

The IDB Group and the EIB Pledge to Expand Partnership and Explore Blended Finance

The Inter-American Development Bank (IDB), its private sector entity IDB Invest, and the European Investment Bank (EIB) have formally expanded their partnership through a new Memorandum of Understanding (MOU), which was signed in Washington DC by IDB President Luis Alberto Moreno and EIB President Werner Hoyer. This renewed collaboration reflects the partners' commitment to advance development in Latin America and the Caribbean (LAC) through blended finance, co-financing, and knowledge sharing.

In line with the IDB's strategic focus on pioneering blended and innovative financing schemes to finance the Sustainable Development Goals (SDG), and consistent with the EIB's key role in sustainable finance, the IDB-EIB partnership will prioritize efforts to explore these new financing sources. Specifically, the partners intend to use blended instruments to further leverage the European Union's support to LAC-focused platforms such as the Latin American Investment Facility and the Caribbean Investment Facility.

The partners will also build upon their active history of co-financing projects by funding additional sovereign guaranteed operations in LAC countries including Colombia, Haiti, and Peru and identifying key areas in which to expand their co-financing of non-sovereign guaranteed operations with IDB Invest.

Finally, the IDB and the EIB will continue to tap into each organization's technical expertise by exploring the facilitation of capital market instruments issuance by third parties, such as SDG bonds, and through knowledge sharing efforts. A top priority for the partnership is the development of a staff exchange program to facilitate knowledge sharing on public-private partnerships and other topics of mutual interest.