

A strategic analysis
from a middle-income

Ten key messages of the Latin American and Caribbean Regional Consultation on Financing for Development

Economic Commission for Latin America
and the Caribbean (ECLAC),
Santiago, 12-13 March 2015



UNITED NATIONS

ECLAC

- In 2014, subregional development banks' share of total lending to Latin America and the Caribbean equalled that of the Inter-American Development Bank (IDB) (with more than 40% of the total between them) and surpassed that of the World Bank (less than 20% of the total). The share of credit provided by national development banks exceeded 20% of the total.
- Development banks have traditionally focused on channelling long-term savings towards investment in strategic

- Although emerging and developing economies produce half of the world's GDP, they account for only 40.6% of global exports. Middle-income countries show a particularly clear asymmetry between their contribution to world production and their share of world exports (46.1% and 29%, respectively).
- To meet this challenge, multilateral trade practices and agreements need to be made more flexible to take the specificities of middle-income countries into account. This would help level the playing field so that all countries could benefit equitably from international trade.
- At the same time, export diversification and trade liberalization must take place on the basis of flexible trade rules, including provision for adequate financing and an appropriate time frame for implementing the necessary adjustments and domestic economic restructuring. Here, the global trade system should pursue fairness in its rules