

# Remarks by Secretary of the Treasury Janet L. Yellen Ahead of Meeting with Americas Partnership for Economic Prosperity Finance Ministers

April 19, 2024

## *As Prepared for Delivery*

Good morning. Thank you for being here today and to President Goldfajn for joining us.

I would like to start by congratulating you on the unanimous approval of a \$3.5 billion capital increase and new business model for the IDB's private sector arm, IDB Invest. These were key deliverables under the Americas Partnership Finance Track. As a result of the capital increase and new approach, IDB Invest will be able to better deliver long-term job creation and growth: generating over \$100 billion of long-term financing to reach 2.5 million mid- and small-sized enterprises and support 9.5 million jobs. Americas Partnership member countries stand to benefit significantly, including from more equity, local currency lending, and private capital mobilization, and we should be proud of this achievement.

At the Summit of the Americas in Los Angeles, President Biden personally highlighted the commitment of the United States to an IDB Invest capital increase, and we're glad to have helped negotiate it. The Biden Administration is now engaging with Congress, and we see IDB Invest as a key part of our toolkit to offer Latin America and the Caribbean a realistic and high-quality financing option.

I want to thank President Goldfajn for his leadership in bringing to fruition the capital increase and the reform agenda advanced through the ambitious new Institutional Strategy. Ilan, you have the support of all of us to continue to sharpen the IDB's effectiveness, aim for results that can be monitored, and be responsive to your borrowers' needs.

I very recently had a chance to see the IDB's work firsthand in Antofagasta, Chile. Thank you to Minister Marcel for joining me there. We saw the significant work being done by IDB Lab and how the IDB's private and public sector arms are facilitating Chile's impressive green

transition. Further infrastructure development in the region will help bring these solutions to global markets.

Indeed, developing resilient supply chains should be a key driver of growth across the region. You have heard me talk about “friend shoring”: working with a wide range of trusted partners and allies to diversify our supply chains. You, representing countries in the Americas Partnership, are clearly trusted partners, and the United States will work with you in creating opportunities for your private sectors to participate in fast evolving global supply chains.

We have also been pleased to discuss with our APEP partners our goals of improving the speed and reducing the cost of cross-border payments, which would complement efforts on supply chain integration. Treasury is committed to the G20’s objectives to deliver faster, cheaper, and more accessible and transparent cross-border payments. And I’m that glad we are coordinating on payments and related policy priorities through bilateral conversations as well as joint participation in meetings such as the Financial Stability Board’s regional consultative group for the Americas.

The IDB is an important partner in all of this work, and I am pleased that it has moved forward with seriousness to build out the Competitiveness Plans that our Leaders tasked to it last November at the Americas Partnership Summit.

But attracting investment in the semiconductor, critical minerals, and medical supplies supply chains, and spurring growth in the region more generally, will require not just low-cost financing and knowledge-sharing. We’ll also need modern infrastructure, good regulatory practices, a welcoming investment climate, and sound policies. Americas Partnership countries need to move quickly to seize this once-in-a-generation opportunity as businesses increasingly prioritize diversity and resilience in their supply chains.

Today, I want to learn about the actions you are taking to position your economies to better attract investment, become more competitive, and integrate into—and move up—supply chains. I am also interested to hear about any trends you are seeing in regional integration. Are you witnessing a reallocation of investment in your countries towards specific sectors? What are the challenges you see to greater regional integration?

I will now turn to Ilan to discuss his team’s work on the Competitiveness Plans. We’ll then hear from Minister Vicente, Minister Marcel, and Minister Acosta, and then I will open the floor for comments.

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