting.

The International Development Finance Club (IDFC) held its Annual Meeting of CEOs in Washington, D.C., on October 20. The Annual Meeting, chaired by Mr. Rioux, advanced IDFC's activities as a platform for advocacy, mobilization and action for low carbon, climate resilience and sustainable development. A WFDFI delegation led by Mr. Thabo Prince Thamane participated in the meeting.

At both meetings, WFDFI and IDFC emphasized the common vision and values of both groups, including the conviction that increased coordination and collaboration, by sharing knowledge and experiences, cross-building capacities and cooperating in the field, is fundamental for sustainable impacts. In this context, WFDFI and IDFC agreed to further strengthen their relationship in the near future via a Memorandum of Understanding (MOU) to seize the multiple opportunities and synergies between both groups and strengthen the commitment to work together to reinforce the fundamental role of national and regional development finance institutions for the implementation of the Paris Agreement and the SDGs, especially in developing countries.



*“Development finance institutions deliver a unique service, that of linking governments and the private sector and turning domestic and international policy signals into local solutions. They can deploy a wide range of potentially powerful instruments for fixing market failures, incubating and redirecting markets and promoting sustainability. Today, WFDFI and IDFC decide to join forces to make the best use of such DFIs worldwide”* said Mr. Thabo Prince Thamane, Chairman of the WFDFI.

At their respective meetings, WFDFI and IDFC also highlighted that development banks are experiencing a renaissance, an illustration of the increasing recognition of their relevance, with several hundred such institutions already established worldwide – some since decades – and more and more governments establishing or planning to create new development banks. Both groups also exchanged on how to tap the full potential of development banks for the implementation of the Paris Agreement on climate and the SDGs, by not only contributing to close the financing gap but also help redirect all financial flows, public and private, towards sustainable development.

To that end, participants discussed several key issues that need to be addressed, including (i) strong political support from governments and integration of climate and SDGs in the mandates of development banks; (ii) incentivizing financial regulatory frameworks; (iii) a global framework to characterize SDG-compatible investments so as to ensure coherence of action; (iv) rethinking the business models of development banks to help “shift the trillions”; and (v) a more collaborative and efficient global development finance architecture, including by facilitating direct access to international concessional resources such as those of the Green Climate Fund (GCF) by local development banks, who are often the best placed to redirect investments and contribute to the corresponding policy dialogues.

*“We urgently need to unleash development banks’ capacities to enable the alignment of all financial flows with the Paris Agreement and the SDGs. Today, along with our partners of the WFDFI, and in support of the SDGs decade of action launched by the UN Secretary General, we are calling for the organization in 2020, under UN sponsorship, of a Summit of Development Banks to realize the conditions for development banks to fully deploy their central contributions to sustainable development investment worldwide”* said Mr. Rémy Rioux, Chairperson of the IDFC.

Such a Summit would gather for the first time, representatives from the whole development bank community (IDFC, WFDFI, MDBs) as well as a coalition of decision-makers including from governments, regulators and other public and private stakeholders of the broader financial system.

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### **About the WFDFI**

The World Federation of Development Financing Institutions (WFDFI) was established in June 1979 in Zurich, Switzerland, on the occasion of a UN meeting on development financing, by the AADFI, the ADFIAP, the ALIDE and the KfW Development Bank of Germany. The ADFIMI, after its creation joined the World Federation at a later time. The WFDFI is the international organization that represents the development banking system worldwide, as a unified force which aims to promote development banking more efficiently by bringing about a closer working cooperation among the DFIs of the world. It upholds the primacy of its commitment to the development of the regional associations as well as individual member-DFIs, varied and diverse may they and their programs be. More particularly, WFDFI supports not only the traditional role of development banking but also the more aggressive thrust of diversification now gaining foothold in most DFIs in order to ensure the continued impact of DFIs in the economic development of their respective areas. Furthermore, the Federation aims to promote



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the interests of its members in a wider context of the worldwide environment besides working for its interests vis-à-vis multilateral agencies.

WFDFI Secretariat, rotating every three years among the regional members of the Federation, is assumed since January 2019 by the AADFI, headquartered in Abidjan, Côte d'Ivoire. For more information on the WFDFI, please visit [our Website \(www.wfdfi.net\)](http://www.wfdfi.net).

### **About IDFC**

The International Development Finance Club (IDFC), created in 2011, is the leading group of 26 national and regional development banks from all over the world, a majority active in emerging markets. IDFC is the largest provider of public development and climate finance globally, with US\$ 4 trillion in combined assets and annual commitments above US\$ 600 billion, including US\$ 150 billion of climate finance. IDFC members have the unique function of supporting domestic policies while transferring international priorities into their own constituencies. IDFC members are aligned with and work together to implement the Sustainable Development Goals (SDGs) and the Paris Climate Agreement agendas. Through IDFC, and in close partnership with other development bank networks, members join forces as a platform to promote and leverage sustainable development investment worldwide.

IDFC is chaired since October 2017 by the *Agence Française de Développement* (French Development Agency) where the IDFC Secretariat is hosted in Paris, France. To learn more about IDFC please visit [our website](#) or follow us on [Twitter](#) & [Linked in](#).

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