

Development Bank of Latin America and the Caribbean (CAF)

Statements of Commitment to the Global Alliance Against Hunger and Poverty

General Section

1. The Development Bank of Latin America and the Caribbean (CAF) hereby voluntarily *joins the Global Alliance Against Hunger and Poverty* and states its dedication to pursue the Alliance's mission, objectives and principles, as *expressed* in the Global Alliance's Terms of Reference and Governance Framework, and to collaborate with other members to achieve lasting solutions to poverty and hunger worldwide, as expressed below.

The Development Bank of Latin America and the Caribbean (CAF):

2. *Recognizes* that hunger and malnutrition are the perverse manifestations of persistent, structural poverty and inequality, and recognizes the need to end poverty and hunger in all their forms and dimensions and to fully and effectively implement the 2030 Agenda.
3. *Acknowledges* the alarming growth in the number of people facing food insecurity and poverty in recent years, noting that, despite all significant past and current efforts, the world is not on track to meet SDG 1 and 2 targets, inequality is also on the rise (SDG 10), and a significant increase in collective ambition, as well as improvement in collective alignment and coordination for the fight against hunger and poverty, is urgently needed.
4. To that effect, *endorses* the Global Alliance Against Hunger and Poverty and its mission to *support and accelerate efforts to eradicate hunger and poverty (SDGs 1 and 2) while reducing inequalities (SDG 10), contributing to revitalize global partnerships for sustainable development (SDG 17) and to the achievement of other interlinked SDGs, and championing sustainable, inclusive and just transitions.*
5. *Notes* that it is crucial for the world to unite behind large-scale, integrated approaches combining international, regional, national, and local levels, that recognize the interconnected nature of challenges and solutions to hunger and poverty and pair social protection with access to goods and services that can help the poor and vulnerable populations to overcome structural barriers and drive responsible investment in their productive capacity. These complementary services include but are not limited to interventions for poverty reduction, food security and nutrition, early childhood support, education and skills development, employment services, health and care services, as well as family farmers and smallholders' access to finance, extension services, research and/or agricultural inputs, in line with international commitments and obligations.

6. *Particularly recognizes* the high value and positive impact of quality implementation of national and local country-owned, inclusive policy instruments and programmes, focused on the poorest and most vulnerable, in the fields of poverty reduction, social protection, food security and nutrition, gender equality, decent work in the agri-food sector, skills development, family farming and smallholder agriculture, food systems transformation, health and care services and resilience building.
7. Also *acknowledges* the Global Alliance's reference basket of such policies as a collectively built, ongoing collection of examples with robust evidence to reduce hunger and poverty, and as a useful basis to guide joint action and increase alignment of the international community at country level. This acknowledgement is applicable to the policy basket approach as a general guide to action and does not imply endorsement of any specific policy instrument or programme contained in the basket.
8. Therefore, by joining the Global Alliance Against Hunger and Poverty, *commits* to do its best efforts, in its own field of action, and according to its own mandate, capacities, priorities, preferences, procedures, and legal arrangements and framework, to support the implementation of policy instruments and programmes at country level as appropriate, including by the promotion of shared learning and the mobilization of resources, public and private, at scale.

In particular:

Financial support commitments

The Development Bank of Latin America and the Caribbean (CAF):

Commits to make its best efforts to improve the destination, allocation and alignment of the use of its resources, including through coordination and cooperation facilitated by the Global Alliance, to support member countries to implement, improve, or scale-up the implementation of select programmes or policy instruments in the Alliance's reference basket to drive the fight against hunger and poverty, in line with sustainable country-led financing and implementation strategies.

Informs that an estimated amount of USD 1.6 billion in financial resources under its guidance, management, or control is currently being employed to provide international development support applicable to the fight against hunger and poverty and to advance SDGs 1 and 2, with USD 865 million approved in 2023 and 2024. The amount provided is the best possible estimate, considering different applicable modalities, allocations, and budget cycles, and is subject to changing circumstances and budgets. It is not to be considered a pledge of new and additional resources.

In addition to the above, informs and commits to implementing the following actions, programmes, and other activities in support of SDGs 1 and 2 and the Global Alliance's objectives:

Promoting Gender Equality and Empowering Women. CAF is dedicated to advancing gender equality by supporting female entrepreneurship, expanding access to

education and healthcare for women and girls, and encouraging/supporting gender-inclusive policies through concrete actions relying on women's crucial role in overcoming hunger and poverty and contributing to equitable, sustainable societies, such as **Colombia's Programme for Gender, Inclusion, and Diversity** (USD 250 million); **El Salvador's Telemedicine System** (USD 77 million) and **Honduras' Gender Equality and Social Inclusion Programme** (USD 80 million)-

Building Sustainable Infrastructure and Connectivity. CAF prioritizes operations focused on sustainable infrastructure that propels development and targets people's inclusion and well-being. Projects that improve access to clean water and sanitation, rural connectivity, and renewable energy are fundamental for fostering rural development, enhancing market access, and promoting social inclusion. USD 550 million was approved in 2023/2024 to support vulnerable communities in Argentina, Bolivia, the Dominican Republic, and Ecuador. These efforts align with the Alliance's objectives of promoting food security, economic opportunity, and climate resilience.

Addressing Malnutrition and Ensuring Nutritional Security. CAF's strategy to combat hunger and malnutrition includes developing and supporting nutrition-focused programs in partnership with governments and communities -e.g., 2023: **Uruguay's Sectoral Program to Support the Implementation of Social Protection Tools Focused on Education, Childhood, and Health** (USD 300 million), 2024: **Argentina's Programme to Support Food Provision** (USD 400 million). These programmes range from grassroots initiatives to food fortification and nutrition education, addressing immediate needs and promoting long-term health and wellness aligned with the Alliance's vision.

Enhancing Social Protection and Financial Inclusion. CAF is committed to strengthening social protection systems and fostering economic opportunities for vulnerable populations. These objectives are achieved through microfinance, financial literacy programs, and SME development, promoting economic empowerment, including gender finance -e.g., 2023: **Santander Brazil's MSME leadership for women in the North and Northeast of Brazil** (USD 50 million)- and ensuring access to essential services.

Driving Sustainable Development through the Mobilization of Third-Party Funds. CAF mobilizes funds from different sources to support sustainable agricultural practices (e.g., Eco Business and Finance in Motion Fund), biodiversity conservation, and climate adaptation. These funds promote resilient communities and sustainable food systems, reflecting the Alliance's focus on climate-resilient agriculture and rural prosperity.

Promoting Rural Development and Climate-Resilient Agriculture. CAF contributes to sustainable food systems by conserving natural resources, improving resource efficiency, and strengthening value chains for smallholder farmers -e.g., 2023: SICREDI's USD 297 million loan; BDMG's USD 220 million loan, both in Brazil-. This approach targets poverty and hunger reduction, climate resilience enhancement, and rural livelihood improvement.

Providing Financial Contributions. CAF leverages several financial tools to support member countries' policy priorities, including grants, concessional loans, and blended finance. By mobilizing significant regional resources, CAF empowers countries to implement inclusive social policies, develop sustainable agricultural practices, ensure nutritional security, and promote gender equality.

CAF's ongoing Commitment to Sustainable Livelihoods and Social Equity. CAF is deeply committed to fostering sustainable livelihoods, social equity, and environmental stewardship throughout Latin America and the Caribbean. As an active member of the Global Alliance against Hunger and Poverty, CAF contributes to the collective mission of eradicating hunger and poverty through sustainable development strategies that ensure no one is left behind.

Knowledge support commitments

The Development Bank of Latin America and the Caribbean (CAF):

Commits to make its best efforts to co-create and provide technical assistance, capacity building and strengthening, training and/or knowledge-sharing on voluntary and mutually agreed terms in response to requests by Global Alliance member countries that choose to implement policy instruments and programmes in the Alliance's policy basket that are compatible with its areas of expertise.

Commits to make its best efforts to improve the alignment of its actions, including through the Global Alliance's coordination mechanisms, leveraging, and partnering with other actors to better support large scale, country-owned implementation of policies and programmes in the reference basket by Global Alliance member countries, aiming at enhancing country-level outcomes.

Commits to collaborate with other Alliance members to develop innovative solutions and share good practices in learning and knowledge exchange and dissemination on voluntary and mutually agreed terms, data collection and analysis, including by leveraging existing local, national, and international knowledge networks, coalitions, communities and other fora related to aspects relevant to the fight against hunger and poverty.

Informs and commits to implementing the following actions, programmes, and other activities in support of the Global Alliance's objectives:

- Technical support for designing public policies, managing projects, strengthening institutional capacity, and monitoring program and project's results to deliver social and economic actions to combat hunger and poverty in the region.
- Applied research on Latin America's development problems and contributions to regional public policy's construction.
- In-depth research on social and economic issues that might help strengthen the programme's quality, such as CAF's annual report known as RED. The latter deals with typical persisting developmental problems, primarily related to inequality and

lack of access to the basics by excluded populations, to name a few. Our 2022 RED, for instance, entitled *Inherited Inequalities: The Role of Skills, employment, and Wealth in Opportunities for New Generations*, proposes an action plan focused on providing opportunities and economic empowerment for populations such as Afro-descendants, Indigenous people, women in vulnerable environments, and residents in segregated areas.

- On-demand collaborative research and assessments with governments and institutions on areas that might need intervention, innovative approaches, or new policies.
- Joint studies (with UNDP) aim to help countries strengthen their capacity to measure and use data on multidimensional poverty to implement more effective public policies.
- Various courses and diplomas to strengthen institutional capacities and leadership in Latin America and the Caribbean, as well as on-demand training initiatives, focus on issues typically linked to development, including economic, social, and environmental dimensions.

General acknowledgments

Recognizes the possibility to, including through the mechanisms available to Global Alliance members, coordinate, partner with and/or seek support from the Global Alliance's other members, within their respective capacities, availability, and fields of activity, to carry out the present commitments with greater effectiveness.

While recognizing that the above commitments are voluntary and non-legally binding, being subject to and carried out under its own capacities, regulations, priorities, and modalities, as well as to the availability of appropriate resourcing, *strives* to seriously consider, as appropriate, and according to its own legal frameworks and governance process, to review its procedures and priorities as found necessary to better deliver on the present commitments, enhance synergies and joint efforts with other entities and initiatives, and improve outcomes on the collective fight against hunger and poverty.