

ANNEXED DECLARATION

G7 Principles for Mutually Beneficial International Partnerships

Public domestic resource mobilization and public financial management

1. Given the importance of public domestic resource mobilization and public financial management in partner countries, we support shared principles and operational guidelines on this matter, together with Ministers of Development building on [joint IMF and World Bank expertise](#) (*the Joint Declaration is attached*) to support stronger and durable fiscal systems which are essential to long-term economic sovereignty and resilience. We also welcome that the Platform for Collaboration on Tax (PCT), including IMF, OECD, UN and World Bank, released the Concluding Statement of the Tax and Development Conference in Tokyo on March 2-3, 2026, which committed to supporting countries in strengthening their tax systems.

Measurement and reporting of financial flows contributing to development

2. We are supportive of the *G7 Declaration in Support of an Ambitious DAC Review* issued by Development Ministers, which calls on the OECD DAC to improve the measurement and reporting of financial flows contributing to development, from a partner country's perspective, as a complement to official development assistance (ODA). This should be carried out by making the most of all existing data systems, notably the OECD Creditor Reporting System (CRS), as well as the Total Official Support for Sustainable Development (TOSSD) and the International Aid Transparency Initiative (IATI) and with clear methodologies and safeguards against double counting. Interoperability between databases and cooperation between the DAC, TOSSD and IATI secretariats are essential.

Concessional resources

3. We stress that concessional resources are scarce and should be directed to where needs and impact are greatest. We recognize the importance of a disciplined, time-bound, targeted, and transparent use of concessionality to maximize development outcomes, preserve debt sustainability, additionality and avoid crowding out private capital, which also contributes to preventing undue distortions to competition among concessional finance providers, and among private investors and other projects participants. In this context, we welcome ongoing efforts by the multilateral development banks (MDB) Heads Group, led this year by the Asian Development Bank to do a stock-take of MDB's concessional instruments that will help lay the ground for further optimization and focus, and a review of blended finance practices in private sector operations, undertaken as an initial targeted exercise, with a view to potential replication across sectors, to help ensure that concessionality is appropriately reduced as markets mature. We will also endeavor to reflect these objectives in our engagement on the review of the International Development Association (IDA)'s long-term financial sustainability and during IDA-22 replenishment discussions. We

welcome the advances by the International Finance Corporation (IFC) in disclosing project-level concessionality and development rationale. We encourage progress by MDBs and development finance institutions (DFIs) to strengthen and align disclosure practices to enhance consistency and comparability across institutions. We also acknowledge initiatives such as the Catalytic Capital Repository to improve the visibility of concessional instruments, and encourage relevant institutions to join.

Private capital mobilization

4. We reaffirm the importance of private capital mobilization to the long-term financing of durable development at scale. We recognize the critical role of MDBs, DFIs and partner institutions, including national development banks, in fostering the enabling conditions and catalyzing investments, and supporting jobs creation, and we underscore the need to address the following enablers of effective and scalable delivery.

5. First, we emphasize the importance of high-quality, accessible and disaggregated data to reduce information asymmetries, and support informed investment decisions and risk pricing. We welcome the results achieved by the Global Emerging Markets Risk Database (GEMs) Consortium hosted by the European Investment Bank (EIB) and supported by IFC and encourage wider use and further expansion of disclosure to encompass both performance and risk data, alongside continued efforts to enhance comparability and usability. We also support complementary initiatives to broaden the availability and scope of cross-sectoral investment data related to EMDEs, including beyond MDB and DFI portfolios.

6. Second, we welcome progress in developing portfolio-based approaches, including originate-to-distribute and originate-to-share models, which can enhance capital efficiency and mobilize more private investment for development impact at scale. Together with scaling the provision of early-stage equity and risk mitigation instruments, these approaches would mean increasing the origination capacity of MDBs to strengthen high-quality project pipelines in the pursuit of strong development outcomes. We underline the importance of carefully managing associated trade-offs, and call on MDBs to apply these approaches in line with their mandates, balancing long-term financial resilience, appropriate risk taking, continued financial additionality and the ability to deliver development impact in more challenging markets and sectors.

7. Third, we welcome upstream initiatives that help EMDEs move beyond reliance on MDB asset origination and seek to develop scalable and standardized investment opportunities in EMDEs without exclusively relying on MDB assets. MDBs and DFIs can support these efforts through targeted technical assistance, structuring and market facilitation, consistent with their mandates and financial neutrality, and we welcome innovative, scalable and replicable approaches.

8. Fourth, we recognize foreign exchange risk as a key barrier to investment in EMDEs and call on MDBs to explore additional local currency solutions, including through

greater provision of hedging instruments, engagement in local markets and appropriate management of associated risks taken on their balance sheets, together with supporting country-led policy and regulatory reforms to develop deep, resilient and well-functioning local financial systems, and enhancing internal expertise dedicated to originating local currency projects.

9. Fifth, we welcome bilateral and multi-country initiatives to enhance private capital mobilization. We appreciate the catalytic role of such initiatives and encourage donors to consider these instruments when contemplating future investments.

International Development Finance Architecture

10. We recognize that the international development finance architecture has expanded significantly, exacerbating fragmentation, and contributing to overlapping mandates, higher transaction costs for partner countries, reduced efficiency, and suboptimal leveraging. We stress that improving system efficiency, effectiveness, delivery, coherence, and ease of access remains a priority. To this end, we stress the importance of clear shareholder and donor signals, in dialogue with EMDEs, to prioritize building on successful financing vehicles and consolidating them when appropriate, while restraining in the creation of new ones, including where appropriate by incorporating them within existing initiatives. We will endeavour to continue coordinating ahead of, and during, major replenishments to improve delivery, including by requesting greater interoperability, joint programming and simplification across institutions, where appropriate, with the aim of avoiding duplication and contributing to increasing impact of contributions, notably through improved private finance leveraging and scalability. While individual institutions have made some progress that we commend, we call for a step change in the speed and scale of such reforms by all MDBs and vertical multilateral funds.

11. We recall that many existing practical recommendations, including several of the recommendations developed under the Finance Track of the G20, show concrete pathways for achieving such changes. We welcome progress on mutual reliance arrangements, including full mutual reliance frameworks (FMRF), notably by ADB and the World Bank Group. We call for scaling up and replicating these approaches across MDBs we are members of, and DFIs where appropriate, through upward harmonization of standards and procedures, and more particularly to foster more efficient co-financing between MDBs. Also, we underline the importance of strengthening country-level coordination, in particular through effective country platforms that are country-led, voluntary and aligned with national strategies and priorities, including World Bank Group supported sectoral compacts. To do so, we call on all development institutions, to align incentives and operational modalities where appropriate to support joint policy dialogue, diagnostics, programming, and coordinated pipelines of bankable investments, as well as to step up the pooling of project preparation, technical assistance and readiness support, where requested by partner countries, with a view to avoid duplication and reduce administrative burdens.

12. We recognize the important role of public development banks and call for stronger coordination, including between vertical multilateral funds, multilateral, regional and national development banks, notably with the aim of improving development results by scaling up financing, particularly from domestic resources, and mobilizing the private sector by improving efficiency and allowing the use of a broad range of financial instruments, including innovative ones. We encourage stronger integration of regional and national development banks into country-driven approaches and country engagement alongside international financial institutions, as well as enhanced coordination among DFIs, including through platforms such as the D7¹, and note the effort of the Finance in Common network (FIC) in advancing concrete proposals to empower PDBs to fully play this role within such an integrated system, including by supporting their access to capital markets.

13. We encourage multilateral funds to broaden their donor bases, to identify new sources of funding, without affecting existing governance frameworks, and to reinforce approaches based on impact and key performance indicators.

¹ The D7 gathers the G7 Development Finance Institutions (DFIs) including the UK's British International Investment (BII), France's Proparco, Germany's Deutsche Investitions- und Entwicklungsgesellschaft (DEG), Japan Bank for International Cooperation (JBIC), Italy's Cassa Depositi e Prestiti (CDP), U.S. International Development Finance Corporation (US DFC), Canada's FinDev Canada, and the European Investment Bank (EIB).