

PRIVATE SECTOR DEVELOPMENT: AN INTEGRAL APPROACH



ANNUAL MEETING OF THE BOARDS OF GOVERNORS



IDB IIC Milan, ITALY 2003

March 20 - 22

Thursday March 20

8:30 a.m. – 5:30 p.m.

8:30 a.m.

9:15 a.m.

9:30 a.m.

9:45 a.m.

10:30 a.m.

10:45 a.m.

11:15 a.m.

11:30 a.m.

12:00 p.m.

12:30 p.m.

13:30 p.m.

15:00 p.m.

16:30 p.m.

VISIT TO THE BRIANZA DISTRICT (WOOD AND FURNITURE)

Departure to Monza

Arrival of Participants

Opening and Welcoming Remarks

Giuseppe Fontana, Vice-President of Assindustria Monza y Brianza
Pier Andrea Chevallard, General Secretary of the Milan Chamber of Commerce

Characteristics of the District of Brianza

Role and Interactions Among the Stakeholders Within the District
Alberto Bramanti, Associate Professor of Urban Planning Economics at the University of Bocconi in Milan

The Role of Aimb Within the Scope of the District

Gianni Galimberi, Flexform Spa
President of the Wooden Furniture Group at Aimb

Presentations of the Leading-Enterprises in the District

Rosario Messina, Flou Spa, President of COSMIT (The Furniture Room in Milan)
Silvio Santambrogio, Tre-P & Tre Più Spa
Paolo Boffi, Boffi Spa, President of Assoarredo

Closing Remarks by the Committee of the District

Marco Citterio, President of the Committee of the Wooden Furniture District

Coffee Break

Visit to IPSIA (Istituto professionale di Stato, industria e arredamento) of Lissone

Professor Ignazio Cusmano, Academic Leader

Visit to the Service Center CATAS in Lissone

Ing. Speranza, Director

Visit to ICILA, Certifying Entity of the Furniture Sector in Lissone

Lunch

Visit to the District Enterprises: Flexform and Boffi

Return to Milan

10:00 a.m. – 10:30 a.m.

Opening and Welcoming Remarks

Enrique V. Iglesias, President of the Inter-American Development Bank (IDB)
Bruno Ermolli, President of PROMOS, Agency of the Milan Chamber of Commerce
Rainer Masera, President of San Paolo IMI Bank

10:30 a.m. – 11:30 a.m.

FIRST PART: SUPPORT FOR SMALL AND MEDIUM ENTERPRISES

Regional clusters: Local Production and Global Markets

Moderator

Mario Baldassarri, Vice-Minister of the Ministry of Economics and Finance, Italy

Panelists

Juan José Llisterri, Micro, Small and Medium Enterprise Division, IDB

Luciano Consolati, Director of LUMETEL, Italy

Jorge Katz, CEPAL

Eduardo Zepeda, Universidad Autónoma Metropolitana (UAM), México

The panel will address relevant experiences of regional clusters and how small firms can become competitive in global markets. The keynote conceptual introduction will be followed by the cases of the Italian industrial districts and the Latin America cluster experiences. All the presentations will include a policy-oriented conclusion drawn from the particular experience.

11:30 a.m. – 11:45 a.m.

Coffee Break

11:45 a.m. – 12:45 p.m.

Small and Medium Enterprises: Policies and Programs for International Alliances

Moderator

Roberto Grandinetti, University of Udine, Italy

Panelists

Silvano Gianni, President, Servicio Brasileño de Apoyo a la Pequeña y Mediana Empresa, SEBRAE, Brazil

Alvaro Díaz, Under-Secretary of the Ministry of Economy, Chile

Massimo D'Aiuto, Director of SIMEST, Italy

Javier Quesada, Generalidad de Valencia, Spain

This session will address specific policies and programs for local competitiveness of small and medium enterprises. It will combine policy approaches from both Latin American and OECD countries as well as territorial partnerships between SME systems with different competitive levels.

12:45 p.m. – 1:15 p.m.

Closing Remarks of the First Part

José Luis Rhi Sausi, Forum Italo-Latinoamericano

Friday March 21

2:00 p.m. – 3:00 p.m.

SECOND PART: FINANCE FOR SMALL AND MEDIUM ENTERPRISES

The environment for SME finance

Keynote Speaker

Florencio López de Silanes, Yale School of Management

Comentator

Jacques Rogozinski, General Manager of the Inter-American Investment Corporation (IIC)

This keynote address explores the business environment that SME face in accessing finance. It will discuss the following issues: (i) What are the principal legal impediments in the LAC region to financing SMEs; (ii) Is poor corporate governance one of the major problems and what can be done to improve it; (iii) What is the impact of conflicting accounting standards and are these sophisticated standards accessible to SMEs; (iv) Are SMEs forced into informal or gray market areas by excessive regulation and taxation; and (v) What are the most effective mechanisms to stimulate change in these areas.

3:00 p.m. – 4:00 p.m.

Improving Access to Financial Markets

Moderator

José Angel Gurria, Former Finance Minister of Mexico

Panelists

Tino Vaccari, Coordinator of FEDARTFIDI, Italy

Luis F. Martinez, Suleasing Colombia, Financial Leasing

Roberto Anguizola, President, MiBanco Panama, Commercial Banking

D. Santiago Ximenez, Technical Advisor, International Department, Bolsa de Madrid, Securitization

This section introduces key lessons learned in utilizing financial markets for SMEs. The session will review the experiences of financial intermediaries and discuss possible new instruments or the adaptation of existing ones in order to enhance access of SMEs to financial resources.

4:00 p.m. – 4:30 p.m.

Coffee Break

4:30 p.m. – 5:30 p.m.

Improving access to Equity Markets

Moderator

Dilma Eguchi, Bolsa de Valores de Sao Paulo (BOVESPA), Brazil

Panelists

Massimo Capuano, President CEO, Borsa Italia S.p.A., Italy

Varel Freeman, Barings America Latina, Investment Fund

Everett J. Santos, Chairman of the Latin American Venture Capital Association, Risk Management, USA

Gonzalo Serrano, Head of SME Lending, Instituto Credito Oficial (ICO), Government Support, Spain

Investment funds and other types of innovations have become en vogue techniques for increasing SME access to finance. This session will explore some of the lessons learned from experiences in developing different types of investment and venture capital funds and private finance in Latin America and other Regions of the World. Risk capital and capital markets are being promoted as having high potential for helping SMEs gain access to long term financing. In this session, the speakers will discuss what are the ingredients and what are the features and conditions needed to ultimately ensure that capital markets be a source of financing for SMEs.

5:30 p.m. – 6:00 p.m.

Closing Remarks of the Second Part

Pietro Masci, Chief of the Infrastructure and Financial Markets Division at IDB

6:00 pm

Reception

Sponsored by the Chamber of Commerce of Milan

9:15 a.m. – 10:30 a.m.

10:30 a.m. – 11:00 a.m.

11:00 a.m. – 12:15 p.m.

12:15 p.m. – 12:30 p.m.

THIRD PART: MICROENTERPRISES

Transformation of Microfinance

Moderator

TBD, Lombardy Region, Italy

Panelists

*Carlos Cuevas, The World Bank. Origins of Microfinance.
Carlos Labarthe, Compartamos, Mexico. Products and Technology.
Santiago Ribadeneira, Banco Solidario, Ecuador. Commercialization.
Ursula Wilhem, Standard & Poor's, USA. Transparency in Microfinance.*

This session will discuss the recent developments and challenges of the microfinance industry. Recent credit technologies, new products and their evolution will be highlighted; also, mechanisms and systems for the successful expansion of the industry will be analyzed together with the challenges for the expansion and sustainability of the industry.

Coffee Break

A Favorable Environment for Microfinance and Microenterprises

Moderator

Mario Baccini, Deputy Minister of Foreign Relations, Italy

Panelists

*Jacques Trigo, Former Bank Superintendent and Finance Minister, Bolivia. Overview of Legal and Regulatory Issues for Microfinance.
Fernando Cantuarias, Dean of the School of Law, Universidad Peruana de Ciencias Aplicadas (UPC), Regulatory Improvement Commission, Perú. Legal Framework for the Use of Guarantees in Microfinance in Peru.
Ramón Rosales, President, International Consulting Consortium (ICC). Recent Developments in the Regulation and Supervision of Microfinance in Latin America.*

This session will analyze the legal, financial, institutional and regulatory environment needed to promote the development of the microfinance industry. Some of the key elements are the supervision and regulation of microfinance institutions. In this regard, the Bolivian experience will be illustrated. Challenges for the expansion of the commercial banks to expand coverage by downscaling into a new market, characterized by information asymmetries will be discussed. Finally, the impact of banking regulations on the microfinance industry will also be discussed.

Closing Remarks of the Third Part

Alvaro R. Ramírez, Chief of the Micro, Small and Medium Enterprise Division at IDB.

2:00 p.m.

FOURTH PART: FACILITATING CAPITAL MARKET ACCESS

Increasing Access to Capital Market Transactions

Introduction

Hiroshi Toyoda, Manager of the Private Sector Department at IDB

Moderator

Carlos Stilianopoulos, Director of Capital Markets, Caja Madrid.

Panelists

*Ricardo Hausmann, Harvard University. The Importance of Capital Market Development for the Region.
Susan Knapp, Vice-President/Senior Credit Officer of Moody's. The Point of View of Credit Rating Agencies.
Tomasso Unsleggi, IMI-Sao Paolo. Public Service Enterprises Bonds as a Financing Option in the Local and Regional Markets: The European Experience.
Daniel Bond, United Nations Expert Group. Public/Private Risk Sharing in Capital Market Financing for Infrastructure Projects.*

The session focuses on some of the key factors that could contribute to increasing the number and size of private sector capital market transactions in emerging economies. It includes an examination of the role of partial credit guarantees and structured transactions to enhance credit quality and increase tenors and market receptivity of emerging market fixed income issues. The last two sessions focus on the role of rating agencies and institutional investors to facilitate market information and to increase the demand for domestic emerging market issues.

Coffee Break

Transactions in Local Capital Markets

Moderator

Ellis J. Juan, Chief of the Capital Markets Unit of the Private Sector Department at IDB.

Panelists

*Santiago Perdomo, CEO of Colpatria. Mortgage Backed Securities in Colombia.
Jorge Domínguez, Managing Director of Santander Investment. Infrastructure Bonds in Chile.
Angrea Mangano, General Director of ACEA. The Local Market for Infrastructure Bonds in Peru: Waste Water Treatment Plant in Rio Chillón.
David Stevens, Executive Director of XL. Securitization and Structured Transactions in the Local Markets of the Region: The Point of View of Monoliners in Insurers.*

Capital market transactions can originate from different sources. In this session the experiences of selected entities in the region with different types of market transactions will be reviewed, including mortgage-backed securities, infrastructure and remittance bonds. Each presentation will demonstrate the transaction's structure, key risk elements, the role of the various players, and the relevance for the capital market.

Closing Remarks of the Fourth Part

Bernardo Frydman, Deputy Manager of the Private Sector Department at IDB

Reception

*Sponsored by CASSAMARCA with Keynote Speaker
Dino De Poli, President of CASSAMARCA*

3:30 p.m.

3:45 p.m.

5:15 p.m.

5:30 p.m. – 7:00 p.m.

Organizing Team at the IDB

Antonio Vives
Overall Coordination

Juan Llisterrí
Coordinator First Part

Pietro Masci
Coordinator Second Part

Alvaro Ramirez
Coordinator Third Part

Ellis Juan
Coordinator Fourth Part