



**Statement on implementation of the DAC HLM Agreement on ODA Modernisation of PSI
European Development Finance Institutions**

This statement has been prepared by EDFI in relation to the recent comprehensive proposal and the on-going discussions in the DAC. It does not represent the position of any participant country.

We would like to highlight the importance of reaching a decision on the implementation details of the principles for ODA modernisation of private sector instruments (PSI) that were agreed by the DAC members at the HLM in 2016. The private sector must be mobilised to achieve the 2030 Agenda for Sustainable Development and we believe that ODA counting of non-concessional PSIs will encourage private sector mobilisation in support of the global development goals. Further delays in agreeing the implementation details threaten plans in several countries to strengthen DFIs and other PSIs.

We support the comprehensive proposal for the implementation details that was issued on 10 May 2017. We understand that the proposal represents a negotiated compromise and, as such, it is impossible to support every detail with equal enthusiasm. But we find the implementation approach to be practicable even if there are some technical details that may require clarification. In particular, the proposed competition safeguards go far in addressing the concerns raised by export credit agencies while being more appropriate in terms of the DFI business model than the previous proposal.

We also look forward to being involved in the work on the “phase 2 issues” and to contribute to the increased co-ordination, information sharing and mutual understanding between the development finance and export credit communities. Such exchange will be needed to support the implementation of the ODA modernisation.

The statement is submitted on behalf of the following EDFI member institutions:

BIO (Belgium)

BMI-SBI (Belgium)

CDC (United Kingdom)

COFIDES (Spain)

FINNFUND (Finland)

FMO (The Netherlands)

IFU (Denmark)

NORFUND (Norway)

SWEDFUND (Sweden)

SIFEM (Switzerland)

SOFID (Portugal)

V3 - 1 June, 2017