



Office of Strategic Planning
and Development Effectiveness
Inter-American Development Bank

BUSINESS REVIEW 2014 ANNUAL

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This document provides an analysis of the key operational results for 2014. Like the Quarterly Business reviews (QBRs) produced throughout the year, the ABR draws on a number of data sources. The ABR for 2014 is also available for iPads with the Roambi application that allows the reader to access and interact with the information behind the charts. In addition, the information behind the charts is downloadable in Excel format from the PDF version of the document with a click on the chart. We would like to thank VPC, VPF, VPS, VPP, ORP and RMG for their contributions in the preparation of this report.

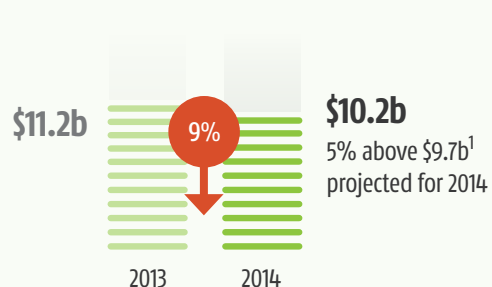
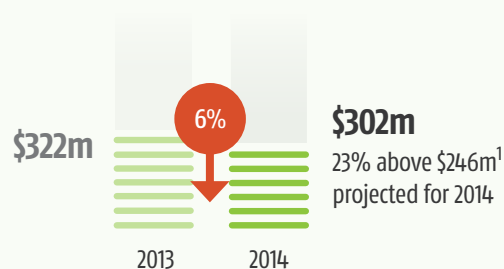
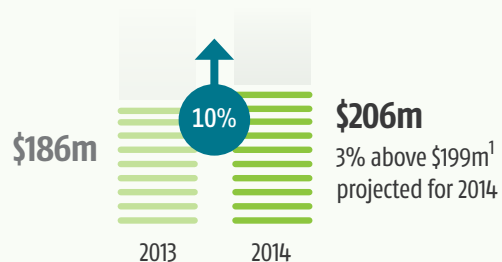
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OPERATIONAL
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HIGHLIGHTS

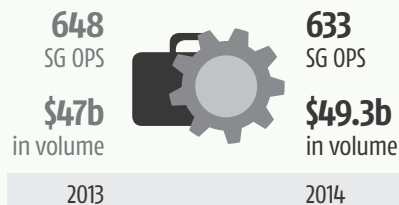
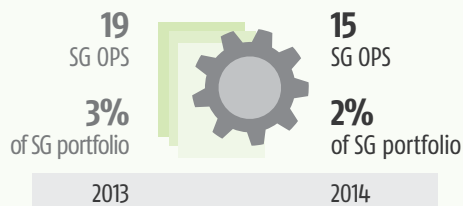
ANALYTICAL PROGRAM
HIGHLIGHTS
OPERATIONAL

PROGRAM EXECUTION

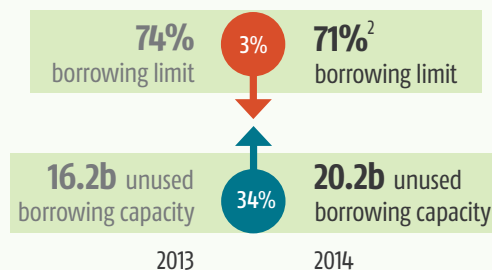
Loan Disbursements

TOTAL CUMULATIVE DISBURSEMENTS**FSO FOR ELIGIBLE COUNTRIES****IDB GRANT FACILITY**

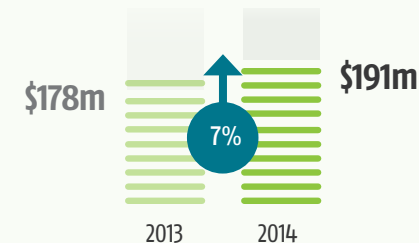
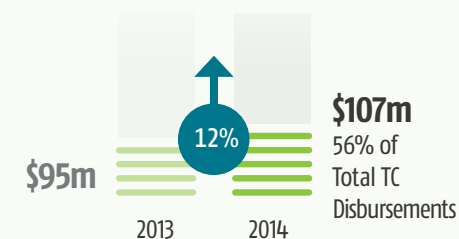
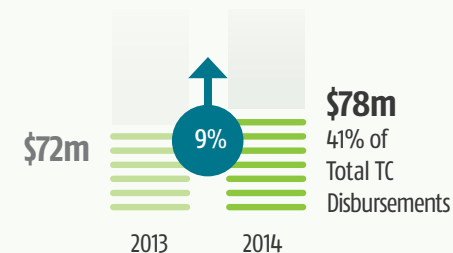
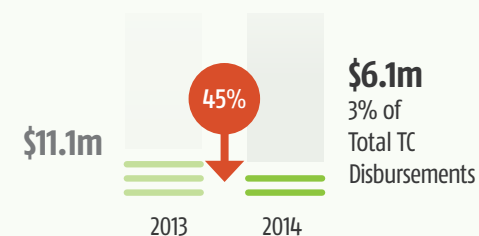
Loan Portfolio in Execution

SG OPERATIONS IN PORTFOLIO**SG OPERATIONS W/LEGAL EFFECTIVENESS PENDING ELIGIBILITY****NSG OPERATIONS CURRENTLY DISBURSING**

Risk



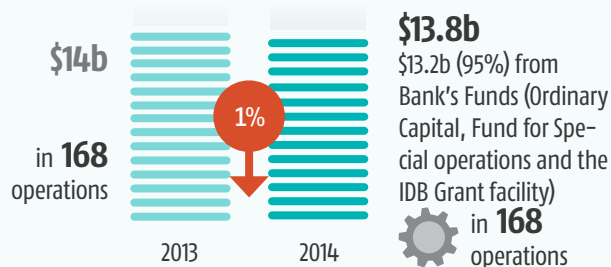
Technical Cooperation Disbursements

TC DISBURSEMENTS**TC ORC SPECIAL PROGRAMS****TC DONOR TRUST FUNDS****TC FSO DISBURSEMENTS**

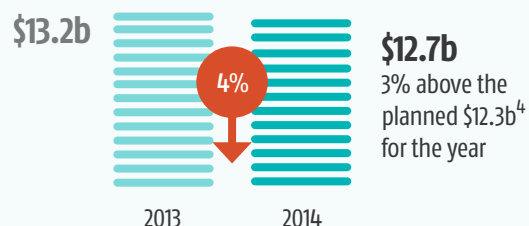
PROGRAM STRATEGIC ALIGNMENT

Loan Approvals³

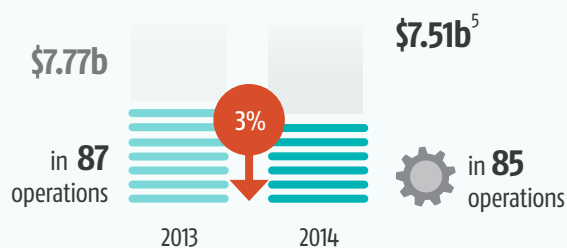
TOTAL SG & NSG LENDING APPROVALS



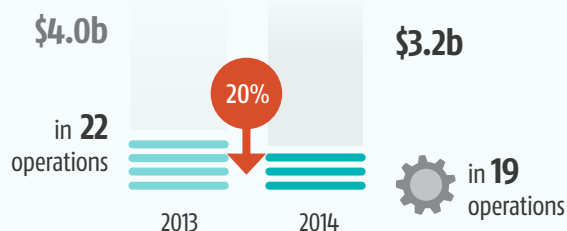
ORDINARY CAPITAL APPROVALS



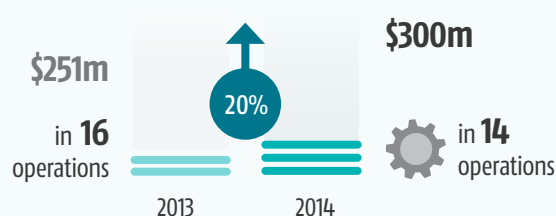
SG INVESTMENTS LENDING APPROVALS



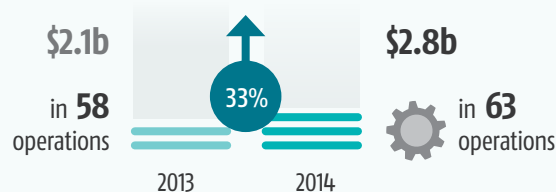
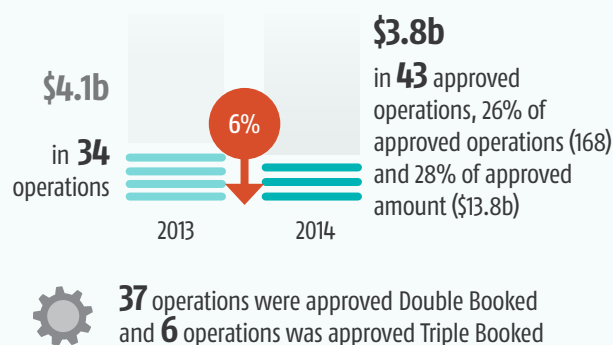
POLICY BASED LENDING APPROVALS



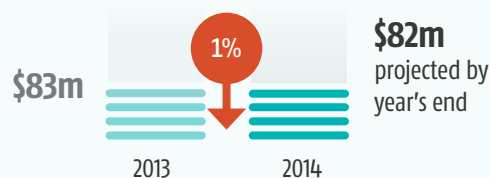
FSO OPERATIONS APPROVALS



NSG INVESTMENT APPROVALS

MULTIPLE BOOKED⁶ OPERATIONS APPROVED

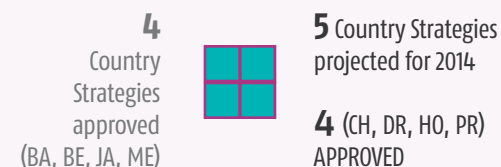
AVERAGE OF (SG AND NSG) OPERATION SIZE



BUSINESS DEVELOPMENT

Country Strategies & Programming

COUNTRY STRATEGIES

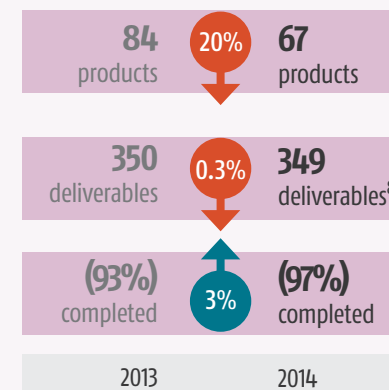


2013

2014

26 Country Program Documents will be prepared in 2014 Q4 will be presented to the Board in 2015 Q1

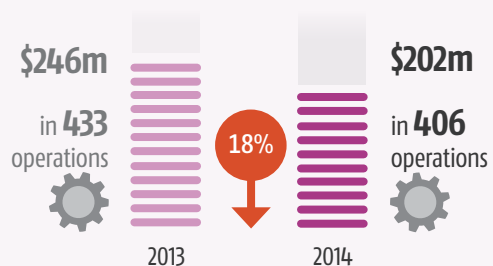
VPS Economic & Sector Work (ESW) Products

ESW PROGRAM⁷

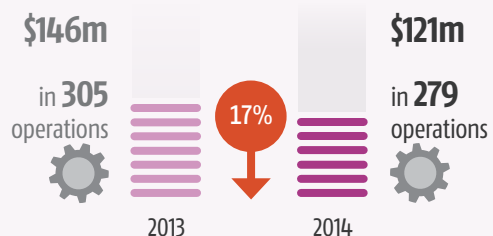
BUSINESS DEVELOPMENT

Technical Cooperations Program

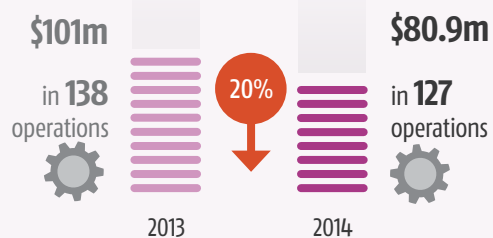
TECHNICAL COOPERATION APPROVALS



FINANCED WITH ORDINARY CAPITAL APPROVALS



FINANCED WITH DONOR TRUST FUND APPROVALS



External Feedback System

IDB DELIVERY OF LOAN OPERATIONS



58% overall response rate reported
higher satisfaction level
with the Bank's delivery of services
for IDB-financed operations

Country Strategies



SG and NSG loan operations



TC operations



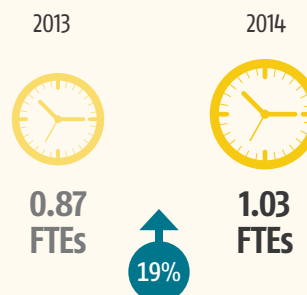
2013 2014

CRF Target is 70% by 2015

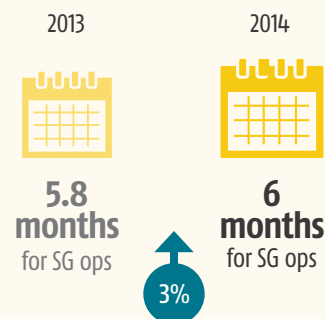
BUDGET AND EFFICIENCY

Operational Efficiency

STAFF TIME REPORTED TO PROJECT PREPARATION



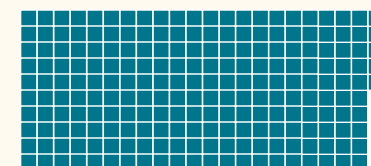
TIME ELAPSED TO PREPARE A PROJECT (FROM PROFILE TO APPROVAL)



CRF Target is 8 months by 2015

Human Resources

VACANCIES FILLED



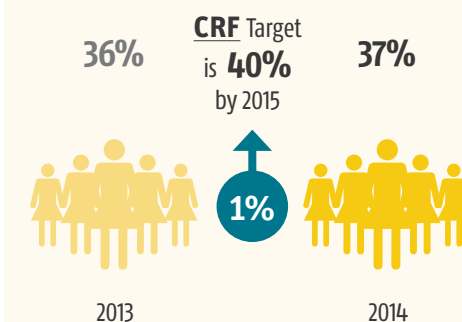
225

bankwide vacancies filled in 2014

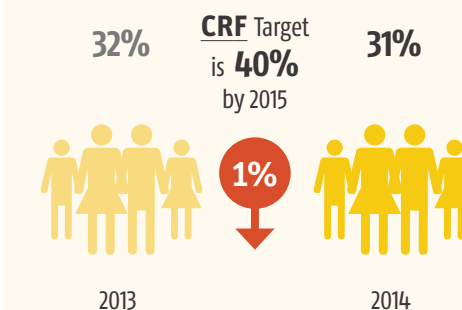
59% operational
Vice-Presidencies

63% were filled
with external
candidates of which,
50% were female

WOMEN IN GRADES FOUR & ABOVE



PROFESSIONAL STAFF IN COF



KNOWLEDGE & LEARNING**PARTICIPANTS ENROLLED**

3,945
unique participants
enrolled in at least
one learning program
in 2014



increase from
3,795 participants
at the beginning of 2013



5,295
registered
participants



288,309
hours of training
in 2014



increase from
33,440 in 2013

KNOWLEDGE PRODUCTS

6,550 products
available in BRIK



1.4m total visits
to these publications,
yielding an average of
221 visits
per publication

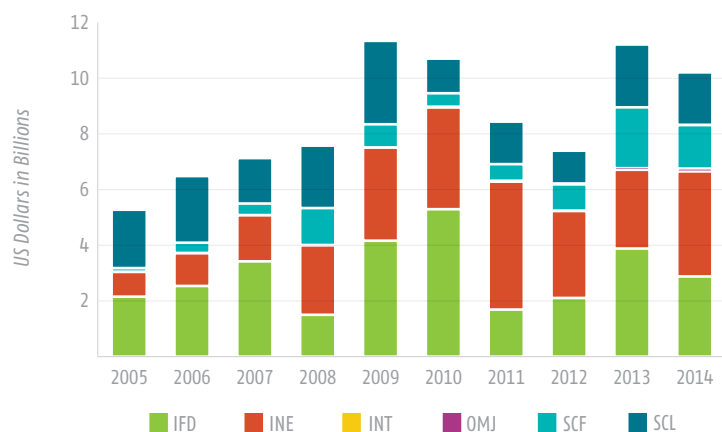
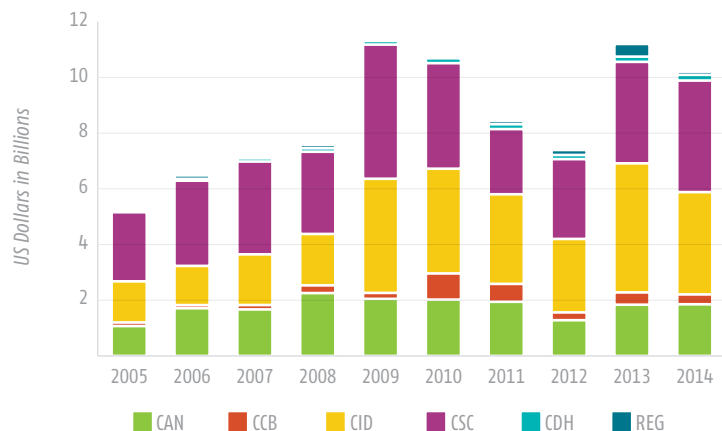
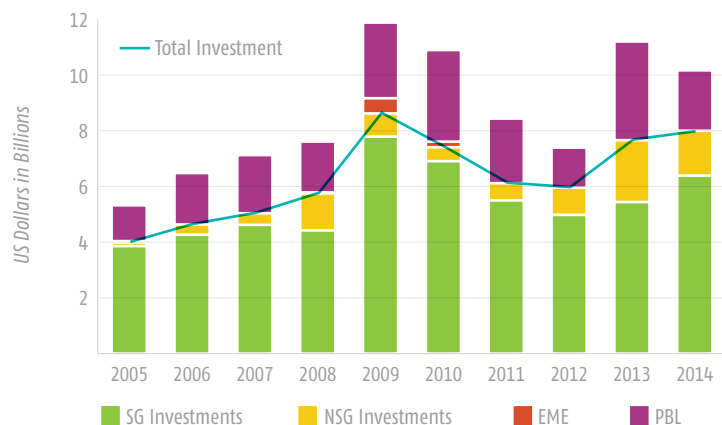
BLOGS

There were
19 blogs
at the end of 2014
with more than
2.3m views

- <http://blogs.iadb.org/>
- <http://blogs.iadb.org/abierto-al-publico/>

I. EXECUTION





DISBURSEMENTS

1.1 Total Disbursements

Bank's disbursements⁹ reached **\$10.2b**, 105% of the projected amount out of a projected amount (**\$9.7b¹⁰**) for the year

- 9% decrease from \$11.2b in 2013

Investment loans disbursements reached \$8.0b, 113% of the projected amount (**\$7.1b¹⁰**) for the year

- 4% increase from \$7.7b during in 2013

Policy Based loans disbursements reached **\$2.2b**, 85% of the projected amount (**\$2.6b¹⁰**) for the year

- 39% decrease from \$3.5b in 2013

BY COUNTRY GROUP

1.2 Loan Disbursements by Country Group

CAN countries disbursements reached **\$1.85b**

- 1% increase from \$1.84b in 2013

CID countries disbursements reached **\$3.67b**

- 21% decrease from \$4.64b in 2013

CDH countries disbursements reached **\$206m**

- 10% increase from \$187m in 2013

CCB countries disbursements reached **\$355m**

- 19% decrease from \$441m in 2013

CSC countries disbursements reached **\$4.0b**

- 10% increase from \$3.65b in 2013

Regional disbursements reached **\$74m**

- 84% decrease from \$456m in 2013

BY SECTOR (SG & NSG)

1.3 Loan Disbursements by Sectors

IFD disbursements reached **\$2.88b**

- 26% decrease from \$3.88b in 2013

SCL disbursements reached **\$1.88b**

- 17% decrease from \$2.26b in 2013

SCF disbursements reached **\$1.56b**

- 29% decrease from \$2.19b in 2013

INE disbursements reached **\$3.77b**

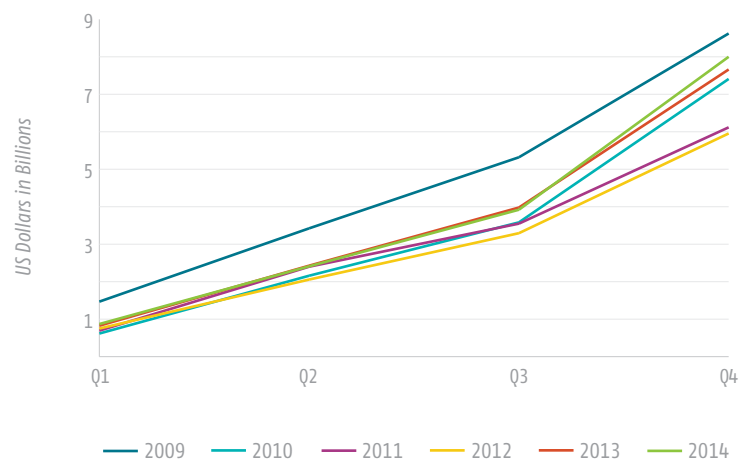
- 33% increase from \$2.83b in 2013

INT disbursements reached **\$25m**

- 6% increase from \$23m in 2013

OMJ disbursements reached **\$44m**

- 35% increase from \$33m in 2013



1.4 Cumulative Disbursements by Quarter

Investment loan disbursements in the last quarter reached **\$4.09b**

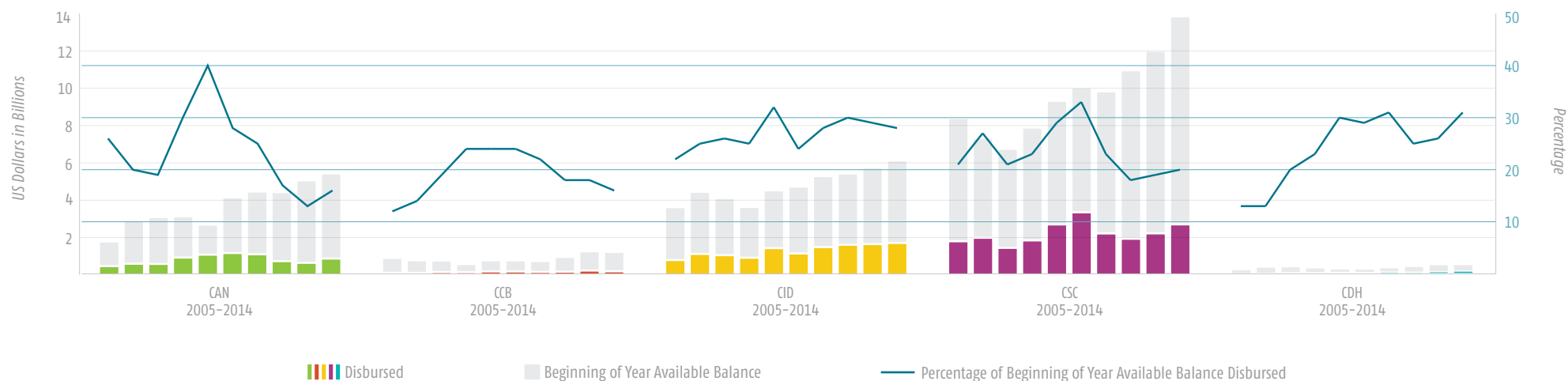
- 11% increase from \$3.69b in 2013
- Represented 51% of total investment disbursements, a 3 percentage points increase from 48% in the last quarter of 2013

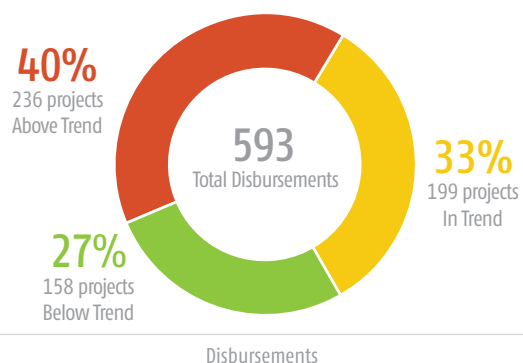
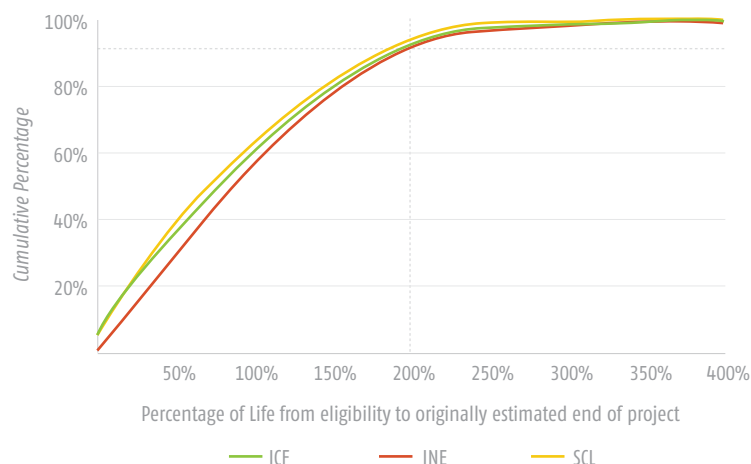
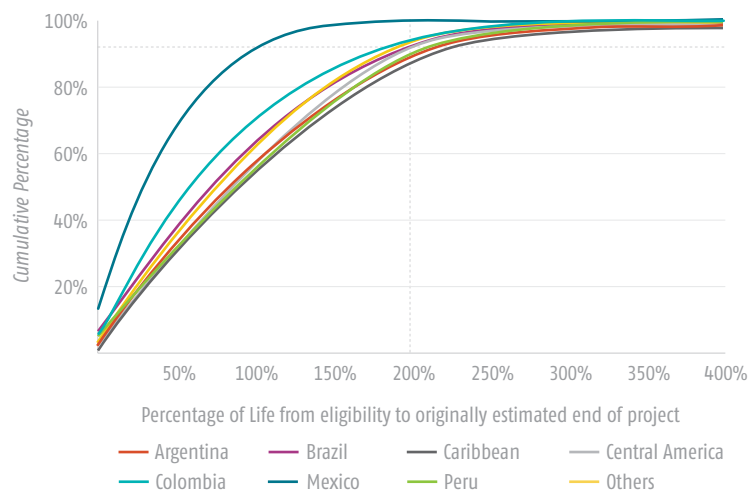
BEGINNING OF YEAR UNDISBURSED BALANCE

1.5 SG Investment Disbursements vs Beginning of Year Undisbursed Balance

Disbursement as a percentage of beginning of year balance for eligible SG investment projects was **21%** in 2014.

- One percentage point increase from **20%** in 2013
- The current average for the last 5 years across the Bank is **23%**
- 28% average for CID countries, 28% for CDH, 20% for CAN, 22% for CSC and 19% for CCB countries





CUMULATIVE DISBURSEMENTS

1.6 SG Investment Loans by Country

Country disbursement profiles¹¹ show that it took on average **more than double** the original estimated disbursement period to disburse projects

- For projects in Mexico that completed disbursements in recent years, the trend reveals that it took twice the estimated original time to disburse 100% of its SG investment portfolio volume
- In the same timeframe Colombia disbursed 93%, Brazil 93% and Peru 90% of its portfolio volume
- The rest of countries took twice the estimated original disbursement period to disburse an average of 94% of the SG investment operations volume

1.7 SG Investment Loans by Sector

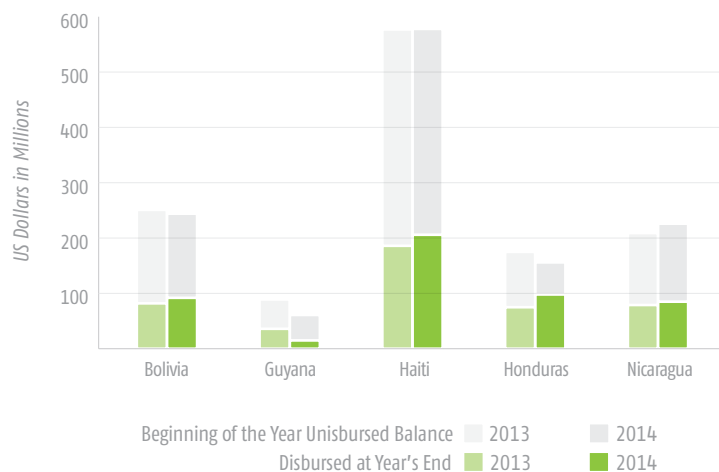
Sector disbursement profiles¹² also show that it took in average **more than double** the original estimated disbursement period to disburse an operation

- For the operations in SCL the trend reveals that it took twice the estimated original time to disburse 94% of its portfolio volume
- In the same timeframe IFD disbursed 93% and INE disbursed 91% of its portfolio volume

1.8 Comparison of Disbursements vs Country and Sector Trends

In 2014, **40%** of SG operations **disbursed above the historical trend**

- 34% were disbursing within historical trends¹³
- 26% were disbursing below historical trends



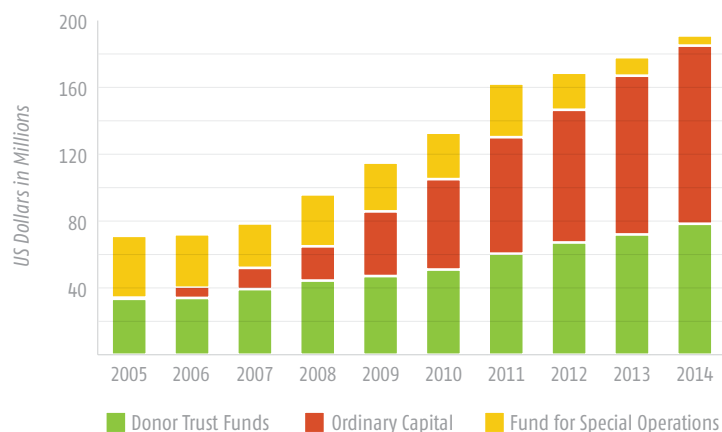
1.9 FSO and IDB Grant Facility Disbursements Compared To Beginning Of Year Balance

In 2014, **beginning of year undisbursed balance** for investment operations financed by **FSO** for eligible countries and the **IDB Grant Facility** amounted to **\$1.27b**

- 3% increase from \$1.3b at the beginning of 2013

In 2014, **FSO** and **IDB Grant Facility** disbursements reached **\$495m**

- 39% of initial balance, 4 percentage points increase from 35% in 2013



TECHNICAL COOPERATION DISBURSEMENTS

1.10 Technical Cooperation Disbursements

Disbursements of TCs reached **\$191.1m**

- 7% increase from \$178.1m in 2013

Disbursements of TCs financed through Special Programs of Ordinary Capital (**OC**) Special Programs reached **\$106.6m**

- 12% increase from \$95m in 2013
- 56% of total TC disbursements in 2014

Disbursements of TCs financed through the Fund for Special Operations (**FSO**) reached **\$6.1m**

- 45% decrease from \$11.1m in 2013
- 3% of total TC disbursements in 2014

Disbursements of TCs financed with Donor Trust Funds (**DTF**) reached **\$78.4m**

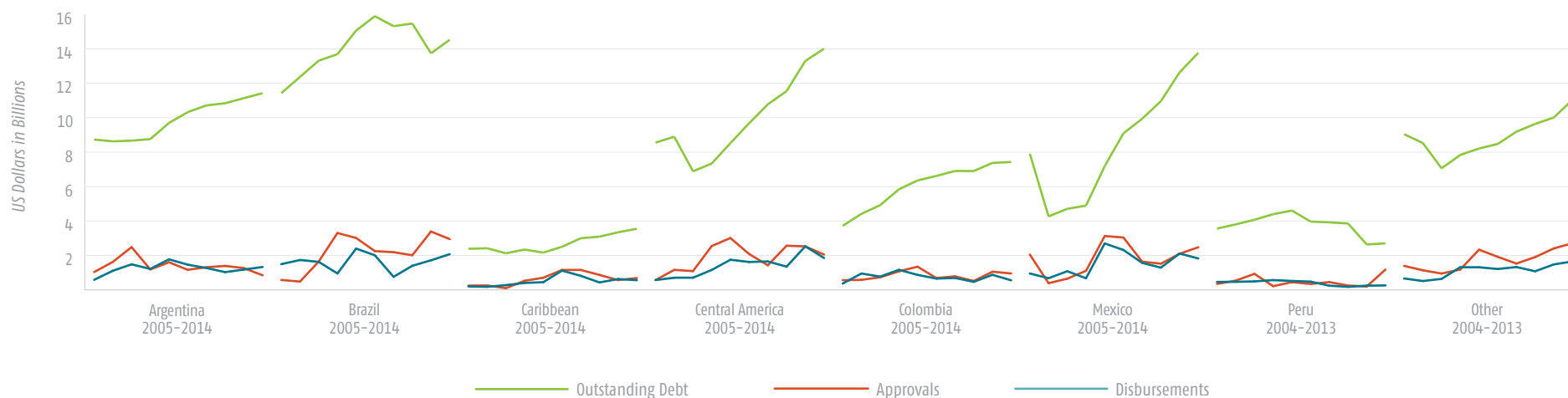
- 9% increase from \$72m in 2013
- 41% of total TC disbursements in 2014

1.11 IDB's Outstanding Debt, Approvals and Disbursements by Country

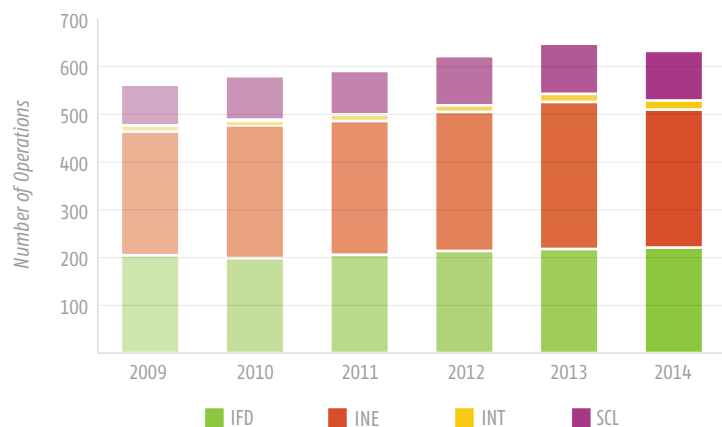
Outstanding balances in Bank's borrowing countries **show an increasing trend**, particularly since 2006

- With the exception of Peru decreasing since 2009

- Outstanding debt of Mexico has double after the repayments made in 2006.
- In 2014, Argentina, Colombia, Mexico and Caribbean and Central America regions reached their highest levels of outstanding balances since 2005



LOAN PORTFOLIO IN EXECUTION¹⁴



1.12 Distribution by Sector

As of December 31, 2014 there were **633** SG projects in portfolio in execution:

- 2% decrease from 648 in 2013

IFD portfolio reached **221 operations**

- 1% increase from 218 in 2013

INE portfolio reached **289 operations**

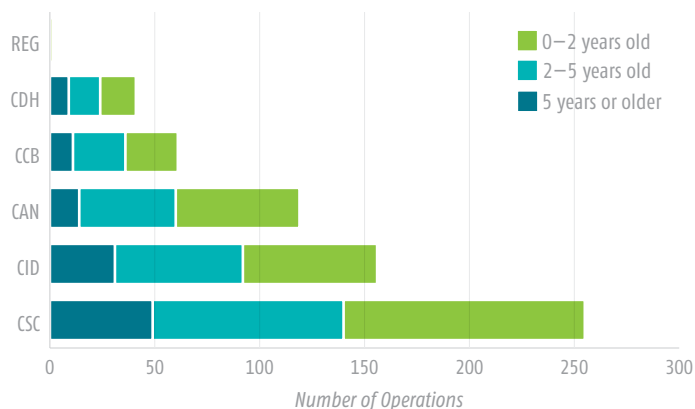
- 6% decrease from 308 in 2013

SCL portfolio reached **104 operations**

- 1% decrease from 105 in 2013

INT portfolio reached **19 operations**

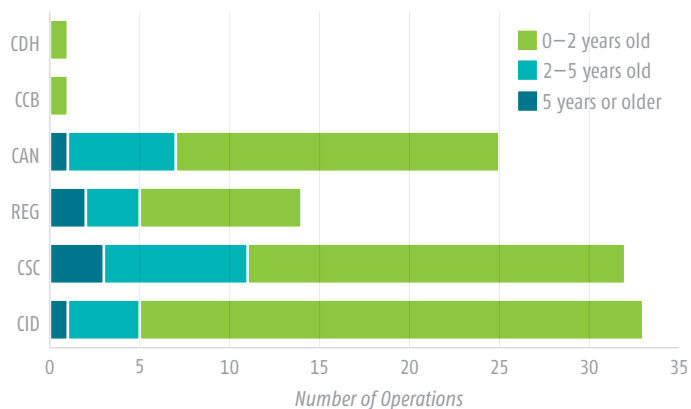
- 12% increase from 17 in 2013



1.13 SG Operations by Country Region and Approval Year

Of the **633 SG** operations in portfolio representing **\$49.3b** in volume, of which:

- 114 (18%) were approved on or before the year 2008 (5 years or older)
- 281 (44%) were approved between 2012 and 2014 (0 to 2 years old)
- 238 (38%) operations were approved between 2009 and 2011 (2 to 5 years old)
- CID and CSC countries account for 65% of the 411 operations



1.14 NSG Operations by Country Region and Approval Year

There are **106 NSG** operations currently disbursing totaling **\$5.4b** in volume

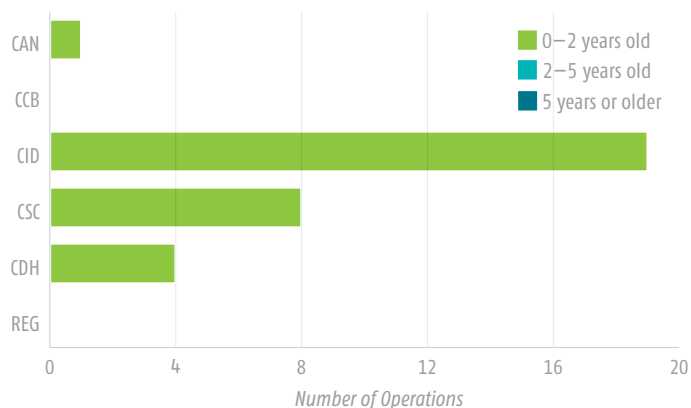
- 7 (7%) were approved on or before the year 2008 (5 years or older)
- 78 (78%) operations were approved between 2012 and 2014 (0 to 2 years old)
- 21 (20%) operations were approved between 2009 and 2011 (2 to 5 years old)
- CID and CSC countries account for 61%

LOAN PORTFOLIO PENDING RATIFICATION

1.15 SG Operations Pending Ratification by Country Group and Approval Year

32 SG operations are pending ratification representing **\$2.6b** in volume

- 32 (100%) were approved between 2012 and 2014 (0 to 2 years old)
- CID countries account for 59% of the total number of SG loan operations pending ratification (19)

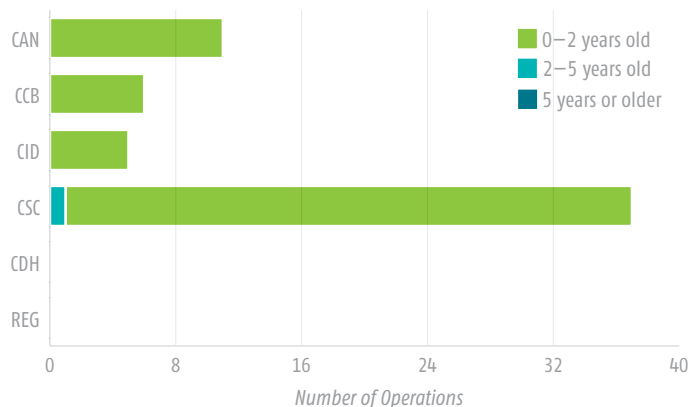


LOAN PORTFOLIO PENDING SIGNATURE

1.16 SG Portfolio Pending Signature by Country Group and Approval Year

59 SG operations are pending signature¹⁵ representing **\$5.2b** in volume, of which:

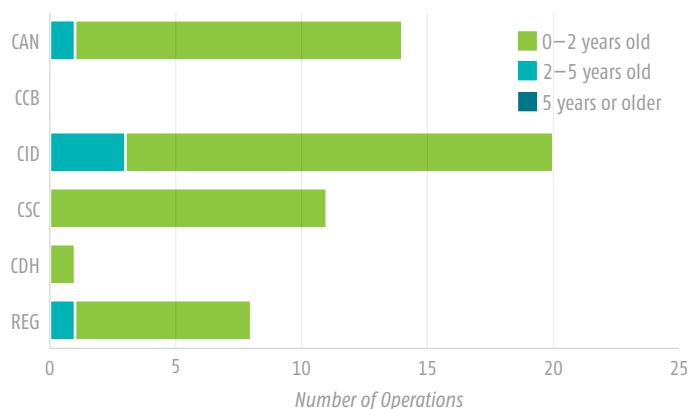
- 1 was approved in 2011 (2 to 5 years old)
- 58 were approved between 2012 and 2014 (0 to 2 years old)
- CAN & CSC countries account 81% of the total number of SG loan operations pending signature (48)



1.17 NSG Operations Pending Signature by Country Group and Approval Year

54 NSG operations are pending signature representing **\$2.2b**

- 5 (9%) were approved between 2009 and 2011 (2 to 5 years old)
- 49 (91%) were approved between 2012 and 2014 (0 to 2 years old)
- CID and Regional operations account for 63% of the total number of NSG operations pending signature (34)

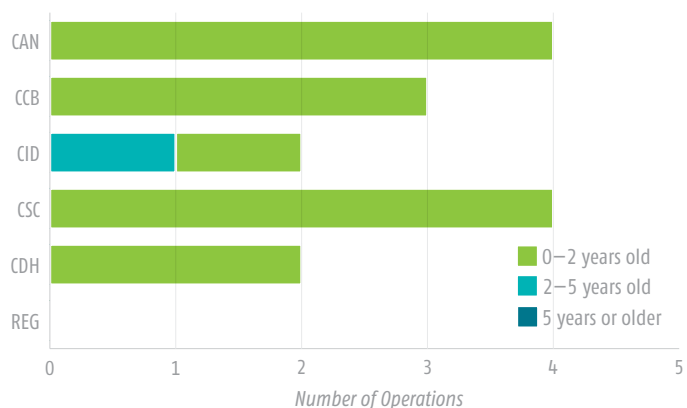


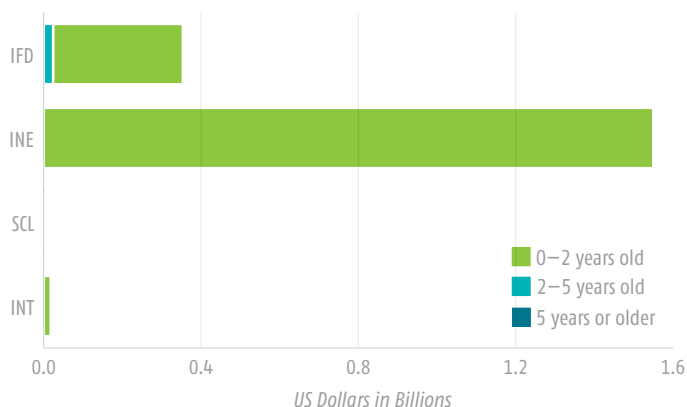
LOAN PORTFOLIO PENDING ELIGIBILITY

1.18 SG Operations Legally Effective, Pending Eligibility by Country Group and Approval Year

15 SG operations with legal effectiveness are **pending eligibility** representing 2% of total SG portfolio (633 operations), of which:

- 1 was approved in 2011 (3 years old)
- 14 were approved between 2012 and 2014 (0 to 2 years old)
- CSC countries account for 27% (4) and CAN countries for 26% (4)

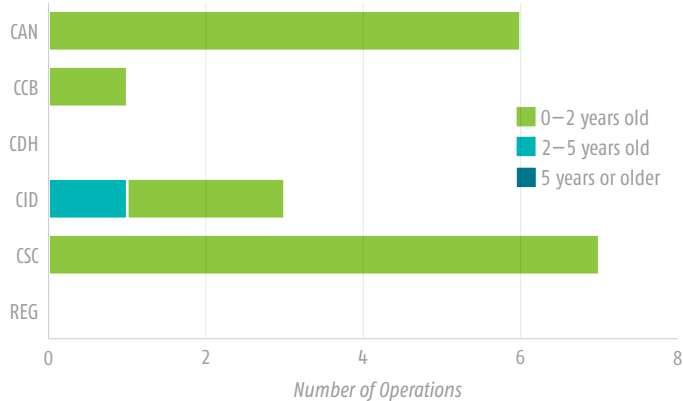




1.19 SG Operations Not Yet Eligible (Volume of Operations)

Of the total **volume** of **\$1.9b**:

- INE account for 81% (\$1.6b)
- IFD account for 18% (\$354m)
- INT account for 1% (\$18m)



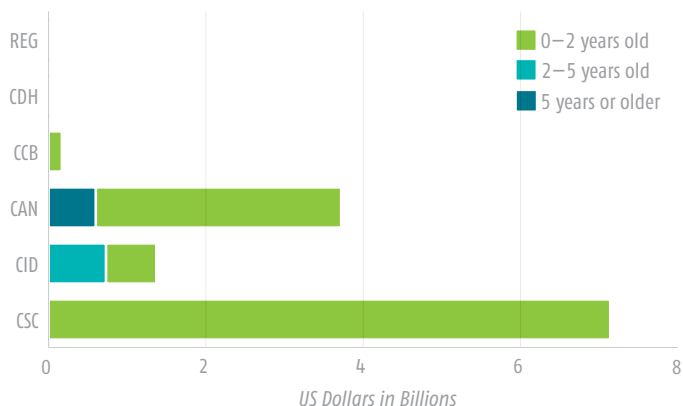
1.20

LOAN PORTFOLIO PENDING FIRST DISBURSEMENT

SG Operations Pending First Disbursement by Country Group and Approval Year

17 SG eligible operations are **pending first disbursement** representing 3% of total SG portfolio in execution (633 operations), of which:

- 1 was approved between 2010 and 2011 (2 to 5 years old)
- 16 were approved between 2012 and 2014 (0 to 2 years old)
- CSC countries account for 41% (7)

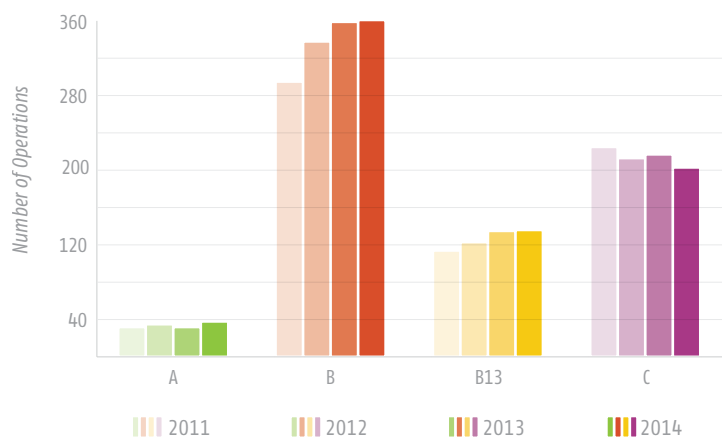
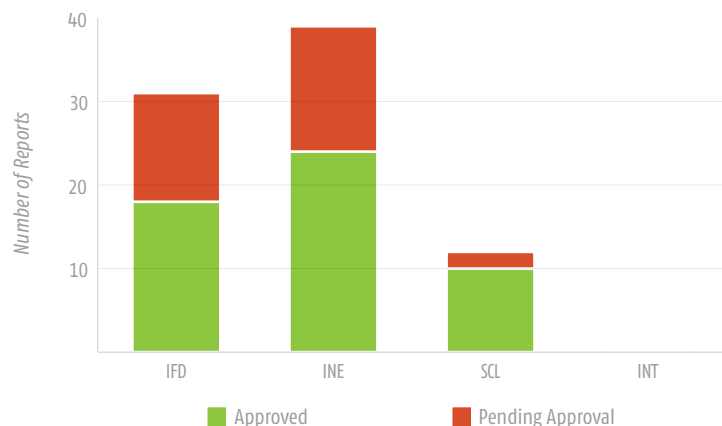
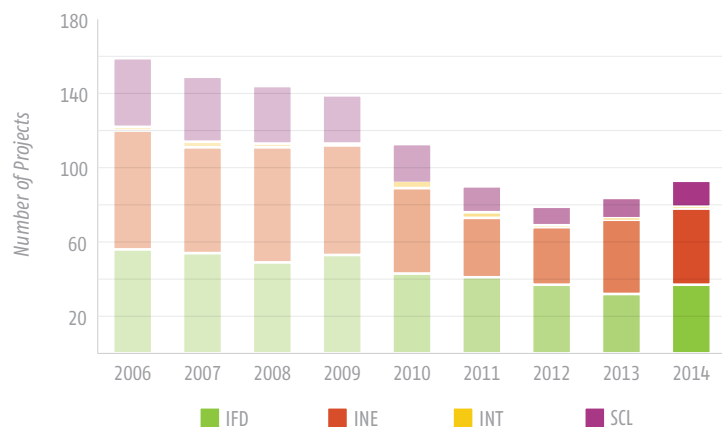


1.21

SG Operations pending First Disbursement (Volume of Operations)

SG eligible operations pending first disbursement total **\$1.2b**, of which:

- CSC accounts for 61% (\$714m)
- CAN accounts for 26% (\$312m)
- CID accounts for 12% (\$137m)
- CCB accounts for 1% (\$17m)



1.22 Last Disbursement Extensions – SG Investment Projects Extended 24+ Months

93 SG investment projects have **extensions of 24 months or more** from its original last disbursement date, representing \$1.1b of undisbursed balance

- 9% increase from 85 in 2013
- Undisbursed balance of these operations represents 3% of the portfolio's total undisbursed balance, no change from 3% in 2013

PROJECT COMPLETION REPORTS

1.23 PCR Status for Projects Fully Disbursed in 2012

82 operations **required a Project Completion Report¹⁶** of 97 projects that completed disbursements during 2013¹⁷

- **As of December 31, 63%** (52) were processed and approved by VPS: IFD (18), INE (24), SCL (10)

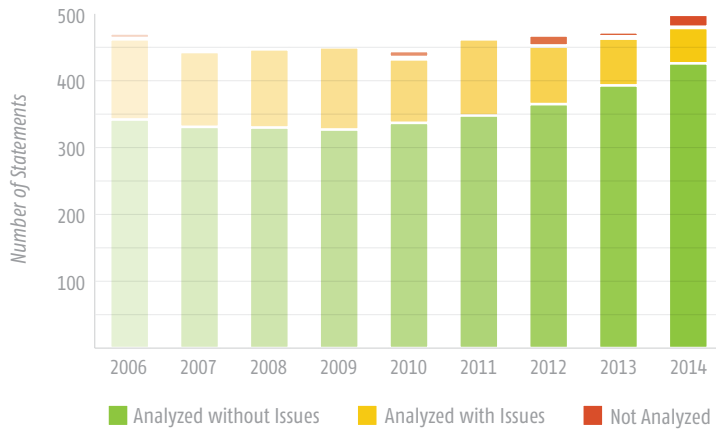
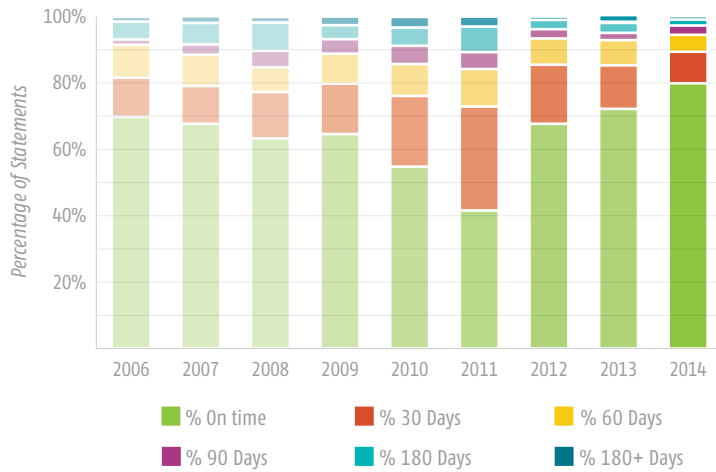
1.24 Portfolio by Environmental and Social Impact

38 operations in execution for \$6.7b have been assigned an "A" Environmental and Social Impact risk classification

- 5% of the entire portfolio as of December 31, 2014 (739¹⁸), one percentage point increase from 4% in 2013
- 32 operations in execution for \$6.1b in 2013 were assigned the same rating

361 operations in execution for \$30.7b have been assigned a "B" Environmental and Social Impact risk classification

- 49% of the entire portfolio in execution as of December 31, 2014 (739¹⁸), one percentage point increase from 48% in 2013
- 359 operations in execution for \$29.3b in 2013 were assigned the same rating



AUDITED FINANCIAL STATEMENTS¹⁹

1.25 Audited Financial Statements Compliance

80% of Audited Financial Statements (AFS) were **delivered on time** (by April 30 deadline)

- 8 percentage points increase from 72% in 2013

1.26 Analysis Status of Audited Financial Statements

479 (96%) of the 497 expected AFS were **analyzed** by auditors. Of the 479 AFS analyzed, **89%** (426) were **without issues**

- 4 percentage points increase from 84% in 2013

PROGRESS MONITORING REPORT (PMR)²⁰

The PMR is the monitoring instrument of the Development Effectiveness Framework (DEF). The new methodology was approved by the Operational Policy Committee in November 2013, and was implemented for the first time in May 2014, through the Convergence Platform, the first release of the Bank's integrated business solutions (Optima).

It produces more accurate classification of projects performance, due to the incorporation of new indicators during different phases of the projects, and new procedures for the validation and quality control of the information used and produced by the system.

The new validation procedure allowed for a more accurate classification of projects, thanks to the involvement of all relevant parties (Team Leaders, Specialist Division Chiefs, Chiefs of Operations and Country Representatives) in the project assessment.

1.27 Status of Portfolio

75% (477) of the SG portfolio operations were classified as **"Satisfactory"**²¹

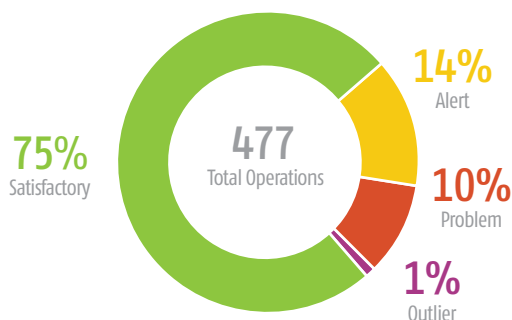
- In 2013, projects classified as satisfactory accounted for 67%

14% (91) were classified as **"Alert"**

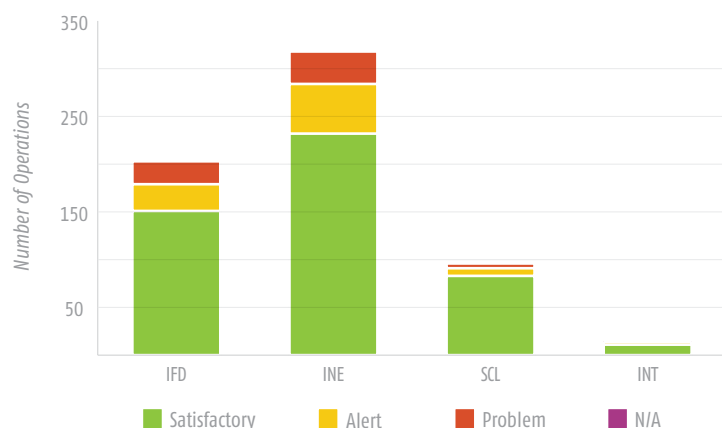
- In 2013, projects classified as Alert accounted for 23%

10% (65) were classified as **"Problem"**

- In 2013, projects classified as Problems accounted for 5%



Status of Portfolio

**1.28 Performance Index classification by Sector Department**

In 2014, the **PMR** system identified as **Satisfactory**:

74% (151 of 205) of **IFD** projects

- In 2013, 67% were classified as satisfactory

85% (83 of 98) of **SCL** projects

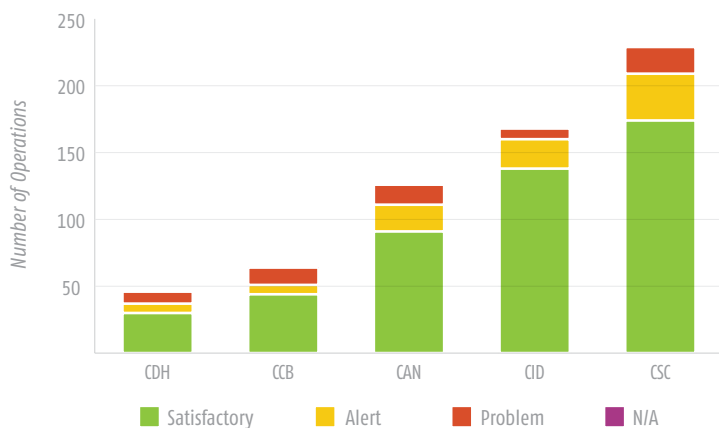
- In 2013, 72% were classified as satisfactory

73% (232 of 319) of **INE** projects

- In 2013, 53% were classified as satisfactory

69% (11 of 16) of **INT** projects

- In 2013, 44% were classified as satisfactory



1.29 Performance Index classification by Country Department

In 2014, the **PMR** system identified as **Satisfactory**:

72% (91 of 127) **CAN** projects

- In 2013, 67% were classified as satisfactory

82% (138 of 169) of **CID** projects

- In 2013, 61% were classified as satisfactory

75% (174 of 231) of **CSC** projects

- In 2013, 63% were classified as satisfactory

69% (44 of 64) of **CCB** projects

- In 2013, 53% were classified as satisfactory

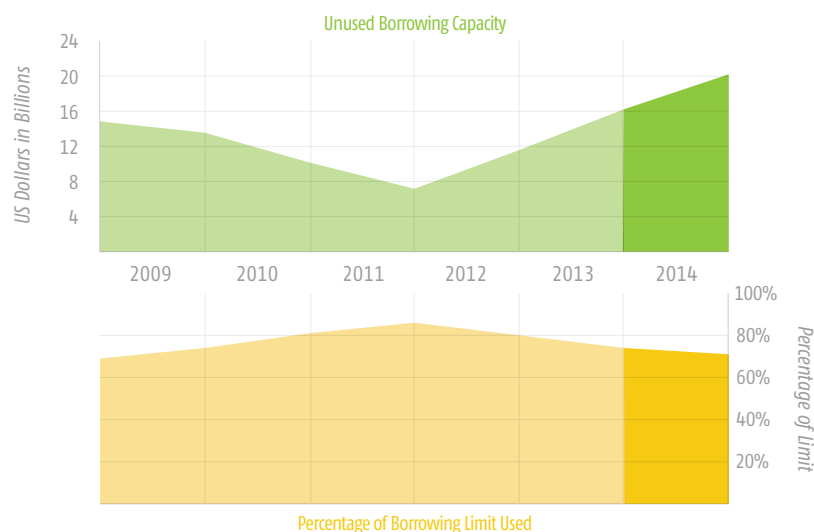
64% (30 of 47) of **CDH** projects

- In 2013, 39% were classified as satisfactory

LENDING CREDIT RISK

The Bank manages loan credit risk by maintaining limits on lending capacity, allocating adequate capital to cover unexpected scenarios in the loan portfolio, and by maintaining policies for managing non-performing loans. In addition, the Bank has established sector concentration limits in the NSG portfolio to facilitate diversification.

Overall lending is governed by the Bank's Borrowing Policy, which limits Net Borrowings to the callable capital of non-borrowing countries.



1.30 Unused Borrowing Capacity

Net Borrowings reached **\$49.9b**

- 6% increase from \$47.2b in 2013

The **callable capital** of non-borrowing countries reached **\$70.1b**

- 11% increase from \$63.4b in 2013

Percentage of the **borrowing limit** used reached **71%**

- 3 percentage points decrease from 74% in 2013

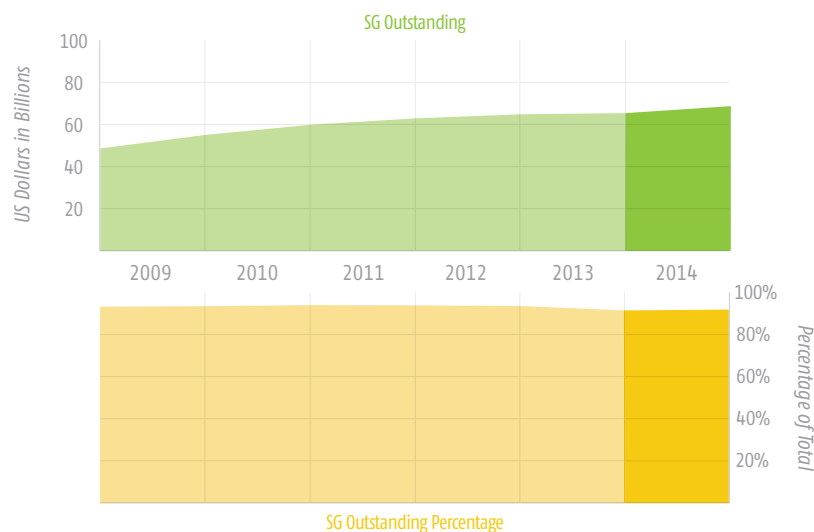
Unused borrowing capacity reached **\$20.2b**

- 34% increase from \$16.2b in 2013

CONCENTRATION RISK

High geographic concentration represents a source of credit risk in the IDB's loan and guarantee portfolio (SG+NSG).

By the end of 2014, the five largest borrowing countries – Brazil, Mexico, Argentina, Colombia and Ecuador – accounted for 67% of the Bank's loan and guarantee exposures.



1.31 Concentration Risk (SG)

Size of the outstanding SG portfolio reached **\$68.7b**

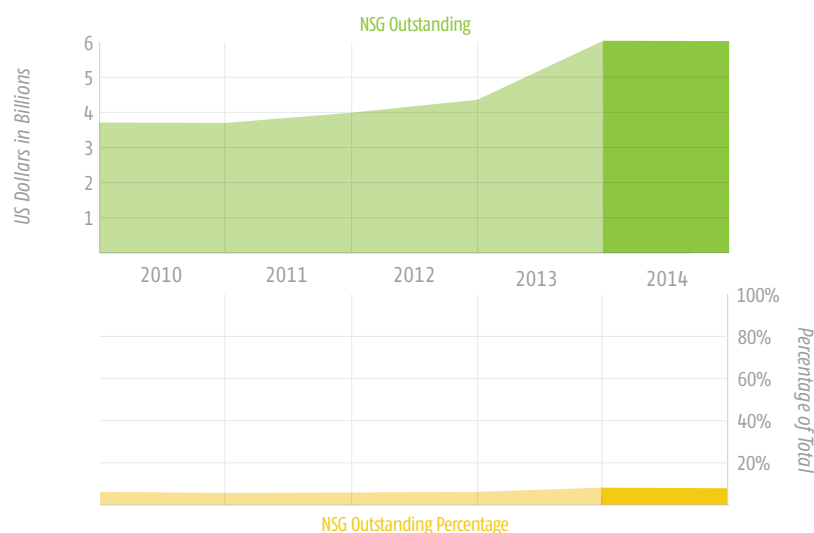
- 5% increase from \$65.4b in 2013

Undisbursed portion of approved SG loans reached **\$28.5b**

- 8% increase from \$26.6b in 2013

SG loans **undisbursed as a percentage of outstanding** SG loans and guarantees reached **29%**

- No change from 29% in 2013



1.32 Concentration Risk (NSG)

Size of the outstanding NSG portfolio reached **\$6.0b**

- No change from \$6.0b in 2013

NSG exposure of the five largest NSG borrowing countries²² reached **56%**

- 1 percentage point decrease from 57% in 2013

Undisbursed portion of NSG loans reached **\$2.9b**

- 16% increase from \$2.4 billion in 2013

NSG loans and guarantees **undisbursed as a percentage of outstanding** reached **32%**

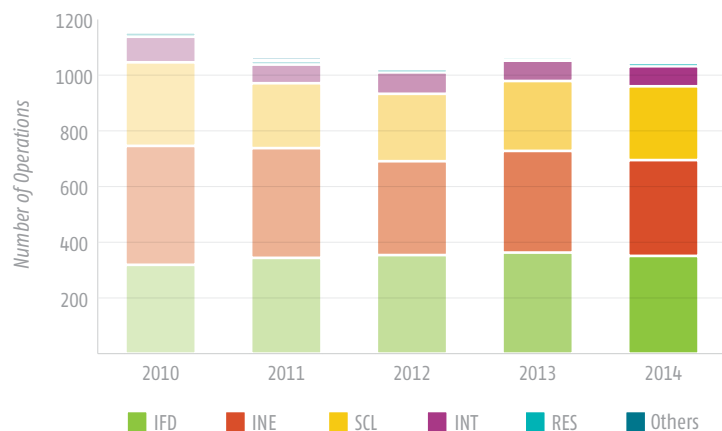
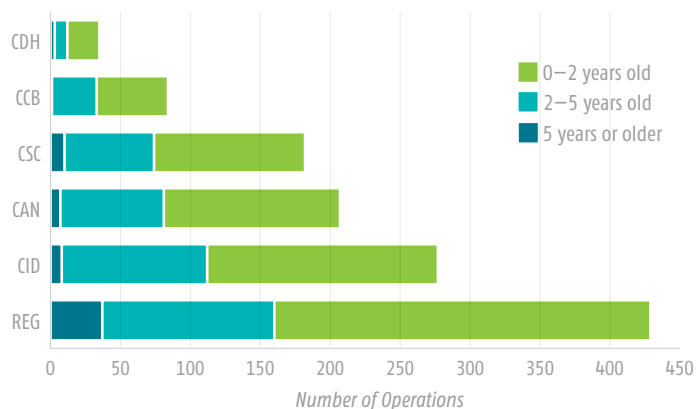
- 3 percentage points increase from 29% in 2013

TECHNICAL COOPERATION'S PORTFOLIO IN EXECUTION

1.33 TC Operations by Country Group and Approval Year

TC operations in portfolio in execution reached **1,214**, with **\$749m** in volume

- 66 (\$70m) operations or 5% were approved on or before December 2008 (5 years or older)
- 742 (\$422m) operations or 56% were approved on or after January 2013 (0 to 2 years old)
- 406 (\$257m) operations or 33% were approved between January 2010 and December 2012 (2 to 5 years old)
- 58% (706) under CID countries and Regional operations



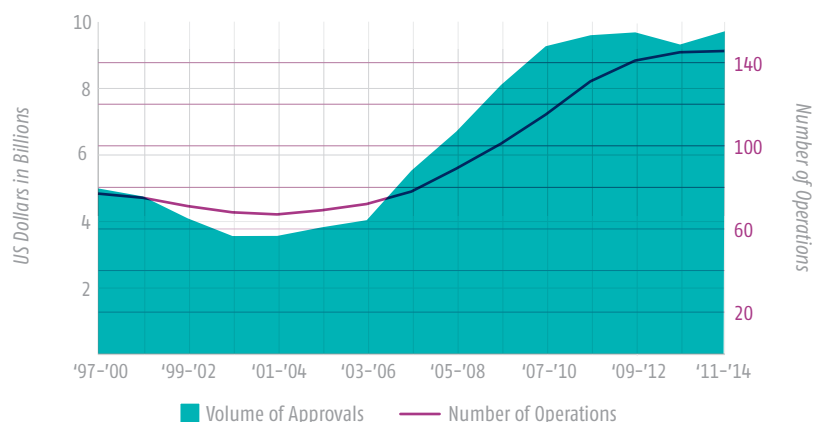
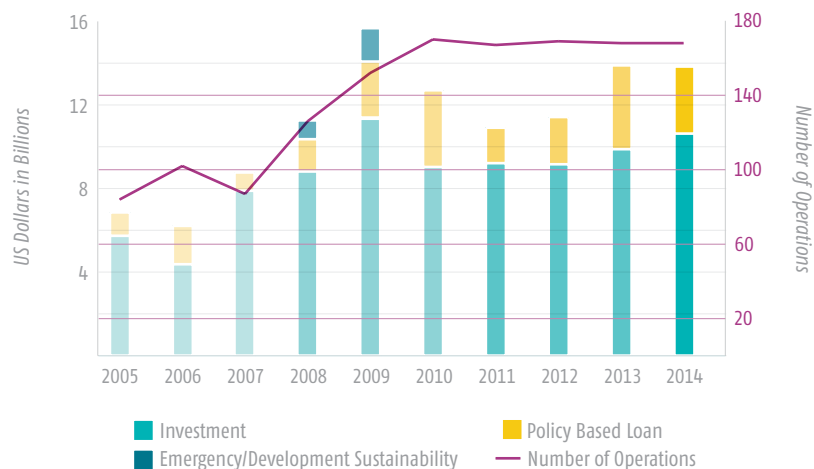
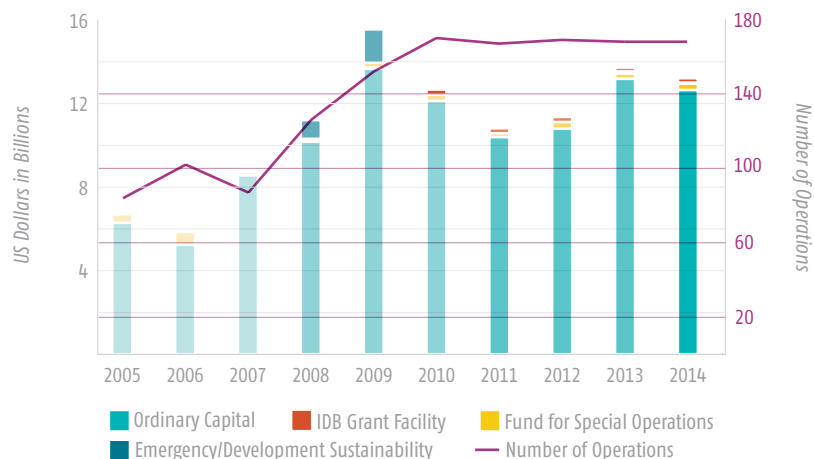
1.34 Technical Cooperation in Execution under VPS by Sector

Technical Cooperation in portfolio under VPS reached **1,050** operations with **\$681m** in volume

- 2% decrease from 1068 (\$680m) in 2013
- 351 (\$197m) form part of IFD's work program, a 3% decrease from 363 in 2013
- 344 (\$270m) form part of INE's work program, a 6% decrease from 365 in 2013
- 265 (\$155m) form part of SCL's work program, a 6% increase from 251 in 2013

II. STRATEGIC ALIGNMENT

STRATEGIC
ALIGNMENT
STRATEGIC



LOAN APPROVALS

2.1 Approvals by Fund

Bank's approvals²³ reached **\$13.8** in **168** operations

- 1% decrease from \$14b in 2013
- Same as 168 projects in 2013
- \$82m was the average operations size for the year, a 1% decrease from \$83m in 2013
- Ordinary Capital (OC) approvals reached \$12.7b, a 4% decrease from \$13.2b in 2013
- Fund for Special Operations (FSO) approvals reached \$300m, a 20% increase from \$251m in 2013
- IDB Grant Facility (GRF) approvals reached \$214m, a 14% increase from \$188m in 2013
- Approvals using Funds under Administration reached 5% of total approvals, 3 percentage points increase from 95% in 2013

2.2 LOAN APPROVALS BY INSTRUMENT

Approvals by Instrument

SG Investment loan approvals reached **\$7.51b** in **85** operations

- 3% decrease from \$7.77b in 2013
- 2% decrease from 87 operations in 2013

Policy Based Lending approvals reached **\$3.2b** in **19** operations

- 20% decrease from \$4.0b in 2013
- 14% decrease from 22 operations in 2013

NSG Investment loan approvals reached **\$2.8b** in **63** operations

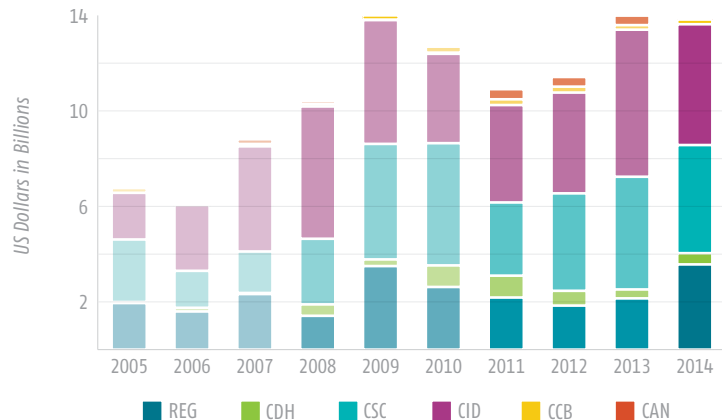
- 33% increase from \$2.1b in 2013
- 9% increase from 58 operations in 2013

One operation of Contingent Credit line for Sustainable Development was approved for **\$300m**, 200% increase from \$100m in 2013 in one operation

2.3 Investment Lending Growth (4 Year Moving Average)

4 year average Investment Lending approvals reached **147 operations** and **\$9.7b** during 2011–2014

- 4% increase from \$9.3b during 2010–2013
- 2% increase from 145 operations during 2010–2013



2.4 Country Group Approvals

CAN countries reached **\$3.6b** in **36** operations

- 66% increase from \$2.1b in 2013
- 6% increase from 34 operations in 2013

CCB countries reached **\$470m** in **12** operations

- 25% increase from \$375m in 2013
- 20% increase from 10 operations in 2013

CID countries reached **\$4.5b** in **43** operations

- 4% decrease from \$4.7b in 2013
- 16% increase from 51 operations in 2013

CSC countries reached **\$5.1b** in **69** operations

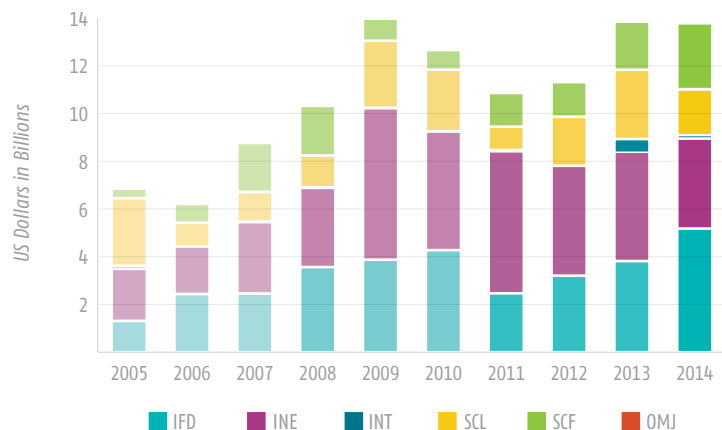
- 18% decrease from \$6.2b in 2013
- 10% increase from 63 operations in 2013

CDH countries reached **\$213m** in **8** operations

- 11% increase from \$192m in 2013
- 14% increase from 7 operations in 2013

There were no **Regional** operations approved in 2014

- 100% decrease from \$400m in 2013
- 100% decrease from 3 operations in 2013



LOAN APPROVALS BY SECTOR (SG & NSG)

2.5 Approvals by Sector

IFD approvals reached **\$5.2b** in **44** operations

- 36% increase from \$3.8b in 2013
- 5% increase from 42 operations in 2013

INE approvals reached **\$3.8b** in **40** operations

- 18% decrease from \$4.6b in 2013
- 18% decrease from 49 operations in 2013

SCL approvals reached **\$1.9b** in **18** operations

- 34% decrease from \$2.9b in 2013
- 13% increase from 16 operations in 2013

INT approvals reached **\$148m** in **3** operations

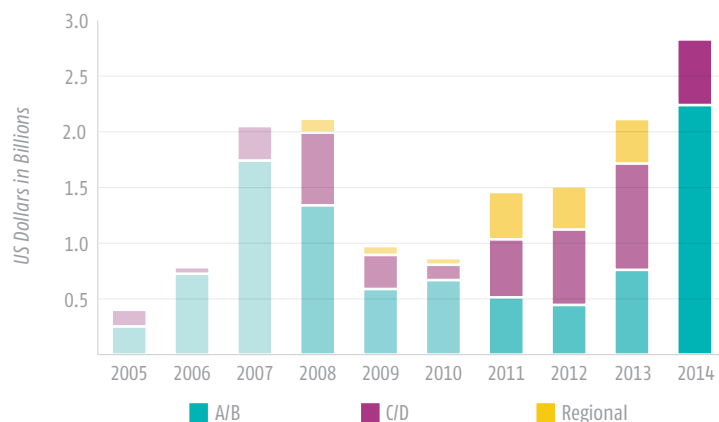
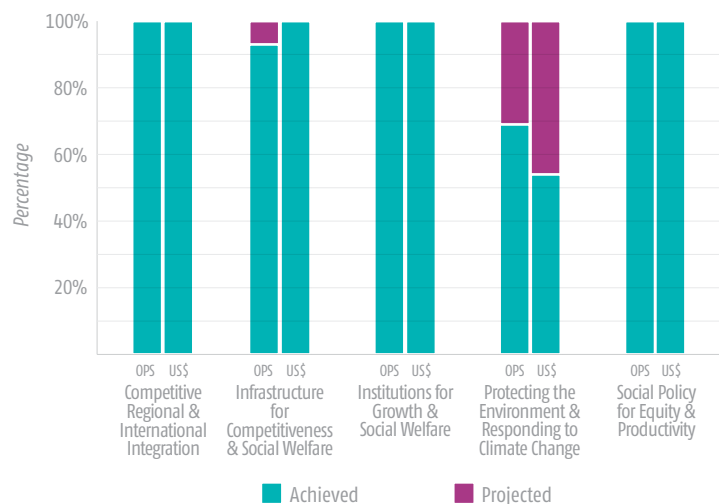
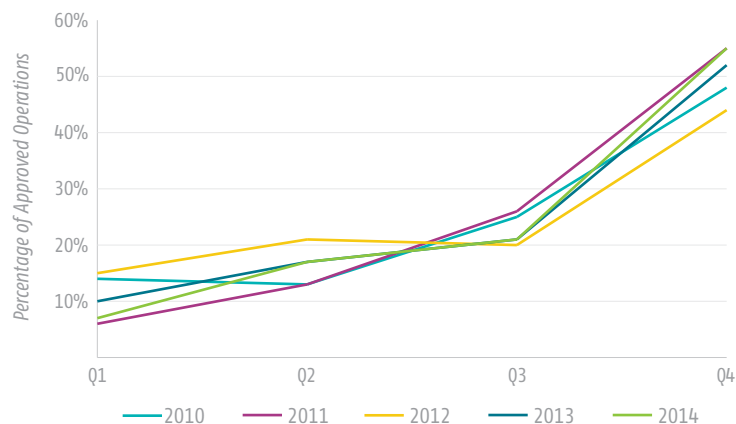
- 74% decrease from \$578m approved in 2013
- No change from 3 operations in 2013

SCF approvals reached **\$2.76b** in **54** operations

- 37% increase from \$2.0b in 2013
- 15% increase from 47 operations in 2013

OMJ approvals reached **\$67m** in **9** operations

- 33% decrease from \$100m in 2013
- 10% decrease from 10 operations in 2013



2.6 Cumulative Lending Approvals by Quarter

92 operations for \$6.9b were approved during the last quarter of 2014

- In number, 6% increase from 87 in 2013
- In volume, 2% decrease from \$7.0b in 2013

As a percentage of the total number of operations approved:

- Number of approvals in the last quarter reached 55%, 3 percentage points increase from 52% in 2013
- Amount approved in the last quarter reached 50%, same as 50% in 2013

2.7 Operations in Sector Priority areas Approved vs. Estimated

Competitive Regional and International Integration approvals reached **\$1.2b** in **35** operations

- 5% above the volume (\$1.1b) planned for 2014²⁴

Infrastructure for Competitiveness and Social Welfare approvals reached **\$4.0b** in **37** operations

- 13% above the volume (\$3.5b) planned for 2014

Institutions for Growth and Social Welfare approvals reached **\$6.3b** in **66** operations

- 27% above the volume (\$5b) planned for 2014

Protecting the Environment and Responding the Climate Change approvals reached **\$459m** in **11** operations

- 46% below the volume (\$846m) planned for 2014

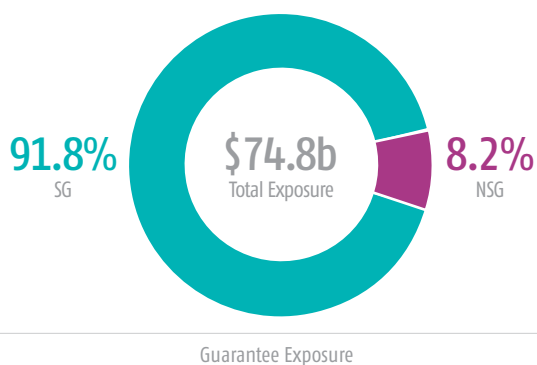
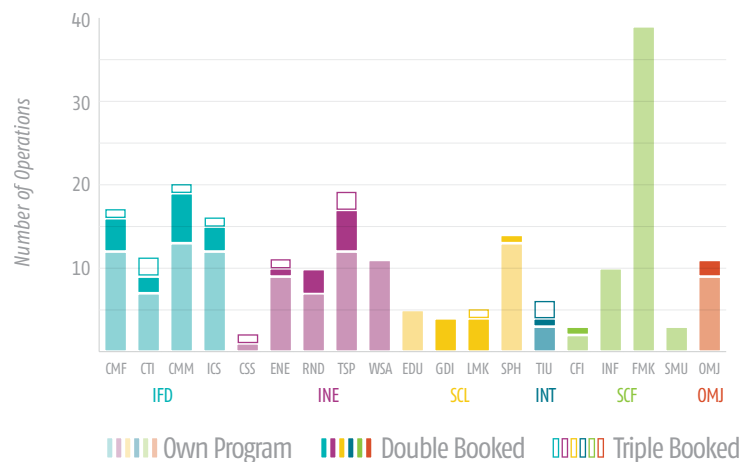
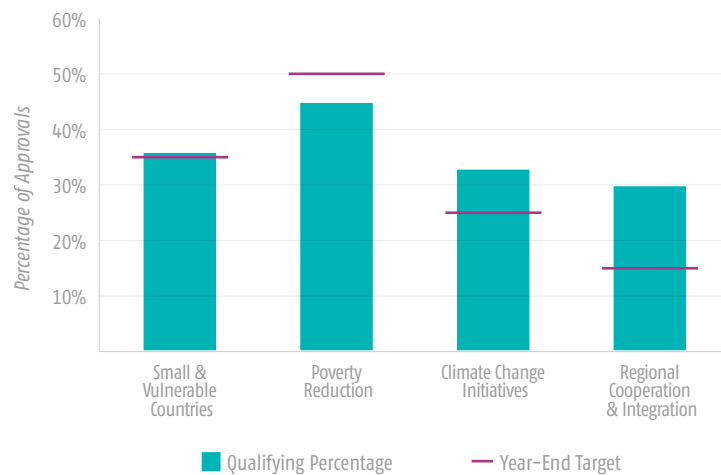
Social Policy for Equity and Productivity approvals reached **\$1.9b** in **19** operations

- 20% above the volume (\$1.6b) planned for 2014

2.8 NSG Lending to Small & Vulnerable Countries

NSG approvals for Small and Vulnerable countries represented:

- **21%** of total NSG volume (\$2.8b), 24 percentage points decrease from 45% in 2013 (\$2.1b)²⁵
- **48%** of NSG operations (58), 5 percentage points decrease from 55% (63) in 2013



LENDING TARGETS OF IDB-9

The following are the results of the approvals in 2014 compared to the CRF targets established for 2015.

2.9 Lending Targets of IDB-9

Of the **2014 lending** from Bank's Funds **\$13.2b** (ORC, FSO and IDB Grant Facility):

Small and vulnerable countries reached **36%** (\$4.8b) in 89 operations

- The **CRF** target for 2015 is 35%

Poverty reduction and equity enhancement reached **45%** (\$5.9b) in 73 operations

- The **CRF** target for 2015 is 50%

Climate change, sustainable (including renewable) energy and environmental sustainability initiatives reached **33%** (\$4.4b) in 53 operations

- The **CRF** target for 2015 is 25%

Regional cooperation and integration reached **30%** (\$4b) in 54 operations

- The **CRF** target for 2015 is 15%

MULTIPLE BOOKING

2.10 Approvals including multiple bookings

Multiple Booked operations²⁶ approved reached **43** operations for **\$3.8b**

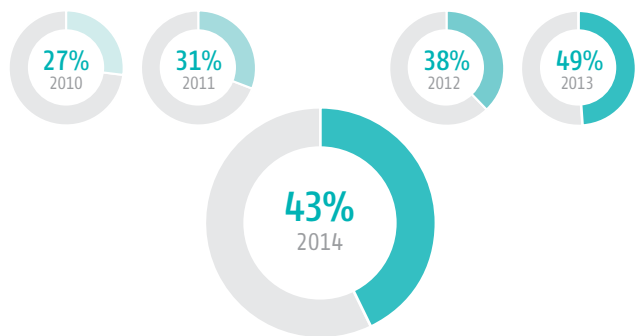
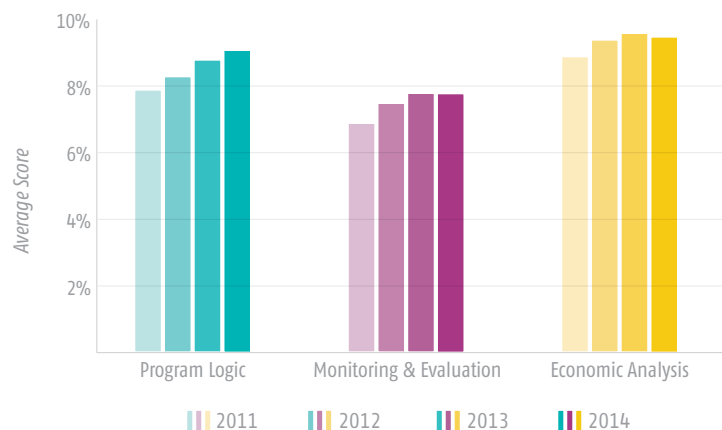
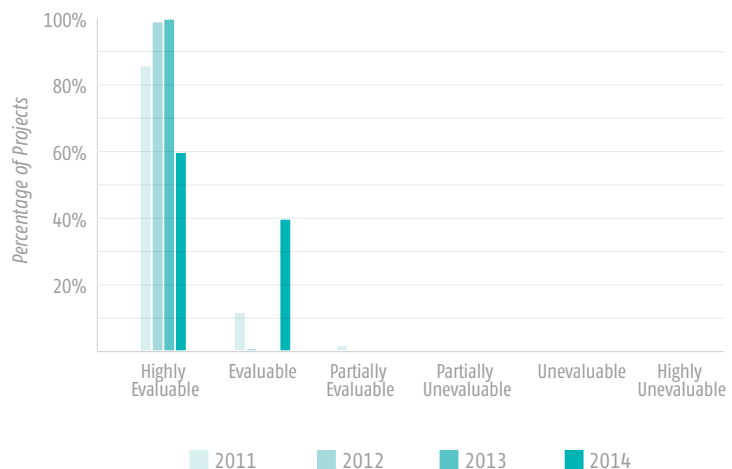
- 26% of approved operations in 2014, 6 percentage points increase from 20% (34) in 2013
- 28% of approved volume in 2014, 1 percentage point decrease from 29% (\$4.1b) in 2013
- 37 operations were approved Double Booked and 6 operations were approved Triple Booked

NSG EXPOSURE

2.11 NSG Exposure

Ordinary Capital loans outstanding and guarantee exposure reached **\$74.8b**²⁷

- Includes \$6.2b of NSG operations representing 8.2% of total outstanding, 0.4 percentage point decrease from 8.6% in 2013



Percentage of Operations with Impact Evaluations

DEVELOPMENT EFFECTIVENESS - DEM

This section presents indicators from Development Effectiveness Matrix (DEM).

2.12 Development Effectiveness Matrix Evaluability Levels

According to the the DEM²⁸, **60%** of 105 SG operations were approved with “**Highly Evaluable**” scores and 40% was approved with “Evaluable” scores.

- In 2013, 100% of SG operations were approved with “Highly Evaluable” based on the old classification²⁹

2.13 Development Effectiveness Matrix Evaluability Levels

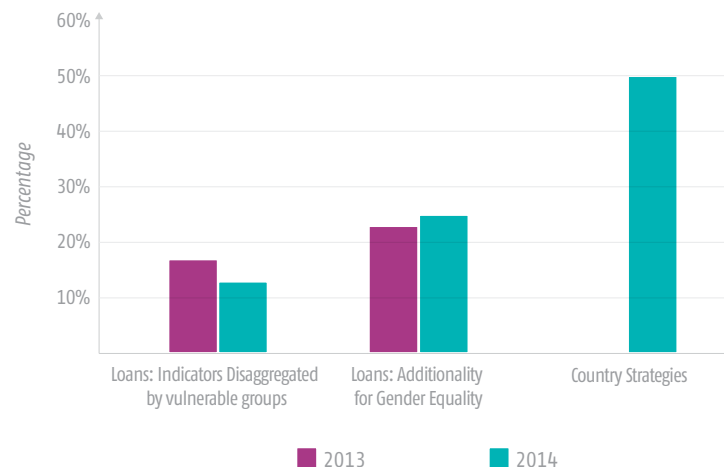
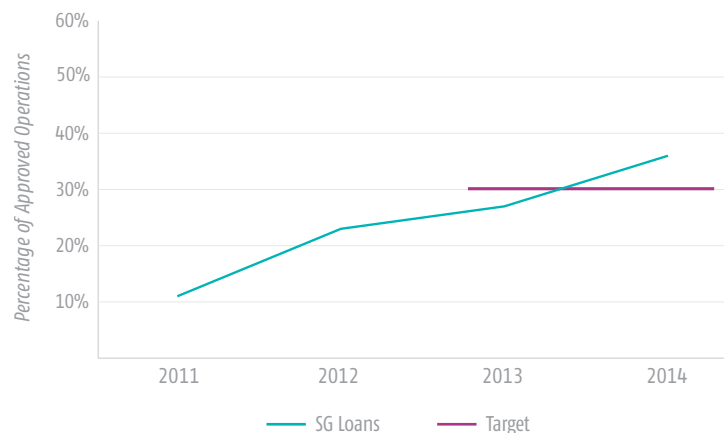
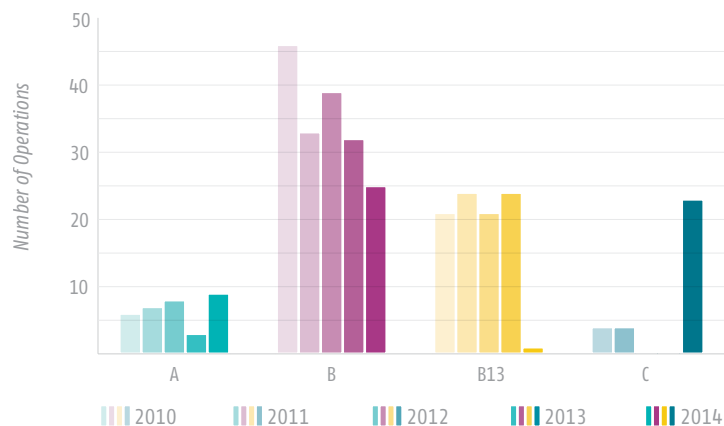
Average DEM scores at entry in 2014 for SG operations:

- **Program Logic** scored 9.1, points, a 3% increase from 8.8 in 2013
- **Evaluation and monitoring** scored 7.8 points, same as in 2013
- **Operations with Economic analysis** reached 9.5 points, a 1% decrease from 9.6 in 2013

2.14 Ex-Ante Impact Evaluation

Operations with an **Impact Evaluation** reached **43%**

- 6 percentage point decrease from 49% in 2013



ENVIRONMENTAL AND SOCIAL SAFEGUARD

2.15 Environmental and Social Safeguards in Approved Operations Per Category

Loan operations that had assistance from an Environmental and Social Safeguards specialist from **ESG** reached **58**

- 2% decrease from 59 in 2013
- Category A operations reached 9, 200% increase from 3 in 2013
- Category B operations reached 25, 22% decrease from 32 in 2013
- Category C operations reached 1, there were no C operations in 2012 and 2013
- Category B13 operations reached 23, a 4% decrease from 24 in 2013

GENDER AND DIVERSITY

2.16 Approved SG Loan operations including gender-related results in result matrix

Approved SG operations **gender related results in their results matrix** reached **36%**³⁰:

- 9 percentage points increase from 27% in 2013
- 6 percentage points above the new Bank's target (30%) for the new Gender Action Plan

2.17 SG Projects and Country Strategies: Promoting Gender Equality and Disaggregating Indicators

From the Development Effectiveness Matrixes (DEM) of SG operations and Country Strategies Result Matrixes:

- **13%** of loans included indicators disaggregated by gender and other vulnerable groups (14 out 105) in 2014 contributing to GCI-9 target, 3 percentage points decrease from 16% in 2013
- **25%** of loans (26 out of 105) in 2014 were flagged as promoting IDB gender equality (additionality), 2 percentage points increase from 23% in 2013
- **50%** of Country Strategies (2 out of 4) approved in 2014 included one or more gender or diversity related indicator in their result matrix, 50 percentage points increase from 2013

III. BUSINESS DEVELOPMENT

DEVELOPMENT
BUSINESS
PRIVATE

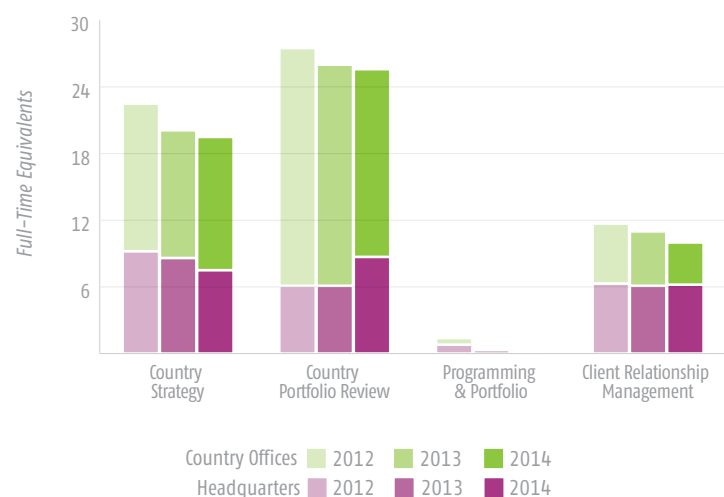
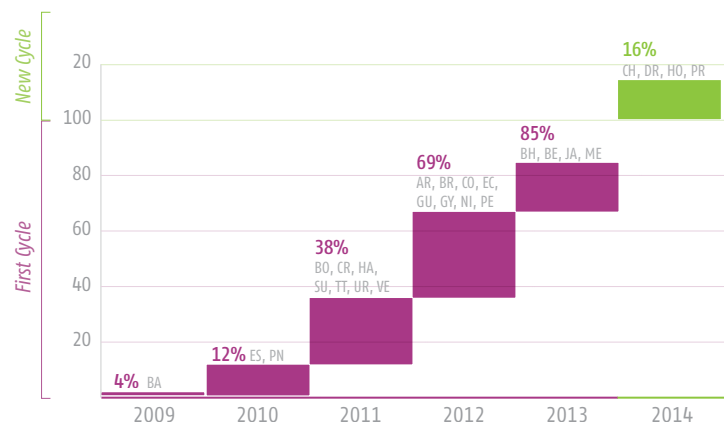
COUNTRY POLICY DIALOGUE

3.1 Results-based Country Strategies

Four Country Strategies were approved by the Board during 2014: Chile, Dominican Republic, Honduras and Paraguay

- Based on the validated Development Effectiveness Matrix for the Country Strategies, in terms of **strategic alignment**, the objectives of the approved Country Strategies are consistent with the countries' development challenges and priorities. A suitable mix of Bank instruments to achieve strategic priorities was presented to achieve such objectives
- In terms of **effectiveness**³¹, all four Country Strategies were based on high quality country diagnostics. Almost all of the sector diagnostics could identify the main problems and their determinants based on empirical evidence. The majority of sector diagnostics could also identify the main beneficiaries. Finally, each the country strategies identified strategic objectives that respond to the challenges and opportunities identified in the corresponding with the sector diagnostics.

26 Country Program Documents were prepared in Q4 of 2014 and are expected to be approved by the Board in Q1 of 2015



3.2 Staff Time Reported to Programming Products

Staff Time reported to strategy, programming and portfolio management activities reached **59.1 FTEs**³²

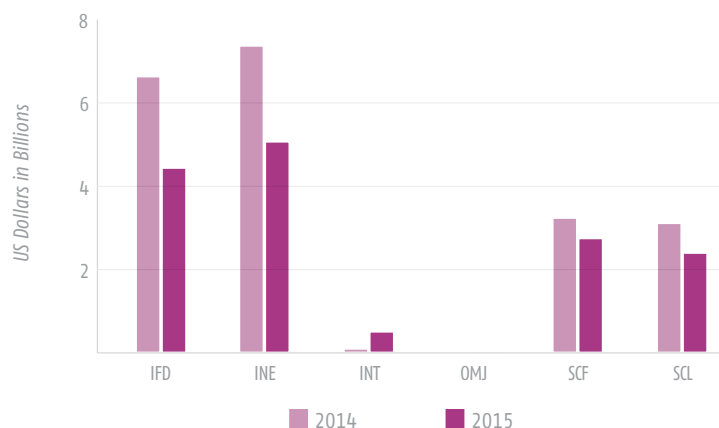
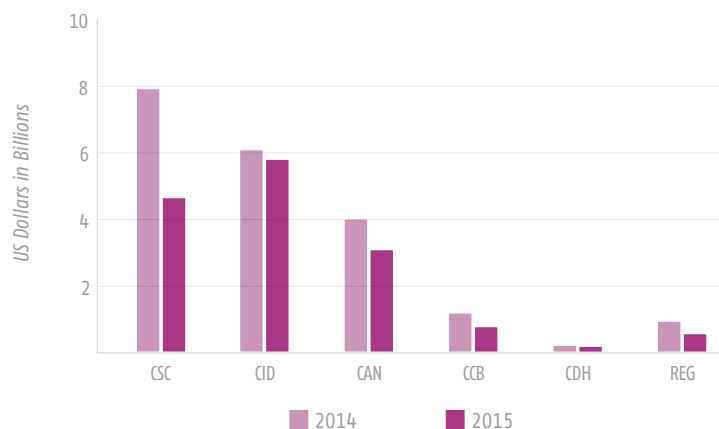
- 3% increase from 57.6 FTEs reported in 2013
- Country Strategies accounted for 35% (20.8 FTEs) of the total time reported to these activities
- Country Portfolio Reviews accounted for 46% (27.4 FTEs) of the total reported to these activities
- CID accounted for 27% of reported FTEs, CCB for 16%, CSC 15%, CAN 15%, CDH 7% and Regional 20%

60% of time reported to these activities originated from **COFs**

- 3 percentage point decrease from 63% in 2013

Staff time reported to **Client Relationship Management**³³ activities reached **10.8 FTEs**

- 2% decrease from 11 FTEs in 2013



3.3 Operations Pipeline Development

As of January 1st 2015, the **pipeline**³⁴ contained **170** operations for **\$14.3b**

- 22% decrease from 217 operations as of January 1st 2014
- 18% decrease from \$17.4b as of January 1st, 2014
- 21 operations for \$2.5b were Policy-Based Loans (PBL), a 28% decrease from 3.4\$b at the beginning of 2014
- 149 operations for \$12.9b were SG and NSG investment, a 16% decrease from \$14.0b at the beginning of 2014

The 2015 category “**A**” **pipeline** contains **121** operations for **\$9.7b**

- 16% decrease from 144 operations at the beginning of 2014
- 18% decrease from \$11.9b at the beginning of 2014
- 14 operations for \$1.7b were Policy-Based Loans (PBL), a 16% decrease from 2.1\$b at the beginning of 2014
- 107 operations for \$8.0b were SG and NSG investment, a 18% decrease from \$9.8b for SG and NSG investment in 2014

3.4 Project Pipeline by Country Department

Project pipeline as of January 1st 2015 was distributed by Country Departments as follows:

CAN amounted to **\$3.1b**

- 23% decrease from \$4.0b beginning 2014

CDH amounted to **\$223m**

- 10% decrease from \$248m in 2014

CSC amounted to **\$4.7b**

- 41% decrease from \$7.9 in 2014

CCB amounted to **\$807m**

- 34% decrease from \$1.2b in 2014

CID amounted to **\$5.8b**

- 5% decrease from \$6.1b in 2014

Regional amounted to **\$598m**

- 39% increase from \$598m at the beginning of 2014

3.5 Project Pipeline by Sector

Project pipeline as of January 1st 2015, including A and B categories, was distributed by sectors as follows:

IFD amounted to **\$4.4b**

- 33% decrease from \$6.6 beginning 2014

INT amounted to **\$522m**

- 375% increase from \$110m in 2014

SCF amounted to **\$2.8b**

- 15% decrease from \$3.3b in 2014

INE amounted to **\$5.1b**

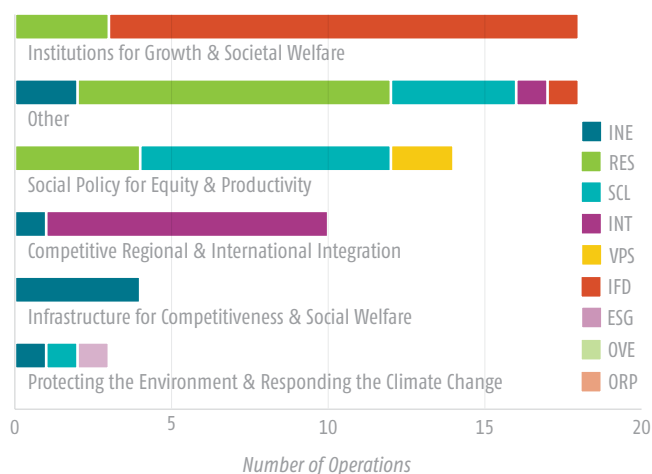
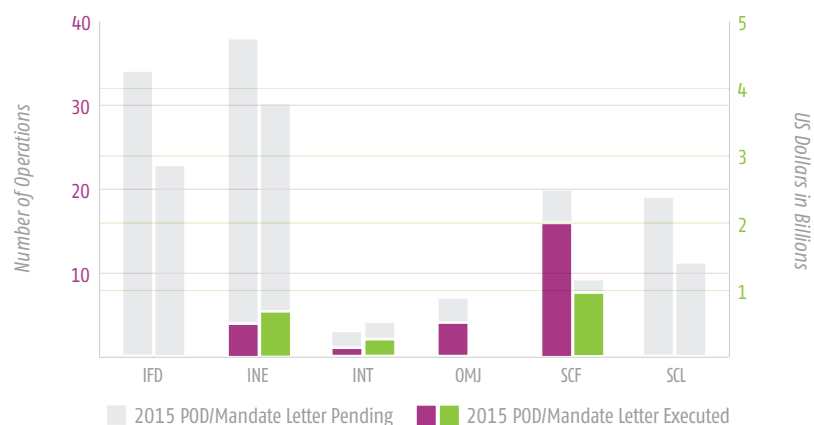
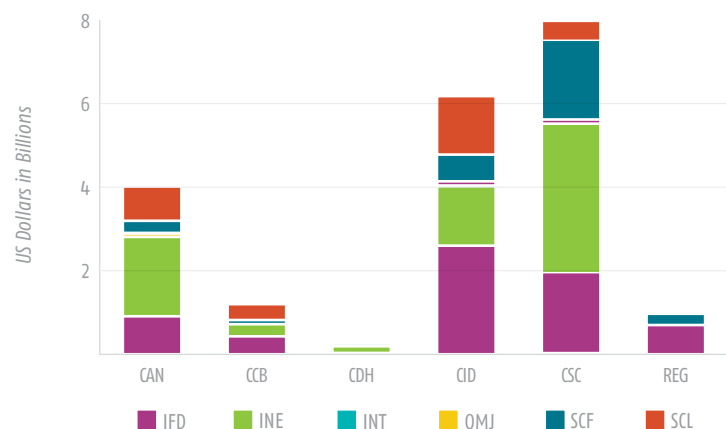
- 31% decrease from \$7.4b in 2014

OMJ amounted to **\$52m**

- 30% increase from \$40m in 2014

SCL amounted to **\$2.4b**

- 23% decrease from \$3.1b in 2014



3.6 Project Pipeline by Country Department and Sector

Project pipeline percentage distribution, based on volume:

- For Regions: **CSC** 31%, **CID** accounted for 38%, **CAN** 20%, **CCB** 5%, **CDH** 1% and **Regional** 4%
- For Sectors: **INE** 33%, **IFD** 29%, **SCF** 18%, **SCL** 16% and **INT** 3%

PIPELINE READINESS

3.7 Pipeline Readiness by Sector

2014A pipeline contained **121** operations totaling **\$9.7b**, compared with 143 operations totaling \$11.8b in 2013

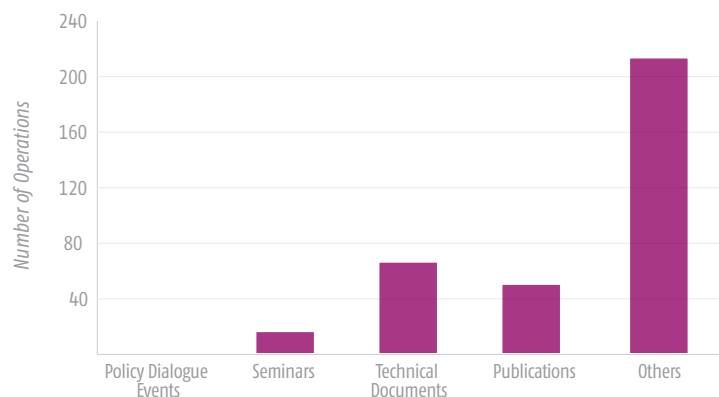
- 60% (72) for \$6.3b were in Identification stage, 10 percentage points increase from 50% (72) in 2013
- 20% (24) for \$1.5b were in Project Profile stage, 7 percentage points decrease from 27% (38) in 2013
- 17% (20) for \$1.3b were in POD or Mandate Letter stage, 1 percentage point increase from 16% (23) in 2013
- 4% (5) for \$575m were in OPC stage, 3 percentage points decrease from 7% (10) in 2013

ECONOMIC AND SECTOR WORK (ESW)

3.8 ESW products by Department Distribution by Priority Areas

The **ESW program**³⁵ for 2014 contained **67 products** aimed to promote the knowledge generation, application and dissemination pertinent for policy formulation, improve the quality of operations, strengthen Bank's relevance in the Region and support country dialogue

- 20% decrease from 84 products in 2013



3.9 ESW Deliverables Completed

The ESW program³⁶ for 2014 produced **349 deliverables**

- .3% decrease from 350 deliverables completed in 2013
- 97% of the planned for 2014, 4 percentage points increase from 93% in 2013

The **Corporate Input Products** (CIP³⁷) program for VPS contained **38³⁸** products

- Concentrated mainly in INE (14), KNL (4) and SCL (8)
- 21% decrease from 48 CIP products in 2013



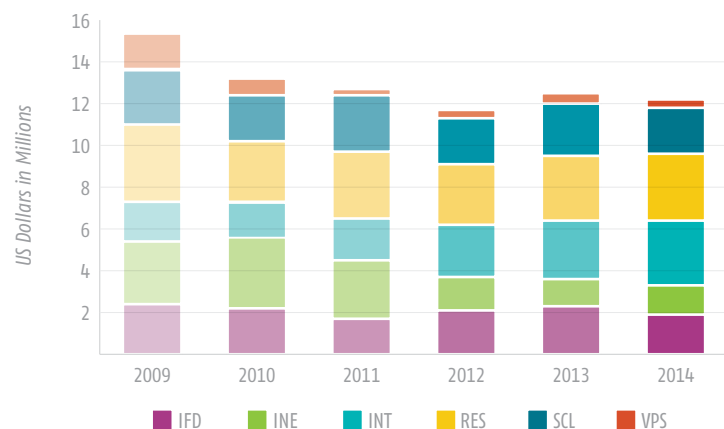
3.10 Resources to Economic and Sector Work Products

Non-Personnel resources committed to ESW products reached **\$13.1m**

- 7% decrease from \$14.1m spent in 2013

Staff time reported to ESW products reached **56.5 FTEs**

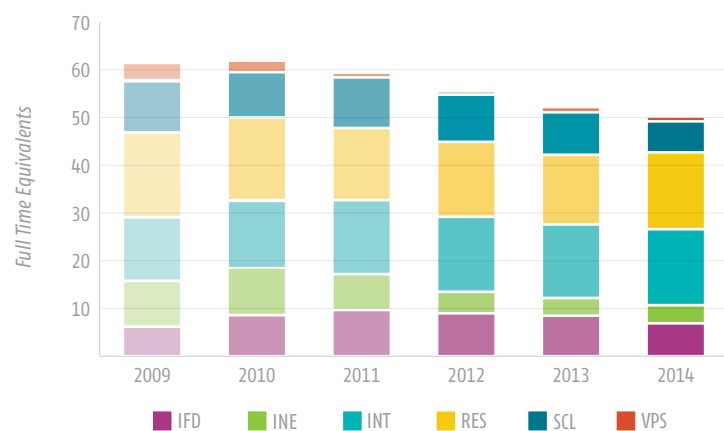
- 10% decrease from 62.7 reported in 2013



3.11 Non Personnel Costs to Economic and Sector Work Products from Sectors

Non-Personnel resources (consultants and travel) dedicated by VPS to the ESW program in 2013 reached **\$12.3m**

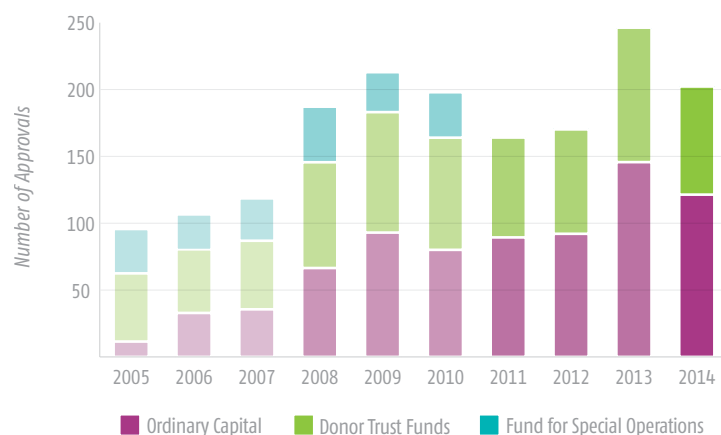
- 2% decrease from \$12.5m in 2013
- By sector: **RES** reached \$3.2m, **INT** \$3.1m, **SCL** \$2.2m, **IFD** \$1.9m and **INE** \$1.4m and **VPS** \$0.4m



3.12 Staff Time Reported to Economic & Sector Work Products from Sectors

Staff time reported by VPS to the ESW program in 2014 reached **50.2 FTEs**

- 4% decrease from 52.2 FTEs in 2013
- By sector: **INT** reached 15.9 FTEs, **RES** 16.1 FTEs, **SCL** 6.5 FTEs, **IFD** 6.9 FTEs and **INE** 3.8 FTEs and **VPS** 1.0 FTE



3.13 TC Program by Fund

Technical Cooperation approvals reached **406** operations for **\$202m**

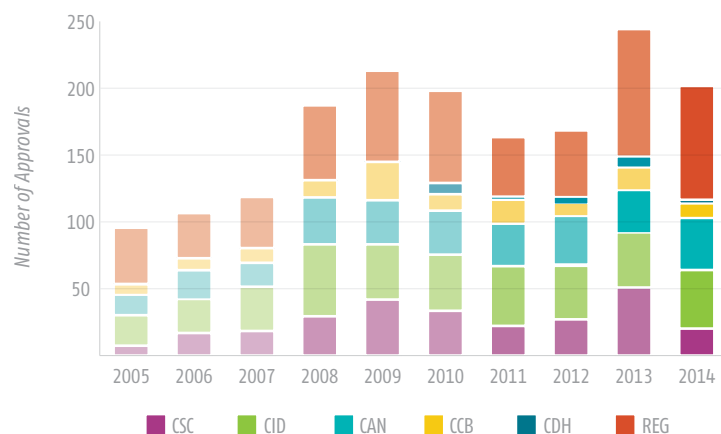
- 18% decrease from the \$246m approved in 2013
- 8% decrease from 443 operations in 2013
- Average size of TCs approved reached \$498K, a 10% decrease from \$556K in 2013

Donor Trust Funds (DTF) financed TC approvals reached **127** operations for **\$80.9m**

- 20% decrease from \$101m in 2013
- 8% decrease from 138 operations in 2013
- Average size of DTF TCs was \$637K, a 13% decrease from \$729K in 2013

Ordinary Capital (OC) **Special programs-financed** TC approvals reached **279** operations for **\$121m**

- 17% decrease from \$146m in 2013
- 9% decrease from 305 operations in 2013
- Average size of OC TCs was \$435k, a 9% decrease from \$478k in 2013



TECHNICAL COOPERATION PROGRAM BY COUNTRY GROUP

3.14 TC Program by Country Group

CAN TC approvals³⁹ reached **\$39m** in **76** operations

- 19% increase from \$32.6m in 70 operations in the same period in 2013

CID TC approvals reached **\$43.8m** in **112** operations

- 6% increase from \$41.3m in 108 operations in the same period in 2013

CDH TC approvals reached **\$3m** in **9** operations.

- 65% decrease from \$8.6m in 15 operations in the same period in 2013

CCB TC approvals reached **\$11.1m** in **30** operations

- 37% decrease from \$17.4m in 33 operations in the same period in 2013

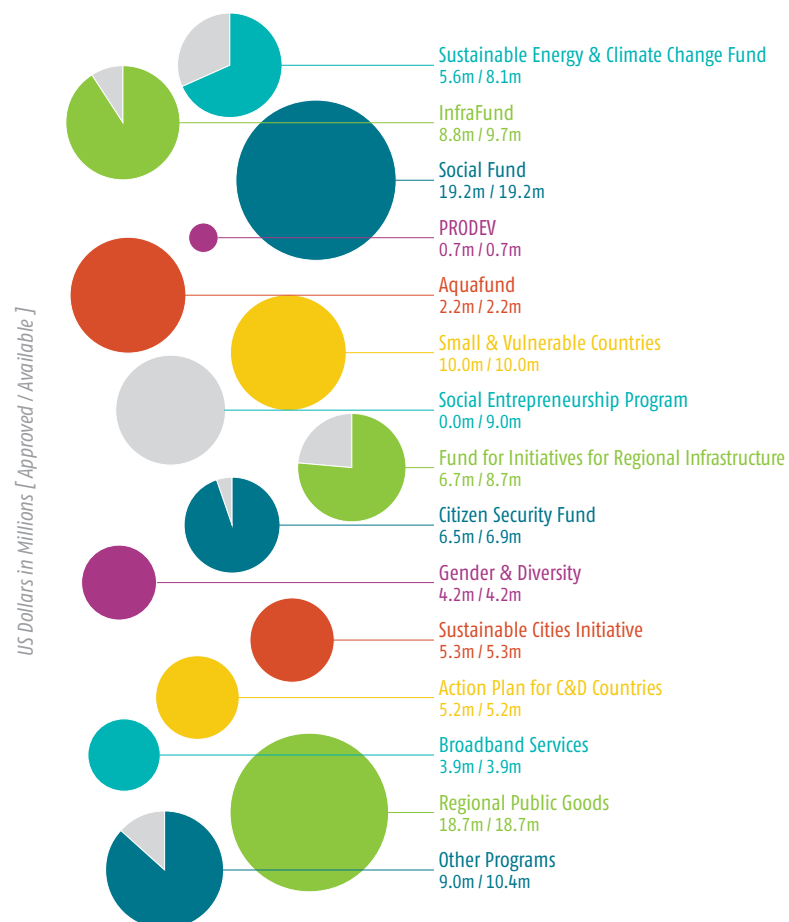
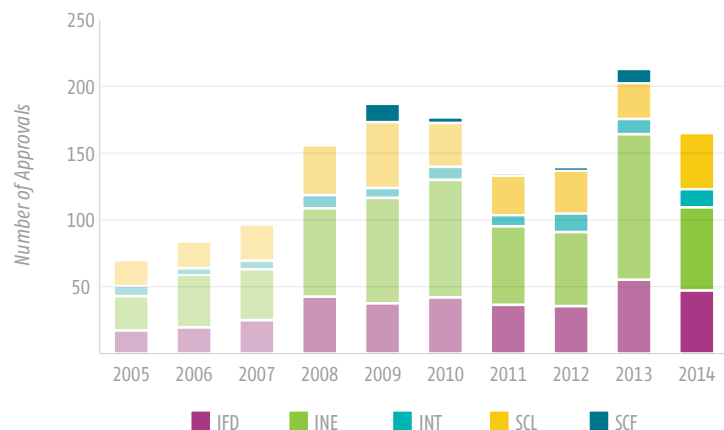
CSC TC approvals reached **\$20.2m** in **50** operations

- 60% decrease from \$50.9m in 68 operations in the same period in 2013

Regional TC approvals reached **\$85.2m** in **129** operations.

- 11% decrease from \$95.5m in 149 operations in the same period in 2013

Regional countries accounted for 42% of TC approvals in 2014; **CID** countries for 22%, **CAN** countries for 19%, **CSC** countries for 10%, **CCB** countries for 5% and **CDH** for 1%



TECHNICAL COOPERATION PROGRAM BY SECTOR

3.15 TC Program by Sector Department

IFD TC approvals reached **\$47.2m** in **113** operations.

- 15% decrease from \$55.3m in 121 operations in 2013

INE TC approvals reached **\$62m** in **97** operations.

- 43% decrease from \$108.8m in 146 operations in the same period in 2013

INT TC approvals reached **\$13.6m** in **19** operations.

- 19% increase from \$11.4m in 17 operations in the same period in 2013

SCL TC approvals reached **\$42.2m** in **82** operations.

- 56% increase from \$27m in 62 operations in the same period in 2013

SCF TC approvals reached **\$0.5m** in **2** operations.

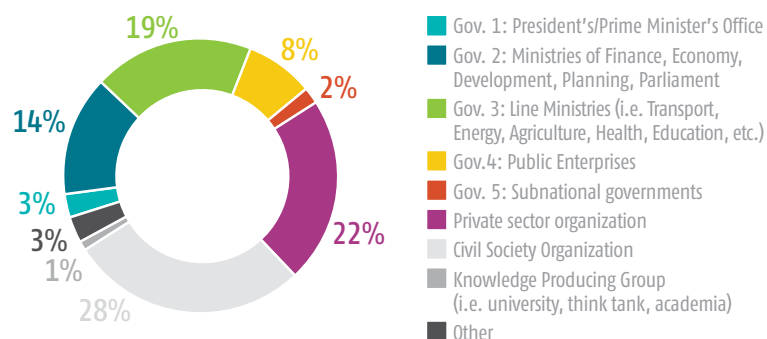
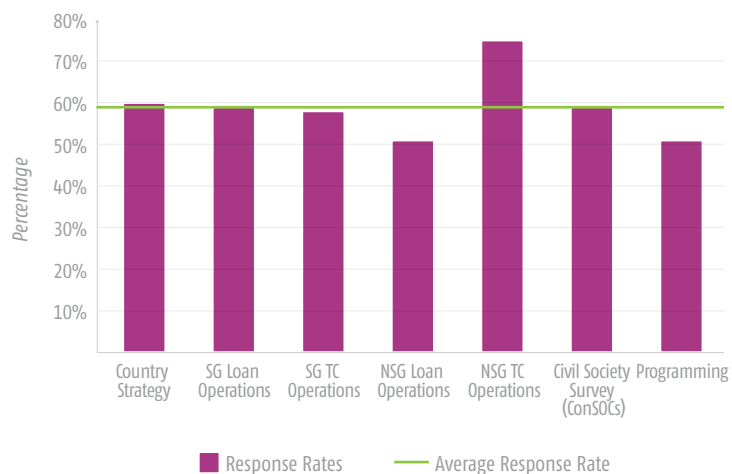
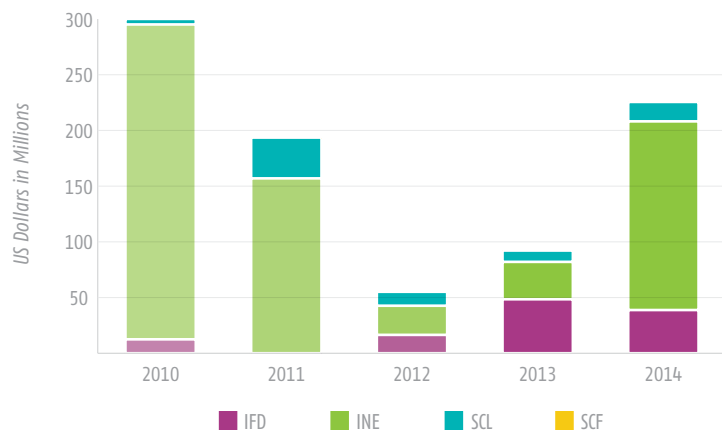
- 95% decrease from \$10.9m in 4 operations in 2013

OC SPECIAL PROGRAMS

3.16 OC Special Programs Utilization

Approvals under Special Programs financed with Ordinary Capital (OC) reached **\$122.6m**

- 17% decrease from \$147.4m in 2013
- 101% of \$121.3m allocated for 2014, 12% percentage points increase from 89% in 2013



Respondents Profile

INVESTMENT GRANTS

3.17 Investment Grants (IGR)

Investment Grants approvals reached **\$225.6m** in **23** operations

- 145% increase from \$92.2m in 2013
- 44% increase from 16 operations approved in 2013

EXTERNAL FEEDBACK SYSTEM

Using online surveys, the EFS captures external partners' perceptions of the Bank's products and how these products are delivered. The EFS is based on the customer experience management concept that proposes a continuous measurement of external partners' perceptions across the project cycle. The EFS centralizes all external survey efforts and presents an integrated approach to systematically capture feedback from external partners.

3.18 Response Rate

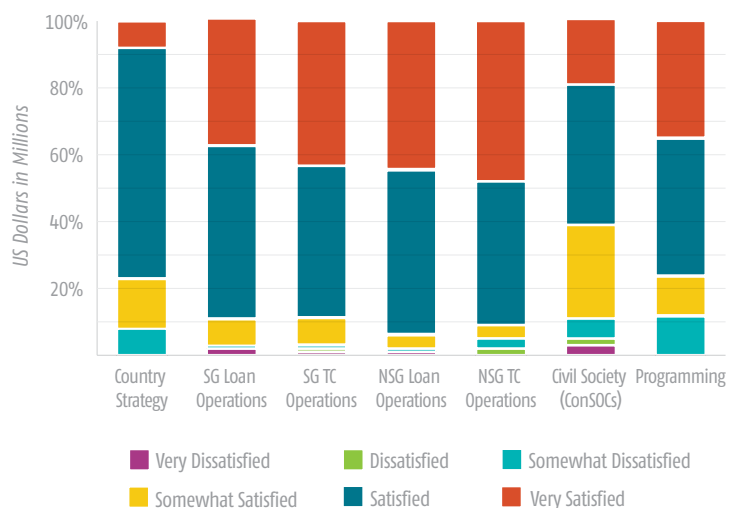
External partners completed 1028 online surveys of Bank-financed products that reached the milestone of approval, disbursement or completion during 2014 with a **58% response rate**

- 72% increase in the number of surveys completed from 596 in 2013.
- 2 percentage points decrease in the response rate from 60% in 2013.

3.19 Respondents Profile

Survey respondents represent government offices, private sector, knowledge producing groups, and civil society organizations in borrowing member countries:

- 28% from Civil society organizations
- 46% from governmental institutions
- 22% from private sector organizations
- 4% from others



3.20 Level of Satisfaction

Overall, surveyed partners reported **positive satisfaction level** with the Bank's delivery of services for IDB-financed operations. Satisfaction by product was reported as follows:

77% for Country Strategies⁴⁰, 2 percentage points increase from 75% in 2013

- The CRF target is 70% by 2015

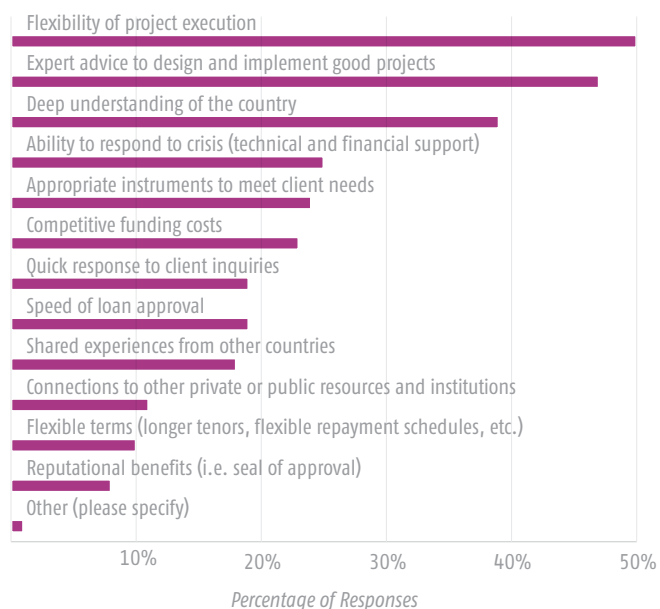
91% for SG and NSG loan operations, 2 percentage points increase from 89% in 2013

- The CRF target is 70% by 2015

89% for TC operations, 2 percentage points increase from 87% in 2013

- The CRF target is 70% by 2015

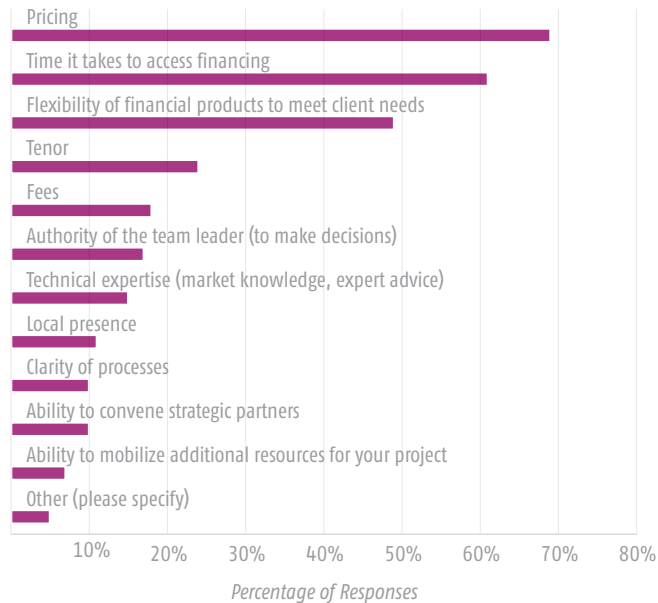
63% for Bank's engagement with Civil Society Organizations⁴¹



3.21 External Partners' Most Important Attributes for selection—SG Loans and TCs

In 2014, surveyed partners related to SG loans and TCs reported that the **three most important attributes for the selection of a development institution** are:

- Flexibility on project execution (50%)
- Expert advice to design and implement good projects (47%)
- Deep understanding of the country (39%)



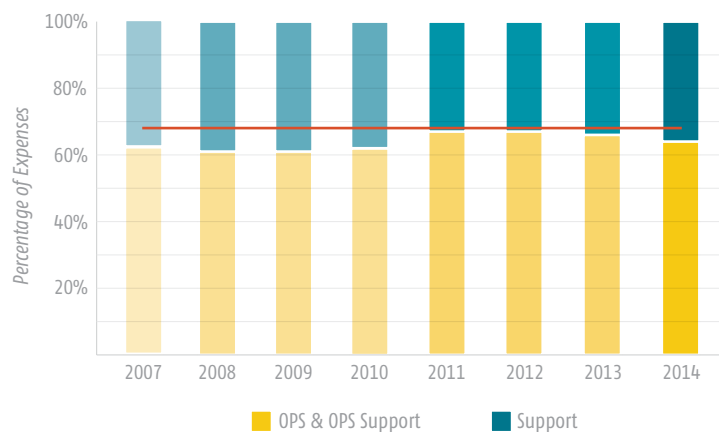
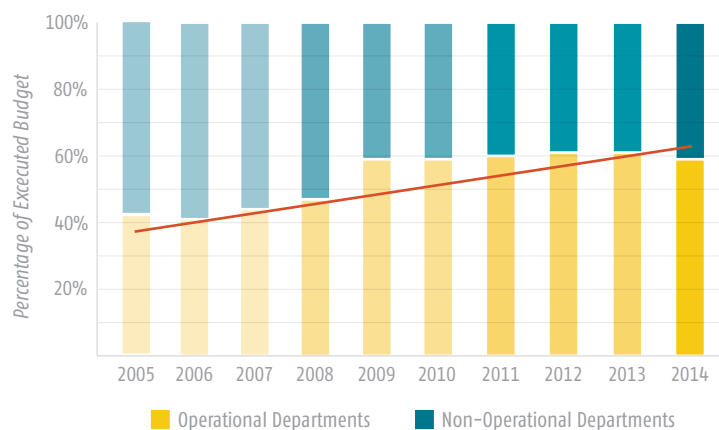
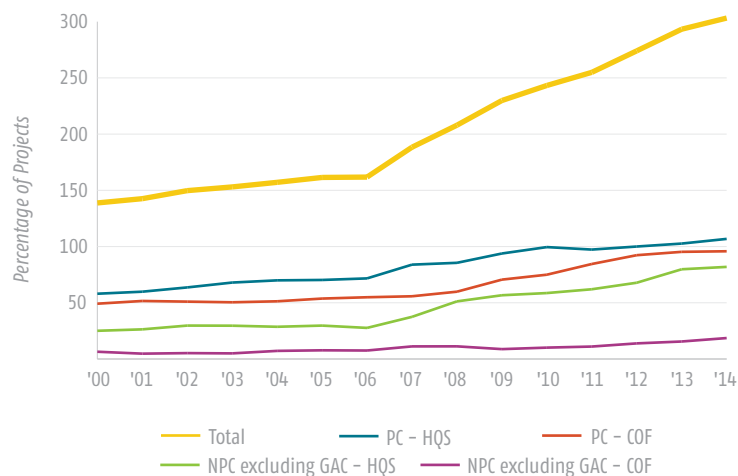
3.22 External Partners most important attributes for selection - NSG Loans

Surveyed partners related to NSG loans reported that the **three most important attributes for the selection of a development institution** are:

- Pricing (69%)
- Time it takes to access financing (61%)
- Flexibility of financial products to meet client needs (49%)

IV. RESOURCE MANAGEMENT

RESOURCE
MANAGEMENT
PROCESS



A. OPERATIONAL EFFICIENCY

RESOURCES (PC, NPC AND FTES)

4.1 Operational Departments Budget Execution PC and NPC

Personnel Costs expenses for operational departments reached **\$203m**

- 2% increase from \$198m in 2013

Non-Personnel Cost⁴² (NPC) expenses for operational Departments reached **\$101m**

- 5% increase from \$95m in 2013

4.2 Operational vs Non-Operational Department Budget Execution

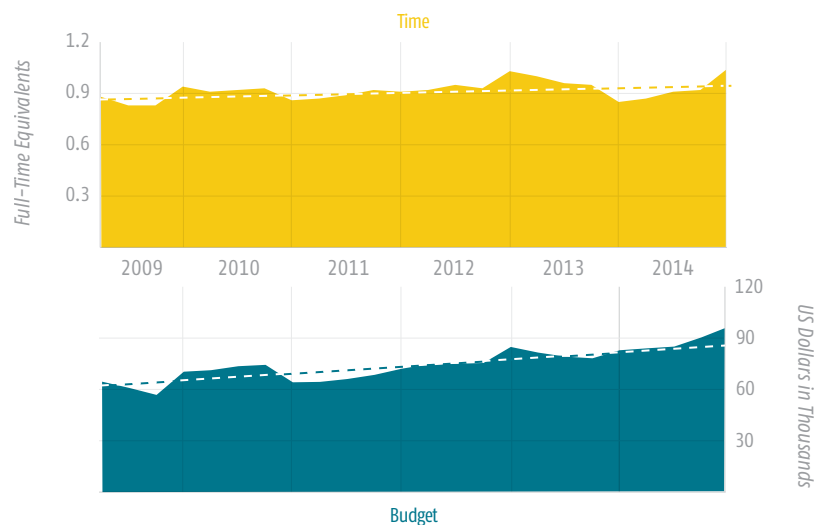
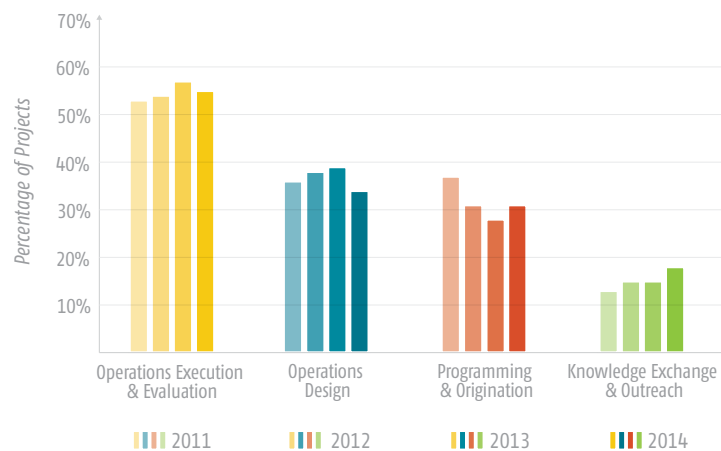
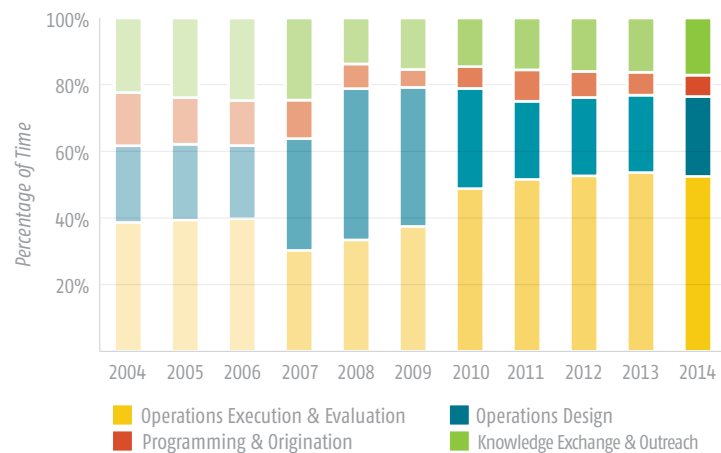
Operational departments executed budget as a percentage of total administrative budget was **59%** in 2014, 2 percentage points decrease from 61% in 2013; same level as of 2009 and 2010.

Operational department's executed budget reached **\$326.0m** in 2014, a 3% increase from \$315.1m in 2013.

4.3 Percentage of administrative expenses in operational programs

Operational and operational support programs reached **64%** (\$352.3m)

- 2 percentage points decrease from 66% in 2013
- Resource allocation shows a positive trend towards operations and operations support
- The **CRF** target is 68% by 2015



4.4 Distribution of Staff Time reported to Operational programs

Staff time reported⁴³ to operational programs⁴⁴ reached **1,130 FTEs**

- 2% increase from 1,106 in 2013

Staff time reported to execution and evaluation⁴⁵ of operations reached **597 FTEs**

- 1% increase from 593 in 2013

Staff time reported to operation's design and Programming and Origination reached **273 FTEs**

- 6% increase from 257 in 2013

Staff time reported to programming and origination reached **73 FTEs**

- 4% decrease from 76 in 2013

Staff time reported to knowledge exchange and outreach reached **187 FTEs**

- 4% increase from 180 in 2013

4.5 Contribution of Staff located in COF to time reported to operational programs

Time reported by Staff⁴⁶ located in COF to operational programs⁴⁷ reached **480 FTEs**, 42% of the total staff time reported, 2 percentage points decrease from 44% in 2013

- 2% decrease from 489 in 2013
- 69% to operations execution and evaluation, no change from 69% in 2013
- 20% to operations design, 1 percentage point decrease from 21% in 2013
- 4% to programming and origination, no change from 4% in 2013
- 7% to knowledge exchange and outreach, 1 percentage point increase from 6% in 2013

PROJECT EFFICIENCY

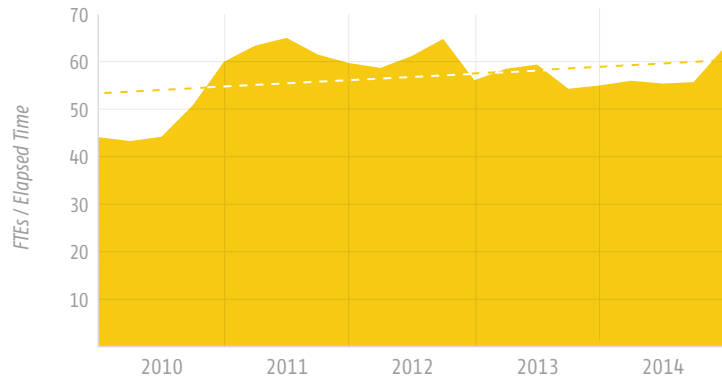
4.6 Resources for Project Approval

Staff time reported to project preparation reached **1.03 FTEs**

- 19% increase from .87 FTEs per project approved in 2013

NPC reached an average of **\$93.8K** per project approved

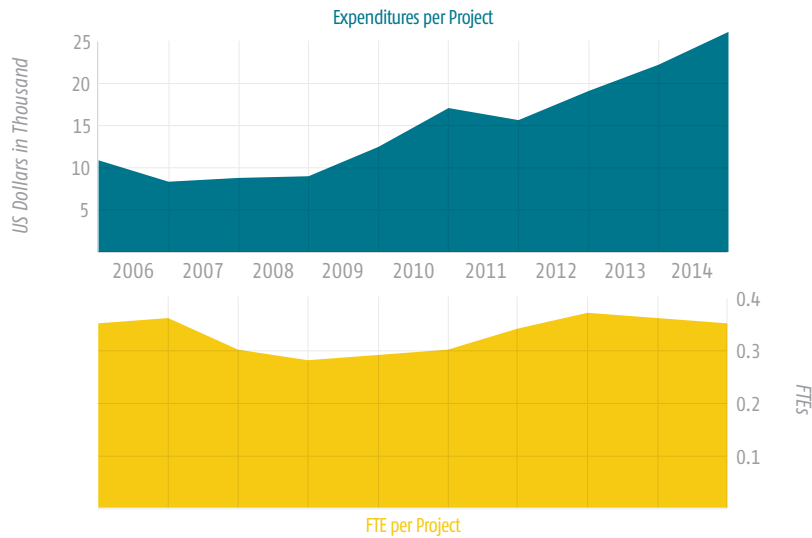
- 11% increase from \$84K in 2013



4.7 Effort (FTEs/Elapsed Time)

The ratio between staff time reported and preparation elapsed time (**Effort**), reached **63** in 2014

- 15% increase from 55 in 2013



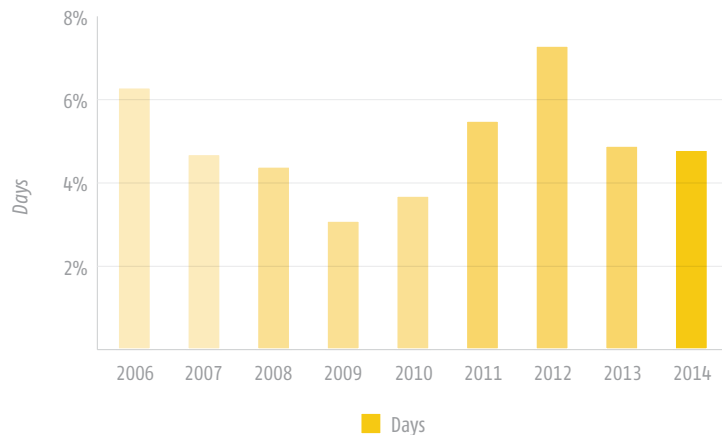
4.8 Resources (Expenditures and Staff Time) per Project in Portfolio

Staff time reported per **project in the portfolio** in execution reached **0.357 FTEs**

- 1% decrease from 0.36 in 2013

NPC expenditures per **project in the portfolio** in execution reached **\$26.1k**

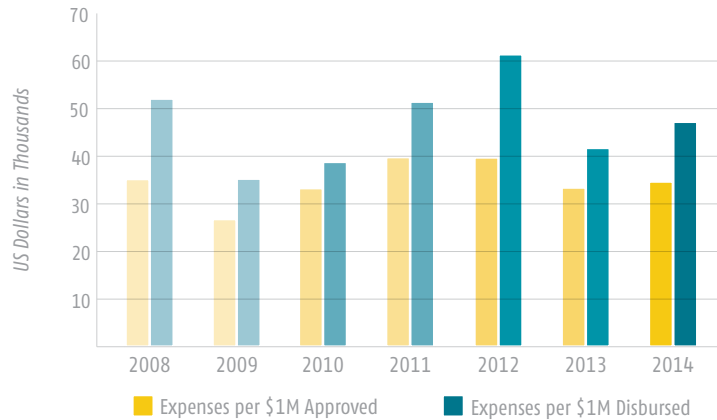
- 18% increase from \$22.2k in 2013



4.9 Staff Time Reported to Project Execution per US\$ Million Disbursed

Staff time reported to **project execution** per US\$ million disbursed reached **4.8 days**

- 2% decrease from 4.9 days in 2013



4.10 Administrative Expenses per US\$ Million Disbursed

Administrative expenses per \$1m approved reached **\$35k**

- 4% increase from 33k in 2013

Administrative expenses per \$1m disbursed reached **\$47k**

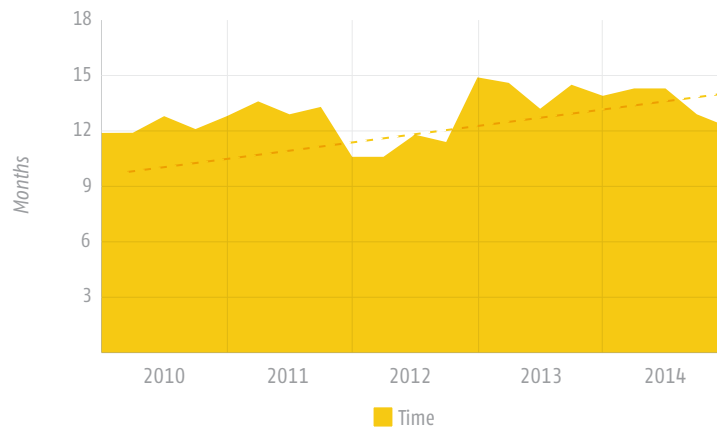
- 13% increase from \$42k in 2013

CYCLE TIMES (EFFICIENCY)⁴⁸

4.11 Time Elapsed from Start to Approval

Time elapsed from **Start to Approval**⁴⁹ for SG investment operations reached **12.2 months**

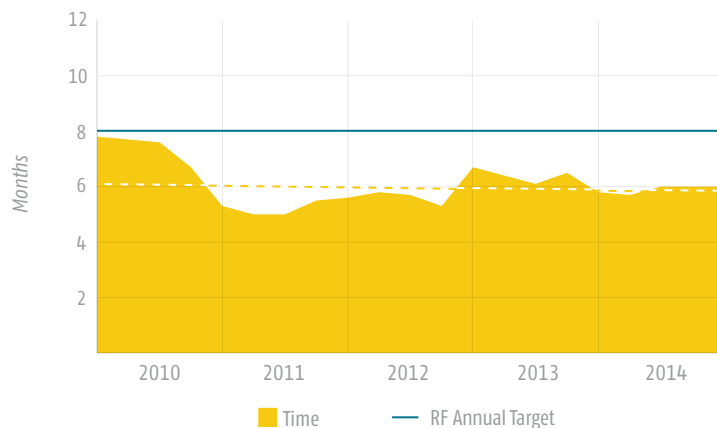
- 14% decrease from 14.3 months in same period in 2013

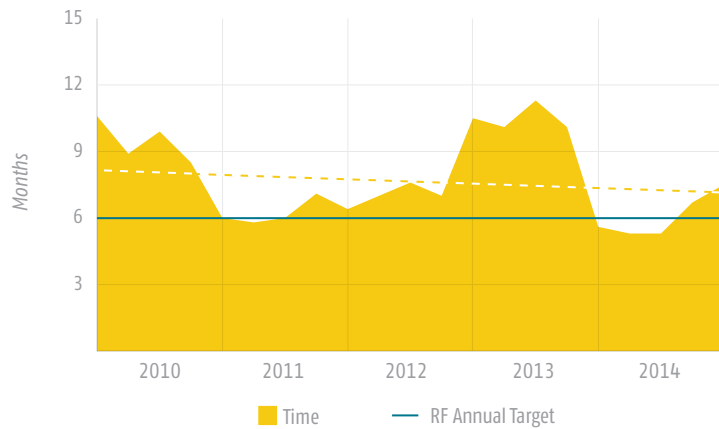


4.12 Time Elapsed from Projects Profile to Approval for SG Operations

Time elapsed to prepare a project (from Profile to approval) for SG operations reached **6 months**

- 3% increase from 5.8 months in same period in 2013
- The **CRF** annual target is 8 months

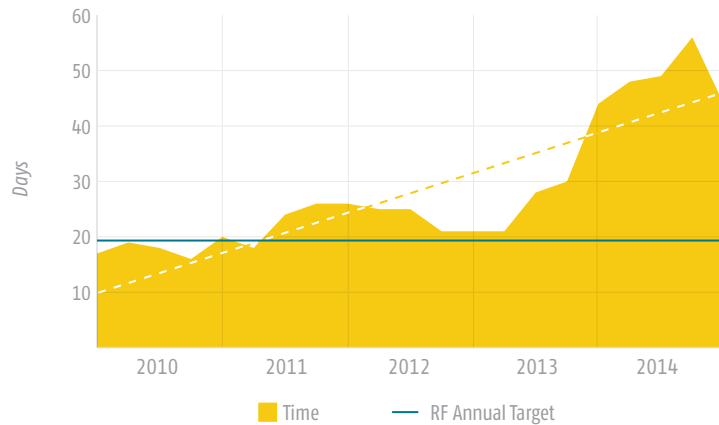




4.13 Time Elapsed from Projects Profile to Approval for NSG Operations

Time elapsed to prepare a project (from Profile to approval) for **NSG** operations reached **7.5 months**

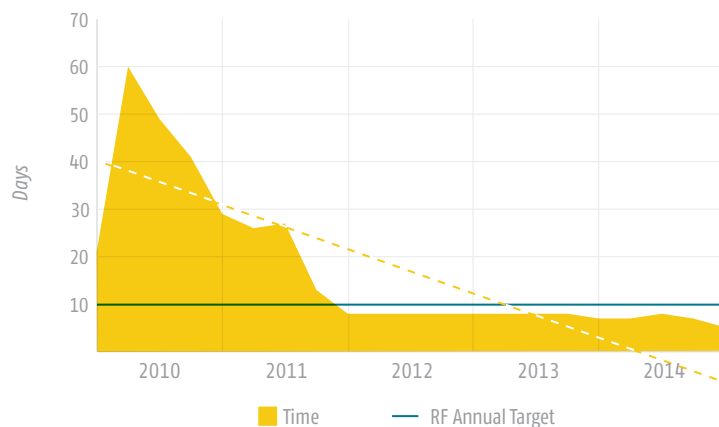
- 34% increase from 5.6 months in 2013
- The **CRF** annual target is 6 months



4.14 Time Elapsed from Eligibility to First Disbursement for SG Investment Operations

Time elapsed from **eligibility to first disbursement**⁵⁰ for **SG** investment operations reached **44 days**

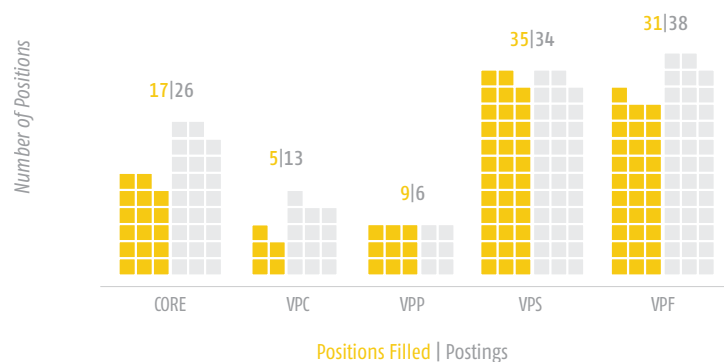
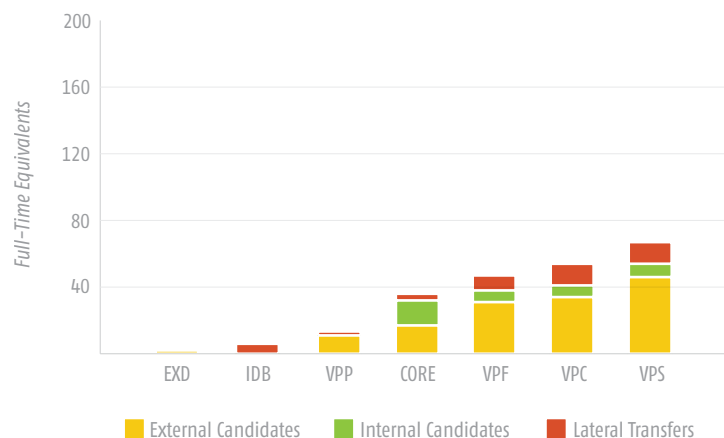
- Same as 2013
- The **CRF** target is 19 days



4.15 Time Elapsed from Eligibility to First Disbursement for NSG Investment Operations

Time elapsed from **eligibility to first disbursement** for **NSG** investment operations which performed a first disbursement reached **5 days**

- 29% decrease from 7 days in 2013
- The **CRF** target is 10 days



B. HUMAN RESOURCES

VACANCIES AND NEW HIRES

4.16 Vacancies and New Hires

133 out of 225 (59%) **positions filled** were for **Operational Vice-Presidencies** (VPS, VPC and VPP)

- In 2013, 180 positions were filled out of which 109 (61%) were for operational Vice-Presidencies

Positions filled with external candidates reached **141** (63%) out of which 71 (50%) were female

- In 2013, 116 (64%) positions were filled with external candidates of which 55 (47%) were female

The remaining **84** (37%) were filled internally of which 46 were through **lateral transfer**

- In 2013, 64 positions (36%) were filled internally, out of which 40 were through lateral transfer

For **Country Offices**, **45%** of new hires (26 of 32) were **female**; for **Headquarters**, **62%** of new hires (45 of 99) were **female**

- In 2013, for Country Offices, 39% of new hires (15 of 28) were female; for Headquarters, 51% of new hires (40 of 78) were female

COF STRENGTHENING

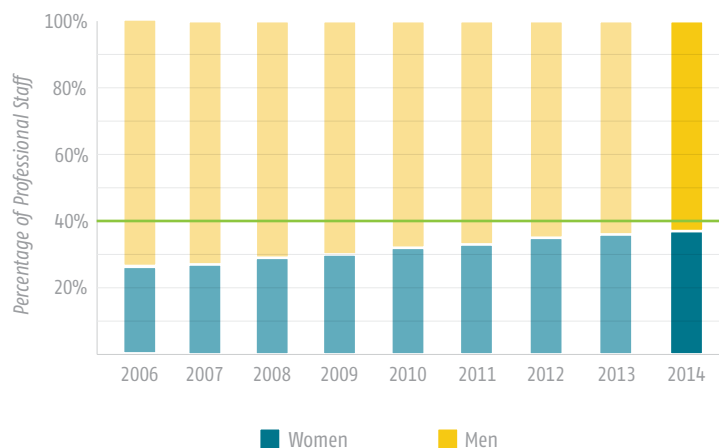
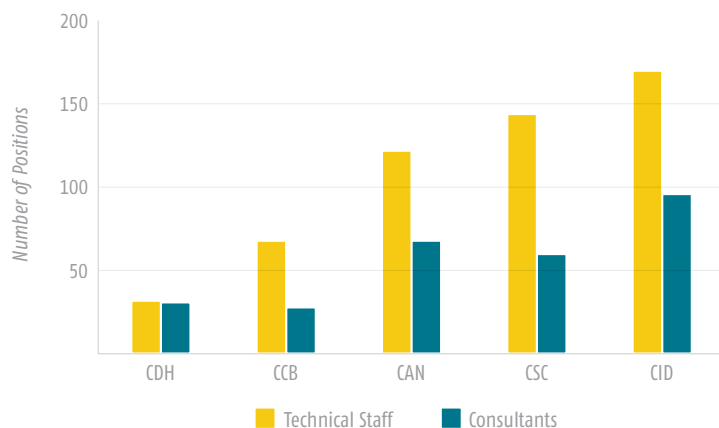
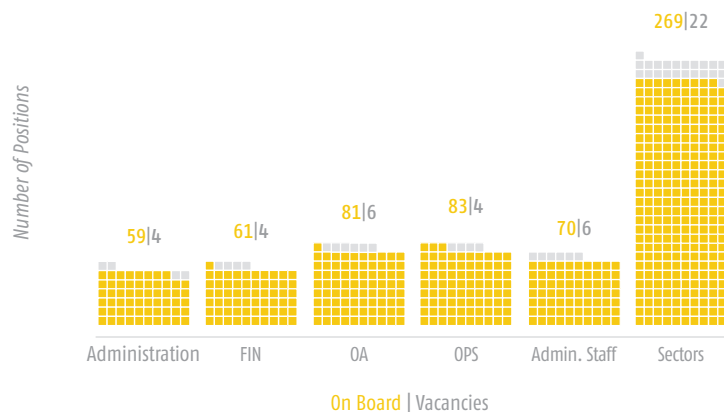
4.17 Status Positions and Filled in COF

Net number of **professional⁵¹ staff on-board in COFs** reached **570**, an increase of 53 positions from the beginning of the year

- In 2013, net number of professional staff in COFs reached 570, an increase of 53 from the beginning of the year
- VPC professional staff on board in COF increased by 1, VPS decreased by 4, VPP decreased by 1, and VPF and CORE remained the same
- Local professional staff in COFs decreased by 1

Of the **41 external hires** of professionals in COF, 27 (66%) were national professionals and 14 (34%) were international

- In 2013, of the 32 external hires of professionals in COF, 15 (47%) were national professionals and 17 (53%) were international



4.18 Country Office Staff Composition

42% (16) VPS professional vacancies are assigned to COFs as of December 31

37% of professional staff on-board in VPS is in COFs, and **34%** of VPS professional staff on-board in COFs is local

23% (7 of 31 vacant positions in VPC/COF) are for **Operations Analysts** (local professionals), while **26** vacancies are for **professional staff**

COMPLEMENTARY WORKFORCE

4.19 Number of Professional Staff and Consultants (Excluding Firms)

As of December 31, 2014 there were **379** active consultants in COF with contracts over 150 days

- Equivalent to 391 FTEs
- 34% increase from 283 (equivalent to 232 FTEs) by the end of 2013

There are **31** active professional contractors (working from firms) in COF

- 27.9% decrease from 43 by the end of 2013
- Additionally there are 111 Tata contractors

There are **663** active DTCs on board across the Bank

- 57% increase from 423 DTCs as of Q4 2013
- 599 are located in HQ and 64 in COFs

EXECUTIVE AND MANAGERIAL WOMEN

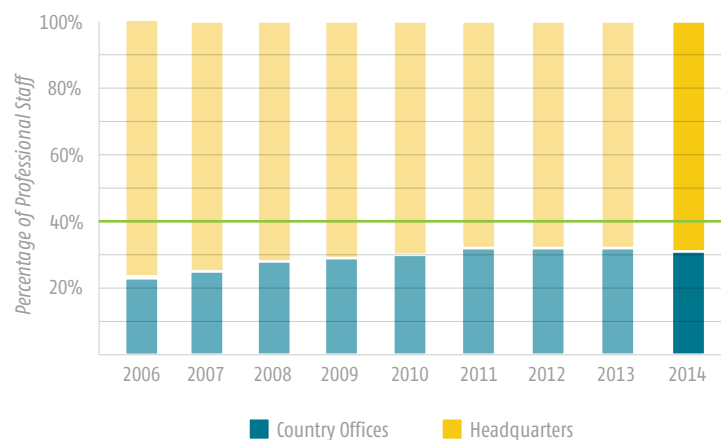
4.20 Percentage of Professional and Executive Staff Who are Women, Grade Four and Above

Women in grades four and above reached **37%**

- 1 percentage point increase from 36% in 2013
- 11 percentage points increase from 26% in 2006
- The **CRF** target is 40% by 2015

Women in executive and representative positions reached **33%**

- 1 percentage point increase from 32% in 2013
- 18 percentage points increase from 15% in 2006
- The **CRF** target is 38% by 2015



4.21 Percentage of Professional Staff Based in COF

Professional Staff in COF reached **31%**

- 1 percentage point decrease from 32% in 2013
- 9 percentage points increase from 23% in 2006
- The **CRF** target is 40% by 2015

Female professional staff in COF reached **41%**

- 1 percentage point increase from 40% in 2013
- 9 percentage points increase from 32% in 2006

Staff from C&D countries account for **40%** of staff from all borrowing member countries

- 1 percentage point decrease from 41% in 2013

Staff from borrowing member countries account for **66%** of all staff

- 1 percentage point decrease from 67% in 2013

Staff with Doctorate degree accounted for:

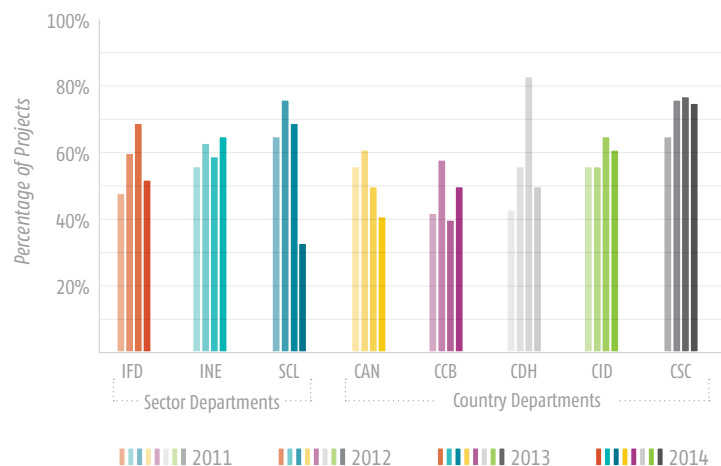
- 24% of the Executive level
- 27% of the Management level
- 16% of the Technical level

Of these Staff holding a PhD:

- 58% have an academic background from US & Canada
- 16% from borrowing countries
- 26% from Non regional countries

Average time of service at the Bank reached **10.0** years

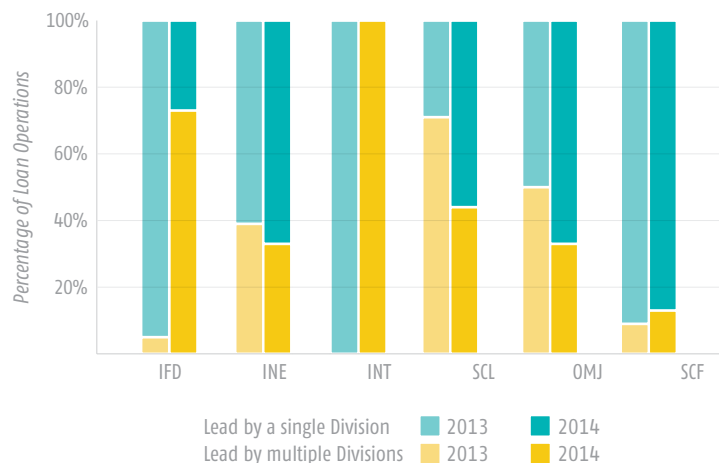
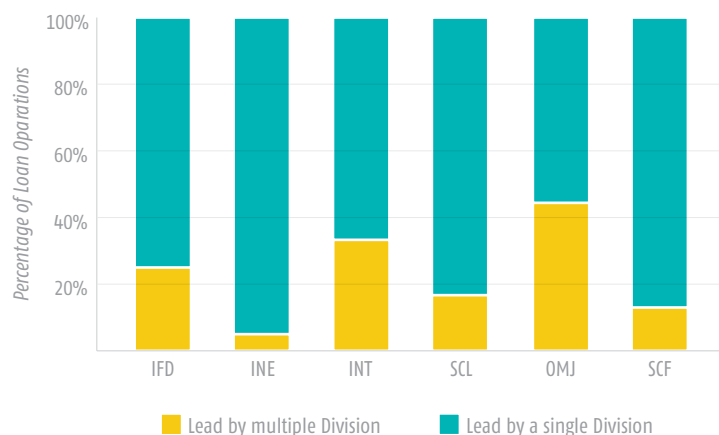
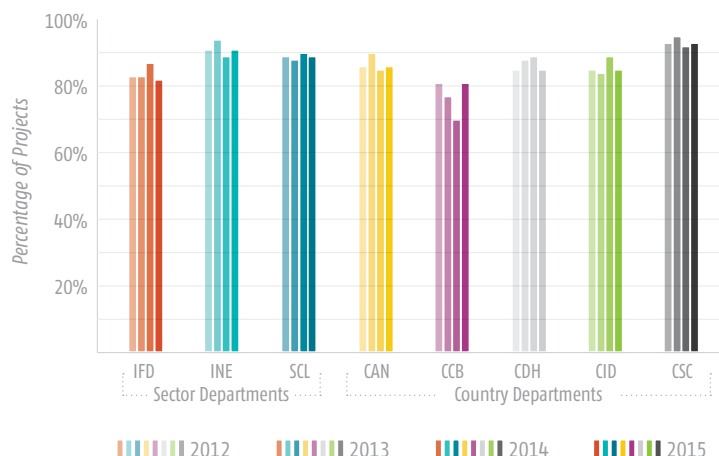
- Staff with less than 3 years accounted for 20%
- 37% have 3 to 10 years of service
- 30% have 10 to 20 years of service
- 13% have 20 years of service or more



4.22 Projects Approved with Team Leaders in COFs

Number of **SG loan operations** prepared by **Team Leaders in COF** as a percentage of total number of SG approvals reached **60%** for 2013

- 5 percentage points decrease from 65% in 2013



4.23 Projects in Portfolio with Team Leaders in COFs

88% of **Team Leaders** for projects in portfolio are located in **COFs**

- Same level as the beginning of 2014

Percentage of staff time reported to operations **execution** related activities from **COF** reached **64%**

- 1 percentage point decrease from 65% in 2013

Total time reported in this category⁵² reached **417 FTEs**

- 3 percent decrease from 428 FTEs in 2013

4.24 Projects Approved with Co-Leadership from Different Divisions

The percentage of operations with **Team Leaders** that belong to different divisions reached **16.7%**

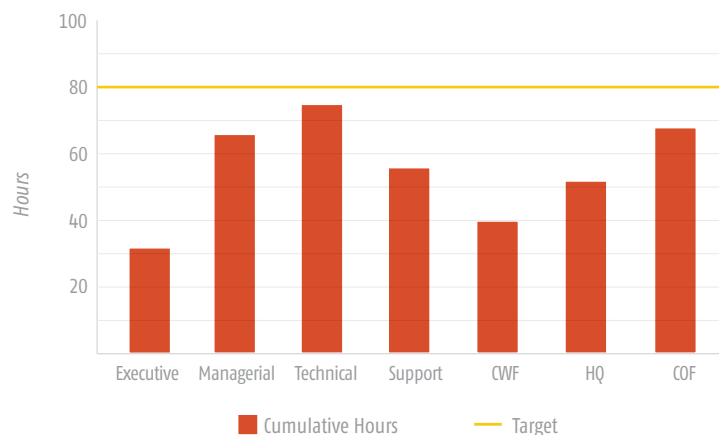
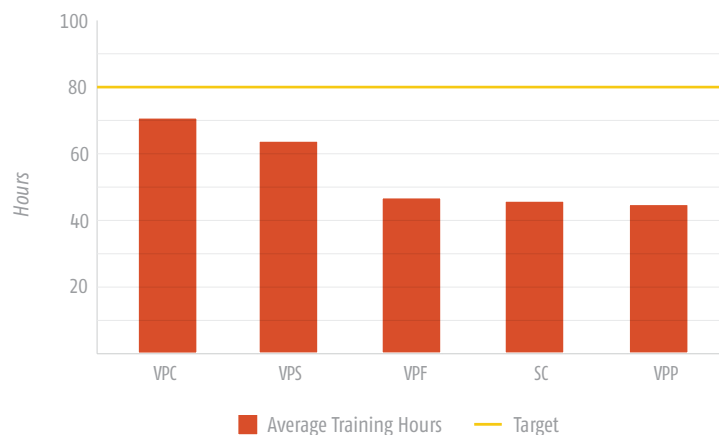
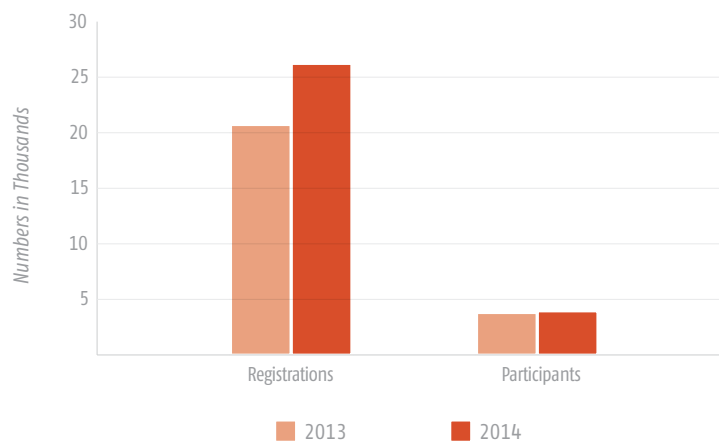
- 2.4% increase from 14.3% in 2013

4.25 Multidisciplinary Team Compositions (Loan Operations in a Program)

Operations approved with registered specialists from different Divisions as team members reached **66**, 39% of the total operations approved. For **IFD**, **32** (73%) operations had members from different divisions; for **INE** **13** (33%), **SCL** **8** (44%), **SCF** **7** (13%) and **OMJ** **3** (33%)

V. KNOWLEDGE & LEARNING

KNOWLEDGE
DEVELOPING
EDGE AND



PROGRAM EXECUTION

A. LEARNING ACTIVITIES - INTERNAL CLIENTS

5.1 Registrations & Participants Enrolled in KNL Activities

In 2014, **3,945** unique participants enrolled in at least one training program

- 4% increase from 3,795 participants at the beginning of 2013

226,117 participant hours were reported in the KNL System from **26,219** registrations:

- 11% increase from 203,098 participant hours in 2013
- 69% of the participant hours correspond to staff members, 5 percentage points increase from 64% in 2013
- 40% of staff member participant hours was staff from COF, 12 percentage points increase from 28% in 2013

5.2 Average KNL Hours per Participant

Bank's staff members reported an average of 8.9 days per FTE as training according to KNL System, and Bankwide, and **average of labor** hours reported to K&L activities was **54.6 hours**, 68% of the indicative target for the year (80 hours)

- VPC reported 71 hours, 89% of the indicative target
- VPS reported 64 hours, 80% of the indicative target
- VPF reported 47 hours, 59% of the indicative target
- SC reported 46 hours, 58% of the indicative target
- VPP reported 45 hours, 68% of the indicative target

5.3 Average Training Hours per Participant

Bankwide, **average of labor hours** reported to training activities was **54.6 hours**, 69% of the indicative target for the year (80 hours)

- Executive reported 32 hours, 40% of the indicative target
- Managerial reported 66 hours, 83% of the indicative target
- Technical reported 75 hours, 94% of the indicative target
- Support reported 56 hours, 70% of the indicative target
- COF reported 68 hours, 85% of the indicative target

EVALUATION

KNL evaluated 168 internal events with end-of-event satisfaction surveys:

- The average response rate was 68% and the average utility rate⁵³, 86%.
- The average composite Quality Index⁵⁴ was 4.2 based on a five point scale.

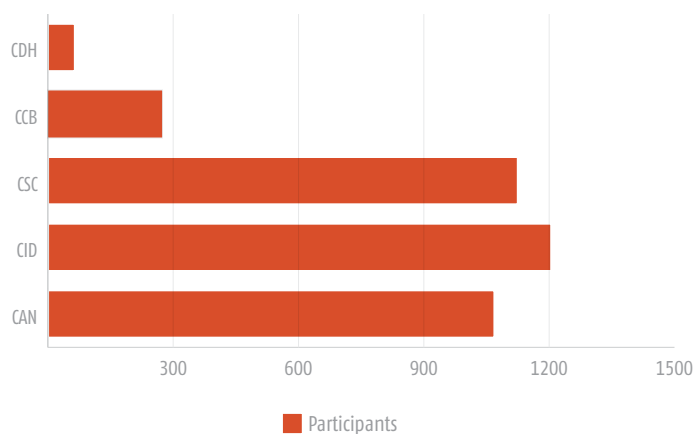
Four follow-up evaluations were carried out for K&L programs that had occurred in 2013

- 77% response rate and a result that suggests that 88% of the participants had applied the knowledge gained

B. CAPACITY BUILDING ACTIVITIES - EXTERNAL CLIENTS**5.4 External Client Participation in KNL Activities**

5,295 registered participants from the Region received 288,309 hours of training

- 54% increase of number of registered participants from 3,440.
- 69% increase when compared to the hours of training received in 2013.
- 88% of the hours were delivered through online courses while 12% were face-to-face events

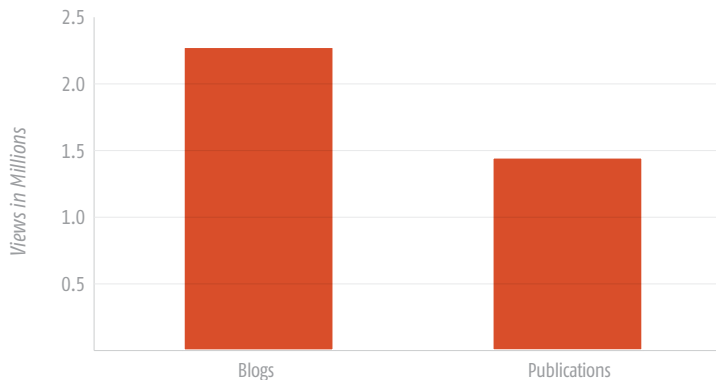
**EVALUATION ACTIVITIES FOR EXTERNAL CLIENTS**

As of November 30th 2014, KNL had performed five follow-up evaluations of 2013 programs, with an average response rate of 56%:

- 89% of those who responded reported that they had effectively applied the learning from the program

DISSEMINATION & COMMUNICATION

In 2014, KNL produced technical notes that document the lessons learned from the Bank's experience, for seven sector framework documents: Support to SMEs and Financial Access and Supervision; Justice and Citizen Security; Tourism; Water and Sanitation; Social Protection; Innovation, Science and Technology and Gender and Diversity.

**5.5 Number of Views per Dissemination Tool**

A total of **6,550 IDB Knowledge products** were available in BRIK

- Total visits to these publications were 1.4 million yielding an average of **221** visits per publication
- At the end of 2014, there were **19 Blogs** with more than **2.3 million** views
- <http://blogs.iadb.org/>
- <http://blogs.iadb.org/abierto-al-publico/>

BUDGET PROGRAMMING & EXECUTION

Of the total **resources assigned** to the K&L Fund (**\$7.8m**) and Info fund (**\$1.9m**), 100% were programmed and executed

- 1% decrease from \$7.9m assigned in 2013

AFS	Audited Financial Statements	IDB-8	8th General Capital Increase	SMO	Strategy Monitoring Division
BDA	Budget and Administrative Services Department	IDB-9	9th General Capital Increase	SPD	Office of Strategic Planning and Development Effectiveness S
C&D	Countries from Group C & Group D	IIC	Inter-American Investment Corporation	PH	Social Protection and Health Division
CAN	Country Department Andean Group (Colombia, Peru, Venezuela, Bolivia and Ecuador)	INE	Infrastructure and Environment Sector	T&L	Time and Labor System
CCB	Country Department Caribbean Group (Jamaica, Trinidad and Tobago, Suriname, Guyana, Barbados and Bahamas)	INT	Integration and Trade Sector	TC	Technical Cooperation
CCLIP	Conditional Credit Line for Investment Projects	IFD	Institutions for Development	TFFP	Trade Finance Facilitation Program
CID	Country Department Central America (Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica), Mexico, Panama and Dominican Republic	INV	Investment Operations	VPC	Vice Presidency for Countries
COF	Country Office	KCP	Knowledge and Capacity Building Products	VPF	Vice Presidency for Finance and Administration
CPD	Country Programming Document	KNL	Knowledge and Learning Sector	VPP	Vice Presidency for Private Sector and Non-Sovereign Guaranteed Operations
CRF	Corporate Results Framework	NFP	Non-Financial Products	VPS	Vice President for Sectors and Knowledge
CSC	Country Department Southern Cone (Argentina, Brazil, Chile, Uruguay and Paraguay)	LPGS	Liquidity Program for Growth Sustainability	WSA	Water and Sanitation Division
DTF	Donor Trust Funds	NPC	Non-Personnel Costs	AR	Argentina
DEM	Development Effectiveness Matrix	NSG	Non-Sovereign Guaranteed	BA	Barbados
EDU	Education Division	OC	Ordinary Capital	BH	Bahamas, The
EFS	External Feedback System	OLB	Outstanding Loan Balance	BL	Belize
EME	Emergency Operations	OMJ	Opportunities for the Majority Sector	BO	Bolivia
ESW	Economic and Sector Work	OPUS	Operations Update System	BR	Brazil
FSO	Fund for Special Operations	ORP	Office of Outreach and Partnerships	CH	Chile
FTE	Full Time Equivalents	PBL	Policy Based Lending	CO	Colombia
FMM	Fiscal and Municipal Management Division	PC	Personnel Cost	CR	Costa Rica
FOB	Funds of the Bank (ORC, FSO, GRF)	PCR	Project Completion Report	DR	Dominican Republic
FUA	Funds under Administration	PDP	Operations Procurement Office	EC	Ecuador
GCM	Grants and Co-Financing Management Unit	PFM	Portfolio Monitoring Unit	ES	El Salvador
GEF	Global Environment Fund	PI	Performance Index	GU	Guatemala
GRF	IDB Grant Facility HQ Headquarters	PMR	Progress Monitoring Report	GY	Guyana
HRD	Human Resources Department	PRG	Programming Product	HA	Haiti
HRG	Haiti Response Group	REG	Regional	HO	Honduras
ICF	Institutional Capacity and Finance Sector	RES	Department of Research and Chief Economist	JA	Jamaica
		CRF	Corporate Result Framework	ME	Mexico
		RMG	Office of Risk Management	NI	Nicaragua
		RND	Environment, Rural Development Disaster Risk Management Division	PE	Peru
		SCF	Structured and Corporate Finance Department	PN	Panama
		SCL	Social Sector	PR	Paraguay
		SECCI	Sustainable Energy and Climate Change Initiative	SU	Suriname
		SG	Sovereign Guaranteed	TT	Trinidad and Tobago
				UR	Uruguay
				VE	Venezuela, Rep. Bol.

1. Disbursement projections are as of February 28th, 2014
2. Change in percentage points. Net borrowings after swaps, plus guarantees exposure, less qualified liquid assets including special reserve assets as percentage of the Callable Capital from non-borrowing countries
3. Program figures include Ordinary Capital (OC), Fund for Special Operations (FSO), IDB Grant Facility (GRF), Clean Technology Fund (CTF), China Co-Financing Fund for Latin America and the Caribbean (CHC), Canadian Climate Fund for the Private Sector in the Americas (CPS) and Strategic Climate Fund (SCX)
4. 2014 Program and Budget Proposal (GA-257-5, October 25 2013)
5. It excludes one Contingent Credit Line for Sustainable Development for \$300m
6. Double-booking operations are projects that focus on cross-cutting themes prepared by more than one sector division from VPS and/or VPP.
7. The ESW Program refers only to products financed by the administrative budget from VPS
8. ESW are stand-alone products whose primary objective is to enhance the relevance of the Bank to the Region by generating, applying and disseminating knowledge that can be applied in Bank operations. ESWs include activities (deliverables) such as policy dialogue, impact evaluations, pilot programs, analysis of social, economic and macroeconomic developments in the region, databases, and knowledge dissemination in the five CGI-9 sector priorities, and in new areas of work like citizen security, innovation, food security or sustainable cities.
9. Included Emergency loans disbursements (LPGS and Fiscal) for \$37m in 2008 and \$548m in 2009.
10. Disbursement projections are as of February 28th, 2014
11. 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 eligibility. The universe of projects for the profile shown, are the investment operations with Sovereign Guarantee that have closed between 2003 and 2014.
12. Disbursement Profile of a Sector is based on the average of the amount disbursed per project in the portfolio. The number of months is calculated from date of eligibility. The universe of projects for the profile shown, are the investment operations with Sovereign Guarantee that have closed between 2003 and 2014.
13. The disbursements rate of operations included in this group falls above or within the expected rate of disbursement based on half-a-standard deviation of its corresponding country and sector.
14. Includes operations financed by GRF.
15. Excludes operations pending ratification
16. All PCRs were required to be approved by June 30, 2013
17. PCR is not required if the operation was cancelled without any disbursement, the PCR was waived (signed memorandum required), the project is not the last operation of a multi-phase or PBP series, the project is a supplementary or part of another project that required PCR
18. Includes SG and NSG operations
19. "Year" refers to AFS delivered during that year, corresponding to the previous fiscal year.
20. The new methodology is not comparable with the methodology used in previous years. The new methodology uses project execution phases and new indicators. For projects disbursing, the PMR employs an adaptation of the Earned Value Method (EVM) technique that compares the planned values of a project with the actual values achieved (earned value) and the actual costs. For approved projects not disbursing, the classification is based on the percentile of the elapsed time from approval date to legal effectiveness, or from legal effectiveness to eligibility. Also, the "Outliers" classification was dropped in the new methodology. Currently, these projects may be classified as on alert or with problems.
21. The analysis was based on the Performance Index (PI) calculated in March 2014 for 638 operations that required a PMR. Policy-based programs and closed operations were excluded. The percentages for 2013 (2012 Cycle) are included for reference only as they are not comparable.
22. Brazil, Peru, Mexico, Chile and Costa Rica
23. Includes a \$300m approval under the Credit Line for Development Sustainability (EC-L1145)
24. Planned for 2014 is based on Pipeline A as of February 28, 2014.
25. Based on total approvals. It includes Funds of the Bank and Funds under Administration.
26. Operations that can potentially benefit from Multiple Booking are identified during the programming exercise or initial preparation and agreed in the Eligibility Review Meeting (ERM). Operations are usually classified as such because it's considered they would significantly change or not be viable without the expertise from more than one sector

27. Includes IIC exposure.
28. Evaluability or the extent to which an activity or program can be evaluated in a reliable, credible fashion, is the basis for assessing compliance with evaluation standards set out in the DEF.
29. For 2014 there was a change in the evaluability categories. Highly Evalu-able projects must have a score of 9 or more in 2014 versus 7 or more in 2013. Evaluable projects are projects with evaluability scores between 7 and 9 in 2014 versus between 6 and 7 in 2013.
30. Based on new Methodology - GAP 2014-2016 (GDI)
31. The evaluation summary of the Development Effectiveness Matrices is in-cluded as an annex in the approved Country Strategy documents (GN-2785, GN-2748, GN-2796-1 and GN-2769)
32. 37 FTE – Full Time Equivalent Staff Years.
33. Customer Relationship Management refers to the provision of timely, high quality services to borrowing countries, donors and other key constituen-cies. Manage clients' expectations under a scenario of scarcity of resourc-es.
34. Project pipeline includes projects categorized as A and B unless specifically noted.
35. The ESW Program refers only to products financed by the administrative budget from VPS
36. ESW are stand-alone products whose primary objective is to enhance the relevance of the Bank to the Region by generating, applying and dissemi-nating knowledge that can be applied in Bank operations. ESWs include activities (deliverables) such as policy dialogue, impact evaluations, pilot programs, analysis of social, economic and macroeconomic developments in the region, databases, and knowledge dissemination in the five CGI-9 sector priorities, and in new areas of work like citizen security, innovation, food security or sustainable cities.
37. CIPs are products and services whose primary objective is to respond to the Bank's needs in terms of training and human capital development, knowledge management, new sector strategies, policies or action plans, instruments and tools to support the preparation and supervision of opera-tions, mainstreaming of activities in Bank operations, and positioning the Bank in different international forums. CIPs include activities such as train-ing for all Bank staff, library and knowledge management services, sector knowledge weeks, preparation of sector strategies, policies and guidelines, gender or climate change mainstreaming into IDB operations, operational tools to strengthen environmental and social risk management, or the implementation of specific action plans.
38. It excludes CIPs of KNL for training services. They are part of section V, Knowledge and Learning.
39. Amounts and operations approved in this section do not include the IDB Special Grant Facility.
40. Chile, Honduras and Paraguay
41. Information not available in 2013 and no CRF target established.
42. Excludes general administrative costs
43. Time reported is from all Bank staff and do not include consultants. The time reported excludes the following categories: Leave, Bank closures, holidays, compensatory time and training.
44. Programming and origination, operations design, execution and evaluation and operational knowledge exchange and Outreach
45. Excludes time reported by the Office of Evaluation and Oversight (OVE)
46. Time reported is from all Bank staff and do not include consultants. The time reported excludes the following categories: Leave, Bank closures, holidays, compensatory time and training.
47. Programming and origination, operations design, execution and evaluation and operational knowledge exchange and Outreach
48. For this graph and the following four, Time elapsed is calculated with a four quarters moving average
49. Measurement based on registered Start date
50. Only operations that actually disbursed.
51. Professional Staff: Grades 9 and above (Bankwide)
52. Time reported accounts for the hours from staff directly charged to opera-tions (Loans and Technical Cooperation).
53. Percentage who answered 4 or 5 out of all respondents (on a 1-5 scale)
54. A weighted Index based on the ratings for the Content, Methodology, Mate-rials and Instructor for each event.