**S&P upgrades CAF's rating to AA, its highest rating in its history**

*CAF received the highest credit rating in its history from S&P Global Ratings (S&P), thanks to the strengthening of its presence in Latin America and the Caribbean, the commitment of its shareholders with a historic capitalization, the incorporation of new full members and its financial strength, said the rating agency in its report.*

(Caracas, May 29, 2023). S&P Global Ratings (S&P) upgraded the long-term credit rating of CAF -development bank of Latin America- from AA- to AA, with a Stable outlook. In this way, CAF achieves the best credit rating in its history with S&P, Fitch Ratings, Moody's Investors Service and Japan Credit Rating (JCR), which consolidates the Institution's track record and financial management and will allow it to provide better conditions for all its shareholders, contributing to the development and integration of its member countries.

In its report, S&P highlighted the commitment of CAF's shareholder countries to strengthen the institution's equity with a USD 7 billion capital increase, the largest in its history, and noted that the stable outlook indicates its expectation that CAF will continue to support member countries and consolidate its presence in the region, while managing its capital prudently.

"The upgrade is based on our expectation that CAF will continue to strengthen its position in Latin America and the Caribbean, thanks to its most recent capital increase. We also expect CAF to benefit from increased support from existing members and the addition of new member countries in recent years," S&P said in a press release.

CAF's executive president, Sergio Diaz-Granados, noted: "We continue to consolidate the financial strength of Latin America's main asset, which is CAF. This rating upgrade by S&P is good news for all Latin Americans and Caribbean people, who will be able to access better financing conditions to promote social programs and strategic projects that will improve their quality of life.

In its report, S&P highlighted the institution's financial strength reflected in its liquidity levels, as well as its robust and diversified funding profile. In addition, it expects CAF's capital position to remain resilient despite vulnerabilities in the region, as balance sheet growth will be accompanied by paid-in capital.

For more than three decades, CAF has pursued a strategy of diversifying its sources of financing through an uninterrupted presence in global capital markets, which has placed it in a privileged position internationally. The multilateral promotes sustainable development and regional integration through the efficient mobilization of resources for the timely provision of multiple, high value-added financial services to public and private sector clients in shareholder countries.

The mission of CAF, Development Bank of Latin America, is to promote sustainable development and regional integration by means of financing projects in the public and private sectors, providing technical cooperation, and other specialized services. Created in 1970, it is made up of 20 countries, 18 Latin American and Caribbean, together with Spain and Portugal, and 13 private banks, it is one of the main sources of multilateral financing and an important generator of knowledge for the region. More information in [www.caf.com](http://www.caf.com/)

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