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IFAD establishes a Regional Office in Panama City, Panama

by *Alvaro Lario*

I am pleased to announce that Panama City has been selected as the location for IFAD's regional office in the Latin America and the Caribbean region (LAC). This marks a historic milestone in both our decentralization journey and our organizational presence in LAC.

Establishing IFAD's first-ever regional office in LAC will strengthen our presence and impact in the region, fostering stronger partnerships and driving meaningful change. With a regional office presence, we will be able to further enhance efficiency, foster closer coordination among LAC country offices, and bridge time differences. This will enable us to better serve our valued clients, including governments and rural populations, in the region.

We express our sincere appreciation to the four Member States that expressed interest in hosting the LAC RO. Our decision was reached after careful consideration of various factors, including internal and external assessments, as well as comprehensiveness of detailed proposals provided.

Panama City was chosen as the location for the LAC regional office given its strategic importance as host to a number of international financial institutions (IFIs) and 18 regional/sub-regional offices of other United Nations entities. In addition, Panama's robust financial sector could serve as leverage for attracting private sector financing and partnerships.

The LAC regional office holds strategic importance as it serves the entire LAC region, including small island developing states. In addition, the regional office will function as the operational hub for five Country Directors (CDs) and their teams. They will oversee IFAD's investments not only in Panama, but also in other countries, such as Belize, Costa Rica, Cuba, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Mexico and Nicaragua, as well as the wider Caribbean region. IFAD's recent accreditation to mobilize climate funds has created a new and potentially growing area for collaboration between Panama and IFAD in the future.

After careful consideration, we have decided to adopt a single regional office structure, while retaining the current multi-country office (MCO) set-up in Peru, the CD-led office in Brazil, and Country Programme Coordinator-led office in Haiti. We plan to transition the Haiti office back to a CD-led model when conditions allow.

- The Peru office will continue to have a vital presence in the region. It will continue to cover Argentina, Bolivia, Chile, Colombia, Ecuador, Paraguay, Peru, Venezuela and Uruguay, allowing us to foster strong member and client relationships and effectively reach rural communities in those countries.
- The office in Brazil will focus on South-South and Triangular Cooperation (SSTC) as the IFAD SSTC Center in LAC, as well as the large country programme in Brazil.

Both offices will play a pivotal role in securing additional funding and expanding our outreach efforts, maximizing the impact of IFAD-financed agricultural and rural development investments on the ground.

Led by the Regional Director, the regional office in Panama will serve as a strategic nexus, uniting IFAD staff from diverse departments. By optimizing our resources and strategic responses, we can address regional challenges and champion rural policy priorities like never before.

A tentative timeline for the establishment of the regional office has been set between the end of 2024 and early 2025. In line with the established regional office model, this office will eventually house the LAC Regional and Country Teams along with relevant communication, administrative, technical and financial management staff functions mapped to the LAC region.

During this transition, the welfare of our staff remains of utmost importance. Together with the D2.0 Executive Sponsors, we will prioritize careful planning and close communication with the affected staff. We are fully committed to supporting and guiding our teams through the upcoming changes.