

IN THE SPOTLIGHT INSPIRING INNOVATION WHERE WE'VE BEEN NEWS DIGEST

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IN THE SPOTLIGHT

Inaugural Demand Solutions event explores innovative approaches to development



The IDB, the United States Agency for International Development, and the Blum Centers at the University of California co-organized the "Demand Solutions: Ideas for Improving Quality of Life" event. Held at the Bank's DC headquarters on November 21st and 22nd, speakers shared past and possibly future solutions to the region's most pressing development challenges. Leaders in government, academia and the private sector gathered to engage with speakers such as Jack Andraka, the 15 year old inventor of a rapid and early detection sensor for pancreatic, ovarian and lung cancers. The theme of entrepreneurship was touched on by such creative minds as the young man regarded as the Mark Zuckerberg of Latin America and the Caribbean (LAC)—Colombian entrepreneur Andrés Barreto, President and co-founder of the publishing and advertising platform Onswipe and co-founder of the popular music streaming service Grooveshark. IDB Vice President Julie Katzman emphasized the importance of bridging the gender gap that keeps too many girls away from science, technology, engineering and math (STEM). IDB President Moreno closed the event with Dean Kamen, inventor of the Segway, and founder of both DEKA Research and Development and the FIRST program, which inspires children and youth to pursue careers in science and technology. Other participants included U.S. Agency for International Development (USAID) Administrator Rajiv Shah, President and CEO of Diesel Canada Inc. Joey Adler, Vice President of Google X Megan Smith, and Richard C. Blum, Chairman, Blum Capital Partners & Founder and Trustee, Blum Center for Developing Economies.

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The IDB and Nestlé S.A. join in Colombia to promote the concept of shared value to accelerate development in LAC

The IDB and Nestlé S.A. joined forces in October to co-organize the 2013 Creating Shared Value Global Forum, a gathering centered on the idea that companies can create economic value in a way that also creates value for society by addressing its needs and challenges. Intended to spark new approaches to private sector-prompted development in Latin America and the Caribbean (LAC), the Forum featured more than 20 leading international and Latin American experts in the fields of government, academia, civil society and business. Attendees discussed how companies and local communities can work in tandem to accelerate development and generate value, and covered such topics as nutritional challenges, water, environment, food security and rural development. Additionally, IDB President Luis Alberto Moreno and Nestlé Chairman Peter Brabeck-Letmathe promoted this concept of shared value through a jointly-written Op-Ed for the Colombian newspaper "El Espectador." Their article, titled "Land of Milk and Trees," describes their plan for a future endeavor in the Colombian province of Caquetá. By providing logistic support and credit backing to milk producers in the area, the IDB and Nestlé expect to create jobs, raise incomes, preserve natural resources, tap into a new source of quality raw materials, and ultimately create shared value.

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The Government of Norway contributes US\$5 million to the Bank's Multi-Donor Transparency Fund

Signed in Oslo at the Annual Meeting of the Bank's <u>Transparency Trust Fund</u>, the agreement between the Government of Norway and the IDB reflects the former's continued support of transparency efforts in Latin America and the Caribbean. A donor to the fund since its creation in 2007, Norway's latest contribution will support the second phase of the Fund. Ultimately, this multidonor trust fund strives to strengthen the institutional capacity of borrowing member countries to support the design and implementation of policies, mechanisms and practices that promote transparency. Support targets financial integrity, audit and control, natural resources governance and open government, and to date has benefited such countries as Ecuador, Argentina, Guatemala, Colombia, Mexico, Chile, Brazil, El Salvador, Belize, and Jamaica.

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The Government of Finland and the IDB improve access to and quality of education in Haiti

The Government of Finland contributed €5 million in co-financing resources to the Haitian Education Plan, part of a multi-stakeholder effort to reform education in the country. Finland's contribution will improve the supply and quality of education, specifically through the construction of five schools, new training for instructors, improved management, and the promotion of innovative teaching methods. The new schools, which will be located in areas currently deprived of education facilities, will benefit 2,050 children annually. This partnership to enhance literacy and mathematics among early grades will reach at least 13,500 children, improving learning experiences through such pioneering teaching methods as interactive radio programs and competitive funds for educational innovations. Additionally, a partnership with Finn Church Aid will support the planning and implementation phases in the construction of schools. Their contribution will provide these services for ten schools total, including the five funded by the Government of Finland.

The World Bank, the Organization for Economic Cooperation and Development (OECD) and the United Nations Development Program (UNDP) join the IDB in promoting open government in LAC

The Open Government Partnership (OGP), which is now collaborating with the IDB and the three aforementioned multilateral institutions, helps mobilize new investments and technical support to strengthen open government reforms around the world. The OGP currently works with 15 countries in Latin America and the Caribbean which have signed on to the initiative, supporting governments' efforts to boost transparency and accountability in the public sector. These countries have collaborated with local civil society organizations to propose 328 commitments, over three quarters of which aim to strengthen public integrity and public service delivery. The four partner organizations pledged their support at the London OGP summit, which took place on October 31st and November 1st and convened more than 1,000 participants from 70 countries, all committed to promoting open government and accountability.

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The Carlos Slim Health Institute and the IDB strengthen ties through the Salud Mesoamerica 2015 Initiative



The Carlos Slim Health Institute (ICSS) and the IDB have announced plans to develop an online course on maternal and neo-natal health, a training component of the Salud Mesoamerica 2015 Initiative's efforts to reduce maternal mortality rates. The course will be provided to primary care professionals who work with pregnant women and newborns in low-income areas of Central America and Mexico. This focus on training and education has also prompted ICSS to fund 200 scholarships in the initial phase of this course, which will be provided to general practitioners, specialists, nurses, social workers, psychologists and other professionals who work with this demographic. Based off content from ICSS' AMANCE program, the course features 130 video lectures that address pre-natal, pregnancy, birth and newborn health.

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INSPIRING INNOVATION

The IDB supports the first bio-fuel plane in Brazil



Gol Airlines, with support from the IDB and its partners at the Associação Brasileira das Empresas Aéreas (Abear), da União Brasileira do Biodiesel e Bioquerosene (Ubrabio), GE and Boeing, flew the first ever bio-fueled plane in Brazil. Powered by fuel consisting of 25% biokerosene, this feat is not just a Brazilian aeronautical first, but a powerful indicator of the room for further economic and social development in the region. This first flight is a reminder of bio-fuel's potential as a sustainable instrument for attracting investment, creating jobs, accelerating rural development, and encouraging technological progress.

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The IDB and JICA continue support of emerging and sustainable cities

The Bank has strengthened its collaboration with the Japanese International Cooperation Agency (JICA) on the Emerging and Sustainable Cities Initiative. Intended to support growing cities in LAC as they make planning decisions and take action steps toward smart and sustainable urban development, this year's IDB-JICA memorandum of understanding outlines four specific areas of collaboration. The IDB and JICA will work to help LAC: create environments conducive to sustainable urban development investments; identify and prepare urban development projects in such areas as energy, citizen security, transportation, and water and sanitation; develop city-specific action plans for sustainable growth; and generate and share knowledge on urban development. Progress has been made in 12 cities to date.

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The Government of Switzerland and the IDB support climate change management and local economic development in Central America

The Government of Switzerland, represented by the Swiss Agency for Development and Cooperation, and the IDB will work together to address climate change and weather issues in Nicaragua. The Environmental Program for Disaster Risk and Climate Change Management, to which Switzerland has pledged US\$3 million, protects rural communities from weather threats through municipal risk management practices, environmental restoration systems, climate-resilient infrastructure, and more. Additionally, the Switzerland-IDB partnership will work to generate income

and jobs in Nicaragua's Gulf of Fonseca, an area currently adverse to economic growth and characterized by extreme inequity. Switzerland has pledged more than US\$2.5 million to promote businesses and micro enterprises, prompt inclusive growth, and ultimately reduce poverty.

The first-ever call for university case studies on road safety in LAC targets future leaders and inspires solutions

In collaboration with the International Training Center for Local Actors (CIFAL-Curitiba) of the United Nations Institute for Training and Research (UNITAR), the IDB announced the three winners of the first call for case university studies on road safety in the region. A response to troubling road accident fatality rates in LAC, the aim of the call was to reach future policy-makers at early stages of their education and promote academic processes for the creation, expansion and dissemination of road safety knowledge. The selection committee included judges from universities in the region, as well as FIA, Johns Hopkins University, and the National Road Safety Agency of Argentina. The winning case studies, announced at the First Assembly of the Network of Universities on Road Safety (RUSVEI) in Buenos Aires, will be published in an IDB Technical Note in 2014.

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IDB launches Donor Portal to increase accountability and communication with partners

Amidst calls for greater transparency in the development world, IDB has taken measures to increase transparency in its engagement with partners. Through such mechanisms as frequent reporting and annual donor contribution meetings, the Bank provides partners with consistent updates regarding their contribution, the status of the project or fund to which they contributed, and more. Though the latter of these provide healthy annual face-time, a Donor Portal launched just the second half of this year guarantees partners access to information year-long, and gives them a chance to check on their work with the Bank at their convenience.

WHERE WE'VE BEEN



IDB President Luis Alberto Moreno positions LAC as a region ripe for investment and continued innovation through visit to Japan



The Japan-LAC Business Forum in Tokyo, which convenes more than 400 businesspeople and

government officials, featured the participation of IDB President Luis Alberto Moreno. The event serves as a platform for discussion on how the two regions can boost growth through trade, investment and knowledge-sharing. In addition to the Forum's significant turnout, a recent IDB study titled "Japan and Latin America and the Caribbean: Building a Sustainable Trans-Pacific Relationship," reminds us that Japan is one of the most crucial sources of foreign direct investment in LAC and has long driven technological and employment opportunities to the region. While in Japan, President Moreno was interviewed by the Tokyo-based talk show "Newsline," where he emphasized the mutually beneficial relationship between Asia and Latin America, one in which the former looks to Latin America as an example of significant urbanization and reduced poverty in the developing world, and in which the latter looks to Asia for innovation.

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The IDB and the Instituto para o Desenvolvimento do Investimento Social (IDIS) support equitable growth through the Brazilian Philanthropy Forum



As part of the Bank's efforts as A knowledge-sharing platform harnessing philanthropy to accelerate equitable growth, the IDB once again provided support to the Brazilian Philanthropy Forum. The October event, held in Sao Paulo, explored the potential of smart policies and social innovation to expand access to health, education, employment, equity and more. Bernardo Guillamon, Manager of the Bank's Office of Outreach and Partnerships, moderated a session on "Collaborations in Philanthropy: Preparing the Next Labor Force," which discussed opportunities for the private sector to promote market-transferable education and training. Elias Tergilene of Doimo Brasil, Riccardo Barberis of ManpowerGroup, and Adenil Falcao of Instituto Alianca also spoke on the panel.

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China-LAC Summit in Costa Rica brings together business leaders from both sides of the Pacific

The China-LAC Summit held in San Jose, Costa Rica on November 26th and 27th marks the most significant gathering of business leaders from China and Latin America and the Caribbean. Intended to generate investment in LAC, the Forum is an annual platform for the discussion of commercial and investment opportunities between the two regions, as well as an opportunity for entrepreneurs and business people to engage in business matchmaking. The Summit's second day was devoted entirely to this activity, which drew in more than 1300 attendees through 1500 plus

meetings. While the event routinely includes government, business, academic and international organization leaders from a variety of sectors, this year's Summit was the first to feature city-level cooperation. Held in Central America for the first time, the launch of an IDB report on commercial relations between Central America and China was fitting, as it analyzed the current status of the relationship between the two areas and identified opportunities for forging stronger ties.

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The Japan Special Fund Poverty Reduction Program (JPO) promotes civil society and knowledge sharing in Cali, Colombia

Held in Cali, Colombia between the 14th and 15h of November, the IDB's 13th annual Civil Society Meeting was devoted exclusively to dialogue with civil society organizations in the region and in other countries such as the United States and Europe. The Bank once again used this annual event as a platform to discuss issues of interest to civil society, address their questions and concerns, and receive input on how to improve performance in the region. At the event, the Bank and its partners at the Japan Special Fund Poverty Reduction Program (JPO) held a Knowledge Sharing Workshop that focused on five main themes, including youth protection, opportunities for displaced populations, disabled support, violence against women and early childhood development. The JPO conducted three site visits throughout Colombia, checking on the status of their project and sharing their findings at the Workshop.

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The IDB showcases impact investments to an international group of investors in London

Held alongside the Global Impact Investing Network (GIIN) Forum in London on October 10th, the IDB Group hosted a breakfast to promote impact investing. The event presented international investors with opportunities to participate in a variety of high-impact investments in Latin America and the Caribbean through impact investment funds, debt co-financings/syndications, and direct equity co-investments. Additionally, the IDB contributed to "Catalytic First Loss Capital," a GIIN report released at the Forum. The report encourages investing in opportunities with strong social or environmental impact, often perceived as having high financial risk, by employing catalytic credit enhancement tools that improve the risk-return profiles of said opportunities and subsequently incentivize investment.

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The IDB and Korea plan for continued partnership in the New Year at this year's Korea Consultation Meeting



Nine IDB units traveled to Korea this year for the Korea Consultation Meeting, an annual sit-down that brings leaders together to outline a common agenda on development assistance. The Consultation brought the Bank delegation to meet with 22 Korean partners from various sectors to explore cooperation opportunities. Partners convened came from government organizations and private companies including Korea Exim Bank, Samsung and SK Telecom. The First Ministerial Forum for Broadband Development in LAC was also held in Korea in October, resulting in the "Seoul Declaration" through which Korea pledged to share its experience and knowledge on broadband to accelerate development in LAC. Additionally, the Bank signed a memorandum of understanding with the Ministry of Science, ICT and Future Planning that will serve as a basic platform for further cooperation between the two parties, particularly on broadband development and information and communication technologies.

The IDB supports public-private partnerships at the IX Ibero-American Business Meeting and the III Foro Multilatinas in Panama

IDB participated in both the IX Ibero-American Business Meeting and the III Foro Multilatinas in Panama this year, organized as a prelude to the XXIII Ibero-American Summit of Heads of State and Government. The IX Ibero-American Business Meeting gathered hundreds of business leaders committed to forging stronger ties between public and private sector entities. One of the Meeting's result was the decision to create an observatory for providing public policy recommendations and a public-private sector task force meant to identify business approaches to accelerating Latin American development. The President of the IDB, Luis Alberto Moreno, participated in the panel "Entrepreneurship as an Engine of Latin American Development". In addition, the III Foro Multilatinas, organized by América Economía, was positioned as a platform for discussing integration and regional companies in a global context. Representatives from the IDB were also able to participate in the forum where Interim IDB Vice President for the Private Sector and Non-Sovereign Guaranteed Operations, Hans Schulz, was able to share his vision for multilatino businesses and their ability to promote development in the region through investment.

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Experts gather at the Seminar on Innovative Climate Financing Mechanisms in Helsinki

The IDB worked with the Nordic Development Fund (NDF) to organize the Seminar on Innovative Climate Financing Mechanisms from November 4-5, at which over 60 professionals from development financing and research institutions, governments, and private sector entities gathered. They discussed a variety of concrete climate financing models, some of which are already co-

financed and implemented by the NDF and the IDB. Presented models include publicly backed private sector financing models, funding opportunities for energy efficiency, private sector adaptation financing, and green microfinance. The Helsinki event effectively promoted South-to-South collaboration, and advanced new climate change solutions that use LAC as a laboratory for innovation for potential replication in Africa and/or Asia.

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The Bank engages with governments and businesses and signs an institutional partnership with Denmark's Global Green Growth Forum

The IDB attended this year's Global Green Growth Forum (3GF), an annual event that convenes governments, businesses, investors and international organizations to act together for inclusive green growth. The Forum strives specifically to connect leaders, demonstrate the potential for long-term green growth, and serve as a vehicle for public-private initiatives that can bring green growth to scale. At 3GF this year, the Bank's delegation participated in several plenaries, roundtables, public policy polling tracks, and organized a roundtable with LAC vice-ministers, project developers, and CEOs of renewable energy manufacturing companies. In addition, the IDB became a member of 3GF with the signing of a memorandum of understanding, through which the partners will focus on collaboration in LAC.

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The Latin Trade Group works with IDB to host the Latin Trade Symposium and Bravo Business Awards in Miami

Created through the support of the Latin Trade Group, the IDB, and other partners, the Latin Trade Symposium and Bravo Business Awards hosted more than 400 top policy makers and business executives in Miami. The October event is positioned as a forum for dialogue and innovation that brings together public and private sector leaders from across the Americas. The event featured discussions on MultiLatina strategies for success, global integration and connectivity, sustainable energy, strategic alliances in Latin America, and more. At this year's event, titled "Innovative Public Private Collaborations for Impact" the IDB shared its experience in leveraging public and private resources to address citizen security challenges facing the Latin American and Caribbean region.

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EU-LAC Foundation works with IDB and other partners to forge interpacific alliances

The EU-LAC Foundation, the IDB, Eurochambres and the Hamburg Chamber of Commerce collaborated to organize a seminar titled "The European Union and the Pacific Alliance—Joint Opportunities." Held in Hamburg, Germany on November 6th, the seminar allowed Europe's business community to engage with representatives of the Export and Investment Promotion Agencies of the Pacific Alliance countries. The two parties discussed existing ties and identified joint opportunities, creating a new cooperation within the existing EU-LAC Strategic Partnership. Three panels discussed joint opportunities for investment and trade in goods, services and infrastructure, involving representatives of both the Pacific Alliance countries and the EU. Alex Alvarez von Gustedt, IDB's representative in Europe, joined Colombian Minister for Foreign Affairs Maria Angela Holguin and President of the EU-LAC Foundation Benita Ferrero-Waldner in opening the event.

Bank representatives in Europe promote opportunities in LAC through seminars with partner countries

In the fall, IDB representatives in Europe participated in seminars hosted by public sector partners from Croatia, Italy, Slovenia, Sweden and The Netherlands. Intended to highlight procurement opportunities through IDB-financed public sector projects, the Bank's four windows for the private sector and the ConnectAmericas platform, these events brought the IDB into contact with more than 400 companies, consultancy firms, individual consultants and works and goods contractors. Events were hosted by the Croatian and Slovenian Ministries of Finance, the Italian Institute of Foreign Trade ICE, Dutch Ministry of Foreign Affairs and its agency Agentschap NL, and Business Sweden.

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NEWS DIGEST

The IDB joins Nike's initiative to get kids moving in Brazil

The IDB has joined Nike's "Design to Move" initiative, a program dedicated to fighting inactivity and obesity among children by providing them positive athletic experiences. The US\$16 million initiative strives specifically to develop active schools in Brazil, with plans to first provide schools and communities in Rio de Janeiro with the tools they need to become constructive, active environments for children. Other partners in the initiative include the United Nations Development Program, Instituto Bola Pra Frente, BMZ (Bundesministerium für wirtschaftliche Zusammenarbeit), Central Única das Favelas (CUFA), CAIXA, Natura, NIKE, Inc., Secretaria Municipal de Educação do Rio de Janeiro (SME) and the Secretaria Municipal de Esporte e Lazer do Rio de Janeiro (SMEL).

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CEO Alan Clark discusses SABMiller's commitment to supporting small business

"Whether you are in Bogota, Brazzaville or Boston, micro and small businesses are vital to prosperity, economic growth and employment," Alan Clark writes, opening his guest post for the Financial Times on "why big business should support small business." He goes on to describe these small entrepreneurial units as community role models, motors of job creation, and drivers of social progress, and discusses the benefits supporting them can reap for both local communities and big businesses themselves. Mr. Clark understands these benefits firsthand, as SABMiller has operated in Latin America for a decade, incorporating micro-business into its supply chain as both ingredient distributors and suppliers of their product. They are working with the IDB with the intention of taking their support of small business a step further, investing USD\$17 million to help small shop keepers, or *tenderos*, gain access to formal and low-interest microcredit loans, professional training and support.

A new alliance between the IDB and Rio 2016 targets youth in vulnerable situations

A new partnership between the IDB and the Organizing Committee for the Rio 2016 Games targets at-risk youth through community-based athletic and educational programs. Aimed at low-income communities in Rio de Janeiro, the initiative strives to create a socially, culturally and economically inclusive environment for children and teenagers and to improve the quality of community life in general. Programs will be designed to promote local culture, inspire youth leadership, strengthen human capital, train young apprentices, and increase access to public cultural facilities for people with disabilities. The partnership is another example of IDB's pioneering role in sports for development projects in the Latin America and Caribbean region.

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Ever-strengthening ties, the IDB and the European Union (EU) expand their work in LAC

Long a major partner of the EU in the region, the IDB will continue working with the European Union to support LAC through, most recently, a Public Sector Smart Energy Program in Barbados. The IDB's contribution of US\$17 million to the project will be complemented with a €5.8 million grant from the EU to promote and implement the use of renewable energy and energy efficiency measures throughout the country. In addition, this year the IDB and the EU will also approve resources to jointly support a Public Sector Efficiency project in Jamaica, a Citizen Security program in Panama, and a Fiscal Management project in Nicaragua. Lastly, as an eligible financing institution of the EU's Caribbean Investment Facility, the IDB and the EU will be supporting projects in Guyana, Suriname and the Eastern Caribbean countries in 2014.

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