

2023 FiCS Summit Session Concept Note



Roundtable 8

How to solve PDBs financial and regulatory constraints to scale up SDG finance and build resilience?

September 5 (Day 2), 11H30 – 13H00 – Gran Salon Barahona 1

Coordinator(s)

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Detailed information about the session

Rationale

One of the main conclusions from the joint "[UNDP-FiCS report on scaling up sustainable finance](#)" was that Public Development Banks (PDBs) play a pivotal role in financing sustainable development projects, in particular in developing countries. However, PDBs encounter various risks and bottlenecks, which may impede their ability to achieve the SDGs.

Among the primary challenges are difficulties in accessing lower-cost and longer-term sustainable financing for international development, de-risking particularly currency risk and establishing risk management practices, and the establishment of harmonized taxonomies for better impact measurement. These challenges pose a significant risk of financial resilience and jeopardize PDBs' commitment to sustainable financing practices.

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	<p>To overcome these obstacles and enable PDBs to make a more substantial contribution to the SDGs, it is imperative to address their constraints. This can be achieved through the implementation of policies, capacity support and regulations that foster effective risk management practices and sustainability. By doing so, PDBs will be better equipped to scale up their impact and efficiently contribute to the realization of the SDGs.</p>
<p>Objectives</p>	<ul style="list-style-type: none"> • Learn about PDBs main financial challenges/bottlenecks around the world and how such risk impacts their resilience, policies and business objectives with the SDGs; • Raise awareness regarding financial products available in the international and local markets; • Provide recommendations on how PDBs can enhance risk management strategies to improve their overall financial positions; • Encourage government and other international financial institutions to formulate and implement policies and regulations that foster responsible and effective risk management; • Share insights on how PDBs can enhance their internal capacities, through capacity building initiatives, training programs, internal systems improvement.
<p>Target audience</p>	<p><i>Multilateral Development Banks</i> <i>Public Development Banks</i> <i>Academia</i> <i>Political representatives and government agencies</i> <i>Private investors</i> <i>FX hedging providers</i></p>
<p>Outcome of the event</p>	<ul style="list-style-type: none"> • Clarify the view on these issues • Achieve effective enforcement of regulations and banking supervision is vital to ensure transparency, sustainability, attract investment, while maintaining financial stability and market development by the national governments

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	<ul style="list-style-type: none"> • Review current available solutions & define innovative tools designing a common a framework for better equipping PDBs and their capabilities regarding currency risk management, and SDG implementation • Encourage MDBs and other donor agencies to systematically offer the choice to PDBs of contracting (synthetic) local currency or foreign currency funding (but with an option to convert into local currency embedded during the life of the loan • Present the opportunity to partner with FX hedging providers to gain access to hedging solutions directly • Identify ways of implementing blending finance programs that can effectively mitigate costs and overcome significant market barriers
Format of the event	Roundtable (U-shaped table): 1 keynote/chair, 1 moderator/facilitator and up to 10 speakers/experts around the table
Partners	The Currency Exchange Fund (TCX) French Development Agency (AFD) Development Bank of South Africa (DBSA)
Chair/Keynote	Mr. Leslie Maasdorp, Vice President and Chief Financial Officer, New Development Bank
Moderator	Mr. Adama Mariko, Secretary General, Finance in Common
Speakers/Experts	<ol style="list-style-type: none"> 1. Ms. Joy Ntare, Deputy Group MD and Chief Risk Officer, Trade and Development Bank (TDB) 2. Dr. San Bilal, Senior Executive and Associate Director Sustainable Economies and Climate Action, ECDPM 3. Mr. Serge Ekue, President, BOAD 4. Mr. Leonardo Pupperto, LAZARD 5. Ms. Faheen Allibhoy, JP Morgan 6. Mr. Gene Leon, President, Caribbean Development Bank (CDB) 7. Mrs. Samya Paiva, Chief Risk Officer, CAF 8. Mr. Fidel Jaramillo, Secretary General, FLAR (Andean reserve fund) 9. Mr. Jonas Enrico Luini, Vice President, The Currency Exchange Fund (TCX), Currency risk hedging provider

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Run of show	<p>5 min: Moderator introduces workshop objectives and presents key findings of the FiCS-TCX study on currency risk. Introduction to Keynote speaker.</p> <p>5 min: Keynote speech about financing challenges impeding the promotion of the SDGs or the scape up of these actions.</p> <p>7 min each: Moderator introduces Experts 1 to 9, who speak about their experiences related to financial constraints and potential solutions.</p> <p>15 min: Q&A</p>
Materials	<ul style="list-style-type: none"> • Session Concept Note to be posted on the online Summit platform • Briefings for speakers to be prepared by the session's organizers • Presentations (e.g. PowerPoint) • Other documentation (e.g. reports, research studies)
Language of the event Select which applies:	The event will be held in : <p style="text-align: center;">English <input checked="" type="checkbox"/> Spanish <input type="checkbox"/></p>
Equipment needed Select which applies:	<ul style="list-style-type: none"> • PowerPoint projection • Simultaneous translation • Collaborative tools to allow for interactions with the audience