France Becomes Natural Capital Lab’s Founding Donor with €24 Million

In December, the Government of France officially became the founding donor of the Inter-American Development Bank (IDB) Group’s Natural Capital Lab, a collaborative hub that will drive innovation in conservation, landscape, regenerative agriculture, biodiversity, and marine ecosystem finance in Latin America and the Caribbean (LAC). An agreement signed by IDB President Luis Alberto Moreno and Brune Poirson, Secretary of State to the Minister for the Ecological and Inclusive Transition of France, formalizes a €24 million French contribution to this effort. The agreement was signed on the margins of the United Nations Climate Change Conference (COP25), under the presidency of Chile, in Madrid.

Switzerland Drives Response to Migration Crisis with Spanish Support

Employability and the economic inclusion of migrants in Colombia will vastly improve thanks to a new $25 million program that will bolster employment services, job training, and competency-based certification. The effort, which is a key part of the IDB’s $1 billion Migration Initiative, will be financed by a $20 million IDB loan and $5 million in grant financing provided in equal parts by the Bank and Switzerland’s State Secretariat for Economic Affairs. The IDB-managed Spanish
Cooperation General Fund provided a grant of $250,000 for technical support to program preparation.

Who Are the Migrants? USAID-IDB Study Has the Answers

A report by the United States Agency for International Development (USAID) and the IDB draws from nearly 2,000 interviews to tell the stories of migrants from El Salvador, Guatemala, and Honduras, revealing who they are, why and how they migrated, and their plans for the future. Launched on International Day of the Migrant, the report offers data to support the design of policies in countries of origin to stem migration and retain human capital.

IDB Becomes First MDB to Join the CFO Taskforce for SDG Finance

The IDB has become the first multilateral development bank (MDB) to join the UN Global Compact's CFO Taskforce for the Sustainable Development Goals (SDGs), in which it will work with CFOs, C-suite executives, and the leaders of public and international organizations to promote the financing of the SDGs. The group will focus on unlocking private capital, harnessing the expertise of participants to shape the future of sustainable finance, and empowering companies to contribute meaningfully to the SDGs.

CIAT, SoftBank, and the IDB to Promote Smart Rice Farming
The IDB's innovation lab, IDB Lab, has joined forces with the **International Center for Tropical Agriculture (CIAT)** and **SoftBank Corp** to improve the productivity and sustainability of rice farming in Colombia. In a new $2 million project led by CIAT, the partners will use the technological solution **“e-kakashi”** to collect and analyze environmental and weather data and help farmers create an optimal rice-producing environment. Developed by SoftBank, “e-kakashi” harnesses the internet of things, big data, artificial intelligence, and cyber physical systems to transform agriculture into a data-driven science.

**To Mobilize Private Investment, Italy Pledges €1.5 Million**

The **Ministry of Economy and Finance of the Republic of Italy** has contributed €1.5 million to an effort that will mobilize private investment and strengthen the sustainability of the private sector in LAC. The program will accelerate the uptake of sustainable practices and business models by strengthening value chains and projects, fostering the development of sustainable products and services, disseminating knowledge, and upgrading private sector sustainability capacities.

**KNOWLEDGE AND INNOVATION**

**Green Bond Transparency Platform Announced at COP25**

At an event hosted by the IDB Group during the COP25, the Bank and its partners formally launched the **Green Bond Transparency Platform (GBTP)**, a digital tool that enhances transparency
in LAC’s green bond market. Switzerland and the United Kingdom have already pledged support to this effort. In addition, Germany’s Federal Ministry for Economic Cooperation and Development (BMZ), the IDB, and IDB Invest signed a Joint Declaration of Intent at the event, which pledges support to the GBTP and outlines plans to promote domestic issuances, establish ambitious regional standards, and scale up green bond issuances through anchor investments, de-risking, and co-financing.


The IDB launched its flagship report, Getting to Net-Zero Emissions: Lessons from Latin America and the Caribbean, on the sidelines of the COP25 in Madrid. The report reveals that achieving net-zero CO2 emissions is not only necessary to reach the Paris Agreement goals, but also technically possible and a potential driver of multiple economic benefits for the region.

IDB Issues New Climate Action Sustainable Development Bond

The IDB issued two new deals directly tied to Sustainable Development Goal #13, which promotes climate action. Okasan Securities is the distributor of the bond, with J.P. Morgan serving as the sole arranger. The IDB is a pioneer in the realm of social bonds and these trades highlight the launch of the IDB’s sustainable development bond (SDB) program earlier in 2019.

IoT: What’s the Status in LAC?

A report by the IDB’s innovation laboratory, IDB Lab, provides a snapshot of the current state and future potential of the Internet of Things (IoT) in LAC. Opening with a definition of IoT, the report provides an overview of IoT development in LAC and concludes with recommendations on how the public and private sectors may contribute to productive IoT growth.

OPPORTUNITIES

Have a Solution that Can Improve the Lives of Migrants? Submit it Today
The BetterTogether / JuntosEsMejor Challenge, launched by the United States Agency for International Development (USAID) and the IDB in 2019, is open for business, seeking to crowdfund, fund, and scale forward-thinking solutions from anywhere in the world that support Venezuelans and host communities affected by migration. Apply now!

Does Your Social Enterprise Prepare Vulnerable Individuals for the Labor Market?

If so, participate now in IDB Lab's second Call for Proposals seeking social enterprises in LAC that are focused on skills development and job training. In partnership with Ashoka, New Ventures, Roots of Impact, and the Swiss Agency for Development and Cooperation, proposals are being accepted through March 1st.

NEWS DIGEST

On Climate and More, Sweden and the IDB Expand Partnership

Thanks to the commitment of Sweden’s Ministry of Foreign Affairs, in 2019 the IDB and the Government of Sweden effectively expanded their partnership to further address climate change and gender and diversity in the region. Specifically, Sweden contributed $1 million to the IDB’s NDC Accelerator Multi-Donor Trust Fund, which fast-tracks bankable projects that help LAC countries achieve their nationally determined contributions (NDCs) under the Paris Climate
Agreement. In addition, Sweden contributed $1 million to the PROADAPT Program, an effort to reduce carbon emissions and build resilience through smart sustainable procurement practices. In supporting these activities, Sweden is helping to test how “green procurement” can help advance the region’s climate action agenda. Finally, earlier in 2019, Sweden increased its previous contribution to the IDB’s Gender and Diversity Multi-Donor Trust Fund by an additional $370,000.

Bancoldex and the IDB Group to Build $1 Billion Renewable Energy Facility

A newly strengthened partnership between Bancoldex and the IDB will structure a credit facility of approximately $1 billion that will facilitate the financing of renewable energy projects in Colombia. This facility will be a key part of IDB efforts to diversify Colombia’s energy matrix as a means of ensuring sustainable and efficient energy across the country.

Moore Foundation Joins Forces with MapaInversiones Amid Continued Support from Microsoft

In 2019, the IDB’s MapaInversiones Initiative continued enhancing public investment management through greater transparency and citizen participation. A key development was a new alliance with the Gordon and Betty Moore Foundation, which is working to promote the platforms among civil society in Colombia and Peru. At the same time, the IDB and Microsoft expanded their partnership to strengthen countries’ capacities related to data analysis and artificial intelligence. Since 2017, ten countries have joined the Initiative and six have made platforms available to the public. In 2019, the
Dominican Republic and Jamaica joined the list of countries that shared vital information on public investment.

**Education Above All Foundation and IDB Join Forces**

At the World Summit for Innovation in Education in Doha, Qatar, the IDB formalized a partnership with Education Above All Foundation (EAA). Under a newly signed framework agreement, the partners have pledged to accelerate the enrolment and retention of out-of-school children and at-risk students, including refugees and internally displaced children. EAA also pledged a first contribution of $10 million to Paraguay, co-financing IDB efforts to extend the school day and improve transportation to rural schools. EEA also joined the IDB’s 21st century skills coalition.

**Alongside France, IDB Invest Supports the First Issuance of Green Bonds in Ecuador**

IDB Invest has subscribed a $50 million bond issued by Banco Pichincha for a total of $150 million, marking the first green bond issued in Ecuador. The proceeds will support projects with environmental benefits, in line with six SDGs. The International Finance Corporation and Proparco, the French Development Agency’s private sector arm, participated as investors with $50 million each. To date, IDB Invest has supported the issuance of ten thematic bonds for a value of $800 million, contributing to the creation of a new type of financial asset.

**Japan and the IDB Commit to Expand Collaboration into the Future**

In a new agreement signed in December, the Japan Bank for International Cooperation (JBIC) and the IDB have expanded their collaboration with the goal of further exploring parallel and/or joint co-financing opportunities at public, subnational, and private sector levels. The partners will place special emphasis on projects that generate positive benefits related to environmental conservation, particularly in the areas of energy and climate change.

**WEF, Grupo Éxito, Colombia, and the IDB Launch Effort to Boost Gender Equality in Bogota**

The Colombian Ministry of Labor, Grupo Éxito, the World Economic Forum (WEF), the IDB, and IDB Invest have launched Colombia’s first Initiative for Gender Equality to close gender gaps related to women's compensation, participation in the labor market, and participation in leadership positions. Six other public institutions, ten private sector entities, and three associations have already joined the initiative.

**Japan’s Sophia University and the IDB Renew Partnership**

Japan’s esteemed Sophia University has renewed its partnership with the IDB. Specifically, the collaboration will focus on knowledge exchange and on tapping student talent to support the IDB’s mission in LAC.

**IDB Invest Signs onto First Financial Pilot to Decarbonize Power Plants**
IDB Invest has signed the world's first monetization of absolute emission reduction activities in the energy sector under the Paris Agreement. The agreement, signed with the French company ENGIE Energía Chile (a subsidiary of the ENGIE Group) and backed by the Clean Technology Fund, will generate economic benefits by shortening timeframes for decarbonization. It will be implemented in Chile in line with its emissions reduction plan.

Japan's Government Pension Investment Fund Teams up with the IDB

A new collaboration between the Government of Japan’s Government Pension Investment Fund (GPIF) and the IDB will promote socially responsible capital markets through investments in IDB Social Bonds focused on Education-Youth-Employment (EYE). Intended to foster human capital development from the classroom to the workplace, funds raised will finance projects that promote effective teaching and learning for children and youth.

With Canada, Promoting the Sugar Industry in Nicaragua

With support from Canada through the Canadian Climate Fund for the Private Sector of the Americas (C2F), IDB Invest is lending up to $37.5 million to a leading Nicaraguan sugar company to increase sustainable productivity and adapt to the effects of climate change. The financing package includes a $25 million loan from IDB Invest and another of $12.5 million in blended finance funds from C2F, which for the first time is supporting the adoption of irrigation systems and water management that optimize the use of resources.

LatinFinance Names IDB Invest “MDB of the Year” for Second Year in a Row

For the second consecutive year, LatinFinance has named IDB Invest the leading multilateral development institution (MDB) for 2019 for its excellence in investment services in the region. LatinFinance is a prominent source of intelligence on LAC’s financial markets and economies.

WHERE WE’VE BEEN

At COP25, IDB and its Partners Talk Climate Action
At United Nations Climate Change Conference (COP25), IDB President Luis Alberto Moreno and Alternate Governor Ana de la Cueva served as keynote speakers for the session “The Path to a Sustainable and Resilient to Climate Change City,” which brought together the mayors of Madrid, Medellin, Montevideo, and Seville to exchange perspectives on this topic. The discussion focused on how to achieve greener, more sustainable, and more livable cities, as well as how to attract private investment and use financial products and services to reduce emissions, manage risk, and build resilience. At COP25, the IDB Group organized 28 events that brought together 1,120+ participants and announced three new initiatives.

CASS and the IDB Jointly Organize the 6th China-LAC Policy and Knowledge Summit

In Zhengzhou, China last November, the Chinese Academy of Social Sciences (CASS) and the IDB once again teamed up to organize the sixth China-LAC Policy and Knowledge Summit. This year’s event focused on leveraging new technologies to better serve citizens, foster sustainable citizens, and improve logistics. More than 200 participants from the public, private, and academic sectors gathered for the event, representing China and 14 LAC countries.

First SinDesperdicio Summit in Bogota Convenes Thousands

The IDB’s SinDesperdicio initiative hosted the first ever Latin American Summit on Food Loss and Waste in Bogota. More than 5,000 people across 24 countries accessed the event’s livestream, while nearly 400 participants attended in person each day. Extensive media coverage transmitted the event’s dynamic discussions to millions, positioning the importance of stemming food loss and waste in the region and highlighting Sin Desperdicio as an innovative coalition working to address this challenge. The UN’s Food and Agriculture Organization (FAO) and Colombia’s National Department for Planning helped promote the event.

In the Dominican Republic, FOROMIC Reinvents Inclusion

FOROMIC, LAC’s leading event on innovation for inclusion, was held in Punta Cana late last year under the slogan "Reinventing Inclusion." The event, which brought together 1,200+ participants, was inaugurated by the Minister of Finance, Donald Guerrero and IDB President Luis Alberto Moreno. Specifically, FOROMIC 2019 focused on how creative, digital solutions and new business models can promote inclusion. The 2020 edition will take place in Peru.
Alongside CHINCA, IDB Promotes Business Between China and LAC

In Beijing last November, the IDB once again joined forces with the China International Contractors Association (CHINCA) to organize a seminar on business opportunities in LAC. Before an audience of 100 representatives from 50+ Chinese companies and banks, the IDB presented a sustainable infrastructure framework and procurement opportunities, policies, and procedures. The presentation emphasized the importance of working with contractors to enhance ESG performance.

WeXchange Brings Together 450+ Female Entrepreneurs and Investors

IDB Lab hosted the seventh edition of WeXchange, the leading regional event for women entrepreneurs in STEM fields. The Paraguay-based event focused on “STEMpreneurs: creating global businesses,” and it brought together 450+ participants for two days of networking, training, and mentorship. The event included a pitch competition in which Vicky Ricaurte, co-founder and CEO of Arukay, was named LAC’s most dynamic and innovative entrepreneur.

Fostering Business Ties at the China-LAC Business Summit in Panama

In 2019, the annual China-LAC Business Summit was held in Panama City in December. The event was co-organized by the IDB and the Chinese Council for the Promotion of International Trade, the Ministry of Commerce and Industry of Panama, the Tourism Authority of Panama, and the Chamber of Commerce, Industries and Agriculture of Panama. It attracted 1,300 participants from across China and LAC, representing 27 countries total. The event featured business-to-business matchmaking meetings, as well as exhibitions and discussions related to finance, infrastructure, commerce, and investment opportunities in Panama.

With Austrian Partners, Exploring Urban Solutions for LAC in Vienna

In Vienna, the IDB joined the launch of the “Urban Design Lab Handbook,” organized by IDB partner TU Wien along with other Bank allies, including ETH Zurich and Harald Waiglein, Director General for Economic Policy and Financial Markets of Austria’s Federal Ministry of Finance (BMF). The book that explains the context and emerging problems faced by LAC cities and puts forward solutions.

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