

Bretton Woods at 80: Unfinished tasks and new challenges

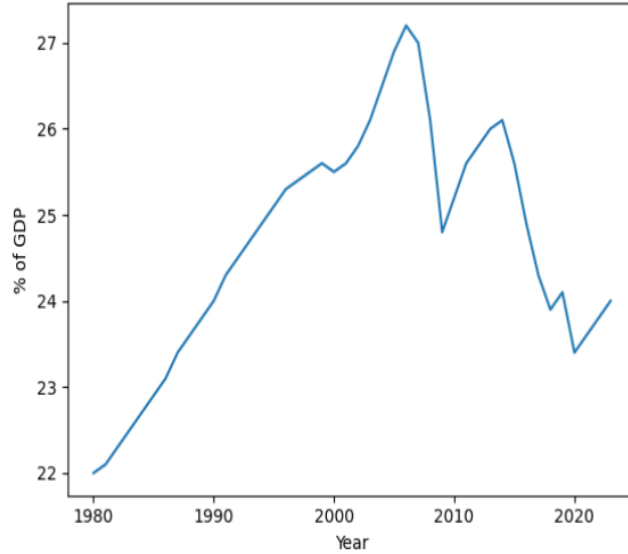
G24 Technical Group Meeting

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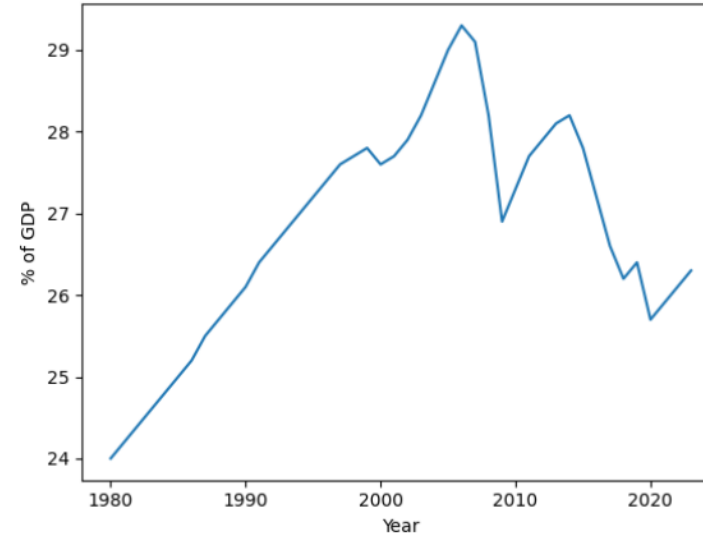
19 February 2026

Weakening investment performance

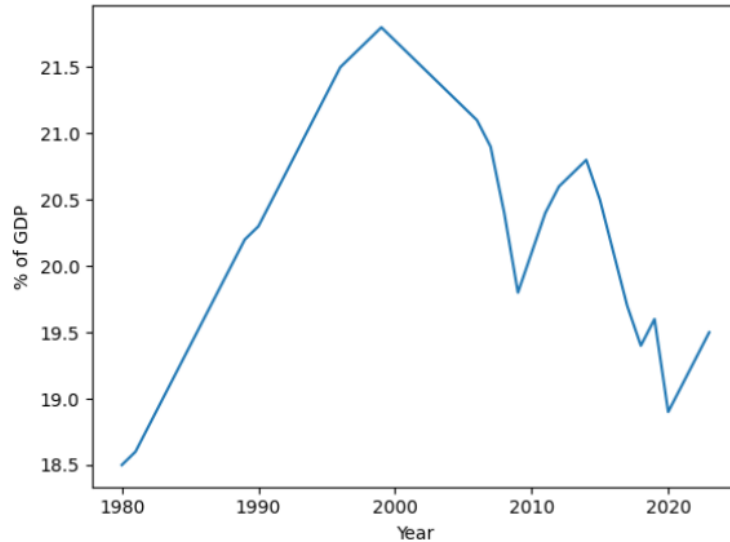
Gross Capital Formation (% of GDP)
EMDEs Excluding China (IMF WEO-Derived)



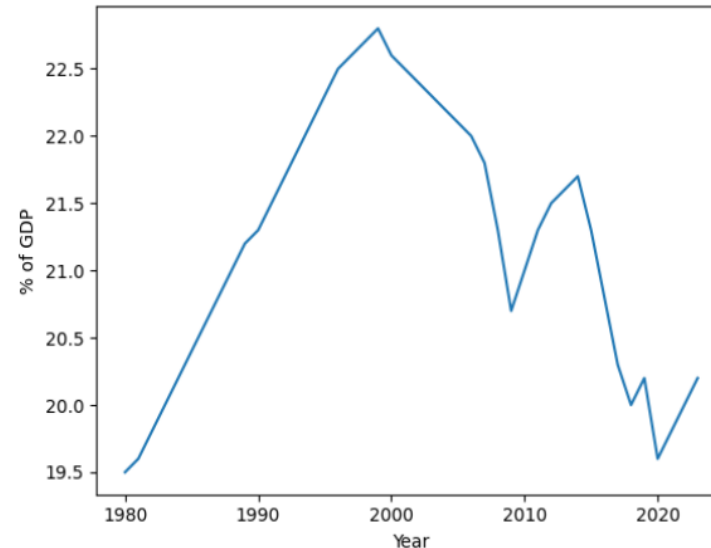
Gross Capital Formation (% of GDP)
Emerging & Developing Asia (Ex China)



Gross Capital Formation (% of GDP)
Sub-Saharan Africa (IMF WEO-Derived)

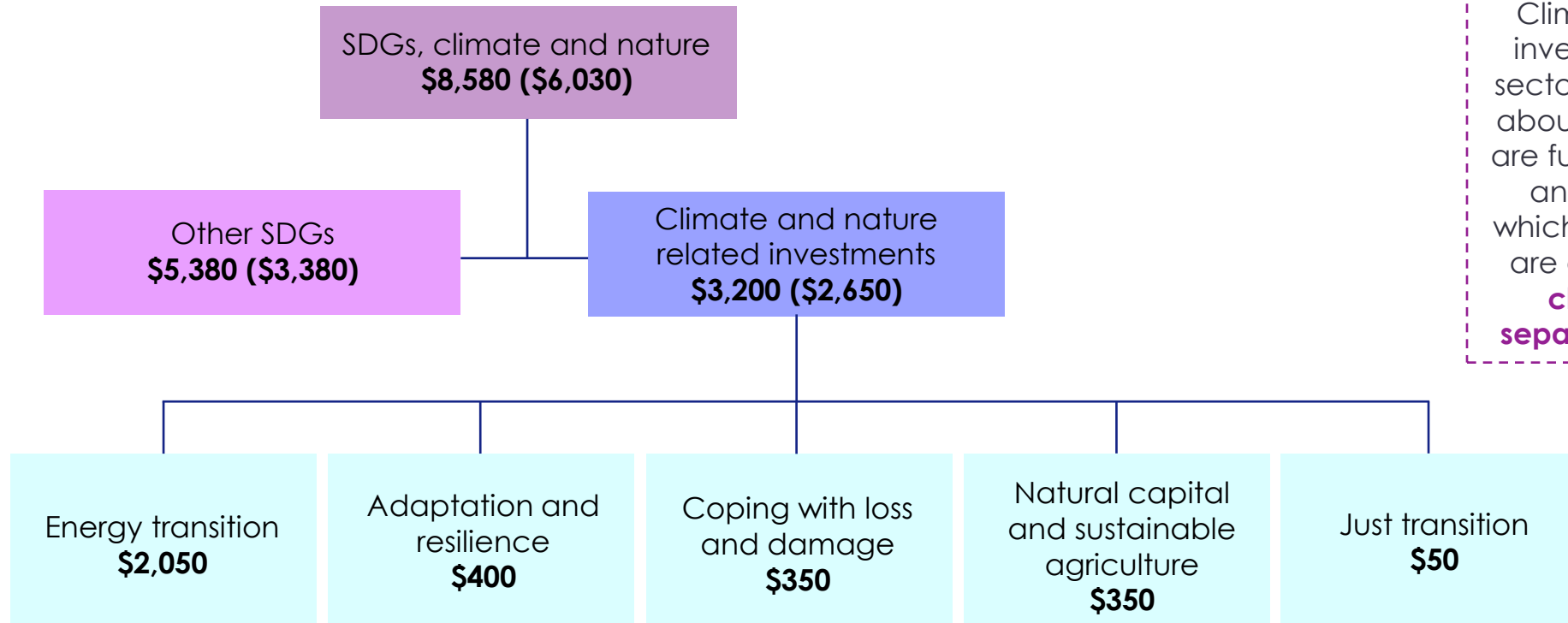


Gross Capital Formation (% of GDP)
Latin America & Caribbean



The investment imperative - 2035

Investment / Spending Requirements for Climate and Sustainable Development
(\$ billion per year by 2035, increment from current in parentheses)



Climate action requires substantial investment across all countries and sectors. These investments are not just about meeting climate targets – they are fundamental to economic growth and progress on the SDGs, within which the Paris Agreement objectives are embedded. **We cannot think of climate and nature finance as separate from development finance.**

Sources: Bhattacharya et al. (2023), G20 IEG Triple Agenda Report (2023)

Implications for IFA Reform

- ❑ Reform of debt architecture (workout mechanism, structured refinancing, borrowers' club, DSA reform)
- ❑ Responding to increased vulnerability and shocks (pre-arranged financing and contingency contracts, loss and damage)
- ❑ International tax cooperation to support domestic resource mobilization (tackle profit shifting, minimum tax thresholds, digital taxation, capacity building)
- ❑ Bigger, better, more effective MDBs (unfinished agenda: larger and more effective support for system transformation, CAF agenda and proactive capital increases, private finance mobilization, IDA+)
- ❑ Enhancing reach, stability and affordability of private finance (global financial safety nets, role of credit rating agencies, prudential regulation impacts, data on returns and risks, tackling cost of capital)
- ❑ Future of development cooperation (ODA and climate finance, South-South cooperation)
- ❑ New sources of concessional finance (SDRs, voluntary and compliance carbon markets, international taxation, private philanthropy)
- ❑ Voice and governance reform in a fractured world