



Global Supply Chain
Forum
Barbados
21-24 May 2024



FINANCE SOLUTIONS

21
MAY



JAN HOFFMANN



ALICIA TAYLOR



LISA HARDING



STACEY RICHARDS-KENNEDY



Okechukwu IHEJIRIKA



ANDRÉS PIZARRO



AVINASH PERSAUD

A lot of shared perspectives

Understanding
- Where we are
- Huge opportunities

CHALLENGES

WE ARE FACING THE NEXT BIGGEST INDUSTRIAL REVOLUTION

The Green Transformation
(A MASSIVE TRANSFORMATION OF THE ENTIRE ECONOMY)

Aim:
- Reduce poverty and inequality
- Massive redistribution of wealth, income, opportunity

BUT

WE'RE NOT MAKING MAJOR PROGRESS

CBAMs Carbon Border Adjustment Mechanisms

- exporting taxes (from the export but also import country)

THEY ARE HERE TO STAY

SINGLE GLOBAL CARBON TAX

- but due to the different development stages, the prices will have different impacts

Critical materials - free trade hasn't worked for developing countries

Critical materials capital, labour are essential

Capital is in developed countries and it doesn't want to come abroad due to risks

FOREIGN EXCHANGE RISK

CDB
Weak Supply Chain
Low Resilience

Private Sector is a **PARTNER IN DEVELOPMENT**

INVESTMENT & INFRASTRUCTURE

Solar, Wind, Analytics, Risk Management

HOW TO ACHIEVE AFFORDABILITY

Credit Guarantees
Financing
Supporting new products
Insurance
- Agriculture
- PPPs

STRENGTHEN SMEs

PARTNERSHIPS

RECOGNIZE OUR UNIQUE STRENGTHS
POOL OUR KNOWLEDGE

CAF
The Development Bank of Latin America and The Caribbean
Expand range of development finance (for Caribbean)

Home grown (Est by Latin America & Caribbean for Latin America & Caribbean)

Cooperative bank
Tech assistance for countries that aren't members

Bridge between countries

INTERVENTION & MECHANISMS

- loans, investments, credit guarantees, grant financing
- knowledge (courses, publications, studies)

Non Sovereign Guaranteed Private Investment (CAFAM)

PARTNERS WITH PRIVATE SECTOR

IDB INVEST - private sector arm of the group
Programs to help the chain

Innovative Financial Solutions
Address Supply Chain Challenges Latin American and Caribbean

- Import → Export Financing
- Accounts Financing
- Credits

ORIGINATE TO SHARE

Aim: Collaboration is important

MAKE A GREATER IMPACT IN THE REGION

- scale back and delegate
- digital transformation
- climate change
- adaptation & mitigation
- gender diversity
- war resulted challenges

LOOK AT TRADE SPECIFIC FINANCIAL SOLUTIONS TO HELP YOUR BUSINESS

- Available Financing for exports (protocol observed)

EXPORTING HELPS INTERNAL BUSINESS GROW

- Leads to Financial Institution

TRADE FINANCE BANK FOR AFRICA

Extended to the Caribbean

Pooled resources to help the delivery of vaccines

Partnerships with Caribbean can and will work

If the chain is broken there would be a ripple effect

BANKS HAVE TO COME UP WITH TAILORMADE SOLUTIONS EFFECTIVE TO SPECIFIC CHALLENGES

- for SMEs

Solution

Trade Link
A Supply Chain Finance Solution (help new businesses)

- Take on the risk from bigger lending institutes

Facilitation

Ensure the finances get to the requesting party

- Set up modern laws

Annual meeting in Bahamas June 12-15
Afri Caribbean Trade and Investment Forum
- Networking Opportunity

AIIB
Beijing Newest Development Bank

Infrastructure Financing

- transport
- water
- urban
- digital
- energy
- schools and hospitals
- 109 member countries
- 75% voting from Asian countries

Finance Private, Sovereign

Co-Financing between us and the bank

Green Infrastructure
Cross border Connectivity
Technology Enabling Infrastructure
Private Capital Mobilisation

Paris Alignment Agreement for transport

which need additional assessment which are automatically aligned

- automatically aligned: mass transit, e-vehicles
- additional assessment: vessels, aircrafts

Finance ports, vessels, aircraft

WE NEED A STRATEGY TO ENSURE IN GLOBAL SUPPLY CHAINS VALUE ADDED ISNT ALWAYS DONE ABROAD

EXPORT TAX THAT FALLS THE MORE VALUE ADDED IS DONE IN YOUR COUNTRY

POSSIBLE SOLUTIONS

VALUE ADDED IN SUPPLY CHAINS
FOREIGN EXCHANGE RISK
INVESTMENT
INCOME
INTEREST

CBAM IS THE BEST OPTION FOR THE FUTURE SO WE MUST FIND A MORE EFFICIENT STRATEGY

- Export to countries with similar taxation and levy standards

Best option for the future strategize to make sense (Export to countries with similar taxation standards)

EFFICIENCY IS KEY FOR SUCCESS

The Illustrations are those of the Artist and do not necessarily reflect the views of UNCTAD or its officials or Member States.