

2018

A DECADE OF PARTNERSHIP

2018 Partnership Report



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About this Report

In 2018, partnerships were once again at the center of the Inter-American Development Bank Group's (IDB Group) efforts to improve lives in Latin America and the Caribbean. The IDB's Office of Outreach and Partnerships (ORP) continued working across the many divisions housed within the IDB, its private sector entity IDB Invest, and its newly rebranded innovation laboratory IDB Lab to forge new alliances and strengthen existing ties as a means of amplifying its impact in the region. In the pages of this report, you will learn about the key development trends unfolding in the region, the IDB's strategic response to them, its continued commitment to innovating, and the collaborations it has developed to address sectors of critical importance.



A letter from the IDB President Luis Alberto Moreno

Dear partners and friends,

This 2018 edition of the Annual Partnership Report marks a decade of alliances at the Inter-American Development Bank (IDB) Group, in step with the 10th anniversary of the Office of Outreach and Partnerships (ORP). We celebrate this occasion because the creation of ORP did far more than simply facilitate collaborations. It also launched the vision that

partnerships are a cornerstone of our mission to improve lives in Latin America and the Caribbean.

Our partnership history is one of constant growth. When ORP first opened its doors in 2008, the IDB was managing a portfolio of 39 partners and \$1.6 billion in resources mobilized. Since then, we've mobilized \$31.8 billion from 491 partners from the public, private, non-profit, philanthropic, and academic sectors.

To get here, we had to be creative. This meant experimenting with new partnership instruments to unlock knowledge and funding sources in the region. It also meant working with partners to push boundaries and pioneer innovative finance mechanisms critical to achieving the 2030 Sustainable Development Agenda.

This report reflects the progress we have made together.

Still, it is no surprise that development challenges are becoming more complex by the day. Climate mitigation and adaptation, renewable energies, and regional migration are just a few of the issues that demand our best strategies and solutions. These challenges do not just require funding, but also a greater diversity of mindsets, knowledge, and enhanced expertise. That is why, to continue to improve lives in Latin America and the Caribbean, we need our partners and the value they bring to the table even more.

Cognizant of this, in 2018 a division dedicated specifically to capturing the knowledge and financing our partners have to offer became operational and, to kick off the new year, we integrated partnerships and resource mobilization as a key pillar in the institutional strategy that will guide our work for the next three years. This means that we will actively seek partners for every project and initiative in all sectors to have a bigger reach and wider impact.

To those who have partnered with us, we thank you. To those who are interested, we hope to work with you soon.

Yours sincerely,

Luis Alberto Moreno
President, Inter-American Development Bank

The IDB Group

About the Inter-American Development Bank

The Inter-American Development Bank (IDB) is a leading source of long-term financing for economic, social, and institutional projects in Latin America and the Caribbean (LAC). Besides loans, grants, and guarantees, the IDB conducts cutting-edge research to offer innovative and sustainable solutions to our region's most pressing challenges. Founded in 1959 to help accelerate progress in its developing member countries, the IDB continues to work every day to improve lives. www.iadb.org

About IDB Invest

IDB Invest, a member of the Inter-American Development Bank (IDB) Group, is a multilateral development bank committed to supporting the private sector in Latin America and the Caribbean. It finances sustainable enterprises and projects to achieve financial results that maximize economic, social and environmental development for the region. With a current portfolio of \$11.2 billion under management and 330 clients in 23 countries, IDB Invest works across sectors to provide innovative financial solutions and advisory services that meet the evolving demands of its clients. www.idbinvest.org

About IDB Lab

IDB Lab is the innovation laboratory of the IDB Group, the leading source of development finance and know-how for improving lives in Latin America and the Caribbean. IDB Lab mobilizes resources to develop innovative projects and early stage ventures with a potential for impact and great scale, benefiting populations that are vulnerable due to economic, social, or environmental factors. Since 1993 IDB Lab has approved more than \$2 billion in projects deployed across 26 LAC countries. As of October 29, 2018, IDB Lab is the new identity of the Multilateral Investment Fund (MIF). www.idblab.org

In 2018, the IDB mobilized approximately **\$3 billion** in resources and formalized valuable collaborations through **38 institutional agreements**.

The Bank also engaged **nearly 100 partners** throughout the year.



A decade ago, the IDB launched the Office of Outreach and Partnerships (ORP)

behind a vision that closer cooperation with public and private entities would accelerate development progress in Latin America and the Caribbean (LAC). At the time, we expected ORP to facilitate the creation and management of institutional relationships and generate novel approaches to the region's development challenges. Today, we see that this partnership-centric approach has yielded much more.

In the 10 years ORP has been operational, we have made important contributions to the creation of an increasingly collaborative global development ecosystem. Through workshops, knowledge products, events, and other knowledge sharing mechanisms, we have disseminated what we know about partnering for development, enabling others to do the same.

We have also pushed non-traditional actors to take an active role in the region's development story. Through the creation of a corporate sustainability index and financial vehicles to crowd-in private capital, for instance, we have motivated corporations and institutional investors to do their part in achieving the Sustainable Development Goals (SDGs). And because of our belief in the power of public-private action, we have carved out a leadership role for the IDB in the development of innovative financing mechanisms that enhance our capacity to implement the 2030 Agenda.

Thanks to strategic alliances with governments, foundations, non-governmental organizations, universities, think tanks, companies, and others, we have mobilized billions in financing and knowledge that enrich our day-to-day operations and development interventions in LAC. And we have continuously sharpened our capacity to manage donor resources and ensure these funds support LAC countries' needs in line with our institutional strategy and the global development agenda.

And finally, alongside the countries we serve and the partners we work with, we have helped build a more sustainable, more inclusive, and more innovative Latin American and Caribbean region. To do this, we have streamlined climate considerations across our operations, prioritized women and other vulnerable populations in our work across every sector, and worked with key partners to ensure our countries capture the benefits of the digital revolution.

The bottom line is that our experience with partnerships over the past decade gives us the highest level of confidence that we accomplish even more in the coming years, not only to keep pace with accelerating change, but to stay ahead of it. Join us.

Bernardo Guillamon
Manager, Office of Outreach and Partnerships ORP

*Since the Office of Outreach and Partnerships opened its doors in 2008, the IDB has mobilized **\$31.8 billion** from **491 partners**.*

A Decade of Partnership

2008

Setting the groundwork for the mainstreaming of climate change across IDB operations, the IDB creates the *Sustainable Energy and Climate Change Initiative (SECCI)* in close cooperation with **Germany**. This effort that would later bring together partners including **Finland, Italy, Japan, Spain, and the United Kingdom**. Also in 2009, China becomes a member of the IDB, joining its counterparts from across Asia, Europe, and the Americas as a non-borrowing member country and development partner for LAC. Later, the IDB and **China** would create a \$2 billion co-financing facility to fund projects related to infrastructure, private sector development, and other topics.



Under the leadership of IDB President Luis Alberto Moreno, the IDB Office of Outreach & Partnerships becomes fully operational. In that same year, a historic water fund is launched alongside the **Government of Spain** that, by 2018, would boast a portfolio of projects valued at \$1.6 billion, with \$580 million provided directly by Spain. Also in water and sanitation, the multi-donor *AquaFund* is created by **Austria, Switzerland, and the IDB. Spain and PepsiCo Foundation** would later join as well, making the latter the first private donor to support to an IDB-managed multi-donor fund.

2009

2010

Following the devastating January earthquake in Haiti, the IDB becomes the largest donor and mobilizer of resources for the country with collective commitments of \$456 million. It also joins forces with **The Coca-Cola Company, TechnoServe, and the United States Agency for International Development** to launch the *Haiti Hope Project*, an initiative to empower smallholder mango farmers and rebuild the country's agriculture industry. In the same year, the **Bill & Melinda Gates Foundation, the Carlos Slim Foundation, Spain, the governments of Mesoamerica and Chiapas, Mexico, and the IDB** launch the *Salud Mesoamerica Initiative*, piloting results-based financing and blazing the trail for a new wave of innovative finance. *Compete Caribbean* is launched by **Canada, the Caribbean Development Bank, the United Kingdom, and the IDB** to boost private sector competitiveness. Renewed for a second phase in 2017, by the end of Phase I the initiative would show positive results related to job creation and revenue generation.

2011

Cognizant that innovation and knowledge are critical to development, the IDB launches the multi-donor *Knowledge Economy Fund* with **Finland and Spain**. It also teams up with the **FC Barcelona Foundation**, expanding the *Sports for Development* initiative launched in 2004 that would come to reach thousands of people across 18 countries. In the same year, a private sector alliance creates the *Inclusive Regional Recycling Initiative* to improve the lives of informal recyclers. And as part of the IDB's *Initiative for Citizen Security*, the **European Commission and the United Kingdom** work with the IDB for safer communities in Central America and the Caribbean. Finally, in line with the *UN Decade of Action for Road Safety* launched in 2011, the IDB expands ties with key transport partners including the **Program for New Car Assessment in LAC (Latin NCAP)** and the **International Automobile Federation (FIA)**.

2012

In 2012, the *Co-financing for Renewable Energy and Energy Efficiency (CORE)* program is established with \$300 million from **Japan**. Later, it was expanded to \$3 billion, making it the largest co-financing facility at the IDB, while Japan created additional technical assistance initiatives to prioritize quality infrastructure. In the same year, the IDB joins forces with **Canada** to explore blended finance, creating the \$250 million *Canadian Climate Fund for the Private Sector in the Americas*, the first co-financing fund exclusively for green private sector operations in LAC. To close the youth skills gap, the *New Employment Opportunities* initiative is born of a partnership with global companies and the **International Youth Foundation**. By the end of 2018, NEO would empower 380,000 beneficiaries, 50 percent of whom are women and girls. In the same year, the IDB and partners including **FEMSA Foundation, PAHO, and SABIN** join forces to fight neglected tropical diseases in Chiapas.

In 2013, the *Special Program for Broadband Services* is created and the *Broadband Training Center* financed thanks to partners including **Korea** and **GSMA**, paving the way for IDB efforts to support LAC's digital transformation for years to come. A partnership with the **Global Harvest Initiative** and **Mitsubishi Corporation** produces a compelling study on food security, setting the stage for a series of collaborations to position LAC as a global breadbasket. To help LAC SMEs go global, **Alibaba.com**, **DHL**, **Google**, and **Visa** join the IDB to launch *ConnectAmericas*, a digital platform to connect companies with financing, information, and contacts that would later welcome **MasterCard**, **SeaLand**, and **Facebook** aboard. In the same year, **AB Inbev** and the IDB test a new model of corporate social responsibility through a project to empower 40,000 *tenderos*, or shopkeepers, through access to financing, training, and support.



Alongside **Switzerland**, the IDB becomes the first multilateral development bank to set up a *social impact bond (SIB)* pilot facility, introducing SIBs to LAC through a \$5.3 million program to improve the employability of vulnerable communities in Colombia. In the same year, the IDB takes socially conscious investing to a new level with its *Education, Youth, and Employment (EYE) Bond*, a \$500 million issuance to improve education quality. The **Denmark-IDB** partnership wins a global award for its design of an energy efficiency insurance facility, while the IDB teams up with the **European Investment Bank**, **France**, **Germany**, **Japan**, the **Nordic Development Fund**, and others to launch the first large-scale multi-donor geothermal facility to work regionally in LAC.



The Sustainable Development Goals, the Paris Climate Accords, and the “billions to trillions” movement driven by the Addis Ababa Agenda for Action outline a new framework for sustainable development that calls for expanded collaboration in pursuit of a brighter future for all. In the same year, the IDB is recognized as one of the most influential development partners in the world, according to a report by **AidData**. The IDB also becomes the largest mobilizer of international climate finance resources to LAC and an accredited member of the **Green Climate Fund**. A half-decade after the earthquake in Haiti, the IDB celebrates results and its partnerships with actors including **3M**, **CARE**, **Food for the Poor**, **Happy Hearts Fund**, **World Central Kitchen**, and others. Finally, with **Calvert Impact Capital**, a \$20 million *Inter-American Opportunity Facility* is created to fuel impact investing in the region.



Launched in 2016, the IDB's Update to the Institutional Strategy highlights gender and climate change as transversal priorities, while the IDB's private sector operations are consolidated into a single entity — IDB Invest. The *Korea Infrastructure Development Co-financing Facility for LAC (KIF)* is created with \$100 million in financing from **Korea** and is later complemented with an additional \$300 million. A new chapter begins for the successful *Latin American Water Funds Partnership* created by the **FEMSA Foundation**, the **Global Environment Facility**, **The Nature Conservancy**, and the IDB in 2011 as phase II is announced in 2016. A collaboration with the **United Kingdom's Department for Environment, Food and Rural Affairs** launches a £25 million effort to advance low-carbon agriculture in Brazil. Having already reached more than one million people in 12 countries across LAC, IDB and **PepsiCo Foundation** double down on their five-year partnership through a new agreement.



For the first time — through an effort to improve early childhood development alongside **FEMSA Foundation**, the **Maria Cecilia Souto Vidigal Foundation**, and **Open Society Foundations** — the IDB launches a multi-donor fund exclusively with foundation partners. In the same year, the IDB makes major headway as an innovative finance pioneer. In one example, it joins the *Yucatan Fund* as a financial intermediary, facilitating infrastructure financing through zero bond coupons. In another, it teams up with the **United Kingdom** to create the £177 million Sustainable Infrastructure Program, which will catalyze private investment in low-carbon, climate-resilient infrastructure. Finally, to transform the Caribbean's energy matrix, **Italy**, the **Clean Technology Fund**, and the IDB join to create the *Sustainable Energy for the Eastern Caribbean* program.



The *Regional Malaria Elimination Initiative (RMEI)* announced in 2017 with the **Bill & Melinda Gates Foundation**, the **Carlos Slim Foundation**, and the countries of **Mesoamerica**, and the **Dominican Republic** kicks off in 2018, providing blended finance to wipe out the disease by 2020. Expanding its commitment to innovative finance, the IDB creates the *Natural Capital Lab* with France and the *Blue Carbon Fund* with the **United Kingdom**. Finally, building on 10 years of effective partnership development and in light of the critical development financing gap seen in the LAC region, the IDB integrates a pillar dedicated to partnerships and resource mobilization into its institutional strategy, mandating the expansion of its collaborative work in pursuit of financing the Sustainable Development Goals moving forward.

TRENDS

Financing the Future

Achieving the Sustainable Development Goals (SDGs) in Latin America and the Caribbean (LAC) will require mobilizing more investments of all kinds — public, private, national, and global — in both capital and capacity, as the resources needed to continue improving lives in the region cannot be met by relying solely on traditional sources of development financing. Building on its track record of exploring and piloting innovative financing instruments, the IDB is committed to enhancing its role as a pioneer in this space and as a leading source of resource mobilization for the LAC region. This commitment is reflected in the IDB's updated institutional strategy, which was finalized in 2018 and now features resource mobilization as one of its three primary operational lines of work.

The Blue Economy: The Next Frontier of Climate-Smart Development

While scientists have long promoted the idea of using terrestrial vegetation to capture CO₂ emissions and store “green carbon” in the soils, they are increasingly touting the value of *blue carbon* — that is, emissions that can be captured and held along coastal areas by protecting and restoring mangroves, salt marshes, and seagrass communities. A recent United Nations report indicated that up to seven percent of the CO₂ reductions needed to curb climate change can be achieved this way. However, while these are among the most efficient carbon sinks known today, they are also among the planet's fastest disappearing ecosystems.

The advancement of the *blue economy* also presents opportunity for communities along LAC's vast coastlines to achieve economic revitalization and an improved quality of life. Accordingly, the **United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA)** has committed an initial £12.75 million to a new IDB-managed *Blue Carbon Fund*, which will use blended finance to catalyze public and private investments in the blue economy. The fund will prioritize projects related to sustainable fisheries and aquaculture, coastal zone management, payment for ecosystem services, eco-tourism, and marine protected areas.

The blue economy is the sustainable use of ocean resources for economic growth, improved livelihoods and jobs, and ocean ecosystem health.

Blended finance is the combination of concessional financing from donors with the IDB's own financing — and/or commercial financing from other investors — to develop private markets, address the SDGs, and mobilize additional private and public resources for development.

In 2018, a range of IDB partners and initiatives came together to launch the *Blue Tech Challenge*, an effort to identify scalable business models that use cutting edge technologies to advance the sustainable management of oceans, marine ecosystems, and coastal resources. Partners include IDB Lab, the IDB's *Natural Capital Lab* and *Sustainable Islands Platform*, and the *Compete Caribbean Partnership Facility*, which is also supported by the **Caribbean Development Bank** and the governments of **Canada** and the **United Kingdom**. The initiative will identify organizations looking to pilot and scale up blue economy business models and technologies to foster long-term sustainability in and around 14 Caribbean countries.

*A **panda bond** is a Chinese renminbi-denominated bond from a non-Chinese issuer, sold in the People's Republic of China.*

Putting Panda Bonds to Work for Green Development in LAC

In recent years, China's green bond market has grown rapidly and has become an ideal source of capital for LAC's green bond issuers as they look to diversify their investor base — and thereby help fund the investment needs of the region's transition to a low-carbon, climate-resilient economy. With this in mind, the IDB joined forces with the **Climate Bonds Initiative**, an international non-profit that works to mobilize the \$100 trillion global bond market for climate solutions, to publish the *Green Panda Bond Handbook*. Featuring information provided in part by the **People's Bank of China**, the guide intends to strengthen the capacity of LAC countries to issue green bonds in the Chinese domestic bond market.

With the EIB, Looking for the Right Blend

In 2018, the **European Investment Bank** and the IDB jointly explored the use of blended finance instruments to further leverage **European Union** support of the *Latin American Investment Facility (LAIF)* and the *Caribbean Investment Facility (CIF)*. The partners also worked to identify opportunities to co-finance private sector projects with IDB Invest and funded new sovereign guaranteed operations in countries including Colombia, Haiti, and Peru. In one example, the EIB co-financed a \$28 million loan to support an IDB operation to develop climate resilient bridge standards in natural disaster-prone areas in Haiti. To complement this financing, the partners also submitted a grant request of up to \$25 million to the CIF.

In past years, the EIB and the IDB have collaborated to finance regional integration efforts and infrastructure modernization in LAC. For instance, the partners financed one-fifth of a major expansion of the Panama Canal, a massive project to modernize this historic waterway, while collaborating to expand access to electricity in Nicaragua and improve electric transmission lines across Central America. Moving forward, the EIB and the IDB will continue tapping into each organization's expertise by exploring capital market instruments such as SDG bonds and the development of a staff exchange program.

*An **SDG bond** is a structured financing scheme that obligates the fund recipient to use the proceeds for specific, targeted investments in line with the Sustainable Development Goals.*

Blended Finance Unlocks Funding for Agricultural Competitiveness in the Caribbean

The IDB's longtime partner the **European Commission** ramped up its use of blended finance in 2018 through the *Caribbean Investment Facility*, approving a €2.15 million grant to support the *Agricultural Competitiveness Program* in Suriname. This grant, which was blended with \$17.5 million in IDB lending, will promote agricultural innovation systems and animal and plant health services, while financing the construction of a laboratory for Suriname's Ministry of Agriculture, Animal Husbandry, and Fisheries to support research and technology transfer. In parallel, in 2018 the CIF approved a €13 million grant to fund Phase II of the *Sustainable Energy Investment Plan* in Barbados, an effort that seeks to promote energy efficiency in public buildings.

Beyond its development impact, C2F has also been a milestone partnership given its role as a model for future innovative financing instruments.

Empowering Women, Abating Emissions through C2F

Since 2012, the *Canadian Climate Fund for the Private Sector in the Americas (C2F)* has been an effective vehicle for catalyzing private sector investment in climate change mitigation and adaptation in the region. As of June 2018, C2F had closed and approved \$237.8 million for 24 projects across the region, abating 744,161 tons of CO² to date through projects that have reached an operational phase. Once all projects are operational, these initiatives are expected to abate more than 2.16 million tons of CO². Over the years, C2F has also pioneered the use of blended finance to test, incentivize, and promote opportunities for gender inclusion in the sustainable infrastructure space, with a focus on ensuring both women and men benefit from the diverse opportunities offered by the growing climate economy in the region.

Responsible Finance is the Future: Partnership in Argentina Leverages Capital Markets for Sustainable Development

Argentina in 2018 took a major step up in financing sustainable development, as the country's **Bank of Investment and Foreign Trade (BICE)** joined IDB Invest to issue a \$30 million sustainable bond. With a focus on strengthening financial inclusion and productive development, this bond will contribute to seven of the 17 Sustainable Development Goals by investing in energy efficiency and renewable energy projects, companies led by women, projects in the country's impoverished northern areas, and the development of small and medium-size enterprises. The IDB provided technical assistance to facilitate BICE's development of a framework for identifying and selecting projects, a process that received the highest possible rating from the independent research firm Vigeo Eiris.

Over the past two years, the IDB has supported the capacity of national development banks to issue green, social, and sustainable bonds, with projects currently underway in Argentina, Brazil, Colombia, Ecuador, Mexico, and Uruguay.

The UK Sustainable Infrastructure Program Breaks Ground in 2018

The partnership between the **Government of the United Kingdom**, the IDB, and IDB Invest was active last year as work began under the *UK Sustainable Infrastructure Program (SIP)*. Created in 2017 by the IDB and the UK's **Department for Business, Energy and Industrial Strategy (BEIS)**, the SIP seeks to accelerate the implementation of the Paris Climate Agreement in LAC by catalyzing private investment in sustainable, low-carbon infrastructure.

In 2018, the program initiated country dialogues in Brazil, Colombia, Mexico, and Peru to identify concrete opportunities and launched a \$1.3 million technical cooperation to operationalize the Sustainable Infrastructure Framework in these four priority countries. The SIP also began developing sector-specific programs in two of these nations, with \$1.7 million allocated to support electric transport and non-conventional renewable energy development in Colombia in collaboration with the **Ministry of Mines and Energy**, the **National Development Finance Corporation**, and **Transmilenio**. In Mexico, the program is providing funding to develop sustainability criteria for infrastructure assets and provide transparency to investors, with technical cooperation activities initiated with **Banobras** and the **Ministry of Finance and Public Credit**.

Thanks to £177 million in initial financing from the UK as well as additional resources from the IDB and IDB Invest, the SIP will provide blended finance through equity, debt, guarantees, and other risk mitigation instruments. It is the largest partnership effort between the UK and the IDB to date and the Bank's largest private sector program for sustainable, low-carbon infrastructure.

IN THE SPOTLIGHT

Co-Financing Still Drives the Development Agenda in 2018

While the IDB continues expanding its use of innovative finance, traditional co-financing arrangements remain a tried and true method for engaging donors and leveraging additional financing for development. In particular, co-financing instruments and platforms have proven to be trusted vehicles for catalyzing public financing from longstanding donors, such as those featured in this section. In 2018, the IDB's partnerships effectively mobilized \$2.75 billion through co-financing, channeling needed capital to infrastructure, natural capital development and conservation, private sector development, and other priority sectors.

Portuguese Financiers to Invest in LAC's Future

2018 kicked off with a new co-financing partnership, with IDB Invest formalizing an agreement with the Portugal-based **Sociedade para o Financiamento do Desenvolvimento, Instituição Financeira de Crédito, S.A. (SOFID)**. SOFID's majority shareholder is longstanding IDB partner and non-borrowing member the **Government of Portugal**. Moving forward, the partners will prioritize agribusiness, energy, infrastructure, manufacturing industries, and tourism, and will finance projects in Central American and Caribbean communities, among other areas.



Denmark and the IDB Join Forces to Finance Private Sector Development

Denmark's Investment Fund for Developing Countries (IFU) and IDB Invest have formalized a partnership to co-finance private sector projects in LAC. The partnership with IFU, an independent, government-owned fund that offers advisory services and risk capital to companies wishing to do business in developing countries and emerging markets, will target sectors in which market-based solutions can drive progress in line with the Sustainable Development Goals. IDB Invest and IFU have already begun developing a pipeline of projects in Colombia and plan to collaborate through robust knowledge exchange efforts.

The IDB's historic partnership with the **Government of Denmark** includes joint support to national development banks across the region to catalyze private sector investment in energy efficiency, as well as Denmark's participation in the IDB-managed Gender and Diversity Fund. The IDB also has a history of partnering with key Danish companies including **LEGO**, the **Maersk Group**, **Novozymes**, and **Vestas**.

An Expanded Co-Financing Partnership with Germany

Following the April 2018 edition of what will become an annual co-financing meeting between the **German Development Bank (KfW)** and the IDB, the partners pledged to strengthen their collaboration by exploring new co-financing opportunities. The expanded partnership will prioritize sectors including citizen security, climate change, energy, financial markets, sustainable cities, technical vocational education and training, transport, and water and sanitation.

In addition, Germany declared its intention to continue supporting climate action in the region through a new commitment of €7 million to the IDB's *Sustainable Energy and Climate Change Initiative (SECCI) Multi-donor Fund*. This support complements \$13.3 million in previous financing from this country, as well as support from fellow SECCI partners **Austria, Finland, Italy, Japan, Korea**, the **Nordic Development Fund, Spain, Switzerland**, and the **United Kingdom**.

The partnership with Germany was further strengthened in 2018 with a "deep dive" conference organized by the **German Ministry of Economic Cooperation and Development (BMZ)** in May, during which the partners explored and solidified opportunities for collaboration.

“KfW and IDB are longstanding partners in Latin America and the Caribbean, especially in the field of climate change. We envisage to deepen this fruitful partnership through co-financing, coordinated technical assistance, and knowledge exchange, both in existing areas and in new areas such as vocational training and green bonds.”

~ Joachim Nagel, Member of the Executive Board, KfW

An IDB member since 1976, the year the Bank first opened membership to non-LAC countries, Germany partners with the IDB through the **German Federal Ministry for Economic Cooperation and Development (BMZ)**, Germany's international development institution **KfW**, and its international technical cooperation agency **GIZ**. To date, Germany has collaborated with the IDB in large part to support sustainable infrastructure, business development, and environmental conservation.

TRENDS

Protecting our Planet

While LAC faces enormous challenges to protecting its biodiversity and natural capital, the region also has enormous potential to lead the way to climate-smart solutions. Working in cooperation with government partners and the scientific and business communities, the IDB is at the forefront of efforts to re-imagine the journey toward sustainable development. This section features concrete examples of these collaborations and the ways the IDB and its partners are innovating to protect our planet.

Natural capital can be defined as the world's stocks of natural assets — including geology, soil, air, water, and all living things — from which humans derive a wide range of services, often called ecosystem services, which make human life possible. The most obvious ecosystem services include the food we eat, the water we drink, and the plant materials we use for fuel, building materials, and medicines.

With France's President Macron, Delivering Natural Capital Solutions in LAC

At the 2018 *One Planet Summit* in New York, President Emmanuel Macron of **France** and IDB President Luis Alberto Moreno launched the *Natural Capital Lab*, an IDB-managed platform through which governments and businesses can jointly incubate solutions to conservation, biodiversity, and marine ecosystem challenges. The French government committed \$25 million for the first round of projects, which will be scaled and replicated with resources from the **Global Environment Facility**, public partners like the **French Development Agency (AFD)**, and private investors. The IDB will solicit additional donor support, with the goal of having at least five projects in execution by 2020.

Led in part by IDB Lab, this effort intends to generate a pipeline of projects by making small investments in entrepreneurs working on natural capital solutions and linking them to larger investment opportunities. It will also prioritize efforts to provide blended finance as a means of eliminating barriers to private investment, leveraging IDB and partner resources to develop guarantees, loans, equity investments, results-based payments, and technical assistance. Finally, by supporting technologies that enable the mapping, tracking, and sensing of ecosystem data, the *Natural Capital Lab* will also give decision-makers the tools they need to advance this agenda.

“The conservation of biodiversity is our duty, because we are part of this continent. Since 40 percent of [the world's] biodiversity is in Latin America, I do believe in the important role of the IDB's Natural Capital Lab.”

~ President Emmanuel Macron of France

France Doubles Down on Climate Action through New Fund

The **Government of France** has reaffirmed its commitment to climate action in Latin America and the Caribbean through the *French Climate Fund for LAC*, a \$5 million fund created by the **French Development Agency (AFD)** in partnership with the IDB. The fund will prioritize mitigation and urban resilience efforts and will be a critical mechanism for the ever-expanding collaboration between AFD and the Bank.

The French contribution will prioritize fighting deforestation, investing in nature-based solutions, promoting farmers' transition towards agro-ecology, preserving and restoring marine and terrestrial biodiversity, and making the economic case for conservation.

With the Netherlands, a Collaboration to Make the Paris Agreement Work

In 2015, the Paris Climate Agreement laid out an ambitious global plan for driving climate-resilient and low-carbon development. Since then, the IDB and its partners have worked urgently to help LAC countries finance climate progress at home. In 2018, the **Government of the Netherlands** gave a boost to this effort with a \$5 million commitment to the IDB's *NDC Pipeline Accelerator* multi-donor trust fund, which helps LAC countries meet their Nationally Determined Contributions (NDCs). The fund, which was created with an initial €10 million from the **Nordic Development Fund (NDF)**, is a key component of the IDB's *NDC Invest* platform, a one-stop shop for the planning, design, and preparation of climate-friendly infrastructure projects, with the goal of aligning public and private sector investments with the NDCs.

“The *NDC Pipeline Accelerator* allows climate action plans and investments to be put in motion. I look forward to working with the Inter-American Development Bank Group to increase resilience for vulnerable people and show the world that the Paris Climate Action Agenda is achievable.”

~ Carola van Rijnsoever, Ambassador for Sustainable Development, the Netherlands

Implementing the Paris Climate Agreement will require substantial financing. Accordingly, the IDB's *NDC Invest* platform was launched in 2016 to help LAC countries secure the resources they need to translate climate commitments into investment plans and bankable projects.

With the United Kingdom, Providing Farmers the Tools They Need to Save the Forests

The *Low Carbon Agriculture for Avoided Deforestation Program*, or *Rural Sustentável*, is a partnership between the **United Kingdom's Department for Environmental, Food and Rural Affairs (DEFRA)** and the IDB that seeks to improve land and forest management while encouraging low-carbon agriculture practices, sustainable rural development, poverty reduction, and climate protection. Targeting farmers in Brazil's Amazon and Atlantic Forest biomes — including thousands of women and young people — the program provides capacity building, facilitates farmer-technician partnerships, and offers cash payments to small and medium rural producers for the adoption of low-carbon technologies.

To date, *Rural Sustentável* has provided capacity building to more than 26,000 rural producers and technical assistance agents, and it has helped to avoid deforestation on more than 46,500 hectares of land. Additionally, the partnership has implemented more than 350 Demonstration Units, which are areas of rural production that showcase technologies and best practices to rural producers, and more than 3,600 Multiplying Units, or groups of rural producers that draw from technical assistance to implement technologies and best practices in exchange for conditional cash payments. At \$20 million, these direct cash benefits amount to one of the largest such programs in Brazil.

Combatting Deforestation Alongside the Tropical Forest Alliance 2020

According to the latest report from the UN's Intergovernmental Panel on Climate Change, about 10 percent of global greenhouse emissions are tied to deforestation. As increasing demand for food and wood products further exacerbates this, developing deforestation-free supply chains has become ever more critical to climate solutions. With this in mind, and to advance a holistic approach that recognizes the linkages between the environment, economic growth, and social inclusion in LAC, in 2018 the IDB became a partner in the **Tropical Forest Alliance 2020 (TFA 2020)**.

Founded in 2012, TFA 2020 is a public-private partnership aimed at reducing the tropical deforestation associated with the sourcing of commodities such as palm oil, soy, beef, and paper and pulp. With an initial focus on Brazil and Colombia, the IDB intends to leverage its expertise and partnership network to position sustainable supply chains as a route to economic development and climate action.

Building Up Urban Resilience with the City of Paris

The IDB solidified its partnership with the **City of Paris** in an agreement signed by IDB President Moreno and Mayor Anne Hidalgo. The collaboration will leverage the Paris government's existing cooperation with LAC cities to further prioritize innovation in urban development, urban services management, climate change mitigation, and environmental protection in urban spaces. A specific objective will be to support the creation of business models to renovate LAC city centers and bring people back to live, work, and play in them. In 2018, the collaboration kicked off with a national workshop that shared the Paris experience with officials in Mexico.

To Drive Action on the Environment, the IDB Group Gains Access to Global Funds

IDB Invest became an accredited entity of the **Green Climate Fund** at the GCF's board meeting in October. Through its new status, IDB Invest will be able to implement GCF projects in the LAC region, a momentous achievement considering that its climate financing portfolio was valued at \$17.6 billion in early 2019. In addition, the IDB became an accredited partner of the **Global Environment Facility's Capacity Building Initiative for Transparency Trust Fund**, which is expected to play an important role in helping countries fulfill the enhanced transparency framework put forth by the Paris Climate Agreement.

TRENDS

Creating an Inclusive Digital Future

The last decade has been defined by a wave of technological innovation that has resulted in artificial intelligence, machine learning, blockchain, and fintech — all with profound implications for business models, labor market dynamics, privacy, manufacturing, and more. These implications are already being felt in Latin America and the Caribbean, a region that continues to lag behind in its digital transformation. The IDB is committed to ensuring LAC not only catches up but leapfrogs into all the possibilities the new tech-driven world has to offer. With a focus on nurturing innovation and knowledge development, and a commitment to utilizing these new technologies to unlock wellbeing for all, the Bank is helping to build an inclusive and responsible digital future in LAC — one partnership at a time.

Blockchain: The Next Frontier

Linking the Blockchain to Market Transformation and Social Impact in LAC

An alliance pursuing the dream of an open, interoperable Pan-American blockchain space to help build a prosperous future for LAC.

The blockchain, described as an incorruptible digital ledger of value, continues to show its potential to transform the global economy and bring promising digital solutions to development in Latin America and the Caribbean. More interestingly, an additional feature of the blockchain is its capacity to help vulnerable populations access financial and non-financial services, digital identity, and ownership of their own data.

IDB Lab is exploring this potential through alliances with the world's leading technology and consulting companies, seeking to promote the use of blockchain in a democratized and inclusive manner and ensure that its benefits reach underserved populations. A key milestone was achieved at the 2018 FOROMIC conference in Barranquilla, Colombia, the region's leading event on financial inclusion and enterprise development, when disruptive entities like **Alastria Consortium, ConsenSys, the Enterprise Ethereum Alliance, NTT Data, and RSK** gathered to explore their participation in *LAC-Chain*, a partnership to advance the application of the blockchain and its benefits to sustainable development.

Under the theme “Reinventing Inclusion,” the 21st edition of FOROMIC explored innovative ways to help LAC businesses create networks, experience innovation, and establish contacts. The event was organized in collaboration with the **Government of Colombia, the Municipality of Barranquilla, and Barranquilla: Capital de Vida**. Other partners included **Accenture, Banco Davivienda, Citigroup, ConsenSys, COMFAMA, the Colombian Development Bank (FINDETER), Desjardins Group, Fundación Bolívar Davivienda, Fundación Mario Santo Domingo, the Fund for the Financing of the Agricultural Sector (FINAGRO), Grupo Bancóldex, and Microsoft**.

Leveraging a Partner's Global Reach to Drive a More Inclusive Digital Transformation

With the goal of helping LAC prepare for an increasingly digital future, the IDB and **NTT Data**, the Tokyo-based global IT services provider, have ramped up their partnership to prioritize the growth of inclusive digital ecosystems. A new agreement, which builds upon the partners' collaboration on smart cities and blockchain, establishes a framework to promote open innovation and digital transformation through events, proofs of concept, and capacity building. Together, NTT Data and the IDB will share best practices to help develop open, collaborative, neutral, and inclusive digital ecosystems that leverage technologies such as the blockchain, robotics, and artificial intelligence.

Through the Blockchain, Helping Costa Rican Youth Embrace the Future of Work

Employment opportunities increasingly require qualifications such as certifications, trainings, and internships. Yet in many countries, including Costa Rica, students and young professionals often struggle to keep accurate records and reliable proof of their experience, while potential employers face challenges locating and verifying this information.

With emerging blockchain technologies offering a range of possible solutions, IDB Lab entered into a new partnership with the **Monge Foundation** and **BanQu**, a for-profit blockchain-as-a-service company that generates poverty solutions. Together, the partners will use the blockchain to provide Costa Rican youth with secure, immutable records of certificate completion from school, internships, and employment — a virtual “economic identity” that establishes their qualifications as they enter the labor market. By doing this, employers can more easily confirm qualifications when hiring youth, thereby enabling a safe, certified, and distributed workforce ecosystem in Costa Rica.

By the end of its pilot phase, the project hopes to recruit 20 companies to this initiative and to help 1,000 young people build their digital certificate history.

Since 2011, the **Government of Korea's Knowledge Sharing Program (KSP)** has channeled Korean development expertise to countries across the LAC region. In 2018, five projects totaling \$1.3 million were selected as part of the KSP Joint Consulting program, which is executed in partnership with the IDB to pilot solutions that can later be scaled through IDB technical cooperation activities. These new projects will help enhance the road safety information system in Ecuador, advance rural broadband in the Dominican Republic through public-private partnerships, conduct a preliminary feasibility study on flood prevention in Peru, develop a strategy for improving water management systems in Bolivia, and create a data center in Argentina.

With Korea, Digitizing Economies in Latin America and the Caribbean

For decades, the **Government of Korea** has been a key partner for LAC and a model for how countries can embrace the digital revolution. In this context, in 2018 Korea provided a \$50 million policy-based loan to foster connectivity and digitalization in the Colombian economy, complementing \$300 million in financing from the IDB and Colombia's own government to better prepare the country for an increasingly digital future. This loan, provided through the *Korea Infrastructure Development Co-financing Facility*, is double the size of the facility's traditional loans and expands upon Korea's extensive partnership with Colombia and other LAC countries in the digital space.

In 2018, the Government of Korea continued utilizing the IDB-managed *Korean Trust Funds* to channel development financing to the region. Through \$8.3 million in grant resources, Korea replenished the *Korea Private Sector Development Fund*, the *Knowledge Partnership Korea Fund for Technology and Innovation*, the *Korea Poverty Reduction Fund*, and the *Public Capacity Building Korea Fund for Economic Development*. In addition, in 2018 these funds approved 34 projects worth \$18 million, thereby advancing technological innovation, poverty reduction, and public sector management in LAC..

To foster innovation and a vibrant startup ecosystem in the region, the *Korean Trust Funds* also complemented \$9 million in financing to IDB Lab with support to this innovation center's technical cooperation activities, while working to create a *LAC-Korea Innovation Network* that will serve as a platform for knowledge exchange.

Policy-based loans, or PBLs, provide the IDB's borrowing member countries with flexible, liquid funding to support policy reforms and/or institutional changes in a particular sector or subsector. PBLs feature funding structures that make disbursement contingent upon the achievement of specific policy objectives.

Singapore Shares its Edge in Financial Technology and Digital Transformation with the LAC Region

The experience, expertise, and networks Singapore has cultivated as a global leader in financial technology will be brought to bear for financial entities in LAC, thanks to a newly-minted partnership between the IDB and the country's central bank, the **Monetary Authority of Singapore (MAS)**. The partners will collaborate to foster innovation in financial services, particularly in the areas of application programming interface (API) standards, data governance, cybersecurity, and digital identity. To drive the partnership forward, MAS and the IDB will jointly organize policy dialogues and create cross-border collaboration networks to facilitate financial inclusion efforts in both regions.

As part of this collaboration, the IDB participated in the 2018 Singapore FinTech Festival, a global platform for the financial technology community comprised of technopreneurs, policy makers, financial industry leaders, investors, and academics from around the world.

Giving Smallholder Farms a Hand in Haiti

Partners address a vicious circle of low agricultural productivity, high environmental degradation, and poor nutrition.

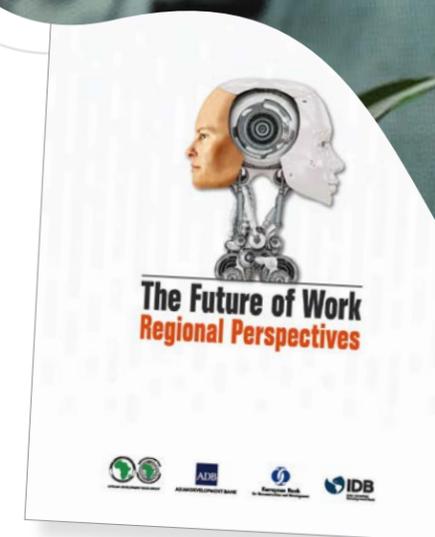
While Haiti continues to show progress in recovering from a historically devastating 2010 earthquake and a destructive hurricane in 2016, the country's agricultural sector has struggled to reverse the decades-long degradation of agricultural lands. Haiti now produces less than half of the food its people need.

In 2018, the **International Fund for Agricultural Development (IFAD)** joined an IDB effort to increase incomes and food security among Haiti's smallholder farmers by helping them boost productivity, adopt sustainable farming innovations, and enhance the productive

capacity of their land. IFAD provided a \$10.9 million grant to finance phase two of the country's *Agricultural and Agroforestry Technological Innovation Program*, which follows a previous \$55 million grant from the IDB and a \$10 million grant provided by the **Global Agriculture and Food Security Program (GAFSP)** in 2017. To complement these resources, in 2018 GAFSP committed an additional \$750,000 in grant financing to fund an impact evaluation for this project, which ultimately seeks to provide training, tools, seeds, and other support to 65,000 small family farmers in Haiti.

MDBs Unite to Explore the Future of Work

Rapid technological progress provides a golden opportunity for emerging and developing economies to grow faster and attain higher levels of prosperity. However, some disruptive technologies could displace human labor, widen income inequality, and contribute to greater informality in the workforce. In response, the IDB joined with other regional multilateral development banks — the **African Development Bank**, the **Asian Development Bank**, and the **European Bank for Reconstruction and Development** — to produce a report that identifies concrete actions countries can take to leverage the benefits of emerging technologies and prepare for the changing nature of jobs. *The Future of Work: Regional Perspectives*, analyzes the challenges and opportunities presented by artificial intelligence, machine learning, and robotics in what is known as the Fourth Industrial Revolution. The report reinforces the need for LAC to invest in human capital, offering training in cognitive, digital, and socioemotional skills so that workers can successfully meet the challenges presented by new technologies in the workplace.



With Google, a Call to Use Artificial Intelligence for Social Good

The IDB is supporting **Google's AI for Social Good Initiative**, an effort to expand the adoption of artificial intelligence (AI) as a solution to societal challenges. The challenge, in which IDB President Luis Alberto Moreno will participate as a judge, is an open call for proposals hosted by Google.org that seeks the most innovative applications of AI as a tool for social progress. Winners will receive customized support to implement their idea, including coaching from Google's AI experts, Google.org grant funding from a \$25 million pool, and credit and consulting from Google Cloud.



The Private Sector — Pathways to Purpose

Today, businesses are expected to do far more than turn a profit and provide quality goods and services. Investors and consumers increasingly expect them to operate with purpose and serve as good corporate citizens that intentionally contribute to environmental and societal wellbeing. At the same time, a growing number of surveys and studies demonstrate a positive link between sustainability and financial performance, further incentivizing private firms to integrate such considerations into their day-to-day operations. In this section, you will read about the IDB's work to foster a purpose-driven, sustainability-focused corporate culture and about its partnerships with those companies that are redefining the role of the private sector in sustainable development.

“Companies that fulfill their purpose and responsibilities to stakeholders reap rewards over the long-term. Companies that ignore them stumble and fail. This dynamic is becoming increasingly apparent as the public holds companies to more exacting standards. And it will continue to accelerate as millennials — who today represent 35 percent of the workforce — express new expectations of the companies they work for, buy from, and invest in.”

~ Larry Fink, Chairman and Chief Executive Officer, BlackRock, in his “2019 Letter to CEOs”



IndexAmericas: Achieving New Milestones in 2018

In Argentina, a new index based on the IndexAmericas methodology recognizes leading companies for their sustainability practices and contributions to development.

In 2018, the IDB partnered with **Bolsas y Mercados Argentinos (BYMA)**, the Argentine stock exchange, to launch that country's first corporate sustainability index and the first in the region to be completely aligned with the Sustainable Development Goals. This new index builds off the *IndexAmericas* methodology developed by the IDB and IDB Invest, which has produced a series of corporate sustainability sub-indexes that examine business performance through the lens of environmental, social, corporate governance, and development indicators.

Another key achievement in 2018 was the launch of a sub-index recognizing the top 10 companies most committed to advancing gender equality through their operations. In addition, *IndexAmericas* launched its third iteration of the Top 100 index, which assesses the leading multinational companies with a presence in LAC. At the same time, the initiative published the 2018 edition of its *Multilatinas* ranking, or the top 30 regional companies that best demonstrate their commitment to sustainability and socio-economic development.

At their core, these index products evaluate publicly listed companies that operate in LAC to highlight the impact of sustainability practices and reporting on company brands and reputations, corporate financial performance, and the ability of companies to attract capital. They are an example of the IDB's broader commitment to fostering corporate sustainability in the region and to encouraging global companies to do their part in advancing the 2030 Agenda.

IndexAmericas was created by the IDB and IDB Invest in partnership with S-Net Global Indexes. It is powered thanks to data provided by Thomson Reuters and receives academic support from the Earth Institute at Columbia University.

Italy Accelerates Private Sector Participation in the SDGs

To achieve the 2030 Agenda, private sector action on the Sustainable Development Goals cannot be limited solely to established corporations with an affinity for sustainable practices. Rather, private investors must also understand the important role they themselves can play as financiers of development. To encourage their participation in advancing this agenda, the **Italian Ministry of Economy and Finance** and IDB Invest joined forces in 2018 to build a pipeline of high-potential investments in sustainable companies and initiatives. Thanks to a €1.5 million commitment from Italy, IDB Invest will be better positioned to invest and mobilize private investors to take SDG action.

With NH Investment & Securities, Calling Korean Institutional Investors to Action

IDB Invest and the Korean firm **NH Investment & Securities** solidified their partnership in 2018 through a commitment to co-finance operations for the private sector. With the goal of expanding opportunities for co-financing and the investment capacities of each institution, the partners also intend to facilitate the entry of Korean companies into the Latin American and Caribbean market and the participation of Korean institutional investors in financing infrastructure projects.

“This Memorandum of Cooperation with IDB Invest will be the cornerstone of NH’s contributions to the Sustainable Development Goals through private investment into the Latin American and Caribbean region. Moreover, I have high hopes that this cooperation with an eminent multilateral development bank such as IDB Invest will allow NH to grow into a global investment bank.”

~ Young-chaee Jeong, Chief Executive Officer, NH Investment & Securities

With the MetLife Foundation, Spurring Retirement Savings in LAC

With studies showing that the majority of LAC’s 130 million workers are not saving enough for retirement, the **MetLife Foundation** and the IDB have jointly created a retirement savings laboratory that uses behavioral economics and new technologies to encourage 400,000 people to begin saving more for their old age.

Surveys show that while workers in the region want to save, few are able to — and this is particularly the case with low-income workers. Accordingly, the laboratory intends to address the main causes for this, including the structure of labor markets, the design of pension systems, and psychological factors.

The progressive aging of the LAC population makes the lack of pension savings one of the main challenges that the region will face in the future.

Slashing Food Loss and Waste with Industry Leaders

As scientists and policymakers struggle with how to sustainably feed a rapidly growing population, they are increasingly concerned by the colossal waste that occurs at every stage of the food value chain. In LAC alone nearly 127 million tons of food, or roughly a third of what the region produces annually, are lost or spoiled each year while 42 million people go hungry.

To address this problem, the IDB has partnered with industry leaders to launch the #SinDesperdicio initiative. Comprised of anchor partners **The Coca-Cola Company, Nestlé, Dow Chemical, the FEMSA Foundation, Grupo Bimbo, IBM, and Oxxo**, #SinDesperdicio seeks to slash food loss and waste in line with Sustainable Development Goal #12.3, which calls on the global community to halve per capita food waste at retail and consumer levels while reducing losses along production and supply chains by 2030. Other strategic partners include the **Consumer Goods Forum, the Global Food Banking Network, the United Nations Food and Agriculture Organization**, and the **World Resources Institute**.

Through #SinDesperdicio, the partners will promote new processes and technologies throughout the production chain — from infrastructure that improves logistics to novel food recovery and donation models. The platform will also foster relevant public policies, enhance existing data, and promote behavioral change through awareness and training campaigns aimed at minimizing food waste.

“We congratulate the IDB for leading this initiative, which is so crucial for our region. We are proud to be part of this public-private effort to reduce food wastage in Latin America. We all win with this commitment — communities, consumers, producers and, most of all, the environment. This will be part of the legacy we leave to future generations.”

~ Olga Reyes, Vice President for Public Affairs and Communications, Latin America, The Coca-Cola Company



Providing Subsistence Farmers a Step Up to Profits and Sustainability — and a Better Quality of Life

Through small loans and expert guidance, an IDB collaboration with **Fundación Bancaria “la Caixa”** is helping more than 10,000 people in the Nariño department of Colombia transition from subsistence farming to a new future as profitable food producers. Farmers typically receive \$1,000 loans, training on how to increase productivity through the adoption of environmentally sustainable practices, and support with money management, savings, and the marketing of surplus crops. Through this effort, Colombia became the third country covered by the “la Caixa”-IDB partnership.

TRENDS

Championing Gender in LAC

Women's empowerment contributes to poverty reduction and results in higher levels of human capital for future generations. That's why promoting gender equality is at the core of the IDB's mission to accelerate economic and social development in the region. Yet while Latin America and the Caribbean is often seen as the developing region that has made the most progress on gender equality, women in LAC continue to face important challenges like significant wage and earnings gaps, lack of representation in leadership positions in both the public and private sectors, and high rates of gender-based violence. In 2018, helping countries overcome these challenges remained at the forefront of the IDB's work with partners and served as inspiration for new and innovative approaches to driving inclusion in the region.

IDB Partners Bring a Gender Focus to the *CEO Summit of the Americas*

Convening 12 heads of state and more than 1,200 corporate leaders in Lima, the third edition of *CEO Summit of the Americas* elevated the imperative of enhancing transparency and harnessing the potential of value chains and public-private collaboration to promote investment, trade, and sustainable development.

In a **United States Government** press conference at the Summit, Senior Advisor to the U.S. President Ivanka Trump, acting U.S. Secretary of State John Sullivan, and CEO of the U.S. Overseas Private Investment Corporation (OPIC) Ray W. Washburne announced OPIC's *2X Women's Initiative*. As part of this effort, OPIC will invest \$350 million and catalyze private capital for projects that support lending to women-owned businesses, female entrepreneurs, and women-led private equity funds in the region.

Moreover, the Summit featured a discussion moderated by Mercedes Aráoz Fernández, Vice President of Peru, which analyzed public-private initiatives that narrow the gender gap, among other topics.

*The Americas Business Dialogue and the CEO Summit of the Americas are supported by IDB partners **AES, Citi, DHL, Facebook, Google, IBM, Invest in Canada, Lexis Nexis, Microsoft, PepsiCo, The Coca-Cola Company, and Walmart.** The 2018 Summit featured opening remarks from Peruvian President Martin Vizcarra and IDB President Luis Alberto Moreno.*

Organized by the IDB, the **Government of Peru**, and the **national business confederation of Peru (CONFIEP)**, this year's *CEO Summit of the Americas* focused its key themes around a report by the Americas Business Dialogue, which was created in 2012 as the private sector consultation mechanism for the summit process. In addition to expressing commitment from the private sector to curtailing corruption, the report, titled *Action for Growth: Policy Recommendations and 2018-2021 Action Plan for Growth in the Americas*, included 42 measurable policy recommendations on five key themes: strengthening transparency and integrity, digitizing growth, trading for tomorrow, powering development, and upskilling for the future.

Boosting Women's Entrepreneurship through *ConnectAmericas*

Multinational companies join the IDB to empower 100,000 women entrepreneurs.

The IDB's *#100kChallenge* initiative, which seeks to coach, connect, and certify more than 100,000 women entrepreneurs in the Americas by 2021, received support from an array of the Bank's private sector partners, namely **Danper, Facebook, Google, IBM, MasterCard, Microsoft, PepsiCo, and The Coca-Cola Company.** Through the *ConnectAmericas for Women* platform, the partners will provide tools to strengthen women's digital and business skills, promote the participation of women-led businesses in regional and global value chains, facilitate procurement opportunities, increase women's participation in business forums, and deliver training for certification of their products, services, or processes.



The #100kChallenge will work with the business community to enable women entrepreneurs to drive employment creation and economic progress in LAC.

The IDB launched *ConnectAmericas for Women* to link women entrepreneurs with business opportunities and tools to strengthen their management skills. To date, more than 59,000 women have registered on the platform and more than 22,000 have received training and participated in business forums as a result. *ConnectAmericas for Women* is the leading gender component of *ConnectAmericas*, an IDB-led digital platform that helps SMEs in Latin America and the Caribbean access the contacts, financing, and information they need to grow. The initiative is a partnership between **DHL, Google, Facebook, MasterCard, SeaLand, and the IDB.**

Taking Leadership on Women's Issues on the World Stage

Global leaders flocked to Argentina in 2018 for the Group of 20 (G20) Summit, the premier international forum for economic cooperation. In preparation, the IDB and IDB Invest took the lead on women's issues, coordinating with the four main working groups of the *Women 20 (W20)* and mainstreaming gender into the discussions and agendas of all other working groups at the summit. Serving as a high-level advisor to the *W20*, the IDB also participated as a subject matter expert, supported the identification and development of *W20* content, and provided technical input for knowledge products. Gema Sacristan, Chief Investment Officer of IDB Invest, also participated in a *W20* panel discussion alongside leaders from the **Alliance for Financial Inclusion, Fundación Dinero y Conciencia, Global Banking Alliance for Women, Novartis, and Pro Mujer.**

Following the G20 Summit in Australia, the W20 was born to give women a voice and drive coordinated progress on key gender challenges encountered around the world. Today, the W20 is a G20 engagement group that promotes gender-inclusive growth by producing recommendations, establishing measurable goals, and influencing G20 members to take action along four priority areas: labor inclusion, digital inclusion, financial inclusion, and rural development.

With the United States, Narrowing the Gender Financing Gap in LAC

The IDB in 2018 joined forces with the **United States Overseas Private Investment Corporation (OPIC)** to launch the first gender-focused investment fund for Latin America and the Caribbean. *Fondo Mujer* will use up to \$200 million to narrow the gender financing gap by supporting investment strategies targeting female entrepreneurs, companies with a high share of women leaders, and firms that generate jobs or consumer products for women.

By increasing access to financing for women-owned and led enterprises, the fund will also prioritize advancing quality employment and access to products and services that address critical barriers to women generally — with the overall result of enhancing women's economic participation and success in the region. *Fondo Mujer* is expected to be comprised of 30 percent debt and 70 percent equity. Its creation builds on both institutions' leadership in gender lens investing.

“Women worldwide face a \$320 billion shortfall in access to credit. In Latin America and the Caribbean, the region with the highest percentage of women entrepreneurs, the business opportunity could reach more than \$98 billion annually. It is not only about fairness, but about business success.”

*- Gema Sacristan,
Chief Investment Officer,
IDB Invest*

“With *Fondo Mujer*, we are not only investing in women-owned and led enterprises. We are also investing in enterprises that provide quality employment and access to products and services that address critical barriers so that we may enhance women's economic participation and success. With *Fondo Mujer* we are moving beyond merely counting women; we are also valuing women.”

*- Kathryn Kaufman,
Managing Director for
Global Women's Issues, OPIC*



In 2018, IDB Invest was awarded the Assess level of the **Economic Dividends for Gender Equality (EDGE) Certification**, the world's leading global assessment methodology and business certification for gender equality in the workplace. The certification reflects IDB Invest's strong gender composition regarding the share of women in junior and senior management positions, as well as the effectiveness of its gender-related policies and practices and retention of female talent.

Bringing together 30 public and private sector participants, the IDB-managed **Canadian Extractives Facility (CANEF)** in 2018 launched the first module of its *Program for Women Emerging Leaders of the Extractive Sector in Peru*. Working to increase the visibility of women in extractives and promote public-private collaboration, the program is one of the first gender components in this partnership between the IDB and the **Government of Canada**. It is supported by the **Peruvian Mining and Energy Ministry**, its regulatory agencies, and Peru's **National Society for Mining, Petroleum, and Energy**. To date, CANEF has approved 13 regional projects and six country projects in Colombia, the Dominican Republic, and Peru, working toward the overall goal of creating a region where natural resources contribute to inclusive growth.

To further explore the barriers to female participation in STEM (science, technology, engineering, and math), the IDB issued a report on gender gaps in science, technology, and innovation, presenting a series of data points measuring the various dimensions of these gaps across the region. The report was the subject of a discussion event in June in Madrid organized by the **COTEC Foundation for Innovation**, a private non-profit established in 1990 by King Juan Carlos of Spain to promote innovation as a driver of economic and social development.

Executive Education Program for Women Decisionmakers

The **University of Miami's Center for International Business Education and Research**, *Fundación Liderazgos y Organizaciones Responsables (FLOR)*, the IDB, and IDB Invest joined forces to launch *Mujeres en Decisión*, an executive education program targeting high-level female leaders from LAC. At a December event in Miami, the two-day program covered topics including responsible leadership, fostering diversity, and personal branding, while participants were trained on leadership models that address the challenges professional women face in an increasingly competitive and complex world.

WEF and the IDB Continue their Joint Effort to Help Narrow LAC's Gender Gap

Since 2016, the **World Economic Forum** and the IDB have worked together to implement the **Gender Parity Taskforces** (known by the Spanish acronym IPG) in Latin America and the Caribbean. Since 2016, when the first WEF-IDB IPG was launched in Chile, taskforces have been launched in two more countries, Argentina in November 2018 and in Panama July 2018, with expansion being explored in Colombia,

Costa Rica, Dominican Republic, and Peru. These efforts aim to reduce economic gender gaps by promoting public-private partnerships, sharing knowledge, and implementing programs and policies that will reduce the gender wage gap and increase the participation of women in the workforce and in public and private sector leadership positions.

In October, the IDB participated in the *2018 Safeguarding Summit*, an event hosted by the **Government of the United Kingdom**, to drive collective action to prevent and respond to sexual exploitation, abuse, and harassment in the aid sector. The IDB and nine other international financial institutions collaborated at the event to issue a joint statement on the advancement of standards to prevent these wrongs.

Infrastructure

While infrastructure development can be a powerful engine for growth, the Latin American and the Caribbean region continues to face a yawning infrastructure gap, with countries spending an average of less than three percent of GDP on projects to improve critical public goods such as transportation, sanitation, and energy systems. The IDB has called for the region to nearly double that to five percent — along with taking measures to better assess priorities and improve the efficiency of infrastructure spending — as a key element of promoting competitiveness, connectivity, and better living conditions for its citizens. Working with its partners, the IDB is seeking to channel resources and financing innovations to support these investments across LAC, with an eye toward helping them transition to low-carbon and more resilient economies.

France and the IDB: A Billion-Dollar Partnership for LAC

France's announcement in 2018 that it will increase its international development assistance set the stage for a renewed partnership between the **French Development Agency (AFD)** and the IDB. Formalized in an enhanced co-financing agreement focused on infrastructure development, the updated partnership has set the ambitious target of co-financing at least \$1 billion in projects over the next three years. The agreement also emphasizes mobilizing further knowledge and financial resources to support projects that will help alleviate poverty in the region, as well as to help LAC countries transition to low-carbon and more resilient economies, in line with the Sustainable Development Goals and the Paris Climate Agreement.

This agreement effectively builds upon the AFD-IDB partnership formalized in 2015 that has already produced an active and successful track record of co-financing projects.

In 2018, AFD approved \$50 million in lending to co-finance with the IDB an operation to improve provincial governance in Argentina, as well as a \$3 million grant to support an IDB land tenure security program in rural Haiti.

With China, Landmark Co-financing Platform Funds New Projects

Created in 2013 with an initial contribution of \$2 billion from the **People's Bank of China**, in 2018 the *China Co-financing Fund for Latin America and the Caribbean* continued supporting projects to advance progress related to infrastructure, business development, and other sectors. In 2018 alone, the partners approved six new projects for a total of \$195 million, which helped to finance an enhanced regional electrical interconnection system, clean energy projects, and port expansions, among other efforts. To date, the IDB and China have leveraged this platform to approve 54 projects in 17 countries for more than \$1.34 billion.

In 2018, the **China International Contractors Association (CHINCA)** and the IDB brought together nearly 2,000 participants from 66 countries for the *IX International Infrastructure Investment and Construction Forum* and the *IV China-LAC Infrastructure Forum*. The events discussed the importance of new drivers for boosting infrastructure construction and connectivity while mobilizing private investments in infrastructure.

New Fund Looks to Tap Private Sector Resources to Generate \$1.5 Billion for Infrastructure Development in Brazil

The **Brazilian National Bank for Economic and Social Development (BNDES)** and IDB Invest teamed up to create *B2 Infra*, an innovative infrastructure credit fund to invest in Brazil's transport, energy, water and sanitation, and social infrastructure. *B2 Infra* will seek to ensure that the projects it finances are sustainable, with an emphasis on analyzing institutional integrity, social and environmental risks, and financial structuring during due diligence processes.

Expanding Ties with Fellow MDBs to Co-finance Infrastructure

During the year the **New Development Bank** — a multilateral development bank established by Brazil, China, India, Russia, and South Africa in 2014 — became one of the IDB and IDB Invest's newest partners through an agreement to facilitate South-South cooperation, knowledge sharing, and the financing of sustainable development and infrastructure projects in Brazil. Under the agreement, the partners will prioritize projects related to clean transportation, renewable energy, energy efficiency, sustainable water management, and sewage treatment.

Japan Replenishes Quality Infrastructure Initiative with \$5 Million

The *Japan Quality Infrastructure Initiative (JQI)*, the IDB's first built-in grant mechanism for a co-financing arrangement, was replenished in 2018 thanks to a \$5 million commitment from **Japan's Ministry of Finance**. Last year alone, four JQI projects totaling \$2.8 million were approved to advance progress in sectors like water and sanitation.

The JQI was launched in 2016 to promote quality infrastructure in the LAC region, with a focus on economic efficiency and lifecycle cost, safety, resilience against natural disasters, environmental and social safeguards, and contributing to society and the local economy through knowledge transfer and capacity building.

In 2018, the **Government of Japan** contributed an additional \$7 million to the *Japan Special Fund (JSF)*, an IDB-managed financing mechanism for technical cooperation activities that has been replenished annually by the Japanese government for 30 years. An additional achievement of the fund was the approval of six projects for a total of \$3.88 million, including a disaster risk management project in El Salvador. At the same time, the JSF's *Poverty Reduction Program (JPO)* approved three projects totaling \$1.97 million. To date, the JSF — including the JPO and JQI — has financed 582 technical cooperation projects worth \$346.5 million across all IDB borrowing member countries in the region.

BOOSTING PUBLIC-PRIVATE PARTNERSHIPS

A public-private partnership (PPP) is a long-term contract between a private party and a government entity for providing a public asset or service, in which the private party bears significant risk and management responsibility and remuneration is linked to performance. PPPs help improve public infrastructure and services by enhancing private sector participation, making projects more financially sound, and increasing transparency and accountability. The IDB is a major player in this field, accounting for more than one-third of the total PPP investment made by multilateral development banks in the region. This section reflects how the IDB utilizes PPPs to catalyze financing and fill the region's critical infrastructure financing gap.

Partnerships as a Tool for Infrastructure Development: Japan Pledges \$5 Million to IDB Initiative

Harnessing PPPs as a vehicle for filling LAC's infrastructure financing gap.

At the IDB-IDB Invest 2018 Annual Meeting, the **Government of Japan** and the Bank pledged to jointly support public-private partnerships as a means of advancing quality infrastructure projects in LAC. The agreement is centered on a commitment from Japan to contribute \$5 million to the IDB's *Contingent Recovery PPP Preparation Program*, which will be managed by a newly created PPP-focused unit at the

Bank. The new funding will support public sector projects through the IDB, as well as private sector projects through IDB Invest. The arrangement builds upon and complements Japan and the IDB's track record of partnering through such platforms as the *Co-financing for Renewable Energy and Energy Efficiency (CORE)* program and the JQI.

In 2018, the **Japan International Cooperation Agency (JICA)** and the IDB reaffirmed their commitment to quality infrastructure in a new agreement signed by JICA Senior Vice President Shigeru Maeda, IDB President Luis Alberto Moreno, and IDB Invest CEO James P. Scriven. The agreement, the first signed by JICA and IDB Invest, details the partners' intent to co-finance private sector infrastructure projects, expanding on existing work done by JICA and the IDB in energy to include the transportation and water and sanitation sectors as well. Forthcoming efforts will be neatly aligned with CORE, a \$3 billion facility working in all low- and middle-income countries in the region.



With Spain, Promoting Infrastructure Investment in LAC

To strategically address the region's infrastructure financing gap, the **Government of Spain**, IDB Invest, and the IDB joined forces in 2018 to create a \$10 million facility to promote infrastructure investment. The facility, formalized in the context of the G20 Summit in Buenos Aires by President Moreno and Minister of Economy and Business Nadia Calviño, will primarily fund pre-investment studies for infrastructure projects, with a specific focus on high-potential projects that can later be financed through public-private partnerships. The facility will be financed by the *Spanish General Cooperation Fund*, which has been administered by the IDB since 2001 and has approved more than \$81.3 million in development financing to date.

The year 2018 marked the 30th anniversary of the **Spanish Agency for International Development Cooperation (AECID)**. To commemorate this milestone, the IDB participated in two commemorative events in Madrid, exploring opportunities to maximize financial cooperation in pursuit of the SDGs and the role of culture and heritage in sustainable development partnerships.

WATER AND SANITATION

Spain and Switzerland Reaffirm Commitment to AquaFund on its 10th Anniversary

In 2018 the IDB-managed multi-donor *AquaFund* remained a key vehicle for advancing access to water and sanitation services in the region. Last year, two longstanding donors, the **Spanish Agency for International Development Cooperation (AECID)** and **Switzerland's State Secretariat for Economic Affairs (SECO)**, renewed their commitment to the sector by further replenishing this fund.

For 10 years, the *AquaFund* has been a flexible financing mechanism capable of adapting to the region's changing needs. It focuses on helping governments achieve the water and sanitation-related Sustainable Development Goals by financing efforts to advance water and sanitation services, access in sparsely populated areas, water security and climate change, corporate governance of water and sanitation providers, solid waste management, and urban drainage and flood control.

The contributions pledged by Spain and Switzerland in 2018 complement the financing provided by fellow partners the **Austrian Ministry of Finance**, **PepsiCo Foundation**, and the **Swiss Agency for Development and Cooperation (SDC)**.

The **Government of Israel** and the IDB expanded their digitally-focused partnership in 2018 to include collaboration in the water and sanitation sector. Thanks to an Israeli commitment of \$1.5 million, as well as \$500,000 from the IDB-managed *AquaFund*, the partners will strengthen the capacity of water and sanitation authorities and utility operators to develop novel technological solutions. Specifically, the collaboration will provide technical and financial support to apply Israeli technology to LAC-focused initiatives, working through knowledge generation and exchange activities, tailormade courses and training, and pilot projects.

In the Quest for Access to Sanitation and Water, a Partnership Grows

The IDB has stepped up its participation in **Sanitation and Water for All (SWA)**, a platform to foster dialogue between governments, civil society organizations, United Nations agencies, and private sector entities to achieve universal access to clean water and sanitation. Assuming a formal role in the organization, the IDB will gain access to SWA's network of 200 global partners and reinforce its role as regional leader in the sector. For its part, SWA will fund a regional advisor to work with IDB specialists and help to consolidate a regional data observatory, providing expertise and coordinating with SWA member countries and other stakeholders.

To date, the AquaFund has supported more than 182 projects worth \$94 million in 25 LAC countries, influencing more than \$5.8 billion, or 50 percent, of the IDB's investments in this sector.

Germany Supports Innovative Movement to Finance Long-Term Watershed Conservation

The **German Ministry of for the Environment, Nature Conservation, and Nuclear Safety**, through its **International Climate Initiative (IKI)**, is supporting the second phase of the *Latin American Water Funds Partnership (LAWFP)*, an innovative model for financing the long-term conservation of the essential lands above watersheds. The partnership contributes to water security through the creation and strengthening of water funds, efforts to enable local stakeholders to implement and manage them based on their specific needs, and a focus on balancing the interests and needs of upstream and downstream water resource users. Through a commitment of \$5.8 million, Germany joins **FEMSA Foundation**, the **Global Environment Facility (GEF)**, **The Nature Conservancy (TNC)**, and the IDB in this mechanism. Its participation will unlock the potential of water funds as a catalyst for climate change adaptation and reducing water risks for major cities in Latin America. Currently, the LAWFP has created 23 funds and launched 40 initiatives either directly or through additional partners. In this process, it has conserved or restored 290,000 hectares of native habitat, benefitted 80 million people, and raised \$150 million from 215 public and private sector actors.

To support the LAWFP in its second phase, which spans the 2016–2020 period, **FEMSA Foundation** has committed an additional \$5 million, while **TNC** has raised more than \$5.2 million from multiple partners. In addition, the **GEF** committed \$2 million in 2018 through financing channeled to the IDB, while the IDB funded a \$1.75 million technical cooperation. Currently, the LAWFP is focused on strengthening, accelerating, and scaling this innovative mechanism across the region.

Historic Fund Achieves New Heights in its 10th Year

The historic *Spanish Cooperation Fund for Water and Sanitation in Latin America and the Caribbean (FECASALC)*, created by the **Government of Spain** and the IDB in 2008, made new progress in its 10th year. Working to expand access to potable water and basic sanitation services, improve water resource management, and strengthen the governance of the water sector, in 2018 the fund's portfolio of projects reached the \$1.6 billion mark, \$580 million of which were provided by Spain directly.

To date, 90 percent of the fund's resources have been disbursed, leveraging \$1 billion in additional donor funds and reaching 2.5 million direct beneficiaries through 20 operations. Critically, the fund has had a transformational impact on the water sector across all LAC countries, as its projects have reinforced the institutional framework under which water authorities operate while strengthening the capacities of relevant stakeholders.

*In 2018, the Spanish Colegio de Ingenieros de Caminos awarded the Rafael Izquierdo Prize for Solidarity and Cooperation in Water and Sanitation to the **Spanish Agency for International Development Cooperation (AECID)**, recognizing FECASALC's commitment to partnerships in the context of water and sanitation matters.*

Under a new agreement with the **Stockholm International Water Institute (SIWI)**, the IDB expanded its participation with the annual *World Water Week* event in Sweden, the world's premier event for global water issues that brings together more than 3,300 people and 380 organizations from 135 countries. At the 2018 conference, the IDB joined SIWI in organizing the annual "Eye on Latin America and the Caribbean" session.

In March, Brazil played host to the *2018 World Water Forum*, the eighth edition of the world's largest water-related event. Organized by the **World Water Council** and the **Government of Brazil** to put water at the center of the global development agenda, the IDB was responsible for coordinating the *Regional Process of the Americas*, an effort that outlines the LAC region's water landscape, challenges, and opportunities. The IDB worked closely with regional governments, the **American Institute for Agricultural Cooperation (IICA)**, the **Caribbean Development Bank**, the **Economic Commission for Latin America and the Caribbean**, the **Global Water Partnership**, **Mexico's National Association of Water and Sanitation Utilities A.C.**, **UNESCO's International Hydrological Program**, and many other universities, international donors, and private sector entities on this effort, which helped position the region's priority issues at the forum and give key water stakeholders a voice.

Water and sanitation are at the center of a newly formalized partnership between the IDB and the **Korea Environmental Industry and Technology (KEITI) Institute**, a public entity that helps developing countries solve severe environmental challenges. The partners will share knowledge and technology that can help improve water and sanitation services and develop infrastructure, including integrated water resource management.



ENERGY

Partnering to Bring Hydro-Electricity into a New Era

Collaboration with the IHA aims to enhance the performance and sustainability of hydropower in LAC.

Moving LAC's extensive hydropower operations into a new era is the focus of a new partnership between the IDB and the **International Hydropower Association (IHA)**, an international non-profit with a mission of advancing this key renewable source through knowledge sharing, freshwater management, and climate change solutions. The collaboration will promote hydropower industry best practices to enhance the performance of new and existing projects in the region, with both partners putting a strong focus on making the industry more environmentally sustainable. The partnership agreement was signed following an IHA-IDB workshop hosted by the Joint Technical Commission of Salto Grande — which is overseeing a major binational hydropower project on the Uruguay River between Argentina and Uruguay.

Improving Lives in Mining Country through the IDB's Extractives Initiative

The *Extractive Sector Initiative* was very active in 2018. A key achievement was the creation of a new collaboration with **Goldcorp Inc.**, a Canadian gold producer that committed \$1 million to set the foundation for natural resource-based development in the Argentine Patagonia. Together, and in coordination with government, industry, and civil society, the partners will work to improve urban infrastructure services and economic diversification around the town of Perito Moreno in the Santa Cruz province. In addition, thanks to financing provided by the **Government of Japan** through IDB-managed trust funds, the initiative prepared two \$1.5 million projects in this sector. The first will reduce poverty in Bolivian mining communities by strengthening micro, small, and medium enterprises and local institutions that foster economic growth and empower vulnerable segments of the population. The second will work in the Jujuy province of Argentina to improve lithium resource management and support the responsible, sustainable development of the sector.

Unlocking Climate Finance for Latin America and the Caribbean

The IDB and the **Global Climate Fund (GCF)** teamed up in 2018 to channel climate finance to four IDB projects. In El Salvador, GCF will provide \$20 million to open a credit line for small and medium enterprises (SMEs) looking to fund energy efficiency projects. In Guatemala and Mexico, the partners will support micro, small, and medium enterprises in the agricultural sector through a new risk-sharing facility. In Paraguay, \$23 million in concessional financing will boost the energy efficiency of SMEs, while collaboration with the government will enhance the policy and regulatory framework to incentivize further energy efficiency investments. Finally, in Argentina, a loan of \$100 million will help that country's SMEs invest in new sustainable energy technologies, while a grant will strengthen the capacities of financial institutions, SMEs, and energy and technology providers.

“Increasing energy efficiency is at the very core of sustainable energy transition. Our partnership with IDB will enable small businesses in Latin America to access finance for energy efficiency projects, which are often perceived as too risky for SMEs. We are confident that these projects will build trust in the market and help attract further private sector investments.”

- Andreas Biermann, Deputy Director at the Division of Mitigation and Adaptation, Global Climate Fund

The GCF was created by the 194 countries that are parties to the United Nations Framework Convention on Climate Change to help developing countries address the challenge of climate change. Though global in scope, Latin America and the Caribbean is one of GCF's core priority regions. To date, it has approved 18 projects in 22 countries in the region, with a total GCF investment of \$822 million.

To Transform the Caribbean's Energy Matrix, Making Partnerships Possible

In 2018, the IDB continued working through the *Sustainable Energy Facility for the Eastern Caribbean (SEF)* to drive geothermal energy development. The SEF is a \$157.1 million facility supported by the three largest international climate funds and other key partners, namely the **Caribbean Development Bank (CDB)** (\$29.43 million), the **Climate Investment Funds** (\$19.05 million), the **Green Climate Fund (GCF)** (\$80 million), the **Global Environment Facility** (\$3.01 million), and the **Government of Italy** (\$5.61 million), with \$20 million provided by the IDB. The SEF provides an array of innovative financial instruments to de-risk geothermal development, thereby enabling Caribbean governments to establish public-private partnerships with private developers. Through this effort, governments receive grants for capacity building, regulation improvement, environmental studies, and surface assessments for geothermal development. At the same time, loan resources provided by SEF partner the **GCF** are used by the **CDB** to make sub-loans to finance the infrastructure, while the uncertainty of drilling is mitigated by donor-funded contingent recovery grants.

Contingent recovery grants are non-reimbursable resources provided to a client to enable them to test the viability of a project. If the project is seen to be viable, the client repays the grant or accepts a loan from the funder.



With Denmark, Scaling Up an Innovative Energy Savings Insurance Program

Thanks to support from the **Government of Denmark**, in 2018 the IDB continued working to expand the *Energy Savings Insurance (ESI)* program throughout the LAC region. An initiative that promotes investments in energy efficiency projects for small and medium enterprises (SMEs), ESI addresses existing financial and non-financial barriers related to private sector financing for such efforts. The program also helps national development banks and other stakeholders in beneficiary countries conduct market analysis, develop financing strategies, identify project opportunities, provide credit lines, and build trust and confidence among market actors. Core elements of the program are the development of an insurance product to guarantee energy savings to the investor, a performance contract, standardized methodologies to estimate energy savings for different technologies, and technical support to develop a proof of concept and eliminate operational barriers. ESI initially spanned Brazil, Colombia, El Salvador, Mexico, and Peru, but it was effectively expanded into Chile in 2018 and is being replicated in Argentina, Nicaragua, and Paraguay with funds from other donors. As of March 2019, investment projects using the ESI model in the hotel sector have been completed in Colombia.

*ESI was shortlisted as one of the most promising and transformative green finance instruments by the **Climate Policy Initiative (CPI)**.*

TRANSPORT

Vision Zero: Imagining a World Without Traffic Fatalities

More than 1.3 million people are killed on the world's roads each year. If current trends continue, 400 million people will be killed or injured in vehicle crashes over the next 12 years. In response, the **International Road Assessment Program (iRAP)**, the **World Resources Institute**, and the IDB have joined forces to push forward the *Vision Zero* agenda in LAC, a "Safe System Approach" to sharply reduce road accidents through multisectoral, innovative, and scalable interventions. In November 2018, the partners gathered at IDB headquarters to host the Vision Zero and Innovation Workshop, which united 190 global stakeholders to explore how best to finance, design, and deliver safer and improved mobility services. Workshop content was aligned with the transport-related Sustainable Development Goals and the framework provided by the *Sustainable Mobility for All initiative*. Other supporting partners included the **United States Road Assessment Program** and **Fédération Internationale de l'Automobile Foundation**.

Movernos Seguros: Linking Car Insurance with Road Safety

The IDB and the **High-Level Panel of the FIA (International Automobile Federation)** have launched a broad collaboration involving insurance companies, governments, and other stakeholders under the banner *Movernos Seguros*, an initiative to improve road safety in LAC. The partnership seeks to forge ties among these actors to leverage synergies and scale up efforts to reduce road accidents in the region.

At the 2018 FIA American Congress on Mobility in Montevideo in July, the partnership presented a regional diagnosis regarding automobile insurance laws in LAC countries, along with recommendations for change. Since the launch of *Movernos Seguros*, other stakeholders such as the **Iberoamerican Federation of Insurance Companies (FIDES)** for its acronym in Spanish) have come aboard, while several countries — including Paraguay, Dominican Republic, and Bolivia — have been selected for pilot programs.

Transforming Public Transit in Bogota

The construction of Bogota's first-ever metro train line got a major boost in 2018 when the **European Investment Bank (EIB)**, the **International Bank for Reconstruction and Development**, and the IDB joined to finance more than a third of the project's total cost of \$4.3 billion. The new metro, a key component of the Colombian capital's 2016-2019 Municipal Development Plan, will run on raised track to avoid earthquake risks along the so-called Caracas Corridor, where public transport demand is highest. It will also include the construction of 15 stations and the acquisition of 23 trains, each able to carry 1,800 passengers, while the overall plan includes upgrading the public bus system and creating 14 kilometers of cycle paths linked to the new metro stations.

The financing agreements with Empresa Metro de Bogota include loans of \$600 million each from the IDB and IBRD and \$480 million from the EIB. In addition to helping reduce air pollution in the city, the new metro line is expected to help generate job creation and economic growth as it eases travel into the city center.

Putting an Innovative Twist on Urban Transport with MasterCard

MasterCard, through the **Mastercard Center for Inclusive Growth**, joined forces with the IDB to create and finance the *Resource Center for Digital Urban Transport in Latin America*. The Center will generate and share open data on urban transportation for Latin American and Caribbean cities with the goal of addressing critical data gaps for city transit operators, local governments, non-profits, and civic organizations striving to improve mobility services. The Center will be operated in partnership with the **Earth Institute at Columbia University**, the **Massachusetts Institute of Technology**, and **World Resources Institute**.

Ethically Hacking the Way to Better Transportation and Mobility

In the world of technology, bad hackers get most of the headlines. But there are also "ethical hackers," those that use their digital powers for good. To harness their potential, the **Youth for Public Transport (Y4PT)** and the IDB organized *HackAmericas 2018*, the first region-wide hackathon focused on generating innovative, technological solutions to road safety and urban transport challenges. The event was held between August and November in cities across Brazil, Chile, Colombia, the Dominican Republic, and Uruguay thanks to support from partners including the **Dubai Transport Ministry**, the Italian railway company **Ferrovie Nord Milano**, and the **International Association of Public Transport**.

Offering winners technical support and business incubation worth USD\$10,000, the event called on participants to base their solutions on data and the creation of new code. Winners were also invited to participate in the *3rd Y4PT Global Transport Hackathon* in Stockholm in 2019.

Testing Innovative Transit Solutions in El Salvador

To reduce travel time and road collisions in San Salvador, El Salvador, in 2018 the IDB teamed up with private firms, the bus network operator, the **Integrated Transportation System of the Metropolitan Area of San Salvador (SITRAMSS)**, and the **Government of San Salvador** to improve the driving experience in the capital city. The project mobilized the technological expertise of the private sector to create an automated system of alarms, sensors, and cameras on buses, resulting in a system that now warns bus drivers of the approach and whereabouts of vehicles and pedestrians, similar to the intelligent driving systems that auto manufacturers are now installing on high-end vehicles. The effort has been successful on two fronts. The IDB and its partners arranged for pilot of this program to be financed in full by the companies providing the technologies. And, most importantly, the project is showing demonstrated improvements in safety performance across the bus system.

Social Progress

In the social sector, the IDB ultimately strives to drive progress, ensure equal opportunities for men and women, and foster the inclusion of vulnerable groups through public policy solutions that reduce poverty and improve the delivery of education, work, social protection, and health services. In pursuit of these objectives, in 2018 the IDB determined three cross-cutting priorities that will be core to its social sector strategy moving forward — **inclusion** with a focus on aging, gender, disabilities, refugees, and migrants; on equipping LAC citizens of all ages with **21st Century skills**; and on **technology for social good**, laying the groundwork for the adoption and responsible deployment of artificial intelligence and other cutting-edge technologies as vehicles for driving social impact.

Creating an Inclusive Region for People with Disabilities

There are at least 50 million people with disabilities in Latin America and the Caribbean, up to 90 percent of whom are unemployed. With this in mind, the IDB joined forces in 2018 with the **Spanish Organization for the Blind**, known by its Spanish acronym **ONCE**, to build a framework for development projects that create economic, social, and cultural opportunities for people with disabilities. The partners will prioritize measures that ensure their inclusion in IDB projects, as well as collaboration with the public and private sectors to foster inclusive labor markets.

*The IDB's agreement with ONCE was signed at IncluyeTech: Exploring the Crossroads Between Inclusion and Technology, a conference hosted in June 2018 by the IDB along with co-sponsors **2gether-international**, **Arcángel Fundación**, and **Gallaudet University**. The event focused on innovative approaches to integrating disabled people into LAC's social and economic fabric.*

“Because the acquisition of skills is a cumulative process, investments early on increase the returns to all investments made later in the life cycle.”

~ The Early Years: Child Wellbeing and the Role of Public Policy, an IDB publication ~

Taking Action on Early Childhood Development

Investments in early childhood development (ECD) are shown to unlock benefits for families, communities, economies, and societies. That's why, in 2018, the *ECD Innovation Fund* remained a strategic platform for action for the IDB and its partners. By year's end, the fund had completed its first call for proposals, a competitive process that resulted in eight new projects that will work in 2019 to expand access to and improve the quality of child care. In addition, partners **FEMSA Foundation** and **Open Society Foundations** replenished the fund through new financial contributions, while **Grand Challenges Canada** provided parallel support to an ongoing project in Boa Vista, Brazil, which is evaluating an effort to strengthen parenting skills.

Projects underway in 2018 include an effort to strengthen parenting skills in Boa Vista, Brazil, and another in Rio de Janeiro to determine the medium-term impacts of expanded access to child care centers. In Colombia, the partnership is evaluating an effort to improve ECD in rural areas prioritized by the country's Peace Agreement, while a program in Mexico assesses the quality of public care for children under the age of three. In El Salvador, a pilot program supported by the fund is providing support to skipped-generation households, in which grandparents are the primary caregivers of young children, while in Uruguay the fund empowers parents through increased access to information on ECD.

*Launched in 2017 with a focus on reaching the most disadvantaged children under age five, the ECD Innovation Fund seeks to finance, design, implement, and evaluate innovative and scalable approaches to improve child development. Coordinated and managed by the IDB, the fund is a partnership with **FEMSA Foundation** and **Open Society Foundations** at a regional level, and with **Fundação Maria Cecília Souto Vidigal (FMCSV)** and **Porticus** in Brazil.*

Germany Prepares Citizens for the Workforce through TVET

Globally, Germany is recognized for its vast experience improving youth employment through Technical and Vocational Education and Training (TVET) and for its use of an innovative dual training system that combines both theory and practice. In a new partnership with the IDB, the **German Federal Ministry for Economic Cooperation and Development (BMZ)** is putting this expertise to work for the LAC region, committing €10 million to help the IDB create a TVET Fund. The fund, which will be operational in mid-2019, aims to address the region's skills gap and boost the employability of young people through affordable and quality education and training.

Making Learning Fun with Albert the Robot

A renewed IDB partnership with the Korea-based firm **SK Telecom** is putting a playful twist on the development of 21st century skills for Paraguayan students. The company has made an in-kind donation valued at \$750,000, which includes 900 Albert robots that teach coding, teacher training, and a coding curriculum used in countries like Korea, Spain, and Vietnam. Targeting students between the ages of five and eight, the curriculum intends to strengthen 21st century skills related to creativity, computational thinking, and problem solving, and includes a teacher's guide and student work book that have been tested by the teacher interest group on ICT education in Korea. The partners are expanding upon their past efforts in Costa Rica, where they teamed up to develop a play-based preschool math curriculum using the Albert education robot and technical assistance.

According to the United Nations Educational, Scientific and Cultural Organization, ICT education refers to the premise that information and communications technology (ICT) can complement, enrich, and transform education for the better.

SPORTS FOR DEVELOPMENT



Fifteen Years of Sports for Development: A New Study

Since 2004, the IDB has worked with governments, companies, foundations, non-governmental organizations, professional teams, and other organizations to improve lives through sports.

A report published by the IDB in 2018 takes a close look at the Bank's diverse Sports for Development (SFD) programs and partnerships in 18 countries, with an emphasis on their impact in imparting critical lessons to children and youth. The report compares physical inactivity levels across regions, highlighting LAC's position as the second most inactive region in the world, and showcases Bank efforts to reverse this trend through SFD programs. Importantly, it emphasizes the capacity of sport to unlock benefits that go beyond health by presenting SFD projects that have produced positive outcomes related to education, social inclusion, violence prevention, women's empowerment, job skills, and more.

An Olympic Effort in Argentina: IOC and IDB Team Up to Advance Youth Employment and Gender Equality

In 2018, the **International Olympic Committee (IOC)** and the IDB, through IDB Lab, took their longstanding partnership to Buenos Aires, where they launched a joint project to improve the lives of more than 4,000 young people. The project, which will be financed by \$1.5 million commitments from the IOC and the IDB respectively, was formalized in a Letter of Intent signed by IOC President Thomas Bach and IDB President Luis Alberto Moreno.

The partnership, which also includes the **Argentine Olympic Committee**, the **City of Buenos Aires**, **Panam Sports**, and **UN Women**, will use sports as a tool to sharpen the digital skills of participants and to teach the Olympic values of excellence, friendship, and respect, working toward the overall objective of preparing them for success in the workforce. Given the partners' special focus on women's empowerment, the collaboration will also leverage \$1 million in financing from **UN Women** to fund leadership activities for 1,000 girls and adolescent women.

To complement these efforts, the IOC is building a community sports center to serve the low-income neighborhood *Barrio 31* and surrounding vulnerable communities. In addition, **Fundación SES**, the **Ministry of Education and Innovation of the City of Buenos Aires**, and other partners will work to integrate sports and employment activities into the country's extended school day program as a means of scaling this effort and reaching approximately 3,000 adolescents.

In the coming months, the IOC and the IDB intend to scale and replicate this model in Colombia and Ecuador.

In conjunction with the IDB's 2018 Annual Meeting in Mendoza, Argentina, the Bank and its longtime partner **Real Madrid Foundation**, along with the **Universidad Nacional de Cuyo**, launched a socio-sports school that will use athletics to advance social inclusion among 160 at-risk children and adolescents in the city. Other partners in the initiative are the **Government of Mendoza** and Argentina's **Ministry of Economy, Infrastructure and Energy**. This initiative builds upon existing programs sponsored by the Real Madrid Foundation and the IDB that are reaching more than 500 children and youth at similar sports schools in Costa Rica and Peru.

Building on previous work done in Argentina and Bolivia, the IDB and its partner **Fundació FC Barcelona** took their anti-Chagas campaign to Paraguay, where they supported the *Deportes, Niñez y Chagas* festival held in September in cities across the country. The partnership aims to prevent, treat, and control Chagas — a parasitic disease that is estimated to have infected as many as eight million people in LAC and causes 8,000 deaths a year — by raising awareness of its causes and cultivating preventive habits through sports activities in the region. So far, the program has been scaled to benefit more than 12,000 children. Joining the effort to tackle the disease were the **Embassy of Japan in Paraguay** and **Fundación Mundo Sano**.

Meanwhile, another sports for development collaboration between the IDB and **Fundació FC Barcelona**, the *FutbolNet Cali Project*, completed its year-long effort in 2018 after benefitting more than 40,000 boys and girls and training more than 150 coaches and local managers who plan to keep the program going into the future. In addition to teaching soccer skills to kids in the Colombian city, it promoted urban sports like biking and skating and helped them address challenges they face in their neighborhoods.

Philips and the IDB Continue to Light Up Communities Across the Region

The IDB's partnership with multinational technology company **Philips** continues to bring new light to communities across LAC through the *Light Up Your Life* program, which works to illuminate soccer fields in low-income, isolated communities. Thus far, effort has illuminated 22 fields and communities with LED technology in Brazil, Colombia, Mexico, and Peru, helping tens of thousands of people strengthen community life with safe places to play and socialize well into the evening hours.



The IDB's partnership with Philips to illuminate soccer fields in Brazilian communities is highlighted in a video that was created in early 2018.

In advance of the 2018 Youth Olympic Games in Argentina, an IDB-led course on managing mega-sports events helped 200 public officials strengthen their event management skills, review their current action plans, and prepare to facilitate implementation of the Games. IDB partners in this program, the **Argentinian Olympic Committee** and the **City of Buenos Aires**, were also granted access to the course's complete content, training, and support, enabling them to mainstream the program into the public administration curriculum at the Superior Career Institute of Buenos Aires.



HEALTH

Partnership to End Malaria Gets to Work in 2018

In 2018, the IDB and its partners began implementing the *Regional Initiative for the Elimination of Malaria (RMEI)*, an effort launched the previous year with the goal of eradicating this disease in Central America and the Caribbean by 2021. In collaboration with the governments of seven Mesoamerican countries, Colombia, the Dominican Republic, and Mexico, the partnership kicked off its first round of projects, while participating governments secured internal resources to complement the financing provided by RMEI partners the **Bill & Melinda Gates Foundation**, the **Carlos Slim Foundation**, the **Global Fund**, and the IDB.

RMEI received a new commitment of \$53 million from these partners in 2018, and it expects to mobilize \$50 million in national financing from partner countries and approximately \$30 million in additional donor resources from stakeholders in the region.

Disbursement of these funds will follow the results-based financing model employed by the successful *Salud Mesoamerica* initiative, which provides financial rewards for the achievement of pre-established metrics.

Knowledge, policy, and technical partners in this journey to eliminate malaria include the **Pan American Health Organization (PAHO)**, the **Clinton Health Access Initiative (CHAI)**, the **Council of Ministers of Health of Central America (COMISCA)**, and the **Mesoamerica Integration and Development Project**.

As part of this effort, partner governments have committed to identifying and addressing each new case of malaria less than 48 hours after the first symptoms appear, and to reducing human transmission in less than 24 hours.

Salud Mesoamerica: A Case Study on the Impact of Partnerships

The *Salud Mesoamerica Initiative (SMI)*, an innovative results-based funding partnership managed by the IDB, continues to build off its progress and lessons learned to improve the coverage and quality of reproductive, maternal, newborn, and child healthcare. Widely acclaimed as a model partnership, SMI has successfully brought together the **Bill & Melinda Gates Foundation**, the **Carlos Slim Foundation**, the **Government of Canada**, the **governments of Central America**, the **State of Chiapas, Mexico**, and local stakeholders through a unique model that provides economic incentives in exchange for evidence of health system strengthening, increased equity, and improved quality and access to health services.

In 2018, the Institute of Health Metrics and Evaluation assessed the second round of projects implemented in Belize, Chiapas, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. Of these, all but two countries met every pre-established target, an achievement that triggered the delivery of an economic incentive to their respective ministries of health. The remaining two nations also achieved progress especially related to prenatal and postpartum care, vaccination, and quality of management of complications of women and newborns after delivery.

To date, countries participating in *SMI* have experienced substantial improvements benefitting more than 1.8 million women and children in Mesoamerica's poorest communities.



Just last year, the success of the SMI both as a partnership and as a driver of improved health outcomes in Mesoamerica prompted anchor partners the Gates Foundation and the Carlos Slim Foundation to replenish the fund, while Canada joined the initiative as a new collaborator in 2018.

A SNAPSHOT OF COUNTRY-LEVEL IMPACT

Country	Benchmark	2013	2017
El Salvador	Use of modern family planning methods	53.9%	↑ 75%
Honduras	Institutional delivery by a skilled birth attendant	68.6%	↑ 84.7%
Nicaragua	Routine newborn care with quality	7.2%	↑ 43.7%
Belize	Use of oxytocin immediately after birth ¹	60%	↑ 89.7%

¹ Oxytocin, used to stop bleeding after delivery, is on the WHO list of essential medicines.



LABOR MARKETS

Opening Doors to Prosperity for 380,000 LAC Youth

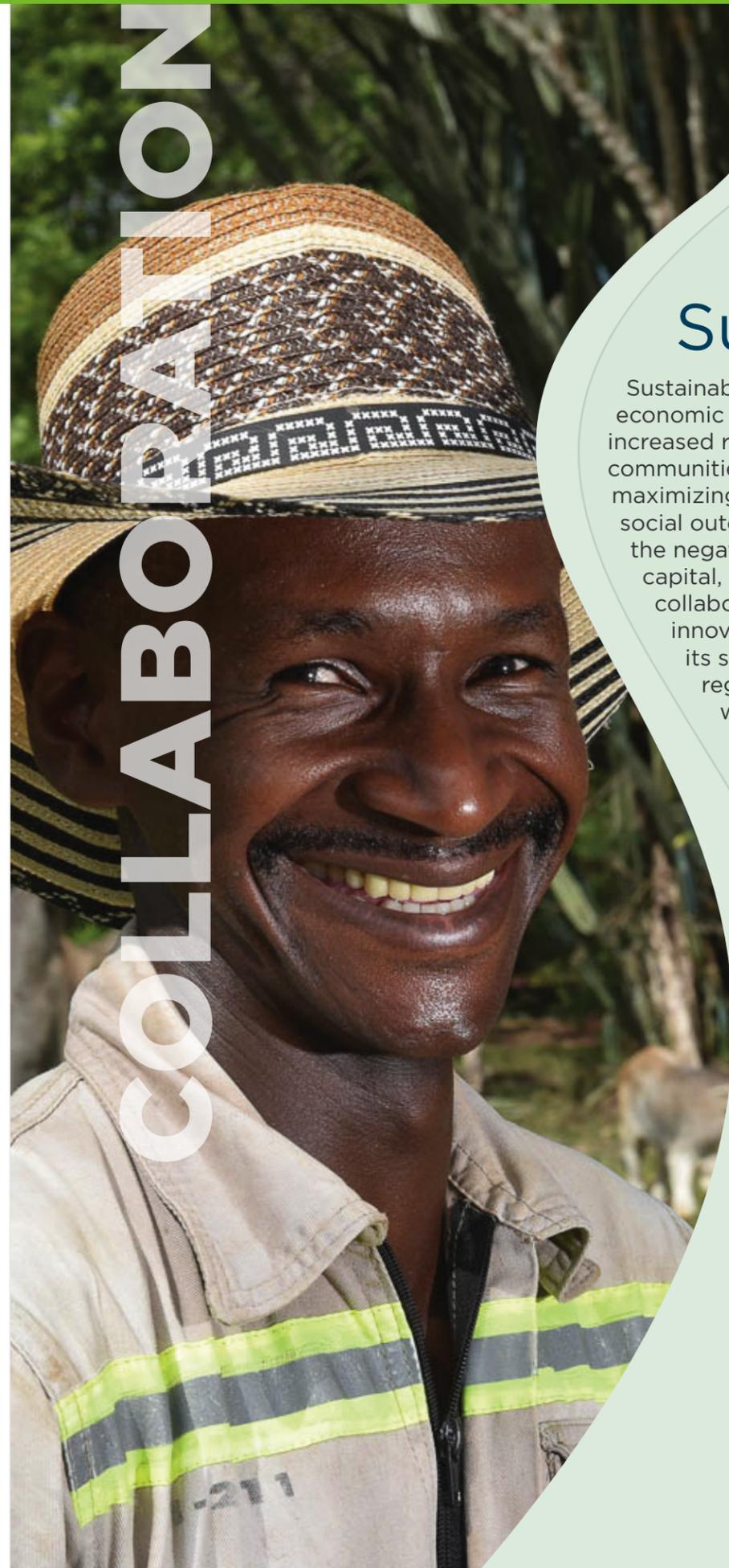
In just five years, in a region plagued by persistently high rates of youth unemployment, one effective partnership has managed to transform 380,000 lives. The *New Employment Opportunities Initiative (NEO)*, led by the **International Youth Foundation** and the IDB through its innovation laboratory IDB Lab, worked to close the skills gap of vulnerable youth and address the demand for qualified personnel expressed by companies in LAC. NEO has also brought together partners including **Arcos Dorados, Caterpillar Foundation, CEMEX, Fondation Forge, Microsoft, SESI, Walmart**, more than 140 other businesses, governments, and civil society organizations across 10 LAC countries to achieve this goal, tackling the age-old problem of youth employability through innovation and partnership.

Through public-private partnerships, NEO provides youth with improved employment opportunities, quality training and employment services, and increased internship and job opportunities.

How Can Far Can Your Skills Take You?

This is the title of a 2018 paper developed in partnership by **LinkedIn** and the IDB. Drawing from the information publicly available on LinkedIn profiles, the publication provides new evidence on the shifts in high-demand job skills across 10 Group of 20 (G20) countries. A unique feature of LinkedIn's data is the availability of granular measures of skill importance by country and occupation. This allowed the partners to

examine how similar occupations differ in skills composition across countries and to measure the corresponding shifts in skill demand. The analysis yielded several key conclusions that can be used by stakeholders to generate a more complete picture of the labor market and facilitate a more rapid and informed adjustment of workforce development policies and programs.



COLLABORATION

Sustainability

Sustainability is essential to boosting economic growth, social progress, and the increased resilience of both urban and rural communities. Given the IDB's commitment to maximizing the positive environmental and social outcomes of its work while minimizing the negative impacts to people and natural capital, the Bank constantly looks to its collaborations with partners, and the innovations they generate, to help advance its sustainability mission throughout the region. This is true both in LAC cities, where the rapid pace of urbanization presents challenges managing and improving the quality of life for citizens, and in its agricultural areas, where sustainability is at the very heart of the effort to increase food production in ways that both preserve the environment and enhance the productive capacity of the soil, air, and water for future generations.

AGRICULTURE

Danone and the IDB: New Hope for Mexico's Small-Scale Milk Producers

In Mexico, small-scale milk producers have struggled with unstable operations and challenges accessing higher-value markets that would enable them to improve their profitability and grow. Often these barriers are created by limited technical knowledge that adversely affects the quality and consistency of their product, price volatility, and the effects of climate change on their operations.

In recent years, **Danone**, the **Danone Ecosystem Fund**, and the IDB have been working to help low-income dairy farmers address these barriers and thereby improve their productivity and quality of life through the *Margarita Project*. Launched by Danone in 2010, the project teaches farmers how to establish a sustainable milk supply strategy based on new technologies and business models. It also aims to build up an ecosystem in which smallholder producers can thrive, gain access to credit, and develop new means of production that are more efficient and sustainable.

In 2018, Danone and the IDB initiated a \$3.7 million expansion of the project. In this next phase, IDB Lab will integrate artificial intelligence and other disruptive technologies that will help improve productivity among more than 300 small dairy farmers in Jalisco, Mexico.

FONTAGRO Marks Two Decades of Innovating in Family Agriculture

This year marked the 20th anniversary of FONTAGRO, the IDB-managed *Regional Fund for Agricultural Technology*, and it was a busy one. FONTAGRO launched a call for scalable family farming solutions and selected winning initiatives related to organic banana production, livestock pasture management, and cocoa farming. The fund also approved several seed funds to foster cutting-edge research in water management, productivity, and gene editing.

Also in 2018, FONTAGRO joined forces with the **New Zealand Ministry of Primary Industries** to co-finance a sustainable intensification project that will leverage \$1.4 million in financing from other partners. The project, which builds upon an existing partnership between FONTAGRO and New Zealand, seeks to reach more than 2,500 direct beneficiaries across eight countries in LAC.

FONTAGRO was established in 1998 thanks to initial support from the IDB, the **Canadian International Development Research Centre**, and 15 IDB member countries.

FONTAGRO Partners

Consultative Group for International Agricultural Research • The Global Environment Facility • HarvestPlus • The International Center for Tropical Agriculture • The Korea Fund for Technology and Innovation • The New Zealand Ministry of Primary Industries • The Spanish Agency for International Development Cooperation • The United States Department of Agriculture

Over two decades, FONTAGRO has invested \$100 million to help family farmers innovate, adapt to and mitigate climate change, advance sustainable intensification and natural resource management, and enhance competitive territories and value chains.

Uplifting Farmers to Transform the Coffee and Cocoa Industry

In 2018, the *Sustainable Agriculture Food Environment (SAFE) Platform*, a multi-stakeholder alliance that strives to improve the livelihoods of smallholder coffee and cocoa farmers, continued to pilot and scale up innovative value chain approaches. The platform, managed by IDB Lab and coordinated by **Hivos**, has a four-pronged focus on advancing climate-smart agriculture, smallholder financial literacy and access to financial services, commercial relationships in responsible supply chains, and gender and youth as transversal components.

In 2018, *SAFE* expanded to two new countries through projects to advance climate-smart agriculture in Ecuador and Mexico, while launching an effort to aid coffee farmers in the Meta region of Colombia. *SAFE* also formalized collaborations with the **Latin American and Caribbean Network of Fair Trade Small Producers and Workers (CLAC)** and the **Global Coffee Platform** to coordinate sustainability and scalability efforts across multi-stakeholder initiatives, and welcomed **Lavazza**, **Oikocredit**, and **Sustainable Harvest** aboard as new partners. Finally, the initiative remained committed to knowledge sharing, contributing to the *Gender in Coffee* documentary and several publications.

To date, by leveraging the expertise and resources of its partnership network, the initiative has benefitted more than 120,000 farmers and their families across nine countries, investing \$34 million in the process.

Having engaged more than 650 farmers over the course of the project, the MAIS program has thus far increased dairy production by 63 percent while tripling their incomes and improving pasturelands and water usage by 30 to 50 percent.

A project financed by the IDB and its partner the **Nordic Development Fund (NDF)** won the 2018 Climate Action Award from the UN Framework Convention on Climate Change. The *Intelligent and Sustainable AgroClimate Model (MAIS)* program, which seeks to help smallholder dairy farmers adapt to climate change and ensure food security in Brazil's Jacuípe Basin, is one of the first climate-smart agriculture programs to mainstream these disruptive technologies among farmers in Brazil. Based on the implementation of *silvopastoralism* — a rotational grazing system that combines nutritious forage grasses, herbs, shrubs, and trees into farming practices — the program has been able to help farmers recover degraded land, ensure water and food security, and reduce their carbon footprint.

SAFE partners include the Committee on Sustainability Assessment, Catholic Relief Services, Ecom Agroindustrial Corp., Farmer Brothers, Grameen Foundation, Hanns. R. Neumann Stiftung, Keurig Dr Pepper, Lavazza, Oikocredit, Rainforest Alliance, Root Capital, S&D Coffee & Tea, Solidaridad, the Specialty Coffee Association, Starbucks, the Sustainable Commodity Assistance Network (SCAN), and Sustainable Harvest.

CITIES

Tapping LAC's Campuses for Fresh Ideas on Addressing Urban Challenges

The **Municipality of Guaymallén, Province of Mendoza, UNICIPIO**, and the IDB teamed up to sponsor the 2018 edition of the *IDB UrbanLab* university contest, which recognizes innovative and sustainable solutions to urban challenges. The winning team from the Universidad Central de Venezuela received a \$5,000 prize and the opportunity to implement their project with IDB specialists and local officials. The project proposes an urban and social intervention with a multi-sectorial vision that seeks to connect Quino Park, created in honor of the caricaturist who created the Mafalda comic, with the needs of the community and the rest of the city.

The IDB UrbanLab competition crowdsources urban solutions from the region's universities and empowers winning students by providing them the expert guidance and resources needed to bring their solutions to life.

Driving Discussions on Urban Growth

The **Government of Switzerland's State Secretariat for Economic Affairs (SECO)** and the IDB co-hosted the 2018 *Urban Round Table* in Bern, enabling strategic exchange between multilateral development banks, universities, and think tanks on how to advance the specific objectives of urban initiatives and work toward the common goal of sustainable urban development. This year's dialogue focused on the important role of inclusiveness in cities.

Lessons from Korea on Urban Revitalization

The partnership between the **Korea Research Institute for Human Settlements (KRIHS)** and the IDB remained active last year as it continued implementing a technical cooperation intended to channel Korea's urbanization expertise to the LAC region. In this context, a new KRIHS commitment of \$100,000 will finance a visiting scholar program, an annual workshop on urbanization, and the fifth KRIHS-IDB Urban Development Academy (KIUDA), a knowledge sharing platform that enables LAC government officials to participate in training and workshops in Korea. This latest commitment complements IDB financing for this project and the \$180,000 contributed by KRIHS in 2017.

Medellín: A Model City

Medellín, a poster child for sustainable urbanization, has many lessons to offer cities around the world. According to IESE Business School, it is the fourth "smartest" city in the world, a status it has earned due to its high levels of competitiveness and innovation, its leadership in science and technology, and its attractiveness to foreign investors. To showcase Medellín's strengths and tease out key lessons for urbanization across LAC, in 2018 the IDB organized its annual *Mayors Meeting* in that city and paired it with a seminar titled "Inclusive Cities: Learning from Medellín." The event, which brought together more than 50 mayors and 30 urbanization experts, fostered the exchange of tools and best practices proven to generate a positive impact on cities. They were organized by the IDB's *Network of Sustainable Cities*, a knowledge sharing initiative and network of 150 cities that seeks to promote sustainable urban growth.

The 2018 IDB Annual Meeting in Mendoza, Argentina also featured the *Third Ibero-American Mayors Forum*, which brought together more than 80 mayors from the LAC region and from Spain for a two-day discussion of sustainable urban development. The forum provided an opportunity for mayors to share experiences and exchange best practices for designing and implementing effective urban development programs. In addition to city leaders and government officials, the forum included presentations from renowned urban planners and other university and business experts.



During a visit to Washington, Grammy Award-winning singer Carlos Vives joined with the IDB to discuss his *Tras la Perla* initiative, which he developed with the IDB to reinvigorate the *Pescaito* neighborhood in his native city of Santa Marta, Colombia. The effort includes a Sports for Development component intended to promote practical job skills, social inclusion, and urban sustainability, with a focus on at-risk children and youth.

COLLABORATION

Partnering through Knowledge

The IDB's mandate to improve lives extends beyond the financing of development. The IDB is also a key knowledge partner for Latin America and the Caribbean, one committed to generating cutting-edge research, democratizing access to information, and channeling the knowhow of its partner institutions to countries throughout LAC. As a result, in recent years the IDB has actively prioritized the expansion of its knowledge partner network, forging and strengthening ties with universities, think tanks, and other entities from around the world to enrich its development work. In this section, you will find concrete examples of how the IDB partnered through knowledge in 2018.

With Telefonica, Helping LAC Countries Ride the Digital Wave

Building upon a longstanding partnership, in 2018

Telefónica and the IDB joined forces to disseminate their knowledge on big data and how it can improve decision-making across the public and private sectors. The partners began by developing and delivering a big data training session for IDB staff, as well as five in-person courses in Argentina, Colombia, Ecuador, Mexico, and Peru.

In addition, the partners developed a Massive Open Online Course (MOOC) on the potential of big data, advanced analytics, and artificial intelligence, targeting public officials and other individuals seeking to utilize the data revolution as a vehicle for improving organizational efficiency and effectiveness. The course, titled *Big Data sin misterios* in Spanish, will be made available in three iterations throughout 2019.

These efforts are part of a strategic work plan agreed upon in 2017 with a sharp focus on big data, the digital economy, entrepreneurship and private sector development, and inclusive development. In this context, in 2018 Telefónica also partnered with IDB Lab to support *WeXchange*, the largest forum in the region that connects high-growth women entrepreneurs with mentors and investors.

With plans to continue their focus on urban development, the IDB and ETH Zurich, a science, technology, engineering, and mathematics university in Switzerland, renewed their partnership in 2018. The partners intend to develop knowledge and technology-transfer modules, explore opportunities for staff exchange, and expand knowledge sharing efforts related to urban challenges and solutions.

Weighing in on the Future of the Higher Education

As part of its collaboration with **Banco Santander**, in 2018 the IDB joined forces with **Santander Universidades**, its corporate initiative to improve higher education, to co-organize the *First Annual Dialogue with LAC University Presidents*. The dialogue tapped into the extensive contact base of **Universia**, a network of universities supported by Banco Santander, to gather leaders from the region's most esteemed universities for a discussion on the impact of technology and other major challenges on the future of universities. In years to come, the partners intend to continue fostering discussion with university leaders as a means of ensuring that LAC's institutions for higher education keep pace with our rapidly changing world.

Unlocking Caribbean Expertise through Partnership with UWI

As part of its effort to strengthen ties with Caribbean entities, the IDB and IDB Invest formalized a partnership with the **University of the West Indies (UWI)**, pledging to share and develop research, generate educational content, and collaborate in the context of the *Sustainable Islands* and *Power Caribbean* initiatives led by the Bank in the Caribbean.

To kick off this collaboration, the university presented a special collection of UWI press publications to the IDB library, sharing its expertise on the development and history of the English-speaking Caribbean. At the same time, the IDB organized a visit for UWI scholars and leaders to the **Massachusetts Institute of Technology (MIT)** MediaLab and Engine Fund to hear this IDB partner's cutting-edge thinking on innovation and technology transfer.

Moving forward, the partners intend to prioritize the development of joint Massive Open Online Courses (MOOCs), the tailoring of existing IDB MOOCs to the Caribbean context, and the provision of UWI academic credit to students who participate in IDB courses.

Tapping University Talent through Partnerships

In 2018, the IDB worked with its partnership network to tap into university talent. Key components of these efforts were the capstone projects developed with **IE Business School** and **Columbia University's School of International and Public Affairs (SIPA)**, through which IDB specialists worked with students and faculty on research deliverables that helped to fill knowledge gaps in the IDB's day-to-day work.

In the case of IE Business School, IDB specialists collaborated with students on an in-depth study of the blended finance landscape in the region, identifying challenges and opportunities related to filling financing gaps and crowding in private capital. In the case of SIPA, students worked on a last-mile logistics project, presenting an economic and regulatory framework complete with a supply chain model, a roadmap of emerging technologies, comparisons of market structures in target cities, and regulatory constraints.

Parallel to these efforts, partners including the **Shanghai University of Finance and Economics**, **Universidad de Oviedo**, **Universidad Pontificia Comillas de Madrid**, and **Waseda University** contributed financial resources to deploy qualified interns to the IDB and the IDB Invest, providing university students from non-borrowing countries an opportunity to learn about development and the Bank's corporate management while acquiring professional experience through on-the-job learning. The IDB intends to expand these efforts to include partners like **Tsinghua University** and **University of the West Indies**, with which it signed partnership agreements in 2018.

Partnering in the Creativity and Culture Space

The IDB Cultural Center, located at the Bank's Washington headquarters, opened an exhibit in November 2018 titled *City of Questions: DC Artists Encouraging Inclusive Development*, exhibiting the works of local artists of Latin American and the Caribbean heritage on the topic of inclusive cities. The works — which include photography, street art, muralism, and soundscapes — are the result of a collaborative process in which the artists give voice to underrepresented groups, provide a fresh perspective on urban life, and pose questions related to urban development. The exhibit was made possible by support from the **Washington Project for the Arts**.

Open from March to June 2018, the IDB Cultural Center exhibition *Fashioning the Future: Argentine Designers on the Edge of Tomorrow* was an experiential journey through contemporary Argentine fashion that merged science, technology, and creativity. As part of the 2018 IDB-IDB Invest Annual Meeting of the Boards of Governors, which was hosted in Mendoza, Argentina, this forward-looking exhibition celebrated the richness of Argentina's creative and scientific contributions as well as the country's role in innovative thinking in the region. The exhibition was developed in close partnership with the **Cultural Center for Science (C3)** of the **Argentine Ministry of Science, Technology, and Productive Innovation**. The Cultural Center also hosted three academic dialogues on the topics of the exhibition, which were presented in partnership with the **Meridian International Center** and the **Embassy of Argentina in Washington, DC**.

In partnership with the *Women Lead* program at the **Johns Hopkins University School for Advanced International Studies (SAIS)**, the IDB developed a report highlighting the barriers indigenous women face in entering the creative industries in Mexico, as well as potential solutions to address these challenges. The partnership consisted of a group of students conducting research on the subject for two semesters.

Partners Deploy Talent to IDB HQ

Once again the Bank's robust partnership network deployed talent to the IDB through the secondment program, a mechanism through which talented individuals from partner entities bring fresh perspectives and expertise to IDB operations during temporary work assignments. In 2018, the following organizations provided secondees to the IDB:

- Bank of Tokyo-Mitsubishi UFJ
- Chinese Academy of Social Sciences
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- European Investment Bank
- Export-Import Bank of Korea
- French Development Agency
 - ICEX Spain Trade and Investment
 - Japan Bank for International Cooperation
 - Japan International Cooperation Agency
 - Korea Expressway Corporation
 - Korean Ministry of the Interior
 - Korea Trade-Investment Promotion Agency

With the goal of harnessing joint learning and knowledge exchange as vehicles for achieving the ambitious 2030 Agenda, in 2018 the IDB forged a knowledge-based alliance with the **Sustainable Development Solutions Network (SDSN)**, an entity under the auspices of the **United Nations Secretary-General** that seeks to promote practical solutions to sustainable development. Together, the partners are developing a Massive Open Online Course (MOOC) on the role of partnerships in achieving the Sustainable Development Goals, while helping the IDB to align its infrastructure investments with the 2030 Agenda in order to mobilize additional private capital for the SDGs in LAC.



A new IDB partnership with the **Project Management Institute (PMI)**, the leading association for project managers serving more than 2.9 million professionals around the world, will improve training and project management practices across the region. Specifically, the partners teamed up in the context of the *2018 Day for Social Project Management*, a regional movement through which project managers accessed an online platform for mentorship, knowledge exchange, and a discussion of best practices. Reaching more than 1,700 participants across Argentina, Brazil, Colombia, Ecuador, Guatemala, Mexico, and Peru, PMI and the IDB used this platform to share *PM4R*, a project management-for-results methodology based on international standards. Moving forward, the partners will continue working to enhance the skills of decision-makers in LAC by collaborating in the areas of policy dialogue, training and accreditation, and mentoring and coaching.

A Peak Behind the Scenes of China's Tech Giants

To give startups and fund managers from LAC a closer look at China's most disruptive tech companies, in 2018 the IDB and its Chinese partners coordinated a technology tour through Beijing, a renowned hub of Chinese innovation. Kicking off their visit by participating in the **World Economic Forum** in Tianjin, the delegation later visited businesses, research centers, startups, and investors to better understand the country's innovation ecosystem.

To Disseminate IDB Expertise, a Tour of Europe

The IDB's flagship *Development in the Americas (DIA)* report is published annually to explore a question of critical development importance. In 2018, the resulting publication *Better Spending for Better Lives; How Latin America and the Caribbean Can Do More with Less* provided policy recommendations on how to improve the efficiency of government spending. To share this study with European audiences, the IDB hosted discussions in Madrid with the **Bank of Spain, Comillas Pontifical University ICADE**, and the **Spanish Ministry of Economy and Business (MINECO)**; in Paris with the **OECD**; in Oxford with **Oxford University**; and in London with the **London School of Economics**.

PARTNERSHIP PLATFORMS



At the 2018 *Concordia Annual Summit*, organized to coincide with the UN General Assembly, IDB President Luis Alberto Moreno joined Ray Washburne, President and CEO of the **U.S. Overseas Private Investment Corporation** and Liz Schroyer, President and CEO of the **U.S. Global Leadership Coalition**, to discuss the importance of catalyzing private investment in LAC to achieve the 2030 Agenda.

The IDB once again partnered with **Council of the Americas** in the context of its *Council of the Americas Symposium and Bravo Business Awards*, which convened more than 400 corporate and government leaders from around the hemisphere under the banner *Transforming Latin America: New Strategies, New Leaders, New Markets*. The annual gathering offered a snapshot of the current social and economic landscape in Latin America and the Caribbean, along with a view beyond the horizon of the region's most promising business and policy innovations. The event concluded with an award ceremony recognizing the Americas' most influential leaders from government and business, as well as mavericks in the non-governmental, environmental, and humanitarian fields.

MIT and the IDB Work Together to Drive Creative Solutions in LAC

The IDB's collaboration with **Massachusetts Institute of Technology (MIT)** moved into 2018 with the Bank joining in two events with **MIT Solve**, a marketplace for connecting innovators with resources to develop solutions to global challenges. In addition to participating in the *Solve Annual Flagship Meeting*, at which innovators pitched solutions and discussed tackling tomorrow's challenges, the IDB hosted at its Mexico City office an MIT Solve workshop that brought together leaders from civil society, government, and the entrepreneurial community to discuss the four challenges: the future of work, coastal communities, teachers and educators, and the frontlines of health. The workshop was one of elements involved in the annual *Solve Challenge Finals*, which brings together innovators from around the world to pitch creative, open-innovation solutions to the world's most pressing challenges.



An Ever-Evolving Partnership with the World Economic Forum

In 2018, the IDB and the **World Economic Forum (WEF)** continued strengthening their partnership through a series of activities that advance knowledge sharing, build networks, and generate innovative solutions to development challenges. In one example, the partners signed an agreement in the context of the *Internet for All* initiative, which seeks to finance digital infrastructure and accelerate connectivity to broadband services in rural and remote areas.

Also, as part of WEF's *Shaping the Future of Environment and Natural Resource Security System initiative*, the IDB became a partner of **Tropical Forest Alliance 2020**, another member in this effort and one dedicated to reducing deforestation and promoting sustainable land use management in tropical forest countries.

Finally, in the context of supply chain management, the partners developed a study to assess the level of digital transformation in LAC supply chains. In the study, WEF and the IDB put forth a set of recommendations to accelerate the transition to *Supply Chain 4.0* in the region, in part through strengthened public-private collaboration. The study included interviews with regional officials from the highest levels of the public and private sectors, as well as workshops in Argentina, Brazil, Colombia, and Mexico to validate results and discuss action plans at the country level.

According to McKinsey, Supply Chain 4.0, refers to supply chain management that applies Industry 4.0 innovations — the Internet of Things, advanced robotics, analytics, and big data — to jump-start performance, and customer satisfaction.

Talking Social Investment and Philanthropy in São Paulo

As part of its ongoing effort to foster philanthropy in LAC, the IDB once again partnered with the **Brazilian Forum of Philanthropists and Social Investors** at its São Paulo event in September, where it explored the growth of philanthropy and social investment in Brazil and across the region.

Strengthening Institutions

Given the evolution of technology and access to information, international legal standards, and the economic and financial sectors in LAC, demands for greater transparency and integrity across all sectors of society has grown stronger. Particularly in light of recent, high-profile corruption scandals, citizens in today's LAC region expect more than ever that their demands be met. In response, the IDB once again leveraged the knowledge, experience, and capacity for innovation of its partners to strengthen public institutions and the rule of law, enhance governance and transparency, and apply international standards to local regulations. Progress in these areas will help meet citizens' expectations, while setting the fundamental groundwork for sustainable, inclusive development.

In a Critical Moment for Transparency, Norway Expands Support to Multi-donor Fund

Challenges related to transparency can endanger sustainable development. They slow economic growth, delegitimize political systems, and erode public trust in institutions. Yet in Latin America and the Caribbean, these challenges persist, making transparency a top policy priority for governments and citizens alike.

In 2018, the **Government of Norway** committed \$1.1 million to the IDB's multi-donor *Transparency Fund*, solidifying its position as a key partner for LAC countries in the transparency space. In 2007, Norway became the fund's founding partner with a \$5 million contribution. In subsequent years it provided an additional \$7.4 million in financing and, as a global leader in governance issues, provided technical expertise that encouraged the fund to expand its scope to include new priorities like open government and tax transparency. **MasterCard** and the **Governments of Canada, Italy, and Sweden** are also partners of the fund.

Since its inception in 2007, the *Transparency Fund* has been the IDB's primary tool for advancing the anti-corruption and transparency agenda in the region. To date, the fund has financed more than 50 projects worth more than \$18 million to support government reform, regional dialogue, and policy research in the areas of open government, control systems, financial integrity, and natural resource governance. In this process, it has leveraged \$1.2 billion in IDB lending to transparency-related projects.

Thanks in part to the work of the *Transparency Fund*, four countries in the region were removed from a grey list of countries compiled by the Financial Action Task Force, the main international body focusing on the prevention of money laundering.

Driving Discourse on Transparency

In partnership with the **Government of Panama**, in 2018 the IDB co-organized *Strengthening Regional Dialogue on Transparency on Infrastructure Investment*, a forum that brought together international experts, private sector leaders, and civil society to explore the impact of and lessons gleaned from recent corruption scandals. The gathering discussed preventative actions adopted by several LAC countries, technological tools for preventing corruption, and the role of the private sector and civil society in advancing transparency across the region. Opening remarks were provided by President Juan Carlos Varela of Panama and IDB President Luis Alberto Moreno.

Citizen Security Week: An Annual Opportunity to Learn, Partner, and Grow

For the past decade, the IDB has worked strategically through its annual *Citizen Security Week* to foster knowledge exchange and partnerships between governments, academics, and civil society in pursuit of a safer LAC region. Last year's edition, organized in collaboration with the **Government of Chile** and hosted in its capital city Santiago, began with a regional political dialogue led by Chilean President Sebastián Piñera and attended by ministers and vice-ministers from 19 countries. In addition, a clinic on citizen security brought together more than 500 participants to explore new high-potential technologies capable of improving safety and justice in the region. Other partners in this effort included **EUROSociAL**, the **University of Chile's Center for Studies on Citizen Security** and municipalities from across the country, while representatives from non-LAC countries like Canada, Italy, Switzerland, and the United States helped to enrich the dialogue.

Switzerland and the IDB Expand Ties to Strengthen Citizen Security

A landmark citizen security project funded by **Switzerland's Agency for Development and Cooperation (SDC)** and the IDB received its final round of financing in 2018 after years of working to improve citizen security in Honduras. The effort, supported by a \$5.4 million grant from Switzerland and a \$300,000 IDB technical cooperation financed through the *Korean Poverty Reduction Fund*, works to implement the *Comprehensive Civic Coexistence and Public Safety Policy* through the preparation of studies and a pilot intervention executed at the municipal level. In addition, the partnership seeks to improve the effectiveness of Honduras' police forces, specifically through efforts to enhance their capacity to investigate crimes and improve city-level management of citizen security issues. In 2018, a final \$1.2 million in financing was deployed by Switzerland to continue the progress reached to date in the development of human resources, the financing of scholarships and teaching staff for aspiring police officers, the modernization of police training, the delivery of a computer forensics course by the **National Police of Spain**, the strengthening of local information management, technical exchange with experts, and the establishment of an investigators unit within the police. Overall, these efforts have proved to be highly effective. The homicide rate in Honduras plummeted from 93.2 per 100,000 inhabitants to 40.7 between 2011 and 2018. In addition, an annual survey conducted by **Latinobarometro** revealed that citizen confidence increased from 19 percent in 2011 to 30 percent in 2017. Although there is still much work to be done, it can be concluded from these efforts that, today, Honduran citizens feel safer and have more trust in their police force.

To Streamline Public Procurement, the IDB Teams Up with Brazilian Government

A new partnership agreement signed between the IDB and **Brazil's Ministry of Planning, Development and Management** will facilitate the exchange of knowledge and best practices and promote training in the area of public procurement. In this effort, the IDB has joined Brazil's National Network for Public Procurement.

In 2018, the IDB hosted a discussion-centered around the launch of the first *Americas Civic Empowerment Index*, the result of an in-depth research about citizen participation in political processes and civil society in six LAC countries, which was developed by **Humanitas360 (H360)** and the **Economist Intelligence Unit (EIU)**. Participating in the event were IDB President Luis Alberto Moreno, H360 President Patricia Villela Marino, and EIU Senior Global Director for Public Policy Leo Abruzzese.

MapaInversiones: A Blueprint for Transparency

In 2018, the IDB and **Microsoft** strengthened their partnership to accelerate the expansion of *MapaInversiones*, an initiative that develops digital platforms to encourage transparency in government spending. The initiative was first launched in Colombia, Costa Rica, Paraguay, and Peru, and new platforms are now being developed in Argentina, the Bahamas, and Jamaica. *MapaInversiones* allows citizens to track public investments across economic sectors, as it includes information on the funding and progress of individual projects at national, subnational, and local levels. These platforms are created by the IDB in collaboration with Microsoft, which provides cloud and design support.

“Since its launch in 2017, *MapaInversiones* has helped build trust and transparency by providing citizens with information on public investments. Building upon its success so far, at Microsoft we are excited to expand our action plan with the IDB to bring this robust platform into more countries in the region.”

- Anayda Frisneda, Public Sector General Manager, Microsoft Latin America



Powering Businesses and Fostering Trade

The private sector plays a critical role in driving job creation and economic growth. Accordingly, the IDB works with its partners to create an ecosystem in which private enterprise can thrive and to set the basis for an increasingly integrated and economically active region. Our collaborations include projects that encourage regional cooperation, from the creation of border infrastructure to the management of regional public goods, as well as efforts to boost trade, investment, and private enterprise development. Given our continued focus on knowledge sharing, in 2018 these collaborations once again prioritized the dissemination of research and business expertise, and the creation of networks and events that enable exchange between entrepreneurs, public officials, and more.

Promoting Private Sector Development through Innovation in Caribbean Countries

To continue driving growth through private sector innovation and fostering a business-friendly climate, in 2018 the *Compete Caribbean Partnership Facility (CCPF)* designed and approved 19 projects worth \$5 million. The program, which works across 13 Caribbean countries, is jointly funded by the **United Kingdom Department for International Development (DFID)**, the **Caribbean Development Bank (CDB)**, and the **Government of Canada**.

Last year, this partnership focused on advancing economic diversification, business climate reform, and the adoption of digital technologies, particularly smart and/or autonomous technologies powered by machine learning and data analytics. In this context, CCPF worked to refine the capacities of business support organizations to help private firms generate new products and access new export markets, to improve “Doing Business” indicators in 11 countries, and to drive digital technology adoption in the tourism and agro-processing sectors along with the **Caribbean Export Development Agency** and the **Organization of American States**. In the digital technology space, the CCPF partnered with the **Business Environment Reform Facility** and DFID to study how financial technology, or **FINTECH**, impacts the ability of micro, small, and medium enterprises to take advantage of e-commerce, and with students from the **London School of Economics** to explore the role of blockchain in driving access to credit across SMEs.

In 2018, Global Affairs Canada affirmed its support to the second phase of Compete Caribbean through a \$7.7 million grant.

Joining Forces with ASCRI to Foster Transatlantic Ties

Seeking to boost investment, foster the business ecosystem, and develop an information exchange platform between Europe and LAC, the IDB formed new partnerships with a number of business groups, including the **Spanish Association of Capital, Growth and Investment (ASCRI)** and the **Venture Capital and Private Equity Associations of Argentina, Chile, Colombia, France, and Mexico**. The partnerships were formalized at the ASCRI Annual Conference in Madrid.

Improving Lives at the Border: Colombia, Ecuador, and Peru Invest in Integration

To facilitate sustainable integration, enhance inter-country cooperation, and improve lives at the border, the **Governments of Colombia, Ecuador, and Peru** are partnering with the IDB to create two new funds. Colombia and Peru have provided an initial commitment of \$1 million each for the *Colombia-Peru Border Integration Zone Fund*, while Colombia and Ecuador provided an initial commitment of \$2 million each to the *Colombia-Ecuador Integration Zone Fund*. The governance of both funds is led by the countries themselves in coordination with IDB.

The two new multi-partner integration funds will prioritize projects related to:

- Trade integration
- Social, economic, and cultural development
- Environmental sustainability as a cross-cutting element
- Infrastructure and connectivity
- Activities focused on consolidating integration

Switzerland Finances Social Entrepreneurship through LAC-Impact

The **Swiss Agency for Development and Cooperation (SDC)** committed an additional \$1 million to finance vocational training and youth social entrepreneurship in region. The project is one of many efforts funded by the partners' joint *LAC-Impact* initiative, a social entrepreneurship financing facility that seeks to generate employment, increase incomes, and improve livelihoods among low-income populations.

Creativity, Entrepreneurship, and Innovation: A Recipe for Success at Demand Solutions

The IDB held its landmark *Demand Solutions: Ideas for Improving Lives* event in three cities in 2018 — Mexico City, Mexico; Mendoza, Argentina; and Santiago, Chile — marking the sixth year that the IDB has organized these events across the Americas, including destinations like Buenos Aires, Lima, Santo Domingo, Silicon Valley, and Washington, DC. *Demand Solutions* brings together creatives, entrepreneurs, inventors, and public and private institutions to discuss innovative ways to improve lives in Latin America and the Caribbean. The Mexico City edition, held in February, focused on disruptive technologies and the creative arts, while the one in Mendoza, held during the IDB-IDB Invest 2018 Annual Meeting, served as a forum for exploring innovative solutions to urban challenges. In December, *Demand Solutions* Santiago, held in collaboration with **CityLab**, the **Chilean Ministry of Finance**, the **Chilean Ministry of Arts, Culture and Heritage**, **Endeavor**, **IE Business School**, **Google**, **Gulliver**, **Startup Chile**, the **Santiago Chamber of Commerce**, and other partners, included a pitch competition between LAC startups with business models that improve lives through the creative industries.

Making the Business Case for a Restorative Economy

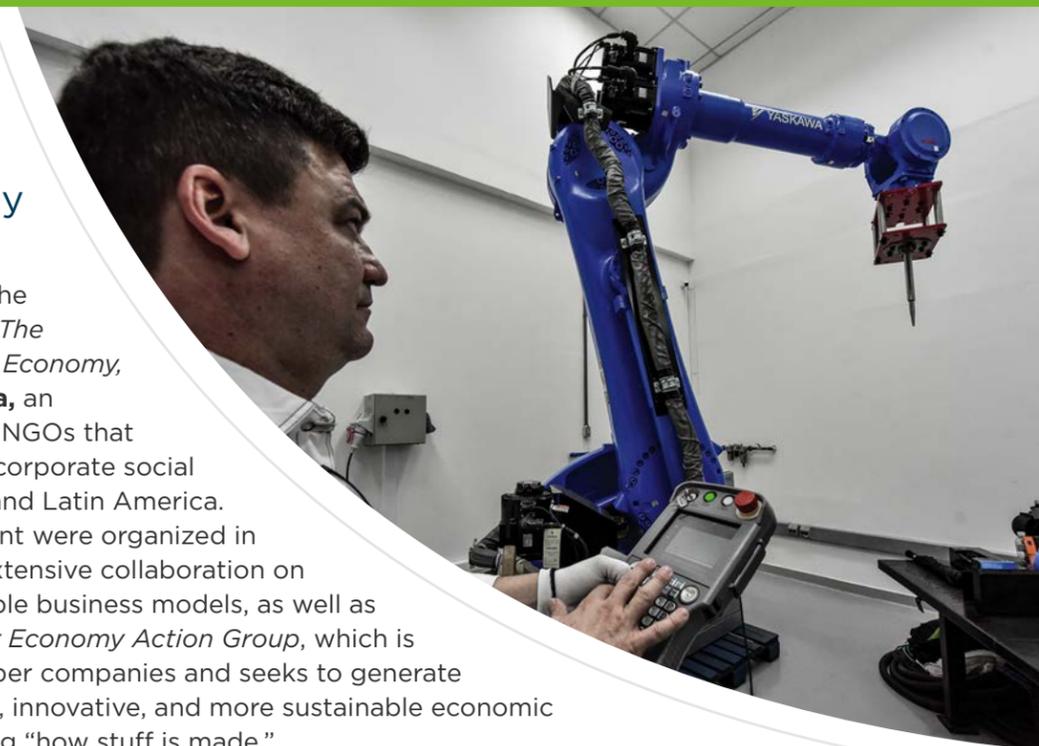
In 2018, the IDB's Office in Europe hosted the launch of the new study, *Closing the Circle: The Business Case for the Circular Economy*, issued by IDB partner **Forética**, an association of businesses and NGOs that focuses on sustainability and corporate social responsibility (CSR) in Spain and Latin America. The report and discussion event were organized in the context of the partners' extensive collaboration on efforts to encourage sustainable business models, as well as the work of Forética's *Circular Economy Action Group*, which is comprised of nine of its member companies and seeks to generate knowledge and action on new, innovative, and more sustainable economic models — essentially rethinking “how stuff is made.”

The circular economy is an alternative to the current “take-make-dispose extractive industrial model.” It seeks to redefine growth in light of positive society-wide benefits by decoupling economic activity from the consumption of finite resources and designing waste out of the system.

With Key Partners, ConnectAmericas Continues Driving SME Growth

In 2018, the digital payments innovator **MasterCard** doubled down on its support to *ConnectAmericas* — a digital platform created by the IDB and other partners **DHL**, **Google**, **Facebook**, and **SeaLand** — that helps SMEs in the region go global by expanding their access to contacts, financing, and information. Complementing a previous contribution of \$200,000, this past year the company committed an additional \$60,000 to help develop the *ConnectAmericas* marketplace, an online product catalogue that will enable LAC exporters to receive payments using a payment gateway developed by MasterCard. This new financial pledge follows the signing of a Memorandum of Understanding between the partners in 2017, which detailed their shared focus on driving business growth in the Americas.

In Santiago, Chile in September, a record 2,500 business meetings took place at the 10th anniversary of LAC Flavors, one of the region's premier food and beverage forums. The event was organized by ProChile and the IDB through its ConnectAmericas platform, which is supported by DHL, Google, Facebook, MasterCard, and SeaLand.



Bringing together 1,700 participants from China and LAC countries, the 2018 *China-LAC Business Summit* was held in Zhuhai this past November to stimulate discussions on infrastructure, finance, services, and related collaboration opportunities. The event, which facilitated thousands of business matchmaking meetings, was co-organized by **China Council for the Promotion of International Trade (CCPIT)**, **Guangdong Provincial Government**, the **People's Bank of China (PBC)**, and the IDB. In the context of the Summit, China and the IDB also coordinated the first *China-LAC Soccer Cooperation Forum*.

IN THE SPOTLIGHT

Blue like an Orange Sustainable Capital, Providing \$70 Million to Boost Safe Urban Mobility

In 2018, the mezzanine debt fund developed by **Blue like an Orange Sustainable Capital**, which will co-invest in the LAC region alongside IDB Invest, had a first close of \$100 million. The fund strives to fill the financing gap encountered by small and mid-size businesses and has ambitions to mobilize resources for SDG-aligned investments in sustainable infrastructure, agribusiness, education, healthcare, and access to finance.

After the first close, IDB Invest joined forces with the fund to channel \$70 million in financing to the ride hailing company **Cabify**, which provides mobility solutions to users and employment opportunities to economic groups that might otherwise struggle to enter the formal economy. Blue like an Orange, Cabify, and IDB Invest believe this transaction can have significant social impact beyond employment generation benefits. For instance, the deal will develop indicators related to road safety and CO² emissions, and will include a specific focus on female drivers and providing women with safe access to transportation. Accordingly, the deal is intended to support several of the Sustainable Development Goals while supporting innovative business models that generate improvements in the urban transport sector.



Colombia's First Social Bond Hits the Market

In 2018 **Bancóldex**, Colombia's corporate development bank, issued the country's first social bond for 400,000 million pesos. The bond was issued with support from the IDB through a technical assistance program financed by the Colombia office of **Switzerland's State Secretariat for Economic Affairs (SECO)**. The bond, which reflects the Bank's growing focus on crowding in private capital through innovative finance, intends to help fund employment generation and formalization, a reduction in inequality and the gender wage gap, support to rural economies, and the integration of excluded sectors into the productive economy. Issued in the domestic market through Colombia's Stock Exchange, the structuring of this bond was

supervised by and received positive reviews from Sustainalytics, a global leader in social governance, environmental, and corporate evaluations. This is the second time in under a year that Bancóldex innovates in the domestic market with IDB and SECO support. In August 2017 it launched its first green bond in the local market, a 200-billion peso emission to finance projects that alleviate the impacts of climate change. These social bonds are the first instruments designed specifically to finance the Sustainable Development Goals in Colombia, in particular SDG 5 (gender equality), SDG 8 (decent work and economic growth), SDG 9 (industry, innovation and infrastructure), and SDG 10 (reduced inequalities).

Driving Development Progress through Multi-donor Funds

In 2018, multi-donor trust funds remained a vital tool for driving development progress in line with the Sustainable Development Goals (SDGs). A series of IDB-managed funds that combine grant financing from diverse partners to target sector-specific development challenges, these funds are an answer to the SDG's call for greater collaboration.



The **AgroLAC 2025 Multi-donor Trust Fund** promotes sustainable agriculture as a means of enhancing food security and reducing poverty. The fund focuses on the three pillars of trade and access to markets, increased productivity, and agri-environmental planning. *Canada, Colombia, Dow.*



The **Multi-donor AquaFund** addresses water supply and sanitation challenges and LAC's coverage gap with the aim of guaranteeing universal access. *Austria, Spain, Switzerland (through its Agency for Development and Cooperation and State Secretariat for Economic Affairs), PepsiCo Foundation.*



The **Multi-donor Fund for Biodiversity and Ecosystem Services** harnesses the region's comparative advantage in these areas to advance development. Working to integrate biodiversity and ecosystem considerations across sectors, the fund also promotes policies to protect biodiversity in LAC. *Colombia.*



The **Multi-donor Fund for Citizen Security** promotes knowledge sharing and the use of data and strengthens the capacity of countries to manage and evaluate public policies to enhance citizen security in the region. *Canada, Switzerland.*



The **Compete Caribbean Partnership Facility** supports efforts to help firms in the Caribbean grow, innovate, and enter new sectors and markets, while nurturing a private sector ecosystem that is conducive to growth. *Canada, Caribbean Development Bank, United Kingdom.*



The **Multi-donor Disaster Prevention Trust Fund** helps countries manage risks related to natural hazards by reducing their vulnerability, and by preventing and mitigating disasters through prevention activities. *Canada, Japan, Korea, Spain.*



The **Early Childhood Development (ECD) Innovation Fund** seeks to improve the cognitive, language, motor, and socio-emotional outcomes of vulnerable children ages 0-5, with a focus on bringing ECD programs to scale and generating knowledge and innovation. *FEMSA Foundation, Open Society Foundations, Fundação Maria Cecilia Souto Vidigal (in Brazil).*



The **Emerging and Sustainable Cities Multi-donor Trust Fund** helps intermediate cities improve quality of life and address challenges with a focus on the environment and climate change, sustainable urban development, and fiscal and governmental sustainability. *Austria, Japan, Switzerland.*



The **Gender and Diversity Multi-donor Fund** drives equitable and culturally appropriate development by fostering gender equality, combating discrimination, and supporting development with identity. It specifically serves individuals disadvantaged by gender-based discrimination and inequality, indigenous peoples, and Afrodescendants. *Austria, Canada, Denmark, Norway, Sweden, United Kingdom.*



The **Malaria Elimination Blending Facility** finances the *Regional Malaria Elimination Initiative*, which helps Central American countries and the Dominican Republic finance and execute malaria elimination plans. *Bill & Melinda Gates Foundation, Carlos Slim Foundation, The Global Fund.*



The **Mesoamerican Health Facility** finances the *Salud Mesoamerica Initiative*, which seeks to improve the coverage and quality of reproductive, maternal, newborn, and child healthcare. *Bill & Melinda Gates Foundation, the Carlos Slim Foundation, and the Government of Canada.*



The **NDC Pipeline Accelerator Multi-donor Trust Fund** enhances the planning, design, and preparation of marketable infrastructure projects and aligns public and private investments with countries' Nationally Determined Contributions (NDCs) to the Paris Climate Agreement. *The Netherlands, Nordic Development Fund.*



The **Regional Infrastructure Integration Multi-donor Fund** implements the Bank's integration strategy through technical assistance and the preparation of projects in the areas of "software," or regulations and policy frameworks, and "hardware" or physical integration. *Canada, Chile, Colombia, Mexico.*



The **Sustainable Colombia Facility** offers a holistic approach to addressing post-conflict and sustainable development challenges in Colombia, placing special emphasis on rural development, climate change, environmental sustainability, deforestation, and social inequality. *Norway, Sweden, Switzerland.*



The **Sustainable Energy and Climate Change (SECCI) Multi-donor Trust Fund** expands investment in renewable energy and energy efficient technologies, increasing access to international carbon finance, and mainstreaming climate considerations across sectors. *Austria, Finland, Germany, Italy, Japan, Spain, Switzerland, United Kingdom.*



The **Transparency Fund** strengthens the institutional capacity of the Bank's borrowing member countries to design and implement transparency and access to information policies, mechanisms, and practices to prevent and control corruption. *Canada, Italy, Norway, Sweden, MasterCard.*



New Funds

A series of new funds were created by the IDB and its partners in 2018. To finance mitigation and urban resilience efforts, the *French Climate Fund* for LAC was established with a \$5 million commitment from the **French Development Agency**. In collaboration with the **Governments of Colombia, Ecuador, and Peru**, two funds were created to support integration and development efforts on the Colombia-Ecuador and Colombia-Peru borders. In addition, the IDB amended the *AgroLAC 2025 Multi-donor Trust Fund* to allow IDB Invest access to its financing as a means of supporting agri-business in the region. Finally, the **Government of Japan** helped create the *Japan Public-Private Partnership (PPP) Financing Account* to help finance project-specific grants related to PPPs, while the IDB became an accredited partner of the **Global Environment Facility's Capacity Building Initiative for Transparency Trust Fund**.

Financials

In 2018, efforts related to the management of IDB funds focused on alignment with partner priorities, knowledge sharing and communication with internal and external audiences, and continued support to institutional objectives. Throughout the year, the Bank began utilizing resources from the restructured Ordinary Capital Strategic Development Programs, which received a record funding level of \$107 million, to address the new normal of low economic growth in the region. This new initiative, piloted in 2018, is supporting the development of growth agendas to identify and understand the critical factors limiting economic growth, while seeking to address barriers that may be impeding the development of key sectors, including infrastructure and construction, the development of small and medium enterprises, biotechnology, the blue economy, and trade, among others. The Bank's commitment to sharing knowledge was on display at the ORP Funding Solutions Fair, a day-long event through which the Office of Outreach and Partnerships informed a host of stakeholders about available funding sources and how to access them, thereby showcasing the Bank's renewed focus on innovative financing instruments and mainstreaming resource mobilization across the institution. Such efforts played an important role in allowing the IDB to effectively utilize internal and external resources, and to deliver on key institutional commitments. The prioritization of one such commitment — more active support to the private sector — was well served throughout 2018, during which IDB-managed funds financed IDB Invest transactions for \$201 million, \$180 million of which corresponds to loans. The following pages detail the approvals that took place in 2018, as well as the contributions received for donor trust funds and project-specific grants.

2018 Concessional & Grant Financing Approvals by Instrument Type
(in \$ millions)

Instrument Type	Amount
Externally Funded Contractual (EFC)	7.16
Guarantee (GUA)	1.50
Investment Grant (IGR)	139.64
Reimbursable Donor Financing — Loans (LON)	251.80
Technical Cooperation (TCP)	235.61
Total	\$635.71

2018 Technical Cooperation Approvals by Donor Type
(in \$ millions)

Donor Type	Amount
Single Donor Trust Fund (SDF)	44.59
Multi-donor Trust Fund (MDF)	29.50
Project Specific Grant (PSG)	27.51
Financial Intermediary Fund (FIF)	20.65
OC Special Programs/Grants (OC-SDP)	113.35
Total	\$235.61

2018 Approvals by Beneficiary Country
(in \$ millions)

Country	Amount
Argentina	10.55
Barbados	0.96
Bahamas	1.36
Belize	2.34
Bolivia	3.79
Brazil	39.98
Chile	3.04
Colombia	63.65
Costa Rica	3.13
Dominican Republic	4.55
Ecuador	59.79
El Salvador	6.50
Guatemala	1.75
Guyana	3.03
Haiti	13.44
Honduras	28.21
Jamaica	3.67
Mexico	60.47
Nicaragua	5.77
Peru	44.81
Panama	5.79
Paraguay	7.87
Regional	249.15
Suriname	5.16
Trinidad and Tobago	0.45
Uruguay	5.78
Venezuela	0.70
Total	\$635.71

2018 Credited Contributions by Donor Country and Partner Institution for Trust Funds
(in \$ millions)

Donor Country	Partner	Amount
Canada	Global Affairs Canada	6.26
China	The People's Bank of China	132.22
Colombia	Ministerio de Relaciones Exteriores	2.00
Ecuador	Ministerio de Relaciones Exteriores Comercio e Integración	2.00
Europe	European Commission	5.26
Germany	KFW Bank Group	6.78
Israel	Ministry of Finance	0.18
Japan	Japan International Cooperation Agency ¹	0.21
	Ministry of Finance	6.98
Korea, Republic of	Ministry of Economy and Finance ²	97.64
Mexico	Fundación Carlos Slim	2.45
	Fundación FEMSA	2.00
Norway	Ministry of Foreign Affairs	1.08
Peru	Ministerio de Relaciones Exteriores	2.00
Spain	Agencia Española de Cooperación Internacional para el Desarrollo (AECID)	0.49
Switzerland	State Secretariat for Economic Affairs	1.99
	The Global Fund to Fight AIDS, Tuberculosis and Malaria	6.00
United Kingdom	Department for Business, Energy and Industrial Strategy	68.93
	Department for International Development	3.94
	Department of Environment, Food and Rural Affairs	9.85
United States of America	Bill & Melinda Gates Foundation	2.18
	Foundation to Promote Open Society	0.50
	MasterCard	0.19
	PepsiCo Foundation	0.85
	The Dow Chemical Company	1.00
Multilateral	Nordic Development Fund	5.15
	The World Bank ³	26.23
Total		\$394.36

¹ Amount corresponds to supervision fees on projects co-financed by JICA.

² Includes \$21.3 million in resources transferred from IDB Invest, now being managed by the IDB.

³ The World Bank as trustee for the CIFs (CTF, SCX), GEF (FMM,LDC,SCC), FCP, GAF, GIF, HRF, AFF, WEF and CBT funds.

2018 Credited Contributions by Donor Country and Partner Institution for Project-Specific Grants
(in \$ millions)

Donor Country	Partner	Amount
Argentina	Banco de la Nación Argentina	0.01
Austria	Federal Ministry of Finance	0.27
Brazil	Fundação Maria Cecília Souto Vidigal	0.12
Canada	Développement International Desjardins	0.05
	Global Affairs Canada	4.94
China	SAFE	0.13
Colombia	Fundación Bolívar Davivienda	0.02
	Findeter	0.06
	Finagro	0.06
	Bancoldex	0.10
	Fundación Mario Santo Domingo	0.10
Europe	European Commission	22.98
France	French Development Agency	0.25
Germany	Bundesagentur für Arbeit (BFIO)	0.08
	Ministry for the Environment, Nature Conservation, and Nuclear Safety	5.85
Israel	The Government of Israel	1.00
Korea, Republic of	Ministry of Personnel Management	0.75
	The Government of the Republic	0.85
Mexico	Fundación FEMSA	0.03
Switzerland	Stiftung Auxilium	0.20
	State Secretariat for Economic Affairs	2.50
	Swiss Agency for Development and Cooperation	2.98
United Kingdom	Citi Inclusive Finance	0.02
	Department for International Development	2.97
United States of America	The Coca-Cola Company	0.03
	MasterCard	0.06
	DHL	0.08
	UNICEF	0.08
	MGO	0.38
	PepsiCo Foundation	0.85
	U.S. Agency for International Development	2.98
Multilateral	IDB Invest	0.01
Total		\$ 50.80

2018 PARTNERS

AES Corporation	Central American Bank for Economic Integration	European Commission	Inter-American Institute for Cooperation on Agriculture	Netherlands Development Finance Company	Porticus	Sweden, Government of	United States Overseas Private Investment Corporation
African Development Bank	Chile, Government of	European Investment Bank	International Bank for Reconstruction and Development	Netherlands, Government of	Project Management Institute	Swiss Agency for Development and Cooperation	United States Road Assessment Program
Agencia Española de Cooperación Internacional para el Desarrollo (AECID)	China Council for the Promotion of International Trade	EUROSociAL	International Development Research Centre	New Development Bank	Proparco	Swiss State Secretariat for Economic Affairs	United States, Government of
Alastría	China International Contractors Association	Facebook	International Finance Corporation	New Zealand, Government of	Real Madrid Foundation	Telefónica	Universia
Arcos Dorados	China, Government of	Federation Internationale de l'Automobile (FIA)	International Fund for Agricultural Development	NH Investment & Securities Co., Ltd.	RSK	The Coca-Cola Company	Universidad de Oviedo
Argentina, Government of	Citigroup	FEMSA Foundation	International Hydropower Association	Nordic Development Fund	Sanitation and Water for All	The Global Fund	Universidad Pontificia Comillas de Madrid
Argentine Olympic Committee	Climate Bonds Initiative	Fondation Forge	International Olympic Committee	Norway, Government of	Santander Universidades	The Nature Conservancy	University of Miami
Asian Development Bank	Climate Investment Funds	Forética	International Road Assessment Program	NTT Data	SeaLand	The World Bank	University of the West Indies
Asociación Argentina de Capital Privado, Emprendedor y Semilla	Colombia, Government of	France Invest	International Youth Foundation	Open Society Foundations	SESI	Thomson Reuters	Walmart
Asociación Chilena de Venture Capital	Columbia University	France, Government of	Invest in Canada	Organization of the American States	Shanghai University of Finance and Economics	Tropical Forest Alliance 2020	Waseda University
Asociación Colombiana de Fondos de Capital Privado (CoCapital)	Comfama	French Development Agency (AFD)	Islamic Development Bank	Oxxo	SK Telecom	Tsinghua University	Washington Project for the Arts
Asociación Española de Capital, Crecimiento e Inversión	Confederación Nacional de Instituciones Empresariales Privadas de Peru (CONFIEP)	Fundação Maria Cecília Souto Vidigal (FMCSV)	Israel, Government of	Panam Sports	S-Network Global Indexes	UN Women	World Economic Forum
Asociación Mexicana de Capital Privado, A.C.	Consensys	Fundació FC Barcelona	Italy, Government of	Panama, Government of	Sociedade para o Financiamento do Desenvolvimento, Instituição Financeira de Crédito, S.A. (SOFID)	United Kingdom, Government of	World Resources Institute
Austria, Government of	Consumer Goods Forum	Fundación Bancaria "la Caixa"	Japan International Cooperation Agency	Paris, City of	Spain, Government of	United Kingdom Department for International Development (DFID)	Youth for Public Transport (Y4PT)
Banco Davivienda	Corporación Andina de Fomento (CAF)	Fundación Bolívar Davivienda	Japan, Government of	People's Bank of China	Stockholm International Water Institute	United Nations Food and Agriculture Organization	Zayed Future Energy Prize
Banco de Comercio Exterior de Colombia (Bancóldex)	Council of the Americas	Fundación Carlos Slim Domingo	Johns Hopkins University	PepsiCo Foundation	Sustainable Development Solutions Network		
Banco de Inversión y Comercio Exterior S.A. (BICE)	Cultural Center for Science	Fundación Mundo Sano	KFW Bank Group	Peru, Government of			
Banco Nacional de Desenvolvimento Econômico e Social (BNDES)	Danone	Fundación ONCE (Organización Nacional de Ciegos Españoles)	Korea Environmental Industry and Technology Institute	Philips			
Banco Santander	Danone Ecosystem Fund	German Academic Exchange Service	Korea Research Institute for Human Settlements				
Bill & Melinda Gates Foundation	Denmark, Government of	Germany, Government of	LexisNexis				
BlackRock Inc.	Denmark's Investment Fund for Developing Countries	Global Affairs Canada	London School of Economics				
Blue Like an Orange Sustainable Capital	Desjardins Group	Global Agriculture and Food Security Program	Massachusetts Institute of Technology				
Bolsas y Mercados Argentinos (BYMA)	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Global Environment Facility	MasterCard				
Brazil, Government of	Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG)	Global Food Banking Network	Meridian International Center				
Buenos Aires, the City of	DHL	Global Fund to Fight AIDS, Tuberculosis and Malaria	MetLife Foundation				
Business Environment Reform Facility	Dow Chemical	Goldcorp	Mexico, Government of				
Canada, Government of	Earth Institute at Columbia University	Google	Microsoft				
Caribbean Development Bank	Economic Commission for Latin America and the Caribbean	Grand Challenges Canada	Monetary Authority of Singapore				
Caterpillar Foundation	Ecuador, Government of	Green Climate Fund	Monge Foundation				
CEMEX	Enterprise Ethereum Alliance	Grupo Bimbo	MUFG Bank, Ltd.				
	ETH Zurich	Hivos	Nestlé				
	European Bank for Reconstruction and Development	Humanitas360					
		IE Business School					
		Instituto de Crédito Oficial					

This list may include entities that signed agreements with the IDB Group, actively engaged the IDB Group in ongoing projects, and/or made a commitment to an IDB Group project, fund, or program during 2018. It does not include all those organizations with which the IDB has an ongoing institutional partnership, or other private sector partnership arrangements (including the A/B Loan program). Governments featured on this list may encompass the diverse ministries and government entities with which the Bank collaborated throughout the year.

The IDB Group refers collectively to the IDB, its private sector entity IDB Invest, and its innovation laboratory IDB Lab.

Cataloging-in-Publication data provided by the Inter-American Development Bank

Felipe Herrera Library

2018 Partnership Report / Inter-American Development Bank.

p. cm.

1. Public-private sector cooperation-Latin America. 2. Public-private sector cooperation-Caribbean Area. 3. Economic development-Latin America. 4. Economic development-Caribbean Area. I. Inter-American Development Bank. Office of Outreach and Partnerships.

IDB-AN-199

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