



**Preparatory Committee (PrepCom) for the Fourth International Conference  
on Financing for Development (FfD4) Second Session, NY, 3-6 December,  
2024**

**Jiten Yumnam, Centre for Research and Advocacy of Manipur, on behalf of  
the CS FfD Mechanism Intervention delivered at the Interactive Discussion 2:  
Domestic and international private business and finance**

4 December 2024

Chair, I'm Jiten Yumnam. I represent the Society for International Development, Centre for Research and Advocacy, Manipur and the Civil Society FfD Mechanism.

I extend gratitude to the co-chairs for the Element Paper. In our review, the section on private finance in the element paper is challenging, weak and problematic. It fails to reflect the need for the transformative approach that should guide proposals to be agreed at FfD4.

Four key points.

Firstly, the proposals show an overreliance on private capital mobilisation, including by using public institutions and scarce public resources to subsidise private finance, with a strong focus on quantity. Quality should be prioritised over quantity. Private capital mobilisation should not be promoted without the necessary connection with a policy agenda aimed to expand fiscal and policy space for the structural transformation of countries in the Global South.

We welcome the reference of the Group of 77 and China, as they underlined the need to “support structural transformation and enhance productive capacities for building diversified, resilient, and sustainable economies that can generate decent and productive employment”.

Secondly, the proposals under this section must recognise that the private sector is not a homogenous entity – Multinational Corporations are not the same as domestic Micro, Small and Medium enterprises. As such, differentiated strategies are needed for each of them, as part of an expanded policy space to promote sustainable industrial policies across the Global South. A sectorial approach is also needed, as it is critical to protect essential public services, like education, social protection, health and water and sanitation from further privatisation and financialization.

Thirdly, MDBs are increasingly seen mainly as institutions that create markets and mobilise private finance, which is a concerning approach. We support Egypt in calling for concrete proposals on reform policies and practices of MDBs. FfD4 should establish a UN intergovernmental process to review and transform the public development banks

ecosystem, starting from the role of MDBs. The UN, as the only multilateral space that has the mandate to advance on global economic governance issues while having every country at the table, is the most democratic and appropriate forum to do so. The rethinking must be guided by a comprehensive assessment of the needs of Global South countries to promote socio-economic transformation.

Fourthly, it would be important to emphasise the need for regulating the financial sector, to ensure that financial market resources support the 'real economy' and economic transformation. FfD4 should establish a UN global regulatory framework to adequately regulate and supervise financial institutions, including non-banking financial institutions and hedge funds.

Thank you very much.