JOINT SUMMIT WORKING GROUP OEA/Ser.E

Meeting of High Authorities GTCC/INF.21/20

April 3, 2020 3 April 2020

Washington, D.C. Original: Spanish

**Remarks of Víctor Rico, Secretary General of CAF**

**High-level Meeting of the JSWG** **(April 3, 2020)**

* It is essential that there be a common, coordinated response resulting from international cooperation, particularly among the agencies that make up the JSWG, and to act in an agile, swift and effective manner in response to the urgent needs raised by our countries.
* CAF, the Latin American Development Bank, supports its shareholder countries with fast-disbursing financial resources to deal with the current crisis, of which the following should be highlighted:

1. **Activation of a contingent credit line of US$50 million per country**

* CAF renewed a contingent credit line in early March to support appropriate risk management and timely response in health systems.
* This is a regional standby credit line of US$50 million per country to respond in an agile and timely manner to emergencies that may arise in its shareholder countries, this time due to the COVID-19 pandemic.

1. **Line of credit of US$2.5 billion**

* CAF has made available to the countries a Counter-cyclical Rapid Disbursement Emergency Credit Line of up to US$2.5 billion, which will enable authorities to provide a swift and timely response to mitigate the economic effects of the spread of COVID-19.
* With this line of credit, CAF seeks to expedite the approval of operations that quickly and effectively support the emergency measures being adopted by our countries to mitigate the effects of COVID-19 on the economy and on people's quality of life.

1. **Redirect approved funding operations to address the crisis**

* CAF will allow the redirection of approved credit operations, in accordance with its regulations, and at the request of the respective borrowing country, and the reallocation of resources not yet disbursed from existing loans to mitigate the effects of COVID-19.

1. **Measures in support of the private sector and business**

* With a view to supporting the private sector and maintaining its operations, as well as promoting its subsequent recovery, CAF is making available lines of credit, guarantees, and loans to support the private sector in Latin America. Through this measure, CAF will continue to support the banking system in our countries and, as a priority, development banks, so that they can funnel resources to the productive sector, in particular small and medium-sized enterprises. It will also continue to mobilize resources from third countries and strategic partners in order to complement the efforts that our countries have been making.
* The lines of credit and loans are aimed mainly at supporting small and medium-sized enterprises, the health sector, and other critical sectors affected by the health emergency and preventing the breakdown of payment chains.

1. **Non-reimbursable technical cooperation to tackle the pandemic**

* CAF approved the granting of non-reimbursable technical cooperation funds of up to US$400,000 per country for immediate measures and purchases related to COVID-19.

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