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Invite you to the conference:

# Aid to the private sector: promoting responsible investments? Latin America as a testing ground (Room A1E-2)

Thursday, 21 of March 2013, 11:00 – 13:00

The European Commission (EC) is about to approve the revised Development Cooperation Instrument (DCI), which has an explicit poverty reduction focus. The EC's new proposed development strategy – the Agenda for Change – places 'inclusive and sustainable growth for human development' at its center. It also introduces a change of focus towards channeling Official Development Assistance (ODA) funds to the private sector. 'Blending mechanisms' - investment facilities that mix EU grants with loans are being promoted as result of this trend. The EU Latin American Investment Facility (LAIF) is an important example. These mechanisms are designed to mobilise additional financing to support development, especially for large infrastructure projects but also for SMEs, under the framework of the "green economy" model.

As of September 2012, ten projects have received final approval from the LAIF operational board headquartered in Brussels. Of these projects, five are regional or country projects in Central America, and three cover all of Latin America. The European Commission is responsible for informing the European Parliament and society as a whole about the possible strengths and weakness of "blending" as an unproven method of poverty reduction. Questions also arise about effectiveness of the private sector as a new aid provider and its role in setting strategic priorities. The lack of opportunities for local beneficiaries' participation is also concerning. Further issues that need clarification include the absence of minimum requirements for project selection, monitoring and evaluation, sound and transparent socio-environmental safeguards and accountability.

The distinguished members of the European Parliament would like to invite you to hear the conclusions of a series of reports carried out by civil society organizations on this subject, accompanied by the testimony of experts, researchers and Latin American representatives.

***Decisions on the future of development cooperation and new, untested modalities like blending, must be debated publically, with parliamentarians and decision makers playing an important role. The debate should consider the benefits and limitations of these novel partnership approaches which combine development assistance with private investment. Alternative proposals presented by civil society should also be heard.***

"An emphasis on the green economy and private sector should not divert attention from the need to empower citizens and promote good environmental governance beyond institutional arrangements."

**European Parliament resolution of 29 September 2011, on developing a common EU position ahead of the United Nations Conference on Sustainable Development (Rio+20).**

Event supported by:

The European networks: Copenhagen Initiative for Central America and Mexico (CIFCA) and its members; The International Office on Human Rights, Action on Colombia (OIDHACO); The political alliance between European NGOs (Grupo Sur) and its members; International Alliance of Catholic Development Agencies (CIDSE); Association of World Council of Churches related Development Organizations in Europe (APRODEV), European Network on Debt and Development (EURODAD), Counter Balance and the Latin American network – Asociación Latinoamericana de Organizaciones de Promoción al Desarrollo (ALOP).

Please register and email your full name, ID no., nationality, place of residence and date of birth to [oidhaco@oidhaco.org](mailto:oidhaco@oidhaco.org) before 10am on Friday 15th of March 2013.



## **"AID TO THE PRIVATE SECTOR: PROMOTING RESPONSIBLE INVESTMENTS? LATIN AMERICA AS A TESTING GROUND"**

*With the support of GUE, Greens/ALE, ALDE and PPE.*

*European Parliament, Room A1E-2*

*21st of March 2013, 11:00 - 13:00*

### **11:00 – 11:15 Introduction**

- Introductory words, Gérard Karlshausen, CNCD member of CIFCA.
- Opening words from MEPs co-hosting the event.

### **11:15 – 11:50 Discussion panel:**

- María José Romero, EURODAD, Overview.
- Jose BAIGES-PLANAS, Representative from the European Commission (TBC).
- Camilo Tovar, consultant, Outcomes of the report on impacts of LAIF in Central America, Mexico and Colombia.
- Representative from the European Investment Bank (TBC).

### **11:50 – 12:05 Comments on the presentations**

- Representative from the private sector (TBC).
- Bettina Cruz, Representative from the local communities in Oaxaca, Mexico.
- Antonio Tricarico, Counter Balance/Re:Common.

### **12:05 – 12:45 Questions and Answer session – Journalist invited**

### **12:45 – 13:00 Closing remarks – MEPs co-hosting the event**

*Interpretation will be ensured in English, French and Spanish.*