



La Paz, August 9, 2013  
**BCB-APEC-SIE-CE-2013-72**

Mr. Santiago Levy Algazi  
**Vice President for Sectors and Knowledge**  
**Inter-American Development Bank**  
1300 New York Av., NW  
Washington DC 20577

Dear Mr. Levy:

As you are well aware, the aftermath of the global financial crisis has posed many policy challenges for South America, including increased uncertainty, volatility in commodity prices, and bouts of sudden stops and sudden floods of short-term capital. So far, the policies adopted by South American central banks have been successful in ensuring macroeconomic and financial stability in the region. Nevertheless, the volatile international scenario and intricate domestic and external policy dilemmas continue to pose challenges to monetary authorities.

In this complex situation posed by the state of the global economy and its spillover effects on emerging markets, many Central Banks of South America see a pressing need to strengthen their dialogue and policy cooperation to face these common challenges. A core group of interested Central Banks (a group that can be naturally extended to other interested parties over time), is being established to enhance regional collaboration in order to exchange data and knowledge as well as enable coordinated policies discussion tailored to regional specificities.

Additionally, this group aspires to build a common research and knowledge dissemination agenda to promote the development of studies on key themes, deepening central banks' understanding of similar and evolving challenges and contributing to develop common positions in international forums. Finally, it envisages the possibility to share knowhow and best practices by means of technical cooperation in order to help central banks on many of their specific responsibilities. In addition, the Central Bank of Bolivia considers as an



important issue that participation of all Central Banks also includes the design of the agenda which will include the topics of importance that will be subsequently developed in the framework of the technical cooperation.

The group has been therefore reflecting for the last months with the Inter-American Development Bank (IDB) on a regional technical cooperation project to be submitted for consideration under the Initiative for the Promotion of Regional Public Goods. We would like to reaffirm that this regional technical cooperation project named "Financial Stability and Development Group" being proposed for financing under the Initiative for the Promotion of Regional Public Goods is very important for us. The Central Bank of Bolivia is committed to fully support this project upon its approval by the IDB with an active participation. To that end, the Central Bank of Bolivia will commit human resources to support the realization of studies, policy research, organization and participation in workshops and other meetings, and realization of outreach and technical assistance activities.

As a member of the core Group, the Central Bank of Bolivia would like to request the technical and financial support of the Inter-American Development Bank in this endeavor. Given the Bank's experience in managing international networks, the fruitful results of collaboration in recent seminars and training activities supported by the IDB that are well aligned with the objectives of the Group, and its role as an independent and neutral institution to ensure that ideas and initiatives from all members of the Group will be taken into consideration, we request that this technical cooperation be led and executed by the Bank.

Sincerely Yours,

  
MARCELO ZABALAGA ESTRADA  
PRESIDENTE a.i.  
BANCO CENTRAL DE BOLIVIA

c.c.: Arch.  
RMP/CGR/mcmr

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2013 Año Internacional

Ofício 699/2013-BCB/Presi

São Paulo, August 8<sup>th</sup>, 2013.

Mr. Santiago Levy Algazi  
Vice President for Sectors and Knowledge  
Inter-American Development Bank  
1300 New York Av., NW  
Washington DC 20577

Dear Mr. Levy,

As you are well aware, the aftermath of the global financial crisis has posed many policy challenges for South America, including increased uncertainty, volatility in commodity prices, and bouts of sudden stops and sudden floods of short-term capital. So far, the policies adopted by South American central banks have been successful in ensuring macroeconomic and financial stability in the region. Nevertheless, the volatile international scenario and intricate domestic and external policy dilemmas continue to pose challenges to monetary authorities.

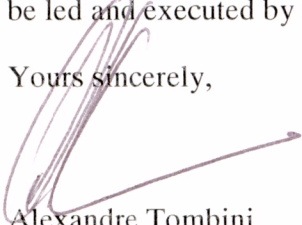
In this complex situation posed by the state of the global economy and its spillover effects on emerging markets, many Central Banks of South America see a pressing need to strengthen their dialogue and policy cooperation to face these common challenges. A core group of interested Central Banks (a group that can be naturally extended to other interested parties over time), is being established to enhance regional collaboration in order to exchange data and knowledge as well as enable coordinated policy discussion tailored to regional specificities. Additionally, this group aspires to build a common research and knowledge dissemination agenda to promote the development of studies on key themes, deepening central banks' understanding of similar and evolving challenges and contributing to develop common positions in international forums. Finally, it envisages the possibility to share knowhow and best practices by means of technical cooperation in order to help central banks on many of their specific responsibilities.

The group has been therefore reflecting for the last months with the Inter-American Development Bank (IDB) on a regional technical cooperation project to be submitted for consideration under the Initiative for the Promotion of Regional Public Goods. We would like to reaffirm that this regional technical cooperation project named "Financial Stability and Development Group" being proposed for financing under the Initiative for the Promotion of Regional Public Goods is very important for

us. The Central Bank of Brazil is committed to fully support this project upon its approval by the IDB with an active participation. To that end, the Central Bank of Brazil will commit human resources to support the elaboration of studies and policy research, organization and participation in workshops and other meetings, and realization of outreach and technical assistance activities.

As a member of the core Group, the Central Bank of Brazil would like to request the technical and financial support of the Inter-American Development Bank in this endeavor. Given the Bank's experience in managing international networks, the fruitful results of collaboration in recent seminars and training activities supported by the IDB that are well aligned with the objectives of the Group, and its role as an independent and neutral institution to ensure that ideas and initiatives from all members of the Group will be taken into consideration, we request that this technical cooperation be led and executed by the Bank.

Yours sincerely,



Alexandre Tombini  
Governor





# *Banco de la República* *Colombia*

GG- 18698  
August 14, 2013

Mr. **SANTIAGO LEVY ALGAZI**  
Vice President for Sectors and Knowledge  
Inter-American Development Bank  
1300 New York Av., NW  
Washington DC 20577

Dear Mr. Levy,

The aftermath of the global financial crisis has presented many policy challenges for South America. While central banks in the region have been successful in ensuring macroeconomic and financial stability thus far, monetary authorities currently face a volatile international scenario and share common domestic challenges. In this light, a group of interested central banks is being established to enhance regional collaboration in order to exchange data and knowledge as well as enable coordinated policy discussions tailored to regional specificities. It also aspires to build a common research agenda and envisages the possibility of sharing knowhow and best practices in order to help central banks on many of their specific responsibilities.

The group has been reflecting with the IDB on a regional technical cooperation project named "Financial Stability and Development Group" to be submitted for consideration under the Initiative for the Promotion of Regional Public Goods. As a member of the group, the Banco de la República de Colombia would like to reiterate this interest and kindly request the technical and financial support of the IDB in this endeavor. We are certain that the IDB's experience in managing international networks, the fruitful results of collaboration in recent seminars and training activities, and its role as an independent and neutral institution, will ensure the group's success.

At Banco de la República de Colombia we are fully committed to supporting the group upon its approval by the IDB. To that end we will pledge human resources for economic policy research, organization and participation in workshops and other meetings, and outreach and technical assistance activities that aim to improve collaboration among the region's central banks and further insure macroeconomic and financial stability.

Sincerely,

  
**JOSÉ DARÍO URIBE E.**  
Governor

**BANCO CENTRAL DE RESERVA DEL PERU**

PRESIDENCIA

Oficio No. 022 -2013-BCRP

Lima, March 19, 2013

Mr. José Juan Ruiz  
Manager and Chief Economist  
Research Department  
Inter-American Development Bank (IDB)  
Washington, D.C.

Dear Mr. Ruiz,

I would like to draw your attention to an ongoing initiative to create a Cooperation Network of South American Central Banks. The network aims at establishing a platform to facilitate an exchange of information between South American monetary authorities and promote joint technical cooperation, research, and training initiatives.

The network builds on existing institutions, especially the regular meetings of central bank governors. Its proposed activities include a periodic exchange of policy views and macro-financial information; a joint research agenda; a policy forum to discuss common challenges (including steps to enhance financial integration in South America); and a technical cooperation and training program to upgrade staff skills.

As a participating institution, the Central Reserve Bank of Peru (BCRP) requests the IDB to act as technical secretariat to the network, given its experience in playing this role for other similar initiatives; and to provide the network with financial and technical support. Given the sensitive nature of the issues the network intends to address, and the diversity of views across participating central banks, we call upon the IDB to play the role of honest broker of national interests and monitor the use of its assistance.

I strongly believe IDB assistance will be key to the success of the network.

Sincerely yours,



**Julio Velarde**  
Governor

# *Banco Central del Uruguay*

July 23, 2013

Mr. Santiago Levy Algazi  
Vice President for Sectors and Knowledge  
Inter-American Development Bank  
[slevy@iadb.org](mailto:slevy@iadb.org)  
1300 New York Av., NW  
Washington DC 20577

Dear Mr. Levy,

As you are well aware, the aftermath of the global financial crisis has posed many policy challenges for South America, including increased uncertainty, volatility in commodity prices, and bouts of sudden stops and sudden floods of short-term capital. So far, the policies adopted by South American central banks have been successful in ensuring macroeconomic and financial stability in the region. Nevertheless, the volatile international scenario and intricate domestic and external policy dilemmas continue to pose challenges to monetary authorities.

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As a member of the core Group, the Central Bank of Uruguay would like to request the technical and financial support of the Inter-American Development Bank in this endeavor.

## *Banco Central del Uruguay*

Given the Bank's experience in managing international networks, the fruitful results of collaboration in recent seminars and training activities supported by the IDB that are well aligned with the objectives of the Group, and its role as an independent and neutral institution to ensure that ideas and initiatives from all members of the Group will be taken into consideration, we request that this technical cooperation be led and executed by the Bank.

Sincerely Yours,



Mario Bergara  
Governor

Cc: Mr. Antoni Estevadeordal

Ss/mlp

