Turning Knowledge into Impact

IDB Group
Knowledge Annual Report
2025

IDB Group

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Executive Summary

At the Inter-American Development Bank Group (IDB Group), knowledge is more than a mandate—it is the bedrock of our value proposition. Governments, the private sector, and civil society across Latin America and the Caribbean rely on our knowledge. We direct our research and analysis to shape public policies, develop practical solutions for practitioners, attract private investment, catalyze innovation, and build consensus within civil society.

At the IDB Group, knowledge translates into policy reforms. Sustained analytical engagement has helped inform energy subsidy reforms in Argentina, national labor and pension debates in Mexico, urban transport investments in Peru, and greater financial inclusion for women-led MSMEs. These contributions have supported fiscal savings, improved policy design, and better impact for vulnerable populations. They demonstrate how knowledge moves from analysis to operations, and from operations back into better policy and improved development results.

The IDB Group's knowledge production was both extensive and substantive. In 2025, the Group produced over 700 new knowledge products, including working papers, books, technical notes, peer-reviewed journal articles, codes, datasets, and a wide range of other publications. The Bank also offered 126 online courses, involving over 112,000 active participants. More than 1,000 government officials engaged in 27 Regional Policy Dialogues, while 88 executing units contributed to the Superheroes of Development contest. Knowledge products were accessed more than 5 million times globally, with 61% of policymakers in Latin America and the Caribbean using them, underscoring the IDB's regional leadership. The Bank's knowledge continued to influence global policy, with over 34,000 citations of IDB Group authors and more than 1,500 policy documents worldwide referencing its work. These indicators matter not only as measures of active production, but also as signals of whether knowledge is reaching decision-makers and informing real-world development outcomes.

In 2025, the IDB Group implemented key reforms to enhance the impact and influence of its knowledge work, thereby strengthening the operations-knowledge feedback loop in line with the priorities outlined in the Institutional Strategy 2024–2030: Transforming for Scale and Impact. The creation of the Knowledge Advisory Committee improved institutional coordination, guiding the design of a new Knowledge Platform, launching the Development Effectiveness Intelligence Fund, and overseeing quality assurance and influence metrics. With an $8 million budget in 2025, the fund expanded support for rigorous evaluations and targeted knowledge gaps. The Knowledge Platform serves as the digital backbone of the IDB's knowledge ecosystem, using AI to improve access, systematization, and reuse of institutional learning. Complementing this, Seek, an AI-powered tool, significantly boosted engagement with IDB publications.

In 2025, the IDB Group received the International Knowledge Management Award, one of the most prestigious global recognitions in the field. Granted on the basis of institutional merit, the award reflects external validation of the IDB Group's role as a Knowledge Bank for the region.

This first IDB Group Knowledge Report presents the Bank's knowledge production over the past year and the strategic reforms we have enacted to strengthen our role as a "knowledge Bank" for the region. It also underscores our growing effort to measure the influence of our knowledge, showcases how our analytical work enhances our operations, and shows its tangible impact on improving lives across Latin America and the Caribbean.

Important challenges remain. Dissemination gaps persist, and a significant share of regional stakeholders still do not access IDB Group's knowledge. The completion of planned impact evaluations remains uneven, and shifts in the global knowledge landscape, including the rise of AI-driven information synthesis, require new approaches to ensure that evidence remains visible, credible, and actionable. Strengthening operational uptake, improving measurement of influence, and ensuring timely access to knowledge will remain central priorities going forward.

2025 in Brief

New **Knowledge Products** in 2025

101 working papers

53 monographs and books

64 Open-sourced codes

121 technical notes

131 publications in peer-reviewed journals

240 other publications

15 datasets

126 active courses in online platforms

1,000+
Government officials participated in **27** IDB Regional Policy Dialogues.

88
Public and private counterparts participated in the seventh edition of the Superheroes of Development contest.

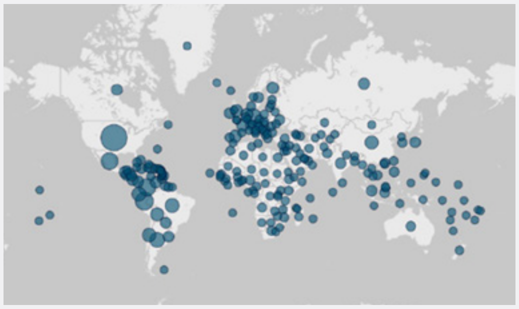
$8 million
invested in Impact Evaluations of IDB operations through the Development Effectiveness Intelligence Fund.

Access to Knowledge

61% of policymakers in the region have accessed our knowledge products. The IDB Group is a leader in the region. (Source: AidData)

112,295 people actively participated in online courses from the IDB Group.

Our publications were accessed more than 5 million times worldwide



(Source: IDB Publications Catalog)

Influence & Legacy

34,000+ citations of IDB Group authors.
(Source: Google Scholar)

IDB group **ranked first** among government officials in generating research and analysis.

More than 1,500 policy documents citing IDB Group publications all over the world

(Source: Overton)

01 The Strategic Value of Knowledge at the IDB Group

Knowledge is a strategic driver of impact. Guided by its 2024–2030 Institutional Strategy, the IDB Group is embedding knowledge into everything it does, from policy design and operations to institutional learning.

Since its founding, knowledge has been integral to the IDB's mission, with the governors initially giving the Bank the mandate to support development in the region through both technical assistance and knowledge creation. Over the years, the IDB Group has continually evolved, integrating knowledge into its strategic objectives and accelerating efforts to make it open, accessible, and actionable.

Knowledge is not merely a mandate; it's the foundation of one of our core value propositions to our clients. The Region counts on our advice and expects it to be robustly tested, cutting-edge, timely, and relevant. We invest in knowledge to influence public and corporate policies, create new solutions for practitioners, attract private investment to the region, catalyze public and private sector innovation, and influence civil society and build consensus. We leverage knowledge to improve country dialogue, programming decisions, and enhance our development effectiveness.

The Institutional Strategy 2024–2030: Transforming for Scale and Impact, approved in 2024, reaffirms the IDB Group's role as a **trusted source of development knowledge for Latin America and the Caribbean**, underscoring our dedication to generating, sharing, and leveraging knowledge to drive development outcomes and amplify regional impact.

The IDB Group invests in two types of knowledge, which underpin the Group's development mission and establish its reputation as a Knowledge Bank**.** First, we invest in constructing bridges between the global knowledge frontier and our counterparts, ensuring that when they confront complex problems, they have access to the most relevant and cutting-edge analysis. Our expertise and relationship with outside experts at the frontier are critical to the strength of the knowledge bridges that we construct. Second, we invest in the creation of knowledge. In many cases, the development problems confronting our counterparts have no ready solution; the global knowledge frontier is insufficiently advanced, and experts at the frontier are preoccupied with other issues. In these situations, our capacity to advance the global knowledge frontier becomes critical.

WHAT DO WE MEAN BY KNOWLEDGE?

At the IDB Group, knowledge encompasses data, information, analysis, experience, and continuous learning. It includes research, technical know-how, and practical lessons that empower decision-making, problem-solving, and innovation.

Knowledge management, in turn, refers to the systematic processes of generating, curating, sharing, and applying knowledge to increase effectiveness. When embedded institutionally, knowledge management becomes a driver of operational quality, learning, and impact.

The Knowledge Feedback Loop

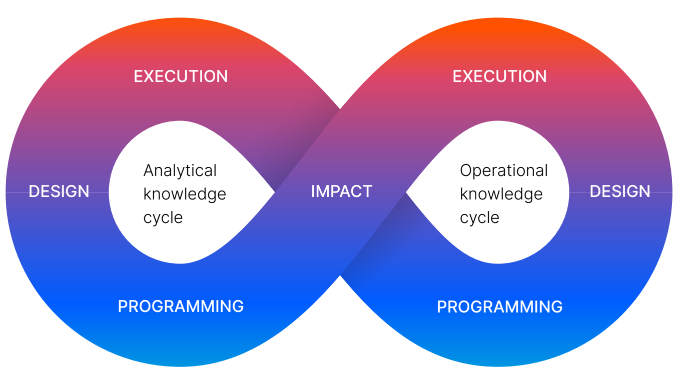
Evidence informs operations, and operations generate new evidence.
The IDB Group's knowledge loop is a continuous feedback system that turns learning into action and development into impact.

The feedback loop between knowledge and operations is at the heart of our comparative advantage. We must be humble – we cannot hope to be the world's leading experts in every area in which we are active – but we do have a strong comparative advantage, working with our partners both in the public and the private sector to fill pressing knowledge gaps that impede development in the region. That comparative advantage emerges not only from the depth of our operational experience, but also from our deep knowledge of the region.

To maximize development results, analytical and operational knowledge cycles must be interconnected, forming a continuous feedback loop— the "knowledge loop"—where evidence informs decisions and operations generate new insights. This symbiotic relationship can be fostered by:

- Increasing the use of evidence in the programming and design of operations.
- Generating high-quality evidence from project execution on what works and why.
- Capturing and applying lessons learned from operations in real time.
- Identifying critical development challenges where the IDB Group is not yet active, but where knowledge can inform future action.

THE KNOWLEDGE LOOP



Today's Knowledge should support the operations of the future

In 2025, the IDB Group translated Knowledge Strategy into Action.

Through institutional reforms and new tools, the IDB Group strengthened the way knowledge informs decision-making and supports development effectiveness.

IDB Group's knowledge investments have had a significant influence, but we can do more. The IDB Group Strategy proposes a series of reforms to better address the competitive and technological changes to the knowledge environment in which we operate and to strengthen the operations-knowledge feedback loop. These included:

a) Strengthening Knowledge Governance: Creation of the Knowledge Advisory Committee (KAC)

The KAC was established to ensure more effective governance of knowledge across the institution. It brings together senior leadership from all windows across the institution, including IDB Invest, and IDB Lab. In its first year, the KAC played a central role in:

- Guiding the design of the Knowledge Platform being developed to provide access to the curated knowledge of the Bank to all specialists.
- Overseeing the setup of the Development Effectiveness Intelligence Fund (DEIF) to finance the creation of strategic knowledge that informs our operations.
- Supporting the implementation of the Knowledge Influence Index to inform future agendas.
- Recommending improvements in quality assurance for knowledge products.

b) Additional Resources to Understand the Impact of Our Operations

Development Effectiveness Intelligence Fund
One of the main challenges in generating high-quality knowledge from our operations is funding. To address this, the IDB launched the Development Effectiveness Intelligence Fund (DEIF), which aims to overcome barriers to executing impact evaluations and other knowledge initiatives by providing additional financial and methodological support.

The DEIF is a competitive fund that channels technical cooperation resources to evaluate the impact of IDB interventions, identify factors that drive effective and seamless portfolio execution, and support initiatives that improve effectiveness throughout the project lifecycle. Between 2024 and 2025, $14 million was allocated through the DEIF to support different initiatives in these areas. Over this period, the Fund received 145 proposals from all windows of the Bank, reflecting strong demand and interest across the institution. Of these, 72 were approved for funding.

The DEIF portfolio reflects a diverse range of priorities across sectors and regions, including evaluations of the long-term effects of a conditional cash transfer program in Jamaica, the Quito Metro's impacts on economic activity and nearby households, fiscal management modernization reforms in Brazil, and an AI-enabled teacher induction program to strengthen teaching quality and student learning outcomes in Chile.

IDB Invest Impact Evaluation Program

Since 2017, the IDB Invest Impact Evaluation Framework has guided the generation and dissemination of evidence on how the private sector can enhance development impact. Through this framework, IDB Invest conducts impact evaluations for selected projects and priority topics, with a strong emphasis on learning and accountability. IDB Invest currently prioritizes three key areas of work:

- Impact evaluations of existing private sector interventions that are expected to generate significant development impact.
- Innovation testing, which supports the design and/or implementation of rigorous evaluations of innovative solutions aimed at delivering development results before being scaled.
- Strengthening impact monitoring capabilities, which focus on building monitoring and reporting systems within companies and among strategic partners such as banking associations, business associations, and others.

c) Building a Digital Knowledge Ecosystem

The Knowledge Platform

The Knowledge Platform is the digital backbone supporting the IDB Group's Knowledge ecosystem. The platform aims to address the challenge that much of our knowledge production is fragmented, scattered across various documents and systems, and sometimes not even systematized. Key features include:

- **Smarter access to knowledge,** enabling users to search projects, review curated literature, and reuse lessons learned.
- **AI-Powered support,** the platform's operational and multilingual agent, summarizes, answers questions, and generates content to boost team productivity.
- **Improved projects,** facilitating the capture, systematization, and sharing of evidence-based knowledge.

Integrated Knowledge Systems at IDB Invest

In parallel, IDB Invest has various platforms in place to manage knowledge and operational learning for private sector operations, including:

- **Knowledge Engine,** an internal knowledge app store that enables users to interact with knowledge from multiple sources, including country assessments, publications, and strategic documents.
- **Operational learning platforms,** that capture results and lessons from evaluations and portfolio experience, feeding insights back into new operations through digital automated support.

In addition, IDB Invest launches a centralized Publication Hub to streamline the publishing process, enhance the visibility of knowledge products, and ensure their strategic alignment.

Artificial Intelligence transforming access to our Publications

The IDB is at the cutting edge by transforming how users engage with its publications via artificial intelligence. In 2025, tens of thousands of users interacted directly with more than 1,000 individual publications through Seek. In April, the platform expanded to allow users to pose a question and getting answers pulled from thousands of peer-reviewed IDB simultaneously, significantly lowering the barrier to accessing evidence.

d) Strategic Communications to Amplify Knowledge Influence

Sharing knowledge is not enough. Influence matters. In 2025, the IDB Group initiated a Knowledge Influence Agenda, a new approach to communications that aims to shape policy conversations and inform key stakeholders’ decision-making.

The Agenda marks a shift from disseminating individual products to strategically influencing how evidence enters public debate, policy discussions, and operational decisions. As part of this effort, the KAC developed the Knowledge Influence Toolkit, which provides practical guidance for teams to move from dissemination to engagement. The Toolkit helps define influence objectives, identify priority audiences, map stakeholders, select channels, and assess influence opportunities.

During 2025, the Agenda moved from concept to early application through initial work focused on labor markets. This work explored how evidence can be positioned more intentionally in complex policy environments. It emphasized the development of a shared narrative framework and a common language around knowledge influence, alongside a cultural shift toward more deliberate engagement with policy audiences.

This initial effort produced a first set of tangible outputs, and the lessons generated are informing refinements to the Knowledge Influence Toolkit while laying the groundwork for the 2026 pilot phase, when the Knowledge Influence Agenda will be implemented more systematically across selected sectors.

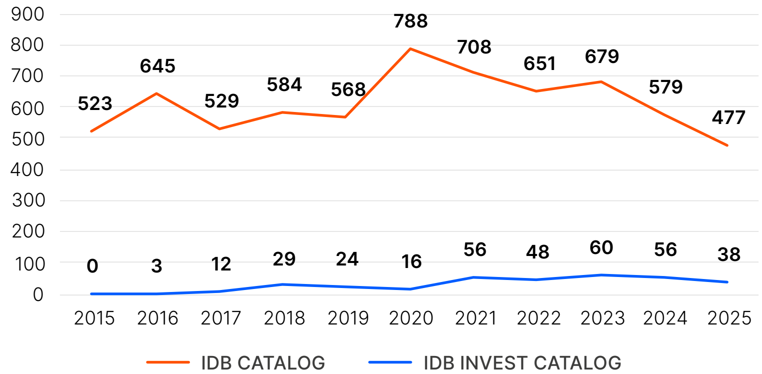
02 From Knowledge Production to Influence: 2025 Highlights

A Decade in Knowledge Production

More Knowledge, Higher Quality, Broader Reach. Over the past decade, a steady stream of knowledge products has emerged, accompanied by an increase in peer-reviewed outputs, user engagement, and regional access.

The flow of knowledge products has been consistent since 2015. Over the past 11 years, the IDB Group has produced an average of 643 knowledge products per year, underscoring the scale of its knowledge production. A notable surge occurred in 2020 and 2021, primarily driven by an intensified focus on the COVID-19 pandemic. As the pandemic unfolded in early 2020, the IDB Group, like much of the global development community, pivoted quickly to COVID-19-related research.

NUMBER OF KNOWLEDGE PRODUCTS IN THE IDB AND IDB INVEST PUBLICATIONS CATALOGS, 2015-2025



Source: IDB Publications Catalog and IDB Invest Publications Catalog. Publications from IDB Invest published before 2016 and publications from IDB Lab are included in the IDB Publications Catalog.

The IDB Group produces a variety of knowledge products from books to working papers, which target different audiences and policy needs. In 2025, the IDB Publications Catalog released 5 books, 101 working papers, and 121 technical notes. Over time, the composition of this portfolio has shifted toward products that require a formal peer-review process (i.e., working papers, monographs, and books), pointing to a gradual strengthening of publication quality and reflecting a shift toward stronger methodological and editorial standards. Meanwhile, the IDB Invest Publications Catalog, launched in 2016, has averaged 52 publications per year since 2021, including 38 in 2025.

External peer-reviewed articles increased from an average of 117 per year (2015–2024) to 131 in 2025, while the share published in Q1 journals rose from 60 percent to 71 percent. Publications appeared in leading outlets such as the *Review of Economic Studies*, the *Journal of Political Economy*, the *American Economic Journal: Economic Policy*, and the *Journal of the European Economic Association*. This trend reflects a deliberate effort to strengthen the quality of the Bank's knowledge and extend its reach into highly influential academic journals.

KNOWLEDGE PRODUCTS PUBLISHED BY CATEGORY, 2015–2025

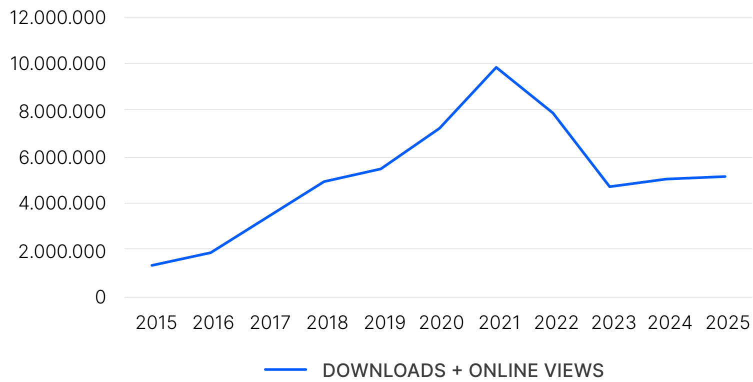
Knowledge product	2015 – 2024 Annual Averages	2025 Totals
Working papers	82 (13.4%)	101 (21.2%)
Monographs	68 (11.0%)	48 (10.1%)
Books	8 (1.3%)	5 (1.0%)
Technical notes	173 (28.3%)	121 (25.4%)
Annual reports	13 (2.1%)	10 (2.1%)
Other IDB Categories	269 (43.9%)	192 (40.3%)
IDB Invest Catalog**	30	38
Datasets	19	15
Open-Source Software*	29	64
Academic Journal Publications	117	131
Publications in Q1 Journals	70 (60 %)	93 (71 %)

Source: IDB Publications Catalog, IDB Invest Publications Catalog, IDB Open Data LAC, IDB's Code4Dev, Scopus, and Web of Science. Shares are computed using the total of products in the IDB Publications Catalog, excluding codes, datasets and external publications. Academic journal publications are mostly publications in external peer-reviewed journals, but also include some book or handbook chapters and conference proceedings. Differences with the previous figure are due to differences in the number of datasets published in the IDB Publications Catalog and the IDB Open Data LAC. *IDB's Code4Dev has data starting in 2017, and the average corresponds to the average between 2017 and 2024. ** The IDB Invest Publications Catalog was launched in 2016, and the average corresponds to the average between 2016 and 2024.

Worldwide Access

In 2025, IDB publications were accessed over 5 million times, with 77% of interactions occurring through downloads and 23% through online views. More than 43 percent of total interactions originated in Latin America, underscoring both the global reach of the IDB's knowledge products and their strong regional relevance. While access expanded steadily throughout the 2010s and peaked during the COVID-19 period, engagement has since stabilized at levels well above the pre-pandemic baseline. Downloads continue to account for the majority of interactions, but the rapid growth of online views since 2022 highlights shifting consumption patterns toward more digital and web-based channels.

TOTAL INTERACTIONS WITH IDB PUBLICATIONS, 2015-2025



Key Knowledge products in 2025

Key publications from 2025 showcase the breadth and depth of knowledge produced by the IDB Group. These include flagship reports, the most accessed and cited publications of the year, influential publications from previous years, and those featured in top-tier academic journals that contributed to advancing the global knowledge frontier.

Development in the Americas 2025. Markets for Development. Improving Lives through Competition. http://dx.doi.org/10.18235/0013850

Latin America and the Caribbean has made major social and macroeconomic strides, yet growth and productivity remain weak. Markets for Development: Improving Lives through Competition argues that the region's core challenge is limited market competition. High market concentration, regulatory barriers, and weak enforcement of rules allow dominant firms to restrict entry, innovation, and opportunity. This book presents new evidence on how market power shapes firm behavior, employment, and inequality across sectors. It also demonstrates that reducing fragmentation, improving regulation, and strengthening competition policy can lower prices for consumers, raise productivity, create better jobs, and build fiscal capacity, making competition a central driver of development.

Amazonia: A Journey Toward Prosperity and Resilience. http://dx.doi.org/10.18235/0013751

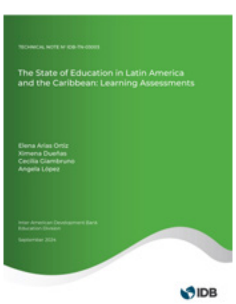
This publication presents a comprehensive analysis of Amazonia's current state, highlighting urgent challenges and transformative opportunities relating to economic development, livelihoods and conservation. At its core is Amazonia Forever, the IDB Group's flagship program designed to promote sustainable and inclusive development in the region. The program and this publication are built on five strategic pillars combating deforestation; bioeconomy and the creative economy; people; cities, connectivity and sustainable infrastructure; as well as sustainable low-carbon agriculture, livestock and forestry. The report emphasizes the need for institutional strengthening, coordinated financing, and regional cooperation. It also underscores the role of innovation and data in enhancing policy effectiveness. Importantly, it calls for global collaboration, recognizing that preserving Amazonia is a shared responsibility. Through diagnostics, evidence, and policy recommendations, this publication aims to guide collective action and inform a strategic vision for the region's future. It reaffirms the IDB Group's commitment to ensuring that Amazonia continues its journey towards prosperity and resilience.

Impact Report 2025: Transforming for Scale and Impact.
http://dx.doi.org/10.18235/0013629

The Impact Report offers a fresh and accessible look at how the IDB Group is working to achieve impact across Latin America and the Caribbean. Formerly known as the Development Effectiveness Overview (DEO), the report offers insights about effective and novel approaches employed by the IDB Group comprising the IDB, IDB Invest, and IDB Lab to promote inclusive growth and sustainable development, in close collaboration with the public and private sectors. The 2025 edition puts a spotlight on infrastructure, showing how expanded access to water, sanitation, energy, and transportation is transforming communities. More than just a report, it serves as a gateway to the IDB Group's broader efforts to ensure accountability, as well as track, evaluate, and learn from development results. It offers readers a clear view into what is working, what needs improvement, and how the Group continues striving to achieve meaningful impact across the region.

Most Downloaded Knowledge Products, 2025

Over 109,000 downloads and 4,000 online views
Impact Evaluation in Practice. Second Edition. Inter-American Development Bank Group and World Bank Group.
http://dx.doi.org/10.18235/0006529



Over 26,000 downloads and 2,000 online views

The State of Education in Latin America and the Caribbean: Learning Assessments. Inter-American Development Bank Group
http://dx.doi.org/10.18235/0013171

Most Cited Knowledge Products, 2025

Influence takes time to materialize. The most cited IDB Group's publications in 2025 were not recent releases, but rather studies published in 2020 and 2021, demonstrating the long arc of impact that high-quality research can have. This underscores a critical reality of knowledge work: influence is often cumulative, building gradually as ideas are debated, refined, and ultimately taken up by academics, policymakers, and practitioners.

To capture this influence, we track two distinct types of citations. Academic citations, sourced from platforms like Google Scholar, reflect the recognition of our research within scholarly circles and its contribution to advancing global knowledge. Policy citations, drawn from databases such as Overton, indicate the practical uptake of IDB Group knowledge in policy documents, government strategies, and institutional reports.[1] Together, these metrics provide a more comprehensive picture of how our work informs both the academic community and real-world decision-making.

Most cited publication overall in Google Scholar*

278 Academic Citations

A scoping review on incentives for adoption of sustainable agricultural practices and their outcomes. *Nature Sustainability*, *3*(10), 809-820. https://doi.org/10.1038/s41893-020-00617-y

*Analysis based on articles published between 2020 and 2025 by IDB Group authors with an active Google Scholar profile.

Most cited publication in Overton

28 Policy Citations, including citations from CEPAL, CAF, the Korean Development Institute, OECD, Peru's Pro-Inversión and the World Bank.

The Infrastructure Gap in Latin America and the Caribbean: Investment Needed Through 2030 to Meet the Sustainable Development Goals. Inter-American Development Bank
https://doi.org/10.18235/0003759

Publications in top refereed journals

IDB Group's researchers are committed to advancing the knowledge frontier on development challenges in Latin America and the Caribbean. Publishing in recognized peer-reviewed journals is a key part of this effort, as it guarantees the highest standards of quality and facilitates the dissemination of our knowledge to our clients and a global audience. In 2025, 131 IDB Group knowledge products were published in peer-reviewed journals, 71% in Q1-ranked journals, including several in the most prestigious academic outlets. This reflects our strong commitment to producing rigorous, influential work that shapes policy and practice in the region.

1 Overton is the most extensive collection of policy documents produced by governments (e.g., ministries, central banks, statistical agencies), intergovernmental organizations (including multilateral development banks), and think tanks.

TOP PUBLICATIONS IN PEER-REVIEWED JOURNALS IN 2025

Title	Journal	IDB Group authors[2]
Surviving Competition: Neighbourhood Shops versus Convenience Chains	Review of Economic Studies	Miguel Ángel Talamas Marcos. Research Department
Self-Fulfilling Debt Crises with Long Stagnations	Journal of Political Economy	João Ayres. Research Department
Electronic Payment Technology and Tax Compliance: Evidence from Uruguay's Financial Inclusion Reform	American Economic Journal: Economic Policy	Magaly Sáenz Somarriba. Productivity, Trade and Innovation Department
Export-Led Decay: The Trade Channel in the Gold Standard Era	Journal of the European Economic Association	Mathieu Pedemonte. Research Department
Life Out of the Shadows: The Impacts of Regularization Programs on the Lives of Forced Migrants	Journal of the European Economic Association	Ana María Ibáñez. Vice Presidency for Sectors and Knowledge
Reducing Parent-School Information Gaps and Improving Education Outcomes: Evidence from High-Frequency Text Messages	Journal of Human Resources	Samuel Berlinski. Research Department Matias Busso. Research Department
The Effect of Classroom Rank on Learning throughout Elementary School: Experimental Evidence from Ecuador	Journal of Labor Economics	Yyannú Cruz-Aguayo. Social Department
Climate Change Mitigation Policies: Aggregate and Distributional Effects	Economic Journal	Cezar Santos. Research Department
Global Giants and Local Stars: How Changes in Brand Ownership Affect Competition	American Economic Journal: Microeconomics	Vanessa Alviarez. Research Department
Import processing and trade costs	Journal of International Economics	Christian Volpe Martincus. Productivity, Trade and Innovation Department
Sticky capital controls	Journal of International Economics	Laura Alfaro. Research Department
The role of currencies in external balance sheets	Journal of International Economics	Luciana Juvenal. Research Department
The effects of extortion and security device adoption on entrepreneurial entry and exit: Evidence from Guatemala	Journal of Public Economics	Romina Ordoñez. Productivity, Trade and Innovation Department, and IDB Invest.
The impact of standardized disease-specific healthcare coverage	Journal of Public Economics	Felipe Menares. Office of Strategic Planning and Development Effectiveness

2 List does not include external authors.

Measuring influence

Knowledge creation alone isn't enough—what matters is how it informs decisions and shapes development.

The IDB Group is not only producing more knowledge but also influencing how development is understood, discussed, and implemented across the region.

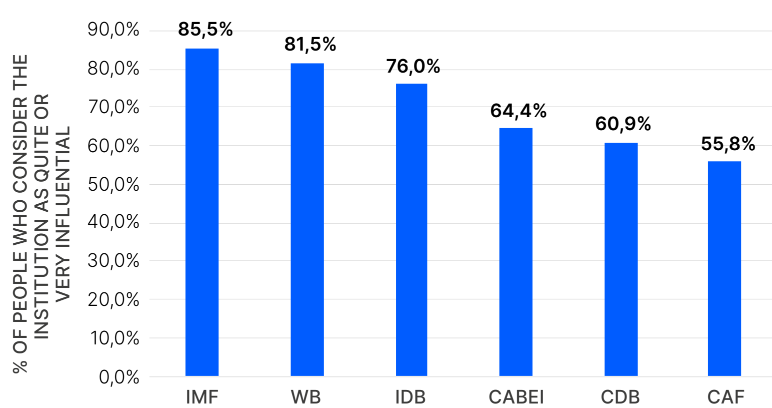
External recognition also reflects the IDB Group's standing as a knowledge institution. **In 2025, the IDB Group received the International Knowledge Management Award, granted by KM-A Knowledge Management and the Knowledge for Development Partnership (K4DP).** The award is based on institutional merit rather than applications and recognizes organizations that demonstrate excellence in knowledge governance, learning, and the effective use of knowledge for development impact. The recognition underscores the Bank's progress in strengthening its knowledge systems, connecting research with operations, and embedding learning into decision-making.

In parallel, the IDB Group has strengthened how it measures the impact of knowledge by combining traditional perception-based metrics with new analytical tools. These efforts include the Knowledge Influence Index, which draws from presence in the media and citations in academic and policy documents, and our own loan operations. In 2023, the IDB Group also received KMWorld's Reality Award for pioneering its Knowledge Influence Index Initiative, recognizing its leadership in knowledge management.

IDB Group, Amongst the Top Influential Institutions in Latin America

The 2024 *Listening to Leaders* survey, conducted by AidData, reached nearly 50,000 global leaders, including 7,403 in Latin America and the Caribbean, achieving a 9.3% response rate. The IDB Group continues to rank among the region's top three most influential international development financial institutions.

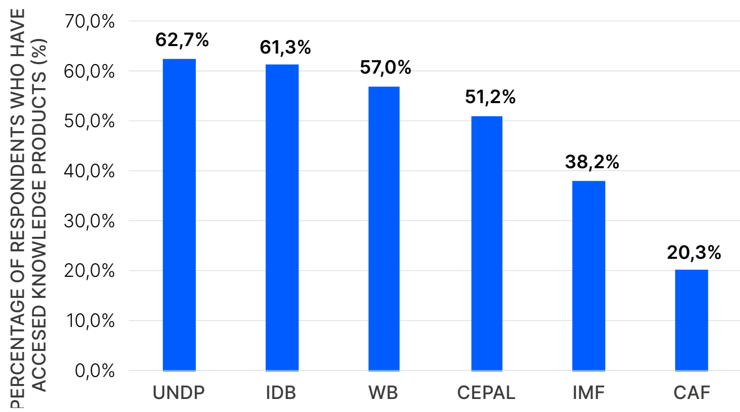
INFLUENCE OF MAJOR INTERNATIONAL FINANCIAL INSTITUTIONS IN LATIN AMERICA AND THE CARIBBEAN, 2024



Source: own elaboration using data from the [2024 Listening to Leaders Survey]

Results from a new knowledge module in the survey also shows that the IDB Group is a leader in the region in terms of providing access to knowledge products. Yet nearly 40% of stakeholders do not access IDB Group knowledge, mainly due to a lack of awareness or dissemination, as cited by 69% of non-users. This points to opportunities to strengthen outreach and coordination efforts, thereby expanding the reach and influence of our knowledge.

ACCESS TO KNOWLEDGE PRODUCTS BY DIFFERENT DEVELOPMENT ORGANIZATIONS IN LATIN AMERICA AND THE CARIBBEAN, 2024

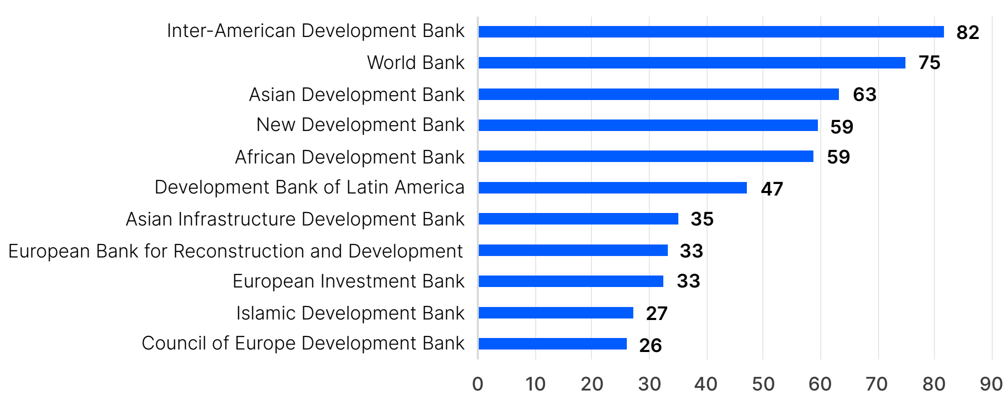


Source: own elaboration using data from the [2024 Listening to Leaders Survey]

Broader Perspective: The ODI Survey on Multilateral Effectiveness

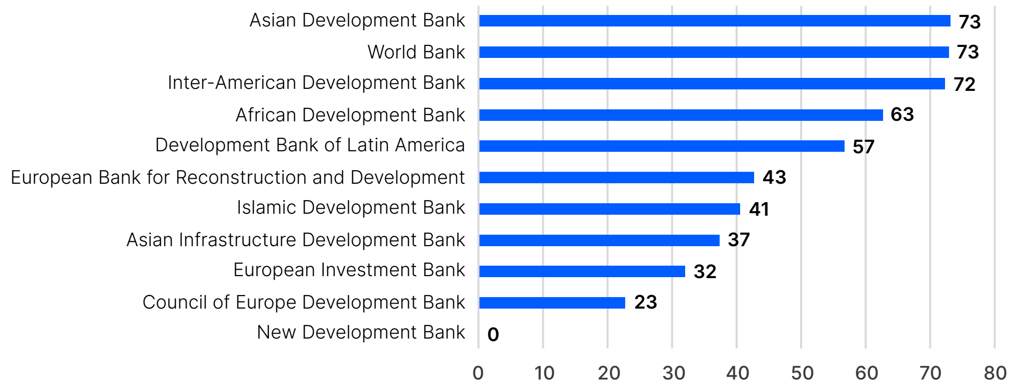
Complementing the AidData findings, a survey conducted by the Overseas Development Institute (ODI Global) in 2025 assessed government perceptions of multilateral development banks' effectiveness across 120 countries. Among 650 government officials surveyed, the IDB Group ranked first in "generating research and analysis" (82% of respondents described the Bank as highly or very effective) and among the top three in "providing policy advice and technical assistance" (72%), alongside the World Bank and the Asian Development Bank (both at 73%).

SHARE OF GOVERNMENT RESPONDENTS WHO FIND MDBS EFFECTIVE FOR GENERATING RESEARCH AND ANALYSIS



Source: own elaboration using data from Prizzon, A. and F. Zeka (2025). Are MDBs becoming 'better' institutions for their clients? Early insights from the 2025 survey of clients of Multilateral Development Banks. ODI Global Briefing Paper. London: ODI Global.

SHARE OF GOVERNMENT RESPONDENTS WHO FIND MDBS EFFECTIVE FOR OFFERING POLICY ADVICE AND TECHNICAL ASSISTANCE

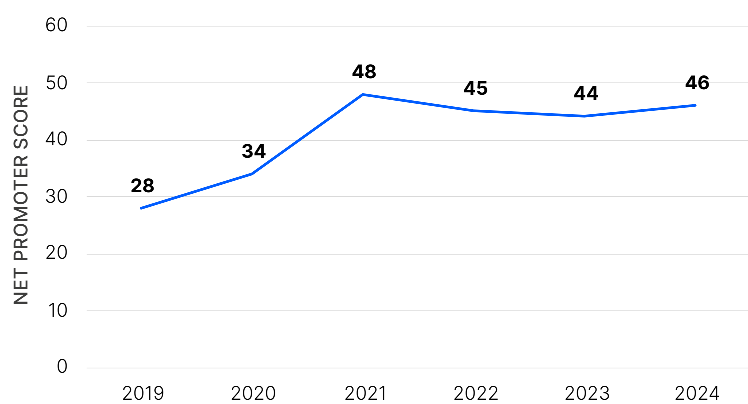


Source: own elaboration using data from Prizzon, A. and F. Zeka (2025). Are MDBs becoming 'better' institutions for their clients? Early insights from the 2025 survey of clients of Multilateral Development Banks. ODI Global Briefing Paper. London: ODI Global.

Listening Directly to Our Clients: The Net Promoter Score (NPS)

Understanding how clients and stakeholders perceive the IDB Group's knowledge products is essential to assessing its influence. Based on surveys from the External Feedback System (EFS), the IDB Group's Knowledge Net Promoter Score (NPS)—the leading knowledge indicator in the Impact Framework—measures how likely stakeholders are to recommend the IDB Group as a relevant knowledge provider. The score increased from 28 in 2019 to 46 in 2024, signalling growing recognition and positioning as a credible source of development knowledge in the region.[3] However, the NPS has remained relatively stable since 2021, indicating both a challenge and an opportunity to further enhance client satisfaction, strengthen engagement, and reinforce the IDB Group's reputation as a premier knowledge institution.

IDB GROUP'S KNOWLEDGE NPS, 2019–24



Source: IDB Group's External Feedback System

3 As of the completion of this report, data collection for the 2025 External Feedback System's satisfaction survey had not yet concluded.

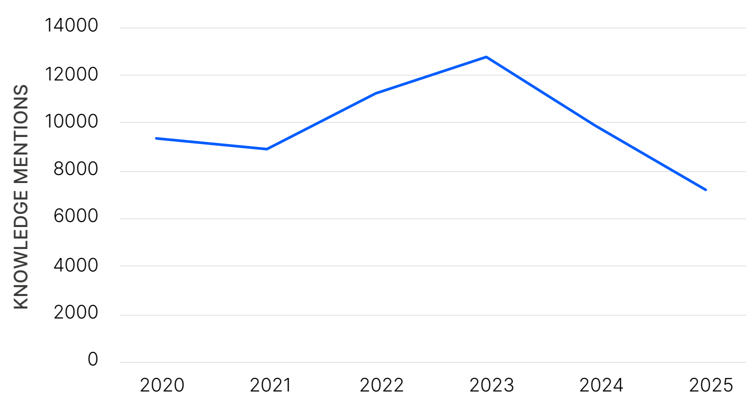
While perception-based measures such as AidData, ODI, and the Knowledge NPS provide valuable insights into how policymakers and clients view the IDB Group's credibility and relevance as a knowledge institution, they capture only one dimension of influence: how the Bank's knowledge is perceived. Measuring how that influence manifests in the public debate, policy documents, and operations requires complementary approaches. The following subsection examines another form of influence, focusing on how IDB Group knowledge is cited and used across different domains.

Moving Beyond Traditional Metrics: The Knowledge Influence Index

Complementing these perception-based measures, the IDB Group seeks to understand and measure the influence of its knowledge. Introduced in 2023, the Knowledge Influence Index (KII) measures the influence of the Bank's knowledge on three dimensions: reputation, policy, and operations. The KII score is the average of the indicators measuring these three dimensions. In 2024, the KII was calculated for the first time for the whole IDB Group. The results for each of the three dimensions of the Index and their aggregation are presented below.

The **reputational dimension** is measured by the number of mentions of IDB Group-produced knowledge in online news (via Brandwatch).[4] This number decreased by 5% between 2020 and 2021, then recovered between 2021 and 2023 to around 21% above the 2020 benchmark. Since then, it has been decreasing and is now 23% below the 2020 benchmark. Part of this decline may reflect a reduced dissemination effort for knowledge products compared with more active promotion of operational and corporate communications. In addition, the internal reorganization of the former Knowledge, Innovation, and Communication Department in 2024 may have temporarily limited the communications team's ability to prioritize knowledge dissemination.

MENTIONS OF IDB GROUP KNOWLEDGE IN ONLINE NEWS

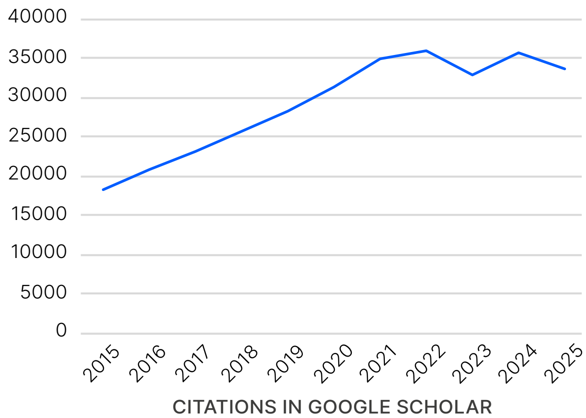


The **policy landscape dimension** tracks citations to IDB Group documents in policy documents (via Overton) and to IDB Group authors in academic research (via Google Scholar). Academic citations increased steadily through the late 2010s, peaking at around 36,000 citations in 2022, and have since stabilized at slightly lower levels, remaining around 34,000 citations in recent years. Policy citations

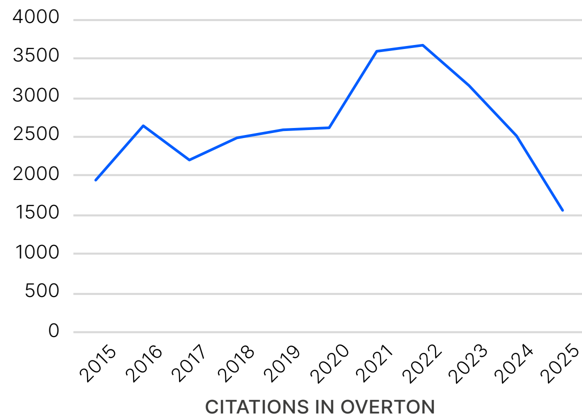
4 A knowledge mention is defined as an instance where a set of keywords related to knowledge products -such as knowledge, research, report, findings, publication, blog, document, database, paper, and their equivalents in Spanish, Portuguese, and French- appear within five words of a mention of the institution (e.g., BID, IADB, IDB, etc.).

followed a similar but more modest trajectory, rising gradually prior to 2020, accelerating during the COVID-19 period, and peaking at approximately 3,500 citations in 2022. Since then, policy citations have declined to around 2,000 per year.[5] This pattern partly reflects a slowdown in post-pandemic publication volumes and broader global trends in citation activity; comparable dynamics are observed across other MDBs in the Overton data.

CITATIONS IN ACADEMIC DOCUMENTS

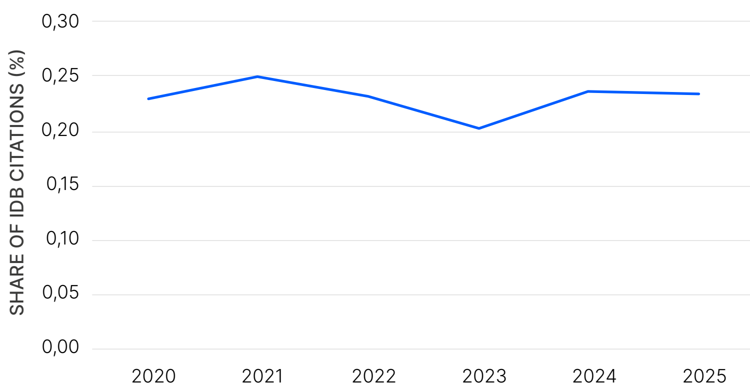


CITATIONS IN POLICY DOCUMENTS



The **operational dimension** assesses the share of IDB document citations in approved loan proposals. This indicator has remained relatively stable over time, fluctuating between 20% and 25%, suggesting a consistent use of IDB knowledge in operational documents.

SHARE OF CITATIONS TO THE IDB IN APPROVED LOAN PROPOSALS

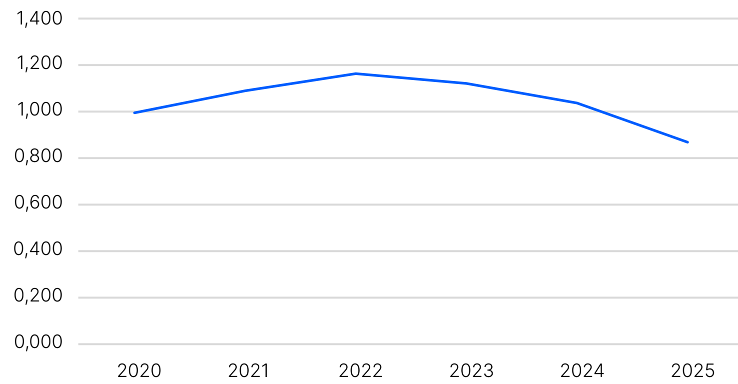


Based on the indicators for its three dimensions, the figure below shows the aggregate Knowledge Influence Index for the IDB Group between 2020 and 2025.[6] The Index grew between 2020 and 2022, reaching 1.16; since then, it has declined to 1.12 in 2023, 1.04 in 2024 and to 0.88 in 2025.

5 Policy citation figures reflect revisions to IDB Group document coverage and citation matching undertaken in collaboration with Overton to improve data consistency and accuracy over time.

6 Specifically, for the policy landscape dimension, citation counts from Google Scholar and Overton are normalized to their 2020 levels and averaged to form a single indicator. The reputational and operational dimension indicators are also normalized to their 2020 baselines. The overall Knowledge Influence Index is calculated as the average of the three normalized dimension indicators.

KNOWLEDGE INFLUENCE INDEX RESULTS, 2020–25



Part of the recent decline in the KII can be explained by the exceptional surge in COVID-19-related publications and citations between 2020 and 2022. While non-COVID publications remained steady at around 600 per year, COVID-related outputs added over 350 publications between 2020 and 2022. This shift not only inflated citation counts in the short term but also diverted attention away from other topics. Unlike typical research, which often reaches its citation peak after several years, pandemic-related work experienced a rapid but temporary influence. As demand for COVID-related content has faded, citations to these publications have dropped, while citations in other areas have not yet fully recovered, an issue that will need to be closely monitored in the years to come.

That said, the pandemic is not the sole explanation for the recent trends. Data from Brandwatch and Overton also suggests that shifts in the global policy and political landscape may be affecting how international organizations disseminate, promote, and see their knowledge products taken up. These broader dynamics should be considered when interpreting the evolution of the KII.

Given all these new data, the Bank is well positioned to pursue more strategic dissemination efforts, strengthen its media presence, and expand the visibility and influence of its knowledge. Some of the actions underway include adopting high-impact content formats and prioritizing sectoral topics that show strong audience demand. The Bank will also invest in key communications initiatives to maximize reach and engagement, such as multichannel awareness campaigns for five priority publications in 2026 and the relaunch of IDB blogs to position strategic knowledge areas, supported by expert profiles that enhance visibility and recognition.

While the Bank has significantly increased knowledge production and deepened its analytical specialization, this has not always been accompanied by equally strategic dissemination. To address this gap, we examined how different types of organizations leverage knowledge, focusing on the behaviors that enable them to be visible and influential in public debate. A key behavior that emerged is the ability to identify competitive niches, an approach that can position the Bank where its knowledge has the greatest policy relevance and impact. To help translate knowledge production into greater policy influence, the Knowledge Influence Toolkit (described in Chapter 1) provides practical guidance for more intentional and coordinated engagement with policy and the private sector.

In parallel, rapid advances in artificial intelligence are beginning to reshape how policymakers, researchers, and practitioners access and consume knowledge. As AI-enabled tools increasingly synthesize, summarize, and surface content without direct citation, traditional influence metrics may capture a declining share of actual knowledge use. This dynamic may already be partially reflected in recent KII trends and underscores the growing importance of discoverability, contextualization, and reuse as central dimensions of knowledge influence, which will be a key focus of future analytical work.

The IDB Group will also continue to strengthen the KII, testing the robustness of current data sources and incorporating new indicators to capture a more complete picture of knowledge influence across all dimensions. Taken together, all the results confirm that the IDB Group remains widely recognized as a leading source of development knowledge and a trusted convener in the region.

Investing in People & Skills for Development

The IDB Group is committed to building the skills that power impact.

With more than 112,000 active participants and more than 5,000 IDB Group employees trained, IDBAcademy is strengthening the knowledge capacity of both clients and the IDB Group workforce. IDB Invest is also investing in client and partner capacity building to maximize impact through the private sector.

Building Skills for Development in Latin America and the Caribbean

IDBAcademy is the IDB Group's knowledge and learning platform that tackles development challenges by sharing actionable and relevant insights. Its training programs empower public institutions and organizations that drive development by strengthening their capabilities, improving effectiveness, and accelerating reforms, ultimately driving improved development outcomes and amplifying impact throughout Latin America and the Caribbean.

Highlights of Training for Clients and Regional Stakeholders

- 126 online courses offered (including MOOCs and specialized courses).
- 112,295 users from the region actively participated in an online course in 2025

These courses have broadened the Bank's reach and influence across the region, covering key topics such as sustainability and climate action, project management and development effectiveness, digital transformation and innovation, education, and skills for development, among others.

TECHNICAL SKILLS ONLINE COURSE TOPICS: 2025 DISTRIBUTION

IDB Strategy Operational Priority	Online Courses	% Courses	Active Participants	% Participants
Biodiversity, Natural Capital, and Climate Action	23	18.3%	13,274	11.8%
Gender Equality and Inclusion of Diverse Population Groups	7	5.6%	4,216	3.8%
Institutional Capacity, Rule of Law, and Citizen Security	22	17.5%	27,255	24.3%
Productive Development and Innovation through the Private Sector	12	9.5%	17,626	15.7%
Regional Integration	2	1.6%	520	0.5%
Social Protection and Human Capital Development	17	13.5%	8,302	7.4%
Sustainable, Resilient, and Inclusive Infrastructure	25	19.8%	18,330	16.3%
Executing Agencies Operations Support Training	18	14.3%	22,772	20.3%
TOTAL	**126**	**100%**	**112,295**	**100%**

Executing Agencies Operations Support Training

Training for executing agencies plays a crucial role in strengthening development across Latin America and the Caribbean. By building the capacities of public and private officials who manage projects in the region, this training generates amplified effects in their respective countries. As shown in the table above, 20.3% of IDBAcademy online participants focus on topics related to “Executing Agencies Operations Support Training.” In terms of the impact on IDB operations, 72% of the active loan portfolio was supported by learning interventions to strengthen operational capacities during 2025, covering 337 Sovereign Guaranteed operations.

IDBAcademy Participants’ Feedback and Profile (2025)

- Six months after completing their training, 60% of respondents reported applying at least 70% of the course content.
- 43.3% of respondents reported that their highest level of education attained is a doctorate or a master’s degree.
- 38.5% of participants belong to the public sector, and 15.5% to private sector companies.

Skills Development for IDB Group Employees

The Knowledge and Learning Division works in close partnership with IDB Group business units to design training programs that directly support institutional priorities and strengthen employees’ functional capabilities. These initiatives ensure that learning is not only relevant but strategically aligned to drive organizational performance and development impact.

- 4,286 IDB employees, 766 IDB Invest employees, and 104 IDB Lab employees participated in at least one learning intervention.

- 2,978 employees in operations engaged in at least one learning intervention.
- 98% of operations employees received training on the Development Effectiveness Framework.
- 81% of project team leaders completed certifications in the IDB's new Corporate Procurement Policy.

Building capacity for greater impact in the private sector

IDB Invest helps build capacities within private sector organizations to strengthen markets and sustainability and ensure their operations have a positive impact on development. Areas of support include promoting inclusive talent management; training procurement teams to create more efficient, inclusive, and resilient value chains; providing training on sustainability, corporate governance, and climate resilience; supporting digitalization and public-private partnerships; and building capacity in impact measurement and management. Highlights in 2025 include:

- Environmental, social, and corporate governance training for Chief Sustainability Officers focused on potential thematic bond issuers in Mexico.
- Online course on Environmental and Social Risk Management Systems to help financial institutions understand why and how to apply environmental and social risk management in their operations. 876 people completed the course in 2025.
- IDB Invest's first Impact Manager Masterclass training in Jamaica, attended by 30 aspiring fund managers from 15 Caribbean countries.
- Online course on Sustainable Digital Impact: Agritech Start-Up Ecosystems, which offers tools and best practices that highlight growth and sustainability opportunities for startups and companies in the region. The course recorded more than 500 participants in 2025.

Impact Evaluations to Drive Development Results

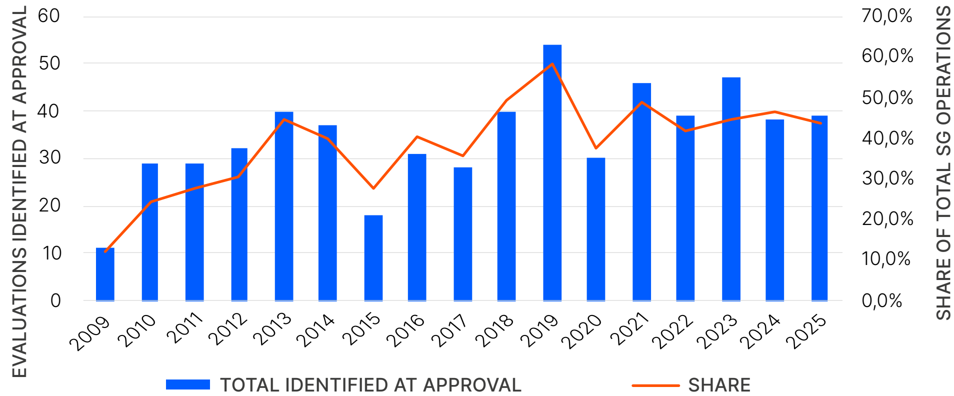
Rigorous evidence strengthens transparency, accountability, and learning.

With over 210 completed impact evaluations of IDB Group operations, the institution is expanding the evidence base that underpins better development.

Impact evaluations are a key element of the feedback loop between knowledge and operations. As a core tool to identify what works, inform decision-making, and enhance development effectiveness, impact evaluations are central to the IDB Group's evidence-based approach.

Over time, the use of impact evaluations has become more embedded in project design. Since 2009, the share of Sovereign Guaranteed (SG) loan operations that include a planned impact evaluation at approval has increased substantially. While fewer than 35% of operations included such commitments in the early 2010s, this share has stabilized at around 45% in the last five years. In 2025, 44% of SG loan operations included a planned impact evaluation.

SG OPERATIONS WITH IMPACT EVALUATION IDENTIFIED AT APPROVAL 2009–25

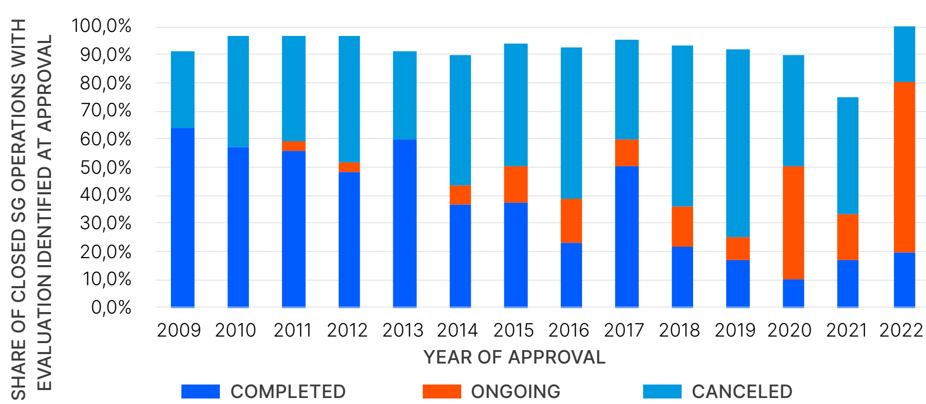


Source: IDB's Development Effectiveness Matrices

However, a significant gap remains between planned and completed evaluations. Between 2009 and 2025, only 42% of closed SG operations that initially committed to an impact evaluation completed one, while 41% were cancelled and 9% remain ongoing. In total, 145 impact evaluations linked to SG loans have been completed during this period. In addition, IDB Lab has completed 31 impact evaluations between 2009 and 2025, with 4 more currently underway. From 2017 to 2025, IDB Invest completed 36 impact evaluations, with 12 currently in progress and a growing pipeline of evaluations identified.

Completion rates vary significantly across approval cohorts. 57% of closed IDB operations approved between 2009 and 2013 completed an impact evaluation. For cohorts approved from 2014 onward, cancellation rates increase, particularly after 2016, while more recent cohorts show a higher share of ongoing evaluations. To help close the gap between planned and completed evaluations, the Development Effectiveness Intelligence Fund, launched in 2024, supports the financing of strategic evaluations across the IDB Group. With $8 million in 2025 funding, 33 evaluation proposals were approved.

STATUS OF IMPACT EVALUATIONS AMONG CLOSED IDB OPERATIONS



Source: own elaboration based on monitoring data provided by divisions from the Vicepresidency for Sectors and Knowledge. The denominator is the number of closed operations for which an impact evaluation was identified at approval. The bars do not add to 100% as there are some operations for which no information was recovered.

Other Knowledge Initiatives Highlights in 2025

Knowledge has an impact when it moves across teams, borders, and sectors.

From Knowledge Days to Regional Policy Dialogues, 2025 saw record engagement and new spaces for learning, co-creation, and influence.

Systematic Knowledge Sharing

Global Evidence Commitment

In 2023, the IDB Group became one of the first signatories of the Global Evidence Commitment, an initiative facilitated by the International Initiative for Impact Evaluation (3ie), that brings together international development institutions committed to improving the culture and practice of evidence use in their work. As part of this commitment, annual convenings have fostered mutual learning and support among signatories seeking to expand the use of rigorous evidence to enhance the development impact and cost-effectiveness of their programs. In 2025, IDB and IDB Invest actively participated in a self-assessment led by 3ie, which identified key organizational levers for promoting a strong evidence culture: training, resources, incentives, processes, and signals.

Knowledge Days 2025: Building Shared Agendas

In October 2025, the IDB Group held the second edition of its Knowledge Days, bringing together more than 100 specialists from across the institution to align 2025–26 knowledge agendas. The event focused on identifying shared analytical priorities, bridging multisectoral knowledge gaps, and enhancing the institution's capacity to respond to regional challenges.

Celebrating 30 Years of the Research Department

In September 2024, the IDB celebrated the Research Department's 30th anniversary with a high-level conference featuring leading academics, policymakers, and development leaders. The event featured distinguished speakers, including Philippe Aghion (Nobel Prize in Economics, 2025), and marked the launch of the Young Economist Award (see winners for 2024 and 2025). Building on this success, the 2025 conference focused on the economic impact of digital economies.

IDB Invest+ Reforms and Feedback Loop Recognition

After a decade of implementation, IDB Invest's end-to-end Impact Management Framework has a robust system in place for capturing lessons learned throughout the operation lifecycle to inform portfolio decision-making and the design of new operations. This feedback loop was validated in 2025 by BlueMark

—a leading provider of independent verification for the impact investing market. The verification assessed IDB Invest's alignment with the Operating Principles for Impact Management. BlueMark gave its highest rating to IDB Invest's practices, including those focusing on how the organization reviews, documents, and improves decisions based on impact results and lessons learned. As part of the ongoing reforms for the new IDB Invest+ business model, this framework has been reinforced to better capture actionable lessons learned by sub-portfolio during execution, as well as drivers of project underperformance. With this knowledge, IDB Invest can better identify clients in need of additional support to meet development objectives and prioritize corrective actions accordingly.

Evidence Gap Maps

In October 2025, the IDB launched two pioneering Evidence Gap Maps, on policing and transport interventions, developed in collaboration with 3ie. These interactive tools systematize global evidence on key development interventions, strengthening the Bank's capacity to design knowledge-based operations and bridge research with policy across the region.

Unlocking Key Insights

To strengthen institutional learning from operations, the IDB consolidated lessons learned across its project portfolio into a curated and reusable knowledge base. An analysis of 6,448 lessons drawn from Project Completion Reports (PCRs) covering 553 operations closed between 2018 and 2024 was distilled into a set of 860 validated lessons through a combination of advanced data analysis and expert human review. This effort transformed fragmented project-level experience into a coherent body of evidence-based, actionable insights, supporting better project design, more informed decision-making, and the systematic reuse of operational knowledge across teams and sectors. As new PCRs reviewed by OVE become available, they are automatically incorporated into the analysis.

Similarly, IDB Invest continues to capture lessons learned from OVE-validated final evaluations (XSRs) in the Development Effectiveness Analytics platform, which houses more than 1,400 lessons from over 680 XSRs. In 2025, IDB Invest synthesized recent lessons into sub-portfolio booklets, providing actionable industry-specific insights for operational teams. Additionally, over the past two years, IDB Invest has strengthened its supervision approach to capture actionable lessons learned and drivers of project underperformance during implementation to inform corrective actions that help clients meet development objectives.

Operations Days: Learning from Project Implementation

Through Operations Days, the IDB supported approximately 26 percent of active investment projects, engaging over 750 participants, including IDB specialists and government counterparts. These workshops focused on solving execution challenges, applying lessons learned, and improving project delivery.

Regional Policy Dialogues

In 2025, 27 dialogues organized by 21 networks engaged over 2,000 key stakeholders, including government officials, multilateral development organizations, and the private sector. The purpose of these dialogues is to promote cooperation and evidence-based policy across the region. Over 890 responses from Dialogue satisfaction surveys show that found that over 96% of respondents agreed or strongly agreed that the lessons learned were relevant to the work they do, while 82% recommended that the IDB be a provider of relevant and/or cutting-edge knowledge. Learn more about the Regional Policy Dialogues.

Incentives and Awards

2025 Winners of the Knowledge Excellence Prize

This award recognizes outstanding IDB Group knowledge products and their impact on public policy, operations, global influence, and private sector. More information about the 2025 winners and their impact is available here.

Category	1st Place	IDB Authors
Impact on Public Policy	Panorama of Aging and Dependency in Latin America and the Caribbean	Natalia Aranco, Social Sector Marco Stampini, Social Sector Pablo Ibarrarán, Social Sector Nadin Medellín, Social Sector
Impact on Operations	Signaling Specific Skills and the Labor Market of College Graduates	Matías Busso, Research Department
Impact on Global Knowledge	Altruism or Money? Reducing Teacher Sorting Using Behavioral Strategies in Peru	Gregory Elacqua, Social Sector Luana Marotta, Social Sector Carolina Méndez Vargas, Office of Strategic Planning and Development Effectiveness
Impact on the Private Sector	Online Business Platforms and International Trade	Marisol Rodriguez Chatruc, Regional Country Department Southern Cone Christian Volpe Martincus, Productivity, Trade, and Innovation Sector

Recognizing Operational Excellence and Learning: Superheroes of Development

The Superheroes of Development recognize executing agencies and clients who apply lessons from implementation to improve development outcomes. In 2025, from 88 submissions, six finalists from Bolivia, Brazil, Honduras, Panamá, and Perú were selected, showcasing their lessons learned and innovative solutions. See more

Partnerships for Knowledge Development and Sharing

The IDB Group has formed strategic partnerships with the Abdul Latif Jameel Poverty Action Lab (J-PAL) to establish a visiting researcher program, the Latin America and Caribbean Inequality Review (LACIR) network to create a podcast for effective knowledge production and dissemination, and the International Initiative for Impact Evaluation (3ie) to develop Evidence Gap Maps. More information regarding different strategic partnerships can be found in the following links:

- IDB and J-PAL's Visiting Researcher Program
- Latin America and Caribbean Inequality Review - LACIR
- Latin America and Caribbean Research Network
- 3ie and Evidence Synthesis
- The Multi-Donor Learning Partnership
- Women Entrepreneurs for Latin America and the Caribbean (WeForLAC)
- GDLab
- fAIrLAC
- LACChain
- Development Data Partnership
- Harmonized Indicators for Private Sector Operations (HIPSO)

03 Knowledge in Action

When knowledge meets operations, real change happens. Case studies from Argentina, Perú, Ecuador, and Mexico show how evidence-based approaches can unlock reform and deliver results on the ground.

The following stories illustrate the IDB Group's knowledge loop in action, enabling the implementation of development-oriented reforms across the region.

Argentina: A Smarter Path to Energy Subsidy Reform

Identifying the Problem and Generating High-Quality Evidence:
Argentina faced an unsustainable energy subsidy system that disproportionately benefited higher-income households. In 2023 alone, Argentina spent $10 billion on energy subsidies. The IDB helped the government determine that the richest 30% of the population obtained 43% of the electricity subsidies. The poorest 30% received 21% of the subsidies.

To address this, the IDB generated detailed analyses and microsimulations that demonstrated how better targeting subsidies could reduce costs without harming the most vulnerable. Throughout the process, the Bank worked with various ministries as well as with other multilateral organizations.

Using the Evidence in the Programming and Design of Operations:
Authorities were presented with several microsimulation scenarios, ranging from total elimination of the subsidies, which would yield the largest deficit reduction but would also hurt the poor, to alternatives that eliminated the subsidy for those who could afford it while maintaining support for the poor and vulnerable.

With this data, Argentina designed a reform strategy grounded in robust evidence. Pre-reform, wealthy households had 60% of their energy costs covered by subsidies; this dropped to just 7% after the reform, with poor households seeing far smaller cuts in subsidies. Overall, the country obtained a fiscal saving of 1.3% of GDP.

Subsidies for wealthier households were significantly reduced, **helping cut the fiscal deficit by about 1% of GDP**, all without sparking social unrest. The poor continued to receive support, and the reform proceeded smoothly, thanks in part to transparent communication and a phased rollout.

The Bank's knowledge and operations teams worked closely to design the loans—a collaboration that proved critical to the reform's success. The IDB then provided financial support for two key operations: a Policy-Based Loan (PBL) to improve tax efficiency and public spending, and an investment loan to roll out the new targeted subsidy system. These loans were not just financial instruments—they embodied a strategy shaped by robust knowledge and local realities.

Capturing and Applying Lessons Learned

The combination of solid theory, through knowledge products and microsimulations, and practical implementation, through an effective targeting system, was key to the successful rollout of the reform. From this experience, Argentina and the IDB captured valuable lessons. These insights are now feeding into future work in Bolivia, Colombia, and Ecuador, reinforcing the knowledge loop that transforms evidence into action, and back into better-informed decisions. This successful case demonstrates how connecting evidence, operations, and learning can drive systemic, high-impact reforms.

How Metros Facilitate Urban Mobility and Raise Wages

Identifying the Problem and Generating High-Quality Evidence:

Modern public transit systems, such as metros and BRTs, are essential for Latin America's vast cities. Lack of access to good public transportation hits the poor the hardest, as they tend to live in the peripheral areas, where travel time to work and healthcare often exceeds two hours. Multiple transfers mean up to 30% of income is spent on commuting. Women, who tend to take more trips on public transportation for household care and other tasks, are especially affected by slow, overcrowded systems.

To learn more about the labor impacts of transportation systems and to improve the design of future systems, **the IDB and IDB Invest** carried out a rigorous evaluation of Lima's BRT system, along with several interviews, focus groups, and perception surveys. The teams also jointly produced an evaluation of Lima's BRT system and elevated high-rail investments in the metropolitan region, with a focus on their effects on women's access to employment.

Using the Evidence in the Programming and Design of Operations:

In 2014, work was completed in Lima on an IDB-financed BRT system of segregated busways and feeder routes. Today, more than 700,000 riders use it every day. The average travel time dropped from 55 minutes to 35 minutes. In addition, an elevated light-rail system– the Lima Metro line one – was inaugurated in 2012, transporting 320,000 passengers per day (financed by another multilateral organization). Both systems not only reduced travel times but also increased safety and connectivity between peripheral areas of the city and major employment centers.

The studies found that overall employment rose 4.6% for those households close to the stations, with a 7.3% increase among the poorest households, who were also much less likely to be self-employed. Employment gradually increased, particularly for women, to 16.6% when the systems were fully operational (2015-2017). Income for women also jumped relative to before the systems opened, between 18% in the start-up period and 27% when the systems were fully operational.

These lessons were then applied to other transportation systems. The new metro Line 1 in Quito, financed by the IDB, links the northern and southern areas of the city (El Labrador and Quitumbe) to main business neighborhoods, with the purpose of reducing the time to job opportunities, education, and essential services. The case of Lima identified a skills mismatch between the jobs offered and the applicants. Part of the social and environmental safeguards for a new metro line in Bogotá, supported by the IDB, included workshops to identify the skills that employers were looking for and then looking for ways to provide language and basic IT training to would-be workers. IDB Invest has also recently financed the construction of Panama Metro Line 3, a project expected to generate substantial traveltime savings for users and improve access to the city center for more than 500,000 residents of the Panama Oeste province.

Other lessons from the Lima systems were included in Quito. Payment systems were made easier and automatic, and to help women feel safer, every car is also equipped with intercoms and panic buttons to report harassment. Police officers in cars and stations are trained to handle these cases.

Scaling knowledge to policy impact

Research emerging from IDB operations revealed that high-quality, safe, frequent, and reliable urban transportation systems will provide significant poverty-reduction benefits. This is part of a larger research agenda that began with the Development in the Americas 2020 flagship report. It argued that while the physical infrastructure matters, more attention is needed to how it is operated and to policies that ensure sustainable and inclusive services for the most vulnerable populations.

Mexico: Informing Labor and Pension Reform

Identifying the Problem and Generating High-Quality Evidence

Mexico's path toward labor and pension reform wasn't a sprint; it was a marathon built on years of analysis, dialogue, and shared learning. The challenge was multifaceted. Labor disputes were notoriously slow, union practices were outdated, and pension coverage was alarmingly low.

The IDB worked in close partnership with Mexican counterparts to understand the system from the inside out. Knowledge products developed by the Bank showed that cases often took over three years to resolve and that even successful workers frequently didn't receive their awarded payments.[7] On the pensions front, millions of workers were contributing too little—or not at all—to ensure financial security in old age. Moreover, even when they did contribute, they might not contribute for enough time to meet the pension requirement, and too much of their contributions would be taken as commissions by the administrators of the pension funds.

These insights didn't only remain in reports. They were shared publicly through national media,8 expert panels, behind-the-scenes policy discussions, and joint forums with international partners. This steady multi-channel knowledge-sharing effort helped shape the public narrative and prepare the ground for reform.

Using the Evidence in the Programming and Design of Operations:

That action came in two waves of reforms. The IDB backed both with policy-based loans, while also providing technical support.

- **Labor Reform (2019–2020)**: Focused on improving labor dispute resolution and strengthening union democracy, with the first PBL approved in 2020.
- **Pension Reform (2020–2024)**: Aimed at increasing coverage, sufficiency, and sustainability of pensions, supported by a first PBL in 2022 and a second in 2024.

Scaling knowledge to policy impact

The IDB's contributions were cited in key legislation, including provisions under the USMCA labor commitments, and were backed by technical assistance and policy-based loans. Country office leadership was instrumental in maintaining dialogue across political transitions, preserving reform momentum, and institutional continuity, while also fostering social dialogue that helped broaden support and strengthen legitimacy for the reform process.

Mexico's experience -which continues through the IDB's support for subnational and pension reforms- has also informed reform efforts in countries like Chile, Uruguay, Panama, Peru, and Barbados. The reforms demonstrate how sustained, multi-year collaboration -anchored in diagnostics, policy dialogue, and operational support- can drive structural change and inspire regional peers.

This case underscores how long-term engagement and mutual trust can unlock complex reforms. Behind two sweeping reform packages was a shared journey of evidence, learning, and implementation. It also shows how a strong country presence, paired with technical depth, can influence the political economy of the reform. Mexico's case continues to inform the Bank's future work in the region's labor markets and social protection. In both cases, the journeys of technical support that started years before the reforms continue years after, supporting the successful implementation of the reforms.

7 Knowledge products developed by the Bank include "The Plaintiff's Role in Enforcing a Court Ruling: Evidence from a Labor Court in Mexico" (2011), Better Pensions, Better Jobs: Towards Universal Coverage in Latin America and the Caribbean (2013), and "Diagnóstico del sistema de pensiones mexicano y opciones para reformarlo" (2019).

8 See, for example, Justicia laboral: dos años de proceso si bien le va and Hacia pensiones integrales y sostenibles en México.

Increasing Access to Finance for Women-led MSMEs

Identifying the Problem and Generating High-Quality Evidence:

Limited access to finance for MSMEs hinders economic growth across Latin America and the Caribbean. The region's MSME financing gap is about $100 billion, the second largest in the world. The gap is particularly acute for women-led MSMEs, which face systemic barriers to accessing credit, including smaller amounts, shorter tenors, and higher interest rates and collateral requirements.

To better understand these challenges and their underlying causes, **the IDB and IDB Invest** have generated evidence through a series of knowledge products. For example, an IDB study of the Chilean consumer credit market found that women were 18% less likely to have their loan applications approved, even when their applications were identical to those of men. In addition, a joint IDB-IDB Invest online tool has been used to measure conscious and unconscious biases among more than 1,500 credit officers across the region, revealing that 88% of respondents offered worse terms to female clients in hypothetical lending scenarios.

Evidence also shows that equal access to credit can generate a significant impact. An IDB Invest impact evaluation in Mexico found that firms receiving loans under comparable conditions experienced sales growth 19% higher than similar firms whose applications were rejected. Among women-led SMEs, the effect was even more pronounced (42%). IDB Invest also expanded the evidence base on through a first-of-a-kind study conducted with financial data from over 240 institutions in 13 countries. Results show that although 68% of financial institutions collect and tabulate data separately for male and female clients, only 34% have a dedicated program or department for women's banking, signalling a missed opportunity.

Using the Evidence in the Programming and Design of Operations:

Building on this evidence and operational experience, IDB Invest has expanded its financial and non-financial services to women-led MSMEs. Since 2016, it has approved 62 operations, supporting more than 1.4 million women-led enterprises, including pioneering thematic bonds to mobilize resources for women entrepreneurs.

IDB Invest has also deployed innovative financial tools, such as performance-based incentives (PBIs), to advance private-sector commitments to reaching underserved segments. Since 2016, 14 operations have included PBIs linked to increased access to finance. Similarly, IDB Invest is providing hands-on advisory services to financial institutions in the region to help them develop strategies to effectively serve the women's market, build employee capacity to address differentiated barriers, and design targeted market studies. In total, 25 financial institutions have received advisory support.

Capturing and Applying Lessons Learned:

This combination of evidence building and operational experience has generated key lessons aligned with priorities identified in the IDB Group's 2021 Development Effectiveness Overview:

- **Promoting the generation and use of high-quality, sex-disaggregated data** to inform lending decisions. For example, initiatives such as WeCode in the Dominican Republic offer financial institutions access to knowledge, skills, and sex-disaggregated data to expand financing for women-led businesses.
- **Tailoring solutions to women-specific constraints**, including alternative credit scoring. This approach has shown promising results in an IDB Invest impact evaluation.
- **Tackling structural and cultural obstacles through capacity building and performance-based incentives.** IDB Invest has captured valuable lessons on how to improve the deployment of these tools in the private sector.
- **Increasing women's representation in decisionmaking roles to strengthen networks and expand access to opportunities,** with tools such as "A Roadmap to Advance Women's Leadership in Latin America and the Caribbean", which provides step-by-step guidance for companies to implement effective programs.

Together, this evidence and these lessons learned highlight the private sector's critical role in fostering a more inclusive financial market where women entrepreneurs can fully participate and thrive.

04 From Knowledge to Impact, and Back Again

The stories and results highlighted in this report demonstrate how the IDB Group generates and applies knowledge to achieve impact at scale across Latin America and the Caribbean. But there's still a long way to go. Persistent knowledge gaps remain, and in many cases, knowledge that could inform better decisions is either not produced at the right time or not used at all.

Furthermore, we face a growing challenge: there is no shortage of knowledge, but it is not always easy for our teams or our clients to find what they need, when they need it. We must do more to ensure that knowledge is not only generated but actively informs decision-making throughout the project cycle, from design to execution to evaluation.

We also need to learn not just from what works, but from what doesn't: from implementation gaps, missed opportunities, cancelled evaluations, and the insights that fail to translate into action. Strengthening our digital platforms and governance is part of the solution, but we must also ask hard questions. Are we learning quickly enough to improve outcomes? Are we surfacing and sharing the lessons that matter most to our clients? And are we putting the right systems and incentives in place to turn knowledge into action?

Looking ahead, the IDB Group remains firmly committed to strengthening this feedback loop, investing in evidence, applying insights, and turning learning into better decisions. That's how we move from knowledge to impact, and from impact to lasting progress.

IDB Group