

INTERNATIONAL ECONOMIC FORUM LATIN AMERICA AND THE CARIBBEAN 2014

Beyond the golden decade?

Logistics and infrastructure,
pillars of regional integration
and global trade opportunities

Paris, 30 June 2014

SUMMARY RECORD



 #LACFORUM



Media:



2014

INTERNATIONAL ECONOMIC FORUM LATIN AMERICA AND THE CARIBBEAN



PARIS, 30 JUNE

AGENDA

8:00 – 8:45 *Registration and coffee*

Opening remarks

09:00 – 10:00 **Michel Sapin**, Minister for Finance and Public Accounts, France
Angel Gurría, Secretary-General, Organisation for Economic Co-operation and Development (OECD)
Luis Alberto Moreno, President, Inter-American Development Bank (IDB)

Session 1: Shifting to a different gear? Latin America's positioning in an evolving global scene

10:00 – 11:15 *How do the region's growth prospects for 2014 compare with OECD countries, as well as other emerging economies and regions? How do the less favourable external scenario, the flattering commodity prices and the tapering of the American Federal reserve affect the region's economic outlook? How can the region move forward a commodity-driven growth, to a more diversified, competitive, inclusive and sustainable growth model?*

Panellists **Danilo Astori**, Vice-president, Uruguay
Alicia Bárcena, Executive Secretary, Economic Commission for Latin America (UN-ECLAC)
Rebeca Grynspan, Secretary-General, Secretaria General Iberoamericana (SEGIB)
Julie T. Katzman, Executive Vice-President, IDB
Mario Pezzini, Director, OECD Development Centre

Moderator **Luis Prados de la Escosura**, Deputy Director for the Americas edition, El País

Questions & Answers

11:15 – 11:45 *Coffee break*

Session 2: Connected within, plugged to the world: the role of logistics and infrastructure

11:45 – 13:00 *What role infrastructure and logistics can play to enhance a tangible economic integration at the regional scale? Could the private sector, through its investments, contribute to the development of infrastructure able to boost international trade and how?*

Panellists **Manuel Balmaseda**, Chief Economist, Cementos Mexicanos (CEMEX)
Jolita Butkeviciene, Director Latin America and Caribbean, Development and Cooperation / EuropeAid (EU)
Alexandre Meira da Rosa, Manager of Infrastructure and Environment Sector, IDB
Marie-Ange Debon, Chief Executive Officer in charge of International activities, SUEZ Environnement
Raúl Murrieta Cummings, Undersecretary for Infrastructure, Ministry of Communications and Transport, Mexico
Roberto Zurli Machado, Director of Infrastructure and Basic Inputs, Banco Nacional de Desenvolvimento Economico e Social (BNDES)

Moderator **Braulio Moro**, Journalist, RFI

Questions & Answers

Closing

13:00 – 13:30 Key note speech
Arnaud Montebourg, Minister for the Economy, Industrial Renewal and the Digital Sector, France
Ollanta Humala, President of the Republic of Peru

Conclusions

Mario Pezzini, Director, OECD Development Centre

13:30 *Luncheon*

Opening Remarks



Michel Sapin, Minister of Finance, France

In his opening remarks, Michel Sapin, Minister of Finance of France, welcomed guests and participants, praising the quality and relevance of the French government's collaboration with the Organisation for Economic Cooperation and Development and the Inter-American Development Bank. He stressed the importance of Latin America for France and their long-standing collaboration, as well as France's commitment to share its expertise and know-how with Latin America on a wide range of issues. The Minister recognized the potential of Latin America, a region that counts with 600 million inhabitants, the success of the region's policies in reducing poverty, allowing the rise of the middle classes, and its sound management of the 2008-2009 financial crisis through counter-cyclical policies.



Europe is back on track, asserted the Minister, and the EU is reinforcing its economic governance, with better cohesion at the fiscal and macroeconomic level, a bank union, and a European Central Bank that keeps playing a key role in the recovery, implementing innovative policies to meet the current challenges.

Mr. Sapin also mentioned the convergence of Latin American and French views on many issues debated in international instances such as the UN and the G20. Both are committed to find innovative solutions to foster a strong, balanced, inclusive and sustainable growth, to fight protectionism, to promote investment in infrastructure, and to efficiently deal with global warming. This year the UN Conference on Climate is taking place in Peru, and will be held in France the next year.

To conclude, the Minister mentioned French investments in Latin America, reaching 75 billion EUR since 2010. The French Agency for Development (AFD) is directing 1,2 billion EUR to finance public transports systems and environment related projects. The Minister identified other areas in which France has a strong expertise, such as rail transports, or water treatment and management.

Angel Gurría, Secretary-General, Organisation for Economic Co-operation and Development (OECD)

The OECD Secretary-General stressed the importance of Latin America for the OECD, with Mexico and Chile, the two current Latin American member countries, highly active in the organisation's works, Colombia on the accession track, Costa Rica due to engage in the membership process in 2015, and Peru having signed up for a

country programme. The OECD is considering the launch of a Latin America programme, and supports the Pacific Alliance's course of integration.

Mr. Gurría also acknowledged the remarkable potential of the region. However, Latin America is facing a decisive turn, as commodities prices have declined, energy developments in the US may hinder oil exports from the region, and the slowdown in China is further weighing on Latin America's exports. The region, which has been growing at a 5% for several years, is now expected to grow at a moderate pace of 2-2.5% this year. This slower growth makes it more difficult for the region to pursue its so far successful fight against poverty, and to reduce inequalities. The high rate of growth was based on external factors, coupled with short-term investments attracted by high interest rates. The context has changed, and the region needs to engage into reforms to build more resilient, inclusive and sustainable economies.

These policies must address three main pressing challenges: productivity, informality, and inequality. Productivity was said to be the "bête noire" of the region and indeed, the region registered a sluggish 1.6% average annual growth between 1990 and 2011. This is a poor performance when compared to other emerging countries such as Turkey, Korea or Poland where productivity increases averaged 3% yearly during the same period, further dragging Latin America's competitiveness at international level. Productivity is also affected by persistent high levels of informality: around 55% of the working population is in the informal sector. This represents 130 million workers, who have no access to any social protection and remain highly vulnerable. Furthermore, Latin America holds the uncomfortable record of inequality, with 20% of the poorest concentrating only 5% of wealth and the 5% richest holding 50% of the region's income. In the OECD, the 20% poorest hold 8% and the richest 40%. Mexico and Chile hold the record of inequality, both in Latin America and the OECD area.



The Secretary-General identified several priority areas for reform. Education and skills upgrading policies are crucial to ensure a smooth transition from the educational system to labour markets. The regulatory environment must be designed to establish a level-playing field, and competitiveness must be enhanced, in a region where monopolies in a wide range of sectors remain. SMEs need better support and incentives to integrate innovation and are crucial in fighting informality; mechanisms to integrate them in the production system and in the formal sector are necessary to rise their productivity levels. Social systems should be implemented to shelter the formal workers to fall back into poverty, with better social security and pensions systems. Tax systems should also be the focus of policies to allow higher collection rates, which would give more fiscal space for governments to finance infrastructure and public services. This in turn would help raising fiscal legitimacy and trust in public institutions, by investing in public goods accessible to increasingly demanding middle-classes. Furthermore, revenue distribution must be improved, as studies show that in Latin America, revenue transfers have very little impact on redistribution and fail to reduce inequalities.

Poor infrastructure and logistics, identified as key drivers of productivity by the OECD Latin American Economic Outlook 2014, are a major drag on Latin America's productivity and competitiveness. Mr Gurría stressed that transport costs reached 18% to 35% of a product value in Latin America, against 8% on average in the OECD. Inadequate road systems have a negative impact on productivity, competitiveness and regional integration. Inter-modal connectivity should be improved; infrastructure projects should be better assessed and evaluated, and public-private partnerships frameworks should be revised. Improvements in "soft" infrastructure would also help raise productivity in the short term: logistics policies, customs automation, merchandise monitoring would boost productivity and trade opportunities.

Finally, the Secretary-General noted that the political agenda in Latin America in these years is rich, with 14 presidential elections taking place in 2012-2014. Thirty years ago, it entailed high levels of instability, in contrast with nowadays, when democratic processes allow for smooth transitions.

Luis Alberto Moreno, President, Inter-American Development Bank (IDB)



Mr. Moreno's address insisted on the infrastructure and logistics gap and its highly negative impact on the region's productivity and competitiveness. Logistical costs represent between 18 and 35% of Latin America's GDP, compared to 9% in the OECD, he stressed. Investment in infrastructure has dropped from 3% of GDP in the 1980s to 1% in the years 2000, and today ranges around 2%. Investment in infrastructure should be doubled or in some countries tripled in the next decade to meet an average 6% of GDP in order to ensure a comprehensive upgrade in the infrastructure system. If the region could reach this threshold, it

could contribute to GDP growth by around 2.6%, bringing the average growth of the region to 4%.

The use of resources is also hindering the success of infrastructure projects. Many end up being substantially more costly than initially planned, because of misled evaluations. The involvement of the private sector in financing and operating infrastructure is essential, and alliances between the public and the private sectors should be revised as many PPPs have failed, an issue on which the IDB assesses governments of the region with innovative frameworks. Participation from institutional investors must be incentivised, to allow pension funds - that are holding 300 bn USD - to invest in projects. The IDB is also working on improving risk mitigation mechanisms.

Finally, Mr. Moreno insisted that the social impact of infrastructure projects must be valued, especially in the energy and transports sectors where the spillovers to local populations are higher.

Finally, the President of the IDB noted the positive involvement of French companies investing in infrastructure projects, especially in the areas where they have higher expertise in public services delivery and engineering. The French Agency for Development and Proparco are the French institutions that collaborate actively with the IDB in the region.

Session 1: Shifting to a different gear? Latin America's positioning in an evolving global scene



Danilo Astori, Vice-President, Uruguay

The Vice-President focused on Uruguay's performance in the last decade and future prospects. The country has been growing at an average rate of 5%, above the region's mean, growing sometimes close to 6% mainly thanks to investment, both public and private, domestic and foreign. The country's investment rate doubled over the last ten years.

This allowed many achievements on the social front, with the poverty rate falling from 39% to 11.5%, and the extreme poverty rate from 5% to 0.5%. In terms of distribution of income, Uruguay's Gini rating fell 5 points over the last years. The country holds the best income distribution level in Latin America, but is still lagging behind most OECD member countries.

However, important challenges remain. Uruguay also faces the increasingly uncertain external environment. Its growing middle classes are more demanding in terms of public services, and the country is also facing the middle-income trap.

To respond to these challenges, Mr. Astori pledged for a strategic, long-term oriented vision and policies. Developing infrastructure, by nature a long-term focus of policies, is essential to raise productivity levels and to address the risk of falling into the middle-income trap. The country needs a structural foresight to achieve equality of rights and opportunities for its citizens to promote a cultural change allowing more equity and sustainability.

The Vice-President mentioned the principal directions of current policies in Uruguay: openness, in terms of trade, investment, private sector activity and involvement in international organisations; quality, in terms of production or education; and inclusiveness, a challenge globally shared.



Alicia Bárcena, Executive Secretary, CEPAL

Mrs. Bárcena first pointed at the widespread level of inequality in Latin America. Inequalities are not restricted to the income distribution; they are also common at geographic, gender or educational level, or in terms of access to services and opportunities. Functional inequality is also present in the distribution of productivity gains, as workers capture a very low share of the latter. Moreover, since 2010 poverty has stopped receding, which shows the limits of cash transfer programmes, according to Mrs. Bárcena. The only solution lies in productivity improvements.



Until recently, drivers of growth were exports, whose levels fell in 2012-2013. Besides, non-commodity exports have a strong imports component and are therefore weak in terms of added value. Another driver of growth is consumption, as millions have been lifted out of poverty, and there is a growing tendency to finance consumption through debt, as they are not often able to save. Currency appreciation has made indebtedness easier, but this can raise questions of debt sustainability for these households, as credit is expected to get more expensive. Furthermore, investment has been the variable for adjustments in the region in recent years, and the countries that keep growing above 4% in 2014 are those that still can combine a mix of public and private investment, such as Colombia, Bolivia, Panama, Peru and Uruguay.

Then which are the drivers of productivity? According to CEPAL, enhancing productivity requires undertaking deep structural changes, accompanied by industrial policies and diversification mechanisms. To be able to engage in such reforms, many commodity-exporters countries can rely on a better governance of natural resources, by investing the revenues generated by the commodity sector in R&D, education, public services (as Brazil did, for instance). Special emphasis should be given to technical education, to better match the skills needed in the labour market. Another focus of policies aimed at improving productivity should be urbanisation, as 80% of Latin Americans live in cities and need the appropriate services and incentives to foster economic activity.

Lastly, integration can be a powerful driver of productivity enhancement. The degree of integration is still low in Latin America and a thorough analysis of production chains could help identify the best opportunities that lie in different sectors, and how integration can better link and improve these production chains. Furthermore, environmental sustainability should be a prime concern in designing industrial and infrastructure policies.

Rebeca Grynspan, Secretary-General, Secretaria General Iberoamericana (SEGIB)



Mrs. Grynspan gave a more positive note on the current outlook for Latin America, observing that in spite of the end of the “Chinese cycle” and lower commodities prices, the region was not experiencing a crisis but a moderate slowdown. The region managed well the financial crisis, and no bank needed a bail-out. Today’s Latin America is very different from that of the 1980s.

The region did a successful job at macro level, but still didn’t tackle the micro dimension. And Mrs. Grynspan coincided with previous participants at targeting infrastructure as a priority. Furthermore, she insisted on the need to improve

private firms' productivity and the total factor productivity in general. To achieve geographical and productivity diversification, the region needs to foster intra-industrial trade through regional integration. SMEs should be included in this process of integrating regional and global value chains. Latin American firms that have entered global value chains are performing well, better than those that didn't. A question Mrs. Grynspan asked was if Europe would be able to provide a market opportunity for more knowledge-intensive products and services, as nor the regional or the Chinese markets offered this opportunity.

Mrs. Grynspan argued that it was time to engage in a second generation of social policies. Cash transfer policies have worked, although they have been often criticised. They have to target very specific groups, such as women or the youth. Now, with a better educated and more demanding middle class, countries need to foster job creation to absorb this workforce. This middle class also expects greater accountability from governments, along with quality services – and meeting these requirements is a challenge for policymakers.

Julie Katzman, Executive Vice-President, Inter-American Development Bank



Mrs. Katzman stressed the issue of growth and inclusiveness as a priority both for the region and the world. Quoting Thomas Piketty's works, she mentioned that the richest 85 individuals were concentrating as much wealth as 3 bn other people around the world.

She focused on the role of financial inclusion to support inclusiveness and foster productivity. Improving access to credit (and also insurance and savings) is essential both for SMEs and for particular segments of the population, such as women. 70% of the people deprived from access to credit are women. In Latin America, there is a credit gap of 86 bn USD. Therefore, institutions dedicated to improve access to financing would help reduce this gap and inequalities in access. Credit institutions could adopt new lending methodologies, such as psychometrics that can help evaluate the capacity and willingness of lenders to repay their loans. Policies need to improve not only infrastructure and the competitiveness environment, they also have to look at the financial inclusion dimension to tackle the productivity challenge.

Mario Pezzini, Director, OECD Development Centre

Mr. Pezzini put Latin America's performance in the context of the global phenomenon of Shifting Wealth, observing that Latin America, with an average growth rate below 3%, was lagging behind other emerging regions such as Asia (5.4%) or Africa (5.1%). Similarly, the contribution of total factor productivity to GDP growth follows the same pattern: in Latin America it reaches 58%, whilst it contributes 72% in Southeast Asia and 90% in China.

Moreover, the impact of underperforming logistics in the final cost of goods is very high, and contributes 8 times more to the costs than other factors, such as tariff barriers, which puts a serious drag on exports. Productivity in the services sector is also at very low levels and has not improved in recent years.



Industrial policies would help designing regional value chains, and should take into account the services sector. Both hard and soft infrastructure as well as a sound regulatory framework are needed to improve productivity levels. Lastly, social protection systems are needed to shelter middle classes from potential headwinds.

Session 2: Connected within, plugged to the world: the role of logistics and infrastructure



Manuel Balmaseda, Chief Economist, Cemex

According to Mr. Balmaseda, policies aiming at improving productivity should not be designed on an independent basis, they should be designed altogether as a “cocktail” to maximise their coherence and the positive spill overs between them. Infrastructure is a key component of productivity-driven policies, but Latin America is the region that invests less in infrastructure relative to its capacities.

Infrastructure has a proven positive impact on growth, employment and social inclusion. It also has a positive externality for private investment, as it allows for greater profitability. Actually, developing infrastructure is the least efficient form of protectionism, as it provides a tool for openness and competition.

To finance infrastructure, governments need to combine public and private sources, and to attract the latter, improved regulatory frameworks are essential. Mechanisms to channel savings and domestic financial resources would allow to tap additional investors.



Jolita Butkeviciene, Director Latin America and Caribbean, Development and Cooperation (EU)

Mrs. Butkeviciene presented the priorities for the European Union in the cooperation and investment areas. The EU accounts for a third of Foreign Direct Investment to Latin America. In recent years, 470 bn EUR have been directed to retail, tourism and financial services. Europe complies with high standards in responsible investment, since its investments have to comply with CSR, environment criteria and have to contribute to better living standards.

Trade is also a major channel of cooperation. Europe’s efforts aim at removing trade barriers and recent agreements with Peru and Colombia should unlock exchanges potentially reaching 500 million EUR per year in the near future. Another recent agreement with Central America should unlock further 40 bn EUR of



exchanges, potentially adding 2.5% to GDP growth in the sub-region. Similarly, an agreement signed in 2010 with Mexico has allowed trade to double between Mexico and the EU.

Furthermore, the EU's experience in building a single market and integrating its economies, therefore planning the necessary infrastructure could be inspiring for Latin America. In terms of infrastructure financing, private investment is not growing in relative terms and no country can cover its needs with only public resources. The EU has set up an investment facility for the region and pledged a 7 year grant of 750 million

EUR to foster private investment, directed mostly at the services sector.

Alexandre Meira da Rosa, Manager of Infrastructure and Environment Sector, IDB

Mr. Meira da Rosa's address insisted on the importance of urbanisation in policy planning in the region. Latin America is the world's most urbanised region, after a very fast and sometimes disorderly urbanisation process: in just 60 years, the urban population grew from 40% to 82%. This process was not accompanied by a transfer of resources to cities to manage this change, which increased the pressure on urban infrastructure.



Besides, in the last ten years, the rise of middle classes put further pressure on urban planning and

infrastructure, with a strong increase in the number of cars circulating on poorly adapted roads. In this context, middle classes increasingly tend to see improvements in their living standards in their homes, but outside they don't observe the same upgrades, for example in the quality of transports. Demand for public services such as better public transports to increase mobility, efficient water sanitation systems, electricity, etc. puts further pressure on governments. Therefore, it is essential to focus on infrastructure development in Latin American cities.

According to Mr. Meira da Rosa, in the 1990s Latin American governments progressively lost their ability to design and implement major infrastructure projects, resulting in an institutional incapacity in managing infrastructure development. Today there is a lack of "good" (well planned and evaluated, bankable) projects. The IDB assesses governments to improve the design and implementation of infrastructure projects, and pledges for a better integration and efficiency in urban policies.

Marie-Ange Debon, Chief Executive Officer in charge of International activities, SUEZ Environnement

The rapid urbanisation process in Latin America was also identified as a major driver of infrastructure needs for Mrs. Debon, especially in the areas of water sanitation, waste management, energy and transports, in which SUEZ environnement is active. She also stressed that 20% of the population in the region had no access to sanitation. Moreover, the rise of middle classes has raised expectations for those public services. Besides, climate change, which is provoking an increased volatility in weather conditions, is also putting pressure on infrastructure.

The design and management of PPPs, according to Mrs. Debon, should be improved. There is a need to re-define the framework of these partnerships, which often reflect a lack of good governance. PPPs imply gathering different actors with their own interests, at different levels of governance, and it is often challenging to build consensus around specific projects. Some do work well, for instance in Mexico, Brazil or Chile.

Suez' policy is to encourage the development of the "circular economy": resources such as water have to be reused and treated according to specific needs. Smart irrigations systems should be extended in many countries. Waste can also be used to generate energy, allowing to create alternative fuels.



Raúl Murrieta Cummings, Undersecretary for Infrastructure, Ministry of Communications and Transport, Mexico



Infrastructure is a key point in the reform package recently adopted in Mexico. The *Pacto por México*, a gathering of different public and private actors along with organisms representing the civil society, allowed to build consensus on a broad range of areas for reform: competitiveness, financial sector, energy, tax, transparency, etc. Mr. Murrieta stated that the first two years of a government were crucial to start implementing reform. Afterwards, electoral targets or interest groups may hinder the government's capacity to effectively implement major reforms.

Roberto Zurli Machado, Director of Infrastructure and Basic Inputs, Banco Nacional de Desenvolvimento Economico e Social (BNDES)

The BNDES is a major traditional source of financing for long-term projects in Brazil, in particular infrastructure. Nowadays, to reach the levels of investment necessary to upgrade and extend infrastructure in Brazil, public investment is not enough, which calls for a higher participation of private investors.

To attract private investment, the regulatory framework should be redesigned, and there should be a higher degree of evaluation and better predictability and transparency in the assessment and planning of major projects. Risk mitigation instruments would also make projects more attractive to foreign investors. Moreover, governments should incentivise infrastructure investment from domestic savings and pension funds.



Closing Speeches



Arnaud Montebourg, Minister for the Economy, Industrial Renewal and the Digital Sector, France

The French Minister of Economy stated that Europe, France and Latin America coincided in working for a fair, inclusive and balanced model of growth, in which wealth should not be captured only by a minority. In the case of Latin America, reforms are needed to move forward after a golden decade with growth averaging 4.1%. Mentioning the *Latin American Economic Outlook*, the Minister stated that a major driver of change and growth was the development of sound regional infrastructure and logistics. This is a challenge that is well known by development banks and French institutions dedicated to development cooperation.

France also shares many views on global issues with its Latin American partners, which the government voices in international institutions and fora such as the UN and the G20. France, Latin America and in particular Peru are prioritising environmental issues, Peru being due to host the 2014 conference on climate change, and France the following one.

France is increasingly active in Latin America: French investments have doubled between 2005 and 2011, from 14 to 37 bn EUR. French companies are leaders in certain aspects of infrastructure, such as water management or transports.

The Minister identified another common challenge: both French and Latin American SMEs need support to develop and seek opportunities in foreign markets. The large majority of financial and trade links between Latin America and France are nowadays carried out by large firms.



Ollanta Humala, President of the Republic of Peru

“People talk about the golden decade of Latin America, but it has not arrived yet. So far what we had is a decade of high commodity prices” was the first point of the President’s closing address. He acknowledged that the external context was now less favourable, with China revising its growth model which implies a more modest GDP growth rate.

The successful macroeconomic policies and the reforms to consolidate the state in Latin America have enabled growth and improved the credibility and attractiveness of the region. Thirty years ago Peru almost didn’t attract foreign investment, nowadays credit rating agencies have a good outlook on Peru and the country is ranking among the top four recipients of foreign direct investment in the region.

During the decade of high commodity prices, a middle class has grown, and so have their demands for more and better public services. Governments have to address these demands. Moreover, Latin America is not poor any more, but it is the most unequal region in the world. Latin America has some legacies of the colonial era, when policies were designed to attend the needs of 30% of the population. Today we need to address the needs of the whole society. Infrastructure is a key element driving inclusiveness.



Peru is very active in its commercial strategy. It is member of the Pacific Alliance, which also aims at increasing integration with Asian economies. The country has also recently approved fourteen trade agreements, and a comprehensive agreement with the European Union. Nowadays the problem to access foreign markets is not tariff barriers, but the quality of the products countries want to export. To enhance the quality, it is necessary to invest in education, R&D and innovation. Quality and competitiveness are two major challenges that Peru shares with the rest of Latin America but also with the EU and in particular France. The issue of technology transfer is also central in Peru’s policies.

Peru has embarked in a comprehensive national plan for diversification of production. The plan includes measures to improve the capacity of SMEs, a major provider of jobs. In recent years, reforms have been implemented in the areas of tax, education, pension funds and a plan to promote foreign investment has been launched.

The President confirmed Peru’s intention to become a member of the OECD and has already signed up for different initiatives with the organisation.

Mr. Humala concluded saying that Latin America offers great potential for Europe and Asia. The region still has to reform its economic structures to improve diversification. If it fails to do so, the golden decade may not happen.

Media and web visibility



The Forum was well attended by the media, including news agencies, TV, print, radio and online media, with over 30 media representatives present for the event.

The Forum took place within the framework of the OECD Development Week, organised by the OECD Development Centre, in partnership with other OECD directorates (Development Co-operation Directorate, Directorate for Science, Technology and Industry); partner organisations (Inter-American Development Bank, the United Nations

Economic Commission for Latin America and the Caribbean, the Development Bank of Latin America - CAF) and institutions (Ministry of Economy and Finance, Republic of France, the EU-LAC Foundation). This “DEV Week” attracted more than 150 journalists, and counted with four media partner – **devex, Huffington Post, Notimex and RFI**.

Some selected headlines following the Forum are:

- RFI, [6° Foro Económico Internacional sobre América Latina y el Caribe](#)
- RFI, [Mesa redonda desde el Foro Económico 'América Latina y el Caribe'](#)
- El País Internacional, [América Latina, en la encrucijada \(Brazilian version\)](#)
- El Economista, [Baja productividad es la “bestia negra” de AL: OCDE](#)
- Inter Press Service, [El camino a la “época de oro” de América Latina pasa por la igualdad \(English version\)](#)
- Informaria Digital, [En París, Alicia Bárcena de la CEPAL llama a renovar lazos entre la UE, América Latina y el Caribe](#)
- Merco press, [Para OCDE 'década de oro' está culminando y América Latina debe mejorar productividad](#)
- Costa Rica On, [Abogan por una relación más profunda entre Europa y América Latina](#)
- EFE, [Húmala apunta que América Latina no ha registrado aún su "década de oro"](#)
- La República, [Para OCDE "década de oro" está culminando y América Latina debe mejorar productividad](#)
- Prensa Latina, [CEPAL Favors Deeper Relation between Europe and LatAm](#)
- LUSA, [Ángel Gurría América Latina passa por momento decisivo para relançar economia](#)
- Huffington Post, [Logistique et compétitivité: les défis de l'Amérique latine et des Caraïbes](#), by Angel Melguizo
- Huffington Post, [Amérique latine: quel avenir après la décennie d'or ?](#), by Jérôme None
- Huffington Post, [L'Amérique latine et l'Union européenne: une coopération qui va de l'avant](#), by Jolita Butkeviciene

The social media tool *Wisembly* gave the chance to the audience to share questions and reactions anonymously via their cell phones, which made this year’s forum very interactive. Throughout the day, Ministers, panel members and the audience were sending tweets and comments that were projected on the screen, allowing the moderator and panellists to initiate discussions on this base. Numerous tweets were sent with the #LACFORUM hash tag on 30 June and in the days before and after the Forum, generating 315 176 impressions.

The official website of the Forum (www.oecd.org/site/lacforum) generated more than 2200 visits in the lead-up to and on the day itself.

2014 INTERNATIONAL ECONOMIC FORUM LATIN AMERICA AND THE CARIBBEAN



About the 6th International Economic Forum on Latin America and the Caribbean

After a decade of relatively strong growth, Latin America's economic prospects are becoming more complex as a result of declining trade, moderation of commodity prices and increasing reservation surrounding external monetary and financing conditions, following the euro area's weak performance, the slowdown in China's economy and uncertainty over US monetary policy. The rise in prices of commodity exports has led Latin American economies to substitute locally manufactured goods with imports, and contributed to a decrease in the region's capacities of production. In this context, knowledge-based industrial policies could be a key factor in driving economic modernisation and enabling Latin American and Caribbean countries to move up in value chains and capture increased value added. Improved logistics performance would help bolster structural change in the region and represent an opportunity for the continent to participate in the global trade: in Latin America, 57% of exports consist of perishable or logistics-intensive products, compared to the OECD average of 17%.

After providing an overview of the economic outlook of the region, the Forum will ask how governments and private sector actors can promote logistics, infrastructure and industrial policies as instruments for regional and global economic integration, inclusive growth and structural transformation in the region.

The Forum is the annual meeting of policy makers, economists, researchers and high-level representatives from the private sector, working on and with Latin America. Since 2009, more than 400 participants have met every year to discuss the performance of Latin American and Caribbean economies and the major challenges faced by the continent.

About the organisers



The mission of the Organisation for Economic Co-operation and Development (OECD) is to promote policies that will improve the economic and social well-being of people around the world. The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems. The OECD Development Centre, whose membership is open to both OECD and non-OECD countries, occupies a unique place within the OECD and in the international community. The Centre counts nine member countries from the Latin America and Caribbean region. The 2014 edition of the Centre's *Latin American Economic Outlook* looks at the theme of logistics and infrastructure for structural change and development -- www.oecd.org/dev



The Inter-American Development Bank (IDB) is the largest source of development financing for Latin America and the Caribbean. Since its creation in 1959, the IDB has worked for the economic and social development of the region. It provides loans as well as grants and technical assistance. The IDB counts 48 member countries, including 26 Latin American and Caribbean borrowing members, who have a majority ownership of the IDB -- www.iadb.org



The Ministry for Finance and Public Accounts and the Ministry for the Economy, Industrial Renewal and the Digital Sector of France design and implement government policy in the areas of economy, finance, consumer affairs and fraud control, foreign trade, industry, energy, and the digital economy -- www.economie.gouv.fr

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Beyond the golden decade?

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