

Statement by the Honorable Satsuki Katayama
Finance Minister of Japan and IDB Governor for Japan

**At the 66th Annual Meeting of the Inter-American Development Bank and
the 40th Annual Meeting of the Inter-American Investment Corporation**

Asuncion, Republic of Paraguay, March 14, 2026

1. Introduction

Mr. Chairperson, Mr. President, distinguished Governors, ladies, and gentlemen.

On behalf of the Government of Japan, I wish to express my sincere appreciation to the Government of the Republic of Paraguay for its dedicated efforts in hosting the 66th Annual Meeting of the Inter-American Development Bank (IDB) and the 40th Annual Meeting of the Inter-American Investment Corporation, or IDB Invest.

2. The role of the IDB Group and its response to development challenges

Latin America and the Caribbean (LAC) region is home to approximately 660 million people and includes many high- and middle-income countries. The region serves as a globally significant supplier of food, critical minerals, and other key resources. While the region's economic growth has remained stable at around 2% in recent years, it continues to face long-standing industrial structural challenges, including dependence on primary commodities and persistent economic inequality. To achieve more robust and sustainable growth amid geopolitical tensions and global challenges such as extreme weather events, LAC economies must enhance their economic resilience by transitioning to high value-added industries, reconfiguring supply chains, building greater capacity for disaster risk preparedness and improving infrastructure.

In addressing these challenges, the IDB Group, the largest international finance institution in the region, plays an increasingly vital role in supporting sustainable development. We welcome the significant expansion of the IDB Group's operations in 2025 and commend the steady progress of its reform agenda under President Goldfajn's strong leadership. We also look forward to further reforms including procurement, as well as continued efforts to enhance the quality of the Group's operations.

Japan fully supports the IDB Group's initiatives to promote private-sector development. In

August 2025, Japan deposited its Instrument of Subscription for the Third General Capital Increase of IDB Invest to strengthen the capital base. Furthermore, in December 2025, Japan deposited its Instrument of Contribution for the Fourth Replenishment of the Multilateral Investment Fund (MIF IV), which we are pleased to note enabled its entry into force. Japan will continue to actively support private-sector development in the LAC region through IDB Invest and IDB Lab.

3. Collaboration between the IDB Group and Japan

This year marks the 50th anniversary of Japan's membership in the IDB. Over the past decades, Japan has promoted the collaboration with the IDB Group, the Japan International Cooperation Agency (JICA), and the Japan Bank for International Cooperation (JBIC) to address development challenges and support private-sector growth in the LAC region. These efforts culminated in CORE (Cooperation for Economic Recovery and Social Inclusion), a co-financing framework between the IDB Group and JICA; TADAC (Trust Fund Achieving Development of Latin America and the Caribbean), a trust fund established at IDB Invest; TSUBASA (Transformational Start Ups' Business Acceleration for the SDGs Agenda), a start-up initiative jointly implemented by IDB Lab and JICA. JBIC has also collaborated closely with the IDB Group through various co-financing arrangements.

To commemorate this 50-year partnership, Japan will pursue deeper cooperation with the IDB Group in three pillars:

First, in order to contribute to strengthening resilience in the LAC region, Japan will newly establish the Japan Resilience Initiative (JRI) under Japan Special Fund at the IDB, with a contribution of USD 20 million. The LAC region, endowed with abundant mineral resources, is a critical region for the world in ensuring the stable global supply of critical minerals. At the same time, however, the region faces a range of emerging social challenges, including insufficient preparedness for recurrent natural disasters and the rapid aging of its population in the years ahead.

Japan has accumulated valuable knowledge and expertise through institutional reforms based on trial and error in addressing social challenges such as disaster risk management and aging-related social systems. The JRI will focus on critical minerals, quality infrastructure, disaster risk reduction, the silver economy, and agriculture. In particular, it will seek the enhancement of resilience in the LAC region, while creating synergies with IDB Group initiatives such as "LAC Minerals" newly launched at this year's Annual Meeting as the establishment of resilient critical mineral value chain requires collective efforts.

Second, the transition toward high value-added industries requires technological

innovation and increased investment. Japan will host a Business Forum in Tokyo in August 2026, with President Goldfajn in attendance, to further strengthen cooperation between Japan and the LAC region in terms of knowledge and technology and create new opportunities for collaboration among private-sector companies. From the perspective of promoting trade and investment between Japan and the LAC region, we welcome active participation by companies from the region. Furthermore, by enhancing the functions of the IDB Asia Office located in Tokyo, we expect the office to play an increasingly important role as a gateway for promoting trade and investment between the LAC region and Asia.

Third, Japan will continue to contribute to the IDB Group not only through financial resources but also by human resources and technical expertise. As the LAC region confronts increasingly diverse development challenges, it is important for the IDB Group to promote diversity throughout its staff at all levels. Japan's human resources, as well as the specialized knowledge and technologies possessed by Japanese enterprises, will make even greater contributions to the activities of the IDB Group and to the economic development of the LAC region.

4. Closing Remarks

This year also commemorates the 90th anniversary of Japanese migration to Republic of Paraguay, the host country for this Annual Meeting. Japan has built strong foundation of mutual trust with the LAC region over many decades, grounded in long-standing history of migration and exchange, despite the geographical distance between Japan and the LAC region. As the international community, including the LAC region, is facing heightened uncertainty, Japan strongly expects the IDB Group to continue playing a central role as an international development finance institution that supports sustainable and inclusive growth in the LAC region, serving as a bridge between regional and non-regional member countries. Japan, marking the 50th anniversary of its membership to the IDB, remains firmly committed to realizing the shared prosperity with the LAC region by strengthening the partnership with the IDB Group, supporting the development of a more sustainable and resilient regional economy, and deepening economic ties between Japan and the LAC region.