



## Regional Cooperation for Poverty Alleviation

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2024

21 countries\*  
13 commercial banks

- Argentina
- Barbados
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Ecuador
- El Salvador
- Spain
- Honduras
- Jamaica
- Mexico
- Panama
- Paraguay
- Dominican Republic
- Trinidad and Tobago
- Peru
- Portugal
- Uruguay
- Venezuela

\*Bahamas, Dominica, Grenada and Antigua and Barbuda in the process of becoming shareholders

Since 1968 promoting sustainable development and integration

Advising and financial support to the public and private sectors.

Improving the quality and impact of the projects.

Generating knowledge:

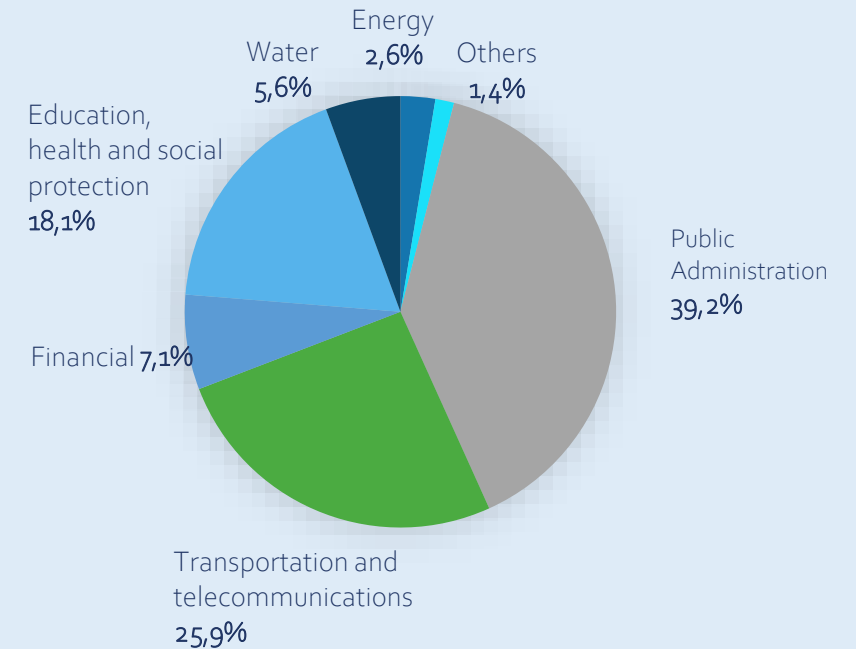
- Support in the design and implementation of public policies.
- Promotion of regional consensus on development issues.

**Approvals 2023 (in millions of USD)**

<b>8.647</b>	<b>7.614</b>	<b>16.261</b>
Non-sovereign	Sovereign	Total

**Consolidated portfolio  
Total: USD 34.196<sup>1</sup> MM**

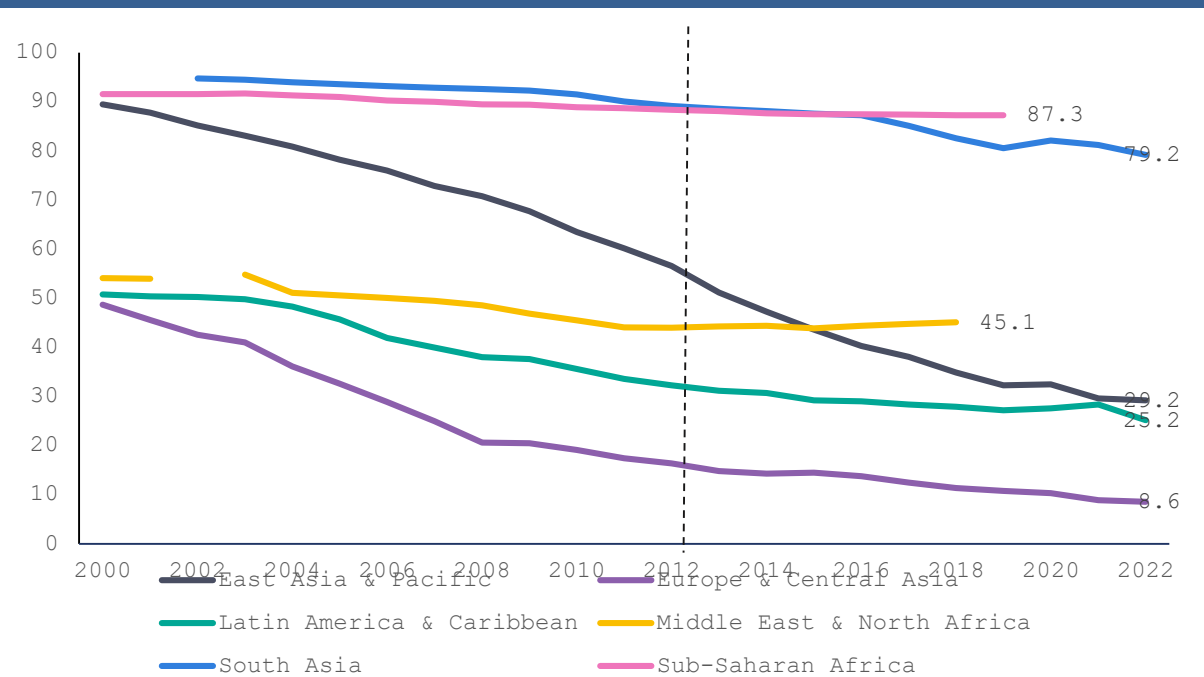
By economic sector 2023:



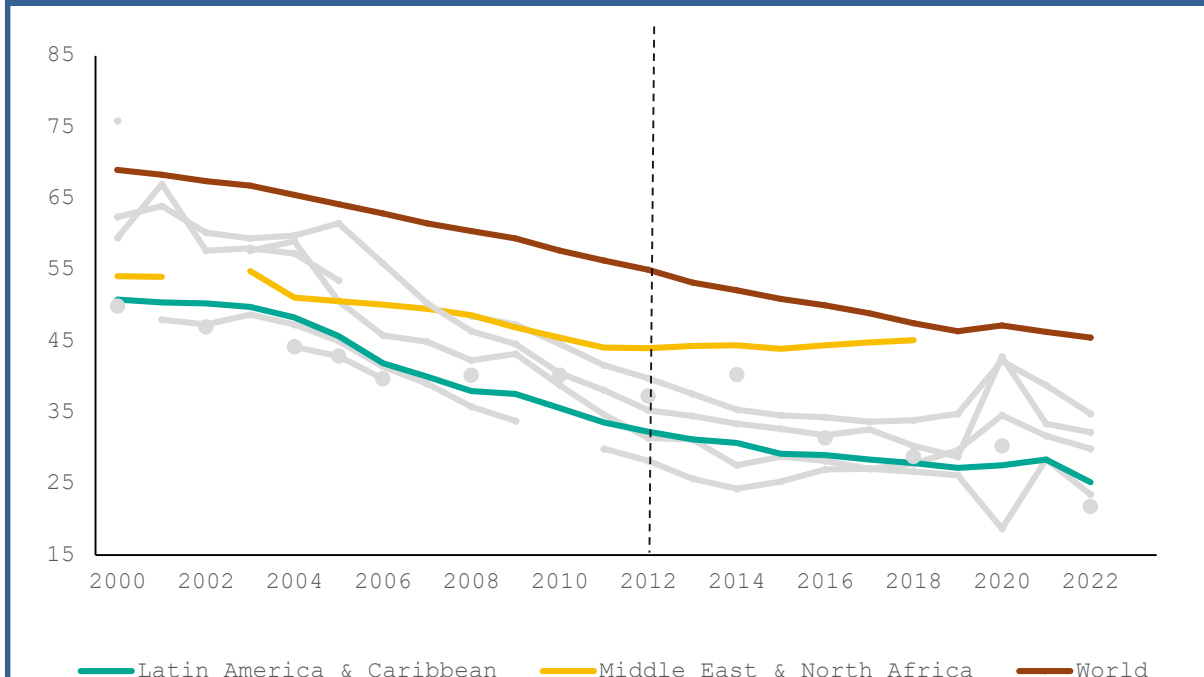
<sup>1</sup> Includes portfolios of loans, equity investments, guarantees and collateral. Does not include accounting adjustments.

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## Regional Poverty Rate 2000-2022



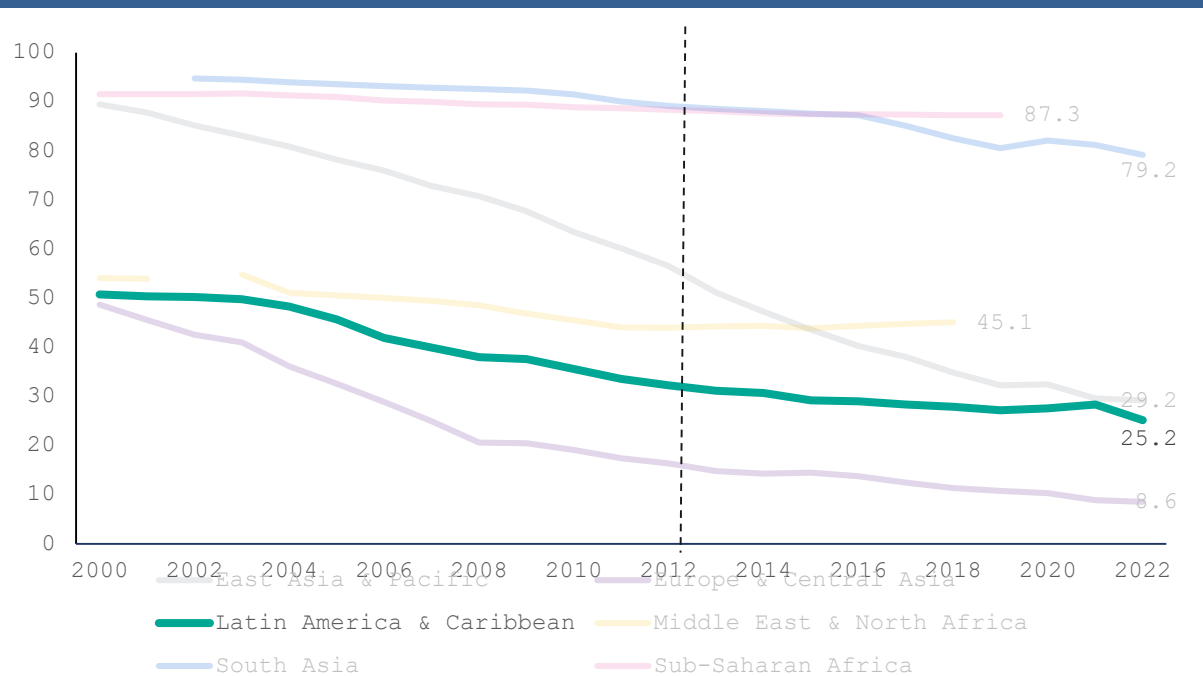
## World and Middle Income Countries Poverty Rate 2000-2022



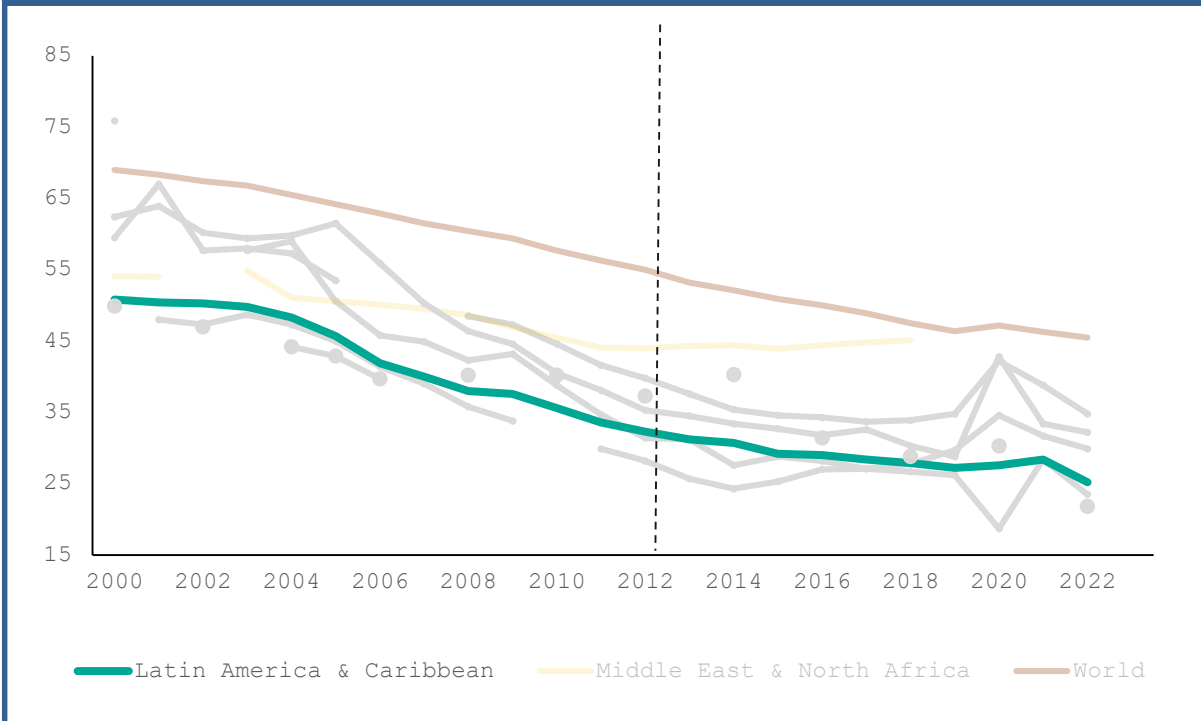
Source: World Bank, Poverty headcount ratio at \$6.85 a day is the percentage of the population living on less than \$6.85 a day at 2017 international prices.

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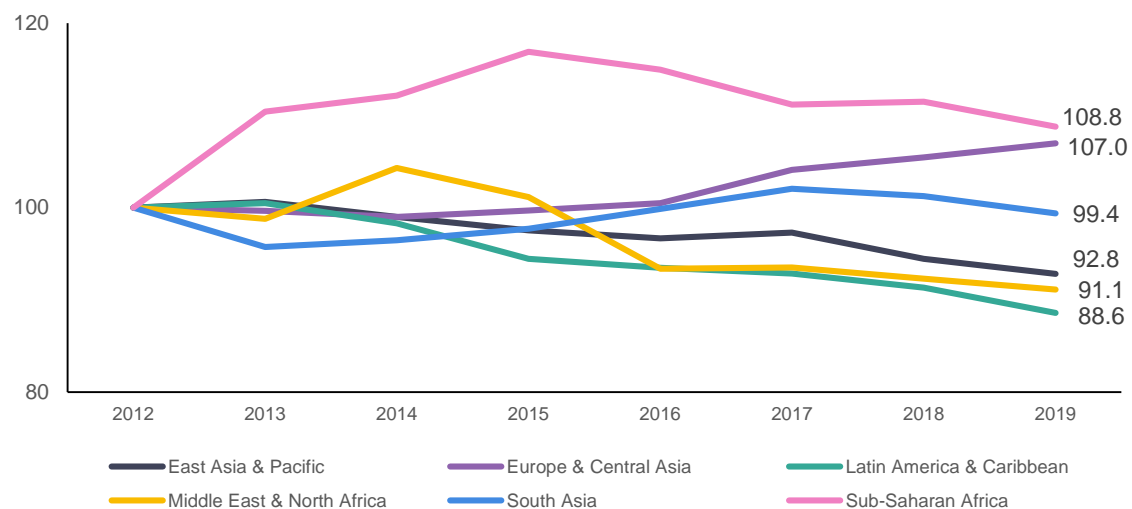
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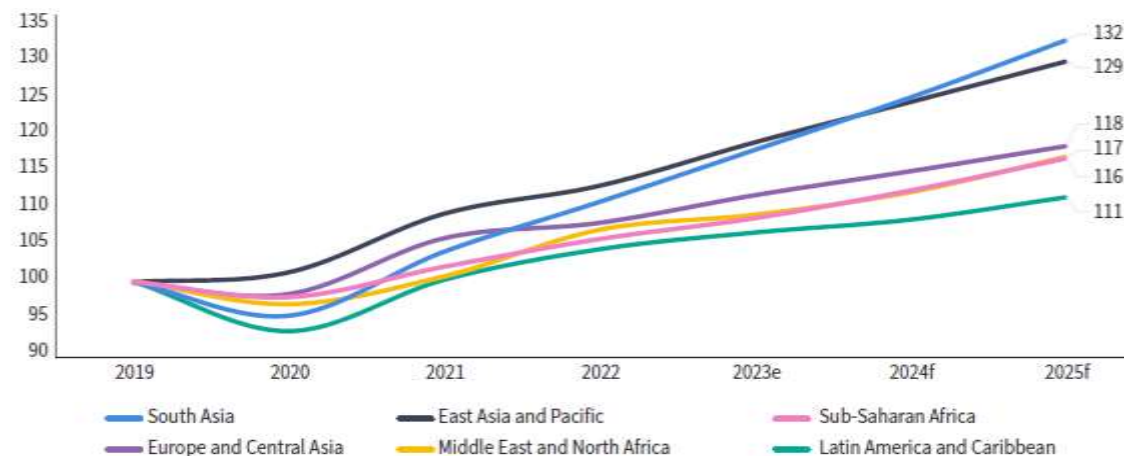
Source: World Bank, Poverty headcount ratio at \$6.85 a day is the percentage of the population living on less than \$6.85 a day at 2017 international prices.

# Since 2012 LAC had a reduction in productivity and this reflect in the lowest economic growth among regions

## Productivity (TFP) (2012 = 100)



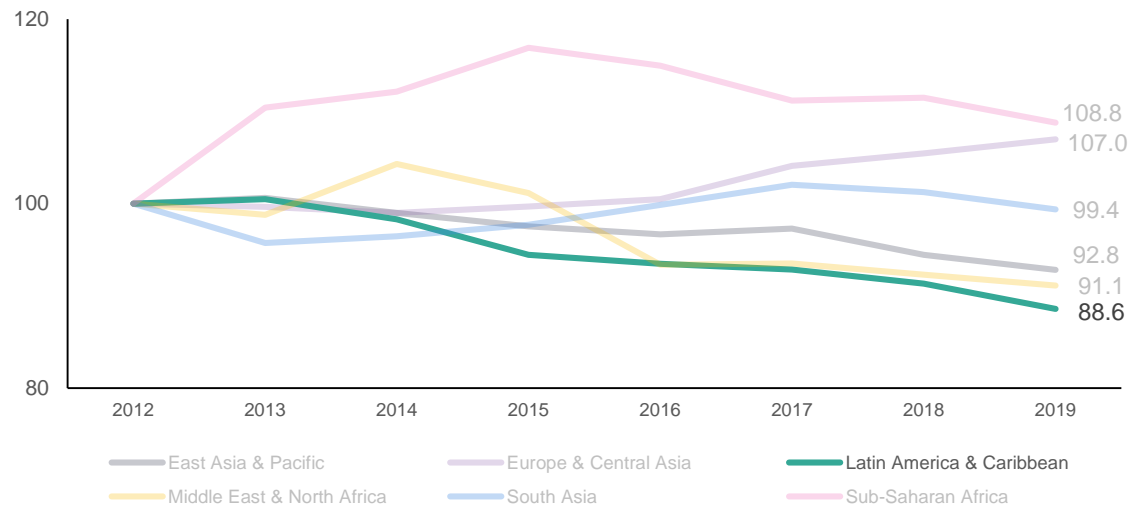
## Real GDP Levels for regions in the world (2019 = 100)



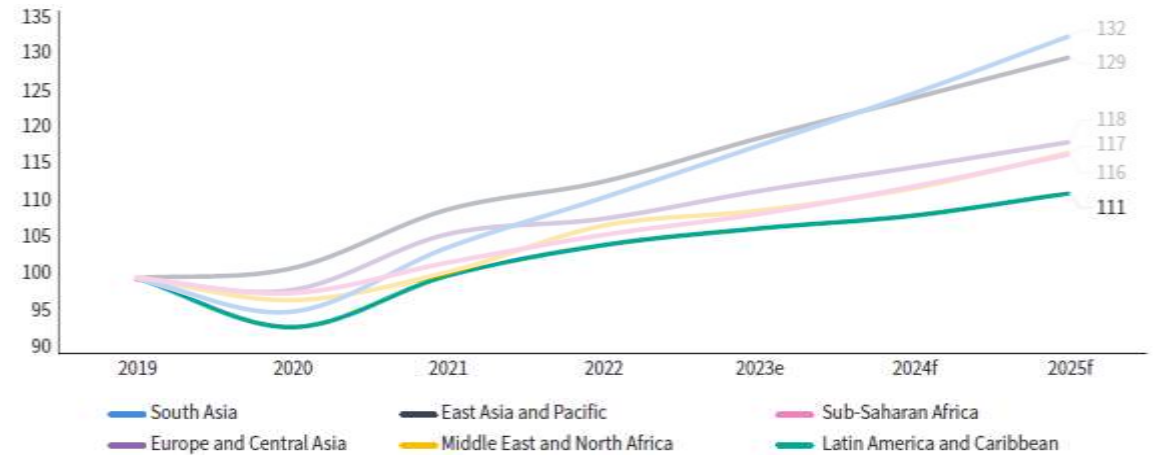
Source.  
Data from Penn World Table (database version 10.1).  
World Bank, Latina America and the Caribbean Economic Review, April 2024

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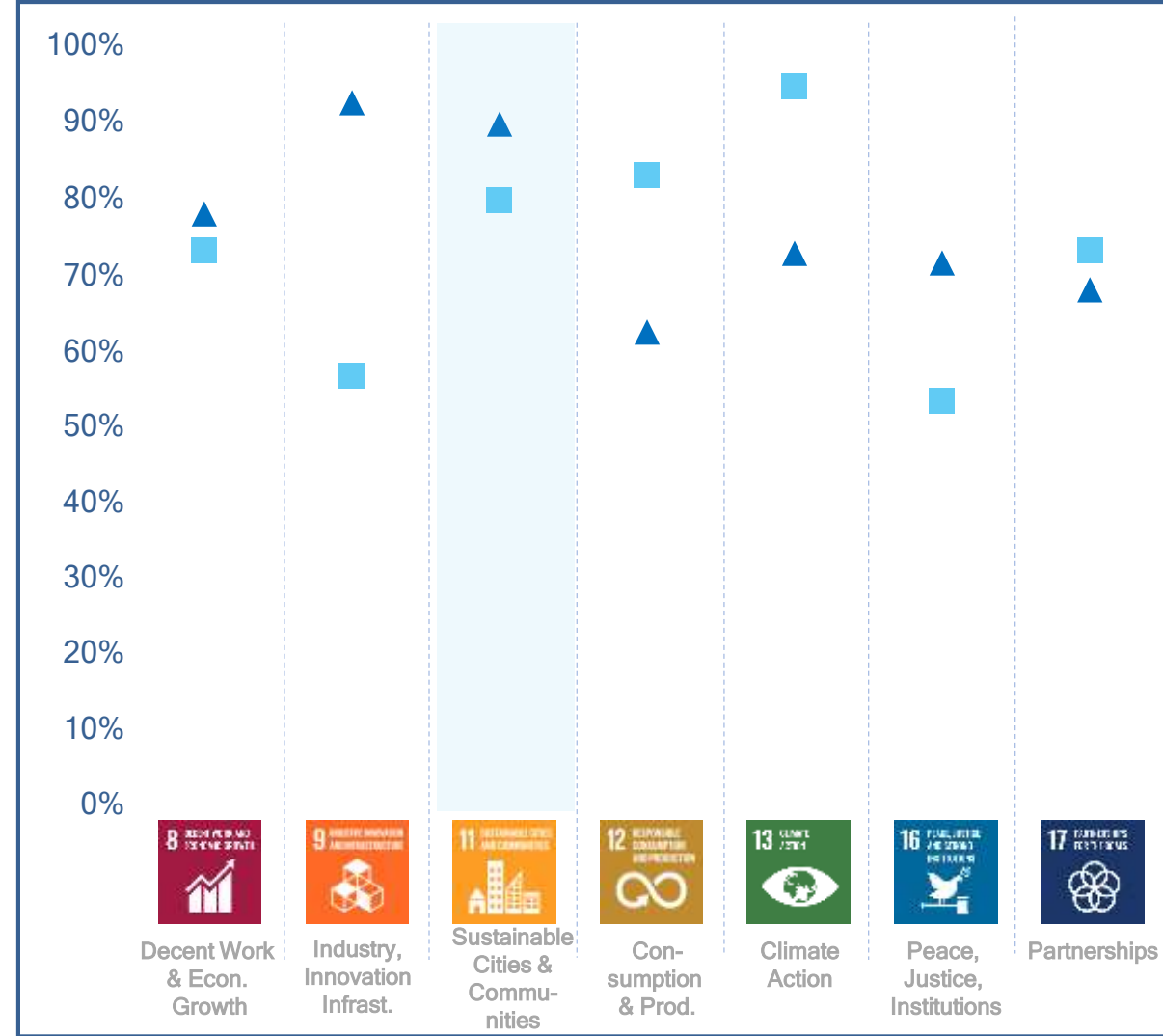
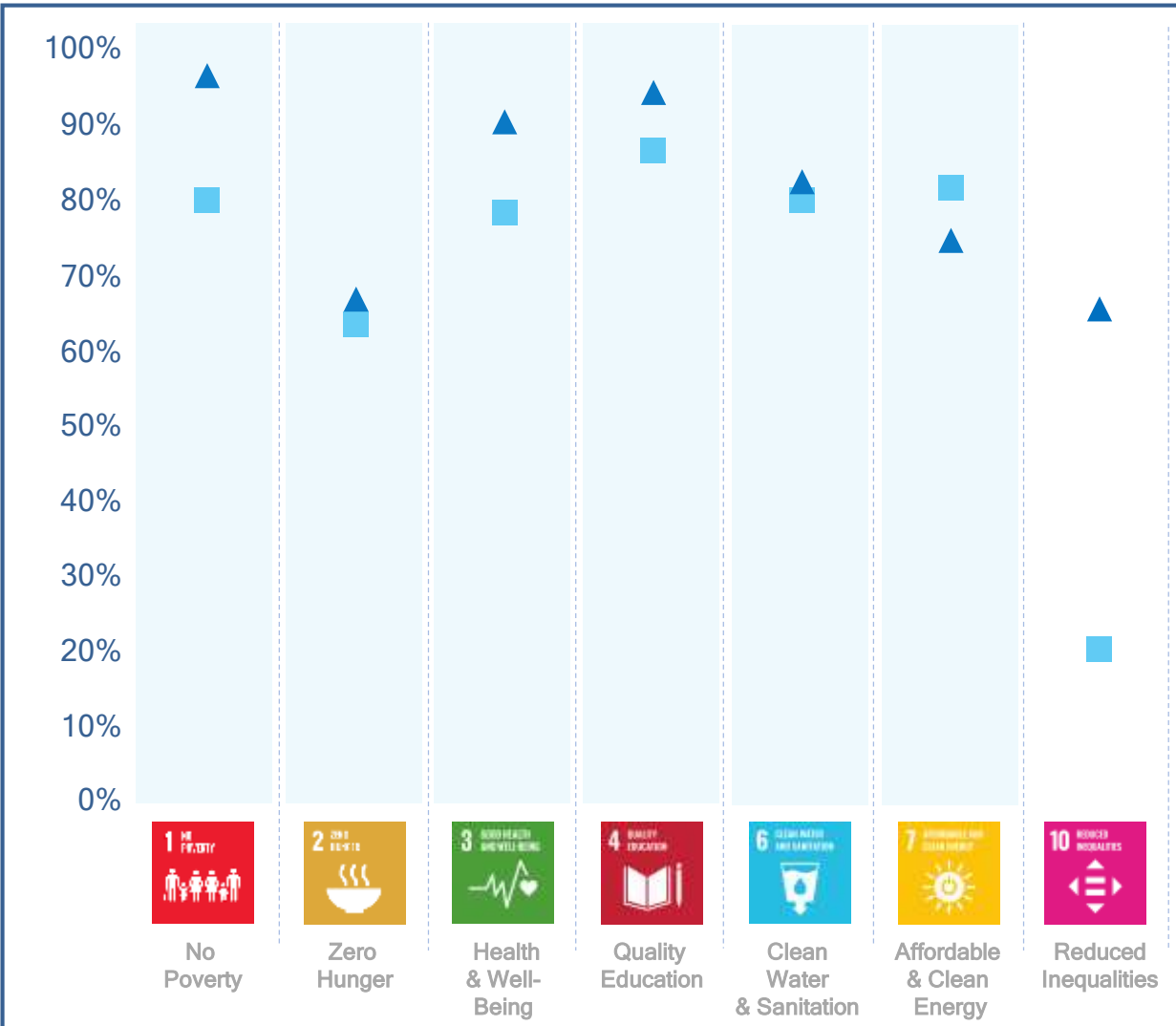




# Comparative Performance on SDGs: LAC vs. OECD members










## In the short term

## In the long term



Source: United Nations, 2024 Sustainable Development Report. The values here shown are estimations of the average performance by SDG for Latin America and the Caribbean, and the OECD member countries.

# Nevertheless, international cooperation is what enables these challenges to be addressed through various mechanisms...

Dimensions of Poverty	Indicators of Poverty	Corresponding SDG Area	CAF's portfolio contribution		Percentage share of CAF's portfolio
			# of Operations	Value (USD MM)	
<b>Health</b> (1/3)	Child mortality	 SDG 3: Health and Well-being	15	1,684	4.9%
	Nutrition	 SDG 2: Zero Hunger	10	1,308	3.8%
<b>Education</b> (1/3)	Years of schooling	 SDG 4: Quality Education	24	662	1.9%
	School attendance				
<b>Living Standards</b> (1/3)	Housing	 SDG 11: Sustainable Cities and Communities	98	3,255	9.5%
	Cooking fuel	 SDG 7: Affordable and Clean Energy	45	2,482	7.2%
	Electricity				
	Sanitation	 SDG 6: Clean Water and Sanitation	62	1,687	4.9%
	Drinking water				
Assets	 SDG 1: No Poverty	2	308	0.9%	
<b>Others</b>		 SDG 17: Partnerships for the Goals	173	13,522	39.5%
		 SDG 9: Industry, Innovation and Infrastructure	153	6,413	18.7%
		Others*	62	2,942	8.7%
<b>Total</b>			<b>644</b>	<b>34,263</b>	<b>100%</b>

(\*): Includes CAF's operations aligned with the SDGs: 13. Climate Action, 8. Decent Work and Economic Growth, 12. Responsible Consumption and Production, 16. Peace, Justice and Strong Institutions, 15. Life On Land, 14. Life Below Water. Source: CAF, data updated as of July 31, 2024.



# How Development Banks can support MPI Implementation

## Technical Assistance and Capacity Building

MDBs can provide expertise to help governments design and integrate MPI into policies. They can fund training, workshops, and develop tools that enhance local capacity in data collection and analysis. By funding pilot programs that show MPI's effectiveness, banks can encourage governments to scale successful initiatives nationally or regionally.

## Funding for Data Collection and Analysis

Banks can finance data surveys, systems and technology needed for accurate MPI measurement, addressing the financial constraints that many countries face.

## Policy Dialogue and Advocacy

Banks can engage governments, offering policy advice and advocating for MPI adoption for targeted policies. They can help build consensus among international organizations, civil society, and the private sector.

## Regional Coordination and Knowledge Sharing

Banks working across countries can facilitate knowledge sharing, help standardize methodologies and support regional cooperation for MPI implementation.

## Support for Policy Implementation

Once adopted, development banks can assist in aligning public expenditure with MPI outcomes and guide monitoring and evaluation efforts.

## Integrating MPI into Development Financing

Development banks can use MPI indicators to align their financing with poverty reduction goals and measure the impact of their investments.

# In our interest to put the poverty agenda at the forefront of the region, we launched an alliance between UNDP and CAF

## Why the Alliance?

- **Leverage our strengths:** UNDP is the leader in projects related to poverty and MPI in LAC.
- **Raise the level of discussion on the regional agenda:** a broad convening power in political, academic and private discussion spaces to raise awareness on poverty alleviation.
- **Promote a more comprehensive and collaborative approach** to tackle poverty reduction.

## Annual Conference on Poverty in Latin America and the Caribbean

**October 17, 2024** (inaugural edition)

To highlight the persistent challenges our region faces to achieve SDG #1 ending poverty by 2030.

## Key objectives and activities:

- **Generate knowledge** and evidence for targeted poverty reduction policies.
- **Define regional comparable measures of poverty:**
  - Define a **comparable multidimensional poverty index for LAC.**
  - Define a **multidimensional poverty energy index for Peru and Chile.**
  - Analyze the poverty – **environmental vulnerability.**
- **Training** in the measurement and use of data on poverty for policy making:
  - Summer school on MPI concepts and use.
- **Create a network** for sharing research advances: policy makers and academics.

# Thank you!

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OF LATIN AMERICA  
AND THE CARIBBEAN