



**ALIDE GENERAL ASSEMBLY**  
SANTO DOMINGO-DOMINICAN REPUBLIC  
MAY 12-14.

## CONCEPT NOTE

### **"From the Global Crisis to Comprehensive Security: Development Banking Shaping the Future of Latin America and the Caribbean"**

The global context is marked by a series of recent crises, of multiple dimensions, that have deeply impacted the economic, social and political structures of our countries. The confluence of critical events, such as the COVID-19 pandemic, disruptions in supply chains, climate change, geopolitical tensions and accelerated digital transformation have generated uncertainty and volatility, exposing vulnerabilities in all areas of life, not only in specific areas or sectors, as in periods of previous crises. These crises, with comprehensive and multiple impacts, have revealed the need for a reconfiguration of the development approach to guarantee a more stable future, with comprehensive security for all in Latin America and the Caribbean (LAC).

Economic security, which is essential to guarantee the stability of the region, must go hand in hand with social security, ensuring inclusion and equity in the distribution of the benefits of development. Environmental security has also become an indispensable pillar, given the region's vulnerability to the effects of climate change, and the need to promote an energy transition towards sustainable and clean sources. The integration of technological and digital security is also critical, since the advance of technology offers great opportunities, but also poses risks in terms of cybersecurity and access gaps.

In this sense, the "multiple security" or "comprehensive security" approach not only suggests a response to current crises, but also proposes a long-term vision where the capacities of states, companies and people are proactively strengthened to face future threats. This requires identifying current and potential risks, strengthening institutions and promoting investment in strategic projects that aim towards sustainable and equitable development. In addition, education and technical and vocational training are key to preparing the population for the challenges and opportunities of the future, boosting productivity and innovation.

In this process, it is essential to create alliances that mobilize financial resources and knowledge, integrating diverse actors in the formulation and implementation of policies, plans and projects. Regional and international collaboration will be essential to position Latin America and the Caribbean in the new global scenario (re-globalization phase), ensuring that our region plays an active role in the major decisions that will shape the future.

The Latin American Association of Development Financing Institutions (ALIDE) recognizes that the role of development banks is fundamental in this scenario of uncertainty, acting as a key driver for economic, social and environmental recovery and progress. Under the theme "From the Global Crisis to Comprehensive Security: Development Banks Shaping the Future of Latin America," the assembly aims to address the need for a comprehensive recovery strategy that not only reactivates economies, but also promotes multiple security that encompasses economic, social, environmental, technological and digital dimensions, among others.

In this regard, from the perspective of ALIDE and development banks, general and broad questions must be answered, such as: Is a safer world possible in its multiple dimensions? How can countries, individually or collectively, contribute to this objective? How important are development banks in addressing these different dimensions of insecurity? How can adequate and sustainable access to financing be achieved? Is the current international financial system for financing development functional in these circumstances?

The ALIDE Assembly will be a strategic forum to discuss these issues and outline concrete actions. The goal is to achieve comprehensive development that, with a multiple security vision, guarantees not only recovery from current crises, but also the resilience and prosperity of the region in the decades to come.

## **Plenary 1: Financial strengthening in the face of critical global situations: Strategies to mitigate impacts in LAC**

LAC faces multiple challenges arising from critical global events that force it to delve deeper into the design and implementation of policies and instruments to strengthen its financial capacity to minimize and better manage the risks and negative effects of such events - such as current and future crises - thereby improving its response to global or internal shocks.

This includes not only economic diversification or diversification of income sources to reduce dependence on volatile international factors, but also financial and commercial self-sufficiency, strengthening the integration of LAC into global markets in a more competitive and secure manner.

It is also crucial that the region be prepared to face crises of various kinds, such as social violence or changes in international trade and policies, in order to minimize their negative impact. In this context, development banks play a key role: How can they support the region's adaptation to this changing global scenario? What strategies are they adopting to create an enabling environment for strategic investments and diversify business alliances? How are they taking advantage of geopolitical tensions to open new markets and attract investors? What innovative instruments—such as contingent funds, insurance or emergency funds—are they using to deal with unexpected events?

The panel will discuss innovative instruments that can be implemented to deal with unexpected situations. These financial tools not only improve the capacity to respond to crises, but also strengthen the regional economic system, promoting stronger and more sustainable growth in the long term.

## **Plenary 2: On the road to regional energy security: innovative mechanisms to promote investment**

In terms of energy security, LAC faces significant challenges, exacerbated by global crises, climate change, and economic fluctuations. Ensuring reliable and sustainable access to energy resources is crucial for the development and stability of the region. Although progress has been made in renewable energy, the region remains dependent on fossil fuels; in 2022, 56% of LAC's energy matrix came from non-renewable sources<sup>1</sup>, making it vulnerable to fluctuations in international oil prices, environmental risks, and geopolitical instability.

LAC has great potential in renewable energy, especially hydroelectric, solar and wind. Some countries are already leading the way in integrating these sources into their energy mix, but to achieve true energy security it is essential to expand and diversify these capacities throughout the region. This requires significant investments in infrastructure, such as the modernization of distribution networks, energy storage and development of transition technologies, in addition to the political will for greater regional energy integration.

From the perspective of development banks, it is worth exploring how they can facilitate LAC's transition towards a more diversified energy matrix that is less dependent on fossil fuels? What strategies can they implement to finance the modernization of energy infrastructure? How can they collaborate with governments and the private sector to promote investment in renewable energy? How can they contribute to regional energy integration to optimize the use of renewable resources in LAC? How can they promote innovation in energy transition technologies? What innovative financing mechanisms could they develop to support the implementation of renewable energy projects?

## **Plenary 3: Food security and agricultural financing: strengthening resilience through innovation**

One of the regions most affected by climate change, with direct impacts on agricultural production, is LAC. It is estimated that agricultural losses due to extreme weather events could reach US\$29 billion annually by 2050 if no action is taken<sup>2</sup>.

To ensure food security, it is crucial to adopt sustainable agricultural practices that increase productivity and conserve natural resources, as well as diversify production to reduce vulnerability to specific shocks. In this process, the adoption of advanced technologies and the digitalization of the field can improve efficiency, the resilience of the agricultural sector and facilitate access to markets, so a combination of public policies, strategic investments in infrastructure and technology, and regional collaboration is crucial.

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<sup>1</sup> International Energy Agency (IEA), "Latin America Energy Outlook" (2022), and CEPAL, "Panorama Energético de América Latina y el Caribe" (2021).

<sup>2</sup> FAO, "The impact of disasters and crises on agriculture and food security" (2020), y BID, "Agricultural productivity and climate change: adaptation challenges" (2020).

In this context, it is important for development banks to analyze how they can promote strategic investments in agricultural infrastructure to improve resilience to extreme weather events and ensure sustainable production? How can they support producers in crop diversification to reduce vulnerability and strengthen food security? What role can they play in financing advanced agricultural technologies that increase productivity and resilience? What programs or funds can they create to promote the digitalization of the countryside and improve access to markets for small farmers? What financing strategies can reduce food dependency in LAC and promote self-sufficiency? How can they contribute to the creation of public-private partnerships that drive innovation in the agricultural sector?