

Development Finance Architecture:

What Flows, Channels and Pools?

Informal Experts' Workshop, Paris, 3-4 July 2006

Hosted by the OECD Development Centre and the OECD DAC/DCD

(NEA Conference Rooms A & B, 7th floor, 12 Boulevard des Isles, 92130 Issy-Les-Moulineaux)

(by invitation only)

Annotated Agenda

Seeking to improve its dialogue on development with non-member countries and a variety of non-governmental actors, the OECD is launching a new policy-dialogue process in 2006: the OECD Global Forum on Development. As the kick-off event for the Global Forum process, this Informal Experts' Workshop will perform an important function. It aims to identify major policy challenges and themes that can be taken forward in the Forum's first three-year thematic cycle – on "Development Finance".

In the spirit of an "informal brainstorm", allocated speaking roles are limited to short introductions (20 min.) and discussants (10 min. each), allowing ample time for discussion. Participants are invited in their personal – not representative – capacities, and are asked to share experiences, expertise and forecasts on development finance flows, channels, instruments and, in a closing panel discussion, on the institutional setting within which development finance actors operate.

Sessions will cover:

- I. Development finance architecture: what are the challenges?
- II. Country perspectives on development finance
- III. Co-ordination across global, regional and national levels
- IV. Finding the right instruments, and using them correctly
- V. Panel discussion on reforming the institutions

Please contact Felix Zimmermann for registration and further information about this Workshop. Felix.Zimmermann@oecd.org (Tel.: +33 (0)1 45 24 95 85).

DAY ONE: Monday 3 July 2006

8:45 - 9:15 Registration & coffee

9:15 - 9:30 Welcome: **Kiyo Akasaka**, Deputy Secretary-General, OECD

Session I Development finance architecture: what are the challenges?

9:30 – 12:00 Chair: **Walter Hofer**, Swiss Agency for Development Co-operation

What are the major issues and challenges for the international community in financing development as the 2015 MDG deadline approaches? How do volumes of investment, remittances and other private transfers to developing countries compare with official aid flows, and what is the significance of this for decision makers? Will recent donor commitments to “scale up” their aid have implications for the allocation, co-ordination, instruments and institutions of development finance?

Introduction by **Javier Santiso** (OECD Development Centre) and **Richard Carey** (OECD Development Co-operation Directorate)

Discussants: **Amar Bhattacharya** (World Bank) and **Dennis de Tray** (Center for Global Development)

12:00 - 13:45 **Lunch** (hosted by Germany at the “Pavillon de l’Île”)

Address by **Michael Hofmann**, German Ministry for Development Co-operation (BMZ)

Session II Country perspectives on development finance

13:45 - 15:30 Chair: **Nick Highton**, Department for International Development, UK

How is the development finance architecture perceived from developing-country perspectives? How much progress can we expect at country-level from the implementation of the Paris Agenda? What priority do aid-effectiveness principles have vis-à-vis the effective mobilisation of other sources of development finance?

Introduction by **Peter Wolff** (German Development Institute) and **Luiz Awazu Perreira da Silva** (Ministry of Finance, Brazil)

Discussants: **Le Viet Duc** (Ministry of Planning and Investment, Vietnam) and **Bill Morton** (North-South Institute, Canada)

15:30 - 16:00 *Coffee break*

Session III Co-ordination across global, regional and national levels

16:00 - 18:00 Chair: **Michael Hofmann**, German Ministry for Development Co-operation (BMZ)

How well is the increasing diversity of actors and channels co-ordinated at country level? How can new mechanisms such as the global funds be aligned more effectively with country preferences, strategies and systems? What are the implications of country-level co-ordination issues for decision-making at global, regional and local levels?

Introduction by **Paul Isenman** (World Bank consultant) and **Denis Drechsler** (OECD Development Centre)

Discussants: **Laurent Bossard** (OECD Sahel and West Africa Club) and **Perna Banati** (The Global Fund to Fight Aids, Tuberculosis and Malaria)

18:00 **Cocktail** (hosted by the Netherlands at “Les Terrasses de St Germain”)

DAY TWO: Tuesday 4 July 2006

9:30 - 10:00 Registration

Session IV Finding the right instruments, and using them correctly

10:00 - 12:30 Chair: **Pierre Jacquet**, French Development Agency (AFD)

Recent proposals for the adoption of new financial instruments remain contentious within the international development community. A consensus is emerging, however, that instruments must be adapted to specific contexts and that a mix of instruments may be preferable to “one-instrument” solutions. In which situations, for example, might financial guarantees have positive impacts on development? What is the optimal mix of grants and loans?

Introduction by **James Winpenny** (Wychwood Economic Consulting Ltd) and **Helmut Reisen** (OECD Development Centre)

Discussants: **Daniel Ottolenghi** (European Investment Bank) and **Hiroto Arakawa** (Japanese Bank for International Co-operation)

12:30 - 14:30 *DEFINE Working Lunch*

This Working Lunch will officially launch DEFINE, a Development Finance Network which will bring together independent research institutes and think tanks to provide substantive inputs for the OECD Global Forum on Development.

Invited partners will share information on existing and intended activities, and discuss the terms of reference, structure, expected outputs and next steps of DEFINE.

NB.: For others, a map with restaurants in the vicinity of the Workshop will be provided.

Session V Panel discussion on reforming the institutions

14:30 - 17:00 Chair: **Richard Manning**, OECD Development Assistance Committee

The effective provision of development finance requires a supportive institutional setting. However, a closer look at the international development finance system reveals gaps and duplications in the activities of its various stakeholders. What will be the outcome of current efforts to improve the coherence of the UN system’s development-related activities? How might current donor initiatives to assess the performance of multilaterals improve allocation decisions? What are the respective advantages and disadvantages of delivering aid through bi- vs. multilateral channels?

Panelists: **Inge Kaul** (UNDP) and **Simon Maxwell** (Overseas Development Institute, UK)

Closure Next steps for the OECD Global Forum on Development

17:00 - 17:30 Co-Chairs: **Louka T. Katseli**, OECD Development Centre and **Michael Roeskau**, OECD Development Co-operation Directorate

* to be confirmed