Development Effectiveness

Business Review

First Quarter 2013

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

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This document provides an analysis of the 2013 operational results for discussion and decision making purposes. This data was collected from a number of sources and is subject to adjustments and analysis as deemed appropriate by the corresponding business units sponsoring the information.

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

Operational Program Highlights

Program Execution

Disbursements[1]

Total cumulative disbursements reached **$829m**

- 9% of $8.2b projected for 2013 and 7% increase from $776m during same period in 2012

Fund for Special Operations disbursements for eligible countries reached **$37m**

- 15% of $244m projected for 2013 and 54% increase from $24m during the same period in 2012

IDB Grant Facility disbursements reached **$25m**

- 12% of $206m projected for 2013 and 17% increase from $21m disbursed during the same period in 2012

Portfolio

There are **621** **SG operations in portfolio** with **$44.3b** in volume

- In 2012 Q1 there were 581 SG operations in portfolio with $40.3b in volume

There are **46** SG operations in portfolio with legal effectiveness **pending eligibility** (7% of SG portfolio)

- In 2012 Q1 there were 43 SG operations with legal effectiveness pending eligibility (7% of SG portfolio)

There are **95** **NSG operations currently disbursing** with **$4.6b** in volume

- In 2012 Q1 there were 86 NSG operations disbursing with $4.5b in volume

Program Strategic Alignment

Approvals[2]

Lending approvals reached **$1.1b** (10% of the year's projected $10.7b) in **17** operations

- In 2012 Q1 there were 26 operations approved for $1.4b

SG Investment lending approvals reached **$347m** in **8** operations

- 4% of the volume projected ($7.9b) for 2013 and 58% decrease from $827m in the same period in 2012

Policy Based Lending approvals reached **$550m** in **1** operation

- 27% of the volume projected ($2.0b) for 2013 and 175% increase from $200m in the same period in 2012

Fund for Special Operations approvals reached **$15m** in **2** operations

- 6% of volume projected ($240m) for 2013

NSG Ordinary Capital approvals reached **$172m** in **8** operations

- 23% of the volume projected ($762m) for 2013 and 54% decrease from $377m in the same period in 2012

Double Booked[3] **operations** approved reached **$622m** in **3** operations prepared by IFD/FMM, INT and SCF.

Average operation size is currently projected to reach $68m by year's end, stable from $68m in 2012

Business Development

Country Strategies and Programming

6 **Country Strategies** are **projected** for 2013[4] of which **one** (Jamaica) has been **approved**

- There was one approval in the same period in 2012 (Colombia)
- In addition, 26 Country Program Documents prepared in Q4 of 2012 were presented to the Board in Q1 of this year

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[1] Disbursement projections are as of February 28th, 2013
[2] Program figures include OC, FSO, GRF and CTF
[3] "Double booked" operations refer to operations credited to more than one Division
[4] One of the six strategies for 2013 was also programmed for 2012

VPS Economic and Sector Work (ESW) Products

The **ESW Plan**[5] contains **81 products** with **402 deliverables** projected for the year of which **29** have been **completed**

- 8% increase from 75 products in the same period in 2012
- 20% increase from 335 deliverables projected for the year in the same period in 2012

Technical Cooperation

Technical Cooperation approvals reached **$21.8m** in **64** operations

- 24% increase from $17.6m in 47 operations in the same period in 2012

TCs financed with **Ordinary Capital (OC)** approvals reached **$13.3m** in **44** operations

- 25% increase from $10.6m in 33 operations in the same period in 2012

TCs financed with **Donor Trust Fund** approvals reached **$8.5m** in **20** operations

- 22% increase from $7.0m in 14 operations in the same period in 2012

TC disbursements reached **$30.0m**

- 4% decrease from $31.2m during the same period in 2012

TC FSO disbursements reached **$2.4m**

- 8% of total TC disbursements
- 64% decrease from $6.6m disbursed during the same period in 2012

TC ORC Special Programs disbursements reached **$15.8m**

- 53% of total TC disbursements
- 25% increase from $13m disbursed during the same period in 2012

TC Donor Trust Funds disbursements reached **$11.8m**

- 39% of total TC disbursements
- 2% decrease from $12.0m disbursed during the same period in 2012

Human Resources

45 bank wide **vacancies filled** in as of March 31st, 145 vacancies remain

Women in **grades four and above** reached **35%**

- 5 percentage point increase from 30% since 2009

Professional Staff in COF reached **32%**

- 9 percentage points increase from 23% since 2006
- The RF target is 40% by 2015

Note:

RBB [Results Based Budget] denotes indicators from the "2012 Program and Budget" document [GA-248-3] to be monitored in QBR.

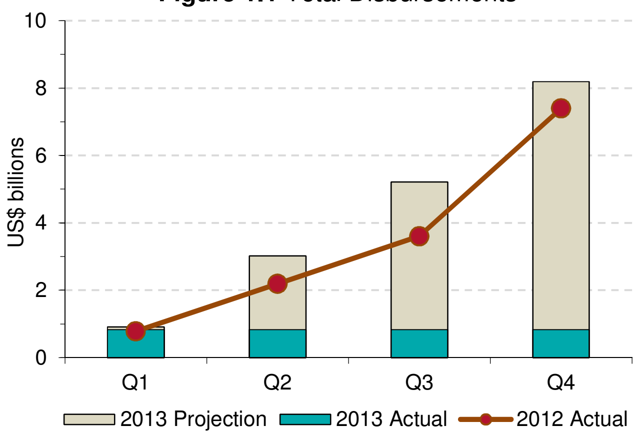
RF [Result Framework] denotes indicators (with annual targets) from the Results Framework Annex of the IDB-9 document [AB-2764] to be monitored in QBR.

[5] The ESW Plan refers only to products financed by the administrative budget from VPS.

I. Program Execution

Disbursements

Figure 1.1 Total Disbursements



Bank's disbursements reached **$829m**

- 9% of $8.2b projected for 2013
- 7% increase from $776m during same period in 2012

SG disbursements reached **$618m**

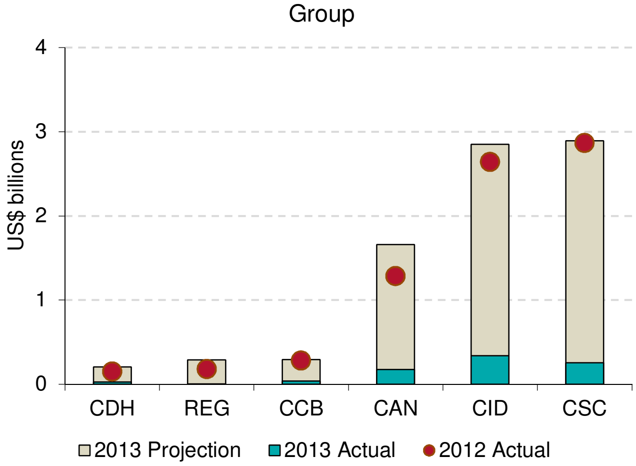
- 37% of $7.0b projected for 2013
- 11% increase from $557m during the same period in 2012

NSG disbursements reached **$211m**

- 17% of $1.2b projected for 2013
- 4% decrease from $219m during the same period in 2012

By Country Group

Figure 1.2 Loan Disbursements by Country Group



CAN countries disbursements reached **$173m**

- 10% of $1.7b projected for 2013
- 40% increase from $124m during the same period in 2012

CCB countries disbursements reached **$37m**

- 13% of $292m projected for 2013
- 8% increase from $34m during the same period in 2012

CID countries disbursements reached **$337m**

- 12% of $2.9b projected for 2013
- 97% increase from $171m during the same period in 2012

CSC countries disbursements reached **$255m**

- 9% of $2.9b projected for 2013
- 39% decrease from $420m during same period in 2012

CDH countries disbursements reached **$25m**

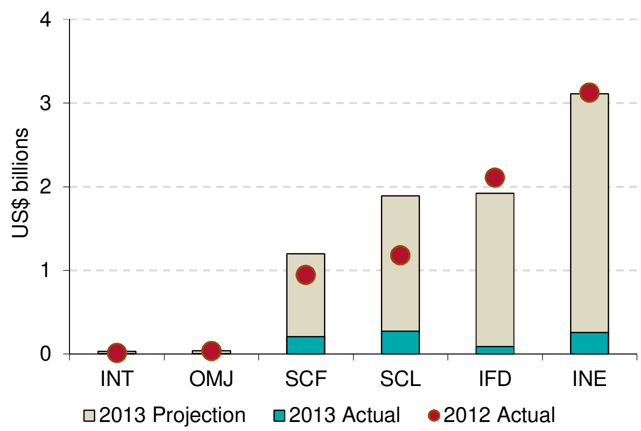
- 12% of $207m projected for 2013
- 17% increase from $21m during the same period in 2012

Regional disbursements reached **$3m**

- 1% of $290m projected for 2013
- 59% decrease from $6m during the same period in 2012

By Sector (SG & NSG)

Figure 1.3 Loan Disbursements by Sectors



IFD disbursements reached **$90m**

- 5% of $1.9b projected for 2013
- 43% decrease from $157m during same period in 2012

INE disbursements reached **$256m**

- 8% of $3.1b projected for 2013
- 2% decrease from $262m during the same period in 2012

SCL disbursements reached **$269m**

- 14% of $1.9b projected for 2013
- 95% increase from $138m during the same period in 2012

INT disbursements reached **$3m**

- 8% of $33m projected for 2013
- More than double from $1m during same period in 2012

SCF disbursements reached **$208m**

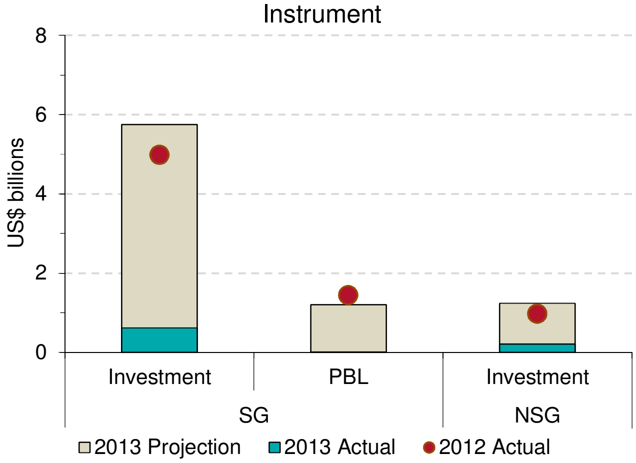
- 17% of $1.2b projected for 2013
- 5% decrease from $219m during the same period in 2012

OMJ disbursements reached **$3m**

- 7% of $39m projected for 2013
- There were no disbursements during same period in 2012

By Instrument

Figure 1.4 Loan Disbursements by Instrument



SG Investment disbursements reached **$616m**

- 11% of the $5.8b projected for 2013
- 16% increase from $532m during the same period in 2012

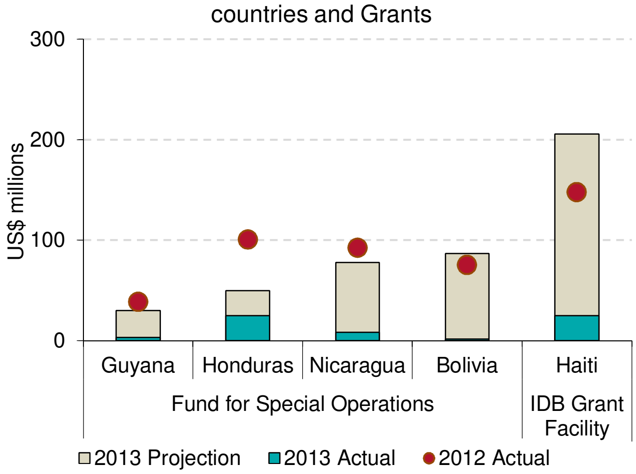
NSG Investment disbursements reached **$211m**

- 17% of the $1.2b projected for 2013
- 4% decrease from $219m during the same period in 2012

Policy Based Loan disbursements reached **$2m**

- Less than 1% of the $1.2b projected for 2013
- 91% decrease from $26m during the same period in 2012

Figure 1.5 Disbursements for FSO eligible countries and Grants



Fund for Special Operations disbursements for eligible countries reached **$37m**

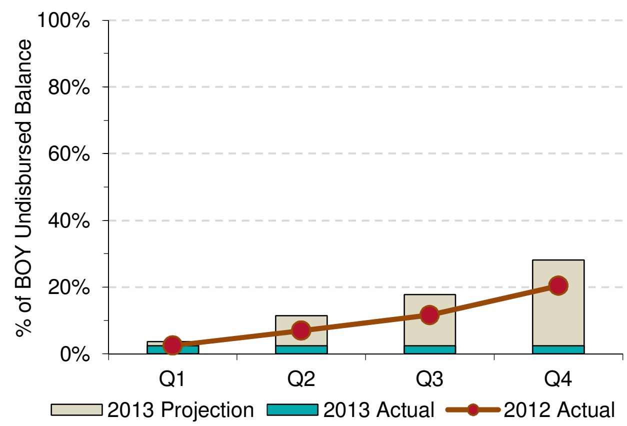
- 15% of $244m projected for 2013
- 54% increase from $24m during the same period in 2012

IDB Grant Facility disbursements reached **$25m**

- 12% of $206m projected for 2013
- 17% increase from $21m disbursed during the same period in 2012

Beginning of Year Undisbursed Balance

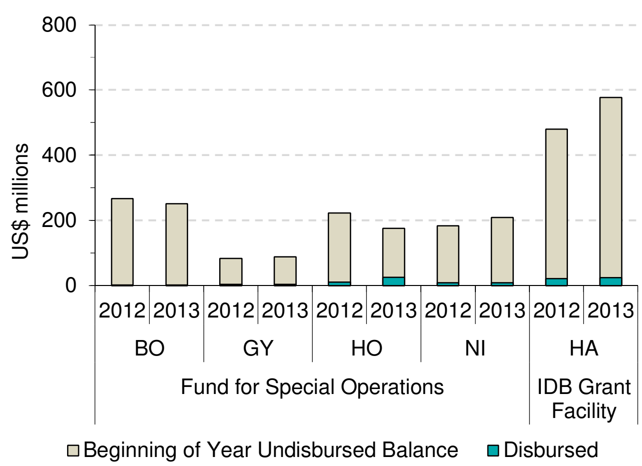
Figure 1.6 Investment Disbursements as percentage of Beginning of Year Undisbursed Balance



Beginning of year balance for active investment operations amounted to **$24.9b** in 2013

- 11% increase from $22.4b at the beginning of 2012
- 2% ($616m) of the initial undisbursed balance has been disbursed as of Q1[6], compared with 2% ($552m) during the same period in 2012
- 28% of initial balance is projected to be disbursed during 2013, compared to 20% disbursed in 2012

Figure 1.7 FSO and IDB Grant Facility Disbursements compared to Beginning of Year Undisbursed Balance



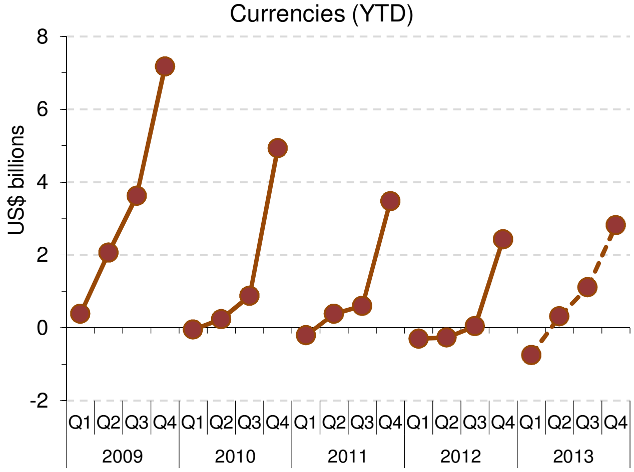
[6] Disbursements from investment operations active at the beginning of 2012

Beginning of year balance for investment operations financed by FSO and the IDB Grant Facility for eligible countries amounted to **$1.3b**

- 5% increase from $1.2b at the beginning of 2012

Net Loan Flows

Figure 1.8 Net Loan Flows of Convertible Currencies (YTD)

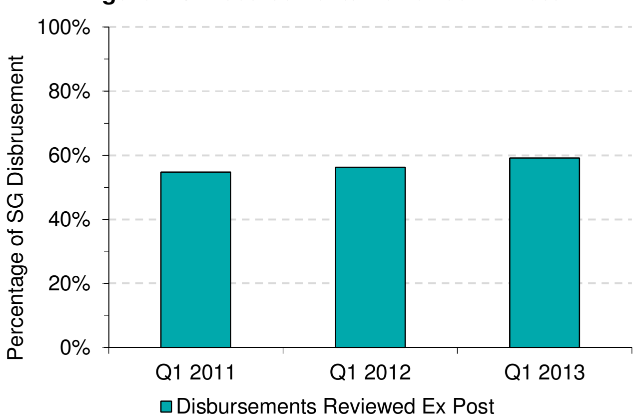


Net Loan Flow for Q1 reached **($751m)** as the Bank disbursed below repayments level

- Net Loan Flow for Q1 2012 reached ($295m)
- $2.8b is the estimated net loan flow level for 2013 year's end, based on projections for the year for principal collections and disbursements

Ex Post review of Disbursements

Figure 1.9 Disbursements Reviewed Ex Post

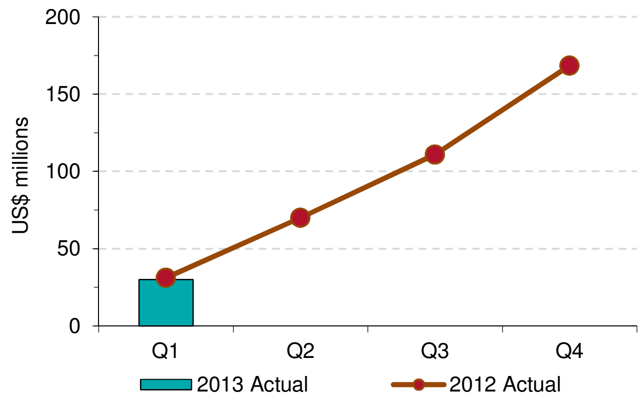


Disbursements reviewed ex post reached **59%** of total disbursements for SG investment operations

- 3 percentage points increase from 56% in the same period in 2012
- 56% of loans disbursed with ex post review compared with 45% in the same period in 2012

Technical Cooperation Disbursements

Figure 1.10 TC Disbursements



TC disbursements reached **$30.0m**

- 4% decrease from $31.2m during the same period in 2012

TC FSO disbursements reached **$2.4m**

- 8% of total TC disbursements
- 64% decrease from $6.6m disbursed during the same period in 2012

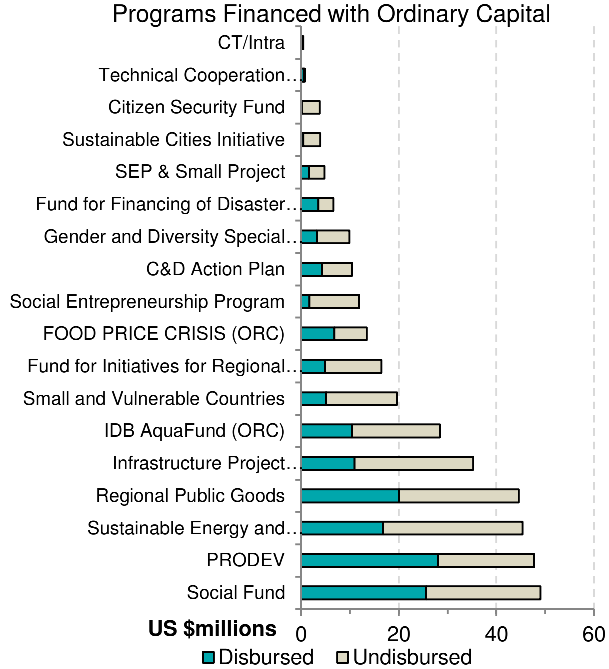
TC ORC Special Programs reached **$15.8m**

- 53% of total TC disbursements
- 25% increase from $13m disbursed during the same period in 2012

TC Donor Trust Funds reached **$11.8m**

- 39% of total TC disbursements
- 2% decrease from $12.0m disbursed during the same period in 2012

Figure 1.11 TC Disbursements of Special Programs Financed with Ordinary Capital

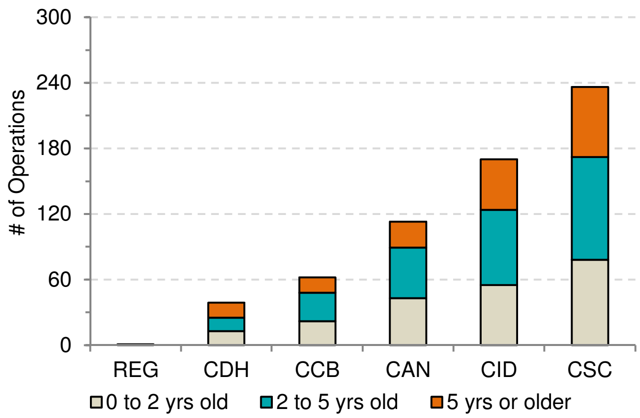


Disbursements of Technical Cooperation under **ORC Special Programs** reached **41%** ($145m) of $353m in portfolio

- Same level than 41% ($140m) of $204m in portfolio during the same period in 2012

Loan Portfolio[7]

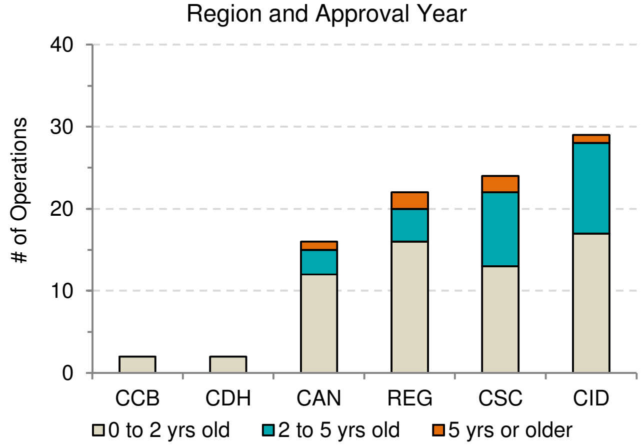
Figure 1.12 SG Operations by Country Region and Approval Year



621 SG operations in portfolio, **$44.3b** in volume

- 162 operations were approved on or before March 2008 (5 years or older)
- 247 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 212 operations were approved on or after April 2011 (0 to 2 years old)
- 65% (406) under CID and CSC countries

Figure 1.13 NSG Operations by Country Region and Approval Year

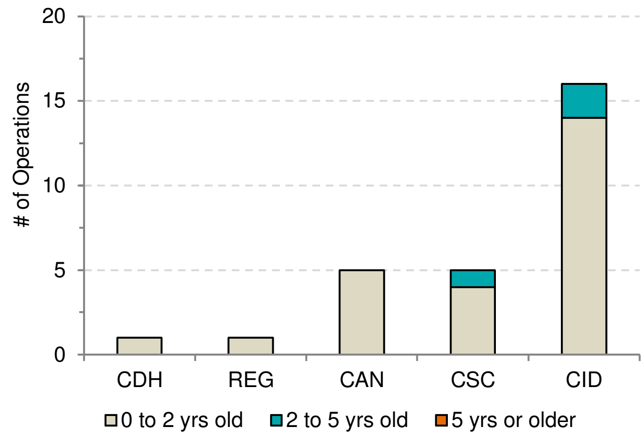


95 NSG operations are currently disbursing, **$4.6b** in volume

- 6 operations were approved on or before March 2008 (5 years or older)
- 27 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 62 operations were approved on or after April 2011 (0 to 2 years old)
- 56% (53) under CID and CSC countries

Loan Portfolio Pending Ratification

Figure 1.14 SG Operations Pending Ratification by Country Group and Approval Year

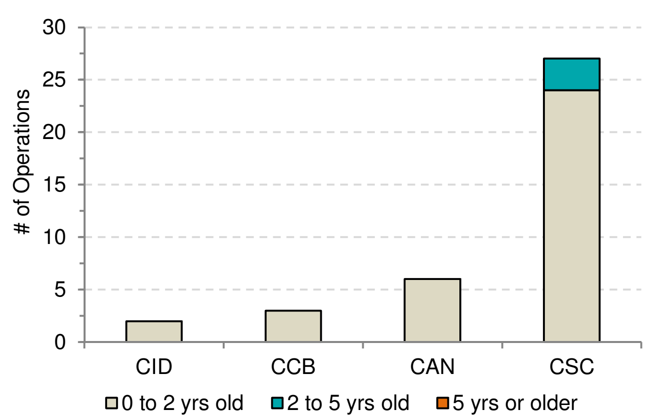


28 SG operations pending ratification, $1.4b in volume

- 3 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 25 operations were approved on or after April 2011 (0 to 2 years old)
- 57% (16) under CID countries

Loan Portfolio Pending Signature

Figure 1.15 SG Portfolio Pending Signature by Country Group and Approval Year



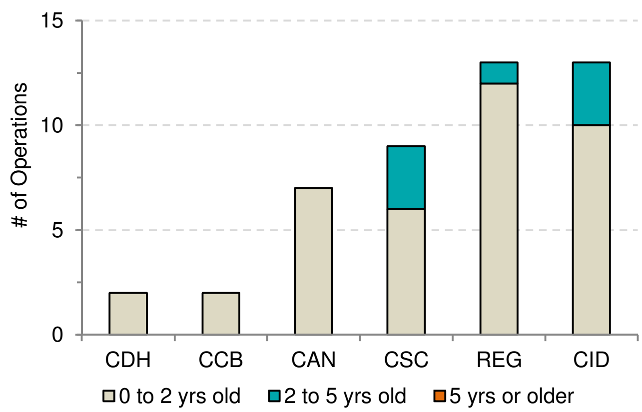
38 SG operations pending signature[8], $3.1b in volume

[7] Includes operations financed by GRF.

[8] Excludes operations pending ratification.

- 3 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 35 operations were approved on or after April 2011 (0 to 2 years old)
- 71% (27) under CID countries

Figure 1.16 NSG Operations Pending Signature by Country Group and Approval Year

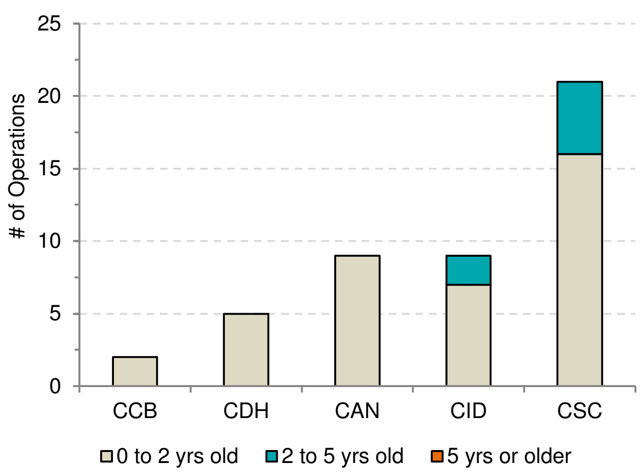


46 NSG operations pending signature, $1.7b in volume

- 7 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 39 operations were approved on or after April 2011 (0 to 2 years old)
- 57% (26) under CID countries and Regional operations

Loan Portfolio Pending Eligibility

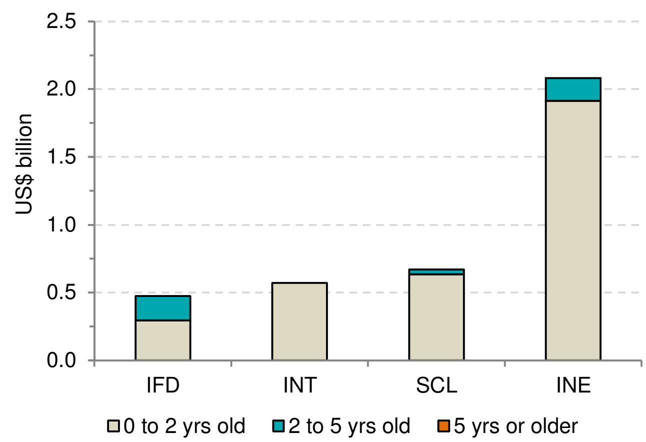
Figure 1.17 SG Operations Legally Effective, Pending Eligibility by Country Group and Approval Year



46 SG operations with legal effectiveness pending eligibility

- 7% of total SG portfolio (621 operations)
- 7 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 39 operations were approved on or after April 2011 (0 to 2 years old)
- 46% (21) under CSC countries

Figure 1.18 SG Operations Not Yet Eligible (Volume of Operations)

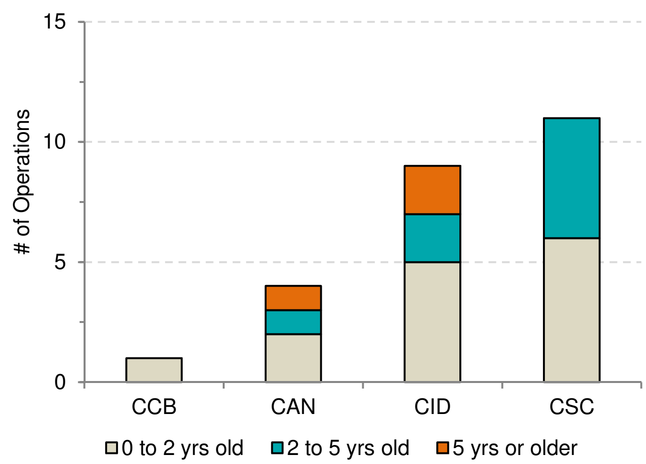


SG operations with legal effectiveness pending eligibility amounted to $3.8b

- 9% of total SG portfolio (44.3b)
- $382m in operations that were approved between April 2008 and March 2011 (2 to 5 years old)
- $3.4b in operations that were approved on or after April 2011 (0 to 2 years old)
- 55% ($2.1b) under INE sector department

Loan Portfolio Pending First Disbursement

Figure 1.19 SG Operations pending First Disbursement

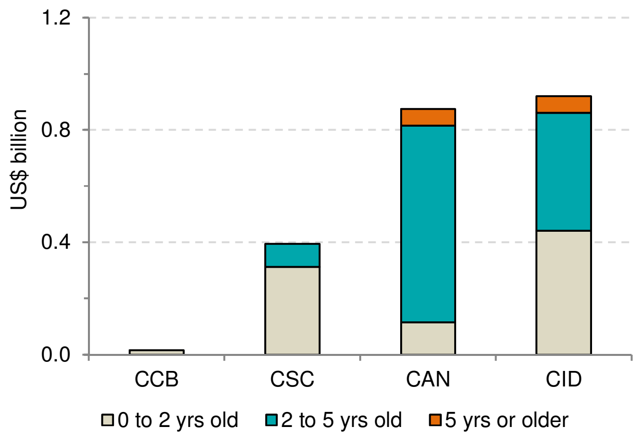


25 SG eligible operations are currently pending first disbursement

- 4% of total SG portfolio (621 operations)
- 3 operations were approved on or before March 2008 (5 years or older)

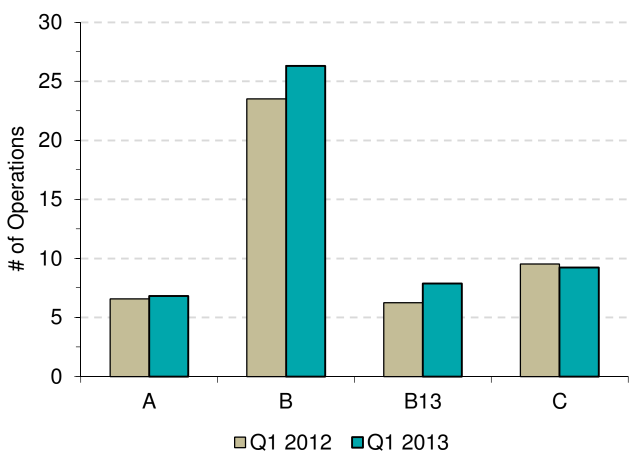
- 8 operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 14 operations were approved on or after April 2011 (0 to 2 years old)
- 80% (20) under CID and CSC countries

Figure 1.20 SG Operations pending First Disbursement (Volume of Operations)



- 81% (1.8b) of volume is under CAN and CID countries

Figure 1.21 Portfolio in execution by Environmental and Social Impact



35 operations in execution for **$6.8b** classified as **category "A"** in Environmental and Social Impact risk

- 13% increase from 31 during the same period in 2012
- 4% increase from $6.6b during the same period in 2012

340 operations in execution for **$26.3b** classified as **category "B"** in Environmental and Social Impact risk

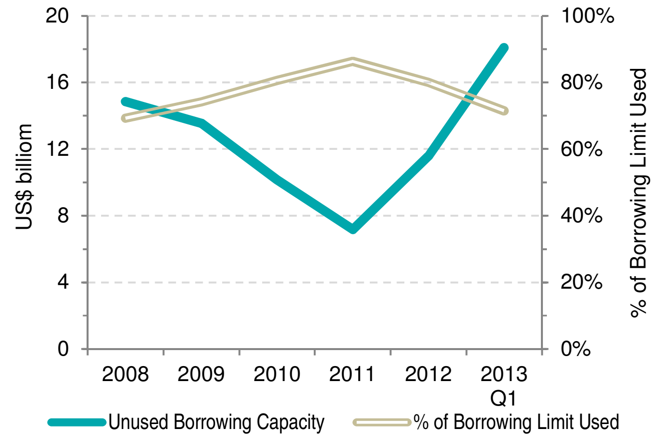
- 14% increase from 299 during the same period in 2012
- 12% increase from $23.5b during the same period in 2012

Lending Credit Risk

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

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

Figure 1.22 Unused Borrowing Capacity



Net Borrowings reached **$45.4 billion**

- 2% increase from $46.3 in 2012

The **callable capital** of non-borrowing countries reached **$63.4 billion**

- 10% increase from $57.9 billion in 2012

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

- 9 percentage points decrease from 80% in 2012

Unused borrowing capacity reached **$18.1 billion**

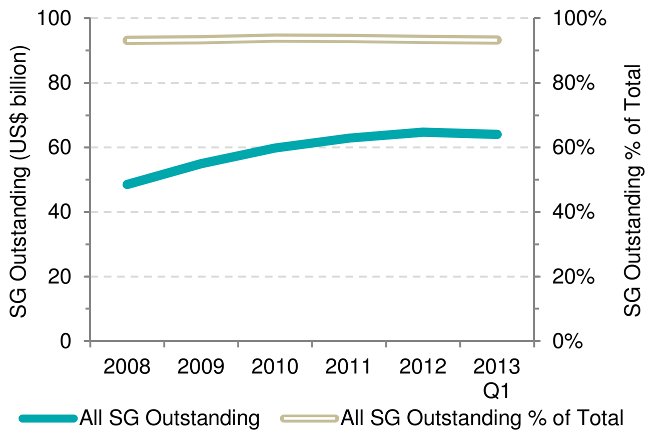
- 56% increase from $11.6 billion in 2012

Concentration Risk

High geographic concentration remains a source of credit risk in the IDB's loan and guarantee portfolio (SG+NSG), given the regional nature of the Bank's lending operations.

By year end 2012, the five largest borrowing countries – Brazil, Argentina, Mexico, Colombia and Peru – accounted for around 69% of the Bank's loan and guarantee exposures.

Figure 1.23 Concentration Risk (SG)



Size of the outstanding SG portfolio reached **$64.1 billion**

- 1% decrease from $64.1 in 2012

The **five largest SG exposures** reached 71.3%

- Less than 1 point decrease from 70.8% in 2012

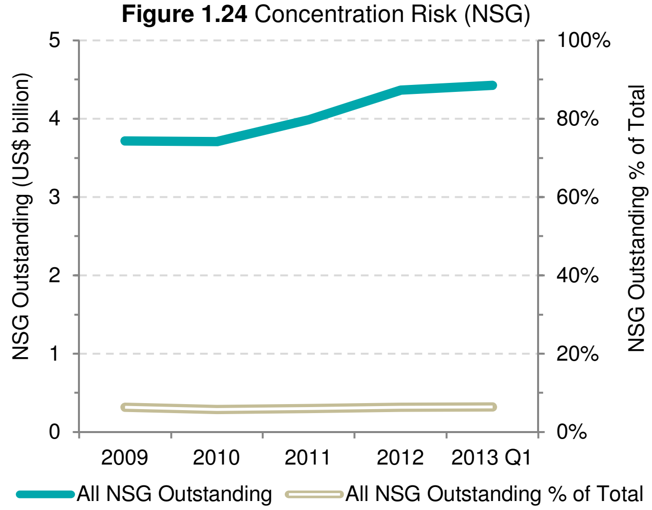
Undisbursed portion of approved SG loans reached **$24.1 billion**

- 1% increase from $23.9 in 2012

SG loans **undisbursed as a percentage of outstanding** SG loans and guarantees reached **27%**

- 10 percentage points decrease from 37% in 2012

Figure 1.24 Concentration Risk (NSG)



Size of the outstanding NSG portfolio reached **$4.4 billion**

- 9.4% increase from $4 billion in 2011

The **five largest NSG exposures** reached **57.7%**

- Less than 1 point decrease from 58.4% in 2012

Undisbursed portion of NSG loans reached **$2.8 billion**

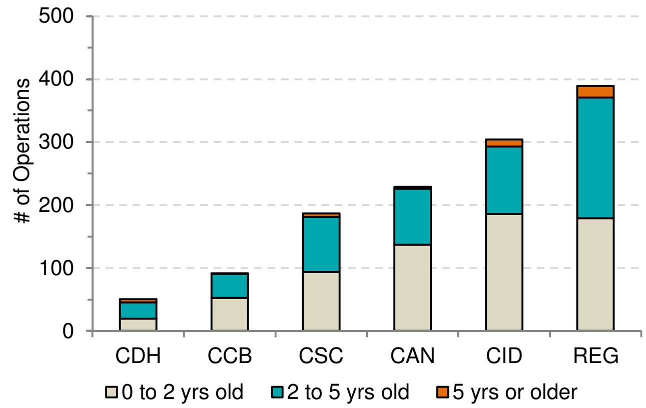
- 1% decrease from $2.9 billion in 2012

NSG loans and guarantees **undisbursed as a percentage of outstanding** reached **39.1%**

- Less than 1 point decrease from 39.7% in 2012

Technical Cooperation's Portfolio

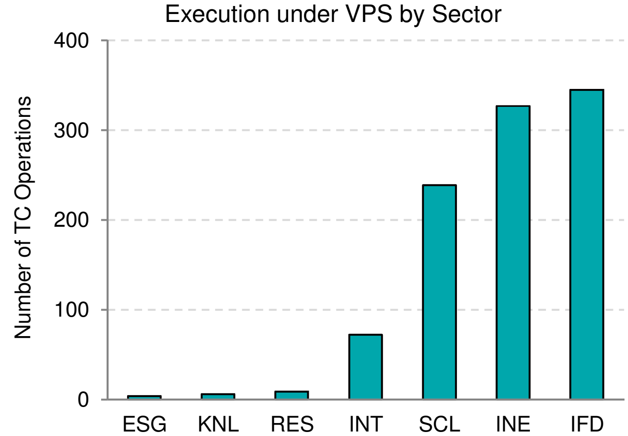
Figure 1.25 TC Operations by Country Group and Approval Year



TC operations in portfolio reached **1,252**, with **$699m** in volume

- 44 ($42m) operations were approved on or before March 2008 (5 years or older)
- 539 ($331m) operations were approved between April 2008 and March 2011 (2 to 5 years old)
- 669 ($326m) operations were approved on or after April 2011 (0 to 2 years old)
- 55% (693) under CID countries and Regional operations

Figure 1.26 Technical Cooperation in Execution under VPS by Sector



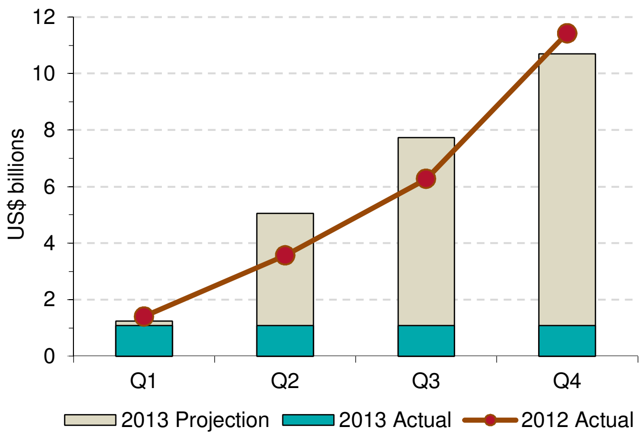
Technical Cooperation in portfolio under VPS reached **1,002** operations with **$597m** in volume

- 345 ($186m) under IFD department
- 327 ($219m) under INE department

II. Program Strategic Alignment

Loan Approvals

Figure 2.1 Approvals by quarter

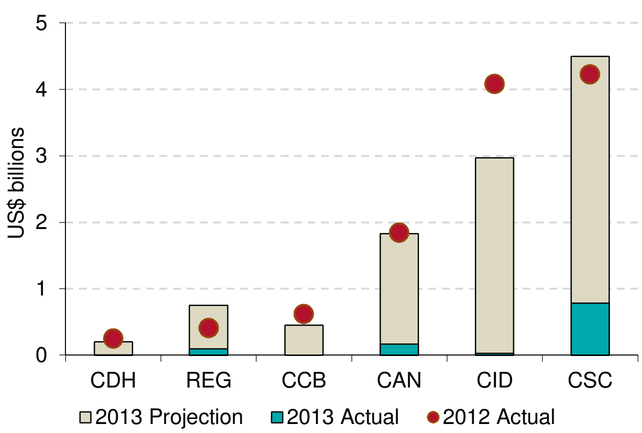


Bank's approvals reached **$1.1b** in **17** operations

- 10% of the volume ($10.7b) projected for 2013
- 35% decrease from 26 loans in the same period in 2012
- 22% decrease from $1.4b in the same period in 2012
- $67m is the projected average operations size for year's end, a 15% increase from $58m in 2012

By Country Group

Figure 2.2 Country Group Approvals



CAN countries reached **$172m** in **3** operations

- 9% of the volume ($1.8b) projected for 2013
- 25% decrease from $228m in the same period in 2012
- 57% decrease from 7 loans in the same period in 2012

CCB countries had no approvals during the period

- $451m is projected to be approved for 2012
- There were no approvals during the same period in 2012

CID countries reached **$30m** in **3** operations

- 1% of the volume ($3.0b) projected for 2013
- 91% decrease from $349m in the same period in 2012
- 50% decrease from 6 loans in the same period in 2012

CSC countries reached **$785m** in **9** operations

- 17% of the volume ($4.5b) projected for 2013
- 13% decrease from $692m in the same period in 2012
- No change from 9 loans approved in same period in 2012

CDH countries reached **$4m** in **1** operation

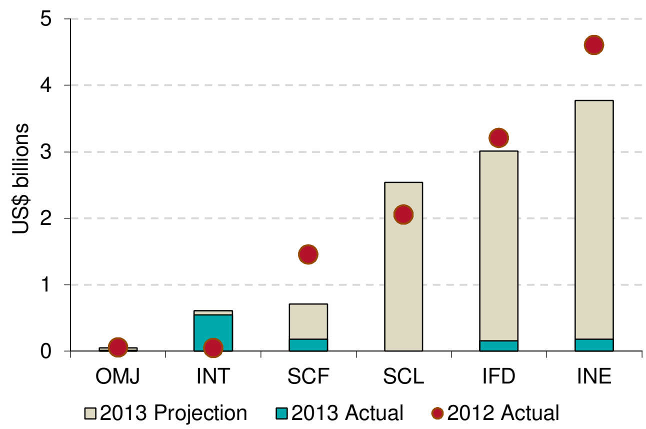
- 2% of the volume ($204m) projected for 2013
- 100% increase from $4m in the same period in 2012
- No change from 1 loan approved in same period in 2012

Regional loans reached **$100m** in **1** operation

- 13% of the volume ($750m) projected for 2013
- 25% decrease from $133m in the same period in 2012
- 67% decrease from 3 loans in the same period in 2012

By Sector (SG & NSG)

Figure 2.3 Approvals by Sector



IFD approvals reached **$160m** in **4** operations

- 5% of the volume ($3.0b) projected for 2013
- 16% increase from $139m in the same period in 2012
- No change from 4 operations in same period in 2012

INE approvals reached **$186m** in **4** operations

- 5% of the volume ($3.8b) projected for 2013
- 77% decrease from $816m in the same period in 2012
- 20% decrease from 5 operations in same period in 2012

SCL had no approvals during the period

- $2.5b is projected to be approved for 2013
- $73m were approved in the same period in 2012
- 2 operations were approved in the same period in 2012

SCF approvals reached **$184m** in **7** operations

- 26% of the volume ($711m) projected for 2013
- 50% decrease from $372m in the same period in 2012

- 46% decrease from 13 operations in same period in 2012

OMJ approvals reached **$10m** in **1** operation

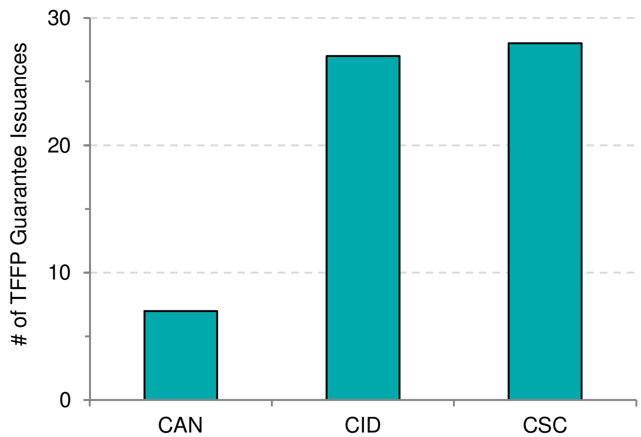
- 20% of the volume ($51m) projected for 2013
- 100% increase from $5m in the same period in 2012
- 50% decrease from 2 operations in same period in 2012

NSG Credit Lines and Guarantees

There were no **NSG Guarantees issuances**

- $2.5m were issued in one transaction in the same period in 2012

Figure 2.4 TFFP Guarantee Issuances



TFFP Line increases reached **$15m** in **2** transactions

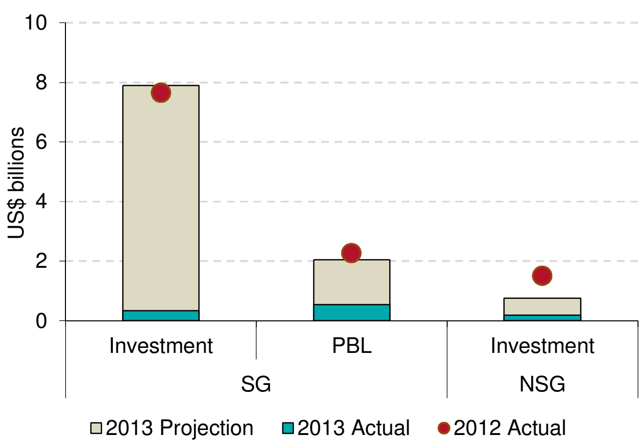
- 80% decrease from $76m in the same period in 2012

TFFP Guarantees issued reached **$109m** in **62** issuances

- 50% decrease from $219m issued in same period in 2012
- 11% increase from 56 issuances in same period in 2012

By Instrument

Figure 2.5 Approvals by Instrument



SG Investment lending approvals reached **$347m** in **8** operations

- 4% of the volume ($7.9b) projected for 2013
- 58% decrease from $827m in the same period in 2012
- 20% decrease from 10 operations in same period in 2012

Policy Based Lending approvals reached **$550m** in **1** operation

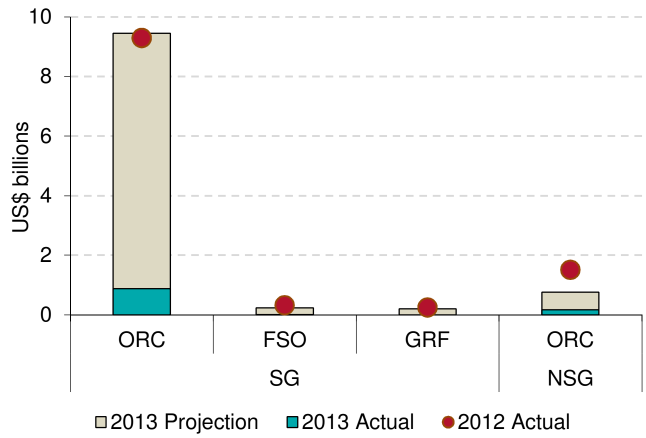
- 27% of the volume ($2.0b) projected for 2013
- 175% increase from $200m in the same period in 2012
- No change from 1 operation in the same period in 2012

NSG Investment lending approvals reached **$194m** in **8** operations

- 26% of the volume ($762m) projected for 2013
- 48% decrease from $377m in the same period in 2012
- 47% decrease from 15 operations in same period in 2012

By Fund

Figure 2.6 Approvals by Fund



SG Ordinary Capital approvals reached **$882m** in **9** operations

- 9% of the projected volume ($9.5b) for 2013
- 13% decrease from $1.0b in the same period in 2012
- 18% decrease from 11 operations in same period in 2012

SG Fund for Special Operations approvals reached **$15m** in **2** operations

- 6% of projected volume ($240m) for 2013
- There were no approvals during the same period in 2012

SG IDB Grant Facility had no approvals during the period

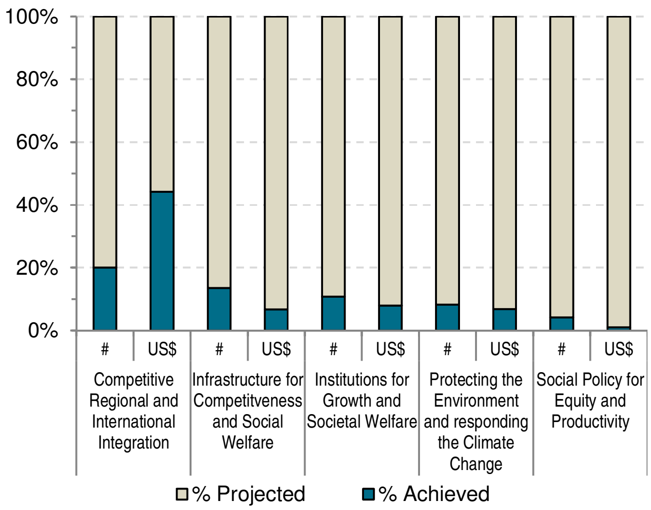
- $200m is projected to be approved for 2012
- There were no approvals during the same period in 2012

NSG Ordinary Capital approvals reached **$172m** in **8** operations

- 23% of the volume ($762m) projected for 2013
- 54% decrease from $377m in the same period in 2012
- 47% decrease from 15 operations in same period in 2012

Approvals in Sector Priority areas

Figure 2.7 Operations in Sector Priority areas Approved vs. Estimated



Competitive Regional and International Integration approvals reached **$551m** in **2** operations

- 44% of the volume ($1.2b) projected for 2013

Infrastructure for Competitiveness and Social Welfare approvals reached **$190m** in **5** operations

- 7% of the volume ($4.0b) projected for 2013

Institutions for Growth and Social Welfare approvals reached **$283m** in **8** operations

- 8% of the volume ($2.7b) projected for 2013

Protecting the Environment and Responding the Climate Change approvals reached **$41m** in **1** operation

- 7% of the volume ($599m) projected for 2013

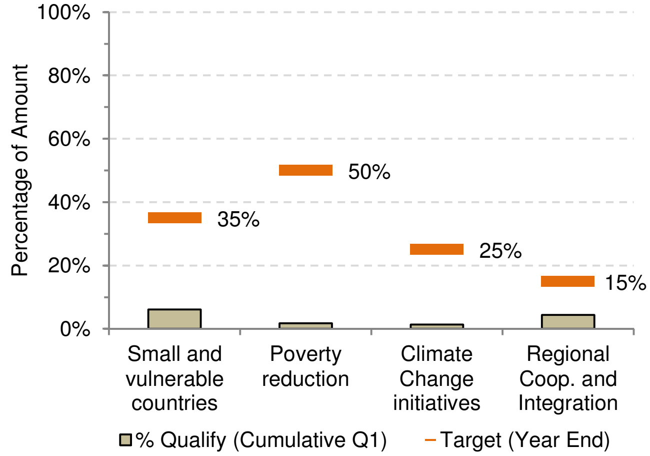
Social Policy for Equity and Productivity approvals reached **$25m** in **1** operation

- 1% of the volume ($2.5b) projected for 2013

Lending Targets of IDB-9

The following are the results of the approvals in Q3 2012 compared to the annual targets established for the IDB-9.

Figure 2.8 Lending Targets of IDB-9
(Operations can qualify for more than one indicator)



Small and Vulnerable countries approvals reached **$760m** in **9** operations

- 6% of the volume ($12.5) estimated[9] for 2013

Poverty Reduction and equity enhancement approvals reached **$221m** in **6** operations

- 2% of the volume ($12.5b) estimated for 2013

Climate Change, sustainable (including renewable) energy, and environmental sustainability approvals reached **$172m** in **3** operations

- 1% of the volume ($12.5b) estimated for 2013

Regional Cooperation and Integration approvals reached **$551m** in **2** operations

- 4% of the volume ($12.5b) estimated for 2013

Environmental & Social Impact

Figure 2.9 Approvals based on the environmental and social risk classification

[9] Approved Budget 2013. Includes ORC, FSO, and GRF.

1 operation approved for **$130m** was classified as **category "A"** in Environmental and Social Impact risk

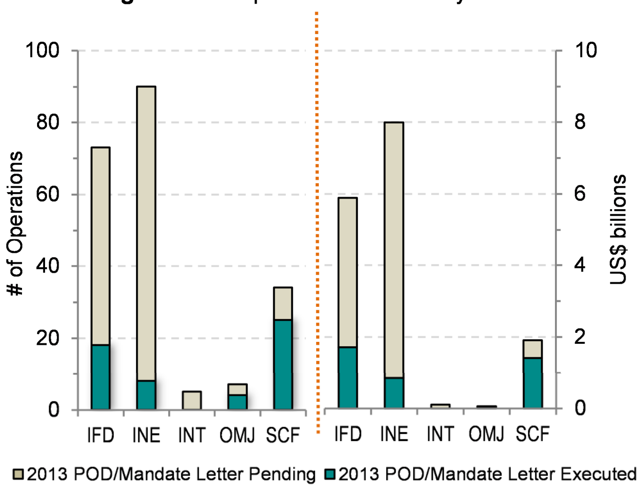
- No change from 1 in the same period in 2012
- 23% decrease from $100m in the same period in 2012

7 operations approved for **$204m** were classified as **category "B"** in Environmental and Social Impact risk

- 30% decrease from 10 in the same period in 2012
- 76% decrease from $204m in the same period in 2012

Pipeline Readiness

Figure 2.10 Pipeline Readiness by Sector

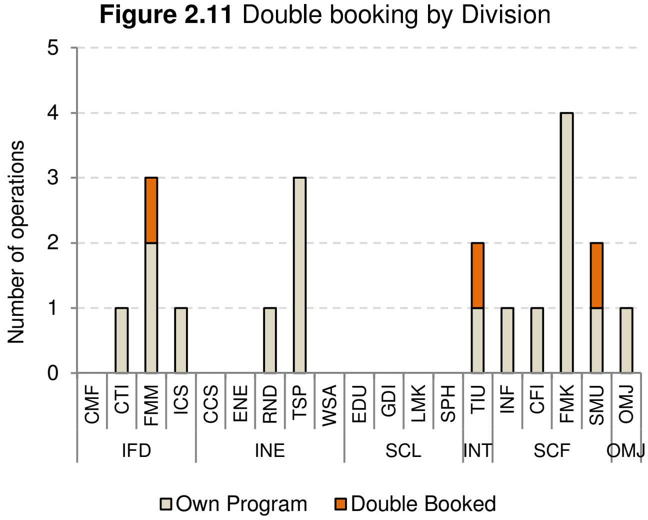


2013 pipeline contains **244** operations for **$19.7b**

- 60% (146) for $12.1b in Identification stage
- 15% (36) for $2.8b in Project Profile stage
- 15% (36) for $3.0b in POD or Mandate Letter stage
- 11% (26) for $1.8b in OPC stage

Double Booking

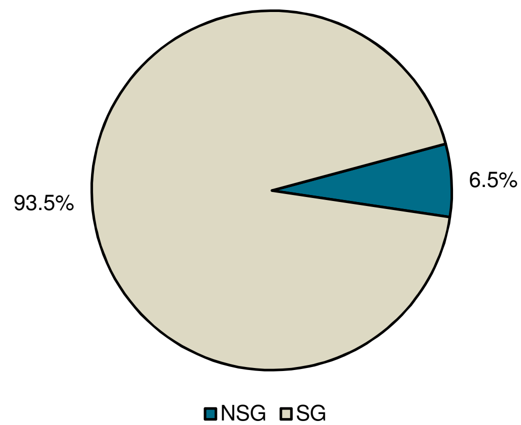
Figure 2.11 Double booking by Division



Double Booked operations approved reached **$622m** in **3** operations prepared by IFD/FMM, INT and SCF.

NSG Exposure

Figure 2.12 NSG Exposure

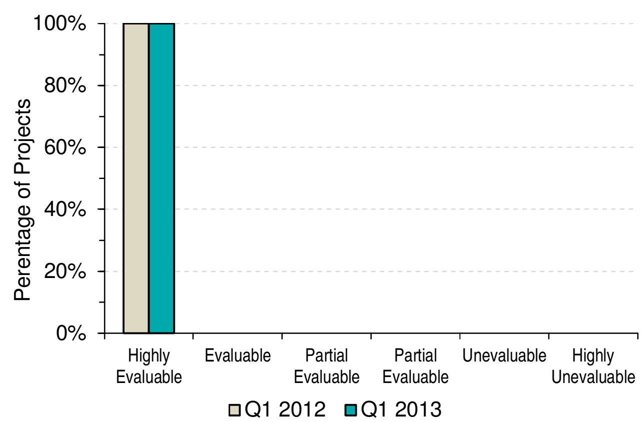


Ordinary Capital loans outstanding and guarantee exposure reached **$68.8b**[10]

- Includes $4.6b of NSG operations representing 6.7% of total outstanding

Development Effectiveness Matrix (DEM) Scores

Figure 2.13 DEM Evaluability Levels for Approved SG Operations



Under the DEM evaluability[11], **"Highly Evaluable"** approved operations reached **100%** in 7 SG operations

- No change from 100% (13) in the same period in 2012
- The RF target is 85%

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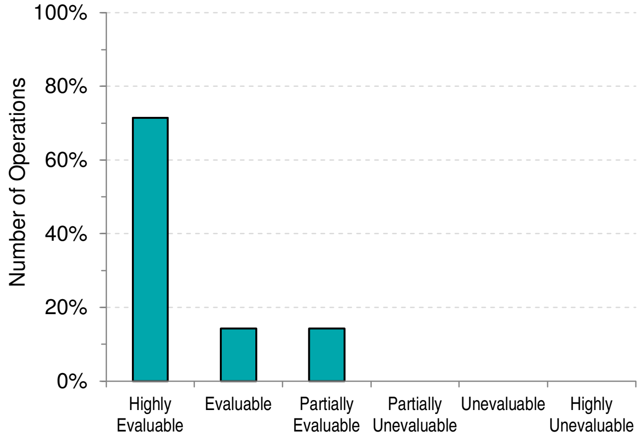
[10] Includes IIC exposure

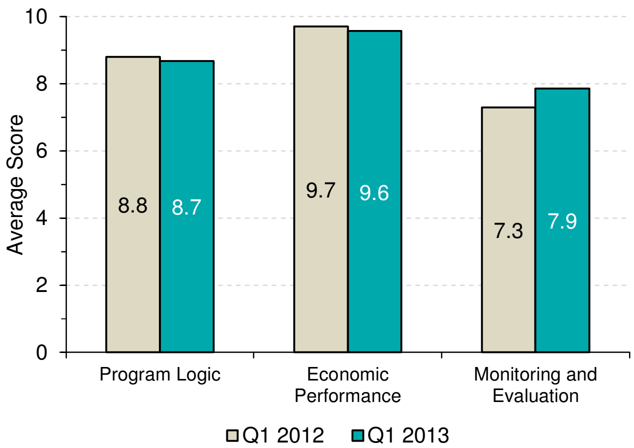
[11] Evaluability or the extent to which and activity or program can be evaluated in a reliable credible fashion, is the basis for assessing compliance with evaluation standards set out in the DEF.

Figure 2.14 DEM Evaluability Levels at the Quality and Risk Review (QRR) stage



100% (7) of operations that completed the **QRR stage** were rated **"Partially Evaluable"** or higher

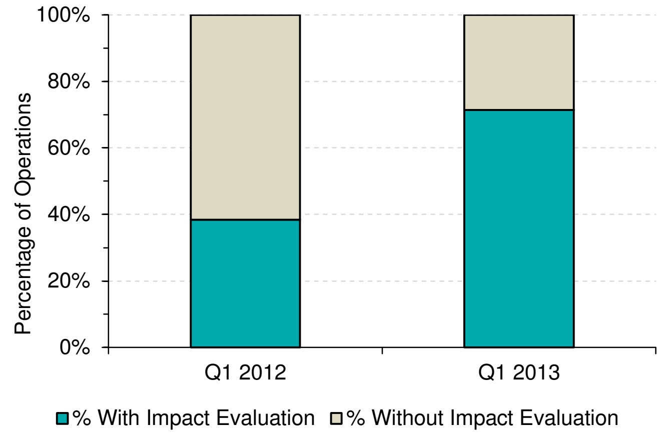
Figure 2.15 DEM Dimensions



DEM Ratings remained mostly stable in all dimensions, on a 10 scale:

- **Program Logic** decreased from 8.8 to **8.7** points
- **Economic Performance** decreased from 9.7 to **9.6** points
- **Monitoring & Evaluation** increased from 7.9 to **7.3** points

Figure 2.16 Ex Ante Impact Evaluations, Quarterly Comparison

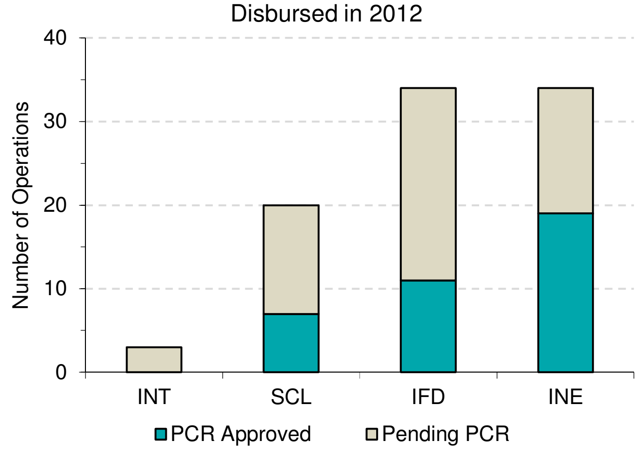


71% (5) of 7 SG projects were **designed with an impact evaluation**.

- 33 percentage points increase from 38% (5 out of 13) in the same period in 2012

Project Completion Reports

Figure 2.17 PCR Status for Projects Fully Disbursed in 2012



91 operations **require a Project Completion Report**[12] of 99 projects that completed disbursements during 2012

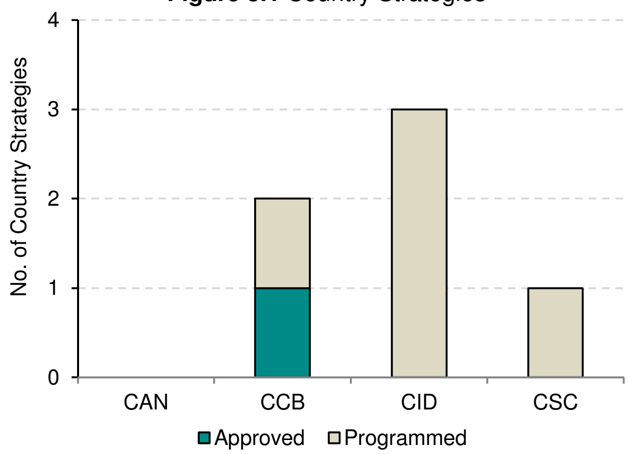
- **41%** (37) has been processed and approved by VPS: INE (19), IFD (11) and SCL (7)

[12] All PCRs required to be approved by June 30, 2013

III. Business Development

Country Policy Dialogue

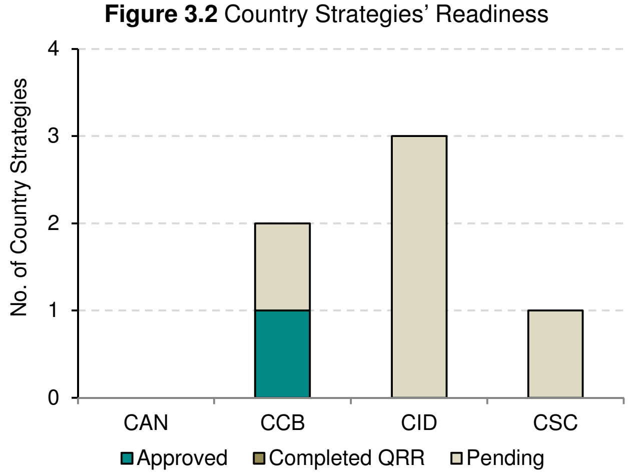
Figure 3.1 Country Strategies



6 Country Strategies are **projected** for 2013[13] of which **one** (Jamaica) has been **approved**

- There was one approval in the same period in 2012 (Colombia)
- In addition, 26 Country Program Documents prepared in Q4 of 2012 were approved by the Board in Q1 of this year

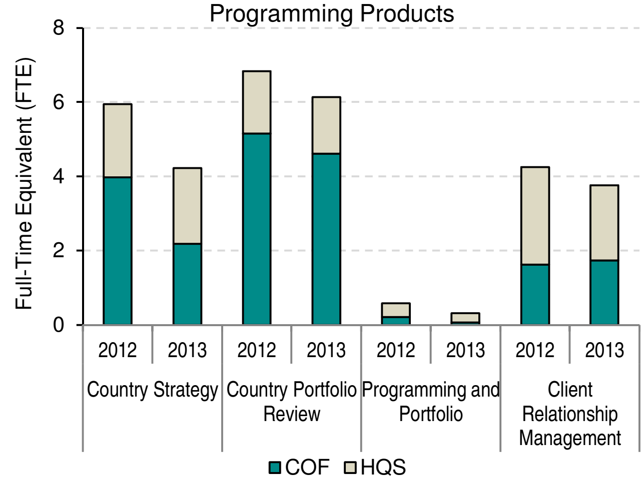
Figure 3.2 Country Strategies' Readiness



5 Country Strategies are **pending** approval

- One (Bahamas) is planned for approval in Q2
- The other four (Belize, Dominican Republic, Mexico and Paraguay) are planned for approval in Q4
- None has cleared the Quality and Risk Review (QRR)

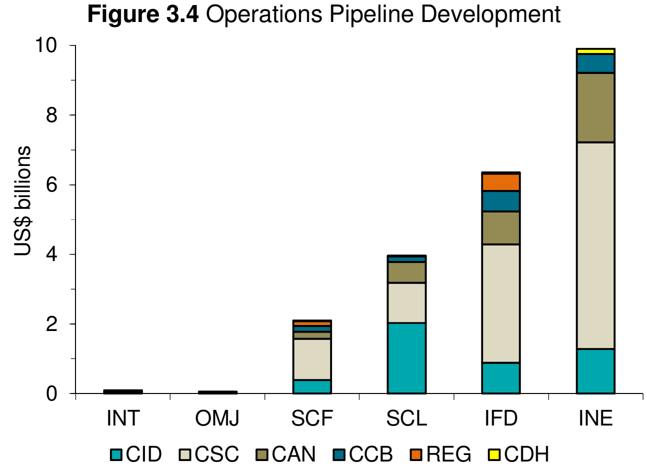
Figure 3.3 Staff Time Reported to Programming Products



Staff Time reported to Country Strategy, Programming and Portfolio Management activities reached **14.4** FTEs[14]

- 18% decrease from 17.6 FTEs reported in the same period in 2012
- Country Strategies accounted for 29% (4.2 FTEs)
- The 14.4 FTEs are distributed as follows: CID 34%, Regional 23%, CCB 18%, CAN 9%, CSC 8% and CDH 8%
- Time reported by COF reached 59% of total staff time reported, a 3 percentage points decrease from 62% in the same period in 201215

Figure 3.4 Operations Pipeline Development



294 operations for **$22.5b** are currently in **Pipeline**

- $3.7b in Policy Based Lending
- $18.8b in SG and NSG investment operations and guarantees

[13] One of the six strategies for 2013 was also programmed for 2012

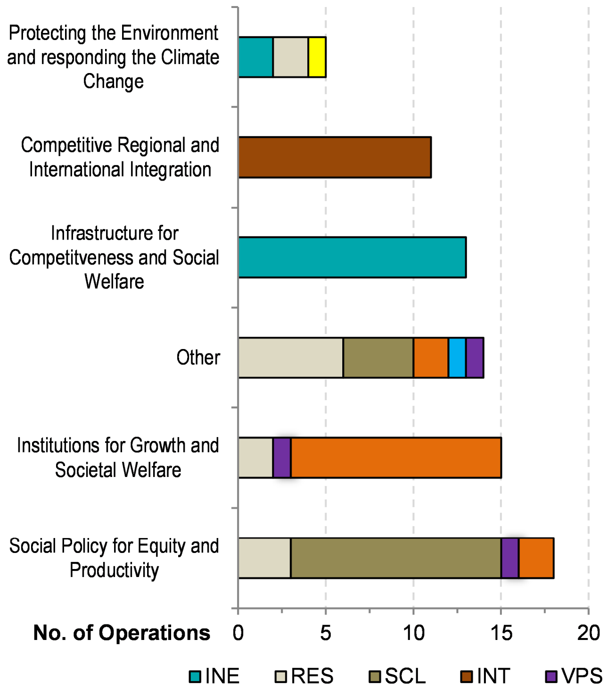
[14] FTE – Full Time Equivalent

[15] Time reported by all Vice-presidencies

- In the same period in 2012, there were 326 operations for $21.4b
- As of beginning of year there were 303 operations for $22.8b

Economic and Sector Work (ESW) Plan

Figure 3.5 ESW products by Department Distribution by Priority Areas



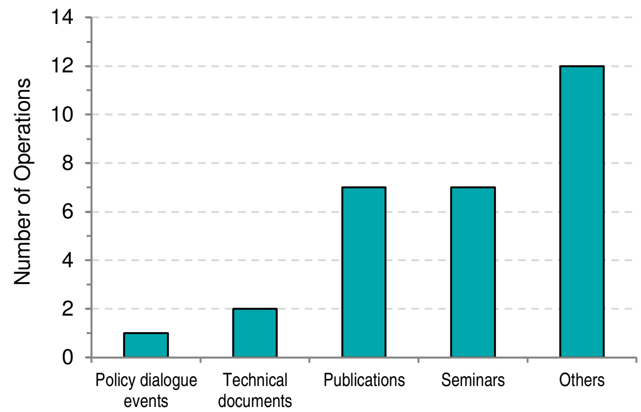
The **ESW Plan**[16] contains **81 products** with **402 deliverables** projected for the year of which **29** have been **completed**

- 8% increase from 75 products in the same period in 2012
- 20% increase from 335 deliverables projected for the year in the same period in 2012

The **Corporate Input Products** (CIP) program for VPS contains **45** products concentrated mainly in INE (17), KNL (12) and SCL (7)

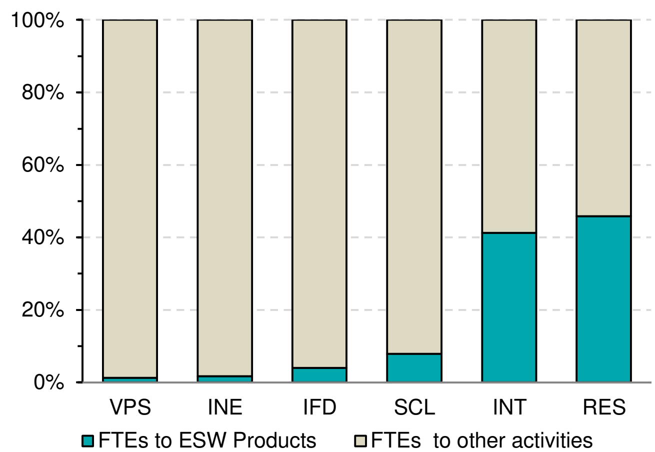
- No change from 45 CIP products in program during the same period in 2012

Figure 3.6 ESW Deliverables Completed



48% (14), of the 29 deliverables completed, consisted of Publications and Seminars.

Figure 3.7 VPS FTEs Reported to ESW products

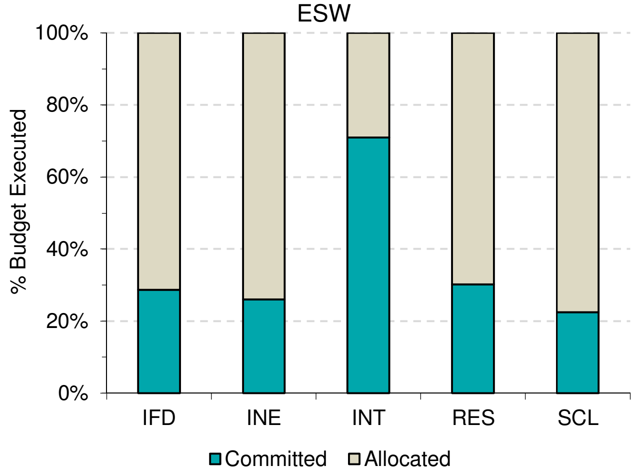


Percentage of total **time reported to ESW** by RES reached 46%, INT 41%, SCL 8%, IFD 4% and INE 2%

- VPS reported 12.9 FTEs to the ESW plan, a 4% decrease from 13.4 in the same period in 2012
- From the 12.9 FTEs reported, INTE reported 31%RES 29%, SCL 18%, IFD 14% and INE 7%
- VPS Departments also reported 18.2 FTEs to CIPs of which INE reported 37%, VPS and RES 22% each, SCL and INT 21% each, and IFD 19%.

[16] The ESW Plan refers only to products financed by the administrative budget from VPS.

Figure 3.8 VPS NPC Budget Execution to ESW



Non-Personnel Costs committed for **ESW** products reached **$3.5m**

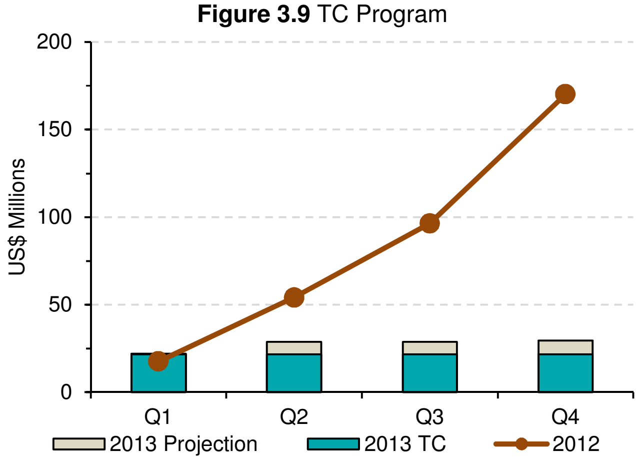
- 35% of the allocation of $6.6m for 2013
- 23% increase from $2.9m (28% of the allocation) in the same period in 2011

Non-Personnel Costs committed for **Corporate Input Products** reached $2.4m (excluding KNL)

- 80% of the allocation of $3.0m for 2013
- 86% increase from $1.3m (31% of allocation) in the same period in 2011

Technical Cooperation Program

Figure 3.9 TC Program



TC approvals reached **$21.8m** in **64** operations

- 74% of the volume currently projected for 2013 ($29.5m)
- 24% increase from $17.6m in 47 operations in the same period in 2012
- Average size of TCs approved reached $347k, a 7% decrease from $374k in the same period in 2012

Project Specific Grants approvals reached $**1.5m** in **3** operations

- 92% decrease from $19.2m in 4 operations in the same period in 2012

By Fund

TCs financed with **Ordinary Capital (OC)** reached **$13.3m** in **44** operations

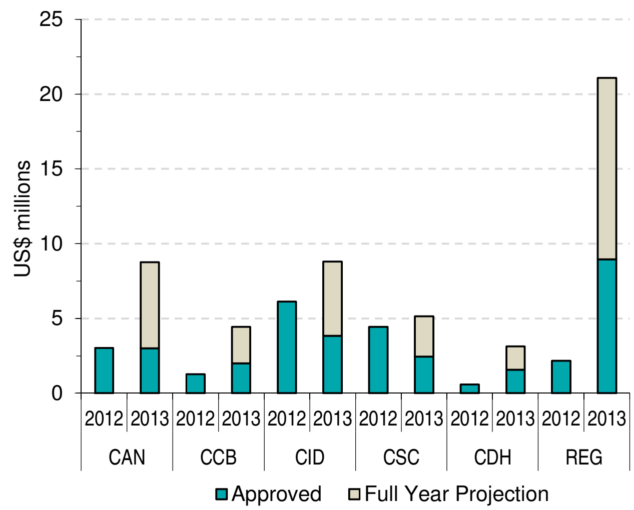
- 80% of the volume currently projected for 2013 ($16.6m)
- 25% increase from $10.6m in 33 operations in the same period in 2012

Donor Trust Fund TC approvals reached **$8.5m** in **20** operations

- 66% of the volume currently projected for 2013 ($12.9m)
- 22% increase from $7.0m in 14 operations

By Country Group

Figure 3.10 TC Approvals by Country Group



CAN TC approvals reached **$3.0m** in **10** operations

- 52% of the volume currently projected for 2013 ($5.8m)
- No change from $3.0m in 9 operations in the same period in 2012

CCB TC approvals reached **$2.0m** in **11** operations

- 82% of the volume currently projected for 2013 ($2.4m)
- 58% increase from $1.3m in 7 operations in the same period in 2012

CID TC approvals reached **$3.8m** in **18** operations

- 77% of the volume currently projected for 2013 ($5.0m)
- 37% decrease from $6.1m in 17 operations in the same period in 2012

CSC TC approvals reached **$2.5m** in **8** operations

- 91% of the volume currently projected for 2013 ($2.7m)
- 45% decrease from $4.4m in 8 operations in the same period in 2012

CDH TC approvals reached **$1.6m** in 2 operations

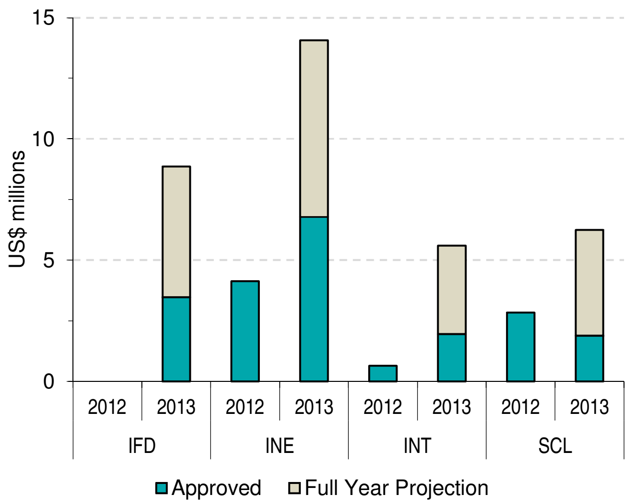
- 100% of the volume currently projected for 2013 ($1.6m)
- 163% increase from $0.6m in 1 operations in the same period in 2012

Regional TC approvals reached **$9.0m** in **15** operations

- 74% of the volume currently projected for 2013 ($12.1m)
- 317% increase from $2.2m in 5 operations in the same period in 2012

By Sector

Figure 3.11 TC Approvals by Sector



IFD TC approvals reached **$3.5m** in **12** operations

- 64% of the volume currently projected for 2013 ($5.4m)
- There were no approvals in the same period in 2012

INE TC approvals reached **$6.8m** in **14** operations

- 93% of the volume currently projected for 2013 ($7.3m)
- 64% increase from $4.1m in 9 operations in the same period in 2012

INT TC approvals reached **$2.0m** in **3** operations

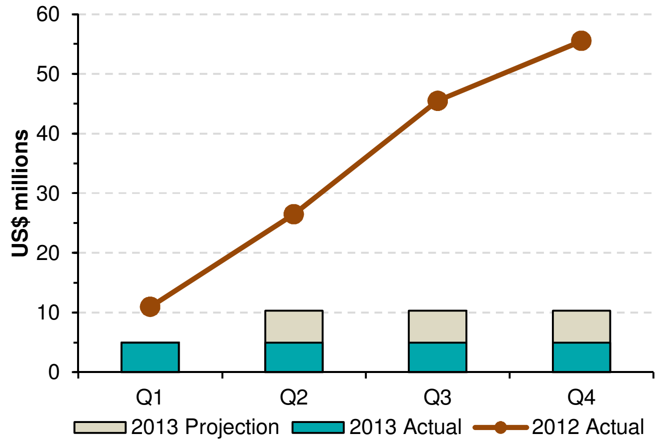
- 53% of the volume currently projected for 2013 ($3.7m)
- 200% increase from $0.7m in 1 operation in the same period in 2012

SCL TC approvals reached **$1.9m** in **5** operations

- 43% of the volume currently projected for 2013 ($4.4m)
- 34% decrease from $2.8m in 6 operations in the same period in 2012

Investment Grants

Figure 3.12 Investment Grants (IGR)



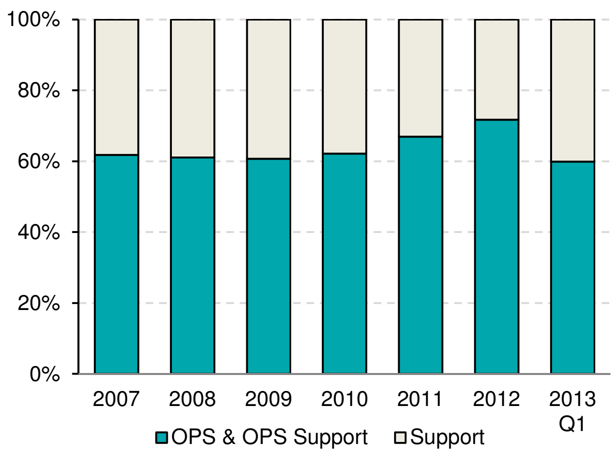
Investment Grants approvals reached **$5.0m** in **one** operation

- 49% of the volume currently projected for 2013 ($10.3m)
- 54% decrease from $10.9m in 2 operations in the same period in 2012

IV. Budget and Efficiency

Resources (PC, NPC and FTEs)

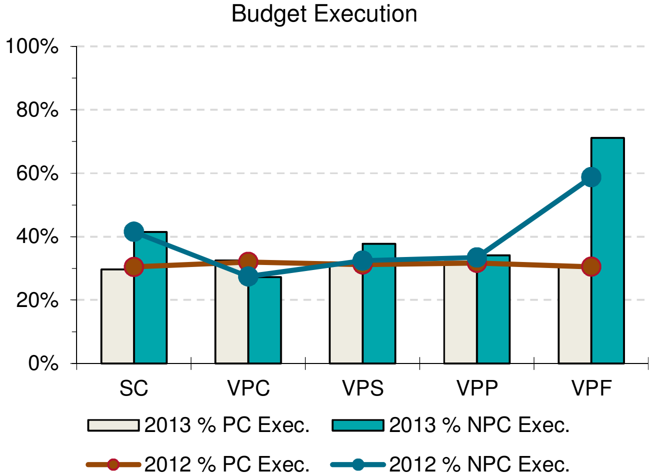
Figure 4.1 Percentage of administrative expenses in operational programs RF



Budget Execution (actual plus commitments) for **Operational and Operational Support** Programs reached **60%** ($93.7m)

- No change from 60% ($84.0m) in the same period in 2012
- The RF target is 68% by 2015

Figure 4.2 Budget Execution for PC and NPC (Includes Initiatives) as a percentage of Total Budget Execution



37% of the Bank's **revised budget** for departments and initiatives was executed (including commitments)

- 3 percentage points increase from 34% in the same period in 2012

Bank's **NPC** for Departments and Initiatives executed **44%** of the revised budget

- 5 percentage points increase from 34% in the same period in 2012

VPC executed **27%** of its revised **NPC** budget

- No change from 27% in the same period in 2012

VPS executed **38%** of its revised **NPC** budget

- 6 percentage points increase from 32% in the same period in 2012

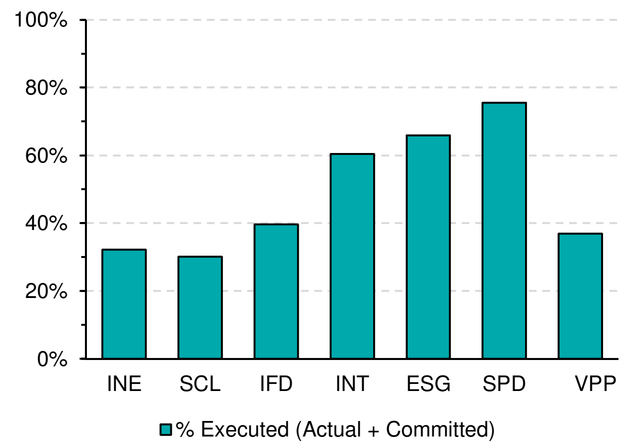
VPP executed **34%** of its revised **NPC** budget

- 1 percentage point increase from 33% in the same period in 2012

VPF executed **71%** of its revised **NPC** budget

- 12 percentage points increase from 59% in the same period in 2012

Figure 4.3 Transactional Budget executed as a percent of Budget Allocated



Of the **operational transactional budget**:

74% ($23.7m) was **transferred** from VPC **to VPS**

- 84% ($22.3m) had been transferred in the same period in 2012

3% ($949K) was **transferred** from VPC **to SPD**

- 3.5% ($918.3K) had been transferred in the same period in 2012

39% ($9.5m) of the transferred budget was executed

- 38% ($8.7m) had been executed in same period in 2012

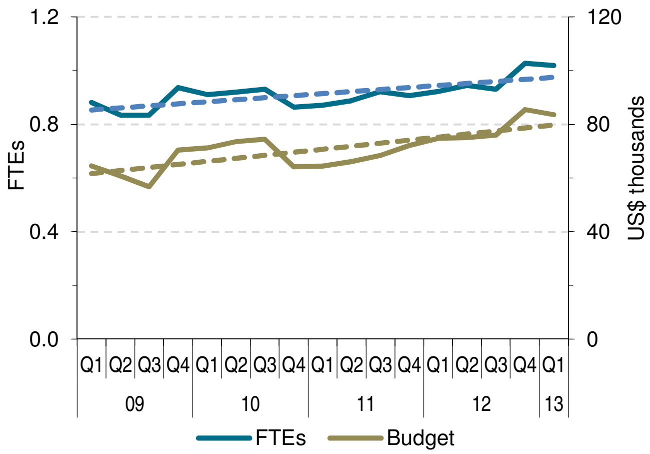
VPP has a self-contained transactional budget. Its revised budget reached **$6.5m**

- 37% ($2.4m) has been executed
- 39% ($1.3m) had been executed in the same period in 2012[17]

[17] Budget Execution – Actual plus commitments

Project Efficiency

Figure 4.4 Resources for Project Approval



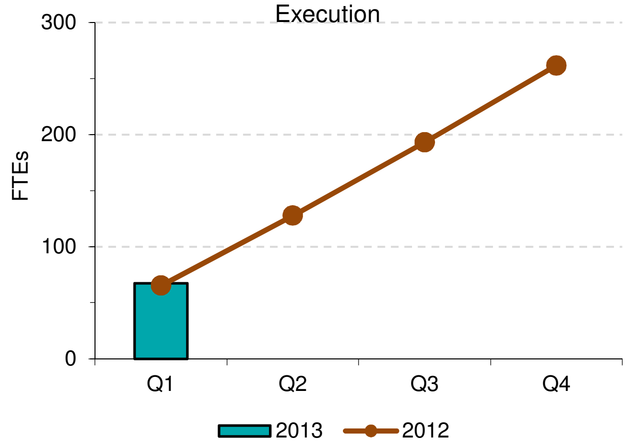
Staff time reported to **project preparation** reached **1.02 FTEs**

- 10% increase from 0.92 FTEs in the same period in 2012

NPC reached an average of **$84K**

- 12% increase from $75K in the same period in 2012

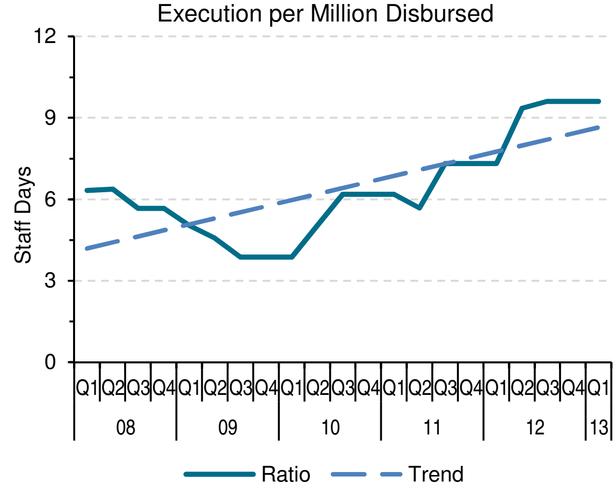
Figure 4.5 Staff time reported to Project Execution



Staff time reported to projects in **execution** reached **68 FTEs**

- 4% increase from 65 FTEs reported in the same period in 2012

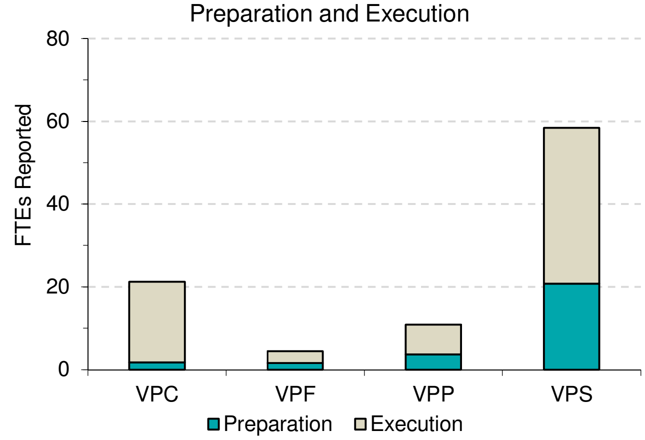
Figure 4.6 Staff time reported to Project Execution per Million Disbursed



Staff time reported to projects in **execution per US$ million disbursed**, reached **9.6 days**

- 31% increase from 7.3 days in the same period in 2012

Figure 4.7 Staff time reported to Project Preparation and Execution



Staff time reported **to loan operations** reached **94.9 FTEs**

- 12% decrease from 107.8 FTEs in same period in 2012

Staff time reported to **project preparation** reached **27.7 FTEs**

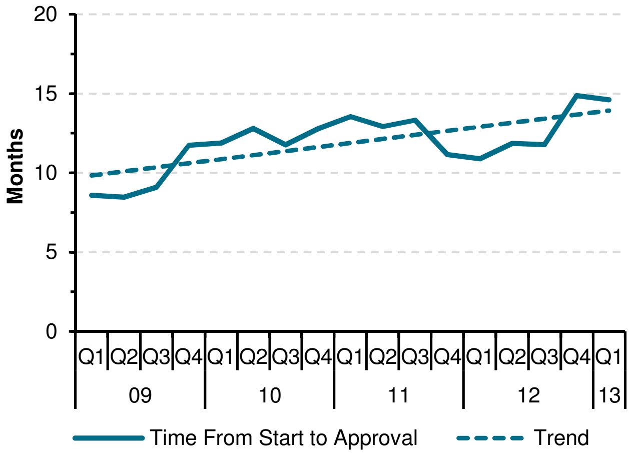
- 35% decrease from 42.5 FTEs in same period in 2012

VPS staff time reported to projects in **execution** reached **37.7 FTEs**

- 7% increase from the 35.3 FTEs in same period in 2012

Cycle Times (efficiency)

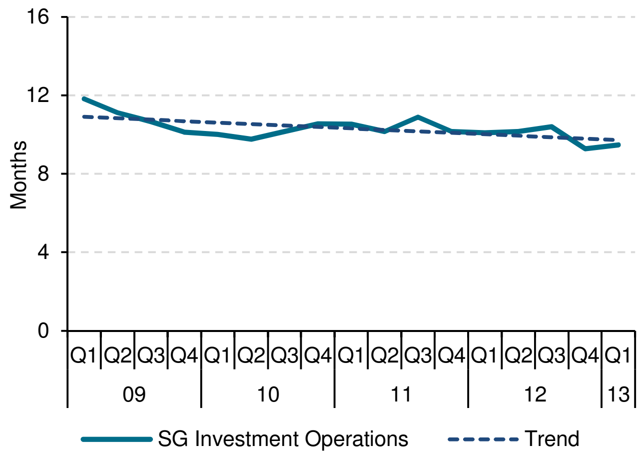
Figure 4.8 Time elapsed from Start to Approval



Time elapsed from **Start to Approval**[18] for SG investment operations reached **14.6 months**

- 34% increase from 10.9 months in same period in 2012

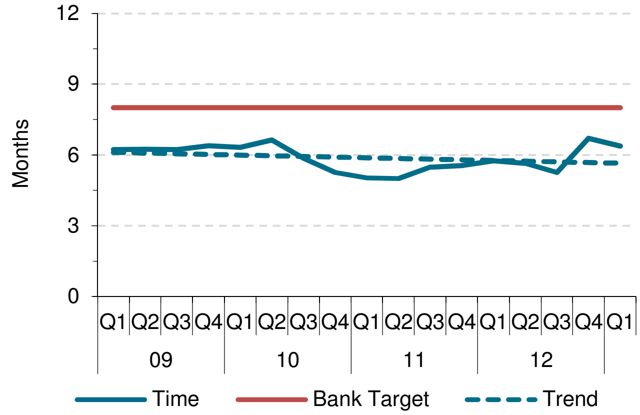
Figure 4.9 Time elapsed from Approval to Eligibility



Time elapsed from **Approval to Eligibility** for SG investment operations reached **9.5 months**

- 6% decrease from 10.1 months in the same period in 2012

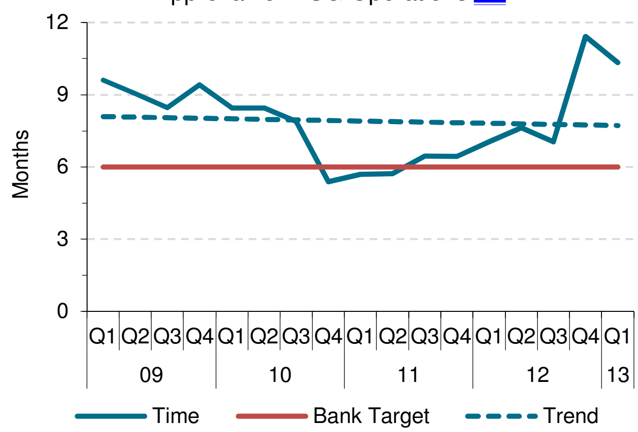
Figure 4.10 Time elapsed from Projects Profile to Approval for SG Operations RF



Time elapsed to prepare a project (from Profile to approval) for **SG** operations reached **6.4 months**

- 11% increase from 5.8 months in the same period in 2012
- The RF annual target is 8 months

Figure 4.11 Time elapsed Projects Profile to Approval for NSG Operations RF

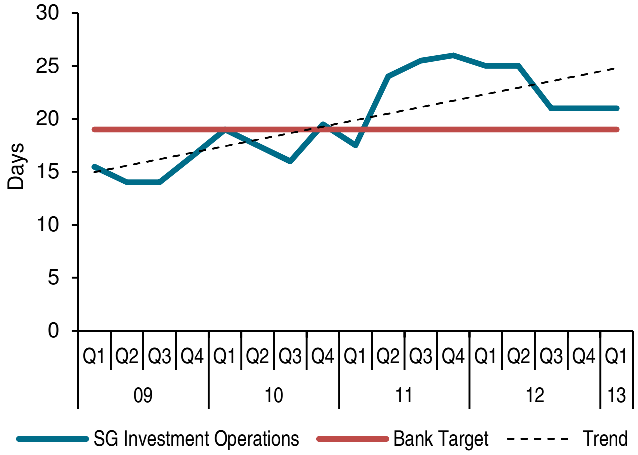


Time elapsed to prepare a project (from Profile to approval) for **NSG** operations reached **10.3 months**

- 47% increase from 7.0 months in the same period in 2012
- The RF annual target is 6 months

[18] Measurement based on registered Start date.

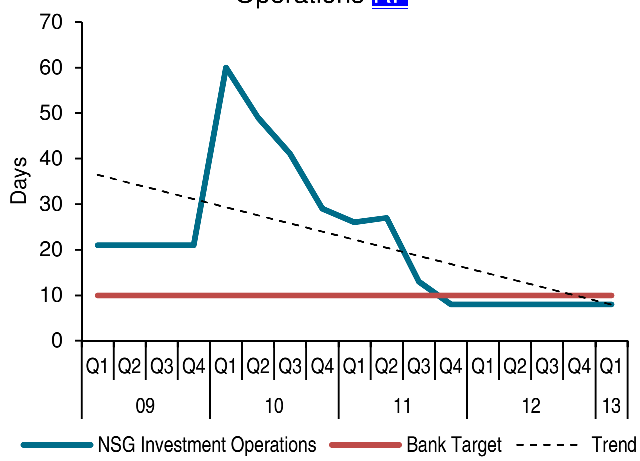
Figure 4.12 Time elapsed from Eligibility to First Disbursement for SG Investment Operations RF



Time elapsed from **eligibility to first disbursement**[19] for **SG** investment operations reached **21 days**

- 16% decrease from 25 days in the same period in 2012
- The RF target is 19 days

Figure 4.13 Time elapsed from Eligibility to First Disbursement for NSG Investment Operations RF

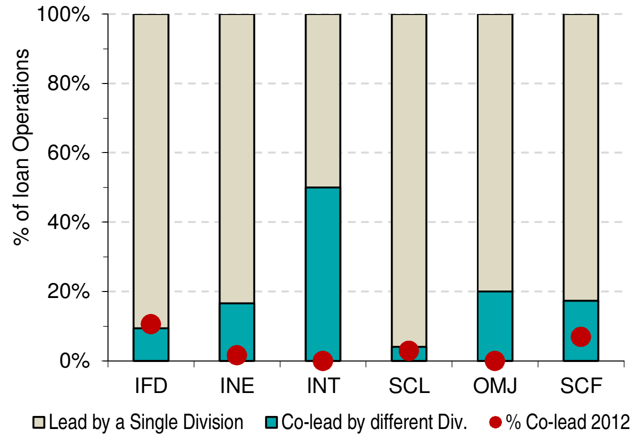


Time elapsed from **eligibility to first disbursement** for **NSG** investment operations which performed a first disbursement[24] reached **8 days**

- No change from 8 days in the same period in 2012
- The RF target is 10 days

Collaboration

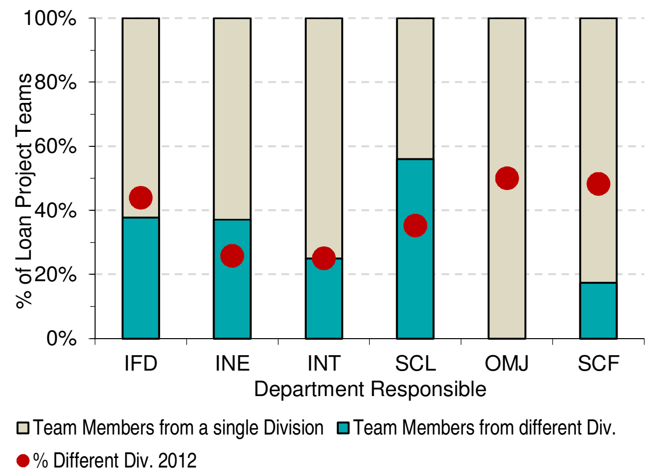
Figure 4.14 VPS & VPP Shared Inter-Divisional Leadership



Shared preparation leadership reached **13%** across Bank's divisions

- INE divisions shared leadership on 17% (9 ops)
- IFD divisions shared leadership on 9% (5 ops)
- SCF divisions shared leadership on 17% (4 ops)

Figure 4.15 Multidisciplinary Team compositions (Loan Operations in A Program)

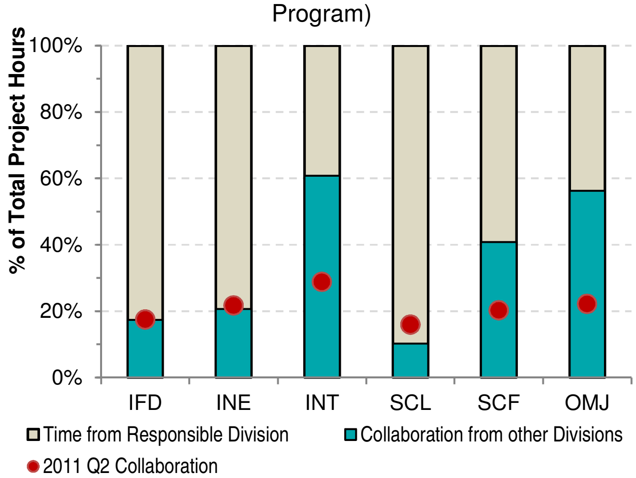


Operations with registered specialists from **different Divisions as team members** reached **58**

- IFD and INE have 20 operations each with members from different divisions
- SCL have 14 operations with members from different divisions

[19] Only operations which actually disbursed.

Figure 4.16 Time Reported by Registered Team Members (Loan Operations in the A Program)



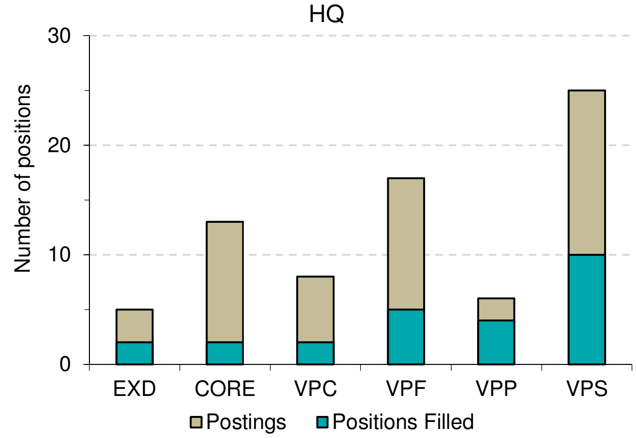
Time reported to loan operations **by registered team members from different Divisions** reached **19%** of the time reported by all team members

- 3 percentage points increase from 19% in the same period in 2012

V. Human Resources

Vacancies and New Hires

Figure 5.1 Status Positions Posted and Filled HQ



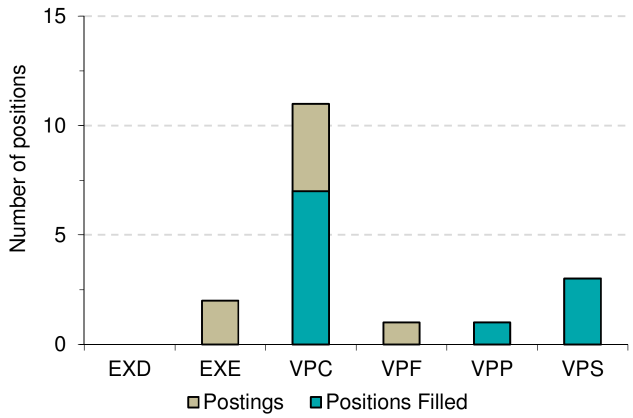
More than 7,500 candidates applied to **92 positions posted**, 286 (3.8%) applicants were invited for interviews. In addition, more than 6,500 candidates applied to the Young Professional Program (posted in 2011 but hires with effective date in 2013)

- **45** bank wide vacancies **filled** in as of march 31st, 145 vacancies remain (includes 14 vacant positions allocated in the Central Pool – SRE/VAC)[20]
- 29 (64%) of vacancies filled were for Operational Vice-Presidencies (VPS, VPC, and VPP)
- 36 (80%) of the filled positions went to external candidates. 9 positions were filled by transfers. Of the 36 external hires[21], 77 (52.8%) were female
- VPS filled 13 of its 28 vacancies posted with external candidates
- 80 (87%) positions to be filled were posted as international positions

[20] Board approved Positions: 125 vacancies remain (vacant positions allocated in the Central Pool – SRE/VAC).
[21] Includes 9 Young Professionals

COF Strengthening

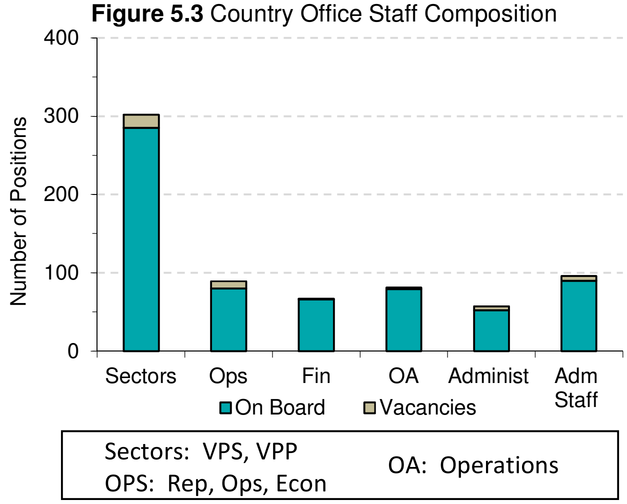
Figure 5.2 Status Positions and Filled in COF



Net number of **professional**[22] **staff** on-board in COFs **maintained the same**

- VPC professional staff on board in COF increased by 3, VPS decreased by 2, VPP decreased by 3 and VPF maintained the same
- One of the 9 external hires of professionals in COF was national professional. 8 were internationals.
- Local professional staff in COFs decreased by 5

Figure 5.3 Country Office Staff Composition

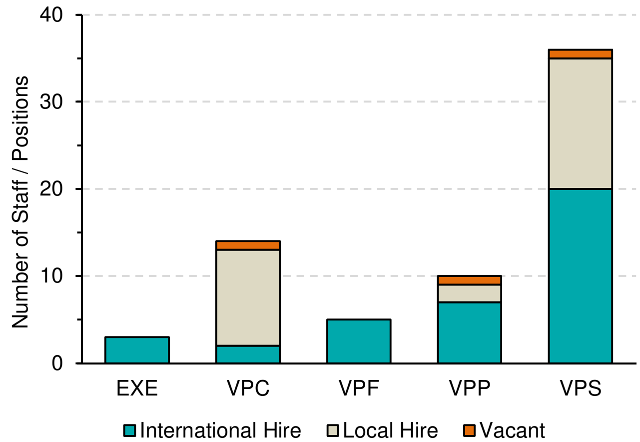


15 (38.5%) **VPS** professional **vacancies** as of March 31, 2013 are **assigned to COFs**

- 39% of professional staff on-board in VPS is in COFs
- 34% of VPS professional staff on- board in COFs is local
- 9% (2 of 22) of vacant positions in VPC/COF are for Operations Analysts (local professionals)

IDB-9 Positions vs. Planned

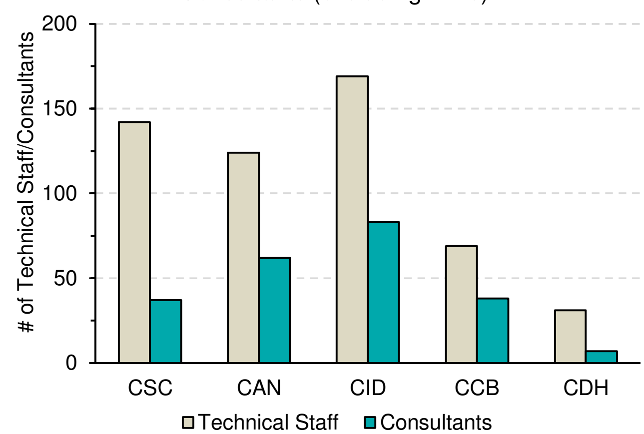
Figure 5.4 IDB-9 Status



99% (67 of 68) of **GCI Positions** assigned to VPs and Strategic Core have been **hired**

- Of the 67 staff hired, 29 are local staff in COF and 38 are International staff (27 in HQ and 11 in COF)

Figure 5.5 Number of Professional Staff and Consultants (excluding firms)



There are **214** active **consultants in COF** with contracts over 150 days

- Equivalent to 172.5 FTEs
- 12% increase from 191 (equivalent to 150 FTEs) in the same period in 2012

There are **32** active professional **contractors** (working from firms) in COF

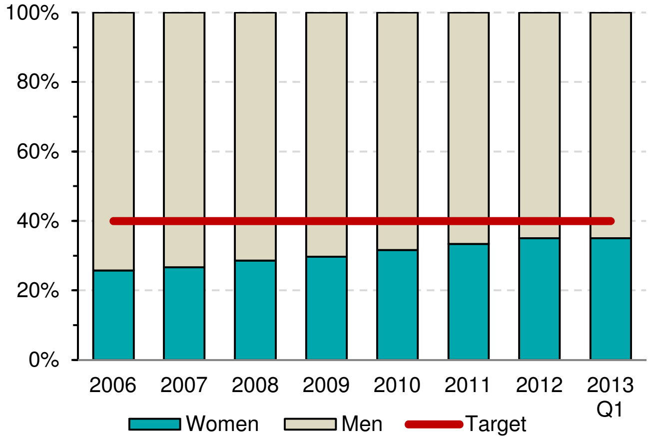
- 29% decrease from 45 in the same period in 2012
- Additionally there were 107 Tata contractors

There are **255** **DTC** on board across the Bank

- 244 are in HQ and 11 in COFs

[22] Professional Staff: Grades 9 and above (Bankwide)

Figure 5.6 Percentage of professional and executive staff who are women, Grade four and above RF



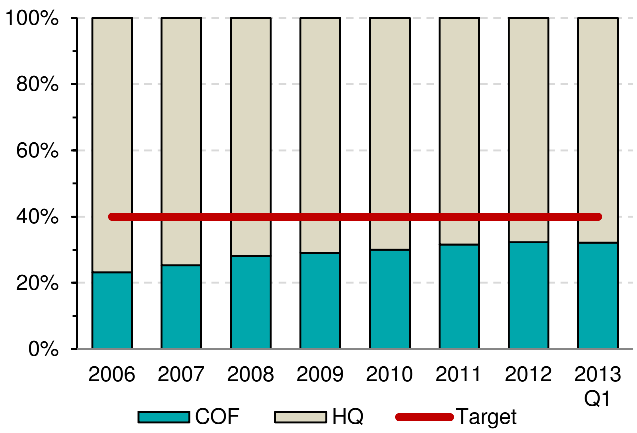
Women in **grades four and above** reached **35%**

- 5 percentage point increase since 2009
- The RF target is 40% by 2015.

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

- 13 percentage points increase since 2009
- The RF target is 38% by 2015

Figure 5.7 Percentage of professional staff based in COF RF



Professional Staff in COF reached **32%**

- 9 percentage points increase since 2006
- The RF target is 40% by 2015.

Female professional staff in COF reached **40%**

- 8 percentage points increase since 2006

Staff from C&D countries account for **39%** of staff from all borrowing countries

- 2 percentage decrease points since 2012

Staff from borrowing countries account for **68%** of all staff

- Stable since Q4 2009

Staff with Doctorate degree accounted for:

- 18% of the Executive level
- 30% of the Management level
- 16% of the Technical level

Of these Staff holding a PhD:

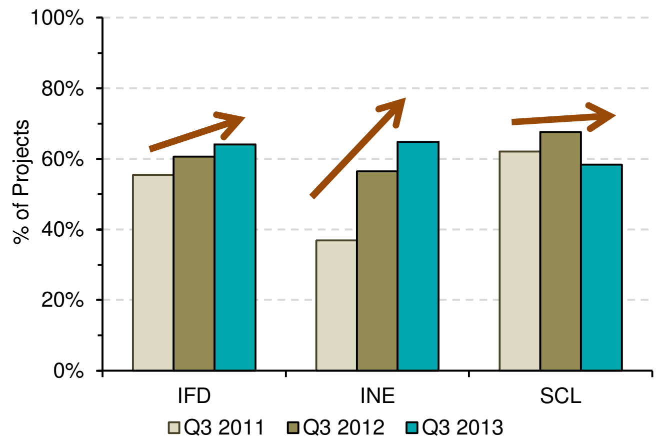
- 62% have an academic background from US & Canada
- 38% from borrowing countries
- Less than 1% from Non regional countries

Average time of service at the Bank reached **9.7** years

- Staff with less than 3 years accounted for 24%
- 32% with 3 to 10 years
- 30% with 10 to 20 years
- 14% with 20 years or more

Team leaders in COFs

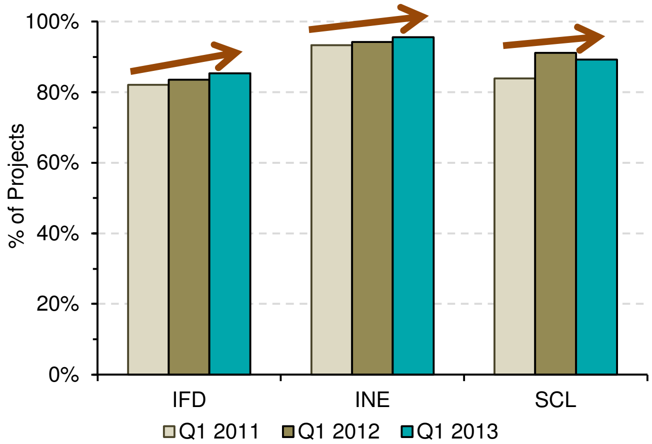
Figure 5.8 Projects in Preparation



63% of **Team Leaders** for projects in preparation are located **in COFs**

- 3 percentage points increase from 60% registered in the same period in 2012
- By Region the levels are: CDH 86%, CSC 85%, CAN 55%, CID 53% and CCB 39%

Figure 5.9 Projects in Portfolio

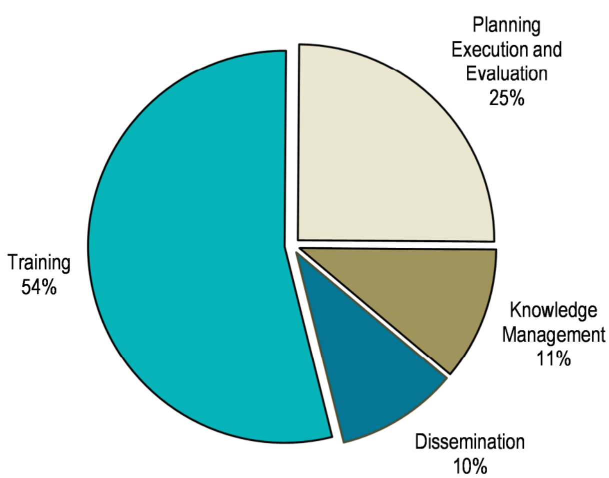


90% of **Team Leaders** for projects in portfolio are located **in COFs**

- One percentage point increase from 89% registered in the same period in 2012
- By Region the levels are: CSC 96%, CAN 94%, CDH 90%, CID 85% and CCB 77%

Knowledge and Learning

Figure 5.10 Staff Knowledge and learning



- Programmed **K&L staff activities** totaled **$3.2** million, representing 43% of the approved K&L resources for the year
- **2841 Bank participants** (2481 in 2012) have **registered** in the first quarter for a total of 37,630 participant-hours (26,744 hours in 2012). 80% of registered hours were from staff, of which 27% was staff in COFs (23% in 2012). Total time reported to K&L activity codes in the T&L system accounted for 2.4 % of Bank-wide reported labor hours, yielding an average of 5.1 days per FTE invested in learning activities
- 1649 unique participants enrolled in at least one learning program with a substantial participation by staff (67%) encompassing all staff cohorts and CWF personnel: 42 Bank executives (69 registrations and 619 hours), 60 managerial staff (118 registrations and 728 h), 860 technical staff (1,590 registrations and 25,413 h), 136 support staff (203 registrations and 3,200 h); and 551 complementary work force (861 registrations and 7,671 hours)
- **Events evaluation:** For the period January to March 2013, KNL evaluated 24 internal and 38 external events. The compliance rate[23] for internal events was 95.45% and for external events the rate was 100%. Participants who responded to the surveys expressed a high level of satisfaction, in general, with K&L events, reflected in the Utility rating and the composite Quality Index[24]
- **Knowledge Products, Technical services and Dissemination:** 19 CoPs where created and launched by the end of Q1 for a total of 95 CoPs (active in BIDComunidades and Sharepoint) of which 51 are contributing to Development Effectiveness and 44 to Organizational Effectiveness & Efficiency. Six specialized knowledge portals managed by KNL were visited by 7,925 users to a total of 8,160 visits (not including visits to http://knl; http://INDES; and http://lib). At the end of the first quarter 6,690 IDB Knowledge products were visible and accessible through the Bank Repository of Institutional Knowledge (BRIK).
- **KNL capacity building in the Region:** The first cycle of courses managed by KNL/INDES to develop regional participants and organizations' capacities for planning, monitoring and leading the implementation of public programs begun in February. In partnership with different sector and country departments, and funded by outreach and capacity building TCs INDES is contributing to disseminate the stock of specialized Bank knowledge through courses and e-learning activities. As of March 31, 2013 there were 606 registered participants from the region in the program that delivered 30,153 participant hours, of which, 3% corresponds to face-to-face training and 97% to e-learning activities (53% Public Management, 35% Project Management, 12% others)

[23] The "compliance rate" refers to the percentage of events that should have been evaluated that was effectively evaluated.
[24] A weighted Index based on the ratings for the Content, Methodology, Materials and Instructor for each event

Abbreviations

AFS	Audited Financial Statements
BDA	Budget and Administrative Services Department
C&D	Countries from Group C & Group D
CAN	Country Department Andean Group
CCB	Country Department Caribbean Group
CCLIP	Conditional Credit Line for Investment Projects
CID	Country Department Central America, Mexico, Panama and Dominican Republic
COF	Country Office
COFAB	Grant Co-financing contribution administered by the Bank
CPD	Country Programming Document
CSC	Country Department Southern Cone
DTF	Donor Trust Funds
DEM	Development Effectiveness Matrix
EDU	Education Division
EME	Emergency Operations
ESW	Economic and Sector Work
FSO	Fund for Special Operations
FTE	Full Time Equivalents
FMM	Fiscal and Municipal Management Division
GCM	Grants and Co-Financing Management Unit
GEF	Global Environment Facility
HQ	Headquarters
HRD	Human Resources Department
HRG	Haiti Response Group
ICF	Institutional Capacity and Finance Sector
IDB-8	8th Replenishment
IDB-9	9th General Capital Increase
INE	Infrastructure and Environment Sector
INT	Integration and Trade Sector
INV	Investment Operations
NFP	Non-Financial Products
LPGS	Liquidity Program for Growth Sustainability
NPC	Non-Personnel Costs
NSG	Non-Sovereign Guaranteed
OC	Ordinary Capital
OMJ	Opportunities for the Majority Sector
OPUS	Operations Update System
ORC	Ordinary Capital
PBL	Policy Based Lending
PC	Personnel Cost
PCR	Project Completion Report
PDP	Operations Procurement Office
PFM	Portfolio Monitoring Unit
PMR	Progress Monitoring Report
PRG	Programming Product
RBB	Results Based Budget
REG	Regional
RES	Department of Research and Chief Economist
RF	Results Framework
RND	Environment, Rural Development Disaster Risk Management Division
SCF	Structured and Corporate Financing Department
SCL	Social Sector
SECCI	Sustainable Energy and Climate Change Initiative
SG	Sovereign Guaranteed
SMO	Strategic Monitoring Division
SPD	Office of Strategic Planning and Development Effectiveness
SPH	Social Protection and Health Division
T&L	Time and Labor System
TC	Technical Cooperation
TFFP	Regional Trade Finance Facilitation Program
VPC	Vice President for Countries
VPF	Vice President for Finance and Administration
VPP	Vice President for Private Sector and Non-Sovereign Guaranteed Operations
VPS	Vice President for Sectors and Knowledge
WSA	Water and Sanitation Division