



BANCO CENTRAL DO BRASIL

Brasília, 25 de abril 2024.

Apontamentos do Presidente do Banco Central do Brasil,

Roberto Campos Neto

para o evento de lançamento do

G20 TechSprint 2024

Suggested Intervention

Introduction

- Ladies and gentlemen, distinguished entrepreneurs, my dear colleagues from the G20, as well as colleagues from the Bank of International Settlements (BIS), Inter-American Development Bank (IDB), Comissão de Valores Mobiliários (CVM), other international organizations, and,
 - My fellow colleagues from the Banco Central do Brasil (BCB) and the Brazilian government.
- It is a pleasure to speak to you today at the launch of this noteworthy G20 event.
- The TechSprint is a joint initiative between the G20 Presidency and the BIS.
 - I would like to thank the BIS Innovation Hub (BISIH), which organized this event with the BCB.
 - I would also like to thank the IDB, IDB Lab and Fenabac for their support to this initiative.
- During Brazil's G20 presidency, this fifth edition of TechSprint reaffirms:
 - Brazil's and the BCB's commitment to the sustainability agenda, and
 - Our goal to foster financial innovations that can positively transform our reality.
- The motto of the G20 Brazilian presidency and the priorities of the G20 Sustainable Finance Working Group (SFWG) are reflected in the problem statements that were drafted for this edition of the Techsprint.
 - The problem statements will be discussed in more detail during the panel.

Importance of this agenda for central banks

- In a world facing unprecedented climatic, environmental, and social challenges, the role of sustainable finance is essential to mobilize the required funds for a new and more sustainable economy.

- In the case of central banks, this agenda is important because sustainability-related issues have the potential to affect their two main missions:
 - The monetary policy and the financial stability.
 - For instance, heat waves, frosts, droughts, and other climate events can affect food and energy prices, with significant impacts on inflation, and pose challenges for the soundness of the financial system.
- In the long term, these shocks can also have lasting effects.
 - Affecting productivity and long-term economic growth.

Brazil's and BCB's Initiatives towards sustainability and innovative technology

Agenda BC#

- The BCB has long known the importance of sustainability.
- In September 2020, the BCB launched the Sustainability dimension of its Strategic Agenda, known as Agenda BC#, with a set of concrete measures and objectives.
- Since then, we have already implemented, within our mandate, a broad set of actions, with concrete results.
 - These initiatives are constantly evolving.
 - It is worth mentioning recent developments and new actions.

Green Bureau

- One of the BCB's most important ongoing actions is the Green Bureau.
 - This initiative seeks to define sustainability criteria applicable to rural credit concessions, which allow the identification of rural credit operations that have social, environmental, or climatic characteristics.
 - Making it possible to grant additional resources to finance sustainable projects.

Intermediation of FX hedge for sustainable infrastructure projects

- The BCB is also taking part in some initiatives included in the Ecological Transformation Plan, launched by the federal government.
 - As part of the actions, the BCB recently signed an agreement with the IDB, aiming at providing foreign exchange hedge for investments in sustainable infrastructure projects in Brazil.
 - The BCB will act as an intermediary agent for FX hedge instruments between the IDB and local financial institutions, which will channel them to projects that promote the ecological transition.

Brazilian Sustainable Taxonomy

- Other important current action of this Plan involving the BCB is the development of the Brazilian Sustainable Taxonomy.
 - This taxonomy will allow the mobilization of public and private financing and investments towards economic activities with positive environmental, climate and social impacts.

The disclosure of ESG information by financial institutions

- The disclosure of climate and socio-environmental information by financial institutions, which is mandatory in Brazil, is another important ongoing work at the BCB.
 - In late March, the BCB launched a public consultation aimed at improving the regulation on disclosures of information, incorporating quantitative aspects.

Technology and Financial Inclusion

- In our agenda of initiatives, technology has played a strategic role.
- Our instant payments system, PIX, for instance, has been instrumental for financial inclusion.
 - We are reaching almost 200 million transactions per day for a population of 115 million with bank accounts.

- We are confident that Open Finance initiative, with instant comparability and portability, will also transform the financial system.
- We are also developing the infrastructure for our digital currency, Drex, which will bring benefits in 3 dimensions:
 - First, our model aims to move towards a tokenized economy.
 - Second, it will increase the efficiency of financial intermediation.
 - Third, there will be improvements in the contract registration process.
- In this context, our aim is that the Techsprint 2024 explores the potential of innovative technologies to significantly scale up sustainable finance solutions.
- In this edition, the TechSprint will seek out technological solutions to improve the trading of green assets and make them available to a broader base of investors.

Conclusion

- To conclude, I want to reaffirm that TechSprint is a global platform offering a unique opportunity for productive partnerships between:
 - The public and private sectors, as well as
 - Regulators, innovators, academia, civil society, government, and the market.
- On behalf of Brazil and the BCB, I am honored to welcome and encourage participation from the global community of experts in this endeavor, thereby making a positive impact on the financial world.
- Participants will have the chance to work with individuals from diverse backgrounds and with different experiences, skillsets, and perspectives.
- I invite you all to join this global hackathon, bringing your skills, creativity, and passion to the table, and to work with us to create a positive change.
- I am confident that you will provide transformative innovative solutions that will go a long way in changing the course of the financial system, making it more inclusive and sustainable.

- Thank you!