



**FIFTY-SECOND REGULAR MEETING OF THE ALIDE GENERAL ASSEMBLY
Curaçao, May 17 - 20, 2022**

DECLARATION OF CURACAO

The Latin American Association of Development Financing Institutions (ALIDE), the international organization that represents the development banks of Latin America and the Caribbean, and its member financial institutions, based on the deliberations of the Fifty-second Regular Meeting of the General Assembly on the key topic of the meeting held in Curaçao on May 17 to 20, 2022, declare the following:

1. **We are pleased** to be able to meet once again in person for the first time since our last General Assembly three years ago, to continue forging stronger bonds of cooperation, for **COOPERATION IS THE VERY REASON FOR OUR EXISTENCE**. We have emerged strengthened from extremely trying circumstances to share what we have been accomplishing in our financial institutions to overcome the challenges that confront us, fully aware of the fragility of the environment in which we live.
2. **Committed to the region's integration**, in line with the words of the president of the Caribbean Development Bank, who reminded us to ***“move ahead from the illusion of a country to the illusion of a region,”*** in which the two subregions, Latin America and the Caribbean, will work more closely together to reach stronger trade, investment and cultural relations; and to jointly build multilingual societies that will allow for better communication, physical and digital connectivity, and the interrelationship of all countries in this part of the world; and **convinced** that a better common future **will first require forging stronger ties as a single overall region**, we financial institutions **commit to** seek routes, strategies and initiatives for developing and strengthening links between the two subregions; to enhance intraregional trade, which barely reached 14% in 2021, unlike that of the European Union at 67.7% and Asia with 58.3% that same year; and
3. **To advance jointly in areas in which both Latin America and the Caribbean have common problems or interests**. Some actions in this connection could have to do with trade and the transfer of the knowledge and experiences of national development finance institutions in the financing of environmental and sustainable projects, and with supporting the efforts of the region's countries that seek to adjust to climate change and to direct their endeavors towards sustainable development. Sustainable tourism, a highly important economic sector for a large percentage of the Caribbean countries constitutes another matter altogether.
4. **We commit ourselves to continue working to fight the poverty and reduce the inequality** of our countries in such a way that we are able to improve the quality of life of our citizens. In doing so, it is of key importance to make use of all of the financial and non-financial means and instruments that are available to us as permitted by the legal systems and institutional mandates, in order to raise the financing that is needed in suitable terms and conditions. Capacities must also be

strengthened, knowledge transferred and relevant information provided to foster the decision-making capacity in their production and social projects and undertakings; and to support them in the processes of modernizing and adopting technologies that will enable them to enhance their returns and income while safeguarding the environment.

5. **We are aware that economic growth and environmental conservation are not in opposition but, rather, complement each other.** For that reason, the development finance institutions remain committed to incorporate into their development strategies the Sustainable Development Goals of the United Nations that seek to put an end to poverty, protect the planet and guarantee that by the year 2030 all people will enjoy peace and prosperity; and the Paris Agreement on climate change aimed at limiting global warming. This will require an economic and social transformation based on the use of the best that science has to offer, particularly by taking advantage of the technological advances of recent years and those that produce a disruptive effect.
6. **We acknowledge how essential development banks have become because of their contribution to the reconstruction of the world in general and particularly of Latin America and the Caribbean during periods of crisis.** These financial institutions have been active for quite some time, especially during crises, and must now help to recover and maintain stability and to form a great international community for regional and global development. They must take advantage of the fact that their presence in the world is not negligible, for the assets they manage total roughly 11.2 billion dollars, and they finance over 2.5 billion dollars' worth of investments a year – 10% of the full amount invested by all public and private sources. And in Latin America and the Caribbean they manage more than one billion dollars' worth of assets, a loan portfolio totaling something in the neighborhood of US\$800,000 million without considering other forms of direct or indirect finance like equity, investment funds and guarantee provision, and channel annual disbursements fluctuating between some US\$240 and US\$270,000 million.
7. The pandemic disclosed the existence of extremely serious problems created by either a lack of, or inadequate, connectivity. Governments experienced problems in carrying governmental assistance to the most disadvantaged population groups, moving ahead with remote education --above all in rural areas,-- and boosting electronic trade, compounded by other obstacles. Like it or not, the trend is to make use of technologies that lead to stronger digitalization, automation of processes, and adoption of intelligent systems. These affect production processes, competition, productivity, insertion in the international market, and the composition and nature of the labor force, among other changes of unique importance. **We assume the challenges that these imply**, to which we must be attentive in order to contribute to the development of our respective countries. It is for that reason that cooperation and the sharing of experiences in applying the new disruptive technologies is so important.
8. Considering that the race to innovate and adopt so-called new digitally-based disruptive technologies was already in full force even before the outbreak of the Covid 19-generated pandemic, and that the crisis served to speed them up; and that the impressive sustained growth projections could play out or their impact on the global economy could unblock post-pandemic revival and economic growth in the medium term, we **development finance institutions commit** to support with

financing, technical assistance and specialized information, fund-raising from private sources, the establishment of alliances with international financing sources in order to promote the execution of digital infrastructure, Internet connectivity system, and adequate telecommunication projects, the creation of financing programs for technical and professional studies in areas related to these new technologies, and to help enterprises and families integrate and become a part of the digital world --**in other words, to develop the digital ecosystem and support innovation and technological development.**

9. Resilience, in its various connotations, is essential today for social development. Technological and social resilience is the capacity of a system and of a community to withstand and recover from disaster and extreme events. The principles of resilience must be incorporated at all stages of the life cycle of development project investment design and implementation in Latin America and the Caribbean. The considerations for building resilient projects, however, in infrastructure, cities and urban development, and sustainable tourism, for example, encompass not only protection from extreme events, but also from the occurrence of cyberattacks, terrorism or sabotage. In this connection, the approach is being changed in certain types of projects and geographic zones, as well as with regard to technological-type interventions and the use of more resistant or malleable materials adaptable to extreme circumstances. We national, regional, multilateral and extraregional financial institutions **consider it highly important to require the incorporation of principles of resilience** in any project to be financed and, for that reason, will **provide support** with the needed orientation and technical assistance, if necessary, in addition to the financing in alliance with regional and extraregional financial organizations.
10. With a regional vision projected on a global dimension as a starting point, **we revalue the agricultural sector** as being strategic because of its demonstrated importance in keeping up its production and supply flow during the pandemic; in having acted as a key sector in fighting climate change, considering that it generates one-fourth of all greenhouse gas emissions, especially through its deforestation and the resulting loss of biodiversity; in encompassing the largest population group most affected by poverty and inequality; and because of the foreseeable growth in global demand for agricultural products due to the rising population. As a result, greater global food production is needed, 87% of which is expected to come from an increase in productivity. Technology should thus help to produce better quality food products through sustainable use of less resources –land, water, etc.. At the same time, farmers must be given sufficient incentives and earnings on sustainable bases. It is not easy for private suppliers to finance agricultural producers; therefore, it is of key importance for development finance institutions to provide financing and to be equipped with instruments and mechanisms for reducing risks in order to unblock local financing.
11. Just as we advocate integration and the joint efforts of the region's development finance institutions, **we express our satisfaction and willingness to go beyond the region and to participate actively in global initiatives and organizations** dedicated to financing development and reinforcing cooperation, relations, business, investments, interregional financial flows, and the exchange of experiences and knowledge with a global outlook. In this connection, we gladly accept ALIDE's invitation to jointly become a part of the Finance in Common (FIC) global Summit, with the participation of worldwide development finance institutions committed to financing the projects

needed to boost the region's development under an approach of contributing to the planet's sustainability; and also of the World Federation of Development Finance Institutions (WFDFI), consisting of regional associations of the world's development finance institutions which, for the next three years, will operate under ALIDE's chairmanship and with its secretariat.

12. Conflicts, insecurity, weak institutions and limited access to justice continue to pose a serious threat to sustainable development. For that reason, in keeping with SDG 16, we will promote just, peaceful and inclusive societies, rejecting violence in all its forms. Development and the creation of opportunities constitute the best deterrent against violence.
13. In conclusion, we express our special appreciation to Korpodeko, the Sustainable Development Corporation of Curaçao; to the Inter-American Development Bank (IDB) for its contribution to the sponsorship of this Assembly; to the allies S&P Global Intelligence and to the private national and international enterprises and organizations; as well as to the government authorities and citizens of Curaçao for their collaboration and warm hospitality during this Fifty-second Regular Meeting of the ALIDE Annual General Assembly.

Curaçao, May 20, 2022