

**Probing the effectiveness and accountability of private financing through the effective
development cooperation lens**

CSO Partnership for Development Effectiveness (CPDE)

People's Global Conference Open Spaces | Densapar, Bali, Indonesia

October 11, 2018 | 09:00 – 12:00nn

Background

The 2030 Agenda came at a critical point when the world is still reeling from the impacts of the multiple global crises, and the intensification of neoliberal offensives against the people, especially those in the Global South. While countries believed that the 2030 Agenda will bring transformative change, nothing much has improved in the global development discourse as it is still replete with long standing challenges issues such as poverty, marginalisation, and inequality.

With this agenda came a demand for more resources in order for the international community to achieve its targets in 15 years. This demand for more resources called on other sources of finances, in particular the increasing role of private sector and financial institutions, to 'supplement' traditional, public finances. This neoliberal thinking and the changes in the rules governing development cooperation provided the basis for donor countries and financial institutions to mobilise private sector and make investment in development attractive. This is evidenced on how quickly private financing permeated into development cooperation, as supported by the development of various mechanisms including Blended Finance and the new guidelines for Private Sector Instruments (PSI). Both mechanisms are promoted by the Organisation for Economic Co-operation and Development (OECD), the consortium of donor countries.

The World Bank Group, on the other hand, is promoting an approach called Maximising Finance for Development (MFD) in an attempt to lure private sector investments and revive the global economy mired in the protracted crises. This approach puts a focus on promoting Public-Private Partnerships (PPP) to funnel funds for infrastructure development.

The MFD poses as an 'innovative solution' to development finance, but in reality, it only promotes the corporate capture of development and the abandonment of State accountability and responsibility towards services for the people. Loans from many finance institutions and PPPs also comes with policy conditionalities, such as requiring an enabling environment for the private sector, deregulation of vital services and the liberalisation of basic and key financial and industrial sectors.

People's organisations and civil society organisations (CSOs) have previously expressed concerns over the role of private sector in terms of its implication to development and development cooperation. Critics have already warned that such neoliberal instrumentality disrespects people's rights and environmental standards for the sake of profit-driven development. Decades-long experiences of communities, like energy projects in indigenous and rural

communities, are quite telling how corporate projects and investments curtail their rights to development and stifle their collective dignity as a people.

Objectives:

1. Discuss and evaluate the current work and initiatives, such as the MFD, of the World Bank and International Monetary Fund in development cooperation
2. Showcase country stories and sectoral reports that highlight the impacts of WB/IMF projects to the people, particularly in the Global South.
3. Review the accountability of IFIs and other stakeholders in their development initiatives and projects
4. Document and learn from other CSOs and people's movements in improving CPDE's advocacy work around IFIs, particularly WB/IMF

TIME ALLOCATION	Probing the effectiveness and accountability of private financing through the effective development cooperation lens People's Global Conference Open Spaces Radio Republik Indonesia, Densapar, Bali, Indonesia October 11, 2018 09:00 – 12:00nn
10mins	<p>Keynote address:</p> <ul style="list-style-type: none"> • Vitalice Meja, CPDE Co-Chair • Amy Padilla, IBON International
24mins	<p style="text-align: center;">Regional and Country Stories on IFIs and development cooperation Moderated by Nabil Abdo, ANND</p> <p>The mobilization of the private sector by the 2030 Agenda, and the IFIs that ensure this happens, have impacted many regions and countries. The first panel will speak about how IFIs promote private finance in their respective countries and regions, and their implications at country-level particularly to CSOs, peoples' organizations, and the most vulnerable. The panel will also explore how development co-operation is directly tied to what is occurring and tackle ways to mitigate these trends through the effectiveness principles.</p> <ul style="list-style-type: none"> • Case of Bangladesh by Ahmed Swapan Mahmud, VOICE Bangladesh • Case of Fiji and the Pacific by Emeline Siale Ilolahia, Pacific Islands Association of Non-Governmental Organizations (PIANGO) • Case of Lebanon and the Middle East and North Africa by Nabil Abdo, Arab NGO Network for Development (ANND) • Case of Indonesia by Kurniawan Sabar, Institute for National and Democracy Studies (INDIES)
45mins	Open discussion

24mins	<p style="text-align: center;">Impacts of IFIs to Sectors Moderated by Beverly Longid, CPDE Co-chair</p> <p>The take-over of private finance over development and development co-operation can be felt beyond just geographical considerations. Many groups of peoples, or what in CPDE we call sectoral constituencies, are recipients of the disastrous effects of this neo-liberal agenda. The Second Panel will showcase stories from the ground detailing the capture of multinational corporations of many development agenda that has caused disastrous effects to groups such as Indigenous Peoples and workers. The panel will also work together to brainstorm on what form them is bare minimum in terms of Effective Development Co-operation principles and accountability, that needs to be achieved in order to quell the prevailing development paradigm</p> <ul style="list-style-type: none"> • Case of the Rural Sector, Rahmat Ajiguna, Alliance of Agrarian Reform Movememt (AGRA) and the Asian Pacific Coalition (APC). • Case of the Labour Sector, Edward Miller, Building and Wood Worker’s International (BWI) • Case of the Indigenous Peoples sector, Jiten Yumnam, Centre for Research and Advocacy Manipur (CRAM) • Case of the Women’s Sector, Nurgul Djanaeva, NGO Women’s Forum of Kryrgyzstan
45mins	Open discussion
5mins	<p>Ways Forward: People’s resistance: Advocacy and campaigning against IFIs</p> <ul style="list-style-type: none"> • Beverly Longid, CPDE Co-Chair