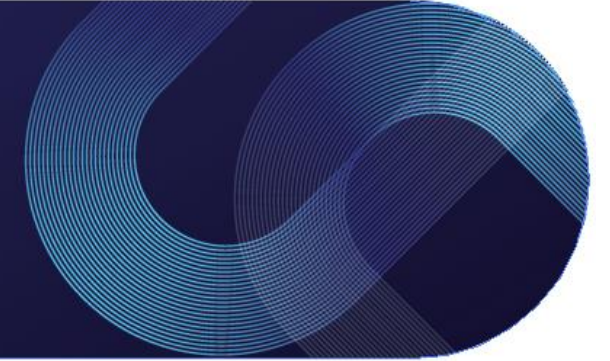


# Finance for digital transformation

## School of Digital Transformation and Innovation in the Caribbean 2025 16-20 June



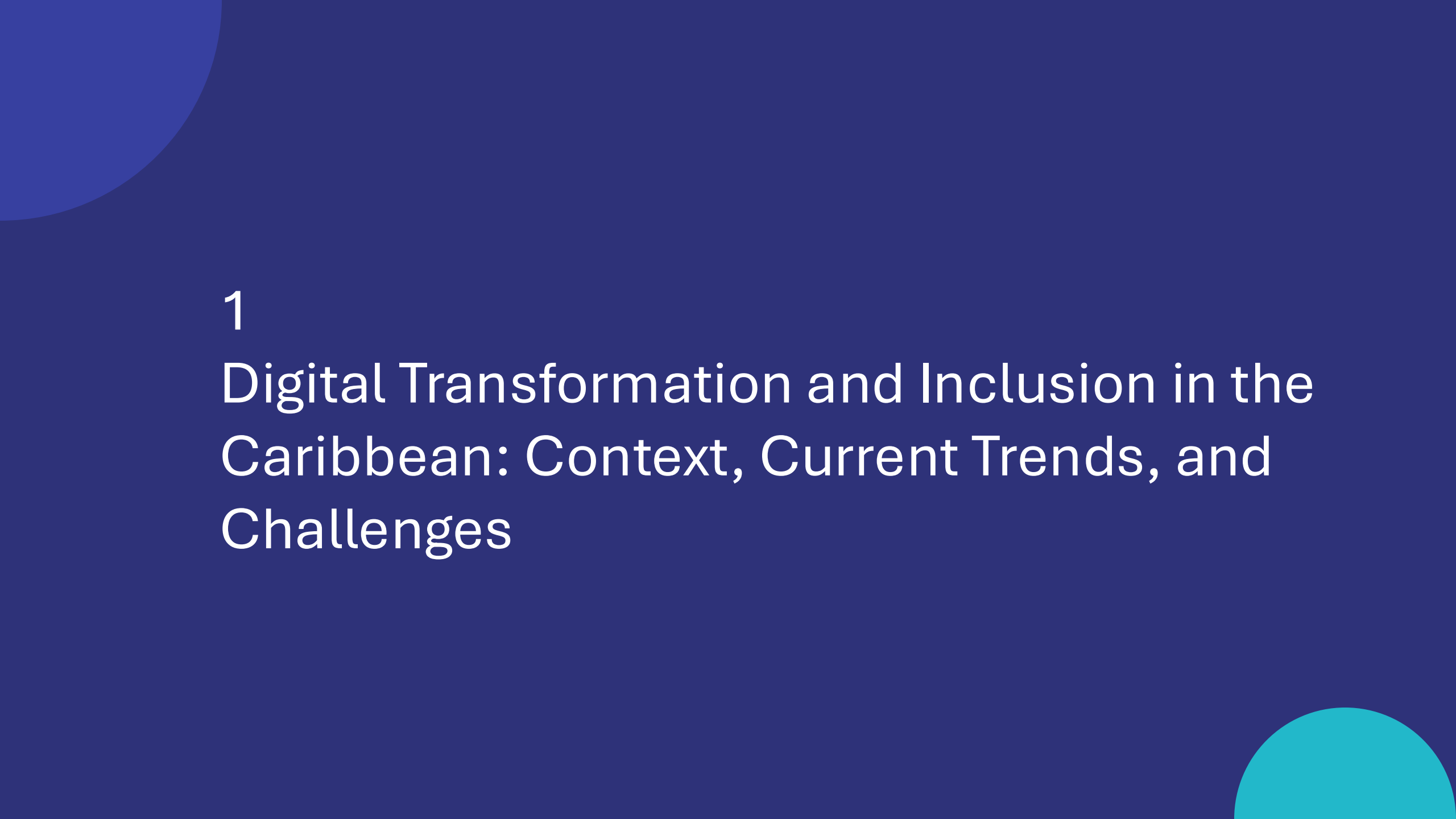
**Alejandro Forero**

Senior Executive | Digital Transformation  
Infrastructure Management for Development (GID)  
Digital Transformation Directorate (DTD)



# Contents

1. Digital Transformation and Inclusion in the Caribbean:  
Context, Current Trends, and Challenges
2. Tools for financing Digital Transformation in our country  
members
3. CAF's digital transformation and inclusion strategy
4. Some of our projects



1

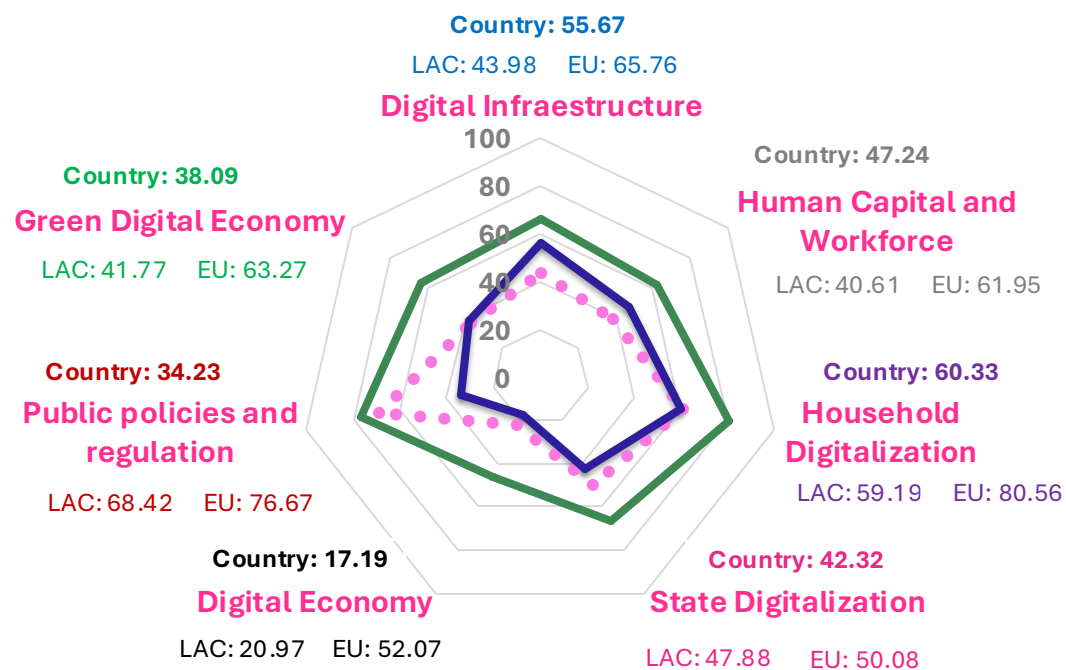
# Digital Transformation and Inclusion in the Caribbean: Context, Current Trends, and Challenges



# Barbados

## Challenges in digital resilience

DEDI ( Scale 0-100) – Year 2023

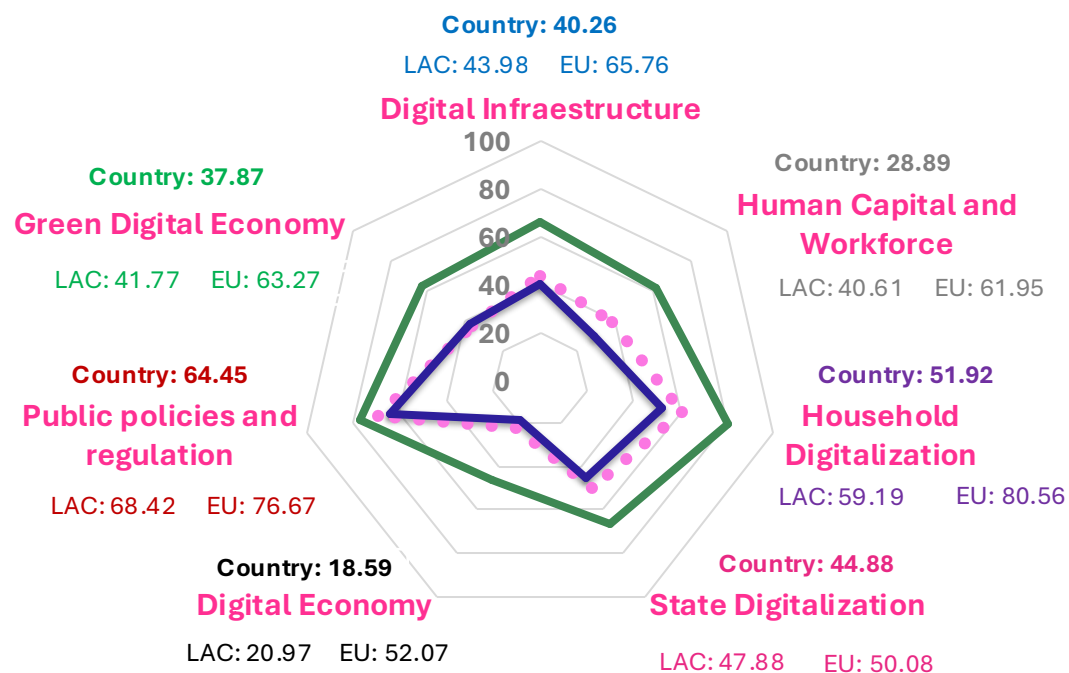


|            |       |
|------------|-------|
| • • • ALC  | 46.12 |
| — Barbados | 42.15 |
| — UE       | 66.76 |

# Dominican Republic

## Challenges in digital resilience

DEDI ( Scale 0-100) – Year 2023



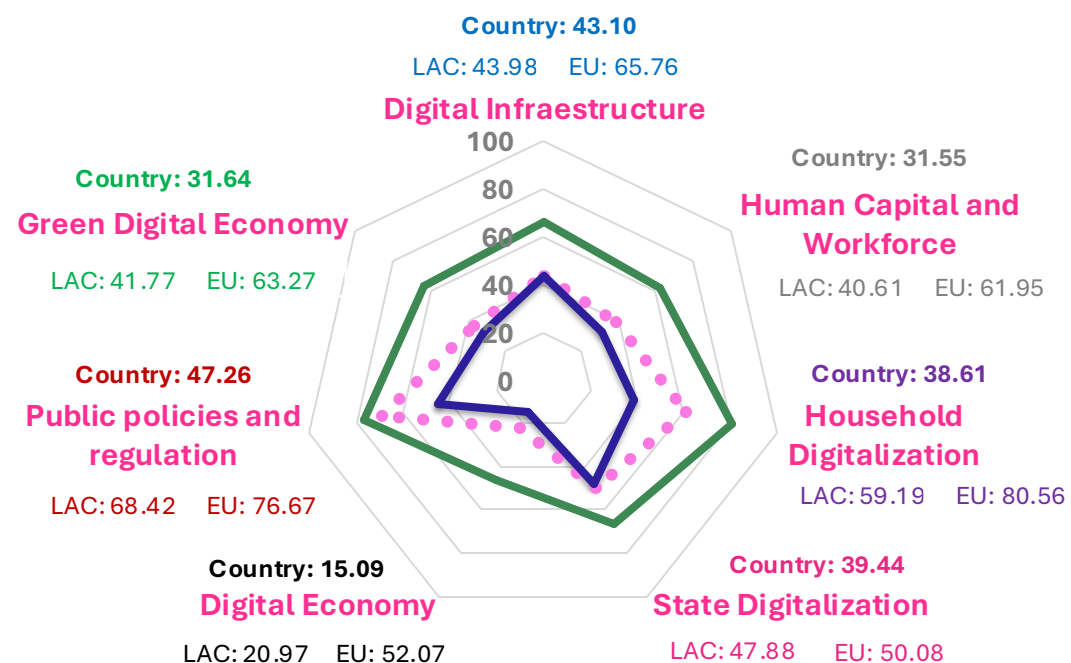
|                      |       |
|----------------------|-------|
| • • • LAC            | 46.12 |
| — Dominican Republic | 40.98 |
| — EU                 | 66.76 |



# Jamaica

## Challenges in digital resilience

DEDI ( Scale 0-100) – Year 2023



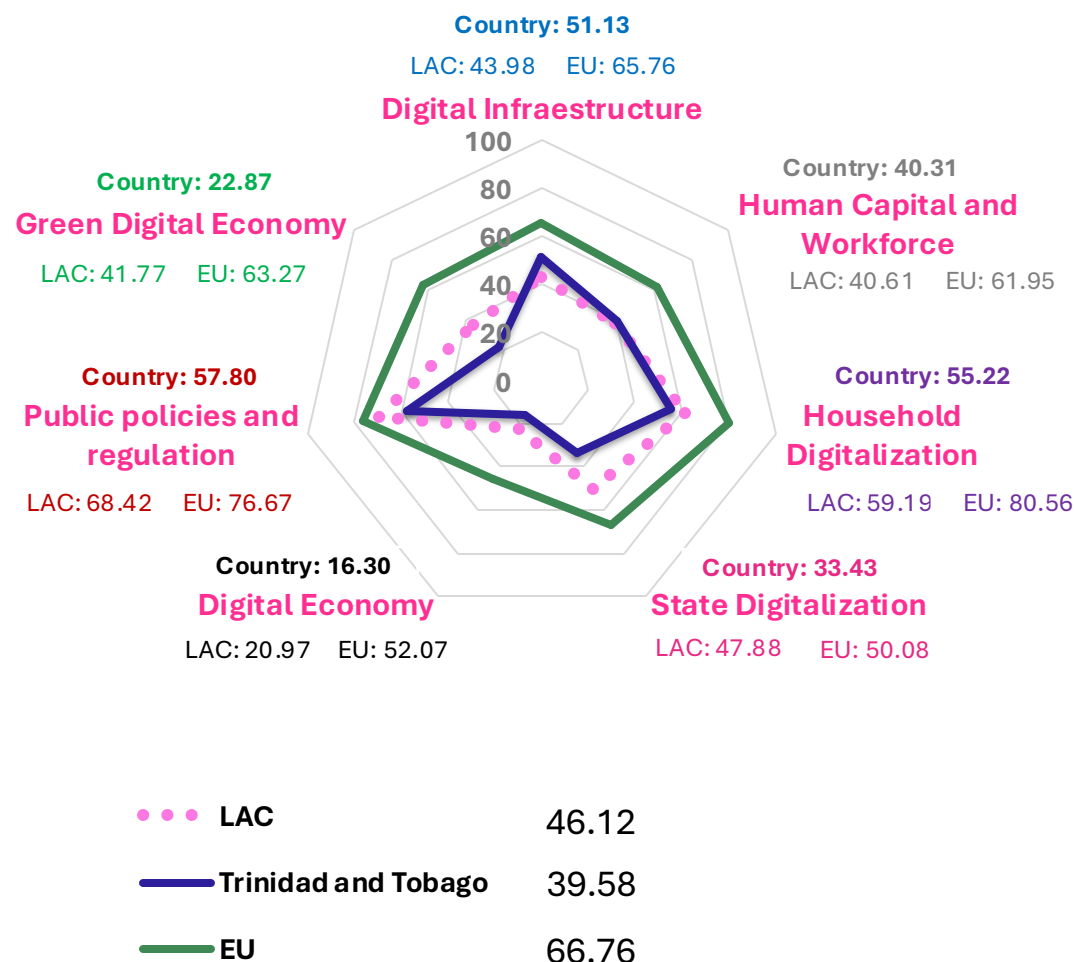
|           |       |
|-----------|-------|
| • • • LAC | 46.12 |
| — Jamaica | 35.24 |
| — EU      | 66.76 |

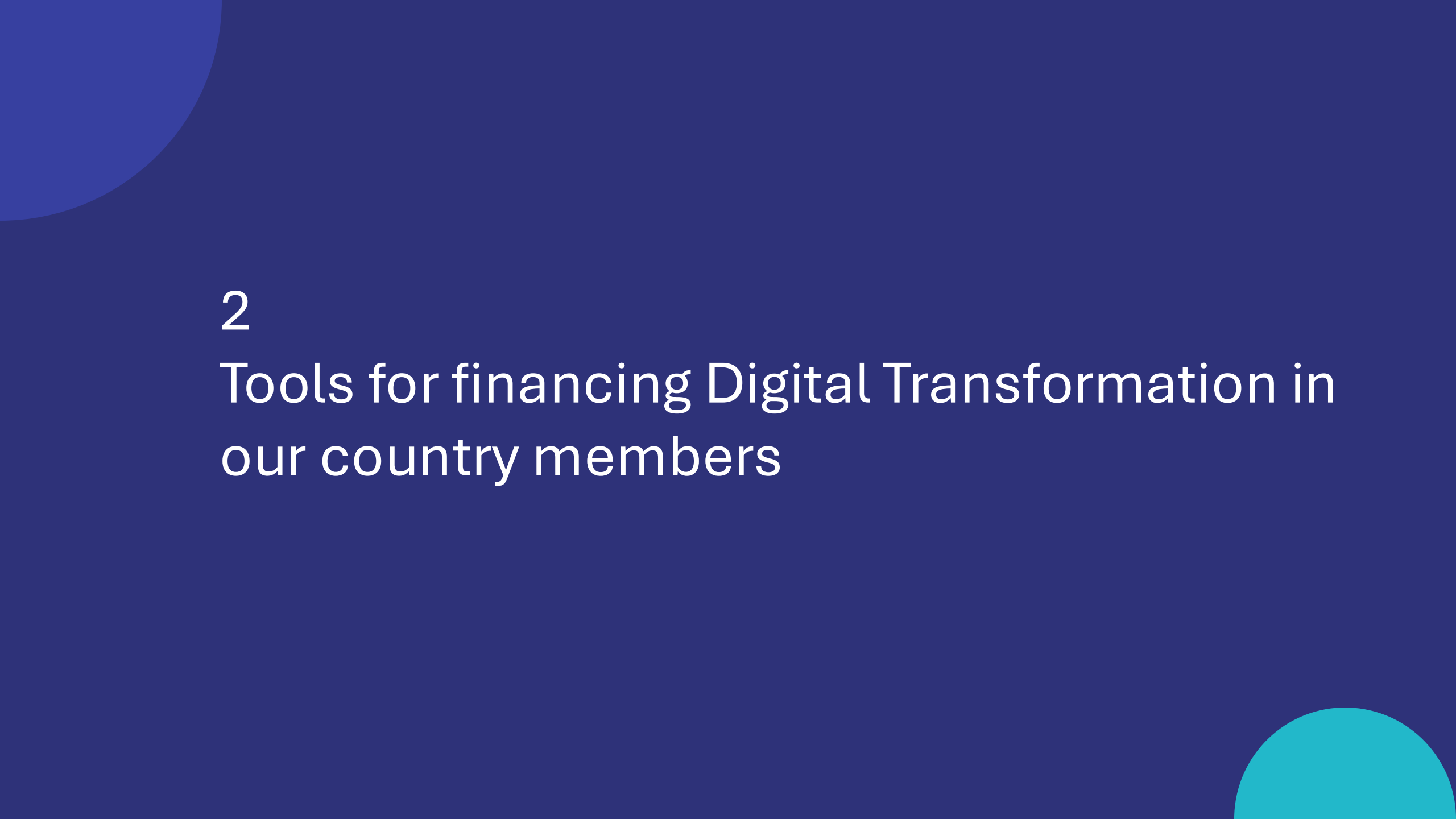


# Trinidad and Tobago

## Challenges in digital resilience

DEDI ( Scale 0-100) – Year 2023





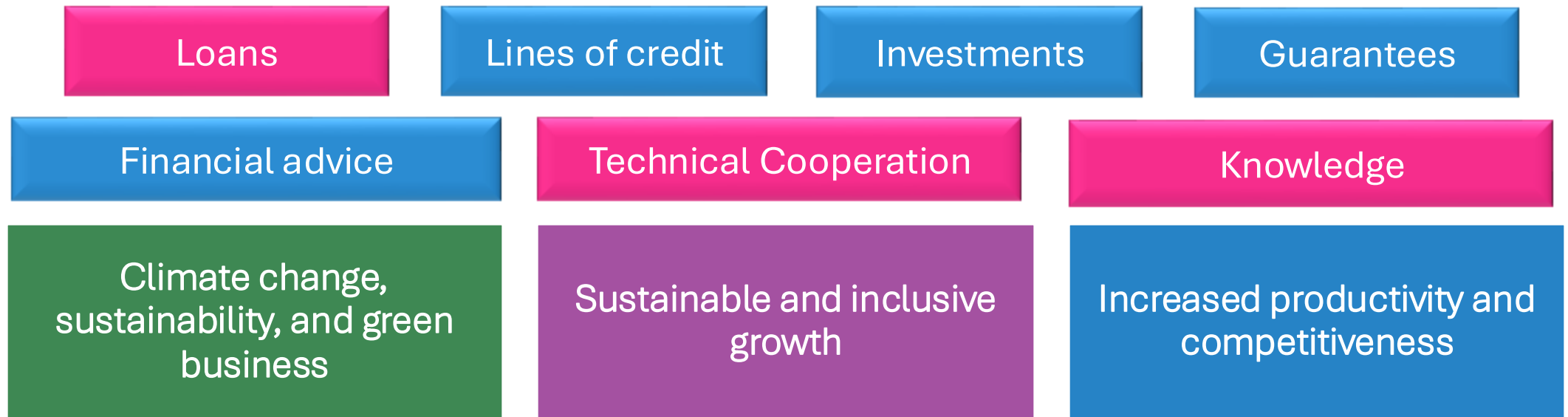
2

## Tools for financing Digital Transformation in our country members





# Lines of work



**With a sectoral  
focus on the  
following topics:**

Physical and digital infrastructure

Energy transition, adaptation and climate resilience

Productivity and internationalization of SMEs

Business and technological innovation

Development of the financial market

Inclusive social welfare



# Private Sector Investments

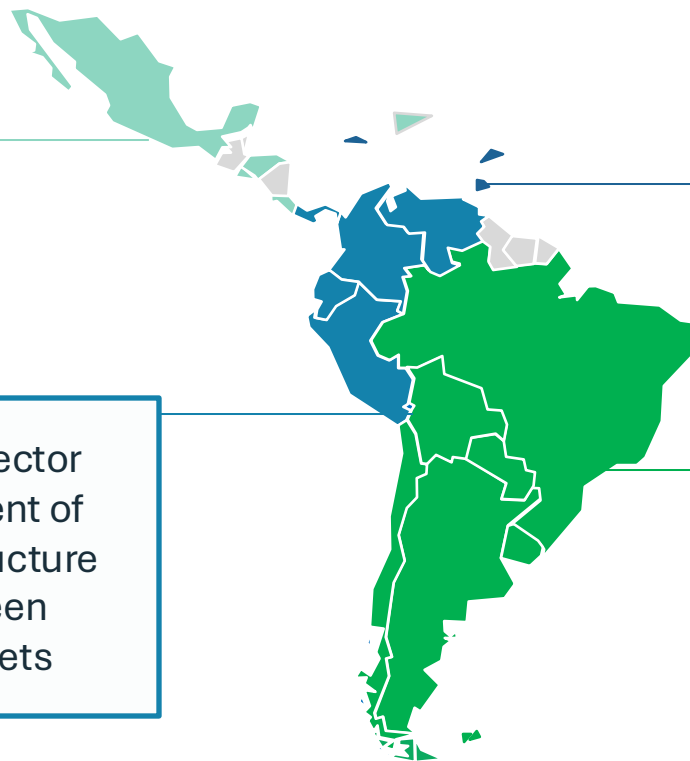
- Aimed at channeling capital resources to strategic sectors focused on the green agenda and sustainable and inclusive growth, generating a measurable impact on SDGs
- Investing through multinational funds with specialized managers, proven relevant experience, and solid ESG practices and impact measurement/reporting.

Greater reach , resource mobilization, adequate diversification in member countries

Initiatives to support the development and strengthening of entrepreneurship and private capital ecosystems ( knowledge, best practices, support for associations and events).

Enable and enhance private sector participation in the development of strategically important infrastructure projects, climate change/green economy, and biological assets

Venture Capital (Venture Capital + Growth ), focused on early-stage technology-based companies with disruptive business models, innovative and high-impact ventures





# Digital transformation and inclusion program tools



**Sovereign digital transformation loans –PPI** ( eg . Santa Fe + Connected in Argentina, connectivity and education; digital components in Brazilian cities, ARSAT)



**Support for comprehensive digital transformation strategies and reforms SWAPs and PBLs** ( e.g. digital transformation in Panama and digital government in Colombia )



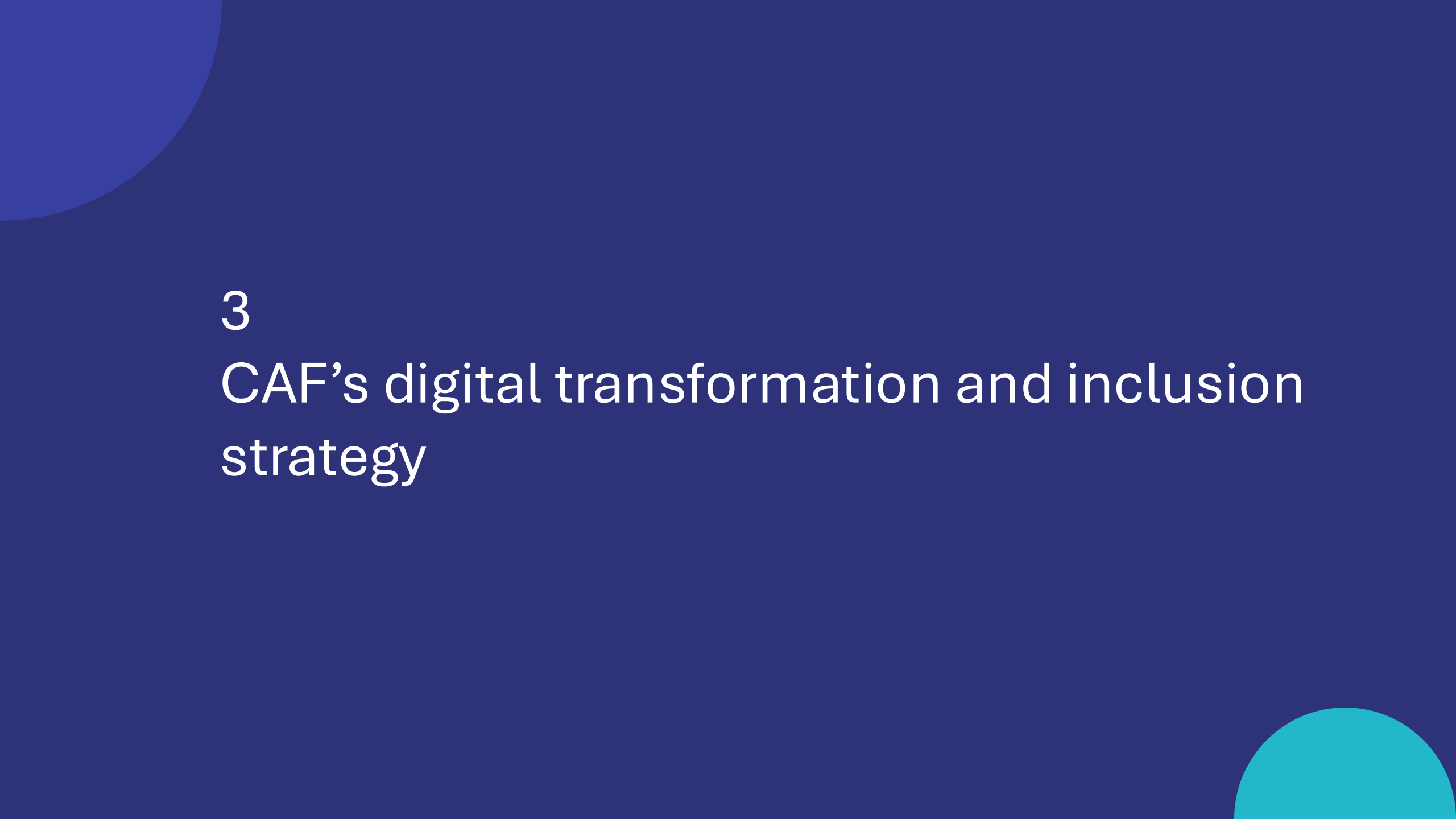
**Technical assistance and knowledge generation** (digital transformation strategies with potential for scaling on credit + generation of actionable knowledge: Digital Ecosystem Observatory, govtechlab . Digital Transformation



**High-impact equity investments** (public-private initiatives such as Internet for All in Peru; digital ventures in *gov -tech startups* )



**Structured regional alliances** (private companies, regional institutions and international organizations to catalyze resources) + best practice dialogues



3

## CAF's digital transformation and inclusion strategy



# CAF's digital transformation and inclusion strategy

## Three pillars of action at the regional, national and subnational levels



### Connectivity and digital inclusion

- Digital connectivity infrastructure (homes, schools, hospitals)
- Data storage and processing infrastructure
- Digitalization of water infrastructure (e.g. OSE 4.0), transport, mobility and energy



### Innovation and digital modernization of the State

- Digital public infrastructures (digital identity, digital payments, data interoperability)
- **Cybersecurity and AI**
- Tax efficiency
- Integrity and transparency



### Digitalization of economic sectors and the digital economy

- Industry 4.0
- Start -up for tech ecosystem ( Agtech , Govtech , Fintech, Edtech , eHealth )

Enabled by the acceleration of innovation and critical and emerging technologies

Artificial Intelligence | Blockchain | Semiconductors

**DIGITAL INFRASTRUCTURES AND TECHNOLOGIES AT THE SERVICE OF CITIZENS**



# Support Tools



## Origination



- Digitalization observatories and indices



- Digital transformation roadmaps



- Digital transformation strategy documents by country



- Policy Notes



## Structuring

- CAF PPI

- FCT

- Third-party funds (GIZ, KFW, EU LACIF, among others )



## Financing

- Digital Apps

- TD/IA Bonds

- PPI

- PBL / SWAP

- Equity investments
- Second-floor banking



## Alliances

- ITU
- ECLAC
- COMTELCA
- EU
- OECD
- OAS
- UNESCO
- UN- Habitat
- G20 Smart Cities Alliance
- Bloomberg Philanthropies
- UNICEF
- Industry
- Govtech



## Other Actions

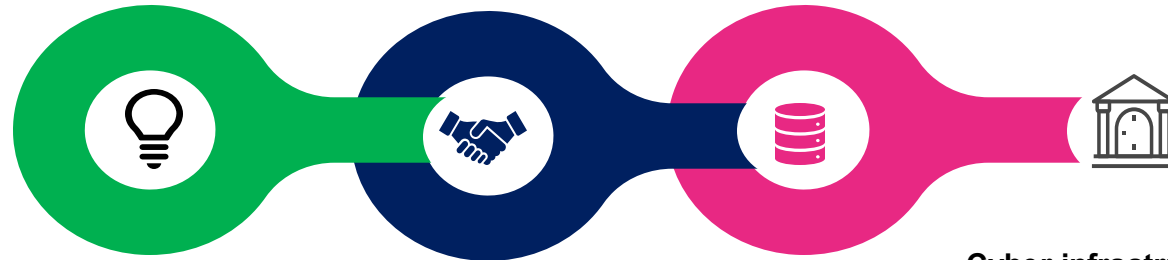
- Knowledge
- Laboratories
- Dialogues
- Training schools



# Cybersecurity Strategy for LAC: CyberCAF

Through proactive strategies and emerging technologies, it seeks to protect the region's critical infrastructure, minimize economic damage, and ensure social resilience in the face of future large-scale cyber events.

## Technical Assistance



## Knowledge

- » Breaks Information Asymmetries in the Cybersecurity

## Alliances

for Dialogue and Technical Assistance

- » Capacity Building: Best Practices and Regional Coordination
- » Transform the way countries invest in cybersecurity
- » Transform national and regional cybersecurity governance in LAC

## Cyber-infrastructure Financing

- » Promotes the adoption of digital innovations for cybersecurity in the region, such as AI.
- » Ensures the complete delivery of public goods: the sectors that CAF finances ensure the protection of their digital assets.

Trust, security and continuity of critical services and infrastructure



# Knowledge generation

**All our publications can be accessed at:**

**[www.scioteca.caf.com](http://www.scioteca.caf.com)**



# OBSERVATORIES AND INDEXES



Colaboradores:



# CONNECTIVITY AND DIGITAL INCLUSION

## Hacia el cierre de la brecha digital

Modelos innovadores  
de financiamiento  
y factores de éxito en la  
estructuración de proyectos

## Expansión de la banda ancha móvil

Eliminación de barreras  
para la expansión  
de la banda ancha móvil  
a nivel sub-nacional

Hacia una  
agenda integral  
de la adopción  
de tecnologías  
para el aprendizaje  
4.0 en América Latina



# DIGITAL INNOVATION IN THE PUBLIC SECTOR

Cybersecurity, Transparency, and Digital Identity



**Identidad Digital  
Autosoberana (IDA)**

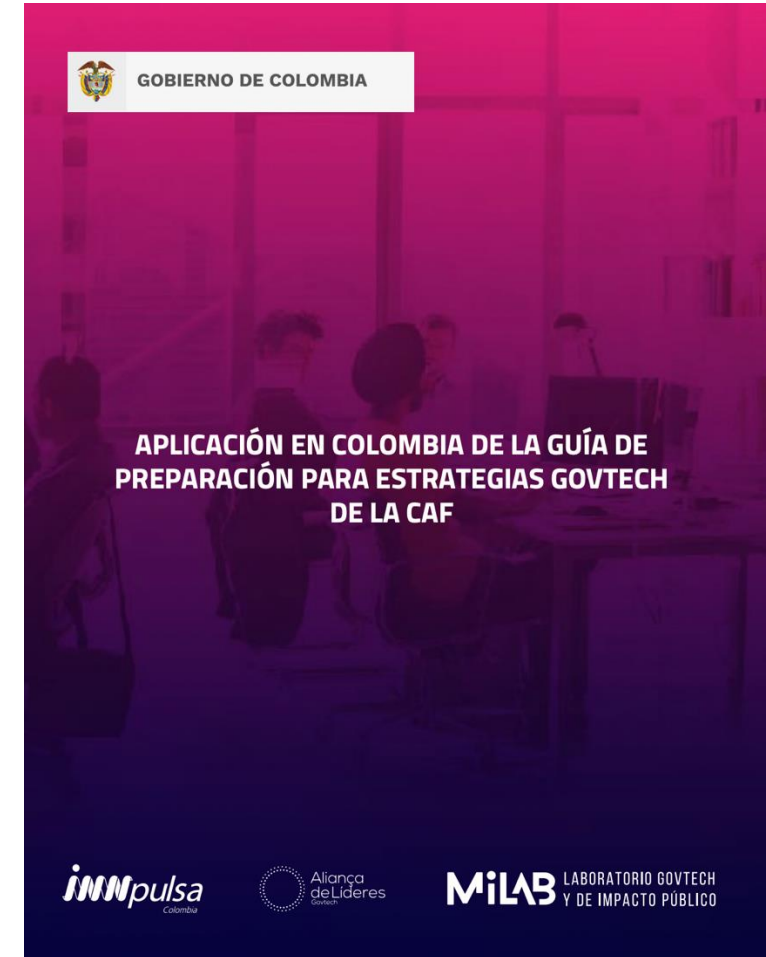
**Hacia la  
construcción de una  
infraestructura  
pública digital en  
América Latina  
y Caribe**

# ARTIFICIAL INTELLIGENCE (AI)

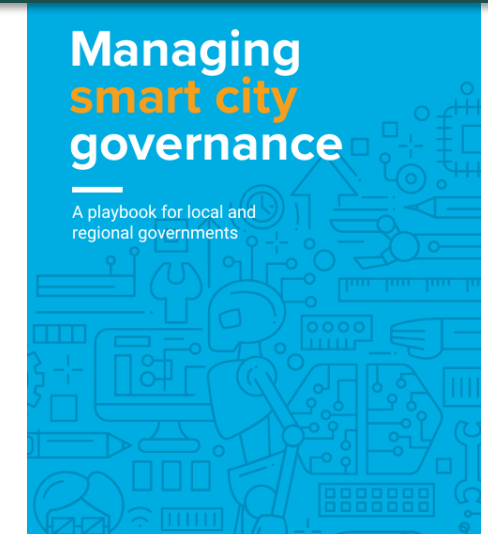




# DIGITAL ECONOMY



# SMART & GREEN CITIES





## The advancement of digitalization in the LAC region is based on seven major challenges

1. Addressing coverage, access, and affordability gaps through comprehensive digital inclusion initiatives
2. Increase investment in digital infrastructure to accommodate the growing traffic generated by the use of technologies and to support high-speed networks
3. Addressing the human capital gap, both in terms of basic training and in generating a critical mass of researchers and software developers in advanced technologies such as artificial intelligence and virtual reality
4. Accelerate the rate of innovation of the region 's firms and governments by increasing public and, primarily, private investment in R&D to reach critical mass levels.
5. Promote the digital transformation of production processes, especially in the SME sector
6. Promote digital transformation processes in the State by harnessing the potential of emerging technologies, data, and public innovation.
7. Develop the circular economy and positive biodiversity through the use of digital technologies that contribute to CAF's Green Agenda

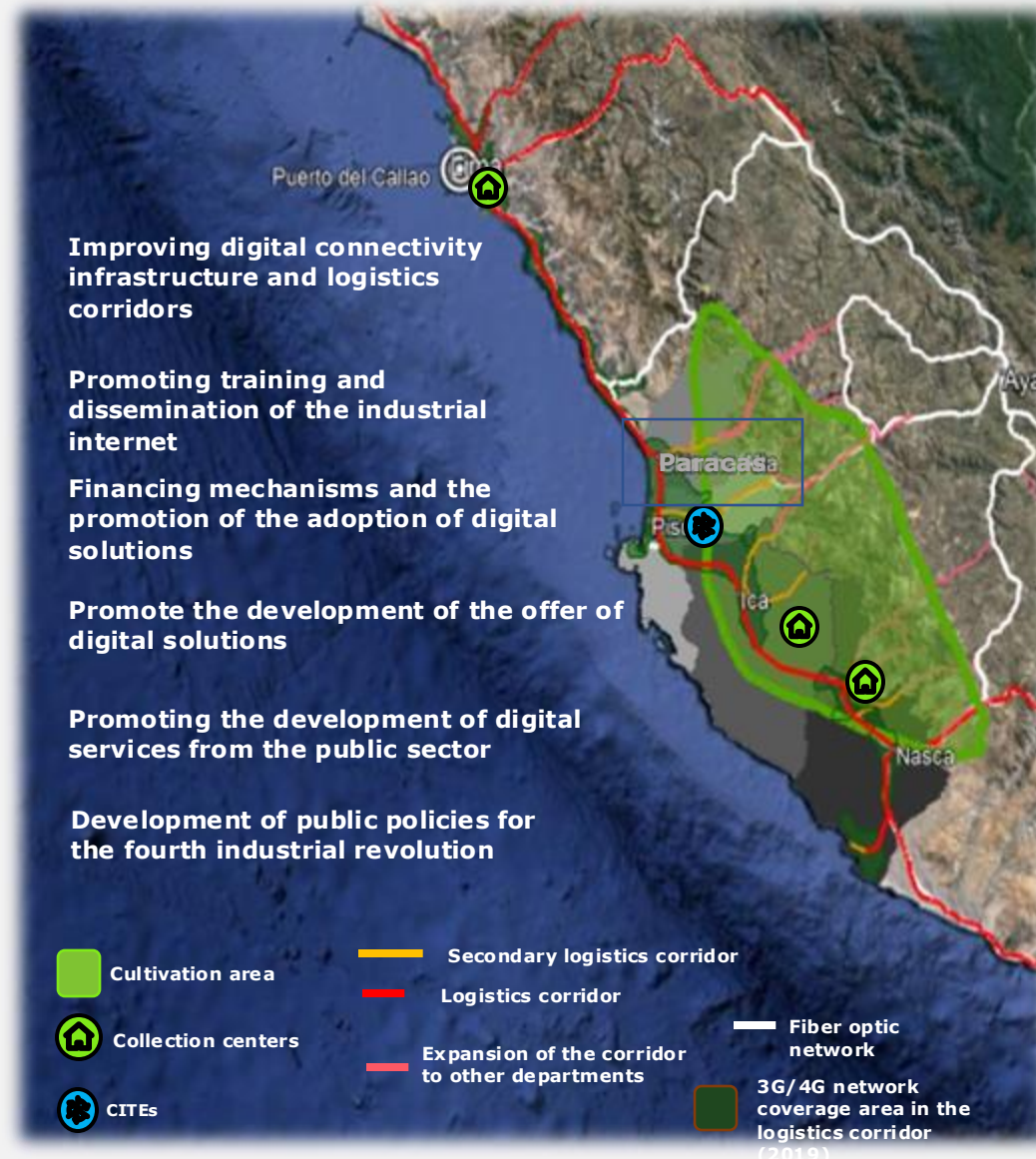
4

Some of our Projects are...





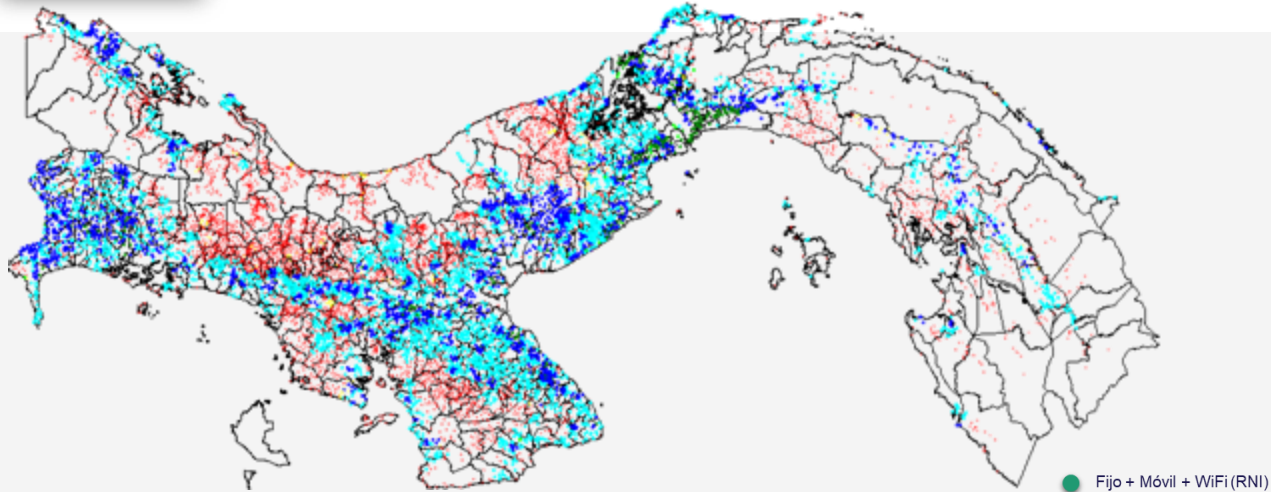
# Roadmap applied to the economy, government, and digital inclusion – agro-industrial chain of ICA, Peru





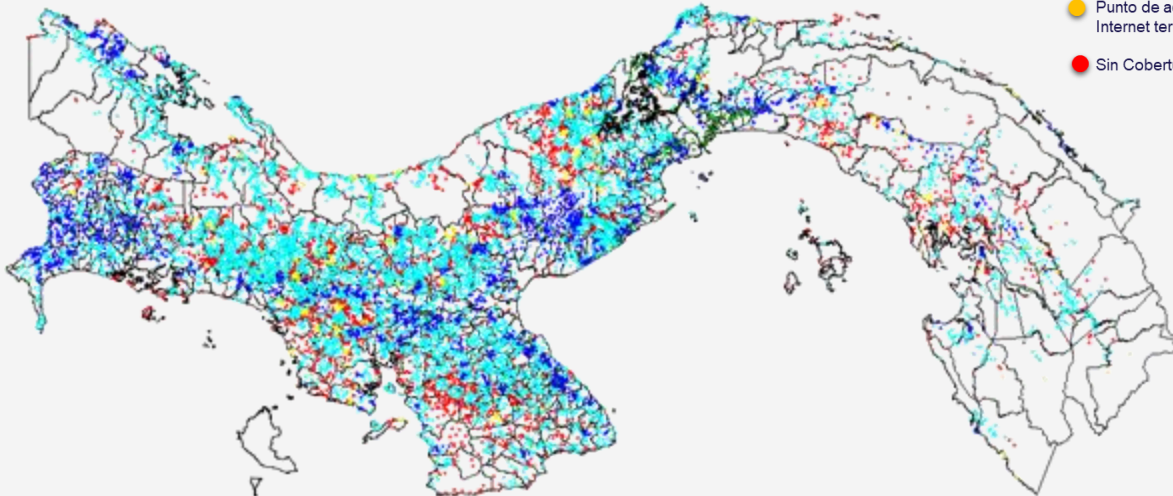
# Panama 100% Digital – increasing coverage from 92% to 98% of the population

Current Situation (2021)



- Fijo + Móvil + WiFi (RNI)
- Fijo + Móvil
- Móvil + WiFi (RNI)
- Móvil
- WiFi (RNI)\*
- Punto de acceso a Internet terrestre cerca
- Sin Cobertura

Projected situation with project implementation



**Education**



**Health**



**Digital government**



**Financial Services**



**Strengthening tourism**



**Innovation**





# Santa Fe + Connected Digital Inclusion and Educational Transformation Program

## Extensión de la Red Provincial de Datos

3.400 km Fibra Óptica  
Conectividad de 365 localidades y al 100%  
de barrios populares – Rosario y Santa Fe  
32 Nodos de Conexión

## Modernización de la infraestructura del sistema educativo provincial

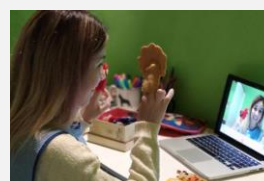
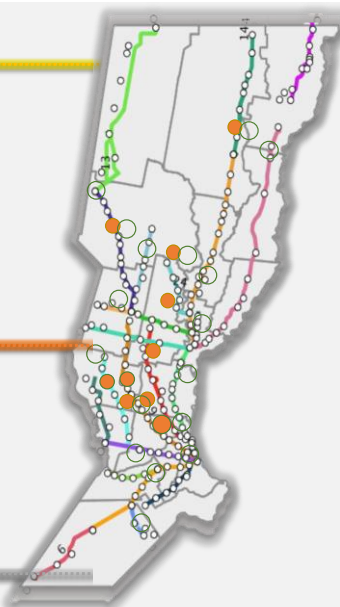
Construcción y equipamiento de 17 jardines de  
infantes, 7 escuelas primarias y 17 escuelas  
secundarias

## Construcción y equipamiento de laboratorios de fabricación digital "Fablabs"

15 FabLabs

## Desarrollo de habilidades y competencias para la apropiación y transformación digital

Capacitación docente digital  
Mejora Gobernanza Provincial



Inclusión  
digital

Transformación  
educativa

Reducción brechas  
tecnológicas

## CAF Additionality

1

**Optimization of  
projects and network  
operating scheme**



2

**Synergies between  
the Public Energy**



3

**Applied knowledge**







# SALVADOR SMART CITY:

## 1- Accompany the Development of the Technology Master Plan based on a deep diagnosis of ISO dimensions



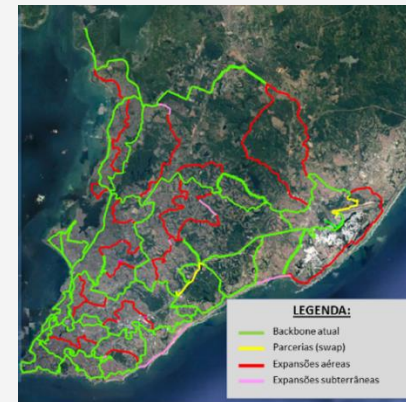
## 2- Metropolitan FO network

- 40 Gbps
- Flexible and scalable topology
  - 1,000 EDPs connected
  - 1,000 Wi-Fi hotspots
  - Connectivity to islands

## 3- Urban Cloud:

- Scalable
- Tier III Data Centers
- AI Data Lab and Cybersecurity

## 4- Governance / Institutionalility



### CAF Additionality:

- ✓ Support in the structuring/priority axes of intervention.
- ✓ Close monitoring of the development of the diagnosis and technical, economic, and governance recommendations for the projects to be implemented.
- ✓ Comprehensive systematization of the process. A benchmark for potential projects in Brazil and the region.



# Support for the National Digital Transformation Policy of the State of Colombia



Promoción del uso estratégico de **datos e inteligencia artificial** (DAPRE, DNP, MinTIC)



Apoyo a la política de **mejora regulatoria** (DNP)



Fortalecimiento del **ecosistema GovTech** (Innpulsa – MiLab)



Creación de la plataforma de **analítica de redes para detectar riesgos de corrupción** (Secretaría de Transparencia)



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**CAF** BANCO DE DESARROLLO  
DE AMÉRICA LATINA  
Y EL CARIBE

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