

AGENDA

Developing the intrinsic potential of Latin America and the Caribbean before the world: role and challenges of the development banking system

The impact of environmental, health, economic and geopolitical events of recent years has given shape to an environment in permanent crisis. We now have a scenario, which could be considered post-pandemic, in which we confront a context of inflationary and recessive pressures, the former traceable to the large amounts of liquidity that were injected into the markets as part of the anti-COVID measures affecting the demand, as well as to logistic and geopolitical elements that acted as a restraint on the supply of goods and services.

We can see that at the global level the trade-off between economic growth and inflation has taken a turn towards the alternative of sacrificing economic growth to focus on controlling inflation. The International Monetary Fund (IMF) projects that the advanced economies will show growth of only 1.1%, while the developing economies will reach a figure in the neighborhood of 3.7% by 2023. Latin America and the Caribbean (LAC) is not expected to experience a recession, but its growth in 2023 will be half of that estimated for 2022 and one-quarter of the amount forecast for 2021: at a meager 1.7%. The consequences for the region's countries will be negative, creating more complicated scenarios as they continue to cope with the aftereffects of Covid-19. Our development finance institutions will therefore have a first major challenge to confront: seeing to the short-term and offsetting the economic cycle that is headed towards a slowdown or recession.

At the same time, the international economy is confronting problems that are more structural in nature, like growing uncertainty over the food and energy supply in the various countries, brought on by rising fuel and food prices in the short term; the foreseeable increase in demand and in the size of the population in coming years, and long-term geopolitical tensions that lead to greater social conflict.

As a result of all of this, some sectors considered to be strategic, like agriculture, the pharmaceutical and health industries, semiconductors, fuel and clean energy, have emerged more forcefully. Simultaneously, the strong interlinkage between national public policy and international agendas, like the Paris Agreement, the Sustainable Development Goals, global energy and food security and the environment, has been further strengthened. This, as a number of different analyses indicate at the global level, is giving shape to the beginning of a *“new era in which government support in order to reinforce industrial competitiveness, for reasons of business, national security, public health and the environment, will be viewed as more necessary and normal than in the past.”*

The latter will have an impact on trade, the demand for raw materials and essential inputs and the flow of investments. The trend in the area of trade is to move toward the diversification and proximity of suppliers, an assured supply and more pronounced regionalization of trade relations. The goal is to form trading blocs and routes with objectives that transcend economic and commercial aims.

LAC has several challenges to be met in this new scenario. It is an important source of raw materials and essential food products; geographically, it is situated in an area of geopolitical influence, but commercially, it is strengthening its trade relations with Asia; and today it has an opportunity to refresh and reinforce its relations with Europe and North America: Canada and the U.S.—and, as a result, to attract investment flows, technology and regional supplier enterprises. New industries with a great potential are going to require growing amounts of materials that are or can be produced in the region. LAC will need technology and investments in order to enhance its productivity and build sustainable food systems and sustainable industries, in order to move towards a sustainable and equitable development model in which the citizens will see that they are included.

For that reason, the 53rd Meeting of the ALIDE General Assembly will examine Latin America’s potential for, in the scenario of the global economy, establishing relations with the various different regions of the world to take advantage of its diversity of resources, attract investment flows and get world class supplier enterprises to establish premises in the region; and mobilize its own domestic capacities and capital from citizens abroad. In this connection, it is important to discuss the role of public policy and the acts of development banks in a more diversified world with State involvement in boosting economic development, as can be seen in several different countries, particularly the most important developed economies, with a view to reducing their vulnerabilities and dependency on others.

Key Topic: Developing the intrinsic potential of Latin America and the Caribbean before the world: a new scenario and the challenges and opportunities for the development banking system

Topic 1: The Role of Public Policy in the Attraction of World Class Investors

Global events of recent years --COVID, the emergence of vulnerabilities in food, health and energy supply systems, as well as the effects of climatic and geopolitical events—are producing a change in State positions insofar as government action to strengthen economic competitiveness, create new industries, or bring about the establishment of companies in sectors considered to be of key importance for either business, national security, public health or environmental reasons are concerned.

What types of active public policies appear to be trends towards boosting development? What is their role? How do these policies operate in LAC or what elements should they consider for the region? What characteristics should these public policy measures have in order to promote the attraction of foreign direct investment and world class investors? How are we going to establish links with international markets? Will the region have the opportunity to transfer technology and make technological advances? What chances are there of leapfrogging in the value chain of its products?



Topic 2: Emerging factors that are redefining world trade: opportunities for Latin America and the Caribbean

A series of considerations have emerged in the area of international trade as a result of the geopolitical problems and vulnerabilities and interests experienced by the countries that are influencing the nature of business relations at the global level. Some concepts like globalization, the concentration of production in regions or countries with lower costs or easy procurement, or international value chains, have given way to “new considerations” as the result of the revaluing of other concepts with objectives that go beyond purely economic and commercial elements. Examples of these are: being able to count on an uninterrupted supply of the products; the formation of trading blocs for geostrategic reasons; the establishment of new trade alliances; diversification of suppliers; proximity to provisioning sources; and relocation of the production.

How do these changes in approach on the international scene affect LAC's relationship with the world? ¿How should we make a place for ourselves in international trade flows? What opportunities arise for a region that is geographically located in an area of geopolitical influence, but is commercially establishing growing links with Asia? In what sectors can a large potential be found to benefit from?

Topic 3: Infrastructure finance as a supporting element for the region's competitiveness in the world

Their productive infrastructure benefits countries and regions in multiple ways. One is by enhancing the competitiveness of territories for attracting investments of important national and international enterprises and competing in foreign markets. We can also see how the large economies of the world get involved in regional and transcontinental initiatives that include a variety of projects and involve mobilizing large amounts of financing and investments, in order to give shape to physical infrastructure corridors for commercial and geopolitical purposes.

Just how far has the region advanced? How do we compare with other regions insofar as the attraction of investments for infrastructure projects is concerned? How do we get involved in those regional and global initiatives in order to claim a place for ourselves in world trade and become potential suppliers for industries that produce intermediate and final goods, replacing other regions, like Europe and Asia? Are multilateral banks and global investors playing a leading role as financial suppliers in order to reduce the gap in investment? What types of projects are they financing?

PRELIMINARY PROGRAM

Developing the intrinsic potential of Latin America and the Caribbean before the world: role and challenges of the development banking system

Tuesday, May 30	
Este día se efectuarán actividades internas de los órganos institucionales y directivos de ALIDE, así como un seminario enfocado en Centroamérica y la integración con sus pares latinoamericanos.	
9:00 a.m. – 5:00 p.m.	Participant registration
9:00 a.m. – 5:00 p.m.	Bilateral meetings
10:30 a.m. – 12:30 p.m.	Meeting of ALIDE National Coordinators
12:30 p.m.	Luncheon hosted in honor of the ALIDE National Coordinators
2:00 p.m. – 5:00 p.m.	Seminar “Central America in the world: challenges and opportunities”
6:00 p.m.	Meeting of the ALIDE Executive Committee/Advisory Council
8:00 p.m.	Dinner in honor of the Executive Committee and Advisory Council
Wednesday, May 31	
8:00 a.m. – 5:00 p.m.	Participant registration
9:00 a.m. – 6:00 p.m.	Bilateral meetings
9:00 a.m. – 9:15 a.m.	Preliminary Session
9:15 a.m. – 10:15 a.m.	Opening Session
10:15 a.m. – 10:45 a.m.	Coffee & Networking break
10:45 a.m. – 11:15 a.m.	Key Topic Presentation: Developing the intrinsic potential of Latin America and the Caribbean before the world: role and challenges of the development banking system
11:15 a.m. – 1:00 p.m.	First Plenary Session: The Role of Public Policy in the Attraction of World Class Investors Questions and answers
1:00 p.m. – 2:30 p.m.	Lunch
2:30 p.m. – 4:00 p.m.	Panel or Conference



4:00 p.m. – 4:15 p.m.	Coffee & Networking break
4:15 p.m. – 6:00 p.m.	Workshop: Sustainable food systems and the financial inclusion of small-holder farming
	Workshop: Boosting of SMEs for the Export of Products with Added Value and Innovation for purposes of Achieving Sustainable Economic Growth
8:00 p.m.	Welcome Cocktail
Thursday, June 1	
9:00 a.m. – 5:30 p.m.	Bilateral meetings
9:00 a.m. – 10:30 a.m.	Second Plenary Session: Emerging factors that are redefining world trade: opportunities for Latin America and the Caribbean
	Questions and answers
10:30 a.m. – 11:00 a.m.	Conference
11:00 am. – 11:30 a.m.	Coffee & Networking break
11:30 a.m. – 1:00 p.m.	Panel
1:00 p.m. – 2:30 p.m.	Lunch
2:30 p.m. – 4:15 p.m.	Workshop: Financial and technological incentives for altering the trend from using family remittances for consumption to production purposes
	Workshop: The green bond market as a fund-raising opportunity
4:15 p.m. – 4:30 p.m.	Coffee & Networking break
4:30 p.m. – 6:00 p.m.	ALIDE Prizes 2023
	<ul style="list-style-type: none"> - Prizes “Good Practices in Development Banking” - Bank of the Year



