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# **POLICY DIALOGUE ON FINANCING SUSTAINABLE DEVELOPMENT**

## **NATIONAL AND GLOBAL PERSPECTIVES**

### **FINAL REPORT**

**24 June 2025**  
**Ankara**



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## SUSTAINABLE GOALS



## 1. Executive Summary

Achieving the Sustainable Development Goals (SDGs) by 2030 requires unprecedented mobilization of financial resources across public, private, domestic, and international sources. Yet, the global financing landscape faces critical challenges.

Developing countries are grappling with a staggering \$4.2 trillion annual financing gap, mounting debt burdens, and high borrowing costs that hinder their ability to invest in transformative development. The 2024 Financing for Sustainable Development Report underscores the urgency of aligning investments with long-term social, environmental, and economic objectives while leveraging innovative financing tools to address structural barriers.

In this context, the Fourth International Conference on Financing for Development (FFD4), scheduled for 30 June–3 July 2025 in Sevilla, Spain, represents a pivotal opportunity to renew the global financing framework. Hosted by the Government of Spain, FFD4 seeks to catalyze an SDG investment push and reform the international financial architecture to make global economic governance more inclusive and effective. The Sevilla Commitment, as the Outcome Document, reaffirms the Monterrey Consensus, the Doha Declaration, and Addis Ababa Action Agenda (AAAA), while introducing bold pledges to close financing gaps, promote gender equality, enable climate action, and prioritize equity and inclusion.

To contribute to global discussions and tailor solutions to Türkiye's context, the Office of the UN Resident Coordinator and the Embassy of the Kingdom of Spain in Ankara co-hosted a Policy Dialogue on Financing Sustainable Development on 24 June 2025. The event, organized in close collaboration with the Ministry of Treasury and Finance and the Presidency of Strategy and Budget, convened government officials, UN entities, bilateral and multilateral donors, development banks, private sector leaders, and academics. It provided a strategic platform to assess Türkiye's progress, identify innovative financing mechanisms, and strengthen partnerships to advance a more resilient, equitable, and sustainable development pathway.



## 1. Executive Summary

### 1.1. Key Insights and Strategic Directions

#### Advancing SDG-Aligned Public Finance

Integrating sustainability into national budgets is critical for directing public spending toward priority areas such as education, clean energy, and resilient infrastructure. The dialogue emphasized gender-responsive budgeting and performance-based systems that tie fiscal allocations to measurable outcomes. Innovations like child-focused budgeting, with demonstrated long-term economic benefits, were highlighted as effective models. Blended finance and public-private partnerships emerged as key levers to de-risk investments and attract private capital to high-risk sectors such as renewable energy and healthcare. Instruments like sustainability-linked bonds, social impact bonds, and outcome-based financing are gaining momentum in channelling funds toward measurable social and environmental impact.

#### Unlocking Private Sector Capital

The private sector's potential to contribute to sustainable development remains underutilized. Participants stressed the need for enabling frameworks that incentivize ESG-aligned investments through tax reforms, regulatory measures, and mandatory sustainability reporting. Digital innovations such as AI-driven analytics and blockchain-based impact tracking are reshaping the landscape, enabling lower transaction costs and greater transparency. Impact investing ecosystems and marketplaces are scaling up, effectively mobilizing private capital for critical priorities like refugee inclusion, gender equality, and climate adaptation. Standardizing impact measurement frameworks is essential for credibility and comparability in these efforts.

#### Driving Systemic Change through Inclusion and Innovation

Structural barriers, including fragmented policies and limited access to finance for SMEs, impede progress. Addressing these challenges requires coordinated policy reforms, capacity building in financial institutions, and multi-stakeholder platforms that align priorities and co-design locally tailored solutions. Equity and inclusion emerged as central pillars of sustainable finance. Prioritizing marginalized groups—women entrepreneurs, refugees, and rural communities—through targeted financial products and financial literacy programs is key to creating resilient, inclusive economies. Investments in the care economy and social protection systems were underscored as transformative for both social and economic outcomes.

### 1.2. The Path Forward

#### Accelerating progress toward the SDGs necessitates a dual strategy

Optimizing public finance systems and unlocking private capital at scale demands bold reforms to mainstream ESG standards, develop robust impact measurement frameworks, and create targeted incentives. Technological innovations and multi-stakeholder partnerships will be vital to enhance transparency, reduce costs, and align efforts across sectors.

As the world prepares for the Sevilla Conference, Türkiye's experiences demonstrate the potential of aligning national priorities with global financing frameworks. Embedding the principles of equity, inclusion, and sustainability into financial systems can deliver transformative change and ensure that no one is left behind on the journey to 2030.



## 2. Background

Development financing refers to the mobilization of financial resources, public, private, domestic, and international, to support sustainable economic growth, reduce poverty, and promote inclusive development. Financing the Sustainable Development Goals (SDGs) requires aligning investments with long-term social, environmental, and economic objectives, leveraging both traditional aid and innovative financial instruments. However, challenges include insufficient public funding, limited private sector engagement in high-risk environments, and structural barriers in developing countries.

Achieving the SDGs requires substantial investment. The 2024 Financing for Sustainable Development Report estimates a \$4.2 trillion annual financing gap for developing countries, a significant increase from pre-pandemic levels. Key challenges include escalating debt burdens, with least developed countries projected to spend \$40 billion annually on debt service between 2023 and 2025, up from \$26 billion in 2022.

Additionally, many developing nations face higher borrowing costs, paying about twice as much in interest on sovereign debt compared to developed countries. The Addis Ababa Action Agenda (AAAA) sets a global framework to finance sustainable development, emphasizing priorities such as domestic resource mobilization, international cooperation, private sector involvement, and capacity building, while addressing systemic issues in the global financial system to ensure equitable and resilient financing mechanisms.

It emphasizes the need for policy reforms and capacity building to create an enabling environment for sustainable development. The upcoming Fourth International Conference on Financing for Development in 2025 presents a critical opportunity to implement these priorities and reform the global financial system to better support the SDGs.



### 3. The Fourth International Conference on Financing for Development

The 4th International Conference on Financing for Development (FFD4), is scheduled to take place from 30 June to 3 July 2025 in Sevilla, Spain. Hosted by the Government of Spain, the FFD4 aspires to build a renewed global financing framework that will unlock greater volumes of capital at a lower cost. Through a renewed global financing framework, leaders are taking action to deliver an SDG investment push and to reform the international financial architecture to enable the transformative change that the world urgently needs.

#### **The Outcome Document of the FFD4, the Sevilla Commitment, highlights:**

**Renewed Global Framework:** The Sevilla Commitment renews the global financing for development framework, building on the Monterrey Consensus, Doha Declaration, and Addis Ababa Action Agenda, with a strong reaffirmation of commitments to the 2030 Agenda and the SDGs.

**Urgent Action on Financing Gaps:** Recognizing a \$4 trillion annual financing gap, especially in developing countries, the commitment calls for urgent, ambitious actions to enhance fiscal space, reform debt architecture, and mobilize innovative and accessible finance from all sources.

**Inclusive Economic Governance:** The document pushes for reform of the international financial architecture to make global economic governance more inclusive, representative, and effective, while enhancing the roles of the UN, IFIs, and other global bodies.

**Climate Action and Environmental Sustainability:** Reaffirming the Rio Principles and the Paris Agreement, the commitment underscores urgent climate action, biodiversity conservation, disaster risk reduction, and sustainable use of natural resources.

**Revitalized Development Cooperation:** Urging developed countries to meet ODA targets (0.7% GNI), enhance multilateral cooperation, and reinforce South-South and triangular cooperation, while improving aid effectiveness, transparency, and country ownership.

#### **Support for Countries in Special Situations:**

**Support for Countries in Special Situations:** It emphasizes targeted support for least developed countries (LDCs), landlocked developing countries (LLDCs), small island developing states (SIDS), African countries, and middle-income countries through tailored programmes of action and cooperation frameworks.

**Human-Centred Development:** The commitment places people at the center, with pledges to combat inequalities, promote universal health and education, ensure decent jobs, enhance social protection systems, and support inclusive growth.

**Gender Equality and Inclusion:** Gender equality is prioritized as a critical enabler of sustainable development. The commitment calls for increased investment in the care economy and elimination of gender-based violence and discrimination.

**Tax and Financial Integrity Reforms:** A major focus is on strengthening domestic resource mobilization, combating illicit financial flows, promoting inclusive tax cooperation (including under a new UN Framework Convention on Tax Cooperation), and enhancing fiscal transparency.

**Mobilizing Private Finance and Investment:** The document promotes public-private partnerships, blended finance, support for MSMEs, sustainable capital markets, and enabling regulatory environments to scale up private investment aligned with national development goals.



## 4. Policy Dialogue on Financing Sustainable Development in Türkiye

In the lead-up to the FFD4, the Office of the UN Resident Coordinator in Türkiye and the Embassy of Spain in Ankara co-hosted a high-level Policy Dialogue on Financing Sustainable Development on 24 June 2025 in Ankara.

Organized in close partnership with the Government of Türkiye, specifically the Ministry of Treasury and Finance (MoTF) and the Presidency of Strategy and Budget (PSB), the Policy Dialogue aimed to bring together a diverse group of stakeholders, including representatives from UN Entities, key bilateral and multilateral donors, international financial institutions, development banks, private sector actors, and academic institutions. The event served as a strategic platform to assess Türkiye's progress in aligning financing flows with the SDGs, identify innovative financing mechanisms, and foster inclusive partnerships that can support a more resilient, equitable, and sustainable national development pathway.

Aligned with the priorities of the AAAA and the FFD4 Conference, the Policy Dialogue focused on several key objectives.

### These included consultations on:



- Innovative approaches to enhance domestic resource mobilization
- Promoting sustainable private investment
- Strengthening the role of development cooperation
- Addressing systemic challenges in the global financial architecture that impact upper middle-income countries like Türkiye



## 5. Key Takeaways of the Policy Dialogue

The Policy Dialogue highlighted the urgent need to move beyond traditional funding mechanisms and embrace more strategic, outcome-oriented models that align financial flows with long-term sustainability objectives.

### 5.1. Strategic Approaches for Public Finance Effectiveness



#### SDG-Aligned Budgeting and Fiscal Policy

Integrating sustainability metrics into national budgets is a powerful way to direct public spending toward priority areas. Performance-based systems that track SDG-related expenditures enhance accountability and impact. Linking budgets to measurable outcomes in education (SDG 4), clean energy (SDG 7), and infrastructure (SDG 9) ensures resources are used effectively. Gender-responsive budgeting is another key innovation, helping address inequalities through targeted fiscal policies. For example, every dollar invested in early childhood programs can yield up to \$13 in long-term economic benefits, highlighting the value of child-focused budgeting.

#### Innovative Public-Private Collaboration Models

Blended finance has proven effective in de-risking investments for sustainable infrastructure and renewable energy by combining concessional public funding with private capital. These mechanisms attract commercial investors to high-risk sectors. Guarantee instruments and first-loss provisions can leverage public funds up to tenfold. Outcome-based tools like social impact and sustainability-linked bonds are gaining traction by linking returns to measurable social and environmental outcomes. Successful large-scale public-private partnerships in healthcare and transport offer replicable models for other development priorities.

#### Climate Finance and Resilience Building

Addressing the climate crisis requires innovative financing for both mitigation and adaptation. Tools like carbon pricing and green bonds are redirecting capital toward low-carbon transitions, while disaster resilience funds and parametric insurance help protect vulnerable communities. The “build back better” principle is shaping post-disaster recovery to support long-term sustainability. Climate-smart agriculture financing also shows how targeted investments can advance food security, rural livelihoods, and environmental goals.



## 5. Key Takeaways of the Policy Dialogue

### 5.2. Unlocking Private Sector Capital for Sustainable Development



#### Enabling Frameworks for Sustainable Investment

Regulatory reforms that mandate ESG reporting mandates and tax incentives are effectively steering private capital toward SDG-aligned projects. Sustainability-linked financial products like transition bonds and green loans are growing rapidly as businesses align with sustainability goals. The development of standardized impact measurement is key to ensuring credibility and comparability. Digital platforms connecting investors with vetted projects are also reducing information gaps and transaction costs, especially for SMEs.

#### Scaling Impact Investment Ecosystems

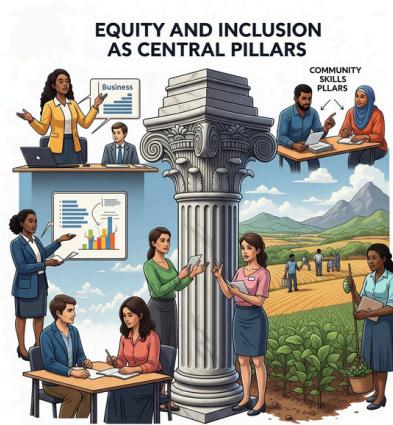
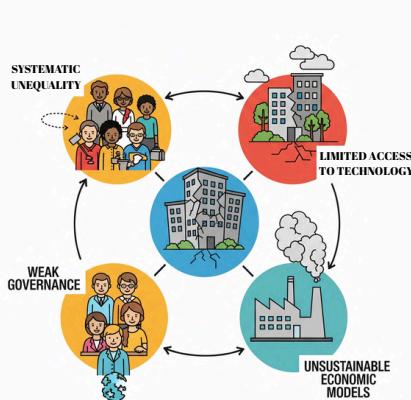
Impact investment marketplaces are effectively mobilizing private capital for social and environmental goals while delivering competitive returns. These platforms channel funds to underserved areas like refugee inclusion, gender equality, and climate adaptation. Advanced impact measurement now goes beyond compliance, capturing a broader range of outcomes to help investors make informed decisions and better communicate their impact.

#### Technological Innovation in Sustainable Finance

Digital transformation is reshaping sustainable finance through blockchain-based impact tracking, AI-driven analytics, and mobile lending platforms. These tools lower investment costs while boosting transparency and access. AI identifies high-potential opportunities in areas like circular economy and renewable energy, while big data enables more accurate measurement of social and environmental returns.

## 5. Key Takeaways of the Policy Dialogue

### 5.3. Cross-Cutting Priorities for Systemic Transformation



#### Addressing Structural Barriers

Fragmented policies and limited SME access to finance hinder the growth of sustainable finance. Streamlining regulations and fostering supportive environments for sustainable businesses require coordinated efforts across government and regulators. Building capacity in local financial institutions and public agencies is key to deploying and managing innovative financial tools effectively.

#### Multi-Stakeholder Collaboration Platforms

Effective sustainable finance initiatives often emerge from platforms that unite governments, IFIs, development banks, private investors, civil society, and academia. These partnerships help align priorities, share best practices, and co-design locally tailored solutions. Knowledge-sharing networks, especially through South-South and triangular cooperation, accelerate the spread of proven models across regions and sectors.

#### Equity and Inclusion as Central Pillars

Financing strategies must explicitly prioritize marginalized groups including women entrepreneurs, refugees, and rural communities to ensure truly inclusive development. Investments in the care economy and social protection systems are proving to be particularly effective in building resilient societies while creating economic opportunities. Targeted financial products designed for underserved populations, combined with financial literacy programs, can help bridge persistent gaps in access to capital.



## 5. Key Takeaways of the Policy Dialogue

### 5.4. The Path Forward: An Integrated Approach

Accelerating progress toward the SDGs requires a dual approach that simultaneously optimizes public finance systems and unlocks private sector capital. Public budgets must become more strategic in their allocation, using SDG-aligned frameworks to prioritize investments with the highest sustainability impact. At the same time, innovative financing instruments and enabling policies must be scaled to attract private capital at the required volume.

The transition to sustainable finance systems demands bold policy reforms, including the mainstreaming of ESG standards, creation of targeted incentives, and development of robust impact measurement frameworks. Technological innovation will play a crucial role in reducing costs and increasing transparency, while multi-stakeholder partnerships will be essential to align efforts and share knowledge.

Most importantly, the principles of equity and inclusion must remain at the centre of all sustainable finance initiatives. By ensuring that financial systems work for all members of society, we can create truly transformative change that delivers on the promise of the 2030 Agenda. The experiences and innovations emerging from various contexts demonstrate that with the right approaches, it is possible to mobilize the resources needed to achieve the SDGs while building more resilient, inclusive economies.



## 6. Reflections from the co-hosts at the Policy Dialogue



**The UN Resident Coordinator in Türkiye** Dr. Babatunde Ahonsi, highlighted the urgent need to close the \$4.2 trillion annual financing gap facing developing countries and called for bold, collaborative action to align financial flows with the SDGs and Türkiye's national development priorities. Emphasizing innovation, inclusion, and integration as key imperatives, he underscored the importance of leveraging both public and private finance, strengthening multi-stakeholder engagement, and seizing the economic opportunities of climate action. He reaffirmed the UN's support for Türkiye's sustainable development efforts and called on all stakeholders to transform today's dialogue into concrete action, particularly considering the global climate crisis and the huge SDG financing gap.

**The Ambassador of the Kingdom of Spain in Türkiye**, H.E. Ms. Cristina Latorre Sancho emphasized Spain's deep commitment to multilateralism, solidarity, and international financial reform ahead of the FFD4 in Sevilla. She highlighted Spain's new law on Sustainable Development Cooperation and Global Solidarity, which formalizes the goal of reaching 0.7% of GNI in ODA by 2030. The Ambassador underscored Spain's support for strengthening fiscal space for developing countries, backing a UN convention on international tax cooperation, and enhancing the role of national development banks. She also advocated for integrating gender equality in financial governance and proposed climate-responsive debt clauses. Lastly, she stressed the importance of data systems to ensure accountability and real impact in sustainable finance, expressing hope that Türkiye's contributions would enrich the global dialogue in Sevilla.



## 7. Reflections from the Panel Discussions

### 7.1. High-Level Plenary Session: Financing Sustainable Development: National and Global Perspectives

**Moderator, Dr. Burçhan Sakarya of Başkent University** opened the high-level panel discussion which focused on national and global perspectives for financing sustainable development.

**Mr. Kutluhan Taşkın, Vice President of the Presidency of Strategy and Budget**, reaffirmed Türkiye's commitment to integrating the SDGs into national development and budgetary planning. He noted that only 17% of global targets are on track for 2030, underscoring the urgency of action. Türkiye incorporates SDGs into its National Development Plans (NDPs) and sectoral strategies through inclusive processes. The 12th NDP (2024–2028) emphasizes macroeconomic stability, inclusive growth, green transformation, and climate action. The 2025 budget of \$350 billion prioritizes education, health, energy security, and disaster management. Taşkın also highlighted the need for innovative financing and broader stakeholder engagement to meet SDG targets.

**Mr. Kerem Dönmez, Director General for Foreign Economic Relations at the Ministry of Treasury and Finance**, emphasized Türkiye's strong track record in accessing and utilizing resources from IFIs. With over 75 years of collaboration with institutions like the World Bank, EBRD, and JICA, Türkiye secures critical financing, guarantees, and technical support for SDG-aligned projects. Guided by national planning and coordinated with the PSB, investments focus on infrastructure, energy, agriculture, and health. Strengthening institutional capacity and maintaining close cooperation with IFIs will be key to closing the development financing gap and advancing sustainable development priorities.

**Mr. Humberto Lopez, Country Director of the World Bank in Türkiye**, reaffirmed the Bank's strong partnership with Türkiye in advancing the SDGs amid global fiscal tightening, geopolitical uncertainty, and rising investment needs. With a \$23 billion portfolio aligned with Türkiye's priorities, the Bank supports transformative investments in energy, health, education, and infrastructure. As donor budgets tighten, innovative financing, especially guarantees that can unlock up to ten times their value, will be essential. Each dollar invested in IFIs generates about five dollars in development resources, underscoring the importance of continued multilateral engagement. Success will depend on efficiency, clean energy transitions, and macroeconomic stability, along with better communication of IFIs' value to sustain political support.



## 7. Reflections from the Panel Discussions

**Mr. Jurgis Vlčinskas, Deputy Head of Delegation of the EU in Türkiye**, emphasized that from the European Union's perspective, Türkiye remains one of the most significant ODA partner countries, and it recognizes the importance of aligning its development cooperation with Türkiye's ongoing reform efforts and national priorities within the framework of the Sustainable Development Goals (SDGs). While the overall EU budget for external action is under pressure, the effectiveness of its engagement must increasingly rely on strong policy dialogue and strategic use of resources. In this regard, the EU is prioritizing the green and digital transitions, climate action, and gender equality—areas where Türkiye is also making notable progress, including through reforms such as the forthcoming Climate Law. Looking ahead, enhancing the effectiveness and efficiency of EU assistance will depend on leveraging innovative financing instruments—such as blending, guarantees, and new forms of thematic bonds—and ensuring the private sector plays an active role in the development process. EU's focus will remain on ensuring that external support complements domestic resource mobilization, supports inclusive economic growth, and promotes women's empowerment and participation in the workforce.

### 7.2. Technical Panel #1: Public Finance for Sustainable Development: Partnerships and Innovative Instruments



**Ms. Zeliha Ünaldi, Deputy Country Director of UN Women Türkiye**, moderated the first technical panel on innovative partnerships and instruments to strengthen public finance for sustainable development. She also presented UN Women's flagship initiative on Gender Responsive Budgeting (GRB). Since launching a three-year EU-funded project in 2020, UN Women Türkiye has supported ministries and four pilot municipalities with technical assistance, advisory boards, and training for over 2,000 public officials—including MPs and senior managers—to integrate gender perspectives into budgeting. In 2024, it helped develop Türkiye's first GRB Strategy and Action Plan, embedding gender equality into national and local investment guidelines and positioning Türkiye among 23 countries implementing GRB.



## 7. Reflections from the Panel Discussions

**Mr. Faruk Cirit, Director General for Sectors and Public Investments at the Presidency of Strategy and Budget**, emphasized that Türkiye strategically uses public resources to advance sustainable development, guided by the SDGs. All pillars of the 12th NDP align with the SDGs, and public investments, totalling around 150 billion TRY, are prioritized based on sectoral goals, potential, and feasibility. Key sectors include transportation (with a strong focus on railways), education (SDG 4), sustainable infrastructure (SDG 9), climate action (SDG 13), agriculture, irrigation, and energy. Efforts are underway to improve budget efficiency and strengthen monitoring and evaluation. To close financing gaps and scale transformative projects, Türkiye is expanding engagement with IFIs and leveraging public-private partnerships (PPPs), with a PPP portfolio exceeding USD 100 billion. Energy investments, including renewables and efficiency in public buildings, make up 7.6% of the budget, reflecting a strong commitment to a greener, more resilient future.

**Mr. Kerem Dönmez, Director General for Foreign Economic Relations, Ministry of Treasury and Finance**, highlighted Türkiye's strong and innovative PPP framework, especially in healthcare and transportation. Projects like city hospitals and the Northern Marmara Highway show how PPPs can mobilize private capital and scale infrastructure. These ventures often begin with private financing and are backed by public banks and MDBs to ensure sustainability and risk-sharing. PPPs have been vital in earthquake-affected regions and offer a model for other countries. To boost MDBs' impact on the SDGs, their resources should be more actively leveraged through guarantees, blended finance, and co-investment strategies to attract private sector participation.

**Dr. Bengisu Özenç, Director of SEFIA**, emphasized the need for innovative financial instruments—such as green bonds, transition credits, and climate resilience funds—as Türkiye advances its climate policy, including carbon pricing and a forthcoming Green Financing Strategy. While green investment levels remain low, ensuring quality and inclusiveness is essential to avoid deepening inequalities. Public finance must play a catalytic role in de-risking climate investments through guarantees, concessional finance, and insurance tools. Türkiye's upcoming Climate Law and emissions trading scheme mark progress toward its NDC and net-zero goals, but more ambitious targets, regulatory clarity, and strong public-private models are needed to unlock capital and ensure a just, resilient transition.



## 7. Reflections from the Panel Discussions

**Ms. Malti Gandhi, Deputy Representative of UNICEF Türkiye**, highlighted the Public Finance for Children (PF4C) initiative, which aims to improve the quality and impact of public financial management for children, especially the most vulnerable. While increasing funding is important, PF4C emphasizes how resources are allocated and used. Research shows that every dollar invested in children can yield up to \$13 in long-term returns, particularly in early education, protection, and wellbeing. UNICEF works with governments and financial decision-makers to integrate child-responsive budgeting into fiscal policy, ensuring efficient use of domestic resources. By promoting targeted investments and child-centred analysis, PF4C supports sustainable growth and social equity.

**Mr. Liam Chicca, Country Director of International Fund for Agricultural Development (IFAD) Türkiye**, emphasized IFAD's focus on empowering smallholder farmers—especially women and youth—through innovative finance such as impact investing, risk-sharing, and digital tools. In Türkiye and beyond, IFAD partners with governments and communities to build resilience through climate-smart practices, biodiversity conservation, and improved market access. Initiatives like matching grants and small infrastructure projects support rural transformation. By showcasing agriculture's profitability and promoting pro-poor policies, IFAD attracts youth and investment. Successful models like the Konya Forum, shared through South-South and Triangular Cooperation, demonstrate how scalable investments in smallholder farmers can drive inclusive rural development.

**Mr. Daisuke Watanabe, Chief Representative of Japan International Cooperation Agency (JICA) Türkiye**, highlighted how innovative financial tools such as blended finance, green bonds, and PPPs, can strengthen infrastructure resilience and inclusive growth in disaster-prone countries like Türkiye. Through partnerships with municipalities (e.g., İzmir, Bursa, Kahramanmaraş) and the national government, JICA supports disaster risk prevention, including water management, early warning systems, and “build back better” reconstruction. These efforts combine risk assessments, resilient infrastructure, and real-time monitoring to reduce future shocks. Collaborations with the private sector and international partners enable scalable solutions, such as green bonds for climate-resilient projects. Türkiye's post-earthquake recovery showcases how blended finance and PPPs can align public and private investments to build long-term resilience and equitable growth.



## 7. Reflections from the Panel Discussions

### 7.3. Technical Panel #2: Catalysing and Unlocking Private Finance for the SDGs



**Ms. Ana María Rodríguez, Head of Communication Office Embassy of the Kingdom of Spain**, moderated the second technical panel discussion which focused on unlocking and catalysing private finance for sustainable development.

**Ms. Seçil Kızılkaya Yıldız, Vice CEO of Development Investment Bank of Türkiye (TKB)**, emphasized that, TKB is addressing Türkiye's pressing sustainability challenges—including its current 17% SDG achievement rate and the estimated \$6-10 trillion needed for net-zero transition—by prioritizing innovative financing tools such as sustainability-linked bonds, blended finance structures, and digital lending platforms to mobilize private capital. Aligning with strategic priorities like green infrastructure, SME resilience, and women's empowerment, TKB collaborates with multilateral partners (e.g., EBRD, IFC) to de-risk investments through guarantees and risk-sharing facilities, while ensuring impact is mainstreamed across all financing steps. Mandatory sustainability reporting for companies further enables inclusive planning, with TKB actively supporting care economy investments and gender-responsive financing—leveraging these requirements to scale innovative solutions.

**Ms. Şafak Müderrisgil, Chair of Etkiyap and the Chair of Impact Investing Advisory Board (EYDK)**, mentioned that, as a pioneer in impact investing, Türkiye is advancing innovative frameworks to align capital with sustainable development, particularly in high-priority areas like refugee integration, climate adaptation, and gender-inclusive growth. The establishment of Etkiyap (EYDK) – Türkiye's first impact investment platform, now scaling globally in partnership with GSG Impact's Global Steering Committee – demonstrates how blended finance and outcome-based models (e.g., impact bonds with the Ministry of Technology) can mobilize private capital while ensuring measurable results. With the domestic impact investment market projected to reach \$100M in 2024, TKB and partners emphasize impact measurement beyond compliance, using data-driven insights to optimize interventions like the upcoming second impact fund for disabled women. By leveraging multi-stakeholder coalitions and integrated ESG metrics, Türkiye is creating replicable models where investor returns align with verifiable social-environmental outcomes – from green infrastructure to inclusive livelihood programs.



## 7. Reflections from the Panel Discussions

**Mr. Serkan Valandova, Secretary General of YASED**, indicated that YASED plays a pivotal role in aligning FDI with Türkiye's SDG agenda by fostering new and innovative finance models that prioritize long-term, sustainable growth. With 36 countries and over 275 member companies, YASED facilitates peer learning and supplier development programs, enabling international investors to enhance local supply chains while advancing shared sustainability goals. The organization's emphasis on long-term investment perspectives—bolstered by its global expertise—helps overcome challenges in implementing enduring projects, particularly in green transition, digital transformation, and inclusive growth. By leveraging its large geographic experience, YASED strengthens Türkiye's position as an FDI hub, ensuring that foreign capital not only drives economic expansion but also accelerates progress in SDG-focused sectors like renewable energy, skills development, and SME resilience. This approach underscores FDI's strategic role in Türkiye's sustainable development policies, reinforcing its importance in the broader SDG agenda.

**Mr. Mehmet Üvez, Head of Ankara Office and Deputy Head of Türkiye Office of EBRD**, noted the Bank's pivotal role in mobilizing private finance for sustainable development since 2009. With an €8 billion annual budget, the EBRD supports renewable energy, municipal infrastructure, and SME competitiveness through tools like green bonds, risk-sharing, and digital lending. Partnering with 17 local financial institutions and offering long-term loans, the EBRD de-risks investments in climate finance and structural transformation. Initiatives like the Youth in Business Program and EU-backed guarantees, along with platforms such as the decarbonization investment initiative and concessional funding, are scaling impact in underfunded areas. Through technical assistance and multilateral partnerships, the EBRD ensures private capital aligns with Türkiye's SDG priorities, including preparation for the Carbon Border Adjustment Mechanism and climate adaptation.

**Ms. İrem Barzilay, Garanti BBVA Director for Sustainability and TÜSİAD Sustainable Finance Group Head**, stated that, as a key player in Türkiye's sustainable finance ecosystem, Garanti BBVA—backed by its global banking group's expertise—is pioneering innovative instruments like sustainability-linked loans, transition bonds, and AI-driven impact tracking to channel private capital toward renewable energy, green SMEs, and climate adaptation. In a challenging macroeconomic environment, partnerships with international financial institutions (IFIs) and tech-driven solutions (data analytics, blockchain) are proving critical for scaling impact—particularly in emerging focus areas like climate-smart agriculture. Through the TÜSİAD Sustainable Finance Working Group, the bank advocates for policy enablers such as standardized ESG reporting, tax incentives for green investments, and blended finance mechanisms to de-risk sustainable projects. By aligning mitigation and adaptation financing with national climate goals, while introducing tailored products for underserved sectors, Türkiye's banking sector can transform from a funder to a catalyst for systemic SDG progress.

**Ms. Şebnem Şahin, Chief Economist of UNDP Istanbul Regional Hub**, emphasized that while Türkiye maintains a strong Human Development Index (HDI) ranking, its SDG achievement lags, mirroring a global decline—particularly in the European and West Asia region. The key systemic barriers for Turkish SMEs and impact-driven enterprises include limited access to sustainable finance, fragmented policy frameworks, and insufficient market incentives for green transition. Drawing on UNDP's global experience, proven solutions like SDG-aligned procurement, blended finance facilities (like the upcoming Sevilla Facility for Ukraine recovery), and digital inclusion platforms could be adapted to Türkiye's context as a regional economic powerhouse. By collaborating with banks, the OECD, and other stakeholders, UNDP is advancing tools like the SDG Tag and Gender Tag to standardize impact measurement—ensuring private capital flows toward inclusive growth. As a facilitator, UNDP aims to bridge gaps between policymakers, financiers, and businesses to accelerate Türkiye's SDG progress while reinforcing its regional influence.



## 8. Annexes

### 8.1. Agenda

13:30 – 14:00	Registrations
14:00 – 14:15	<p><b>Welcoming Remarks</b></p> <p>HE. Dr. Babatunde Ahonsi, UN Resident Coordinator in Türkiye H.E. Ms. Cristina Latorre Sancho, Ambassador of the Kingdom of Spain in Türkiye Video Message from António Guterres, UN Secretary General</p>
14:15 – 15:00	<p><b>Plenary Session: Financing Sustainable Development: National and Global Perspectives</b></p> <p><b>Moderator:</b> Dr. Burçhan Sakarya, Başkent University</p> <p><b>Panellists:</b></p> <ul style="list-style-type: none"> <li>• Mr. Kutluhan Taşkın, Vice President, Presidency of Strategy and Budget</li> <li>• Mr. Kerem Dönmez, DG for Foreign Economic Relations, Ministry of Treasury and Finance</li> <li>• Mr. Humberto Lopez, Country Director, World Bank</li> <li>• Mr. Jurgis Vilcinskas, Deputy Head of Delegation, EU Delegation to Türkiye</li> </ul>
15:00 – 15:15	Break
15:15 – 16:15	<p><b>Panel #1: Public Finance for Sustainable Development: Partnerships and Innovative Instruments</b></p> <p><b>Moderator:</b> Ms. Zeliha Ünalı, Deputy Country Director, UN Women Türkiye</p> <p><b>Panellists:</b></p> <ul style="list-style-type: none"> <li>• Mr. Faruk Cirit, DG for Sectors and Public Investments, Presidency of Strategy and Budget</li> <li>• Mr. Mr. Kerem Dönmez, DG for Foreign Economic Relations, Ministry of Treasury and Finance</li> <li>• Dr. Bengisu Özenc, Director, SEFIA</li> <li>• Ms. Malti Gandhi, Deputy Representative, UNICEF Türkiye</li> <li>• Mr. Liam Chicca, Country Director, IFAD Türkiye</li> <li>• Mr. Daisuke Watanabe, Chief Representative, JICA Türkiye</li> </ul>
16:15 – 16:30	Positive Affirmations: Say 3 positive things
16:30 – 17:30	<p><b>Panel #2: Catalysing and Unlocking Private Finance for the SDGs</b></p> <p><b>Moderator:</b> Ms. Ana María Rodríguez, Head of the Communication Office Embassy of Spain, Ankara</p> <p><b>Panellists:</b></p> <ul style="list-style-type: none"> <li>• Ms. Seçil Kızılkaya Yıldız, Vice CEO, Development Investment Bank of Türkiye</li> <li>• Ms. Şafak Müderrisgil, Chair, Etkiyap, Chair, Impact Investing Advisory Board (EYDK)</li> <li>• Mr. Serkan Valandova, Secretary General, YASED</li> <li>• Mr. Mehmet Üvez, Head of Ankara Office, EBRD</li> <li>• Ms. İrem Barzilay, Garanti BBVA Director for Sustainability, TUSIAD Sustainable Finance Group Head</li> <li>• Ms. Şebnem Şahin, Chief Economist, UNDP IRH</li> </ul>
17:30	Closure



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**8.2. List of Participants**

#	Name	Title	Organization /Kurum
1	Abdu Djamanca	First Secretary	Embassy of the Republic of Guinea-Bissau
2	Agon Vrenezi	Ambassador	Embassy of The Republic of Kosovo
3	Ahmed Hamid Juhi Al-Saeedi	First Secretary	Embassy of the Republic of Iraq
4	Alev Örsel	Senior External Relations Officer	UNHCR
5	Ana María Rodriguez	Mrs	Spanish Embassy
6	Andrea Zoppo	Counselor	Italian Embassy
7	Angela Li Rosi	UNHCR Representative in Türkiye	UNHCR
8	Anja Maria Dahl	GIZ Türkiye Country Director	GIZ
9	Arthur Muhlen- Schulte	Dr.	UNHCR
10	Aşkın Çetinkaya	Strategy and Budget Specialist	Presidential Strategy and Budget Directorate
11	Bengisu Özenç	Ms.	Sustainable Economics and Finance Research Association (SEFIA)
12	Beril Kahraman	Assistant Expert	Ministry of Treasury and Finance
13	Berna Bayazıt Baran	Partnerships Development Specialist	UNDP IRH
14	Bülent Açıkgöz	Partnerships and Development Finance Officer	UN Türkiye - RCO
15	Mustafa Çadır	Programme Specialist	UN Women Türkiye
16	Celeste Mota	Director AICEP / Economic and Commercial Counsellor to Portuguese Embassy	Embassy of Portugal
17	César Augusto De las Casas Díaz	Ambassador	Embassy of Peru
18	Cristina Latorre Sancho	Ambassador	Embassy of Spain
19	Daisuke Watanabe	Chief Representative	JICA Türkiye Office
20	Damla Tufan	International Relations Manager	Union of Chambers and Commodity Exchanges of Türkiye (TOBB)



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#	Name	Title	Organization /Kurum
21	Danilo Rizzi	Regional Representative	UNODC Regional Office for South-Eastern Europe
22	Darkhan Beisenbay	Counselor	Embassy of the Republic of Kazakhstan in Ankara
23	Dipuo Bertha Letsatsi-Duba	Ambassador	South African Embassy
24	Dr. Babatunde Ahonsi	Resident Coordinator	RCO
25	Duran Şimşek	Senior Expert	Ministry of Treasury and Finance
26	Duygu Torun Temel	AA	RCO
27	Ebru Ağduk	Programme Specialist	UN Women
28	Ebru Can Vandoornmalen	Liaison Officer	UNODC ROSEE
29	Eden Matumba		Embassy of the Republic of Zimbabwe
30	Eduardo Pereira		Embassy of Portugal
31	Efe Can Özbay	Strategy and Budget Assistant Specialist	Presidential Strategy and Budget Directorate
32	Elif Gogus Nedimoglu	Associate Education Officer	UNHCR
33	Emine Kart	Research Officer	Australian Embassy
34	Emre Sakmen	Senior Partnerships Officer	IFRC
35	Erhan Sırt	Head of Department	Presidency of Strategy and Budget (PSB)
36	Ezgi Tunçay Kaya	Senior Expert	Ministry of Treasury and Finance
37	Feyza Eldeniz	Head of Department	Presidency of Strategy and Budget (PSB)
38	Francesca Mazzucco	Team Leader	EU Delegation to Turkiye
39	Füsün Boyar	Specialist	Presidential Strategy and Budget Directorate
40	Gerard Waite	Chief of Mission	IOM



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#	Name	Title	Organization / Kurum
41	Ghassan Moallem	Ambassador of Lebanon	Embassy of Lebanon
42	Gloria Owusu-Ansah	Counsellor	Ghana Embassy
43	Gülay Dincel	Senior Economist	Independent Consultancy
44	Gülbano Altunok Dertli	Programme Analyst	UN Women
45	Gustavo Alonso Campos Fallas	Ambassador	Embassy of Costa Rica
46	H.E. Didace Ntureka	Ambassador	Embassy of the Republic of Burundi
47	H.E. Theodore Bizakis	Ambassador	Embassy of Greece
48	H.E. Nadir Yousif Eltayeb	Ambassador	Sudan Embassy
49	Hugo Alcalá	Counsellor	Spanish Embassy
50	Hüseyin Özen	First Secretary	Directorate General for International Economic Affairs, Ministry of Foreign Affairs, Republic of Türkiye
51	Isabel Crawford	Second Secretary	Australian Embassy
52	José Luis Martínez y Hernández	Ambassador	Embassy of Mexico
53	Jurgis Vilcinskas	Mr	EU Delegation to Turkiye
54	Karina Arias Fonseca	Ambassador	Embassy of Panama
55	Keiko Bilgic	Head of Partnerships	UNICEF Turkiye
56	Li Peng Kok	H.E. Ambassador	Singapore Embassy
57	Liam Francis Chicca	IFAD	Country Representative
58	Malti Rajan Gandhi	Deputy Representative	UNICEF
59	María del Mar Medina Guasch	Cultural Affairs Assistant	Embassy of Spain
60	Mario Alberto Julio Granados	Economic Counsellor	Embassy of the Republic of Panama



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#	Name	Title	Organization / Kurum
61	Mehmet Ünal	Strategy and Budget Assistant Specialist	Presidential Strategy and Budget Directorate
62	Mehmet Uvez	Deputy Head of EBRD Turkiye and Head of Ankara RO	EBRD
63	Mohammed Ali Lazreq	Ambassador	Embassy of The Kingdom of Morocco
64	Shaiq Ahmed Bhutto	Deputy Head of Mission/Minister	Embassy of the Islamic Republic of Pakistan
65	Mürsel Akbulut	Head of Department (Climate Finance and Incentives)	Directorate of Climate Change
66	Mustafa Ali Yurdupak	Assistant Resident Representative (Programme)	UNDP
67	Nadir Yousif Eltayeb	Ambassador	The Embassy of the Republic of the Sudan
68	Nana Antwiwaa Dodoo	Charge d'Affaires	Ghana Embassy
69	Nazife Ece Karaduman	RM and Partnerships Analyst	UNFPA
70	Okan Polat	Strategy and Budget Specialist	Strategy and Budget Directorate
71	Philipp Rock	Head of Cooperation	German Embassy
72	Pınar Emine Gökgün	Operations Coordinator	Hayata Destek / Support to Life
73	Robert Poulson-Houser	Trade and Investment Officer	U.S. Embassy
74	Rodrigo Arcos	Ambassador	Embassy of Chile
75	Rousseau Stephanie	Programme and Coordination Officer	European Commission - Delegation in Turkiye
76	Şafak Müderrisgil	Chair	Impact Investing Advisory Board (EYDK)
77	Sara Jazaeri	Senior Project Manager	UNOPS
78	Sara Velayos	Cultural Assistant	Spanish Embassy
79	Seçil Yıldız	Executive Vice President	Development and Investment Bank of Turkiye



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#	Name	Title	Organization / Kurum
80	Seda Aydin	Director of Entrepreneurship and Innovation	Ankara Chamber of Industry
81	Selcen Altindoy	Senior Expert	Presidency of Strategy and Budget (PSB)
82	Selma Masic	Head of Partnerships	WFP
83	Serkan Valandova	General Secretary	YASED International Investors Association
84	Sinem Çapar Diriöz	Social Policy Specialist	UNICEF
85	Şule Yılmaz	Political Advisor	Embassy of Luxembourg
86	Süleyman Yılmaz	UNIDO Representative in Türkiye and Head of the Regional Cooperation Center	UNIDO
87	Tasnim Atatrah	WHO Representative	WHO
88	Tom Delrue	Head of Office	RCO
89	Tuba Burcu Senel	Senior Programme Officer	ILO
90	Tuba Coşkun	National Information Officer	UNIC Ankara
91	Tuba Yalim	Head of EU, Climate Change and International Organizations Department	Ministry of Treasury and Finance
92	Tuğçe Söğüt	Secretary General	Impact Investing Advisory Board (EYDK)
93	Tuna Evmez	International Relations Specialist	Union of Chambers and Commodity Exchanges of Türkiye (TOBB)
94	Vedia Ulak	Team Assistant	UNIDO
95	Yaifred Raquel Ron Aguilera	Undersecretary	Embassy of Venezuela
96	Yelda Devlet Karapınar	Senior Liaison and Policy Officer	IOM
97	Zeynep Demirez	Cooperative Education Student / Intern	Union of Chambers and Commodity Exchanges of Türkiye (TOBB)
98	Zeynep Ozkan	Partnership Officer	WFP