I

Annex

2009 Annual Business Review

Table of Contents

This document provides an analysis of the 2009 operational results for discussion and decision making purposes. This data was collected from a number of sources and is subject to adjustments and analysis as deemed appropriate by the corresponding business units sponsoring the information.

Special acknowledgement to VPC, VPS, VPF, and VPP for their support in the preparation of this report.

Abbreviations

BDA	Budget and Administrative Services Department
C&D	Countries from Group C & Group D
CAN	Country Department Andean Group
CCB	Country Department Caribbean Group
CCLIP	Conditional Credit Line for Investment Projects
CID	Country Department Central America, Mexico, Panama and Dominican Republic
COF	Country Office
CSC	Country Department Southern Cone
EDU	Education Division
FSO	Fund for Special Operations
FTE	Full Time Equivalents
FMM	Fiscal and Municipal Management Division
GCM	Grants and Co-Financing Management Unit
GEF	Global Environment Facility
HQ	Headquarters
HRD	Human Resources Department
ICF	Institutional Capacity and Finance Sector
INE	Infrastructure and Environment Sector
INT	Integration and Trade Sector
NFP	Non Financial Products
NPC	Non-Personnel Costs
NSG	Non-Sovereign Guaranteed
OC	Ordinary Capital
OMJ	Opportunities for the Majority Sector
OPUS	Operations Update System
PBL	Policy Based Lending
PC	Personnel Cost
PCR	Project Completion Report
PDP	Operations Procurement Office
PFM	Portfolio Monitoring Unit
PRG	Programming Product
REG	Regional
RES	Department of Research and Chief Economist
RND	Environment, Rural Development Disaster Risk Management Division

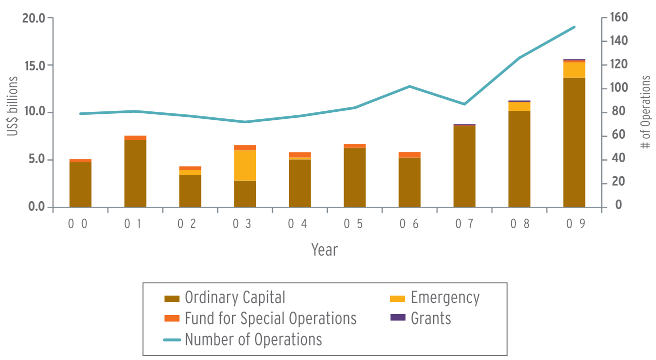
SCF	Structured and Corporate Financing Department
SCL	Social Sector
SECCI	Sustainable Energy and Climate Change Initiative
SG	Sovereign Guaranteed
SMO	Strategic Monitoring Division
SPD	Office of Strategic Planning and Development Effectiveness
T&L	Time and Labor System
TC	Technical Cooperation
TFFP	Regional Trade Finance Facilitation Program
VPC	Vice President for Countries
VPF	Vice President for Finance and Administration
VPP	Vice President for Private Sector and Non-Sovereign Guaranteed Operations
VPS	Vice President for Sectors and Knowledge
WSA	Water and Sanitation Division

I. Program Strategic Alignment

This section presents indicators for the utilization of Bank's financial resources through different instruments as well as their allocation to country groups and priority sectors. Also presents information regarding the completion of Departmental Business Plans.

1.1 LENDING (SG AND NSG)

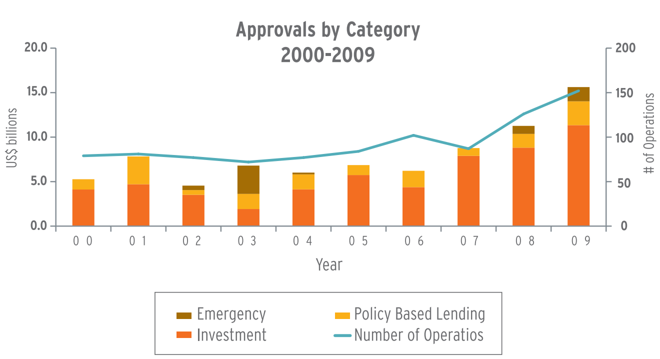
Approvals by Fund
2000-2009



• Lending approvals reached a record high of $15.6b[1], 38% increase from $11.3b in 2008. Number of operations reached 153, 21% increase from 126 approved in 2008.

• Fund for Special Operations (FSO) approvals reached $228.1m, a 66% increase from the $137m approved in 2008. Approvals in 2009 represented 85% of FSO allocated for the year due to the carry over into 2010 of resources for Honduras.

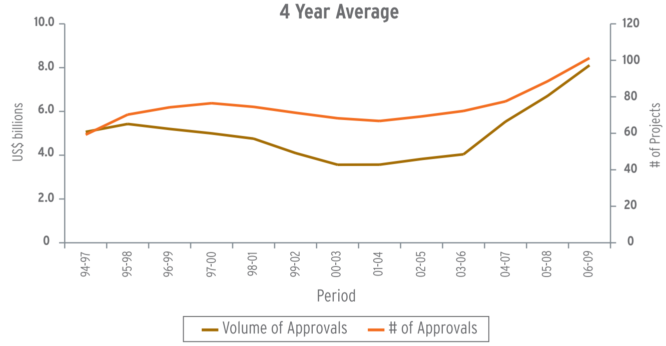
1.2 LENDING BY CATEGORY



• Investment approvals reached $11.3b in 2009, a 28% increase from $8.8b in 2008. Policy Based Lending approvals reached $2.7b, 73% increase from $1.5b in 2008. Emergency Lending reached $1.6b, 78% increase from $900m in 2008.

• Sovereign Guaranteed investment operations account for $10.4b of investment approvals, 76% increase from $6.7b in 2008.

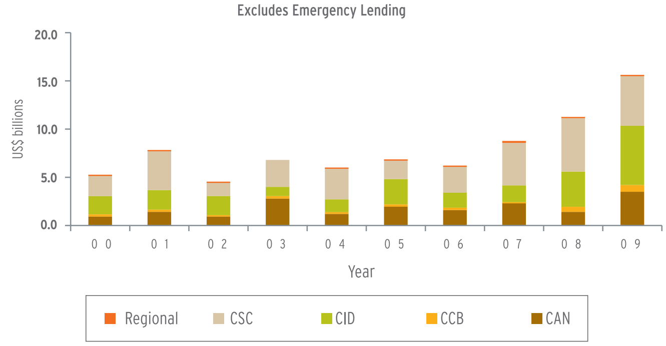
Investment Lending Growth
4 Year Average



• The 4 year Average Investment Lending approvals reached $8.1b in the 06-09 period, 21% increase from $6.7b in 05-08.

1.3 LENDING BY COUNTRY DEPARTMENT

Approvals by Country Department (Volume)
2000-2009
Excludes Emergency Lending



• Approvals for CSC countries reached $5.2b, 5% decrease from $5.5b in 2008. Number of operations reached 51, 4% decrease from 53 in 2008.

• Approvals for CID countries reached $4.8b, 78% increase from $2.7b in 2008. Number of operations reached 45, 32% increase from 34 in 2008.

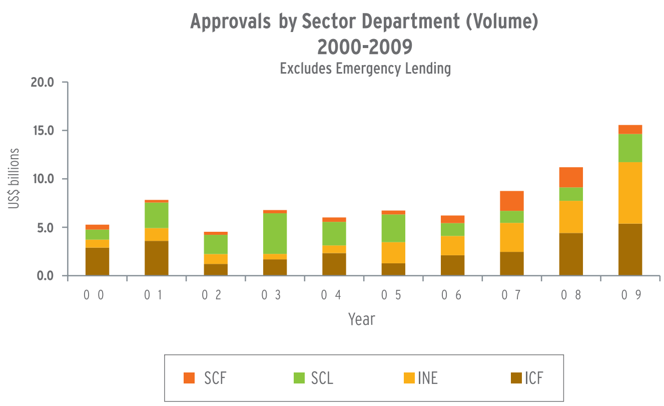
[1] Five of these operations amounting to $1.3b were presented to the Board in 2008, and became effective in 2009.

• Approvals for CAN countries reached $3.5b, 91% increase from $1.4b in 2008. Number of operations reached 32, 100% increase from 16 in 2008.

• Approvals for CCB countries reached $402m, 31% decrease from $528m in 2008. Number of operations reached 17, 11% decrease from 19 in 2008.

• INE approvals reached $6.3b, more than 100% increase from $1.4b approved in 2008. Number of operations reached 56, 27% increase from 44 in 2008.

1.4 LENDING BY SECTOR

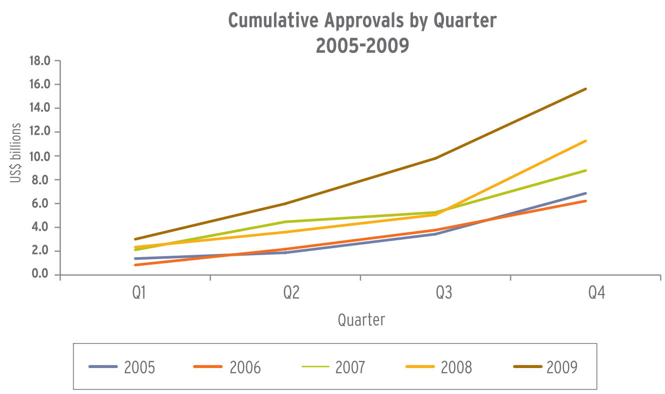


• ICF approvals reached $5.4b, 20% increase from the $4.4b approved in 2008. Number of operations reached 43, 8% increase from 40 operations in 2008. ICF also approved the first contingent loan for Natural Disasters for Dominican Republic with $100m of Ordinary Capital.

• SCL approvals reached $2.9b, more than 100% increase from the $1.4b in 2008. Number of operations reached 21, 61% increase from 13 in 2008.

• SCF approvals reached $0.9b, 55% decrease from $2b in 2008. Number of operations reached 24, same level in 2008. SCF also approved 14 operations under the Trade Financing Facility Program for $0.2b.

1.5 LENDING APPROVALS BY QUARTER



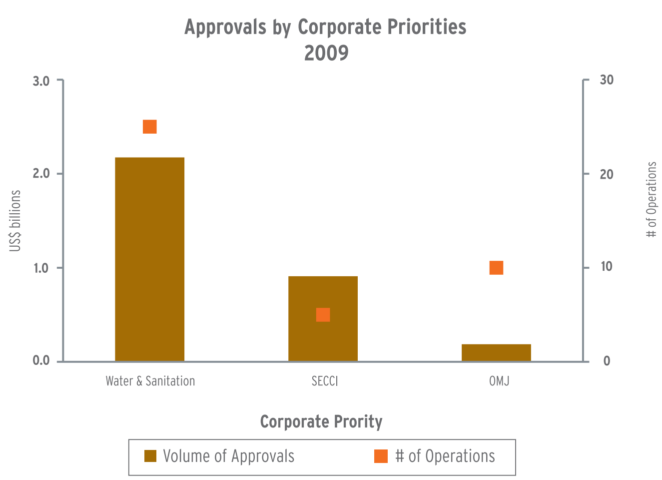
• Volume of lending approved in the last quarter of 2009 reached $8.7b, 48% increase from 5.8b in 2008.

• Number of loan approvals in the last quarter of 2009 reached 83, 24% increase from 67 in 2008.

• Volume of lending approved in the last quarter of 2009 as a percentage of total lending reached 55%, 4 percentage points increase from 51% in 2008.

• Number of loan approvals in the last quarter of 2009 as a percentage of total number reached 55%, 2 percentage points increase from 53% in 2008.

1.6 LENDING BY CORPORATE PRIORITIES

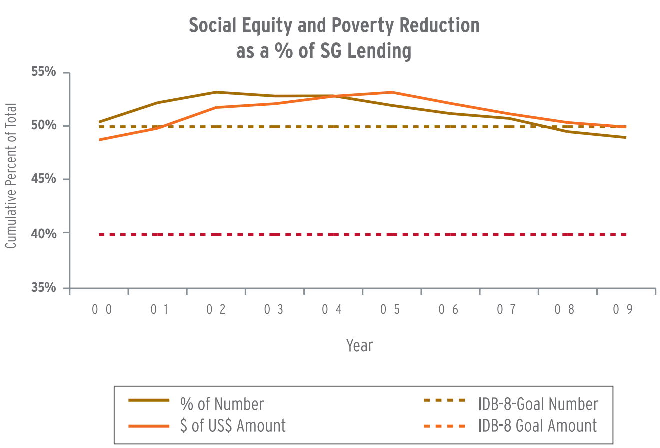


• Water and Sanitation approved $2.2b, 5% above the estimated $2.1b. Number of operations reached 25, 25% over the estimated 20 for the year.

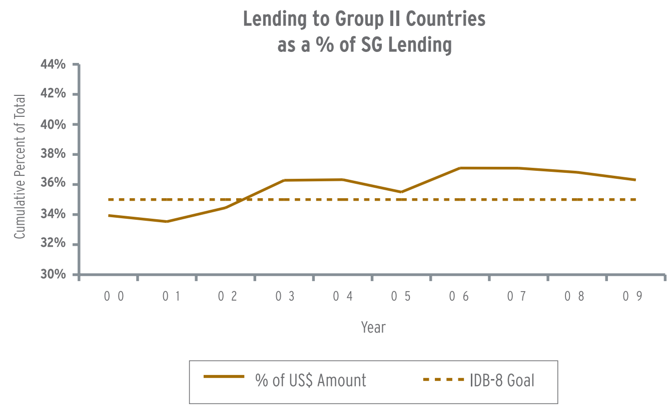
• Protecting the Environment and Responding to Climate Change approved $0.9b, more than triple from $0.3b in 2008. Number of operations reached 5, 25% increase from 4 in 2008.

• OMJ initiative reached approvals for $0.2b, 71% decrease from $0.7b in 2008. Number of operations reached 10, 43% increase from 7 in 2008.

1.7 GOALS OF THE 8TH REPLENISHMENT

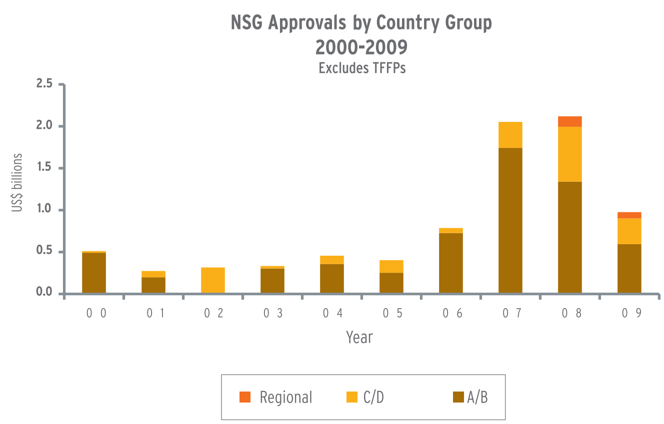


• Cumulative levels for SG volume and number of approvals for operations for Social Equity and Poverty Reduction are at 50% of volume (10 percentage points over the indicative goal of 40%) and 49% of number (1 percentage point below the 50% indicative goal).



• Cumulative SG lending approvals for Group II countries remained at 36% of volume (1 percentage point above the 35% indicative goal).

1.8 NSG LENDING TO GROUPS C & D

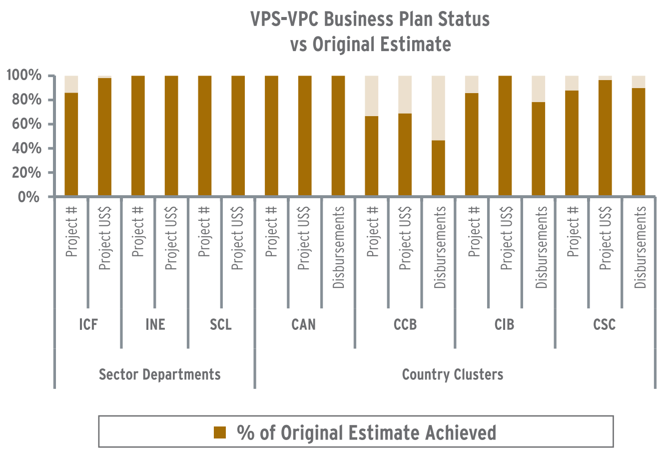


• NSG approvals for C & D countries represented 31% of total NSG volume ($1b) and 40% of number of operations (30) in 2009. In 2008, 31% of total NSG volume ($2.1b) and 37% of the number (27) were for C&D countries in 2008.

II. Business Development

The following section presents indicators that assess Country Strategies and programming as well as Knowledge and Capacity Building Products. There are indicators about financial and human resources devoted in these activities. This section also includes Technical Cooperation program and execution indicators.

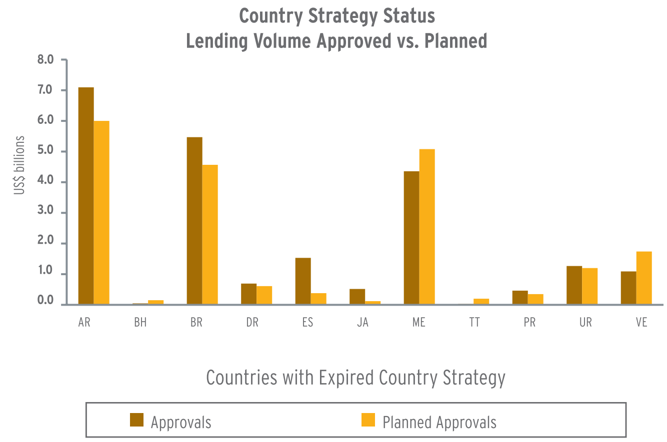
1.9 BUSINESS PLANS ESTIMATES



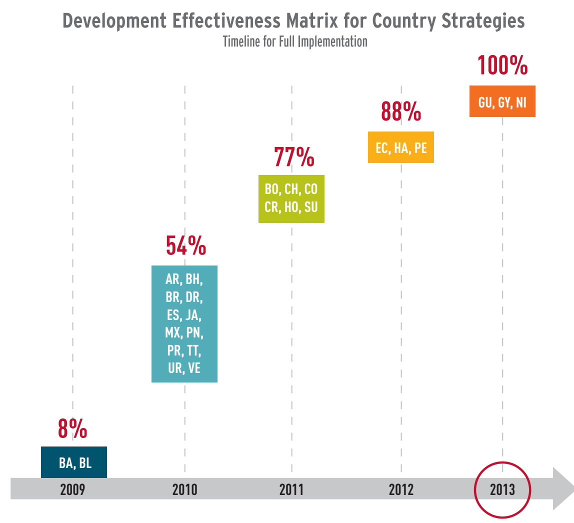
• By year end 2009, CAN reached 100% of operational estimates[2]; CCB reached 67% in number of projects, 69% in volume and 47% in disbursements; CID reached 86% in number, 100% in volume, and 78% in disbursements; CSC reached 88% of number, 96% of volume and 90% of disbursements.

• For Sectors, INE and SCL reached 100% of loan projects estimates (number and volume). ICF reached 98% for volume and 86% in number of loan operations approved.

2.1 COUNTRY STRATEGIES AND DIALOGUE



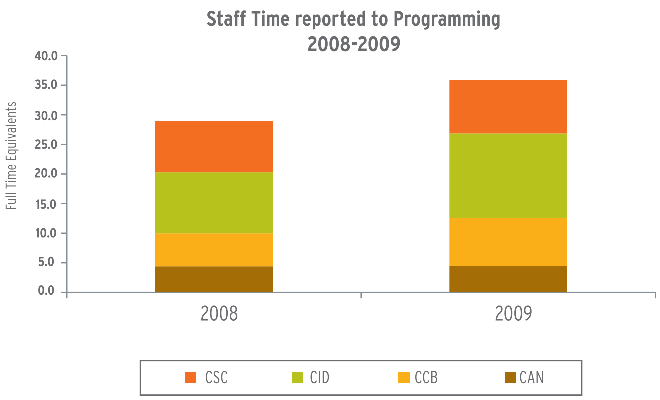
• By year end 2009, 11 (42%) of the Country Strategies (CSs) had expired. Lending approvals volume exceeded the planned CSs base scenario in 7 cases (Argentina, Brazil, Dominican Republic, El Salvador, Jamaica, Paraguay and Uruguay).



• From five country strategies approved in 2009, two had a Development Effectiveness Matrix (DEM) score (Barbados and Belize). A full cycle of Country Strategies with DEM scores is expected to be completed by the year 2013.

[2] Country Departments and Sectors prepared estimates for loan projects (number and volume). Disbursements estimates were prepared under leadership of Country Departments.

2.2 PROGRAMMING ACTIVITIES



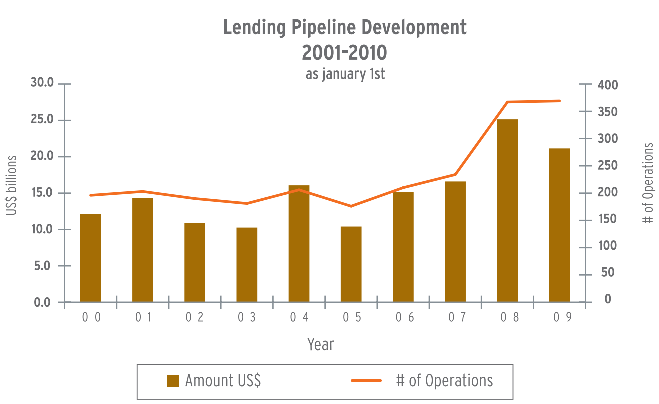
• Staff time reported to Programming products and activities in 2009 reached 37 FTEs, 26% increase from 29 in 2008.

• Non-Personnel expenditures in Programming products and activities reached $1m, 71% increase from $0.5m spent in 2008.

• There were 57 Programming missions (Policy Dialogue, Country Strategies, and Portfolio Management) realized in 2009, 16% decrease from 68 in 2008.

• Staff Time reported to Programming products and services in COFs reached 22.3 FTEs, 30% increase from 17.2 reported in 2008.

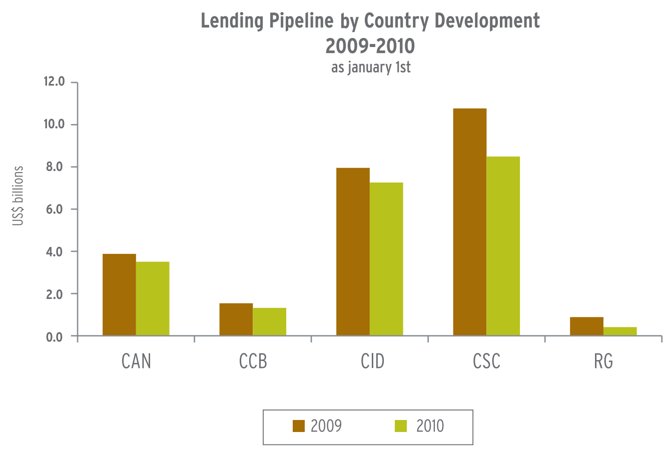
2.3 PIPELINE DEVELOPMENT



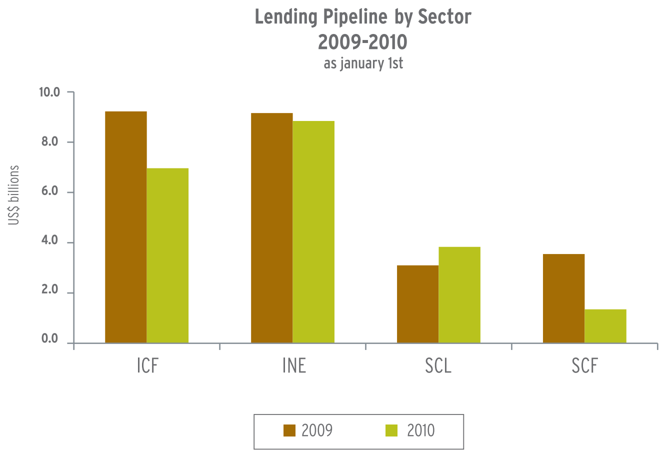
• As of January 1st 2009, the pipeline had 367 loan operations for $25.1b. This included $2.4b in Policy-based Lending (PBL), and $20.9b in SG and NSG investment.

• As of January 1st 2010, the pipeline had 369 loan operations for $21.1b. This included $3.8b in Policy-based Lending (PBL), and $17b in SG and NSG investment.

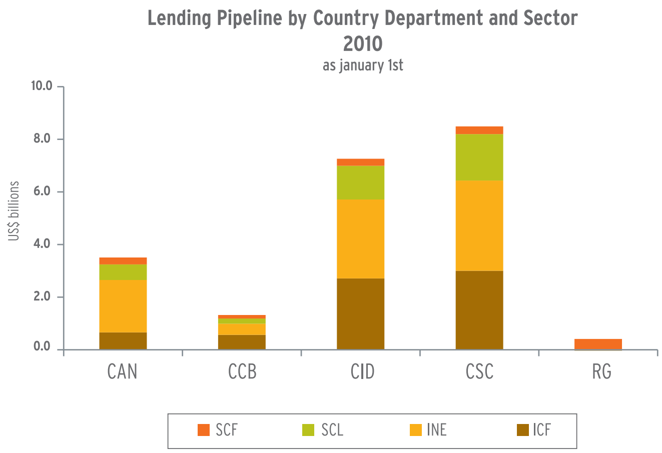
• The 2010 category A pipeline has 178 operations for $9.4. This includes $2b in Policy-based Lending (PBL), and $7b in SG and NSG investment.



• Lending pipeline as of January 1st 2010 for **CAN** amounts to $3.5b, 10% decrease from $3.9 in 2009; for **CCB** amounts to $1.3b, 13% decrease from $1.5b in 2009; for **CID** amounts to $7.3b, 9% decrease from $8b in 2009; and **CSC** amounts to $8.5b, 21% decrease from $10.8 in 2009.

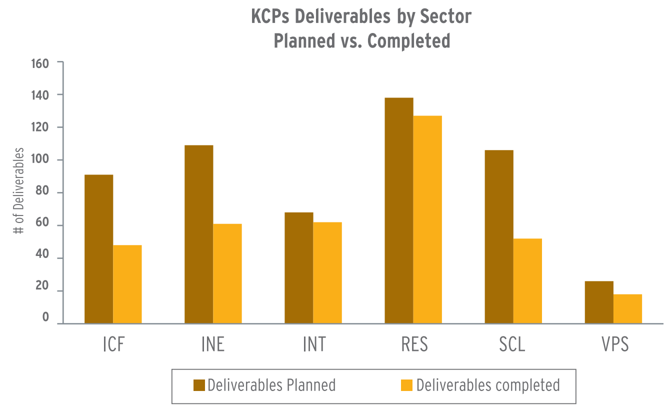


• Lending pipeline as of January 1st 2010 for **ICF** amounts to $7b, 24% decrease from $9.2 in 2009; for **INE** amounts to $8.8b, 4% decrease from $9.2b in 2009; for **SCL** amounts to $3.8b, 23% increase from $3.1b in 2009; and **SCF** amounts to $1.4b, 60% decrease from $3.5b in 2009.



• Operations in pipeline based on volume, are distributed in **CSC** and **CID** (75% of pipeline), 6% for **CCB**, 17% for **CAN** and 2% Regional. For Sectors, **ICF** and **INE** account for 75% of pipeline while **SCL** accounts for 19% and **SCF** for 6%.

2.4 KNOWLEDGE AND CAPACITY BUILDING PRODUCTS[3] (KCPs)



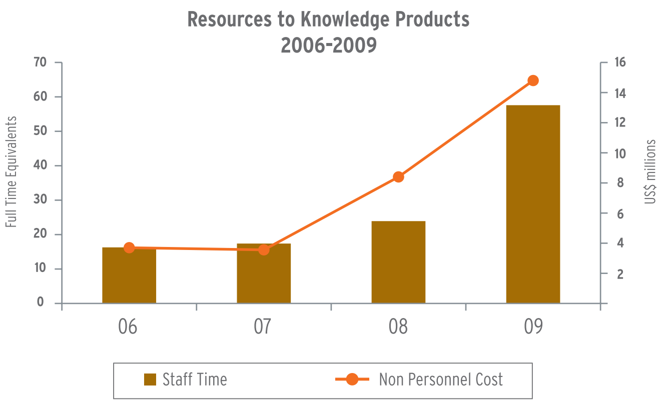
• Sectors worked on 109 **KCPs** as of December 2009. **ICF** was responsible for 27 (25%), **INE** for 25 (23%), **SCL** for 20 (18%), **RES** for 19 (17%), **INT** for 12 (11%) and **ESG** and **VPS** for 6 (6%).

• For each **KCP** approved by **VPS**, the sectors responsible planned a number of deliverables[4] to be completed in 2009. As of December 2009, Sectors completed 368 (68%) deliverables of 538 planned.

• **RES** and **INT** completed 127 (92%) deliverables of 138 planned while **INT** completed 62 (91%) of 68 planned. **ICF**, **INE** and **SCL** completed 161 (53%) of 306 deliverables estimated.

[3] In previous years, Country and Sector knowledge was generated mainly through independent research papers, studies, notes and seminars. In 2009 is the first year of implementation of Knowledge and Capacity Building Products through a programmatic approach.

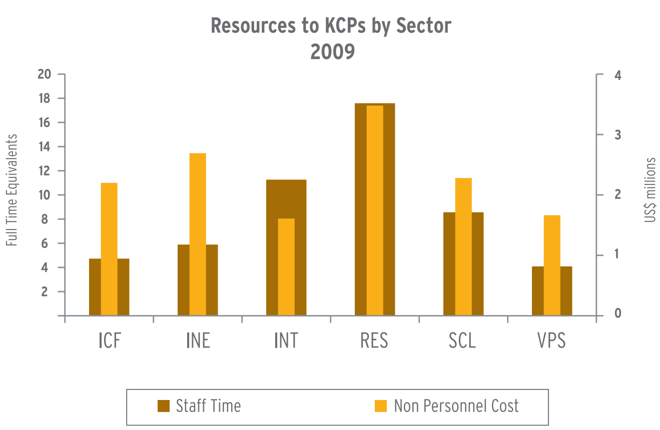
[4] Deliverables are intermediate outputs such as sector studies and notes, seminars, technical networks, and databases, among others, that make up a KCP.



• Non personnel expenditures for KCPs reached $14.4m, increase more than doubling the $4.9m spent in 2008.

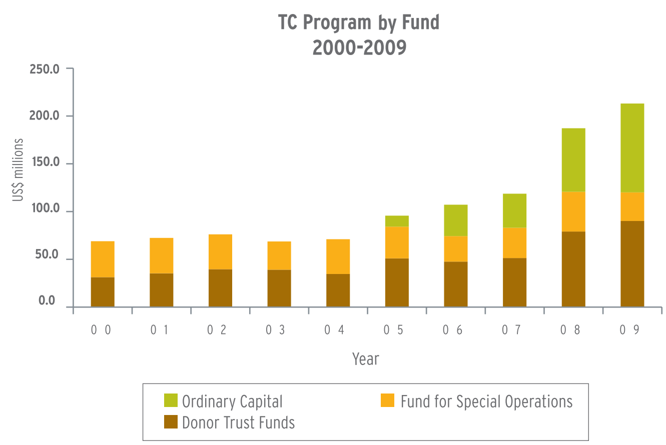
• Staff time reported to (KCPs in 2009 reached 57.6 FTEs, 141% increase from 23.9 reported in 2008.

• Non-Personnel expenditures amounted to $14.8m, a 76% increase from the $8.4 reported in 2008.



• Execution of Non personnel resources (consultants and travel) by **VPS** to the **KCP** program in 2009 reached $13.9m, 93% of the resources budgeted. By sector, SCL executed 100% of the budgeted resources, **INT** 96% and **ICF**, **INE**, **ESG** and **RES** averaged 91%.

2.5 TECHNICAL COOPERATION PROGRAM



• TC approvals reached $213m, 14% increase from the $187m approved in 2008. Number of operations reached 451, 12% decrease from 510 in 2008. Average size of TCs approved reached $472K, 29% increase from $367K in 2008.

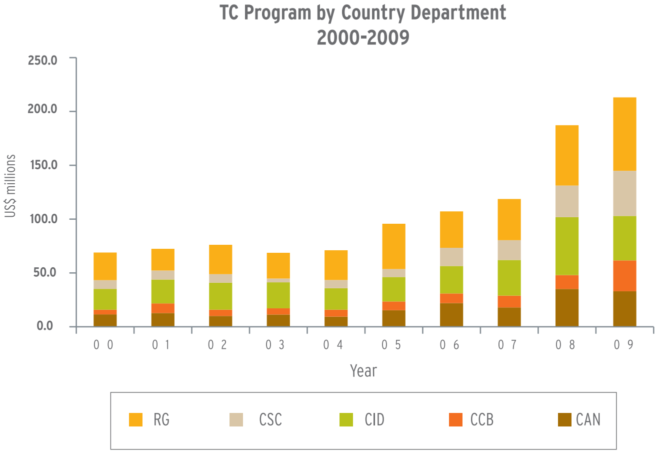
• TC financed with FSO approvals reached $29.9m, 28% decrease from $41.6m in 2008. Number of operations reached 111, 22% decrease from 143 in 2008. Average size of FSO TCs was $269K, 8% decrease from 291K in 2008.

• TC financed Donor Trust Funds (DTF) approvals reached $90.1m, 14% increase from $79.1m in 2008. Number of operations reached 200, 27% decrease from 274 in 2008. Average size of DTF TCs was $451K, 56% increase from $289K in 2008.

• Investment Grant Operations[5] financed by the Spanish Fund for Water and Sanitation amount to $150m in 3 operations, 35% of the available $431m of the Fund.

[5] Investment Grant Operations are those that finance investments on a non-reimbursable basis, either complementary to technical cooperation or as stand-alone contributions, consistent with the objective of the DTF. The eligible investment activities may include works, goods, equipment, and related services (transportation, insurance, etc.) and pilot projects in areas contemplated by the DTF instrument, as well as consulting services required for such investments.

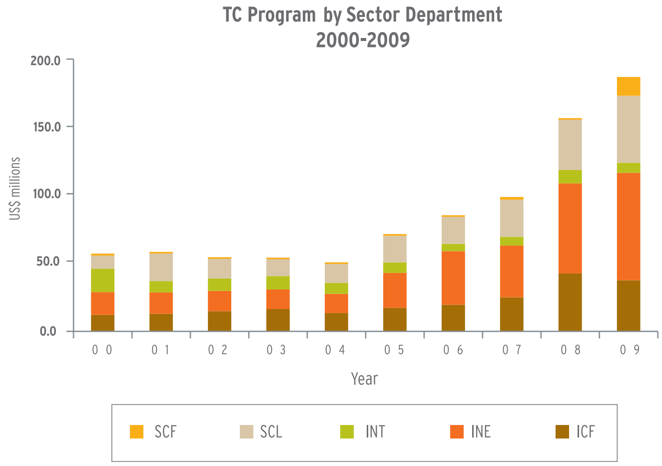
• Special programs financed with Ordinary Capital (OC) approvals reached $93m, 40% increase from $67m in 2008. Number of operations reached 140, 51% increase from 93 in 2008. Average size of OC TCs was $664K, 7% decrease from 715K in 2008.



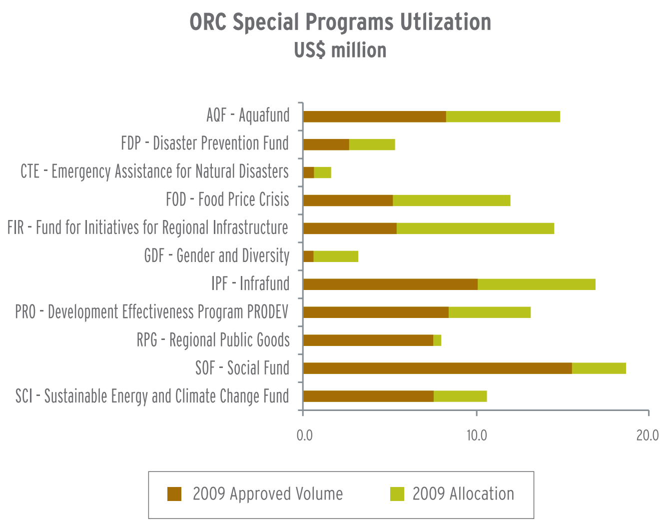
• TC approvals for **CAN** countries reached $33 m, 6.2% decrease from $35.1m in 2008; for **CCB** countries, approvals reached $28.7m, more than 100% increase from $12.9m in 2008; for **CID** countries, approvals reached $41.3m, 23.2% decrease from $53.8 in 2008; for **CSC** countries, approvals reached $41.9m, 42.7% increase from $9.4 in 2008.

• TC Regional approvals reached $68.2, 21.7% increase from $56m in 2008.

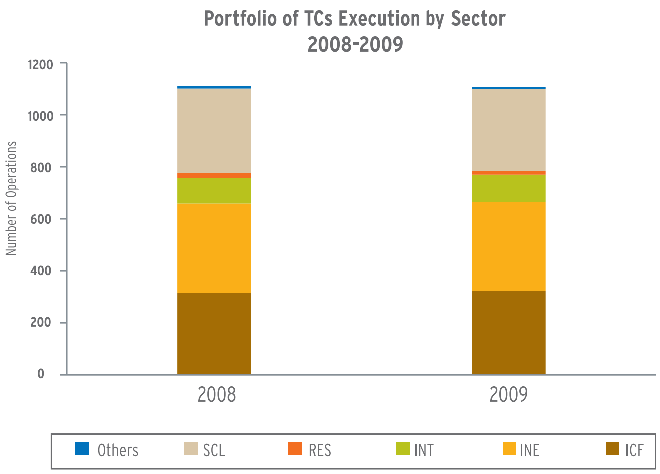
• **CAN** countries account for $33m (16%) of TC approvals in 2009; **CCB** countries for $29m (14%), **CID** countries for $41.3m (19%), **CSC** countries for $42m (20%), and Regional for $68m (32%).

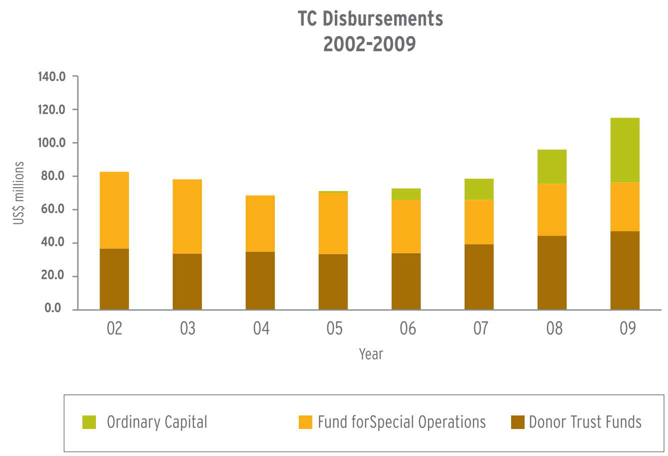


• Approvals in 2009 for ICF reached $37.6m, 11.7% decrease from $42.6m in 2008; for **INE**, approvals reached $78.9m, 19.3% increase from $66.1m in 2008; for **INT**, approvals reached $7.4m, 25.2% decrease from $9.9m in 2008; for SCL approvals reached $49.2m, 31.6% increase from $37.3m in 2008; and for **SCF**, approvals reached $13.8m, more than 100% from $0.76m in 2008.



• Approvals under special programs financed with Ordinary Capital (OC) reached $90m, 61% of the $149m available in 2009. In 2008, these programs reached approvals of $66m, 48% of the $138 available that year.





• TC Portfolio under responsibility of Sectors reached 1,107 operations, the same level as the 1,111 in 2008.

• The **ICF** TC portfolio reached 323 operations, 3% increase from 315 in 2008; **INE** reached 342 operations, same level as the 344 in 2008; and **SCL** reached 315 operations, 3% decrease from 325 in 2008.

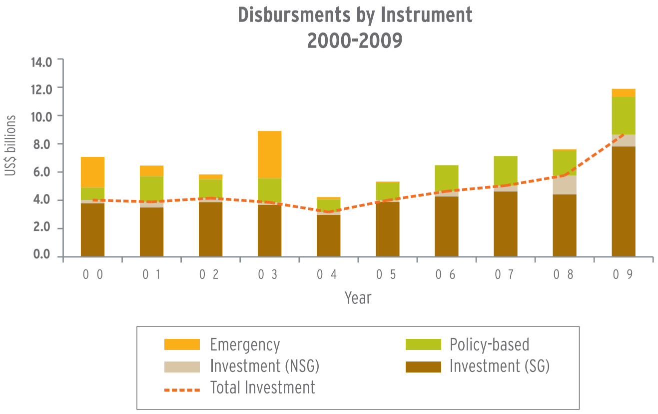
• Disbursements of TCs financed with Fund for Special Operations (FSO) reached $29.2m, 6% decrease from $31.1m in 2008.

• Disbursements of TCs financed with Donor Trust Funds (DTF) reached $47.1m, 6% increase from $44.4m in 2008.

• Disbursements of TCs financed through Special Programs of Ordinary Capital (ORC) reached $38.7m, 89% increase from $20.5m in 2008.

The following set of indicators measure portfolio distribution among the different units as well as the overall status of the operations. There are indicators for Portfolio management and Disbursements.

3.1 DISBURSEMENTS

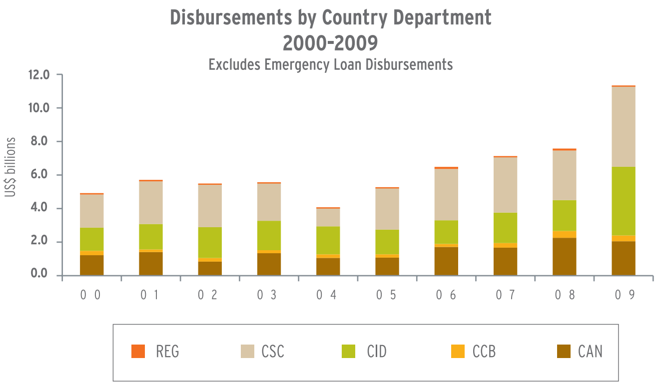


• Total disbursements[6] reached $11.9b, 57% increase from $7.6b in 2008.

• Investment loan disbursements reached $8.7b, 50% increase from $5.7b in 2008.

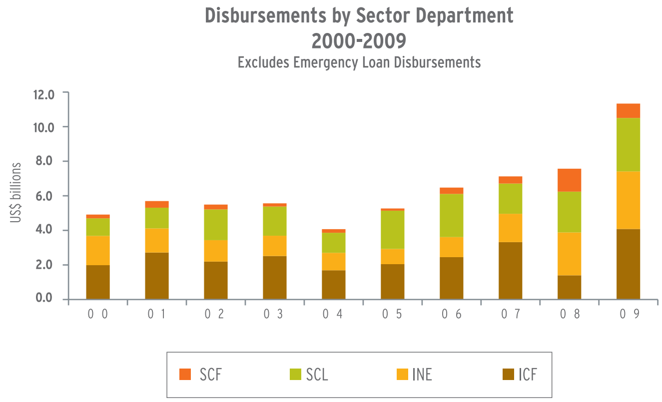
• Policy Based loans disbursements reached $2.7, 50% increase from $1.8b in 2008.

• Liquidity Program for Growth sustainability loans disbursed $0.2b, more than 100% increase from $37m in 2008. Fiscal Emergency loans disbursed $0.3b.

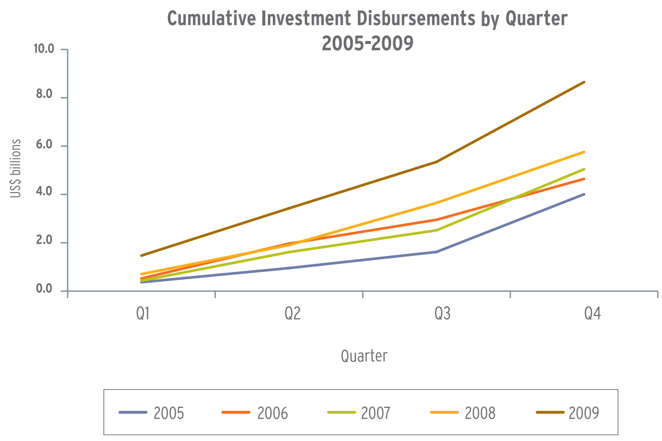


[6] Included Emergency loans disbursements (LPGS and Fiscal) for $37m in 2008 and $548m in 2009.

•Disbursements to **CAN** countries reached $2.1b, 9% decrease from $2.3b in 2008; to **CCB** countries reached $0.3b, 14% decrease from $0.40b in 2008; to **CID** countries reached $4.1b, more than 100% increase from $1.8b in 2008; and to **CSC** countries reached $4.8b, 60% decrease from $3b in 2008.

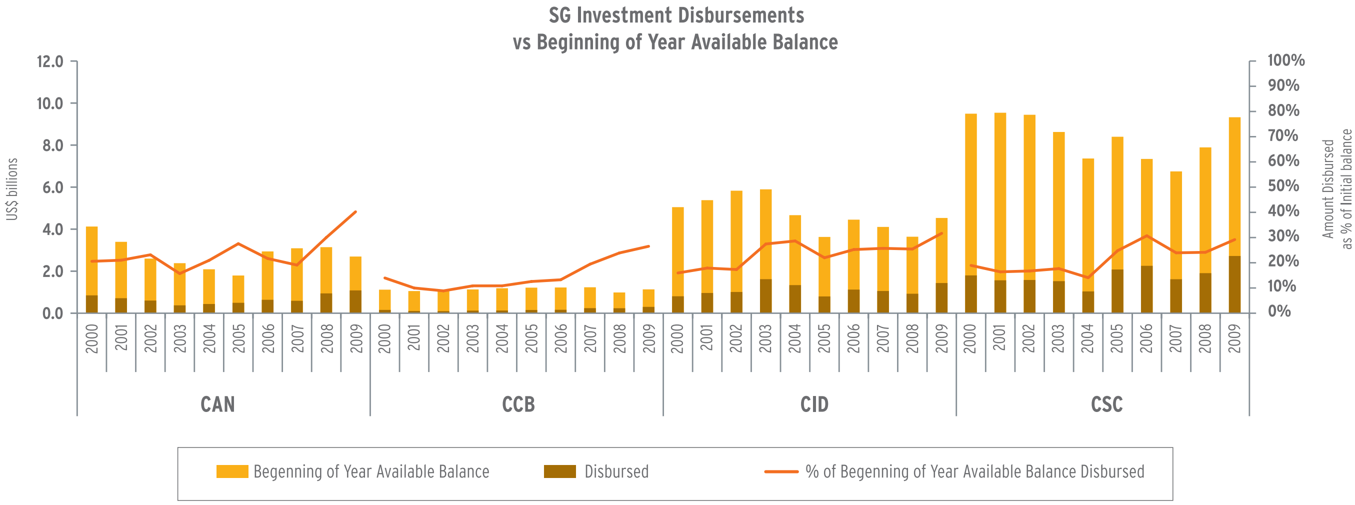


• **ICF** disbursements reached $4.1b, more than 100% increase from $1.4b in 2008; **INE** disbursements reached $3.3b, 32% increase from $2.5b in 2008; **SCL** disbursements reached $3.1b, 29% increase from $2.4b in 2008; and **SCF** disbursements reached $0.8b, 38% decrease from $1.3b in 2008.

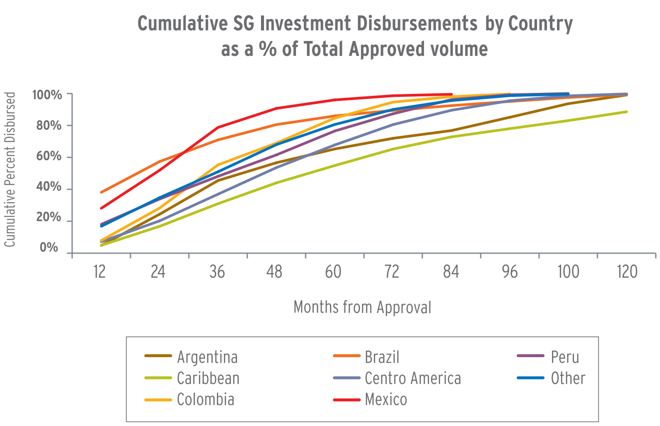


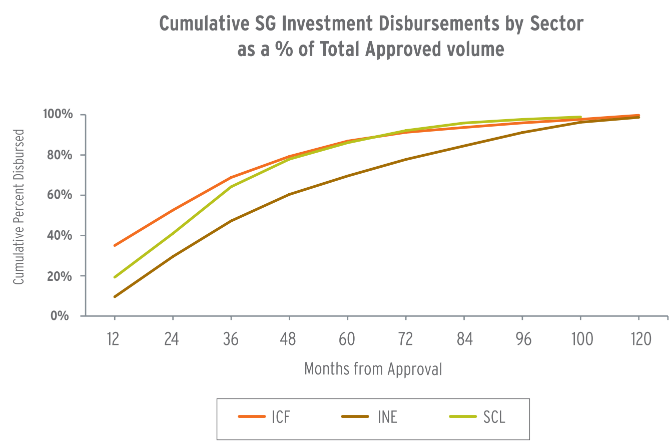
• Investment loan disbursements in the last quarter reached $3.3b, 57% increase from $2.1 in 2008.

• Investment loan disbursements in the last quarter represented 38% of total investment disbursements. In 2008, disbursement concentration for this type of loans in the last quarter was 36%.



• Disbursements trends as a percentage of beginning of year balance for eligible investment projects are similar among country departments in recent years. For 2009, CAN, CID and CCB reached record highs since 2000.



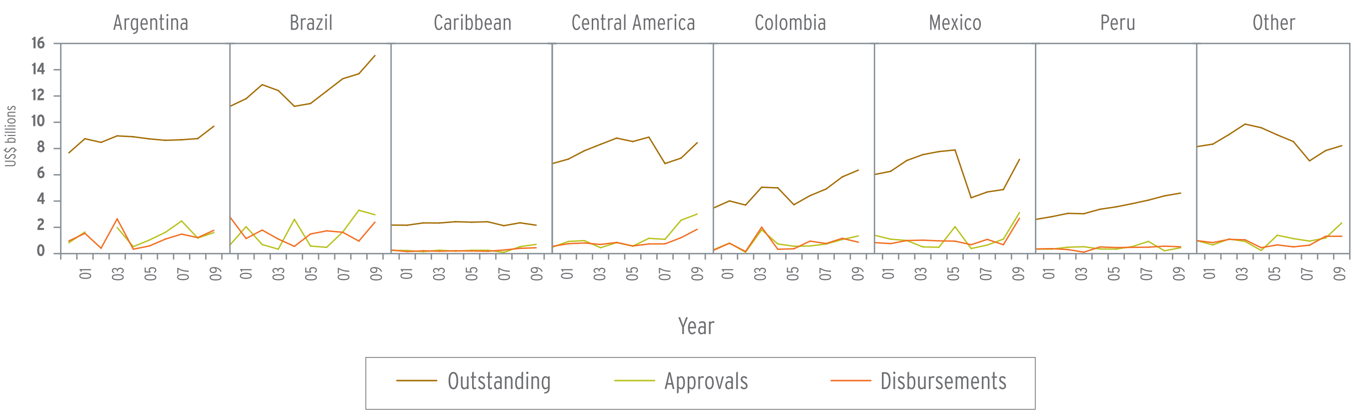


• Country disbursement profiles[7], reveal that Mexico disbursed 91% of its balances in four years after approval while Brazil and Colombia disbursed 81% and 69% respectively. All other countries average 57% of its available balance disbursed by the end of the fourth year.

• Sector disbursement profiles reveal that operations under responsibility of **ICF** and **SCL** average 78% of cumulative disbursements by the end of the 4th year in execution (measured from approval). **INE** and **INT** average 60% and 56% respectively.

[7] Disbursement Profile of a Country is based on the average of the amount disbursed per project in the portfolio. The number of months is calculated from date of approval. The universe of projects for the profile shown, are the investment operations with Sovereign Guarantee that have closed between 2000 and 2009.

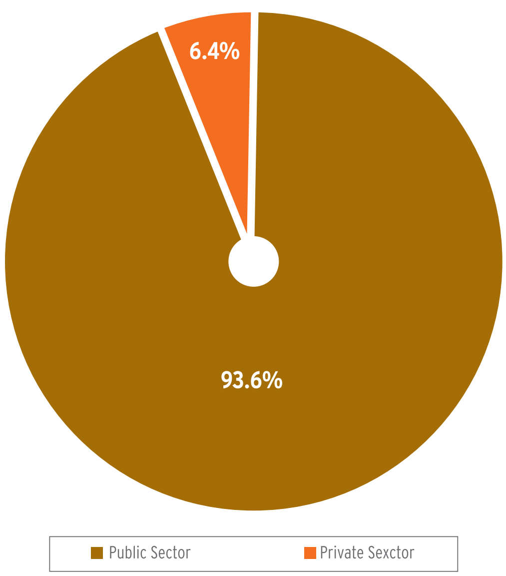
IDB Outstanding, Approvals and Disbursements by Country



• Outstanding balances in Bank's borrowing countries show an increasing trend, particularly since 2006, with the exception of the Caribbean that remains steady.

• Mexico is recovering its outstanding portfolio and approvals after repayments made in 2006. In 2009, Argentina, Brazil, Colombia and Peru reached their highest levels of outstanding balances since 2000.

OC Loans Outstanding and Guarantee Exposure

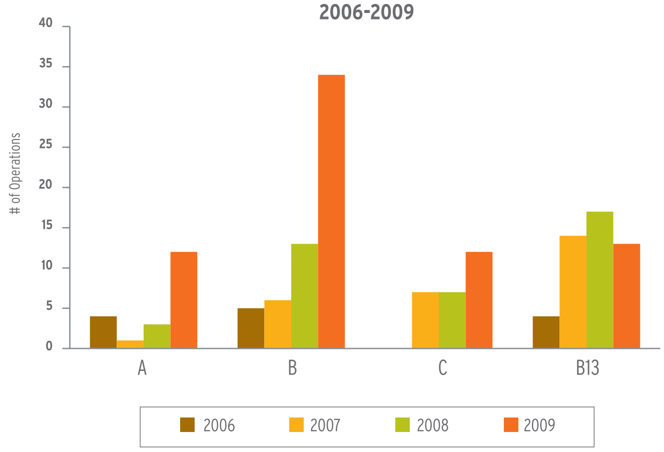


• By end 2009, total OC loans outstanding and guarantee exposure reached $58.5b (excluding emergency loans).

• NSG reached 6.4% of total OC outstanding and guarantee exposure (below the 10% ceiling).

3.2 ENVIRONMENTAL AND SOCIAL SAFEGUARDS

ESG`s participation in approved operations per category 2006-2009



• The number of operations that had assistance from an Environmental and Social Safeguards specialist from ESG reached 370 in 2009[8], more than 100% increase from 167 in 2008.

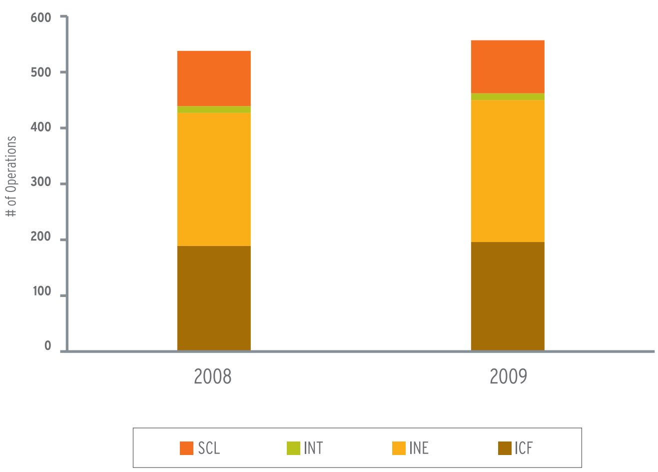
[8] Including operations from the TFFP.

3.3 PORTFOLIO MANAGEMENT

• The following paragraphs assess the distribution of the portfolio among the different Sector Departments and selected measures so assess the time elapsed from approval to First and last Disbursements. Indicators below also address portfolio management instruments such as the Audited Financial Statements (AFS) and the Project Completion Reports (PCR).

3.3.1 DISTRIBUTION BY SECTOR

Portfolio of Loans in Execution by Sector
2008-2009

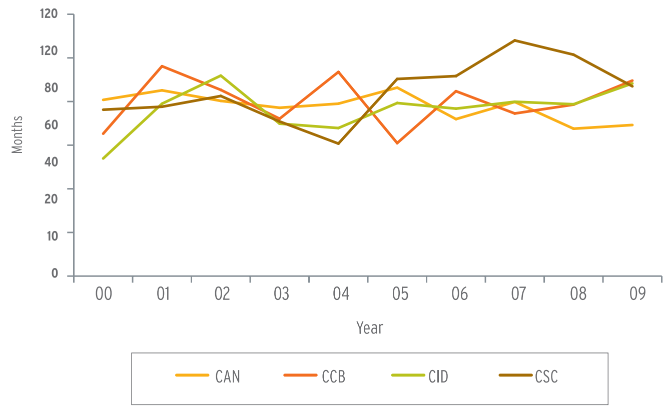


• The number of operations in the portfolio under responsibility of VPS reached 557 projects, 4% increase from 538 in 2008.

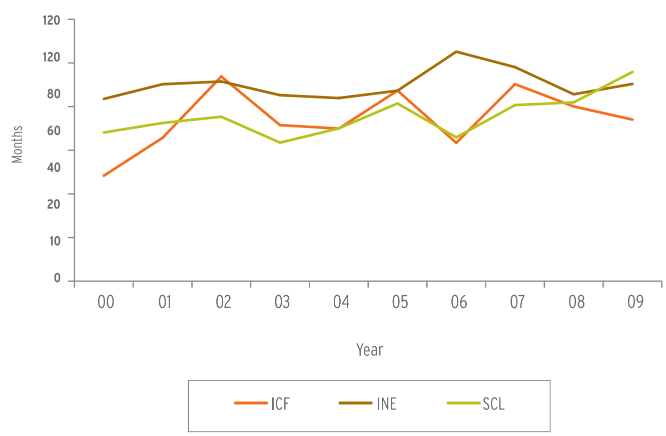
• The ICF portfolio reached 196 operations, 4% increase from 189 in 2008; INE reached 254 operations, 7% increase from 238 in 2008; and SCL reached 95 operations, 4% decrease from 99 in 2008.

3.3.2 TIME ELAPSED FROM APPROVAL TO FIRST AND LAST DISBURSEMENTS

Median Time elapsed from Legal Effectiveness to Last
Disbursements by Country Department

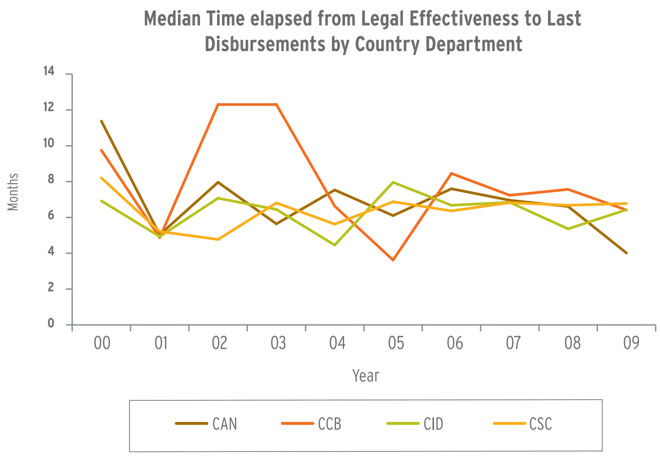


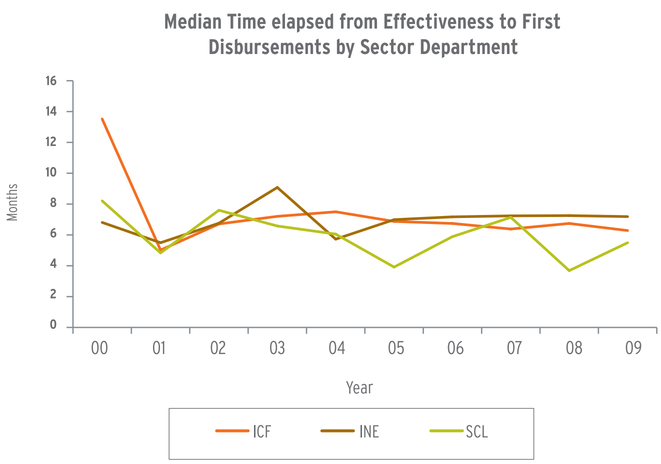
Median Time elapsed from Legal Effectiveness to Last
Disbursements by Sector Department



• Median time elapsed from legal effectiveness[9] to last disbursement for SG investment loans reached 7.3 years for loans completed in 2009, a slight increase of 5 months over the 6.9 years from 2008.

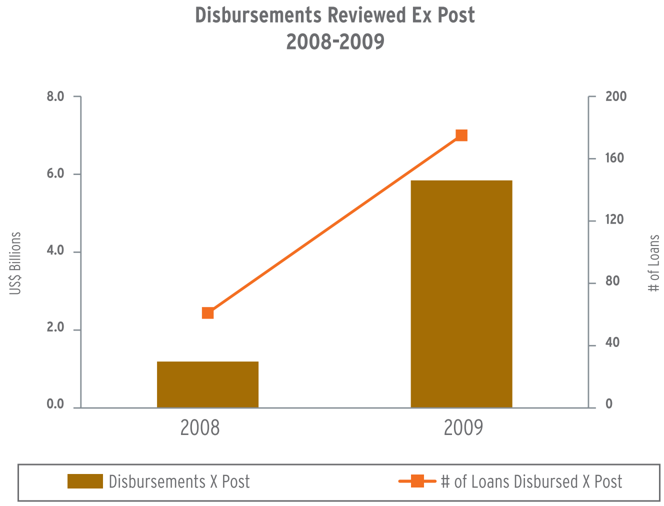
[9] Legal effectiveness is when the contract is signed between the Bank and the borrower.





• Median time[10] elapsed from legal effectiveness to first disbursement reached 7.1 months, 30% decrease from 10.1 in 2008.

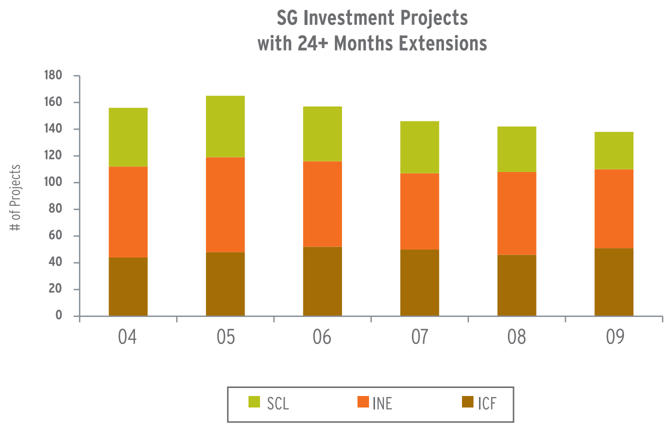
3.3.3 EX POST REVIEW OF DISBURSEMENTS



• The amount of disbursements reviewed ex post from investment SG operations reached $5.8b, more than 100% increase from $1.2b in 2008.

• The number of loans that disbursed with ex post review reached 175 in 2009, more than 100% increase from 61 in 2008.

3.3.4 LAST DISBURSEMENTS EXTENSIONS



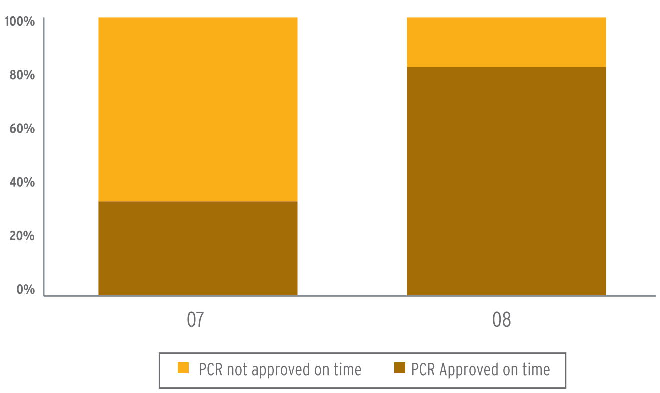
[10] Five loans to Haiti (2 in ICF, 1 in INE and 2 in SCL) averaged 45 months to reach first disbursement. These caused the spikes shown in 2000 and 2003 and are excluded from the calculation.

• The number of SG investment projects with extensions of 24 months or more from its original last disbursement date reached 139, 3% decrease from 144 in 2008.

• The $1.4b available balance of these operations represents 7% of the portfolio. In 2008, $1.6b available balance represented 10.2% of the portfolio.

3.3.5 PROJECT COMPLETION REPORTS (PCR)

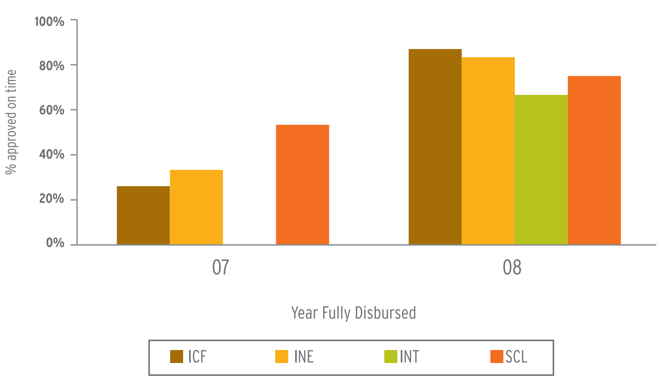
% PCR Compliance Approval on Time



• Number of PCRs approved on time[11] reached 46, more than 100% increase from 18 in 2008.

• Compliance for those PCRs expected to be approved in 2009 reached 82% compared to 34% in 2008.

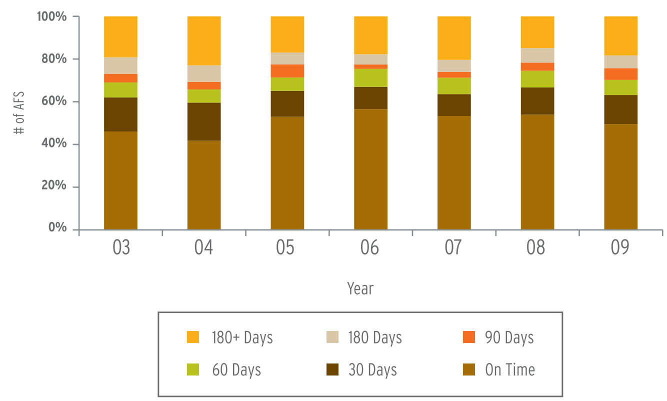
% PCR Completed on Time by Sector Department



• **ICF** completed 20 of 23 PCRs (87%) compared to 6 of 23 (26%) in 2008; **INE** completed 15 of 18 (83%) compared to 4 of 12 (33%) in 2008; **SCL** completed 9 of 12 (75%) compared to 8 of 15 (53%) in 2008.

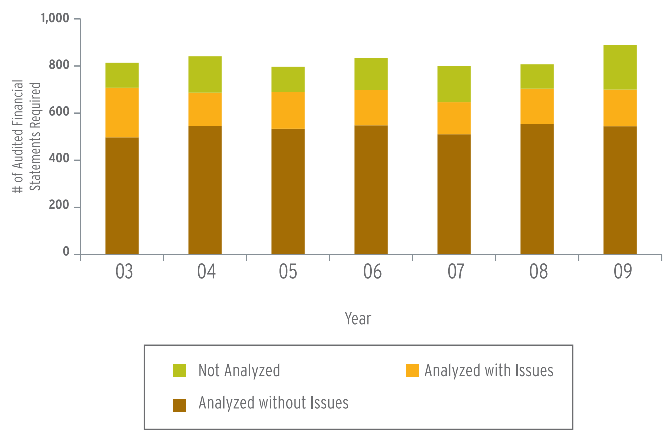
3.3.6 AUDITED FINANCIAL STATEMENTS

Audited Financial Statements Compliance



• AFS delivered on time as a percentage of AFS required reached 50%, a decrease from 54% in 2008.

Analysis Status of Audited Statements



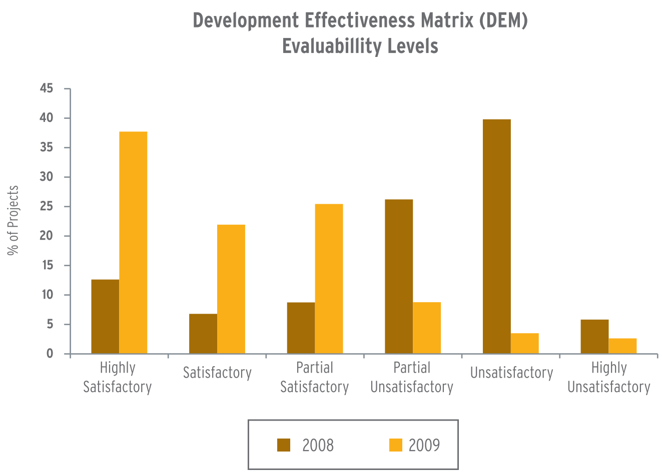
• In 2009, 700 (79%) of the 890 AFS expected were analyzed by auditors. This analysis resulted in 544 (78%) AFS with no issues, same level of 2008.

[11] On time is before June 30th of the following year of fully disbursed.

3.4 DEVELOPMENT EFFECTIVENESS

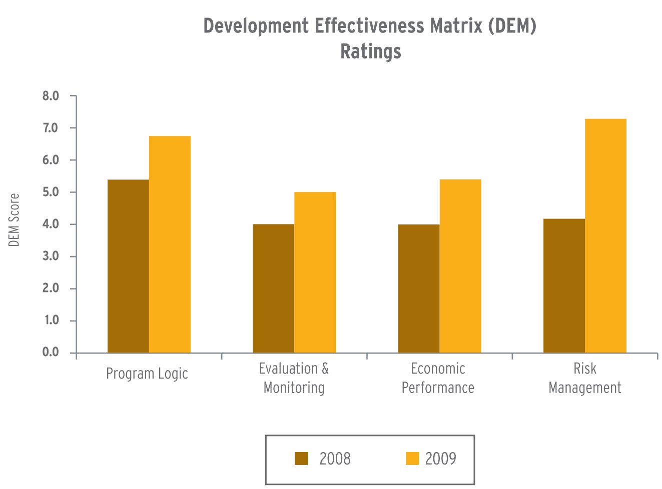
This section presents indicators from Development Effectiveness Matrix (DEM) and the implementation of the Progress Monitoring Report (PMR).

3.4.1 DEVELOPMENT EFFECTIVENESS MATRIX

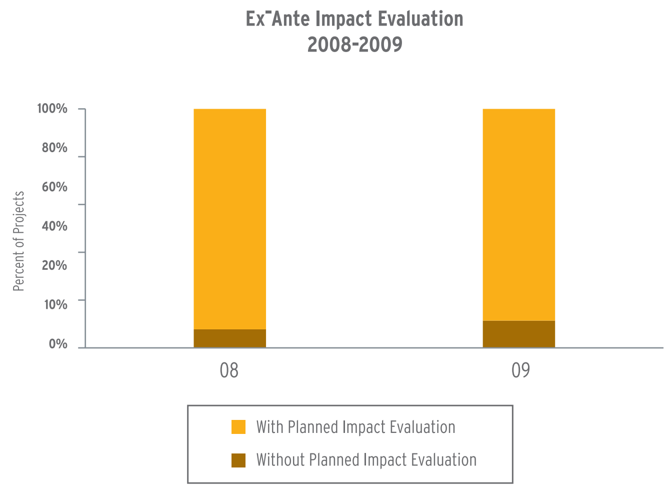


• The number of operations that scored satisfactory or above in evaluability dimensions reached 68 (60% of projects assessed), 71% increase over 20 (20% of projects assessed) in 2008.

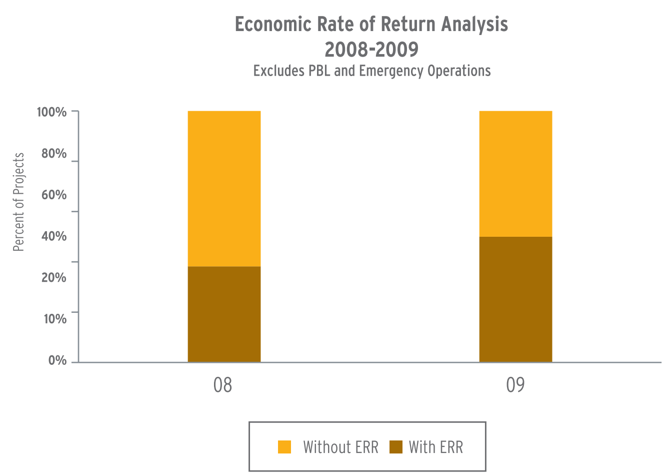
• The number of operations that scored satisfactory or above in evaluability dimensions as a percent of total projects assessed was 60% compared to 20% in 2008.



• Average DEM ratings at entry improved in all dimensions from 2008 to 2009. Program Logic scored 6.7, 24% improvement from 5.4 in 2008; evaluation and monitoring scored 5, 25% improvement from 4 in 2008; Economic performance scored 5.4, 35% improvement from 4 in 2008; risk management scored 7.3, 74% improvement from 4.2 in 2008.

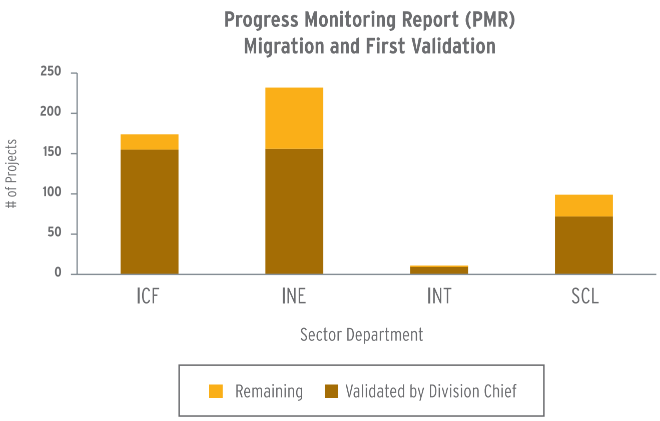


• The number of SG operations assessed in 2009 with planned impact evaluation reached 13, 63% increase from 8 in 2008.



• The number of SG operations assessed in 2009 (excluding PBL and Emergency) that had an Economic Rate of Return Analysis reached 48, 41% increase from 34 in 2008.

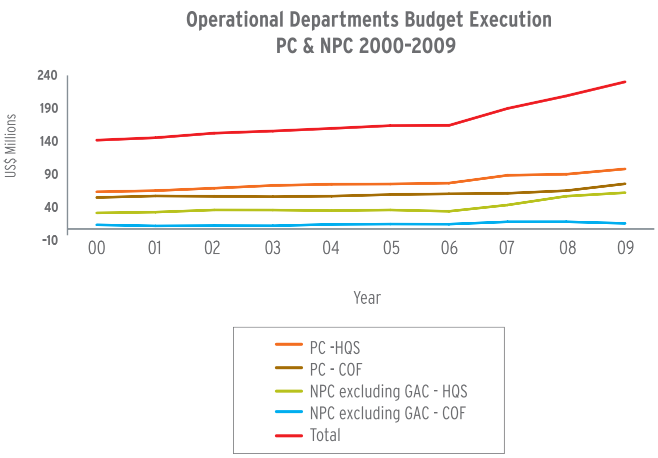
3.4.2 PROGRESS MONITORING REPORTS



• The Progress Monitoring Report (PMR) is under implementation phasing out the previous portfolio monitoring instrument PPMR. The PMR will provide enhanced data on portfolio performance. During this transition, information was migrated into the new system. By year end 2009, 76% of migrated operations had been validated by Division Chiefs.

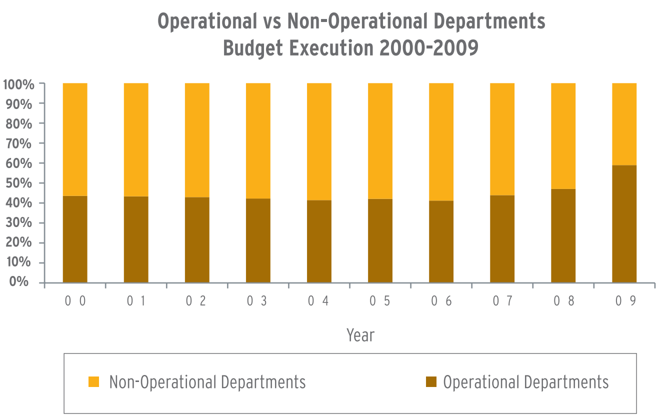
The following indicators measure operational budget execution as well as how resources are allocated and used in operational activities, in particular loan project preparation and execution.

4.1 OPERATIONAL BUDGET EXECUTION



• Personnel Costs expenses for operational departments reached $164.4m, 13% increased from $145.4m in 2008.

• Non-Personnel Cost[12] (NPC) expenses for operational Departments reached $65.5m, 5% increase from $62.5m in 2008.

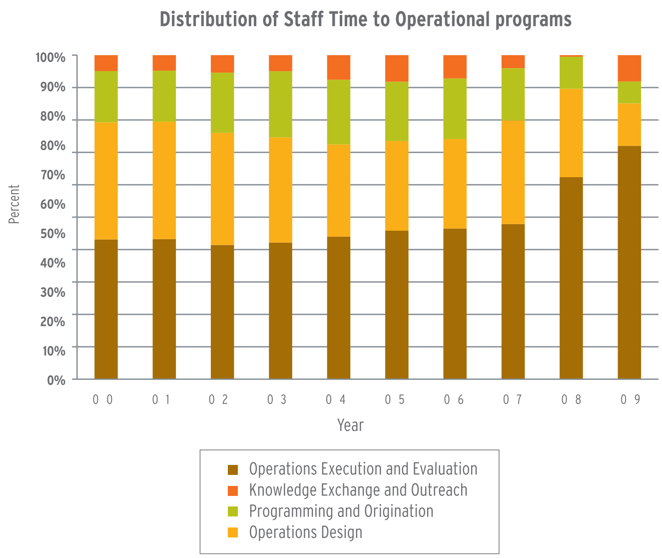


• Operational department's executed budget reached $246m, 32% increase from $186m in 2008.

• Operational department's executed budget as a percentage of total administrative budget reached 59% compared to 47% in 2008

[12] Excludes general administrative costs.

4.2 TIME REPORTED BY PROGRAM GROUP

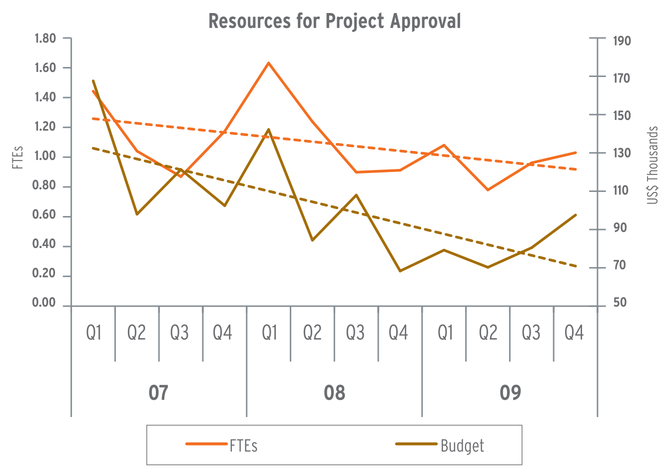


• Staff time reported to operational programs[13] reached 632 FTEs, 12% increase from 564 in 2008.

• Staff time reported to execution and evaluation of operations reached 354 FTEs, 26% increase from 280 in 2008.

• Staff time reported to operation's design and Programming and Origination reached 98 FTEs, 41% decrease from 167 in 2008.

4.3 PROJECT EFFICIENCY

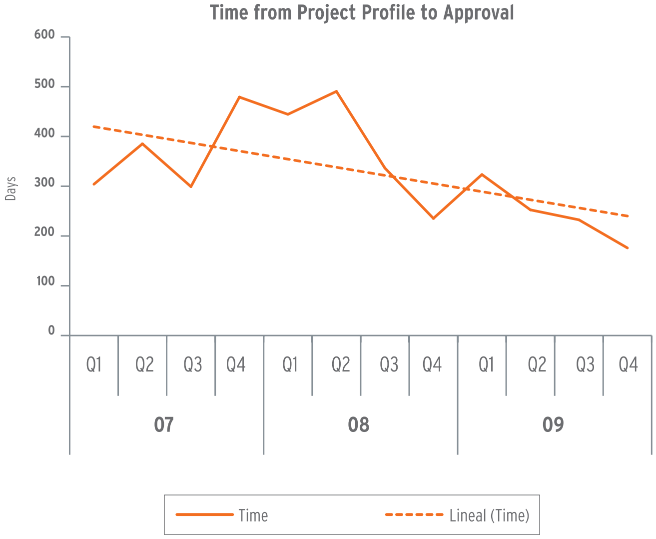


[13] (programming and origination, operations design, execution and evaluation and operational knowledge exchange and Outreach)

• Non-personnel cost per approved project reached $90K, same level as 2008.

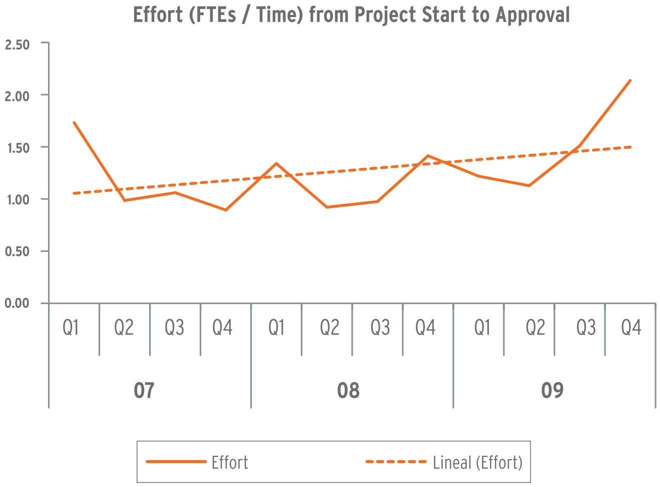
• Staff time reported per approved project reached 1.08 FTEs, 10% increase from 0.98 in 2008.

Time from Project Profile to Approval



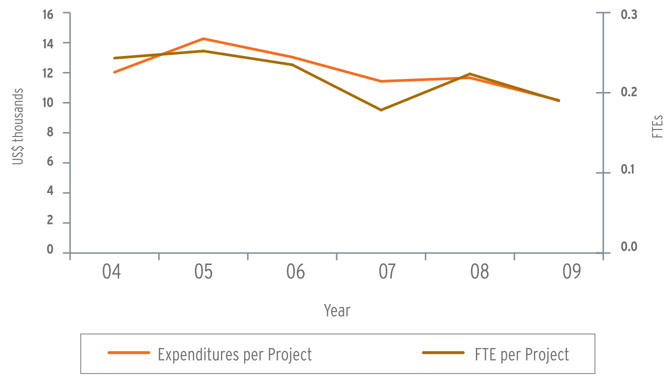
• Time elapsed to prepare a project (from Project Profile to Approval) approved in 2009 was 7 months, the same level of 2008.

Effort (FTEs / Time) from Project Start to Approval



• The ratio between staff time reported and preparation elapsed time (effort), reached 1.7 in 2009, 40% increase from 1.2 in 2008.

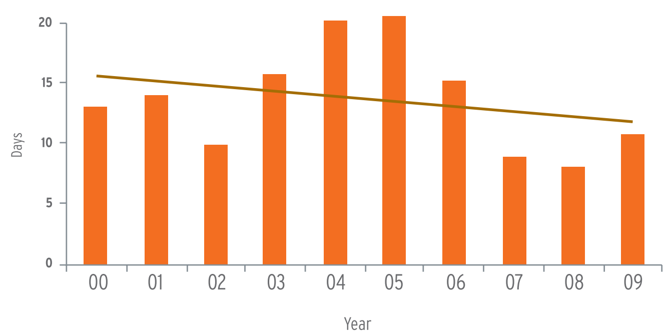
Resources (Expenditures and Staff time)
per Project in Portfolio



• Staff time reported per project in the portfolio in execution reached 0.19 FTEs, 15% decrease from 0.22 in 2008.

• Expenditures per project in the portfolio in execution reached $10.2K, 13% decrease from $11.7 in 2008.

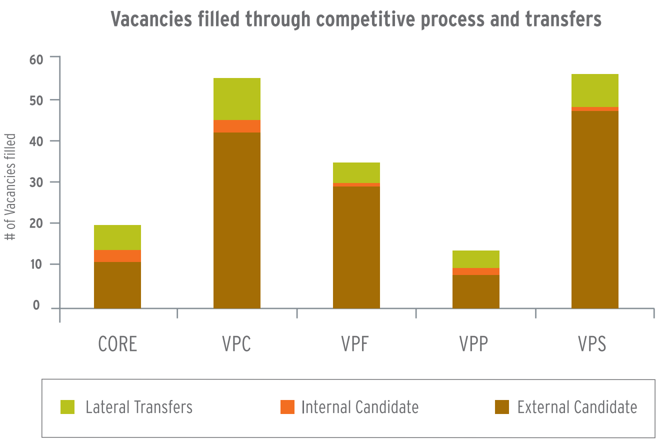
Staff Time Reported to Project Execution
per US$ million disbursed
2000-2009



• Staff time reported to project execution per US$ million disbursed reached 9.4 days, 32% increase from 7.1 in 2008. The downward trend in the 2000-2009 period remains.

Indicators in the following section assess the staff hiring process, Country Offices strengthening, cross sector collaboration within VPS and learning activities.

5.1 VACANCIES AND NEW HIRES



• Positions filled reached 180 out of which 125 (69%) were operational (VPS, VPC, VPP). In 2008, 292 positions were filled out of which 216 (74%) were operational.

• Positions filled with external candidates reached 137 (76%) out of which 67 (49%) were female. In 2008, 221 (76%) positions were filled with external candidates of which 94 (43%) were female.

• The remaining 43 positions (24%) were filled internally of which 33 were through lateral transfer. In 2008, 71 positions (24%) were filled internally, out of which 37 were through lateral transfer.

• Out of the 46 hires in Country Offices in 2009, 24 (52%) were females; for headquarters, out of the 91 hires, 43 (45%) were females. In 2008, out of the 84 hires in Country offices, 29 (35%) were females; for headquarters, out of the 137 hires, 65 (47%) were females.

5.2 COF STRENGTHENING

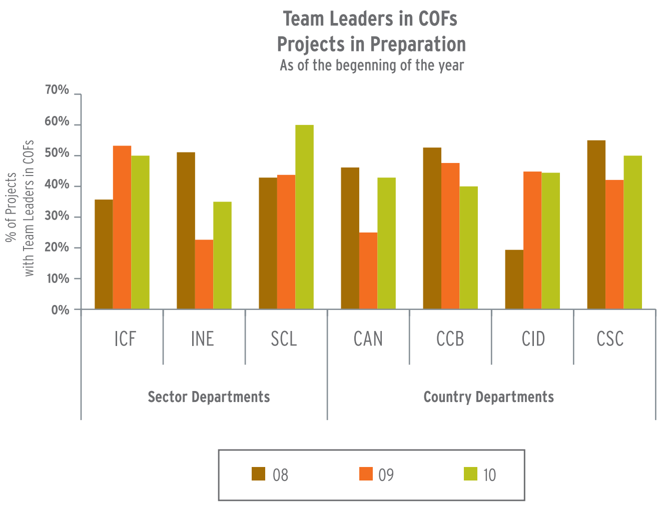
Flow of COF Professional Staff	
On Board 12/31/08	382
Terminations	-29
Net Transfers	8
External Hires	40
Promotions from Administrative to Professionals	4
On Board 12/31/09	405
Net Change	23
Vacancies	41

• Net change of professional staff in COFs by December 31st, 2009 was an increase of 23 (6% from the beginning of the year). In 2008, net change was an increase of 67 (21% from beginning of year).

• Of the 137 external professional staff hires, 40 (30%) were for COFs of which 32 (78%) were national professionals and 9 (22%) internationals. In 2008, of the 221 external professional staff hires,82 (37%) were for COFs of which 42 (51%) were national professionals and 40 were internationals.

• By year's end 2009, VPC professional staff on board in COF increased with respect to 2008 by 17, VPS by 1, VPP by 2, and VPF by 3. By year's end 2008, VPC increased with respect to 2007 by 28, VPS by 27 and VPP by 12.

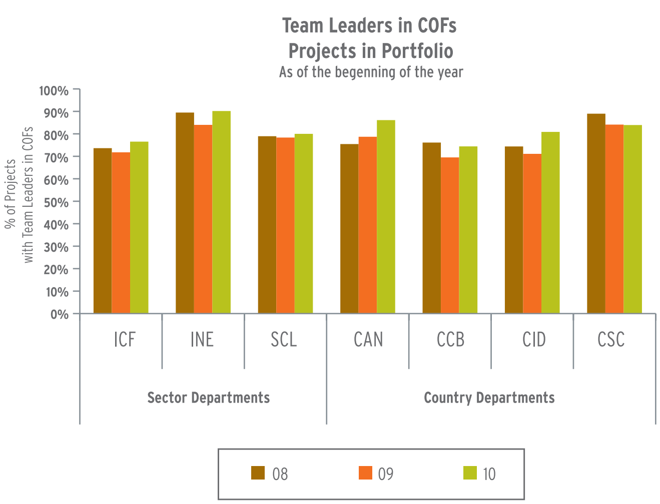
5.2.1 TEAM LEADERS IN COFs



• Number of SG operations prepared by Team leaders in COF reached 53, 20% increase from 44 in 2008.

• Number of SG operations prepared by Team Leaders in COF as a percent of total number or SG approvals reached 40%, 3 percentage points decrease from 43% in 2008.

• Two divisions have 50% or more of their operations in preparation by team leaders in COFs (EDU and FFM) and 9 countries have 50% or more of operations in preparation by team leaders in COFs.

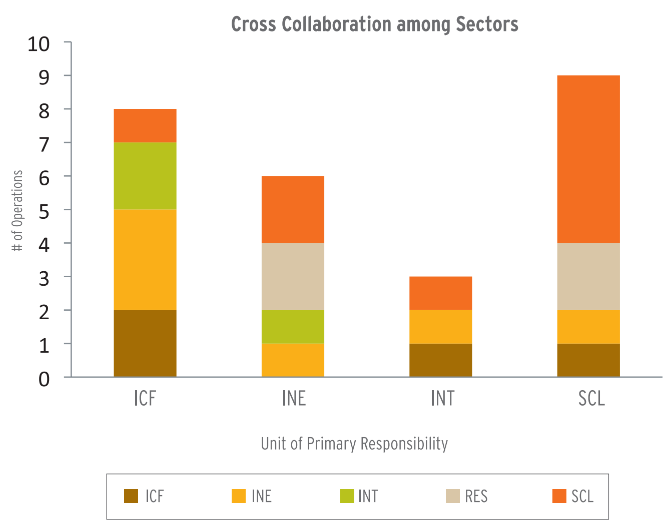


• The percentage of projects in execution with Team leaders in COFs increased from 77% at the beginning of 2009 to 82% at the beginning of 2010.

• The percentage of total staff time reported by COFs in operation execution reached 55%, 6 percentage points increase from 49% in 2008.

• Staff time reported by COF to Country Strategies and other programming products and services reached 14.7 FTEs, 11% increase from 13.2 in 2008.

5.3 CROSS SECTOR COLLABORATION

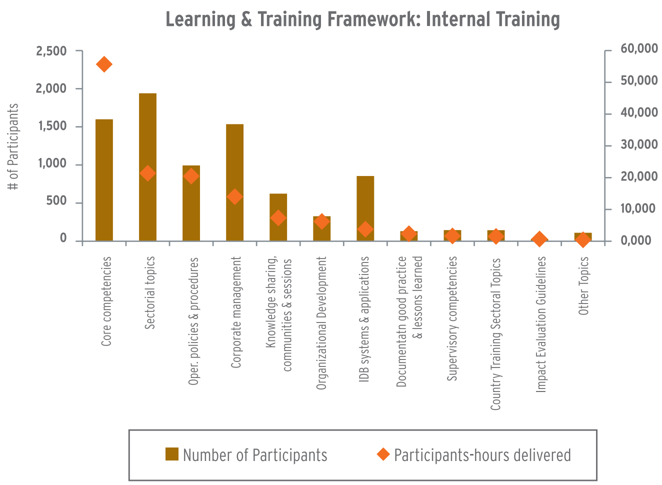


• ICF has primary responsibility of 4 operations with external collaboration of which 2 are from other divisions within ICF and 2 from other Departments.

• INE has primary responsibility of 6 operations with external collaboration of which 1 is from other division within INE and 5 from other Departments.

• SCL has primary responsibility of 9 operations with external collaboration of which 5 are from other divisions within SCL and 4 from other Departments.

5.4 KNOWLEDGE AND LEARNING



• Staff received an average of 9.9 days of training per FTE reported in 2009, 14% increase from 8 in 2008.

• Training was provided to 8,438 Bank participants for a total of 78.5 FTEs. In 2008, training was provided to 7,470 Bank participants for a total of 51.4 FTEs

• 71% of the participants were professional staff and 26% received training in COF. In 2008, 70% of the participants were professional staff and 29% received training in Country Offices