

# 2019 ANNUAL BUSINESS REVIEW



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JEL Codes: G1, G20, Y1



# About the ABR

The 2019 ABR provides an overview of the Bank's performance on outputs, lending program priorities and organizational indicators. The goal of this report is to identify any deviation from established Bank targets and to enable the implementation of measures to address them.

While reading this report, please take into consideration that this document:

- Focuses on information related to Sovereign-guaranteed (SG) operations, unless otherwise specified. Data from ABRs prior to 2016 should be interpreted with caution due to the consolidation of the IDB's private sector operations into IDB Invest in January 2016.
- Provides an analysis of the operational and non-operational data for 2019.
- Uses December 31, 2019 as the cut-off date. Operational and budget resources data were compiled from the Bank's Enterprise Data Warehouse (EDW) and other internal sources, including specific business units. In some cases adjustments were made to the data extracted from the EDW – in coordination with the appropriate business units – to more accurately reflect the status of specific indicators.
- Percentages have been rounded and may not always sum up to 100%.

It is important to take into consideration the following changes that occurred in 2017-2019 regarding the IDB's internal structure and processes:

- In August 2017, Haiti was moved from the CDH to the CID Department. To facilitate comparisons between 2018 and prior years, regional graphs consider Haiti as part of CID for the entire period.
- The Budget Division created new accounts to reflect the new Consultant modality set forth in the updated AM-650 regulation on the Complementary Workforce. Revisions to existing DTC and TTC accounts have been made to reflect the Transitional Measures of said regulation.
- A new time reporting system for the Complementary Workforce was introduced. As a result, estimates of total reported hours since 2018 are not comparable with previous years.
- Due to a new system introduced in 2018, registration criteria for KIC's programs and hours has been updated and participant data is not fully comparable with previous years.

As always, your feedback is encouraged . Please share your opinions to improve the ABR at [QBR@IADB.ORG](mailto:QBR@IADB.ORG).

Special thanks to VPC, VPF, VPS, ORP, KIC, HRD and RMG for their contributions to this report. Human Resources (Chapter IV) data was provided by HRD and Knowledge and Learning (Chapter V) data was provided by KIC.

## Introduction

This edition of the Annual Business Review (ABR) provides a snapshot of the IDB's lending, knowledge, and training programs as well as the execution of its budget. The first section presents highlights and insights of the last quarter of 2019. The remaining five sections present aggregated information on portfolio execution, approvals, technical assistance, other non-reimbursable operations, budget execution, human resources, and knowledge and training activities.

The analytics section revisits the study on what factors influence the execution of Sovereign-Guaranteed Loan Projects approved by the IDB. It emphasizes that there is no evidence of a trade-off between preparation and execution calendar time in sovereign-guaranteed investment loan projects and emphasizes the importance to start disbursing faster to avoid project execution delays as longer periods of time between approval and the first disbursement are strongly correlated with project extensions.

## Quarterly main transactions

**In the fourth quarter of 2019, the IDB disbursed US\$3,604 million, which was 29.4% lower than the amount disbursed in the fourth quarter of 2018.** Of

this total fourth-quarter disbursement, policy-based loans accounted for US\$ 1,544 million, and investment loans, US\$2,060. The aggregate amount for 2019 reached US\$8,946, 10% less than the total disbursement in 2018. Nonetheless, the disbursements in 2019 were 4.1% above the baseline projection for the year.

### **The IDB approved 47 sovereign-guaranteed projects totaling US\$4 billion in the fourth quarter of 2019.**

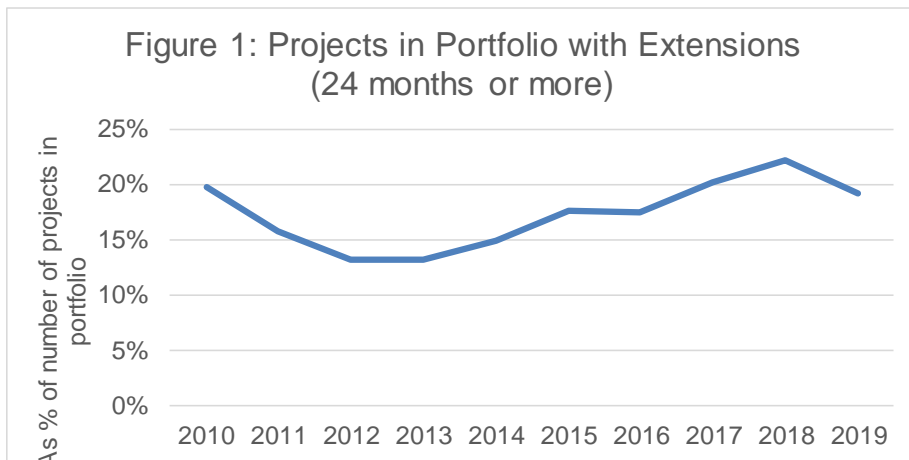
This includes 39 investment projects for US\$2.4 billion and eight policy-based loans for US\$1.5 billion. Approvals for the year reached a total of \$11,311 million in 106 new projects, 10% more in number and yet 11% less in volume than last year. The largest projects approved during the quarter include three Policy-Based Loans (one in Mexico for US\$600 million, one in Colombia for US\$300 million, and one in Dominican Republic for US\$250 million), and one investment project in Mexico for US\$250 million.

## Outlook and Trends

### **SG Investment Projects with 24 months or more of extensions decreased 13% in 2019.**

The percentage of projects in portfolio with extensions (24 months or more) reached 19.2% in 2019, 3 percentage points less than in 2018, breaking with the trend of the last six years (Figure 1). The percentage of

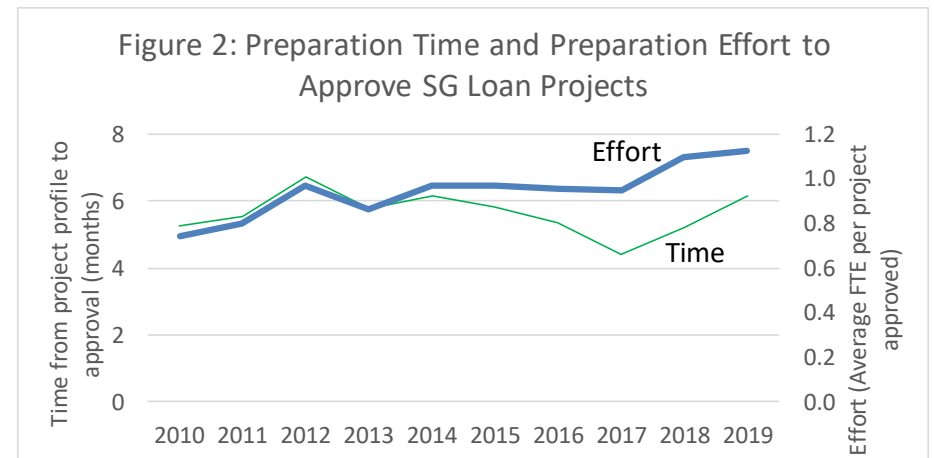
projects in portfolio with extensions 24 months or more for the last disbursement had been up for the past 6 years. Between 2013 and 2018, it increased 9 percentage points from 13% to 22%. Moreover, 77% of operations that closed in the last 5 years were extended, with a median execution period of 6.9 years, (1.9 years in average) more than the originally planned. However, we expect the percentage of projects with extensions of 24 months or more to remain low since the number of projects with extensions less than 24 months also decreased in 2019.



## Short-term Deviations

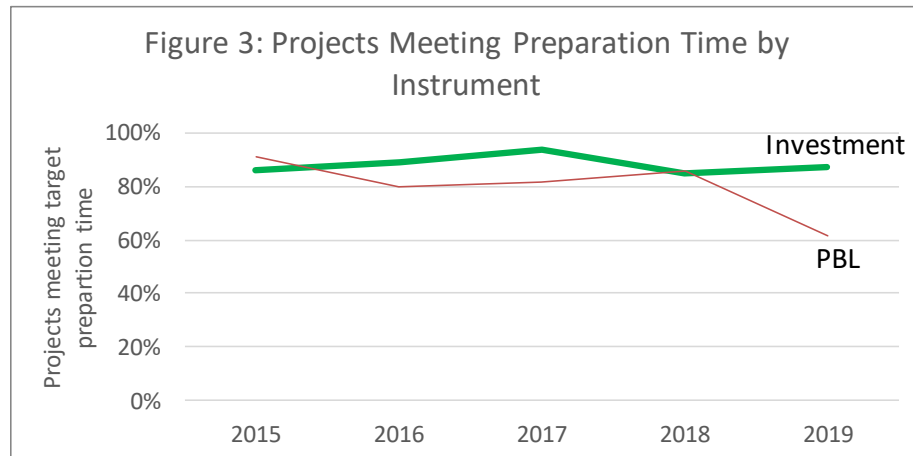
In 2019, the **median project preparation time from project profile to approval increased 18%**, similarly to 2018 (Figure 2). The average preparation time of the SG loan projects reached 6 months, one and two months longer than in

2018 and 2017 respectively. However, the average times reached in 2017 and 2018 where the lowest levels ever. The median preparation time in 2019 represents a return to the historical median of 6 months. In parallel, effort reported to project preparation increased in the last two years. The average of Full-Time Equivalent (FTEs) reported to project preparation increase from 0.95 in 2017 to 1.10 in 2018 and 1.13 in 2019, equivalent to a cumulative increase of 19%.



**The increase in preparation time in 2019 was driven mainly by the PBL projects.** The percentage of PBL projects meeting the preparation time of 6 months or less as established in the IDB Corporate Result Framework (CRF 2016-2019) reached 62%, 24 percentage points less than in 2018 (Figure 3). Instead, the percentage of investment loan projects

meeting the preparation time of 12 months or less in 2019 was 87%, 2 percentage points better than in 2018.



## Topic for Discussion and Analysis: What factors influence the execution of SG investment loan projects?

A central task for the IDB to achieve its strategic objectives and to fulfill its development mission in the region is to execute the 595 projects active in portfolio, including the 106 approved projects during 2019. But what factors, if any, influence the execution of SG investment loans? To answer this question using

systematic evidence it is necessary to analyze the operational data captured from project execution.

Although most of IDB projects are classified as satisfactory in the Progress Monitoring Report (PMR), it is important to assess how the categories of project execution evolve through the project's lifecycle and their possible determinants. We looked at different PMR reports and analyzed data for 613 projects for the period 2013-2017 ([link](#)) to understand how a project transitioned from one category to another. We found that the evolution across years of projects' classifications tend to either remain satisfactory or, in the case of previously low-graded projects, improve to a higher category.

We took a step further and looked for projects' characteristics that could be associated with a higher likelihood of being a "problem project". We found that everything else constant, projects whose executing agency is subnational, whose execution modality is Global Multiple Works Operations (GOM), designed by several divisions (double-booked), with longer elapsed time between their approval and eligibility dates are more likely to be classified as problem. Besides we found that projects that are part of a Conditional Credit Line for Investment Projects and projects with executing agencies that manage multiple operations are less likely to be classified as problem projects.

But even though the PMR suggests that project execution in the Bank is not a pervasive problem, it is important to analyze how to improve project execution. Project execution and design are key inputs for the Bank to fulfil its development mission. The Bank allocates half of its total labor force effort towards these activities. For example, in 2018, 41% of the total staff and complimentary workforce time was allocated to project supervision (execution), and 9% of the total time was allocated to project preparation. If half of the total labor force effort is directly related to the design and execution of development projects, there is space for potential efficiency gains that the institution can make if it is able to optimize the allocation of its labor input and improve project execution.

It is important to acknowledge that there are different dimensions to measure what can be considered as “improved execution”. The ideal situation is when a project achieves 100% of its objectives, at the shortest possible time and at minimum cost. But there could be situations when the objectives are reached with time extensions, or at extra costs. So first we studied the set of projects whose execution has been extended by at least 24 months ([link](#)). This subset is particularly important because the average undisbursed balance when a project is extended for more than 24 months fluctuated between 27% and 45% from 2010 to 2017. This generated unforeseen supervision costs for

the Bank and, most importantly, delayed meeting the projects’ objectives. We found that once a project is approved, a prompt start of its execution is critical. The evidence suggests that the longer the time elapsed between approval and the first disbursement, the more likely that the project will have a 24 months extension. So, is there anything that can be done before approval, that is during preparation, so that the time to make the first disbursement speeds up? Is it possible that lower preparation time leads to longer execution time?

We found that ([link](#)), everything else constant, after accounting for project characteristics, country effects, and aggregate factors, there is no systematic evidence that supports the existence of a trade-off between preparation and execution calendar time in sovereign-guaranteed investment loan projects. Besides, we looked at whether there is a tradeoff between effort, that is if more time preparing a project translates into lower time executing it ([link](#)). Surprisingly we found a positive and statistically significant relationship between preparation and execution efforts, which is at odds with the conventional wisdom that -everything else constant- more time spent designing a project, should translate into less effort later at the execution stage. We believe that this counterintuitive result could be the outcome of a measurement problem, as we couldn’t capture the complexity of a project in our set of explanatory variables. If this is the case, then the positive

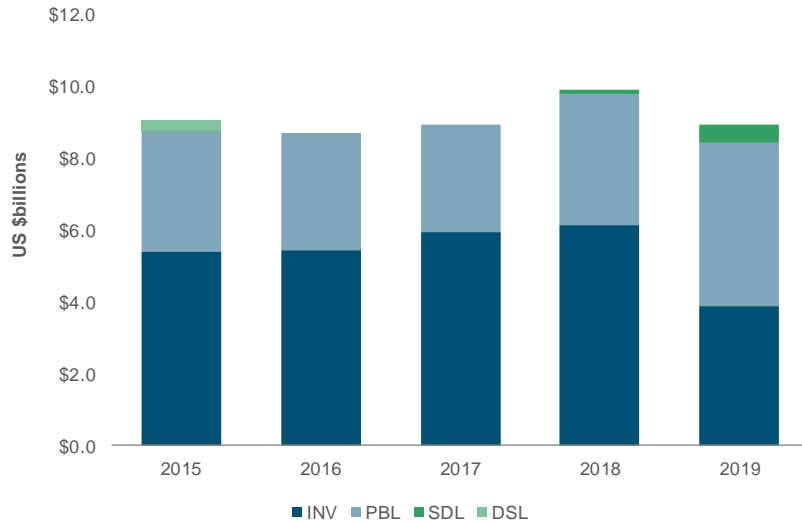
association between project execution and preparation effort is the result of the omitted project complexity measurement, that resulted in a spurious correlation. This result suggests that further research is necessary to develop a metric for project complexity that goes beyond the project's characteristics and the institutional features in the beneficiary country. The development of this indicator could help us further understand how the preparation and the execution phases of a project are interrelated.

So far, the studies produced suggest that it is of key importance to start disbursing faster to avoid project execution delays as longer periods of time between approval and the first disbursement are strongly correlated with project extensions. It becomes then of paramount importance to anticipate actions that would reduce this idle time to the minimum. Besides risk factors related to the beneficiary country and to the nature of the project, it seems that increasing the allocation of labor effort during project preparation or increasing preparation time, is not associated with less execution delays or increasing execution effort.



# 2019 ANNUAL BUSINESS REVIEW

## CHAPTER I EXECUTION



## SOVEREIGN-GUARANTEED LOAN DISBURSEMENTS<sup>1</sup>

### 1.1 Total SG Loan Disbursements

Bank's disbursements reached **\$8.9b**, 104% of the projected<sup>2</sup> **\$8.6b** for the year.

- 10% decrease from \$9.9b in 2018.

Investment loan disbursements reached **\$3.9b**, 88% of the projected **\$4.4b** for the year.

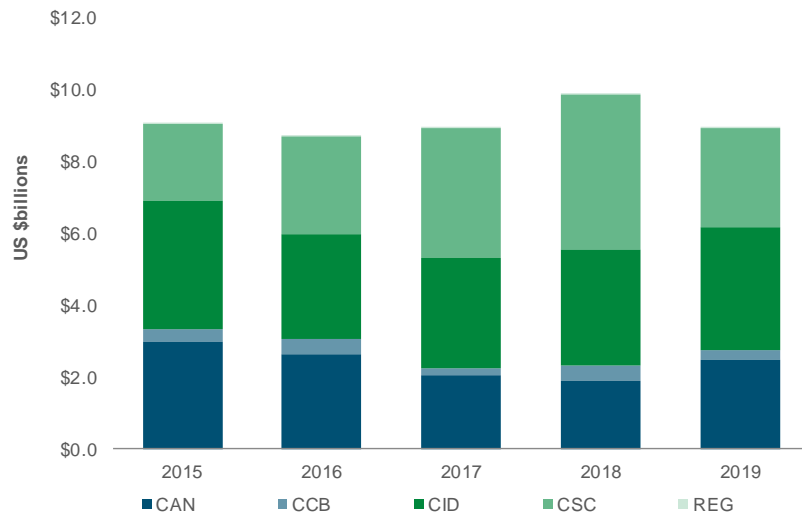
- 37% decrease from \$6.1b during in 2018.

Policy Based Loan disbursements reached **\$4.6b**, 122% of the projected **\$3.7b** for the year.

- 24% increase from \$3.7b in 2018.

Sustainable Development Lending reached **\$500m**.

- Five times the amount disbursed in 2018 (\$100m).



## BY COUNTRY DEPARTMENT

### 1.2 SG Loan Disbursements by Country Department

CAN disbursements reached **\$2.5b**.

- 33% increase from \$1.9b in 2018.

CCB disbursements reached **\$256m**.

- 40% decrease from \$431m in 2018.

CID disbursements reached **\$3.4b**.

- 6% increase from \$3.2b in 2018.

CSC disbursements reached **\$2.7b**.

- 37% decrease from \$4.3b in 2018.

Regional disbursements reached **\$39m**.

- 15% increase from \$34m in 2018.

<sup>1</sup> All of Disbursements in this section are run with Cash Value Date.

<sup>2</sup> The Disbursement Baseline Projection of \$8.6 billion (and its instrument subtotals), corresponds to the Actual Disbursements for January and February plus the Disbursement Projections reported at 02/28/2019 for March through December. This figure is different from the amount reported in the Long-Term Financial Plan (LTFP), which is calculated with a different methodology.

## BY SECTOR

### 1.3 Loan Disbursements by Sector

IFD disbursements reached **\$3.6b**.

- 11% increase from \$3.2b in 2018.

INE disbursements reached **\$2.9b**.

- 18% decrease from \$3.5b in 2018.

INT disbursements reached **\$45m**.

- 85% decrease from \$300m in 2018.

SCL disbursements reached **\$1.3b**.

- 48% decrease from \$2.4b in 2018.

CSD disbursements reached **\$1.2b**.

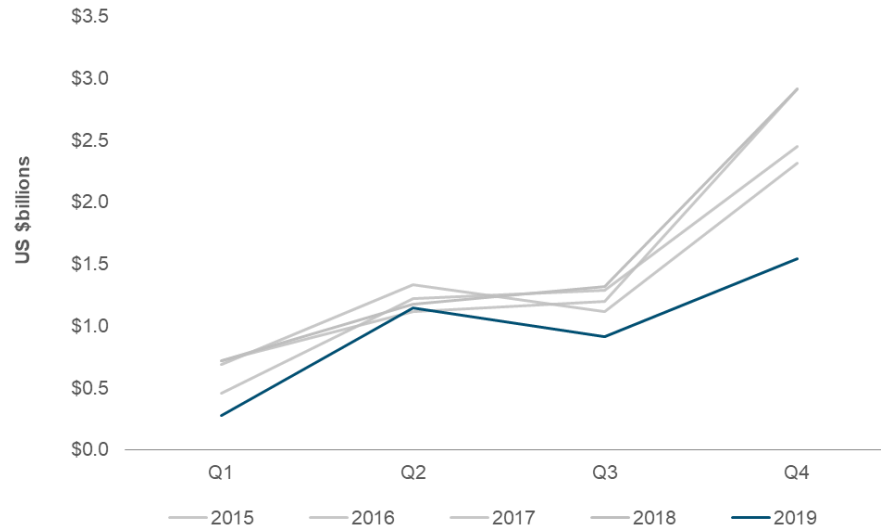
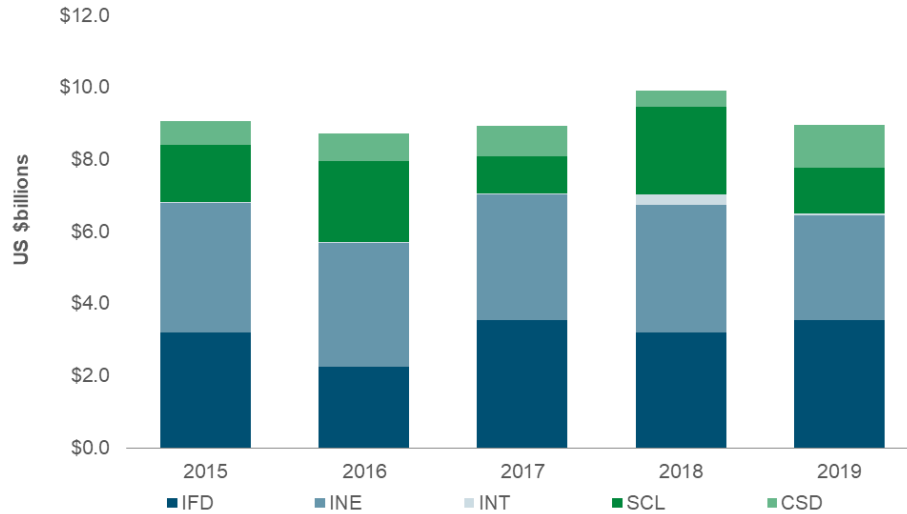
- 164% increase from \$448m<sup>3</sup> in 2018.

### 1.4 Cumulative SG Investment Disbursements by Quarter

Investment loan disbursements in the last quarter (2019 Q4) reached **\$1.5b**

- 47% decrease from \$2.9b in 2018 Q4.

- Last quarter's (Q4) Investment disbursements represented 40% of total, 8 percentage points decrease from 48% in the last quarter of 2018.



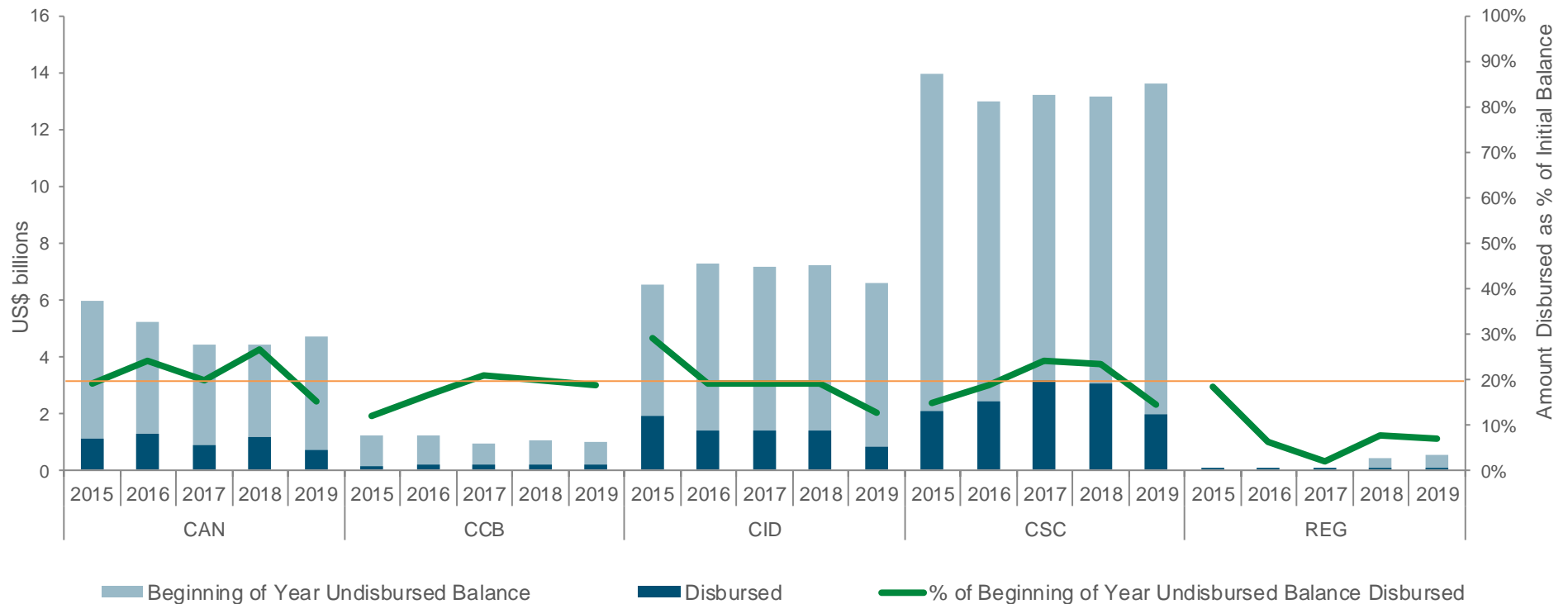
<sup>3</sup> The Climate Change and Sustainable Development Sector (CSD) was created in 2016. CSD portfolio includes new approvals and operations transferred from IFD and INE portfolios.

## BEGINNING OF THE YEAR UNDISBURSED BALANCE

### 1.5 SG Investment Disbursements vs. Beginning of Year Undisbursed Balance<sup>4</sup>

Disbursement as a percentage of beginning of year undisbursed balance for SG investment projects was 14% in 2019:

- 8 percentage points decrease from 22% in 2018.
- The current average for the last 5 years across the Bank is **19.4%**.
- Five-year averages by Country Group: 20.9% for CAN, 17.6% for CCB, 19.8% for CID and 19.1% for CSC.



<sup>4</sup> Includes only the funds of the Bank for all eligible and non-eligible projects.

## SG LOAN PORTFOLIO IN EXECUTION<sup>5</sup>

### 1.6 By Region Department

As of December 31, 2019, there were 595 SG projects in the portfolio in execution representing **\$54.1b** in volume, 1% decrease from 600 projects in 2018.

CAN portfolio reached **133** projects.

- 2% increase from 131 in 2018.

CCB portfolio reached **64** projects.

- 8% increase from 59 in 2018.

CID portfolio reached **147** projects.

- 8% decrease from 160 in 2018.

CSC portfolio reached **240** projects.

- 1% decrease from 242 in 2018.

REG portfolio reached **11** projects.

- 38% increase from 8 in 2018.

### 1.7 By Sector

IFD portfolio reached **166** projects.

- 8% increase from 154 in 2018.

INE portfolio reached **205** projects.

- 5% decrease from 215 in 2018.

INT portfolio reached **25** projects.

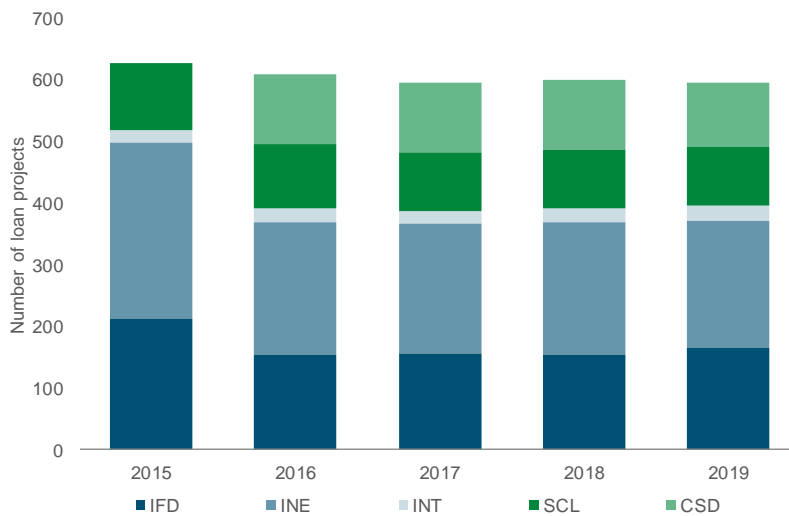
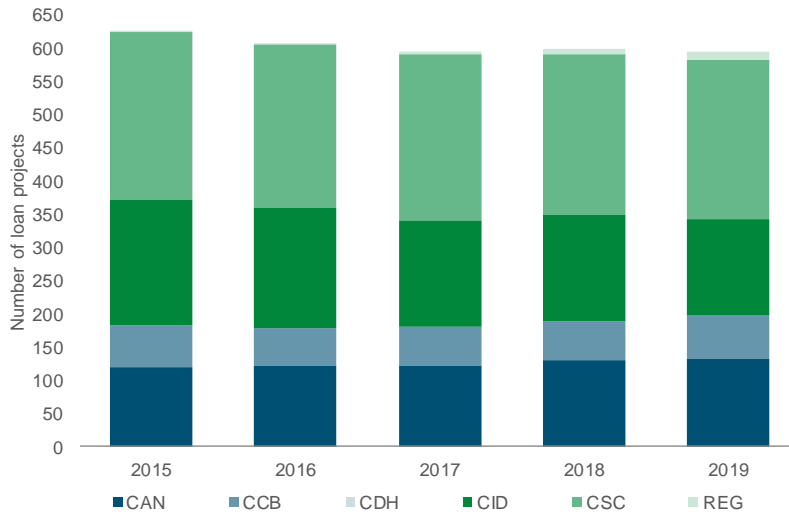
- 14% increase from 22 in 2018.

SCL portfolio reached **96** projects.

- Same as in 2018.

CSD portfolio reached **103** projects<sup>6</sup>.

- 9% decrease from 113 in 2018.



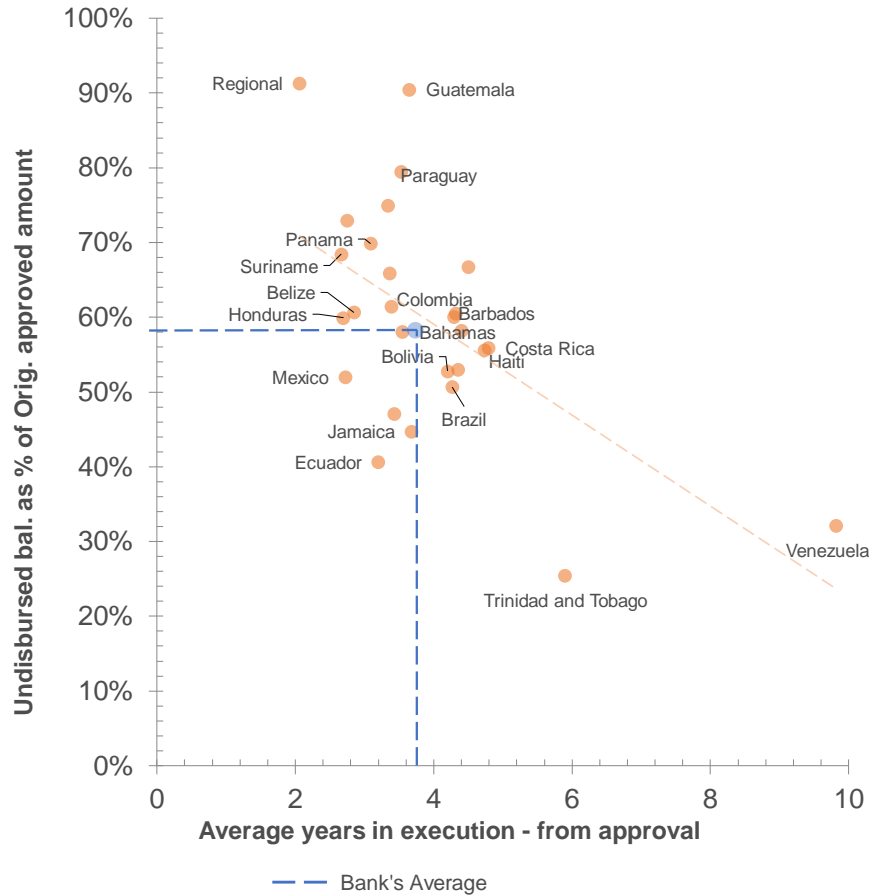
<sup>5</sup> Includes operations financed by GRF.

<sup>6</sup> The Climate Change and Sustainable Development Sector (CSD) was created in 2016. CSD portfolio includes new approvals and operations transferred from IFD and INE portfolios.

## SG LOAN PROJECT PORTFOLIO BY COUNTRY

### 1.8 Number, approved amount, undisbursed balance and age of the SG portfolio<sup>7</sup>

- The average age, years in execution since approval, of the portfolio reached 3.8 years, decreasing 5% from 4.0 years in 2018.



Country	Number of Projects	Original Approved \$M	Undisbursed Balance \$M	Und. Bal. / Cur. Appr.	Average Years in Execution
Argentina	64	10,179	6,116	60%	4.3
Barbados	10	261	158	61%	4.3
Bahamas	10	367	213	58%	3.6
Belize	8	103	62	61%	2.8
Bolivia	32	2,345	1,238	53%	4.2
Brazil	81	11,123	5,639	51%	4.3
Chile	10	663	484	73%	2.8
Colombia	30	2,091	1,284	61%	3.4
Costa Rica	10	1,644	919	56%	4.8
Dominican Republic	17	1,845	869	47%	3.4
Ecuador	31	2,982	1,212	41%	3.2
El Salvador	8	425	284	67%	4.5
Guatemala	6	760	687	90%	3.6
Guyana	11	208	121	58%	4.4
Haiti	33	1,437	799	56%	4.7
Honduras	19	1,076	645	60%	2.7
Jamaica	14	566	253	45%	3.7
Mexico	12	2,521	1,310	52%	2.7
Nicaragua	13	826	438	53%	4.4
Peru	34	2,238	1,678	75%	3.3
Panama	21	1,885	1,317	70%	3.1
Paraguay	40	2,447	1,945	80%	3.5
Regional	11	973	888	91%	2.1
Suriname	12	301	206	68%	2.7
Trinidad and Tobago	7	510	130	25%	5.9
Uruguay	45	2,574	1,696	66%	3.4
Venezuela	4	1,350	433	32%	9.8
<b>All</b>	<b>593</b>	<b>53,699</b>	<b>31,023</b>	<b>58%</b>	<b>3.8</b>

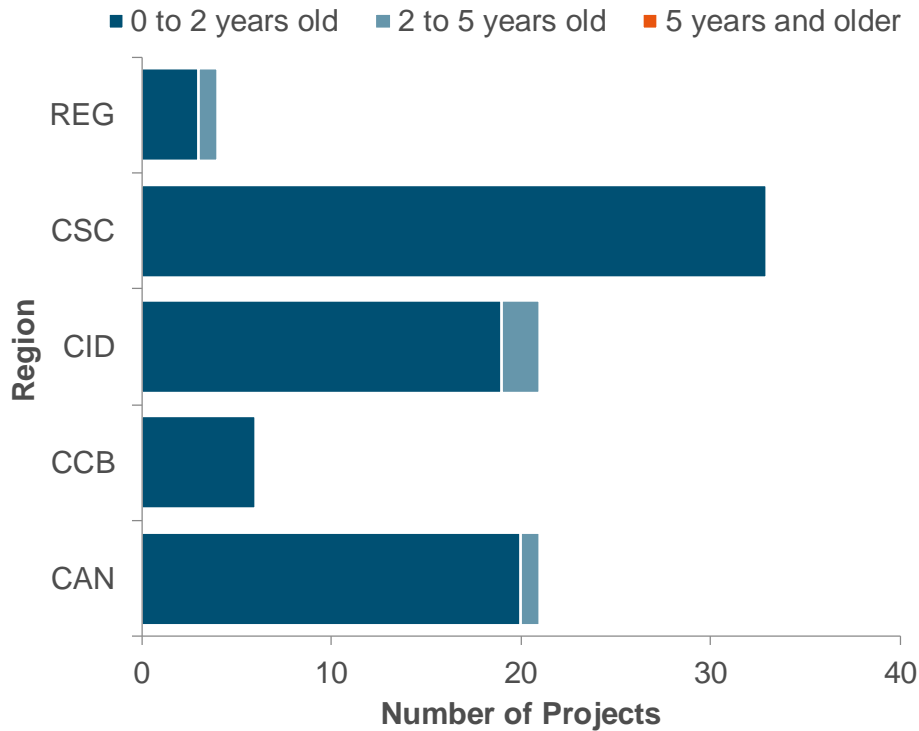
<sup>7</sup> Excludes SG Guarantees and Projects using OPEC Funds only. Includes PBL-DDO projects.

## SG LOAN PORTFOLIO PENDING SIGNATURE

### 1.9 SG Portfolio Pending Signature by Country Department and Approval Year

85 SG projects are pending signature<sup>8</sup>, representing \$9.0b in volume, of which:

- 4 were approved between 2015 and 2017 (2 to 5 years old).
- 81 were approved between 2018 and 2019 (0 to 2 years old).
- CSC & CAN countries accounted for 64% (54) of the total number of SG loan projects pending signature (85)



	0 to 2 years old			2 to 5 years old			5 years and older		
	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%
CAN	1,532	20	95%	150	1	5%	0	0	0%
CCB	160	6	100%	0	0	0%	0	0	0%
CID	1,661	19	90%	310	2	10%	0	0	0%
CSC	4,587	33	100%	0	0	0%	0	0	0%
REG	323	3	75%	280	1	25%	0	0	0%
Total	8,264	81	95%	740	4	5%	0	0	0%

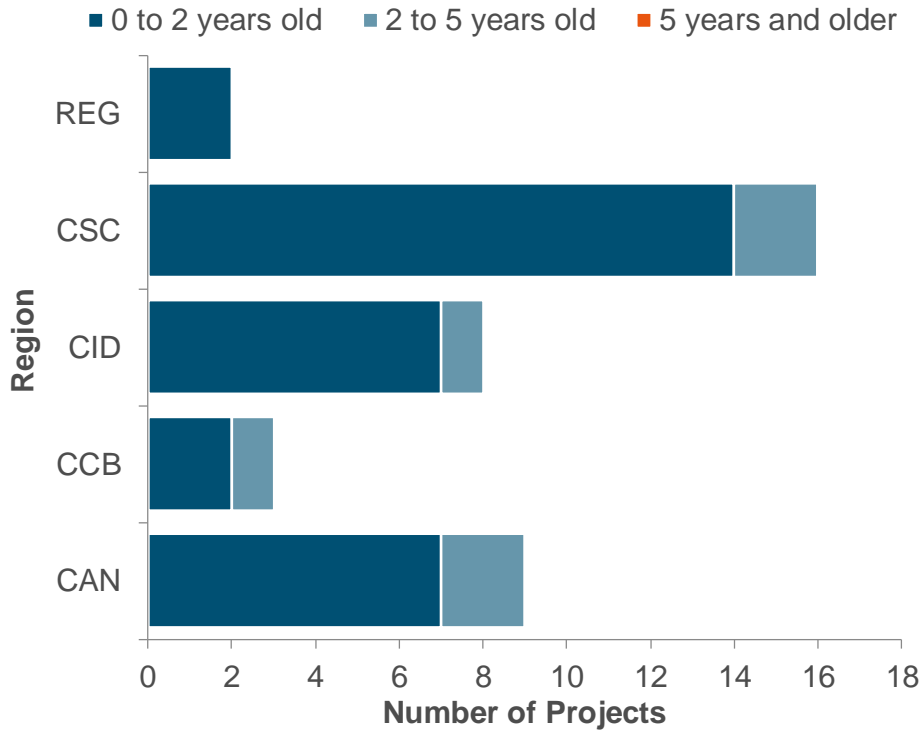
<sup>8</sup> Excludes operations pending ratification

## LOAN PORTFOLIO PENDING ELIGIBILITY

### 1.10 SG Projects Legally Effective, Pending Eligibility by Country Department and Approval Year

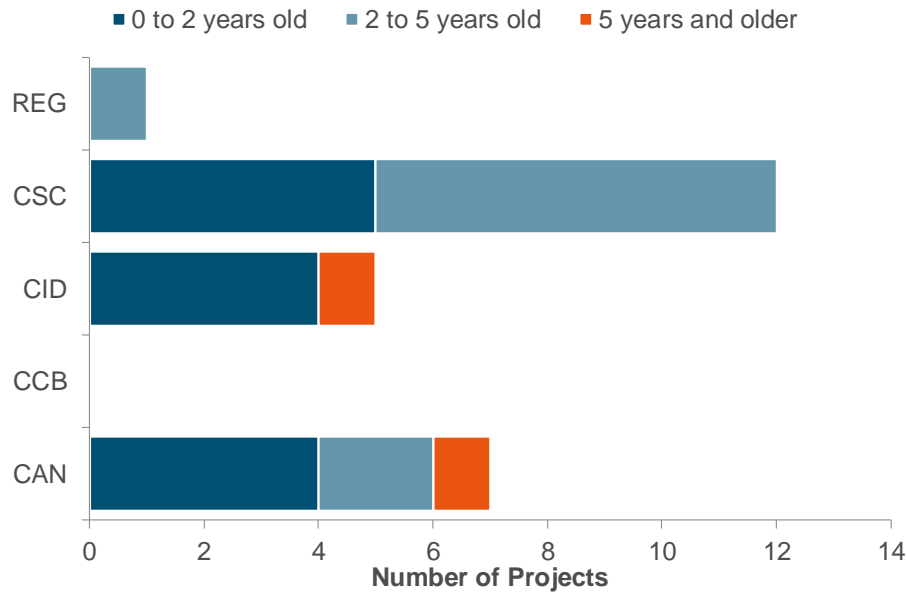
38 SG projects with legal effectiveness are pending eligibility, representing 6% of the total SG portfolio (595 projects), of which:

- 6 were approved between 2015 and 2017 (2 to 5 years old).
- 32 were approved between 2018 and 2019 (0 to 2 years old).
- CAN & CSC countries accounted for 66% (25) of the total portfolio pending eligibility (38).



	0 to 2 years old			2 to 5 years old			5 years and older		
	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%
CAN	434.2	7	78%	450.0	2	22%	0.0	0	0%
CCB	75.0	2	67%	20.0	1	33%	0.0	0	0%
CID	351.3	7	88%	250.0	1	13%	0.0	0	0%
CSC	1,273.3	14	88%	220.0	2	13%	0.0	0	0%
REG	110.0	2	100%	0.0	0	0%	0.0	0	0%
Total	2,244	32	84%	940	6	16%	0.0	0	0%





## LOAN PORTFOLIO PENDING FIRST DISBURSEMENT

### 1.11 Number of SG Operations Pending First Disbursement by Country Department and Approval Year

25 SG eligible operations are pending first disbursement representing 4% of the total SG portfolio in execution (595 operations), of which:

- 2 were approved on or before 2014 (5 years or older).
  - 10 were approved between 2015 and 2017 (2 to 5 years old).
  - 13 were approved between 2018 and 2019 (0 to 2 years old).
- CAN & CSC accounted for 76% (19) of the portfolio pending first disbursement (25).

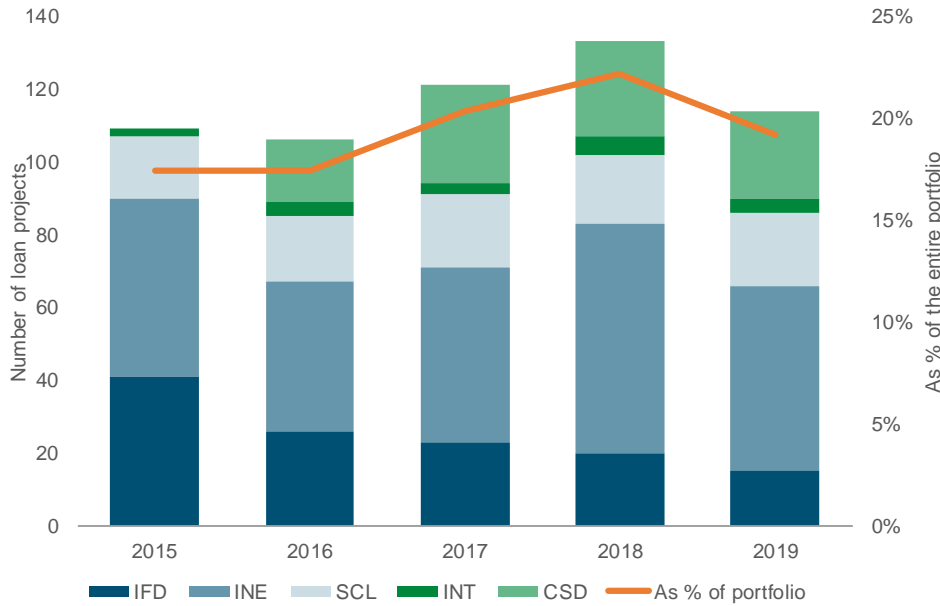
	0 to 2 years old			2 to 5 years old			5 years and older		
	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%	Orig. Appr. M\$	Num.	%
CAN	491.8	4	57%	80.0	2	29%	60.0	1	14%
CCB	0.0	0	0%	0.0	0	0%	0.0	0	0%
CID	830.0	4	80%	0.0	0	0%	85.8	1	20%
CSC	767.0	5	42%	1,602.0	7	58%	0.0	0	0%
REG	0.0	0	0%	40.0	1	100%	0.0	0	0%
Total	2,089	13	52%	1,722	10	40%	145.8	2	8%

## LAST DISBURSEMENT EXTENSIONS

### 1.12 SG Investment Projects Extended 24+ Months

114 SG investment projects have extensions of 24 months or more from the original last disbursement date, representing \$2.9b of undisbursed balance

- 14% decrease from 133 in 2018.
- Undisbursed balance of these operations represents 10% of the portfolio's total undisbursed balance, an increase of 2 percentage points from 8% in 2018.

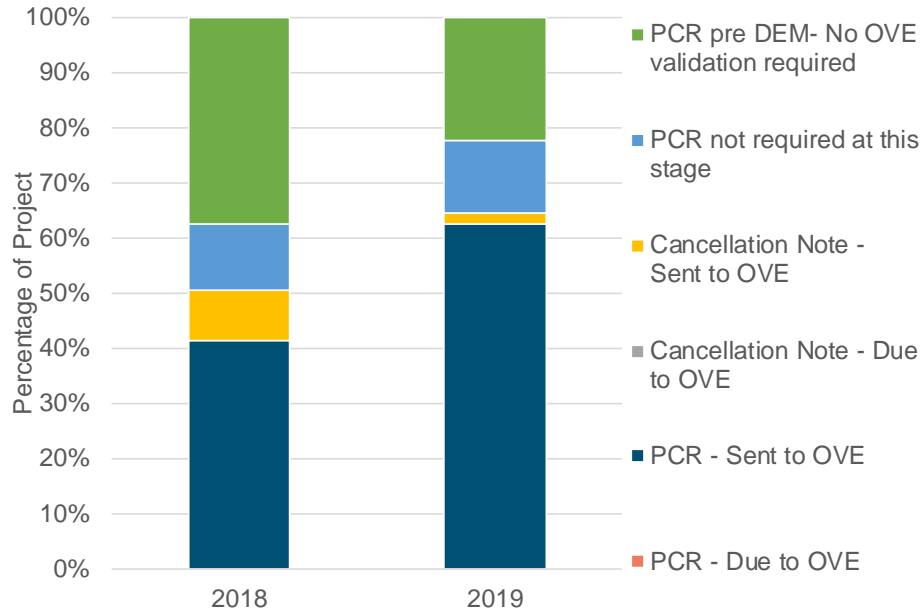


Number of loan projects							As % of portfolio
Year	IFD	INE	SCL	INT	CSD	Total	
2015	41	49	17	2	0	109	17.4%
2016	26	41	18	4	17	106	17.4%
2017	23	48	20	3	27	121	20.3%
2018	20	63	19	5	26	133	22.2%
2019	15	51	20	4	24	114	19.2%
<b>Change 2018/2019</b>	<b>-25%</b>	<b>-19%</b>	<b>5%</b>	<b>-20%</b>	<b>-8%</b>	<b>-14%</b>	<b>-14%</b>

## PROJECT COMPLETION REPORTS<sup>9</sup>

### 1.14 PCR status for SG Loan projects

- 62 PCRs for projects that closed in 2017 Sent to OVE.
- The PCRs are to be validated by the Office of Evaluation and Oversight by March 2020.



#### Number of Projects

	2018		2019	
PCR - Due to OVE	0	0%	0	0%
PCR - Sent to OVE	41	41%	62	63%
Cancellation Note - Due to OVE	0	0%	0	0%
Cancellation Note - Sent to OVE	9	9%	2	2%
PCR not required at this stage	12	12%	13	13%
PCR pre DEM- No OVE validation required	37	37%	22	22%
Total	99		99	

<sup>9</sup> For 2019 projects that reached “closed for operation” status in 2017 and 2018 projects that reached “closed for operation” status in 2016.

## ENVIRONMENTAL AND SOCIAL IMPACT SCORE

### 1.14 SG Portfolio by Environmental and Social Impact<sup>10</sup>

**41** operations in execution for \$5.3b have been assigned an “A” Environmental and Social Impact risk classification.

- 7% of the entire portfolio as of December 31, 2019, no increase from 2018.

**308** operations in execution for \$28.9b have been assigned a “B” Environmental and Social Impact risk classification.

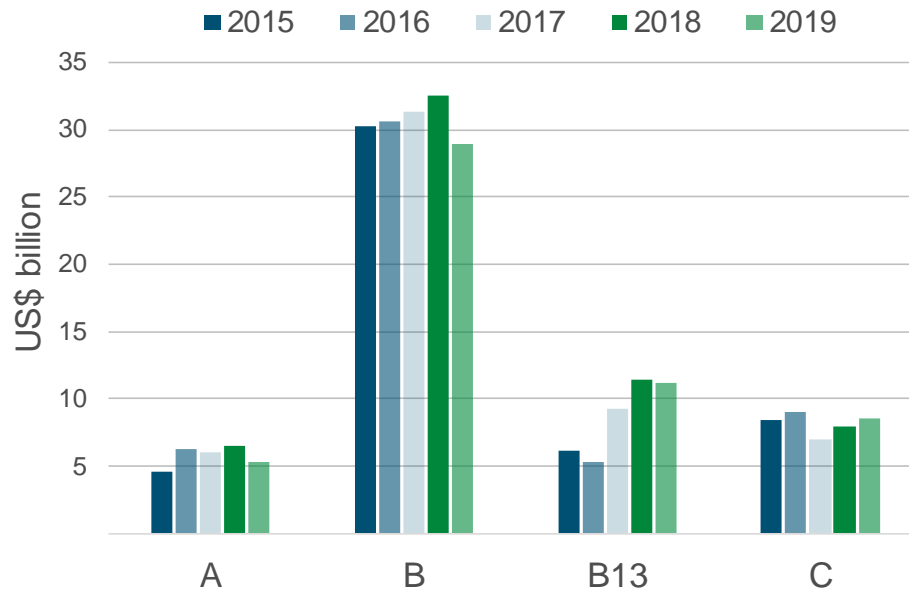
- 52% of the entire portfolio in execution as of December 31, 2019, a decrease of 3 percentage points from 55% in 2018.

**82** operations in execution for \$11.2b have been assigned a “B13” Environmental and Social Impact risk classification.

- 14% of the entire portfolio in execution as of December 31, 2019, no increase from 2018.

**165** operations in execution for \$8.6b have been assigned a “C” Environmental and Social Impact risk classification.

- 28% of the entire portfolio in execution as of December 31, 2019, a decrease of 4 percentage points from 24% in 2018.

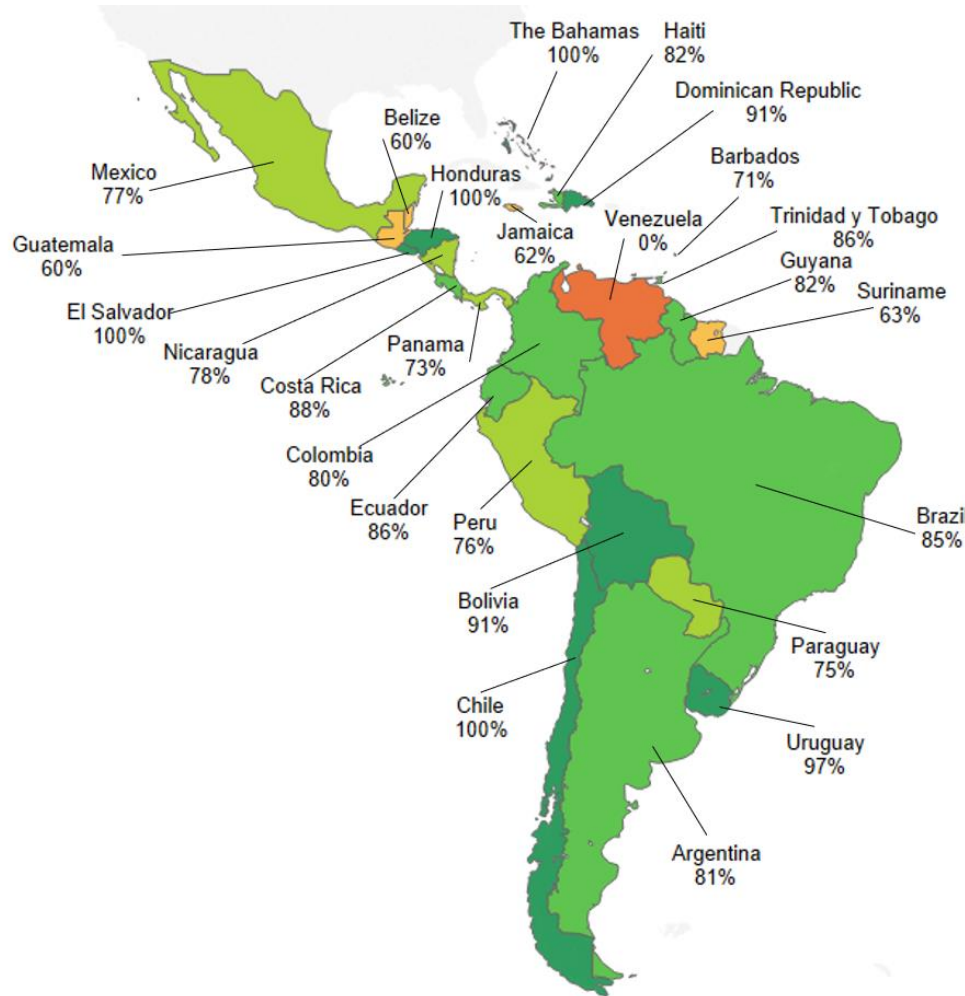


<sup>10</sup> Includes projects with multiple operations. The portfolio has 597 operations of 595 projects. One Immediate Response Facility (IRF) is exempt from ESG classification (see OP-710).

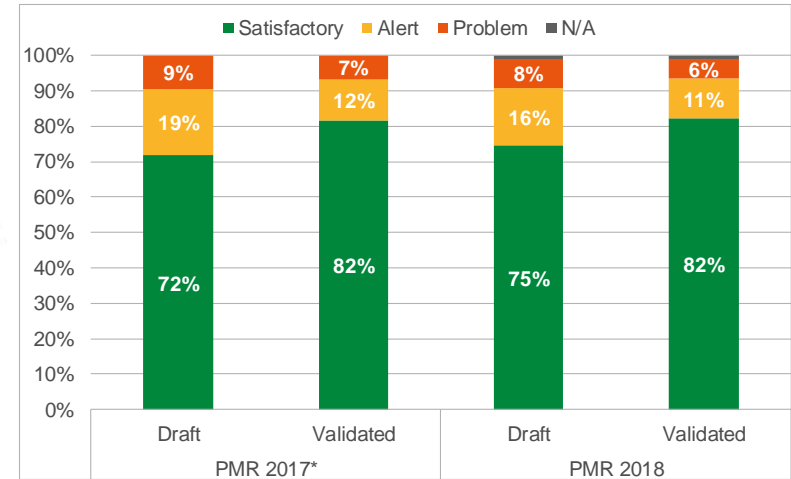
# PROGRESS MONITORING REPORT FOR SG LOAN OPERATIONS (PMR)<sup>11</sup>

## 1.15 PMR Classification of Active Portfolio<sup>12</sup>

Percentage of Validated Projects with Satisfactory Classification by Country



Percent of Projects with Satisfactory by type of Classification



Number of projects by Classification in Stage 2 and Stage 3

	PMR 2017*		PMR 2018	
	Draft	Validated	Draft	Validated
Satisfactory	353	401	362	399
Alert	93	58	79	54
Problem	46	33	39	28
N/A			5	4
<b>Total</b>	<b>492</b>	<b>492</b>	<b>485</b>	<b>485</b>

Percentage of Validated Projects with Satisfactory Classification by Department and Country Region

	CAN	CCB	CID	CSC	REG
CSD	72%	50%	74%	82%	-
IFD	90%	76%	87%	90%	100%
INE	80%	81%	79%	83%	100%
INT	67%	67%	100%	75%	
SCL	85%	83%	87%	88%	-

<sup>11</sup> Current PMR Cycle (March 2019) was executed as of December 2018. Information in these PMR graphs shows execution years for the last two cycles.

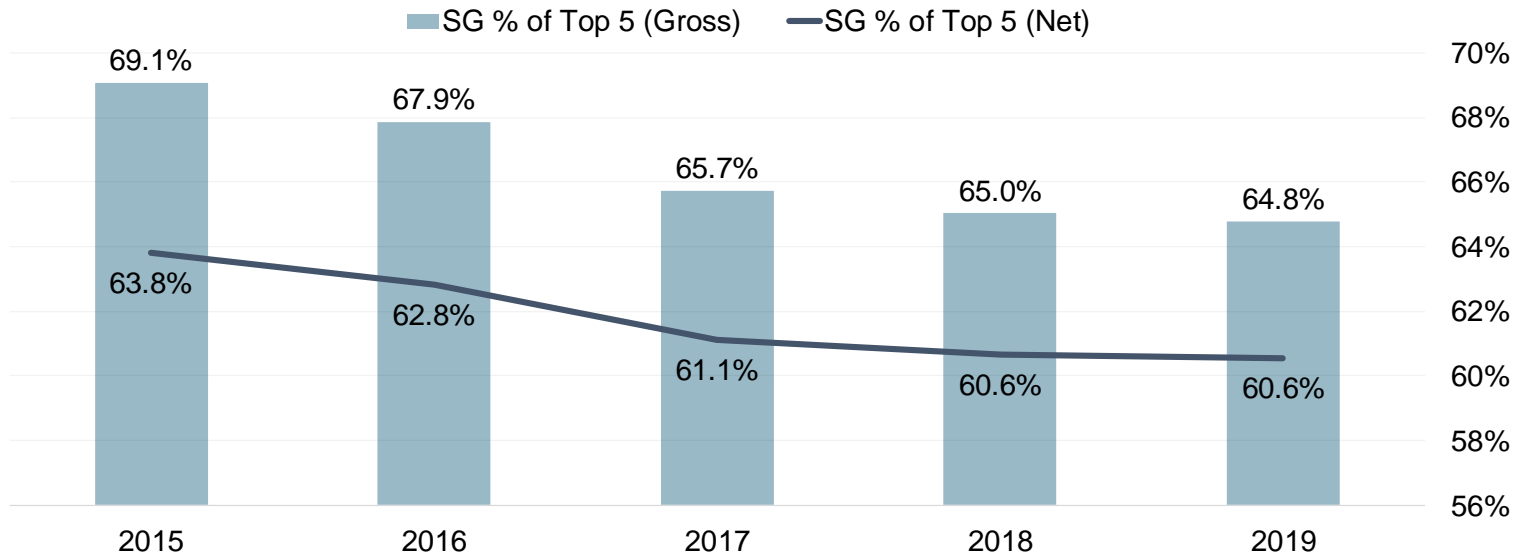
<sup>12</sup> The methodology for calculating PMR Classifications changed from 2018 cycle to 2019 cycle. In order to present a comparison figure for 2017, the number of projects presented is only for Stage 2 and Stage 3.

## IDB ORDINARY CAPITAL –LENDING CREDIT CONCENTRATION<sup>13</sup>

The Bank manages loan credit risk by maintaining limits on lending capacity, allocating adequate capital to cover unexpected changes in the loan portfolio, and by maintaining policies for managing non-performing loans.

### 1.16 SG Concentration – The top 5 countries in 2018:

- Mexico 16.9%, Brazil 15.6%, Argentina 13.0%, Colombia 10.4% & Ecuador 4.7% After exposure-exchange agreements (EEA).<sup>14</sup>



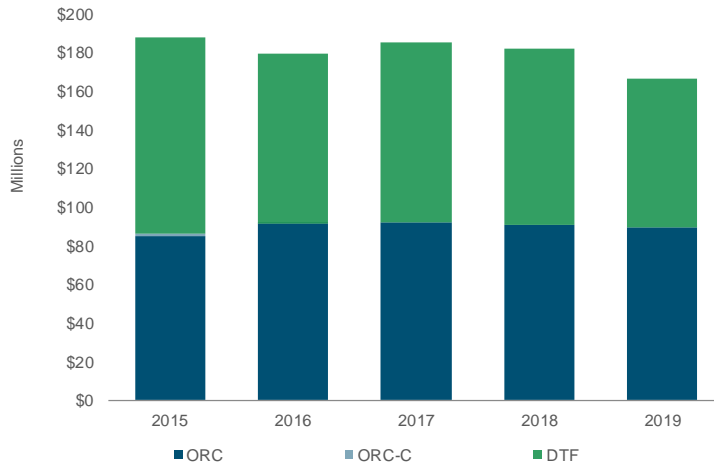
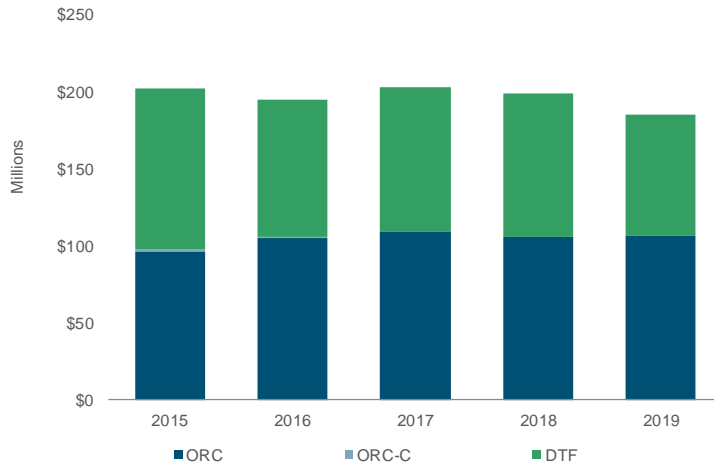
All in US\$ millions

Year	All SG Outstanding	SG % of Top 5 (Gross)	SG % of Top 5 (Net)	SG Undisbursed % of all outstanding
2015	72,765	69.05%	63.80%	27.42%
2016	76,081	67.85%	62.81%	25.95%
2017	83,240	65.72%	61.12%	25.40%
2018	87,767	65.03%	60.65%	25.00%
2019	91,226	64.76%	60.56%	24.65%
Change		-0.27%	-0.09%	-0.35%

<sup>13</sup> Both borrowing capacity and Concentration graphs include preliminary information for 2019.

<sup>14</sup> For more details see Resolution DE-133/15.

## TECHNICAL COOPERATIONS<sup>15</sup>



## DISBURSEMENTS

### 1.17 Technical Cooperation Disbursements

Total TC Disbursements reached **\$185m**.

- 7% decrease from \$200m in 2018.

Those financed through **Ordinary Capital (OC) Strategic Development Programs<sup>16</sup>** reached **\$107m**.

- 1% increase from \$106m in 2018.
- 58% of total TC disbursements in 2019.

Those financed with **Donor Trust Funds (DTF)** reached **\$78m**

- 16% decrease from \$94m in 2018.
- 42% of total TC disbursements in 2019.

### 1.18 VPS Technical Cooperation Disbursements<sup>17</sup>

VPS TC Disbursements reached **\$167m**.

- 9% decrease from \$182m in 2018.

TCs financed through **Ordinary Capital (OC) Strategic Development Programs** reached **\$89.5m**.

- 1% decrease from \$91m in 2018.
- 54% of VPS TC disbursements in 2019.

TCs financed with **Donor Trust Funds (DTF)** reached **\$77m**

- 16% decrease from \$92m in 2018.
- 46% of VPS TC disbursements in 2019.

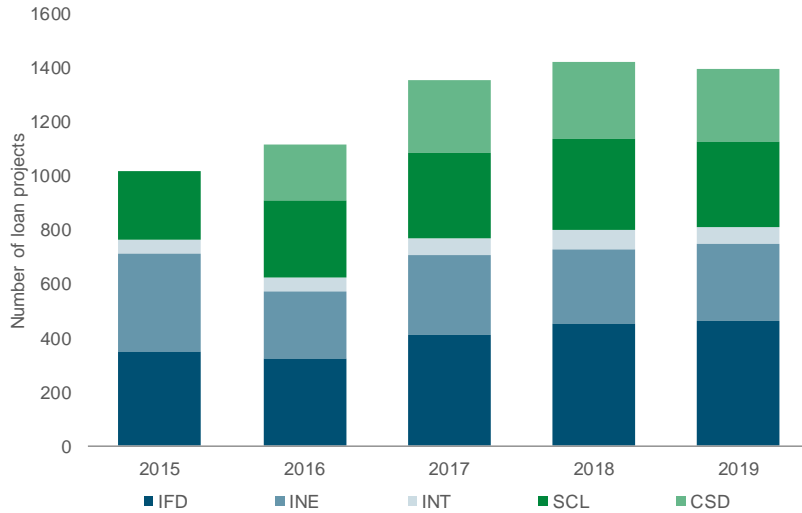
<sup>15</sup> This section covers technical cooperation under the responsibility of the vice presidencies for countries and sectors as well as the strategic core.

<sup>16</sup> Per Resolution DE-180/15, the Ordinary Capital Special Programs/Grants were renamed Ordinary Capital Strategic Development Programs as of January 1, 2016

<sup>17</sup> Includes only functional VPS departments: CSD, IFD, INE, INT, and SCL.

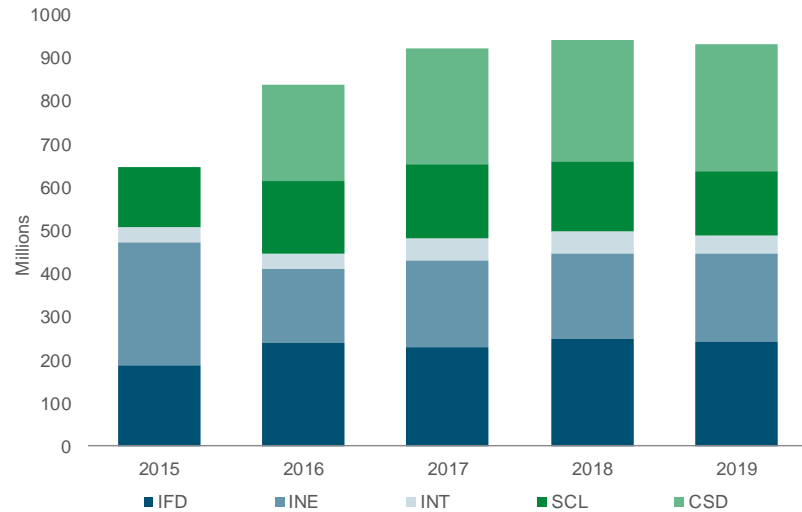
## TC PORTFOLIO IN EXECUTION

### 1.19 TC Operations under VPS supervision by Sector and Approval Year



TC operations under VPS supervision reached **1,398** operations:

- 464 operations in IFD, 3% increase from 451 in 2018.
- 284 operations in INE, 2% increase from 278 in 2018.
- 61 operations in INT, 14% decrease from 71 in 2018.
- 318 operations in SCL, 5% decrease from 335 in 2018.
- 271 operations in CSD, 5% decrease from 285 in 2018.



### 1.20 TC Operations volume under VPS supervision by Sector and Approval Year

TC operations under VPS supervision reached **\$931m** in volume.

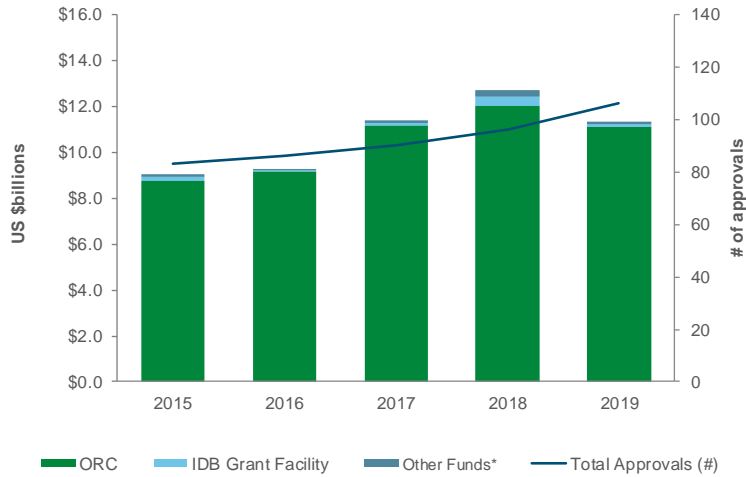
- \$242m in IFD, 3% decrease from \$248m in 2018.
- \$204m in INE, 3% increase from \$198m in 2018.
- \$43m in INT, 21% decrease from \$54m in 2018.
- \$148m in SCL, 8% decrease from \$161m in 2018.
- \$294m in CSD, 5% increase from \$280m in 2018.



# 2019 ANNUAL BUSINESS REVIEW

## CHAPTER II

# STRATEGIC ALIGNMENT



## LOAN APPROVALS<sup>18</sup>

### 2.1 SG Approvals by Fund

SG approvals reached **\$11.3b** in **106** projects

- 11% decrease from \$12.7b in 2018.<sup>19</sup>
- 10% increase from 96 projects approved in 2018.
- The average operation size was **\$107m**, a 19% decrease from \$132m in 2018.
- **Ordinary Capital (ORC)** approvals reached **\$11.1b**, 8% decrease from \$12.0b in 2018.
- **IDB Grant Facility (GRF)** approvals reached **\$119m**, 72% decrease from \$424m in 2018.

\* "Other Funds" represent Funds under Administration by the IDB, such as the Clean Technology Fund, Strategic Climate Fund, and the China Co-financing Fund.

## BY INSTRUMENT

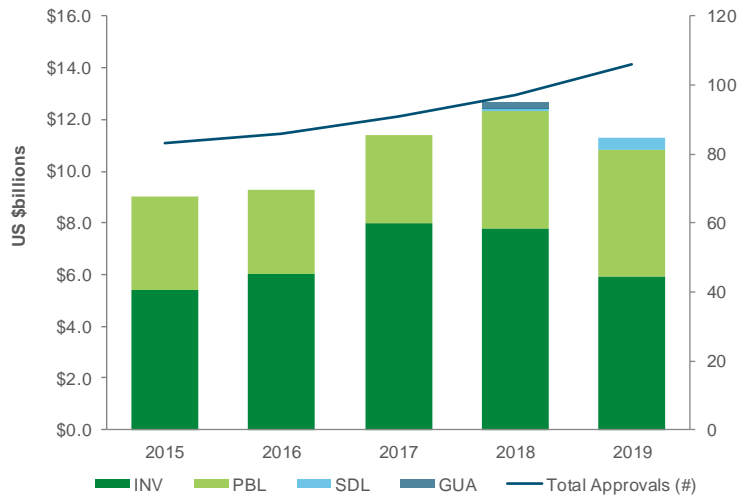
### 2.2 SG Approvals by Instrument

**Investment loan** approvals reached **\$5.9b** in **84** projects.

- 24% decrease from \$7.8b in 2018.
  - 9% increase from 77 operations in 2018.
- Policy Based Loan** approvals reached **\$4.9b** in **21** projects.
- 8% increase from \$4.6b in 2018.
  - 17% increase from 18 projects in 2018.

**Special Development Lending** approvals reached **\$500m** in **1** project in Ecuador.

- 5 times the amount approved in 2018 (\$100M) in 1 project in Barbados.

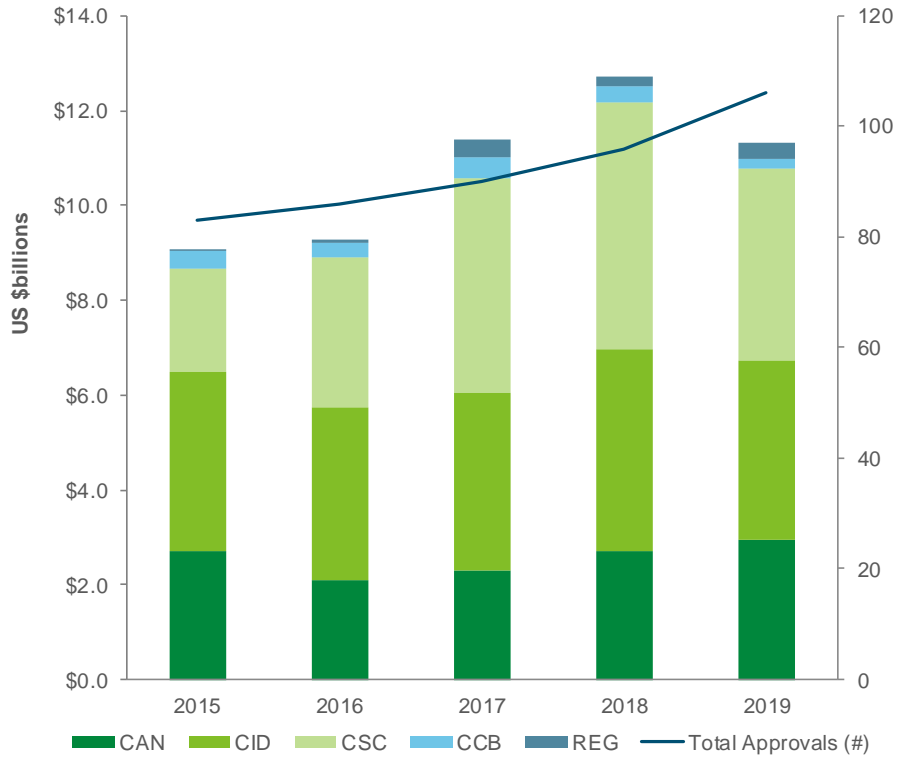


<sup>18</sup> SG approvals do not include the following Contingent Loans for Natural Disaster (CND): EC-L1216 for \$160m in 2016, DR-L1125 for \$16m in 2017, BH-L1049 for \$100m in 2019.

<sup>19</sup> It excludes increases from reformulations (\$250 million in 2018) and committed investment facilities for guarantees (\$490 million in 2018).

## BY COUNTRY GROUP

### 2.3 SG Approvals by Country Group



CAN reached **\$2.9b** in **27** projects.

- 8% increase from \$2.7b in 2018.
- 17% increase from 23 projects in 2018.

CCB reached **\$205m** in **7** projects.

- 39% decrease from \$334m in 2018.
- 22% decrease from 9 projects as 2018.

CID reached **\$3.8b** in **28** projects.

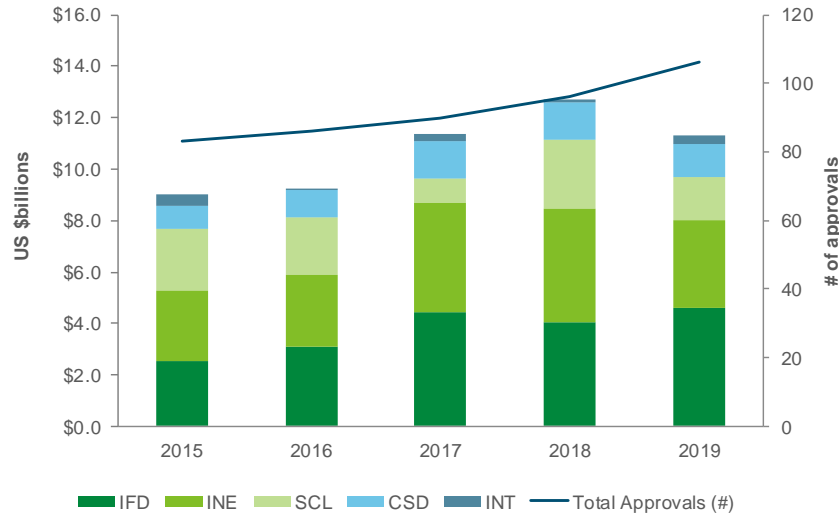
- 10% decrease from \$4.2b in 2018.
- 3% decrease from 29 projects in 2018.

CSC reached **\$4.0b** in **41** projects.

- 23% decrease from \$5.2b in 2018.
- 28% increase from 32 projects in 2018.

Regional projects reached **\$323m** in **3** projects.

- 70% increase from \$190m in 2018.
- Same number of projects as in 2018.



## BY SECTOR

### 2.4 SG Approvals by Sector

IFD approvals reached **\$4.6b** in **45** projects.

- 14% increase from \$4.1b in 2018.
- 61% increase from 28 projects in 2018.

INE approvals reached **\$3.4b** in **27** projects.

- 22% decrease from \$4.4b in 2018.
- 7% decrease from 29 projects in 2018.

SCL approvals reached **\$1.7b** in **15** projects.

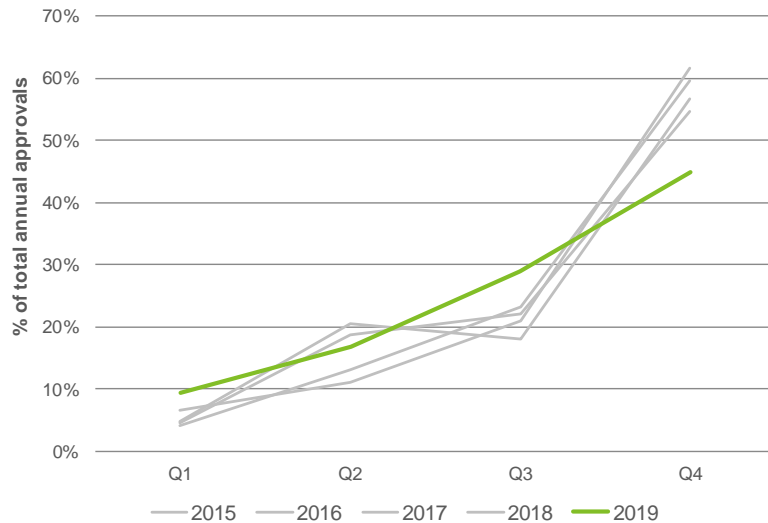
- 38% decrease from \$2.7b in 2018.
- 32% decrease from 22 projects in 2018.

INT approvals reached **\$314m** in **5** projects.

- 126% increase from \$139m in 2018.
- 25% increase from 4 projects in 2018.

CSD approvals reached **\$1.3b** in **14** projects.

- 12% decrease from \$1.5b in 2018.
- 8% increase from 13 projects in 2018.



## CUMULATIVE LENDING APPROVALS

### 2.5 Cumulative Lending Approvals by Quarter

**47** projects for **\$4.0b** were approved during the last quarter of 2019.

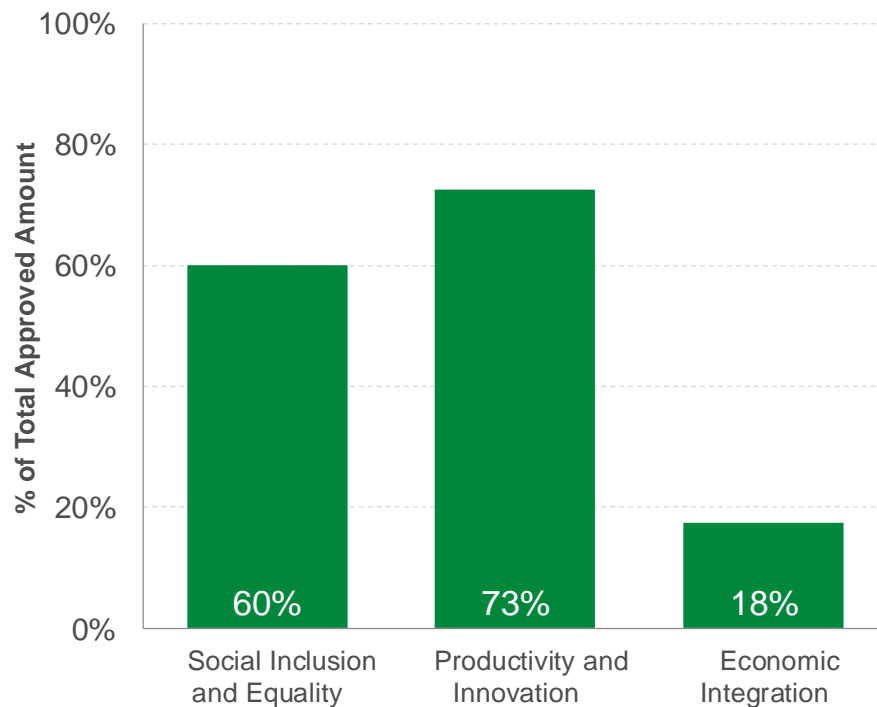
- 18% decrease from 57 projects in 2018.

As a percentage of the total number of projects approved.

- Number of approvals in Q4 2019 reached 44%, 15 percentage points decrease from 59% in 2018.

## CRF STRATEGIC ALIGNMENT

- According to the CRF Technical Guidance: “Strategic alignment will be justified by a connection between the project’s expected results and the challenge(s) and/or cross-cutting theme(s). The justification must provide a clear argument on how the vertical logic and theory of change of the operation connects with the corresponding UIS challenge or cross-cutting theme.
- The justification must also identify an indicator from the operation’s results matrix (this may be any indicator - CRF or not) that relates to the corresponding challenge or cross-cutting theme. The indicator used to justify strategic alignment may be at any level – output, outcome, or impact. In the case of SG loan projects, the indicator must be included in the results matrix of the project.”



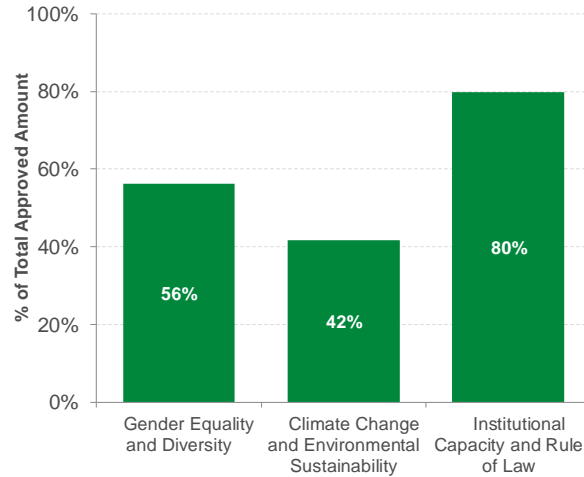
## DEVELOPMENT CHALLENGES

### 2.6 Approvals aligned to the Update to the Institutional Strategy 2016-2019, by Challenge

Of the **106** SG loan projects approved in 2019, totaling **\$11.3b**.

- **60%** were strategically aligned to the Challenge “**Social Inclusion and Equality**” (\$6.8b in 59 projects).
- **73%** were strategically aligned to the Challenge “**Productivity and Innovation**” (\$8.2b in 84 projects).
- **18%** was strategically aligned to the Challenge “**Economic Integration**” (\$2.0b in 16 projects).

In addition, 100% of the volume of approved SG loan projects were aligned with at least one challenge or cross-cutting theme.



## CROSS-CUTTING THEMES<sup>20</sup>

### 2.7 Approvals strategically aligned to the Update to the Institutional Strategy 2016-2019, by Cross-Cutting Theme

Of the 106 SG loan projects approved in 2019, totaling \$11.3b.

- 56% were strategically aligned to the Cross-Cutting Theme “Gender Equality and Diversity” (\$6.4b in 64 projects).
- 42% were strategically aligned to the Cross-Cutting Theme “Climate Change and Environmental Sustainability” (\$4.7b in 60 projects).
- 80% were strategically aligned to the Cross-Cutting Theme “Institutional Capacity and Rule of Law” (\$9.0b in 81 projects).

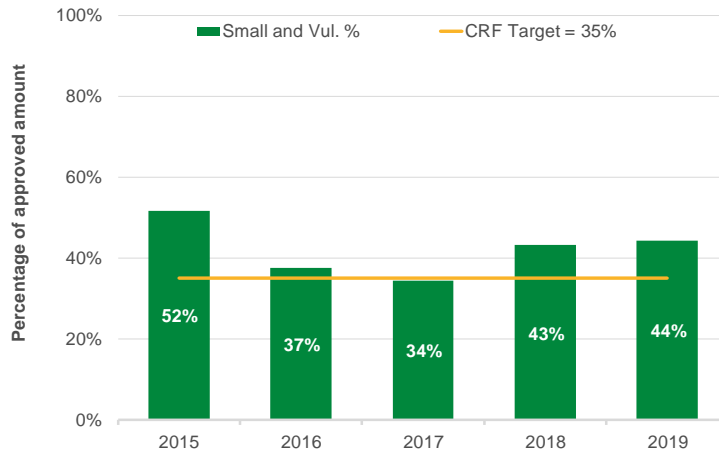
In addition, 100% of the volume of approved SG loan projects was aligned with at least one challenge or cross-cutting theme.

## SMALL AND VULNERABLE COUNTRIES

### 2.8 Lending to Small and Vulnerable Countries<sup>21</sup>

Lending to small and vulnerable countries represented 44% (\$4.9b) of the total approval amount for SG loan projects, corresponding to 60 projects.

- 1 percentage point increase from 43% in 2018.



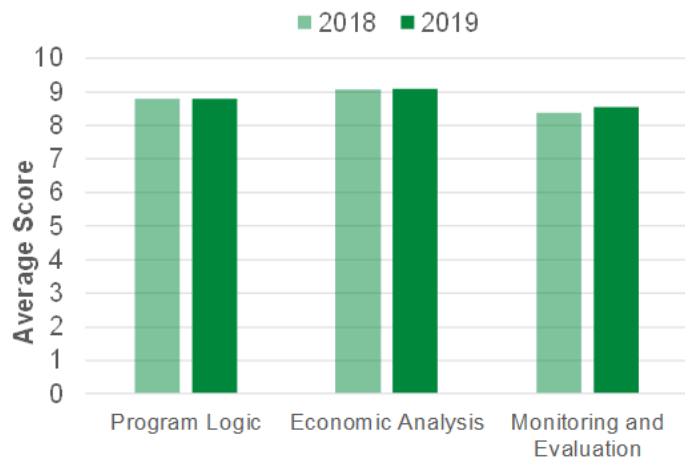
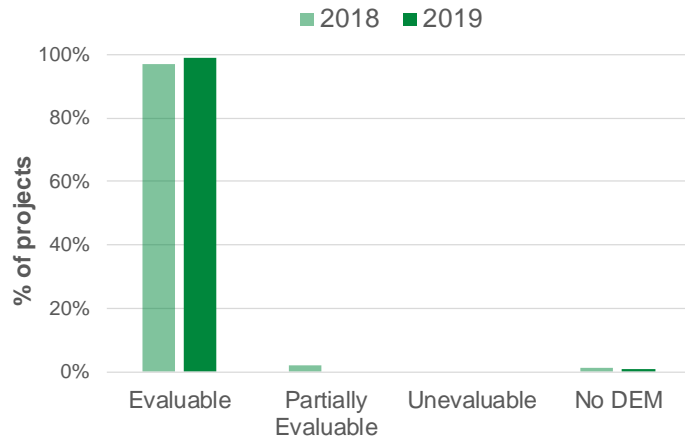
<sup>20</sup> In accordance with the definitions in the CRF 2016-2019, reporting on the development challenges and cross-cutting issues is based on the total approved amount of the loans, except for the Climate Change sub-category of the cross-cutting issue of Climate Change & Environmental Sustainability, which is based only on the portion of the approved amount that supports climate change mitigation and/or adaptation. The Environmental Sustainability sub-category of this issue is based on the total approved amount of the loans.

<sup>21</sup> Small and vulnerable countries include types “C” and “D” countries: Barbados, Bahamas, Costa Rica, Jamaica, Panama, Suriname, Trinidad and Tobago, Uruguay, Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Nicaragua, and Paraguay. It includes all funds.

## DEVELOPMENT EFFECTIVENESS – DEM

### 2.9 Development Effectiveness Matrix Evaluability Levels

According to the DEM<sup>22</sup>, 106 SG projects approved in 2019 with a DEM, were considered “Evaluable”<sup>23</sup>. The Sustainable Development Lending did not have a DEM.



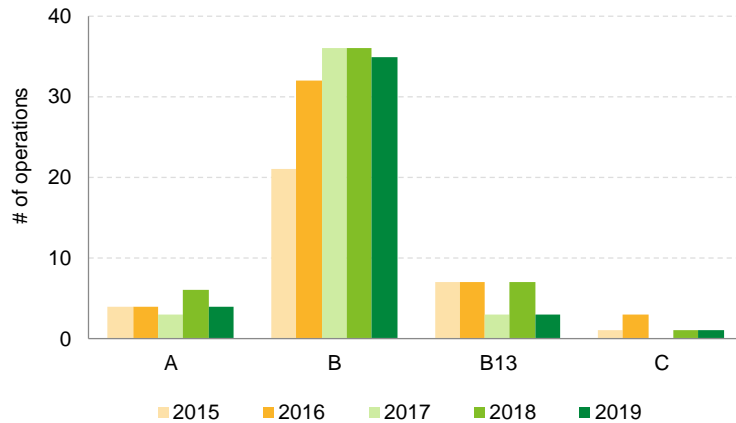
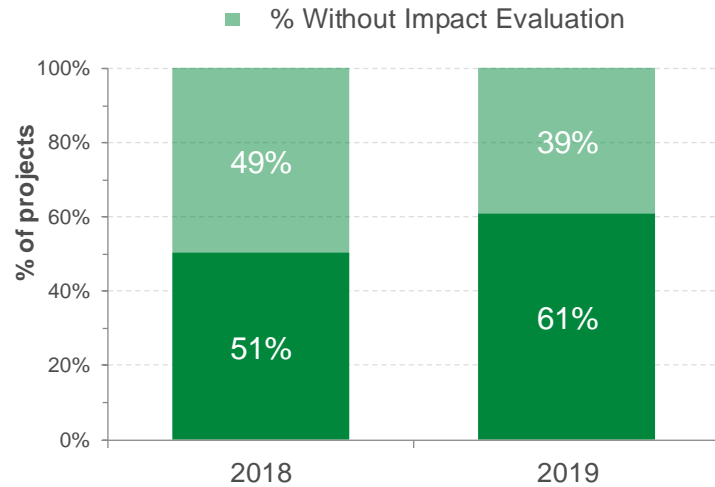
### 2.10 Development Effectiveness Matrix Ratings<sup>24</sup>

- **Program Logic** scored **8.8** points, same as in 2018.
- Operations with **Economic Analysis** scored **9.1** points, same as in 2018.
- **Monitoring and Evaluation** scored **8.5** points, a 2% increase from 8.4 in 2018.

<sup>22</sup> The Development Effectiveness Matrix (DEM) is a checklist of information requirements that should be included in the Proposal for Operational Development (POD) and its mandatory annexes to ensure that the Bank can measure the achievement of outputs and results of the operations it finances.

<sup>23</sup> In 2019 project EC-L1255 did not require DEM. Same case for project BA-L1045 in 2018.

<sup>24</sup> Maximum score for each area is 10 points.



## DEVELOPMENT EFFECTIVENESS – DEM

### 2.11 Projects with Impact Evaluation

Approved projects with an Impact Evaluation reached **61%**.

- 10 percentage point increase from 51% in 2018.

## ENVIRONMENTAL AND SOCIAL SAFEGUARDS

### 2.12 Environmental and Social Safeguards in Approved Projects Per Category<sup>25 26</sup>

Loan operations that had assistance from an Environmental and Social Safeguards Specialist from ESG reached **43**

- **Category A** projects with Specialist assistance reached 4.
- 33% decrease in Cat. A projects from 6 in 2018.
- **Category B** projects with Specialist assistance reached 35.
- 3% decrease in Cat. B projects from 36 in 2018.
- **Category C** projects with Specialist assistance reached 1.
- Same as Cat. C projects in 2018.

<sup>25</sup> Values provided by ESG department for 2012-2016 corresponds only to SG operations with assistance from an Environmental and Social Safeguards Specialist from ESG

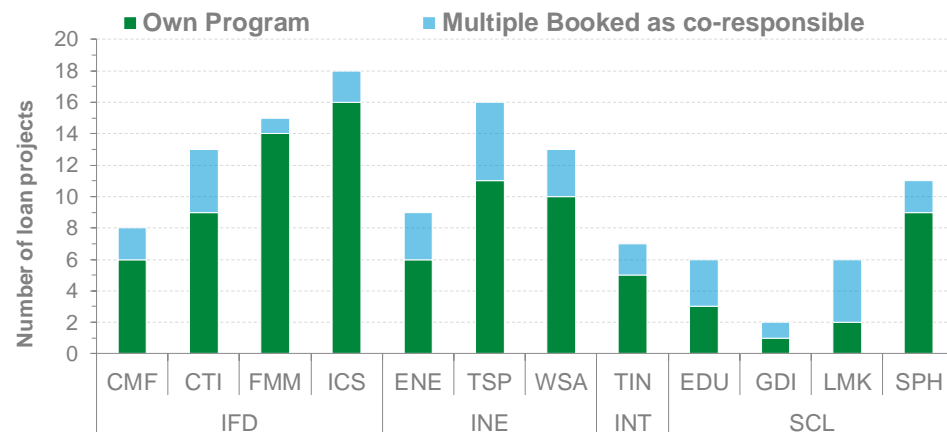
<sup>26</sup> See the IDB's [Environment and Safeguards Compliance Policy \(2006\)](#). Environmental and Social Safeguard (ESG) classifications are as follows:

A: Operations likely to cause significant negative impacts, or have profound implications  
 B: Operations Likely to cause mostly local and short-term negative impacts  
 B13: Uncategorized Directive  
 C: Operations likely to cause minimal or no negative impacts



\*Projects that do not receive an ESG class include Investment loans of the modality IRF (Immediate Response Facility for Emergencies) and of the modality CND (Contingent Loan for Natural Disasters).

## MULTIPLE BOOKING AND COLLABORATION

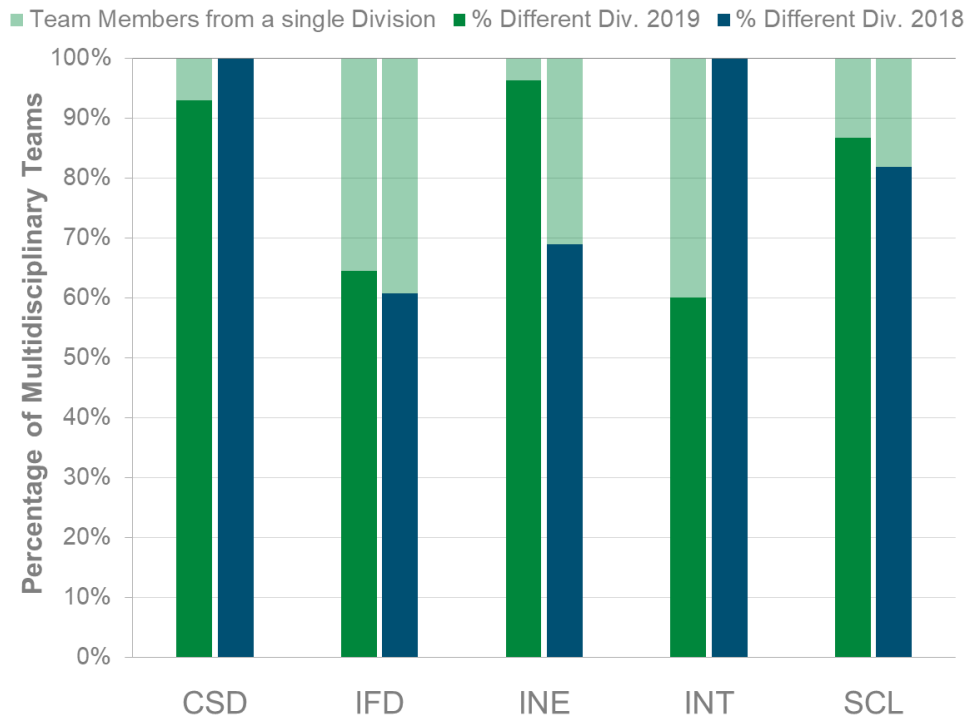


Dept.	Div.	Own Program		Multiple Booked As co-responsible		Total	
		Number	US\$M	Number	US\$M	Number	US\$M
CSD	CCS	0	0.0	17	1,815.8	17	1,815.8
	HUD	7	1,049.1	6	729.6	13	1,778.7
	RND	7	237.7	7	678.2	14	915.9
IFD	CMF	6	720.0	2	84.7	8	804.7
	CTI	9	551.0	4	636.7	13	1,187.7
	FMM	14	2,443.4	1	300.0	15	2,743.4
	ICS	16	905.7	2	308.0	18	1,213.7
INE	ENE	6	820.5	3	437.1	9	1,257.6
	TSP	11	1,676.7	5	955.2	16	2,631.9
	WSA	10	919.5	3	210.7	13	1,130.2
INT	TIN	5	313.5	2	173.2	7	486.7
SCL	EDU	3	220.0	3	962.5	6	1,182.5
	GDI	1	40.0	1	150.0	2	190.0
	LMK	2	43.2	4	1,250.0	6	1,293.2
	SPH	9	1,370.2	2	200.0	11	1,570.2
<b>Total</b>		<b>106</b>	<b>11,310.5</b>	<b>62</b>	<b>8,891.7</b>	<b>168</b>	<b>20,202.3</b>

### 2.13 Approvals Including Multiple Bookings

- Multiple-Booked unique projects<sup>27</sup> represent 51% of approvals amount (\$5.8b of \$11.3b), corresponding to 46 of 106 loan projects for 2019. These exclude multiple-booked facilities and credit lines.
- Own program and multiple-booked equivalent approvals reached **168** projects for **\$20.2b**.

<sup>27</sup> Multiple booked projects are projects led in cooperation by two or more Team Leaders from different Divisions. Multiple booking supports multi-sectoriality, one of the six guiding principles of the Update to the Institutional Strategy.



### 2.14 Multidisciplinary Team Compositions (Loan Projects)

- The number of projects approved with registered specialists from different Divisions as team members reached 84, 79% of the total projects approved.
- For IFD, 29 (64%) projects had members from different divisions; for INE 26 (96%), INT 3 (60%), SCL 13 (87%) and CSD 13 (93%).

# 2019 ANNUAL BUSINESS REVIEW

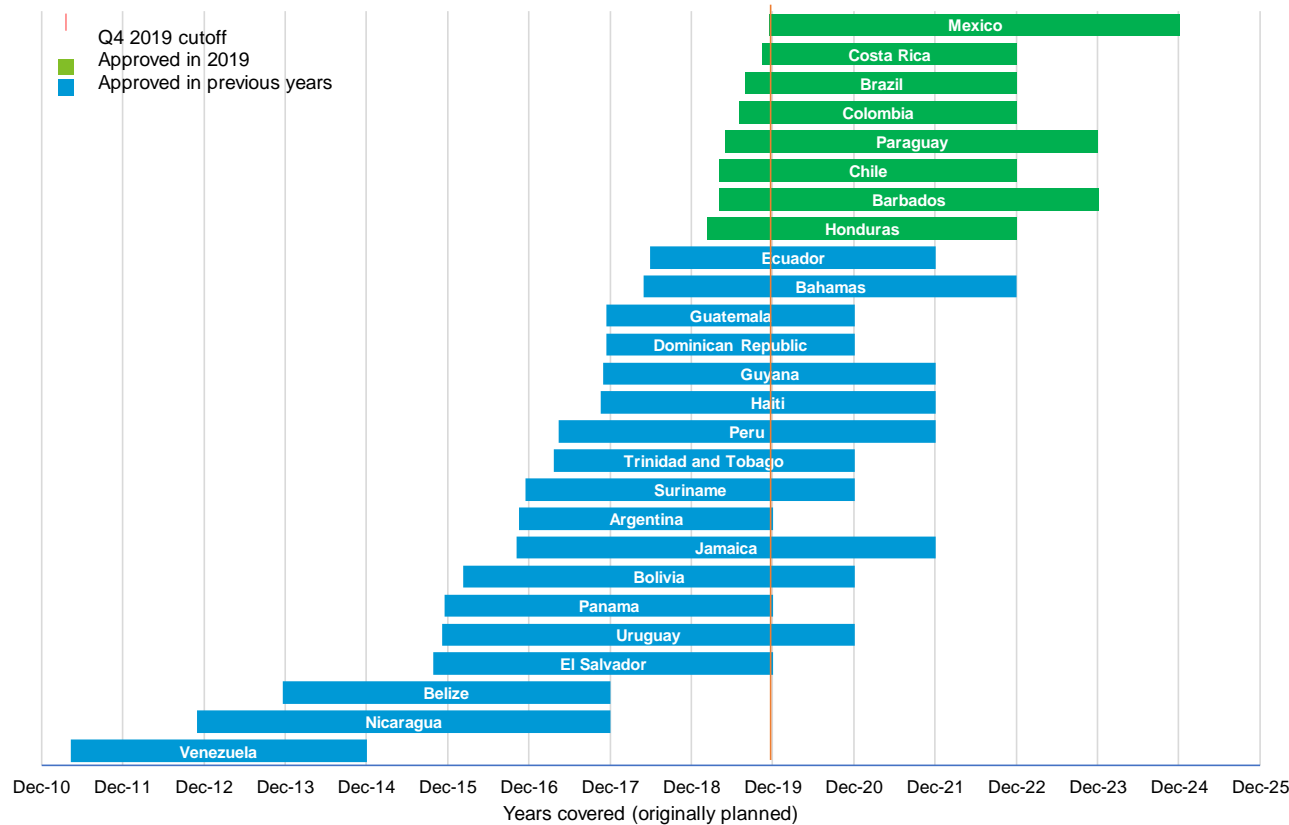
## CHAPTER III

# BUSINESS DEVELOPMENT

## COUNTRY POLICY DIALOGUE

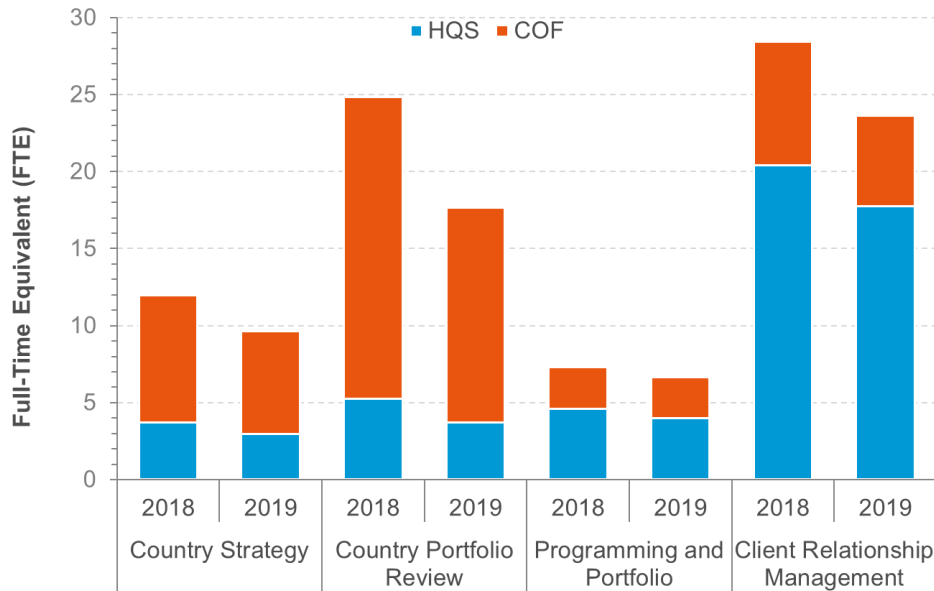
### 3.1 Results-based Country Strategies<sup>28</sup>

- 8 Country Strategies were approved by the Board in 2019: Honduras, Barbados, Chile, Paraguay, Colombia, Brazil, Costa Rica and Mexico.
- Based on the validated Development Effectiveness Matrix for Country Strategies, in terms of **strategic alignment**, the objectives of the approved Country Strategies are consistent with the countries' development challenges and priorities. (100% alignment)
- In terms of **effectiveness**,<sup>29</sup> the eight Country Strategies were based on high quality country diagnostics. Each of the Country Strategies identified strategic objectives that respond to the challenges and opportunities identified in the corresponding sector diagnostics.
- **25** Country Program Documents were prepared in 2019 Q4 and are expected to be approved by the Board in 2019 Q1.
- Country Strategies from Belize and Nicaragua were extended until December 31<sup>st</sup>, 2021 and December 31<sup>st</sup>, 2019, respectively (GN-2746-3).



<sup>28</sup> Excludes Country Strategy extensions and transition period (refers to the one-year period used to prepare the new CS, running from the expiration date of the current CS: GN-2468-9).

<sup>29</sup> The evaluation summary of the Development Effectiveness Matrices is included as an annex in the approved Country Strategy documents (GN-2812, GN-2832, GN-2829, GN-2828, GN-2838 and GN-2836)



### 3.2 Staff and Complimentary Workforce Time Reported to Programming Products<sup>30</sup>

- Staff and Complimentary Workforce time reported to strategy, programming and portfolio management activities reached **57.5 FTEs**<sup>31</sup>.
- 21% decrease from 72.5 FTEs reported in 2018.
- Country Strategies accounted for 17% (9.6 FTEs).
- Country Portfolio Reviews and Programming and Portfolio activities accounted for 42% (24.3 FTEs).
- Client Relationship Management<sup>32</sup> activities accounted for 41% (23.6 FTEs).
- **51%** of time reported to these activities originated in the **COFs**.
- 2 percentage points decrease from 53% in 2018.

<sup>30</sup> Starting in 2018, Complimentary Workforce effort is included. The results of 2018 are not fully comparable to the result of 2017.

<sup>31</sup> FTE – Full Time Equivalent Staff Years.

<sup>32</sup> Customer Relationship Management refers to the provision of timely, high quality services to borrowing countries, donors and other key constituencies. Manage client expectations under a scenario of scarcity of resources.

### SG LOAN PIPELINE DEVELOPEMENT

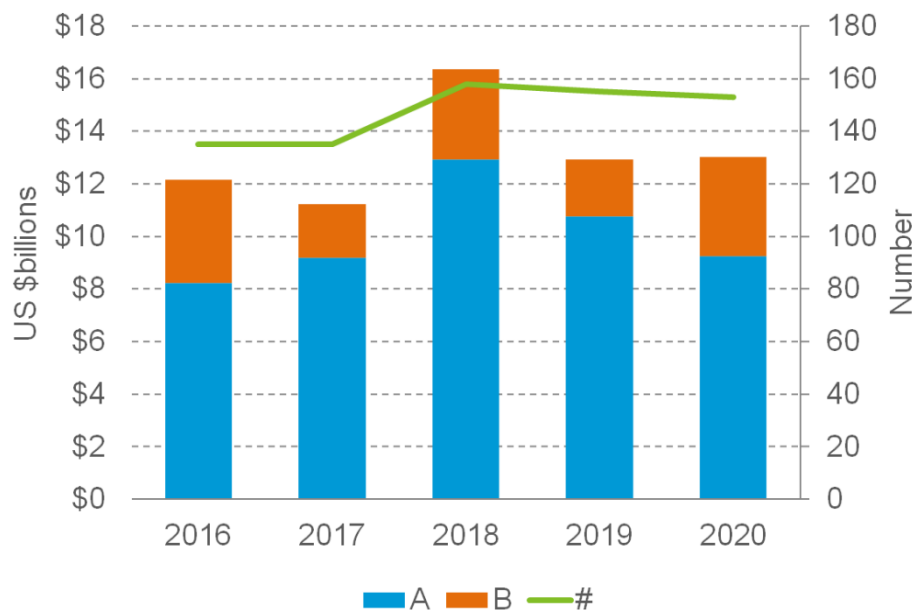
#### 3.3 Pipeline Development

As of January 1, 2020, the entire pipeline for 2020<sup>33</sup> contained **153** SG projects for **\$13.0b**.

- 1% decrease from 155 projects on January 1, 2019.
- 1% increase from \$12.9b on January 1, 2019.

The 2020 category pipeline “A” contains **115** SG projects for **\$9.3b**.

- 4% decrease from 120 operations at the beginning of 2019.
- 14% decrease from \$10.8b at the beginning of 2019.



All amounts in USD billion

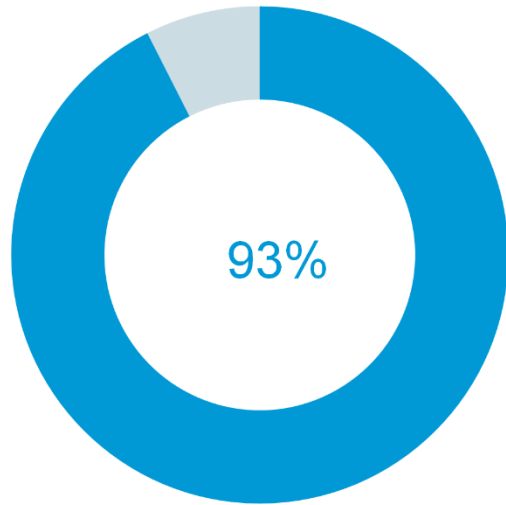
Year	A		B		Total	
	\$US Bil	#	\$US Bil	#	\$US Bil	#
2016	8.2	102	3.9	33	12.1	135
2017	9.2	109	2.1	26	11.2	135
2018	12.9	124	3.4	34	16.4	158
2019	10.8	120	2.1	35	12.9	155
2020	9.3	115	3.8	38	13.0	153

<sup>33</sup> Project pipeline includes projects categorized as A and B unless specifically noted.

## VPS ECONOMIC & SECTOR WORK (ESW) AND CORPORATE INPUT PRODUCTS (CIP)

### 3.4 ESW and CIP status

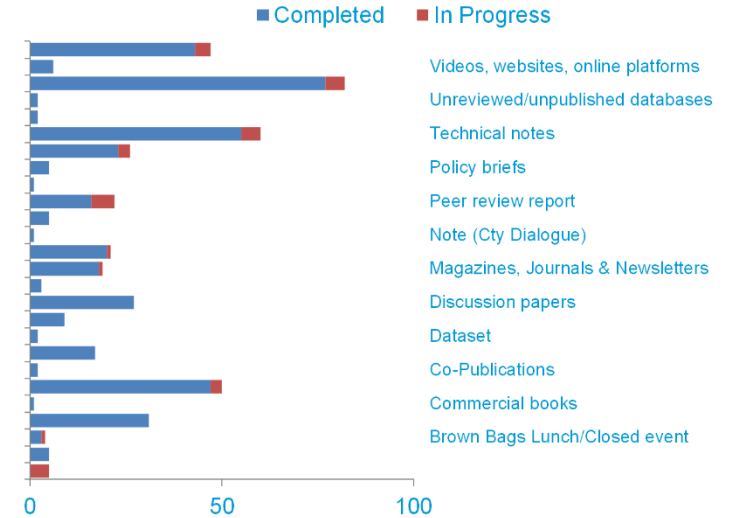
#### ESW Deliverables Completed as % of total planned



Deliverables completed in 2019	421
Deliverables planned for 2019	455
Deliverables completed in 2018	382
ESW products for 2019	81
CIP for 2019	60

92% of planned

#### Deliverables:

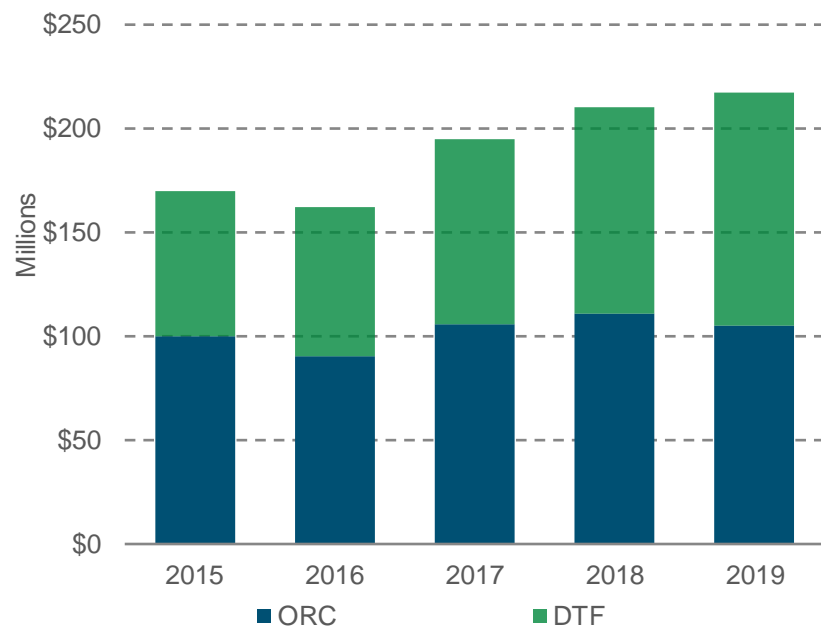


#### ESW products by Priority Area and Department

		INE	RES	SCL	INT	VPS	IFD	KNL	CSD	MIG*	Total 2019	Total 2018	% Change 2019/2018
<b>Total</b>		<b>13</b>	<b>15</b>	<b>12</b>	<b>7</b>	<b>1</b>	<b>19</b>	<b>0</b>	<b>12</b>	<b>2</b>	<b>81</b>	<b>86</b>	<b>-6%</b>
Effort reported to ESW products	FTEs	7.1	30.3	17.8	21.0	1.1	9.1	0.5	6.8	11.0	<b>93.8</b>	113.2	-17%

## VPS & VPC TECHNICAL COOPERATION PROGRAM

### 3.5 TC Program by Fund



All amounts in US\$ million

Year	ORC	DTF	Total Approved
2015	99.6	70.2	169.8
2016	90.3	72.1	162.5
2017	105.4	89.4	194.8
2018	110.6	99.5	210.1
2019	105.2	112.5	217.6
Change 2018/2019	-5%	13%	4%

**Technical Cooperation** approvals reached **453** for **\$218m**

- 4% increase from the \$210m approved in 2017.
- 10% increase from 397 in 2017.
- Average size of TCs approved reached \$480K, under 1% decrease from \$481K in 2018.

**Donor Trust Funds (DTF)** financed TC approvals reached **144** for **\$113m**

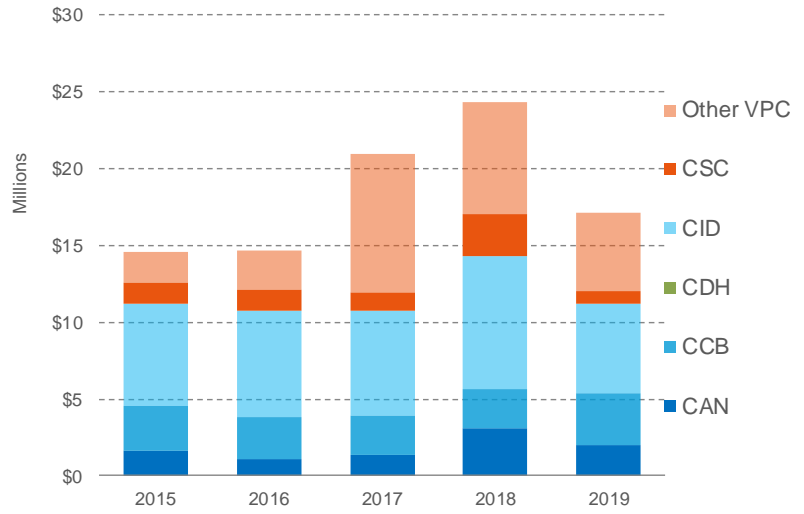
- 13% increase from \$100m in 2018.



### TC PROGRAM BY RESPONSIBILITY UNIT

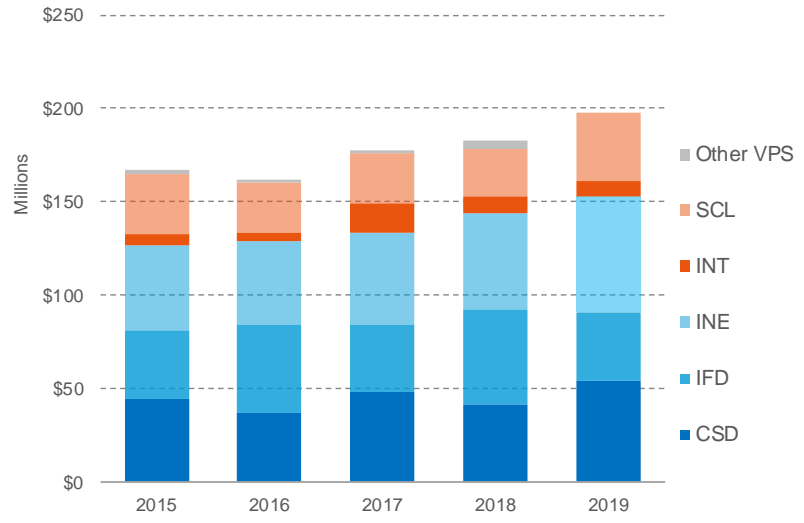
#### 3.6 TC Program by Country Department

- Approvals volume reached **\$17.2m** in 34 TCs.
- 29% decrease from \$24.3m in 45 TCs in 2018.



#### 3.7 TC Program by Sector

- Approvals volume reached **\$197.7m** in 416 TCs.
- 8% increase from \$182.8m in 381 TCs in 2018.

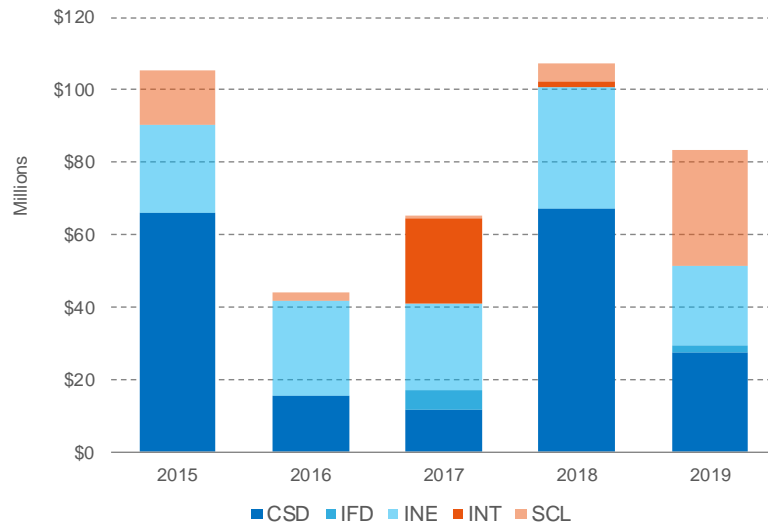


## INVESTMENT GRANTS (VPS)

### 3.8 Investment Grants (IGR)

Approvals volume reached **\$83.2m** in 16 Investment Grants

- 22% decrease from \$107.3m in 14 IGRs in 2018.

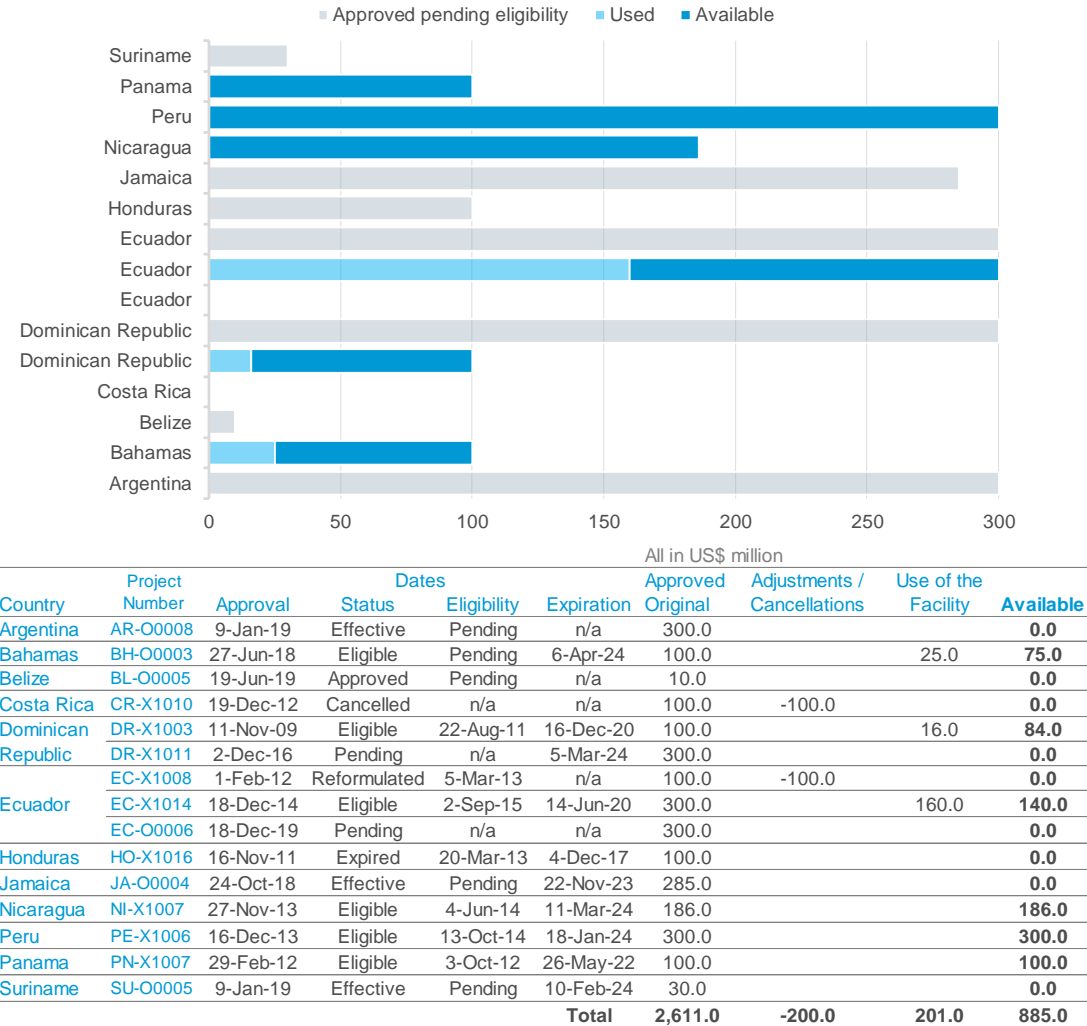


## FACILITIES

### 3.9 Contingent Credit Facility for Natural Disaster Emergencies (CCF)

Total current amount reached **\$2.6b** in 12 countries

- 66% available of the amount available.
- \$201m of funds used in 2019.



# 2019 ANNUAL BUSINESS REVIEW

## CHAPTER IV

# RESOURCE MANAGEMENT

## A. OPERATIONAL EFFICIENCY

### RESOURCES (LC and NLC)

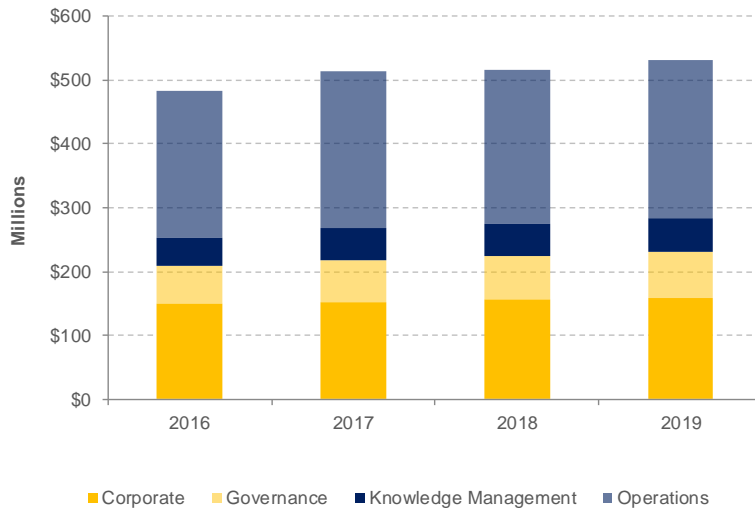
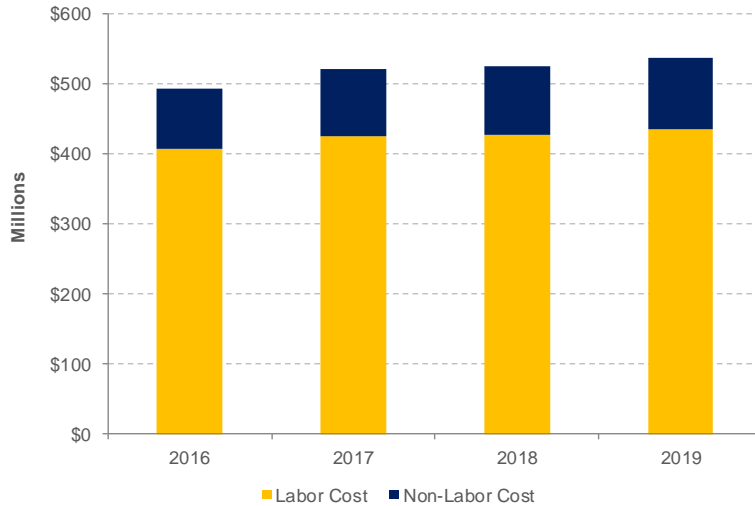
#### 4.1 Operational Departments Budget Execution (VPS, VPC, VPF and STC)

Labor Costs (LC) expenses for operational departments reached **\$436m**

- 2% increase from \$427m in 2018.

Non-Labor Costs (NLC) expenses for operational departments reached **\$102m**.

- 5% increase from \$97m in 2018.



#### 4.2 Main Business Function Budget Execution

Corporate functions executed **\$159m**

- 1% increase from \$157m in 2018.

Governance functions executed **\$72m**

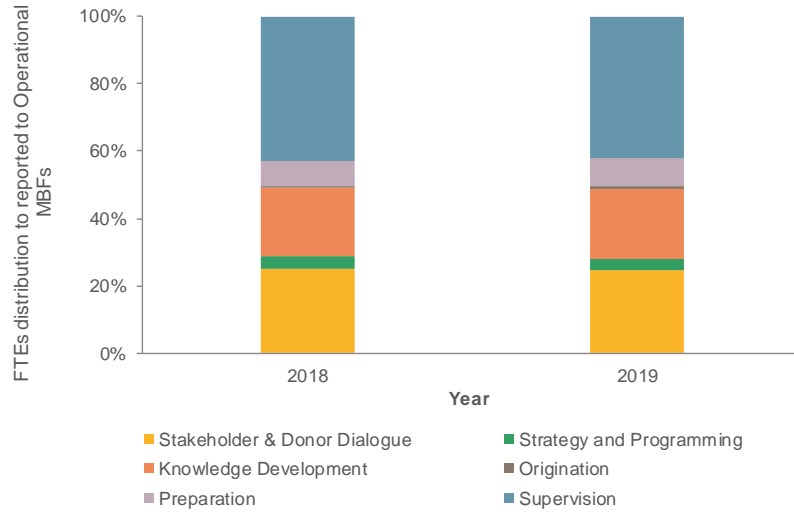
- 7% increase from \$66m in 2018

Knowledge Management functions executed **\$53m**

- 5% increase from \$50m in 2018

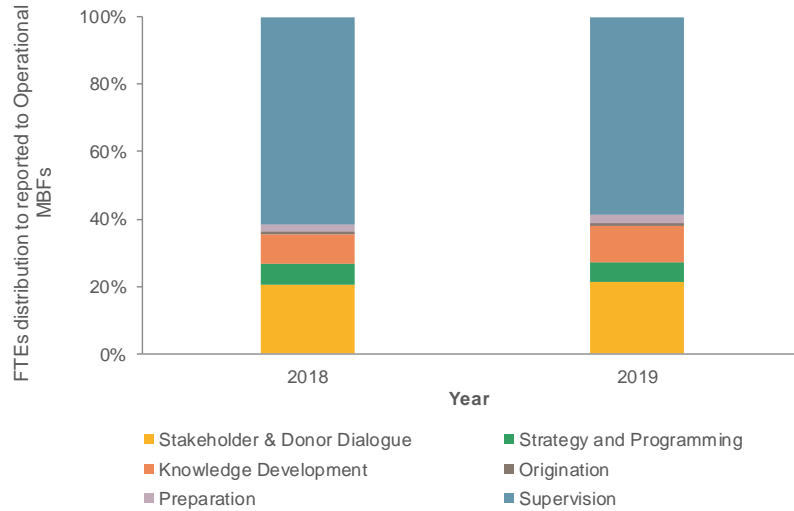
Operations functions executed **\$248m**

- 2% increase from \$243m in 2018



### 4.3 Distribution of staff and Complimentary Workforce time reported to Operational Main Business Functions

- Time reported to Stakeholder & Donor Dialogue reached **463 FTEs**.
- Time reported to Strategy and Programming reached **60 FTEs**.
- Time reported to Knowledge Development reached **390 FTEs**.
- Time reported to Origination reached **13 FTEs**.
- Time reported to Preparation reached **156 FTEs**.
- Time reported to Supervision reached **789 FTEs**.



### 4.4 Distribution of COFs staff and the complimentary workforce time reported to Operational Main Business Functions

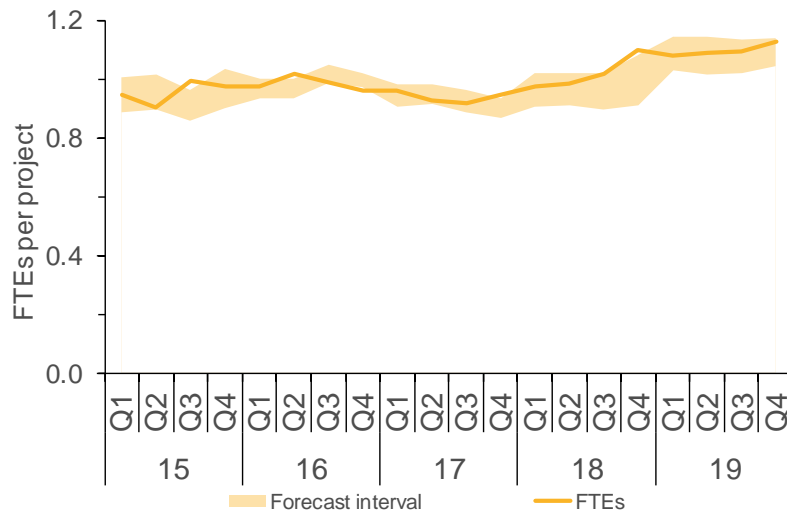
- Time reported to Stakeholder & Donor Dialogue reached **70 FTEs**.
- Time reported to Strategy and Programming reached **18 FTEs**.
- Time reported to Knowledge Development reached **35 FTEs**.
- Time reported to Origination reached **3 FTEs**.
- Time reported to Preparation reached **8 FTEs**.
- Time reported to Supervision reached **192 FTEs**.

## PROJECT EFFICIENCY

### 4.5 Resources for Project Approval

Staff and complimentary workforce time reported to project preparation reached 1.13 FTEs per project in 2019.

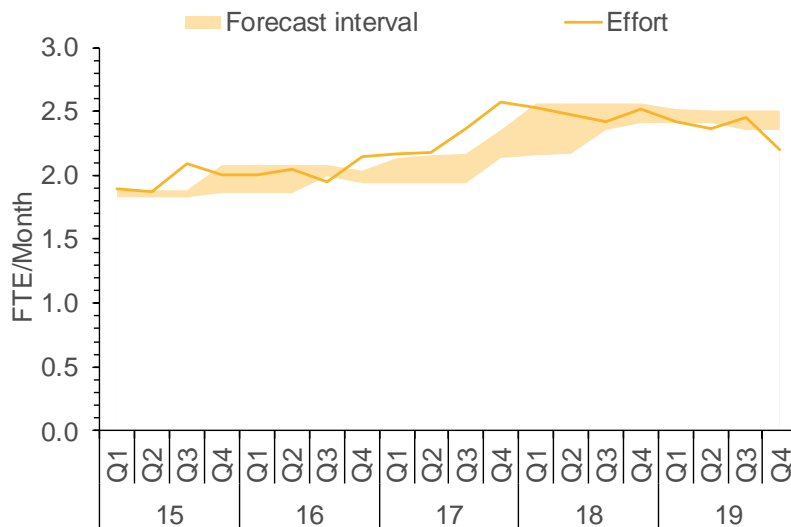
- 3% increase from 1.10 FTEs per project approved in 2018.



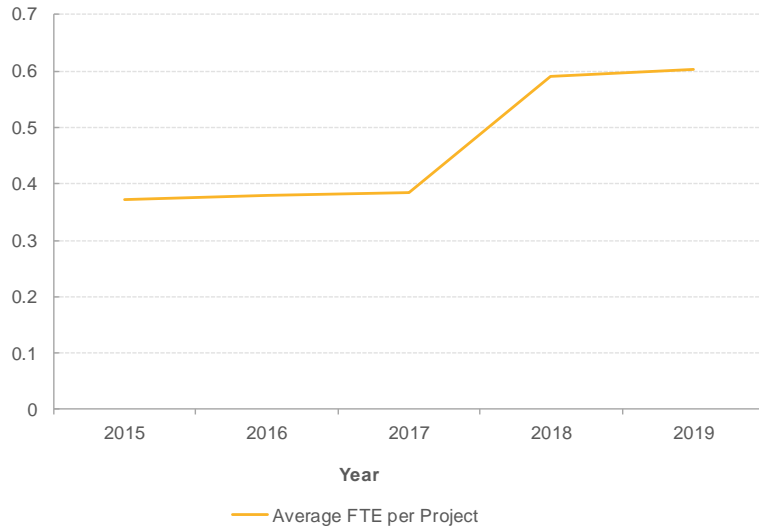
### 4.6 Effort (FTEs/Elapsed Time)<sup>34</sup>

The ratio between staff time reported (Effort) and preparation elapsed time, reached **2.2 FTE/Month** in 2019

- 13% decrease from 2.5 in 2018.



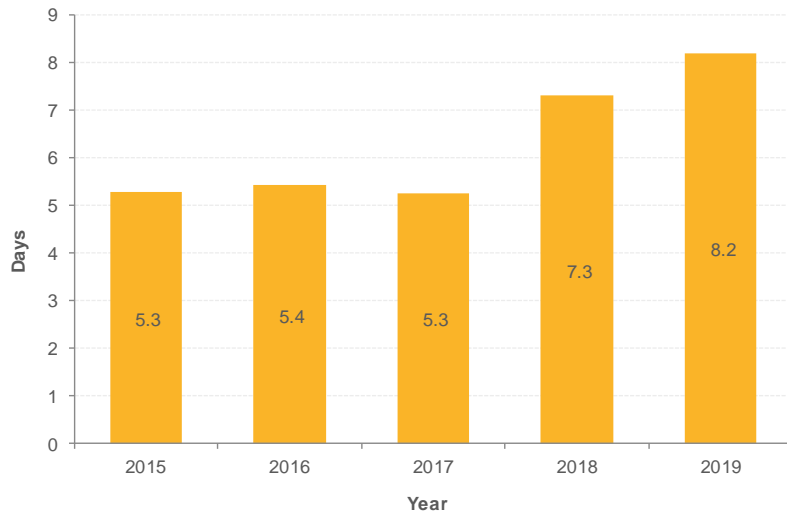
<sup>34</sup> Information prior to 2018 does not include effort reported by the complimentary workforce.



#### 4.7 Staff and Complimentary Workforce Time<sup>35</sup> per Project in Portfolio

Staff time reported per project in the portfolio in execution reached 0.6 FTEs.

- 2% increase from 0.59 in 2018.



#### 4.8 Staff and Complimentary Workforce Time Reported to Project Execution per US\$ Million Disbursed<sup>36</sup>

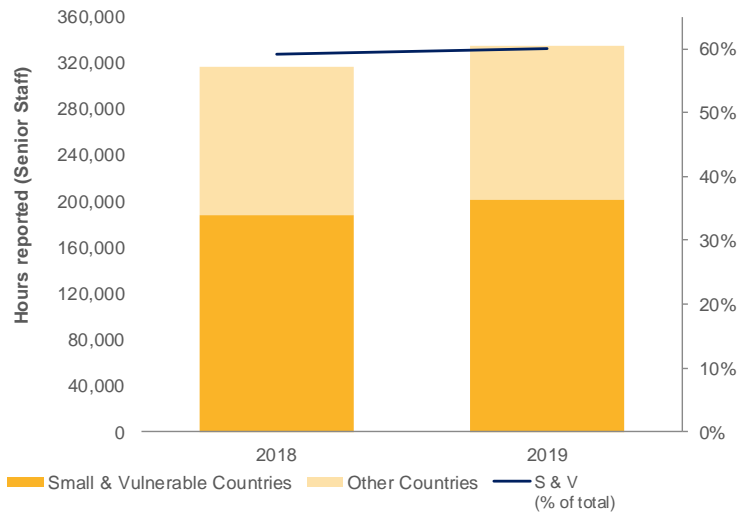
Staff time reported to project execution per US\$ million disbursed reached **8.2 days**.

- 12% increase from 7.3 days in 2018.

<sup>35</sup> Information prior to 2018 does not include effort reported by the complimentary workforce.

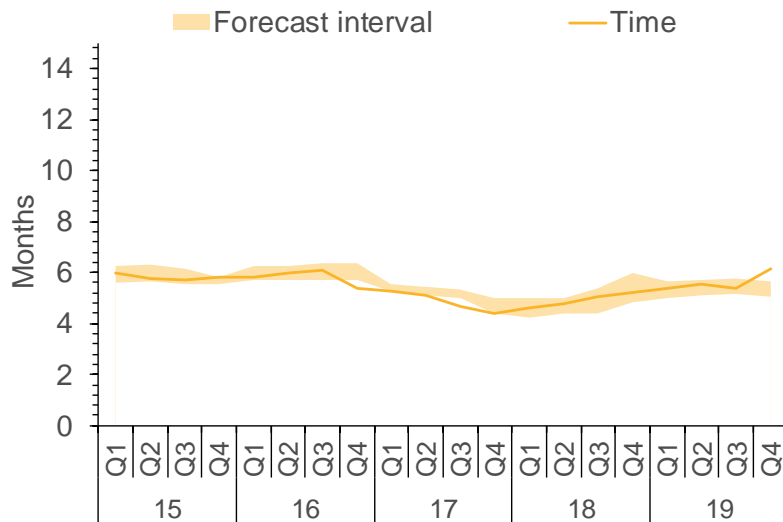
<sup>36</sup> Information prior to 2018 does not include effort reported by the complimentary workforce.





#### 4.9 Senior Staff Time reported to Small & Vulnerable Countries

- Senior Staff time reported to S&V countries reached 201k hours (60% of total) in 2019.
- 1 percentage points increase from 59% (188k hours) in 2018.

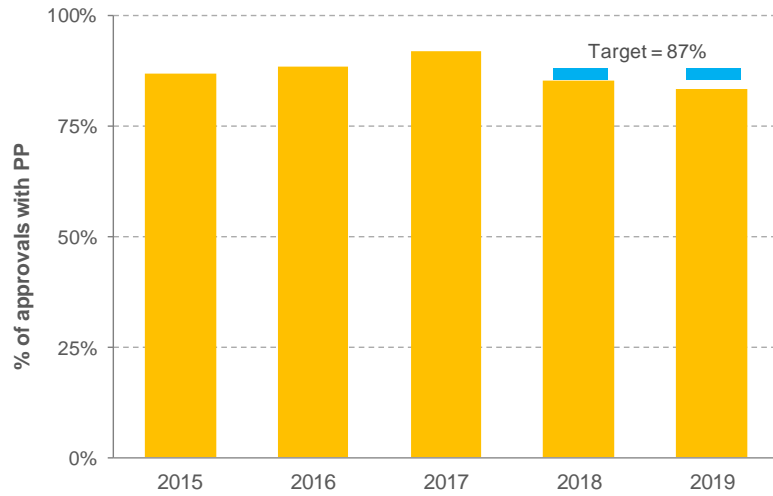


#### CYCLE TIMES (EFFICIENCY)<sup>37</sup>

#### 4.10 Time Elapsed from Project Profile to Approval for SG Projects

- Time elapsed to prepare a project (from Profile to Approval) for SG projects reached **6.2 months**
- 18% increase from 5.2 months in same period in 2018.

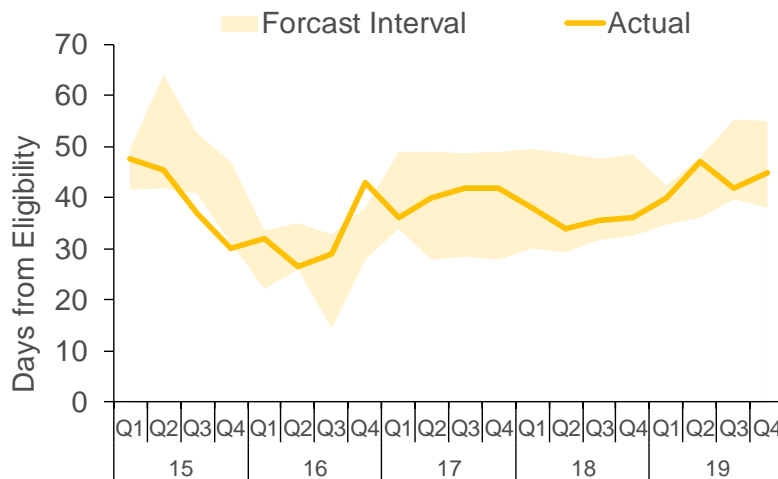
<sup>37</sup> For this graph and the following two, Time elapsed is calculated with a four-quarter moving average



#### 4.11 SG Loan projects meeting target preparation time

The percentage of SG project with project profile (PP) meeting preparation time reached **83% in 2019**, 4 percentage points below the CRF target.

- 2% percentage points decrease from 85% in 2018.



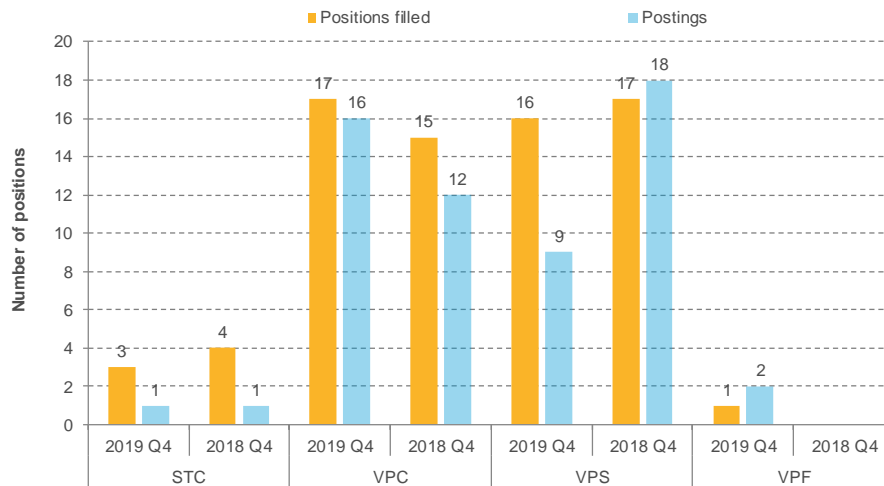
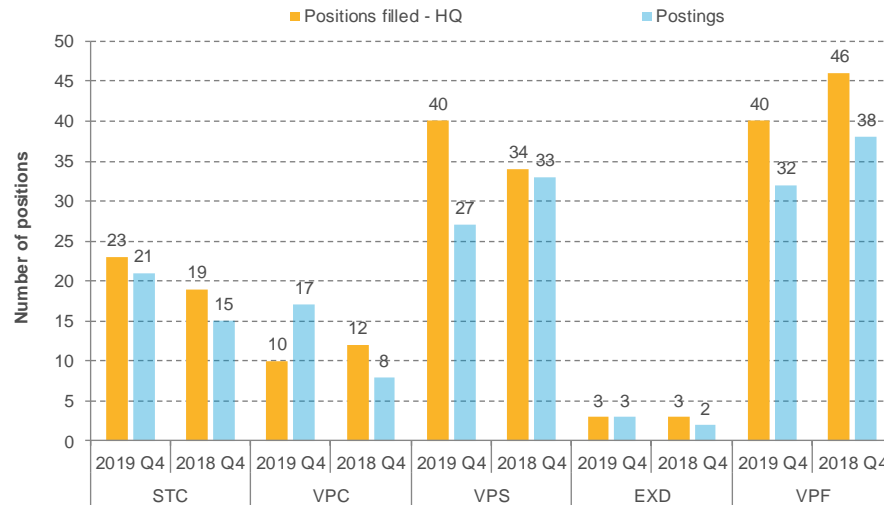
#### 4.12 Time Elapsed from Eligibility to First Disbursement for SG Investment Operations

Time elapsed from eligibility to first disbursement<sup>38</sup> for SG investment operations reached **45 days**.

- 25% increase from 36 days in 2018.

<sup>38</sup> Only operations that actually disbursed

## HUMAN RESOURCES



## VACANCIES AND NEW HIRES

### 4.13 Status of Positions Posted (HQ)

- 154 vacancies filled in 2019, 189 vacancies remain unfilled
- 50 (43%) of vacancies filled were for VPS and VPC.
- 129 (71%) of the filled positions went to external candidates. 51 positions were filled by transfers (16 by competitive process, 35 by lateral transfer)
- Of the 129 external hires, 60 (47%) were female.
- 109 (84%) positions to be filled were posted as international positions.

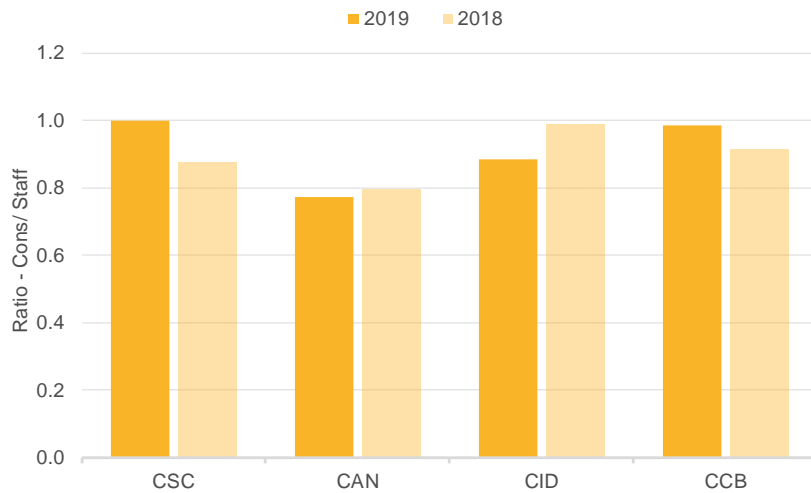
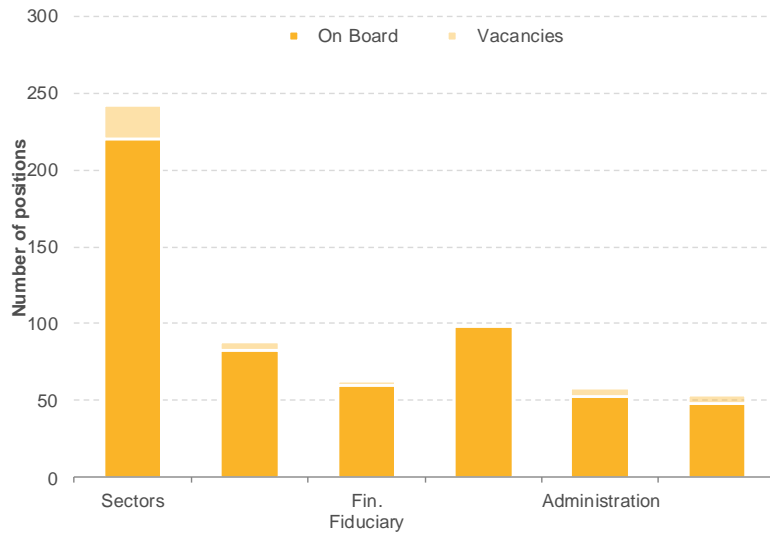
### 4.14 Status of Positions (COFs)

- 37 positions filled in COFs for 2019, one position more than in 2018.

## COF STRENGTHENING

### 4.15 Country Office Staff Composition<sup>39</sup>

- 562 professional staff on-board in COFs. 4% decrease from 587 staff on-board in 2018.
- 41 professional staff vacancies in COFs. 16% decrease from 49 staff vacancies in 2018.



### 4.16 Number of Professional Staff and Consultants (Excluding Firms)

Consultant to technical staff ratio reached **0.91**, 1% increase from 0.90 in 2018:

As of December 31, 2019, there were **465** active consultants in the COFs.

- 1% increase from 459 on December 31, 2018.

As of December 31, 2019, there were **513** technical staff in the COFs.

- 1% increase from 509 on December 31, 2018.

<sup>39</sup> Sectors: VPS, MIF. Ops.: Rep, Ops, Econ.

### EXECUTIVE AND MANAGERIAL WOMEN

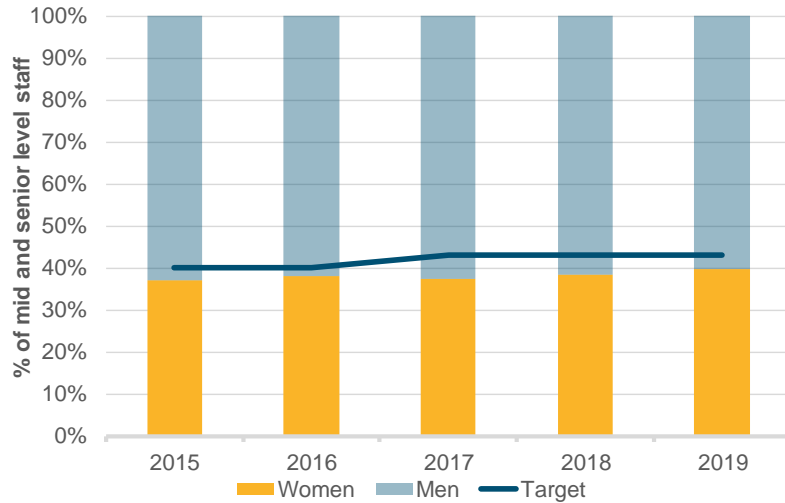
#### 4.17 Percentage of Professional and Executive Staff who are Women, Grade Four and Above

Women in grades four and above reached **40%**

- 2 percentage points increase from 38% in 2018.
- 5 percentage points increase from 35% in 2012.
- The **2019 CRF** target is 43%.

Women in executive and representative positions reached **32%**

- 1 percentage point decrease from 33% in 2018.

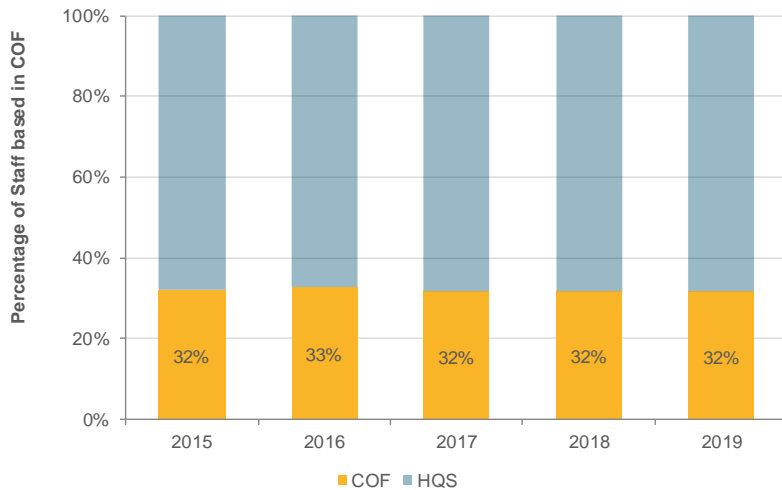


### STAFF COMPOSITION

#### 4.18 Percentage of Professional Staff Based in the COFs

Professional Staff in the COFs reached **32%**

- Same percentage as in 2018.



## TEAM LEADERS

### 4.19 Projects Approved with Team Leaders in the COFs

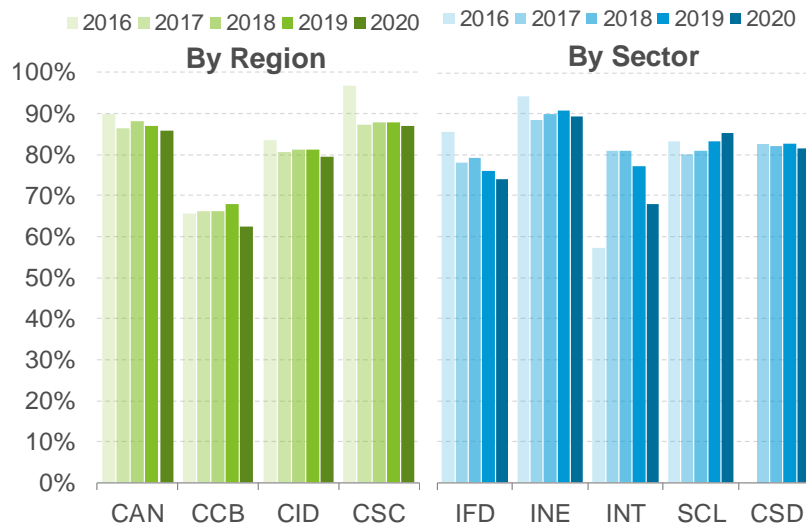
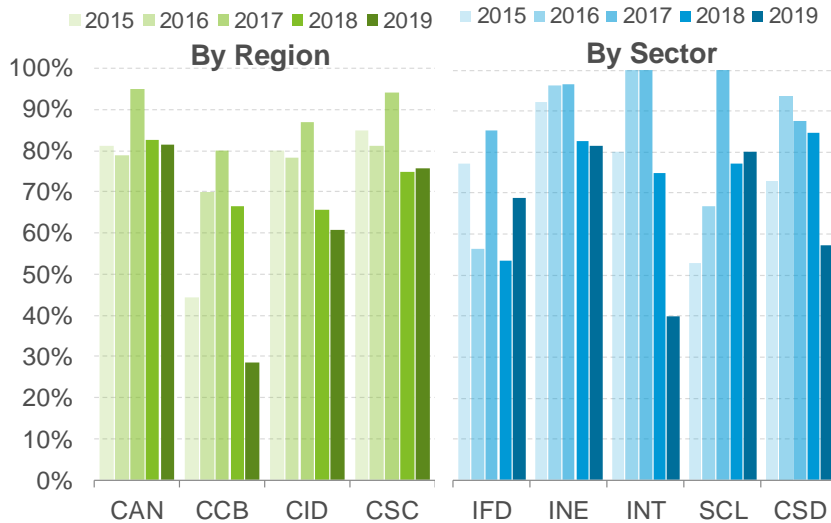
Number of SG loan operations prepared by Team Leaders in COF as a percentage of total number of SG approvals reached **71%** for 2019

- 2 percentage points decrease from 73% in 2018.

### 4.20 Projects in Execution with Team Leaders in COFs

**82%** of Team Leaders for projects in execution are in the COFs

- 2 percentage points increase from 84% at the beginning of 2019.



# 2019 ANNUAL BUSINESS REVIEW

## CHAPTER V

# KNOWLEDGE & LEARNING

## PROGRAM EXECUTION

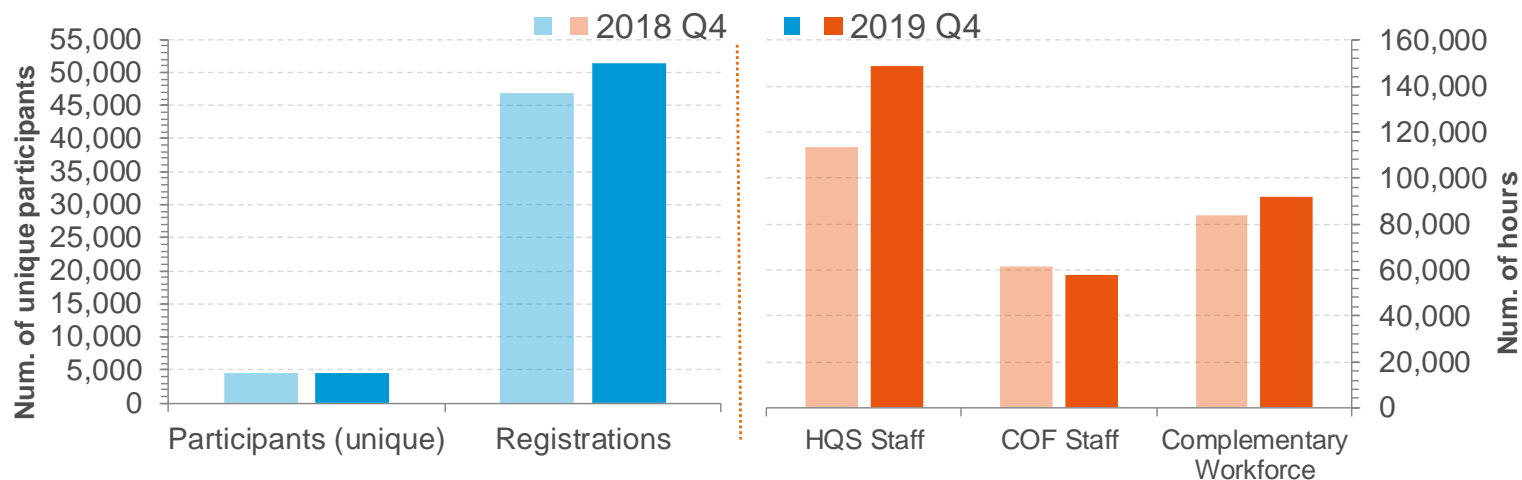
### 5.1 Registrations and unique participants

In 2019, **4,597** unique participants enrolled in at least one training program.

- 1% decrease from 4,621 participants in 2018.

**298,160** participant hours were reported in the KIC System from **51,302** registrations.

- 15% increase from 258,659 participant hours in 2018.



	Participants		Hours				Total Hours
	(unique)	Registrations	All Staff	HQS Staff	COF Staff	Complementary Workforce	
2019 Q4	4,597	51,302	206,323	148,651	57,672	91,837	298,160
2018 Q4	4,621	46,918	175,018	113,257	61,761	83,641	258,659
% Change (2019/2018)	-1%	9%	18%	31%	-7%	10%	15%

#### Delivery for External Clients



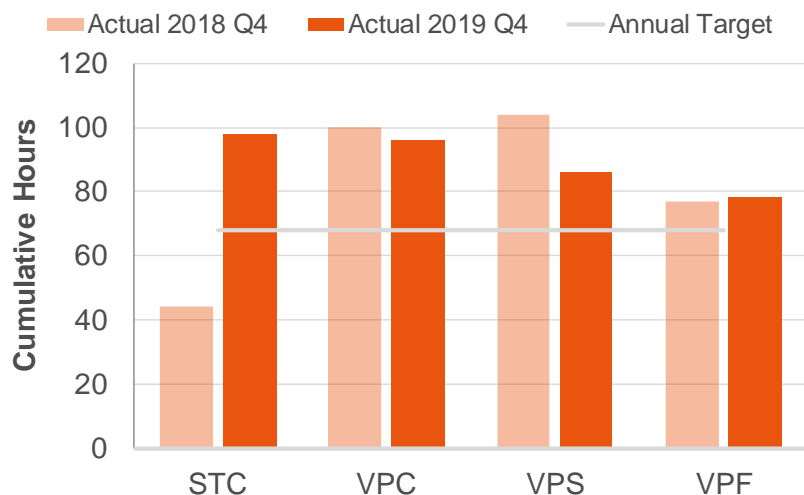


## A. LEARNING ACTIVITIES – INTERNAL CLIENTS

### 5.2 Average KNL Hours per Participant

Bank staff reported an average of **90** hours to K&L activities, 132% of the indicative target for the year (68 hours).

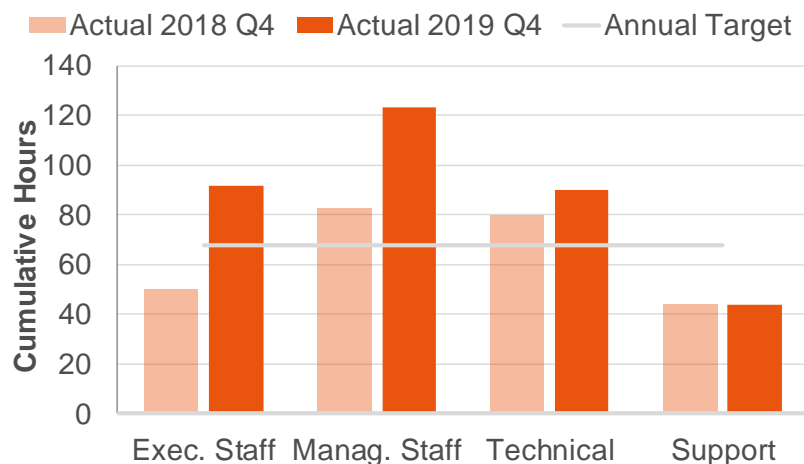
- VPC reported 96 hours, 141% of the indicative target.
- VPS reported 86 hours, 126% of the indicative target.
- VPF reported 78 hours, 115% of the indicative target.
- STC reported 98 hours, 144% of the indicative target.



### 5.3 Average Training Hours per Participant

Bank wide, the average hours reported to training activities was **87**, 128% of the indicative target for the year (68 hours).

- Executive reported 92 hours, 135% of the indicative target.
- Managerial reported 123 hours, 180% of the indicative target.
- Technical reported 90 hours, 132% of the indicative target.
- Support reported 44 hours, 65% of the indicative target.



By location:

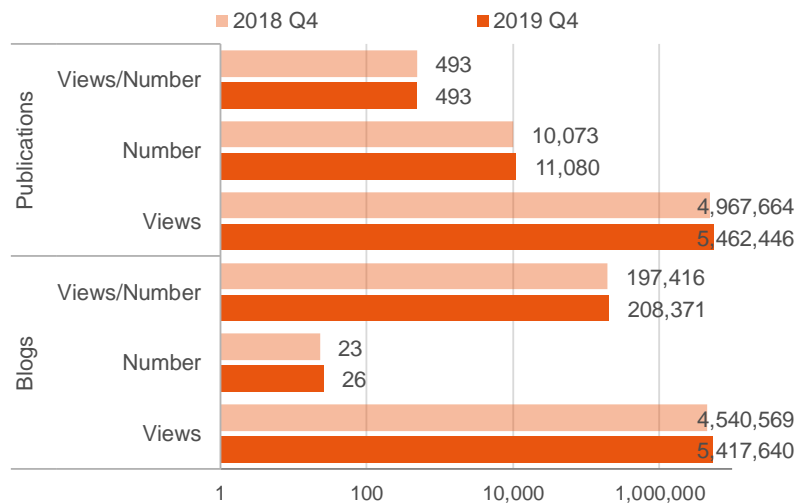
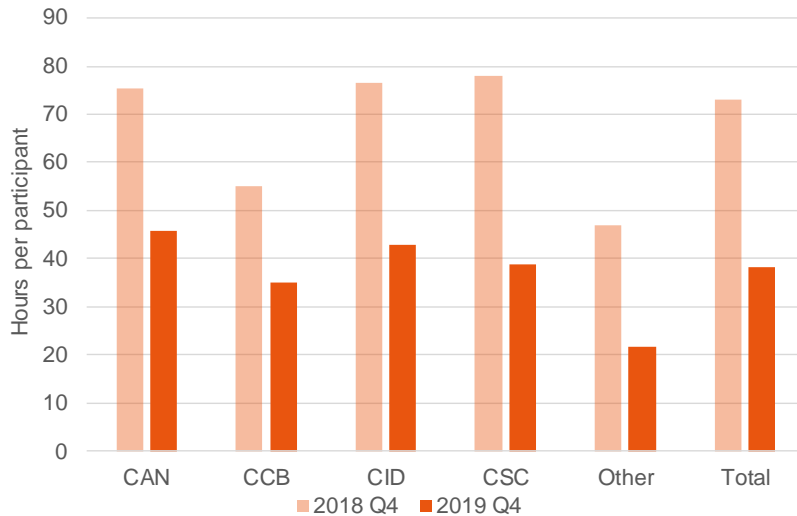
- HQ reported 91 hours, 134% of the indicative target.
- COF reported 81 hours, 119% of the indicative target.

## B. CAPACITY BUILDING ACTIVITIES – EXTERNAL CLIENTS

### 5.4 External Client Participation in KNL Activities

5,990 registered participants from the Region, representing 114% of 2,796 total registered participants in 2018

- 12% increase in hours from 204,221 hours in 2018 to 229,327 hours in 2019.



## DISSEMINATION AND COMMUNICATION

### 5.5 Number of Views per Dissemination Tool

A total of **11,080** IDB Knowledge products were available in BRIK:

- 10% increase from 10,073 knowledge products in 2018.
- Total visits to these publications was **5.46** million yielding an average of **493** visits per publication
- At the end of 2019, there were **26 Blogs** with more than **5.4** million views

<http://blogs.iadb.org/>

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

# Abbreviations

AFS	Audited Financial Statements	PDP	Operations Procurement Office
BDA	Budget and Administrative Services Department	PFM	Portfolio Monitoring Unit
C&D	Countries from Group C & Group D	PI	Performance Index
CAN	Country Department Andean Group (Colombia, Peru, Venezuela, Bolivia and Ecuador)	PMR	Progress Monitoring Report
CCB	Country Department Caribbean Group (Jamaica, Trinidad and Tobago, Suriname, Guyana, Barbados and Bahamas)	PRG	Programming Product
CCLIP	Conditional Credit Line for Investment Projects	REG	Regional
CID	Country Department Central America (Guatemala, Belize, El Salvador, Haiti, Honduras, Nicaragua, Costa Rica), Mexico, Panama, and Dominican Republic	RES	Department of Research and Chief Economist
CDH	(Deprecated, used until 2017) Country Department Haiti	CRF	Corporate Result Framework
COF	Country Office	RMG	Office of Risk Management
CPD	Country Programming Document	RND	Environment, Rural Development Disaster Risk Management Division
CSC	Country Department Southern Cone (Argentina, Brazil, Chile, Uruguay and Paraguay)	SCF	Structured and Corporate Finance Department
DTF	Donor Trust Funds	SCL	Social Sector
DEM	Development Effectiveness Matrix	SECCI	Sustainable Energy and Climate Change Initiative
EDU	Education Division	SG	Sovereign Guaranteed
EME	Financial Emergency Loans	SMO	Strategy Monitoring Division
EFS	External Feedback System	SPD	Office of Strategic Planning and Development Effectiveness
ESW	Economic and Sector Work	SPH	Social Protection and Health Division
FSO	Fund for Special Operations	STC	Strategic Core
FTE	Full Time Equivalents	T&L	Time and Labor System
FMM	Fiscal and Municipal Management Division	TC	Technical Cooperation
FOB	Funds of the Bank (ORC, FSO, GRF)	TFFP	Trade Finance Facilitation Program
FUA	Funds under Administration	VPC	Vice Presidency for Countries
GCM	Grants and Co-Financing Management Unit	VPF	Vice Presidency for Finance and Administration
GEF	Global Environment Fund	VPP	Vice Presidency for Private Sector and Non-Sovereign Guaranteed Operations
GRF	IDB Grant Facility	VPS	Vice President for Sectors and Knowledge
HQS	Headquarters	WSA	Water and Sanitation Division
HRD	Human Resources Department	AR	Argentina
HRG	Haiti Response Group	BA	Barbados
ICF	Institutional Capacity and Finance Sector	BH	Bahamas, The
IDB-8	8th General Capital Increase	BL	Belize
IDB-9	9th General Capital Increase	BO	Bolivia
IIC	Inter-American Investment Corporation	BR	Brasil
INE	Infrastructure and Environment Sector	CH	Chile
INT	Integration and Trade Sector	CO	Colombia
IFD	Institutions for Development	CR	Costa Rica
INV	Investment Operations	DR	Dominican Republic
KCP	Knowledge and Capacity Building Products	EC	Ecuador
KIC	Knowledge, Innovation and Communication Department	ES	El Salvador
KNL	Knowledge and Learning	GU	Guatemala
NFP	Non-Financial Products	GY	Guyana
LPGS	Liquidity Program for Growth Sustainability	HA	Haiti
LTFP	Long-Term Financial Plan	HO	Honduras
NPC	Non-Personnel Costs	JA	Jamaica
NSG	Non-Sovereign Guaranteed	ME	Mexico
ORC	Ordinary Capital (OC)	NI	Nicaragua
OLB	Outstanding Loan Balance	PE	Peru
OMJ	Opportunities for the Majority Sector	PN	Panama
OPUS	Operations Update System	PR	Paraguay
ORP	Office of Outreach and Partnerships	SU	Suriname
PBL	Policy Based Lending	TT	Trinidad and Tobago
PC	Personnel Cost	UR	Uruguay
PCR	Project Completion Report	VE	Venezuela
		RG	Regional