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## PRESENTATION BY THE INTER-AMERICAN DEVELOPMENT BANK

(By Fabrizio Operti, Manager of the Integration and Trade Sector)

As already mentioned at previous meetings, the Bank's response to the pandemic has focused on four priority areas: a) immediate response for public health; b) security networks for vulnerable populations; c) economic productivity and employment; and, d) fiscal policies to alleviate its economic effects.

On this occasion, however, I would like to emphasize the importance of considering and working on what needs to be done to ensure a rapid, robust, and sustainable economic recovery for the countries of the region.

We are convinced that the public and private sectors should work together on economic recovery, and to be successful, progress will have to be made in closing the infrastructure investment gap facing the countries of Latin America and the Caribbean. In addition, urgent action must be taken to enhance economic and trade integration throughout the Hemisphere, in order to make our value chains more resilient and efficient and to generate jobs and economic growth.

Thus transparency, integrity, and democratic governance will be key factors in our progress towards economic recovery. Solid institutions and transparent regulatory frameworks are essential to improve the business environment in the region and to attract investment, especially at this point in time, when there are opportunities for our countries as a result of incipient changes in supply chains and investment flows.

By the same token, the countries of the region must boost investment in infrastructure to promote regional integration, reduce inequality, and ensure sustainable economic growth. As part of this effort, it is critical to implement reforms to prevent corruption and enhance transparency through the use of innovative technologies, in order to prevent the squandering of public monies and ensure that the citizens benefit, and to guarantee that investment in the development and democratic governance of our countries will have a positive impact.

As we know, the COVID-19 pandemic has generated new challenges in the area of transparency and integrity linked to the urgent environment in which contracting and purchasing processes are taking place, which call for exceptional procedures or less scrutiny, and, as a result, present opportunities for corrupt practices.

Consequently, the Bank has developed various projects designed to increase the transparency and efficiency of public investment systems, such as the InvestmentMap + COVID-19 Module, which is already being used in Paraguay, and will be extended soon to other countries in the region.

I would also like to highlight the initiatives in this area led by the Americas Business Dialogue (ABD), the mechanism for private sector participation in the Summit of the Americas process which is facilitated by the IADB.

At the Summit of the Americas held in 2018, the recommendations of the Business Dialogue—covering areas such as energy, infrastructure, human capital, innovation, digital commerce, and regional integration—focused heavily on the integrity and transparency agenda, thereby recognizing that the causes and effects of corruption are not confined solely to the public or the private sector, but that instead there is a shared responsibility which requires a joint solution.

Recently, the recommendations made by the ABD to the regional governments in response to the coronavirus pandemic have emphasized the need for governments to continue to maintain the highest standards insofar as ethics, transparency, and integrity are concerned, both during and after the pandemic, and that close coordination between governments and the private sector is vital to this end.

In addition to making recommendations, the ABD has been working actively to implement them. For instance, in cooperation with the OAS, it has carried out a project to promote strategies for making regulatory improvements to ensure legitimate, transparent, and technically solid regulations, and to train officials in the region on best practices in granting permits and licenses.

Moreover, the IADB, together with the ABD and private sector businesses and associations in the region, have initiated a technical cooperation project to develop model corporate codes of conduct, so that they can be used as a basis for adoption of codes by companies in Latin America and the Caribbean.

Looking towards the next Summit of the Americas, the ABD, as the mechanism for consultation with the private sector for the Summits process, will continue its work to strengthen, update, and implement its recommendations, both on transparency as well as on all subjects that are part of the objectives and priorities for the Summit. Likewise, the Bank will continue to pursue its commitment to the transparency and integrity agenda for the region, as well as its active participation in the JSWG [Joint Summits Working Group].