

## IV ROUNDTABLE OF CHIEF ECONOMISTS OF LATIN AMERICAN AND CARIBBEAN DEVELOPMENT FINANCE INSTITUTIONS

Lima, Peru, February 29 and March 1, 2024

### ***Alignment of the Development Banking System with the Major Initiatives and Significant Global Agreements for Latin America and the Caribbean***

#### **CONCEPT NOTE**

#### **ORGANIZATION, VENUE AND DATE**

The Roundtable of Chief Economists of the Latin American and Caribbean Development Finance Institutions is organized by the Latin American Association of Development Financing Institutions (ALIDE) and will take place in the city of Lima, Peru on Thursday, February 29 and Friday, March 1, 2024, at ALIDE's headquarters (Paseo de la República 3211, San Isidro).

#### **BACKGROUND INFORMATION**

The roundtables of chief economists offer a vehicle for dialogue and the exchange of ideas among the people responsible for the areas of economic studies, research and planning in the development finance institutions. Their purpose is to produce items for an agenda with which to address salient aspects of development finance that would serve as guidance for financial institutions, their policies and their operational practices. This agenda and deliverables would also serve as an input for ALIDE's efforts to orient its activities towards serving its member institutions and the development finance system in the region.

The first of these roundtables was held in Minas Gerais, Brazil, in 2019, where, with the support of Banco de Desenvolvimento de Minas Gerais (BDMG), *"The role of development banks in the context of the priorities of the 2030 Agenda for Sustainable Development"* was studied. The second, in 2021, which took the form of a virtual meeting with the collaboration of Financiera Emprendedores de México, examined *"The region's economic recovery and reinforcement in response to the impact of the COVID-19 crisis: the actions taken by the development banks"*. And the third, with the city of Buenos Aires as its venue and the assistance of Banco de Desarrollo de Argentina (BICE), focused its discussions on the *"Transformation of the production model, the promotion of regional integration and the crucial role of the Development Banking system"*.

It is proposed that the agenda for this 4th roundtable address specific issues related to the future performance of the region's economies and which are being prioritized in Development Banking efforts. Foremost among these issues is the role being played by innovation and the new technologies in key sectors and areas of the economy, climate finance, and the need to align DB strategy with the major initiatives and global agreements: including the Sustainable Development Goals (SDGs); the Paris Agreement; the Global Biodiversity Framework and the New Global Financial Pact, and the World Summit on Food Security; among others, without failing to allude to items like financial and social inclusion and integration and gender equity; and obviously concern for learning the socioeconomic and environmental impact of development bank actions.



## AIMS

The roundtable of economists serves as a platform for promoting dialogue and collaboration, where strategic and public policy ideas and recommendations for development banks will be discussed, analyzed and presented with a view toward addressing existing challenges and maximizing their impact on the constantly changing global economic scenario. The following specific aims are proposed to guide the discussions and collective efforts:

- To discuss and examine the issues presented and share practices that will make it possible to identify challenges in their implementation, share best practices and provide for a wider exchange of knowledge among the region's DBs.
- To facilitate the production of ideas and recommendations on development policies, thereby promoting a dynamic exchange of ideas among the participants. The discussions will seek to inspire creativity and innovation, spurring the formulation of proposals and practices that could reinforce the efforts of development banks. These are ideas that we expect to not only be innovative, but also applicable and to have the potential to produce a positive impact in the region.
- To look into the most significant challenges that development banks are currently facing. These include the critical lack of financial resources, the need to adapt to conditions in the global economic scenario, the growing demand for sustainable finance for green projects and initiatives, and the imperative to remain at the forefront with regard to the new technologies in order to promote financial inclusion. It is essential for development banks to address these challenges in order to comply with their mandate of promoting sustainable development and equity within their countries.
- To identify ideas for potential collaboration and to design joint strategies for bolstering the capacity of development banks to address complex challenges and advance toward more effective and sustainable solutions. Also to promote effective collaboration and complementary efforts among development banks and promote open dialogue and cooperation among all parties interested in the area of development banking operation.

## AGENDA

### Day 1:

**Panel 1: Alignment with regional and global initiatives and goals:** Alignment of Development Bank efforts with the Sustainable Development Goals and with the Paris Agreement and other global agreements is crucial in order to enable them to address systemic challenges and effectively fulfill their mandate as a driver for economic development. Alignment with global issues improves the banks' position in being able to attract and diversify funding sources with specific characteristics, manage risks and contribute to world efforts to reduce poverty, bring down inequity and fight climate change, among other global matters of concern.

**Panel 2: Infrastructure and urban development: public-private cooperation:** Presentation and discussion of the role of PDBs in raising public and private capital for sustainable high-quality infrastructure projects in which cooperation with key partners is highly important. Creating high-quality projects means designing and building infrastructure that is economically viable and sustainable in the long term. This includes considering environmental and social aspects to ensure that they have a positive impact on communities and the environment. The role to be played by national development banks in the execution of projects of this kind is highly important. These banks, because of their familiarity with the local markets, are able to play a crucial part in identifying and financing projects that benefit local communities and promote economic and social integration.

**Panel 3: Technological Development and its contribution to improving value chains in order to stimulate trade:** Technological progress plays a highly important role in making the most of trade chains in the modern era. The implementation of innovative technology, like process automation, the Internet of Things (IoT) and artificial intelligence (AI) are working a revolution in the way that trade and supply chains are managed and operate. These innovations allow for more product visibility and traceability, thereby enhancing efficiency and reducing risks along the entire chain. Technological development benefits not only large enterprises, but also opens up opportunities for SMEs to be incorporated into broader trade chains. The collaboration and interoperability of the systems are essential in this context, and investment in technology has become an important driving force for entrepreneurial competitiveness in the global economy.

**Panel 4: SMEs, financial inclusion and gender equality:** Commitment to the financing of undertakings led by women is one way in which gender considerations can be incorporated into national investment strategies and equal opportunities can be promoted in access to financing and resources and women's development. At a time when women's emergence in societies as a leading actor in all spheres of social and economic endeavor, equipped with capacities that enable them to confront multiple challenges, fulfill a variety of roles and participate in a country's various economic activities; it is highly important for Development Banks to boost initiatives and programs to support those efforts as experiences that can be seen in the region bear witness to.

## **Day 2**

**Panel 5: Sustainable agriculture and food security.** The most impoverished zones are generally to be found in the rural areas and are associated with small-scale agriculture. Poverty in the rural areas, according to the United Nations, stands at 17.2%, or over three times the rates that exist in the urban areas. This is also a key sector for consideration in the fight against climate change, inasmuch as it produces one-third of all greenhouse gas emissions, particularly as a result of deforestation and the loss of biodiversity. It is also necessary to bear in mind that the OECD foresees that the global demand for agricultural products will rise 1.2% per year over this decade and that 87% of that figure will come from an increase in global productivity, which will be of key importance in feeding a growing world population, forecast at 8,500 million in 2030. For all of these reasons, supporting inclusive development by means of sustainable jobs and greater equity in reducing extreme poverty, and promoting investment in agriculture –with particular emphasis on small producers— are crucial for improving agricultural productivity and sustainable food systems in order to help alleviate the dangers of hunger and malnutrition in the face of a possible greater global demand for food products.

**Panel 6: Impact evaluation of the contribution to development.** Impact evaluation is a basic tool for decision-making in both the public and private sectors. It makes it possible to gauge the effects and results of projects, programs and policies, ensuring that established goals are reached and the value for each of the parties involved is maximized. In the political sphere, impact evaluation helps governments allocate resources more efficiently and design policies that benefit society in general. And in the case of Development Banks, impact evaluation assumes even more importance, inasmuch as it plays a fundamental role in promoting economic and social development by financing projects that frequently have a significant impact on communities and the economy in general; and goes beyond financial results to consider the social and environmental effects of the projects financed, as well.

## PROGRAM

Day 1 Thursday, February 29	
8:00 – 9:00 a.m	<b>Participant Registration and coffee</b>
9:00 – 9:30 a.m.	<b><u>Words of Welcome</u></b>  <b><u>Introductory Presentation:</u> Overview of the development banking system and finance in LAC</b>
9:30 – 10.30 a.m.	<b><u>Panel 1:</u> Alignment with Regional and Global Initiatives and Goals</b>
10:30 – 11:00 a.m.	Dialogue and General Discussion
11:00 – 11:30 a.m.	<b>Group Photo</b>  Coffee and Networking
11:30 – 12:30 p.m.	<b><u>Panel 2:</u> Infrastructure and urban development: public-private cooperation</b>
12:30 – 13:00 p.m.	Dialogue and General Discussion
13:00 – 14:30 p.m.	Lunch
14:30 – 15:30 p.m.	<b><u>Panel 3:</u> Technological Development and its contribution to improving value chains in order to stimulate trade</b>
15:30 – 16:30 p.m.	<b><u>Panel 4:</u> SMEs, financial inclusion and gender equality</b>
16:30 – 17:00 p.m.	Dialogue and general discussion
17:00 – 17:15 p.m.	<b>Conclusions and closing of Day 1</b>
19:00 p.m.	<b>Welcoming Cocktail Party</b>

Day 2 Friday, March 1	
8:30 – 9:00	<b>Arrival of participants and Coffee</b>
9:00 – 10:00	<b>Panel 5: Sustainable agriculture and food security</b>
10:00 – 10:30	Questions and Answers
10:30 – 11:30	<b><u>Panel 6: Impact Evaluation of the contribution to development</u></b>
11:30 – 12:00	Questions and Answers
12:30 – 13:00	<b>Proposal of joint Knowledge Advisory Group Activities of Finance in Common</b>
13:00 – 13:30	<b>Conclusions and closing</b>
13:30	Lunch

## **PARTICIPANTS**

Invitations to the Roundtable will be sent to the Chief economists of the ALIDE member development financing institutions or their equivalents, including the people responsible for strategic planning. Representatives of international organizations and think tanks specialized in development financing in our region will also be invited, and the Presidents and high-level executives of the development banking institutions will also be invited to join this high-level strategic meeting.

## **METHODOLOGY**

The Roundtable will be divided into two parts covering the 2-day meeting, with 6 panels and special lectures in line with the topics corresponding to the sustainable development goals and the various initiatives, global agreements that are highly important to the Latin American and Caribbean region. The Roundtable is expected to produce a technical document setting out the principal results, conclusions, proposals and commitments emanating from the keynote presentations, discussions and exchanges of viewpoints with the participating public. These will serve as an input to enrich the discussions at the forthcoming 2024 General Assembly of ALIDE, as well as of Finance in Common 2024.

## **SIMULTANEOUS INTERPRETATION**

Simultaneous interpretation will be available in the meeting languages: Spanish and English.

## **REGISTRATION**

To confirm your participation, please register by clicking on the following link:

<https://forms.office.com/r/3Cbnx10yWj>.

## **ACCOMMODATION**

It has been coordinated with the Holiday Inn Hotel (walking distance from the ALIDE headquarters building) as the official hotel of the event – a preferential rate for meeting participants that includes buffet breakfast, internet and other benefits. Participants will reserve their accommodation directly with the hotel, indicating the code “**Reunión\_ALIDE**”. If you want the hotel to send you a remise taxi to pick you up at the airport (desirable), you can request it at a cost of US\$27.54.

<p><b>Holiday Inn Express San Isidro</b> Coronel Andrés Reyes Street No. 492 San Isidro <u>Contact:</u> Fiorella Solis Teléfono: (51-1) 410-630 / (+51) 988614293 E-mail: <a href="mailto:reservas.limsi@agrisal.com">reservas.limsi@agrisal.com</a> <u>c.c.:</u> <a href="mailto:fiorella.solis@agrisal.com">fiorella.solis@agrisal.com</a> <u>Indicate:</u> “<b>Reunión ALIDE</b>” <a href="https://www.ihg.com/holidayinnexpress/hotels/us/es/">https://www.ihg.com/holidayinnexpress/hotels/us/es/</a></p>	<p><b>Rates</b> Standard Room: US\$ 80.00 King View Room: US\$95.00 Superior Room: US\$120.00 (Include in rates + 10% by taxes)</p> <p>(Includes buffet breakfast, wireless internet, etc.) Check In: 15:00 hrs. – Check Out: 12:00 hrs.</p> <p>IGV 18%. Foreign passengers not resident in Peru are exempt from VAT by presenting their passport or immigration card at the time of check-in.</p>
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## **VISA**

Participants from abroad are recommended to go to the Peruvian Embassy in their respective countries to find out about the need to obtain an entry visa and the corresponding requirements.

## **CURRENCY**

The official currency of Peru is the Sol. The exchange rate as of December 14 is S/.3.81 soles per 1 US Dollar. International credit cards are accepted in most hotels and businesses in general. To exchange currency, there are exchange houses in most districts of Lima.

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## MAP

Location of ALIDE headquarters and Holiday Inn Hotel.

