

« Do more, do better! Partnering for social investment »
Panel discussion, Finance in Common Summit, Rome, 19 October 2021

- **Monica Scatasta, Director, Technical Assessment and Monitoring Directorate, Council of Europe Development Bank:** The Covid-19 crisis showed us an urgent need to increase social investments while simultaneously addressing environmental challenges. Partnerships are critical to achieve this objective. The Coalition for social investment brings together participants convinced that social investments are key for a sustainable, inclusive and resilient recovery and better face tomorrow's challenges. The Coalition's members work together to: (i) Do more: increase social investments, facilitate access to financing, strengthen public-private dialogue and contributions from public development banks and (ii) Do better: improve the diversity and quality of projects, share best practices, support public policy strategies. In this regard, PDBs need to be agents of change, and can be a bridge between global challenges and local solutions.
- **Katarína Mathernová, Deputy Director-General for European Commission Directorate General for Neighbourhood and Enlargement Negotiations (NEAR):** Climate crisis is a social crisis. The green transition must not leave anyone behind: the social aspects of the green transition are going to be significant in particular for the most vulnerables, while countries move from a fossil fuel landscape to a greener, more sustainable energy transition. Public development banks should support the social impact of this very much needed transition need to change the mindset. Need to invest systematically in the social agenda: this is not a cost, it provides returns for investors, so we need to change the paradigm. A new European tool (EFSD +) will be launched soon to increase funding capacities, including on social aspects
- **Masood Ahmed, President of the Center for Global Development (CGD) and Member of the G-20 High-Level Independent Panel on Financing the Global Commons for Pandemic Preparedness and Response:** We don't have time to think about it. Now is the time to take decisions. The pandemic caused a massive set back: most low income countries will need 4-5 years to get back to where they were before the crisis. The transformation to low carbon economies also worsens existing gaps. From a health perspective, a number of recent reports (such as G20 Panel) point to similar conclusions: countries systematically underinvest in pandemic preparedness and response; funding is fragmented; and that pandemic preparedness is a strategic issue that needs a whole of government approach. A scaling up approach through a dedicated fund could finance pandemic-related gaps (pandemic surveillance, systems resilience in low income countries, manufacturing capabilities etc). A strengthened engagement with capitals will help to ensure projects are socially aligned when instructed and approved.
- **Usha Rao-Monari, Undersecretary General and Associate Administrator of the United Nations Development Programme (UNDP):** there is still time to get back on the financing for development track after the pandemic. With over \$18.7 trillion in aggregated total assets, how PDBs & DFIs invest will impact people & the planet. One of the biggest needs and gaps were identified in the social agenda; the lack of access to social protection for informal workers is severe. However there is no shortage of willingness nor capital: we need to develop a pipeline of opportunities btw public and private actors. UNDP identifies 4 avenues forward: lack of awareness, lack of financing risks, on risks and impact measurement. Two key objectives should be pursued: need to scale inclusive financing of social sectors and mainstream it in all investment decisions. Announces joins UNDP joins the Coalition for social investment, to bring data, evidence and instruments to bridge the gap in the social

investment space, building on concrete existing tools such as country specific roadmaps that are put in place with beneficiary countries.

- **Ece Börü, CEO of the Industrial Development Bank of Turkey (TSKB) and Vice-Chair of the International Development Finance Club (IDFC):** underlines the power of partnering (such as the IDFC) and the need for a forum to advocate for more and better social investment. TSKB joins the Coalition as a Member and looks forward to share expertise, promoting capacity building and projects on key social investment projects (notably on gender or sustainable finance)

Finally, the session also featured the following quotes:

- A joint message by **Carlo Monticelli**, appointed Governor of the CEB, and **Rémy Rioux**, CEO of the AFD, to underline their joint commitment to the Coalition as a valuable platform to help the FiCS community come together behind the topic of social investment: *“Given the daunting and inter-linked challenges facing us, we are proud to lead the Coalition for Social Investment. Join us today and let’s work together for social inclusion, sustainability and the resilience of our economies and societies!”*
- A quote by **Ogerta Manastirliu**, Minister of Health of Albania: *“The Government of Albania has shown a strong commitment to improving healthcare systems, but these reforms are complex and a large unfinished agenda remains. Coordinated investments from PDBs are key to increasing access, efficiency and quality of health care services.”*
- A video message by **Alice Albright**, Chief Executive Officer of the Global Partnership for Education, to showcase an innovative financing mechanism that unlocks new sources of funding for social investment
- A quote by **Leonardo Lima Chagas**, Ministry of Citizenship in Brazil : *“In Brazil, “Bolsa Familia” and “Auxilio Emergencial”, co-financed by the World Bank, laDB, CAF, KfW and AFD, reached over 68 million people (a third of the population) during the Covid-19 crisis. The project also laid the ground for policy dialogue on social protection and inclusive growth.”*
- A video message by the Chairman of the Association of African Development Finance Institutions (AADFI) and the World Federation of Development Financing Institutions (WDFDI) **Thabo Thamane** on what role he sees PDBs playing when it comes to social investments