The Year in Review

Inter-American Development Bank

IDB

Financial Summary 2009–2013

Ordinary Capital (In millions of United States dollars)	2013	2012	2011	2010	2009
Operational Highlights					
Loans and Guarantees Approved[1]	$13,290	$10,799	$10,400	$12,136	$15,278
Loan Disbursements	10,558	6,883	7,898	10,341	11,424
Loan Repayments	8,462	4,571	4,601	5,598	4,542
Balance Sheet Data					
Cash and Investments-Net, After Swaps	$21,226	$14,592	$13,882	$16,585	$20,204
Loans Outstanding	70,679	68,640	66,130	63,007	58,049
Undisbursed Portion of Approved Loans	29,207	26,987	23,994	22,357	21,555
Total Assets[2]	97,007	92,209	89,432	87,217	84,006
Borrowings Outstanding, After Swaps	67,460	59,754	58,015	57,874	57,697
Equity[2]	23,550	20,681	19,794	20,960	20,674
Income Statement Data					
Loan Income, After Swaps	$ 1,858	$ 1,668	$ 1,742	$ 1,830	$ 2,002
Investment Income	215	382	108	624	831
Borrowing Expenses, After Swaps	401	519	462	550	951
Operating Income	881	910	836	1,252	1,294
Ratio					
Total Equity[3] to Loans[4] Ratio[2]	33.6%	31.1%	31.3%	33.4%	34.2%

Fund for Special Operations (In millions of United States dollars)	2013	2012	2011	2010	2009
Operational Highlights					
Loans Approved	$ 251	$ 320	$ 181	$ 297	$ 228
Loan Disbursements	322	317	368	398	414
Loan Repayments	222	196	195	214	220
Balance Sheet Data					
Cash and Investment	$ 1,131	$ 1,200	$ 1,212	$ 1,413	$ 1,410
Loans Outstanding, Net	4,364	4,277	4,162	4,004	4,317
Undisbursed Portion of Approved Loans	763	843	846	1,038	1,290
Total Assets	5,512	5,494	5,392	5,436	5,747
Fund Balance	5,056	4,958	4,796	4,670	5,205
Income Statement Data					
Loan Income	$ 64	$ 65	$ 68	$ 74	$ 83
Technical Cooperation Expense (Income)	(8)	(8)	(9)	24	23
Debt Relief Expense	—	—	—	484	(3)
General Reserve Transfers	—	—	44	364	122
Net Income (Loss)	53	66	20	(792)	(14)

[1] Excludes guarantees issued under the Trade Facilitation Program and non-sovereign-guaranteed loan participations.
[2] Effective March 31, 2013, the Bank reclassified from Assets to Equity the Receivable from members amounting to $262 million, at December 31, 2013.
[3] "Total Equity" is defined as Paid-in Capital stock, less Capital subscriptions receivable, Retained earnings and the allowances for loan and guarantee losses, minus borrowing countries' local currency cash balances, Receivable from members, and the cumulative effects of Net fair value adjustments on non-trading portfolios and foreign currency transactions (non-GAAP measure).
[4] Includes loans outstanding and guarantee exposure.

Letter of Transmittal

As required by the By-Laws of the Inter-American Development Bank, the Board of Executive Directors hereby submits to the Board of Governors the Annual Report of the Bank for 2013. The Annual Report consists of a printed volume entitled "The Year in Review," containing a review of the Bank's operations in 2013 (loans, guarantees, and grants). The electronic version of the Annual Report at www.iadb.org/ar/2013 contains, in addition, the full set of the financial statements of the Bank's resources.

March 17, 2014

A Partner for Latin America and the Caribbean

Annual Report 2013

The Year in Review

The IDB Group is composed of the Inter-American Development Bank (IDB), the Inter-American Investment Corporation (IIC) and the Multilateral Investment Fund (MIF, a fund administered by the IDB). The IDB, the oldest and largest regional multilateral development bank, is the main source of multilateral financing for economic, social, and institutional development in Latin America and the Caribbean. The IIC focuses on support for small and medium-sized businesses, while the MIF promotes private-sector growth through grants and investments. By the end of 2013, the IDB had approved nearly $232 billion in loans and guarantees to finance projects with investments totaling over $481 billion, as well as $5.7 billion in grants. The IDB obtains its own financial resources from its 48 member countries, borrowings on the financial markets and trust funds that it administers, and through cofinancing ventures. The IDB's debt rating is Triple-A, the highest available. The IDB is headquartered in Washington, D.C. and has Country Offices in all 26 of its member countries in Latin America and the Caribbean, as well as in Madrid and Tokyo.

MEMBER COUNTRIES

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

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Jamaica. The Citizen Security and Justice project includes tuition assistance for vocational education programs, as well as dispute resolution, mentoring, teen centers, remedial education and parenting programs

Message from the President

While economic activity in Latin America and the Caribbean in 2013 was still strong, volatility in international financial markets and downturns in the prices of basic commodities affected growth in the Region, which slowed slightly to a rate of 2.7 percent.

A less favorable external environment, characterized by weak mid-term demand and potential risks in international financial markets—combined with less room for fiscal stimulus—presents the Region with the challenge of accelerating growth without being able to count on the favorable external conditions of the past decade. The priority, accordingly, is to increase potential medium-term growth through reforms that address bottlenecks restricting increases in productivity, internal savings, and investment.

There is consensus in academic and policy circles on much of the Region's agenda. We need to improve the quality of teaching to increase the quality of education. Without greater investment in infrastructure—better highways, ports, rail and airports—our competitiveness will remain inconsistent. Only with more innovation, in the form of research and development and the cultivation of human capital, can we transform transitory results into lasting ones, and only by further integration, through the removal of barriers to trade and to the movement of people and capital, can we aspire to match the achievements of the fast-growing economies of Asia.

Both short- and long-term, we must acknowledge the imperative of preserving our unrivaled biodiversity and water resources and help vulnerable population centers mitigate risks associated with global warming.

One of the central pillars of sustainable and inclusive growth is the fight against poverty and inequality. Although unemployment and poverty continued to decline, symptoms of stagnation have begun to appear. The Region's expanded middle class is understandably insisting that government provide services more effectively.

The Inter-American Development Bank is committed to supporting the Region in meeting these challenges. In that context, I am pleased to report strong results for 2013. We approved $14 billion in financing for 168 projects in priority sectors such as institutional development, infrastructure, the environment, social development, and regional integration and foreign trade. Of the total of loans and guarantees approved in 2013, $2.1 billion were for private-sector operations, without a sovereign guarantee.

Our increased emphasis on execution led to a surge in disbursements to $11.2 billion. Additionally, the Bank approved a total of $404 million in grant financing operations.

The Bank's achievements over the course of the year were thanks to the commitment of the Board and Management to the Region. We continue to strengthen our capacity to serve the countries and citizens of Latin America and the Caribbean. This effort is evident in the important reforms in internal management that have been implemented in the framework of the IDB-9 Capital Increase, as well as in initiatives undertaken to improve the IDB Group's activities with the private sector.

With respect to the latter, progress was made during 2013 in defining a new vision for our work with the private sector. Our key objectives have been to ensure that our interventions are designed strategically as opportunities to generate a greater contribution to development, and to emphasize systemic approaches that accomplish more than individual projects can while mobilizing additional resources from a broader array of sources of financing.

The IDB Group's work program for 2014 is broad and varied. As always, it will be guided by the goal of better serving a Region that is growing, and moving forward, but which still needs to meet the challenge of ensuring that its progress benefits all segments of its population.

Luis Alberto Moreno
President
Inter-American Development Bank

Executive Directors

The IDB shareholders—its 48 member countries—are represented by the Board of Governors, the highest decision-making authority of the Bank. The Governors delegate many of their powers to the Board of Executive Directors, whose 14 members they elect or appoint for three-year terms. Executive Directors for the United States and Canada represent their own countries; all others represent groups of countries. The Board of Executive Directors also includes 14 Alternates, who have full power to act when their principals are absent. The Board of Executive Directors is responsible for day-to-day oversight of the Bank's operations. It establishes the institution's policies, approves projects, sets interest rates for Bank loans, authorizes borrowings in the capital market, and approves the institution's administrative budget. The work of the Board of Executive Directors is guided by the Regulations of the Board of Executive Directors and the Code of Ethics for Executive Directors. The agendas and minutes of the meetings of the Board of Executive Directors and its standing committees are public documents.

Front row (left to right): Leo Kreuz, Carol Nelder-Corvari, Luis Hernando Larrazábal, María Pérez Ribes, Carla Anaí Herrera, María de los Angeles González Miranda, Juan Carlos Echeverry

Middle row: Hugo Rafael Cáceres, Kurt Johny Burneo Farfán, Muriel Alfonseca, Cristina Penido, James Haley

Back row: Hironori Kawauchi, Christian Hofer, Gabriela V. Costa, Antonio De Roux, Ricardo Carneiro, Zulfikar Ally, Federico Chinchilla, Per Oyvind Bastoe

Not pictured: Gustavo Arnavat, Yasuhiro Atsumi, Adina Bastidas, Alejandro Foxley, Kurt Kisto, Xavier Santillán

March 5, 2014

Chile. In 2009, the Government of Chile announced its intention to incorporate up to 20 percent of non-conventional renewable energy as part of the country's energy matrix by 2020. A variety of studies and investments financed by the Bank have focused on the use of solar power in the Atacama desert.

I. Operational Summary

Projects: Approvals, Disbursements, Net Flows, and Active Portfolio

In 2013, the Bank approved a program of 168 projects, for a total value of $14 billion, including $1.2 billion under the Reallocation Program.[1] The program of approvals included 145 investment operations for $9.9 billion, 58 of which were non-sovereign guaranteed operations (totaling $2.1 billion) and six were operations approved under the IDB Grant Facility ($188 million). Twenty-two policy-based loans were also approved for a total of $4 billion and one project under the Development Sustainability Credit Line for $100 million. Of total approvals in 2013, $13.3 billion were financed from the Bank's Ordinary Capital, $251 million from the Fund for Special Operations (FSO), and $188 million from the IDB Grant Facility.[2]

These results consolidate the growth trend in the level of Bank approvals. Average annual approvals have increased significantly over the last five years compared with the previous five-year period, rising from $7.8 billion in 2004–2008 to $12.9 billion in 2009–2013. If approvals under the Reallocation Program are excluded, average annual approvals over the 2009–2013 period were $12.7 billion.

The share of Group C and D countries within total Bank approvals reached 37 percent of total approved financing.

Loan approvals in 2013 were concentrated in the five priority areas set out in the IDB-9 framework, and they have contributed to the fulfillment of the objectives set out in the Results Framework. In terms of sectors, 36 percent of approved financing was allocated to institutional support for development, 34 percent to the infrastructure and environment sectors, 21 percent to social sector programs, and 9 percent to integration and trade programs.

In terms of the number of projects, 44 percent of newly approved operations were in the area of institutional support for development, 32 percent in the infrastructure and environment sectors, 13 percent in integration and trade, and 11 percent in the social sectors.

These figures do not reflect the progress made in terms of promoting joint work between sectors and windows. With the continued use of the "double-booking" concept and efforts to encourage such synergies, joint work between different operational units led to the approval of 34 operations in 2013 (20 percent of the total). This level of collaboration helps improve the overall quality and efficiency of the Bank's operational work.

Disbursements. Bank disbursements totaled $11.2 billion in 2013, of which $453 million corresponded to disbursements for operations under the Reallocation

Figure I. 2013 Approvals by Sector

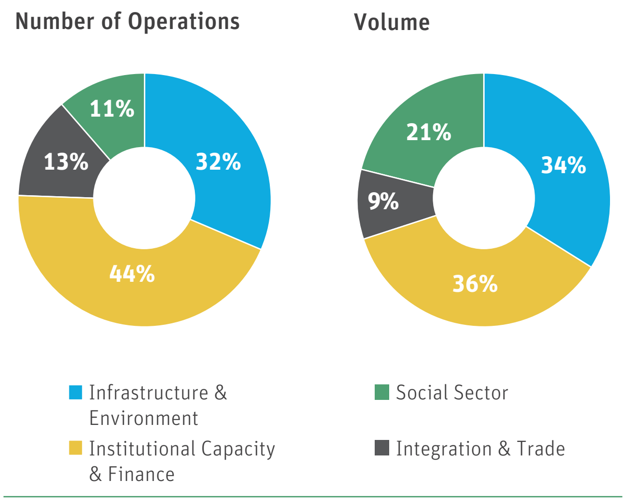


Table I. 2013 Approvals by Sector Group[1]

(In millions of U.S. dollars)

Sector	Number of projects	Amount	%
Agriculture and Rural Development	7	227	2%
Energy	9	534	4%
Environment and Natural Disasters	6	178	1%
Sustainable Tourism	5	185	1%
Transport	20	2,804	20%
Water and Sanitation	6	775	6%
Subtotal Infrastructure & Environment	**53**	**4,702**	**34%**
Financial Markets	20	1,614	12%
Industry	1	4	0%
Private Firms and SME Development	15	463	3%
Reform/Modernization of The State	26	2,319	17%
Science and Technology	1	24	0%
Urban Development and Housing	10	545	4%
Subtotal Institutions for Development	**73**	**4,970**	**36%**
Trade	22	1,223	9%
Subtotal Integration & Trade	**22**	**1,223**	**9%**
Education	6	726	5%
Health	5	751	5%
Social Investment	8	1,527	11%
Subtotal Social Sector	**19**	**3,004**	**21%**
Total	**167**	**13,899**	**100%**

Totals may not add due to rounding

[1] Excludes Development Sustainability Credit Line approvals.

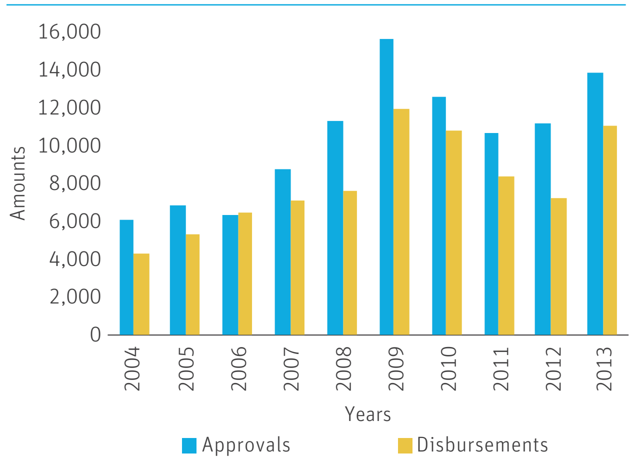
Program, and $186 million to the IDB Grant Facility. Disbursements have returned to the growth trend observed before the crisis.

Net resource flows. Net flows to the region from Bank operations were positive in 2013, at $2.5 billion. However, net cash flow to the region was negative, at $280 million. Net cash flow is the sum of disbursements less programmed principal repayments ($4.4 billion), advance repayments ($4.3 billion), interest and fee payments ($2.6 billion), and $228 million resulting from conversions under the local currency conversion program. If disbursements under technical cooperation operations are also included, the positive net flow to the region would be $32 million. It should be noted that $1.5 billion of the advance payments mentioned above were requested by the borrowers as part of the Reallocation Program.

Active portfolio. At the end of the 2013 financial year, the Bank's active portfolio of sovereign-guaranteed projects in execution consisted of 648 operations with an

Figure II. Approvals and Disbursements. 2004–2013

(in millions of U.S. dollars)



undisbursed balance of $28.4 billion. These results, supported by a higher level of approvals, consolidate the growth trend in the Bank's portfolio. The portfolio has grown by 19 percent on average over the last five years (compared to the previous five-year period). The average annual volume of financing rose from $38.6 billion in the 2004–2008 period to $45.9 billion in the 2009–2013 period. At the end of 2013, of the total undisbursed balance, 60 percent related to the infrastructure and environment sector, 20 percent to institutions for development programs, and 17 percent to social sector programs.

In terms of performance, in 2013, 61 percent of the active portfolio of sovereign-guaranteed projects was classified as satisfactory, while 23 percent of projects were "on alert" and 11 percent were classified as problem projects. The most common reasons for operations being classified as problem projects include delays in bidding processes and a lack of clarity on the part of the executing agency regarding administrative processes or Bank procedures—particularly at the outset of project execution.

Given the growth experienced in the Bank's project portfolio in recent years, as well as the emphasis placed on execution and achieving results, Management intensified its focus on identifying and managing problem and poorly performing projects. In complete coordination with the relevant authorities, the Bank also proceeded to reformulate and/or cancel two sovereign-guaranteed projects in 2013. Support to executing units was also increased further with a view to strengthening project management activities in the areas of fiduciary management and disbursement projections.

Private Sector and Non-Sovereign Guaranteed Activities

The Bank approved 58 non-sovereign guaranteed operations in 2013 for a total value of $2.1 billion. This included 19 loans with a total value of $645 million under the framework of the Trade Finance Facilitation Program.

The **Structured and Corporate Financing Department (SCF)** approved 47 projects (loans and guarantees) totaling $2 billion in 2013, of which 44 percent were in the C and D countries. Disbursements in 2013 totaled $2.1 billion. In 2013, SCF also successfully closed 27 transactions for $960 million in A loans and $436 million in B loans. As a result, the portfolio climbed to over $5 billion, while at the same time its country concentration continued to diversify. Aside from trade and integration, the main areas of focus in the new approvals were SME development (23 percent), energy (18 percent), and financial markets (16 percent).

Disbursements under the **Trade Finance Facilitation Program** (TFFP) were the highest in the program's history—up 73 percent from 2012. In 2013, the Bank approved 19 A loans for a total of $645 million, and issued guarantees for $568 million. The TFFP network now has over 90 issuing banks in 21 LAC countries and nearly 300 confirming banks worldwide, allowing it to support roughly $1 billion in private sector regional and international trade transactions this year.

The **Opportunities for the Majority** (OMJ) sector, which focuses on developing innovative market-based projects for low-income communities, approved 10 operations (loans and guarantees) for $100 million in 2013. In addition, OMJ recorded $40 million in B loans and closed ten operations totaling $62 million.

The **Inter-American Investment Corporation** (IIC) approved 71 projects (loans and equity transactions) totaling $415 million adding further support to SME growth and development in the region. Of that total, 40 percent was directed to C and D countries. IIC's development portfolio increased 27 percent from $920 million at the start of its current business plan in December 2010 to over $1 billion at year-end 2013.

In 2013, the **Multilateral Investment Fund** (MIF) continued to focus its efforts on providing access to finance, basic services, and markets and skills, approving 68 projects for a total of $108.3 million, of which 60 were technical cooperation grants, and eight were loan or investment operations combined with grants.

MIF projects leveraged additional financial resources totaling $319 million. At the end of 2013, the MIF had an active portfolio of 502 projects for a total approved amount of $738.4 million. Disbursements for the year totaled $91.3 million.

In 2013, a total of 12 projects (22 operations) were approved under the **Social Entrepreneurship Program** (SEP) for a total value of $10.6 million. Close to 60 percent of approved resources under the SEP program in 2013 were destined to C and D countries. SEP projects combined long-term loans and technical cooperation components in order to enable rural populations and small producers to access financial services, energy and water saving mechanisms, value chains, and export markets.

Grants and Nonreimbursable Technical Cooperation

During 2013, the Bank managed 63 funds for grant and loan financing operations, of which 19 are Special Programs/Grants financed by Ordinary Capital (OC SP/G), 37 are single and multidonor trust funds, and seven are financial intermediary funds. Total contributions received for Donor Trust Funds and Project Specific Grants (PSGs) in 2013 amounted to $260 million.

Especially noteworthy was a significant contribution to PSGs by the Canadian International Development Agency (CIDA) on the order of $20 million. Japan contributed $9 million in 2013, representing a 43 percent increase compared to 2012, while the Nordic Development Fund's contribution of almost $16 million represents a 14 percent increase compared to 2012.

This year's grant financing approvals totaled $404 million, including investment grants, a 45 percent increase when compared to 2012. Single and multidonor funds, as well as PSGs, show a slower rate of approval versus 2012. Financial Intermediary Funds, PSG and OC SP/Gs approvals, however, increased 132 percent, 73 percent and 58 percent, respectively, when compared to the same period in 2012. In fact, OC SP/Gs reached a record high approval level of $147.3 million by year-end. These record-breaking numbers demonstrate the importance of OC SP/Gs in supporting the preparation and execution of loans as well as in generating knowledge products to facilitate dialogue and origination activities that result in future business for the Bank.

During 2013, donor trust funds (DTFs) and OC SP/Gs financed 35 percent and 36 percent, respectively, of the nonreimbursable grant approved amount, while the remaining 28 percent was financed by donor resources for PSGs. When considering only nonreimbursable technical-cooperation operation approvals, the distribution for DTFs, OC SP/Gs, and PSGs is 33 percent, 48 percent, and 19 percent, respectively. Of the total TC approvals during 2013, 13 percent of resources went to support the preparation, execution, or evaluation of loan operations, 47 percent went to client support operations, and 29 percent financed research and dissemination products.

TC Portfolio. At the end of 2013, the TC Grant Financing Portfolio consists of 1,530 operations with an approved amount of $1.8 billion, which is 38 percent disbursed. This represents an improvement over the 33 percent disbursed as of the end of 2012. The increase reflects Management's efforts to improve project execution, better dimensioning of TC operations, and continuous improvement through the Portfolio Optimization Exercises. Regarding operations financed with FSO resources, there were 99 active operations for $44.6 million, which were 74 percent disbursed.

The improvement in execution of the TC active portfolio is also evidenced by the reduction in the number of TC on alert--at the end of 2013, 16 percent of operations in the active TC portfolio were on alert, representing a reduction from the 2012 figure (21 percent).

In an effort to improve the execution of TC operations, a web-based, real-time TC Alert System was developed and implemented as a monitoring tool for TC operations. In order to ensure milestones are reached in a timely fashion, this TC Alert System warns project teams via automatic messaging systems whenever execution issues arise or when deadlines are approaching. Furthermore, this now enables more fluid communication among team leaders, project assistants, and project attorneys, thereby expediting the process of jumpstarting TC operations after their approval.

New funds. Throughout 2013, five new funds were created: a single donor trust fund for loan operations, the China Co-financing Fund for Latin America and the Caribbean (the first of its kind), with a pledged contribution of $2 billion; and two OC Special Programs/Grants with parallel multidonor funds corresponding to the Biodiversity and

Ecosystems Services Special Program and the Broadband Special Program. In addition, the Bank's agreement with FONTAGRO (the Regional Fund for Agricultural Technology) was extended for a three-year term.

Consolidated Funds. During 2013, seven funds were closed, including the Swedish Trust Fund for Consulting Services and Training Activities (SWC), the Sida-IDB Partnership Program in Central America (FW1), the IDB-Netherlands Water Partnership Program (NWP), the IDB-Canada Trade Fund (CCT), PROCIDADES, and the Chilean Trust Fund for Supporting Technological Innovation in Central America and the Dominican Republic (CTI), and INDES (ECI). The remaining funds of CTI were transferred to the Multidonor Aid for Trade Fund.

Cofinancing, Strategic Alliances, and Resource Mobilization

Cofinancing. During 2013, 31 PSGs totaling $114.9 million were created, approved, and managed. For the first time, the fee covering the administrative expenses of managing the grant paid by the donor of a PSG—the Department for Environment, Food and Rural Affairs of the United Kingdom (DEFRA)—was distributed to the departments/units involved in the implementation of the grant, following the methodology established in the Bank for such distribution. The DEFRA agreement was the largest of its kind for the Bank, amounting to $40 million, $2.6 million of which was recorded as received (included in the amounts mentioned above).

Strategic partnerships. During 2013, the Bank has continued developing, managing, and enhancing partnerships and platforms through which to mobilize financial and nonfinancial resources. The Bank's offices in Europe and Asia continued to engage traditional partners while expanding collaboration with nontraditional partners, focusing particularly on small-to-medium enterprises. In Europe, the IDB has deepened relationships with public sector entities, including the European Union, with a mobilization of nearly $81 million. A total of $154.8 million from the OPEC Fund for International Development was mobilized for six operations.

In 2013, nearly $200 million in financing was mobilized for climate change. The Nordic Development Fund contributed to various energy-related projects, including energy efficiency technical assistance and guarantee funds, and collaborated with the IDB, the Government of the Republic of Korea, and GDF Suez to sponsor the IDEAS Energy Innovation Contest. Partnerships with Canada and the Nordic Development Fund were also deepened in 2013. For example, Canada's Department of Foreign Affairs, Trade and Development mobilized $19.4 million to create a facility for female entrepreneurs in Latin America and the Caribbean, and the Government of Alberta put nearly $100,000 toward energy-focused environmental initiatives.

Resource Mobilization. During 2013, the total resources mobilized by the Bank amounted to more than $3.1 billion. This number was achieved through 148 transactions and 104 active partners. Of this mobilized amount, more than $431 million was attributable to grant financing while $2.7 billion resulted from cofinancing.

Additionally, 40 institutional agreements were signed to advance and strengthen partnerships in line with the Bank's strategic priorities, ranging from trade and investment to education, competitiveness and innovation, citizen security, sports for development, environment, impact investment, South-South cooperation, and the Emerging and Sustainable Cities initiative.

Thematic Platforms

The cross-cutting nature of areas of work such as sustainable cities, biodiversity, citizen security, and broadband is a test of the Bank's ability to respond effectively and efficiently to structural challenges in the region's countries. A key factor in successfully addressing challenges in these areas has been an expansion of collaboration among divisions and departments, with a view to developing comprehensive solutions to these needs. In this respect, progress was made in 2013 on the development and implementation of the following solutions.

Emerging and Sustainable Cities Initiative (ESCI). The ESCI is aimed at supporting sustainable growth in those intermediate cities in Latin America that have the potential to develop in an environmentally responsible way, as well as to improve competitiveness, equity, and efficiency. Support is provided through the use of a methodology that begins with a rapid assessment of 150 indicators, followed by an analytical process of prioritization and specific technical solutions. These lead to an Action Plan which incorporates the opinions of civil society and the municipal government.

The ESCI was launched in 2011 and in 2013 marked its third year of operation. A total of 26 cities have been included in the program, representing a population of approximately 25 million. With a view to strengthening program impact and replicability in the region, the ESCI has developed significant alliances with local development banks in Colombia (Findeter) and Brazil (Caixa Econômica). These institutions provide financing to municipalities and states, and have adopted the IDB's methodology for developing sustainable urban development plans (action plans).

Biodiversity and Ecosystem Services Program (BES). The focus of the 2013 operations was on the economics of biodiversity and ecosystem services with a view to integrating natural capital in public and private investments, including those financed by the Bank. This was accomplished by activities such as the identification of priority ecosystems using an innovative approach combining economic and ecological criteria. Operations financed by the BES Program have engaged 19 regional member countries. Strategic partnerships were established with the Smithsonian Tropical Research Institute, Yale University, *Amazonas Sustantável*, and the Walton Foundation.

An Advisory Committee for the BES Program was established in July 2013 to provide guidance in achieving a catalytic effect in the Region. Each member brings a unique perspective to the table based on their experience of utilizing the value of LAC's natural capital to achieve poverty reduction and economic growth. BES established a strategic partnership with the Latin American and Caribbean Environmental Economists Program (LACEEP) through *Centro Agronómico Tropical de Investigación y Enseñanza* (CATIE) in Costa Rica. and is working with financial institutions in the region to mobilize capital for small and medium enterprises that protect biodiversity through ecotourism, certification of agricultural commodities, and sustainable forestry management.

Citizen Security Initiative. Since its launch in April 2012, the Citizen Security Initiative has been transformed into a grant funding instrument that complements the selection of tools that are available to the countries to strengthen the effectiveness of public policies in the areas of citizen security and justice. The Initiative is one of the sources of Bank funding for technical cooperation operations in the sector, and it allows persistent bottlenecks to the formulation, execution, and evaluation of these policies to be addressed. It also supports the implementation of operations that help to: (i) improve the availability and quality of data on crime and violence; (ii) develop planning, management, and evaluation capacities for public policies in the area of citizen security; and (iii) facilitate the exchange of knowledge and good practices among countries.

To date, the Citizen Security Initiative has financed a total of 28 technical cooperation operations through its Special Program, for a total value of $12.2 million. In 2013, specifically, 20 operations were financed with a total value of $8.6 million. The Initiative's current portfolio consists of operations from various Bank sectors (reflecting the cross-cutting nature of citizen security issues), and the distribution of projects is geographically balanced.

Broadband. Fostering an information society through broadband access is an important institutional priority, reflected in the creation of a Special Broadband Program in 2013. This initiative is part of a wider platform that supports increased broadband access, adoption, and usage in the region, with the aim of improving access to information and communication technologies among citizens, public administrations, and companies.

In 2013, support was provided to countries in the region through the initiative's $3.5 million Broadband Fund, which is structured around three pillars: (i) the development of broadband plans and models of governance; (ii) strategic regulation, and (iii) institutional strengthening. Eight technical cooperation operations were determined to be eligible, with allocations of $1.6 million, $600,000 and $1.3

million, respectively, to each of the pillars. Examples of technical cooperation operations include support to the Government of Mexico for development of the National Broadband Plan, and to the Government of Paraguay for development of a cybersecurity strategy. A broadband training center will also be established to strengthen ministries and other institutions involved in the digitization process in Central America and the Dominican Republic.

[1] The Reallocation Program was created to offer borrowing member countries additional flexibility in allocating their exposure with the Bank, by earmarking the resources released as a result of a loan prepayment by a borrowing member country to finance new loan operations. In 2013, Brazil, Peru, and Uruguay chose to participate in the program for a total amount of $1.5 billion. Of these resources, $1.2 billion was approved in new operations during 2013.

[2] In addition two lines of credit were approved under the Contingent Credit Line for Emergencies Caused by Natural Disasters for $486 million (Peru $300 million and Nicaragua $186 million).

Table II. Yearly (2013) and Cumulative (1961–2013) Approvals and Disbursements[1,2]

(In millions of U.S. dollars)

	Total Cost of Projects		Approvals[4]					Disbursements				
	Total Amount		Total Amount		Ordinary Capital	Fund for Special Operations	Funds in Administration[3]	Total Amount		Ordinary Capital	Fund for Special Operations	Funds in Administration[3]
Country	2013	1961–2013	2013	1961–2013	1961–2013	1961–2013	1961–2013	2013	1961–2013	1961–2013	1961–2013	1961–2013
Argentina	$ 1,589.2	$ 60,395.5	$ 1,264.0	$ 33,897.7	$ 33,203.6	$ 644.9	$ 49.2	$ 1,177.1	$ 29,327.2	$ 28,633.1	$ 644.9	$ 49.2
Bahamas	–	1,023.8	–	711.5	709.5	–	2.0	49.4	588.8	586.8	–	2.0
Barbados	–	1,098.1	–	786.4	726.5	40.9	19.0	23.7	567.9	508.0	40.9	19.0
Belize	–	253.8	–	182.4	182.4	–	–	9.8	162.0	162.0	–	–
Bolivia	448.9	7,843.1	396.5	5,322.8	2,515.9	2,728.5	78.4	271.2	4,413.3	1,856.4	2,484.5	72.4
Brazil	4,611.2	125,280.5	3,386.5	47,004.7	45,315.0	1,555.8	133.9	1,716.3	38,364.7	36,675.0	1,555.8	133.9
Chile	2,282.7	17,619.9	441.4	6,876.1	6,606.3	204.9	64.9	245.6	6,462.2	6,196.2	204.9	61.1
Colombia	1,317.0	33,877.2	1,054.0	19,652.1	18,750.3	766.0	135.8	872.9	18,125.1	17,293.3	766.0	65.8
Costa Rica	690.0	8,994.0	615.5	4,920.5	4,344.3	363.5	212.7	171.3	3,192.0	2,690.8	363.5	137.7
Dominican Republic	668.5	7,920.6	661.0	5,544.5	4,708.0	747.8	88.7	576.4	4,741.3	3,904.8	747.8	88.7
Ecuador	804.3	12,277.2	502.0	7,630.6	6,555.1	981.4	94.1	387.1	6,455.3	5,379.8	981.4	94.1
El Salvador	275.0	7,100.8	360.0	5,129.7	4,183.9	797.9	147.9	195.8	4,586.1	3,640.3	797.9	147.9
Guatemala	211.0	6,530.8	196.0	4,846.9	4,026.9	749.7	70.3	502.9	4,478.8	3,678.1	730.4	70.3
Guyana	16.9	1,519.1	17.0	1,313.1	251.1	1,055.1	6.9	58.5	1,203.4	202.4	994.1	6.9
Haiti	202.5	2,229.2	192.0	2,449.3	7.0	1,146.0	1,296.3	187.3	1,866.3	3.0	1,146.0	717.3
Honduras	298.9	6,045.0	275.1	4,154.1	1,545.7	2,542.4	66.0	279.2	3,628.5	1,176.7	2,385.7	66.1
Jamaica	25.0	4,285.8	25.0	3,291.3	2,909.8	171.6	209.9	101.4	3,023.3	2,652.8	171.6	198.9
Mexico	2,286.7	72,219.3	2,095.7	33,679.2	32,900.1	559.0	220.1	2,109.5	30,622.9	29,855.6	559.0	208.3
Nicaragua	240.2	5,220.2	236.6	3,635.3	915.4	2,645.8	74.1	173.7	3,143.1	648.7	2,420.3	74.1
Panama	301.9	13,643.8	281.5	4,713.9	4,378.0	294.0	41.9	620.6	3,995.8	3,659.9	294.0	41.9
Paraguay	467.3	4,939.6	286.3	3,414.7	2,687.6	709.7	17.4	202.3	2,716.2	2,047.0	656.8	12.4
Peru	316.2	23,725.5	195.0	10,653.0	9,994.9	435.5	222.6	243.0	9,978.5	9,321.4	435.5	221.6
Suriname	175.0	689.6	175.0	555.4	499.0	6.4	50.0	160.1	438.8	382.4	6.4	50.0
Trinidad and Tobago	158.0	2,618.7	159.5	2,062.2	2,006.4	30.6	25.2	47.8	1,545.0	1,489.2	30.6	25.2
Uruguay	903.3	8,900.1	781.9	6,929.0	6,738.6	104.4	86.0	304.6	5,477.8	5,331.6	104.4	41.8
Venezuela	–	19,643.0	–	7,617.8	7,443.5	101.4	72.9	66.0	5,971.3	5,797.0	101.4	72.9
Regional	785.0	25,139.9	400.0	4,729.6	4,476.7	239.0	13.9	455.6	3,664.4	3,417.5	233.0	13.9
TOTAL	$19,074.7	$481,033.9	$13,997.5	$231,703.8	$208,581.5	$19,622.2	$3,500.1	$11,209.1	$198,740.0	$177,189.8	$18,856.8	$2,693.4

[1] Cumulative amounts are after cancellations and exchange adjustments. Totals may not add up due to rounding.
[2] Detail includes non-sovereign-guaranteed loans, net of participations, and guarantees, as applicable.
[3] Includes loans and financings of the IDB Grant Facility.
[4] Excludes lines of credit approved and guarantees issued under the Trade Finance Facilitation Program.

Table III. Ten Years of Operations, 2004–2013

(In millions of U.S. dollars)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CAPITAL										
Subscriptions (End of Year)										
Ordinary Capital[1]	100,951	100,953	100,953	100,953	100,938	104,980	104,980	104,980	116,862	128,780
Fund for Special Operations[1]	9,637	9,639	9,639	9,640	9,636	9,762	10,000	10,069	10,142	10,179
Other Funds[2]	3,026	3,078	2,772	3,274	3,422	4,162	4,459	4,823	5,340	5,572
Total	**113,614**	**113,670**	**113,364**	**113,867**	**113,996**	**118,904**	**119,439**	**119,872**	**132,344**	**144,531**
BORROWINGS[3]										
Outstanding (End of Year)	46,190	43,999	43,959	44,854	44,624	57,641	61,124	59,630	61,513	66,729
Gross Annual Borrowings	4,710	4,937	5,419	6,089	11,069	17,886	13,719	6,798	12,888	15,763
OPERATIONS										
Loans and Guarantees Approved (Cumulative)[4]										
Ordinary Capital[5]	116,799	117,804	124,580	135,006	148,991	162,533	176,180	186,041	196,302	208,582
Fund for Special Operations	17,391	17,486	18,257	18,525	18,519	18,870	19,054	19,204	19,486	19,622
Other Funds[11]	1,747	1,743	1,751	1,772	1,755	1,768	1,791	1,877	1,940	2,210
Total	**135,937**	**137,033**	**144,588**	**155,303**	**169,265**	**183,171**	**197,025**	**207,122**	**217,728**	**230,414**
Loans and Guarantees Approved (Annual)[6]										
Ordinary Capital[5,6]	5,468	6,448	5,632	8,577	11,085	15,278	12,136	10,400	10,799	13,290
Fund for Special Operations	552	410	605	152	138	228	297	181	320	251
Other Funds[11]	–	–	2	6	3	1	31	90	60	270
Total	**6,020**	**6,858**	**6,239**	**8,735**	**11,226**	**15,507**	**12,464**	**10,671**	**11,179**	**13,811**
Loan Disbursements (Annual)[7]										
Ordinary Capital	3,768	4,899	6,088	6,725	7,149	11,424	10,341	7,902	6,882	10,558
Fund for Special Operations	463	424	398	393	415	414	398	368	317	322
Other Funds[11]	1	5	3	6	44	13	34	–	50	143
Total	**4,232**	**5,328**	**6,489**	**7,124**	**7,608**	**11,851**	**10,773**	**8,270**	**7,249**	**11,023**
Loan Repayments (Annual)[7]										
Ordinary Capital	5,199	5,224	8,615	5,265	4,740	4,542	5,598	4,601	4,571	8,462
Fund for Special Operations	294	301	290	275	229	220	214	195	196	222
Other Funds	9	5	3	4	4	5	5	6	6	8
Total	**5,502**	**5,530**	**8,908**	**5,544**	**4,973**	**4,767**	**5,817**	**4,802**	**4,773**	**8,692**
Loans Outstanding										
Ordinary Capital	49,842	48,135	45,932	47,954	51,173	58,049	63,007	66,130	68,640	70,679
Fund for Special Operations	6,971	6,878	3,733	3,966	4,101	4,317	4,004	4,162	4,277	4,364
Other Funds	98	94	94	96	126	135	156	142	184	317
Total	**56,911**	**55,107**	**49,759**	**52,016**	**55,400**	**62,501**	**67,167**	**70,434**	**73,101**	**75,360**
Grant Financing Approved (Annual)[8]										
Ordinary Capital	–	12	34	37	68	94	86	93	93	148
Fund for Special Operations	36	36	28	34	43	33	36	–	–	–
IDB Grant Facility[9]	–	–	–	50	50	122	251	241	245	188
Other Funds	39	57	53	92	109	283	457	311	187	256
Total	**75**	**105**	**115**	**213**	**270**	**532**	**830**	**645**	**525**	**592**
Multilateral Investment Fund Operations Approved (Annual)[10]	**116**	**114**	**125**	**135**	**178**	**119**	**122**	**108**	**97**	**112**
ADMINISTRATION										
Administrative Expenses										
Total – Bank Funds	**404**	**473**	**507**	**564**	**501**	**542**	**584**	**618**	**683**	**837**

1 Net of Capital subscriptions receivable of $1 million and $61 million (2012 – $18 million and $96 million) for the OC and FSO, respectively.
2 Includes the Multilateral Investment Fund. Excludes terminated funds.
3 Medium- and long- term borrowings net of unamortized discounts (before swaps and mark-to-market- adjustments). Medium- and long-term Gross Annual borrowings at face value, before swaps.
4 Net of cancellations. Includes exchange adjustments.
5 Net of non-sovereign-guaranteed loan participations.
6 In 2009, includes $800 million of loan approvals cancelled during the year.
7 Based on original amounts in U.S dollar equivalent.
8 Includes Social Entrepreneurship Program financing, technical cooperations, special programs, project specific and other grants. Excludes Multilateral Investment Fund operations which are presented separately.
9 In 2010, excludes $144 million of converted undisbursed loan balances transferred from the Fund for Special Operations and converted to grants.
10 Includes technical cooperations, loans and equity investments. Also includes increases of already existing operations.
11 Does not include IDB Grant Facility.

Argentina. The second phase of a Provincial Agricultural Services program includes improvements to irrigation systems in the Lower Chubut River Valley, in Patagonia, which are beset by problems of low operating capacity and inappropriate technology.

II. Progress on the Implementation of the Ninth General Increase in the Resources of the Bank (IDB-9)

In 2013 the Bank continued to make satisfactory progress on implementation of the agenda of the actions and reforms identified as part the Ninth General Increase in Resources (IDB-9), aiming to make the IDB's interventions more relevant, effective, and efficient.

One important milestone in 2013 was the midterm evaluation by the Office of Evaluation and Oversight (OVE), seeking to determine whether the reforms were being executed fully and effectively. The evaluation has served to identify ways sharpen the Bank's strategic focus and enhance effectiveness and efficiency in its operations. Specifically, the report found that the requirement of "full and effective implementation" of the IDB-9 mandates had been met, or was being met, in the majority of areas, and acknowledged the magnitude of the effort. As OVE pointed out in its report, seldom has an international organization completed so many complex initiatives simultaneously in such a short period. This is particularly significant given the context of international crisis and rapid portfolio growth that characterized the initial period of implementation of IDB-9.

Capital Increase

On February 29, 2012, the Bank received the minimum number of votes needed to approve the Ninth General Capital Increase for the Ordinary Capital (OC). Two member countries, Venezuela and the Netherlands, did not deposit the instruments of subscription for their participation in the capital increase, thus making their allocation of shares available to other shareholders. The shares that had been reserved for the Netherlands and Venezuela, totaling 353,917, were reallocated to other member countries in January 2013 by the Board of Governors. As of February 28, 2014, the reallocation of these shares had been substantially subscribed.

Special Support to Haiti

Following through on its commitment to Haiti, the Board of Governors approved the annual transfer of funds ($200 million) from the OC to the IDB Grant Facility at its 2013 Annual Meeting. This transfer allowed for the approval of six operations in 2013 for an amount of $188 million. Bank operations in Haiti are concentrated in the six priority areas agreed with the government of Haiti and identified in the 2011–2015 country strategy: education, private sector development, energy, agriculture, transportation, and water and sanitation. Progress in terms of approvals and the delivery of key outputs in all areas has been good. For 2013 disbursements reached $186 million, returning to the record levels seen in 2010 and 2011.

Complementing its direct financial support, in 2013 the IDB continued to provide technical support through the approval of 15 technical cooperation operations for an amount of approximately $8.6 million. Support to institutional reforms is also playing an increasing role—budget support operations were approved and disbursed ($37 million) to support reforms in the agricultural and energy sectors. In 2013, one operation was approved with the private sector supporting the multi-year expansion of an apparel company for up to $4 million. Two MIF operations were also approved for an amount in excess of $3.7 million.

Strengthened Institutional Strategy

The Institutional Strategy accompanying the Ninth General Capital Increase has two pillars: (i) reducing poverty and inequality and (ii) supporting growth that is sustained and sustainable, in economic, social and environmental terms. Implementing, monitoring, and evaluating this Institutional Strategy entailed defining: (a) sector priorities and targets; (b) specific actions to bolster the support for smaller and less developed countries; (c) actions to promote development through the private sector; and (d) a concrete and evaluable results framework.

Sector priorities and targets

Since 2011, the Bank has continued to advance in the implementation of four sector strategies established under IDB-9. These strategies define the overarching objectives of the Bank's sector work in four central thematic areas: (i) Social Policy for Productivity, (ii) Global and Regional Integration, (iii) Institutions for Growth and Productivity, and (iv) Climate Change and Sustainable Energy. In 2013, the Board approved a fifth sector strategy, "Sustainable Infrastructure for Competitiveness and Inclusive Growth," thus covering the five sector priority areas established by IDB-9. Following the Board of Executive Directors' 2012 approval of a new framework governing Strategies, Policies, Sector Frameworks and Guidelines, the Public Utilities Policy was revised in 2013 and sector framework documents (SFDs) were approved in Education, Agriculture, Integration, Urban Development, Health, Labor Markets, and Transportation.

During 2013, the Bank continued working towards achievement of the IDB-9 lending targets. In this regard, 85 percent of the number of new loans approved contributed to at least one of the four lending targets. In terms of resources approved, 37 percent of the new approvals supported small and vulnerable countries, 50 percent aligned with the lending priority of poverty reduction and equity enhancement, 33 percent with regional cooperation and integration, and 20 percent with climate change, sustainable (including renewable) energy, and environmental sustainability.

Support for smaller and less developed countries

The 37 percent of new approvals for small and vulnerable countries to this group of countries included blended Fund for Special Operations/Ordinary Capital (FSO/OC) loans to eligible countries for $848 million. In addition, $42 million from the OC Special Programs windows was devoted to supporting these countries in areas such as pre-investment, technical assistance for the preparation of new operations, improvements in export promotion and the investment climate, knowledge transfer, use of country systems (local legislation) and social inclusion and indigenous peoples.

In February 2013 the review of the implementation of the Debt Sustainability Framework and Enhanced Performance-based Allocation system for 2011–2012 was sent to the Board of Executive Directors for consideration and subsequent submittal to the Board of Governors for information. This review concluded that, in the six years since the debt relief approved by the IDB in 2007, the debt distress risk ratings of the beneficiary countries had not deteriorated, and the general improvement in the performance variables had been maintained.

Actions to Promote Development through the Private Sector

The IDB-9 priority of enhancing the development impact of the IDB Group´s interventions with the private sector seeks to capitalize on its comparative advantages in a manner consistent with its institutional goals. As OVE confirmed in its evaluation, Management adopted the measures required under IDB-9. Even so, OVE found that the actions undertaken do not provide an appropriate, effective way to achieve the objectives proposed in IDB-9 and highlighted the need for the Bank to forge a shared vision at all levels of the institution and deepen the efforts to strengthen collaboration between the non-sovereign guaranteed (NSG) and sovereign-guaranteed (SG) windows of the Bank. During discussions of this recommendation by the Board and among the Governors, there was agreement to move forward in defining a renewed vision of the IDB Group's activities with the private sector, including an analysis of the organizational and financial alternatives to make implementation of that vision viable. (See box on page 20.)

Private sector development strategy and work plan for non-sovereign guaranteed operations. The Bank's interventions in 2013 were guided by the objectives of the Private Sector Development Strategy (PSDS), which include expanding SME access to finance, promoting financial inclusion with instruments and financial technology, providing more timely and robust inputs to strategy formulation and country programming, and improving development effectiveness and evaluability scores.

In 2013, consistent with the NSG Business Plan, efforts continued to expand collaboration among the private sector windows. These efforts have ranged from greater coordination in the country strategy and programming process to the preparation of joint marketing materials. In 2013, the Bank also piloted the development of an action plan for the Caribbean, which identified areas of complementarity among the NSG windows.

In 2013, in order to better address issues of evaluability, outcome measurement, monitoring and self-evaluation, the Board approved a new development effectiveness matrix (DEM) scorecard for SCF and the Opportunities for the Majority Sector (OMJ), designed to sharpen focus on development results while streamlining processing and creating an integrated data management system. As part of its external coordination efforts, the Bank signed the IFI memorandum to harmonize development results indicators for private sector operations.

Adoption of new prudential limits. As part of the mandate to set new prudential limits to credit risk, a Non-Sovereign Guaranteed Risk Framework was approved in 2013. Based on an economic capital methodology, the risk-based approach sets borrower, sector, and country limits based on Bank priorities and market practices that are consistent with Basle II. The new approach will take into account the risk characteristics of projects in SCF and OMJ and implies ceilings on the risk appetite for each window, while assigning ceilings on overall sector exposure from as high as 20 percent of economic capital (energy, transport, and water) to 10 percent (education, health, and housing).

Advisory services. As part of the effort to serve the clients' needs beyond financing, the Bank approved the Policy for Fee-Based Advisory and Knowledge Services at the IDB. This policy framework allows the Bank to provide fee-based advisory and knowledge services that are not linked to the design and execution of Bank lending operations.

Results Framework

Since the initial implementation period that followed the establishment of the formal Corporate Results Framework (CRF) under IDB-9 in 2010, the Bank has been presenting annual progress reports regarding the targets established by that Framework in the Development Effectiveness Overview (DEO). See the box below for details on the 2013 DEO.

Agenda for a Better Bank

In 2013, the Bank moved forward on implementation of the series of reforms constituting the Agenda for a Better Bank, adding to the progress reported in previous years. These reforms rest on two basic pillars: the first concerns improvements in what the Bank does, providing innovative products, services, and ways of engaging with clients to enhance development effectiveness; the second concerns initiatives to improve how the Bank works, better enabling it to successfully handle a capital increase.

What the Bank does

Development Effectiveness Framework. The Bank has taken significant steps to develop and implement the Development Effectiveness Framework (DEF), which has allowed for substantial improvements in terms of the capacity of the Bank to monitor and evaluate the results of its supported interventions. The systems available to assess project evaluability upstream (DEM) and progress in project performance during implementation (PMR) are operational and were given a very favorable evaluation by OVE in its evaluation of the IDB-9 commitments. In 2013, Management's efforts focused on completing the final parts of the DEF architecture, specifically: (i) the project completion reporting system or PCR for sovereign guaranteed (SG) operations, (ii) the evaluability assessment (DEM) for non-sovereign guaranteed (NSG) operations, and (iii), improving the quality of the Development Effectiveness Overview Report (DEO).

Development Effectiveness Overview (DEO). The fourth annual edition of the Development Effectiveness Overview (DEO 2012), published in March 2013, summarizes the IDB's efforts to stay focused on its mission to promote economic and social development in all 26 borrowing member countries (see box on page 21). The 2013 DEO will be a magazine-style publication, with journalistic stories about IDB methodologies and approaches, as well as project results, a focus on how we are learning what works in development and the way we execute our projects.

Annual macroeconomic sustainability assessment of borrowing countries. Following the mandate of the Governors, in 2013 the country economists, under the supervision of the Regional Economic Advisor, completed the technical content of the MSAs of 26 countries for 2013 and 2014. The results were used as inputs to the 2014 programming exercise, begun in the second half of 2013.

Strengthening environmental and social safeguards, consistent with the recommendations of the Independent Advisory Group convened by the IDB. As indicated in OVE's mid-term evaluation of IDB's effectiveness in implementing IDB-9 commitments, the Bank has made good progress on implementing elements of the safeguards policies, including improvements where necessary to ensure the effective application of safeguards. Nevertheless, there is a need to address constraints affecting the application of safeguards.

In 2013 additional actions were implemented to address the evaluation's findings, such as (i) the dissemination of a note on consultation to help clients and borrowers improve management of social safeguards and stakeholder engagement; and (ii) the earmarking of resources for improved implementation of Gender Safeguards in 2014 and beyond.

During the year, the Bank also continued with ongoing activities that stemmed from the Independent Advisory Group recommendations and policy requirements, such as reporting on emerging sustainability trends and activities (see box on page 21). The Bank made further progress with the strengthening of safeguards supervision of high-risk projects and continued to work on facilitating integration of safeguards issues in private sector operations.

Operational Policy on Gender Equality in Development and the Gender Action Plan for Operations (GAP). In 2013, the Bank continued working on implementing the GAP. SCF and MIF approved seven loans and four MIF grants that will provide almost $130 million in financing and $2 million in training for women entrepreneurs through the weBanking initiative. The Bank also increased its capacity to mainstream gender by providing direct sector-specific gender expertise in lending operations. To improve the quality of analytical work, gender policy and sector notes were produced in 2013 for country strategies in Costa Rica, El Salvador, Honduras, Panama, and Paraguay.

Strengthening of the Independent Consultation and Investigation Mechanism (ICIM). The year 2013 marked the start of a series of major changes to the ICIM, arising out of the 2012 evaluation by the Office of Evaluation and Oversight (OVE). The evaluation recommended ending the ICIM's pilot stage and moving on to a transitional period in which a policy reformulation process to improve its efficiency would commence. During this process, the mechanism continued operating as established in the existing policy.

How the Bank works

Institutional Strategy Update. As mandated by the Bank's Governors, the Bank has begun the process to update its Institutional Strategy and Corporate Results Framework for the Board of Governors to evaluate the Bank's progress in the context of the new realities and challenges faced by the Latin America and Caribbean region. The first four-year strategy accounted for the 2012-2015 period. The next strategy would cover the period 2016-2019. As part of its preparation for the new strategy, the Bank launched an extensive consultation process with governments, the private sector, and civil society in its borrowing member countries on the key challenges to inclusive and sustainable development of the Region.

Adoption of an Income Management Model to ensure the soundness of the IDB's assets, which translates into integrated financial administration. In July 2013, for a fourth consecutive year, Management presented for Board discussion the 2014 OC Long Term Financial Projections Preview Document. This document provided an update on the OC's financial capacity and contained a set of financial scenarios aimed at initiating discussions of the key issues and trade-offs that the Board of Executive Directors would encounter in the long-term OC projections for 2014. In November 2013, Management submitted to the Bank's Board of Executive Directors the document on the 2014 OC Long- term Financial Projections, including the OC capacity to make the 2014 transfer to the IDB Grant Facility. This document describes the sustainable lending capacity for the OC.

Results-based budgeting. In 2013 Management continued implementation of the results-based budgeting (RBB) framework, assisting operational and strategic core departments in the design of improved performance indicators used in the 2014 Program and Budget Proposal.

New fiduciary supervision model to support and develop country fiduciary systems. Significant progress was made in 2013 on implementing the strategy to support the use of country systems, allowing all the objectives set for the strengthening and adoption of country fiduciary systems to be met. Sixteen diagnostic assessments were completed in the financial management area, as well as 14 interventions to strengthen fiduciary systems. In the procurement management area, three systems were validated for advanced use, and eight subsystems for partial use.

New Access to Information Policy. Since the Policy's entry into force almost three years ago, the Bank has undertaken a series of implementation activities covering fundamental areas such as the establishment of Implementation Guidelines, the formation of the Access to Information Committee and the External Review Panel, the creation of the unit coordinating the implementation process, the development of information systems for information disclosure, staff training, and the adoption of support tools for information classification and dissemination.

During 2013, work in key areas has been stressed to ensure better knowledge and application of the Policy by Bank staff, with efforts focused on maximizing disclosure of information classified as public. Training has been intensified and document classification instructions have been issued to ensure the Policy's proper application. The Bank's key documents are being disclosed on a routine basis, in line with the objective of ensuring maximum access and the new standard set by the Policy. A noteworthy aspect, as OVE observed in its IDB-9 midterm evaluation, is that the Bank has increased its level of disclosure of information related to one of its highest-level decision-making bodies, the Board of Executive Directors.

A Renewed Vision of the IDB Group's Activities with the Private Sector

The Inter-American Development Bank Group (IDB Group) has promoted development through the private sector since its inception. This activity has evolved over time, and today it operates through exclusive windows created at various points that have distinct operational and governance structures.

At the March 2013 Annual Meeting in Panama City, the Boards of Governors of the Inter-American Development Bank (IDB) and Inter-American Investment Corporation (IIC) instructed the IDB and IIC Boards of Executive Directors, the MIF Donors Committee, and the Management of these institutions, to develop a renewed vision of the IDB Group's activities with the private sector, to analyze alternatives to structure these activities and to discuss the MIF's replenishment.

The Committees of the Boards of Governors of the IDB and IIC met in October 2013 to examine progress made on the Panama mandate. As summarized by the Chair, Governors endorsed the Renewed Vision presented at the meeting. According to this vision, the three pillars of the IDB Group's financial and nonfinancial support activities with the private sector will be: strategic selectivity, a systematic approach, and development effectiveness. The requirements under the **strategic selectivity** pillar will be choosing interventions in areas where the IDB Group can make the greatest difference and shaping these interventions in a way that their impact can be maximized. A **systemic approach** will be used to ensure that the IDB Group's resources have an impact greater than that of an individual project. Lastly, **development effectiveness** will ensure that systemic objectives established can be tracked and used to guide strategic direction at the corporate level.

In the analysis of the institutional arrangements to allow the effective implementation of this vision, Management has recommended a "Merge-Out" of the IDB's non-sovereign guaranteed activities. This option will require mechanisms to ensure coordination and synergies between the two institutions, but will enable the IDB to keep its public sector culture, developed throughout its fifty-plus years of existence. The "New Corporation" would deliver services more aligned to market demands, using processes more suited to the private sector, while preserving developmental mandates and safeguards. It would also allow the public and private sectors to be financed throughout the economic cycle and would encourage the formation of strategic partnerships with new development finance actors (sovereign wealth funds, philanthropic entities, and private investors), leveraging resources to maximize their impact on the region's development.

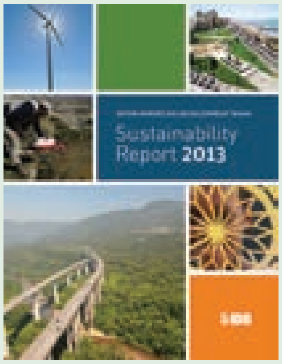
At the October meeting, the majority of the Governors supported the "Merge-Out" option and requested that an analysis on the consolidation of all IDB Group non-sovereign guaranteed activities in an independent entity be presented at the IDB and IIC Annual Meeting in March 2014.

Regarding the MIF, whose operating agreement will expire shortly and whose resources will be exhausted by the end of 2015, at the October 2013 meeting the Governors agreed to move ahead with discussions and negotiations on a potential MIF replenishment in a manner coordinated and integrated with the discussions on the renewed vision of the IDB Group's activities with the private sector.

DEO 2013

The fifth annual edition of the Development Effectiveness Overview (DEO 2013) summarizes the IDB's efforts to focus the results we are achieving on the ground, as well as what needs to be improved or adapted to maximize the development impact of our resources. The 2013 DEO allows readers to access the knowledge our projects are generating through rigorous impact evaluations and to see for themselves which development interventions work, and which do not. Much of the information, data, and documents in the report can be downloaded by following the links at deo.iadb.org.

2013 Sustainability Report



The 2013 Sustainability Report details sustainability progress and performance against the Bank's commitments throughout the year. The Report is accompanied by a Global Reporting Initiative (GRI) review that captures and discloses valuable environmental, social, and economic information and data from the Sustainability Report itself as well as from other sources. The Report is available at www.iadb.org/sustainability.

Suriname. A 2013 progress report published on the Bank's website indicated that travel time on the Meerzorg-Albina cooridor had decreased from four hours, the 2008 baseline, to two and a half hours. and fatalities had decreased by 25 percent.

ORDINARY CAPITAL
INTER-AMERICAN DEVELOPMENT BANK

BALANCE SHEET

Expressed in millions of United States dollars

	December 31, 2013		December 31, 2012	
ASSETS				
Cash and investments				
Cash - Notes C and W	**$ 421**		$ 1,021	
Investments - Trading - Notes D, L and W, Schedule I-1	**21,015**	**$ 21,436**	14,399	$ 15,420
Loans outstanding - Notes E, F and W, Schedules I-2 and I-3	**70,679**		68,640	
Allowance for loan losses	**(244)**	**70,435**	(180)	68,460
Accrued interest and other charges				
On investments	**38**		35	
On loans	**435**		439	
On swaps, net	**332**	**805**	352	826
Receivable from members - Note G				278
Currency and interest rate swaps - Notes K, L and W				
Investments - trading - Schedule I-1	**110**		50	
Loans	**103**		24	
Borrowings - Schedule I-4	**3,161**		6,450	
Other	**66**	**3,440**	279	6,803
Other assets				
Assets under retirement benefit plans - Note S	**292**		-	
Receivable for investment securities sold	**161**		-	
Property, net - Note H	**354**		331	
Miscellaneous	**84**	**891**	91	422
Total assets		**$ 97,007**		$ 92,209
LIABILITIES AND EQUITY				
Liabilities				
Borrowings - Notes I, J, K, L and W, Schedule I-4				
Short-term	**$ 654**		$ 840	
Medium- and long-term:				
Measured at fair value	**43,704**		45,458	
Measured at amortized cost	**24,343**	**$ 68,701**	19,267	$ 65,565
Currency and interest rate swaps - Notes K, L and W				
Investments - trading - Schedule I-1	**83**		73	
Loans	**753**		1,855	
Borrowings - Schedule I-4	**1,920**		639	
Other	**18**	**2,774**	-	2,567
Payable for investment securities purchased		**169**		-
Payable for cash collateral received		**229**		805
Liabilities under retirement benefit plans - Note S		**73**		1,153
Due to IDB Grant Facility - Note N		**435**		351
Accrued interest on borrowings		**491**		532
Other liabilities		**585**		555
Total liabilities		**73,457**		71,528
Equity				
Capital stock - Note O, Schedules I-5 and I-6				
Subscribed 10,675,321 shares (2012- 9,688,828 shares)	**128,781**		116,880	
Less callable portion	**(123,840)**		(112,240)	
Paid-in capital stock	**4,941**		4,640	
Capital subscriptions receivable	**(1)**		(18)	
Receivable from members - Note G	**(262)**			
Retained earnings - Note P	**17,699**		16,392	
Accumulated other comprehensive income (loss) - Note Q	**1,173**	**23,550**	(333)	20,681
Total liabilities and equity		**$ 97,007**		$ 92,209

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

ORDINARY CAPITAL
INTER-AMERICAN DEVELOPMENT BANK

STATEMENT OF INCOME AND RETAINED EARNINGS

Expressed in millions of United States dollars

	Years ended December 31,		
	2013	**2012**	**2011**
Income			
Loans			
Interest, after swaps - Notes E, K and R	**$ 1,768**	$ 1,601	$ 1,683
Other loan income	**90**	67	59
	1,858	1,668	1,742
Investments - Note K			
Interest	**62**	89	99
Net gains	**153**	293	9
Other interest income - Notes K and R	**187**	113	112
Other	**24**	26	18
Total income	**2,284**	2,189	1,980
Expenses			
Borrowing expenses			
Interest, after swaps - Notes I, J, K and L	**389**	508	455
Other borrowing costs	**12**	11	7
	401	519	462
Provision for loan and guarantee losses - Note F	**58**	22	3
Administrative expenses - Note B	**813**	663	600
Special programs	**131**	75	79
Total expenses	**1,403**	1,279	1,144
Income before Net fair value adjustments on non-trading portfolios and foreign currency transactions and Board of Governors approved transfers	**881**	910	836
Net fair value adjustments on non-trading portfolios and foreign currency transactions - Notes I, J, K and R	**626**	194	(919)
Board of Governors approved transfers - Note N	**(200)**	(200)	(200)
Net income (loss)	**1,307**	904	(283)
Retained earnings, beginning of year	**16,392**	15,488	15,771
Retained earnings, end of year	**$ 17,699**	$ 16,392	$ 15,488

STATEMENT OF COMPREHENSIVE INCOME

Expressed in millions of United States dollars

	Years ended December 31,		
	2013	**2012**	**2011**
Net income (loss)	**$ 1,307**	$ 904	$ (283)
Other comprehensive income (loss) - Note Q			
Translation adjustments	**(1)**	(8)	(3)
Recognition of changes in assets/liabilities under retirement benefit plans - Note S	**1,507**	(292)	(880)
Total other comprehensive income (loss)	**1,506**	(300)	(883)
Comprehensive income (loss)	**$ 2,813**	$ 604	$ (1,166)

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

ORDINARY CAPITAL
INTER-AMERICAN DEVELOPMENT BANK

STATEMENT OF CASH FLOWS

Expressed in millions of United States dollars

	Years ended December 31,		
	2013	**2012**	**2011**
Cash flows from lending and investing activities			
Lending:			
Loan disbursements	**$ (10,558)**	$ (6,883)	$ (7,898)
Loan collections	**8,462**	4,571	4,601
Net cash used in lending activities	**(2,096)**	(2,312)	(3,297)
Purchase of property	**(38)**	(22)	(21)
Miscellaneous assets and liabilities	**17**	(32)	(9)
Net cash used in lending and investing activities	**(2,117)**	(2,366)	(3,327)
Cash flows from financing activities			
Medium- and long-term borrowings:			
Proceeds from issuance	**15,763**	12,067	6,808
Repayments	**(7,966)**	(9,613)	(7,919)
Short-term borrowings:			
Proceeds from issuance	**3,384**	4,445	6,121
Repayments	**(3,570)**	(4,503)	(5,253)
Cash collateral received	**(577)**	(105)	898
Collections of receivable from members	**16**	16	71
Collections of capital subscriptions	**306**	358	-
Payments of maintenance of value to members	**(7)**	(158)	(317)
Net cash provided by financing activities	**7,349**	2,507	409
Cash flows from operating activities			
Gross purchases of trading investments	**(48,846)**	(29,087)	(21,150)
Gross proceeds from sale or maturity of trading investments	**42,407**	28,723	23,977
Loan income collections, after swaps	**1,843**	1,695	1,748
Interest and other costs of borrowings, after swaps	**(636)**	(1,000)	(215)
Income from investments	**47**	(7)	18
Other interest income	**190**	113	114
Other income	**43**	38	18
Administrative expenses	**(671)**	(586)	(576)
Transfers to the IDB Grant Facility	**(116)**	(121)	-
Special programs	**(93)**	(78)	(69)
Net cash provided by (used in) operating activities	**(5,832)**	(310)	3,865
Effect of exchange rate fluctuations on cash	**-**	1	-
Net increase (decrease) in Cash	**(600)**	(168)	947
Cash, beginning of year	**1,021**	1,189	242
Cash, end of year	**$ 421**	$ 1,021	$ 1,189

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

FUND FOR SPECIAL OPERATIONS
INTER-AMERICAN DEVELOPMENT BANK

BALANCE SHEET
Expressed in millions of United States dollars

	December 31,			
	2013		2012	
ASSETS				
Cash and investments				
Cash - Notes C and L	**$ 427**		$ 408	
Investments - Notes D, E, L and Schedule II-1	**704**	**$ 1,131**	792	$ 1,200
Loans outstanding, net - Notes E, F, L and Schedule II-2		**4,364**		4,277
Accrued interest and other charges on loans		**16**		16
Other assets		**1**		1
Total assets		**$ 5,512**		$ 5,494
LIABILITIES AND FUND BALANCE				
Liabilities				
Accounts payable and accrued expenses	**$ 8**		$ 3	
Undisbursed technical cooperation projects and other financings - Note H	**11**		24	
Due to IDB Grant Facility - Note I	**157**		225	
Amounts payable to maintain value of currency holdings - Note G	**280**	**$ 456**	284	$ 536
Fund balance				
Contribution quotas authorized and subscribed - Note J and Schedule II-3	**10,240**		10,238	
Less: Contribution quotas receivable	**(61)**		(96)	
	10,179		10,142	
Receivable from members - Note G				
Non-negotiable, non-interest-bearing obligations:				
Demand notes	**(444)**		(446)	
Term notes	**(101)**		(109)	
Amounts required to maintain value of currency holdings	**(59)**		(56)	
	(604)		(611)	
General reserve (deficit)	**(4,619)**		(4,672)	
Accumulated other comprehensive income - Note K	**100**	**5,056**	99	4,958
Total liabilities and fund balance		**$ 5,512**		$ 5,494

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

FUND FOR SPECIAL OPERATIONS
INTER-AMERICAN DEVELOPMENT BANK

STATEMENT OF INCOME AND GENERAL RESERVE (DEFICIT)
Expressed in millions of United States dollars

	Years ended December 31, 2013	Years ended December 31, 2012
Income		
Loans		
Interest	**$ 64**	$ 64
Other loan income	**-**	1
	64	65
Investments - Note D	**5**	13
Total income	**69**	78
Expenses		
Administrative expenses - Note B	**24**	20
Total expenses	**24**	20
Income before technical cooperation	**45**	58
Technical cooperation income	**8**	8
Net income	**53**	66
General reserve (deficit), beginning of year	**(4,672)**	(4,738)
General reserve (deficit), end of year	**$ (4,619)**	$ (4,672)

STATEMENT OF COMPREHENSIVE INCOME
Expressed in millions of United States dollars

	Years ended December 31, 2013	Years ended December 31, 2012
Net income	**$ 53**	$ 66
Translation adjustments, net - Note K	**1**	1
Comprehensive income	**$ 54**	$ 67

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

FUND FOR SPECIAL OPERATIONS
INTER-AMERICAN DEVELOPMENT BANK

STATEMENT OF CASH FLOWS
Expressed in millions of United States dollars

	Years ended December 31,	
	2013	**2012**
Cash flows from lending and investing activities		
Loan disbursements	**$ (322)**	$ (317)
Loan collections	**222**	196
Loan participations, net	**(4)**	(4)
Miscellaneous assets and liabilities	**7**	(1)
Net cash used in lending and investing activities	**(97)**	(126)
Cash flows from financing activities		
Collections of receivable from members	**12**	15
Collections of contribution quotas from members	**37**	73
Net cash provided by financing activities	**49**	88
Cash flows from operating activities		
Gross purchases of investments	**(1,625)**	(1,730)
Gross proceeds from sale or maturity of investments	**1,713**	1,726
Income from loans	**66**	64
Income from investments	**9**	18
Administrative expenses	**(28)**	(20)
Technical cooperation and other financings, net	**(5)**	(17)
Cash transfers to the IDB Grant Facility	**(68)**	(28)
Net cash provided by operating activities	**62**	13
Effect of exchange rate fluctuations on Cash	**5**	7
Net increase (decrease) in Cash	**19**	(18)
Cash, beginning of year	**408**	426
Cash, end of year	**$ 427**	$ 408

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

INTERMEDIATE FINANCING FACILITY ACCOUNT
INTER-AMERICAN DEVELOPMENT BANK

BALANCE SHEET
Expressed in millions of United States dollars

	December 31, 2013	December 31, 2012
ASSETS		
Cash	**$ -**	$ -
Investments - Notes C and D	**135**	153
Total assets	**$ 135**	$ 153
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to Ordinary Capital	**$ 4**	$ 3
Fund balance	**131**	150
Total liabilities and fund balance	**$ 135**	$ 153

STATEMENT OF CHANGES IN FUND BALANCE
Expressed in millions of United States dollars

	Years ended December 31, 2013	2012	2011
Additions			
Income from investments - Note C	**$ 2**	$ 4	$ 1
Total additions	**2**	4	1
Deductions			
Interest on behalf of Ordinary Capital borrowers - Note E	**21**	21	27
Total deductions	**21**	21	27
Change in fund balance	**(19)**	(17)	(26)
Fund balance, beginning of year	**150**	167	193
Fund balance, end of year	**$ 131**	$ 150	$ 167

STATEMENT OF CASH FLOWS
Expressed in millions of United States dollars

	Years ended December 31, 2013	2012	2011
Cash flows from operating activities			
Income from investments	**$ 4**	$ 4	$ 4
Interest paid on behalf of Ordinary Capital borrowers	**(20)**	(22)	(30)
Net decrease in investments	**16**	18	26
Net cash from operating activities	**-**	-	-
Cash, beginning of year	**-**	-	-
Cash, end of year	**$ -**	$ -	$ -

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

IDB GRANT FACILITY
INTER-AMERICAN DEVELOPMENT BANK

BALANCE SHEET
Expressed in millions of United States dollars

	December 31, 2013	December 31, 2012
ASSETS		
Cash	**$ -**	$ 2
Due from Fund for Special Operations	**157**	225
Due from Ordinary Capital	**435**	351
Total assets	**$ 592**	$ 578
LIABILITIES AND FUND BALANCE		
Liabilities		
Undisbursed grants - Note D	**$ 578**	$ 577
Fund balance	**14**	1
Total liabilities and fund balance	**$ 592**	$ 578

STATEMENT OF CHANGES IN FUND BALANCE
Expressed in millions of United States dollars

	Years ended December 31, 2013	2012	2011
Additions			
Transfers from Fund for Special Operations	**$ -**	$ -	$ 44
Transfers from Ordinary Capital - Note C	**200**	200	200
Total additions	**200**	200	244
Deductions			
Grants	**187**	243	241
Change in fund balance	**13**	(43)	3
Fund balance, beginning of year	**1**	44	41
Fund balance, end of year	**$ 14**	$ 1	$ 44

STATEMENT OF CASH FLOWS
Expressed in millions of United States dollars

	Years ended December 31, 2013	2012	2011
Cash flows from operating activities			
Cash transfers from Fund for Special Operations	**$ 68**	$ 28	$ 175
Cash transfers from Ordinary Capital	**116**	121	-
Grant disbursements	**(186)**	(147)	(175)
Net cash (used in) provided by operating activities and net (decrease) increase in cash	**(2)**	2	-
Cash, beginning of year	**2**	-	-
Cash, end of year	**$ -**	$ 2	$ -

The Notes and Schedules are an integral part of these financial statements and can be found on the Bank´s Website at www.iadb.org/ar/2013.

Table IV. Approved Operations ($5 Million or above), 2013

(In millions of U.S. dollars)

Country	Project	Type	Amount
Argentina	Banco de Galicia y Buenos Aires S.A. – Argentina – TFFP A Loan	PSI	15
	Banco de Galicia y Buenos Aires S.A. (Argentina) – 2nd TFFP A Loan	PSI	15
	Banco Macro S.A. – Argentina – TFFP A Loan 1st	PSI	15
	Banco Macro S.A. – Argentina – TFFP A Loan 2nd	PSI	15
	MSME Competitiveness Support Program	GCR	50
	Norte Grande Road Infrastructure Program III	GOM	300
	Program to Support the Policy on Improving Equity in Education – PROMEDU III	CLP	280
	Railroad Gral Roca Improvement Program – Constitución – La Plata Line	CLP	300
	Science and Technology Scholarships	ESP	24
	Urban Municipal Infrastructure Program	GOM	250
Bolivia	Airport Infrastructure Program. Phase I	ESP	74
	Banco Economico MSME Financing Partnership	PSI	18
	Effectiveness of Public Expenditure Support Program III	PBP	106
	Irrigation Program II	GOM	57
	La Paz – El Alto Highway Rehabilitation	ESP	35
	Urban Rearrangement Program La Ceja	PFM	47
	Water and Sewerage Program in Peri-Urban Areas Phase II	PFM	60
Brazil	Development of Tourism in Paraiba State	GOM	23
	Banco ABC Brasil S.A. – TFFP A Loan	PSI	50
	Banco Industrial e Comercial S.A. – TFFP A Loan	PSI	18
	Banco Industrial e Comercial S.A. – TFFP A Loan	PSI	19
	Banco Industrial e Comercial S.A. – TFFP A Loan	PSI	16
	Innovation in Access to Finance for the Base of the Pyramid	PSG	9
	Environmental Rehabilitation Belo Horizonte	SUP	55
	Expansion and Improvement of Early Childhood Education	ESP	59
	Fiscal Development of the State of Alagoas	PBL	250
	Fiscal Consolidation Program for the Development of Pernambuco	PBL	400
	Fiscal Consolidation Program II Rio Grande del Sur (PROCONFIS II)	PBL	200
	Integrated Social Inclusion and Urban Requalification	ESP	60
	National Tourism Development Program in Bahia (PRODETUR NATIONAL-Bahia)	GOM	51
	Paraná Secure Program	ESP	67
	PROCIDADES – Economic Development Program of Distrito Federal	GCR	50
	PROCIDADES – Cascavel Integrated Development Program	GCR	29
	PROCONFIS – AM. Fiscal consolidation program for Amazonas	PBL	184
	PROFISCO – Paraná	CLP	9
	PROFISCO – Alagoas	CLP	7
	PROFISCO – Amapá	CLP	7
	PROFISCO – Bahia	ESP	45
	PROFISCO – Distrito Federal	CLP	32
	PROFISCO – Integrated Modernization Program of the Finance Ministry	CLP	20
	PROFISCO – Roraima	CLP	6
	Accelerating Education in Amazonas	ESP	151
	Program to Improve Basic Education	ESP	201

(continued on next page)

Table IV. Approved Operations ($5 Million or above), 2013 *(continued)*

(In millions of U.S. dollars)

Country	Project	Type	Amount
	Program to Support the Modernization of the Advocacia-Geral da União	ESP	17
	Road Program for Logistic and Integration – Ceará IV	ESP	400
	São Paulo State Road Investment Program	GOM	480
	State of Para Sustainable Tourism Development Program (PRODETUR PARA)	GOM	26
	Strengthening Health Management in the State of São Paulo	ESP	270
	Strengthening Prevention of Corruption in Public Managment	ESP	18
	Acre Sustainable Development Program (PDSA-II)	ESP	72
	Tourism Development Program of Sergipe	GOM	60
	PROCIDADES Niterói Update	GOM	26
Chile	Alto Maipo Hydroelectric Power Project	PSI	200
	Banco Santander Chile TFFP A Loan	PSI	100
	Banco Santander Chile TFFP A Loan	PSI	100
	Pozo Almonte and Calama Solar Photovoltaic Power Project	PSI	41
Colombia	Bogotá Integrated Public Transit System Transformation Program	GCR	40
	Comfama: Social Leasing for the Base of Pyramid in Antioquia	PSI	6
	CTF Energy Efficiency Financing Program for the Services Sector	GCR	10
	Investment Financing, Restructuring, Exporting Development, Phase III	CLP	200
	Sustainable Development in San Andrés, Providencia and Santa Catalina	ESP	70
	Program to Strengthen the Public Investment System	ESP	8
	Program to Support Public Private Partnerships in Infrastructure	TCR	25
	Promigas: Brilla Non-banking Financing Program	PSI	20
	Reform for the Strengthening of National Human Capital Training System Phase II	PBP	400
	Support National Road Safety Policy	TCR	10
	Reform to the Health Social Security System	PBP	250
	Implementation of the National Logistics Policy	TCR	15
Costa Rica	Banco BCT SME Financing Partnership	PSI	8
	Banco General Costa Rica SME Financing Partnership	PSI	8
	Banco Nacional de Costa Rica MSME Financing Partnership	PSI	100
	Bancredito SME Financing Partnership	PSI	10
	Infrastructure Transport Program (PIT)	GOM	450
	Scotiabank Costa Rica Downscaling Finance Line	PSI	40
Dominican Republic	Business Development & Competitiveness in the Province of San Juan	GOM	35
	Fiscal Strengthen Support Program	PBP	350
	Strengthening of the Management for Results of the Sector Health	ESP	146
	“Progressing with Solidarity”	ESP	100
	Support Program to MIPYMES	ESP	30
Ecuador	Chimborazo Rural Development Investment Program	ESP	15
	Electrification Program for Rural and Marginal Urban Areas – II	ESP	30
	Improving Access to Productive Financing for Small-Scale Farmers	PSI	7
	Improving the Control Function of the State Comptroller General	ESP	20
	Program to Improve Citizen Service Management	ESP	270
	Provincial Road Support Program	GOM	60
	Quito Metropolitan Urban Transport System	SUP	100

(continued on next page)

Table IV. Approved Operations ($5 Million or above), 2013 *(continued)*

(In millions of U.S. dollars)

Country	Project	Type	Amount
El Salvador	BAC SME Internationalization Financing Partnership	PSI	20
	Banco Agricola SME Financing Partnership	PSI	90
	Banco G&T Continental SME Financing Partnership	PSI	5
	Contingent Credit Line for Sustainable Development	CLD	100
	Financing Access for BOP Shop Owners	PSG	5
	Mesoamerican Pacific Corridor Improvement Program	GOM	115
	Touristic Development of the Coastal Zone	ESP	25
Guatemala	BAC SME Internationalization Financing Partnership	PSI	20
	Banco G&T Continental S.A. – TFFP A Loan	PSI	21
	Banco G&T Continental S.A. – TFFP A/B Loan	PSI	5
	Banco Industrial SMEs Financing Partnership	PSI	150
Guyana	Environment Sector Strengthening-I	PBP	17
Haiti	Institutional Strengthening and Reform of the Agriculture Sector II	PBP	15
	Institutional Transformation and Modernization Program of the Energy Sector III	PBP	22
	Port-au-Prince Water and Sanitation Project II	ESP	36
	Productive Infrastructure Program II	ESP	41
	Transportation Sector III	ESP	50
	Water Management Program in the Artibonite Basin	ESP	25
Honduras	BAC SME Internationalization Financing Partnership	PSI	30
	Banco Atlantida S.A. – TFFP A Loan	PSI	25
	Banco Atlantida S.A. – TFFP A Loan	PSI	5
	Banco Ficohsa S.A. – TFFP A Loan	PSI	20
	Banco Lafise S.A. – TFFP A Loan	PSI	5
	Improvent Atlantic Corridor. Suplementary Financing II	SUP	17
	Program for Improved Accessibility and Quality of Health Services and Networks	ESP	50
	Social Safety Net Support Program II	ESP	100
	Support for Integration in the Regional Electricity Market	ESP	23
Jamaica	Public Sector Efficiency Program	ESP	25
Mexico	Balam Fund I, L.P.	PSI	50
	FOMEPADE – Increasing Access to Housing for the BoP Public Employees	PSI	7
	Human Resources Training Program (Proforhcom)	ESP	170
	Laudex – Expanding Availability of Student Loans	PSI	10
	Program to Boost Productivity	PBP	800
	Support to the "Oportunidades" Human Development Program	ESP	600
	Sustainability of Water Supply for Rural Communities	GOM	450
	Viviendas Integrales S.A.P.I. de C.V. II	PSG	7
Nicaragua	BAC SME Internationalization Financing Partnership – Nicaragua	PSI	30
	Credit Access to Rural Productive Chains	GCR	20
	Extending Health Care to Communities in the Dry Corridor Region	ESP	35
	Lafise – Bancentro SME Financing Partnership	PSI	15
	Program to Strengthen the Electricity Sector	PBP	45
	Support Program for the Transportation Sector III	GOM	92

(continued on next page)

Table IV. Approved Operations ($5 Million or above), 2013 *(continued)*

(In millions of U.S. dollars)

Country	Project	Type	Amount
Panama	BAC SME Internationalization Financing Partnership	PSI	20
	BCT Bank International SME Financing Partnership	PSI	8
	Strengthening Macrofinancial and Fiscal Management II	PBP	200
	Water and Sanitation Multiphase Investment Program – Phase II	PFM	54
Paraguay	Banco Familiar – Financial Inclusion	PSI	10
	Banco Regional SME Financing Partnership	PSI	20
	Electroban SAECA: Productive financing for BoP	PSI	6
	Integration Corridors, Road Rehabilitacion and Maintenance Phase II	PFM	122
	Investment Promotion Program	ESP	10
	Promoting Soybean Industrialization (CAIASA)	PSI	92
	Sudameris Bank SME Financing Partnership	PSH	26
Peru	Access of the BOP to Housing	PSI	20
	Agriculture Competitiveness Program III	PBP	25
	National Control System for Public Management and Integrity	ESP	20
	Improving Budgetary Information Service	ESP	10
	Improvement of the National Agricultural Innovation Program	ESP	40
	Results Management for Social Inclusion	PBP	30
	Support to the Climate Change Agenda, III	PBP	25
	Universidad San Ignacio de Loyola – Expansion	PSI	25
Regional	Banco Itau BBA (Bahamas) – TFFP A Loan	PSI	200
	Central American Mezzanine Infrastructure Fund II	PSI	100
	Hidrovias Transport	PSI	100
Suriname	Financial Sector Strengthening II	PBP	100
	Modernization of Agricultural Public Services – I	PBP	15
	Revenue Policy and Administration Reform I	PBP	20
	Sustainability of the Electricity Service	ESP	30
	Institutional Strengthening of the Energy Sector II	PBP	10
Trinidad and Tobago	Flood Alleviation and Drainage Program	ESP	120
	Global Services Offshoring Promotion Program	ESP	18
	Strengthened Information Management	ESP	20
Uruguay	Carapé I & II Wind Power Project	PSI	133
	Montevideo Urban Transportation Program II	SUP	18
	Neighborhood Improvement Program II	CLP	70
	Strategic International Positioning	PBP	550
	Support for DINAMA	ESP	5
	Electronic Government Management in the Health Sector	CLP	6

Key:
CLP, Conditional Credit Line for Investment; ERF, Emergency Reconstruction Facility; ESP, Investment; GCR, Global Credit; GOM, Global of Multiple Works; PBL/PBP/HIB, Policy based and Programatic; PFM, Multi-Phase; PSG, Private Sector Guarantee; PSH, Private Sector Hybrid; PSI, Private Sector Investment; PSS, Private Sector Supplemental; SUP, Supplemental Financing; TCR, Reimbursable Technical Cooperation.

Table V. Subscriptions to Capital Stock, Contribution Quotas and Voting Power as of December 31, 2013

(In millions of U.S. dollars)[1]

	Ordinary Capital Subscribed Capital Stock			% of Total	FSO Contribution
Member countries	**Paid-in**	**Callable**	**Total**	**Number of Votes**[2]	**Quotas**
Regional developing members					
Argentina	$ 538.2	$ 13,331.1	$ 13,869.3	11.027	$ 532.2
Bahamas	13.0	255.5	268.5	0.215	11.2
Barbados	6.5	159.8	166.3	0.134	1.9
Belize	7.9	133.9	141.8	0.114	8.0
Bolivia	43.2	1,070.5	1,113.7	0.887	51.1
Brazil	538.2	13,331.1	13,869.3	11.027	573.2
Chile	147.8	3,660.7	3,808.5	3.029	166.1
Colombia	147.8	3,660.7	3,808.5	3.029	161.2
Costa Rica	21.6	535.4	557.0	0.444	24.5
Dominican Republic	28.8	714.6	743.4	0.592	35.7
Ecuador	28.8	714.6	743.4	0.592	31.9
El Salvador	21.6	535.4	557.0	0.444	22.5
Guatemala	28.8	714.6	743.4	0.592	34.4
Guyana	8.9	197.9	206.8	0.166	8.7
Haiti	21.6	535.4	557.0	0.444	22.9
Honduras	21.6	535.4	557.0	0.444	27.8
Jamaica	28.8	714.6	743.4	0.592	30.2
Mexico	346.0	8,569.5	8,915.5	7.089	346.4
Nicaragua	21.6	535.4	557.0	0.444	25.4
Panama	21.6	535.4	557.0	0.444	26.7
Paraguay	21.6	535.4	557.0	0.444	29.3
Peru	72.0	1,784.2	1,856.2	1.477	84.0
Suriname	6.3	107.2	113.5	0.092	6.6
Trinidad and Tobago	21.6	535.4	557.0	0.444	22.0
Uruguay	57.7	1,429.6	1,487.3	1.184	58.7
Venezuela	249.3	5,568.5	5,817.8	4.626	315.3
Total regional developing members	**2,471.2**	**60,401.6**	**62,872.8**	**50.014**	**2,657.9**
Canada[3]	**197.9**	**7,906.1**	**8,104.0**	**4.006**	**328.9**
United States	**1,484.9**	**36,309.5**	**37,794.4**	**30.046**	**5,076.4**
Nonregional members					
Austria	7.9	192.7	200.6	0.161	21.0
Belgium	16.2	396.9	413.1	0.330	44.6
China	0.1	3.1	3.2	0.004	131.1
Croatia	2.4	58.4	60.8	0.050	6.2
Denmark	8.4	205.0	213.4	0.171	21.0
Finland	7.9	192.7	200.6	0.161	19.9
France	93.7	2,292.9	2,386.6	1.899	232.8
Germany	93.7	2,292.9	2,386.6	1.899	241.3
Israel	7.8	190.0	197.8	0.159	18.0
Italy	93.7	2,292.9	2,386.6	1.899	227.2
Japan	247.4	6,050.2	6,297.6	5.008	623.3
Korea, Republic of	0.1	3.1	3.2	0.004	1.0
Netherlands	14.6	325.6	340.3	0.272	36.9
Norway	8.4	205.0	213.4	0.171	21.0
Portugal	2.6	65.1	67.7	0.055	8.2
Slovenia	1.5	35.5	37.0	0.031	3.6
Spain	93.7	2,292.9	2,386.6	1.899	226.4
Sweden	16.1	394.5	410.6	0.328	42.2
Switzerland	23.3	569.0	592.3	0.472	67.1
United Kingdom	47.6	1,164.5	1,212.1	0.965	183.9
Total nonregional members	**787.0**	**19,222.9**	**20,009.9**	**15.933**	**2,176.5**
Grand Total	**$4,941.1**	**$123,840.0**	**$128,781.1**	**100.000**	**10,239.7**

[1] Data are rounded; detail may not add to subtotals and grand total because of rounding.

[2] Each member country's voting power is the same in making decisions concerning the operations of the Ordinary Capital and the FSO. Except where otherwise expressly provided in the Agreement Establishing the Bank, all matters are decided by a majority of the total voting power of the member countries.

[3] Ordinary Capital's subscribed capital stock includes 254,171 non-voting temporary callable shares with a par value of $3,066 million. These shares are excluded from the calculation of the voting power.

Table VI. International Staff – Salary Structure

(as of December 31, 2013)
(In U.S. dollars)

Grade	Representative Job Titles	Minimum	Maximum	Staff at Grade Level (%)	Average Salary/Grade	Average Benefit[1]
12	Administrative Support	38,066	60,905	0.2%	42,814	17,982
11	Assistant	42,393	67,830	1.3%	48,747	20,474
10	Senior Assistant	48,662	77,860	4.9%	61,150	25,683
9	Analyst -Administrative Coordinator	60,350	90,525	4.5%	71,695	30,112
8	Senior Analyst - Sr. Administrative Coordinator	68,319	102,478	4.8%	80,152	33,664
7	Associate	77,883	116,824	4.6%	87,420	36,716
6	Senior Associate	87,661	131,491	8.7%	94,722	39,783
5	Specialist	98,748	148,121	17.2%	105,841	44,453
4	Senior Specialist	108,386	173,417	18.8%	123,161	51,728
3	Lead Specialist/Advisor	123,186	197,098	18.4%	148,179	62,235
2	Unit Chief- Principal Specialist/Sr. Advisor	148,183	222,274	7.7%	177,334	74,480
1	Division Chief - Principal Tech. Leader/Pr. Advisor	169,313	245,504	4.5%	206,800	86,856
R	Country Representative	169,313	261,343	1.5%	202,882	85,210
E5	Sector Manager	209,074	261,343	1.1%	236,464	99,315
E4	Head of Independent Office	235,372	294,215	0.2%	260,338	109,342
E3	General Manager	267,386	334,232	1.1%	301,984	126,833
E2	Vice President	286,556	343,866	0.2%	331,573	139,261
E1	Executive Vice President	305,250	366,300	0.1%	366,300	153,846
P	President		446,969[2]	0.1%	446,969	187,727

[1] Includes annual leave, medical, life and disability insurance; accrued termination benefis; and other non-salary benefits.
[2] Does not include Executive Allowance of $79,993.

Table VII. Consolidated Administrative Expenses

(In millions of U.S. dollars)

Category	2011 Actual	2012 Actual	2013 Actual
Board of Governors	$ 4.0	$ 4.4	$ 3.4
Board of Executive Directors	20.1	20.1	19.7
Evaluation Office	7.1	8.1	8.2
Independent Consultation and Investigation Mechanism (ICIM)	1.7	1.8	2.0
Headquarters and Country Offices	552.4	576.1	521.3
Total Administrative Gross[1,2,3,4,5,6,7]	**585.3**	**610.5**	**554.6**
Reimbursement from Funds under Administration and IIC	(5.6)	(3.4)	(4.0)
MIF and INTAL Reimbursements, Administrative Income	(4.6)	(5.4)	(8.3)
Total Administrative Net	**575.1**	**601.7**	**542.3**
Capital	29.8	37.2	44.5
Total Administrative Net and Capital	$604.9	$638.9	$586.8

[1] Excludes depreciation of $24.8 million, $28.3 million and $23.7 million in 2011, 2012 and 2013 respectively.
[2] Excludes a decrease in prepaid post-retirement benefits costs of $4.7 million and $66.5 million in 2011 and 2012 respectively. Excludes post-retirement benefit costs of $244.5 million in 2013, which includes amortization of actuarial losses for $105 million.
[3] In 2013, the Bank's contribution to the post-retirement benefits plan is no longer included in the budgetary accounts. Bank contributions to the plan in 2013 were $110.1 million.
[4] When applicable, excludes $4.1 million, $4.2 million in realignment expenses, the Inter-American Culture and Development Foundation, loss on disposal of fixed assets and capital projects expenditures not capitalized in 2011 and 2012, respectively. Excludes $12.5 million of capital projects expenditures not capitalized in 2013.
[5] Includes prepaid expenses of $1.8 million, $3.4 million, and $4.0 million in 2011, 2012 and 2013, respectively.
[6] Excludes expenses reimbursed from Funds under Administration of $1.2 million, $2.1 million and $2.4 million in 2011, 2012 and 2013, respectively. In 2013, excludes expenses reimbursed from the IIC of $1.4 million.
[7] In 2012, excludes reversal of expenses pertaining to prior years of $25.3 million.

Appendix I. Governors and Alternate Governors

Country	Governor	Alternate Governor
ARGENTINA	Axel Kicillof	Juan Carlos Fábrega
AUSTRIA	Maria Fekter	Edith Frauwallner
BAHAMAS	Michael Halkitis	John Rolle
BARBADOS	Christopher Peter Sinckler	Grantley W. Smith
BELGIUM	Koen Geens	Franciscus Godts
BELIZE	Dean Barrow	Joseph Waight
BOLIVIA	Elba Viviana Caro Hinojosa	Luis Alberto Arce Catacora
BRAZIL	Miriam Aparecida Belchior	João Guilherme Rocha Machado
CANADA	John Baird	Rob Stewart
CHILE	Felipe Larraín	Julio Dittborn Cordúa
CHINA	Xiaochuan Zhou	Yi Gang
COLOMBIA	Mauricio Cárdenas Santa María	Tatiana María Orozco de la Cruz
COSTA RICA	Edgar Ayales	Rodrigo Bolaños Zamora
CROATIA	Slavko Linic	Boris Lalovac
DENMARK	Christian Dons Christensen	Thomas Djurhuus
DOMINICAN REPUBLIC	Simón Lizardo Mezquita	Juan T. Montás
ECUADOR	Patricio Rivera Yánez	Jeannette Sánchez Zurita
EL SALVADOR	Alexander E. Segovia Cáceres	Carlos Enrique Cáceres Chávez
FINLAND	Anne Sipiläinen	Riikka Laatu
FRANCE	Pierre Moscovici	Ramón Fernández
GERMANY	Hans-Joachim Fuchtel	Martin Dippl
GUATEMALA	María Castro	Edgar Baltazar Barquín Durán
GUYANA	Ashni Kumar Singh	Clyde Roopehand
HAITI	Wilson Laleau	Laurent Salvatore Lamothe
HONDURAS	Wilfredo Rafael Cerrato Rodriguez	Marlon R. Tabora Muñoz
ISRAEL	Karnit Flug	Oded Brook
ITALY	Fabrizio Saccomanni	Ignazio Visco
JAMAICA	Peter D. Phillips	Devon Rowe
JAPAN	Taro Aso	Haruhiko Kuroda
KOREA, REPUBLIC OF	Oh-Seok Hyun	Choongsoo Kim
MEXICO	Luis Videgaray Caso	Fernando Aportela Rodríguez
NETHERLANDS	Liliana Ploumen	Robert Swartbol
NICARAGUA	Ivan Adolfo Acosta Montalván	Manuel Coronel Novoa
NORWAY	Hans Brattskar	Kare Stormark
PANAMA	Frank De Lima G.	Darío Espinosa
PARAGUAY	Germán Rojas Irigoyen	Pedro Daniel Correa Ramírez
PERU	Luis Miguel Castilla Rubio	Carlos Augusto Oliva Neyra
PORTUGAL	Maria Luís Albuquerque	Manuel Rodrigues
SLOVENIA	Uros Cufer	Mitja Mavko
SPAIN	Luis de Guindos Jurado	Fernando Jiménez Latorre
SURINAME	Gillmore Hoefdraad	Andojo Rusland
SWEDEN	Ann-Sofie Nilsson	Per Örneus
SWITZERLAND	Beatrice Maser Mallor	Sybille Suter
TRINIDAD AND TOBAGO	Bhoendradatt Tewarie	Vasant Bharath
UNITED KINGDOM	Justine Greening	Alan Duncan
UNITED STATES	Jacob J. Lew	Robert D. Hormats
URUGUAY	Mario Bergara	Jorge Polgar
VENEZUELA	Rodolfo Clemente Marco Torres	Julio Cesar Viloria Sulbarán

As of February 14, 2014.

Appendix II. Executive Directors and Alternates

Executive Director / Alternate	Elected by		Number of Votes	Percentage of Voting Power
Yasuhiro Atsumi. **JAPAN** Hironori Kawauchi (Alternate). **JAPAN**	**Elected by:** Croatia Japan Korea	 Portugal Slovenia United Kingdom	637,309	6.11
Leo Kreuz. **GERMANY** Christian Hofer (Alternate). **SWITZERLAND**	**Elected by:** Belgium China Germany Israel	 Italy Switzerland The Netherlands	524,763	5.03
Gustavo Arnavat. **UNITED STATES**	**Elected by:** United States of America		3,133,110	30.04
Adina Bastidas. **VENEZUELA** Antonio De Roux (Alternate). **PANAMA**	**Elected by:** Panama	 Venezuela	528,706	5.07
Maria de los Angeles González Miranda. **MEXICO** Muriel Alfonseca (Alternate). **DOMINICAN REPUBLIC**	**Elected by:** Mexico	 Dominican Republic	800,948	7.68
Luis Hernando Larrazabal. **BOLIVIA** Hugo Rafael Cáceres (Alternate). **PARAGUAY**	**Elected by:** Bolivia Paraguay	 Uruguay	262,191	2.51
Gabriela V. Costa. **ARGENTINA** Federico Chinchilla (Alternate). **ARGENTINA**	**Elected by:** Argentina	 Haiti	1,196,133	11.47
Ricardo de Medeiros Carneiro. **BRAZIL** Cristina Penido de Freitas (Alternate). **BRAZIL**	**Elected by:** Brazil	 Suriname	1,159,378	11.11
Alejandro Foxley Tapia. **CHILE** Xavier Eduardo Santillán (Alternate). **ECUADOR**	**Elected by:** Chile	 Ecuador	377,601	3.62
James A. Haley. **CANADA** Carol Nelder-Corvari (Alternate). **CANADA**	**Elected by:** Canada		417,746	4.00
Kurt Kisto. **TRINIDAD AND TOBAGO** Zulfikar Ally (Alternate). **GUYANA**	**Elected by:** Bahamas Barbados Guyana	 Jamaica Trinidad and Tobago	161,658	1.55
Carla Anaí Herrera Ramos. **GUATEMALA**	**Elected by:** Belize Costa Rica El Salvador	 Guatemala Honduras Nicaragua	258,868	2.48
Maria Perez Ribes. **SPAIN** Per Oyvind Bastoe (Alternate). **NORWAY**	**Elected by:** Austria Denmark Finland France	 Norway Spain Sweden	499,297	4.79
Juan Carlos Echeverry Garzón. **COLOMBIA** Kurt Johnny Burneo Farfán (Alternate). **PERU**	**Elected by:** Colombia	 Peru	469,844	4.50
TOTAL			**10,427,552**	**100.00***

Office of Evaluation and Oversight
Cheryl W. Gray, Director

As of February 28, 2014.
* The total may not add up due to rounding.

Appendix III. Principal Officers

President	Luis Alberto Moreno
Executive Vice President	Julie T. Katzman
Vice President for Countries	Roberto Vellutini
Vice President for Sectors and Knowledge	Santiago Levy Algazi
Vice President for Finance and Administration	Jaime Alberto Sujoy
Vice President, a.i. for Private Sector and Non-Sovereign Guaranteed Operations	Hans Schulz
General Manager, Department of Research, and Chief Economist	José Juan Ruiz Gómez
General Manager, Country Department — Southern Cone	José Luis Lupo
General Manager, Country Department — Andean Group	Carola Alvarez
General Manager, Country Department — Central America, Mexico, Panama, and the Dominican Republic	Gina Montiel
General Manager, Country Department — Caribbean	Gerard S. Johnson
General Manager, Country Department — Haiti	José Agustín Aguerre
Secretary	Germán Quintana
General Counsel	Jorge Alers
Chief of Staff, Office of the Presidency	Luis Alberto Giorgio
Chief Advisor to the Executive Vice President	Juan Pablo Bonilla
General Manager and Chief Financial Officer, Finance Department	Edward Bartholomew
General Manager and Chief Development Effectiveness Officer, Office of Strategic Planning and Development Effectiveness	Veronica Zavala
General Manager, Budget and Administrative Services Department	Yeshvanth Edwin
General Manager, Structured and Corporate Finance Department	Hans Schulz
General Manager, Human Resources Department	Claudia Bock-Valotta
General Manager and Chief Information Officer, Information Technology Department	Simon Gauthier
General Manager, Office of the Multilateral Investment Fund	Nancy Lee
Executive Auditor, Office of the Auditor General	Jorge da Silva
Manager, Office of External Relations	Marcelo Cabrol
Sector Manager, Infrastructure and Environment Sector	Alexandre Meira da Rosa
Sector Manager, Social Sector	Héctor Salazar Sánchez
Sector Manager, Institutional Capacity and Finance Sector	Ana Maria Rodríguez-Ortiz
Sector Manager, Integration and Trade Sector	Antoni Estevadeordal
Sector Manager, Knowledge and Learning Sector	C. Federico Basañes
Sector Manager, Opportunities for the Majority Sector	Luiz Ros
Advisor, Office of Outreach and Partnerships	Bernardo Guillamón
Advisor, Office of Risk Management and Chief Risk Officer	Gustavo De Rosa
Chief, Office of Institutional Integrity	Maristella Aldana
Executive Secretary, Independent Consultation and Investigation Mechanism	Victoria Márquez-Mees
Ethics Officer	Daisy Fernandez Seebach

As of December 31, 2013.

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Cover: Brazil: As part of the Serra do Mar and Atlantic Forest Socioenvironmental Recovery Program, local communities participated in decision-making regarding housing and relocation options. An estimated 2,400 families living in the Serra do Mar State Park will benefit. Photo courtesy of Projeto ComCom.

Inside: page iv, Patricia Rincón Mautner; page 4, Carlos Andrés Echevarria; page 14, Paola Cresta; page 22, MNO Vervat.

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