



LATIN AMERICAN ASSOCIATION
OF DEVELOPMENT FINANCING
INSTITUTIONS

WORKING PROGRAM 2011-2012

AND

2011 GENERAL BUDGET

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ALIDE WORKING PROGRAM 2011-2012

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INTRODUCTION

According to the World Bank, Latin America and the Caribbean (LAC) GDP is estimated to have expanded 5.7% in 2010, therefore establishing LAC's economic recovery. This trend is likely to continue, but growth is forecast to slow down somewhat to around 4% in 2011. Nevertheless, serious risks related to the last financial crisis are expected —debt issues and weakness of the banking system in developed countries—; or to more recent issues such as political crisis in strategic regions that affect oil production and/or transport, or a decrease in food production as a result of more frequent and more devastating natural phenomena due to climate change.

In Latin America and the Caribbean, these risks result in an overall increase of prices, which means inflation has surpassed the expected figures. Local currency appreciation, due to massive entrance of foreign currency, alleviates inflation, but ends up affecting domestic companies competitiveness, especially that of the smallest enterprises. In view of this situation, regional governments started applying a series of measures to reduce consumption, credit growth and short-term capital net flow.

In this context, as the representative body for development banking, ALIDE's actions aim at developing a variety of activities in line with: world economic and financial trends; the financing of the region's economic, social and environmental development; as well as with policies, objectives and strengthening of development banking management.

Regarding public policies, the activities aim at analyzing what direction development banking actions will take in the long term, its contribution to the strengthening of Latin-American economies' international competitiveness, the coordination and relation with the body that governs currency and financial policies that affect its activity, as well as those policies and actions implemented by the State, in particular by development banking, to facilitate financial inclusion. In turn, when addressing specific activities by productive and social sectors, exchange of experiences and best practices in development financing, innovation of financing products, entrepreneurs development, and other related topics, will take priority.

Regarding development banking funding, the modalities and instruments used by development banks to finance social and productive activities stand out. In addition, there are also the business and investment promotion actions promoted by ALIDE through business missions and seminars attended by extra-regional development banking—Germany, Canada, China, Spain, India and Sweden—in order to strengthen financial cooperation, to exchange good practices and to favor investment inflow toward the region.

ALIDE's work also focuses on management strengthening, development of human capital capacity and banking risk management and administration, which contributes to the improvement of social inclusion and the efficient increase in financing coverage, while at the same time ensuring sustainability of development financial institutions.

The Association's Working Program is instrumented in the following modalities: technical meetings, bankers missions, training and development courses and seminars, financial and economic studies, information supply, etc., which are possible thanks to the active participation of member entities in coordination with international bodies and cooperation agencies.

SERVICES RENDERED BY ALIDE

In order to fulfill its mission, goals and functions, ALIDE has a variety of services available to its members, which are carried out through institutional, national and international programs, projects and activities:

- Technical meetings: such as seminars, regional meetings, forums, round tables, etc., oriented to gather new points of view and ideas on subjects related to operational practices and policies, and on the administration and management of development financial institutions.
- Studies and Research: systematic analysis with a pragmatic approach on development financing, constituted as relevant reference material that contributes to the adoption of policies and operational practices in development banks and to the design of strategies adequate for their functions.
- Training: knowledge updating seminars and courses, face-to-face and virtual, for managers, professionals and technicians from financial institutions, promoting exchange of experiences and good practices regarding operational policies, and development promotion and financing instruments.
- Consulting services: ALIDE offers quality consulting services to public, private and international development financing and entrepreneurial development institutions through a broad Network of Experts.
- Identification of business opportunities and promotion of projects and investments: ALIDE collects information continuously about projects financing institutions wish to promote and about the main characteristics of and conditions for the participation of external funding sources. This includes the identification and compiling of projects and business opportunities and promotional efforts with international financing and investment institutions.
- Technical assistance and training: the Association organizes specialized advisory programs for the preparation of diagnoses and the monitoring of the institutions' operating processes by holding workshops and seminars and offering internship opportunities that enable trainees to interact "in situ" with the actual managers of financial programs and services of development banks.
- Information and documentation: ALIDE makes bibliographic material and technical documentation available to its members through the Latin American Documentation Center (CEDOM). The Information Network (RIALIDE), which congregates specialized documentation centers and maintains a broad and dynamic database for regional exchanges and dissemination supports this effort.
- Publications: ALIDE promotes the publications that due to their quality, innovativeness and importance constitute substantial contributions for the benefit of development banking.
- News monitoring and dissemination: ALIDE keeps development financial actors updated with sector-related news and relevant information on the activities carried out by the association and its members. To guarantee a fast exchange of information, ALIDE uses, among others: the ALIDE Magazine, the bulletin AlideNoticias, electronic bulletins, such as E-Banca and E-News (in English), website, Virtual Library, Facebook and Twitter.

1. PUBLIC POLICIES AND DEVELOPMENT FINANCING

Technical meetings

➤ **ALIDE 41st Regular Meeting of the General Assembly “Towards the Increased Competitiveness and Integration of Latin America and the Caribbean: the Contribution of Development Banking”**

To improve competitiveness and productivity needed to increase the participation of the region in highly competitive global markets, this meeting will analyze strategies and policies oriented to improve entrepreneurial competitiveness and development banking new approaches and good practices. This will be accomplished through: the promotion of SMEs competitive development, support to entrepreneurial innovation and incorporation of technology, and the development of the adequate physical and productive infrastructure required for a competitive economy.

Place and date: Asunción, Paraguay, May 19 and 20, 2011.

Organizers: ALIDE / Banco Nacional de Fomento / Agencia Financiera de Desarrollo / Crédito Agrícola de Habilitación / Banco Central del Paraguay.

➤ **Seminar BDC/ALIDE for LAC Development Bankers**

This Seminar will be carried out on March 26, 2011, on the occasion of the IDB Annual Meeting of the Boards of Governors, which will take place in Calgary, Canada. The Business Development Bank of Canada (BDC) will host this Seminar, and it is only for the top executives of the banks members of ALIDE attending this Meeting. The purpose of the seminar is to exchange experiences and criteria on current matters of development financial institutions management such as: banks performance and strategic lines of action; development banking and government relation; social and environmental responsibility; corporate governance; innovation and technology.

Place and date: Calgary, Canada, March 26, 2011.

Organizers: ALIDE / Business Development Bank of Canada.

➤ **The Relationship between Central Banking and the Public Development Banking: Coordinating Monetary and Financial Policies**

Coordination is necessary between financial and monetary policies in the promotion and financing of social and productive sectors, whether credit offer or resource funding, in order to better achieve development goals with a healthy macroeconomy. Some of the aspects to be addressed in this meeting are: impact of credit management and solvency and strength risks of the financial system, currency stability and interest rate establishment; feedback mechanisms of credit operations with exchange rate policies and of monetary policies with credit operations; financial education promotion, among others.

Place and date: II semester, 2011 (Place to be defined).

Organizers: ALIDE / jointly with Center for Latin American Monetary Studies (CEMLA).

Studies and Research

➤ **Basic study ALIDE 41: “Contribution of development banking to the improvement of regional competitiveness”**

This document will analyze, on the one hand, national policies, strategies and programs that aim at fostering the improvement of national economies' competitiveness; and on the other hand, the different financial or non-financial programs and initiatives that are being promoted by development banking in favor of social and productive sectors, which will make possible for the countries of the region to grow and develop.

➤ **Financial Inclusion and Literacy**

This document will examine the strategies, modalities, programs and products that development financial institutions are implementing to facilitate access to formal financial services to those segments of the population, projects, enterprises or local governments that are not subject to credit and whose potential is limited due to a lack of financing.

➤ **Report on the Situation and Performance of Development Banking in Latin-America**

This report will evaluate and analyze the main features and characteristics of the financial and operational performance and situation of DFIs up to 2010. Assets structure, funding sources, portfolio structure based on sector, term and size of the company, income and expenses structure, profitability, past-due portfolio, etc., will be analyzed.

Training in Best Practices in Development Banking

➤ **Seminar-Workshop on organization model in development banking: wholesale and retail**

Promote the exchange of knowledge and methods for the design of development banks organizational structure focused in its target market in order to be competitive and generate value. To that end, wholesale and retail development banking organization models will be analyzed in order to boost their advantages and virtues and to contribute to the improvement of its organizational capacity.

Place and date: Río de Janeiro, Brazil, October 4-7

Organizers: ALIDE / Banco Nacional de Desenvolvimento Econômico e Social (BNDES)

2. FINANCING SOCIAL AND PRODUCTIVE SECTORS

2.1. AGRICULTURAL AND RURAL

The new trends of development banking oriented to the agricultural and rural sector highlight the importance of addressing this issue with a comprehensive approach in order to promote its development and disseminate financial services. In this new vision, the supply of innovative services and products for financing, management and administration of risks, for the incorporation of in-situ technologies, with an institutional and environmental sustainability approach, sets the future pace for development financial institutions. .

Technical meetings

➤ **ALIDE Technical Committee Meeting for the Financing of Rural and Urban SMEs**

ALIDE Technical Committee Meeting for the Financing of Rural and Urban SMEs will meet on the occasion of ALIDE 41st Regular Meeting of the General Assembly, to analyze and exchange criteria and experiences on risk management and minimization in the financing of rural and urban SMEs, oriented to broaden credit access to this sector, with a healthy operational and financial performance.

Topics to be analyzed: What approach has development banking taken regarding risk minimization in the operation with rural and urban SMEs? What products, schemes and instruments have shown good results? Are alliances with non-banking financial intermediaries an alternative for risk minimization? How are microfinance technologies helping to reach this goal? In addition, priorities will be set for the development of ALIDE activities in the sector through the joint effort of the Association member institutions.

Place and date: Asunción, Paraguay, May 20, 2011

Organizers: ALIDE / Banco Nacional de Fomento / Agencia Financiera de Desarrollo / Crédito Agrícola de Habilitación / Banco Central del Paraguay.

Studies and Research

➤ **Innovative Instruments for Agricultural and Rural Financing**

The report studies the agricultural and rural financing trends, and it also surveys and analyzes the newest financial innovations in the development banking segment to promote financial (credit, insurance, warrants, coverage) and non-financial (technical assistance, information) services to the agricultural and rural sector.

2.2. SMALL AND MEDIUM ENTERPRISES

One of the main goals of development banks is to render services to micro, small and medium enterprises; therefore, the working program will concentrate in four areas: micro finances, promoting overall good practices exchange; SMEs financing, which includes funding, technology innovation, commercial management and new products; entrepreneurial development, constituting non-financial services for the sector (training, information, etc.); and the innovations of the funds and guarantee systems' mechanisms and instruments.

Technical meetings

➤ **XVI Ibero American Forum on Guarantee and Financial Systems for the Micro and SME**

Together with the Ibero-American Guarantee Network (REGAR) and the Latin American Economic System (SELA), through its IBERPYME Program, ALIDE will organize this intercontinental forum, with the participation of Ibero-American and foreign experts, who will exchange innovations and good practices implemented by institutions and guarantee systems in the financing of MSMEs .

Current frameworks and legislative reforms; public and institutional policies for the provision of guarantee services, and the role of international cooperation to support national guarantee systems will be examined.

Place and date: San José, Costa Rica, September 8-10, 2011.

Organizers: REGAR / ALIDE / IBERAVAL / SELA-IBERPYPME / Ministry of Economy, Industry and Trade, and Sistema de Banca para el Desarrollo de Costa Rica.

➤ **Latin American Meeting on Financing Micro, Small and Medium Enterprises**

MSMEs, in order to achieve consolidation and external projection in a context of ever changing markets, require permanent modernization efforts regarding production, trade and entrepreneurial management so as to improve their competitiveness. For that purpose, DFI should continuously adapt financial or non-financial products and services—consultancy, training, information, business platforms, etc.—to the needs of these companies.

The purpose of this meeting will be to identify and examine current approaches for MSMEs financing that include DFI novel programs and good practices, so that they can be used as reference for the design and adaptation of new financial products and complementary services.

Place and date: Santo Domingo, Dominican Republic (date to be defined).

Organizers: ALIDE / sponsorship and support from the Banco Nacional de Fomento de la Vivienda y la Producción (BNV) will be requested.

Studies and Research

➤ **Technical Document “Investment Financing: Experiences of development banking”**

It reviews development banking investment financing via capital participations in their different modalities, Seed capital, Angel Investments, Risk Capital, focusing in operational and financial characteristics. Some of the important cases include Banco Nacional de Desenvolvimento Econômico e Social (BNDES) from Brazil, Banco de Comercio Exterior from Colombia (BANCOLDEX), Corporación de Fomento de la Producción (CORFO) from Chile and Nacional Financiera (NAFIN) from Mexico

Internships

➤ **Development Banking in Peru: COFIDE experience in financing, entrepreneurial development and social inclusion**

The objective is to share COFIDE—Corporación Financiera de Desarrollo S. A.—experience in financing, entrepreneurial development and social inclusion. The

Corporation policies, strategic guidelines and good practices in financing micro, small and medium enterprises will be examined, as well as the development of non-financial programs oriented to competitiveness, formalization and banking of these sectors. The internship includes a field visit to the City of Lambayeque to experience the Inclusive Rural Entrepreneurial Development Program (Prider), a model that seeks to integrate and incorporate rural families in extreme poverty into the market and into financial access.

Place and date: Lima, Peru, June 14-17, 2011.

Organizers: ALIDE / Corporación Financiera de Desarrollo S.A. (COFIDE).

Training in Best Practices in Development Banking

➤ **Commercial Management for Micro Finance Institutions in Latin America**

The participants will have the chance to learn the most recent commercialization methods in the market of micro finances, to use techniques and processes to reach the expected level of allocations, with a risk measure adequate for the sector. For this purpose, the techniques for the design of a segmented commercial strategy; the development of a product mix applying a co-creation methodology; the development of programs for the observation, listening and attention of customers, and customer loyalty programs will be combined.

Place and date: Santo Domingo, Dominican Republic, March 21 to 24.

Organizers: ALIDE/Banco Nacional de Fomento de la Vivienda y la Producción (BNV).

➤ **Excellence Integral Management for Latin American Micro Finances Institutions**

The objective is exchange experiences on methodologies to implement an excellence management for microfinance that makes possible to conduct, organize and direct the multiple aspects of the business in an integrated way, as a permanent working method with positive results. For that purpose, a basic conceptual framework of excellence and quality management will be provided through the presentation of successful and innovative experiences, and all the critical factors will be addressed: risk, market and customers, human capital, processes and strategic planning.

Place and date: Asunción, Paraguay, July 19-22.

Organizers: ALIDE / Banco Nacional de Fomento (BNF).

➤ **Strategic Planning and Management Indicators (Balanced Scorecard) for Microfinance Institutions**

The Balanced Scorecard is one of the most efficient tools for implementing the strategic plan of an enterprise. Management using only financial indicators leads to an excessive emphasis on short-term results; therefore, there is a need for non-financial indicators that, when supported in the Balanced Scorecard methodology, help to create a true medium and long term value for the microfinance institutions. The most recent experiences of Latin-American banks and financial institutions will be presented.

Place and date: Lima, Peru, August 23 to 26.

Organizers: ALIDE / INDE Consulting Chile.

Distance Training (E-Learning ALIDE)

➤ **Credit Risk Management for Financial Institutions Valuators**

During this course, the participants will have a clear view of risk specialized management in the industry of micro finances, from the theory to its application as a management tool. For such purpose, the course will cover all the stages of credit risk management, from the basic ideas, to the process and evaluation methodology, to relevant topics in collection procedures in their different phases.

Date: July 4 to August 13.

Workshop Advisory

➤ **New Banking and Guarantee Products for SMEs**

An essential component for the feasibility of SMEs credit demands are the guarantees backing the credits granted by development banking and financial intermediaries; as well as the offer of financial instruments according to SMEs needs. For this purpose, it is necessary that development banking and guarantees entities implement strategies and actions to provide financial and technical assistance to the companies, to ensure sustained development and participation in the product market, and to achieve diversification and risk mitigation in its portfolio. Financial products such as factoring, trusts, asset securitization, and the different models of guarantees and counter guarantees will be examined. The topics will be presented by financial institutions' experts that have experience on good practices regarding financial instruments. In addition, the participants will receive personal advisory and technical orientation from the attending institutions.

Place and date: Quito, Ecuador, 3Q 2011.

Organizers: ALIDE / Corporación Financiera Nacional (CFN).

2.3. INFRASTRUCTURE AND HOUSING

Technical Meetings

➤ **ALIDE Housing Finance Technical Committee Meeting**

During the last years, Latin America has shown a significant progress in its housing deficit reduction programs. However, the housing deficit of the poorest sectors is far from solved, therefore it is necessary to strengthen and project the region's housing finance systems in order to expand the poorest sectors' property offer and access, by using the updated schemes, programs and instruments, with the participation of the private sector. In this context, the committee meeting will analyze the recent development on housing promotion and financing that favors the increase of real estate offers and decentralization in line with the population's distribution and the development of urban centers. Likewise, the meeting will define the priorities for the development and execution of the ALIDE Working Program in support to development banking that participates in housing finance and development.

Place and date: Asunción, Paraguay, May 20, 2011

Organizers: ALIDE / Banco Nacional de Fomento / Agencia Financiera de Desarrollo / Crédito Agrícola de Habitación / Banco Central del Paraguay.

➤ **Latin-American Meeting on Housing Finance**

The goals of this meeting are to strengthen the housing financial system so as to expand credit access for housing in the most lacking populations; therefore, the Latin-American Meeting on Housing Finance will aim at examine new resource mobilization programs, mechanisms and instruments that mainly promote housing investment for the low income segment of the population.

Regarding housing and urban development, solutions on basic infrastructure and services financing that generate productive development and growth of cities and urban centers will be analyzed, with the participation of local governments and the private sector.

Place and date: Brasilia, Brazil, (date to be defined).

Organizers: ALIDE / sponsorship and support from the Caixa Econômica Federal (CEF) will be requested.

Studies and Research

➤ **Technical Report: Resource Mobilization for Financing Infrastructure in Latin America and the Caribbean**

The report will analyze the experiences of development banking in financing and resource mobilization for financing infrastructure and local development; as well as the instruments used, and joint initiatives for financing infrastructure projects for regional integration.

Internship

➤ **Financing Programs for Social Investment in Low Income Populations**

La Caixa Econômica Federal (CEF) stands out as the main operating agency of the Brazilian federal government resource transfer programs. This institution contributes with local development and income distribution in Brazil. It also plays an important role in housing finance, mainly destined to the segment of low income families. Within this framework, the internship will show the main social programs driven by CAIXA in collaboration with municipalities and other public offices, to support the development of housing of the most lacking populations in Brazil, the reduction of social inequalities, and social inclusion. The scopes and results of the Programs “Bolsa Família” (transference of resources with conditions aimed at families, to fight poverty), Fair “Casa Própria”, among others, will be examined.

Place and date: Brasília, Brazil, 4Q 2011.

Organizers: ALIDE / Caixa Econômica Federal (CEF).

2.4. TOURISM

Tourism is strongly related to development, since it provides economic, social and cultural benefits as it impacts in the generation of jobs, inflow of foreign exchange, development of infrastructure and the creation of chains of production related to this industry. DFIs must increase their support to this sector through programs and specific financing facilities, as well as through mechanisms that promote private investment with the participation of international funding sources. In this context, ALIDE’s actions aim at promoting exchange of experiences and good practices regarding tourism related financing, and at studying sustainable development issues, as well as its liaison and joint action with international bodies in favor of tourism development.

Meetings

➤ **2nd Latin American and the Caribbean Meeting on Tourism Financing and Development**

As per the agreements reached in the first meeting, which took place in Quito, Ecuador, in November, 2010, the second meeting will take place in Cancún, Mexico, in September 2011, with the collaboration of ALIDE Mexican member institutions. A subject to be addressed will be the comprehensive approach to support tourism development, taking into consideration the following aspects: financing, marketing, logistics, technology; as well as positioning of the region as a premium tourist destination with the support of development banking, specialized international bodies, policy makers and industry actors.

Place and date: Cancún, Mexico, September, 2011 (date to be defined).

Organizers: ALIDE / ALIDE Mexican member institutions.

Studies and Research

➤ **Policies, Strategies and Financing for the Development of Tourism in Latin America and the Caribbean**

The study will analyze the evolution, situation and nature of tourism in Latin America and the Caribbean; the policies and strategies implemented by the countries to promote the development of this sector, as well as the financial programs from development financial institutions for the creation of tourist centers; the expansion of infrastructure for tourism, and the strengthening and creation of chains of production; the support to tourist businesses or those related with the sector, among others.

2.5. INNOVATION AND TECHNOLOGICAL DEVELOPMENT

In order to improve international competitiveness, technological development and innovation must be the central focus in our countries' economic and entrepreneurial agenda, and it is also essential to intensify the implementation of promotion and financing programs and instruments. Therefore, an exchange of knowledge and practices on financial institutions' new direction promoting productive transformation and international competitiveness based on technological development and innovation, will take place.

Meetings

➤ **Latin American Seminar on Financing Innovation and Technological Development**

The objective of the seminar is to strengthen the different promotion and financing mechanisms for entrepreneurial innovation and technology incorporation needed to improve the regions productive levels. In this seminar, public policies strategies currently being implemented in Latin American countries regarding innovation, science and technology, as well as the different participation approaches and development banking instruments supporting this process, will be analyzed.

Place and date: Place to be defined.

Organizers: ALIDE / sponsorship and support from the Financiadora de Estudos e Projetos (FINEP) will be requested.

Studies and Research

➤ **Technical Document “Institutions, Policies and Financing for Innovation and Technological Development in Latin America and the Caribbean ”**

The objective of the document is to examine the institutional system—institutions, legal framework, policies, among others—existing in the countries of the region, as well as the program lines or financing funds of development banking and countries in general, to enhance innovation and entrepreneurial technological development, in order to increase competitiveness with regard to environmental efficiency.

2.6. CLIMATE CHANGE AND ENVIRONMENTAL SUSTAINABILITY

Within the framework of an urgent global agenda, Climate Change and Environmental Sustainability are a challenge to all countries and institutions. Due to their strategic positioning in medium and long term financing, and their attention to faults and markets creation, as well as to their dissemination capacity in local credit markets, development banks play a main role in the generation of environmental or “green” financial products, and therefore lead the creation of an environmental financial culture while advising their government in the development of strategies, schemes and instruments.

ALIDE, aware of its importance, intends to support those DFIs' financial and operational capabilities that aim at broadening their influence in climate change mitigation and adaptation, and at environmentally sustainable processes through their operations.

Technical meetings

➤ **ALIDE Technical Committee Meeting on Environmental Financing**

During this meeting, efforts will focus in defining ALIDE priority actions to support DFIs role in the conservation of the environment and the fight against climate change in the region, through the participation in carbon offsets markets and other schemes, social and environmental risk management, and the cooperation of international bodies.

Place and date: Asunción, Paraguay, May 20, 2011.

Organizers: ALIDE / Banco Nacional de Fomento / Agencia Financiera de Desarrollo / Crédito Agrícola de Habilidadación / Banco Central del Paraguay.

➤ **Latin-American Seminar on Development Banking and Environmentally Sustainable Investments**

DFIs have a double responsibility in the development of isolated regions and areas that are special due to their richness in natural resources, such as the Amazon regions in South America, the ecologic areas in Central America, etc., since they invigorate investments for development while making sure that these are socially and environmentally sustainable; therefore helping to create adequate business models and standards.

This seminar will analyze how to promote more investments in such regions, while offering a space for business management among financial institutions, project developers and investors.

Place and date: Belém do Pará, Brazil, 1st semester, 2011.

Organizers: ALIDE / Banco da Amazônia.

Studies and Research

➤ **Development Banking y Financing against Climate Change**

The document will analyze the experience of various DFIs regarding financing against climate change, and for that reason, besides making a review on the new scope of application of the carbon funds, the new financial schemes and instruments currently used to achieve this (mitigation and adaptation) goal will be commented on. Likewise, new ways of promoting investment for emission reduction programs and projects, at local financial system levels, will be explored.

Development Bankers Mission

➤ **Mission of Top Executives from Development Banks to KfW Bankengruppe**

The objective of the program is to share the experiences of KfW Bankengruppe (German wholesale development bank) with regard to development banking, public policies and government; their financial management and practices; the promotion and financing of small and medium enterprises; their credit activity focused on the protection of the environment, among other relevant topics. The program will be carried out in English and is aimed at top directors and managers with a high-intermediate level of responsibility in development banks members of ALIDE. KfW is one of the ten largest banks in Germany and works throughout the world, providing support in the economic, social and ecologic areas; promoting small and medium enterprises, promoting the protection of the environment and education and promotes technological innovation. They also participate actively in supporting exports and projects, as well as facilitate financing to developing countries, among other activities.

Place and date: Berlin, Frankfurt and Colonia, Germany, August 28 – September 2, 2011.

Organizers: ALIDE / KfW Bankengruppe.

Internships

- **Sustainable Regional Development Strategy: Banco do Brasil good practices**
Banco do Brasil S.A won the award *Good Practices in Development Financial Institutions* in 2009, for the creation, development and implementation of its Sustainable Regional Development Business Strategy (SRD). This strategy promotes jobs creations in a participative, inclusive and sustainable way, taking into consideration cultural diversity and economic, social, environmental and political characteristics of the area where the project is taking place. The internship will show the scopes, methodologies, processes and key elements comprised by SRD business strategy, as well as the banks support in the development of business plans and the social and economic impact achieved by promoting productive activities in Brazilian communities. The internship includes a field visit to a project in implementation.
Place and date: Brasilia, Brazil, 2Q 2011
Organizers: ALIDE / Banco do Brasil S.A. (BB)

ALIDE GREEN AWARD

It must be taken into account that DFIs are bound to play a significant role in the sustainable development of the countries, contributing to the development of the local production network, not altruistically or with a handout mentality, but trying to make production activities not only economically feasible, socially fair (including the actors involved), but also environmentally responsible; in order to achieve the conservation and preservation of the environment. In this field, development financial institutions from Latin America and the Caribbean as well as from Europe have pioneered in the development of finance programs to fight climate change and adapt to it.

To acknowledge these activities or initiatives, as from 2010, ALIDE Awards for Good Practices in Development Financial Institutions included a category called **ALIDE GREEN AWARD**. Development financial institutions may apply with their initiatives or programs that may have started in any of these ways: (1) by their participation in these initiatives; (2) by promoting among their customers the adoption of practices to minimize or eradicate environmental risks; and/or (3) by promoting the application of environmental management and sustainable development practices.

3. PRUDENTIAL REGULATION AND BANKING RISK MANAGEMENT

The financial activity is highly exposed to a series of risks, as a result there are international prudential regulations to avoid them (Basel II) as well as good practices on risk management and administration. The activities to be carried out in the working program will examine risks from a corporate point of view: credit, market, liquidity, operational, legal, among other risks, prioritizing exchange of experience in best practices and the applications these have in corporate governance and institutional compliance.

3.1. RISK MANAGEMENT AND ADMINISTRATION

Meetings

- **ALIDE Technical Committee Meeting on Banking Regulations and Supervision Rules**
As consequence of the recent financial crisis, banking regulations and supervision are far stricter now and, as expected, they will be even stricter for public development financial institutions. As with the Basel I and II Accords, it is likely that this new measures will discourage financing of some types of projects or productive and social sectors because of their higher risk rate. For this reason, a Committee will be incorporated and installed in

a meeting where an analysis will be made on the effect these will have on DFIs, how to handle them, the consequences in the development financial field, their effect on the goal of increasing financial inclusion in the countries of the region, and the actions the Association may take.

Place and date: Asunción, Paraguay, May 20, 2011.

Organizers: ALIDE / Banco Nacional de Fomento / Agencia Financiera de Desarrollo / Crédito Agrícola de Habilidadación / Banco Central del Paraguay.

Internships

➤ **BNB Management and Practices on Financial Risks**

The object is to show “in-situ” the experience of Banco do Nordeste do Brazil on the administration, evaluation, monitoring and control of various risks (credit, market, liquidity, others) as a development bank, so that its experience can be used by other regional financial institutions in the design and improvement of their financial risk models. Methodologies, systems and processes used by the bank, as well as relevant risk indicators will be examined.

Place and date: Fortaleza, Brazil, 4Q 2011

Organizers: ALIDE / Banco do Nordeste do Brazil S.A. (BNB)

Good Practices in Development Banking Training

➤ **Corporate Governance, Risk Management and Compliance in Banks and Financial Institutions**

The goal is for the participants to understand the aspects that make a company take a holistic approach in their business strategy, as well as to identify the benefits of its implementation. Valuation tools for corporate Governance, Risk Management and Compliance (GRC) will be introduced, and the region’s regulations on GRC or individual components will be reviewed.

Place and date: Lima, Peru, April 12 to 15

Organizers: ALIDE / Global Risk Management S.A.C. (GRKM)

➤ **Operating Risk Management: Strategy and Practices for Banks and Financial Institutions Management**

A general view on operational risk management will be presented to the participants, from the theoretical aspects to its application as a management tool, so that the financial institutions have adequate identification, management and control mechanisms for an efficient and effective operational performance. To that end, the different components of operational risk will be analyzed, from a business, control and managerial point of view.

Place and date: San José, Costa Rica, September 20-24

Organizers: ALIDE / Banco Nacional de Costa Rica.

➤ **Market Risk Management and Liquidity as Managerial Tool in Banking**

Build and interpret the most useful market risk and liquidity indicators in decision-making through the implementation of liquidity and market risk indicators: "Control Board" for the institution; comparing the approach of different methodologies used to analyze risks: GAP Analysis, maturity, duration and value at risk (VaR); and implementation of practical models of liquidity and market risk management.

Place and date: Tegucigalpa, Honduras, August 9-12

Organizers: ALIDE / Banco Centroamericano de Integración Económica (BCIE).

➤ **Credit Risk and Stress Testing in Financial institutions**

Form risk specialists who know the current main credit risk management models, including stress analysis. The participants will apply and strengthen the knowledge acquired through examples and applications in each module; therefore a step-by-step explanation on the most advanced methodologies used in credit risk will be provided, including the Monte Carlo Simulation.

Place and date: Montevideo, Uruguay, November 8-10

Organizers: ALIDE / Banco de la República Oriental del Uruguay (BROU)

➤ **Corporate Risk Management in Banking**

The goal is to provide participants with technical foundations and criteria to identify, control and supervise the risks they face in the financial business and their integration within the corporate strategy. The methodologies for analyzing credit risk, market, liquidity, operation, and other risks will be discussed, focused on those suggested by control and management authorities in the Latin American area, and by the Basel Committee globally.

Place and date: Guatemala, Guatemala, November 15 to 18

Organizers: ALIDE / Crédito Hipotecario Nacional de Guatemala

Distance Training (E-Learning ALIDE)

➤ **Operating Risk Management: Strategy and Practices for Banks and Financial Institutions Management**

The objective is to offer participants an overview of operating risk management from the theoretical aspects to its application as a management tool. The course comprises six modules: strategy, factors and events of operational risk; structure; main elements for identifying, measuring, managing, controlling and monitoring operational risk; qualitative and quantitative aspects to take into consideration for the implementation of an operational risk model; requirement of cash equity per operational risk – methods; and best practices in the implementation of a comprehensive solution for operating risk management.

Date: March 21 to May 7

➤ **Asset - Liability Management (ALM), Duration Approach in Market Risk Control in Financial Institutions**

During the course, the knowledge and techniques of LAC banks and financial institutions' executives, professionals and technicians will be given further insight regarding market risk control based on the simultaneous management of debit and credit operations, by using the ALM technique as well as the duration analysis. The course comprises six modules: (a) Asset-Liability Management (ALM), (b) market risks in financial institutions, (c) market risk control: duration approach; and (d) market risk supervision using the duration method.

Date: June 20 to July 30

➤ **Corporate Governance, Risk Management and Compliance in Banks and Financial Institutions**

The goal of this course is for the participants to understand the aspects that make the companies take a holistic approach in their business strategy, as well as to identify the benefits of its implementation. The course comprises six modules: Governance, Risk Management and Compliance relevance; corporate governance; risks; compliance; alignment of strategy, business and participating bodies; and integration for organizations: adoption of corporate Governance, Risk Management and Compliance (GRC).

Date: October 24 to December 3

Workshop - Advisory

➤ **Banking Regulation, Risk Models and Portfolio Recovery**

The event will promote the exchange of knowledge and experiences on topics of banking regulation, management and credit risk mitigation, the models and their re-estimation for a good follow-up of the portfolio, the portfolio management in crisis scenarios, among other specialized topics. Additionally, informatics solutions applicable in credit portfolio and portfolio recovery areas will be presented and the participants will receive technical orientation and advisory on the topics of their special interest, to promote improvement in risk management and mitigation in banks.

Place and date: Caracas, Venezuela, 3Q 2011

Organizers: ALIDE / Aplicaciones de Inteligencia Artificial S.A. (AIS)

➤ **How to Implement Operating Risks Systems in Development Banking?**

Development banking must design operating risk models to make it possible to measure, control and mitigate those risks. For this purpose, it is necessary among other things to promote a culture risk at all levels in the institutions, develop mechanisms to capture information, etc. During the event, the most relevant aspects of Basel II will be examined as well as the operating risk, the definition of the strategy for operating risk management, gap determination, organization, policies and functions of operating risk management, risk mapping. Additionally, the participants will be offered advisory to support the improvement of the operating risk management in development banking.

Place and date: Buenos Aires, Argentina, 4Q 2011

Organizers: ALIDE and a member bank from Argentina

4. BANK MANAGEMENT AND FINANCIAL TECHNOLOGIES

The series of challenges present in the banking system make the financial institutions have to permanently come up with new resource allocation and funding mechanisms, and innovate the operational, technological and performance aspects of human capital. ALIDE will emphasize on portfolio management and projects administration new trends, money laundering prevention and war against terrorism, processes management and banking quality, as well as on the new trends in the development of human capital.

4.1. CREDIT PORTFOLIO AND BANK MANAGEMENT

➤ **Credit Portfolio Recovery in Banks and Financial Institutions**

Strengthen skills and share experiences on technologies and procedures for the effective recovery of credit portfolio, using techniques and strategies oriented towards the analysis of the debtor's behavior, recovery financial technologies and legal and judicial aspects.

Date: April 26 to June 4

Date: August 30 to October 8

Workshop - Advisory

➤ **Development banking in Latin America: Foundations, Models and Good Practices".**

The goal is to share knowledge on the situation, approaches, trends and perspectives of development banking in Latin America and the Caribbean, and in extra-regional countries, so their knowledge can be used as reference for our region's development banks. Selected financial institutions will share their experiences and the participants will receive technical orientation regarding bank management for the development of financing programs aimed at micro, small and medium enterprises, retail and wholesale operations, bank risks corporate management, treasury, among others. The event will be chaired by ALIDE's consultant team and experts from development banks from the region.

Place and date: Caracas, Venezuela, 3Q 2011

Organizers: ALIDE

➤ **Development Banking Good Practices Program: "Bank Management, Financing Impact Evaluation Studies"**

The program will present relevant experiences from development banks that achieved positive results in their financing, banking and innovation activities in their countries regarding the needs of micro, small and medium enterprises and other productive sectors. Financial sustainability of development banks will be examined, as will be the economic and social impact generated by the credit activity. In this regard, learning about

the methodologies and plans used by the banks to evaluate, measure and increase the impact of financing in their jurisdiction will be subjects of interest

Place and date: Santiago, Chile, 4Q 2011

Organizers: ALIDE

4.2. RESOURCE FUNDING AND BANK FINANCES

Studies and Research

➤ **Trust Funds in Development Banking**

The report will pick up development banks experiences in the incorporation and administration of trust funds to finance productive sectors. Additionally, a comparative analysis of the legislation that rule trust fund operations in the counties in the region will be carried out. It will also include the experiences presented in the meetings and seminars organized by ALIDE on this topic. The first stage deals with the legislation on the legal framework in Latin American countries. In the second stage DFI will be requested detailed information on the different kinds of trust funds they administer, their problems and advantages.

➤ **Technical Report: Alternatives and Sources of Financing for Development Banking**

The objective of this report is to analyze and compare the sources of financing and under what modalities development banking obtains the resources to finance productive and social activities, as well as the perspectives to expand and diversify their sources of financing.

Distance Training (E-Learning ALIDE)

➤ **Strategic Direction and Management of Treasury in Financial Institutions**

An intensive and specialized exchange of experiences will take place among the participants in order to increase knowledge in treasury strategic direction and management technologies in financial institutions. For this purpose, the course is aimed at the development of treasury businesses, by means or a platform of monetary and financial products, in order to meet customer expectations on treasury products – Cash & Liquidity Management-, under a risk control management approach.

Date: February 28 to April 9

4.3. BANKING OPERATIONS CONTROL AND SUPPORT

➤ **International Program for the Certification of Specialists in Process Management for Financial institutions**

Get to know the fundamental principles of quality management based on the ISO 9001:2008 Standard, document the process sequence and interactions, establishing the mapping, surveying and analysis of information, design of improved processes, implantation, evaluation and understanding the need to measure the key characteristics of the processes and of establishing the respective management and performance indicators.

Place and date: Buenos Aires, October 18-21

Organizers: ALIDE / Banco Ciudad de Buenos Aires.

Internships

➤ **Internship: “Management Systems and ISO 9001:2000 Quality Certification: NAFINSA Experience”**

The purpose of the program is to announce and spread the technology developed by NAFINSA before, during, and after obtaining the Certification in the International Quality

Standard ISO 9001:2000 in their processes, with a special emphasis on the improvements made with the certification. NAFIN will offer their experience and knowledge in the design and management for the development and maintenance of systems, processes and methodologies aimed at obtaining such quality certification, so that other development financial institutions members of ALIDE may design, implement and develop similar quality management systems in their own organization and propitiate excellence services in clients support.

Place and date: Mexico D.F., 2Q 2011

Organizers: ALIDE / Nacional Financiera S.N.C. (NAFINSA)

➤ **Internship: “Comprehensive Bank Solutions (core banking): Bancoldex Experience”**

This activity aims at sharing Banco de Comercio Exterior S.A. (BANCOLDEX) experience in the development and implementation of its technological platform. The design, the advantages in the application of the modules, the impact on the organization's processes and activities, as well as the criteria to be considered regarding the platform's flexibility, scalability and functionality, etc., will be discussed. BANCOLDEX will share its experience with a group of technicians from ALIDE member development banks, that have specialized in the topics related to the Internship.

Place and date: Bogotá, Colombia, 3Q 2011

Organizers: ALIDE / Banco de Comercio Exterior de Colombia S.A. (BANCOLDEX)

4.4. HUMAN RESOURCES DEVELOPMENT IN BANKING

Training in Good Practices in Development Banking

➤ **Human Capital Management Indicators and HR Balanced Scorecard**

Exchange experiences on methodologies based on the balanced scorecard applying Human Resources management, so that the participants can identify applications they may implement in their organizations. The seminar is divided in seven units: introduction to the balanced scorecard; human resources balanced scorecard approaches; human resources operative scorecard; human resources strategic scorecard; other scorecard approaches; and human resources scorecard and leadership.

Place and date: Montevideo, Uruguay, March 29 to April 1

Organizers: ALIDE / Banco de la República Oriental del Uruguay (BROU)

➤ **International Program for Human Resources Strategic Direction Certification**

Aimed at strengthening managerial capability and leadership attending human resources executives, by identifying and applying internationally used methods and good practices as tools to improve productivity, service quality and job satisfaction.

Place and date: Quito, Ecuador, June 21-24

Organizers: ALIDE / Alfredo Paredes & Asociados Cia. Ltda., from Ecuador

➤ **Performance Management. Evolution of Human Capital Performance Evaluation**

Performance management is crucial for those responsible for managing human talent in organizations, the concern for knowing about the advances and contributions of every officer and the urgency to intervene in the continuous improvement processes, makes understanding the impact of implementing and developing adequate performance management a necessity. The seminar comprises 5 units: (a) performance management definition and goals; (b) phases of performance management; (c) goals establishment theory: performance management conceptual framework, (d) individual performance matrix: performance management tool; and (e) development of leadership competences: performance management key.

Place and date: Asunción, Paraguay, September 6-9

Organizers: ALIDE / Banco Central del Paraguay (BCP)

➤ **Human Resources Strategic Management Advanced Program based on Competences**

Aimed at strengthening managerial capability and leadership of attending executives and officers by identifying and applying advanced competency-based methodologies for human resources administration, the program has been designed in modules, and comprises the following topics: design and validation of profiles based on competences, design and application of measurement instruments based on competences; training based in competences and the feedback process; and charge classification and valuation.

Place and date: Panamá, República de Panamá, November 28 to December 1

Organizers: ALIDE / Banco Hipotecario Nacional (BHN)

Distance Training (E-Learning ALIDE)

➤ **Human Capital Measurement Tools**

Provide the participants with competences for managing these human capital measurement techniques that are very well known in name, but not in detail. The tools to be analyzed are the following: shortlisting interviews, assessment centers, 360 degrees feedback, and performance matrix.

Date: September 26 to November 5

➤ **Human Resources Management Based on Competences**

The objective is to train specialists on human resources administration based on competences by identifying and applying modern human resources administration techniques based on competences, which will contribute to increase the competitiveness and productivity of the organizations, from the function of human resources, developing the different existing sub systems under this approach.

Date: August 1 to September 10

5. FINANCIAL COOPERATION AND BUSINESS AND INVESTMENT PROMOTION

Meetings

➤ **V Meeting of European and Latin American Development Banks**

The meeting venue alternates between Europe and Latin America, and it aims at strengthening financial and technical cooperation among long and medium term credit entities from both continents, oriented to business and investment promotion and financial resources mobilization for the development of our region.

Place and date: September 2011 (place to be defined)

Organizers: ALIDE / collaboration from ALIDE European member institutions will be sought.

Missions

➤ **Latin American and the Caribbean Development Bankers Mission to India**

Within the framework of international financial cooperation fostered by ALIDE for business promotion and investments with the participation Latin American development banking, the mission of development bankers to India organized jointly with the Industrial Development Bank of India (IDBI) has been pushed forward. The purpose of this mission is to see IDBI's development banking system and in particular their expertise on operational policies, credits, technical assistance; as well as to establish contacts and strengthen cooperation with other Indian financial institutions and companies, particularly with those related to productive sectors, services and exports, that may be interested in making business in Latin America and the Caribbean.

Place and date: Mumbai, India.

Organizers: ALIDE / Industrial Development Bank of India (IDBI)

- **Seminars/Missions on International Banking Financing Programs and Facilities**
In line with ALIDE's work to promote business and investments, the Association promotes the identification of international financing and investment sources with the possibility to contribute with financial, economic and technological contributions to the start-up and development of projects, business and investments in Latin America with the participation of the development banking in the region. To this effect, ALIDE will organize seminars/missions to inform about the main finance facilities and programs of international financing institutions operating in Latin America.
Two seminars/missions have been proposed for 2011-2012; the first one with Swedish Export Credit (SEK) and the second one with the Chinese Development Bank (CDB). Dates to be defined.

Studies

- **Financial Cooperation between Latin American Development Banking and Europe**
The report will collect the technical and financial cooperation experiences between Latin American and the Caribbean development banking and the European Union. It will analyze the strategic objectives of development financial institutions in Europe and the opportunities that Latin American development banks may use in that context.
- **Financial Cooperation between Latin American Development Banking and Asia**
The report will collect the technical and financial cooperation experiences between Latin American and the Caribbean development banking and Asia. It will analyze the strategic objectives of development financial institutions in Asia and the opportunities that Latin American development banks may use in that context.

Information

- **International Financing Sources Directory**
The objective is to disseminate information on international financing modalities, countries, sectors, projects of interest, financing conditions, etc., of international financing sources. In addition, it will include a section on investment funds and risk capital, and business opportunities in Latin American and the Caribbean.

Business Management

- **Bilateral Business and Cooperation Meetings**
Within the framework of ALIDE Annual General Assembly, logistic support is promoted and offered to prepare business bilateral meetings between the participants in general and especially between development financial institutions, to start business or joint cooperation activities.

6. ALIDE AWARDS: GOOD PRACTICES IN DEVELOPMENT FINANCIAL INSTITUTIONS

ALIDE Awards for Good Practices in Development Financial Institutions were instituted in 2008, and in the first three years 13 ALIDE member institutions have received awards. This time, in 2011, the fourth version of the contest will take place, with the objective of identifying and honoring the best practices and innovative products and services in development banking from Latin America and the Caribbean, to acknowledge and highlight the contribution of these institutions to the economic and social development of the countries in the region

This contest considers three main categories, and one special category (See ALIDE Green Award) to which institutions may apply, and that are aimed at comprising the largest number of aspects related to the activity and management of development financial institutions. These categories are: **(1) Financial Products; (2) Technological Management and Modernization; and (3) Information, Technical Assistance and Social Responsibility.**

The proposals to be submitted must comply with certain requirements, such as the following: to be in line with the social mandate of the bank, to be innovative, that the benefits may be quantified, that the beneficiaries are clearly identifiable, that the proposal is documented and preferably able to be used as a referent for other development financial institutions. The evaluation will be in charge of an independent jury that will take into account relevance criteria, its impact in the target sector, results, innovation and sustainability in time.

The results will be announced and the awarding ceremony will take place during ALIDE Annual General Assembly in Asunción, Paraguay, on May 20, 2011.

7. COMMUNICATION AND INFORMATION

7.1 COMMUNICATION

ALIDE's activities, as well as its member institutions', are constantly disseminated through printed and electronic bulletins, web site and social network, as well as the programs, actions and studies on development banking and financing.

➤ **ALIDE Magazine**

A quarterly publication with articles on current finance policies, trends and financing of productive and social sectors, as well as on regional and global development financial institutions best practices.

➤ **Alidenoticias Bulletin**

Bimonthly printed bulleting for promoting the forthcoming scheduled activities, circulating the information on the activities carried out, and communicating ALIDE members' institutional notes.

➤ **E-bulletin E-bank**

Monthly e-bulletin offering outstanding news on the most relevant activities and aspects related to the activity of development banking in Latin America and the Caribbean. It is distributed electronically to a great deal of officers from development banks and other institutions related to development financing.

➤ **E-bulletin E-News (in English)**

Bulletin published every four months, for English speaking people, has information on ALIDE's main activities as well as reports on technical and analysis subjects on the region's development financing.

➤ **ALIDE Web Site**

It was designed as a tool for specialized queries in the topics related to the function of development banking and on development financing in general. The web site (alide.org.pe) disseminates the information and knowledge prepared by ALIDE and its member institutions. The new design is expected to be finished this year, and it will not only make browsing easier for the users, but it will also be easier to maintain or update.

7.2 INFORMATION

The relations with the Association member bodies information units will be continually enhanced, by organizing discussion groups or fora to allow the interactive participation of information units; the exchange of information, through libraries that will receive publications from ALIDE and other related institutions, and joint actions to strengthen RIALIDE Information Network under the concept of knowledge management.

➤ **Virtual Library**

It started operations in 2009. It gives access to the complete text of studies and technical documents prepared by ALIDE and its member institutions, adequately converted and adapted to the format of electronic documents. This system offers efficient and interactive access to the information resources generated by ALIDE and its members, as well as by other specialized institutions. As part of its permanent development, strategic alliances and agreements will be sought with development financial institutions and other specialized institutions, in order to exchange full text documents and publications, to build a Latin American information repository on development banking and similar topics.

➤ **ALIDE Data Base on Development Banking**

Development banks economic and financial information updating and systematization. Data bases contain information on balances, profit and loss accounts, kinds of services and operations offered by DFIs, sector distribution of their loan portfolio, overdue portfolio, among others.

➤ **Round Table on Information Management in Development Banking and Finance**

Sponsored by Banco Central de Cuba and other financial institutions, members of ALIDE, it will be organized within the framework of the International Conference on Information, Info'2012, and the International Workshop on Entrepreneurial Intelligence and the Management of Knowledge in the Company, IntEmpres'2012, in April 2012, in Havana, Cuba. ALIDE Virtual Library will also be represented.

➤ **Preparation of Special Information Products to Support ALIDE Research Lines and Activities**

In its role as facilitator of information, CEDOM will identify information related to the strategic lines of research and studies, as well as technical meetings. For this purpose, it will place information in digital format on: the Basel Accord on risk, environment and carbon credits, financial and commercial integration mechanisms, guarantees systems for small enterprises, corporate governance and policies of good governance for banks, rural guarantees, insurance and risk coverage, local governments, among others.

➤ **CD-ROM DATABANK: Financial and Institutional Information on Development Banks in Latin America (2011 version)**

The 2011 Databank CD-ROM will be prepared. This CD-ROM will contain institutional information (bank authorities, goals, functions and by-laws or organic laws), financial information (balance sheet and profit and loss accounts) and DFI financing facilities and programs.

8. INTERNATIONAL COOPERATION

As a mechanism for cooperation, coordination and agreement in banking and development financing, ALIDE promotes the financial and technical cooperation with international cooperation bodies and agencies, in order to mobilize resources for Latin American development financing, technical cooperation, the incorporation of technologies, human resources training, joint studies, etc.

ALIDE and IDB have proposed a Cooperation Program IDB/ALIDE to support and strengthen banking development capacities for the financing of climate change mitigation and adaptation, and environmental sustainability. The commissioning of this practice is a *dissemination and awareness* first joint effort that would include the preparation of a series of information gathering studies and analysis of cases. The results will be presented in regional seminars so that specific aspects can be identified depending on the needs of development banking.

Additionally, IDB, with ALIDE's support, is preparing a study called "Post-Crisis Latin-American Public Development Banking: Opportunities and Risks", within the framework

of the Public Banking Initiative, developed by the IDB Financial Institutions and Capital Markets Division (ICF/CMF). The objective of this study is to carry out research on recent trends of Public Development Banking and draw conclusions about its challenges and opportunities, so that this document can be used as basis of an open discussion about the crisis and long term challenges. The results may be presented in the next ALIDE Regular Meeting of the General Assembly.

Along with the World Federation of Development Financing Institutions (WFDFI), in a joint effort with its regional associations from Africa, Asia-Pacific, Islamic countries, ALIDE representing Latin America and the Caribbean, as well as Europe and the World Bank, are preparing the "Global Report on Development Banking". This report will analyze and compare financial institutions all over the world in the following aspects: size and scope, target sectors and activities, business models, products and financial services, funding structure, corporate governance, solvency and profitability, and supervision regime.

Within the framework of cooperation with the United Nations and its specialized development agencies, a Memorandum of Understanding will be prepared for signing, with UNEP FI – Innovative Financing for Sustainability initiative, in order to join efforts to disseminate and incorporate methodologies that take into consideration environmental and social risks through specialized courses and seminars.

Along with the Center for Latin American Monetary Studies (CEMLA) a seminar called "The relationship between Central Banking and the Public Development Banking: Coordinating Monetary and Financial Policies" will be prepared on financial and monetary subjects that affect development banking action, and the way these financial institutions can mutually support each other to increase the impact of their policies. The Business Development Bank of Canada (BDC) will also prepare a development banking seminar, where criteria and experiences on current issues regarding development financial institutions management and actions will be exchanged.

In addition to the mentioned institutions with which joint activities are carried out, ALIDE also has a cooperation relationship with the following international bodies and institutions:

A. INTERNATIONAL BODIES

- Association of Development Financing Institutions in Asia and the Pacific (ADFIAP)
- Economic Commission for Latin America and the Caribbean (ECLAC)
- United Nations Economic and Social Council (ECOSOC)
- World Savings Banks Institute (WSBI)
- Latin American Venture Capital Association (LAVCA)
- Ibero American General Secretariat (SEGIB)

B. NATIONAL INSTITUTIONS

Member Financial institutions

- Corporación Financiera de Desarrollo S.A. (COFIDE), Peru
- Banco de la República Oriental del Uruguay (BROU)
- Banco do Nordeste do Brazil
- Corporación Financiera Nacional (CFN), Ecuador

Non Member National Institutions

- Asociación Brasileña de Instituciones Financieras de Desarrollo (ABDE)
- Financial Intelligence Council (FIC-LATAM)

Consulting Companies

- Alfredo Paredes & Asociados Cía. Ltda., Ecuador
- Aplicaciones de Inteligencia Artificial S.A. (AIS), Spain
- Global Risk Management S.A.C. (GRKM), Peru
- SCALAR CONSULTING Cía. Ltda., Ecuador y Colombia
- Sociometrika SMK, Mediciones y Evaluaciones Organizacionales S. A., Ecuador
- INDE Consulting, Chile.

2011 GENERAL BUDGET

(in US Dollars)

BUDGET ITEMS	2011 Budget
ORDINARY INCOME	612,260
ORDINARY MEMBERSHIP FEES	612,260
ACTIVE MEMBERS	503,735
ASSOCIATE MEMBERS	52,600
COLLABORATING MEMBERS	19,600
NEW MEMBERS	36,325
SPECIFIC SERVICES INCOME	293,244
TOTAL INCOME	905,504
<u>EXPENSES</u>	
ORDINARY	886,291
Travelling Expenses	40,000
Personnel Expenses	534,909
Hired Personnel Expenses	21,200
Comunication and Mail	20,350
Printing, Copies and Photocopies	29,300
Several Management Charges	114,800
Office Maintenance	38,232
Financial Expenses	3,500
Provisions for the Period	84,000
TOTAL EXPENSES	886,291
RESULT (Surplus)	19,213