

World Leaders Summit - Dialogue III
Building a more prosperous development
path - Matching the scale of the moment

5 October 2021

Recorded Remarks

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Development Bank**

UN Conference on Trade and Development (UNCTAD 15)
World Leaders Summit

***Dialogue on Building a More Prosperous Development Path:
Matching the Scale of the Moment***

Recorded Remarks
IDB President Mauricio Claver-Carone
October 5, 2021
10:00-11:30 a.m. ET

1. From the IDB's perspective, what should a multilateralism at the service of development look like, and how can it be realized?

- First of all, **thank you to Secretary General Grynspan** for inviting me to participate.
- The IDB commends you for your leadership of UNCTAD and for always advocating for our region, Latin America and the Caribbean, on the world stage, particularly in these very challenging times.
- While I am not with you in person, **it is a privilege to virtually sit alongside my fellow distinguished panelists** for this conversation, including leaders from our member countries: President Ali, whom I met with at UNGA just a few days ago, and Vice-President Peña.
- When I think about what multilateralism at the service of development should look like, I think of **several structural aspects**.
- The IDB represents many of them, as we are:
 - a development bank devoted to, **and majority-owned by**, the region we serve;
 - an institution that takes a **holistic approach to development challenges that go beyond the political vicissitudes of any particular moment in any of our countries**;
 - an organization that **works with all branches of national governments**, plus sub-regional and even local ones;
 - an organization that **simultaneously works with other stakeholders, crowding in the private sector**, for example, and working with **civil society**;
 - and, perhaps most importantly, we are an organization that, while approaching challenges and opportunities on a macro-level, also has

integrated presences in the countries and communities that we are working to benefit.

- These are all structural characteristics that have **truly made the IDB more strategic**, and therefore, a more effective development partner.
- They have **all informed our “Vision 2025” plan** for the region’s recovery and sustainable growth, which identifies **five key areas where our investment will be most impactful**:
 - integration and strengthened value chains;
 - digitalization;
 - SMEs;
 - gender equality;
 - and climate change.
- When I think of lessons learned at the IDB, and what I’ve observed in the wider world of multilateral efforts, there are many concrete examples of real progress made by leveraging our institutional strengths.
- When the pandemic struck our region, the IDB worked hand in hand with the World health Organization and Pan American Health Organization to **find complementarities** in our capacities and approaches.
- For our part, **we made a \$1 billion tranche available** to help our countries finance the purchase and rollout of vaccines, much of which went to covering purchases made through **the COVAX Facility**, which, of course, is co-led by the WHO and counts on UNICEF as a delivery partner.
- To date, we have committed resources to **10 countries** through this program – and **that has saved lives** – which is, of course, the most basic type of “development” there is.
- In parallel, the IDB launched an initiative to help our countries better compete for vaccines by helping resolve indemnity obligations, a key obstacle to contract negotiations. We are **the first multilateral development bank to offer such an instrument to its clients**.
- And so, **these are good examples of multilaterals working together, and individually** – and we must replicate such collaboration and coordination.
- As the same time, multilaterals can serve development by shaping and directing our efforts, whether it’s lending or otherwise, **so that they focus on tackling key underlying impediments, such as inequality, gender gaps and climate change** – or consistently building in these considerations, even when they are not the primary goal of projects.

- For example, **women have borne the brunt of COVID-19**, worsening already gaping gender inequality in our region.
- And so, 40% of the IDB Group's pandemic loans have included a focus on **the differential effects on women and girls**. Most have provided monetary transfers or improved access to social services for women, and loans for women-owned small businesses.
- Can multilateralism and multilaterals serve development better? **Absolutely.**
- Despite our efforts on COVID-19, **just one in four people** in Latin America and the Caribbean has been fully vaccinated.
- **Multilateral leadership has led to the definition and pursuit of the Sustainable Development Goals and the Paris Agreement, but the world continues to fall dangerously short.**
- These are highly complex challenges, of course, and multilaterals are not responsible alone. In the face of such challenges, **an overarching point is that we must work together, both as multilateral organizations and as part of a broader system, in which all parts are as efficient and as mutually reinforcing as possible.**
- We need initiatives like **Joint Country Platforms among the MDBs**, for example, and efforts like **those under way at the IDB** to be more efficient, maximize our resources, and find new and creative financial tools, including to crowd-in private-sector funding.
- These steps will help us **make the most of our capacity** to bring about development gains for all our societies.

2. We need our joint ingenuity, expertise and experience. What are, in your view, the two most urgent actions the world must take to reinvigorate multilateralism?

- To reinvigorate multilateralism today we need:
- to improve how we need a bottom-up approach. What do I mean by that? It means to **involve early on those who benefit from multilateral approaches and solutions in our efforts.**

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- **The people of Latin America and the Caribbean** are the first and most important beneficiaries of the IDB's work, and **their input on project design, implementation and evaluation helps us build trust in our institution, and by extension, in multilateralism.**
- We must engage the **private sector who also benefits from o multilateral development work.**
- When the IDB helps governments institute **anti-corruption standards** in procurement and supports other government reforms to improve the business climate, **not only do the country's people benefit, but so too do the companies looking for new opportunities to invest or expand.**
- The second action is that multilaterals must focus on being strategic and avoid reinventing the wheel.
- For the IDB, as I have mentioned, that has meant devising a new strategic plan that takes into account our changed reality and the acute needs and opportunities of our region in this context – **and identifying the areas of primary focus that can go farthest in accelerating recovery and cultivating sustainable development.**
- Being strategic also means close coordination with our multilateral partners so we complement each other's work, not offer repetitive solutions to the same client.
- In development, there are no competing interests, only opportunities for complementary work that benefits all countries.
- Thank you.