Development Effectiveness

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

BUSINESS REVIEW 2014

Q1Q2Q3

BUSINESS REVIEW 2014

Q1 Q2 Q3

CONTENTS

The Business Review contains an overview of the Bank's core products and activities for the Second Quarter of 2014.

The Bank is continuously, and through different initiatives, working on improving accountability, transparency and reducing information asymmetries among its units. As part of this effort, SPD is improving the Quarterly and Annual Business Reviews (QBR and ABR respectively) — to support decision making processes at different levels.

The QBR for the second quarter of 2014 includes some changes in structure, content and navigability. Changes include new indicators and sections. Among them, quarterly disbursement projection performance, lending targets by the end of the year based on the Pipeline, information from the External Feedback System (EFS), unallocated personal costs, a link to the Human Resources portal and information for the Progress Monitoring Reports for 2013 that closed in2014. The highlights and the programming targets sections were expanded and you can navigate from the highlights directly to the corresponding sections. In the internal version, we maintain the capability of downloading the information behind the charts with a simple click.

Share with us your opinions about the QBR and ideas for continued improvements

You can email us directly to QBR@IADB.ORG

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OPERATIONAL PROGRAM HIGHLIGHTS

PROGRAM EXECUTION

Loan Disbursements[1]

TOTAL CUMULATIVE DISBURSEMENTS

$2.4b — 25% — **$3.2b** 33% of $9.7b projected for 2014, 82% of $3.9b projected for Q2

2013 Q2 | 2014 Q2

FSO FOR ELIGIBLE COUNTRIES

$85m — 20% — **$68m** 29% of $237m projected for 2014

2013 Q2 | 2014 Q2

IDB GRANT FACILITY

$60m — 37% — **$83m** 42% of $199m projected for 2014

2013 Q2 | 2014 Q2

Loan Portfolio

SG OPERATIONS IN PORTFOLIO

2013 Q2	2014 Q2
625 SG OPS	631 * SG OPS
$45.3b in volume	$46.5b in volume

* The Active Portfolio does not include RG0014, an operation directed to the IIC for $300m.

SG OPERATIONS W/LEGAL EFFECTIVENESS PENDING ELIGIBILITY

2013 Q2	2014 Q2
23 SG OPS	35 SG OPS
4% of SG portfolio	6% of SG portfolio

NSG OPERATIONS CURRENTLY DISBURSING

2013 Q2	2014 Q2
93 NSG OPS	91 NSG OPS
$4.3b in volume	$4b in volume

Technical Cooperation Disbursements

TC DISBURSEMENTS

$74.3m — 6% — **$78.4m**

2013 Q2 | 2014 Q2

TC ORC SPECIAL PROGRAMS

$36.9m — 19% — **$44m** 56% of Total TC Disbursements

2013 Q2 | 2014 Q2

TC DONOR TRUST FUNDS

$35.5m — 3% — **$31.7m** 40% of Total TC Disbursements

2013 Q2 | 2014 Q2

TC FSO DISBURSEMENTS

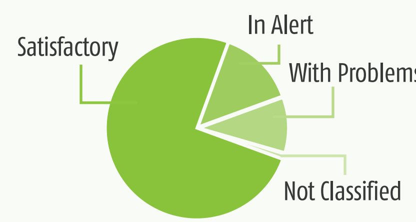
$4.9m — 44% — **$2.8m** 4% of Total TC Disburse-ments

2013 Q2 | 2014 Q2

Progress Monitoring Report for 2013

SG ACTIVE PORTFOLIO AS OF 12/31/2013

638 SG OPS that reported and classified its performance during PMR "March" 2014 cycle

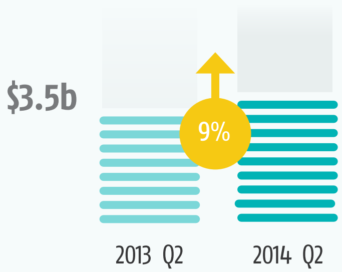


75% (479) were classified as **satisfactory**
14% (89) were classified as **in alert**
10% (64) were classified as **with problems**
1% (6) was **not classified**

PROGRAM STRATEGIC ALIGNMENT

Loan Approvals[2]

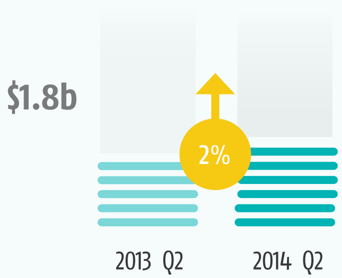
TOTAL SG & NSG LENDING APPROVALS



$3.8b
31% of $12.3b projected[3] for 2014

in **41** operations

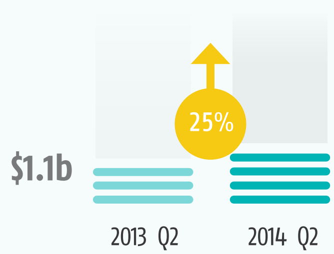
SG INVESTMENTS LENDING APPROVALS



$1.9b
24% of $7.6b projected for 2014

in **23** operations

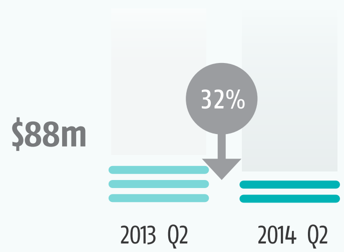
POLICY BASED LENDING APPROVALS



$1.1b
58% of $2.5b projected for 2014

in **8** operations

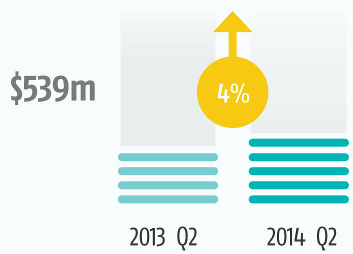
FSO OPERATIONS APPROVALS



$60m
25% of $237m projected for 2014

in **4** operations

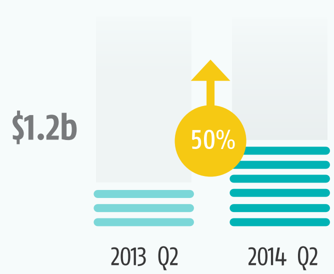
NSG ORDINARY CAPITAL APPROVALS



$562m
26% of $2.2b projected for 2014

in10 operations

MULTIPLE BOOKED[4] OPERATIONS APPROVED

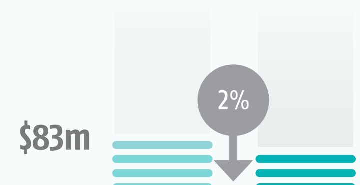


$1.8b
47% of $3.8 approved volume

in **21** operations

51% of 41 approved operations

AVERAGE OPERATION SIZE

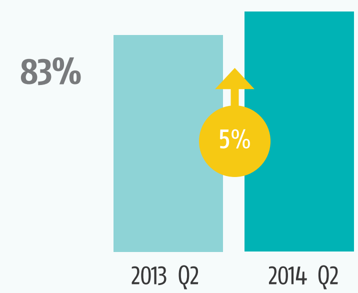


$81m
projected by year's end

External Feedback System

IDB DELIVERY OF LOAN OPERATIONS

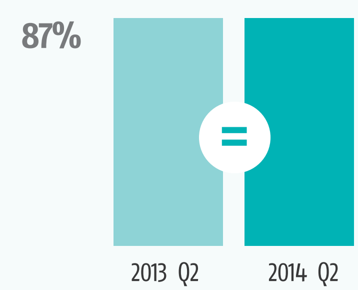
CRF Target is **70%** by 2015



92% of external partners reported being "satisfied" (54%) or "very satisfied" (38%) with delivery

IDB DELIVERY OF TECHNICAL COOPERATION

CRF Target is **70%** by 2015



87% of external partners reported being "satisfied" (48%) or "very satisfied" (39%) with delivery

BUSINESS DEVELOPMENT

Country Strategies & Programming

COUNTRY STRATEGIES

6 Country Strategies projected for 2014

No approvals

2 (DR, PR) APPROVED

2013 Q2 — 2014 Q2

26 Country Program Documents prepared in 2013 Q4 were presented to the Board in 2014 Q1

VPS Economic & Sector Work (ESW) Products

ESW PLAN[5]

2013 Q1	Change	2014 Q1
116 products	43% ↓	66 products
455 deliverables	17% ↓	377 deliverables
116 (25%) completed	7% ↓	66 (18%) completed

BUSINESS DEVELOPMENT

Technical Cooperations Program

TECHNICAL COOPERATION APPROVALS

2013 Q2	Change	2014 Q2
$79.5m in 160 operations	7% ↓	$73.6m in 148 operations

FINANCED WITH ORDINARY CAPITAL APPROVALS

2013 Q2	Change	2014 Q2
$37.7m in 98 operations	8% ↑	$40.8m in 92 operations

FINANCED WITH DONOR TRUST FUND APPROVALS

2013 Q2	Change	2014 Q2
$41.8m in 62 operations	21% ↓	$32.8m in 56 operations

HUMAN RESOURCES

VACANCIES FILLED

109 bankwide vacancies filled as of 2014/06/30

163 bankwide vacancies remain

2014 Q2

WOMEN IN GRADES FOUR & ABOVE

CRF Target is **40%** by 2015

2013 Q2		2014 Q2
36%	=	36%

PROFESSIONAL STAFF IN COF

CRF Target is **40%** by 2015

2013 Q2		2014 Q2
32%	1% ↓	31%

KNOWLEDGE & LEARNING

PARTICIPANTS ENROLLED

3,247 unique participants enrolled in at least one learning program

increase from 2,751 participants in 2013 Q2 — 18% ↑

12,923 registrations & **123,232** participant hours where reported in the KNL System

KNOWLEDGE PRODUCTS

6,949 products were available in BRIK

593,993 total visits to these publications, yielding an average of 85.4 visits per publication

BLOGS

There were **24 blogs** at the end of 2014 Q2

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

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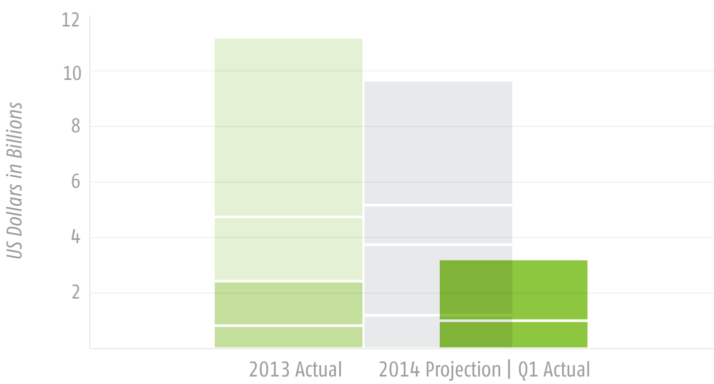
I. EXECUTION



DISBURSEMENTS

1.1 Total Disbursements

Bank's disbursements: **$3.2b**

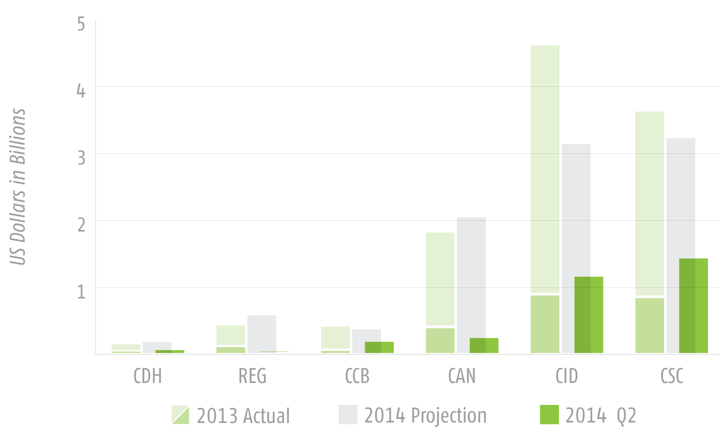
- 33% of $9.7b projected6 for 2014
- 25% increase from $2.4b in 2013 Q2

SG disbursements: **$2.7b**

- 34% of $7.9b projected for 2014
- 57% increase from $1.7b in 2013 Q2

NSG disbursements: **$562m**

- 32% of $1.7b projected for 2014
- 24% decrease from $737m in 2013 Q2



BY COUNTRY GROUP

1.2 Loan Disbursements by Country Group

CAN countries disbursements: **$263m**

- 13% of $2.1b projected for 2014
- 36% decrease from $410m in 2013 Q2

CCB countries disbursements: **$207m**

- 53% of $392m projected for 2014
- 186% increase from $72m in 2013 Q2

CID countries disbursements: **$1.2b**

- 37% of $3.2b projected for 2014
- 31% increase from $889b in 2013 Q2

CSC countries disbursements: **$1.5b**

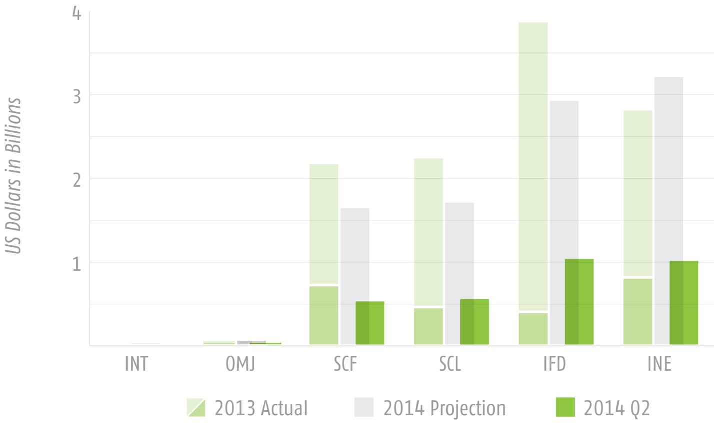
- 45% of $3.3b projected for 2014
- 69% increase from $860m in 2013 Q2

CDH countries disbursements: **$83m**

- 41% of $203m projected for 2014
- 35% increase from $61m in 2013 Q2

Regional disbursements: **$45m**

- 7% of $601m projected for 2014
- 65% decrease from $128m in 2013 Q2



BY DEPARTMENT (SG & NSG)

1.3 Loan Disbursements by Department

IFD disbursements: **$1.1b**

- 36% of $2.9b projected for 2014
- 160% increase from $406m in 2013 Q2

SCL disbursements: **$576m**

- 33% of $1.7b projected for 2014
- 24% increase from $464m in 2013 Q2

SCF disbursements: **$547m**

- 33% of $1.7b projected for 2014
- 25% decrease from $727m in 2013 Q2

INE disbursements: **$1.0b**

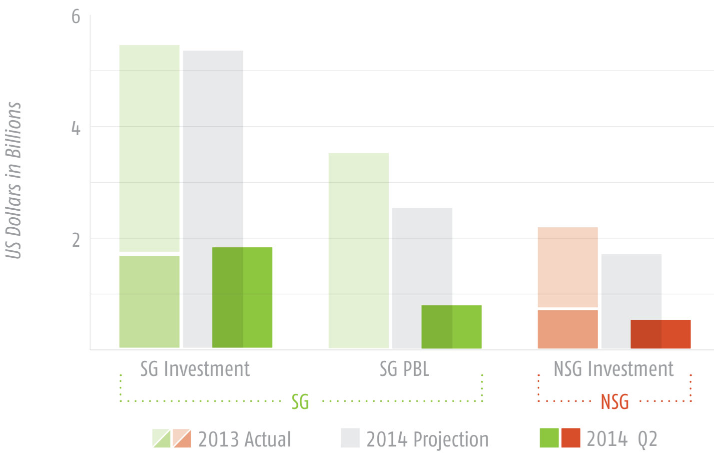
- 32% of $3.2b projected for 2014
- 26% increase from $817m in 2013 Q2

INT disbursements: **$8m**

- 23% of $34m projected for 2014
- 7% increase from $7m in 2013 Q2

OMJ disbursements: **$15m**

- 21% of $74m projected for 2014
- 58% increase from $10m in 2013 Q2



BY INSTRUMENT

1.4 Loan Disbursements by Instrument

SG Investment
disbursements: **$1.8b**

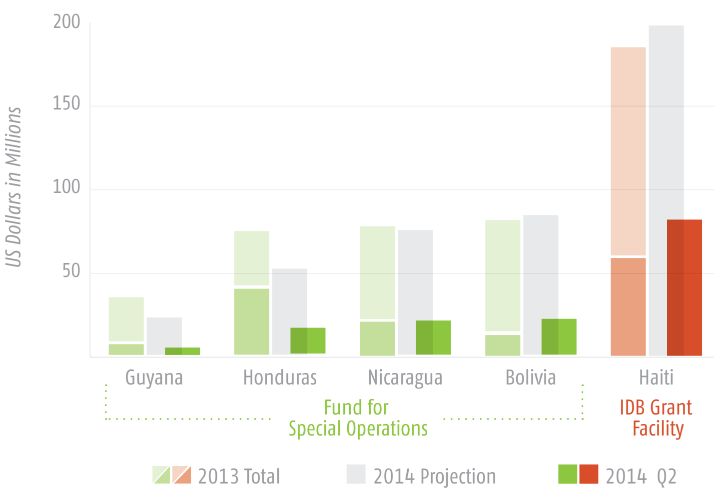
- 34% of the $5.4b projected for 2014
- 9% increase from $1.7b in 2013 Q2

NSG Investment
disbursements: **$562m**

- 32% of the $1.7b projected for 2014
- 24% decrease from $737m in 2013 Q2

Policy Based Loan
disbursements: **$823m**

- 32% of the $2.6b projected for 2014
- 22073% increase from $4m in 2013 Q2



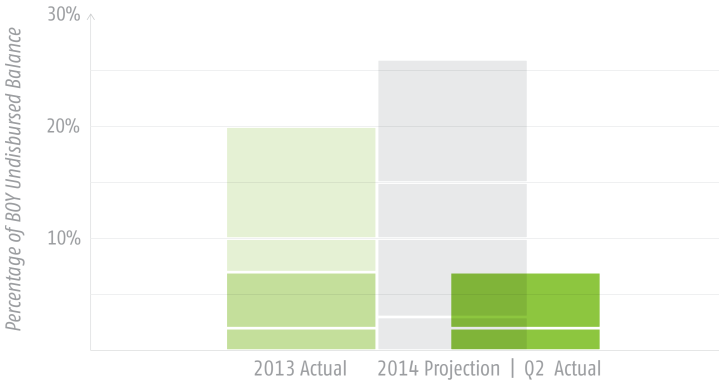
1.5 Disbursements of FSO and IDB Grant Facility

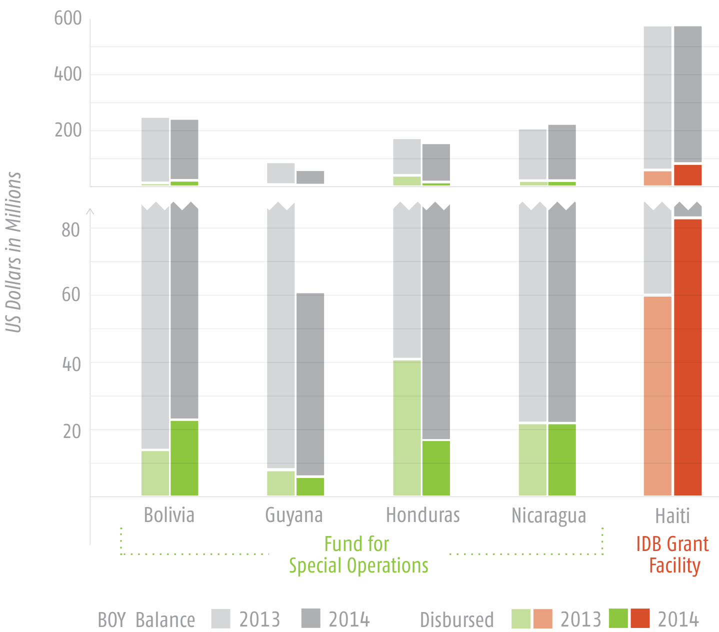
Fund for Special Operations
disbursements: **$68m**

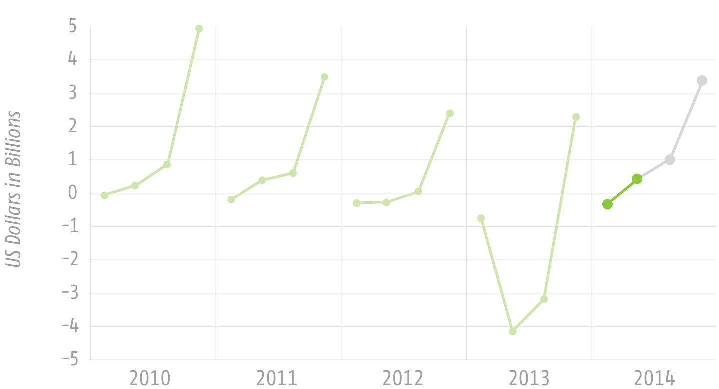
- 29% of $237m projected for 2014
- 20% decrease from $85m in 2013 Q2

IDB Grant Facility
disbursements: **$83m**

- 42% of $199m projected for 2014
- 37% increase from $60m disbursed in 2013 Q2







BEGINNING OF YEAR UNDISBURSED BALANCE

1.6 Investment Disbursements as percentage of Beginning of Year Undisbursed Balance

Beginning of year balance for active investment operations: **$26.9b**

- 8% increase from $24.9b at the beginning of 2013
- 7% ($1.8b) of the initial undisbursed balance has been disbursed as of Q2[7], compared with 7% ($1.6b) in 2013 Q2
- 26% of initial balance is projected to be disbursed during 2014, compared to 20% disbursed in 2013

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

Beginning of year balance for investment operations financed by FSO and the IDB Grant Facility for eligible countries: **$1.26b**

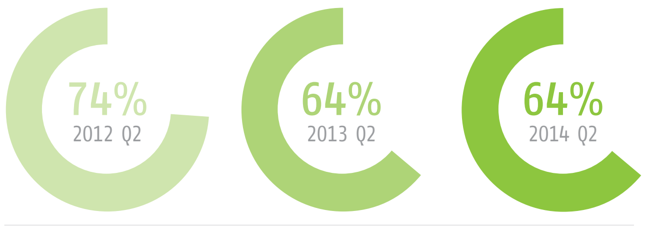
- 3% decrease from $1.3b at the beginning of 2013
- 12% ($151m) of the initial undisbursed balance has been disbursed as of Q2[8], compared with 11% ($151m) in 2013 Q2

NET LOAN FLOWS

1.8 Net Loan Flows of Convertible Currencies (YTD)

Net Loan Flow for Q2 was positive **$450m** as the Bank disbursements exceeded repayments[9]

- Net Loan Flow for Q2 2013 was a negative **$4.1b** mainly due to prepayments from Brazil, Uruguay and Peru
- $3.3b is the estimated net loan flow level for EOY 2014, based on projections for principal collections and disbursements for the year



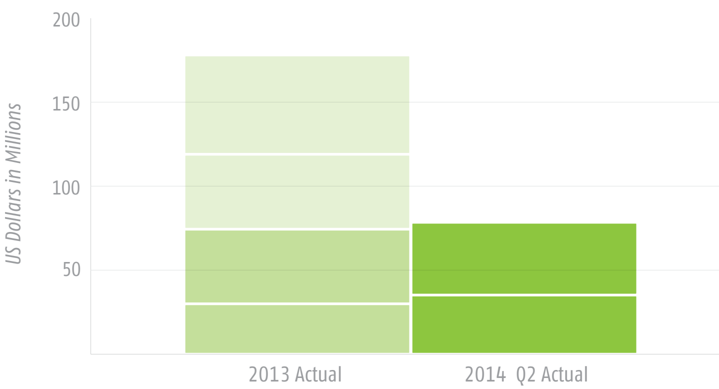
Percentage of SG Disbursements Reviewed Ex Post

EX POST REVIEW OF DISBURSEMENTS

1.9 Disbursements Reviewed Ex Post

Disbursements reviewed ex post: **64%** of total disbursements for SG investment operations

- Same percentage points as 2013 Q2
- 65% of the loans that disbursed in 2014 Q2 had ex post review, 9 percentage points increase from 2013 Q2



TECHNICAL COOPERATION DISBURSEMENTS

1.10 TC Disbursements

TC disbursements: **$78.4m**

- 6% increase from $74.3m in 2013 Q2

TC Donor Trust Funds: **$31.7m**

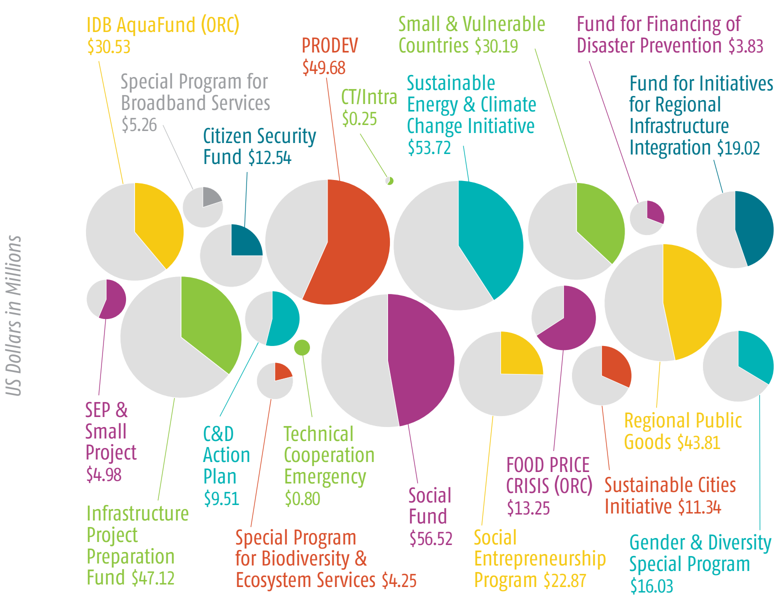
- 40% of total TC disbursements
- 3% decrease from $35.5m disbursed in 2013 Q2

TC ORC Special Programs: **$44m**

- 56% of total TC disbursements
- 19% increase from $36.9m disbursed in 2013 Q2

TC FSO disbursements: **$2.8m**

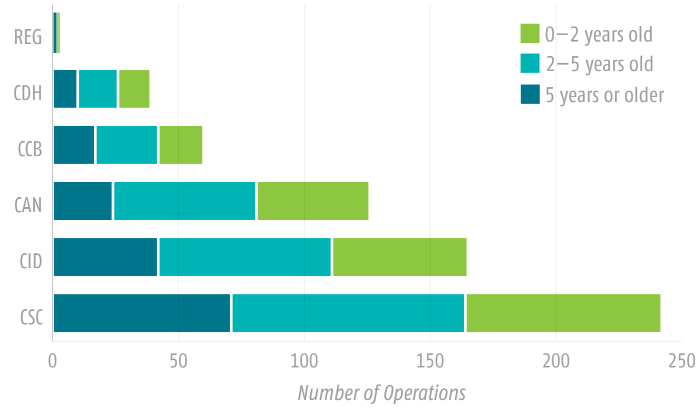
- 4% of total TC disbursements
- 44% decrease from $4.9m disbursed in 2013 Q2



1.11 TC Disbursements of Special Programs Financed with Ordinary Capital

Disbursements of Technical Cooperation's Portfolio under **ORC Special Programs**: **42%** ($185m) of $435m in portfolio

- 42% ($153m) of $364m in portfolio in 2013 Q2

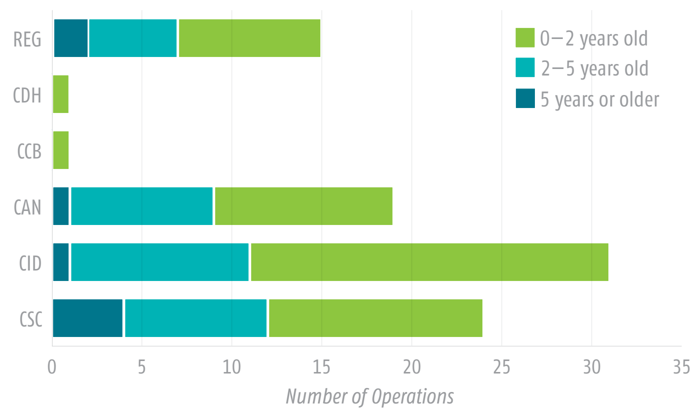


LOAN PORTFOLIO[10]

1.12 SG Operations by Country Region and Approval Year

631 SG operations in portfolio, $45.6b in volume

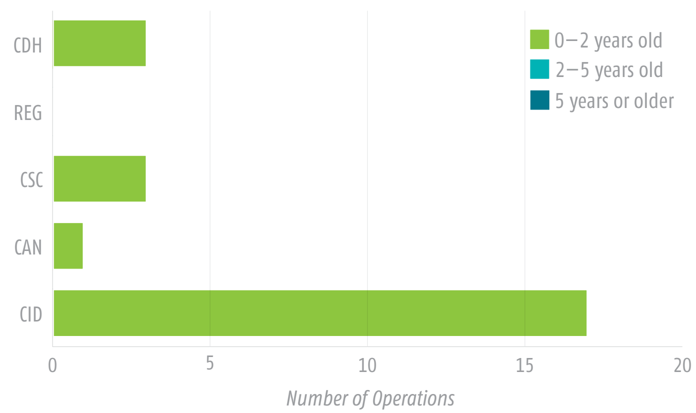
- 163 operations (26%) were approved on or before June 2009 (5 years or older)
- 260 operations (41%) were approved between July 2009 and June 2012 (2 to 5 years old)
- 209 operations (33%) were approved on or after July 2012 (0 to 2 years old)
- 64% (407) under CID and CSC countries



1.13 NSG Operations by Country Region and Approval Year

91 NSG operations are currently disbursing $4.0b in volume

- 8 operations were approved on or before June 2009 (5 years or older)
- 31 operations were approved between July 2009 and June 2012 (2 to 5 years old)
- 52 operations were approved on or after June 2012 (0 to 2 years old)
- 60% (54) under CID and CSC countries

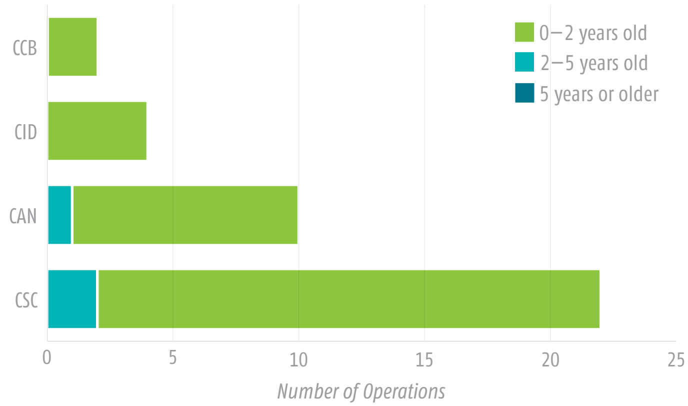


LOAN PORTFOLIO PENDING RATIFICATION

1.14 SG Operations Pending Ratification by Country Group and Approval Year

24 SG operations pending ratification, $1.5b in volume

- 24 operations were approved on or after July 2012 (0 to 2 years old)
- 71% (17) under CID countries

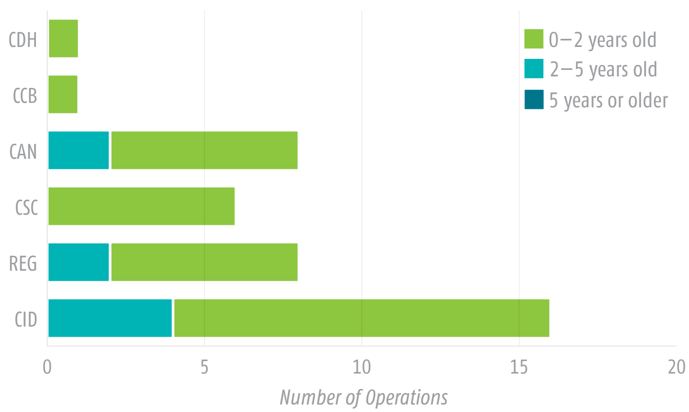


LOAN PORTFOLIO PENDING SIGNATURE

1.15 SG Portfolio Pending Signature by Country Group and Approval Year

38 SG operations pending signature[11], **$4.1b** in volume

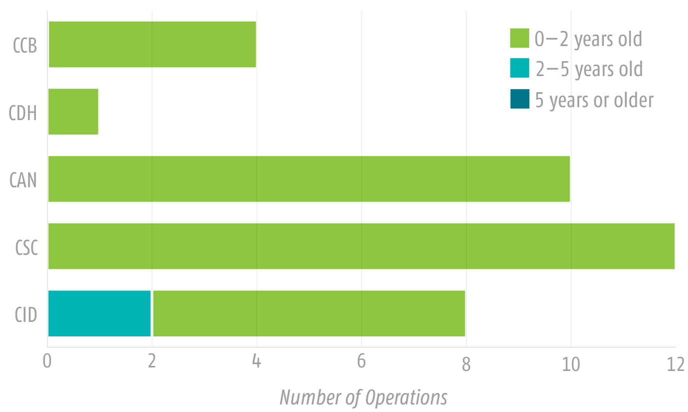
- 3 operations were approved between July 2009 and June 2012 (2 to 5 years old)
- 35 operations were approved on or after July 2012 (0 to 2 years old)
- 58% (22) under CSC countries



1.16 NSG Operations Pending Signature by Country Group and Approval Year

40 NSG operations pending signature, **$1.2b** in volume

- 8 operations were approved between July 2009 and June 2012 (2 to 5 years old)
- 32 operations were approved on or after July 2012 (0 to 2 years old)
- 60% (24) under CID countries and CAN

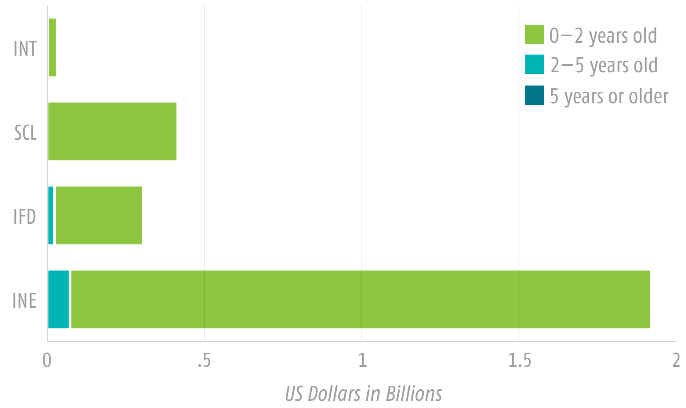


LOAN PORTFOLIO PENDING ELIGIBILITY

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

35 SG operations with legal effectiveness pending eligibility[12]

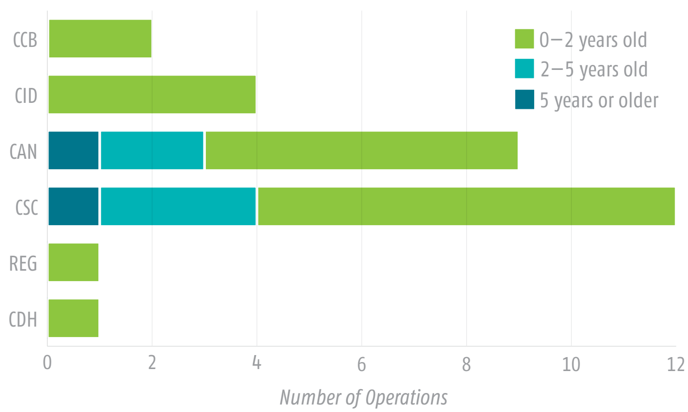
- 6% of total SG portfolio (631 operations)
- 2 operations were approved between July 2009 and March 2012 (2 to 5 years old)
- 33 operations were approved on or after July 2012 (0 to 2 years old)
- 63% (22) under CAN and CSC countries



1.18 SG Operations Not Yet Eligible (Volume of Operations)

SG operations with legal effectiveness pending eligibility: $2.7b

- 6% of total SG portfolio ($46.5b)
- $97m in operations that were approved between July 2009 and June 2012 (2 to 5 years old)
- $2.6b in operations that were approved on or after July 2012 (0 to 2 years old)
- 72% ($1.9b) under INE sector department

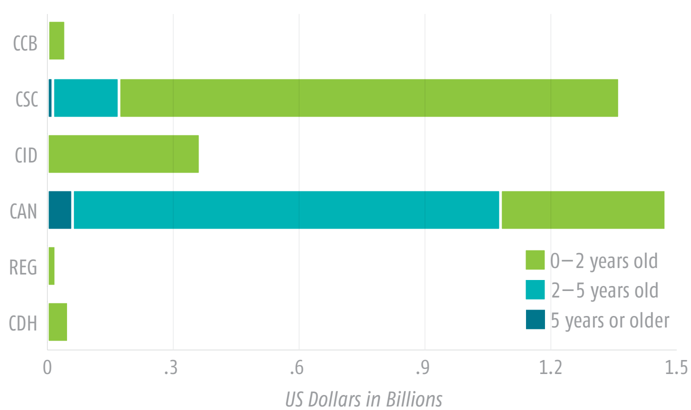


LOAN PORTFOLIO PENDING FIRST DISBURSEMENT

1.19 SG Operations pending First Disbursement

29 SG eligible operations are currently pending first disbursement

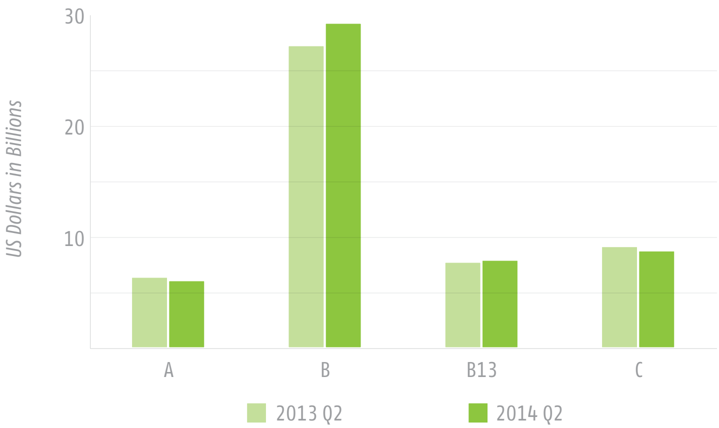
- 5% of total SG portfolio (631 operations)
- 2 operations were approved on or before June 2009 (5 years or older)
- 5 operations were approved between July 2009 and June 2012 (2 to 5 years old)
- 22 operations were approved on or after July 2012 (0 to 2 years old)
- 41% (12) of operations are under CSC countries
- 31% (9) of operations are under CAN countries
- 14% (4) of operations are under CID countries



1.20 SG Operations pending First Disbursement (Volume of Operations)

SG eligible operations pending first disbursement: $3.3b

- 7% of total SG portfolio volume ($46.5b)
- 44% ($1.5b) of volume is under CAN countries
- 41% ($1.4b) of volume is under CSC countries
- 11% ($0.4b) of volume is under CID countries



ENVIRONMENTAL AND SOCIAL IMPACT RISKS

1.21 Volume of portfolio in execution by Environmental & Social Impact

32 operations in execution for **$6.2b** classified as **category "A"** in Environmental and Social Impact risk

- 3% decrease from 33 in 2013 Q2
- 5% decrease from $6.5b in 2013 Q2

PROGRESS MONITORING REPORTS FOR SG OPERATIONS

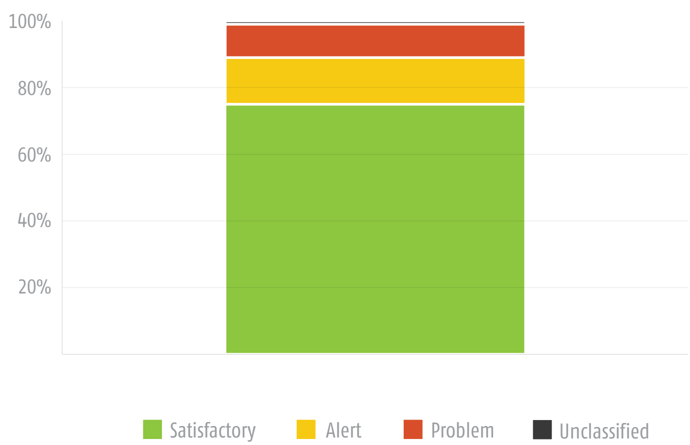
The PMR is the monitoring instrument of the Development Effectiveness Framework (DEF). The current methodology was approved by the Operational Policy Committee in November 2013, and produces more accurate classification of projects' performance, due to the incorporation of new indicators during different phases of the projects, and new procedures for the validation and quality control of the information used and produced by the system.

For projects disbursing, the PMR employs an adaptation of the Earned Value Method (EVM) technique that compares the planned values of a project with the actual values achieved (earned value) and the actual costs. For approved projects not disbursing,[13] the classification is based on the percentile of the elapsed time from approval date to legal effectiveness, or from legal effectiveness to eligibility.

A new validation procedure allowed for a more accurate classification of projects, thanks to the incorporation of all relevant parties (specialist, team leaders, division chiefs, chiefs of operations and country representatives) in the project assessment. This methodology was implemented for the first time in May 2014, through the Convergence Platform, the first release of the Bank's integrated business solutions (Optima).

The **SG active portfolio of the Bank as of December 31, 2013 comprised 638** operations that had to report and classify its performance during the PMR "March" 2014 cycle.[14]

- 16% (104) were executing in the first stage
- 71% (455) were executing in the second stage, eligible projects with less 95% amount disbursed
- 13% (79) were executing in the third stage, active projects that disbursed 95% or more

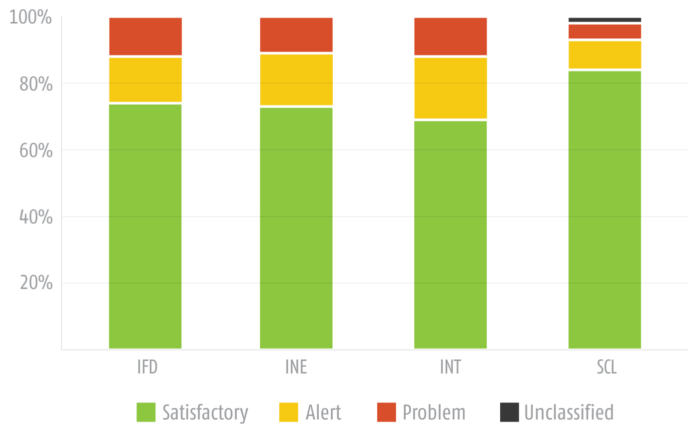


1.22 Validated classification of active portfolio

Of the **638 active operations** in 2013

- 75% (479) were classified as satisfactory
- 14% (89) were classified as in alert
- 10% (64) were classified as with problems
- 1% (6) was not classified

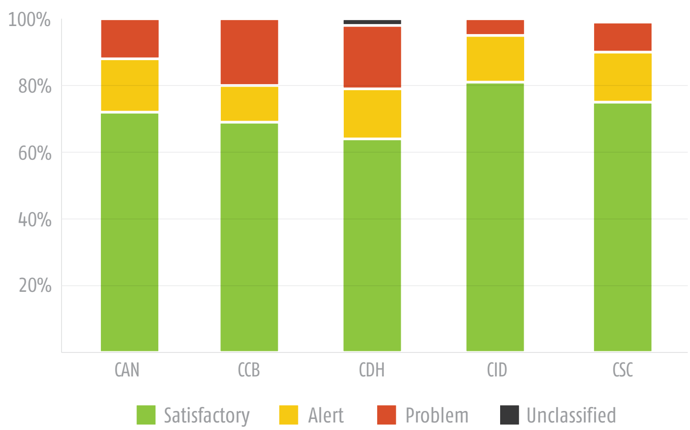
1.23 Validated classification of active portfolio by Department



By Department:

- **IFD**: 75% satisfactory, 14% in alert and 12% with problems, 1% unclassified
- **INE**: 73% are satisfactory, 16% in alert and 11% with problems
- **INT**: 69% are satisfactory, 19% in alert and 13% with problems
- **SCL**: 84% are satisfactory, 9% in alert and 5% with problems, 2% unclassified

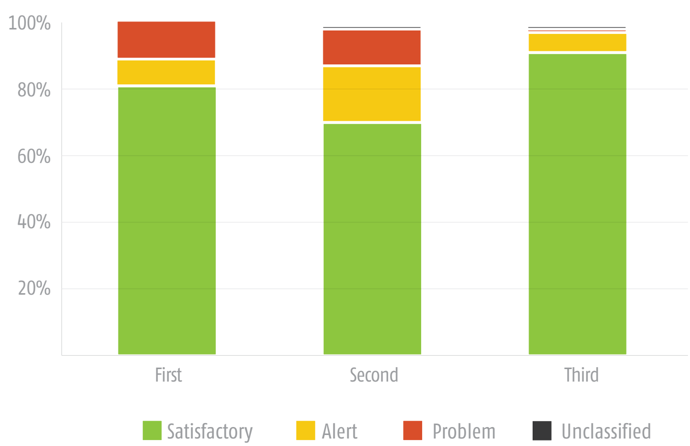
1.24 Validated classification of active portfolio by Region



By Region:

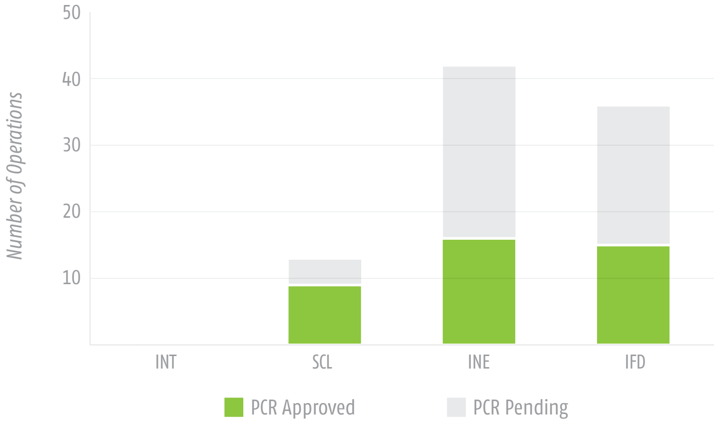
- **CAN**: 72% satisfactory, 16% in alert and 12% with problems
- **CCB**: 69% satisfactory, 11% in alert and 20% with problems
- **CDH**: 64% satisfactory, 15% in alert and 19% with problems
- **CID**: 81% satisfactory, 14% in alert and 5% with problems
- **CSC**: 75% satisfactory, 15% in alert and 9% with problems

1.25 Validated classification of active portfolio by Stage



By stage:

- **First** stage: 81% satisfactory, 8% in alert and 12%, with problems
- **Second** stage: 70% satisfactory, 17% in alert and 11% with problems
- **Third** stage: 91% satisfactory, 6% in alert and 1% with problems

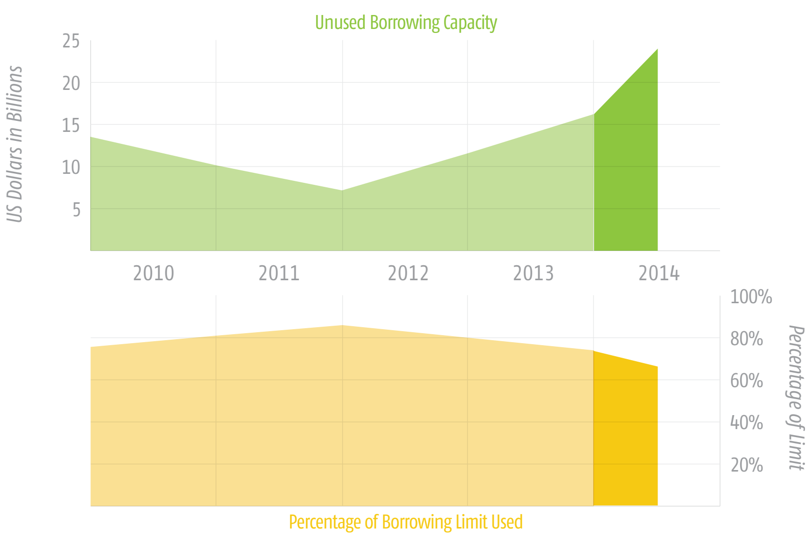


PROJECT COMPLETION REPORTS

1.26 PCR Status for Projects Fully Disbursed in 2013

91 of 103 operations that completed disbursements during 2013 **require a Project Completion Report**[15]

- **As of June 30**, **39%** (40) were processed and approved by VPS: INE (16), IFD (15), SCL (9)



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. The Bank has also 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.

1.27 Unused Borrowing Capacity

Net Borrowings: **$47b**

- 0.5% decrease from $47.2b at the end of 2013

The **Callable Capital** of non-borrowing countries: **$71.1b**

- 12% increase from $63.4b at the end of 2013

Percentage of the **borrowing limit** used: **66%**

- 8 percentage points decrease from 74% at the end of 2013

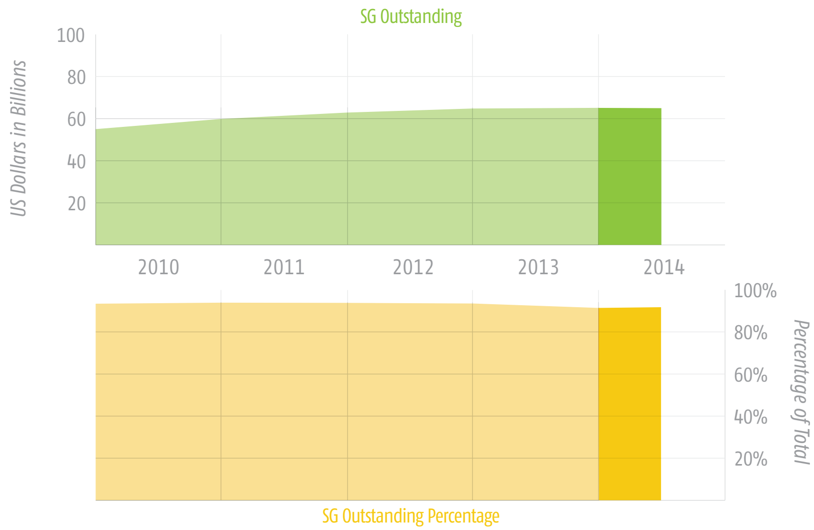
Unused borrowing capacity: **$24.1b**

- 49% increase from $16.2b at the end of 2013

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 the end of 2014 Q2, the five largest borrowing countries – Brazil (20%), Mexico (18%), Argentina (15%), Colombia (10%) and Peru (4%) – accounted for 67% of the Bank's loan and guarantee exposures.



1.28 Concentration Risk (SG)

Size of the outstanding SG portfolio: **$65.9b**

- 0.8% increase from $65.4b at the end of 2013

The **five largest SG exposures**: 69.1%

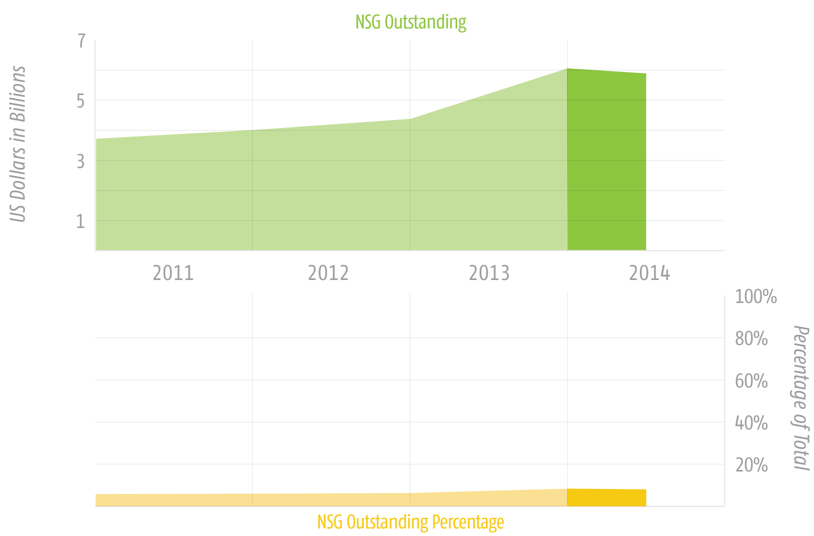
- 0.3% percentage points decrease from 69.4% at the end of 2013

Undisbursed portion of approved SG loans: **$26.9b**

- 1.3% increase from $26.6b at the end of 2013

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

- 0.1 percentage points increase from 28.9% as at the end of 2013



1.29 Concentration Risk (NSG)

Size of the outstanding NSG portfolio: **$5.9b**

- 3% decrease from $6b at the end of 2013

The **five largest NSG exposures**: **54.4%**

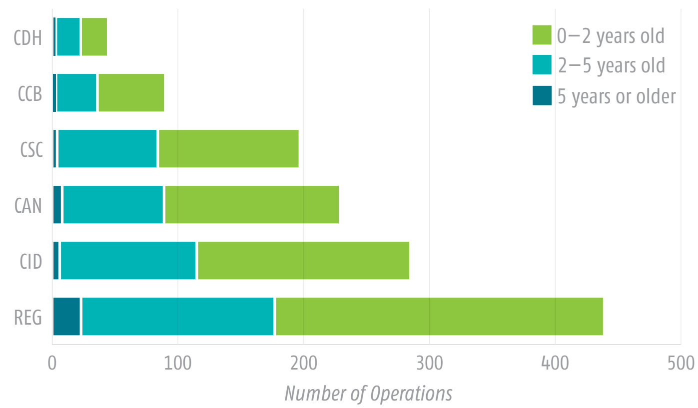
- 2.4 percentage points decrease from 56.7% at the end of 2013

Undisbursed portion of NSG loans reached **$2b**

- 18% decrease from $2.4 billion at the end of 2013

NSG loans and guarantees **undisbursed as a percentage of outstanding**: **25.3%**

- 3.4 percentage points decrease from 28.7% at the end of 2013

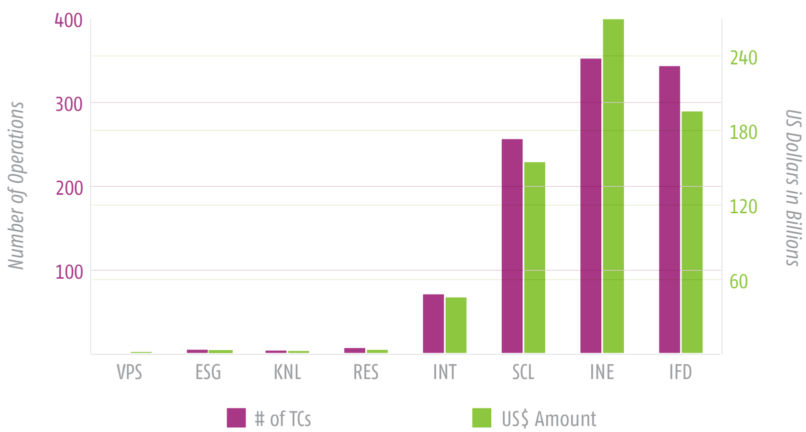


TECHNICAL COOPERATION'S PORTFOLIO

1.30 TC Operations by Country Group and Approval Year

TC operations in portfolio: 1,283, with **$797m** in volume

- 45 ($54.4m) operations were approved on or before June 2009 (5 years or older)
- 477 ($311.1m) operations were approved between July 2009 and June 2012 (2 to 5 years old)
- 761 ($431.3m) operations were approved on or after July 2012 (0 to 2 years old)
- 56% (724) under CID countries and Regional operations



1.31 Technical Cooperation in Execution under VPS by Sector

Technical Cooperation in portfolio under VPS supervision: 1,055 operations with **$681.9m** in volume

- 345 ($195.4m) under IFD department
- 354 ($270.6m) under INE department
- 258 ($155.6m) under SCL department
- 73 ($46.8m) under INT department

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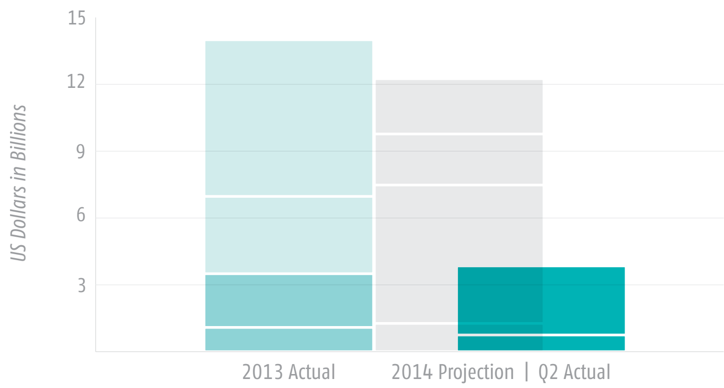
II. STRATEGIC ALIGNMENT

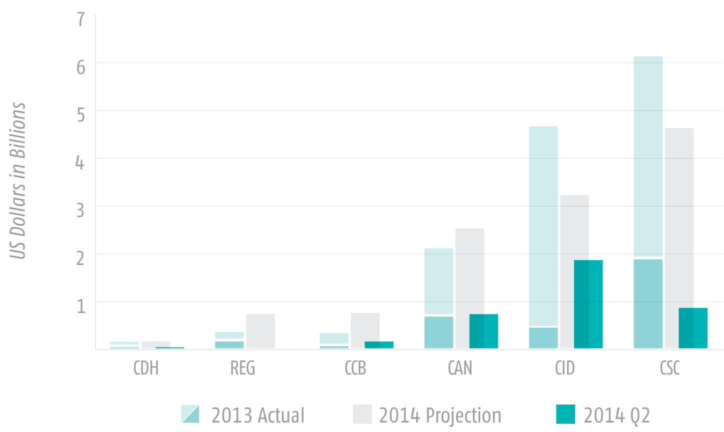


LOAN APPROVALS

2.1 Approvals by Quarter

Bank's approvals: **$3,845m** in **41** operations

- 31% of the volume ($12.3b) projected[16] for 2014
- 10% decrease from 45 loans in 2013 Q2
- 9% increase from $3.5b in 2013 Q2
- $80.6m is the average projected operations size for year's end, a 2% decrease from $83m in 2013



BY COUNTRY GROUP

2.2 Country Group Approvals

CAN countries: **$770m** in **10** operations

- 30% of the volume ($2.6b) projected for 2014
- 7% increase from $717m in 2013 Q2
- 25% increase from 8 loans in 2013 Q2

CCB countries: **$198m** in **4** operations

- 25% of the volume ($794m) projected for 2014
- 98% increase from $100m in 2013 Q2
- 300% increase from 1 loan in 2013 Q2

CID countries: **$1,900m** in **13** operations

- 58% of the volume ($3.3b) projected for 2014
- 289% increase from $30m in 2013 Q2
- 18% increase from 11 loans in 2013 Q2

CSC countries: **$901m** in **19** operations

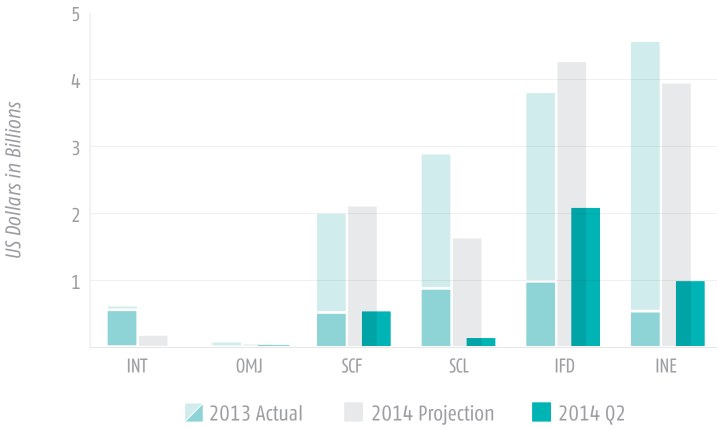
- 19% of the volume ($4.7b) projected for 2014
- 53% decrease from $1,917m in 2013 Q2
- 42% decrease from 19 loans in 2013 Q2

CDH: **$77m** in **3** operations

- 38% of the volume ($202m) projected for 2014
- Same as the $77m in 2013 Q2
- 25% decrease from 4 loans in 2013 Q2

Regional: No approvals in 2014 Q2

- 0% of the volume ($773m) projected for 2014
- There were $200m from 2 loans in 2013 Q2



BY DEPARTMENT (SG & NSG)

2.3 Approvals by Sector

IFD approvals: **$2,103m** in **15** operations

- 49% of the volume ($4.3b) projected for 2014
- 113% increase from $987m in 2013 Q2
- 50% increase from 10 operations in 2013 Q2

INE approvals: **$1,009m** in **11** operations

- 25% of the volume ($4.3b) projected for 2014
- 87% increase from $541m in 2013 Q2
- Same as the 11 operations in 2013 Q2

SCL approvals: **$159m** in **4** operations

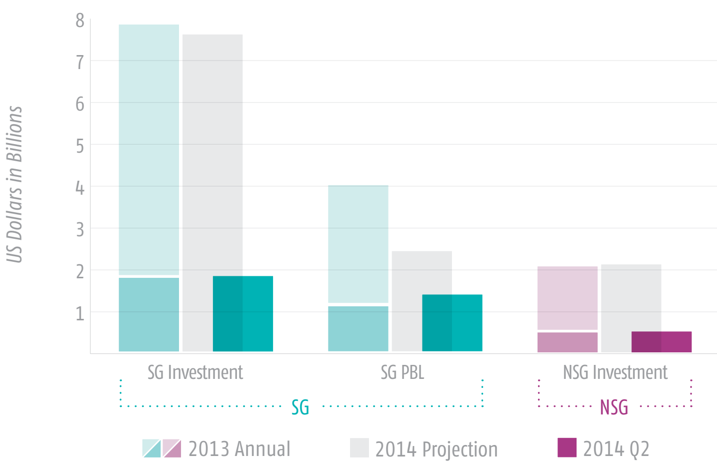
- 10% of the volume ($1.6b) projected for 2014
- 82% decrease from $881m in 2013 Q2
- 20% increase from 5 operations in 2013 Q2

SCF approvals: **$557m** in **9** operations

- 26% of the volume ($2.1b) projected for 2014
- 7% increase from $521m in 2013 Q2
- 40% decrease from 15 in 2013 Q2

OMJ approvals: **$5m** in **1** operation

- 13% of the volume ($40m) projected for 2014
- 69% decrease from $16m in 2013 Q2
- 50% decrease from 2 operations in 2013 Q2



BY INSTRUMENT

2.4 Approvals by Instrument

SG Investment lending approvals: **$1,865m** in **23** operations

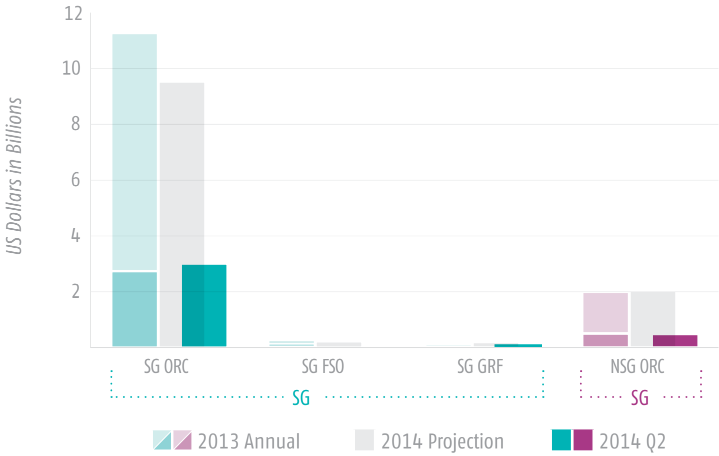
- 24% of the volume ($7.6b) projected for 2014
- 2% increase from $1,822m in 2013 Q2
- 10% increase from 21 operations in 2013 Q2

Policy Based Lending approvals: **$1.4b** in **8** operations

- 58% of the volume ($2.5b) projected for 2014
- 25% increase from $1,137m in 2013 Q2
- 33% increase from 6 operations in 2013 Q2

NSG Investment lending approvals: **$562m** in **10** operations

- 26% of the volume ($2.2b) projected for 2014
- 4% increase from $539m in 2013 Q2
- 44% decrease from 18 operations in 2013 Q2



BY FUND

2.5 Approvals by Fund

SG Ordinary Capital approvals: **$3,025m** in **28** operations

- 32% of the projected volume ($9.1b) for 2014
- 10% increase from $2,748m in 2013 Q2
- 17% decrease from 24 operations 2013 Q2

SG Fund for Special Operations approvals: **$60m** in **4** operations

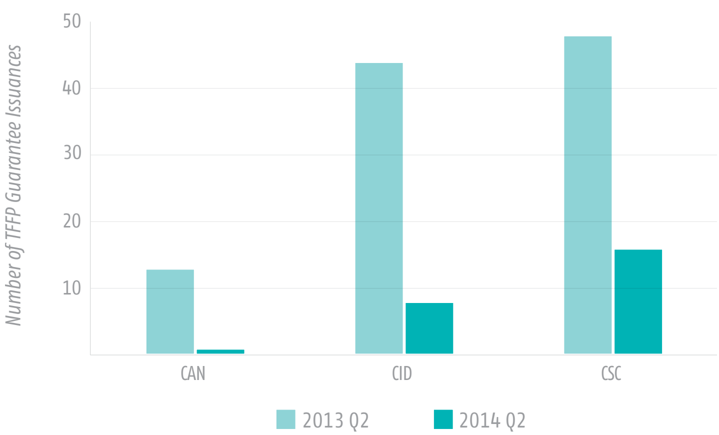
- 25% of projected volume ($237m) for 2014
- 32% decrease from $88m in 2013 Q2
- 33% decrease from 6 operations in 2013 Q2

SG IDB Grant Facility approvals: **$77m** in **3** operations

- 25% of projected volume ($202m) for 2014
- 6% increase from $73m in 2013 Q2
- Same as 3 operations in 2013 Q2

NSG Ordinary Capital approvals: **$491m** in **10** operations

- 24% of the volume ($1.9b) projected for 2014
- 4% decrease from $510m in 2013 Q2
- 41% decrease from 17 operations in 2013 Q2



NSG CREDIT LINES AND GUARANTEES

1 **NSG Guarantees issuance** in 2014 Q2 for $7.5m

- There were no issuances in 2013 Q2

2.6 **TFFP** Guarantee Issuances

There were no **TFFP Line approvals** in 2014 Q2

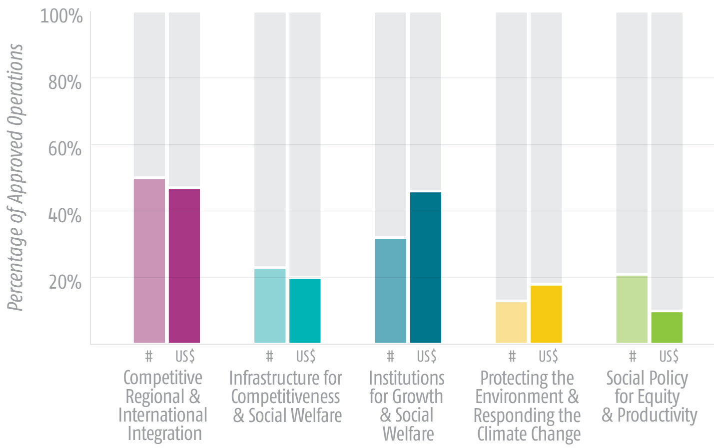
- $10m in 1 line were approved in 2013 Q2

TFFP Line increased $20m in 1 transaction

- $44m in increases in 4 transactions in 2013 Q2

TFFP Guarantees issued: **$74.1m** in **25** issuances

- 64% decrease from $207m issued in 2013 Q2
- 76% decrease from 105 issuances in 2013 Q2



APPROVALS IN SECTOR PRIORITY AREAS

2.7 Operations in Sector Priority Areas Approved vs. Estimated

Competitive Regional and International Integration approvals: **$514m** in **7** operations

- 47% of the volume ($1.1b) projected for 2014

Infrastructure for Competitiveness and Social Welfare approvals: **$692m** in **9** operation

- 20% of the volume ($3.5b) projected for 2014

Institutions for Growth and Social Welfare approvals: **$2,327m** in **19** operations

- 46% of the volume ($5.0b) projected for 2014

Protecting the Environment and Responding the Climate Change approvals: **$152m** in **2** operations

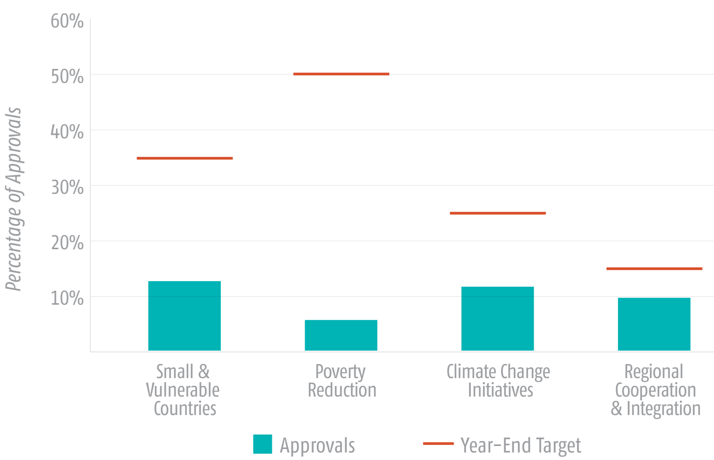
- 18% of the volume ($846m) projected for 2014

Social Policy for Equity and Productivity approvals: **$159m** in **4** operation

- 10% of the volume ($1.6b) projected for 2014

LENDING TARGETS OF IDB-9

The following are the results of the approvals in Q2 2014 compared to the annual targets established for the IDB-9.



2.8 Lending Targets of IDB-9

Small and Vulnerable countries approvals: **$1,578m** in **24** operations

- 13% of the volume ($12.6b) estimated[17] for 2014

Poverty Reduction and Equity Enhancement approvals: **$762m** in **15** operations

- 6% of the volume ($12.6b) estimated for 2014

Climate Change, Sustainable (including renewable) Energy, and Environmental Sustainability approvals: **$1,565m** in **14** operation

- 12% of the volume ($12.6b) estimated for 2014

Regional Cooperation and Integration approvals: **$1,317m** in **14** operations

- 10% of the volume ($12.6b) estimated for 2014

IDB-9 LENDING TARGETS AND PROGRAMMING

As of June 30, **approvals in the second quarter** and the **Pipeline A** planned for the remainder of 2014 include a total of 168 operations for US$12.5b of which:

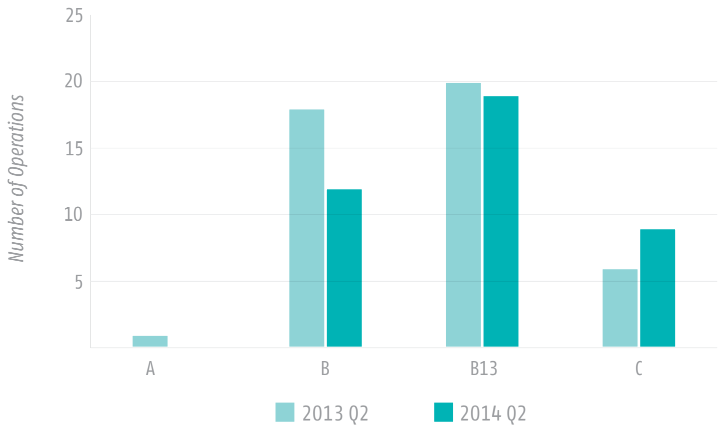
33% of the volume ($4.2b) for Small and Vulnerable countries. The CRF annual target is **35%.**

40% of the volume ($5b) for Poverty Reduction and Equity Enhancement. The CRF annual target is **50%.**

35% of the volume ($4.4b) for Climate Change, Sustainable (including renewable) Energy, and Environmental Sustainability. The CRF annual target is **25%.**

24% of the volume ($3b) for Regional Cooperation and Integration. The CRF annual target is **15%.**

ENVIRONMENTAL & SOCIAL IMPACT RISKS



2.9 Approvals Based on the Environmental and Social Risk Classification

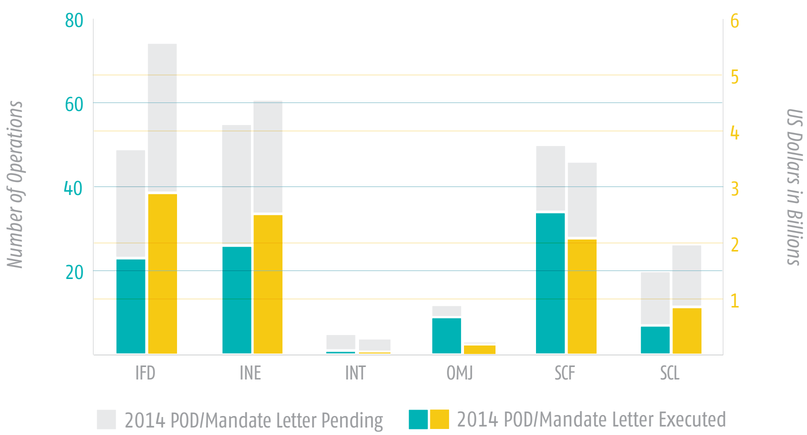
There were no operations approved in **category "A"** in Environmental and Social Impact risk

- 1 operation for $100m in 2013 Q2

12 operations approved for **$1,187m** were classified as **category "B"** in Environmental and Social Impact risk

- 33% decrease from 18 in 2013 Q2
- 19% decrease from $1,471m in 2013 Q2

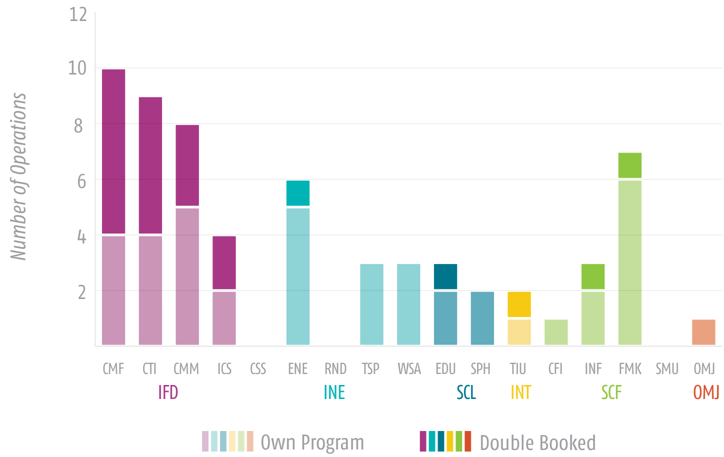
PIPELINE READINESS



2.10 Pipeline Readiness by Department

As of June 30, the A & B Pipelines for 2014 contained a total of **158** operations for **$12b**

- 37% (59) for $4.6b in Identification stage
- 24% (38) for $2.8b in Project Profile stage
- 23% (36) for $1.6b in POD or Mandate Letter stage
- 16% (25) for $3.1b in OPC stage

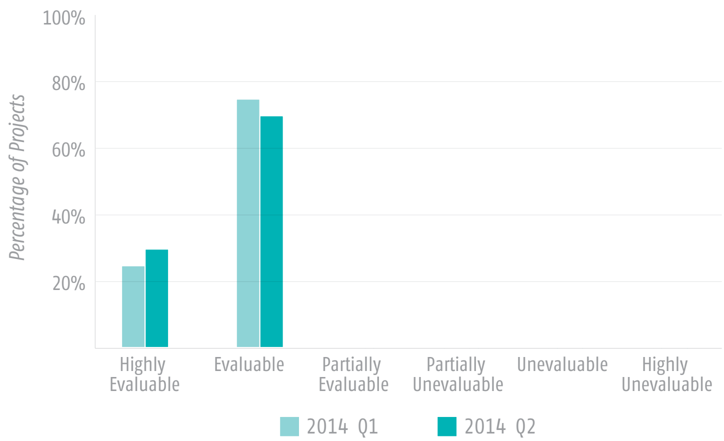


MULTIPLE BOOKING

2.11 Multiple Booking by Division

Multiple Booked operations approved: **$1.8b** in 21 operations

- 51% of approved operations (41) in 2014 Q2
- 47% of approved volume ($3.8b) in 2014 Q2
- 50% increase from $1.2b (in 6 operations) in 2013 Q2

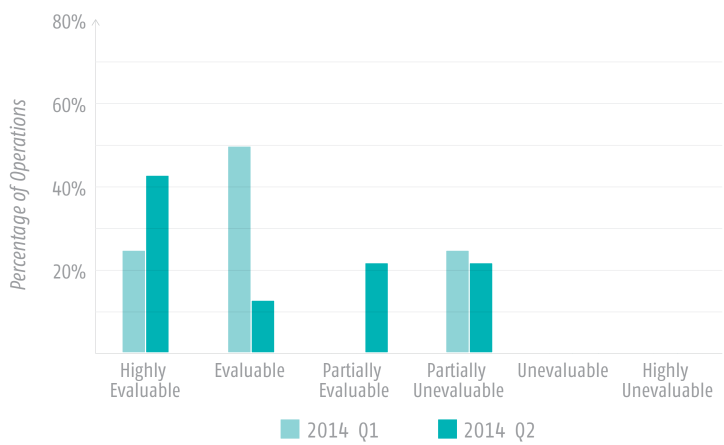


DEVELOPMENT EFFECTIVENESS MATRIX (DEM) SCORES

2.12 DEM Evaluability Levels for Approved SG Operations

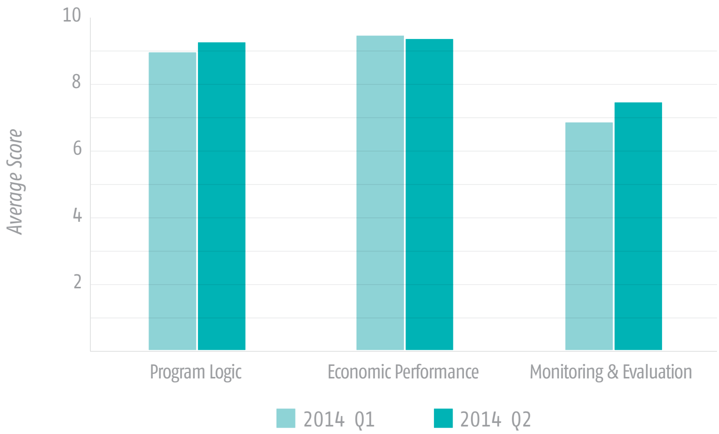
Under the DEM evaluability[18], **"Highly Evaluable"** approved operations reached **30%** (7 SG operations) and **"Evaluable"** approved operations reached **70%** (16 SG operations)

- 70% percentage points decrease of the percentage of "Highly Evaluable" projects from 100% (24 out of 24) in the same period in 2013 Q2[19]
- The CRF target is 85%



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

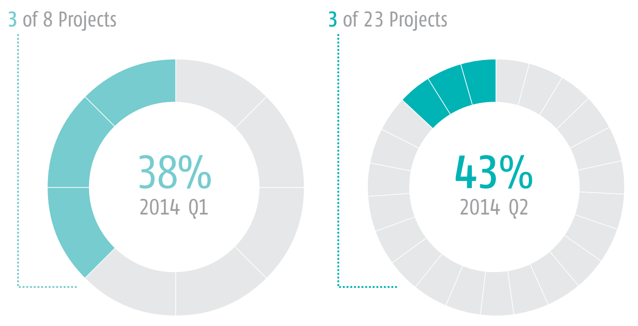
65% of 23 operations that completed the **QRR stage** were rated **"Partially Evaluable"** or higher



2.14 DEM Dimensions

On a 10 point scale, the DEM Ratings increased in Program Logic and Monitoring & Evaluation, and decreased slightly in Economic Performance compared to 2013 Q2

- **Program Logic** increased from 8.8 to **9.3** points
- **Economic Performance** decreased from 9.7 to **9.4** points
- **Monitoring & Evaluation** decreased from 7.8 to **7.5** points

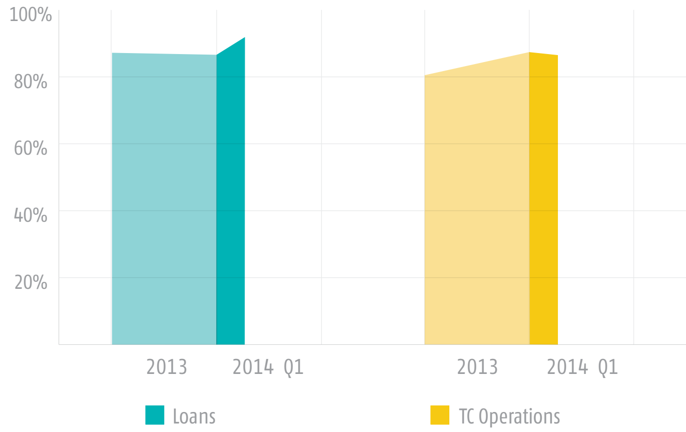


Percentage of Operations with Impact Evaluations

2.15 Ex Ante Impact Evaluations, Quarterly Comparison

43%, 3 of 23 SG projects were **designed with an impact evaluation**.

- 6 percentage points increase from 38% (3 out of 8) in 2014 Q1

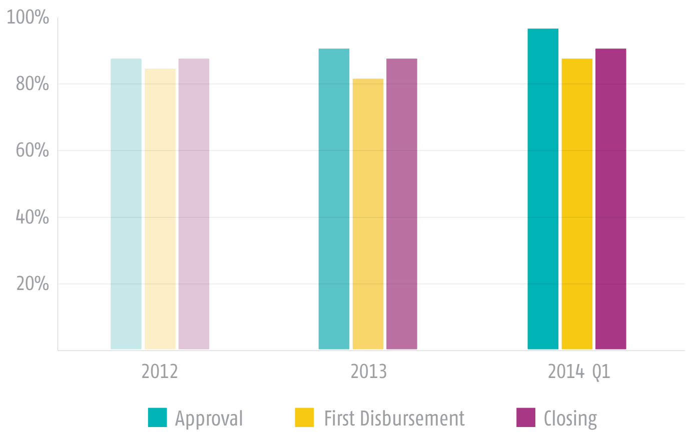


EXTERNAL FEEDBACK SYSTEM – PARTNER SATISFACTION

During the first half of 2014, SPD/SMO conducted the 2014 Q1 EFS Product Surveys involving a total of 446 partners and 318 operations (136 loans and 182 TCs). 265 partners completed the online surveys representing a 59% response rate (124 responses for loan operations and 141 for TC Operations)

2.16 Partners' Satisfaction with IDB Delivery of Services

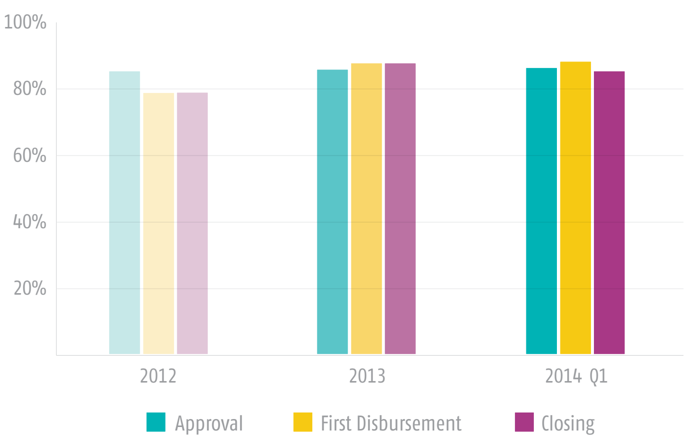
- **Loan Operations**: **92%** of external partners reported being "satisfied" (54%) or "very satisfied" (38%) with IDB delivery of services (a 5% increase from 2013)
- **TC Operations**: **87%** of external partners reported being "satisfied" (48%) or "very satisfied" (39%) with IDB delivery of services for TC operations (no change from 2013)
- The **CRF** target for both services is 70%



2.17 Partners' Satisfaction by Milestone (Loans)

The milestone of approval continued to be the highest level of partner satisfaction in 2014 Q1

- **Loan Operations**: Satisfaction is highest at approval (97%), lower at first disbursement (88%), and closing (91%)



2.18 Partners' Satisfaction by Milestone (TC)

- **TC Operations**: Satisfaction is similar at approval (87%), first disbursement (89%), and closing (86%)

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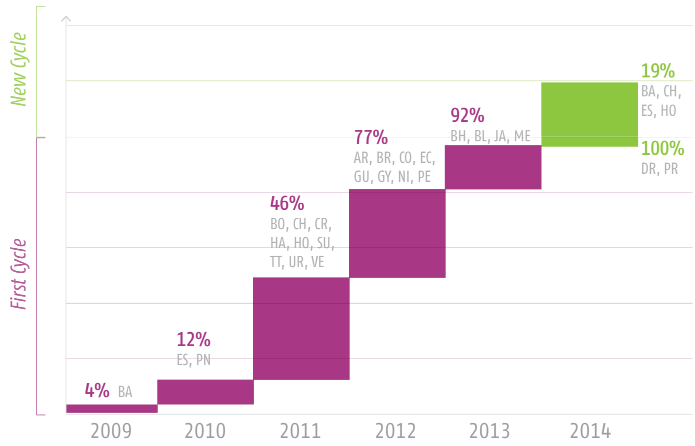
III. BUSINESS DEVELOPMENT



COUNTRY POLICY DIALOGUE

3.1 Results-based Country Strategies

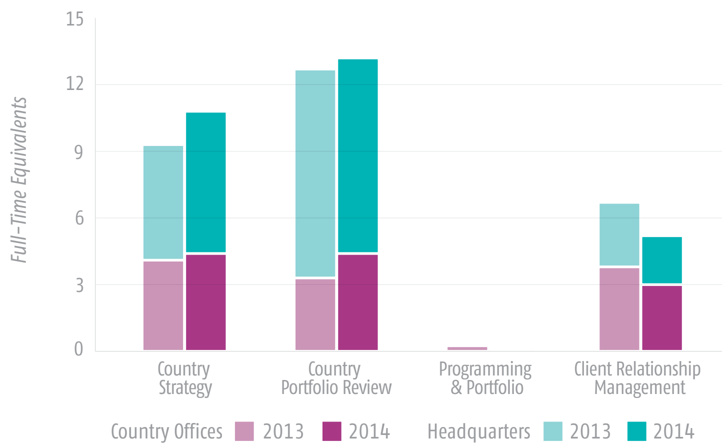
6 Country Strategies are **programmed** for 2014 of which 2 (Dominican Republic[20] and Paraguay) were **approved**

- In addition, 26 Country Program Documents prepared in Q4 of 2013 were presented to the Board in 2014 Q1

4 Country Strategies are **pending** approval

- The Country Strategies of Chile is planned for approval in the third quarter and the rest are planned for the fourth quarter (Barbados, El Salvador and Honduras)

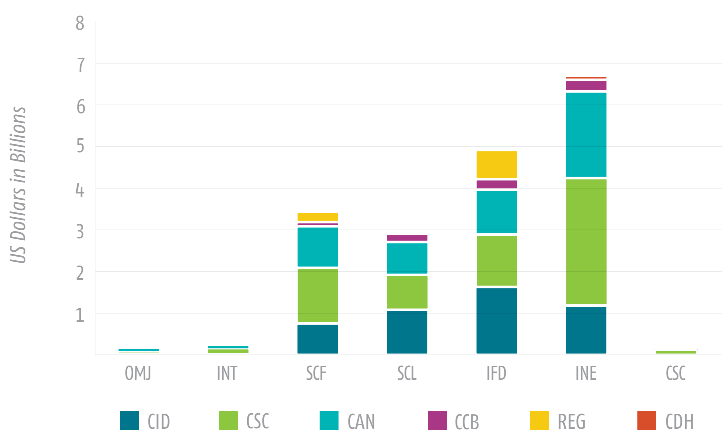
None of the pending country strategies have cleared the Quality and Risk Review (QRR) as of June 30 2014



3.2 Staff Time Reported to Programming Products

Staff Time reported to Country Strategy, Programming and Portfolio Management activities: **29.2** FTEs

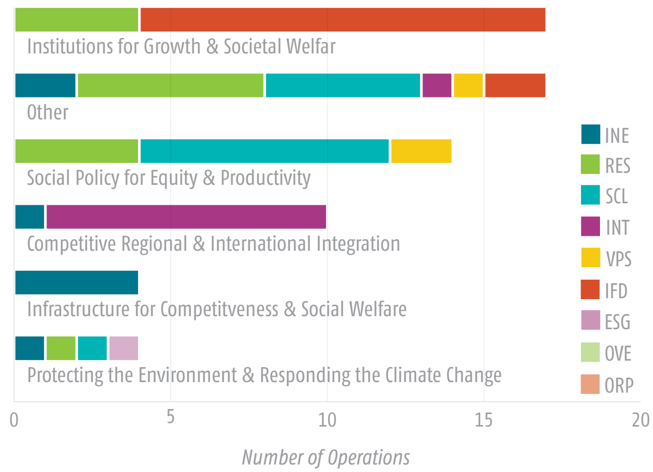
- 1% increase from 29.1 FTEs reported in 2013 Q2
- Country Strategies accounted for 37% (10.9 FTEs)
- The 29.2 FTEs are distributed as follows: CID 32%, Regional 20%, CCB 14%, CSC 14%, CAN 11% and CDH 8%
- Time reported by COF reached 60% of staff time reported to these activities, a 1 percentage point decrease from 61% in 2013 Q2[21]



3.3 Operations Pipeline Development

As of June 30, there were a total of 252 operations for **$18.6b** in the **A & B Pipelines for 2014, 2015 and 2016**

- $2.7b in Policy Based Lending
- $15.9b in SG and NSG investment operations and guarantees
- In 2013 Q2, there were 279 operations for $23.7b



ECONOMIC AND SECTOR WORK (ESW) PLAN

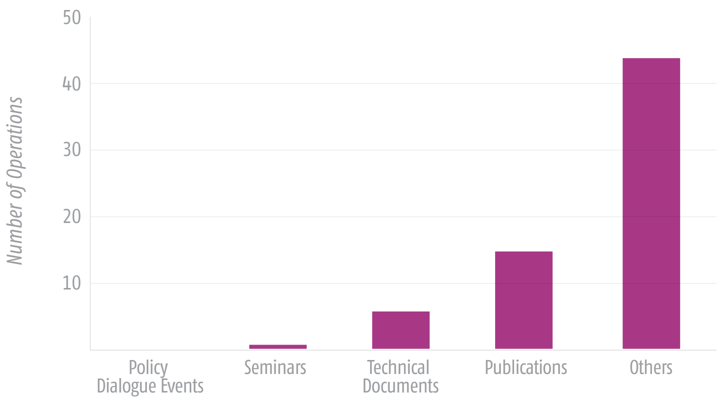
3.4 ESW products by Department and Priority Areas

The **ESW Plan**[22] contains **66 products** with **377 deliverables** projected for the year

- 43% decrease from 116 products in 2013 Q2
- 17% decrease from 455 deliverables projected for the year 2013
- 18% (66) of deliverables **completed**, 7% percentage points decrease from 25% (116) in 2013 Q2

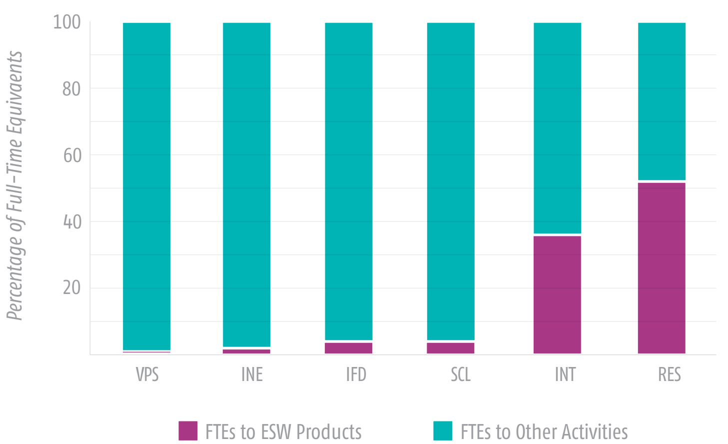
The **Corporate Input Products** (CIP) program for VPS contains **39** products concentrated mainly in INE (14), SCL (8) and KNL (6)

- 13% increase from 45 CIP products in 2013 Q2



3.5 ESW Deliverables Completed

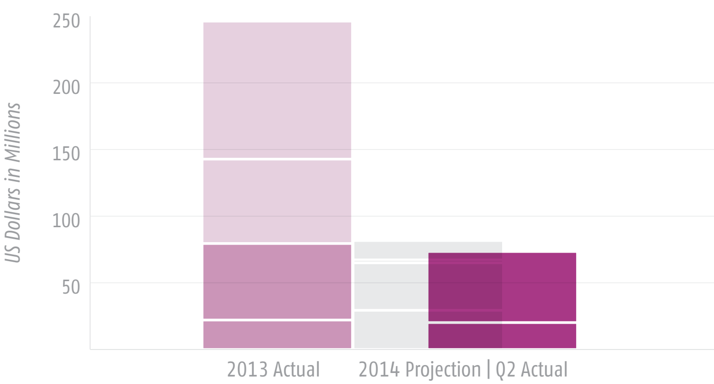
2% (1), of the 66 deliverables completed were Publications and Seminars



3.6 VPS FTEs Reported to ESW products

Percentage of total **time reported to ESW**: RES 52%, INT 36%, SCL 4%, IFD 4% and INE 2%

- VPS reported 24.3 FTEs to the ESW plan, an 8% decrease from 26.6 in 2013 Q2
- Of the 24.3 FTEs, INT reported 32%, RES 35%, SCL 10%, IFD 14% and INE 8%
- VPS Departments also reported 19.1 FTEs to CIPs of which INE reported 30%, RES 12%, SCL 12%, IFD 30%, INT 9%, and VPS 8%



3.7 VPS NPC Budget Execution to ESW

Non-Personnel Costs committed for **ESW** products: **$7.3m**

- 66% of the allocation of $11.6m for 2014
- 16% increase from $6.3m (63% of the allocation) in 2013 Q2

Non-Personnel Costs committed for **Corporate Input Products**: **$3.1m** (excluding KNL)

- 75% of the allocation of $4.2m for 2014
- 1% decrease from $3.2m (107% of allocation) in 2013 Q2

TECHNICAL COOPERATION APPROVALS

3.8 TC Program

TC approvals: **$73.6m** in **148** operations

- 92% of the volume currently projected for 2014 ($80.3m)
- 7% decrease from $79.5m in 160 operations in 2013 Q2
- Average size of TCs approved reached $497.6k, same as 2013 Q2

Project Specific Grants approvals: **$40m** in **10** operations

- 2% decrease from $41m in 6 operations in 2013 Q2

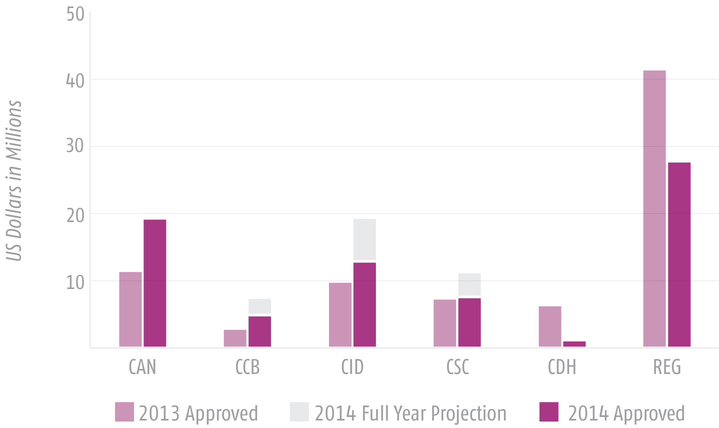
BY FUND

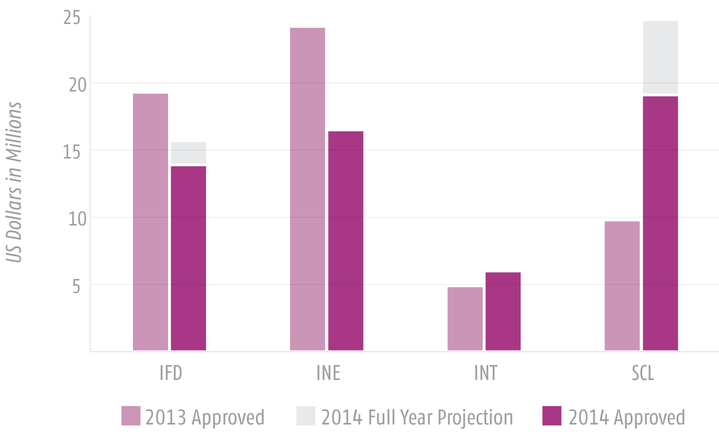
TCs financed with **Ordinary Capital (ORC)**: **$40.8m** in **92** operations

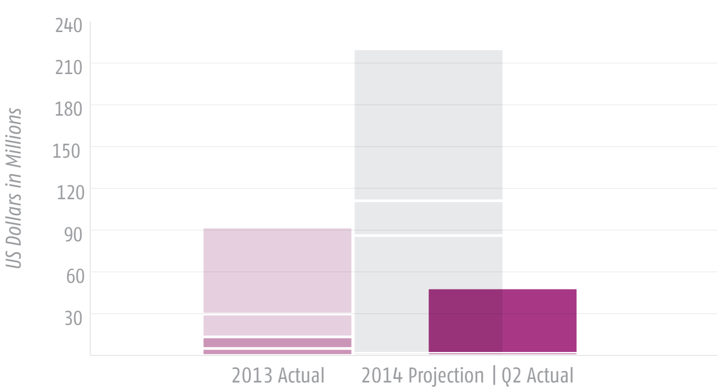
- 76% of the volume currently projected for 2014 ($54m)
- 8% increase from $37.7m in 98 operations in 2013 Q2

Donor Trust Fund TC approvals: **$32.8m** in **56** operations

- 125% of the volume currently projected for 2013 ($26.3m)
- 21% decrease from $41.8m in 62 operations in 2013 Q2







BY COUNTRY GROUP

3.9 TC Approvals by Country Group

CAN TC approvals: **$19.3m** in **31** operations

- 110% of the volume currently projected for 2014 ($17.6 m)
- 67% increase from $11.5m in 24 operations in 2013 Q2

CCB TC approvals: **$4.9m** in **15** operations

- 65% of the volume currently projected for 2014 ($7.5m)
- 31% increase from $2.9m in 13 operations in 2013 Q2

CID TC approvals: **$12.9m** in **31** operations

- 66% of the volume currently projected for 2014 ($19.4m)
- 31% increase from $9.9m in 38 operations in 2013 Q2

CSC TC approvals: **$7.6m** in **17** operations

- 67% of the volume currently projected for 2014 ($11.3m)
- 4% increase from $7.6m in 20 operations in 2013 Q2

CDH TC approvals: **$1.18m** in 3 operations

- 98% of the volume currently projected for 2014 ($1.2m)
- 82% decrease from $6.4m in 10 operations in 2013 Q2

Regional TC approvals: **$27.8m** in **51** operations

- 119% of the volume currently projected for 2014 ($23.3m)
- 33% decrease from $41.5m in 55 operations in 2013 Q2

BY DEPARTMENT

3.10 TC Approvals by Sector

IFD TC approvals: **$13.9m** in **32** operations

- 88% of the volume currently projected for 2014 ($15.7m)
- 28% decrease from $19.3m in 43 operations in 2013 Q2

INE TC approvals: **$16.5m** in **27** operations

- 105% of the volume currently projected for 2014 ($15.7m)
- 32% decrease from $24.2m in 36 operations in 2013 Q2

INT TC approvals: **$6.0m** in **9** operations

- 163% of the volume currently projected for 2014 ($3.7m)
- 21% increase from $4.9m in 9 operations in 2013 Q2

SCL TC approvals: **$19.1m** in **33** operations

- 78% of the volume currently projected for 2014 ($24.7m)
- 94% increase from $9.8m in 20 operations in 2013 Q2

INVESTMENT GRANTS

3.11 Investment Grants (IGR)

Investment Grants approvals: **$48.5m** in **5** operations

- 22% of the volume currently projected for 2014 ($220m)
- 264% increase from $13.3m in 4 operations in 2013 Q2

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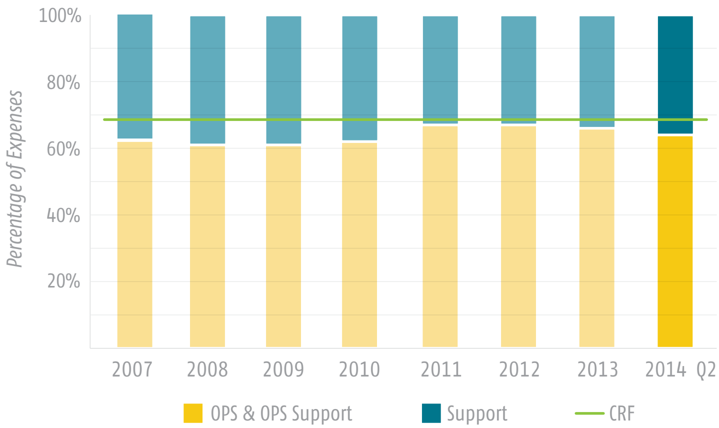
IV. RESOURCE MANAGEMENT

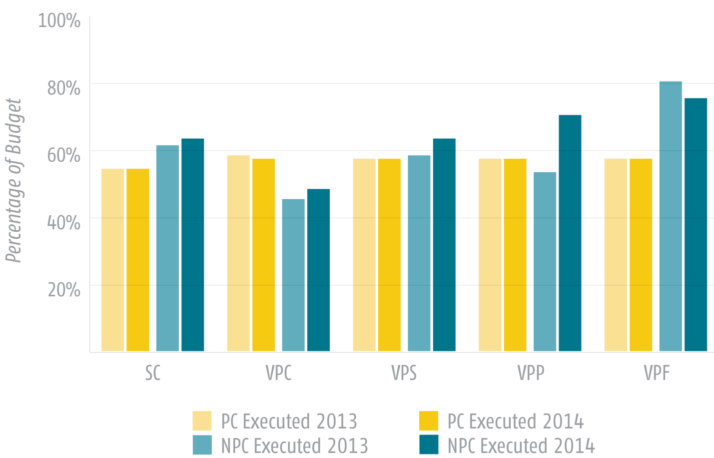


A. BUDGET AND EFFICIENCY
RESOURCES (PC, NPC AND FTES)

4.1 Percentage of Administrative Expenses in Operational Programs CRF

Budget Execution (actual plus commitments) for **Operational and Operational Support** Programs: **64%** ($188m)

- No change from 64% ($175m) in 2013 Q2
- The **CRF** target is 68% by 2015



4.2 Budget Execution for PC and NPC (Includes Initiatives)

60% of the Bank's **revised**[23] **budget** for departments and initiatives was executed or commited

- No change from 60% in 2013 Q2

Bank's **NPC** for Departments and Initiatives executed **64%** of the revised budget

- 2 percentage points increase from 62% in 2013 Q2

VPC executed **49%** of its revised **NPC** budget

- 3 percentage points increase from 46% in 2013 Q2

VPS executed **64%** of its revised **NPC** budget

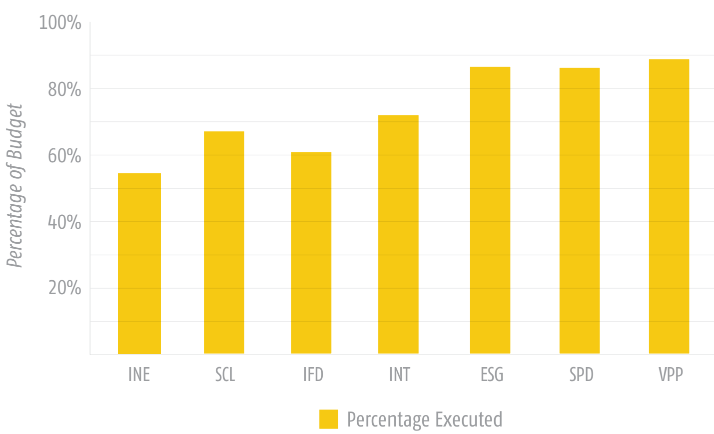
- 5 percentage point increase from 59% in 2013 Q2

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

- 17 percentage point increase from 54% in 2013 Q2

VPF executed **76%** of its revised **NPC** budget

- 5 percentage points decrease from 81% in 2013 Q2



4.3 Transactional Budget Executed as a Percent of Budget Allocated

Of the **operational transactional budget**:

79% ($26.5m) was **transferred** from VPC **to VPS**

- 81% ($25.8m) had been transferred in 2013 Q2

3% ($1,004K) was **transferred** from VPC **to SPD**

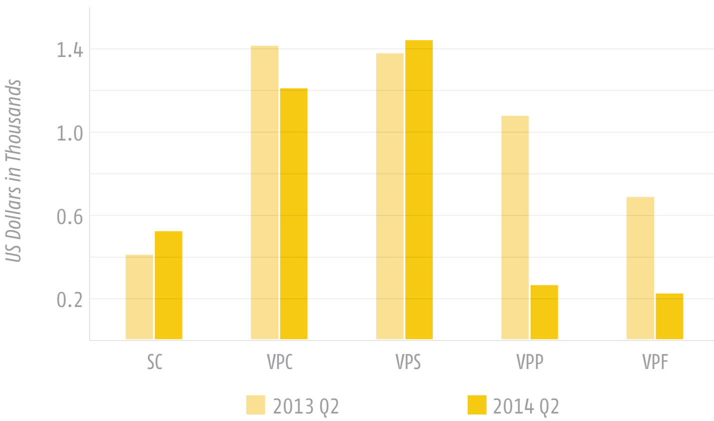
- 3% ($949K) had been transferred in 2013 Q2

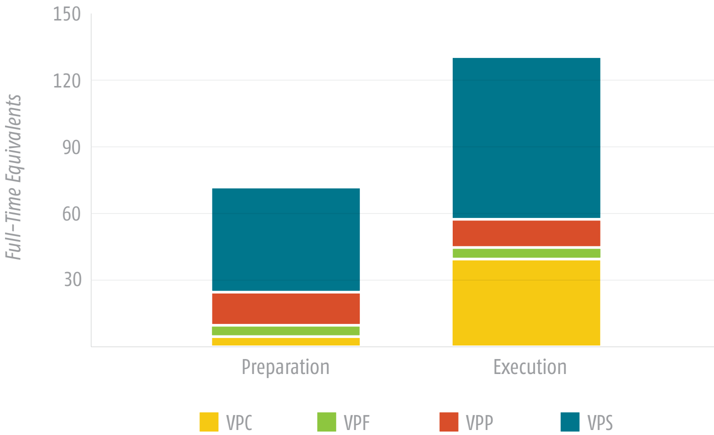
62% ($17m) of the transferred budget was executed

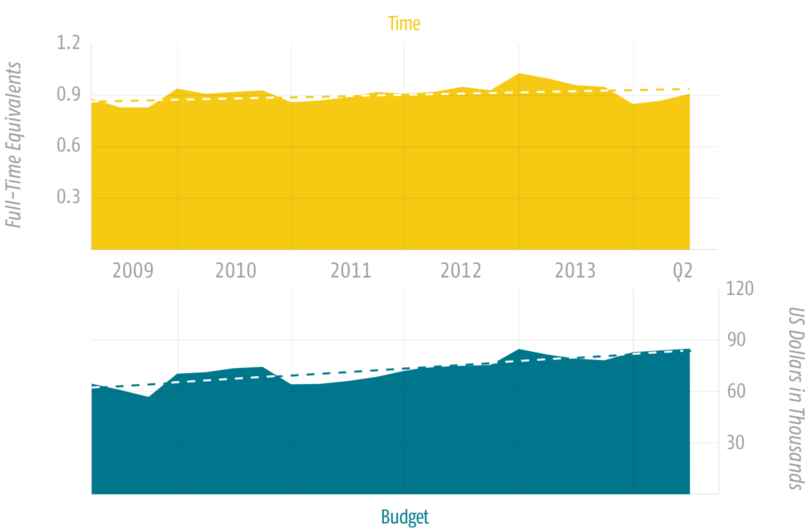
- 60% ($16.1m) had been executed in 2013 Q2

VPP has a self-contained transactional budget. Its revised budget reached **$6.8m**

- 89% ($6m) has been executed
- 54.7% ($3.5m) had been executed in 2013 Q2[24]







UNALLOCATED PERSONNEL COSTS

4.4 Personnel Cost Reported as Miscellaneous

Personnel cost under the **miscellaneous** category was **$3.7** in 2014 Q2[25]

- 26% decrease from $5m in 2013 Q2

RESOURCES FOR PROJECT PREPARATION AND SUPERVISION

4.5 Staff Time Reported to Project Preparation and Execution

Total staff time reported **to loan operations**: **202.6 FTEs** since BOY

- 1% increase from 200 FTEs in 2013 Q2

Staff time reported to **project preparation**: **72 FTEs**

- 15% increase from 62.5 FTEs in 2013 Q2

VP staff time reported to projects in **execution**: **131 FTEs**

- 5% decrease from the 137.4 FTEs in 2013 Q2

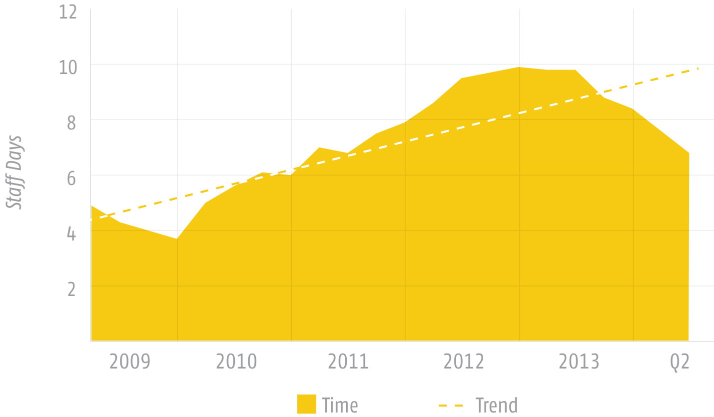
4.6 Resources for SG Project Approval

Total **staff time** reported to **project preparation** since Profile approval: **0.91 FTEs** per approved project[26]

- 6% decrease from 0.96 FTEs in 2013 Q2

Cumulative NPC per project reached an average of **$85.0K**[27]

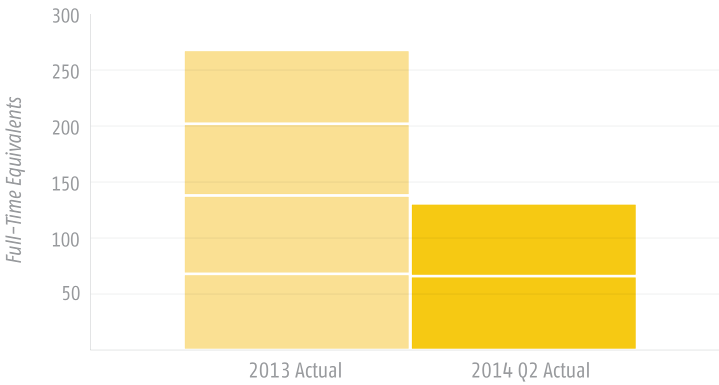
- 7% increase from $79.2K in 2013 Q2



4.7 Staff Time Reported to Project Execution per Million Disbursed

Staff time reported to SG projects in **execution per US$ million disbursed**: **6.8 days**

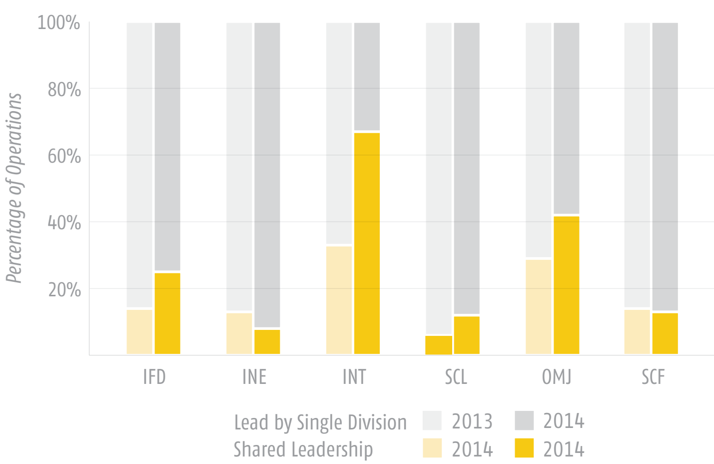
- 30% decrease from 9.8 days in 2013 Q2



Staff Time Reported to Project Execution

4.8 **Staff time** reported to projects in **execution: 131 FTEs**

- 5% decrease from 138 FTEs reported in 2013 Q2

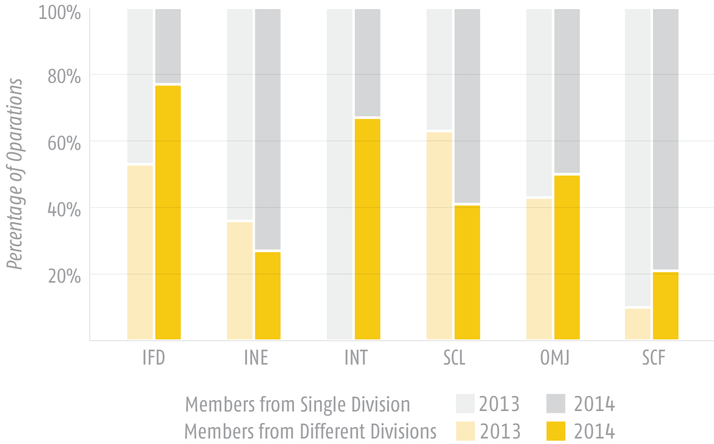


COLLABORATION

4.9 VPS & VPP Shared Inter-Divisional Leadership

Shared preparation leadership: 18% across Bank's divisions

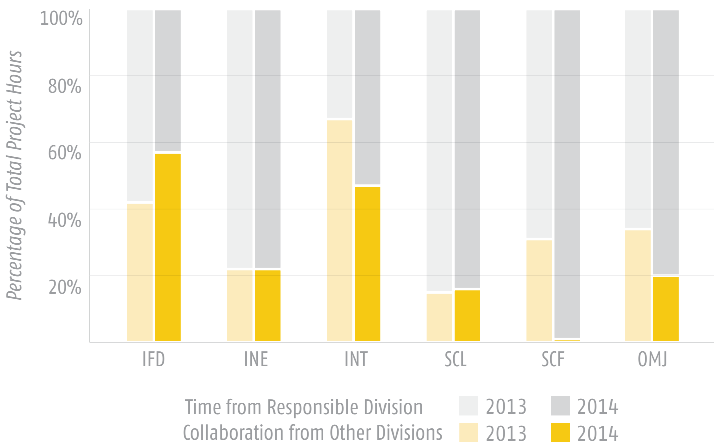
- IFD divisions shared leadership on 25% (12 ops)
- SCF divisions shared leadership on 13% (4 ops)
- INE divisions shared leadership on 8% (4 ops)
- INT divisions shared leadership on 67% (2 ops)
- OMJ divisions shared leadership on 42% (5 ops)



4.10 Multidisciplinary Team compositions (Loan Operations in Pipeline A)

Operations with registered specialists from **different Divisions as team members**: **73**

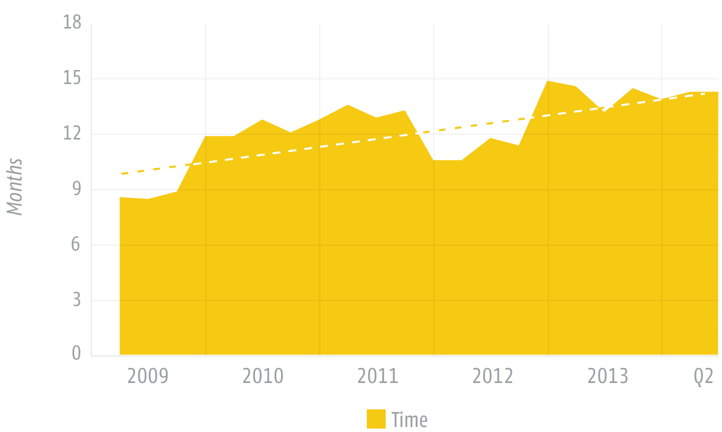
- IFD has 37 operations
- SCF has 8 operations
- INE has 49 operations
- INT has 3 operations
- OMJ has 12 operations
- SCL have 17 operations



4.11 Time Reported by Registered Team Members (Loan Operations in Pipeline A)

Time reported to loan operations **by registered team members from different Divisions**: **30%** of the time reported by all team members

- 1 percentage points increase from 29% in 2013 Q2



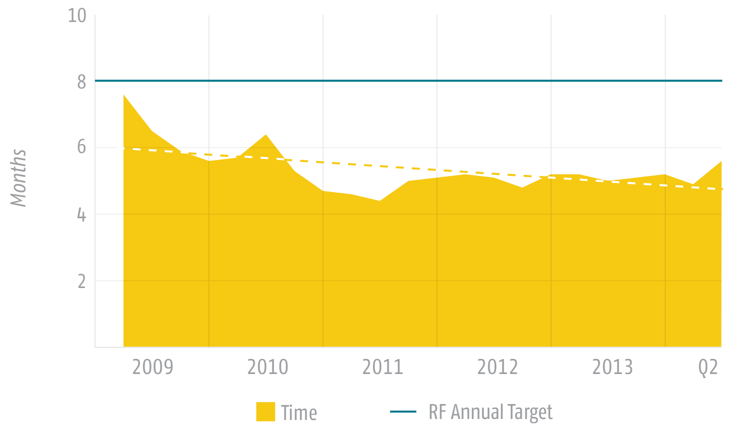
CYCLE TIMES (EFFICIENCY)

4.12 Time Elapsed from Start to Approval

Time elapsed from **Start to Approval**[28] for SG investment operations: **14.3 months**

- 8% increase from 13.2 months in 2013 Q2

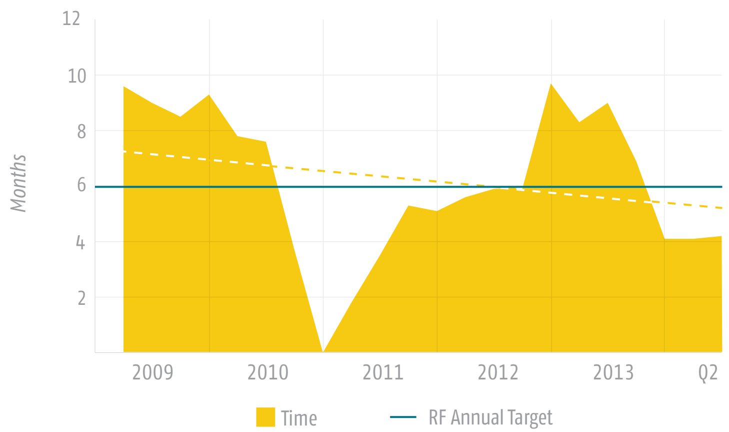
4.13 Time Elapsed from Projects Profile to Approval for SG Operations CRF



Time elapsed to prepare a project (from Profile to approval) for **SG** operations: **5.6 months**[29]

- 14% increase from 5.0 months in 2013 Q2
- The **CRF** annual target is 8 months

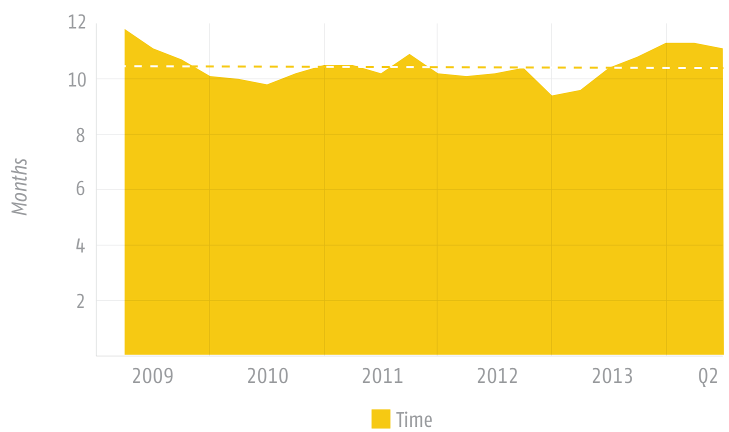
4.14 Time Elapsed from Projects Profile to Approval for NSG Operations CRF



Time elapsed to prepare a project (from Profile to approval) for **NSG** operations: **4.2 months**

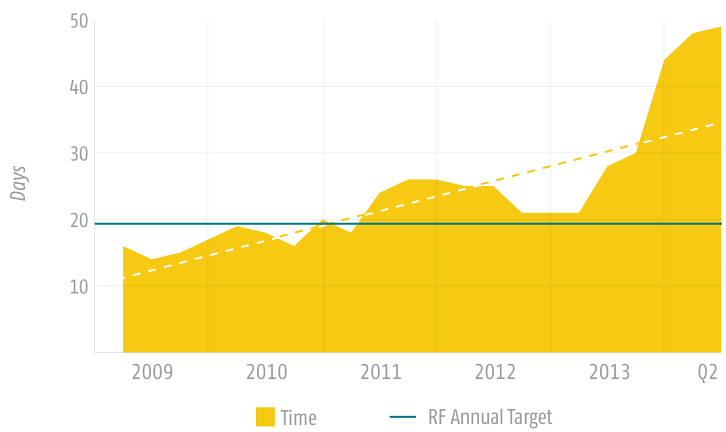
- 54% decrease from 9.0 months in 2013 Q2
- The **CRF** annual target is 6 months

4.15 Time Elapsed from Approval to Eligibility for SG Investment operations



Time elapsed from **Approval to Eligibility** for SG investment operations: **11.1 months**

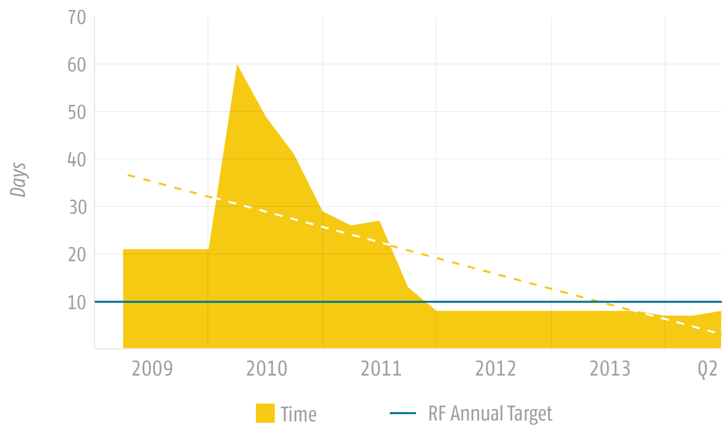
- 7% increase from 10.4 months in 2013 Q2



4.16 Time Elapsed from Eligibility to First Disbursement for SG Investment Operations CRF

Time elapsed from **eligibility to first disbursement**[30] for **SG** investment operations: **49 days**

- 75% increase from 28 days in 2013 Q2
- The **CRF** target is 19 days

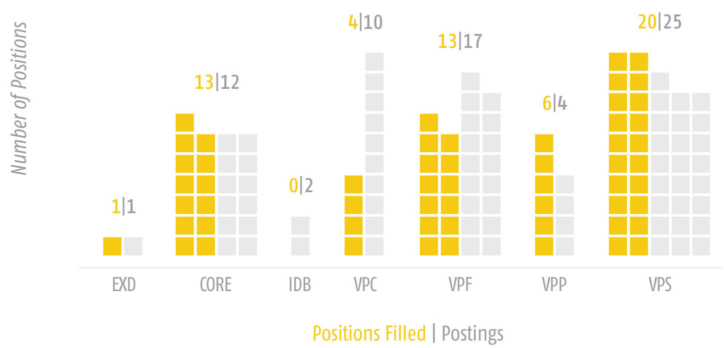


4.17 Time Elapsed from Eligibility to First Disbursement for NSG Investment Operations CRF

Time elapsed from **eligibility to first disbursement** for **NSG** investment operations which performed a first disbursement: **7 days**

- 6% decrease from 8 days in 2013 Q2
- The **CRF** target is 10 days

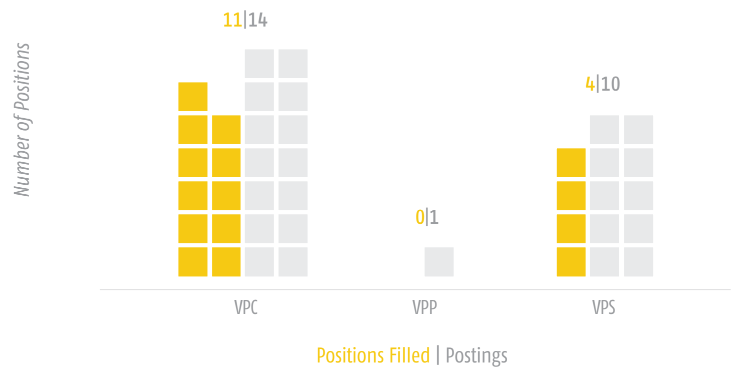
B. HUMAN RESOURCES VACANCIES AND NEW HIRES



4.18 Status Positions Posted and Filled - HQ

109 bankwide vacancies filled[31] in as of June 30

- 163 vacancies remain (includes 14 vacant positions allocated in the Central Pool – SRE/VAC)[32]
- 63 (58%) of vacancies filled were for Operational Vice-Presidencies (VPS, VPC, and VPP)
- 72 (66%) of the filled positions went to external candidates. 37 positions were filled by transfers (13 by concurso, 24 by lateral transfer). Of the 72 external hires[33], 38 (53%) were female
- VPS filled 24 posted vacancies with external candidates (35 vacancies were posted in 2013 Q2)[34]
- 13,562 candidates applied to 96 position. 158 (1.2%) applicants were invited for interviews. Of these posted positions, more than 4,170 candidates applied to the Young Professional and Diversity Young Professional Programs posted in 2014
- 71 (74%) of the positions to be filled were posted as international positions

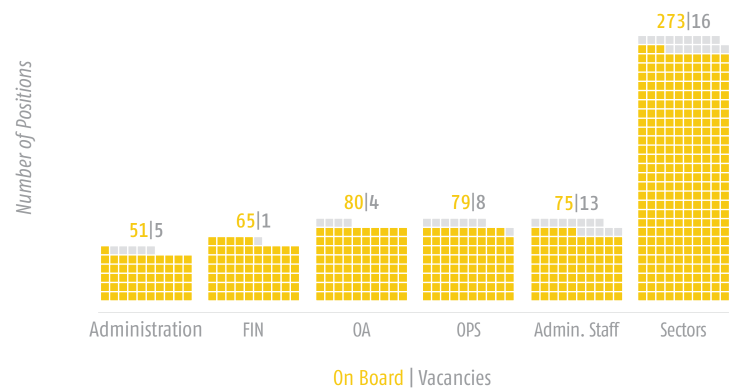


COF STRENGTHENING

4.19 Status Positions Posted and Filled - COF

Net number of **professional**[35] **staff** on-board in COFs: 556, a **decrease of 9** positions over 2013 Q4

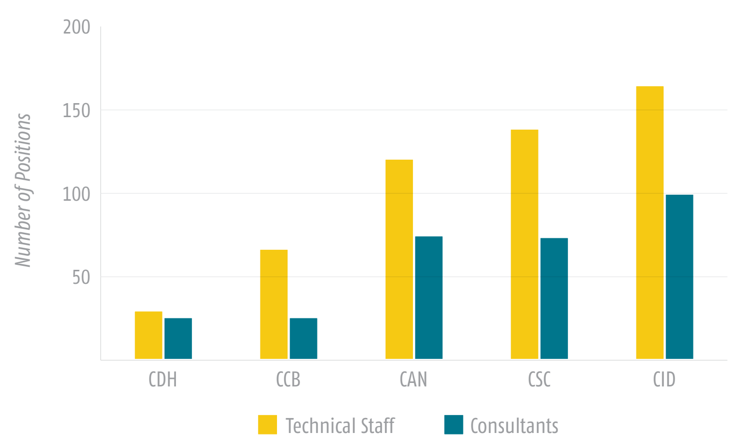
- VPC professional staff on board in COF decreased by 2, VPS decreased by 1, VPP decreased by 1, VPF decreased by 1 and CORE decreased by 4
- Of the 10 external hires of professionals in COF, 2 were national professionals and 8 were international
- Local professional staff in COFs decreased by 4



4.20 Country Office Staff Composition

12 (30%) **VPS** professional **vacancies** as of June 30, 2014 are **assigned to COFs**

- 39% of professional staff on-board in VPS is in COFs
- 35% of VPS professional staff on-board in COFs is local
- 4 (13%) of 27 vacant positions in VPC/COF are for Operations Analysts (local professionals – Grades 9 to 6), while 18 are for professional staff



COMPLEMENTARY WORKFORCE

4.21 Number of Professional Staff and Consultants (Excluding Firms)

There are 301 active **consultants in COFs** with contracts over 150 days

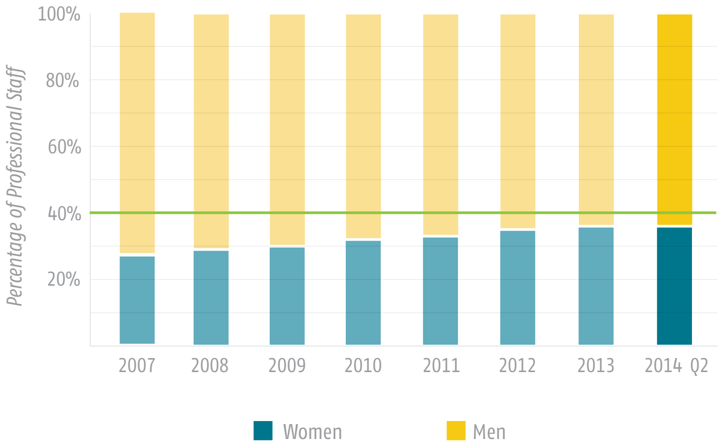
- Equivalent to 267 **FTEs**
- 18% increase from 255 (equivalent to 207 **FTEs**) in 2013 Q2

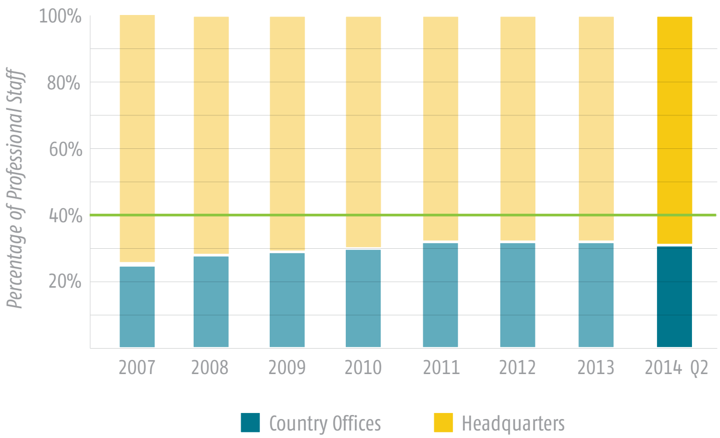
There are 33 active professional **contractors** (working from firms) **in COFs**

- 20% decrease from 41 in 2013 Q2
- Additionally there are 121 Tata contractors

There are 558 active **DTCs** on-board across the **Bank**

- 61% increase from 347 in 2013 Q2
- 528 are located in HQ and 30 in COFs





EXECUTIVE AND MANAGERIAL WOMEN

4.22 Percentage of Professional and Executive Staff Who are Women, Grade 4 and Above CRF

Women in **grades 4 and above**: **36%**

- No change from 36% in 2013 Q4
- The **CRF** target is 40% by 2015

Women in executive and representative positions: **34%**

- 2 percentage points increase from 32% in 2013
- The **CRF** target is 38% by 2015

STAFF COMPOSITION

4.23 Percentage of Professional Staff Based in COF CRF

Professional Staff in COF: **31%**

- 1 percentage point decrease from 32% in 2013
- 9 percentage points increase from 23% in 2006
- The **CRF** target is 40% by 2015[36]

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

- 1 percentage point increase from 40% in 2013
- 7 percentage points increase from 34% in 2006

Staff from C&D countries: **40%** of staff from all borrowing countries

- 1 percentage point decrease from 41% in 2013

Staff from borrowing countries: **66%** of all staff

- 1 percentage point decrease from 67% in 2013

Staff with Doctorate degrees:

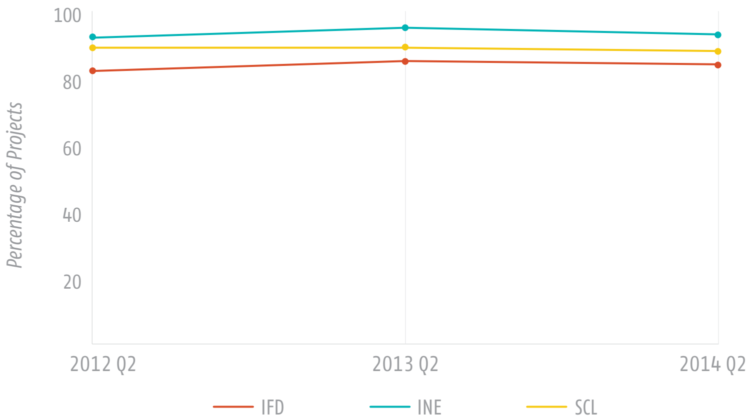
- 23% of the Executive level
- 28% of the Management level
- 16% of the Technical level

Of these Staff holding a PhD:

- 57% have an academic background from US & Canada
- 16% from borrowing countries
- 26% from Non-regional countries

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

- 22% have less than 3 years of service
- 35% have 3 to 10 years of service
- 29% have 10 to 20 years of service
- 14% have 20 years of service or more

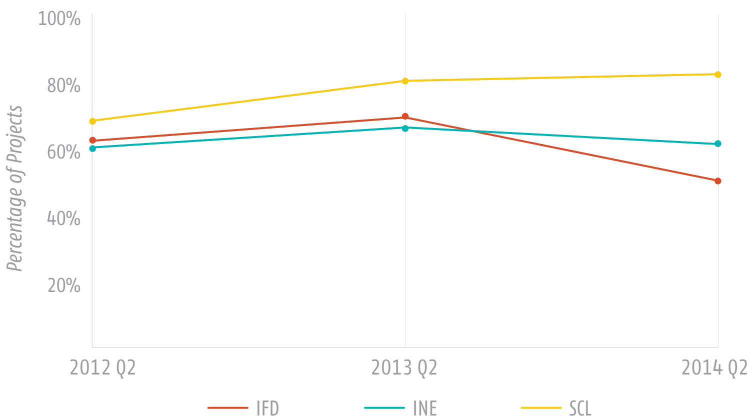


TEAM LEADERS IN COFS

4.24 Projects in Portfolio

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

- 2percentage points decrease from 90% registered in 2013 Q2
- By Region the levels are: CSC 96%, CAN 87%, CDH 82%, CID 87% and CCB 68%



4.25 Projects in Preparation

59% of **Team Leaders** for projects in preparation[37] are located **in COFs**

- 10 percentage points decrease from 63% registered in 2013 Q2
- By Region the levels are: CSC 80%, CDH 43%, CID 54%, CAN 50% and CCB 40%

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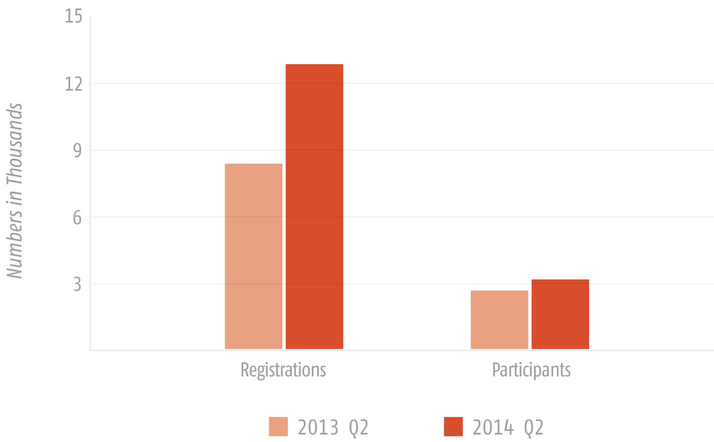
V. KNOWLEDGE & LEARNING

A. PROGRAM EXECUTION: TRAINING AND KNOWLEDGE SHARING
LEARNING ACTIVITIES - INTERNAL CLIENTS

5.1 Registrations & Participants Enrolled in KNL Activities

At the end of 2014 Q2 3,247 unique participants enrolled in at least one learning program

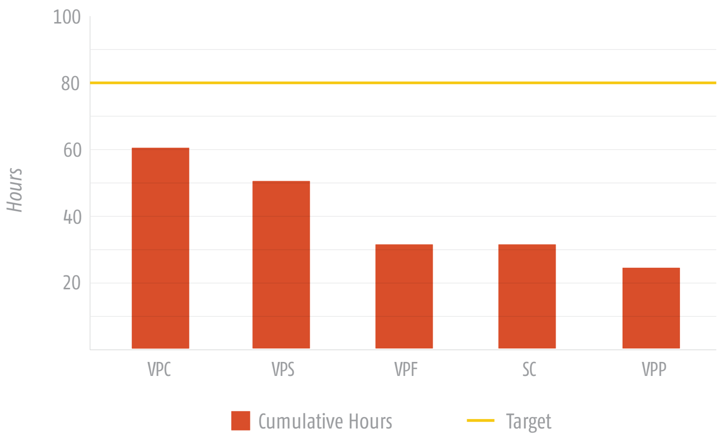
- 18% increase from 2,751participants at the beginning of 2013 Q2
- 12,923 registrations and 123,232 participant hours where reported in the KNL System.



5.2 Average KNL Hours per Participant

Bankwide, average of labor hours reported to K&L activities was 40 hours

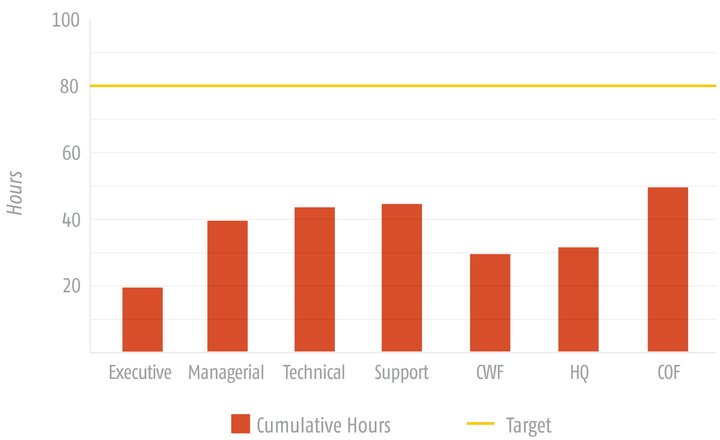
- The Bank's staff members reported an average of 3.1 day per FTE as training (REGT)
- Of these, 91% (2.8 days) were reported to KNL products.
- The target for the EOY is 80 hours.

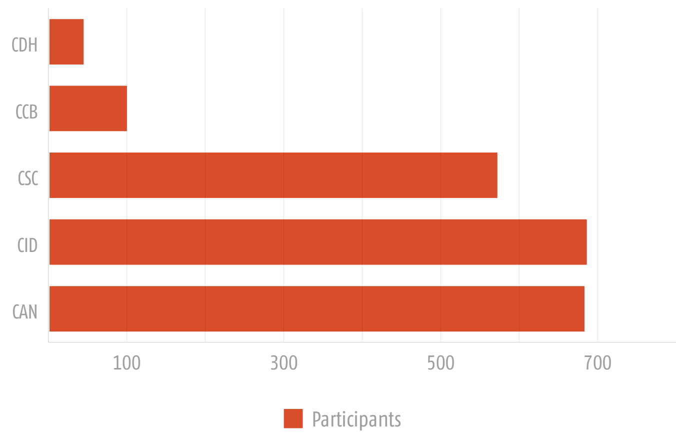


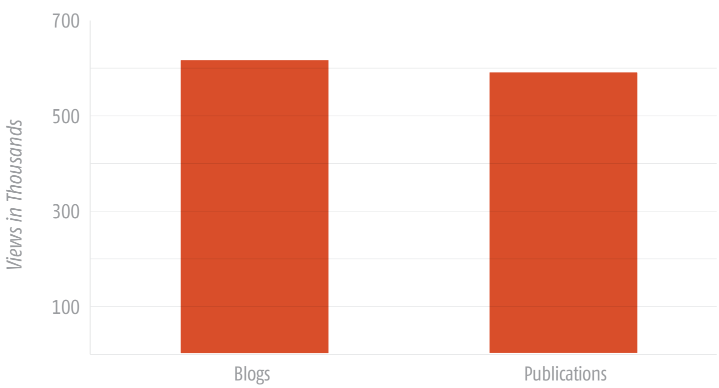
5.3 Average Training Hours per Participant

Bankwide, average of labor hours reported to training activities was 37 hours

- The Bank's staff members reported an average of 3.1 day per FTE as training (REGT)
- Of these, **91% (2.8 days)** were reported to KNL products.







EVALUATION

KNL evaluated 69 internal events with end-of-event satisfaction surveys

- The average response rate was 66% and the average utility rate[38], 85%.
- The average composite Quality Index[39] was 4.2 based on a five point scale.

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

- 76% response rate and a result that suggests that 87% of the participants had applied the knowledge gained

CAPACITY BUILDING ACTIVITIES - EXTERNAL CLIENTS

5.4 External Client Participation in KNL Activities

2,625 registered participants from the region received 139,265 hours of training

- 60% increase when compared to 2013 Q2
- 90% of the hours were delivered through online courses while 10% were face-to-face events.

B. PROGRAM EXECUTION: DISSEMINATION & COMMUNICATION EVALUATION ACTIVITIES FOR EXTERNAL CLIENTS

5.5 Number of Views per Dissemination Tool

A total of **6,949 IDB Knowledge products were available in BRIK**

- Total visits to these publications were 593,993, yielding an average of 85.4 visits per publication
- By mid-year, KNL produced four technical notes for sector framework documents on Support to SMEs and Financial Access/Supervision; Water and Sanitation; Social Protection, Tourism and supported the documentation of lessons learned for the Citizen Security and Food Security Sector Frameworks

A the end of 2014 Q2 there were **24 Blogs**

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

C. BUDGET PROGRAMMING & EXECUTION

- Following an RBB approach, KNL reviewed and reassigned $0.5m after the mid-year programming and execution review.
- Of the total resources assigned to the K&L Fund ($7.7m and Info fund ($1,2m), 70% were programed and 37% executed.

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
CRF	Corporate Results Framework
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
FTEs	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
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
TTFFP	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

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1. Disbursement projections are as of February 28th, 2014
2. Program figures include OC, FSO, GRF and CTF
3. Approvals projections are as of February 28th, 2014
4. “Multiple booked” operations refer to operations credited to more than one Division
5. The ESW Plan refers only to products financed by the administrative budget from VPS.
6. Disbursement projections are as of February 28th, 2014
7. Disbursements from investment operations active at the beginning of 2014
8. Disbursements from FSO and IDB Grant Facility operations active at the beginning of 2014
9. Net Loan Flow is disbursement minus principal collections.
10. Includes operations financed by IDB Grant Facility
11. Excludes operations pending ratification.
12. The average time from approval to June 30, 2014 pending eligibility is 11.2 months, the median is 8 months.
13. Projects that have not reached eligibility
14. PBLs, PBPs, HIB, SUP, and PDLs operations report physical and/or financial progress, but do not classify performance.
15. All PCRs required to be approved by June 30, 2014
16. Approvals projections are as of February 28th, 2013
17. Approved Budget 2014. Includes ORC, FSO, and GRF.
18. Evaluability or the extent to which an activity or program can be evaluated in a reliable credible fashion, is the basis for assessing compliance with evaluation standards set forth in the DEF. The evaluability categories changed for 2014.
19. For 2014 there was a change in the evaluability categories. Highly Evaluable projects must have a score of 9 or more in 2014 versus 7 or more in 2013. Evaluable projects are projects with evaluability scores between 7 and 9 in 2014 versus between 6 and 7 in 2013.
20. Approved by the Programming Committee of the Board (CPD) on December 16th 2013.
21. Time reported by all Vice-presidencies
22. The ESW Plan refers only to products financed by the administrative budget from VPS.
23. The Revised Budget incorporates transfers (in and out) made to the original approved budget.
24. Budget Execution – Actual plus commitments
25. Unallocated Personnel Costs are the result of staff not reporting their time into the Time and Labor System. The equivalent cost from the missing staff time is reported as a Miscellaneous Cost. Ideally, this cost should be zero. Measurement based on registered Start date
26. Moving average of four last quarters
27. Moving average of four last quarters
28. Measurement based on registered Start date
29. Note that the methodology has been fine tuned to better reflect the trend
30. Only operations which actually disbursed.
31. Filled with external and internal candidates. Includes postings with closing date in 2014 and hires in 2014 from postings with closing date in 2013.
32. Board approved Positions: 144 remain vacant
33. Includes 7 Young Professionals.
34. The number of vacancies filled may be greater than posted positions. The main reasons are delays in effective hiring dates and changes in contract type.
35. Professional Staff: Grades 9 and above (Bankwide)
36. Management reviewed the way this target is measured and has concluded that the indicator does not fully reflect the Bank´s level of direct interface with, and support to, country counterparts. In addition, given high levels of client satisfaction and operational performance –which are the ultimate goals of decentralization- it does not appear cost-effective continuing to work towards the achievement of the 40% target. Management will ask the Board to reconsider the original metric as part of the update to the institutional strategy and the new CRF proposal (GN-2679-2)
37. Projects in Pipeline A as of February 28th, 2014
38. Percentage who answered 4 or 5 out of all respondents (on a 1-5 scale)
39. A weighted Index based on the ratings for the Content, Methodology, Materials and Instructor for each event.

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