



# TRANSCRIPCIÓN

**INTERVENCIÓN DEL PRESIDENTE DE GOBIERNO EN FUNCIONES,  
PEDRO SÁNCHEZ, EN LA MESA REDONDA DE ALTO NIVEL DE LA  
REFORMA DEL SISTEMA FINANCIERO INTERNACIONAL**

Nueva York, 19 de septiembre de 2023

## INTERVENCIÓN DEL PRESIDENTE DEL GOBIERNO, PEDRO SÁNCHEZ

Thank you, Charles; thank you friends for joining us in this event to discuss about one of the most relevant topics under discussion, which is the international financial architecture and its reform.

As Charles has said, going from billions to trillions in financing for sustainable development will require progress across different fronts.

Development aid will remain an important piece of the puzzle, so we should increase our ODA commitments and deliver on them. For instance, my country just passed a law in incorporating the goal of reaching the UN target of 0.7% of GDP by 2030.

But increasing aid flows will not be enough. We need to multiply available resources through all means at our hand, also by mobilizing private capital at the necessary scale. That will require more enabling and transparent environments, the development of local capital markets and new instruments to advance public-private partnerships.

But further to these, I identify three key priorities:

First, the reform, as Charles has said, of the multilateral development banks is crucial and urgent. We need to substantially boost their lending capacity and fully implement the recommendations of the Capital Adequacy Framework Review. Targeted support for concessional lending and emergency windows can enhance the capacity of MDBs to address global challenges and the needs of the most vulnerable, including in middle-income countries.

Second, we must explore innovative tools and approaches to channel more resources and enhance the firepower of multilateral development banks, including through blended capital, hybrid capital, or guarantees.

SDRs, Special Drawing Rights, can also play a key role.

Given persisting vulnerabilities, the 20% rechanneling target agreed in 2021, which has allowed us to mobilize 100 billion dollars, may have fallen short. Spain has contributed to both the Poverty Reduction Growth Trust and the Resilience and Sustainability Trust in line with its commitments of SDR rechanneling, but we are ready to explore further options.

We need to think outside the box and continue to discuss how alternative rechanneling options, for instance, to multilateral development banks, could become viable options. I do believe that regional development banks could

catalize those assets in an efficient manner, because they are already on the ground and they are implementing development projects that can benefit from the financial boost.

And third, bold actions are needed to address the ongoing debt crisis that affects dozens of countries.

Debt restructuring should be carried out faster where and when needed, to avoid countries falling into debt traps. This includes ensuring the efficient and systematic implementation of the G20 Common Framework. As Sri Lanka's case has shown, this is not just a matter of low-income countries: we need a broader approach, caring for middle-income countries as well, giving certainty to all those countries that need it.

We also need to offer debt suspension when necessary, to increase the fiscal space of countries in debt distress.

But we must be proactive and set the basis for a sustainable future. For instance, natural disaster risk clauses or climate-resilient debt clauses can become automatic buffer mechanisms for those countries that are particularly vulnerable to climate change impacts. Debt for climate swaps, as Charles has said, can also help governments that have limited access to traditional grants or debt relief to invest in transformative projects.

And finally, I would like to say a few words on the process.

The path to improve the international financial architecture has already started. Several milestones have taken place over the last months –in Paris in June, in New Delhi just ten days ago– and many initiatives are advancing in parallel. I would like to stress the importance of linking all these initiatives to the United Nations system, because it is the only forum that brings together voices from all countries on an equal footing and promotes global multilateral international cooperation.

That is why Spain wants to host the Fourth International Conference on Financing for Development in 2025. That Conference, I think will be critical to provide a major global push by policy makers at the highest level to realize the promise of the 2030 Agenda.

So I think it is the time to shape the future that we want, and I am sure that today's discussions will be a step in the right direction.

Thank you very much, Charles.

*(Transcripción editada por la Secretaría de Estado de Comunicación)*  
*(Intervención original en inglés)*