

## 2023 FiCS Summit Session Concept Note



### Roundtable 3

## Driving Global Change: the role of PDBs to mobilize private capital for Sustainable Infrastructure

September 4<sup>th</sup> / 10:30-12:00 / Room: Barahona 4

### Coordinator(s)

- **Juan Martinez**, Financial Markets Senior Specialist, Inter-American Development Bank, [jmar@iadb.org](mailto:jmar@iadb.org)
- **Gonzalo Martinez**, Financial Markets Senior Specialist, World Bank, [gmartineztorres@worldbank.org](mailto:gmartineztorres@worldbank.org)

### Blurb

Public development banks have emerged as crucial drivers of change. This discussion aims to develop a comprehensive strategy for these institutions, facilitating the financing of sustainable infrastructure projects and mobilizing private capital. Experts, policymakers, and financiers will contribute their insights to identify the most suitable financial mechanisms for sustainable infrastructure.

Countries face an infrastructure gap that is too large for governments to act alone. The global infrastructure financing gap is estimated to be around \$15 trillion by 2040. This means that, for the next two decades, each year the world would have to spend just under \$1 trillion more than the previous year to provide basic infrastructure to its people.

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To close this gap, more investment in infrastructure needs to be mobilized, especially by capturing the global private savings that are considerable and that demand sustainable investment opportunities, and PDBs play the key role to help address this gap.

### Detailed information about the session

#### Rationale

Investing in sustainable infrastructure is an important component of achieving economic growth, addressing the challenge of climate change, and promoting social inclusion and equality. The construction and efficient operation of infrastructure and the adequate provision of services to citizens stimulate economic growth, employment, competitiveness, and inclusion. In addition, the infrastructure and its services contribute directly to the achievement of several of the United Nations Sustainable Development Goals and Goals (SDGs), such as: health and well-being, quality education, clean water and sanitation, affordable and clean energy, and sustainable cities and communities.

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In this context, the Public Development Banks (PDB) can play a key role in financing infrastructure, especially in mobilizing private investors to the sector (see FICS/GFANZ declaration). PDBs in infrastructure can be essential in economies with weak legal and regulatory frameworks for private investment in infrastructure and/or shallow domestic financial markets, and the provision of blended concessional financing, and in some

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	<p>cases guarantees, can be critical to balance the risk-return profile of projects and attract private capital to infrastructure at an acceptable cost.</p> <p>For the Finance in Common Summit 2023, this workshop will focus on the key issue of Sustainable Infrastructure and the cross-cutting issue of mobilizing private capital towards the SDG targets. Key points to be discussed include: (i) the institutional and financial capacity of PDBs to prepare, structure, and finance infrastructure projects with private sector participation (i.e., Public-Private Partnerships); (ii) the role of PDBs in mobilizing private sector financing; (iii) the main internal and external barriers faced by PDBs in financing infrastructure; and (iv) the most relevant financial products that PDBs can offer to increase the mobilization of financing for the infrastructure sector.</p> <p>This event connects with FiCS' long-term prospective goals of promoting sustainable, inclusive and equitable development, achieving the climate goals set out in the Paris Agreement, and reaching the transition to a net-zero emissions global economy by 2050.</p>
<p><b>Objective</b></p>	<p>The general objective of this workshop is to develop a clear strategy for PDBs in financing sustainable infrastructure, considering the efficient use of its resources and the impact it will generate. The specific objectives are: (i) define the role of PDBs in the mobilization of private capital through their institutional capacity and financial instruments; (ii) review the financial mechanisms and instruments that are best suited to PDBs to improve the bankability of projects and attract private investment; (iii) share experiences and lessons learned from PDBs in the development and implementation of innovative instruments used in the infrastructure sector.</p>
<p><b>Target audience</b></p>	<ul style="list-style-type: none"> <li>• Researchers and practitioners from Public Development Banks.</li> <li>• Public policy makers in the financial and infrastructure sectors.</li> </ul>
<p><b>Outcome of the event</b></p>	<p><b>Outcome 1: Increase Awareness and Recognition</b></p> <ul style="list-style-type: none"> <li>• Create awareness about the importance of mobilizing private capital to close the infrastructure gap and meet the SDGs, the goals of the Paris Agreement, and transition to a net zero emissions economy by 2050.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Identify the important barriers that prevent private investors from investing in infrastructure projects, and what are the areas in which PDBs could play a key role.</li> </ul> <p><b>Outcome 2: Identify Risk Mitigation Mechanisms for PDBs</b></p> <ul style="list-style-type: none"> <li>• Identify de-risking and blended finance instruments that can be developed by PDBs to support private participation in infrastructure.</li> <li>• Share successful experiences and lessons learned from PDBs that have mobilized private capital in infrastructure projects.</li> </ul> <p><b>Outcome 3: Practical Recommendations for Greater Participation</b></p> <ul style="list-style-type: none"> <li>• Provide practical recommendations to banks and governments on how to strengthen the role of Public Development Banks (PDBs) to drive investment in sustainable infrastructure.</li> <li>• Provide strategic guidance to optimize PDB engagement, including innovative financing mechanisms, collaborative partnerships, and policy reforms.</li> </ul>
<p><b>Format of the event</b></p>	<ul style="list-style-type: none"> <li>• Workshop (U-shaped table): 1 keynote, 1 moderator/facilitator and 9 speakers around the table.</li> <li>• The session will last 90 minutes, including time for Questions and Answers to ensure rich exchanges with the audience.</li> </ul>
<p><b>Partners</b></p>	<p>Inter-American Development Bank (IDB) and World Bank</p>
<p><b>Chair and Moderator</b></p>	<p>Anderson Caputo, Capital Markets Division Chief, IDB (Confirmed)</p>
<p><b>Speakers/Experts</b></p>	<ol style="list-style-type: none"> <li>1. Gonzalo Martinez, Senior Financial Sector Specialist, World Bank (presenter)</li> <li>3. Rafael Herz, Infrastructure and Energy Vice President, FDN</li> <li>4. Clemente del Valle, Director, Regional Center of Sustainable Finance, Universidad de Los Andes</li> <li>5. Alan Gomez, Director LAC, Glasgow Financial Alliance for Net Zero (GFANZ),</li> <li>6. Daniela Cuéllar-Müller, Deputy Director General for Planning, Banobras</li> </ol>

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	<p>7. Megumi Muto, VP of Development Finance, Partnership, and Mobilization, JICA</p> <p>8. Markus Berndt, Deputy Managing Director, EIB (confirmed)</p> <p>9. Stephanie Amoko, Senior Policy Associate, Accountability Counsel, USA</p>
Run of show	<ol style="list-style-type: none"> <li>1. <b>Chair/Keynote Speaker (10 minutes) [10:30 – 10:40]</b> <ul style="list-style-type: none"> <li>• Welcome to participants, brief overview of the workshop, expected outcomes.</li> <li>• Presentation of Keynote</li> </ul> </li>   <li>2. <b>Presentation from the World Bank: Institutional Investors and Sustainable Infrastructure (10 minutes) [10:40 – 10:50]</b> <ul style="list-style-type: none"> <li>• Presentation of the World Bank study on the potential that institutional investors have to mobilize investment in infrastructure and what key role the Public Development Bank can play in supporting the closing of the infrastructure gap.</li> </ul> </li>   <li>3. <b>Presentation from IDB: The Role of Public Development Banks Increasing the Financing of Sustainable and Inclusive Infrastructure Projects in LAC (10 minutes) [10:50 – 11:00]</b> <ul style="list-style-type: none"> <li>• Main findings of the IDB study on the historical analysis of the contribution of the PDBs in the development of infrastructure and proposal of national platforms to promote the mobilization of private investment in sustainable projects.</li> </ul> </li>   <li>4. <b>Round Table with Panelist (50 minutes) [11:00 – 11:55]</b> <ul style="list-style-type: none"> <li>• A series of questions to panelists that include:               <ul style="list-style-type: none"> <li>- Do PDBs have an adequate institutional and financial capacity to prepare, structure, and finance PPPs?</li> <li>- What is the role of public banks in mobilizing private sector financing?</li> <li>- What are the main internal obstacles faced by PDBs?</li> <li>- What are the main external obstacles faced by PDBs?</li> <li>- What are the most relevant financial products offered by PDBs in relation to infrastructure financing?</li> </ul> </li> </ul> </li>   <li>5. <b>Closing remarks (5 minutes) [11:55 – 12:00]</b></li> </ol>

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	<ul style="list-style-type: none"> <li>Moderator provides key conclusions of the roundtable.</li> </ul>
<b>Materials</b>	<ul style="list-style-type: none"> <li>Session Concept Note to be posted on the online Summit platform.</li> <li>Briefings for speakers to be prepared by the session's organizers.</li> <li>Presentations (e.g., PowerPoint)</li> <li>Other documentation (e.g., reports, research studies)</li> </ul>
<b>Language of the event</b>	The event will be held in: <input checked="" type="checkbox"/> English <input type="checkbox"/> Spanish
<b>Equipment needed</b> Select which applies:	<ul style="list-style-type: none"> <li>PowerPoint projection</li> <li>Simultaneous translation</li> <li>Collaborative tools to allow for interactions with the audience</li> </ul>

### Annex: Speakers' profile

Name	Title	@Twitter account	Picture	Biography
Anderson Caputo	Capital Markets Division Chief, IDB			Holds a Ph.D. degree in Finance from the University of Illinois at Urbana-Champaign and has written policy papers covering several different topics related to debt market development and debt management. He has been Practice Manager for Long-Term Finance and focuses in the areas of capital market development and




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				<p>sustainable finance. Prior to the World Bank, He served the Brazilian Treasury, among others, as Head of the Public Debt Strategic Planning Department of the Brazilian Treasury, formulating strategies in domestic and international capital markets for the overall government debt portfolio. He was Lead Financial Sector Specialist in the Finance, Competitiveness, and Innovation Global Practice at the World Bank and is currently Capital Markets Division Chief at IDB.</p>
Gonzalo Martinez	Senior Financial Sector Specialist, World Bank			<p>Experienced financial sector specialist that helps public authorities in emerging economies to develop key policies and projects to increase private financing for strategic sectors of the economy. He has worked as Auditor in PricewaterhouseCoopers</p>



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				<p>(2007-2008) and as Investment Analyst in the Economic and Commercial Office of the Embassy of Spain in Lima Perú (2008-2009). He has acted as Trade and Investment Consultant at the IDB (2010-2013), as Finance Associate at the World Bank (2013-2017), as Associate Operations Officer at IFC from 2017 to 2021, and reentered the World Bank in 2021, where he currently works as Senior Financial Sector Specialist.</p>
Rafael Herz	Infrastructure and Energy Vice President, FDN			<p>Master in Economics from the Universidad Libre, PhD candidate in Development Economics from the German Development Institute. He was the Executive Vice President of Finance and Development at Sithe Energies, in New York. He was also vice president of the Colombian Petroleum Association and</p>





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				president of the Board of Directors of Grupo Energía Bogotá. He is currently Vice President and advisor in infrastructure and energy at the Financiera de Desarrollo Nacional (FDN).
Daniela Cuéllar-Müller	Deputy Director General for Planning, Banobras			Master of Laws with a specialty in business, from the School of Law of the University of California, in Berkeley, USA; and Law Degree from the Universidad Iberoamericana. She has held various management positions in both the private and public sectors. In the public sector, she served as Legal Director of Financing "A", as well as Head of the Credit, Legal Department of Public Debt and Legal Department of Projects in the Ministry of Finance and Public Credit (SHCP). At the Federal Electricity Commission (CFE), she served as an advisor to



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				the Corporate Finance Department. In the private sector, she worked as an international associate at the law firm Cleary Gottlieb Steen & Hamilton LLP, in New York, USA. At Banobras, she held the Directorate of Special Projects and the Directorate of International Affairs.
Megumi Muto	VP of Development Finance, Partnership, and Mobilization, JICA			She holds a Ph.D. in Development Economics (GRIPS), an MPA (Princeton), and an Executive MBA (HEC Paris), and is an expert on impact evaluation. She is currently Vice President of Development Finance, Partnership, and Mobilization at the Japan International Cooperation Agency (JICA), where she leads JICA's work on blended finance transactions in partnership with other development finance institutions, multilateral



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				<p>development banks, and private investors. Prior to JICA's Vicepresidency, she held leadership roles at Ogata Sadako Research Institute for Peace and Development and Global Environment Department. At the Ogata Institute, she successfully implemented large-scale reforms of the mission and objective of its research with an emphasis on the concept of human security, which Ms. Ogata championed.</p>
Clemente Del Valle	<p>Director, Sustainable infrastructure center, Universidad de los Andes</p>			<p>Colombian economist from the Universidad de los Andes; he has a Master's degree in Economics from the same university and a second Master's degree in Economics from the London School of Economics and Political Science. He has more than 35 years of experience in the financial capital markets, public finances,</p>



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				<p>infrastructure financing, among other sectors. He was appointed president of the FDN, and worked for over 14 years at the World Bank where he promoted multilateral technical assistance programs in several emerging countries, focused on promoting the linkage of capital markets to key sectors of the economy, such as infrastructure and housing. He has worked as Superintendent of Securities, Director of Public Credit at the Ministry of Finance, General Director of International Trade and Vice Minister of Economic Development at the Ministry of Industry and Commerce. He is currently a Senior Advisor to global infrastructure investment company John Laing and serves as an international sustainable finance consultant.</p>
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<p>Markus Berndt</p>	<p>Acting Managing Director, EIB Global</p>		<p>Markus Berndt is the Acting Managing Director of the EIB's new branch for external activity, EIB Global, heading its operations. Prior to taking up his current position, Mr Berndt was leading the EIB's Group Strategy Department and held managerial positions in the Operations Directorate and the Economics Department. Before joining the EIB in 2008 as a financial sector expert for operations outside the EU, Mr Berndt held positions at the International Monetary Fund, at the German Federal Ministry for Economic Cooperation and Development, and at the Corporate Finance and Strategy Practice of McKinsey and Company. Mr Berndt acquired his PhD in Economics in 2000 as stipendiary of the</p>
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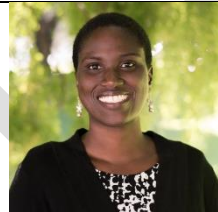


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				International Doctorate Programme in Law and Economics by the Max-Planck Institute and the University of Hamburg, during which he spent time as an invited research fellow at Harvard University.
Stephanie Amoko	Senior Policy Associate, Accountability Counsel USA	@SAmoako16		Stephanie Amoako joined Accountability Counsel in 2016. Prior to joining Accountability Counsel, Stephanie worked as a law fellow at the Public International Law & Policy Group in Washington, D.C., where she supported civil society groups advocating for inclusive transitional justice mechanisms in South Sudan and supported the creation of alternative justice mechanisms to hear disputes arising from the 2007 – 2008 post-election violence in Kenya. She has worked with the Research Center on Labor Relations and Inequality in São Paulo,



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				Brazil to advocate against discrimination towards Afro-Brazilians; and with UNDP Maldives' Integrated Governance Programme, Stephanie where she worked with community leaders to promote social cohesion and peacebuilding ahead of the highly contested 2013 presidential elections.
Alan Gomez	Director of LAC, GFANZ			Has an MBA from the Leuphana University of Lüneburg and has experience on ESG, Sustainable Finance and Climate Risk-Opportunity related matters. He has worked as a Sustainability Advisor at the Universidad Autonoma Metropolitana (2007), Climate Change and Air Quality Project Engineer at Centro Mario Molina (2007-2010), Air Quality Program Deputy Director at SEMARNAT (2010-2012), and enior Sustainability and Climate Change Advisor



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				<p>at Det Norske Veritas (2012) located in Mexico. She worked as Vice-President of Sustainability at Citibank, Chair of the Sustainability Committee at the Mexican Bank Association, Chief Sustainable Transition &amp; Finance Officer at ALLCOT. She is currently Co-founder of the Consorcio TCFD Mexico, and Managing Director of LAC at GFANZ.</p>
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