Annual Report 2025

The Year in Review

INTER-AMERICAN DEVELOPMENT BANK

IDB

FINANCIAL SUMMARY, 2021–2025

The information presented below is based on data from the Information Statement.

Ordinary Capital

(in millions of U.S. dollars)	2025	2024	2023	2022	2021
Operational Highlights					
Approved developmental assets[a]	17,424	11,890	12,515	14,650	14,535
Undisbursed portion of approved developmental assets	36,552	32,092	30,369	31,296	30,018
Gross disbursements of developmental assets	10,955	9,004	11,087	11,978	12,512
Net disbursements of developmental assets[b]	291	1,250	2,891	5,005	5,162
Balance Sheet Data					
Investments, after swaps[c]	37,178	35,953	32,421	32,507	38,653
Developmental assets					
Loans outstanding[d]	117,830	115,890	116,239	112,761	108,943
Debt securities	494	632	836	703	435
Allowance for credit losses	905	803	827	801	449
Total assets	160,961	155,368	152,019	148,026	151,752
Borrowings outstanding, after swaps	118,644	117,023	113,358	112,084	114,410
Equity	41,655	40,390	38,846	37,873	35,086
Income Statement Data					
Operating Income	967	1,008	1,207	317	812
Net fair-value adjustments on non-trading portfolio and foreign currency transactions[e]	617	281	(101)	1,279	402
Other components of net pension-benefit costs	221	166	213	18	(37)
Board of Governors-approved transfers	(164)	(159)	(140)	(172)	(92)
Net income	1,641	1,296	1,179	1,442	1,085
Comprehensive income (loss)	1,247	1,704	1,038	2,954	1,563
Ratios					
Total debt[f]-to-equity[g] ratio	3.0	3.1	3.0	3.1	3.3
Cost-to-development assets[h]	0.75%	0.77%	0.78%	0.82%	0.82%

[a] Non-sovereign-guaranteed activities were originated by IDB Invest and co-financed by the Bank and IDB Invest until December 31, 2022.
[b] Includes gross loan disbursements, less loan-principal repayments (and prepayments) and collection of debt securities.
[c] Includes accrued interest.
[d] Includes deferred loan-origination fees and costs of $83 million, as of December 2025 (2024–$78 million; 2023–$72 million; 2022–$64 million; 2021–$57 million). Excludes interest rate and foreign-currency swaps in a net-asset position of $1,828 million in 2025 (2024–net asset of $3,588 million; 2023–net asset of $2,082 million; 2022–net asset of $3,321 million; 2021–net asset of $782 million).
[e] Unrealized gains or losses in the net fair-value adjustments on non-trading portfolios gradually tend to zero as the related financial instruments' maturity approaches and their fair values converge with their amortized costs.
[f] Borrowings (after swaps) and guarantee exposure
[g] "Total equity" is defined as paid-in capital stock and additional paid-in capital, net of capital subscriptions receivable, less receivable from members, plus retained earnings, minus borrowing countries' local-currency cash balances and accumulated other comprehensive income (non-GAAP measure).
[h] Four-year rolling average of administrative expenses, divided by the four-year rolling average of developmental assets and the resources administered on behalf of donors

Letter of Transmittal

As required by the by-laws of the Inter-American Development Bank, the Board of Executive Directors hereby submits to the Board of Governors the Annual Report of the Bank for 2025. The Annual Report consists of a volume titled "The Year in Review," containing a review of the Bank's operations (loans, guarantees, and grants). A second volume in English and Spanish contains, in addition, the full set of the financial statements of the Bank's resources.

March 6, 2026

A Partner for

LATIN AMERICA AND THE CARIBBEAN

Devoted to improving lives in Latin America and the Caribbean, the Inter-American Development Bank Group (IDB Group) comprises the IDB, IDB Invest (the commercial name for the Inter-American Investment Corporation, IIC), and IDB Lab (the commercial name for the Multilateral Investment Fund, which is administered by the IDB).

Founded in 1959, the IDB is the world's oldest and largest regional, multilateral development bank. Working with the public sector and enabling the private sector, it serves as the main source of multilateral financing for economic, social, and institutional development in the region.

The mission of IDB Invest is to promote economic development in the region through the private sector. It supports private-sector enterprises through loans, equity investments, and guarantees. IDB Invest also partners with clients to provide advisory and training services.

IDB Lab is the Group's innovation and venture capital arm. It supports entrepreneurship and new technologies by providing financing, knowledge, and connections to drive market-led solutions for development challenges.

The IDB's financial resources come from its 48 member countries and from borrowing in financial markets, trust funds that it administers, and co-financing ventures. Its debt rating is AAA, the highest available.

The IDB Group is headquartered in Washington, D.C., and has offices in its 26 borrowing member countries in Latin America and the Caribbean, as well as in Madrid and Tokyo.

IDB MEMBER COUNTRIES

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

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The independently audited Financial Statements of the Bank and "Information Statement – Management's Discussion and Analysis: Ordinary Capital" are available at www.iadb.org/en/idb-finance/financial-statements.

MESSAGE FROM THE PRESIDENT

The year 2025 was a remarkable one for the IDB Group. We delivered record financing while implementing transformational reforms that are improving the quality of our projects and processes and amplifying our impact across Latin America and the Caribbean. This combination of record scale and institutional transformation is the key to unlocking the region's full potential and improving lives.

While this report focuses on the IDB, the reality is that the IDB, IDB Invest, and IDB Lab are working together as an IDB Group like never before. The region needs a thriving private sector to develop faster, and that requires the right conditions for investment, job creation, and innovation. Our job is to help governments create those conditions.

I'd like to highlight three key achievements that show how we're delivering better results for the region.

Record Financing and More Operations

First, **we surpassed $35 billion in total IDB Group financing, including mobilization — a new record, more than 50% higher than three years ago**, delivering on our goal of scale. This includes nearly $20 billion in lending to governments, with a record $11 billion in investment loans that support infrastructure, education, health, and other critical areas. We also approved 100 public-sector operations, the most since 2019. **On the private-sector side, we delivered more than $13 billion — our highest-ever level.**

Implementing Our Reform Agenda

Second, **we moved fully into the implementation phase of IDBImpact+**, our three Group-wide transformational changes. This includes a new institutional strategy, a new "originate-to-share" business model for IDB Invest — backed by a $3.5 billion capital increase — and a $400 million replenishment and a more sustainable business model for IDB Lab.

We're well on our way to completing all reforms in our institutional strategy, IDBStrategy+, with two important ones still ahead: strengthening policy-based loans that help countries improve their institutions and create better business environments, and designing a new framework to better serve the region's most vulnerable communities.

Last year meant that we moved fully from vision to action in implementing our reforms.

Delivering Real Impact

Third, **we are delivering on our goal of greater impact**. We are embedding reforms to improve the quality of our projects and processes, and as a result, their development outcomes. This is producing measurable results. By year's end, two-thirds of our impact indicators were already on track.

Our projects are **improving millions of lives**. Our assessment of recent projects shows that 34 million people gained access to quality health and nutrition services, 2.6 million connected to broadband for the first time, 3.3 million small businesses received support, and 900,000 farmers benefited from improved agricultural services.

Independent evaluations show quality is rising. Sixty-three percent of completed IDB projects received positive ratings in last year's evaluation — up 16 percentage points from the previous year. For IDB Invest, the figure was 68%.

We're also making our flagship regional programs — Amazonia Forever, ONE Caribbean, América en el Centro, and South Connection — more central to our work. More than half of this year's operations supported these initiatives. New programs, such as Ready and Resilient Americas and the Alliance for Security, Justice, and Development, are already generating projects.

Finally, our financial innovation is unlocking billions more, with tools like originate-to-share deals, debt swaps, resilient debt clauses, and other innovative initiatives.

Looking Ahead

We still have much work to do. This year's report includes a new section on lessons learned and challenges we will need to address, as we strive to deliver greater impact on a larger scale.

Our reforms and initiatives are showing results because of our employees, our Boards of Executive Directors, and our Governors, whose dedication and ideas helped us raise our ambitions and execute a bold agenda.

To all of them, I am grateful. They helped us do more for the region we serve — and do it better — with great momentum for 2026.

Warm regards,

Ilan Goldfajn
President
Inter-American Development Bank

EXECUTIVE DIRECTORS

The IDB's shareholders — its 48 member countries — are represented by the Board of Governors, the highest decision-making body of the Bank. The Governors delegate many of their powers to the Board of Executive Directors, whose 14 members they elect or appoint for three-year terms. Directors for the United States and Canada represent their own countries; all others represent groups of countries. The Board of Executive Directors also includes 14 Alternates, who have full power to act when their principals are absent.

The Board of Executive Directors is responsible for day-to-day oversight of the Bank's operations. It establishes the institution's policies, approves projects, sets interest rates for Bank loans, authorizes borrowings in capital markets, and approves the institution's administrative budget. The work of the Board of Executive Directors is guided by the Regulations of the Board of Executive Directors and the Code of Ethics for Executive Directors. The agendas and minutes of the meetings of the Board of Executive Directors and its standing committees are public documents.

Top row, left to right: EXD Carlos Javier Charotti Ramírez (Paraguay); EXD Miguel Braun (Argentina); EXD Jeffrey Kyle Baker (United States); EXD Frank Fass-Metz (Germany); EXD Paulo Corrêa (Brazil); EXD Fernando Jiménez-Ontiveros Diego (Spain); Alt EXD Alberto Cogliati (Italy); Alt EXD Ernesto Alejandro Selman Mejía (Dominican Republic); Alt EXD David Hewitt (Canada); EXD Erick José Limas Maldonado (Mexico)

Front row, left to right: Alt EXD Quinton Charles Lamont Lightbourne (The Bahamas); Alt EXD Xiomara Salomé Martínez Ascencio (El Salvador); Alt EXD Hiroyuki Tsuruno (Japan); Alt EXD Roberto Izurieta (Ecuador); EXD Karen Cis (Honduras); EXD Carlos Álvarez (Chile); Alt EXD Marta Viegas (Brazil); Alt EXD Christina Anna Koelldorfer (Austria); Alt EXD Juan Francisco Alemán (Panama); EXD Caroline Leclerc (Canada); EXD Takashi Hanajiri (Japan); EXD Navita Anganu (Guyana)

Not shown: Alt EXD Nicolás Camauer (Argentina); EXD Roy Alejandro Barreras Cortés (Colombia); Alt EXD Alex Alonso Contreras Miranda (Peru); Alt EXD Luis Alberto Porto Rizzo (Uruguay); EXD Gustavo Tarre Briceño (Venezuela)

EXECUTIVE SUMMARY

The 2025 Annual Report provides a summary of the year's activities, achievements, and ambitious reforms at the IDB, while also providing selected highlights from IDB Invest and IDB Lab, the other two members of the IDB Group.

The report presents a snapshot of 12 dynamic months that were defined by a record scale of overall financing and other milestones for public- and private-sector work; the transition from design to full implementation of wide-ranging reforms; and a strong focus on improving the quality and impact of operations. Doing so ensures that a new level of scale is accompanied by a new level of results for the economic, social, and institutional development of Latin America and the Caribbean – benefiting, by extension, the world.

Scale and Impact: IDB Group Operations

Overall IDB Group financing, including mobilization, reached **a record high of approximately $35 billion**.

The IDB approved **100 operations, the highest volume since 2019**, for up to approximately $17.9 billion. They ranged from investments in transportation, water and sanitation, and energy, to financing for health, education, institutional modernization, and market development. The Bank **disbursed nearly $11 billion** in sovereign-guaranteed loans during the year.

IDB Invest delivered **a record $13.1 billion in commitments**, while IDB Lab financed projects totaling $110.6 million.

The expansion of financing was accompanied by continuous work to boost impact, driven by IDBImpact+ transformations. At the end of 2025, **about two-thirds of the IDB's Impact Framework indicators were on track**, including better development results at project completion. Assessments of recent projects revealed tangible results for millions of people throughout the region.

IDBImpact+, Deep into the Implementation Phase: From Vision to Action

By the end of 2025, the IDB Group was **well on its way to completing all reforms** outlined in the institutional strategy, IDBStrategy+. Approved reforms began to improve impact orientation, financial instruments and mobilization, Group-wide synergies, and other areas of planning, capacity, and effectiveness.

COSTA RICA: The IDB is financing expanded coverage and improved quality of water and sanitation services, with health and environmental benefits for the capital as well as towns and rural areas.

Reforms to boost the quality of IDB projects were **embedded at the operational level**, with improved dialogue and pipeline-management tools; enhanced focus on quality in project preparation; updated and digitized tools and systems; steps to close the feedback loop in operational learning; enhanced risk management; and accelerated results-based execution.

Management and the IDB Board were finalizing a Unified Investment Policy to merge existing investment instruments into one flexible framework, while discussions on reforming policy-based lending and the use of concessional resources were also in advanced stages. A framework was also being developed to strengthen procurement in IDB-financed projects.

The year also featured milestones for IDBInvest+ and IDBLab+ transformations. IDB Invest's $3.5 billion capital increase was **subscribed or committed to by 41 countries, representing 89.76% of the new shares**. Its originate-to-share business model and bolder approach to risk management is already resulting in greater scale and impact, while safeguarding financial sustainability. At IDB Lab, **the threshold for the MIF IV replenishment cycle was activated**, and rollout of the new business model began, with a focus on boosting sustainability, scale, and client relevance.

Driving Innovation Through New and Existing Programs and Initiatives

The IDB Group's four flagship programs further incorporated a regional approach into its core business in 2025. **Amazonia Forever**'s portfolio grew from $3.3 billion to $5 billion, and the IDB issued its first-ever Amazonia Bond. **América en el Centro** entered its first full year of implementation. **ONE Caribbean** drove a pipeline of critical projects and initiatives. The new **South Connection** program quickly began building physical and digital corridors to make South America more competitive.

The IDB Group also expanded thematic initiatives and launched new ones. **IDB Cares** seeks to improve the region's care industry, and its first loan was approved in 2025. **Ready and Resilient Americas** has begun to help countries better manage natural disasters. The **Alliance for Security, Justice, and Development** has quickly become a leading regional platform against organized crime.

The IDB Group also laid the groundwork for **LAC Minerals**, which will consolidate its leadership as the region's leading multilateral partner for the responsible and value-added development of critical-mineral ecosystems.

During the year, the Group also solidified its reputation as a **pioneer in financial innovation**, expanding cutting-edge tools to increase access to financing and crowd-in private investment. Highlights included launch of the Financial Instruments for Ready and Resilient Americas (FIRRe) initiative, the Regional Disaster-Risk Transfer Program, the next generation of debt swaps, and the new IDB for Cities and Regions initiative.

The IDB began designing a platform to mitigate foreign-exchange risk, which could mobilize billions of dollars for development in the region. The Bank also worked on innovative initiatives to connect global capital markets with high-impact development projects.

The IDB Group in a Changing World

In 2025, the IDB continued to position Latin America and the Caribbean in the international arena by forging global connections, unlocking resources, and amplifying the region's voice – including its role as **part of the solution to global challenges**.

Working with **fellow multilateral development banks (MDBs)**, the Bank reaffirmed private-capital mobilization as a system-wide priority and took concrete steps to expand local-currency lending and FX solutions and strengthen risk assessment for private-sector investment. The IDB also played a leading role in advancing dialogue between MDBs and credit-rating agencies.

The IDB Group **advanced strategic partnerships and embarked upon new ones**. Highlights include the new Korea Package, the $1 billion Japanese TADAC Trust Fund with IDB Invest, and agreements with Gulf partners. A highlight of the IDB Group's leadership in international fora included COP30, with the announcement of $6 billion to help close financing gaps for resilience and sustainable development.

The Bank again demonstrated its role during the year as **the region's partner of choice for OECD-aligned reforms**. The IDB Group is also continuing its longstanding support for borrowing member countries' trade and investment agendas, including through the EU-Mercosur trade agreement.

People and Culture

The IDB Group made significant progress implementing its People Strategy, advancing in five key areas: culture of impact, meritocracy, and trust; total rewards; talent management and leadership development; employment modalities; and human resources (HR) processes.

Meritocracy remains central, and 100% of executive-level and Country Representative positions were filled through open competition. The Group's new talent acquisition process was launched, the Culture Declaration was finalized, and progress was made to modernize compensation, enhance staff mobility, and build a future-ready workforce. New, more robust Codes of Ethics and Professional Conduct for the IDB and IDB Invest were also released.

The Bank's leadership also took decisive steps to **strengthen governance** in 2025. Approved actions include new regulations for the Secretary and criteria and a process for the mutual assessment of the performance of the President and the Board.

Challenges and Lessons Learned

While 2025 was a year of economic and geopolitical transition for the Bank's member countries, four areas of common interest emerged, and will continue to stand out in 2026: **efficiency, private-sector-led development, disaster-risk management and resilience, and improving security — in all its dimensions**.

Lessons learned and work initiated or advanced in 2025 will be critical as the Bank looks to new challenges and goals. These include maintaining current levels of financing at the IDB; finalizing pending reforms at the IDB; further progress on IDB Invest's capitalization and business model roll-out; ensuring that expectations for programs and initiatives translate into more concrete projects; advancing collaboration among MDBs and other partners to maximize financing and advance solutions to shared challenges; and fully internalizing organizational and cultural reforms.

SCALE AND IMPACT: IDB GROUP OPERATIONS

Record Financing

The IDB Group closed the year with **a record of more than $35 billion in financing for Latin America and the Caribbean, including mobilization**.

This total reflects several notable achievements.

More Operations at the IDB

In 2025, **the IDB approved 100 operations, for up to $17.881 billion**[1]. **This is the highest number of operations since 2019**. Overall public-sector financing, including non-reimbursable financing and mobilization, is projected to be **$19.885 billion**.

Of the total amount approved, **almost $11 billion was for investment operations** — supporting infrastructure[2], social development, and institutional strengthening, among other areas. This is **a record figure, up 75% from 2022**, and positions the IDB to again reach its ambitious $10 billion goal in 2026. This shows that reforms are working. The Unified Investment Policy should further boost investment lending.

The IDB **disbursed nearly $11 billion in sovereign-guaranteed loans** during the year. Its active portfolio of sovereign-guaranteed loans under execution consisted of 2,037 loans, with an undisbursed balance of about $36 billion.

Chart 1.

IDB, IDB Invest, and IDB Lab Financing Support (in billions of U.S. dollars)

	2024	2025
Public-sector financing (IDB)	$14.131	$19.885
Private-sector financing (IDB Invest[a] and IDB Lab)	$9.949	$13.327
Public-private partnership (PPP) advisory services	$2.950	$1.909
Total	**$27.030**[b]	**$35.121**

[a] Including commitments for advisory services and blended-finance transactions financed with third-party resources.
[b] The overall financing number published for 2024 has been updated to include public, non-reimbursable financing and direct mobilization.

[1] This includes $17.377 billion from the Ordinary Capital, $32 million in concessional Ordinary Capital resources, $178 million from the IDB Grant Facility, and $294 million from funds under administration. In addition, there was $859 million in co-financing and $765 million in private direct mobilization. Furthermore, $141 million in Investment Grants was channeled from donor trust funds to supplement or expand the scope of other projects, along with $239 million in technical-cooperation projects.
[2] In fact, the IDB's infrastructure portfolio has doubled, signaling a strong post-pandemic recovery in a segment traditionally more complex to design and execute.

Non-Reimbursable Financing

The volume of non-reimbursable Investment Grants and Technical Cooperation approvals across the IDB Group reached **$433 million in 2025, the second-highest annual level on record**. This demonstrates the IDB's sustained ability to attract third-party resources and deploy them — alongside its own capital — to support borrowing member countries.

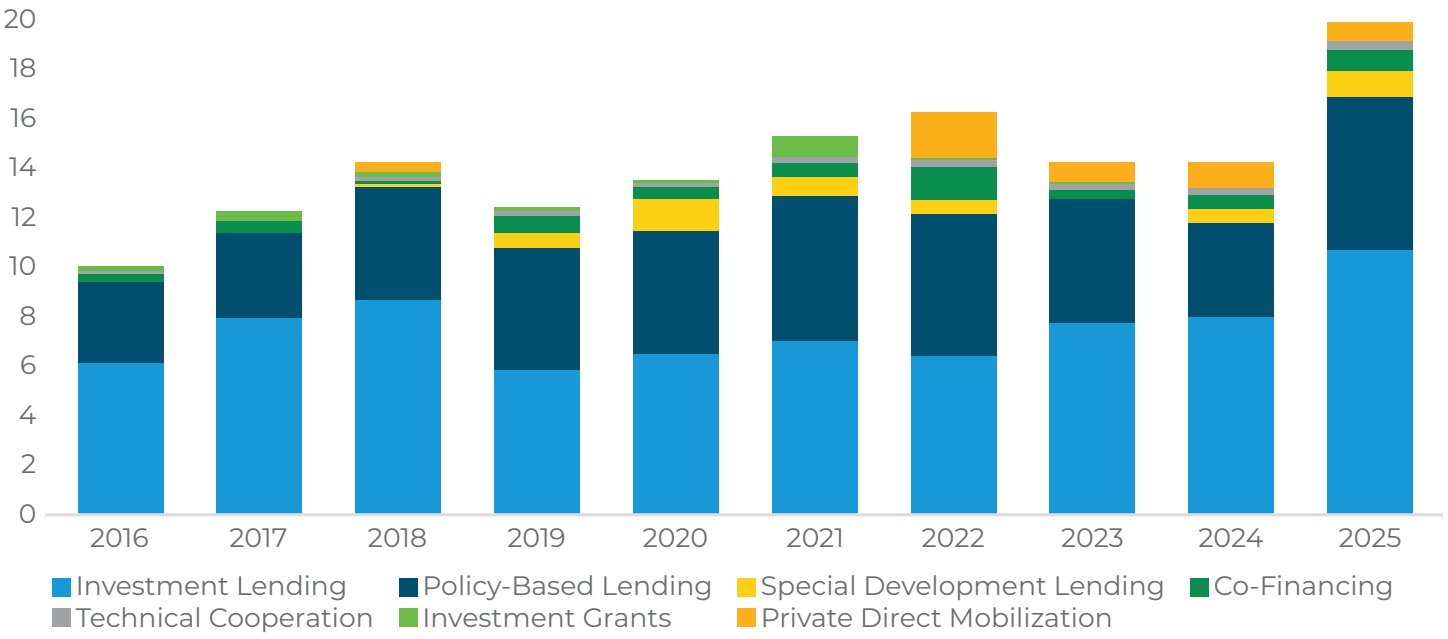
Approvals of technical cooperations (TCs) at the IDB reached $309 million, while the volume of Investment Grants approved was its highest in 10 years. Of the funds for concessional and non-reimbursable financing managed by the IDB, 37 had approvals during the year.

To better channel the share of the Bank's own resources dedicated to technical assistance, the Board of Executive Directors approved a new Ordinary Capital Strategic Development Program (OC SDP) to optimize the strategic use of technical assistance to help implement IDBStrategy+. The new OC SDP architecture introduces a more streamlined, agile, and impact-driven approach to deploying technical assistance, strengthening the IDB's capacity to respond to country needs and advance institutional priorities.

IDB Invest and IDB Lab

2025 was also a banner year for IDB Invest, which **delivered a record of $13.1 billion in total commitments**, combining own-account investments and mobilized resources. It disbursed $6.9 billion.

Figure 1. Historical Increase in IDB Financing (in billions of U.S. dollars)



By year's end, IDB Invest administered a combined portfolio of $23.6 billion, including development-related assets of the IDB, B loans, and third-party resources. The outstanding portfolio of non-sovereign-guaranteed operations grew by 9%, compared to the previous year. For a complete look at 2025 at IDB Invest, see the IDB Invest Annual Report.

IDB Lab disbursed $89.5 million during the year and managed an active portfolio of 585 operations.

IDB Group Mobilization[3]

In 2025, **the IDB mobilized $4.84 billion in total third-party financing**. This includes $2.67 billion in direct third-party financing[4] and $0.62 billion in indirect third-party financing. Other third-party financing, including concessional co-financing and funds from public donors, bilateral and multilateral institutions, private companies, philanthropies, foundations, and private donors, totaled $1.54 billion. In addition, co-financing from other MDBs was $1.43 billion.

At IDB Invest, **core (direct) mobilization reached $7.7 billion** through B-loan participations, B bonds, debt securities, unfunded credit protection, risk participations, and co-financing. Total long-term core mobilization was $5.4 billion, up 49% on the year and 31% above the 2025 target.

BID FOR THE AMERICAS

- In 2025, the IDB continued growing BID for the Americas, its flagship platform for strengthening trade and investment ties between Latin America and the Caribbean and non-borrowing member countries.
- The program is now active in **17 of those 22 countries** and **27 cities**. Over the course of the year, it hosted more than 175 meetings and connected with 3,500 potential investors and other stakeholders, while roadshows expanded to new U.S. states and European countries.
- In **public procurement**, participation by firms from non-borrowing countries rose, as registrations by trade and investment professionals and companies on the ConnectAmericas platform jumped by 74%.
- **Co-financing transactions** through IDB Invest were up 14% from 2024. The BID for the Americas app, the program's new, AI-powered, digital solution, also gained traction, with nearly 2,000 downloads, 3,000 B2B connections, and 14,500 visits in its first year.

IDB Lab raised **$36.1 million in core (direct) mobilization** in 2025. It also began designing innovative mechanisms to increase

[3] See definition of direct and indirect third-party financing in the Impact Framework Technical Guidance Note, which is aligned with the harmonized MDB methodology.
[4] Of this total, $1.9 billion corresponds to private-sector investment in public infrastructure in 2025, mobilized by providing advisory services to governments on the preparation and procurement of public-private-partnership contracts.

participation from private donors, enhancing its capacity to catalyze capital through partnerships.

Increasing Lending Capacity

Guided by IDBStrategy+, the IDB Group aims to reach $38 billion in annual lending support to the region by 2030, including mobilization. The IDB has already increased its own Ordinary Capital lending capacity to $16 billion per year for 2025–2026, with a further expansion to $19 billion annually by 2030 (excluding mobilization). IDB Invest recapitalization and the full implementation of its originate-to-share business model are expected to raise total activity for private-sector projects to more than $15 billion annually by 2030.

Achieving meaningful impact requires scale. This expansion in lending capacity has been made possible through balance-sheet optimization measures, including, among others, the execution of exposure exchange agreements (EEAs). Overall, improved financial efficiency — combined with strong shareholder support — will enable the IDB Group to provide an additional $110.5 billion in financial support over the next decade.[5]

Delivering Impact

Through institutional transformation, **the Bank is embedding reforms to improve the quality of projects and processes and, as a result, their impact**. The quest for quality has meant improving internal processes and the quality-at-entry of lending operations. Preliminary results from the IDB Board's independent assessment of the quality-at-entry of policy-based lending suggest that the Bank has been heading in the right direction since 2023, with ambitious policy-based lending/loan (PBL) reforms still underway.

To date, **roughly two-thirds of Impact Framework indicators are on track**.[6] As highlighted in this year's Impact Report, the Bank's active portfolios improved the lives of millions in 2024, including 34 million people receiving quality health and nutrition services, 2.6 million people with new access to broadband services, 3.3 million micro, small, and medium-sized businesses (MSMEs) benefiting from financial or non-financial support, and 900,000 farmers with better access to agricultural services, among other positive impacts.

The IDB achieved **better development results at project completion**, while IDB Invest exceeded its Impact Framework target for this indicator. For the IDB, the indicator is based on the independent validation of Project Completion Reports (PCRs). Sixty-three percent of PCRs received an overall positive rating in 2024, a 16 percentage-point increase from 2023, though below the 75% target.

[5] As reflected in the 2025 Long-Term Financial Projections, the IDB committed to increasing the annual level of lending from Ordinary Capital from $14 billion to $19 billion. Over a decade, this$5 billion increase will translate into $50 billion in additional financing in the region. For IDB Invest, additional financing would amount to approximately $60.5 billion due to the capital increase and change in its business model. That number includes two types of lending headroom: $30 billion from fresh capital and $30 billion from capital savings.
[6] See https://www.iadb.org/en/who-we-are/institutional-strategy/measuring-results/mission-scorecard.

Figure 2. Snapshot of the Impact Report

Social Protection and Development of Human Capital

34
million people
received quality health and nutrition services

1.2
million people
benefiting from quality early-childhood development, schooling and educational programs, and other skills-development services

470,000
people
benefited from social safety-net programs

70,000
households
benefited from housing and urban-development solutions

Sustainable, Resilient, and Inclusive Infrastructure

14,000
GWh
electricity generated from renewable sources

550,000
people
with new or improved access to energy

940,000
people
with new or improved access to safely managed drinking water and/or sanitation

1.6
million people
with enhanced access to sustainable transportation infrastructure or services

2.6
million people
with new access to broadband services

Productive Development and Innovation Through the Private Sector

70,000
direct jobs
created

3.3
million MSMEs
benefiting from financial and/or non-financial support

900,000
farmers
with improved access to agricultural services and investments for climate adaptation and mitigation

Regional Integration

1,300
firms
supported on international trade, tourism, and foreign direct investment activities

28.5
million tons
of cargo handled in ports, airports, and railways

(continued on next page)

Figure 2. *(continued)*

Biodiversity, Natural Capital, and Climate Action

996,000
people
with enhanced resilience and financial protection against climate disasters and shocks

13.9
million annual tons
of CO_2 equivalent in greenhouse-gas emissions avoided

23.7
million
hectares under sustainable management

$2.3
billion
of physical assets secured by investments in climate adaptation

23
countries
with improved disaster-risk management and/or climate-change governance

Gender Equality and Inclusion of Diverse Population Groups

2.3
million people
benefited by enhanced gender equality and/or inclusion of diverse population groups

780,000
women-led MSMEs
benefiting from financial and non-financial support

7
countries
with strengthened gender equality and diversity policy and institutional frameworks

Institutional Capacity, Rule of Law, and Citizen Security

8,100
people
with enhanced resilience or capabilities to prevent and respond to crime and violence

27
agencies
and private-sector organizations with strengthened digital capacity

151
agencies
with strengthened, transparent, and accountable domestic resource mobilization, expenditure management, and policy-management capacity

As summarized below, the IDB Group also received a range of external recognitions during the year that reflect its growing impact and relevance. In addition, the Overseas Development Institute's international survey of government officials reported **a view of the IDB as one of the world's most effective multilateral development banks**. Up to 90% of officials ranked the IDB among MDBs that best support their priorities.

Highlights: Institutional Awards Received in 2025

- **LatinFinance's Multilateral Development Bank of the Year (IDB Group):** recognizing the Group's regional impact during the year, including its sweeping institution-level reforms, first-in-market capital innovations, demonstrable gains in private-sector mobilization, and nature initiatives at scale

The IDB Group and its component entities received a wide range of recognitions during 2025.

- **International Knowledge Management Award 2025 (IDB)**: recognizing the Bank's leadership in knowledge management for sustainable development and its ability to connect evidence, learning, and action across Latin America and the Caribbean
- **Environmental Finance Sustainable Debt Awards – Award for Innovation (IDB)**: awarded for the Ecuador debt-for-nature swap (EC-U0007)
- **Environmental Finance Sustainable Debt Awards – Green Loan of the Year (Americas) (IDB)**: awarded for The Bahamas debt-for-nature swap (BH-U0002)
- **IJ Global Investor Awards – Securitization Deal of the Year, Latin America (IDB Invest)**: awarded for the $1 billion portfolio risk transfer Scaling4Impact, one of the foundational steps in IDB Invest's originate-to-share business model. The transaction was the first securitization focused on MDB assets in Latin America and the Caribbean for private investors and the first portfolio-level risk transfer by IDB Invest.
- **LatinFinance Awards – DFI-backed Deal of the Year (IDB Invest)**: awarded for the Arauco pulp mill plant in Brazil, creating thousands of jobs, boosting exports, and setting new sustainability standards in pulp production and renewable-energy generation
- **LatinFinance Awards – Bond of the Year (IDB Invest)**: awarded for the $1.8 billion B-bond transaction supporting the stabilization of electricity prices in Chile, benefiting households and SMEs, and ensuring energy affordability and financial sustainability for power companies
- **LatinFinance Awards – Infrastructure Financing of the Year (IDB Invest)**: awarded for the Campus San Cristóbal project in Central America, expanding

Figure 3. IDB Approvals by Sector Group (in millions of U.S. dollars)

INFRASTRUCTURE AND ENVIRONMENT

	APPROVALS IN 2025[a]	
SECTOR	NUMBER[b]	AMOUNT[c]
Agriculture and rural development	3	331
Energy	8	1,008
Environment and natural disasters	5	187
Sustainable tourism	1	70
Transport	11	2,598
Water and sanitation	15	2,172
Urban development and housing	4	615
SUBTOTAL	**47**	**$6,980**

INSTITUTIONS FOR DEVELOPMENT

Financial markets	9	1,911
Industry		
Private firms and SME development	5	257
Reform/modernization of the state	22	4,935
Science and technology	1	106
SUBTOTAL	**37**	**$7,208**

INTEGRATION AND TRADE

Trade	3	639
SUBTOTAL	**3**	**$639**

SOCIAL SECTOR

Education	4	271
Health	4	1,055
Social investment	12	1,727
SUBTOTAL	**20**	**$3,053**

GENERAL TOTAL	**100**	**$17,881**

[a] Includes the use of contingent facilities for natural disasters.
[b] Includes one project approved due to modification, financed with redirected resources.
[c] Includes resources from the Ordinary Capital, concessional Ordinary Capital, IDB Grant Facility, the Clean Technology Fund, the Green Climate Fund, the Korea Infrastructure Development Cofinancing Facility, and the Strategic Climate Fund. Includes additional financing with new resources, due to modifications.

The difference between the total general count and the subtotals arises from projects that include multiple operations.

access to quality education and sports for 13,000 youth, while fostering inclusion and resilient infrastructure in Guatemala

- **Environmental Finance Sustainable Debt Awards – Social Project Bond of the Year and Award for Innovation in Use of Proceeds (IDB Invest)**: awarded for the Fedecrédito project in El Salvador, supporting access to financing for MSMEs and home acquisition for women, promoting local economic growth
- **Catalyst 2030 Special Recognition Award (IDB Lab)**: recognizing efforts in innovation for social inclusion through collaborative, scalable solutions. Catalyst 2030 is a global initiative launched at the World Economic Forum in Davos, Switzerland.

Operations Spotlight

Projects approved in 2025 underscore the IDB Group's focus on high-impact development. This section highlights three operations that illustrate elements of the year's strategic direction. See table 2 for a full list of approved sovereign-guaranteed operations.

- **Strengthening Governance of Disaster-Risk Management – Phase II (The Bahamas | BH-L1062)**: This final operation in a programmatic policy-based series strengthens governance of disaster-risk management (DRM) and positions The Bahamas as a regional leader. Anchored in the IDB's comprehensive support strategy and building on earlier reforms — especially the 2022 DRM Act, which unified key institutions into a single authority — the project supports implementation of the legal framework across all DRM pillars. It aims to raise the scores under the IDB's Index of Governance and Public Policy in Disaster-Risk Management from 21% to 39%, potentially cutting disaster-related human and economic losses by up to 3% and 4.3%, respectively — equivalent to up to $1 billion. This project aims to benefit over 344,000 people.
- **Guarantee for Non-Conventional Renewable-Energy Projects (Ecuador | EC-U0006)**: This operation strengthens Ecuador's electricity sector by enabling private-sector financing. By lowering credit risk, the guarantee aims to mobilize $1 billion in private capital for 12 projects totaling over 800 MW in generation. The project also illustrates strong synergy with IDB Invest and is the first operation under a new Conditional Credit Line for Investment Projects (CCLIP), paving the way for future energy-sector guarantees.
- **Improving Connectivity and Inclusion along the Buga-Loboguerrero-Buenaventura Corridor (Colombia)**: IDB Invest anchored $904 million in financing for one of Colombia's most strategic 5G road concessions. Through its originate-to-share business model, IDB Invest mobilized co-financiers and secured the full financial package. The project also provides technical assistance to integrate micro, small, and midsize companies, add adaptation measures, and promote inclusion along a corridor where nearly 30% of residents live in poverty. Expected results include a 10% cut in travel time, 6% lower vehicle-operating costs, and a stronger role for Buenaventura as one of Colombia's top trade gateways.

SUPPORTING HAITI

In 2025, the IDB Group strengthened its leadership and operational footprint in Haiti, combining immediate support to alleviate extreme fragility with a forward-looking development agenda.

A pivotal moment was a mission in May — the first presidential visit since 2017 — which created political traction and reaffirmed the Bank's role as Haiti's main development partner. Following a formal mandate from Haiti in February, the IDB assumed responsibility for coordinating, under government leadership and together with the World Bank, the United Nations, and the European Union, the design of the Medium-Term Recovery and Development Plan (2025–2030), focused on territorial priorities in the north and south regions. Throughout the year, the IDB led strategic dialogues with donors and partners to align investments and mobilize additional resources around this agenda.

Operationally, the Grant Facility Program for 2025 reached $149.9 million, complemented by $2.4 million in TC resources, with an additional $750,000 expected by year's end, to strengthen project preparation and ensure readiness for the 2026 pipeline.

These efforts reflect the IDB's commitment to channel resources toward countries facing acute fragility within the framework of the **Global Alliance Against Hunger and Poverty**, launched at the G20 Summit in Rio in 2024. IDB support in Haiti focused on youth cash-for-work and training, maternal and child health, and school meals under the alliance's Fast Track Initiative.

HAITI: An IDB program is improving access to essential health services and strengthening the health system in the country's Greater North region.

JAMAICA EFFORTS

Following Hurricane Melissa and at the request of Jamaican Prime Minister Andrew Holness, CAF – Development Bank of Latin America and the Caribbean, the Caribbean Development Bank (CDB), the IDB Group, the International Monetary Fund (IMF), and the World Bank Group jointly assembled a comprehensive **package of up to $6.7 billion over three years** to strengthen Jamaica's recovery and reconstruction efforts.

Rapid, Early Response Enabled by Jamaica's Planning

The country's robust disaster-risk financing framework enabled the rapid flow of funds to meet urgent response needs. It facilitated critical liquidity to supplement the government's own contingency resources, for a total of $662 million, including $300 million available from the IDB's Contingent Credit Facility (CCF).

JAMAICA: A comprehensive financing package will support recovery needs following Hurricane Melissa.

Recovery Needs and Institutional Support

With damages estimated at $8.8 billion, recovery will require significant resources and long-term investments. To this end, a financial support package of up to $3.6 billion could be made available to finance the government's recovery and reconstruction program over the next three years, including up to $1 billion in sovereign financing from the IDB in priority areas where the Bank's technical expertise and long-standing engagement can have sustained impact.

Technical Assistance and Grant Support

To ensure Jamaica's recovery is effective, resilient, and informed by global best practices, the five institutions are also providing technical assistance and policy advisory services.

Mobilizing Private Investment for Resilience

Engaging private capital will be essential to scale up recovery efforts and preserve fiscal space. The IDB Group's and World Bank Group's regional platforms are designed to blend public and private solutions from the outset. IDB Invest and the World Bank Group's International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA) are working together to mobilize an estimated $2.4 billion in private investment to support Jamaica's recovery and reconstruction, split equally between the IDB Group and the World Bank Group.

Turning Knowledge into Impact

This year, the IDB was awarded the International Knowledge Management Award by Knowledge Management Austria and the global Knowledge for Development Partnership (K4DP). The distinction recognizes the IDB's leadership in knowledge management for sustainable development and its ability to connect evidence, learning, and action across the region.

Knowledge is one of the Bank's key comparative advantages. Rather than focusing solely on the volume of studies it produces, **the IDB prioritizes how evidence is integrated into public policy, investment decisions, and the design and supervision of projects**. This approach is reflected in the IDB Knowledge Loop, which connects analytical work and operations so that research and data inform project design, while implementation generates new lessons that feed back into future projects and studies.

To sustain this feedback loop, the IDB has strengthened governance through its Knowledge Advisory Committee (KAC), which aligns sectors' knowledge agendas with institutional priorities across the IDB Group, updates internal policies, and

SURINAME: The IDB generates knowledge for more effective public policy and for improving its own operations. The Bank also invests in knowledge in its borrowing member countries, such as through this project, which is improving primary-school curricula and access to education.

promotes the quality and influence of knowledge products.

The award also shines a light on the Bank's progress in building a modern, digital knowledge ecosystem. The IDB Group Knowledge Platform, supported by AI, has become the internal, digital backbone for curated and contextualized knowledge, while tools such as the Lessons Learned Writing Assistant turn day-to-day project experience into institutional memory.

In parallel, the Bank has continued producing timely know-how to help countries design and implement policies with maximum impact, in line with the institutional strategy. Three IDBStrategy+ Approach Documents were approved in 2025, while and work is underway to complete 22 Thematic Framework Documents and five Cross-Sectoral Action Plans, which will provide more strategic orientation to operational teams.

The latest edition of the IDB's flagship Development in the Americas (DIA) report series, "Markets for Development: Improving Lives Through Competition," was one of the year's most groundbreaking products. It gives policymakers insight into how improving market competition can increase growth, reduce inequality, and boost innovation. It also shows that economic gains from increased competition are often much larger than expected, underscoring how even modest reforms can yield outsized impact. By offering practical, evidence-based recommendations to remove structural barriers and foster a more competitive environment, the report helps governments design policies that unlock economic potential.

2

IDBIMPACT+, DEEP INTO THE IMPLEMENTATION PHASE: FROM VISION TO ACTION

The IDB Group is actively delivering on **IDBImpact+**, the package of reforms approved by Governors at the 2024 Annual Meetings:

i. A new institutional strategy to amplify scale and impact (*IDBStrategy+)*
ii. A revamped business model and capital increase for IDB Invest *(IDBInvest+)*
iii. A more scalable, sustainable model and replenishment for IDB Lab (*IDBLab+)*

IDBStrategy+

By the end of 2025, the IDB Group was **well on its way to completing all reforms outlined in IDBStrategy+**.

The table below offers a snapshot of the year's progress. The sections that follow highlight a subset of reforms that are particularly relevant for ongoing discussions with the Board and for the 2026 IDB Group Annual Meetings.

Chart 2.

IDBStrategy+ roadmap for reforms	Reform status	Approval level
1. IDBStrategy+ approach documents	Approved	BOD
2. Impact orientation	Approved	BOD
3. Vulnerability and concessionality	MGMT proposal under discussion with BOD	BOD/BOG
4. Country classification	MGMT is designing a proposal to present to BOD	BOD/BOG
5. Country strategy, dialogue, and programmatic approach	Approved	MGMT
6. Policy-based lending	MGMT proposal under discussion with BOD	BOD/BOG
7. Innovative instruments and mobilization	Approved	BOD
8. Disaster-related instruments (insurance)	Approved	BOD
9. Investment instruments	Final version distributed by streamlined procedure without interruptions. Set to be elevated to the Board for approval in January 2026.	BOD/BOG
10. Ordinary Capital net income	Some components approved; MGMT is designing a proposal to present to BOD	BOD/BOG

(continued on next page)

Chart 2. *(continued)*

IDBStrategy+ roadmap for reforms	Reform status	Approval level
11. IDB Group synergies	MGMT is implementing the reform	MGMT
12. Knowledge bank	MGMT is implementing the reform	MGMT
13. Balance-sheet optimization	Approved	BOD
14. People, incentives, and culture	MGMT is implementing the reform	MGMT
15. Strategic planning	Approved	BOD
16. Digital transformation	MGMT is implementing the reform	MGMT
17. Impact Framework	Approved	BOD

BOD – Board(s) of Executive Directors
BOG – Board(s) of Governors
MGMT – Management

Modernizing Investment and Policy-Based Financing Instruments

At the end of 2025, Management and the IDB Board were finalizing a **Unified Investment Policy** that will merge existing investment instruments into one flexible framework.

The policy will enable more innovative, multi-sector operations, enhance the combination of instruments to support programmatic approaches, and foster deeper collaboration across the IDB Group and with co-financiers. Since November 2024, formal and informal sessions have taken place to address Board feedback and clarify key aspects of the reform. In August and November 2025, Management presented an update to the Unified Investment Policy and its Guidelines.

With investment lending already at a record high, Management believes this reform will further boost demand and quality.

BRAZIL: The IDB is helping modernize agriculture in the Cerrado, increasing the incomes of small and medium-sized producers while avoiding deforestation.

In 2025, significant progress was achieved in **strengthening the quality of PBLs**. Complying with a mandate from Governors to increase the effectiveness of PBLs, Management launched discussions with the IDB Board in January 2024,[7] when it submitted its "Proposal to Enhance the Quality and Impact of Policy-Based Operations." The proposal included reforms in four areas — programming, project design, evaluation, and learning — that span the entire project cycle and make the use of PBLs more strategic, technically sound, and aligned with country priorities.

The IDB Board helped further develop and strengthen the reforms, culminating in a set of 10 quality measures. Since agreeing to them in July, Management has advanced the implementation of many of the measures, including deploying new Country Strategy Guidelines, strengthening project-preparation procedures (PR-200) applicable to PBLs, updating PBL project-document templates to enhance the focus on theories of change, reinforcing peer review and quality-control mechanisms, and improving reporting to the Board.

At year's end, Management and the Board were considering a third, revised version of the proposal for a new Policy-Based Financing (PBF) Policy and Guidelines[8]. The proposed policy introduces a modernized framework for PBF operations, enabling the IDB to deploy new instruments and enhance responsiveness to borrowing member countries.

The proposed policy articulates the principles for determining PBF operation size. Based on this, Management and the IDB Board are discussing a proposed Dimensioning Framework that offers guidance to operational teams in determining the appropriate size of each PBF operation, grounded in its potential impact, with the criticality of reforms as a key feature of this concept. If approved, the IDB would set a benchmark among MDBs, as no peer institution currently has a comparable dimensioning framework.

Given increased lending capacity and ongoing improvement of PBL quality[9], Management expects to continue discussing the scale of the IDB over time.

Reimagining the Use of Concessional Resources to Better Serve the Region's Most Vulnerable

Management submitted a proposal for a vulnerability-anchored concessional architecture to the IDB Board for consideration in 2025; this proposal remains under discussion at the Board. The goal is to **strengthen support for the region's poorest countries**, while **reducing vulnerability to external shocks.**

[7] GN-3191-1

[8] The original proposal was first presented to the IDB Board in November 2024.

[9] Preliminary results from the IDB Board's independent assessment suggest there was evidence of improvement of PBLs in 2024 and 2025, compared to 2023.

Advancing Quality at the Operational Level

The IDB Group is **fostering an effectiveness-based culture** by reshaping its internal systems and processes to prioritize development impact.

A key internal reform was the approval and rollout of a new **Development Effectiveness Policy Framework** for the IDB, which sets clearer standards for managing results across the project cycle. As part of this effort, an end-to-end, digital decision-support tool, sgDELTA (Development Effectiveness, Learning, Tracking, and Assessment for sovereign-guaranteed operations), is being rolled out to guide project teams from preparation through execution and evaluation. In addition, IDB Invest is further reinforcing its end-to-end Impact Management Framework, including enhancing its DELTA impact-rating tool, which assesses impact at entry and throughout supervision. IDB Lab is also strengthening its results-management systems, streamlining the aggregation of outcomes under its Innovation Results Framework to support portfolio-level learning and decision-making.

This institutional transformation marks a significant shift, as the IDB Group **embeds reforms in its operational ecosystem**. In 2025, there was better Management oversight of operations, checks and balances for operations quality, and risk management via the approval and implementation of a new PR-200, the process used to prepare sovereign-guaranteed operations. The Strategic Operational Quality Review Division was created in the IDB's Office of Strategic Planning and Development Effectiveness (SPD) to support teams and ensure better

HIGHLIGHTS: THE IDB'S UPDATED OPERATIONAL ECOSYSTEM FOR IMPROVED QUALITY

- **Improving dialogue and pipeline-management tools**: new Country Strategy Guidelines, enhanced connection with the programming process, better pipeline-management process and tools
- **Enhancing focus on quality in project preparation**: an updated PR-200, including new roles for the Quality Review Division and for the Office of Risk Management, as a second line of defense in operations
- **Updating and digitizing templates, annexes, tools, and systems**: theory of change, new Development Effectiveness Matrix (DEM), sgDELTA, Results Matrix
- **Closing the feedback loop in operational learning**: via the Knowledge Platform, creating a network where staff can share best practices; generating more useful data and research through the Intelligence Fund and other groups; improving how the Bank uses lessons learned to strengthen operations
- **Enhancing risk management**: risk screening, updated Risk Matrix
- **Accelerating results-based execution**: Development Effectiveness Rating, Results-Based Portfolio Management approach

quality-at-entry, particularly for policy-based lending. The Bank implemented a new approach to Country Strategies and Diagnostics, Thematic Frameworks, and knowledge to be more selective and ground operations in the best-available evidence.

An impactful IDB Group requires quality projects, but also **agile processes**. Reforms to this end go beyond procedural updates, representing a strategic shift in how the Bank delivers value to clients. From Country Strategy to an operation's closing, each element is part of a broader, interconnected system aimed at creating a more agile and effective operational cycle. To ensure effective adoption, a comprehensive change-management plan is underway, including targeted communication and training components.

Procure+: A Quest for Value for Money, Fairness, and Integrity

Building on the quality-focused reforms of IDBStrategy+, Management began designing a new institutional framework in mid-2025 to **strengthen procurement in IDB-financed projects** and boost the Bank's capacity to deliver impact at scale.

The framework reinforces accountability and agility, with faster execution, greater transparency, and closer alignment with other MDBs. Procure+ will better equip teams and executing agencies, raise standards, and explicitly strengthen value-for-money assessments, anti-conflict-of-interest controls, and beneficial ownership reviews across the project cycle. By promoting open competition and data-driven oversight, it will help Bank projects achieve results with greater efficiency and credibility. Management will present the framework to the IDB Board in 2026.

IDBInvest+: Capitalization Underway

The transition to IDBInvest+ is well underway, thanks to the $3.5 billion capital increase approved by Governors in 2024, which, to date, has been subscribed or committed to by 41 countries, **representing 89.76% of the new shares**.

Implementing Originate-to-Share

In 2025, IDB Invest strengthened governance, organizational structure, and leadership — setting the stage for future reforms and closer synergies with the IDB. This will raise impact and ambition, enhance development solutions, reinforce Group-wide synergies, including those between the IDB and IDB Invest Boards, achieve greater agility and scalability, and better align IDB Invest's people and culture.

GUATEMALA: With IDB Invest financing, the private "Xochi, Corredor de las Flores" project will reduce travel time from more than three hours to just 25 minutes on one of the country's principal logistics corridors.

As noted, IDB Invest made operational progress while delivering **a record $13.1 billion in total commitments**, combining own-account investments and mobilized resources. Amid these changes, the region's strong demand for financing and the positive market reaction to the new business model continued to reinforce the thesis that led Governors to approve IDBInvest+.

Under its new model, IDB Invest targets impactful investments through a revamped development-impact framework, coupled with a bolder approach to risk and risk management. **The result is greater impact, while safeguarding financial sustainability**. One key example was the launch of Colabora Capital Partners, an innovative, independently managed investment platform to attract institutional investors to development opportunities in Latin America and the Caribbean. In line with the originate-to-share approach, IDB Invest acts as a non-controlling anchor investor to signal confidence and catalyze market interest.

With a its new business model, risk approach, and capital mobilization embedded into its work, IDB Invest is set for greater regional and global impact in the year ahead.

IDBLab+ Is On: MIF IV Activated[10]

IDB Lab's evolution continued in 2025, marked by major financial and institutional milestones that strengthened its role as the IDB Group's innovation laboratory and venture capital arm for inclusive and sustainable development.

From MIF III to MIF IV

IDB Lab secured all pending MIF III replenishment contributions, which cleared the way for MIF IV, once instruments of acceptance and contribution representing at least 60% of new donor commitments were deposited. By the end of the year, 20 countries had made these deposits, accounting for 61% of the total $205 million pledged. **The threshold for MIF IV was thereby activated and the IDBLab+ process is now into full force**.

Additionally, $41.74 million was paid-in, representing the fastest payment pace of any replenishment cycle to date.

ECUADOR: An IDB Lab project is advancing the regenerative bioeconomy in the country's Amazon region, boosting incomes, innovation, and access to markets.

[10] MIF III refers to the third funding cycle of the IDB Lab, which entered into force in March 2019. MIF IV refers to the fourth funding cycle of IDB Lab. It is governed by the Agreement Establishing the Multilateral Investment Fund IV and the Agreement for the Administration of the Multilateral Investment Fund IV.

Advancing the IDBLab+ Business Model

IDB Lab began rolling out the IDBLab+ business model, focused on **boosting sustainability, scale, and client relevance**. A key shift was toward a larger, reimbursable portfolio. In 2025, reimbursable operations such as loans and equity represented more than 70% of approvals from IDB Lab's own resources, which demonstrates its approach to reducing reliance on replenishment cycles and deepening private-sector engagement.

IDB Lab streamlined its four core financial instruments — investments in venture capital funds, direct equity, loans, and grants — and launched venture debt, a new product to address the growing demand from entrepreneurs for flexible and non-dilutive funding. A new seed-stage equity program was launched to support early-stage entrepreneurs in smaller and less-mature markets.

Resource mobilization became central to IDB Lab's funding strategy. It met its $35 million target for direct mobilization by blending traditional donor trust funds with innovative mechanisms, such as equity co-investments. IDB Lab's support for entrepreneurial ecosystems increasingly aligned with IDB Group initiatives such as Amazonia Forever and ONE Caribbean, maximizing synergies between public and private capital.

IDB Lab advanced its impact strategy with a **new Impact Framework**. It launched pilots to measure the impact of poverty and an Impact Enhancement Program to help portfolio companies strengthen social and environmental contributions, which will expand IDB Lab's pipeline of high-impact, investable projects.

In November, IDB Lab hosted the Global Entrepreneurship and Technology for Latin America and the Caribbean Forum (GET Forum) in El Salvador. Co-organized by the IDB Group, the national government, and Grupo Agrisal, the event gathered more than 160 speakers and over 700 global leaders, promoting innovation, productive partnerships, and development for all.

In **a landmark step for Caribbean venture capital**, IDB Lab approved a $3 million anchor investment in Morro Ventures Caribbean Fund, the region's first venture capital fund for early-stage tech startups and SMEs. This catalytic investment positions IDB Lab as the fund's first institutional limited partner, signaling market confidence and helping attract private capital.

After nearly eight successful years under Irene Arias Hofman, IDB Lab was also set to begin a new chapter with Graham Macmillan's joining as general manager on in January 2026. Following strong progress to mobilize more capital, innovate, and increase impact, IDB Lab is well positioned to redefine how entrepreneurial innovation for inclusion is financed and scaled across Latin America and the Caribbean.

3

DRIVING INNOVATION THROUGH NEW AND EXISTING PROGRAMS AND INITIATIVES

Regional Programs

Four flagship regional programs are **incorporating a regional approach into the Bank's core business**, increasing integration and resilience. This year, more than half of the 100 IDB-approved operations supported the goals of Amazonia Forever (17), ONE Caribbean (15), América en el Centro (12), and South Connection (14).

Among investments across a range of sectors, Amazonia Forever works to improve connectivity and transportation systems.

Amazonia Forever

Amazonia Forever, consolidating its role as the IDB Group's longest-standing regional program, is **scaling impact through financial innovation and investments in sustainable development, biodiversity, and resilience**. Its portfolio grew from $3.3 billion in 2024 to $5 billion, advancing in each of its strategic pillars: (i) combating deforestation; (ii) the bioeconomy and creative economy; (iii) people; (iv) cities, connectivity, and sustainable infrastructure; and (v) sustainable agriculture, livestock, and forestry.

In November, **the IDB issued its first-ever Amazonia Bond**, for $100 million, under the $1 billion **Amazonia Bond Issuance Program and Guidelines**, developed with the World Bank. The IDB also broadened partnership networks, such as by creating the Alliance for Sustainable, Resilient, and Integrated Transport in the Amazon, with the World Bank and other partners.

HIGHLIGHTS

- **Operational**: Among several landmark operations, the $130 million River Transport Sustainability Program in Peru introduced floating docks and hybrid boats for medical and school services, improving connectivity for over 175,000 residents in remote areas.
- **Initiatives led by Indigenous communities**: Three new Amazonia for Life Fund projects were designed and executed by Indigenous and quilombola organizations: one in Ecuador with CONFENIAE and two in Brazil with COIAB and CONAQ.
- **Resource mobilization**: New partnerships boosted the program's funding. The Amazon Clean Energy Accelerator was launched in May with $215 million from the Climate Investment Funds to help meet energy needs. In June, the Improving Climate Resilience by Increasing Water Security Program secured $162 million from the Green Climate Fund to strengthen water and sanitation systems against climate shocks.

América en el Centro

América en el Centro is driving regional competitiveness by optimizing logistics, accelerating energy integration, and building crucial skills. Launched in 2024, this program tackles shared challenges in Central America, Panama, and the Dominican Republic, **fostering a more productive, resilient, and youth-empowered region**. In 2025, América en el Centro entered its first full year of implementation.

As part of the América en el Centro program, strategic investments in infrastructure connect people and businesses to new opportunities.

ONE Caribbean

ONE Caribbean is **accelerating project preparation and resilience through partnerships**. A milestone for the program in 2025 was the launch of the Project Preparation Coordination Mechanism (PPCM), driving a pipeline of critical projects. PPCM links governments and partners with technical expertise to identify, structure, and finance public, private, and PPP projects. Sessions were held in Jamaica, The Bahamas, Trinidad and Tobago, and Barbados. So far, 11 projects have been reviewed in energy, port logistics, electricity transmission, and water resilience. Funding is already allocated

HIGHLIGHTS

- **Cargo Pass**: The IDB developed an innovative plan to enhance logistics services along the Pacific Corridor, the region's primary cargo route, by introducing fast-track border clearance for certified operators and digital cargo traceability. Investments will be financed through a user tariff, avoiding fiscal pressure on governments. The proposal was endorsed by the Central American ministers of transportation and finance, and implementation is anticipated to begin in 2026 through the identification of strategic partners, potentially supported by a regional financial instrument.
- **SIEPAC 2.0**: The IDB promoted high-level dialogue to strengthen the Central American Electrical Interconnection System (SIEPAC) and the Regional Electricity Market (MER). As a result, Central American energy authorities mandated action to advance pending investments and reach the next level of energy integration under SIEPAC 2.0, focusing on extra-regional interconnections, national-grid reinforcements, and development of a second transmission circuit. To support this agenda, the IDB financed technical studies for the Panama-Colombia interconnection and the Third Protocol of the MER Framework Agreement.
- **Talent Up**: América en el Centro launched a regional initiative to align workforce training with labor-market needs in priority value chains. Through a partnership with Google, the initiative will initially focus on developing digital skills, prioritizing vulnerable populations. Preparatory work with national training authorities is underway, with country rollouts planned for 2026.

to two: energy planning in the water sector and the Caymanas Special Economic Zone master plan in Jamaica.

ONE Caribbean also executes non-reimbursable technical cooperations financed by both the IDB's Ordinary Capital and the Multi-Donor Trust Fund (MDTF), approved by the IDB Board in June. Canada and the UK pledged $13 million to the MDTF, deployed across the program's four strategic pillars. Another $1.3 million was mobilized from other sources. In total, $18.9 million funded 18 TCs, laying the foundations for future pipeline investments, such as water transformation in Trinidad and Tobago, in 2026.

ONE Caribbean supports resilient infrastructure and improved disaster-risk management, among other priorities.

HIGHLIGHTS

- **Citizen security**: Responding to a call by CARICOM heads of government for deeper regional collaboration, the IDB launched the ONE Safe Caribbean initiative in late 2024. In 2025, it worked with governments, the CARICOM Implementing Agency for Crime and Security, the Regional Security System, the Caribbean Financial Action Task Force, and donor partners to tackle transnational organized crime. Key actions include developing a regional security data platform and a Cybersecurity Technical Assistance Facility, offering vulnerability assessments and resilience support, including for cyberattacks.
- **Private-sector development**: To expand opportunities for SMEs, a new Technical Assistance Facility will support high-growth firms pursuing climate-resilient or adaptation-related projects. These businesses may be eligible for equity or debt investment through the CARICOM Development Fund's Caribbean Community Resilience Fund, supported by IDB Invest and partners. Complementary efforts included the first Caribbean Impact Masterclass for Fund Managers, held in Jamaica, covering impact measurement, deal structuring, and management of venture capital funds.
- **Food security**: In partnership with Amazonia Forever, the program will help modernize irrigation and laboratories in Suriname to boost intraregional food trade. With the World Food Programme, ONE Caribbean has been designing an initiative to strengthen local agricultural production, advancing CARICOM's "25 by 25" food-security vision.

South Connection

South Connection is **building physical and digital corridors to make South America more competitive**. Launched in 2025, South Connection has quickly moved from concept to execution, tackling longstanding barriers to South America's competitiveness, including fragmented infrastructure, costly logistics, and a persistent digital divide. By uniting 11 countries under one framework, it aims to connect people and markets, streamline trade, and harmonize regulations.

Meanwhile, IDB Invest began shaping a complementary portfolio of eight private-sector projects in logistics, energy, manufacturing, and digital infrastructure, while IDB Lab piloted inclusive business models, digital innovations, and solutions for financial inclusion along the routes and corridors connecting countries.

HIGHLIGHTS

Operations approved this year include:

- **Peru**: Delivering reliable broadband to underserved Andean regions (Apurímac, Ayacucho, Junín), boosting digital inclusion, and creating better conditions for regional connectivity.
- **Paraguay**: Promoting the country's international integration by strengthening tools to attract investment, boosting MSME-focused export promotion, and modernizing border management to reduce the time and cost of bilateral trade with Brazil.
- **Uruguay**: Providing a senior loan to Grupo RAS, a leading regional transportation and logistics company, to expand the PIR5 logistics hub, boosting storage and distribution capacity and improving the efficiency and resilience of regional trade flows.

Thematic Initiatives

The Bank listened to clients' needs in areas such as security and resilience, and in response, **expanded thematic initiatives and launched new ones**. These are already tackling care gaps, disaster risks, security, and mineral competitiveness.

IDB Cares

Launched at the 2025 Annual Meetings in Santiago, IDB Cares **tackles the imbalance in the region's care industry**. Despite universal care needs, services remain limited, and women perform three times more unpaid care work than men. IDB Cares is transforming care systems and reducing gender gaps in unpaid work.

The initiative builds on the Bank's experience in care policies through loans, investments, and Technical Cooperation that have improved service delivery and institutional frameworks in Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama, the Dominican Republic, and Uruguay. It also leverages the Silver Economy initiative, IDB Lab's support for care-related entrepreneurship, as well as IDB Invest's work in talent retention and PPP financing for early-childhood centers.

Highlights include the first IDB Cares loan — a $250 million PBL in Costa Rica for long-

Projects under IDB Cares support improved services for the region's rapidly aging population.

term care for the elderly and people who are dependent on others — and seven TCs in six countries.

Ready and Resilient Americas

Ready and Resilient Americas is **helping countries manage disasters**. To address urgent risks, the IDB Group and Chile launched the initiative during the 2025 Annual Meetings. Signed by 38 countries, including all 26 borrowing members, and endorsed by 16 partner organizations, it strengthens countries' capacity to cope with disaster through enhanced resilience, response, and financial protection.

Built on three pillars — data for resilience, a regional response alliance, and financial solutions — Ready and Resilient Americas sets a foundation for scalable disaster solutions. The IDB committed $10 million in regional technical cooperation through 2030, aiming to leverage additional resources.

Alliance for Security, Justice, and Development

The IDB's new alliance for security **tackles one of the region's biggest challenges — organized crime**. Launched in Barbados in December 2024, the Alliance has quickly become a leading regional platform against organized crime in Latin America and the Caribbean. In 2025, it expanded into a 22-country coalition with 13 partners, driving coordinated actions across three pillars: protecting the most vulnerable populations and communities; strengthening institutions; and disrupting illegal financial flows. Working with regional and international institutions, the Alliance has delivered practical tools for security and justice agencies, improved systems for sharing criminal records, and launched pilots for asset recovery and environmental-crime intelligence in the Amazon Basin. The Bank also approved an expedited procedure that enables preparation and approval of technical cooperation for emergencies and urgent issues in borrowing member countries in as few as 15 days.

With a project portfolio exceeding $780 million — including pioneering security-sector loans in Ecuador, Peru, and Uruguay — the Alliance is becoming a model for regional cooperation. The United Kingdom and Spain have provided donor funding. Over the next three years, **the Bank plans to channel more than $2.5 billion through its Citizen Security Division** to strengthen the region's ability to protect citizens, bolster institutions, and uphold the rule of law.

IDB LAC Minerals

IDB LAC Minerals aims to position the region as a global leader in responsible, secure supply chains for critical minerals. In 2025, the IDB Group laid the groundwork for a 2026 agenda that will consolidate its leadership as **the region's leading multilateral partner for the responsible and value-added development of critical-mineral ecosystems**.

The Bank is helping countries unlock value from their mineral wealth. Building on its regional presence and trusted advisory role, it expanded technical assistance, mobilized financing, and advanced reforms to help countries capture greater value from mineral resources, while upholding high environmental and social standards. Progress in Argentina, Brazil, Chile, the Dominican Republic, Ecuador, and Peru included regulatory modernization, geological-data generation, governance strengthening, and capacity building for subnational governments and communities. The goal: to turn mineral wealth into long-term competitiveness and local development, not just short-term gains from extraction.

The IDB Group worked to help structure new investment opportunities in midstream processing, refining, and value-chain integration. This will help lay the basis for regional industrialization tied to global energy needs. With the IDB acting as a bridge, strategic alliances with partners, including the European Union, Japan, and global institutions, are mobilizing financing, technology, and risk instruments to accelerate responsible mineral investments. Flagship initiatives, such as the expansion of copper refining and recycling capacity in Chile, show how the Bank is helping countries move up the value chain. These actions will position the region not just as a raw-materials supplier, but as **a strategic partner for global energy needs and resilient industrial ecosystems**.

ARGENTINA: The IDB is supporting holistic development of the lithium sector, from the exploration stage to extraction and governance.

Financial Innovation

The IDB Group solidified its reputation as a pioneer in financial innovation, expanding cutting-edge tools to increase access to financing and crowd-in private investment.

Innovative Treasury Instruments for Disaster Risk and Resilience

Guided by the IDBStrategy+ roadmap, the IDB broadened its treasury toolkit in 2025. The IDB Board approved changes to the Global Liability Management Authorization, enabling the launch of the **Financial Instruments for Ready and Resilient Americas (FIRRe)** initiative, a strategic expansion of disaster-risk financing. FIRRe introduces catastrophe insurance and swap mechanisms that embed disaster protection into loan contracts and provide immediate relief when disasters strike.

The IDB expanded its disaster-risk coverage by $2 billion and launched initiatives to help countries — and, for the first time, companies — manage disasters. This includes scaling up Climate-Resilient Debt Clauses (CRDCs). More governments will gain access to CRDCs, with an additional $1 billion in protection to be made available by 2026, bringing the total coverage to $5.2 billion by the end of that year.

The Bank also initiated a pioneering **Regional Disaster-Risk Transfer Program** to help countries transfer extreme-event risk to insurance and capital markets. IDB Invest launched a new Business Resilience Program for the private sector. It introduces next-generation debt clauses to protect private investment from a wider range of shocks. The clauses let companies defer principal payments up to two years, helping de-risk transactions and unlock private investment in sectors such as agribusiness, infrastructure, energy, and tourism.

The IDB also **expanded measures to mitigate currency risk**. Better derivatives offerings will support new facilities for foreign-exchange hedging (FX hedging), allowing clients to better manage exchange-rate volatility, expand access to local-currency financing, and strengthen sustainable debt management.

New Caribbean Multi-Guarantor Facility

The IDB is **creating the next generation of debt swaps through regional platforms that streamline execution and expand scale**. In recent years, the Bank has pioneered debt-for-development swaps, using its guarantee instrument to help governments mobilize resources for priority investments without increasing debt burdens. These transactions have shown great potential, but are limited by their complexity and transactional costs.

The new **Caribbean Multi-Guarantor Facility** will streamline how guarantors collaborate on a swap. It will bring in non-traditional

guarantors, such as private insurers and development finance institutions, to enable larger and more numerous debt swaps, especially in hard-to-finance areas, such as climate resilience and regional public goods. This harmonized approach will also reduce transaction costs and execution times. Developed jointly by the IDB, CAF, and the Caribbean Development Bank, the Facility will also align monitoring and reporting frameworks and be a template for future regional platforms. Its first initiative, a Barbados debt-for-health swap that is in preparation will channel fiscal savings into health infrastructure and care systems, with participation from other MDBs.

Direct Subnational Financing Pilot

The new IDB for Cities and Regions initiative will **enable cities and subnational governments to access up to $1 billion in financing directly from the IDB**. This pioneering five-year pilot program and its combination of financing and technical support is unprecedented in Latin America and the Caribbean. It will let eligible cities, states, and regions invest in resilient infrastructure without a sovereign guarantee, responding to longstanding requests from mayors across Latin America and the Caribbean. The initiative is critical to the region's future, as cities are home to over 80% of its population and are often the places most vulnerable to natural disasters.

The first project, in Cartagena, Colombia, will expand access to drainage services for nearly 20,000 households in the Ciénaga de la Virgen area, one of the city's poorest neighborhoods, and improve coverage of drinking water for 17,000 households, among other impacts. An urban-improvement operation in San José, Costa Rica, is already underway, and three additional projects are in the early stages of preparation, expected to be ready for approval in 2026.

The initiative will also **help channel private-sector financing to subnational entities with limited access to capital markets**. The IDB's provision of technical assistance and strong oversight should grow investor confidence, paving the way for greater private-sector participation.

Mitigating Foreign-Exchange Risk

In early 2024, Brazil launched Eco Invest Brasil, in partnership with the IDB and supported by the United Kingdom Sustainable Infrastructure Programme (UKSIP). This landmark program mobilizes foreign private capital and provides FX protection for sustainable investments aligned with Brazil's Ecological Transformation Plan. Eco Invest **combines blended financing and innovative hedging instruments to overcome currency volatility and other financial barriers that limit long-term, resilient investment**. The program features strong governance, sustainability, and impact-monitoring frameworks, using competitive auctions to allocate catalytic resources efficiently and maximize capital mobilization through public and private financial institutions.

Eco Invest's first two auctions **mobilized over $13 billion from 19 financial institutions** to finance resilient projects, including to restore 1.4 million hectares of degraded

land. The third auction, launched in October 2025, extends the program's reach, attracting foreign private equity through tail-risk FX-hedging instruments to support early-growth and early-stage projects that apply innovation and competitiveness for ecological transformation. The fourth auction, launched in November, focuses on the Amazon and will debut the program's FX Liquidity Facility. These steps will complete the rollout of Eco Invest's full suite of innovative tools.

Building on this success, IDB Management is looking at **additional ways to help countries provide solutions for foreign investors to mitigate exchange-rate risks**. This includes the development of FX EDGE, a platform that would customize and extend Eco Invest's model of blended financing and FX hedging regionally in support of adaptation and development. The goal is to address the persistent mismatch between large pools of international capital and limited long-term investment in developing economies.

A related effort will aim to convert assets on the balance sheets of local banks into investment-grade, hard-currency securities, opening the door for large institutional investors to enable more development projects. It would do so by pooling and enhancing these performing loans with commercially priced insurance for political and foreign-exchange risk.

4

THE IDB GROUP IN A CHANGING WORLD

From the Region to the World and Back

Latin America and the Caribbean is central to global solutions and needs deeper global partnerships. At a time of international uncertainty, **the world increasingly views the region as part of the solution to global challenges**. The fact is, the region has much of what the world needs, from critical minerals and food to biodiversity in the Amazon. The region also needs the world. It needs more partnerships, a larger presence on the world stage, and both international development financing and private-sector capital. In 2025, the IDB continued to position Latin America and the Caribbean in the international arena by forging connections, unlocking resources, and amplifying the region's voice abroad.

MDBs Coordinating in a More Challenging Environment

In a complex global context, **MDBs must act even more as a system that delivers greater development impact and scale.** In 2024, under the IDB Group's chairmanship, the Heads of MDBs Group approved its first-ever public Joint Action Plan, which shaped the G20 Roadmap recommendations for "better, bigger, and more effective MDBs." Building on this momentum, the Bank reaffirmed private-capital mobilization as a system-wide priority and took concrete steps to expand local-currency lending and FX solutions (for example, Eco Invest) and strengthen risk assessment for private-

DOMINICAN REPUBLIC: Latin America and the Caribbean provides much of the global food supply. This project helps small producers improve agricultural practices and competitiveness.

sector investment in emerging markets and developing economies.

In this regard, disaggregated credit-risk data from the Global Emerging Markets Risk Database (GEMs), which the IDB Group has promoted, shows that emerging-market risk is lower than commonly perceived, supporting greater private investment.

To further boost the scale of MDB financing, the IDB played a leading role in advancing dialogue between MDBs and credit-rating agencies, as well as in the publication of a report that outlines progress achieved through MDB advocacy and identifies key areas for future attention. Periodic dialogue between MDBs and rating agencies is key to enhancing transparency and mutual understanding of the banks' unique financial models, helping credit ratings better reflect MDBs' low risk profiles and capacity to mobilize capital for development.

As a result of this dialogue, **S&P Global Ratings updated its methodology for assessing financial strength and risk management at MDBs**. The methodology underscores MDBs' exceptional capital adequacy, preferred-creditor status, and strong shareholder backing, which reinforces their resilience and AAA ratings. This benefits the MDB system by enhancing investor confidence, lowering funding costs, and enabling MDBs to mobilize more private capital for development. Ultimately, it bolsters the role of MDBs as trusted anchors in global finance, supporting stability and resilient global growth. S&P estimated that this **could significantly increase lending capacity** among MDBs.

In addition, the first MDB Comparison Report, prepared by the Global Risk and Finance Forum (GRaFF), strengthened cross-institution benchmarking, enabling shareholders to see what works, compare performance, and maximize the impact of their capital on the development agenda. At the IDB's suggestion, the Heads of MDBs Group approved an MDB-owned dashboard to coordinate and regularly update priorities and deliverables, track progress systematically, and provide timely guidance — so banks can adjust, refine, or add deliverables as global conditions evolve. MDBs will review priorities on a regular cycle aligned with the World Bank-IMF Spring Meetings, starting in 2026.

Meanwhile, the Bank supported the creation of a comprehensive **Monitoring and Reporting Framework for the G20 Roadmap**. This helps MDBs better communicate progress toward development goals and ensure that their achievements become more visible. It culminated in the inaugural Implementation Report, which marked a major step toward greater transparency in joint MDB initiatives.

Enhanced Partnerships

In Asia, the IDB signed the **Korea Package** at the 7th Korea-LAC Business Summit, which includes an innovative multilateral credit-substitution guarantee to expand the Bank's lending capacity in sectors such as artificial intelligence, digital transformation, energy, and critical minerals. The Bank also announced the creation of a **Korea-IDB A.I. Hub** to scale financing and innovation, and secured a $20 million commitment to replenish the Korea Fund for Technology and Innovation. Korea also contributed $8 million to the Korean Trust Funds, which have financed more than 600 TC projects over the

past decade — from smart cities in Brazil to digital connectivity in Honduras.

In addition, IDB Invest and the Export-Import Bank of Korea agreed to create a $300 million co-financing facility to mobilize private capital for high-impact infrastructure projects.

In **Japan**, the Bank reinforced its partnership with the Japan International Cooperation Agency, establishing the **$1 billion TADAC Trust Fund with IDB Invest** — the agency's largest private-sector fund in Latin America and the Caribbean. The IDB also confirmed an $11 million contribution to the Japanese Trust Fund.

In October, the IDB convened an unprecedented high-level roundtable with the heads of the **Arab Coordination Group (ACG)**. The meeting brought together the prime minister of Barbados and finance ministers from The Bahamas, Belize, Chile, Haiti, Jamaica, and Mexico to discuss collaboration on sustainable growth, energy, resilience, and human-capital development. On the sidelines, the Bank signed an MoU with the Saudi Fund for Development to facilitate knowledge exchange and capacity building in sectors such as infrastructure, energy, transportation, and social infrastructure.

Additional **agreements with Gulf partners** in 2025 included: a $100 million framework with Qatar's Education Above All Foundation (EAA) to deepen collaboration in education, skills, and economic empowerment; the Bank welcomed a secondee from EAA — the first ever from a non-member country; an MoU to develop a co-financing facility with the Qatar Fund for Development (QFFD);

PERU: The IDB is helping close the rural gap in water and sanitation services through improved access, capacity building, and health education.

an agreement with the Arab Monetary Fund (AMF) to strengthen cooperation on payment systems and sustainable development; a $3 million Project Preparation Facility with the OPEC Fund for co-financing in transportation, energy, water and sanitation, digital connectivity, and social infrastructure; and a joint $1 billion commitment with the Islamic Development Bank (IsDB) over the next five years to support sustainable, inclusive development in Suriname and Guyana.

Throughout, the IDB Group has emphasized that collaboration is essential to ensuring that borrowing member countries can effectively tackle shared local, regional, and global challenges, including increasingly costly natural disasters. This requires cross-border solutions, regional and global partnerships, and international investment.

At **COP30**, the IDB Group announced an additional **$6 billion to help close the gaps in financing for resilience and sustainable development** and to support the national priorities of member countries. This total includes $1 billion from the new **Amazonia Forever for Cities and Resilient Infrastructure Facility**, which is backed by $200 million in credit-substitution guarantees from Impact Fund Denmark, the Norwegian Agency for Development Cooperation (Norad), and the Swedish International Development Cooperation Agency (Sida), which will support projects related to Amazonia Forever and América en el Centro. As part of this facility, the IDB also launched a $162 million Water Security Program with the Green Climate Fund (GCF).

In addition, the IDB and Brazil's Central Bank signed a first-of-its-kind agreement to enable up to $3.4 billion in foreign-exchange hedging to help mobilize private investment for sustainable development, starting with Brazil's Eco Invest Program.

Alliances are also key to expanding **connectivity, biodiversity, and water security initiatives in the Amazon region**. In November, the IDB Group announced a $50 million parallel co-financing agreement with the French Development Agency (AFD) to expand submarine cable infrastructure in Brazil, benefiting Amazonian communities. The Spanish Agency for International Development Cooperation (AECID) announced $1.2 million for IDB Lab's Sargassum Innovation Quest and a $7 million commitment to the Spanish Water and Sanitation Fund, an alliance with the IDB.

Supporting Country Reforms, OECD Accession Processes, and Trade Expansion

The IDB is **the region's partner of choice for reforms aligned with the Organisation for Economic Co-operation and Development (OECD)** and higher standards, solidifying this role in 2025. Acting as a bridge, the Bank supports key reforms across multiple sectors and accompanies advanced OECD accession processes (Peru, Argentina), country programs (Paraguay), and deeper early-stage engagement (Panama, Uruguay, Dominican Republic). This is part of the Bank's work to reinforce the region's collective capacity to implement high-standard, evidence-based, and

internationally recognized reforms that enhance governance, transparency, competitiveness, and sustainable growth.

In addition, the IDB continues its longstanding work to support the expansion of trade and investment across Latin America and the Caribbean. The EU-Mercosur trade agreement (signed in January 2026) is the largest expansion of market access for Mercosur since its creation, with impacts on agribusiness, energy, manufacturing, critical minerals, and knowledge-based services, including the integration of SMEs into global value chains. The IDB Group is the only development bank whose members include all Mercosur countries, most European Union countries, and other main Mercosur trading partners.

5

PEOPLE AND CULTURE

In the past year, the IDB Group made **significant progress implementing its People Strategy**, strengthening incentives and advancing in five key areas: culture of impact, meritocracy, and trust; total rewards; talent management and leadership development; employment modalities; and human resources processes.

Meritocracy remains central. The Bank strengthened its competitive processes, with **100% of executive-level and Country Representative positions filled through open competition**.[11] Earlier in the year, a revamped Talent Acquisition process was launched across the IDB Group, significantly improving identification and attraction of top talent. The new approach emphasizes proactive engagement through talent pipelines for critical roles, a new referral program, and targeted sourcing strategies.

In parallel, the **performance-management framework was enhanced** and leadership standards were updated. Employees received support to align their work programs with IDBStrategy+, with 94% of work programs approved by the end of Q2. Quarterly supervisor-employee check-ins were introduced to reinforce a culture of continuous feedback, while a revised rating scale was implemented to better differentiate performance levels, deliver targeted feedback, and support employee growth. The Bank also launched Talent+, an upgraded SAP SuccessFactors platform that improves data integration and agility and simplifies processes.

The IDB Group also refined rewards and recognition programs to better differentiate performance and celebrate results, including through the Impact Awards, a new way to recognize culture commitments, excellence, innovation, and work as one team.

In 2025, **the IDB Group's new Culture Declaration was finalized, articulated around three pillars: impact, meritocracy, and trust**. The roll-out included workshops with senior leaders and in several country

OTHER HUMAN RESOURCES HIGHLIGHTS

- **Modernized compensation**: As part of the Total Rewards Framework, the Bank updated the salary-segmentation approach to strengthen market competitiveness for staff members who demonstrated exceptional performance, hold critical responsibilities, possess scarce skills, and generate impact in their respective areas. The redesigned variable-pay program links compensation directly to the Impact Framework, reinforcing accountability for institutional results.
- **Enhanced staff mobility**: The Bank advanced a framework to promote geographic, intra-Group, and external and functional mobility, aligning workforce capabilities with organizational needs to strengthen the talent pipeline and foster a more dynamic talent marketplace.
- **Future-ready workforce**: The IDB welcomed its new Vice Presidency for Human Resources and Digital Transformation in 2025; expanded AI for everyday use; and provided digital-fluency training.

[11] In comparison with previous years, from January 1, 2018, through September 30, 2020, 62% of executive-level positions were filled without a competitive process. Similarly, from October 1, 2020, to November 30, 2022, 73% were filled without a competitive process.

EL SALVADOR: An IDB Lab project has helped recover public spaces, restore the social fabric, and improve vocational training for young people in vulnerable neighborhoods of San Salvador.

offices. The Group also updated its value statement, which informed revisions to the Codes of Ethics.

The employee engagement survey remains one of the Bank's most important tools to understand what is working, what is improving, and where it must continue to grow. In 2025, 90% of employees responded, exceeded the previous year's rate. In terms of overall engagement, the IDB achieved a score of 8.2, reflecting a 0.2-point increase compared to 2024. IDB Invest reported an engagement score of 8.3, a 0.1-point increase from the previous year. The IDB's Employee Net Promoter Score (eNPS)[12] rose from 43 to 48, while IDB Invest increased from 50 to 53.

[12] Employee Net Promoter Score (eNPS): metric that measures how likely employees are to recommend their organization as a place to work. It is calculated by subtracting the percentage of "detractors" from the percentage of "promoters," providing a simple indicator of overall loyalty and advocacy.

Embedding Ethics at the Core

This year saw the launch of **new, more robust Codes of Ethics and Professional Conduct for the IDB and IDB Invest**. Organized around four core values — respect, inclusion, integrity, and accountability — the updated Codes will guide everyday decisions and actions and are a key part of the IDB Group's broader effort to build a culture rooted in impact, meritocracy, and trust. An important addition emphasizes psychological safety, encouraging a space where all employees can speak up without fear of retaliation.

The IDB's Whistleblower Protection Policies were also updated, expanding what's protected from retaliation to include the use of informal resources, such as the Office of the Ombuds, and refusal to follow an order that one reasonably believes is unlawful, while clarifying how to request protective measures. The revised Codes also address new topics, such as artificial intelligence and data privacy, reflecting the Group's commitment to ethical standards in a changing reality. In addition to sexual harassment, they now also address prevention of sexual exploitation and abuse.

Governance Reform

Building on the Board's guidance, **IDB leadership has taken decisive steps to strengthen governance**. Management has fostered a culture of greater meritocracy, developed the Strategic Framework to enhance the Board's strategic role, and advanced additional measures to reinforce sound governance practices.

In September 2024, the Board approved the Governance Report, an action plan that included the first comprehensive review of the IDB's governance since the institution's creation in 1959. It outlines 25 specific actions to strengthen governance. Some include sub-actions, bringing the total to 31. Of these, six are to be complied with in the future and/or on an ongoing basis or are not subject to Management's purview (e.g., an OVE evaluation in 2030). Of the 25 actions requiring Management to present a proposal or fulfill an action, 18 have been completed (72%), four are in discussion, and three are expected to be presented in the first half of 2026. This effort makes the IDB one of the most advanced MDBs in this area.

Access to Information

The IDB's new Access to Information Policy, which came into effect on September 1, marks a significant step in its commitment to transparency, openness, and accountability. The policy introduces **a stronger presumption in favor of public access**, a shift to a clear "harm test" for withholding information, and a streamlined process for responding more quickly to public requests.

To ensure full alignment with the new standards, the Bank initiated a dedicated capital project to modernize technological processes, introduce new systems, and develop guidance materials. Additionally, the Bank improved the public process for requesting and accessing information through the IDB Public Information Center.

Strengthened internal coordination helped ensure that transparency efforts are aligned with broader institutional priorities, while dialogue and collaboration with civil society continues to provide valuable insights for promoting transparency and access to information across Latin America and the Caribbean.

HIGHLIGHTS OF APPROVED GOVERNANCE ACTIONS

- New regulations for the Secretary, giving the Board a key role in the appointment, renewal, and dismissal of the person in this position, as well as a consultative role in their annual performance review
- Criteria and process for the mutual assessment of the performance of the President and the Board
- A formal mechanism enabling the Board to contract consultants or other external advisory services in specific circumstances
- Procedures for addressing ethics breaches by the President, the EVP, and the VPs
- Amendment to the Principles of Human Resources Management to ensure that, except in specific cases, all staff positions are subject to competitive processes
- Revised guidelines allowing more timely discussions with Board members on the format, agenda, and content of Annual Meetings

Topics under discussion include:

- A comprehensive review of the Principles of Human Resources Management
- A plan to make better use of the Board's time, allowing for more strategic discussions
- A formal process for the President to engage the Board ahead of EVP and VP appointments

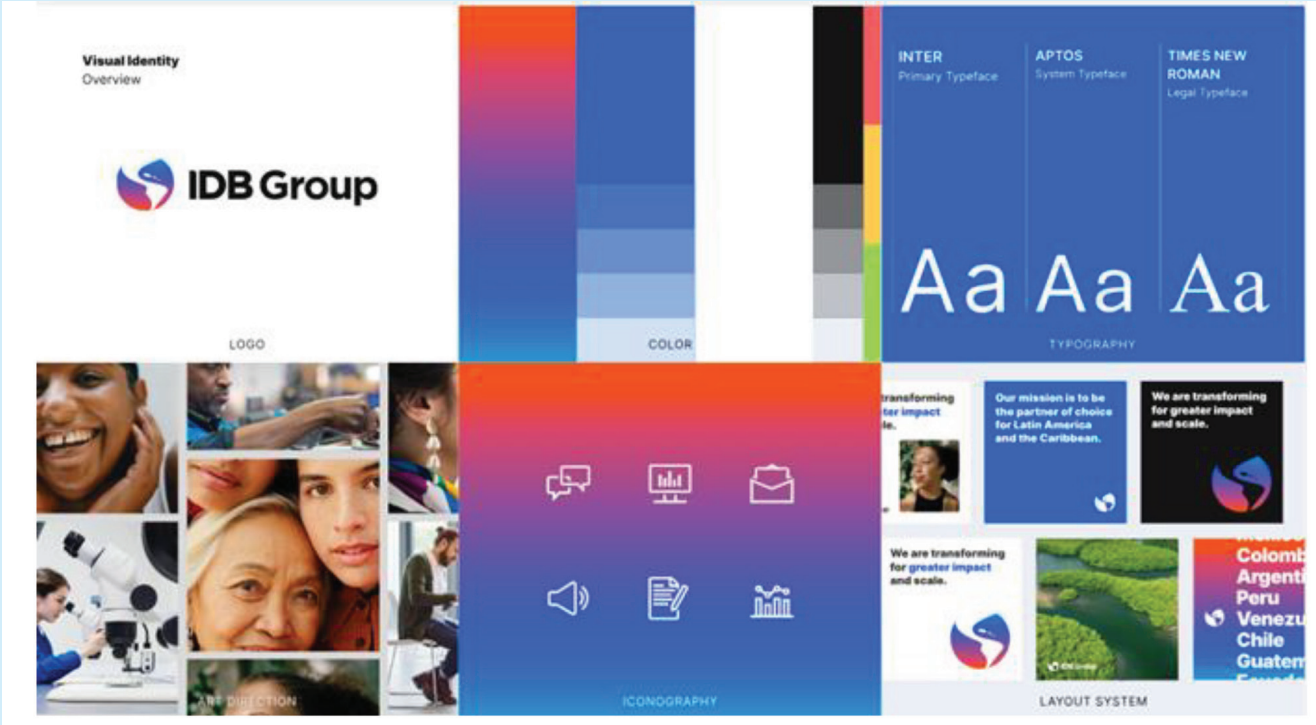
HIGHLIGHTS: IMPROVING HOW THE IDB GROUP COMMUNICATES

A New Brand Identity

- The implementation of reforms across the IDB Group in 2025 organically called for a review of stakeholder communications and positioning. An in-depth market study generated insights that informed a unified brand identity.
- The new brand reflects the synergistic strengths of the IDB Group's three entities — the IDB, IDB Invest, and IDB Lab — under one umbrella. It also illustrates an evolution, combining visual and verbal expressions that embody the IDB Group's image and voice.
- The brand identity includes a modern, versatile typeface system that meets accessibility standards; art that reflects the people of borrowing member countries; and a logo that reflects the individuality of the IDB Group's three entities, whose primary colors — cyan, magenta, and orange — are unified by a signature IDB Group gradient and blue.
- A clean, coherent, consistent brand identity system, spanning visuals, tone, and messaging, ensures every interaction reinforces trust, strengthens recognition, and communicates who the IDB Group and its entities are and what they stand for.

(continued on next page)

HIGHLIGHTS: IMPROVING HOW THE IDB GROUP COMMUNICATES *(continued)*



Communications

- In 2025, the IDB updated its corporate website, launched a new Korea website, and updated its Japan site.
- The Bank also launched a new, unified blog site, backed by strengthened editorial guidelines. Featuring IDB authors and specialists, it will better help audiences access, navigate, and absorb content.
- The Bank launched a new online catalogue of financial offerings, consolidating information from across the IDB Group to help member countries and clients determine which instruments can best serve them.
- A new procurement website debuted, with improved accessibility and linked to BID for the Americas.
- Country pages now better position the IDB within the specific context and conversation of each member country.

6 CHALLENGES AND LESSONS LEARNED

For the IDB Group's member countries and clients, 2025 was a year of economic and geopolitical transition, posing ongoing challenges. That reality, in turn, can present a challenge for the Bank, especially if members' priorities diverge. And yet, **the year was also a reminder that transitions can create opportunities**. Indeed, the experience of the Bank has shown that no matter how complex the challenges, there are always areas where important interests converge and collaboration is both possible and impactful.

Over the past year, and with an eye toward 2026 and beyond, four areas of common interest stand out: **efficiency, private-sector-led development, disaster-risk management and resilience, and improving security — in all its dimensions**. The IDB Group will continue to seek common ground, while addressing internal and external needs and challenges.

Scale and Impact

Maintaining the current levels of financing at the IDB will be challenging. The year's records, especially in investment lending, required an intensive effort from operational teams, Management, and the Board.

Successful rollout of the Unified Investment Policy and sustained origination efforts by Management will be required to again

PARAGUAY: The IDB is helping apply an innovative urban-development model to foster social and economic change in La Chacarita, a one of Asunción's lowest-income neighborhoods.

exceed the critical $10 billion target for investment lending.

Given increased lending capacity, Management expects to continue discussing the scale of the IDB over time.

Implementing IDBImpact+

Approving IDBImpact+ reforms has demanded dedication from staff and the Boards, and implementing them has been, and will continue to be, demanding. The importance of sustained dialogue and consensus-building with and among Board members is clear.

An important challenge for 2026 will be to **finalize pending reforms at the IDB**, such as PBL reforms and the Concessional Resources Allocation Framework reforms, while operationalizing those already approved. Embedding institutional changes into the Bank's operational ecosystem will continue to require strong change-management efforts.

IDB Invest faces a similar challenge. The priority for 2026 will be **progress on its capitalization**, in line with the schedule approved by Governors, so it can **fully roll out its business model**.

IDB Lab, which secured all pending MIF III contributions, activated MIF IV, and made strong progress on its new business model, will work to **complete the process of receiving the remaining donor instruments**.

Driving Innovation Through New and Existing Programs and Initiatives

The year featured notable progress scaling regional programs and both existing and new thematic initiatives — mainstreaming them into operations and approaching projects not as isolated interventions, but as interconnected elements of the region's shared development. The Bank also announced and/or launched a range of innovative financial initiatives. The challenge ahead will be to make sure they all move from announcement to delivery — **ensuring they translate into more concrete projects** in IDB borrowing member countries.

A Changing World

Amid global fragmentation, long-standing areas of broad consensus are eroding. One such area is **the reform of MDBs**. Most countries remain generally supportive, yet some divergences have emerged. Each MDB responds to its own governance, strategy, calendars, and incentives, which often makes it challenging to coordinate, even when the client is the same. By prioritizing and building coalitions around issues that unite the banks — such as mobilization of private capital, critical minerals, and disaster preparedness — MDBs can make meaningful progress. In addition, by putting the client's needs and experience first, the banks can all add more value. To do this, it is vital to have strong leadership and commitment at the top.

The IDB Group is well-positioned to be part of the solution to shared challenges. Still, development financing is shrinking globally, and there is much demand for scarce resources to address everything from security to energy resilience. The Bank must continue to find new ways to collaborate and secure funding for co-financing efforts.

People and Culture

In 2026, the Bank must ensure that organizational and cultural reforms, including those focused on meritocracy and competitive hiring processes, are not only adopted and completed, but **fully internalized**. Building a future-ready workforce — anchored in impact, meritocracy, and trust — will require ongoing investment in talent, digital fluency, and leadership, as well as continued support for staff to navigate new ways of working. Embedding these changes will be essential to sustaining reform momentum and delivering greater impact.

A significant challenge in 2025 was advancing IDB governance reform, while simultaneously implementing other major institutional reforms and working to deliver record levels of financing. This has required, and will continue to require, sustained effort from Management and the Board.

The transformation of the IDB Group is about **unlocking the full potential of Latin America and the Caribbean and improving lives**. The IDB, IDB Invest, and IDB Lab are committed to **delivering greater development impact on a greater scale**, benefiting both the region and the world.

Table 1. Five Years of Operations, 2021–2025 (in millions of U.S. dollars)

	2021	2022	2023	2024	2025
CAPITAL					
Subscriptions (end of year)					
Ordinary Capital (OC)[a]	170,940	170,940	170,940	170,940	170,940
Other funds[b]	8,747	9,059	9,243	9,891	11,230
Total	**179,687**	**179,999**	**180,183**	**180,831**	**182,170**
BORROWINGS[c]					
Outstanding (end of year)	112,065	108,115	109,306	111,131	115,446
Gross annual borrowings	24,293	16,998	18,822	21,383	21,545
OPERATIONS					
Approved Developmental Assets[e]					
OC loans and guarantees[d]	14,186	14,471	12,515	11,890	17,424
OC debt securities	349	179	0	0	—
Other funds[h]	402	188	178	275	838
Total	**14,937**	**14,838**	**12,693**	**12,165**	**18,262**
Developmental Assets Disbursements[e]					
OC loans and guarantees[d]	12,425	11,653	11,012	9,004	10,955
OC debt securities	87	325	75	—	—
Other funds[h]	380	205	205	206	355
Total	**12,892**	**12,183**	**11,292**	**9,210**	**11,310**
Developmental Assets Repayments[e]					
OC loans and guarantees[d]	7,337	6,957	8,161	7,602	10,440
OC debt securities	13	16	35	152	224
Other funds[h]	112	149	149	170	125
Total	**7,462**	**7,122**	**8,345**	**7,924**	**10,789**

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	2021	2022	2023	2024	2025
Developmental Assets Outstanding					
OC loans and guarantees[d]	108,943	112,761	116,239	115,890	117,830
OC debt securities	435	703	836	632	494
Other funds[h]	1,805	1,861	1,861	1,990	2,221
Total	**111,183**	**115,325**	**118,936**	**118,512**	**120,545**
Grant Financings Approved[f]					
Ordinary Capital	108	120	120	161	159
IDB Grant Facility	281	67	67	239	178
Other funds	185	310	310	243	316
Total	**574**	**497**	**497**	**643**	**653**
Multilateral Investment Fund					
Operations approved[g]	74	60	60	51	52
ADMINISTRATION					
Administrative Expenses					
Total – Bank Funds	**924**	**963**	**841**	**913**	**942**

[a] Net of capital subscriptions receivable
[b] Includes the Multilateral Investment Fund. Excludes terminated funds.
[c] Medium- and long-term borrowings, net of unamortized discounts (before swaps and mark-to-market adjustments). Medium- and long-term gross annual borrowings at face value, before swaps.
[d] Net of non-sovereign-guaranteed loan participations
[e] Based on original amounts in U.S. dollar equivalent
[f] Includes Social Entrepreneurship Program financing, technical cooperations, special programs, and project-specific and other grants. Excludes Multilateral Investment Fund operations, which are presented separately.
[g] Includes technical cooperations, loans, and equity investments. Also includes increases to already existing operations.
[h] Does not include IDB Grant Facility.

Table 2. Public-Financing Projects Approved in 2025, by Country

Click here to view.

Table 3. Subscriptions to Capital Stock, Contribution Quotas, and Voting Power (as of December 31, 2025) (in millions of U.S. dollars)[a]

Member countries	Ordinary Capital – Subscribed Capital Stock				
	Paid-in	Callable	Additional paid-in capital[b]	Total	Percent (%) of total number of votes
Regional developing members					
Argentina	672.9	18,742.5	303.3	19,718.7	11.354
The Bahamas	15.1	341.4	6.0	362.5	0.209
Barbados	8.1	224.8	1.1	234.0	0.137
Belize	9.3	189.9	4.1	203.3	0.117
Bolivia	54.0	1,505.7	28.6	1,588.3	0.913
Brazil	672.9	18,742.5	325.5	19,740.9	11.354
Chile	184.8	5,147.2	94.0	5,425.9	3.119
Colombia	184.8	5,147.2	91.0	5,423.0	3.119
Costa Rica	27.0	753.3	13.8	794.1	0.457
Dominican Republic	36.1	1,005.2	20.0	1,061.3	0.610
Ecuador	36.0	1,002.5	18.0	1,056.6	0.608
El Salvador	27.0	751.3	12.8	791.0	0.456
Guatemala	34.7	951.2	19.3	1,005.2	0.577
Guyana	10.5	264.1	4.7	279.4	0.162
Haiti	27.0	751.3	12.9	791.2	0.456

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Member countries	Ordinary Capital – Subscribed Capital Stock				Percent (%) of total number of votes
	Paid-in	Callable	Additional paid-in capital[b]	Total	
Honduras	27.0	753.3	15.5	795.8	0.457
Jamaica	34.7	951.2	17.0	1,003.0	0.577
Mexico	432.6	12,048.4	197.4	12,678.4	7.299
Nicaragua	27.0	751.3	14.2	792.4	0.456
Panama	27.0	751.3	14.9	793.1	0.456
Paraguay	27.0	751.3	16.6	794.9	0.456
Peru	90.1	2,508.9	47.3	2,646.3	1.521
Suriname	7.2	143.8	3.4	154.5	0.089
Trinidad and Tobago	26.0	712.8	12.5	751.4	0.433
Uruguay	72.2	2,010.5	33.2	2,115.9	1.219
Venezuela	249.3	5,568.5	171.0	5,988.8	3.403
Total, regional developing members	**3,020.3**	**82,471.4**	**1,498.1**	**86,989.9**	**50.015**
Canada	**241.7**	**6,598.8**	**185.9**	**7,026.4**	**4.001**
United States	**1,813.1**	**49,500.7**	**2,923.3**	**54,237.1**	**30.006**
Non-regional members					
Austria	9.6	263.4	11.2	284.2	0.161
Belgium	19.8	541.7	23.6	585.1	0.329
China	0.2	5.0	123.9	129.1	0.004
Croatia	2.9	80.2	3.5	86.7	0.050
Denmark	10.3	280.0	11.1	301.4	0.171
Finland	9.6	263.4	10.6	283.6	0.161
France	114.5	3,126.4	123.3	3,364.2	1.896

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Member countries	Ordinary Capital – Subscribed Capital Stock				Percent (%) of total number of votes
	Paid-in	Callable	Additional paid-in capital[b]	Total	
Germany	114.5	3,126.4	127.8	3,368.7	1.896
Israel	9.5	259.7	9.1	278.3	0.158
Italy	117.4	3,241.8	121.0	3,480.1	1.965
Japan	302.1	8,248.8	326.6	8,877.5	5.001
Republic of Korea	0.2	5.0	1.0	6.1	0.004
Netherlands	14.6	325.6	18.6	358.9	0.200
Norway	10.3	280.0	10.9	301.1	0.171
Portugal	3.2	89.2	4.4	96.9	0.055
Slovenia	1.8	49.0	1.9	52.8	0.031
Spain	117.4	3,241.8	120.0	3,479.2	1.965
Sweden	19.7	538.3	22.7	580.7	0.327
Switzerland	28.4	776.3	37.6	842.3	0.471
United Kingdom	58.1	1,588.0	98.6	1,744.8	0.964
Total, non-regional members	**964.1**	**26,330.0**	**1,207.4**	**28,501.7**	**15.979**
GRAND TOTAL	**6,039**	**164,901**	**5,815**	**176,755**	**100.0**

[a] Data is rounded; detail may not add to subtotals and grand total because of rounding.
[b] Does not affect voting power.

Table 4. Consolidated Administrative Expenses (in millions of U.S. dollars)

Category	2023	2024	2025
Board of Governors	2.6	4.2	4.8
Board of Executive Directors	22.2	22.4	23.5
Office of Evaluation and Oversight	8.6	9.2	9.4
Independent Consultation and Investigation Mechanism (MEC)	2.7	2.8	2.9
Administrative Tribunal	1.0	1.0	1.2
Headquarters and Country Offices	587.1	618.1	667.8
Total Administrative, Gross[a,b,c,d,e]	**624.2**	**657.7**	**709.6**
Reimbursement from Funds under Administration and IDB Invest	(32.1)	(34.7)	(35.4)
IDB Lab reimbursement and Administrative Income	(13.9)	(13.7)	(17.9)
Total Administrative, Net	**578.2**	**609.3**	**656.3**
Capital	62.8	75.2	79.4
Total Administrative Net and Capital	**641.0**	**684.5**	**735.7**

[a] Excludes depreciation of $56.4 million, $55.3 million, and $56.8 million in 2023, 2024, and 2025, respectively.
[b] Excludes pension and post-retirement-benefit costs of $111.7 million, $128.4 million, and $110.5 million in 2023, 2024, and 2025, respectively.
[c] Excludes $1.3 million, $3.8 million, and $1.8 million of capital-project expenditures not capitalized in 2023, 2024, and 2025, respectively.
[d] Includes prepaid expenses of $2.0 million, $2.2 million, and $2.4 million in 2023, 2024, and 2025, respectively.
[e] Excludes expenses reimbursed from Funds under Administration of $13.8 million, $14.2 million, and $24.6 million in 2023, 2024, and 2025, respectively. Excludes expenses reimbursed from IDB Invest of $13.0 million, $16.4 million, and $17.2 million in 2023, 2024, and 2025, respectively. Excludes $28.1 million, $23.9 million, and $19.9 million of expenses paid to IDB Invest in 2023, 2024, and 2025, respectively. Also excludes $(10.4) million, $13.2 million, and $1 million of other non-budgetary items in 2023, 2024, and 2025, respectively.

Table 5. Remuneration Summary – IDB Board of Executive Directors (in U.S. dollars)

Representative job titles	Maximum net salary authorized	Officers at position (%)[c]	Average net salary	Average costs of benefits[d]
Executive Director[a]	266,752	18%	266,752	84,027
Alternate Executive Director[a]	230,766	18%	230,766	72,691
Senior Counselor[b]	184,613	18%	183,466	57,792
Counselor	184,613	27%	177,317	55,855
Junior Counselor	138,458	19%	131,047	41,280

[a] Executive Directors and Alternate Executive Directors have an established salary. As such, the amounts shown as maximum net salary and average net salary are equal. The figures do not apply to the U.S. Executive Director or U.S. Alternate Executive Director, who are subject to U.S. congressional salary caps.
[b] Figures for Senior Counselors do not consider the annual executive allowance of $6,120, at the discretion of the Chair of each EXD office.
[c] Does not include vacancies, office assistants, and reflects rounding. For the two members who have dual roles and also act as Directors at IDB Invest, roles and maximum amounts for their positions at the IDB are shown.
[d] Represents the average cost of benefits per job, including medical, life, and disability insurance, accrued termination benefits, and other non-pensionable benefits.

Table 6. Remuneration – IDB Executive Management (in U.S. dollars)

Grade	Name	Position	Annual net salary	Benefits budgeted[a]
P	Ilan Goldfajn	President[b]	545,172	185,358
E1	Jordan Schwartz	Executive Vice President	459,680	156,291
E2	Anabel González	Vice President for Countries and Regional Integration	441,293	150,040
E2	Ana María Ibáñez Londoño	Vice President for Sectors and Knowledge	398,319	135,428
E2	Pilar Girón Dávila	Vice President for Human Resources and Digital Transformation	368,400	125,256
E2	Gabriel Yorio González	Vice President for Finance and Administration	357,000	121,380
E4	Irene Arias Hofman	General Manager, IDB Lab	394,521	134,137

[a] Represents budgeted amount; including medical, life, and disability insurance, accrued termination benefits, and other non-salary benefits.
[b] The President's salary does not include an executive allowance of $97,568.

Table 7. Salary Structure – International Staff (as of December 31, 2025) (in U.S. dollars)

Grade	Representative Job Titles	Salary range minimum	Salary range maximum	Staff at grade level (%)	Average salary	Average benefits budgeted[a]
P	President[b]	545,172	545,172	0.1%	545,172	185,358
E1	Executive Vice President	368,000	479,600	0.1%	459,680	156,291
E2	Vice President	338,800	457,100	0.2%	391,253	133,026
E3	Manager/other executive roles	310,000	449,600	0.5%	395,268	134,391
E4		267,200	401,400	0.5%	316,731	107,688
E5		237,600	356,700	1.0%	281,161	95,595
R	Country Representative	214,300	330,700	1.3%	231,636	78,756
1	Division Chief - Principal Technical Leader/Principal Advisor	214,300	330,700	4.3%	257,783	87,646
2	Unit Chief - Principal Specialist/ Senior Advisor	189,700	293,200	8.9%	219,145	74,509
3	Lead Specialist/Advisor	160,800	257,000	16.8%	182,185	61,943
4	Senior Specialist	141,500	226,100	26.2%	157,255	53,467
5	Specialist	128,800	193,300	17.9%	135,404	46,038
6	Senior Associate	114,700	171,500	10.4%	119,533	40,641
7	Associate	101,900	152,600	5.8%	107,851	36,669
8	Senior Analyst - Senior Administrative Coordinator	89,300	133,800	3.2%	97,293	33,079
9	Analyst - Administrative Coordinator	79,000	118,200	2.1%	87,892	29,883
10	Senior Assistant	63,800	101,700	0.5%	68,464	23,278
11	Assistant	55,700	88,700	0.2%	63,408	21,559

[a] Represents average budgeted amount per grade; including medical, life, and disability insurance, accrued termination benefits, and other non-salary benefits.
[b] The President's salary does not include an executive allowance of $97,568.

Table 8. International Staff – Rewards Distribution Summary by Career Track and Gender[a] (in U.S. dollars)

	Executives	Managerial	Technical	Support
Grade Levels	**E1–E5**	**R / 1–3**	**1–9**	**8–12**
Staff Distribution %	**2.2%**	**4.7%**	**90.7%**	**2.4%**
TOTAL				
Merit pay amount	489,308	778,402	9,462,990	132,286
% of aggregate salary	4.5%	4.6%	4.4%	4.4%
Promotion pay amount	83,652	9,551	1,065,186	25,163
% of aggregate salary	5.0%	5.0%	5.5%	7.0%
Total variable pay	—	411,556	3,316,908	42,166
% of aggregate salary	—	2.4%	1.5%	1.4%
MEN (47%)	**72%**	**50%**	**47%**	**18%**
Merit pay amount	372,772	378,195	4,682,836	20,092
% of aggregate salary	4.6%	4.5%	4.4%	4.1%
Promotion pay amount	64,865	9,551	501,344	—
% of aggregate salary	5.0%	5.0%	5.3%	—
Total variable pay	—	195,085	1,569,334	2,855
% of aggregate salary	—	2.2%	1.4%	0.5%
WOMEN (53%)	**28%**	**50%**	**53%**	**82%**
Merit pay amount	116,536	400,207	4,780,154	112,194
% of aggregate salary	4.4%	4.8%	4.4%	4.4%
Promotion pay amount	18,787	—	563,842	25,163
% of aggregate salary	5.0%	—	5.8%	7.0%
Total variable pay	—	216,471	1,747,574	39,312
% of aggregate salary	—	2.6%	1.6%	1.5%

[a] All amounts refer to sums paid in 2025 for the 2024 performance review cycle.

Appendix I. List of IDB Governors

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Appendix II. List of Executive Directors, with Voting Power

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Appendix III. Principal Officers

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Appendix IV. Country Offices and Representatives

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