americas business dialogue

From Dialogue to Action

Policy Recommendations and Public-Private Partnership Proposals

Facilitated by

IDB Inter-American Development Bank

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Key Messages from the Americas Business Dialogue to the Leaders at the VII Summit of the Americas

In response to the I CEO Summit of the Americas in 2012, business leaders from throughout the Americas have coalesced around a package of policy recommendations that, if implemented in a coordinated fashion, will lead to sustained economic growth across the region. This effort takes on additional urgency when one considers the slowing of the global economy and the growing expectations of a rising middle class. We believe that the key to self-sustaining prosperity in the Americas is growth that is rooted in growing productivity, which in turn requires investment in education, innovation and infrastructure. Governments and businesses are already investing in all of these areas, of course, however, mobilizing the volume of investment required to shift the fundamental growth dynamic of the Western Hemisphere as a whole will require a more closely integrated regional economy, operating under transparent and reliable rules of the road to provide goods and services to globally competitive value chains.

In calling for closer integration of our economies, we are mindful of the various attempts that have been made to find a path toward a regional market. Many experiments are currently underway, ranging from bilateral free trade agreements to plurilateral agreements to more ambitious integration agreements to full common markets, and they all offer valuable lessons as we move ahead. We do not believe that an ambitious new attempt at a comprehensive regional structure is necessary or desirable. On the contrary, our proposed agenda is based on concrete, practical steps to integrate markets for energy, natural resources, finance, manufactured goods and services that will make our companies, especially micro, small and medium-sized enterprises, more competitive and all the peoples of the Americas more prosperous. Specifically, we focus our recommendations and proposals for public-private partnerships on four distinct goals that are fundamental to the social and economic development of the Americas and to achieve the shared objective of prosperity with equity:

I. **Improve infrastructure and strengthen trade** of goods and services to increase productivity, foster our enhanced participation in global value chains and continue to generate economic growth.

II. **Facilitate financial resources to spur growth and development** through investment in infrastructure, stronger and deeper capital markets, and financial inclusion that sustains middle-class development and addresses the needs of citizens and small and medium-sized enterprises.

III. **Stimulate innovation and entrepreneurship and develop our human capital** to increase productivity, ensuring that the demand for skilled labor is met and employment grows, and to spur economic growth and contribute to the development of new sustainable economic competencies.

IV. **Maximize the potential of the region's energy and natural resources** by ensuring that the abundance of energy reaches all of our countries and that the wealth of natural resources does not go untapped.

The private sector of the region involved in the Americas Business Dialogue considers that the recommendations and public-private partnership proposals included in this report are concrete and attainable and will contribute to maximizing the role that private sector activity and investment play in economic growth and social development.

Finally, we believe that we can accomplish much more if we work together. We stand ready to assist the governments in turning the proposals made here into specific, actionable implementation strategies. Where appropriate and desirable, we are prepared to lend our expertise, rooted in the practical realities of the marketplace, to develop processes and procedures. We recognize that many of our suggestions are not new and that past attempts to pursue similar goals have foundered on political constraints, and we welcome the opportunity to partner with governments and political leaders to seek new ways of reconciling these competing pressures.

In short, the Americas Business Dialogue is an offer of a sustained public-private partnership for prosperity in the Americas that we hope to continue for years to come.

Summary of Recommendations and Public-Private Partnership Proposals

I. Improve infrastructure and strengthen trade

1. Create an independent regional infrastructure development and monitoring hub, comprised of professional resources, that facilitates private sector participation and the creation of public-private partnerships for regional infrastructure projects or initiatives, such as the Mesoamerican Project or the Initiative for the Integration of the Regional Infrastructure of South America. The hub would serve to bring projects to fruition on market-based terms, institutionalize best practices, and develop standardized bilingual and trilingual contracts and project documents.

2. Stimulate financing of infrastructure projects by using funds from governments, multilateral agencies (MLAs) and development finance institutions (DFIs) to address project development and feasibility studies as well as construction risk, sovereign risk and currency risk. Likewise, update the project financing frameworks of MLAs and DFIs to take on refinancing risk, which would allow banks and these institutions to co-fund projects through the post-construction period, and then refinance the loans in the capital markets where they can be funded by long-term institutional investors.

3. Standardize the approach used by governments, regulators, credit rating agencies and the International Monetary Fund (IMF) to determine which government mechanisms and instruments used in infrastructure project finance should be incorporated into external debt calculations and under what circumstances.

4. Work jointly with the private sector to ensure full and fast implementation of the WTO Trade Facilitation Agreement in the region, prioritizing the implementation of the agreements on advance rulings; fees and charges; release and clearance of goods; and formalities connected with importation, exportation and transit; as well as close cooperation between border agencies to facilitate trade.

5. Deploy trade facilitative policies for low valued shipments—covering duties, taxes and fees upon entry—that would be applicable regardless of country of origin. These policies should remove burdensome and unnecessary customs processing at the border.

6. Develop mechanisms that enable mutual recognition of trusted traders and the physical release of goods while in transit, while still maintaining formal post-clearance audits to ensure compliance of customs entries.

7. Hold an annual dialogue at the ministerial level with the private sector about trade and investment issues and the competitive insertion of the region in the global economy.

8. Take action to improve port, airports and border crossings infrastructure in the region to be adequately prepared for the changing flows resulting from the Panama Canal expansion, including the increase of ports and airports capacity, expansion of physical and logistics infrastructure, and optimization of ground, maritime, fluvial and air transportation.

9. Develop a robust and modern infrastructure that facilitates efficient movement of goods to and from manufacturing assembly facilities, including freedom of navigation, and enables multimodal connectivity and intermodal transport.

10. Adopt international regulatory best practices, engaging private sector expertise and improving communication and trust among regulators in the region to develop reform agendas to achieve more cooperative regulatory processes, including mutual recognition agreements that are transparent to all affected parties, encourage public consultation, provide advance notice and are based on sound science and clear evidence.

11. Develop public policies specifically designed for enhancing the conditions that promote service exports, for example by progressively eliminating fiscal obstacles and adopting double taxation agreements, giving priority to regional services providers in government procurement, supporting the participation of local companies in international summits, developing an accreditation system to provide international credibility, and improving the regional exports services information and statistics system.

12. Facilitate entry procedures and ease visa requirements for business travelers and services providers within the region through the implementation of an Americas Business Travel Card.

II. Facilitate financial resources to spur growth and development

13. Take steps to deepen and harmonize capital markets and integrate markets that lack scale, by facilitating investments by public entities, which constitute some of the largest investors; issuing bonds with a variety of maturities that others can use as references to price their securities; and aligning listing requirements, credit ratings and professional licensing requirements with internationally accepted standards to create a simple and transparent framework for issuing securities.

14. Remove restrictions that inhibit cross-border flows and harmonize taxes associated with the flow of capital in and out of markets for investment in securities, as well as incorporate tax incentives for capital market issuances.

15. Stimulate financial inclusion through the development of policies aimed at i) building an open and broad branchless banking network, allowing a wide range of non-traditional agents to provide broad financial services,

especially in rural areas and other areas with no financial coverage; and ii) capitalizing on digital innovation by providing common standards that support mobile and digital banking and interoperability and secure customer identification systems, having government policies that support digital payments like the electronic distribution of federal and local subsidies and conditional cash transfers, and requiring government entities to accept electronic payments.

16. Encourage the provision of formal financial services by developing, creating and adopting financial regulations that are proportional to the risk of the account and the client, particularly as it relates to anti-money laundering (AML)/know your customer (KYC) requirements, and data-transfer and consent requirements.

17. Develop and adopt regional standards that promote full-file comprehensive credit reporting, secured lending and collateral registries, and collection of non-financial information that allow lenders to manage risk; reduce over-leverage; prevent default by consumers and micro, small and medium enterprises; create effective incentives for repayment by borrowers; and create tools that allow access to credit by companies exporting goods and services.

18. Establish a mechanism for regional regulatory consultation to promote greater compatibility, including, where appropriate, harmonization of future regulations, and to resolve concerns and reduce burdens arising from existing regulations through equivalence, mutual recognition or other agreed means.

19. Create a consultative body that regulators may approach to obtain advice on the viability and the risks of complex financial mechanisms and instruments and that may, in collaboration with multilateral agencies, banks and institutional investors, strengthen the capacity of national regulatory agencies so that they may adequately perform their role in relation to the complex financial instruments that are needed to address the challenges faced by the region.

III. Stimulate innovation and entrepreneurship and develop our human capital

20. Make innovation a matter of national policy by committing to invest 1% of GDP in research and development.

21. Ensure adequate and effective intellectual property protection and enforcement legislation consistent with international intellectual property standards to meet international best practices and foster agreements for the fast-track examination of patent applications.

22. Promote policies that preserve an open Internet and guarantee that users have access to legal contents, products, services and technologies, avoiding server localization requirements and restrictions to cross-border data flows for legitimate business purposes.

23. Create a regional research, innovation and entrepreneurship center aimed at creating communication channels to connect the public sector, private companies, universities and research centers, with the goal of promoting regional research collaboration and generating incentives to stimulate private investment in innovation.

24. Stimulate science, technology, engineering and mathematics (STEM) education, as well as entrepreneurship, through exchange programs, in particular to support the development of the human capital necessary for the infrastructure, logistics, energy and natural resources sectors.

25. Promote the implementation of public-private partnerships for technical and vocational education, as well as education in foreign languages, to create a larger, more qualified and more mobile workforce that responds to the demand for skills from the private sector and the needs of local communities.

IV. Maximize the potential of the region's energy and natural resources

26. Stimulate investment in natural resources by adopting income distribution schemes for the sector that ensure that governments and companies share the risks and rewards of the activity.

27. Provide stability and increase investor confidence for mining and energy projects by developing legal regimes and institutions that are insulated from changes in political leadership and ensuring clear and consistent enforcement of applicable environmental and labor laws and previous consultation mechanisms.

28. Promote a transparent and fair transfer of royalties to local communities so that they benefit from and support investment in natural resources.

29. Confront the energy challenges faced by the region, paying special attention to the needs of smaller markets like those of Central America and the Caribbean, by implementing measures to adopt renewable sources of energy and energy efficiency and by working with the private sector to quickly develop a coherent approach to increase the use of gas and reduce the current dependence on oil.

30. Develop a regional platform that ensures active contribution of the private sector in the execution of the regional energy integration projects that have been developed in the framework of regional public initiatives, like the Central American Electrical Interconnection System.

Context

I. Improve infrastructure and strengthen trade

A. Stimulate infrastructure investment across the region

To increase productivity; promote domestic, regional, and global connectivity and integration; sustain middle-class development; address the needs of citizens and the competitiveness of businesses and governments; spur economic growth; and create jobs, a vast investment in infrastructure is needed.

According to the Inter-American Development Bank, if the region could double its infrastructure investment, potential real annual GDP growth could increase by as much as 2 percentage points.

Historically, investment in infrastructure in Latin America and the Caribbean (LAC) has been funded primarily by local and national governments and commercial banks. However, the scale of investment required and the focus on fiscal restraint across the region suggests that alternative funding aided by the private sector will be needed.

According to the Economic Commission for Latin America and the Caribbean (ECLAC), in 2012, average regional investment in the four infrastructure sectors (transportation, energy, telecommunications, and water and sanitation) was 3.5% of GDP.[1] Yet investment of approximately 5.2% of regional GDP in infrastructure (about USD 170 billion) is required to respond to business and consumer needs between 2006 and 2020. Further, if the region is to match levels of per capita infrastructure investment held by a select group of Southeast Asian countries, this figure would have to be closer to 7.9% of regional GDP (approximately USD 260 billion).[2]

According to the IDB, even if levels of private investment increase, significant implementation challenges remain. Public institutions face difficulties in designing, evaluating and executing investments in transportation and infrastructure. These institutional limitations also undermine the development of a regulatory framework capable of leveraging private sector investments. Brazil, Mexico, Colombia, Peru and Chile have so far attracted substantial private sector investment in road and rail concessions, but there is still room for improvement and exploiting the full potential of private sector involvement. Challenges include lack of independence, technical expertise and coordination among regulatory agencies; poorly designed contracts that lead to constant renegotiations; and national policies that may prevent foreign companies from competing in badly needed services such as cabotage or air cargo.[3]

Developments in the financial sector like the Eurozone debt crisis and global regulatory changes such as Basel III are changing the mix of non-government organizations available to partner with governments in financing infrastructure. As a result, there is a further need to connect governments and firms in LAC with financial institutions and alternative sources of investment, such as domestic and global capital markets.

Connecting governments and firms in Latin America with financial and alternative sources of investment around the world could be achieved by adopting the following measures:

1. Create an independent regional infrastructure development and monitoring hub, composed of professional resources, that facilitates private sector participation and the creation of public-private partnerships for regional infrastructure projects or initiatives, such as the Mesoamerican Project or the Initiative for the Integration of the Regional Infrastructure of South America. The hub would serve to bring projects to fruition on market-based terms, institutionalize best practices, and develop standardized bilingual and trilingual contracts and project documents.

CASE STUDY

In 2014, working groups under B20 Australia recommended establishing a Global Infrastructure Hub to boost economic growth and create jobs. The hub would collect and disseminate leading practices, collaborate with key stakeholder organizations on project preparation and capacity building, develop and promote appropriate standards, and collate and publish relevant data and reports to increase the pipeline of bankable, investment-ready infrastructure projects, improve productivity across the infrastructure life cycle, and accelerate the development of infrastructure as an asset class. The working groups estimated that improving project preparation, structuring and delivery could increase infrastructure capacity by USD 20 trillion by 2030 and that a Global Infrastructure Hub could make an estimated USD 2 trillion contribution to this. In addition, such a hub was forecasted to drive an additional USD 600 billion of economic activity and 10 million jobs per annum over the long term.[4] Next steps for the Global Infrastructure Hub include defining its proposed mandate, governance, budget and location, and coordinating the appropriate public, private, multilateral and NGO stakeholders needed to carry out its mandate. Further, B20 Australia encouraged interested G20 governments to support the hub through modest seed capital from existing infrastructure/aid programs.

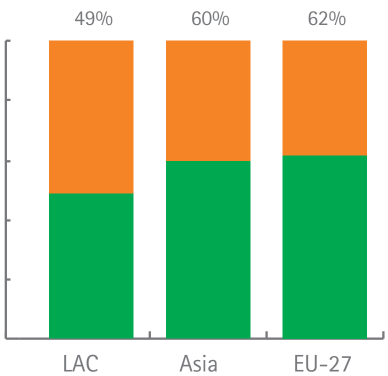
2. Stimulate financing of infrastructure projects by using funds from governments, multilateral agencies (MLAs) and development finance institutions (DFIs) to address project development and feasibility studies as well as construction risk, sovereign risk and currency risk. Likewise, update the project financing frameworks of MLAs and DFIs to take on refinancing risk, which would allow banks and these institutions to co-fund projects through the post-construction period, and then refinance the loans in the capital markets where they can be funded by long-term institutional investors.

CASE STUDY

According to the World Bank, in Chile infrastructure projects are structured to attract the demand of insurance companies and pension funds. In particular, a strong guarantee system ensures that all bonds are investment grade issued, with long-term maturity and inflation index. The policy design of non-financial guarantees or explicit contractual guarantees (ECG) has been a necessary condition for the bankability of the projects in Chile. The government has allocated more than USD 8 billion through competitive bidding mechanisms and has delivered explicit guarantees. Further, concessionaires are registered with the Securities Regulator, which has requirements in place to make the issuer more transparent. Even after the financial crisis in 2008, the grounds for projects and the warranties continued to support investment: in 2008-9, US$8.8 billion dollars were destined to committed investment, and an additional US$2 billion dollars were destined to additional investment. As such, local risk agencies have kept the infrastructure bonds under "investment rate" and, currently, approximately 20% of Chilean pension funds' portfolios is invested in infrastructure. [5] [6]

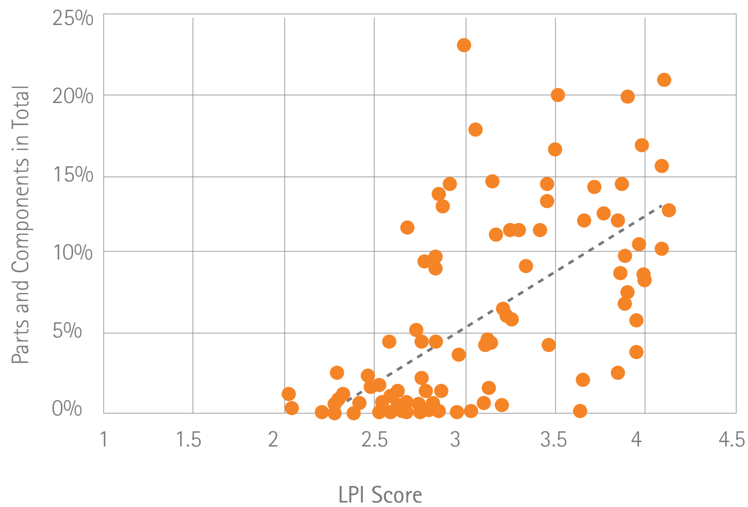
3. Standardize the approach used by governments, regulators, credit rating agencies and the IMF to determine which government mechanisms and instruments used in infrastructure project finance should be incorporated into external debt calculations and under what circumstances.

Figure 1. Percentage of Exports Part of a Multi-Country Production Process



Source: www.Synchronized-Factories.com

Figure 2. Trade Facilitation Performance vs. Share of Parts and Components in Manufactured Exports, 2010



Source: Saslavsky and Shepard, 2014

B. Implement trade facilitation reforms to improve customs and border procedures and reduce trade costs

Much as the region did at the beginning of the 20th century, when the Panama Canal revolutionized global trade and travel, the Americas have again a historical opportunity to reshape the global economy for the 21st century, building on and expanding the Panama Canal's role as the pivot point of international logistics and trade flows.

The governments of the region are to be applauded for the numerous efforts underway to improve the region's logistics and infrastructure. However, a country or region can benefit fully from the integration into global value chains (GVCs) only as a result of strong coordination and efficient links between the stages of production, the movement of goods and the participating countries' willingness to expedite resources across their borders. Therefore, modern and robust logistics and transportation infrastructure and supporting policies are key conditions to allow firms to grow and upgrade in GVCs that are subject to increasing competitive pressures in the global economy.

The World Bank and World Economic Form estimate that ambitiously reducing supply chain barriers to trade—analogous to broad sense trade facilitation—could potentially boost exports in the region by up to 38% for some countries, and GDP by up to 8%.[7]

In today's highly competitive international economy, integrated GVCs have become the standard of success for international companies and an important driver of expansion of markets. However, GVCs are concentrated mainly in the European Union, South Asia and North America, with Latin America and the Caribbean lagging behind.

CASE STUDY

According to the IDB, the typical LAC country has fewer backward and forward production linkages than the typical country in Asia or Europe. For example, the share of exports that is part of a multi-country production process is 13 percentage points lower in LAC than in Europe (see Figure 1).[8]

In this sense, the building of an integrated environment for business in the Americas must be a priority, and trade facilitation reforms are a key element.

Figure 2 shows the correlation between trade facilitation performance (as measured by the World Bank's Logistics Performance Index; LPI), and the share of parts and components in total manufactured goods exports, which is one indicator of a country's degree of value chain integration. Quantitatively, trade in parts and components is nearly 50% more sensitive to improvements in trade facilitation than is trade in final goods. As such, countries with better trade facilitation tend to export relatively more parts and components.[9]

Figure 3. L. LPI Comparison of LAC with Rest of World

LAC average	2.76
Top 30% average	3.57
Global average	2.89

Source: World Bank LPI, 2014

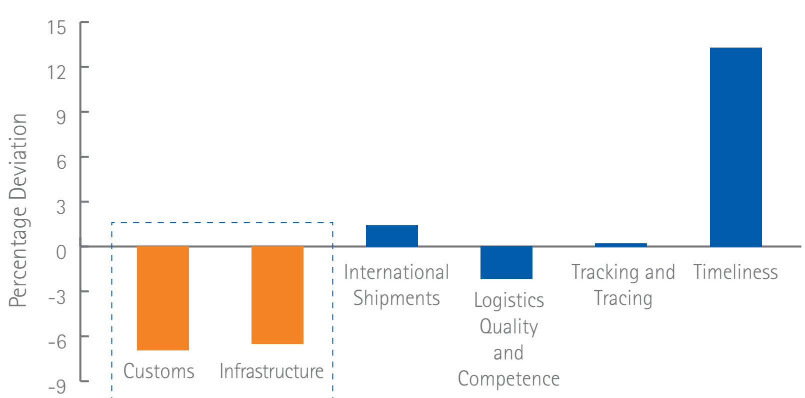
Data from the World Bank's Logistics Performance Index (LPI) suggests that much progress has been made recently in the region's logistics performance with the recent adoption of the World Trade Organization's Trade Facilitation Agreement.

Figure 4 shows scores for the six LPI dimensions expressed as percentage deviations from the region's overall score. A positive bar indicates that performance in that area is stronger than the overall score, and a negative bar indicates weaker performance. Three of the six dimensions shown in Figure 4 are tightly clustered around LAC's overall score, which means that they are not elements of particular strength or weakness. However, customs (-6%) and infrastructure (-8%) are areas in which more work is needed.

The WTO Trade Facilitation Agreement contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building.

To enable the region's businesses to fully benefit from the integration into GVCs, the countries of the region should:

Figure 4. Scores for the Six LPI Dimensions Expressed as Percentage Deviations from the Region's Overall Score



Source: World Bank Logistics Performance Index

4. Work jointly with the private sector to ensure full and fast implementation of the WTO Trade Facilitation Agreement in the region, prioritizing the implementation of the agreements on advance rulings; fees and charges; release and clearance of goods; and formalities connected with importation, exportation and transit; as well as close cooperation between border agencies to facilitate trade.

A study by the OECD estimates that trade facilitation reform could reduce total trade costs by almost 14.5% for low-income countries, 15.5% for lower-middle income countries and 13.2% for upper-middle income countries.[10] In addition, reducing global trade costs related to trade facilitation by just 1% could lead to a USD 40 billion increase in world income. Sub-Saharan African countries could see their exports rise by 22.3%, while Latin American and Asian exports could grow by 16.2%. EU exports could increase by 10.6%, with US and Japanese exports increasing by 3.9% and 2.1%, respectively. Streamlining procedures, documents and information availability, both at the total trade and at the manufacturing trade level, could have the strongest impact on trade flows for Latin America and the Caribbean. Advance rulings and fees and charges also exert a significant impact on trade flows. These impacts are observed not only regarding imports and exports with the rest of the world, but also with intra-regional trade. The measures that contribute the most to lowering trade costs in the region are: streamlining of procedures (with an estimated potential reduction of 2.8% in trade costs), advance rulings (2.5% estimated potential reduction) and documents (1.9% estimated potential reduction). The potential cost reduction of comprehensive trade facilitation reform is 16.2% for Latin America and the Caribbean.[11]

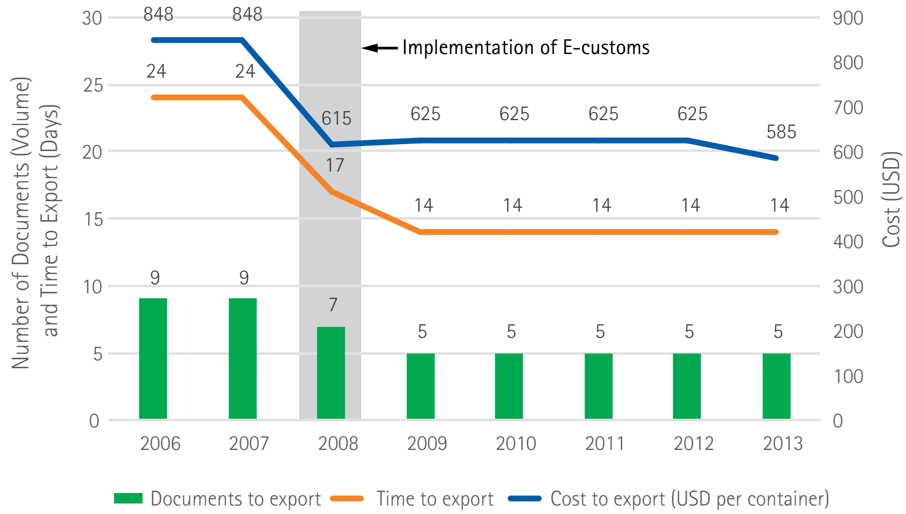
5. Deploy trade facilitative policies for low valued shipments—covering duties, taxes and fees upon entry—that would be applicable regardless of country of origin. These policies should remove burdensome and unnecessary customs processing at the border.

6. Develop mechanisms that enable mutual recognition of trusted traders and the physical release of goods while in transit, while still maintaining formal post-clearance audits to ensure compliance of customs entries.

CASE STUDY

On March 11, 2014, representatives from Korea and Mexico signed a mutual recognition agreement on the Authorized Economic Operator (AEO) program. This makes Mexico the first Latin American country to gain formal recognition for its AEO program, making the Mexican and South Korean AEO programs compatible. This agreement helps ensure that South Korea recognizes companies certified through Mexico's AEO program (Nuevo Esquema de Empresas Certificadas) as safe, trusted companies, while also ensuring that Mexico recognizes companies certified by South Korea through its AEO program as trusted. With this, it is expected that the number of inspections will be reduced and that South Korean customs will provide expedited services, thereby reducing transit times and costs, making Mexican companies more competitive in the global market.[12]

Figure 5. Border-control Process Improvements: Thailand Reduced Time to Export by 10 Days



Source: World Bank, OECD (http://www.doingbusiness.org/Custom-Query/thailand)

7. Hold an annual dialogue at the ministerial level with the private sector about trade and investment issues and the competitive insertion of the region in the global economy.

According to the 2013 United Nations Global Compact—Accenture CEO Study on Sustainability, 84% of CEOs in Latin America believe that government support of open markets and multilateral cooperation will be important to advancing sustainability in the next 3-5 years.[13]

8. Take action to improve port, airports and border crossings infrastructure in the region to be adequately prepared for the changing flows resulting from the Panama Canal expansion, including the increase of ports and airports capacity, expansion of physical and logistics infrastructure, and optimization of ground, maritime, fluvial and air transportation.

In Thailand, time to export decreased from 24 to 14 days as a direct result of process improvements to streamline border-crossing activities and adopt more sophisticated information technology (IT).[14] Figure 5 shows the 10-day reduction in time to export, as well as the reduction in cost to export, as a result of border-control process improvements in Thailand.

9. Develop a robust and modern infrastructure that facilitates efficient movement of goods to and from manufacturing assembly facilities, including freedom of navigation, and enables multimodal connectivity and intermodal transport.

According to the IDB, policies tailored to lower transport costs are likely to have a significant impact on exports. Colombia particularly stands to gain from improvement in transport infrastructure: a 1% reduction in ad valorem transport costs can increase exports by as much as 7.9% in agriculture, 7.8% in manufacturing and 5.9% in mining. In Mexico, where the average impact of reduced transport costs across sectors was the lowest, a 1% drop in transport costs could still produce a 4% increase in agricultural exports.[15]

As national regulatory agencies work to protect public health and safety, they can inadvertently create unnecessary and inefficient regulatory divergences among trading partners. These divergences can often impede trade by adding costs that consumers pay without necessarily providing additional protections for health and safety. Where this is the case, improved procedures, enhanced training of regulators and closer cooperation among regulators can produce administrative efficiencies, improve public health and safety, and increase economic prosperity and innovation.

Benefits can thereby accrue not just to businesses, but to consumers and citizens at large if the governments of the region and the private sector work together to adopt international regulatory best practices, engaging private sector expertise and improving communication and trust among regulators in the region. Therefore, the Americas Business Dialogue recommends:

10. Adopt international regulatory best practices, engaging private sector expertise and improving communication and trust among regulators in the region to develop reform agendas to achieve more cooperative regulatory processes, including mutual recognition agreements that are transparent to all affected parties, encourage public consultation, provide advance notice and are based on sound science and clear evidence.

C. Implement policies and initiatives to facilitate the trade of services

The expansion of the trade in services in non-traditional sectors is perhaps the most dynamic phenomenon in recent years. The advent of globalization and the Information Technology and Communications (ITC) revolution allowed the fragmentation of global production, and between 2000 and 2013 the volume of non-traditional services almost tripled in size.[16] This encouraged developing countries to exploit their comparative advantages, as well as to develop new competitive advantages through specialization. However, the region still has a low level of participation in the global market, accounting for roughly 4% of world total service exports and close to 3% of world non-traditional service exports.[17]

The relevance of non-traditional service exports lies in its positive impact on several development areas, including human capital, qualified employment, technology and environmental sustainability. In addition, services generate the most value added within the value chain, thus having manufacturing firms buy and produce more services than ever before.

In addition, improving the mobility of businesspeople and services providers stimulates trade and economic growth in several interrelated ways. Studies show that face-to-face interactions in international business visits and in-person meetings improve the efficient use of human resources and access to external knowledge, provide gains in competitive advantages, are the most effective way to meet new customers, are essential to negotiate final agreements, and are a key factor in successfully building and maintaining long-term relationships. Simplified entry procedures to other economies result in significant reductions in transaction costs and considerable savings in resources and valuable time, which is especially crucial for small and medium-sized enterprises.

Therefore, The Americas Business Dialogue recommends:

11. Develop public policies specifically designed for enhancing the conditions that promote service exports, for example by progressively eliminating fiscal obstacles and adopting double taxation agreements, giving priority to regional services providers in government procurement, supporting the participation of local companies in international summits, developing an accreditation system to provide international credibility and improving the regional exports services information and statistics system.

CASE STUDY

In 2013, the Trinidad and Tobago Coalition of Services Industries launched a strategic plan for the local ICT offshoring services sector. The strategy contains innovative and practically oriented recommendations to promote the information technology and animation industries in Trinidad and Tobago, thus providing a viable alternative to diversify the country's export base.[18]

CASE STUDY

The Latin American Association of Service Exporters (ALES) is an international organization consisting of 31 public and private institutions from 16 countries. Its objective is to promote Latin America as a knowledge exporter region and outsourcing destination. In 2014, ALES developed a "Regional System of Information and Methodological Harmonization for the Latin-American Services Sector." The system provides relevant information for foreign investors, exporters and trade promotion agencies. Through an intuitive and simple method, it allows access to: i) Rules and Agreements: includes national and international rules that may affect international trade in services, especially for the demand side of the market; ii) Double Taxation Agreements: informs the procedure to eliminate the double taxation effect; iii) Index: displays all data that investors take into account when deciding on a location to outsource tasks abroad—in particular, it generates specific rankings by sector; iv) Statistics: provides statistics of the services sector in Latin America and the possibility of comparison.

12. Facilitate entry procedures and ease visa requirements for business travelers and services providers within the region through the implementation of an Americas Business Travel Card.

CASE STUDY

In 1997, Asia-Pacific Economic Cooperation (APEC) developed an APEC Business Travel Card (ABTC), allowing business travelers pre-cleared, facilitated short-term entry to participating member economies. The ABTC saves valuable time by removing the need to individually apply for visas or entry permits and allows multiple entries into participating economies during the three years the card is valid. Card holders also benefit from faster immigration processing on arrival via access to fast-track entry and exit through special APEC lanes at major airports in participating economies. The ABTC helps to enhance border integrity and security in participating economies by increasing the number of low-risk travelers, since each applicant is checked against "watch lists" of other participating economies. Currently, there are 160,000 active cards in use, and the scheme has reduced transaction costs for ABTC holders by 38%, representing average annual savings of USD 3.7 million. Total at-the-border immigration time savings experienced by ABTC holders for the period March-July 2010 through March-July 2011 is 62,413 hours, a monetary value of USD 1.9 million.[19]

Context

II. Facilitate financial resources to spur growth and development

A. Promote development of capital markets

Economies in the region will continue to face downward economic pressure as US quantitative easing comes to an end, commodity prices potentially decline further and other large emerging markets like China cool down. Policymakers will need to find solutions to sustain growth and seek other sources of capital and investment. While they have grown considerably, LAC capital markets are generally less developed and smaller than Asian developing economies, despite some significant reforms over the past few decades. For many of the countries in the region, domestic financial markets are small, lack sufficient liquidity to attract international investors, lack risk diversification opportunities and a secondary market, and operate in an environment with volatile currencies. Stock market trading and capitalization depend on a few large listed companies, creating less fluid and more disjointed markets. Bonds tend to be concentrated at the short end of the maturity spectrum and denominated in foreign currency, exposing governments and firms to maturity and currency risks.

Governments should consider adopting the following recommendations to promote the development of domestic and intra-regional capital markets:

13. Take steps to deepen and harmonize capital markets and integrate markets that lack scale, by facilitating investments by public entities, which constitute some of the largest investors; issuing bonds with a variety of maturities that others can use as references to price their securities; and aligning listing requirements, credit ratings and professional licensing requirements with internationally accepted standards to create a simple and transparent framework for issuing securities.

14. Remove restrictions that inhibit cross-border flows and harmonize taxes associated with the flow of capital in and out of markets for investment in securities, as well as incorporate tax incentives for capital market issuances.

CASE STUDY

According to the IDB, the Mercado Integrado Latinoamericano (MILA), composed of the stock exchanges of Chile, Colombia and Peru, has generated 21% growth since its creation to reach a capitalization of USD 727 billion, becoming the second largest market in Latin America.[20]

B. Promote financial inclusion

Financial inclusion is also critical to increasing the rate of economic growth and employment in emerging markets as it promotes the development of micro, small and medium enterprises (MSMEs) and thereby sustains middle-class development; reduces illicit activities related to the informal sector and improves anti-money laundering standards and capabilities; and generates revenue and creates efficiencies for governments by bringing more citizens into the formal financing system. Bottom-of-the-pyramid segments do have financial needs, and many have improvised, informal and non-institutional financial mechanisms.

CASE STUDY

According to Economist Intelligence Unit indicators for financial inclusion, Peru, Colombia, Chile, Mexico and Bolivia all rank in the top 10 for conducive regulatory environments for financial inclusion, due to strong leadership and institutional depth. Colombia and Peru are cited as global leaders in prudential regulation and rules for deposit-taking.[21]

There has been a concerted focus by some governments in the region to develop national financial inclusion frameworks that balance the objectives of safety, soundness and consumer protection with those of market innovation. Additionally, governments are increasingly recognizing the value of financial education for children and young adults. Together with these advancements, governments, regulators and public authorities can take additional steps to accelerate the development of inclusive financial services that promote growth and reduce poverty.

CASE STUDY

Peru's microfinance industry has thrived because of a strong regulatory environment enabled by the state that allows practitioners the freedom to assign resources and set prices, prevents discriminatory treatment, and promotes transparency of information.[23] Peru is recognized for its institutional support for financial inclusion, which includes credit-reporting systems and client protection rules.[22]

15. Stimulate financial inclusion through the development of policies aimed at i) building an open and broad branchless banking network, allowing a wide range of non-traditional agents to provide broad financial services, especially in rural areas and other areas with no financial coverage; and ii) capitalizing on digital innovation by providing common standards that support mobile and digital banking and interoperability and secure customer identification systems, having government policies that support digital payments like the electronic distribution of federal and local subsidies and conditional cash transfers, and requiring government entities to accept electronic payments.

CASE STUDY

In 2013, Peru passed a law promoting the use of electronic money. Peru is further advancing financial inclusion with key players in the banking industry to develop a common mobile payments platform across major banking institutions, and it is expected to reach 5 million people in five years.[23]

16. Encourage the provision of formal financial services by developing, creating and adopting financial regulations that are proportional to the risk of the account and the client, particularly as it relates to anti-money laundering (AML)/know your customer (KYC) requirements, and data-transfer and consent requirements.

CASE STUDY

The governments of Mexico, Colombia and Peru have adopted a tiered approach to opening accounts with flexible requirements for low-value, low-risk accounts subject to increasing caps and restrictions on permitted transactions.[24]

17. Develop and adopt regional standards that promote full-file comprehensive credit reporting, secured lending and collateral registries, and collection of non-financial information that allow lenders to manage risk; reduce over-leverage; prevent default by consumers and micro; small and medium enterprises; create effective incentives for repayment by borrowers; and create tools that allow access to credit by companies exporting goods and services.

C. Ensure regulatory coordination

The recent financial crisis resulted in unprecedented reforms for the financial sector at global, regional and national levels to protect consumers and create financial stability in the global economy. Undertaking reform on such a significant scale, while clearly necessary, also risks regulation that is inappropriately extraterritorial in effect or introduces elements of regulation that diverge significantly between major financial centers. Lack of regulatory coordination can lead to regulatory arbitrage, incompatible or conflicting requirements, competitive distortions, fragmented markets, and excessive compliance costs.

Financial regulators are tasked with enforcing varying regulations and requirements that may be difficult to monitor. Given the increasingly integrated nature of financial markets and emerging regional priorities of financial inclusion, training programs around complex regulations could support regulators with creating a regional framework conducive to expanding access to the unbanked. Specific areas of focus could include mastering knowledge of international standards and investment restrictions to improve liquidity, best practices on designing a framework for issuance processes, building sophistication in the use of derivatives to improve returns and limit risks, and identifying best practices in legal frameworks.

The governments at the Summit of the Americas should consider taking the following steps to ensure financial regulatory coordination:

18. Establish a mechanism for regional regulatory consultation to promote greater compatibility, including, where appropriate, harmonization of future regulations, and to resolve concerns and reduce burdens arising from existing regulations through equivalence, mutual recognition or other agreed means.

19. Create a consultative body that regulators may approach to obtain advice on the viability and the risks of complex financial mechanisms and instruments and that may, in collaboration with multilateral agencies, banks and institutional investors, strengthen the capacity of national regulatory agencies so that they may adequately perform their role in relation to the complex financial instruments that are needed to address the challenges faced by the region.

CASE STUDY

The Asia-Pacific Economic Cooperation Financial Regulators Training Initiative (APEC FRTI) was established in 1998 to strengthen financial supervision and regulation in the Asia-Pacific region by organizing and facilitating regional training programs for bank supervisors and securities regulators. The APEC FRTI is governed by Bank Supervision and Securities Regulations Advisory Groups composed of 23 member economies, as well as the Asian Development Bank as the Secretariat. Advisory Groups determine the content of training programs based on priorities identified by members and through surveys and evaluations. Since its inception in 2008 and up to December 2014, about 5,200 financial regulators and supervisors have been trained through 128 seminars.[25]

Context

III. Stimulate innovation and entrepreneurship and develop our human capital

The fast development of knowledge-based economies has highlighted the increasing importance of innovation, as well as creative and intellectual assets, as sources of competitiveness and long-term growth. Furthermore, there exists a broad consensus about the role that human capital plays in fueling economic growth by way of increasing productivity. The region lags far behind, particularly in the STEM skills that are most likely to contribute to innovative entrepreneurship and that are critically needed to meet industry demands in key areas of the private sector and the development of the region, such as infrastructure, logistics, energy and natural resources.

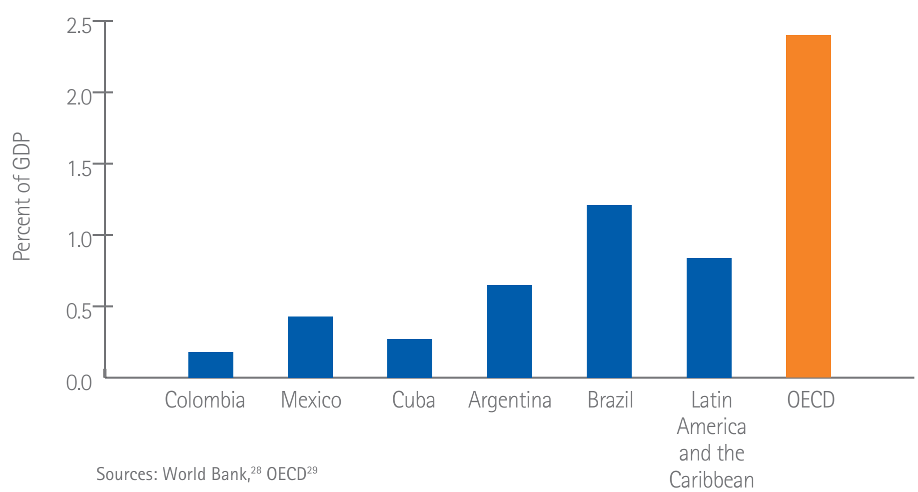
There are measures that can be undertaken by governments in the region that would create an environment that is more innovation-friendly, but there are also opportunities for governments and the private sector to partner in order to tackle some of these challenges.

A. Facilitate a policy ecosystem to enable innovation

The competitiveness, prosperity and growth of countries can only be maintained by continuous innovation, or developing capacity to generate and assimilate technological change. Latin America lags behind OECD countries in investing in R&D and in the expansion of start-ups. Latin American firms' spending on R&D amounts to only 0.5% of gross revenue compared to 2% for OECD countries.[26]

According to the OECD, start-ups face higher barriers to entry in Latin America: bank loans provide 15-30% of initial financing to start-ups in the US, compared with 7% in Brazil and close to 0% in Chile and Mexico.[27]

Figure 6. Country Research & Development Spending as a % of GDP (2011)



Sources: World Bank,[28] OECD[29]

Investing in research and development, having a clear and reliable legal framework, and ensuring a country's own domestic companies are not cut off from the best available technologies are important ways that governments can engage to help change the innovation profile of the region.

The governments at the Summit of the Americas should consider the following recommendations:

20. Make innovation a matter of national policy by committing to invest 1% of GDP in research and development.

21. Ensure adequate and effective intellectual property protection and enforcement legislation consistent with international intellectual property standards to meet international best practices and foster agreements for the fast-track examination of patent applications.

22. Promote policies that preserve an open Internet and guarantee that users have access to legal contents, products, services and technologies, avoiding server localization requirements and restrictions to cross-border data flows for legitimate business purposes.

According to the US Chamber of Commerce, small and medium businesses relying heavily on Internet services have 22% greater revenue growth and grow twice as rapidly as those that use the Internet minimally.[30]

B. Public-private partnerships can stimulate innovation

Innovation in Latin America and the Caribbean is characterized by, first, a low level of expenditure and intensity of effort in R&D by firms and, second, a weak link between the private sector, national research institutes and universities. The result is that the majority of the patents registered in the region are not necessarily aligned with the needs of the marketplace and therefore do not tackle important issues in the region, such as how to boost productivity or reduce inequality.

Governments can partner with the private sector to stimulate innovation in the following manner:

23. Create a regional research, innovation and entrepreneurship center aimed at creating communication channels to connect the public sector, private companies, universities and research centers, with the goal of promoting regional research collaboration and generating incentives to stimulate private investment in innovation.

CASE STUDY
InfoDev, a World Bank multi-donor fund that supports entrepreneurship and business incubators, estimates that in Latin America there are about 3,600 companies with 16,000 employees currently participating in incubated businesses as part of a network of business incubation organizations, including ANPROTEC (Associação Nacional de Entidades Promotoras de Empreedimentos Inovadores), AIPyPT (Asociación Argentina de Incubadora de Empresas), ChileIncuba (Chilean Association of Incubators), and URUNOVA (Uruguayan Association of Business Incubators).[31] This highlights an opportunity for growth, given that in the United States, about 27,000 companies are incubated, and some studies estimate that USD 1 of public investment in an incubator can result in USD 30 in tax revenue.[32]

CASE STUDY
Brazil's Research in Partnership for Technological Innovation (PITE) program is an example of a successful collaboration between government, universities and the private sector. The São Paulo State Research Agency partners with companies to select and support the development of research projects, and more recently has begun supporting innovative projects with longer duration.[33]

24. Stimulate science, technology, engineering and mathematics (STEM) education, as well as entrepreneurship, through exchange programs, in particular to support the development of the human capital necessary for the infrastructure, logistics, energy and natural resources sectors.

CASE STUDY
In Brazil, private sector companies partnered with the government to implement the Brazil Scientific Mobility Program, a one-year program for Brazilians to study abroad in the United States. The initiative is part of a larger Brazilian government initiative to grant 100,000 Brazilian university students the opportunity to study abroad and increase international cooperation within science and technology by offering scholarships and summer internships.[34]

CASE STUDY
Proyecta 100,000 and 100,000 Strong in the Americas are initiatives from the governments of Mexico and the United States to send 100,000 Mexican students to the United States and 100,000 US students to Mexico by 2018. This requires broad-ranging participation from education institutions and research centers, along with close coordination between the governments.[35] These initiatives are aimed at enhancing hemispheric competitiveness, increasing prosperity, and providing study abroad opportunities to better prepare a globally aware and culturally competent workforce.[36]

25. Promote the implementation of public-private partnerships for technical and vocational education, as well as education in foreign languages, to create a larger, more qualified and more mobile workforce that responds to the demand for skills from the private sector and the needs of local communities.

CASE STUDY
Uruguay XXI, the national export and investment promotion agency of Uruguay, in close collaboration with the private sector and education institutions, has implemented a "Finishing Schools" program to teach technical and soft skills in response to the fast-changing demands of the global market. Finishing Schools boost the skills of the labor pool, supplementing formal education through non-degree programs in information technology, logistics, business process outsourcing, call centers, and pharma.[37]

Context
IV. Maximize the potential of the region's energy and natural resources

Energy and natural resources are at the heart of the economy in Latin America and the Caribbean. Every economic boom period in Latin American history has been associated with strong investments in its extractive industries. In 2010, a third of all global mining investment was made in Latin America. Yet as well-endowed as the region is, there is untapped potential. Over 75% of mining investment flows into projects in Chile, Peru and Brazil alone. That leaves underutilized, vast and cost-competitive resources in other Latin American countries.

A. Policy stability will stimulate investment in extractive industries

Foreign and domestic investors in Latin America's extractive industries face challenges that contribute to explaining the untapped potential of the sector. Developing consistent and sustainable policies that address these challenges would significantly revitalize natural resource investment in Latin America and ensure the sector's positive impact on our societies at large. When companies establish energy and large-scale infrastructure projects they should ensure compliance with applicable national legislation. In case of community consultations, the viability of the instrument is recognized as a mechanism for strengthening interaction and cooperation among businesses, the state and local communities. However, there exists a need for an instrument that gives legal certainty to investments, complying with the spirit of Convention 169 of the ILO and ensuring respect for the right to property and freedom of industry, while generating conditions for a transparent and productive dialogue with legitimate interlocutors.

To generate an investment climate that contributes to exploiting the potential of the region's natural resources, governments should commit to:

26. Stimulate investment in natural resources by adopting income distribution schemes for the sector that ensure that governments and companies share the risks and rewards of the activity.

27. Provide stability and increase investor confidence for mining and energy projects by developing legal regimes and institutions that are insulated from changes in political leadership and ensuring clear and consistent enforcement of applicable environmental and labor laws and previous consultation mechanisms.

CASE STUDY

In Peru, investors can enter into tax law "stability" agreements for a period of 10 or 15 years, which provide guarantees of an agreed-upon tax regime to insulate investors from the effects of changes in political leadership.[38,39]

28. Promote a transparent and fair transfer of royalties to local communities so that they benefit from and support investment in natural resources.

CASE STUDY

Through a "work for taxes" program in the Arequipa region in Peru, a portable water plant providing water for 500,000 people was developed by the mining company Cerro Verde, requiring over USD 90 million in investments.[40]

B. Develop our abundant resources and effectively deliver to consumers

The United States, Canada and Venezuela enjoy massive oil and gas reserves. Other major producers of oil and gas include Mexico, Colombia, Ecuador, Peru and Brazil. The region is also rich in opportunities for hydro, solar, wind and geothermal power. Despite this abundance of natural resources in the region, some countries—especially in Central America and the Caribbean—face energy deficits due to a lack of infrastructure, financing difficulties, suboptimal economies of scale and a lack of integration among the economies. As a result, these countries rely on oil, which increases the region's carbon footprint. For example, the region's governments should utilize technology to promote energy efficiency, in particular by working with the private sector to promote targeted investments in innovation that reduce losses and improve the efficiency of the region's grids.

Developing shale and renewables will also contribute significantly to the region's economic prosperity and environmental sustainability. The region has potentially vast reserves of natural gas. In addition to the United States and Canada, Argentina, Brazil and Mexico all rank within the top 10 countries worldwide with recoverable shale resources—together, they make up approximately 40% of the world's total supply.[41]

According to the IDB, solar, geothermal, wave, wind, and biomass sources in Latin America and the Caribbean could produce up to 80 petawatt-hours of electricity, 22 times the region's projected 2050 electricity needs—suggesting that renewables can be an important element of a diversified region energy mix.[42]

To ensure development of our abundant resources in a cost-effective, environmentally sound manner and to efficiently deliver them to consumers throughout the region to improve competitiveness and well-being, the leaders at the Summit of the Americas should consider the following recommendations:

29. Confront the energy challenges faced by the region, paying special attention to the needs of smaller markets like those of Central America and the Caribbean, by implementing measures to adopt renewable sources of energy and energy efficiency and by working with the private sector to quickly develop a coherent approach to increase the use of gas and reduce the current dependence on oil.

30. Develop a regional platform that ensures active contribution of the private sector in the execution of the regional energy integration projects that have been developed in the framework of regional public initiatives, like the Central American Electrical Interconnection System.

CASE STUDY

According to World Bank and IDB studies, integrating energy in Latin America, especially in Central America and the Caribbean, could result in a number of economic and environmental benefits. Electricity costs in Central America and the Caribbean is currently $150 per megawatt hour compared to $50 in comparable systems.[43] Regionally integrated energy systems could reduce generation costs and costs to consumers from economies of scale and increased market competition.[44] A regionally integrated energy system could also result in a higher percentage of hydropower and lower percentage of fuel oil, with the implication that the region would be less carbon-intensive.[45]

Final Remarks

We reiterate that our objective with the Americas Business Dialogue is a sustained partnership with the governments of the region in support of the region's economic and social development. To this end, we propose to work closely with the governments at ministerial levels and below to analyze our recommendations and develop implementation strategies as we look toward the 2018 Summit of the Americas. In particular, we would welcome a series of standing consultative mechanisms in each of the areas enumerated in our recommendations to ensure that the region becomes and remains a global competitor, and offer our expertise, experience and resources in support of these shared objectives. Together, we can build a prosperous, equitable and inclusive hemisphere for all of our people.

Americas Business Dialogue Constitution and Process

The Americas Business Dialogue (ABD) is a private-sector driven initiative facilitated by the Inter-American Development Bank (IDB) to promote a high-level policy dialogue among business and government leaders on the region's priorities, opportunities and challenges for economic and social development.

The ABD was established as a result of the I CEO Summit of the Americas, held in Cartagena de Indias, Colombia, in April 2012. The IDB, together with the government of Colombia and the Colombian private sector —represented by the National Business Association of Colombia (ANDI)—organized this I CEO Summit of the Americas, a high-level business forum held in parallel to the VI Summit of the Americas, where the business leaders of the hemisphere discussed present and future opportunities for trade and investment in Latin America and the Caribbean.

The I CEO Summit of the Americas marked a milestone in the region's public-private dialogue: the event gathered 13 heads of state and more than 700 top executives of leading companies from throughout the Americas.[46] What emerged from this successful experience was the need to establish a mechanism for the leaders of the business community to build consensus and develop innovative proposals in order to promote a dynamic, sustained and constructive dialogue with the public sector in support of the economic and social development agenda of the region.

As a result of the CEO Summit in Cartagena, the Colombian government asked the IDB to facilitate the creation of a permanent mechanism for high-level public-private dialogue that would engage business and government leaders from the region. Based on that request, the IDB has provided technical assistance in the organization of private sector meetings and workshops to present the initiative, identify priority issues, and build consensus on specific recommendations and proposals.[47]

The ABD has established a number of Working Groups focused on key themes for the private sector and the region's development, including Energy; Infrastructure, Logistics and Connectivity; Trade Facilitation; Finance; Regulatory Cooperation; Human Capital and Innovation; Global and Regional Integration; and Natural Resources. These Working Groups that developed a series of framework papers which have informed the preparation of this report; the framework papers can be found at www.americasbd.org.

The recommendations and proposals in this report reflect a consensus that is based on the ideas, discussions and input of an extensive network of leading firms, business associations, and private sector organizations from across the region. To date, more than 60 business associations from 30 countries in the Americas have contributed to the process of the Americas Business Dialogue, and top executives from more than 65 companies have participated in its working meetings (see Annex 1). With the aim of building bridges with the public sector, some of the preliminary ideas presented in this report were discussed and shared with governments in the region at the VIII Americas Competitiveness Forum, which was held in Port of Spain, Trinidad and Tobago, in October 2014. The ABD also submitted a preliminary version of this report to the government of Panama in the context of the Future of the Americas conference, which took place in Miami, Florida, in December 2014 to celebrate the 20th anniversary of the First Summit of the Americas. The report contributed specific ideas and proposals from the business community for identifying mandates for action to be adopted following the procedures proposed by the host country at the VII Summit of the Americas: *Prosperity with Equity: The Challenge of Cooperation in the Americas*. To that same end, the report was presented to all the governments in the region represented in the Summit Implementation Review Group (SIRG) in January 2015.

To continue to foster a meaningful public-private dialogue in the region and to strengthen collaboration between the private and the public sectors, the main ideas, policy recommendations and proposals for public-private partnerships put forward by the ABD will permeate the discussions taking place at the II CEO Summit of the Americas, *Bridging the Americas: Productive Integration for Inclusive Development*, to be held in Panama City, Panama, on April 8-10, 2015. The ABD group looks forward to continuing this dialogue with the governments with the goal of developing a true public-private partnership for the economic and social development of the region.

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For more information, please visit us at www.americasbd.org

Annex

Business Associations

Unión Industrial Argentina (Argentina)
The Bahamas Chamber of Commerce and Employers Confederation (Bahamas)
Confederacao Nacional da Industria (Brasil)
Cámara de Industria, Comercio, Servicios y Turismo de Santa Cruz (Bolivia)
Confederación de Empresarios Privados de Bolivia (Bolivia)
Barbados Chamber of Commerce and Industry (Barbados)
Barbados Private Sector Association (Barbados)
Belize Chamber of Commerce & Industry (Belize)
Canadian Council for the Americas (Canada)
Confederación de la Producción y del Comercio (Chile)
Asociación Nacional de Empresarios de Colombia (Colombia)
Unión Costarricense de Cámaras y Asociaciones de la Empresa Privada (Costa Rica)
Cámara de Industrias y Producción (Ecuador)
Cámara de Comercio e Industria de El Salvador (El Salvador)
Grenada Chamber of Industry & Commerce (Grenada)
Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (Guatemala)
Consejo Hondureño de la Empresa Privada (Honduras)
Federación de Cámaras de Comercio e Industrias de Honduras (Honduras)
Cámara de Comercio e Industrias de Cortés (Honduras)
Chambre du Commerce et d'industrie d'Haiti (Haiti)
Asociación Nacional de la Empresa Privada (El Salvador)
The Private Sector Organization of Jamaica (Jamaica)
Jamaica Chamber of Commerce (Jamaica)
Consejo Coordinador Empresarial (Mexico)
Consejo Superior de la Empresa Privada (Nicaragua)
Cámara de Comercio, Industrias y Agricultura de Panamá (Panama)
Asociación Panameña de Ejecutivos de Empresa (Panama)
Consejo Nacional de la Empresa Privada (Panama)
Federación de la Producción, la Industria y el Comercio (Paraguay)
Confederación Nacional de Instituciones Empresariales Privadas (Peru)
Consejo Nacional de la Empresa Privada (Dominican Republic)
Saint Vincent and the Grenadines Chamber of Industry and Commerce (Saint Vincent and the Grenadines)
Suriname Trade and Industry Association (Suriname)
Trinidad and Tobago Manufacturers Association (Trinidad and Tobago)
Trinidad and Tobago Chamber of Industry and Commerce (Trinidad and Tobago)
Trinidad and Tobago Coalition of Services Industries (Trinidad and Tobago)
The Energy Chamber of Trinidad and Tobago (Trinidad and Tobago)
Cámara Nacional de Comercio y Servicios del Uruguay (Uruguay)
US Chamber of Commerce (USA)
Federación de Cámaras y Asociaciones de Comercio y Producción (Venezuela)
Asociación Latinoamericana de Exportadores de Servicios
Association of American Chambers of Commerce in Latin America
Caribbean Association of Industry and Commerce
Caribbean-Central American Action
Consejo Empresarial de América Latina
Council of the Americas

The following associations have also contributed to the ABD Working Groups' framework papers:

Cámara de Exportadores de la República Argentina
Asociación de Bancos Privados de Capital Argentino
Asociación Argentina de Carreteras
Cámara Argentina de la Construcción
Cámara Empresaria de Operadores Logísticos (Argentina)
Federación Argentina de Entidades Empresarias del Autotransporte de Cargas
Associação Brasileira de Distribuidores de Energia Elétrica
Câmara Brasileira de Logística e Infraestrutura
Asociación Chilena de Energías Renovables
Asociación de Exportadores de Frutas de Chile
Asociación Nacional de Empresas Generadoras (Colombia)
Cámara Colombiana de la Energía
Asociación Nacional de Comercio Exterior (Colombia)
Asociación Bancaria y de Entidades Financieras de Colombia
Asociación Nacional de Instituciones Financieras (Colombia)
Federación Colombiana de Logística
Consejo Empresarial Logístico (Panama)
Sociedad Nacional de Minería, Petróleo y Energía (Peru)
Asociación de Exportadores del Perú
Asociación de Bancos del Perú

Companies

21st Century Fox
ABCO Global
AES Corporation
ASSA Insurance Company
Associated Petroleum Investors
Atma
Aval Group
Banco Davivienda
Bancolombia
Bank of America
Bisa Group
BlackBerry
BTG Pactual
Café Britt
Camargo Corrêa
Cargill
Caterpillar
Citi
CNH Industrial
Coca-Cola
Copa Holdings
Credicorp
Dell
Dow Chemical
EPM
Estre Ambiental
Experian
Falconi
Ferreyros
General Electric
Global Bank
Google
InterEnergy
Isa Group
JP Morgan Chase
Lady Lee
Los Grobo
Maersk
Marfrig
McGraw Hill Financial
McLarty & Associates
Metlife
Odebrecht
Organización Ardila Lulle
Panama Stock Market
Pepsico
Philips
Procter & Gamble
Punta Cana Group
Reed Elsevier
Salog
Scotiabank
Silanes Group
Sociedad Portuaria de Cartagena
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Sura Group
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Trinidad Systems
UBS
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Verde Azul

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46. Participants in I CEO Summit included the following heads of state and government: Barack Obama (United States), Dilma Rousseff (Brazil), Felipe Calderón (Mexico), Stephen Harper (Canada), Juan Manuel Santos (Colombia), Sebastián Piñera (Chile), Ollanta Humala (Peru), Kamla Persad-Bissessar (Trinidad and Tobago), Portia Simpson-Miller (Jamaica), Ricardo Martinelli (Panama), Laura Chinchilla (Costa Rica), Mauricio Funes (El Salvador) and Otto Pérez Molina (Guatemala). Los Grobo, IMPSA, Bridas, Techint (Argentina), Odebrecht, Embraer, BTG Pactual, Camargo Correa, Stefanini IT Solutions, Synergy (Brazil), Barrick Gold, Bombardier, Scotiabank (Canada), Codelco, Luksic, Sonda (Chile), Aval, Ardila Lulle, ISA, Argos, EPM, Corona (Colombia), FEMSA, Televisa, Salinas, Mexichem, Bimbo, Modelo (Mexico), Cisneros, Polar (Venezuela), Pepsico, AES Corporation, Chevron, Marriott, Walmart, Cisco Systems, Convergys, Brightstar, Ernst & Young and IMAX (United States) are just a few of the companies whose CEOs or chairmen participated in the Summit.

47. In 2013, the IDB participated in the Hemispheric Dialogue of Business Associations in Lima (Peru). Also in 2013, the IDB hosted a business breakfast within the context of the Mesoamerican Business Forum and a working meeting as part of the VII Competitiveness Forum of the Americas, both held in Panama City in March and October, respectively. In March 2014, the IDB and the National Confederation of Industry (CNI) of Brazil convened a workshop in the city of São Paulo, and in June of that year the ABD was formally presented at the LAC Global Summit 2014, also held in São Paulo, which included the participation of several business leaders from across the region and Brazil's President Luiz Inácio Lula da Silva.

Research contributed by Accenture