



WORKSHOPS

- The role of development banks in the financing of PPPs
- Climate Related Financial Risks
- Where is the national promotional banking sector going? Business models facing the challenges of the global economy
- Supporting sustainable projects with environmental & social impact: Clean Oceans Initiative
- Local Currency Lending
- Sustainability Awareness Bonds

As for May 16, 2019

49 ALIDE

GENERAL ASSEMBLY

WORKSHOP

The role of development banks in the financing of PPPs

Date	:	Monday, May 20
Place	:	Casa de America Anfiteatro Gabriela Mistral (Ground floor)
Time	:	14:30 to 16:15 p.m.
Organizers	:	Inter-American Development Bank (IDB) / ALIDE
Moderation	:	Enrique Nieto Connectivity, Markets and Finance Division (CMF), IDB

The IDB and the General Secretariat of ALIDE received the mandate of the 48th General Assembly of ALIDE to establish a working group where the national development banks (NDBs) exchange experiences about their role in the promotion of public-private partnerships (PPP). Thus, the IDB and ALIDE convened the first meeting of the working group in Washington D.C. on April 30 and May 1, 2019. This workshop aims to present the results of the first meeting of the IDB and ALIDE working group and to promote a space for the NDBs to exchange lessons learned with European development banks.

THEMATIC FRAMEWORK OF THE WORKSHOP

NDBs are increasingly seen as an infrastructure-financing tool in emerging economies. However, many NDBs have traditionally been dedicated to the financing of productive sectors and many of them have not yet actively participated in the PPP market. One of the ways in which NDBs can contribute to the development of PPPs is through financial and non-financial instruments that, directly or indirectly, help to fund, finance, or reduce risks associated with the construction and operation of PPPs.

In this sense, the workshop will seek to reflect on the role of NDBs in the promotion of PPPs in three different dimensions:

- *Financial Instruments:* In recent decades, several Latin American countries have used their public banks, particularly banks and development financial institutions, as a tool to promote and encourage the provision of financial resources to private vehicles responsible for implementing PPP projects. These banks have at their disposal a wide range of instruments to financially support PPPs, such as loans of different forms, equity participations, and credit enhancement instruments such as partial credit guarantees, political risk guarantees, or guarantees of credit refinancing.
- *Structuring and preparation of projects:* The financial capacity of public banks and their involvement in the analysis of financial viability, risk allocation, and structuring of financing of infrastructure projects gives them a specialization that can be very relevant to support the public sector in the development of national PPP programs. Several NDBs in Latin America have internal preparation and structuring teams for PPP projects and their business model and



experience structuring projects can be very valuable for other banks in the region that want to develop these capabilities internally.

- *Institutional training:* Public banks are involved with the cycle of PPP projects, either as project financiers, providers of risk mitigation mechanisms, or non-financial service providers. Therefore, the development of specific capacities at two levels is required: institutional design to create incentives and divisions of adequate functions, and knowledge and experience of its officials, who must accumulate specific skills associated with the peculiarities of PPPs. The development of internal institutional capacities is one of the important challenges that NDBs must overcome to play a relevant role in PPP programs.

AGENDA

14:30 a 16:30 hours	Session 1: The ALIDE-IDB Regional Development Working Group of PPP <ol style="list-style-type: none">1. Presentation of the ALIDE-BID working group on the development of PPP, Juan Antonio Ketterer, IDB2. Report of activities, group objectives and work plan, Sergio Forte, Banobras, (president of the working group)3. Presentations and panel discussion "Opportunities for development in the financing of PPPs"<ul style="list-style-type: none">• Structuring and preparation of projects, Sergio Gusmao Suchodolski from BDMG, Brasil.• Institutional capacity building, Tomas Portela, BICE, Argentina• Financial instruments, Miguel Siliceo, Bancomext, Mexico
16:00 a 16:15 hours	Coffee break & Networking
16:15 a 17:30 hours	Session 2. Relevant experiences in Europe for the development of PPPs in Latin America <ol style="list-style-type: none">4. Panel discussion on the "PPP Model, experiences and lessons learned in Europe"<ul style="list-style-type: none">• Experiences in Europe, Juan Audibert, European Investment Bank• Experiences in Spain, Rodrigo Madrazo, Director General of COFIDES• Experiences in Eastern Europe, Marcos Martinez Garcia, EBRD <p>Questions & Answers</p>



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GENERAL ASSEMBLY

WORKSHOP

Climate Related Financial Risks

Date	:	Monday, May 20
Place	:	Casa de America Miguel de Cervantes Room (First Floor)
Time	:	16:15 to 17:45 hours
Organizers	:	French Development Agency (AFD) / Inter-American Development Bank (IDB)
Moderation	:	Cosimo Winckler Team Leader-Financial Systems, AFD

From a memorable speech by the governor of the Central Bank of England and the creation in 2015 of a working group to promote the disclosure of financial information related to the climate (Taskforce for Climate Finance Disclosure - TCFD) by the Financial Stability Board - FSB, the issue of climate finance risks has gained strength within the international financial community.

Since then, the TCFD has been working with the objective of supporting the financial system and its main actors (banks, investors, insurance companies and issuers of bonds and shares) in understanding the impact of climate change on financial markets and in the creation of guides for the identification, management and communication of the related risks. TCFD has published a series of recommendations for the identification and management of climate risks in the operation of financial institutions.

One of the main signs of the push of this topic was the creation in 2017 of the Network of Central Banks and Supervisors to Green the Financial System - NGFS. This network, which today has 35 members (including 2 Latin Americans: The Banco de Mexico y la Superintendencia Financiera of Colombia), was created with the objective of contributing to the analysis and management of climate risks in the financial sector and thus mobilize greater support for the transition to a sustainable economy. Referring to the important impacts and possible losses that the climate can generate for the economies and the financial sector, this network has published six recommendations on April 17, 2019. These seek to inspire banks and supervisors - members and non-members of the NGFS network - and other financial actors to take a more active role in accelerating the transition and improving the consideration of climate risks.

Faced with all these challenges, the workshop aims to:

- **Sensitize the member banks of ALIDE on what they represent climate risks** for financial institutions;
- **Share pilot experiences** of analysis and consideration of climate risk of public and private actors;



- **Initiate a dialogue** among ALIDE members about current practices related to climate risk management, challenges, information barriers, as well as potential tools available.

AGENDA

1. **Introduction: Why should banks care about climate-related financial risks?**
Benoît Leguet, Managing Director, Institute for Climate Economics (I4CE)
2. **What are the implications of climate-related financial risks for the banking sector in Latin America? Lessons from the IDB experience.**
Maria Netto, Connectivity, Markets and Finance Division (CMF), IDB
3. **AFD case study: When a development bank examines its own exposure to physical climate risks.**
Camille Laurens-Villain, Risk Department, AFD
4. **BBVA case study: A roadmap for the implementation of the TCFD recommendations**
Patxi Alvaro Tomas, Director of Environmental Risks, BBVA

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GENERAL ASSEMBLY

WORKSHOP

Where is the national promotional banking sector going? Business models facing the challenges of the global economy

Date	:	Tuesday, May 21
Place	:	Casa de America Anfiteatro Gabriela Mistral (Ground floor)
Time	:	9:45 to 11:15 hours
Organizer	:	Instituto de Crédito Oficial (ICO)
Moderation	:	Blanca Navarro Director of Strategy and Evaluation, ICO

The economy confronts significant global and regional challenges today. Action on issues like digitalization, the fight against climate change or the encouragement of social economy is unescapable worldwide and overlaps with other specific challenges like the continued existence of low interest rates in Europe or given vulnerabilities in other areas.

National development banks must continue to play an important role in boosting activities that will help their economies successfully weather these processes in the best way possible. Assessment of the impact of their efforts is another of the elements needed to value the effectiveness and efficiency of their initiatives.

The purpose of this seminar is to become acquainted with the different visions of national development banks on both sides of the Atlantic, in order to be able to share the experiences and future plans of each of them and thus be able to jointly arrive at the role of NDBs in the economy of the future.

AGENDA

1. What will we talk about? Discussion topics

- Challenges faced by the global and regional economy.
- Challenges for the National Promotion Banks at present.
- Impact assessment models.

Panelists:

Carlos Linares, Chairman of the Board, COFIDE (Peru)

Rebeca Pizano, Deputy General Director of Business Banking, BANCOMEXT (Mexico)

Laurent Zylberberg, Director of Institutional, International and European Relations, Caisse des Dépôts Group (France)

2. What is the objective?

- Know the different visions of several BNPs from both sides of the Atlantic and share the different practices.

3. Working group

- Exchange of experiences and future plans of each bank and draw the role of BNPs in the economic reality of the future among all attendees.



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GENERAL ASSEMBLY

WORKSHOP

Supporting sustainable projects with environmental & social impact: Clean Oceans Initiative

Date	:	Tuesday, May 21
Place	:	Casa de America Miguel de Cervantes Room (1st floor)
Time	:	9:45 to 11:15 hours
Organizers	:	European Investment Bank (EIB) / Kreditanstalt für Wiederaufbau (KfW) / Agence Française de Développement (AFD)
Moderation	:	Arnd Beck Head of Office for Latin America, EIB

Three billion people depend on marine/coastal biodiversity for their livelihoods. Oceans regulate the global climate as the largest carbon sink on the planet.

Eight million metric tons of plastic waste is discharged into the world's oceans every year, threatening marine ecosystems, people and communities that depend on clean oceans. Many of the plastics enter the rivers and oceans due to non-existing or poor management – two billion people lack basic waste collection services.

The Clean Oceans Initiative was launched in October 2018 by the European multilateral bank EIB, in partnership by the German development bank KfW and the French group AFD. Together the three banks will provide up to EUR 2bn in lending over the next 5 years.

During this workshop, the three banks will discuss the problem, explain the Initiative and present case studies falling within this initiative. The intention is to engage the audience, have a lively discussion and Q&A session.

AGENDA

- 09:45 Welcome and opening remarks**
Arnd Beck, Head of Office for Latin America, EIB
- 09:50 Presentation of the Clean Oceans Initiative**
Christian Lütke Wöstmann, KfW
- 10:00 Case studies presented by EIB, KfW and AFD**
Juan Bofill, EIB
Christian Lütke Wöstmann, KfW
Bruno Leclerc, Director for Latin America and the Caribbean, AFD
- 10:45 Q&A.**



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GENERAL ASSEMBLY

WORKSHOP

Local Currency Lending

Date	:	Tuesday, May 21
Place	:	Casa de America Anfiteatro Gabriela Mistral (Ground floor)
Time	:	14:30 to 16:15 hours
Organizers	:	Long Term Investors Club (LTIC) / Instituto de Credito Oficial (ICO)
 Moderation	:	 Romy Calderon Alacas Head of Studies and Information Program, ALIDE

This workshop intends to bring together experts to present interesting examples of successful (or less successful) Local Currency Lending operations and discuss innovative new ideas in order to exchange views, experience and to learn from each other.

This workshop has a dedicated focus on Local Currency Lending operations in Latin America. Presenters and panelists will provide case studies of transactions in that region. The audience is invited to engage with questions and comments and to engage into the discussion.

AGENDA

14:30 Welcome and opening remarks.

14:40 Case studies

1. Local currency transaction: Metro de Bogotá
Alexandre Staff, EIB
2. Hedging of debt financing of a hydroelectric plant in Costa Rica Colon + hedging of onshore and offshore local currency bonds.
Harald Hirschhofer, TCX
3. Financing local currency in Paraguay: polyhedral lessons.
Juan Ketterer, IDB
4. Case study of ICO
Iñaki Gonzalez, Head of International financing and Guarantees, ICO

16:00 Innovative ideas and lessons learned.

Moderated discussion on new ideas and lessons learned.

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WORKSHOP

Sustainability Awareness Bonds

Date	:	Tuesday, May 21
Place	:	Casa de America Miguel de Cervantes Room (1st floor)
Time	:	14:30 to 16:15 hours
Organizers	:	European Investment Bank (EIB) / Long Term Investors Club (LTIC)
Moderation	:	Arnd Beck Head of Office for Latin America, EIB

In 2015, the global community adopted the Agenda 2030 for Sustainable Development. The European Commission's communication of 2016 on the next steps for a sustainable European future links the SDGs to the Union policy framework to ensure that all actions and policies take the SDGs on board at the outset.

Harnessing financial support from global investors and capital markets is essential to achieving Sustainable Development Goals (SDGs) and improving people's daily lives. The United Nations estimates that USD 6 trillion of new annual investment is needed to successfully tackle SDGs.

At the end of the workshop, the participants will have:

- Increased knowledge about the sustainability bonds as a policy tool to catalyse private investors to sustainable investments.
- Learned about the impact of projects financed through EIB's SAB (Sustainability Awareness bonds).
- Shared experience about sustainability financing: advantages and challenges encountered.

AGENDA

- 1. Introduction.**
Arnd Beck, Head of Office for Latin America, EIB
- 2. Panel discussion: Sustainability Awareness Bonds as a tool to unlock finance to green, social and sustainable investments.**
 - Why investing in green/sustainability? Video.
 - Main features, market drivers and evolving regulatory framework
 - SABs: challenges and opportunities (e.g. eligibility, measuring and reporting)

Panelists:
Irene Sánchez, Head of Division Investor Relations, EIB
Patricia Castellarnau, Senior Water Sector Economist, EIB
- 3. Zoom on SAB eligible projects: Case studies in Europe and outside Europe.**
Patricia Castellarnau, Senior Water Sector Economist, EIB
- 4. Q&A.**