



# Partnering for Impact

**2024 PARTNERSHIP REPORT**



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# About the IDB

Together, the Inter-American Development Bank (IDB), IDB Invest (the commercial name of the Inter-American Investment Corporation, IIC) and IDB Lab (the commercial name of the Multilateral Investment Fund, which is administered by the IDB) are devoted to improving lives in Latin America and the Caribbean.

Founded in 1959, the IDB is the world's oldest and largest regional, multilateral development bank. It serves as the main source of multilateral financing for economic, social, and institutional development for the region.

The mission of IDB Invest is to promote economic development in the region through the private sector. It supports private-sector and state-owned enterprises through loans, equity investments and guarantees. IDB Invest also partners with clients to provide advisory and training services.

IDB Lab is IDB's innovation and venture capital arm. It supports entrepreneurship and new technologies by providing financing, knowledge, and connections to drive market-led solutions for development challenges in the region.

The IDB's financial resources come from its 48 member countries and from borrowing in financial markets, trust funds that it administers, and co-financing ventures. Its debt rating is AAA, the highest available.

The IDB is headquartered in Washington, D.C. and has offices in its 26 member countries in Latin America and the Caribbean, as well as in Madrid and Tokyo.

## IDB Member Countries

Argentina, Austria, The Bahamas, Barbados, Belgium, Belize, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Croatia, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Guyana, Haiti, Honduras, Israel, Italy, Jamaica, Japan, Republic of Korea, Mexico, Netherlands, Nicaragua, Norway, Panama, Paraguay, Peru, Portugal, Slovenia, Spain, Suriname, Sweden, Switzerland, Trinidad and Tobago, United Kingdom, United States, Uruguay, and Venezuela









# Message from the President

2024 was a landmark year for the IDB, as our Governors approved three transformational reforms to build an IDB with greater impact and scale. These historic changes included:

- **A new Institutional Strategy, IDBStrategy+, designed to modernize and guide our work.** It focuses on reducing poverty and inequality, addressing climate change, and bolstering regional economic growth.
- **A new industry-leading business model and a \$3.5 billion capital increase for IDB Invest,** our private-sector arm, doubling our capacity to drive development through the private sector.
- **A more scalable, catalytic, and sustainable business model for IDB Lab, our innovation laboratory and venture capital arm, with \$400 million in additional resources.** This will enable us to deploy 2.5 times this amount over a seven-year period, helping entrepreneurs and startups address key development challenges.

The Bank calls the sum of these changes IDBImpact+, and in 2024, we made significant progress in implementing these reforms through new initiatives. However, regional and global challenges are too big to tackle alone. We need more committed partners like you, with whom we have built a remarkable track record of collaboration.

In the following pages, we will highlight the areas where we have worked with our partners to develop innovative financial instruments — and where our efforts will continue to grow. These include:

- ➔ **A risk-transfer mechanism with the Swedish International Development Agency (Sida):** This initiative will unlock additional funding for the *Amazonia Forever* program.
- ➔ **A collaboration with the European Investment Bank (EIB) and the Green Climate Fund (GCF):** Together, we are supporting the world's first global debt conversion focused on climate resilience, financing water and sewage infrastructure in Barbados.
- ➔ **Support for The Bahamas through The Nature Conservancy's (TNC) Nature Bonds program:** This initiative will help launch the *Debt Conversion Project for Marine Conservation*, projected to generate approximately \$124 million in savings for marine conservation over the next 15 years.

This is just a sample of the many examples we have of collaboration with our partners to enhance our scale and impact.

Regional integration remains at the core of our mission, and in 2024, the IDB advanced its flagship regional initiatives such as BID for the Americas, Amazonia Forever, ONE Caribbean, América en el Centro, South Connection, and the Alliance for Security, Justice and Development reinforcing our commitment to collaborating with partners to promote cross-border cooperation and address shared challenges.

On the global stage, we have also strengthened our collaboration with other Multilateral Development Banks (MDBs) and key partners to advance shared development goals, solidifying our role as a bridge between the region and the world. As I like to say, this is like going from the Copa América to the World Cup — elevating the IDB's global visibility and placing Latin America and the Caribbean (LAC) at the center of the international arena.

As you will see in the following pages, with the support of our partners, the IDB can help solve global challenges, ignite a turning point in development, and improve lives in LAC and beyond.

Warm regards,

Ilan Goldfajn





# Executive Summary

In 2024, the IDB embarked on a transformation anchored in three historic changes: a new institutional strategy known as IDBStrategy+, a redesigned, industry-leading business model for IDB Invest, and a more scalable, catalytic, and sustainable model for IDB Lab. These reforms are guided by three overarching goals that frame the structure of this report: reducing poverty and inequality, addressing climate change, and bolstering sustainable regional growth across LAC.

The first section highlights efforts to reduce poverty and inequality through comprehensive, multisectoral solutions that promote inclusion and economic opportunity.

The second section focuses on collaborations with borrowing member countries, subnational governments, and the private sector to advance the transition to a resilient, nature-positive future.

The third section emphasizes long-term growth, showcasing investments in infrastructure, initiatives to boost private-sector-led productivity and innovation, efforts to deepen

regional integration, and actions to strengthen institutional capacity and the rule of law.

Another section outlines progress in innovating co-financing, including the development of framework agreements and strategic partnerships with institutions such as the Japan International Cooperation Agency (JICA), the French Development Agency (AFD), and the Export-Import Bank of Korea (KEXIM).

The final section highlights the IDB's global leadership. As Chair of the group of Heads of 10 major Multilateral Development Banks (MDBs) and the IMF, the Bank led efforts to foster a more integrated system centered on countries and people. A key outcome was the publication of the "Viewpoint Note: Working as a System for Impact and Scale." The report also underscores efforts to strengthen partnerships with other MDBs and UN agencies.

Overall, the 2024 Partnership Report illustrates how the IDB deepened its collaboration with a wide range of partners, reinforcing its position as the region's leading provider of multilateral development financing.



## The IDB's Three Historic, Transformative Changes to Support the Region

In March 2024, the Boards of Governors of the IDB and IDB Invest approved three transformative changes to enhance the institutions' impact and effectiveness in LAC. These changes, known collectively as **IDB Impact+**, focus on reducing poverty, addressing climate change, and promoting sustainable growth.

**IDB Strategy+** seeks to amplify the impact and scale of the Bank's work across its entities by pursuing the aforementioned three core objectives. The strategy includes upgraded lending tools, enhanced knowledge capacity, improved measurement frameworks, and a stronger focus on development effectiveness.

Meanwhile, **IDB Invest+** — the new vision and business model for IDB Invest — will enable the institution to shift from a traditional buy-and-hold approach to an originate-to-share strategy. This places mobilization and development impact at the center of each investment decision, ensuring that private investors are engaged from the start and throughout the

lifecycle of each project by sharing assets originally held by IDB Invest. To support this transition, the Board of Governors approved a \$3.5 billion capital increase, allowing IDB Invest to expand its annual resource mobilization from approximately \$8 billion to around \$19 billion.

Additionally, IDB Lab+ introduces a renewed business model for IDB Lab, backed by up to \$400 million in new resources. This will allow IDB Lab to mobilize 2.5 times that amount over a seven-year period — significantly increasing its capacity to support entrepreneurs and startups across the region.

Together, these changes underscore the IDB's renewed commitment to private-sector engagement. By fostering synergies across its three arms and deepening collaboration with other MDBs, the IDB is becoming a more agile and impactful institution — better equipped to help the region address its most pressing challenges and seize new opportunities for growth.



# Regional Integration: Developing Cross-Border Solutions to Complex Challenges

## ALLIANCE

FOR SECURITY, JUSTICE & DEVELOPMENT

### *Alliance for Security, Justice, and Development*

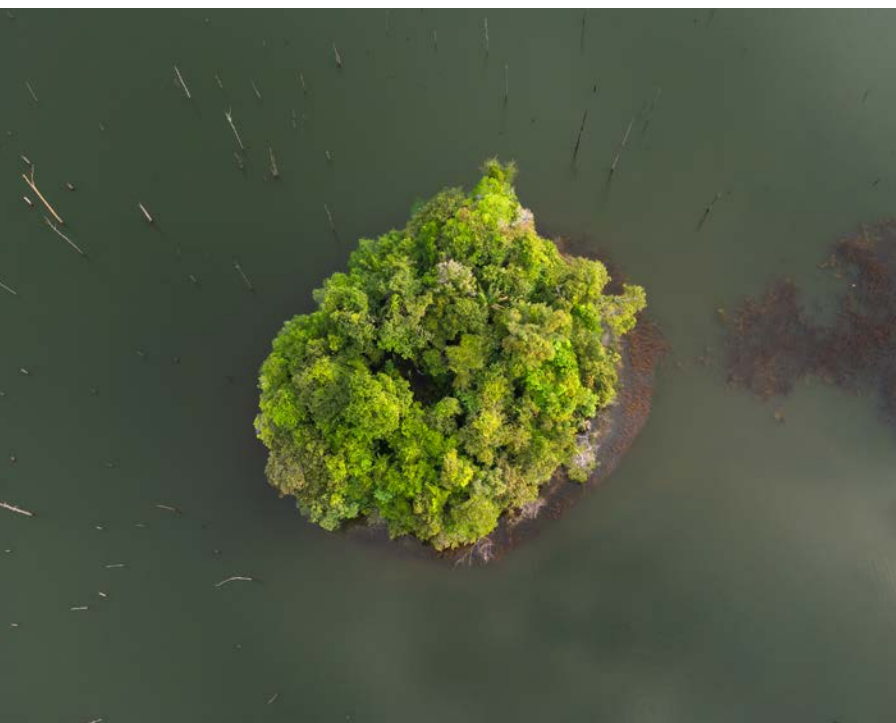
In August of 2024, the IDB proposed the creation of the **Alliance for Security, Justice, and Development** at the *Latin American Security Summit* in Ecuador. As a collective action platform for coordinating responses to organized crime, the Alliance will promote a common vision and the implementation of policies at the regional, subregional, and national levels.

The Alliance, which was formally launched in Barbados last December, will also promote knowledge-sharing and collective learning through high-level expert groups. It will leverage the IDB's expertise in addressing crime and violence and provide technical support to implement impactful policies.



### *BID for the Americas*

In 2024, the IDB continued implementing the Bank-wide **BID for the Americas** program, which fosters business opportunities and strengthens economic ties between 26 countries in LAC and companies from IDB non-borrowing member countries in North America, Europe, and Asia. The program is structured around three pillars — trade and investment, procurement, and co-financing. *BID for the Americas* was showcased through roadshows in cities such as Tokyo, New York, Los Angeles, Madrid, Rome, Houston, Austin, and Hamburg. These events connected IDB representatives with over 125 key private and public stakeholder groups — including chambers of commerce, business associations, development agencies, and government entities — engaging more than 1,100 external participants. The program was also featured at major North American events including the *Milken Global Conference* in Los Angeles, the *Concordia Summits* in New York and Miami, and the *Toronto Global Forum*.



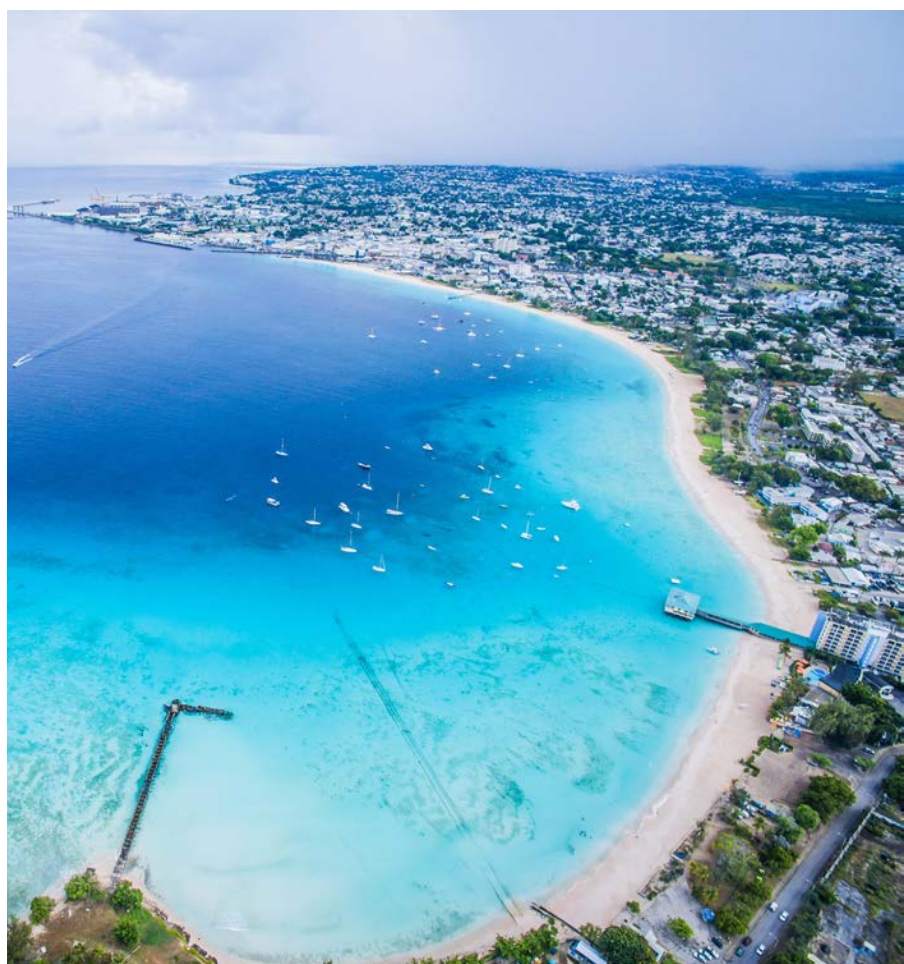
## Amazonia Forever

The IDB continued to strengthen **Amazonia Forever**, its comprehensive regional program launched in 2023 with the support of eight Amazonian countries. The initiative has enabled collaboration with a wide range of stakeholders, including MDBs such as the World Bank and the International Finance Corporation (IFC), indigenous organizations such as the Coordinator of Indigenous Organizations of the Amazon River Basin (COICA), political entities such as the Amazon Cooperation Treaty Organization (ACTO) and Amazonia Legal, and donor countries such as Sweden, Germany, and Italy, as well as public development banks and private financial institutions.

## ONE Caribbean

Last year, the IDB launched the **ONE Caribbean Regional Program**, a comprehensive initiative aimed at fostering a more resilient, secure, and prosperous Caribbean region. Developed in collaboration with IDB Invest and IDB Lab, this program is aligned with the IDB's new Institutional Strategy and focuses on the following priority areas: Resilience, Climate Adaptation, and Disaster Risk Management; Citizen Security, Sustainable Development through Private Sector Engagement, and Food Security.

In 2024, the IDB supported several initiatives under this program, including the expansion of innovative financial instruments, the development of harmonized energy standards, the enhancement of coordination and capacity in the water and sanitation sector, and the establishment of a regional cybersecurity rapid response mechanism.







## América en el Centro

In early 2024, governors from Panama, the Dominican Republic, and Central American countries expressed interest in establishing a regional program to address cross-border challenges. This initiative focuses on three main pillars: productivity and economic integration, climate resilience and adaptation, and social development for youth. In response, the IDB launched **América en el Centro**, a program designed to guide efforts in these areas over the next six years and create a platform for stakeholder collaboration.

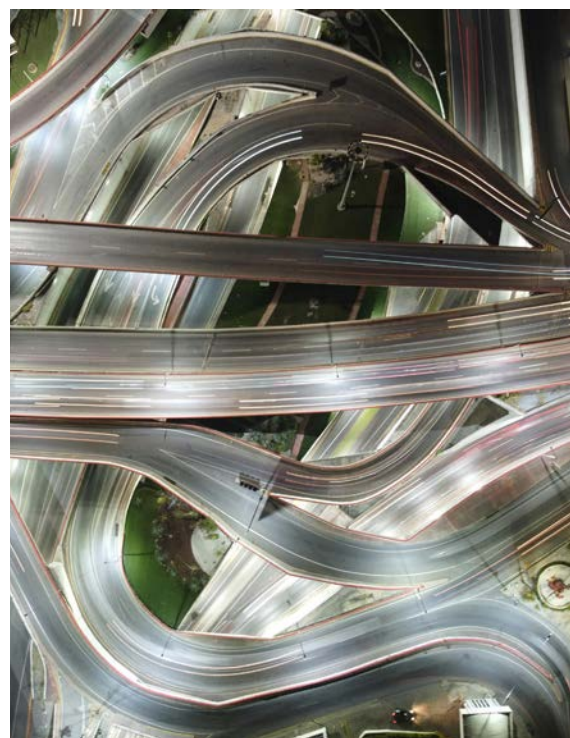
In October 2024, during an event at IDB headquarters in Washington, D.C., the finance ministers from these countries signed a joint declaration of support for the program. They committed to furthering its implementation by organizing working groups, fostering the exchange of best practices, and enabling resource mobilization.

## Integration Routes

The IDB made significant strides advancing the *South America Integration Routes Initiative*. Launched by Brazil in 2023, it promotes investment in infrastructure and regional integration with projects in areas including health, education, and environmental protection, with the goal of creating a sustainable development corridor that will foster growth through trade-related hardware, software, and local development initiatives.

In 2024, the Bank joined **CAF – Development Bank of Latin America and the Caribbean**, **FONPLATA** and **BNDES – Brazilian Development Bank** in a \$10 billion collective pledge to structure and finance strategic projects through this initiative. The IDB pledged to finance \$3.4 billion by 2026 in routes that will better connect South American economies.

In Paraguay, the IDB backed the government's work to improve logistics and deepen trade integration. In addition, the Bank is helping develop an Integration Routes Action Plan to highlight the initiative's value proposition for participating countries.



The featured regional programs listed on this page were joined in 2025 — prior to the publication of this report — by *Ready and Resilient Americas*, a regional impact program designed to enhance disaster resilience in LAC. It follows a collaborative approach focused on governance for prevention and risk reduction, preparedness, and rapid response.





## CORE OBJECTIVE I

# Reducing Poverty and Inequality

In 2024, the IDB implemented comprehensive, multisectoral solutions aimed at reducing poverty, vulnerability, and inequality while driving economic growth. These interventions focused on enhancing social protection and human capital development, particularly among poor and vulnerable populations, by addressing critical areas such as education, food security, and health, among others.





## Joining a Collaborative Effort to Drive Sustainable Progress in Poverty Reduction Worldwide

As part of an initiative led by Brazil's G20 Presidency, the IDB joined the *Global Alliance Against Hunger and Poverty*, committing up to \$25 billion in financing to help its member countries implement policies aimed at reducing poverty and hunger between 2025 and 2030. As part of this commitment, the IDB will ensure that half of its newly approved projects directly benefit vulnerable populations, including women, Afro-descendants, and indigenous communities. At IDB Lab, 60 percent of projects will target poor and underserved groups.

Membership in the Alliance is open to governments, international organizations, development banks, and philanthropic institutions.

## Strengthening Human Services in Guyana with Global Affairs Canada

In October 2024, the IDB and **Global Affairs Canada (GAC)** signed a CA\$4.5 million investment grant to enhance human services in Guyana. This project complements a previous policy-based program, aiming to strengthen social safety nets and advance social inclusion.

The initiative focuses on building institutional capacity within the Ministry of Human Services and Social Security to manage, monitor, and evaluate projects. Key components include grants to support businesses led by program graduates, enhanced services for survivors of gender-based violence — including trauma-focused counseling and the establishment of a Forensic Interviewing Unit for children — and expanded skills training for people with disabilities. This collaboration reinforces efforts to create more inclusive and resilient social protection systems in the region.



## IDB / IDB Invest and Germany: Strengthening Gender Mainstreaming in Colombia

In 2024, the **German Federal Ministry for Economic Cooperation and Development (BMZ)** provided €2.3 million in grant resources to support gender-related initiatives at the IDB and IDB Invest. This builds on the **KfW Development Bank of Germany's** co-financing of €150 million for the first phase of a policy-based program in Colombia in 2023, which complemented \$500 million in IDB financing. The program has helped strengthen Colombia's response to gender-based violence (GBV), with 27 of 32 departments registering information in the National System for GBV Response and 750 municipalities implementing the coordination mechanism to improve prevention and support the affected populations.

*Following the program's success, preparations for a second phase are underway, with \$800 million in IDB financing and an additional €150 million from KfW.*



## Partnering with Switzerland to Promote Financial Inclusion in Peru

In 2024, IDB Lab partnered with the **Government of Switzerland** to promote financial inclusion in Peru by leveraging technology and innovative business models to expand access to financial services for marginalized populations, including rural communities, women, and micro-entrepreneurs. This collaboration focuses on developing digital finance solutions, microcredit programs, and financial literacy initiatives that empower individuals and small businesses to participate more actively in the formal economy.

This joint effort also prioritizes capacity building for local financial institutions, fostering digital transformation in the sector and ensuring that financial services are accessible, affordable, and adaptable to the needs of diverse communities. Through targeted programs and innovative tools, the partnership seeks to bridge the financial gap and unlock new opportunities for economic participation.

*By combining Switzerland's expertise in inclusive finance with IDB Lab's regional knowledge and resources, the initiative aims to create scalable, sustainable solutions that address financial exclusion and strengthen Peru's economic resilience.*



## IDB and BIS: Advancing Financial Inclusion with Digital Banking Solutions

Since 2023, the IDB has been collaborating with the **BIS** to jointly promote programs and projects that foster financial inclusion in LAC.

Under a Memorandum of Understanding (MoU), the two partners are collaborating on developing financial technologies, technical assistance on policy, and institutional capacity for the central banks within the region. The initiative supports the implementation of modern digital banking solutions and interoperable payment systems that facilitate cross-border transactions and improve financial connectivity across the region.

A key initiative thus far has been the *Fully Scalable Settlement Engine (FuSSE)*, which was planned as a regional public good intended to promote the development of secure, efficient, and inclusive financial infrastructures. This back-end infrastructure can enable banks to

expand access to affordable financial services for underserved populations, including women, small businesses, and rural communities.

For its part, the IDB provides technical expertise, facilitates policy dialogues, and mobilizes resources to advance financial literacy and digital inclusion. By collaborating closely with governments, regulators, and the private sector, the IDB ensures that financial inclusion efforts are tailored to local needs and aligned with national development priorities.

Meanwhile, the BIS contributes its global expertise in financial stability and technological innovation, supporting the design of regulatory best practices and the adoption of emerging financial technologies such as central bank digital currencies (CBDCs) and blockchain-based systems. Together, these efforts aim to build resilient, inclusive, and efficient financial systems across the region.

Together, the two partners are driving efforts to modernize financial infrastructures, promote greater financial inclusion, and empower individuals and businesses to participate fully in the formal financial system.

*By the end of 2024, with the IDB leveraging technical cooperation resources from several sources, FuSSE's development was close to 90 percent complete, enabling the participation of the Central Bank of Chile, and potential membership of Ecuador, Paraguay, and Uruguay.*



## Addressing LAC's Learning Crisis with the World Bank

Recognizing the urgent need to address LAC's learning crisis, IDB and the **World Bank** issued a joint call highlighting that pandemic-related learning losses pose a significant threat to the region's long-term economic and social development. Both institutions emphasized the need for swift interventions and agreed to focus on implementing evidence-based education policies, strengthening teacher training, expanding access to digital learning tools, and improving assessment systems.

In addition, the two partners released a report identifying key poverty drivers in Suriname, including gaps in skills and education, inadequate social assistance, and limited support for families with children. The report provides insights to help Suriname distribute the benefits of recovery more equitably, ensuring that support reaches those most in need.

*Together, IDB and the World Bank aim to close learning gaps and support the region's youth in achieving their full potential.*



## IDB Lab and We-Fi: Collaborating to Inspire Women *STEM*preneurs

In 2024, IDB Lab held the latest edition of the *WeXchange Women STEMpreneurs Competition*, supported by the **Women Entrepreneurs Finance Initiative (We-Fi)**, to promote women-led startups in STEM across LAC.

The competition attracted innovative ventures in healthtech, fintech, edtech, and climate tech, emphasizing the vital role of women in driving technological and economic growth. The selected startups, recognized for their innovation, growth potential, and social impact, received mentorship, networking opportunities, and connections with investors.

We-Fi, hosted by the **World Bank Group**, is a partnership of 14 governments, eight MDBs, and public and private stakeholders, with financial contributions from Australia, Canada, China, Denmark, Germany, Japan, the Netherlands, Norway, Russia, Saudi Arabia, South Korea, the UAE, the UK, and the U.S.

*IDB Lab and We-Fi partner to reduce barriers for women entrepreneurs and foster inclusive, dynamic ecosystems.*



## The IDB and PAHO: Partnering to Strengthen Health Systems in LAC

To improve health outcomes across the region, the IDB and **PAHO** formalized a partnership agreement targeting key areas of health system improvement. Specifically, the collaboration focuses on bolstering primary healthcare, advancing digital health infrastructure, and improving emergency preparedness. By combining resources and expertise, the IDB and PAHO aim to expand access to quality healthcare services, drive innovation in public health, and build capacity among healthcare professionals. This joint effort seeks to create resilient and equitable health systems capable of addressing both current and future public health challenges.

## Japan Becomes First Official Donor to Pan American Highway Digital Health Initiative

In 2024, **Japan** became the first official donor to the IDB's *Pan American Highway Digital Health Initiative*, which focuses on strengthening telemedicine infrastructure, facilitating cross-border data sharing, and improving health system integration throughout the region.

By targeting remote and underserved areas, the project seeks to ensure equitable access to timely and efficient healthcare services for millions of people who currently face barriers due to geographical and infrastructural limitations. Japan's contribution is key in scaling up these efforts, supporting the deployment of innovative digital tools, and fostering collaboration between public health systems across the region.







## Partnering with Pan American Energy to Advance Education in Argentina

The IDB and **Pan American Energy** signed a \$200,000 project-specific grant agreement to strengthen education in Argentina, fostering socioeconomic progress and economic diversification in regions impacted by the company's operations. This collaboration brings together government, private sector, and local communities to enhance educational opportunities and workforce development.

The initiative includes the creation of a provincial educational scholarship program, supported by a monitoring and evaluation framework using data from the province's Education Information and Management System (SIGED). It also aims to improve academic performance and graduation rates through targeted scholarships and vocational training in key economic sectors. Additionally, a comprehensive skills analysis will assess labor market demands, ensuring that educational programs align with regional workforce needs.

In 2024, the IDB and the **International Organization for Migration (IOM)** renewed their partnership to promote safe, orderly, and regular migration in the region. Building on a 2020 agreement, the collaboration supports evidence-based policies and helps communities and governments address displacement, reduce inequalities, and coordinate migration strategies.



## The IDB and IFAD: Empowering Rural and Indigenous Communities through Partnership

In 2024, the IDB and **IFAD** formed a partnership to promote sustainable rural development and inclusive economic growth across LAC. This collaboration focuses specifically on rural and indigenous communities, which are among the most vulnerable to poverty and inequality, aiming to drive agricultural innovation, improve access to financial services, and strengthen climate resilience in these communities.

Additionally, the partnership secured \$280,000 in grant funding from IFAD to launch *AgroWeb3*, powered by *LACChain*, the blockchain ecosystem led by IDB Lab. *AgroWeb3* will leverage a single interoperable protocol and common digital wallet standards, allowing smallholder farmers to efficiently verify key credentials such as certifications and credit histories, thereby enhancing their access to global markets and enabling them to fully capitalize on the opportunities of Web3.



*Partnering to scale up successful projects and share expertise, the IDB and IFAD seek to create long-term, sustainable solutions that empower local populations and support sustainable agricultural practices in LAC.*

*Web3, also known as Web 3.0, is a collection of technologies that aim to decentralize the internet. It's based on blockchain technology, which is also used for cryptocurrencies like Bitcoin.*

The IDB, in collaboration with Croatian authorities, organized a study visit to **Croatia**, bringing together education ministers from across LAC to explore the country's extended school day policies. The visit facilitated knowledge exchange on how longer school days can improve educational outcomes, promote equity, and support work-life balance. Croatia's model offers valuable insights for the region, where many countries face challenges related to educational access and quality. Discussions centered on adapting Croatia's approach to diverse contexts, highlighting the role of inclusive policies and innovative teaching methods in closing learning gaps.

The IDB and other MDBs have committed to expanding programs aimed at eradicating GBV by supporting evidence-based prevention initiatives, enhancing access to justice, and strengthening data systems to track and address GBV. The MDBs will also invest in innovative practices and collaborate with the private sector to prevent and respond to violence. Along with IDB, participating institutions include the **African Development Bank, Asian Development Bank, Asian Infrastructure Investment Bank, Caribbean Development Bank, Council of Europe Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Islamic Development Bank, New Development Bank**, and the **World Bank Group**.



## CORE OBJECTIVE II

# Addressing Climate Change

The IDB is deepening its collaboration with borrowing countries, subnational governments, and private sector actors to support the transition toward a resilient, nature-positive future. This chapter highlights key initiatives carried out with diverse partners to protect the Amazon, preserve biodiversity, and strengthen climate and environmental resilience.





## Increasing Lending Capacity for *Amazonia Forever*

The IDB and the **Swedish International Development Cooperation Agency (Sida)** strengthened their partnership by expanding the use of credit-substitution guarantees, a key instrument in the IDB's balance sheet optimization strategy. Through this new guarantee transaction, the IDB will increase its lending capacity for the *Amazonia Forever* program by \$469 million, enabling greater investment in forest conservation, sustainable forest management, resilient landscapes, and the bioeconomy across Amazonian countries.

With this agreement, Sweden reinforces its commitment as a partner in *Amazonia Forever* program, alongside **Germany, the Netherlands, Switzerland, the United Kingdom, Spain, Israel, Belgium, Italy, and the Green Climate Fund (GCF)**.

The first operation enabled by this additional lending capacity generated is a \$155 million IDB guarantee that permitted a debt conversion in Ecuador, which will reduce Ecuador's debt burden by more than \$800 million over the next 11 years. Of this amount, \$460 million will be allocated to conservation efforts in the Ecuadorian Amazon under the *Amazon Biocorridor Program (BCA)*.

This transaction demonstrates how innovative financial mechanisms can simultaneously help a country enhance its fiscal sustainability while scaling up environmental protection.

The IDB played an important catalytic role in structuring this transaction, facilitating dialogue among partners and ensuring a robust credit enhancement framework.

*Balance sheet optimization strategies respond to an urgent need to expand IDB's lending capacity for priority sectors projects.*





## BRINGING TOGETHER KEY PARTNERS OF *AMAZONIA FOREVER* IN BRAZIL

In June 2024, the IDB's Amazon Coordination Unit (ACU) and Global Partnerships Office (GPS) led a mission to Manaus and Novo Airão, Brazil, alongside representatives from partner countries of the *Amazonia Forever* program. Participants included the **German Federal Ministry for Economic Cooperation and Development (BMZ)**, the **German Society for International Cooperation (GIZ)**, Italy's Ministry of Environment and Energy Security (MASE), the Netherlands' Ministry of Foreign Affairs, Switzerland's State Secretariat for Economic Affairs (SECO), the UK Department for Energy Security and Net Zero (ESNZ), and the UK Foreign, Commonwealth & Development Office (FCDO).

The delegation held meetings with IDB partners, local government representatives, non-governmental organizations, and beneficiaries of the *Amazon Bioeconomy and Forest Management Multi-donor Trust Fund (AMDTF)*. These meetings featured strategic discussions among donors and field visits aimed at gaining deeper insights into local Amazonian realities and identifying potential new projects for *Amazonia Forever* funding.





## Expanding the *Amazonia Finance Network* with FinDev Canada and DEG

The *Amazonia Finance Network* (AFN), a platform supported by IDB Invest to promote sustainable investments in the Amazon region, continued to grow in 2024 with the addition of **FinDev Canada** as its 50th member and **DEG, the German Investment Corporation**, as its newest member. These new partnerships reinforce AFN's role in mobilizing private capital to protect the Amazon's biodiversity while fostering inclusive growth.

FinDev Canada will collaborate with AFN members to finance projects focused on climate resilience, sustainable agriculture, and community-based development. Meanwhile, DEG's expertise in impact investing will contribute to local economic development. With these additions, AFN further strengthens its global network and its capacity to attract responsible investment in the Amazon region.

## Breaking New Ground in Nature Conservation and Restoration at COP16

During the United Nations Conference on Biodiversity (CBD COP 16), the IDB and the **World Bank** introduced key elements of the *Amazonia Bonds* guidelines, a capital markets instrument aimed at attracting private investment for the sustainable development of the Amazon. These bonds will finance activities that benefit local communities, biodiversity, and zero-deforestation efforts. The guidelines provide recommendations on project selection, evaluation criteria, management of proceeds, and impact reporting. They also include measures to mitigate environmental and social risks and establish indicators to track expected outcomes.

In addition, the Peruvian indigenous organization **AIDSEP** became the first recipient of direct financial and technical assistance from the IDB under the *Amazonia Forever* program, supporting bio-enterprises and improving production quality for 25 indigenous companies across nine Amazonian regions. Meanwhile, Colombia was the first country to join the *Jaguar Impact Initiative*, launched at CBD COP 16 by the IDB and IDB Lab to expand results-based financing for the Jaguar Corridor across 18 countries in LAC.



## With EIB and GCF: Launching the World's First Debt Conversion Focused on Climate Resilience

Building on the success of the 2022 debt-for-nature conversion that freed resources for long-term marine conservation financing, the IDB, the **European Investment Bank (EIB)** under the *European Union's Global Gateway Initiative*, and the **Green Climate Fund (GCF)** joined together to support the world's first global debt conversion focused on climate resilience, which will finance climate-resilient water and sewage projects in Barbados.

Through a unique multilateral partnership combining guarantees, grants, and concessional loans, Barbados "front-loaded" \$125 million in savings from a debt conversion enabled by the IDB and EIB guarantees of \$150 million each.

The initiative aims to address freshwater scarcity by constructing a world-class water treatment facility and eliminating wastewater discharge into the ocean along the country's South Coast. The water reclamation facility, one of the first in the Caribbean, will produce water of suitable quality for agricultural irrigation and aquifer recharge. The additional fiscal space created by the transaction will enable further investments to increase water resilience, reduce water losses, and improve the sewer system.

*This transaction supports Barbados in advancing its resilience plans outlined in the country's Updated Nationally Determined Contribution (NDC) and its Investment Plan for Prosperity and Resilience.*

## Promoting Climate-Resilient Investments by the Caribbean's Private Sector

IDB Invest and **GCF** partnered in 2024 to launch the *Caribbean Net-Zero and Resilient Private Sector Program*, which aims to drive climate-resilient private sector investment towards the Caribbean region. This is the first project approved by the GCF for IDB Invest since its accreditation in 2018.

The GCF approved up to \$118.9 million in blended concessional and technical assistance funding to implement the program, which will help accelerate private sector investment in mitigation and adaptation projects in the Caribbean. The participating countries are The Bahamas, Barbados, Belize, Dominican Republic, Guyana, Jamaica, Suriname, and Trinidad and Tobago.



## Partnering to Support The Bahamas' Debt Conversion Project for Marine Conservation

Together with **The Nature Conservancy's** *Nature Bonds* program, the IDB supported the **Government of The Bahamas** and launched in November 2024 a *Debt Conversion Project for Marine Conservation*. The IDB provided a \$200 million guarantee to support this transaction, which is expected to generate an estimated \$124 million in savings for marine conservation over the next 15 years.

The project provides critical funding for capacity building, technical support, and other initiatives aimed at supporting the effective management of The Bahamas' ocean area. Commitments include the implementation of climate-smart plans for the effective management of marine protected areas (MPAs) and the completion of a national mangrove management plan to protect vital habitats such as coral reefs, seagrass meadows, and mangrove forests.

This is the second transaction of a \$400 million policy-based guarantee (PBG) provided by the IDB to the government of The Bahamas. The first transaction of \$200 million, completed in January 2024, covered a portion of a commercial loan arranged by **Banco Santander** that will fund eligible budgetary expenses such as infrastructure, education, and social welfare projects.

*In addition to providing the financial guarantee, the IDB is supporting institutional strengthening policies for environmental and public debt management in The Bahamas. This initiative will help the country improve macroeconomic stability and enhance its institutional debt management framework.*



## Promoting Private Sector Competitiveness and Climate Resilience in the Caribbean

During 2024, the IDB, the **UK Foreign, Commonwealth & Development Office (FCDO)**, the **Caribbean Development Bank (CDB)**, and **Global Affairs Canada (GAC)** approved contributions of \$9.8 million to *Compete Caribbean +: Partnering for a Competitive, Equitable and Climate-Smart Region*. This new IDB-managed multi-donor trust fund aims to enhance sustainable growth and climate resilience in the private sector across Caribbean countries.

*Compete Caribbean +* benefits 13 Caribbean countries, including seven IDB members — Barbados, The Bahamas, Belize, Guyana, Jamaica, Suriname, and Trinidad and Tobago — and six non-member countries — Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines.

*Compete Caribbean +* evolves from and builds on the lessons learned of the *Compete Caribbean Partnership Facility* and of the *Compete Caribbean Program*, which was financed by the same IDB partners and has helped to generate more than 3,600 jobs:

- Supporting 592 Caribbean businesses in introducing a significantly improved product, process, marketing method, or organizational method.
- Building the capacity of 39 public business support organizations to deliver better direct support services to their private sector clients.
- Strengthening 36 public institutions to better deliver public services to businesses.
- Assisting in drafting 53 policies and legislative reforms to improve the business climate, of which 24 had been adopted by governments.

## Collaborating to Improve Weather Data Systems

The IDB partnered with the **World Meteorological Organization (WMO)**, the **United Nations Environment Programme (UNEP)**, and the **United Nations Development Programme (UNDP)** to enhance the collection and sharing of critical climate and weather data in LAC.

As an implementing entity, the IDB gains access to financing through the *Systematic Observations Financing Facility (SOFF)*, which

provides funding and technical assistance to improve weather forecasts, early warning systems, and climate services. With that, the IDB is among the first MDBs to access a UN-administered *Multi-Partner Trust Fund*, showcasing enhanced collaboration with UN agencies to boost global climate resilience.

SOFF, established in 2021 by WMO, UNEP, and UNDP, supports the collection and sharing of weather and climate data in line with *Global Basic Observing Network (GBON)* standards. It addresses significant data gaps, focusing on Least Developed Countries (LDCs) and Small Island Developing States (SIDS).



## Partnering to Accelerate Nature-based Solutions

**Canada** contributed nearly \$500 million in 2024 to support IDB-managed initiatives, including the regional *Net Zero and Climate Resilience Accelerator*, which advances climate adaptation and mitigation efforts across the region. The contribution from **Global Affairs Canada (GAC)** enabled the creation of the Accelerator, which is expected to leverage up to \$2.7 billion for projects financed by IDB Invest. These projects aim to support the adoption of new technologies, innovative business models, and nature-based solutions.

The Accelerator uses innovative concessional blended finance instruments to support initiatives aimed at eliminating or avoiding up to 25 million tons of greenhouse gas emissions, while also promoting diversity and inclusion.

*Additionally, the IDB and Canada are supporting Brazil, Colombia, Guatemala, and Mexico with resources and technical assistance to implement policy instruments that attract private investment in nature-based solutions (NbS). Pilot projects will integrate NbS into key sectors, including transportation, water and sanitation, urban planning, and watershed management. In Guatemala, for example, sustainable forest management will be incorporated into road infrastructure planning. This initiative aims to develop governance frameworks and evidence-based policies to encourage private sector involvement and close the biodiversity financing gap.*



## With NDF and Austria: Replenishing the NDC Pipeline Accelerator

The **Nordic Development Fund (NDF)** has renewed its commitment to the IDB's *NDC Pipeline Accelerator Trust Fund (ACL)* with €10 million. This contribution ensures that the ACL can continue supporting small and vulnerable nations, while deploying resources on key themes such as nature-based solutions, circular economy, blue and green economy, and e-mobility. Additionally, the ACL received further support from the **Federal Ministry of Finance of Austria**, which contributed €1 million.

*With projects in 20 of the IDB's member countries, the NDC Pipeline Accelerator Trust Fund has revolutionized how mitigation and adaptation investments are approached. It became the first regional fund focused on promoting nationally determined contribution (NDC) and with the goal of enabling electric mobility and green hydrogen in LAC. It has also supported the development of sovereign green and sustainability-linked bond markets and created innovative financing mechanisms such as debt-for-nature swaps.*

## Strengthening Climate Resilience and Sustainable Mining in LAC through EU-IDB Partnerships

The IDB, in collaboration with the **European Union (EU)**, is advancing key initiatives to promote climate resilience and sustainable resource management across LAC.

In Suriname, the IDB secured a €2.85 million grant from the **European Commission** under the EU's *Global Gateway Initiative* to implement flood control measures aimed at protecting Paramaribo's United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage Sites and local communities. The project includes reconstructing and upgrading a flood wall along the Suriname River, enhancing adjacent mangroves, developing a pedestrian pathway, and providing climate adaptation training for the Suriname Ministry of Education, Science, and Culture, which will oversee implementation.

The IDB and the EU have also initiated a partnership to enhance sustainable mining practices. A €6.3 million grant from the EU's *Latin America and Caribbean Investment Facility* — complemented by an additional €120 million in IDB financing — is strengthening governance, geological knowledge, and sustainable extraction processes in Argentina, Bolivia, Brazil, Chile, and Ecuador.



## Helping Colombia and Costa Rica Accelerate their Just Energy Transitions

In collaboration with the **Climate Investment Funds (CIF)**, the IDB in 2024 approved a \$138.5 million investment program to accelerate Colombia's just energy transition. A \$3.6 million technical cooperation grant from *IDB CLIMA* will support the program, contingent on meeting specific performance indicators. This initiative includes the first operation under the *IDB CLIMA* pilot program, which rewards countries for achieving environmental targets.

The project will finance non-conventional renewable energy projects in both the National Interconnected System and Non-Interconnected Areas, facilitating the deployment of new technologies and supporting Colombia's decarbonization goals.



## Partnering with GCF to Foster Electromobility in LAC

In 2024, the City of Panama became the beneficiary of the first operation of the *E-mobility Program for Sustainable Cities in LAC*, which was created in 2022 with \$450 million from the IDB and the **Green Climate Fund (GCF)**.

The program aims to provide investment grants, loans, and technical assistance across nine countries in the region: Barbados, Chile, Colombia, Costa Rica, Dominican Republic, Jamaica, Panama, Paraguay, and Uruguay. It links e-mobility with sustainable urban transport system development and climate resilience in those countries. It will foster the uptake of electric vehicles (EVs) by helping cities tackle persistent financing barriers caused by high capital expenditure costs, performance risks, and low profitability. To support urban mobility, the program will finance electric buses, electric vehicle fleets, and electric boats and vessels, as well as hydrogen and vehicle-to-grid projects.



The IDB and the **C40 Cities Climate Leadership Group** partnered in 2024 to promote climate resilience and enhance credit access for cities in LAC. The collaboration focuses on sustainable urban development, clean transport, and the circular economy in water, sanitation, and solid waste management. Together, the IDB and C40 are implementing eight initiatives, including the *Regional Roadmap for Subnational Finance*, the *Electromobility Knowledge Dissemination Initiative*, *Clean Air Zones*, and *Green and Thriving Neighborhoods Pilot Projects*. The ultimate goal is to support cities in developing project proposals, improving creditworthiness, and facilitating knowledge exchange.



## Mainstreaming Natural Capital Valuation to Inform Policy and Investment Decision-making

With the Natural Capital Project team from **Stanford University**, the IDB is implementing a \$2 million **Global Environmental Facility (GEF)**-funded project in five LAC countries to integrate natural capital values in national policy and investment decision-making processes.

The project focuses on achieving this integration through national accounting systems, public budgets, and policy and investment plan development, as well as the establishment of national registries on investments in nature and the development of monitoring, transparency, verification and accountability systems.

During 2024, IDB-managed country-level pilot projects advanced in Belize, Colombia, and Chile, while pilots in Ecuador and Uruguay began their design phases. This cooperation will result in case studies for each pilot, an academic publication, and a Massive Open Online Course (MOOC), which will facilitate the replicability of this project in other countries or regions.

In achieving these objectives, the project will support countries enacting the post-2020 *Global Biodiversity Framework of the Convention on Biological Diversity (CBD)*. The **Asian Development Bank** and the **World Bank** are also participating in this global program, supporting pilots in other regions.

*The Colombian government, through its own Fondo para la Vida y la Biodiversidad, has joined the IDB and **France**, through the IDB-France Natural Capital Lab, as biodiversity outcomes co-payers, with the purpose of contributing to the implementation of Colombia's National Biodiversity Plan in the context of the Kunming-Montreal framework.*

In 2024, the IDB secured access to the *Global Biodiversity Framework Fund (GBFF)*, which, under the umbrella of the **Global Environmental Facility (GEF)**, aims to help countries achieve the Kunming-Montreal Global Biodiversity Framework goals and targets. The fund strategically focuses on strengthening national-level biodiversity management, planning, policy, governance, and finance approaches.

*The Kunming-Montreal Global Biodiversity Framework (GBF) was adopted in 2022 by the 15th Conference of Parties to the UN Convention on Biological Diversity. Amid a dangerous decline in nature, threatening the survival of one million species and impacting the lives of billions of people, the GBF aims to halt and reverse nature loss.*



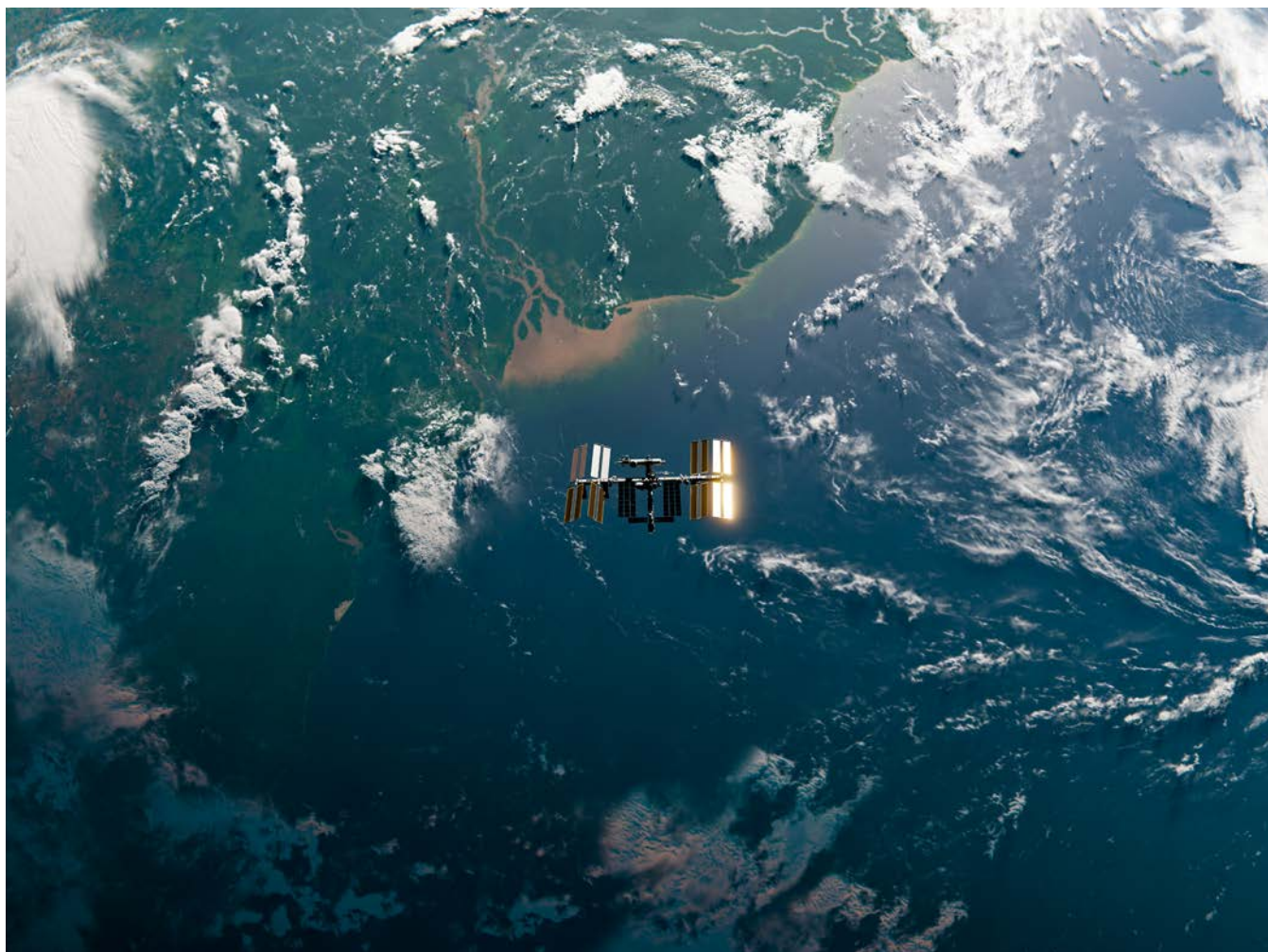


## Getting Creative to Strengthen Synergies: The First Worldwide Project to Combine PPCR and FIP Funds

Combining grant and concessional resources from the **Climate Investment Fund's Pilot Program for Climate Resilience (PPCR)** and **Forest Investment Program (FIP)**, the IDB in 2024 approved an innovative project to promote inclusive low-carbon and climate-resilient development in the El Cajón and Yojoa Lake watersheds in Honduras.

This project employs a holistic approach that considers the nexus of forest cover, biodiversity, water security, and power generation, along with the needs of people and micro, small, and medium-sized enterprises (MSMEs) dependent on the area's natural resources.

To achieve its goals, the project promotes the adoption of climate-smart and agroecological technologies and practices by MSMEs, as well as nature-based solutions for forest cover and soil restoration. The expected impacts include increased tree cover, improved water filtration and erosion rates, enhanced carbon capture, better net earnings and food security for MSME households, and a higher ratio of effective energy production.



## Advancing Satellite Technology for Disaster Risk Reduction

In 2024, **Spain**, through the Spanish Agency for International Development Cooperation (AECID), reinforced its collaboration with the IDB by promoting the development and use of Earth observation satellite technologies for disaster risk reduction. Through a €700,000 initiative, Spain will contribute to support capacity building, the development of satellite-based applications, and the creation of an Ibero-American collaboration and innovation network in these technologies. The program aims to enhance institutional and technical expertise, develop four high-impact applications for disaster risk reduction, and connect key stakeholders to strengthen geospatial solutions in the region.

With LAC being one of the world's most disaster-prone regions, this initiative leverages Spain's expertise in Earth observation, including its participation in the *Copernicus* program and its leadership in satellite technology. By integrating satellite data with technologies such as AI and IoT, the project will improve early warning systems for floods, wildfires, and landslides while fostering the emergent satellite application ecosystem in the region.

*Copernicus is a European Union program that monitors the Earth's environment and climate. It's the largest Earth observation program in the world.*





## Spurring Investments in Energy Transition and Conservation in Ecuador and Colombia

In 2024, the IDB and Korea, through the *Korea Infrastructure Development Co-Financing Facility for Latin America and the Caribbean (KIF)*, partnered to galvanize the energy transition and public and private investment in Ecuador. The initiative incorporates non-conventional renewable energy sources, boosts energy efficiency and stimulates electric mobility.

The program aims to reduce greenhouse gas emissions and provide major progress towards the Sustainable Development Goals (SDGs). It has and has already improved access to electricity for 80,000 homes, mostly in rural areas and marginalized urban neighborhoods across Ecuador. Beneficiaries include communities in the Galapagos Islands and shrimp farm operators that replace fossil fuel with electrical energy by connecting to the grid. The operation also creates new jobs in the private sector by expanding renewable energy and electric mobility.

In 2024, the **Norwegian Ministry of Foreign Affairs** contributed an additional \$10 million to the *Sustainable Colombia Fund (FCS)*. This IDB-managed multi-donor initiative now totals \$61.8 million, with support from **Norway, Sweden, and Switzerland**. The FCS finances projects that reduce deforestation, conserve biodiversity, and promote sustainable rural development in conflict-affected areas. To date, it has supported 27 projects benefiting more than 24,700 participants and impacting 731,200 hectares through sustainable production processes and environmental conservation.

Innovation is essential to scaling up MDB financing to address global challenges and maximize development impact. With support from the IDB, the **Climate Investment Funds' (CIF) Capital Markets Mechanism (CCMM)** announced last year its readiness to access international capital markets through the listing of its bond issuance program on the London Stock Exchange. In January 2025, the CCMM issued its first bond, raising \$500 million. This innovative mechanism mobilizes private capital for climate action and sustainable development by frontloading reflows from CIF's *Clean Technology Fund (CTF)* funded operations.

A woman with dark, curly hair, wearing a light pink blazer over a grey patterned top, stands by a large window. She is holding a smartphone in her hands and looking out at a city skyline. The skyline features several tall, modern buildings, including a prominent curved glass skyscraper. The foreground shows some greenery and a street with cars. The overall scene is bright and modern.

### CORE OBJECTIVE III

## Bolstering Sustainable Regional Growth

The IDB is committed to increasing the region's long-term growth by investing in infrastructure, empowering the private sector to drive productivity and innovation, and enhancing regional integration. In addition, the IDB is prioritizing institutional capacity, rule of law, and citizen security, both as areas for direct investment and as cross-cutting themes integrated across the Bank's portfolio in various sectors and countries.



## Launching a Regional Alliance to Address Organized Crime

In partnership with a network of countries and key institutions, the IDB in 2024 launched the *Alliance for Security, Justice, and Development*, a regional platform designed to help coordinate responses to organized crime in LAC through evidence-based actions and initiatives and by serving as a vehicle for technical and financial resource mobilization.

Nineteen countries have already joined this initiative, which focuses on three interconnected objectives: protecting the most vulnerable and at-risk populations and communities, strengthening security and justice institutions to enhance responses to organized crime, and disrupting financial flows and illicit markets.

The Alliance underscores the critical role of multilateral cooperation in creating safer communities, promoting the rule of law, and driving sustainable development across the region. The IDB invites additional institutions and partners to join this collective effort, contributing technical and financial resources to advance the Alliance's strategic objectives and deliver impactful solutions.

*Leveraging its expertise in tackling crime and violence through the Alliance, the IDB is providing both technical expertise and financial support to help countries develop robust security policies, implement innovative crime prevention strategies, and strengthen judicial systems.*



In response to the growing challenge of youth violence in Haiti, IDB and **Scholas Occurrentes** have partnered to launch educational programs aimed at promoting peacebuilding and social inclusion in one of the region's most vulnerable environments. This collaboration focuses on equipping young people with essential emotional, social, and cognitive skills to help them become agents of positive change within their communities. The programs will emphasize civic participation, art, sports, and conflict resolution — as well as safe spaces for dialogue and engagement — in offering youth constructive alternatives to violence and pathways toward personal and community development.



## Partnering with World Bank and CAF to Support Security Policies

The IDB, in partnership with the **World Bank** and **CAF – Development Bank of Latin America and the Caribbean**, launched a joint initiative in 2024 to enhance security policies and improve public safety across the region. This effort responds to the growing challenges posed by organized crime, violence, and social unrest, which threaten long-term development and social stability in the region.

The initiative focuses on generating data-driven insights to inform decision-making, sharing global best practices, and providing technical assistance to national and local governments. By leveraging the combined resources, expertise, and regional reach of these three multilateral institutions, the partnership aims to strengthen institutional capacity for crime prevention, law enforcement, and judicial processes.

The agreement lays out five potential domains of collaboration:

- Knowledge and research production and dissemination.
- Academic collaboration and development.
- Policymaker and expert engagement.
- Statistical integration and standardization.
- Policy support and resource mobilization.

The policy support and resource mobilization domain involves exploring opportunities for collaboration and synergies to support the implementation of crime prevention policies (through platforms, networks, co-financing, and capacity development) and to mobilize resources to advance efforts in combating criminal violence in LAC, with a focus on organized crime.

*A partnership aimed at developing community-focused policy solutions tailored to local needs, including community-based crime prevention programs, judicial reforms to improve access to justice, and targeted interventions to reduce violence against vulnerable populations, particularly women, youth, and marginalized communities.*



## Partnering with WTO and the World Bank to Boost Digital Trade

In 2024, the IDB, the **World Trade Organization (WTO)**, and the **World Bank** launched a joint initiative aimed at fostering digital trade and investment facilitation across LAC. Recognizing the transformative potential of digital platforms, the collaboration focuses on reducing barriers to trade for small and medium-sized enterprises (SMEs) and enhancing their participation in global value chains.

The partnership supports the development of national digital trade strategies, streamlining customs processes through the adoption of electronic documentation, and promoting secure cross-border data flows. Initial pilot programs will be rolled out in countries with high growth potential in e-commerce, such as Mexico, Brazil, and Costa Rica.

In addition, the IDB, the WTO, and the World Bank will co-host a series of workshops to train policymakers and entrepreneurs on the latest trends in digital trade. This initiative aligns with broader regional efforts to integrate LAC into the global digital economy and improve competitiveness.



## With Slovenia, Promoting Digital Solutions for Development

To accelerate digital transformation across LAC, the IDB in 2024 partnered with the **Government of Slovenia** to promote the use of technology and digital solutions for development. Slovenia signed a letter of intent for a €2 million contribution — marking its first contribution to an MDB — to support projects that leverage digital innovation to improve public service delivery, enhance governance, and foster economic growth.

Slovenia is working with the IDB to identify, test, and pilot innovative digital solutions across key sectors in the region. The collaboration also includes joint technical assistance, capacity-building efforts, and policy support for beneficiary countries, along with initiatives to generate evidence and share knowledge about successful digital transformation practices.

By sharing Slovenia's expertise in digital technologies and e-governance, this collaboration seeks to help countries build more efficient, transparent, and inclusive digital ecosystems. The IDB provides technical guidance, facilitates knowledge exchange, and mobilizes resources to support these efforts and drive sustainable growth.

## With Spain, Bringing Digital Solutions to the Public Sector in LAC

In 2024, the IDB strengthened its partnership with Spain through multiple initiatives aimed at improving public sector efficiency and advancing digital transformation in LAC. A new collaboration was established with the **Spanish Tax Agency** and the **Institute for Fiscal Studies** of **Spain's Ministry of Finance** to support the modernization of tax systems across

the region. This joint action plan focuses on strengthening fiscal policies, particularly in tax reform and customs administration. Experts from both institutions will work alongside IDB specialists to design and implement reform projects, support the application of international tax legislation, promote cooperative compliance, and foster collaboration among tax and customs authorities.

In parallel, the IDB facilitated exchanges on digital transformation across key public sectors, leveraging Spain's experience in innovation and public administration. In the Dominican Republic, the Bank hosted discussions on telework and digital transformation, featuring Spain's approach to remote work in the public sector. The IDB also brought together representatives from six pension institutions in Brazil, Chile, Colombia, Ecuador, Paraguay, and Peru to explore the use of digital tools to improve social security services. In the justice sector, officials from Belize, The Bahamas, Paraguay, and Ecuador collaborated with **Spain's Ministry of Justice** to examine digital solutions for judicial modernization.



In 2024, **Spain's Ministry of Economy, Commerce, and Business (MINECO)** approved more than \$12 million in technical cooperation for areas such as migration (\$4.5 million), digitalization (\$3 million), tax reform (\$2 million), cybersecurity (\$1.5 million), and water and sanitation (\$750,000), among others. This is the largest amount approved since *Spanish General Trust Fund* was established in 2001.

In 2024, **ICEX Invest in Spain**, IDB Lab, and **Endeavor** hosted the third edition of the *Spain-Latam Scale-up* program, designed to attract Latin American startups and scale-ups looking to expand and establish themselves in Spain as gateways to the European market. Additionally, ICEX is currently contributing six young professionals to support the IDB's work in this area. Meanwhile, the **Madrid City Council** has reinforced the city's position as an innovation hub for Latin American and Caribbean entrepreneurs through the 3rd and 4th editions of *Puentes de Talento*. This eight-week program, held in collaboration with the IDB and IDB Lab, fosters partnerships between the entrepreneurship and innovation ecosystems of Europe and the region, leveraging Madrid as a strategic bridge.



## Helping LAC Countries Enhance Government Management

A decade ago, the IDB established its *Center of Government* (CoG) practice to strengthen government management. It brings together senior leaders, institutions, and advisors — mainly from heads of state offices, planning agencies, and finance ministries — to define priorities, align resources, and drive implementation. The IDB supports coordination, stakeholder engagement, progress monitoring, and public communication.

In 2024 in Lima, the IDB launched the *LAC Center of Government Network* (REDCAL), uniting governments from nine countries with **CAF – Development Bank of Latin America and the Caribbean** and the **Organisation for Economic Co-operation and Development (OECD)** to help enhance institutional capacity through experience-sharing. The IDB collaborates with the **World Bank** on knowledge-sharing, maintaining ties with the *World Bank Center of Government Community of Practice*. In 2024, IDB experts joined the webinar *The Role of the Center of Government in Addressing Climate Change*, presenting a recent IDB study.

Through a partnership between the **OECD** and the IDB, the *OECD Digital Government Index* was published for LAC countries and officially launched during the *VIII Ministerial Meeting on Digital Government* in Brasília. This index enables LAC countries to benchmark their digital government progress against the most advanced nations worldwide.

In 2024, the **Government of Korea**, through the *Korea Trust Funds*, provided \$2 million in technical and financial support to advance the digital agenda in LAC. This initiative focuses on critical areas such as digital identity, regulatory improvements, and data strategies to strengthen digital governance across the region.

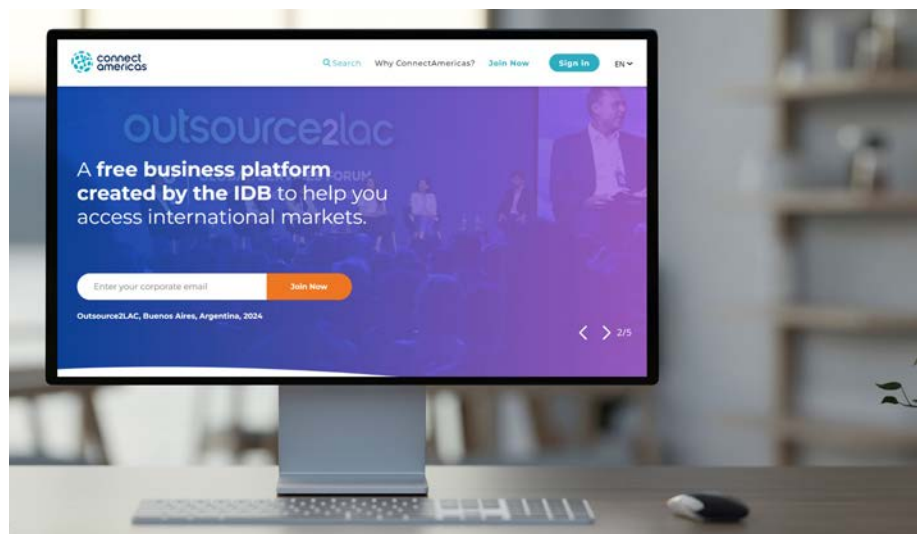
In May, the IDB signed an MoU with **CLAD (Centro Latinoamericano de Administración para el Desarrollo)**, an intergovernmental organization created by the United Nations General Assembly to focus on the modernization of public administrations in LAC by promoting programs and projects and knowledge sharing to strengthen state capacities. One of the key activities of the partnership was launching *ImplementaLAC*, an IDB online platform where public sector officials can get information, participate in an active practice community, and exchange international experiences to help them improve the implementation of public programs and projects.

Also in May, the Bank entered into a partnership with **Apolitical Group Limited** — an organization that aims to help build 21st-century governments that work for people and the planet — to jointly promote programs and projects that facilitate the exchange and dissemination of knowledge and best practices among public administrations across LAC. More than 250,000 public servants in 160 countries use Apolitical's website to access pertinent, practical resources, tools, and insights on strengthening institutional capacity.

Under a partnership agreement first established in 2018, the IDB and **Korea's Ministry of Personnel Management (MPM)** work collaboratively to help LAC governments deploy joint efforts on civil service policies and human resources management. In 2024, the partnership leveraged MPM's expertise and technical assistance in supporting transformation of human resources management integrated systems (HRMIS) and fostering the professionalization of public officials in Uruguay, Haiti, and Ecuador.

## Promoting SME Digitalization with Google and ConnectAmericas

During 2024, the IDB and Google reinforced their collaborative efforts on behalf of *ConnectAmericas*, the region's largest social network for businesses dedicated to promoting foreign trade and international investment.



At the 2024 Annual Meetings of IDB and IDB Invest, the initiative launched a MOOC for SMEs on international trade with AI and other digital tools, which was developed with a financial contribution from Google. By the end of the year, its content was accessed by 7,200+ SMEs and more than 3,100 businesses were certified.

Additionally, Google led live sessions on e-commerce and marketing through the *ConnectAmericas Academy* during training programs that reached more than 10,000 registered participants. Google also participated in *Outsource2LAC*, *ConnectAmericas'* December event on digital services in Buenos Aires, leading a discussion on globalization of LAC services.

*ConnectAmericas, a free online business platform with more than 240,000 registered business profiles, connects users with business opportunities and offers innovative tools to optimize business management.*

*The ConnectAmericas Academy is a training portal that displays free access to content related to international trade, financing, sustainability, gender, procurement, and more. The Academy has more than 20 MOOCs with 80,000+ enrolled students and has hosted more than 350 live webinars involving 190,000+ registered participants.*

In September, the IDB, through its *ConnectAmericas* platform, collaborated with **Microsoft's AI Co-Innovation Lab** in Montevideo to develop a business matchmaking algorithm, using data-driven techniques to match LAC companies with global firms based on their specific needs and capabilities. The initiative offers *ConnectAmericas* users a personalized and interactive interface connecting businesses with potential partners, suppliers, and buyers.





## IDB and Korean Partners Hold *Korea-LAC Trade and Innovation Forum* in Rio de Janeiro

Trade between Korea and LAC has grown more than tenfold over the past 30 years and is continuing its steady expansion. Growth has been driven by rising demand for LAC's agricultural products and Korea's advanced technologies, reflecting the deepening economic ties between the two regions. It has also been boosted by joint initiatives such as the *Korea-LAC Trade and Innovation Forum*.

In 2024, the IDB, along with key Korean partners such as the **Ministry of Economy and Finance (MOF)**, the **Korea Trade-Investment Promotion Agency (KOTRA)**, and the **Export-Import Bank of Korea (KEXIM)**, co-hosted the 8th edition of the *Korea-LAC Business Forum* in Rio de Janeiro, Brazil.

This event marked a significant milestone as the forum was held in Brazil for the second time since its inception in 2007 and took place within the context of Brazil's presidency of the G20. It provided a platform for high-level dialogue among policymakers, business leaders, and innovators from LAC and Asia. Participants engaged in dynamic panel discussions focused on identifying strategies to further deepen trade relations, foster sustainable investment, and leverage technological advancements for mutual benefit. The dialogue covered topics such as digital trade, green infrastructure, and innovative financing mechanisms to support cross-regional business expansion.

In 2024, the IDB and the **World Bank** began a joint initiative to improve the quality and efficiency of their enterprise-level data collection in 11 Caribbean countries. It also provides for the two institutions to share data and responsibilities in building sample frameworks for both institutions to conduct their respective surveys.

With a \$5.1 million project-specific grant from the IDB, the **Korea Technopark Association (KTPA)** will work to foster the IT industry in Colombia through the strengthening of the Guatiguará Techno-Park (GTP). This collaboration brings together government, private sector, and educational institutions to improve SME-led productivity, innovation, and growth in the country's Santander region. It focuses on providing and installing IT equipment and devices in the GTP, supporting IT human resources, and strengthening international cooperation in the IT field between Korea and Colombia.



## Outsource2LAC 2024: Fostering Growth in Knowledge-Based Services

In 2024, the IDB successfully organized another edition of *Outsource2LAC*, reaffirming its position as the premier annual event for knowledge-based services in LAC. The conference brought together more than 1,000 participants in Buenos Aires from across the region and beyond — including entrepreneurs, industry leaders, and policymakers — to discuss the evolving landscape of outsourcing and nearshoring.

Key themes included digital transformation, AI-driven business models, and the increasing role of remote work in global service delivery. Interactive panels and workshops highlighted the region's potential to become a global hub for technology and business services. As part of the event, the IDB announced initiatives to support small and medium-sized enterprises (SMEs) in adopting digital tools and accessing international markets.

*Joining the IDB in organizing Outsource2LAC 2024 was the Bank's business social network ConnectAmericas, in collaboration with Argentina's Ministry of Economy, the Secretariat of Innovation of Argentina, Science and Technology under the Chief of the Ministerial Cabinet, the Argentine Investment and International Trade Agency (AAICI), and the Ministry of Foreign Affairs, International Trade and Worship of Argentina.*



## LAC Flavors 2024: Expanding Opportunities for the Region's Food and Beverage Sector

In June, the IDB's organized *LAC Flavors 2024*, reaffirming its position as the premier business matchmaking forum for the food and beverage sector in LAC. Held for the first time in Brazil and the Amazon region, the event provided a key platform for connecting local producers with international markets. Beyond business matchmaking, the event featured a capacity-building program addressing crucial topics such as export credit, branding, and women's leadership. Plenary sessions and thematic presentations delved into market access, certifications, e-commerce, food technology, supply chain management, and sustainable packaging design, reinforcing the region's potential to strengthen its presence in global food markets.

The 2024 edition of *LAC Flavors* placed special emphasis on SMEs from border areas in the Amazon region, many of which are led by indigenous communities. These businesses received tailored training and personalized support to help ensure their successful participation and promote their unique product offerings.

### **LAC Flavors 2024**

- 635 participants
- 264 suppliers from 23 LAC countries, with 135 suppliers from Brazil
- Buyers from 29 countries
- 20 export promotion agencies from across LAC
- 1,613 business meetings facilitated, with 59 percent of buyers expressing interest in closing deals





## Highlighting the Role of Public-Private Partnerships for Infrastructure Development

In collaboration with *Economist Impact*, the analysis unit of the **Economist Group**, the IDB in 2024 published a new edition of a comprehensive report that underscores the increasing role of public-private partnerships (PPPs) in driving sustainable and efficient infrastructure development across LAC.

The report, *Infrascope*, is published every two years and offers an in-depth analysis of the enabling environment of IDB country members with regard to their identification, preparation, and implementation of PPPs. It evaluates the progress of PPP programs with regard to enabling the development of efficient, sustainable, and inclusive infrastructure, as well as their strengthening of regulatory frameworks and institutions.

*Infrascope* highlights efforts of countries that have worked on strengthening their regulatory or institutional frameworks, such as Jamaica with its focus on sustainability, Panama with its project preparation strengthening, Paraguay with its first projects under a new PPP framework, and Ecuador with its planning and prioritization methodologies. It also notes improvements in PPP policies in Belize and Suriname.

The analysis also highlights the growing interest of private investors in sectors such as renewable energy, water and sanitation, and social (health and education) projects.

### Key findings from *Infrascope 2023/24*:

Since the previous report (2021/22)...

- ➔ Investment in PPP-generated infrastructure has increased by more than 15 percent in LAC.
- ➔ The number of projects in the region has increased by more than 25 percent.
- ➔ Brazil and Chile continue to lead the region with outstanding performance, followed by well-established markets such as Colombia, Uruguay, and Peru.





## Making a Splash at FITUR 2025 and with New Tourism Partnerships

In 2024, the IDB collaborated with **ICEX Invest in Spain**, a publicly owned entity of Spain's Ministry of Economy, Trade and Business, to arrange for the Bank's participation in FITUR, one of the world's leading global tourism fairs, which is held every January in Madrid. IDB's participation in the annual event will enable it to showcase its leadership in digitalization and promotion of regional tourism strategies, as well as to structure new potential partnerships in the tourism sector with both private and public stakeholders.

Meanwhile, with funding from the *Spanish Cooperation Fund* and through partnerships with the Spanish government's tourism promotion agency SEGITTUR and other stakeholders, the first phase of the IDB's *Future Tourism* program diagnosed the digital maturity of 10 LAC cities and provided local officials with training in digital tourism promotion. An upcoming phase of the project will be aimed at implementing specific projects while enhancing knowledge generation and sharing.

In partnership with **UN Tourism**, the IDB in 2024 supported the conceptualization, platform development, and implementation of the *LAC Tourism Law Observatory*, featuring a categorized compilation and analysis of information on tourism legislation in the region. This observatory was officially inaugurated on September 2024, at the UN House in Montevideo.





# Strengthening Co-financing with Key Partners

Under its new strategy, the IDB is doubling down on its efforts to innovate in the co-financing space, pioneering framework co-financing agreements, unique bilateral arrangements, and co-financing platforms with partners such as the Japan International Cooperation Agency (JICA), the French Development Agency (AFD), and the Export-Import Bank of Korea (KEXIM), among others.





## Building on Success: IDB and Japan Expand the CORE Framework

Since 2011, the IDB has maintained a strong co-financing agreement with the **Japan International Cooperation Agency (JICA)**, which in 2021 evolved into the *Cooperation for Economic Recovery and Social Inclusion (CORE)* framework. This collaboration has expanded to include quality infrastructure, disaster resilience, and universal health coverage.

CORE has supported a diverse range of projects across LAC. In Nicaragua, photovoltaic mini grids with energy storage were installed on Corn Island and San Juan, reducing diesel dependency by 60 percent and lowering electricity rates by an average of 27 percent. In Costa Rica, the geothermal project Las Pailas II increased the share of renewable energy by 55 megawatts and produces enough clean electricity to power 130,000 households. In Paraguay, water and sanitation services were improved for more than 87,000 households in Ciudad del Este and Presidente Franco, while protecting key water resources like the Paraná River and the Guaraní Aquifer System.

In the Dominican Republic, solid waste management systems in Greater Santo Domingo

were enhanced to reduce environmental and social impacts from landfills, benefiting the metro area's 3.7 million inhabitants, with a focus on helping migrant waste pickers and other vulnerable groups. In Honduras, logistics reforms were implemented to improve regional competitiveness and trade facilitation.

The CORE framework has also fostered collaboration with IDB Invest and IDB Lab. Among other things, JICA and IDB Invest co-invested more than \$20 million in a Brazilian health-tech company, marking JICA's first equity investment in LAC. Additionally, JICA and IDB Lab co-financed one of Peru's largest cooperatives, founded by Japanese descendants, representing JICA's first private sector overseas investment financing project in the country.

Moreover, the partnership includes the TSUBASA program, which supports Japanese startups addressing development challenges in the region. So far, 19 companies have been selected for acceleration assistance, including support in matching with local partners and developing business plans.

**In 2024, the IDB and JICA signed a new agreement to increase CORE program co-financing by \$1 billion, bringing total funding to \$4 billion and extending the initiative through December 2028.**

## Also with Japan: Co-financing to Drive Pre-investment Assessment and Project Preparation

Co-financing from the **Japanese government** has enabled the IDB to provide technical assistance throughout the project lifecycle, ensuring that the public-private partnership structures adhere to international best practices, deliver value for money, meet sustainability standards, and are executed with transparency and efficiency.

With the support of the *Japan Special Fund*, during 2024 the IDB prepared key projects in Brazil that will attract more than \$1 billion in private investment to PPP infrastructure improvements, including:

- ➔ **A road connecting Belo Horizonte and Ouro Preto.** This is a 300km brownfield road project, involving upgrades to existing infrastructure, focused on compensating the local community in the wake of a 2021 environmental accident. The project will lead to more than \$800 million in private investment focused on improving roads and on implementing road security measures.
- ➔ **A hospital in the state of Rio Grande do Sul.** This project will attract private investment to build, operate, and manage a public hospital that will make free services available to a population of more than two million people and will bring private expertise to key health services.

The co-financing of pre-investment project preparation between Japan and IDB has been a successful example of efforts to improve the quality of infrastructure that highlights the importance of collaborative efforts in driving infrastructure development.







## Korea: Enhancing Co-financing to Support Infrastructure Projects in LAC

In 2024, the IDB and the **Export-Import Bank of Korea (KEXIM)** signed an agreement to expand their co-financing of sovereign-guaranteed investment loans. Under this agreement, KEXIM will provide an additional \$300 million in co-financing over the next three years to support infrastructure projects in LAC, focusing on sectors such as energy, transportation, and information and communication technology.

These funds are channeled through *Korea's Economic Development Promotion Facility (EDPF)*, which promotes economic cooperation with partner countries. The EDPF leverages funds from KEXIM to provide concessional financing to developing countries, supplemented by resources from Korea's **Ministry of Economy and Finance (MOEF)**, while preserving favorable interest rate differentials.

This new agreement builds upon the successful partnership between the IDB, MOEF, and KEXIM through the *Korea Infrastructure Development Co-financing Facility for Latin America and the Caribbean (KIF)*. KIF has played a crucial role in supporting co-financing initiatives between the IDB and Korea, enabling sovereign-guaranteed concessional loans for key IDB projects across the region.

In the Dominican Republic, KIF provided \$50 million in financing to strengthen institutional and supervisory capacity of the electricity distribution companies, specifically to improve sector management, planning, and regulatory compliance.

## Promoting Mobilization of Private Funds for Sustainable Infrastructure

The **Global Infrastructure Facility (GIF)** is a multi-donor platform that finances the preparation of public-private partnerships (PPPs) that have positive development impact. The IDB has joined forces with GIF to co-finance studies required to attract private capital to social and economic infrastructure projects aligned with IDB's institutional strategy and that can boost local development impact in areas such education, health, transportation, and commerce.

IDB has been a leader in receiving GIF's funds to promote infrastructure projects in Latin America, bringing several projects to procurement stage, committing private capital to deliver development-oriented infrastructure projects, and improving services to users. In 2024, IDB's partnership with the GIF has enabled the successful implementation of important stages of several projects led by IDB such as:

- ➔ **Port of Trinidad and Tobago.** The project includes upgrading cargo handling equipment, digitizing customs processes to streamline operations, and constructing new berths to accommodate larger, more efficient vessels. These improvements are expected to boost regional trade flows, attract foreign investment, and create new employment opportunities in the logistics and transportation sectors.
- ➔ **Intercity Train in Brazil.** This is a passenger rail project between São Paulo and Campinas. Investments are estimated at approximately \$2.32 billion and the net positive economic impact for Brazil is estimated at R\$2.63 billion through reduction of accidents, pollutant emissions, travel time, and vehicle operating costs.

Also in 2024, other initiatives were approved for joint financing by GIF and IDB. These will be taken to procurement in 2025 and 2026 and include a hospital in Peru, a hospital in Brazil, and the creation of a PPP project preparation facility in Costa Rica.



## A Partnership with France Gets a Co-financing Lift

Building on a collaboration that dates back to 2008, the IDB and the **French Development Agency (AFD)** in 2024 signed an agreement to boost co-financing and strengthen their longstanding partnership. It includes the renewal of a Partnership Framework Agreement through 2029, which will standardize processes and execution mechanisms for co-financed operations between the IDB and AFD.

This renewed collaboration will focus on three main areas: co-financing IDB operations, global positioning and advocacy, and staff exchange programs. Among other things, the framework agreement will also support both institutions in promoting sustainable cities and urban development, strengthening governance and institutional capacity, reducing inequalities, fostering private sector development, and collaborating on the design and implementation of innovative financial instruments.

*Since 2018, the IDB and AFD have approved co-financing operations totaling \$6.3 billion, with \$2.4 billion contributed by AFD.*





## International Arena: From Copa América to the World Cup

In 2024, the IDB led an unprecedented effort to bring global institutions together in its role as the Chair of the Group of Heads of 10 major MDBs and the IMF. The Bank spearheaded efforts by MDBs to truly work as an integrated system that puts countries and people at its center.

## Leading the MDBs to Work as a System for Impact and Scale

As Chair of the Heads of MDBs Group, the IDB succeeded in expanding beyond pre-existing levels of cooperation, elevating the ambition to exceed the expectations of stakeholders for increased MDB collaboration. Consequently, the group achieved multiple “firsts,” demonstrating how MDBs are working cohesively not only as a system, but as one that prioritizes countries and people.

Foremost among these milestones was to oversee the design and negotiation of an unprecedented joint action plan that the Heads of MDBs endorsed during its first retreat in many years. Published under the title “MDB Viewpoint Note: Working as a System for Impact and Scale,” this concerted effort is now instrumental in shaping and driving the collective effort of MDBs.

### Working as a System

The MDBs’ joint action plan outlines 16 deliverables across five priority areas:

- ➔ Scaling-up MDB financing capacity.
- ➔ Boosting joint action on climate.
- ➔ Strengthening country-level collaboration and co-financing.
- ➔ Catalyzing private sector mobilization.
- ➔ Enhancing development effectiveness and impact .

At a technical level, MDBs expert working groups are actively implementing the plan’s deliverables, with results regularly communicated publicly to enhance transparency and accountability. These include joint notes on country-led platforms, enhanced collective climate financing estimates for

low- and middle-income countries to reach \$120 billion by 2030 (up 60 percent from 2023), analysis of local currency financing and hedging instruments — an initiative co-led by the IDB — launch of a co-financing portal, and mapping of mutual reliance agreements, among many others. Moreover, a summary of the recommendations stemming from the local currency financing and hedging analysis was published to further support stakeholders in navigating these financial instruments effectively.

Significantly, the Heads of MDBs were recognized as a formal counterpart by the Group of Twenty (G20), with the “Viewpoint Note” playing a central role in influencing the *G20 Roadmap Towards Better, Bigger and More effective MDBs* (G20 MDB Roadmap) that was endorsed by G20 Leaders in November 2024.

As part of these efforts, the IDB...

...acted as a bridge between the Brazilian G20 Presidency, working groups, and the MDBs, fostering meaningful collaboration in critical areas. These include dialogues with credit rating agencies (CRAs) on key topics such as callable capital and portfolio concentration, and the *Capital Adequacy Framework (CAF) Progress Report*, where MDBs achieved the target of \$400 billion in additional financing headroom over the next decade.

...actively participated and contributed to the successful outcomes of 25 G20 working groups in diverse areas such as agriculture, sustainable finance, international financial architecture, health, and infrastructure.

...played an active role in some of the Brazilian G20 Presidency highlights, like the launch of the *Global Alliance against Hunger and Poverty*.





Under each pillar of the *G20 MDB Roadmap*, there is concrete progress across the MDB system. These include.

**Better pillar:** The MDBs are already streamlining operational processes, including harmonization and Mutual Reliance Agreements in procurement, and are ready to support governments interested in launching country-led platforms, as outlined in a joint brief titled “Country Platforms for Climate Action — MDB Statement of Common Understanding and Way Forward.” As the MDBs look to scale up local currency and hedging solutions to manage foreign exchange risk, the IDB is particularly focused on scaling up and replicating the *EcoInvest* program in Brazil, with an eye toward enabling other countries in the region to expand the reach of currency hedging solutions.

**Bigger pillar:** The MDBs are implementing CAF measures and have already increased their collective financing capacity by more than \$400 billion through portfolio guarantees, Exposure Exchange Agreements, and hybrid capital. For its part, the IDB, in collaboration with the African Development Bank Group (AfDB),

has developed an innovative proposal to re-channel Special Drawing Rights (SDRs) through the MDBs. Separately, the IDB launched a new business model for IDB Invest to mobilize private capital at scale for sustainable projects.

**More Effective pillar:** The MDBs developed a common approach to measuring climate results to increase their collective impact and are advancing the development of key performance indicators for nature and biodiversity.

Additionally, the IDB led active engagements with other relevant partners and stakeholders such as the United Nations. These included a series of meetings with the UN Secretary-General and UN Member States aimed at better supporting countries in accelerating their progress towards the SDGs. The IDB and the UN will collaborate to unlock greater volumes of affordable long-term resources and to enhance in-country cooperation, especially in fragile states. The Bank and its partners will also work together towards the *4th International Conference on Financing for Development (FfD4)* in Seville in 2025.

## The IDB's Strategic Partnerships with Other MDBs

In 2024, the IDB and the International Monetary Fund (IMF) conducted a joint mission to Paraguay, building on a history of successful cooperation in countries like Jamaica, Barbados, and Costa Rica under the IMF's Resilience and Sustainability Trust (RST). During the visit, the IDB and IMF agreed to deepen their cooperation in two areas: general coordination and climate finance.

This partnership is distinct in its emphasis on macroeconomic and policy-level alignment to strengthen climate resilience across the region. It focuses primarily on macroeconomic policy monitoring, the implementation of IMF arrangements — particularly through the *Resilience and Sustainability Fund (RSF)* — the integration of IDB lending operations across investment and policy-based loans, and capacity development. Climate finance efforts will target policy support, capacity building, and the development of programmatic approaches to mobilize resources. The IDB is already applying this framework to support transformative policy reforms in the Dominican Republic, Jamaica, and Barbados.

Separately, the IDB continues to advance strategic partnerships with other MDBs — such as the World Bank, CAF – Development Bank of Latin America and the Caribbean, and the Caribbean Development Bank (CDB) —

to address development challenges from a sectoral and operational perspective.

For example, the IDB and the World Bank are collaborating to strengthen national disaster risk strategies and expand the use of disaster risk instruments in the Bahamas, Barbados, the Dominican Republic, Jamaica, and Belize. This partnership focuses on scaling contingent financing and risk transfer instruments like catastrophe bonds, as well as Climate Resilient Debt Clauses (CRDCs) and insurance solutions to help countries better prepare for and respond to climate-related events.

Additionally in 2024, the IDB signed an agreement with the World Bank to access the *Global Biodiversity Framework Fund (GBFF)*, a trust fund under the Global Environment Facility (GEF). The funds will support national biodiversity strategies, with a focus on improving policy, planning, and governance for environmental protection.

Further, the IDB reinforced its partnership with the CDB by signing an addendum to their 2020 Mutual Cooperation Agreement. The updated framework focuses on co-financing projects, providing financial and advisory services, promoting partnerships, and fostering knowledge exchange to support resilient and inclusive growth in the Caribbean.







## The IDB's Collaboration with United Nations Agencies

In 2024, the IDB took significant steps to strengthen its strategic alliances with United Nations agencies through new agreements focused on expanding impact in key areas.

These agreements include procedural frameworks with UNDP, PAHO, UNESCO, the Food and Agriculture Organization (FAO), the United Nations Office for Project Services (UNOPS), the United Nations International Children's Emergency Fund (UNICEF), and the World Food Programme (WFP).

The agreements aim to improve the efficiency of joint development work between the IDB and UN agencies while expanding the IDB's reach, particularly in fragile environments

where public-sector capacity or IDB resources may be limited and where UN agencies often have greater on-the-ground experience and expertise.

The first agreement was signed with UNDP in April to expedite progress in joint priority areas such as reducing poverty and inequality, addressing climate change, and promoting sustainable growth through productivity and innovation — all while amplifying the reach and long-term impact of development efforts.

The remaining agreements, signed on the sidelines of the 79th session of the United Nations General Assembly in September, establish a comprehensive cooperation framework that facilitates the contracting of UN agencies to support IDB-backed development projects. These agreements will enhance operational efficiency and provide a more streamlined structure for delivering specialized services to borrowers and beneficiaries in LAC.

Additionally, the IDB entered a partnership with UN Women to strengthen care systems for women, address gender-based violence, and promote women's economic empowerment across the region. A groundbreaking agreement was also reached to access the UN's *Systematic Observations Financing Facility (SOFF)*, which will promote the collection and sharing of critical weather data to help countries strengthen their adaptation and resilience to natural disasters.

During the 79th session of the UN General Assembly, IDB President Ilan Goldfajn addressed the *Summit of the Future* to highlight the IDB's collaborative efforts with other MDBs in tackling poverty, hunger, and climate change in alignment with the UN Sustainable Development Goals (SDGs) for 2030. High-level engagements included a private meeting with UN Secretary-General António Guterres and other MDB leaders, as well as discussions with UN Member States on deepening cooperation to achieve these goals.

## The IDB on the Global Stage

In 2024, the IDB strengthened its global positioning by actively participating in key international fora, including the *World Economic Forum* in Davos, the IMF and World Bank Spring and Fall Meetings, the *Milken Global Conference*, the *Concordia Annual Summit*, the UN General Assembly, the inaugural *Hamburg Sustainability Conference*, and CBD COP 16 in Colombia. These events positioned the LAC region as a key player in addressing global challenges while highlighting the IDB's role in fostering international cooperation.

At Davos, the IDB led discussions on Amazon sustainability, climate finance, and the LAC region's growth potential. During the IMF and World Bank Spring Meetings, the IDB participated in the *Global Inclusive Growth Summit* and a fireside chat between President Ilan Goldfajn and UN Deputy Secretary-General Amina Mohammed, co-hosted by Mastercard and the Rockefeller Foundation.

In June, the IDB also participated in the *4th Hydrogen Congress for LAC* and later joined IDB Invest's *Sustainability Week* in Manaus, which attracted over 900 participants from 37 countries.

July saw the IDB host the *8th Korea-LAC Trade and Innovation Forum* in Rio de Janeiro, alongside the IMF-IDB Joint Mission to Paraguay. The forum fostered new business opportunities, with Korea's MOEF and KEXIM committing \$300 million in co-financing for LAC infrastructure projects.

The IDB then joined ministers from the Amazon countries and U.S. Treasury Secretary Janet Yellen in Belém, Brazil, to establish a COP30 roadmap, followed by a visit to Ecuador to launch the *Alliance for Security, Justice, and Development* during the *Regional Security Summit* in Guayaquil. The Alliance aims to strengthen policies and resources for regional security, with initial support from 13 countries.



In Uruguay, the IDB co-hosted the *Innovation and Artificial Intelligence Forum*, bringing together policymakers, entrepreneurs, and innovators to enhance productivity through public-private collaboration.

During the UN General Assembly, IDB President Goldfajn addressed the *Summit of the Future* to present the IDB's joint efforts with MDBs to combat poverty, hunger, and climate change in alignment with the SDGs. The IDB also released a report on Rio Grande do Sul's \$15 billion flood damage and showcased innovations like *IDB CLIMA* at the *Clinton Global Initiative*. Meetings with U.S. Secretary of State Antony Blinken and Dominican Republic officials focused on migration and Haiti's recovery.

In October, the IDB participated in the *Hamburg Sustainability Conference*, highlighting MDB reforms and LAC's potential in climate action and food security. The IDB promoted its *BID for the Americas* program to German investors and welcomed DEG into its *Amazonia Finance Network*. A renewed partnership with the French Development Agency (AFD) standardized processes for co-financed projects.

The year concluded with IDB's presence at CBD COP 16 in Colombia, where events with more than two dozen high-level representatives addressed ocean finance, the *Amazonia Forever* program, and nature-focused climate finance metrics.





## CONVENING KEY ALLIES AT THE IDB's PARTNERS FORUM 2024

In April, the IDB held the *Partners Forum 2024*, a high-level event that convened key stakeholders from the public, private, and philanthropic sectors to assess the impact of past collaborations and identify new opportunities for joint action.

The forum served as a platform to discuss the region's most pressing development challenges and opportunities, with a focus on achieving results at greater scale and impact. Participants also engaged in discussions about the IDB's ongoing institutional transformation and the essential role of strategic partnerships in addressing global challenges through innovative solutions in areas such as climate action, education, gender equity, and sustainable finance.



### **CELEBRATING A MILESTONE IN THE IDB'S PARTNERSHIP WITH EUROPE**

The year 2024 marked the 50th anniversary of the Madrid Declaration, which in 1974 opened the door for European and other countries to join the IDB. The commemorative event in Madrid, Spain, was attended by representatives from each of the IDB's European Union member countries.

Over the past five decades, the IDB and its European partners have strengthened their shared values and priorities to improve lives across LAC — thanks in large part to the steadfast commitment of the Bank's 16 highly engaged European member countries.



# Trust Funds

In 2024, multi-donor trust funds contributed significantly to advancing sustainable development in LAC. These IDB-administered funds are made possible through the support of various partners, some of which are highlighted below.



## AgroLAC 2025 Multi-donor Trust Fund

promotes sustainable agriculture to enhance food security and reduce poverty, with a focus on trade and access to markets, increased productivity, and agri-environmental planning. *Canada, Colombia, Dow*



## The Amazon Bioeconomy and Forest Management Fund

seeks to protect the Amazon by promoting resilient and diverse landscapes, Amazon-positive value chains, and sustainability in commodity supply chains. It also features a strong focus on empowering Indigenous Peoples and Local Communities. *Germany, Italy, the Netherlands, Switzerland, United Kingdom*



**Multi-donor AquaFund** addresses water supply and sanitation challenges with the aim of guaranteeing universal access. *Austria, Spain, Switzerland, PepsiCo Foundation*



## Multi-donor Fund for Citizen Security

strengthens the capacity of countries to manage and evaluate public policies to enhance citizen security. *Canada, Switzerland*



## Compete Caribbean Partnership Facility / Compete +

supports gender-responsive, sustainable growth and climate resilience in the Caribbean private sector by focusing on boosting competitiveness, climate action, and inclusion; strengthening government support for climate-smart, gender-responsive businesses; and enhancing research and innovation ecosystems. *Canada, Caribbean Development Bank, United Kingdom*



## Development Fund for the Ecuador-Colombia Border Integration Zone

promotes integration and improves quality of life in border communities in Ecuador and Colombia. *Colombia, Ecuador*



## Development Fund for the Colombia-Peru Border Integration Zone

promotes integration and improves quality of life in border communities in Colombia and Peru. *Colombia, Peru*



## Multi-donor Disaster Prevention Trust Fund

helps countries manage risks related to natural hazards by reducing vulnerability, and preventing and mitigating disasters. *Canada, Japan, Korea, Spain*



**Early Childhood Development Innovation Fund** improves cognitive, language, motor, and socio-emotional outcomes for vulnerable children ages 0–5, with a focus on scale, knowledge generation, and innovation. *FEMSA Foundation and Open Society Foundations. Additionally, Fundação Maria Cecília Souto Vidigal (in Brazil) and Porticus (in Brazil and Colombia) contributed to two project-specific grants.*



**Multi-donor Fund for the Development of Sustainable Cities** promotes sustainable, inclusive, and resilient urban development. *Austria, Korea, Switzerland*



**Multi-Donor Fund for the Transformation of Technical and Vocational Education and Training** transforms technical and vocational education in LAC. *Germany, Switzerland*



**Gender and Diversity Multi-donor Fund** drives equitable and culturally appropriate development by fostering gender equality, combating discrimination, and supporting development with identity. *Austria, Canada, Denmark, Norway, Sweden, United Kingdom*



**Malaria Elimination Blending Facility** finances and executes malaria elimination plans. *Bill & Melinda Gates Foundation, Carlos Slim Foundation, the Global Fund*



**NDC Pipeline Accelerator Multi-donor Trust Fund** plans, designs, and prepares marketable infrastructure projects and aligns investments with the Paris Climate Agreement. *Austria, Finland, the Netherlands, Nordic Development Fund, Sweden*



**Multi-donor Regional Integration Fund** implements the IDB's integration strategy in the areas of “software,” or regulations and policy frameworks and “hardware,” or physical integration. *Canada, Chile, Colombia*



**Sustainable Colombia Facility** addresses post-conflict and sustainable development challenges in Colombia, with emphasis on rural development, climate change, environmental sustainability, and inequality. *Norway, Sweden, Switzerland*



**Sustainable Energy and Climate Change Multi-donor Trust Fund** invests in renewable energy and energy efficient technologies, expands access to carbon finance, and mainstreams climate considerations across sectors. *Austria, Finland, Germany, Italy, Japan, Spain, Switzerland, United Kingdom*



**Transparency Fund** strengthens the institutional capacity of countries to enhance transparency and prevent and control corruption. *Canada, Italy, Norway, Sweden, Mastercard*



# Financials

In 2024, effective management of financial resources remained pivotal for the IDB's partnerships. The Bank continued to prioritize the efficient use of partner resources to support its operations. This involved ensuring quality resource management and providing transparent reporting to donors on the impact of their support.

The following pages provide details on the significant contributions made by partners in 2023, including approvals and resources received for donor trust funds and project-specific grants.

## 2024 Concessional & Grant Financing Approvals by Instrument Type (in US\$ millions)

Instrument Type	Amount
Equity Investments(EQU)	18.7
Investment Grant (IGR)	51.2
Reimbursable Donor Financing - Loans (LON)	276.5
Technical Cooperation (TCP)	304.5
<b>Grand Total</b>	<b>\$650.9</b>

## 2024 Concessional & Grant Financing Approvals by Fund Type (in US\$ millions)

Fund Type	Amount
Single Donor Trust Fund (SDF)	235.9
Financial Intermediary Funds (FIF)	172.3
Multi-donor Trust Fund (MDF)	30.5
OC Strategic Development Programs	154.8
Project Specific Grant (PSG)	57.4
<b>Grand Total</b>	<b>\$650.9</b>

## 2024 Approvals by Beneficiary Country (in US\$ millions)

Country	Amount
Argentina	5.0
Bahamas	2.1
Barbados	1.8
Belize	12.4
Bolivia	10.8
Brazil	49.0
Chile	6.3
Colombia	94.7
Costa Rica	4.2
Dominican Republic	6.1
Ecuador	128.2
El Salvador	5.9
Guatemala	17.7
Guyana	5.7
Haiti	5.8
Honduras	22.0
Jamaica	12.4
Mexico	17.6
Nicaragua	4.8
Panama	32.0
Paraguay	18.2
Peru	12.6
Regional	156.2
Suriname	7.8
Trinidad and Tobago	2.7
Uruguay	6.7
Venezuela	2.3
<b>Grand Total</b>	<b>\$650.9</b>

**2024 Credited Contributions to Donor Trust Funds by Donor Country and Partner Institution**  
(in US\$ millions)

Donor Country	Partner	Amount
Austria	Federal Ministry of Finance of Austria (BMF)	1.4
Canada	Global Affairs Canada	150.7
	Lundin Foundation	0.0
Chile	Anglo American Sur S.A	0.2
	Global Methane Hub	3.0
China	Peoples Bank of China	46.4
Colombia	CAJA DE COMPENSACION FAMILIAR DE ANTIOQUIA COMFAMA 890.900.841-9	0.0
	Ministerio de Relaciones Exteriores de Colombia	0.3
Croatia	The Ministry of Finance of The Republic	1.6
France	Agence Française de Développement	0.1
Germany	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	1.0
	Federal Ministry for Economic Affairs and Climate Action of Germany (BMWK)	5.8
	Federal Ministry for Economic Cooperation and Development of Germany	1.5
	KfW Bank Group	1.1
International	European Commission (EC)	27.0
	International Fund for Agricultural Development	2.0
	Nordic Development Fund (NDF)	5.5
	The Green Climate Fund	2.0
	The World Bank	13.5
	The World Bank (PPF)	1.7
Japan	Ministry of Finance of Japan (MOF)	13.8
Luxembourg	Ministry of Finance of the Grand Duchy of Luxembourg	1.1
Mexico	Bimbo, S.A. De C.V. RFC BIM011108DJ5	0.1
	GRUPO INDUSTRIAL EMPREX, S. DE R.L. DE CV GIE980509JT3	0.2
Netherlands	Ministry of Foreign Affairs	3.3
New Zealand	Ministry for Primary Industries	1.2
Norway	Ministry of Foreign Affairs of Norway	9.8
Peru	Ministerio de Relaciones Exteriores del Perú	4.0
Qatar	Education Above All Foundation	2.2
South Korea	Korea Research Institute for Human Settlements	0.1
	Korea Technopark Association	0.7
	Ministry of Economy and Finance	139.7
	Ministry of Environment of the Republic of Korea	0.4
	Ministry of Land, Infrastructure and Transport of Korea	0.4
	Ministry of Personnel Management (MPM)	0.8
Spain	Agencia Española de Cooperación Internacional para el Desarrollo (AECID)	3.1
	Ministerio de Economía, Comercio y Empresa (MINECO)	38.9

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**2024 Credited Contributions to Donor Trust Funds by Donor Country and Partner Institution**  
(in US\$ millions)

Donor Country	Partner	Amount
Sweden	Swedish International Development Cooperation Agency - Sida	0.9
Switzerland	Nestlé S.A.	0.0
	State Secretariat for Economic Affairs (SECO)	10.8
	Swiss Agency for Cooperation and Development (SDC)	1.0
	World Economic Forum	0.0
United Kingdom	Clean Air Fund	0.1
	Department of Environment, Food and Rural Affairs (DEFRA)	2.6
	Foreign Commonwealth & Development Office (FCDO)	35.4
United States of America	AARP	0.2
	Bill & Melinda Gates Foundation	3.4
	Global Impact	0.5
	Google LLC	0.1
	Microsoft Corporation	0.0
	PepsiCo Foundation, INC	0.2
	The Coca-Cola Foundation	0.5
	United States Department of State	3.0
<b>Grand Total</b>		<b>\$543.1</b>

**2024 Knowledge Partnerships Through Mobilizing Talent, Expertise and Technology**

Name of Organization	Country	Modality	Funding Mechanism	Total Number
Federal Ministry of Finance of Austria (BMF)	Austria	Externally Funded Consultant (EFC)	Associated Professional Officer (APO)	2
Federal Ministry of Finance of Austria (BMF)	Austria	EFC	Trust Fund (Sustainable Energy and Climate Change Multi-Donor Trust Fund)	2
Ministry for Foreign Affairs of Finland	Finland			
KfW Bank Group	Germany			
Ministry of Foreign Affairs of Italy State	Italy			
Ministry of Finance of Japan (MOF)	Japan			
Ministerio de Economía y Competitividad de España	Spain			
Secretariat for Economic Affairs (SECO)	Switzerland			
Department for International Development (DFID)	United Kingdom			
Federal Ministry of Austria	Austria	EFC	Trust Fund (NDC Pipeline Accelerator Multi-donor Trust Fund)	2
Nordic Development Fund (NDF)	Finland			
Minister for Foreign Trade and Development Cooperation of the Kingdom of the Netherlands	Netherlands			
Ministry of Foreign Affairs of Sweden	Sweden			

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## 2024 Knowledge Partnerships Through Mobilizing Talent, Expertise and Technology

Name of Organization	Country	Modality	Funding Mechanism	Total Number
Caribbean Development Bank Department for International Development (DFID)	Barbados	EFC	Trust Fund (Compete Caribbean Partnership Facility Multi-Donor Trust Fund )	12
Global Affairs Canada (GAC)	Canada			
Wallonia Export & Investment Agency (AWEX)	Belgium	EFC	Project-Specific Grant (PSG)	1
Global Affairs Canada (GAC)	Canada	EFC	PSG	2
People's Bank of China	China	EFC	Trust Fund (China Co-Financing Fund for Latin America and the Caribbean)	1
Proparco	France	Seconded	Secondment	1
Agence française de développement (AFD)	France	Seconded	Secondment	1
Agence française de développement (AFD)	France	Seconded from IDB	External Assignment	1
Federal Ministry for Economic Cooperation and Development (BMZ)	Germany	EFC	APO	2
Federal Ministry for Economic Affairs and Climate Action (BMWK)	Germany	EFC	PSG	1
German Agency for International Cooperation (GIZ)	Germany	Seconded	Secondment	1
Ministry of Finance (MOF)	Israel	EFC	PSG	6
Ministry of Foreign Affairs of Italy	Italy	EFC	APO	3
Ministry of Foreign Affairs of Italy	Italy	EFC	Trust Fund (Italian Fund For Technical Cooperation Projects; Italian Trust Fund For The Preparation of MIF Projects)	3
Japan International Cooperation Agency (JICA)	Japan	Seconded	Secondment	2
Ministry of Finance of Japan (MOF)	Japan	EFC	Trust Fund (Japanese Consultants Fund)	4
Waseda University	Japan	Intern	University-Sponsored Internship	3
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	1
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	1
Korea Statistics (KOSTAT)				
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	2
Ministry of Land, Infrastructure and Transport (MOLIT)				
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	1
Ministry of Environment (MOE)				
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	2
Ministry of Trade Industry and Energy (MOTIE)				
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	1
Ministry of Science and ICT (MSIT)				
Ministry of Personnel Management (MPM)	Korea	EFC	PSG	1
Ministry of Health and Welfare (MOHW)				
Ministry of Economy and Finance (MOEF)	Korea	EFC	PSG	2

Continued on next page.



## 2024 Knowledge Partnerships Through Mobilizing Talent, Expertise and Technology

Name of Organization	Country	Modality	Funding Mechanism	Total Number
Ministry of Economy and Finance (MOEF)	Korea	EFC	Trust Fund (Public Capacity Building Korea Fund for Economic Development; Knowledge Partnership Korea Fund for Technology and Innovation; Korea Poverty Reduction Fund; Korea Private Sector Development and Innovation Fund)	11
Export-Import Bank of Korea (KEXIM)	Korea	Seconded	Secondment	4
Korea Expressway Corporation (KEC)	Korea	Seconded	Secondment	1
Korea Trade Investment Promotion Agency (KOTRA)	Korea	Seconded	Secondment	1
Ministry of the Interior and Safety (MOIS)	Korea	Seconded	Secondment	1
Seoul Guarantee Insurance (SGI)	Korea	Seconded	Secondment	1
European Investment Bank (EIB)	Luxembourg	Seconded from IDB	External Assignment	1
Ministerio de Economía y Competitividad de España	Spain	EFC	Trust Fund (Spanish General Cooperation Fund)	1
Spanish Institute for Foreign Trade (ICEX)	Spain	Intern	University-Sponsored Internship	8
Agencia Española de Cooperación Internacional para el Desarrollo (AECID)	Spain	EFC	Trust Fund (Laif Grant to CC and W&S; Spanish Fund for Water and Sanitation)	19

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