

LOCAL RETIREMENT PLAN

2016 ANNUAL REPORT





Negib Giha

"Ñandú: The Cycle of the Spider," 2015 by Negib Giha. Image courtesy of the artist.

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On the occasion of the IDB-IIC 2016 Annual meeting being held in Paraguay, the SRP office has gathered some of the wonderful art pieces by Paraguayan artists owned by the Bank and displayed them throughout this report.



Enrique Careaga
Sphere Spatio/Temporelle, 1975
Oil
Inventory Number: 1992.81
Inter-American Bank Art Collection
Washington, DC

I. LETTER FROM THE EXECUTIVE SECRETARY

I am pleased to present the 2016 Annual Report of the Local Retirement Plan (Plan) of the IDB.

The Plan's assets reached their highest-ever year-end level in 2016, at \$193 Million. Despite intra-year fluctuations in the financial markets, as investors shifted from risk-avoidance to risk-seeking, by the end of the year all ten component asset classes in the Plan had delivered positive returns and the Plan had outperformed its actuarial assumptions. Due to strong full-year financial market results, excess returns earned by actively-managed strategies, and the Secretariat's decision to delay rebalancing activities early in the year when market volatility was elevated, the Plan delivered nominal and real returns which exceeded both actuarial assumptions and Policy Benchmark returns. Specifically, the Plan's 8.3% nominal asset returns exceeded the actuarially-assumed 7.5% and Policy Benchmark 7.8% rates, while its 6% real return significantly exceeded the assumed 3.5% rate.

As noted in prior years' Letters, it is industry best practice to periodically conduct an in-depth review of the Plan's assets and liabilities, to incorporate financial returns and conditions, as well as shifts in global economic and monetary conditions. With the Board of Executive Directors' approval of Risk Appetite and LTF Policies in late 2015, an Asset-Liability Study was completed for the Staff Retirement Plan in 2017, and it is anticipated that such a Study will be initiated for the Local Retirement Plan during 2018.

The financial health of a defined benefit plan is assessed in two ways. First, the actuarial funding method follows Society of Actuaries standards, assessing the Plan's success in delivering assumed real rates of return in order to grow assets to support long-term liability benefit payments, and to mitigate increases to the Plan sponsor's theoretical contribution rate. The Plan has delivered assumed real returns, supporting an average, sustainable 25% rate of net remuneration for Plan Sponsor contributions. To further support stable Plan Sponsor contributions in the future, in 2015



**Kurt Focke, Executive Secretary
of the Retirement Plans**

the Board of Executive Directors approved the Retirement Plans' Long-term Funding (LTF) Policy which included the creation of Stabilization Reserve (SR) Funds for the largest Plans, providing a buffer against higher Plan Sponsor contributions. The Plan's SR Fund was created in 2015, has received more than \$8.5 million since inception, and is diversified among two low-risk asset classes to comply with the LTF Policy.

Second, the accounting valuation method follows U.S. Generally Accepted Accounting Principles (GAAP), discounting the Plan's benefits payments to a present value (PV) using high-quality corporate bond rates. The Plan's average discount rate declined slightly from 2015 year-end to 2016 year-end, from 4.32% to 4.13%, which caused the PV of liabilities to rise slightly. The Plan's actuaries calculate two accounting measures of liabilities: on an accrued-to-date basis based on current salaries (the Accrued Benefit Obligation, or ABO), and on an accrued-to-date basis including future salary increases on applicable benefits (the Projected Benefit Obligation, or PBO), the latter of which is reported in the IDBG's annual financial statements. The combined impact of a higher PV of liabilities, an additional year of accrued liabilities and strong asset returns was a small decline in the Plan's funded status at year-end 2016 from year-end 2015: the ABO, at 121%, and the PBO, at 99%.

As has been its practice in recent years, the Bank's Board of Executive Directors reviewed and approved Bank contribution rates to the Plans at a special meeting, based on the Plans' actuarial valuations and, in 2016, based on the Long-term Funding (LTF) Policy. The 2016 Stable Contribution Rate (SCRs) mandated in the LTF Policy, at 25% of net international remuneration, represents the second year of the LTF Policy's five-year initial term, and exceeds the actuarially-determined theoretical rate of 0%. As established in the LTF Policy, the excess of the approved 25% rate over the theoretical 1.33% rate, or \$6.6 million, was contributed by the Bank to the Plan, invested in the SR Fund.

This year's Special Report focuses on four important accomplishments of the Executive Secretariat of the IDBG Retirement Plans' (VPF/SRP) Front Office and Administration teams (i) digitalization of participant files, ensuring confidentiality, security and business continuity; (ii) introduced Your Pension Resources or YPR, an online tool for active participants to run projected pension calculations under different scenarios; (iii) introduced the Retiree Self Services (RSS), an online tool for retired participants and their beneficiaries to securely access IDBG services such as historical pay slips, letters, personal data, and beneficiary information; and (iv) a second Retirement Planning Seminar was introduced – these are two-day sessions offered to soon-to-retiree staff and their partners/

spouses, with the participation of external speakers on topics of interest such as health, finances, taxes, and immigration, among others.

We welcome your questions and comments, and can be reached at:

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Fax: (202) 623-2177

Email: VPF/SRP@iadb.org

Active Staff Intranet: <http://retirement>

Retirees Extranet: <http://www.iadb.org/en/retirees/self-services,20446.html>

Mail: 1300 New York Avenue, NW Stop E0507, Washington, DC 20577

Sincerely,

Kurt Focke

Executive Secretary

IDBG Retirement Plans



Ofelia Olmedo
El pianista, n.d.
Oil

Inventory Number: 0526
Inter-American Bank Art Collection
Washington, DC

II. PLAN HIGHLIGHTS

More information on all data presented below is provided in the Report

LOCAL RETIREMENT PLAN (LRP) ASSETS AND PERFORMANCE					
	2012	2013	2014	2015	2016
LRP Assets Market Value, (\$MM)	134	156	171	175	193
Nominal Return (Gross of Fees)	14.20%	11.70%	7.10%	-0.50%	8.30%
Real Return ¹ (Net of Fees)	12.00%	9.80%	6.10%	-1.40%	6.00%
<i>Policy Benchmark Nominal Return</i>	<i>13.40%</i>	<i>11.60%</i>	<i>6.60%</i>	<i>-0.70%</i>	<i>7.80%</i>
<i>Actuarially Assumed Nominal Return</i>	<i>7.50%</i>	<i>7.50%</i>	<i>7.50%</i>	<i>7.50%</i>	<i>7.50%</i>
<i>Actuarially Assumed Real Return</i>	<i>3.50%</i>	<i>3.50%</i>	<i>3.50%</i>	<i>3.50%</i>	<i>3.50%</i>
LRF Assets Market Value, (\$MM)	134	156	171	172	184
LRP-SR Assets Market Value, (\$MM)	0	0	0	3	9

CONTRIBUTION RATES (% PENSIONABLE REMUNERATION), CONTRIBUTIONS AND BENEFIT PAYMENTS					
	2012	2013	2014	2015	2016
Employee Contribution Rate	10.00%	10.00%	10.00%	10.00%	10.00%
Employer Contribution Rate	25.00%	31.10%	23.00%	25.00%	25.00%
Contributions (Active Staff + Bank) (\$MM)	10.5	11.2	9.0	9.6	9.0
Benefit Payments (\$MM)	4.4	4.9	4.6	4.8	4.7

PLAN PARTICIPANTS					
	2012	2013	2014	2015	2016
Active Employees	411	391	389	389	383
Retired, Deferred, Spouses and Dependents	224	235	245	252	264
Total Beneficiaries	635	626	634	641	647

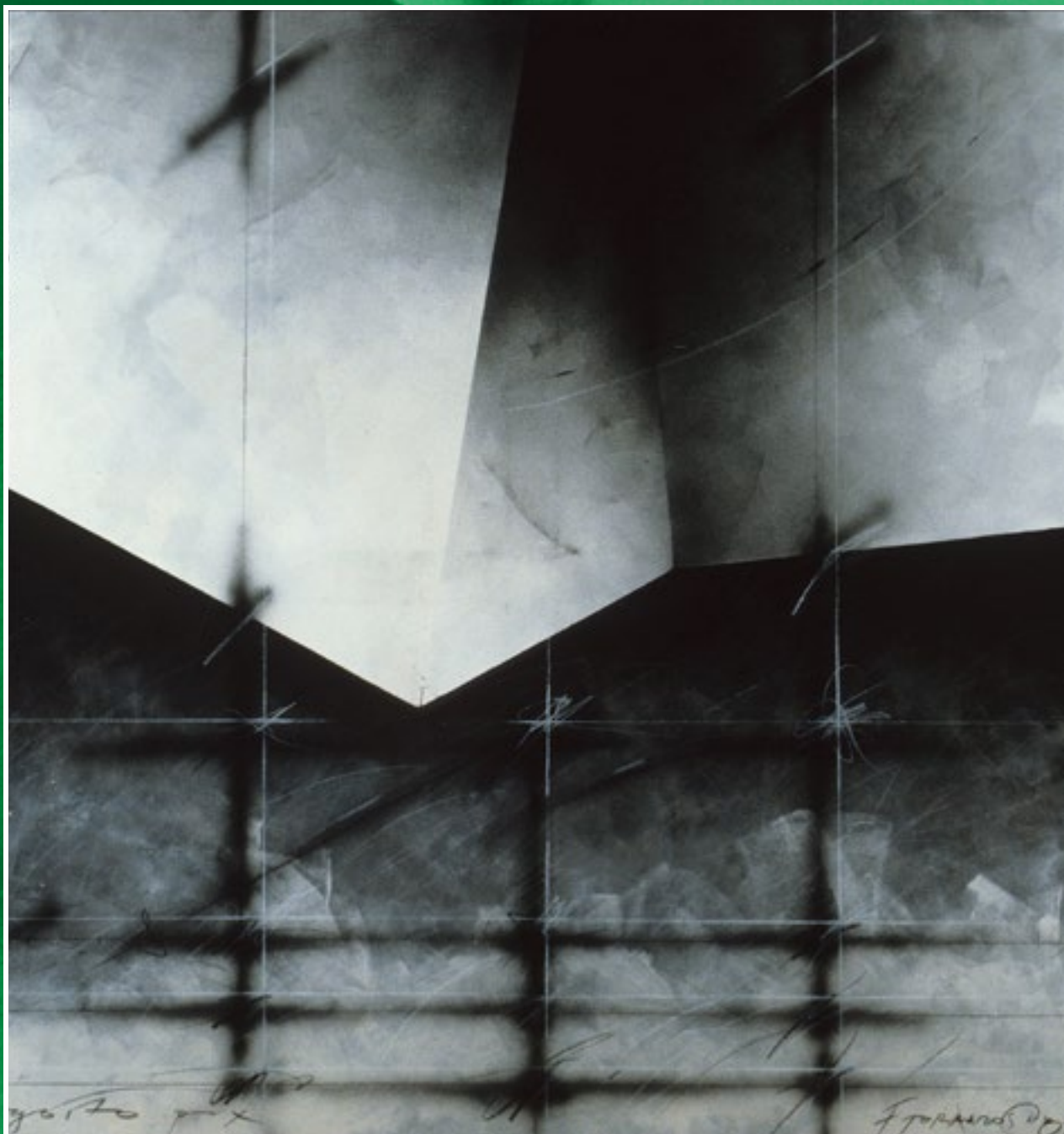
LIABILITIES AND FUNDED RATIOS					
	2012	2013	2014	2015	2016
Accumulated Benefit Obligation (ABO) (\$MM) ²	159.8	132.9	160.5	139.3	159.9
Projected Benefit Obligation (PBO) (\$MM) ³	206.3	161.1	196.2	169.4	194.6
Average PBO/ABO Discount Rate	4.00%	4.94%	3.94%	4.32%	4.13%
ABO Funded Ratio	84.10%	117.40%	106.70%	125.50%	120.90%
PBO Funded Ratio	65.10%	96.90%	87.30%	103.20%	99.40%
ABO Growth Rate	27.30%	-16.80%	20.80%	-13.21%	14.79%
PBO Growth Rate	28.50%	-21.90%	21.80%	-13.66%	14.88%

Sources: Actuarial Valuations and Fund Reports

1 Net of expenses and after adjusting for inflation.

2 Accumulated Benefit Obligation: The Plan's liabilities for benefits accrued to date based on current salaries.

3 Projected Benefit Obligation: The Plan's liabilities for benefits accrued to date, allowing for future salary increases, if applicable.



Félix Toranzos
Agosto por X, 1989
Acrylic and mixed media
Inventory Number: 1992.329
Inter-American Bank Art Collection
Washington, DC

III. PLAN ASSETS, INVESTMENT POLICY, AND RESULTS

PLAN ASSETS

At year-end 2016, the Plan's assets had grown to their highest-ever level of \$193.4 million, a result of strong returns across its component asset classes, actively-managed strategy outperformance, and the Secretariat's targeted rebalancing activities (see next paragraphs for more detail). The growth in assets was supported by more than \$4 million received from the IDBG as contributions exceeded reimbursement of Plan benefits, representing approximately 2% of the Plan's asset value; the Plan's assets are more than double their level during the financial market crisis.

Local Retirement Plan Market Value 2007 to 2016

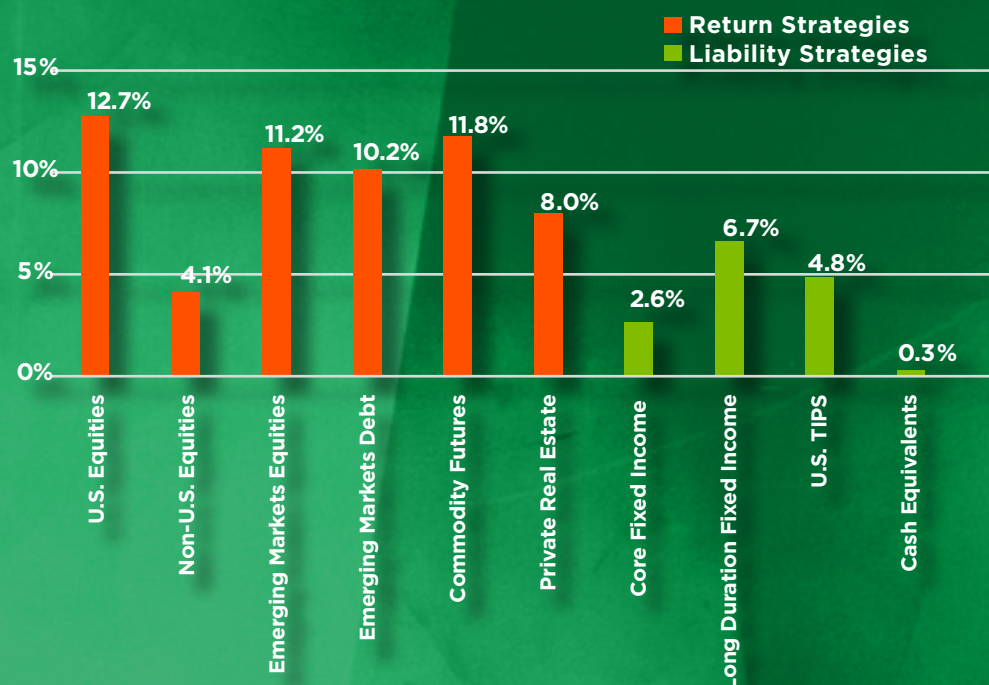


FINANCIAL MARKETS PERFORMANCE

Early in 2016, investors tended towards risk-aversion, as concerns about sluggish global growth were amplified by the unexpected decision in the U.K. referendum to leave the European Union ("Brexit"); during the "risk-off" periods, most Return Strategies (RS) assets declined. This sentiment shifted after the unexpected results of the U.S. Presidential election, wherein Donald Trump's plans to initiate infrastructure spending, reduce regulations and lower corporate taxes led to a "risk-on" environment where RS assets rose. By year-end, all ten of the Plan's asset classes had

delivered positive returns, and the total Plan return benefited from the LRF's 29% allocation to U.S. equities (which rose almost 13%), 2% to 4% allocations to most other RS assets and higher-than-anticipated returns from Liabilities Strategies (LS) assets.

Asset Class Benchmarks' Performance 2016



LOCAL RETIREMENT FUND (LRF) AND STABILIZATION RESERVE FUND (LRP-SR) INVESTMENT RESULTS

The LRF's Return and Liabilities Strategies categories were introduced in the 2010 Investment Policy, so performance of these categories is shown through five years. Similarly, asset classes introduced over time have varying lengths of available performance. The LRF has outperformed its Policy benchmark over every period through 20-years, although the variance is relatively minor due to more than 70% invested in index-like strategies. The Fund's 0.40% outperformance in 2016 was due to actively-managed strategy excess returns in almost every asset class, and to the Secretariat's tactical underweight to Commodities and rebalancing during periods of heightened market volatility. The LR Fund's performance is also shown below.

LRF and SR Fund 2016 Performance

RETURNS	ANNUALIZED PERFORMANCE FOR PERIODS ENDING DECEMBER 31, 2016					
	1-year	3-year	5-year	10-year	15-year	20-year
Total Local Retirement Fund	8.4%	4.9%	8.1%	4.5%	6.1%	7.0%
<i>Policy Benchmark</i>	8.0%	4.6%	7.5%	4.5%	5.8%	6.8%
LRF After Fee Return	8.2%	4.7%	7.8%	4.3%	5.8%	6.8%
<i>Consumer Price Index</i>	2.1%	1.2%	1.4%	1.8%	2.1%	2.1%
LRF Real Return	6.0%	3.5%	6.4%	2.5%	3.7%	4.6%
Return Strategies	9.4%	4.8%	10.7%	n.a.	n.a.	n.a.
<i>Return Strategies Benchmark</i>	9.1%	4.3%	10.2%	n.a.	n.a.	n.a.
U.S. Equities	12.8%	8.5%	14.7%	6.9%	7.2%	7.9%
<i>Russell 3000 Index</i>	12.7%	8.4%	14.7%	7.3%	7.4%	8.0%
Non-U.S. Equities	3.9%	2.2%	9.5%	1.9%	5.2%	n.a.
<i>EAFE Index, 50% Hedged to U.S. Dollar</i>	4.1%	2.5%	9.1%	1.9%	5.2%	n.a.
Emerging Markets Equities	15.1%	-0.3%	2.4%	n.a.	n.a.	n.a.
<i>MSCI Emerging Markets Free Index</i>	11.2%	-2.6%	1.3%	n.a.	n.a.	n.a.
Emerging Markets Fixed Income	12.4%	7.9%	8.3%	n.a.	n.a.	n.a.
<i>J.P. Morgan EMBI Global Diversified Index</i>	10.2%	6.2%	5.9%	n.a.	n.a.	n.a.
Commodity Index Futures	11.7%	-15.2%	-9.6%	n.a.	n.a.	n.a.
<i>S&P 500 GSCI Commodity Index</i>	11.8%	-17.4%	-11.0%	n.a.	n.a.	n.a.
Private Real Estate	8.4%	11.5%	12.8%	6.5%	n.a.	n.a.
<i>NCREIF Index</i>	8.0%	11.0%	10.9%	6.9%	9.0%	9.8%
Liabilities Strategies	6.3%	4.9%	3.0%	n.a.	n.a.	n.a.
<i>Liabilities Strategies Benchmark</i>	5.4%	4.5%	2.5%	n.a.	n.a.	n.a.
Inflation-Indexed Fixed Income	4.8%	2.5%	1.0%	4.6%	5.2%	n.a.
<i>Bloomberg Barclays U.S. TIPS Index</i>	4.8%	2.2%	0.9%	4.4%	5.3%	n.a.
Long Duration Fixed Income	7.7%	7.8%	5.0%	n.a.	n.a.	n.a.
<i>Bloomberg Barclays U.S. Long Govt/Credit Index</i>	6.7%	7.2%	4.1%	n.a.	n.a.	n.a.
Core Fixed Income	6.2%	3.8%	4.1%	6.3%	6.2%	6.8%
<i>Bloomberg Barclays U.S. Aggregate Bond Index</i>	2.6%	3.0%	2.2%	4.3%	4.6%	5.3%
Cash Equivalents / Short Duration Fixed Income	0.3%	0.1%	0.1%	0.8%	1.3%	2.4%
<i>Merrill Lynch 3-Month Treasury Bill Index</i>	0.3%	0.1%	0.1%	0.8%	1.3%	2.3%
STABILIZATION RESERVE FUND	0.9%	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Stabilization Reserve Fund Policy Benchmark**</i>	0.6%	n.a.	n.a.	n.a.	n.a.	n.a.
PENSION AND STABILIZATION RESERVE FUND	8.3%	4.9%	8.0%	4.5%	6.1%	7.0%
<i>Pension and Stabilization Reserve Fund Policy Benchmark**</i>	7.8%	4.5%	7.5%	4.5%	5.8%	6.7%

INVESTMENT POLICY STATEMENTS

The LRF and LRP-SR Funds' assets are managed in accordance with the Investment Policy Statements (IPS) approved by the Pension Committee in 2010 for the Local Retirement Fund (LRF) and 2016 for the Plan's Stabilization Reserve (SR) Fund. Both Funds' IPS are comprised of sections which: i) outline the Plan's purpose; ii) establish the Plan objectives; iii) set a strategic asset allocation with approved asset classes, targets and ranges; and iv) outline each asset class' investment guidelines. The LRF IPS incorporates Liability Driven Investment (LDI) principles, aimed at reducing the volatility of the PBO funded status. It is briefly summarized below, while the full document is available on the Secretariat's intranet and Retirees' Association's website. The SR Fund, established as part of the LTF Policy (see Section V), is held outside of the main LRF but belongs to the Plan; its IPS was approved by the Pension Committee in early 2016, and is also available on the websites.

Purpose

The assets of the Plan are held and administered separately from the other property and assets of the Bank and are solely to provide benefits for the participants and their beneficiaries under the Plan. Given the long-term nature of the Plan's obligations, the Fund has a long investment horizon that allows for tolerance to near-term asset volatility. To establish its objectives, the Policy takes into consideration the Fund's purpose, the nature of the Plan's obligations, the impact of interest rates and portfolio return scenarios on the Plan's funded status, and contributions.

Objectives

➤ Financial Soundness

Achieve a Plan funded ratio (market value/PBO) of at least 110%.

➤ Real Returns

Meet or exceed the actuarial real-rate of return assumption, currently 3.5%, used for Plan funding purposes.

➤ Relative Return/Risk

Meet or exceed the Policy Benchmark return with similar or lower risk (standard deviation) over rolling five-year periods.

➤ Diversification

Be diversified across asset classes and securities.

➤ **Reviews**

Formally review the Fund's performance and asset allocation at least annually. Conduct an Asset/Liability Study every three to five years in order to evaluate the Plan's funding condition and, if necessary, revise the Fund's Investment Policy.

During 2016, the Secretariat provided the Pension and Managing Committees with quarterly reports on the Plan's performance relative to each objective.

LRF and LRP-SR Fund Strategic Asset Allocations (SAAs)

The SRF's approved SAA is broadly diversified across ten asset classes, as shown below. Asset classes are grouped into two categories, according to their purpose within the Plan: 65% is allocated to Return Strategies (RS) assets, intended to generate returns above the growth rate of the Plan's liabilities to support benefit payments, and 35% is allocated to Liability Strategy (LS) assets, intended to partially hedge the interest rate and inflation risks inherent in the Plans' liabilities. Interest rate risk is largely due to U.S. GAAP accounting regulations, which prescribe that Plan liabilities are computed by discounting benefit payments using high quality U.S. corporate bond yields. Inflation risk is related to the cost-of-living adjustments (COLA) made to retiree benefits, which are tied to inflation, and also to growth in active staff wages, which are influenced by inflation.

The LRP-SR Fund received its first cash inflow of \$2.5 million at the end of 2015, after the LTF Policy was approved by the Board of Executive Directors, with cash invested in the Managing Committee-approved cash equivalent Short-Term Investment Fund (STIF) managed by the Plan's custodian. In early 2016, the Pension Committee approved the LRP-SR Fund's IPS which, in compliance with the low-risk investment objective established in the LTF Policy, is balanced between two LS asset classes: Core Fixed Income and Cash Equivalents. In March 2016, once the Managing Committee approved investment vehicles to implement the IPS, the LRP-SR Fund was diversified into the approved investment vehicles. At the end of 2016, pursuant to the LTF Policy's procedure, the LRP-SR Fund received an additional \$6.0 million. The new inflow was fully-diversified in January 2017.

Each asset class is assigned an SAA target allocation, a permitted range, and a benchmark index, against which the Plan's asset class investments are measured. Benchmark indices are selected pursuant to CFA Institute principles: well-recognized, publicly-available, and representing the Plan's approved universe of asset class securities. The Policy Benchmark of the SRF and SR Fund is a static mix of passive investments represented by

the asset class benchmarks indices weighted by IPS target allocations. As the LRF and LRP-SR Funds are regularly rebalanced toward IPS targets, their asset allocations closely mirrors SAA Policies.

SAAs of the Local Retirement Fund and SR Fund

	ACTUAL ALLOCATION*	POLICY TARGET	RANGE	BENCHMARK INDEX
Return Strategies	65%	60%	70%	
U.S. Equities	28%	25%	31%	Russell 3000
Non-U.S. Equities	24%	21%	27%	MSCI EAFE, 50% hedged to the U.S. dollar
Emerging Markets Equities	4%	2%	6%	MSCI Emerging Markets
Emerging Markets Debt	3%	1%	4%	J.P. Morgan Global Diversified
Commodity Index Futures	3%	1%	4%	Bloomberg Commodity Index
Private Real Estate / Infrastructure	3%	1%	5%	NCREIF Property
Liabilities Strategies	35%	30%	40%	
U.S. Treasury Inflation-Protected Securities	15%	13%	17%	Barclays Capital U.S. TIPS
Long Duration Fixed Income	15%	13%	17%	Barclays Cap. Long Gov't/Credit
Core Fixed Income	5%	3%	7%	Bloomberg Barclays Cap. U.S. Aggregate
Cash Equivalents	0%	0%	3%	Merrill Lynch 3-Month U.S. T-Bill
Stabilization Reserve **				
Core Fixed Income	50%	40%	60%	Bloomberg Barclays Cap. U.S. Aggregate
Cash Equivalents	50%	40%	60%	Merrill Lynch 3-Month U.S. T-Bill

* Percentages may not add due to rounding

** Policy approved and implemented at the beginning of 2016

Asset Class Guidelines

Each asset class' guidelines defines the universe of securities permitted, the opportunistic (non-benchmark) assets permitted, the required allocation to passive (or index-like) investments, if any, and any investment prohibitions. The LRF's IPS requires a 50% passive allocation in the two largest asset classes: U.S. Equities and Non-U.S. Equities, but it currently has a higher level of passive investment due to active strategy terminations in recent years.

ONGOING INVESTMENT-RELATED DOCUMENTS

The Secretariat prepares several reports for the Plan's governing committees, senior IDB Group Management, and the Board of Executive Directors, as listed below.

The Secretariat also continued its practice of conducting annual on-site due diligence visits with all 31 investment strategies' managers (across all five retirement plans), and interim conference calls and meetings at the IDBG, as part of the investment manager monitoring process, reporting the status assessments and performance to the Managing Committee. During 2016, the Secretariat completed the hiring process for investment strategies approved by the Managing Committee for the SRF and SR Fund: two in Non-U.S. Equities and one in Core Fixed Income for the SRF and, for the SR Fund, one in Core Fixed Income and one in Cash Equivalents.

PERIODICITY	DOCUMENT/ REPORT	AUDIENCE
Monthly	➤ Asset-liability status, performance	Management & Governing Committees
Quarterly	➤ Asset-liability reports	Governing Committees
	➤ Account strategy reports	Managing Committee
	➤ Support for Risk Management's (RMG) Financial Risk Report	Board of Directors' Audit Committee
	➤ Inputs for the Finance Department's (FIN) Long-Term Financial Planning analysis	Board of Directors' BUFIPOL Committee
Annually	➤ Financial Disclosures	IDB Group
	➤ Plan Financial Statements	Stakeholders
	➤ Participant Report	Plan participants



Rolando Paiva
Chagrin d'Amour, 1982
Lithograph (8/150)
Inventory Number: 1992.238
Inter-American Bank Art Collection
Washington, DC

IV. FINANCIAL HEALTH OF THE PLAN

The financial health of the Plan is assessed on both actuarial and accounting bases. Actuarial information, prepared by the external actuaries (Willis Towers Watson), and reviewed by the Bank's Finance and Risk Management Departments, by the IIC and by the external auditors, is shown in the Plan's Financial Statements and is primarily used to determine the Plan Sponsor's contribution rate and to assess emerging trends. The Plan's Financial Statements and Actuarial Valuations are available to Active participants on the Secretariat's intranet site, and to Retired and Deferred participants in the Secretariat's offices. Accounting information, prepared by the Bank's Finance Department and audited by external auditors (currently KPMG), is shown in the Plan sponsor's Financial Statements and is used to assess a point-in-time comparison of the market / net present value of assets and liabilities.

PLAN SPONSOR CONTRIBUTION RATE

Pursuant to the Plan Document, active staff contributes 10% of net pensionable remuneration. The Plan Sponsor's theoretical contribution rate, required to fully-fund benefits on an actuarial basis, is computed annually by the Plan's actuaries (currently Willis Towers Watson), as a function of future benefit payments, future contributions from active staff, the Plan's current asset value (computed on a multi-year smoothed actuarial basis), and the expected growth of the Plan's assets. While the LTF Policy indicates that the IDB Group will contribute 25% of net pensionable remuneration for a five-year period (2015 to 2019), the Board of Directors must annually approve the actual amount in U.S. dollars contributed to the Plan. In 2016, the 25% rate was affirmed, as well as the commensurate \$6.6 million contribution amount. As dictated by the LTF Policy procedure given that the actuarial theoretical Plan sponsor rate was 1.33%, almost the full Plan Sponsor amount was invested in the LRP-SR Fund.

Plan benefit payments are actuarially calculated based on Plan Document provisions, demographics, Plan sponsor compensation policies, inflation, and mortality assumptions. Cash flows are modeled out almost 100 years. Demographics, compensation policies, inflation and mortality assumptions are reviewed approximately every five years in detailed Plan Experience Reviews; the most recent Review was completed in 2012, with data from 2005 through 2011. Assumptions are updated

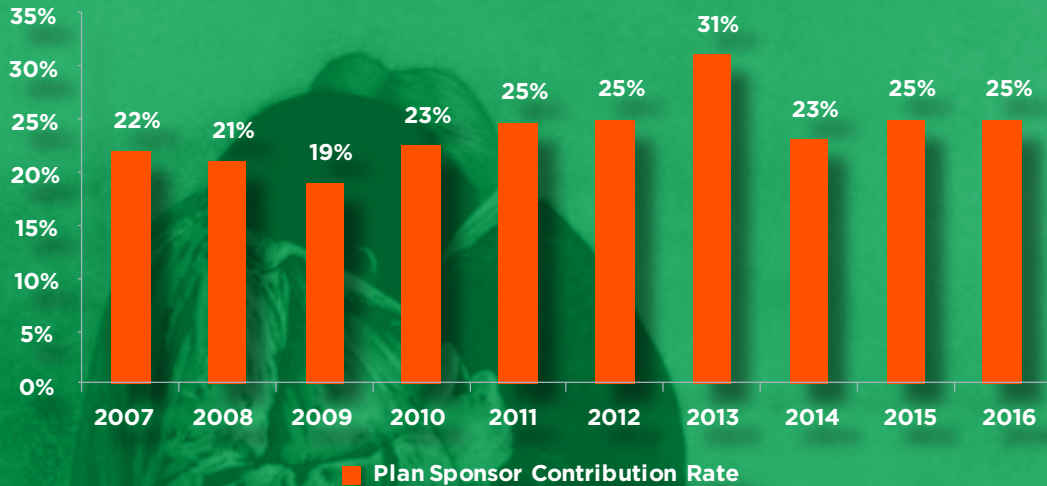
between Experience Reviews as needed; for example, compensation assumptions were updated and approved by the Pension Committee in 2013 after the Bank implemented its Total Rewards Framework, and 2016 USD-denominated liabilities were higher than assumed due higher local currency rates versus the USD.

HISTORY OF PLAN SPONSOR CONTRIBUTIONS

While active staff contributes 10% of net remuneration each year, the Plan Sponsor's theoretical annual contribution rate has varied over time due to changes in benefit payments, the AVA, assumed returns on assets, and any long-term contribution rate policy in place. The actuarially-assumed rates of return are developed based on the Plan's SAA and the industry's prevailing capital markets assumptions (CMAs). As the SAA changes infrequently, in the context of periodic Asset-Liability Studies, and forward-looking CMAs are developed for periods of 10 years or longer, the Plan's assumed returns also do not change often. The Plan's achieved results versus actuarial assumptions, therefore, are important drivers of changes to the Plan sponsor's theoretical contribution rate. Over the past 20 years (as shown above), the LRF's 7.0% nominal return is close to the actuarially assumed 7.5% rate, and its 4.6% real return exceeds the assumed 3.5%.

For most of the Plan's 27-year history, the Bank followed a stable contribution rate policy, at 19% to 24% rate of net remuneration, with the rate reviewed and affirmed in conjunction with the Plan's actuarial valuations. For several years after the strong financial markets of the late 1990s, however, the multi-year rate was altered, and the Plan Sponsor rate was shifted to an annually-established rate. This annual method resulted in volatile Bank contributions from year to year, due to lower-than-historical contributions from 1999 through 2009, and several market disruptions, which caused the Plan's assets to decline. After rising to 31% in 2013 as a result of the 2008 financial crisis, the Bank's theoretical rate began to decline and, for 2016, was 1.33%. In 2015 Management recommended a 25% multi-year rate, similar to the Plan's sponsor's long-term rate, as a part of the Plan's LTF Policy, mandating that the excess between the recommended rate and the theoretical be invested in the SR Fund. For 2016, as mandated by the LTF Policy, the Bank's 25% stable contribution was allocated to the SR Fund, and was diversified between Core Fixed Income and Cash Equivalents. The graph below shows the Plan sponsor's contribution rates since 2007.

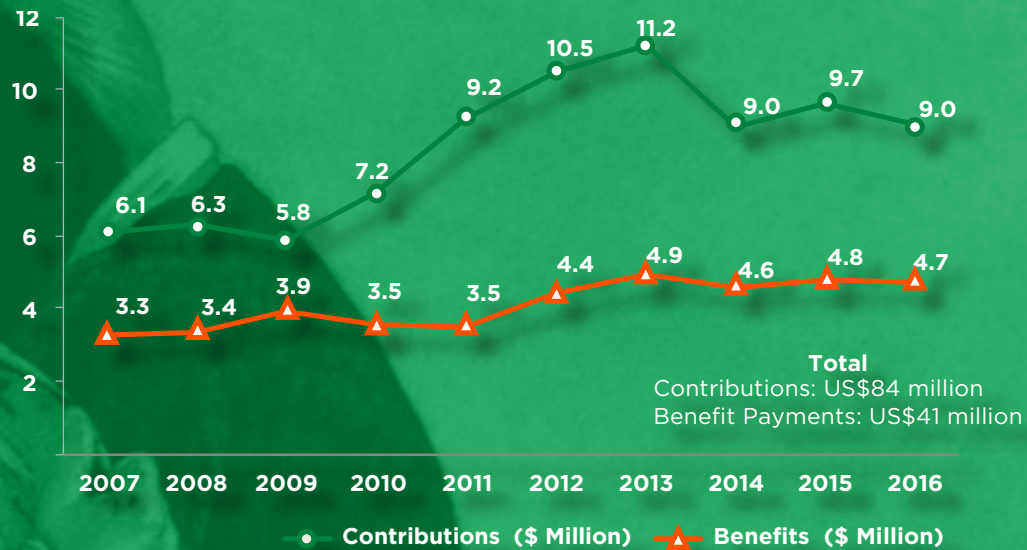
Local Retirement Plan Bank Contribution Rates 2007 to 2016



CHANGES IN NET ASSETS

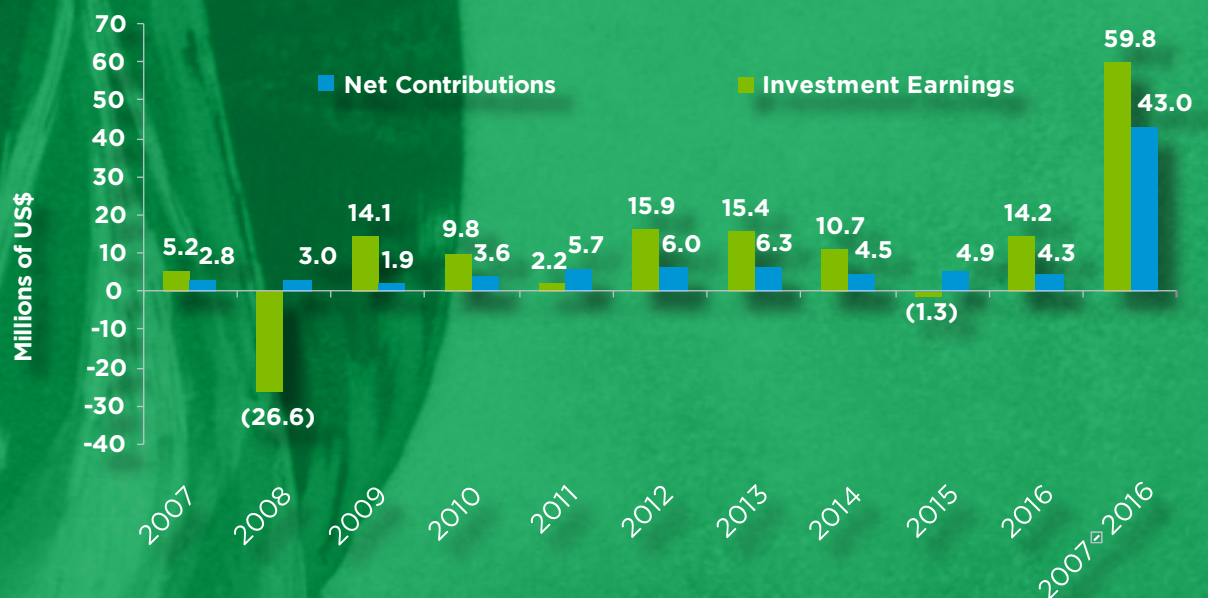
The Plan's net assets change over time as a function of contributions from active staff and the Plan sponsor, benefit payments and, most importantly, asset investment returns. The graphs below detail contributions (active staff plus Plan sponsor) and benefits paid since 2007, showing a rise in benefit payments, as active staff has retired, and variable contributions annually-approved Plan sponsor rates. In 2016, contributions exceeded benefit payments by \$4.3 million. During this period, benefit payments totaled \$41 million, while contributions were \$84 million, more than double the benefits paid. Accordingly, like many relatively young pension plans, there is an annual net cash inflow of slightly more than 2% of the Plan's assets. This net cash inflow supports the growth of assets from investment returns (see below).

Local Retirement Plan Contributions and Benefits 2007 to 2016



Since 2007, the Plan has earned \$60 million from its investments, much more than benefits paid and supported by the contributions received, a normal situation in a relatively young pension plan.

Investment Returns Exceed Net Withdrawals 2007 to 2016



FINANCIAL STATEMENT SUMMARY

The Plan's financial statements are prepared by the Bank's Finance Department and audited by the external auditors.

Net Assets

The tables below contain excerpts from the financial statements, available in the Intranet. Net assets available for benefits and the components impacting net assets have increased by almost \$22 million since 2014, largely due to investment income.

Net Assets Available for Benefits (\$Thousand)

	2014	2015	2016
Assets			
Investments, at fair value	\$171,323	\$174,740	\$193,423
Due from the Inter-American Development Bank		163	7
Total Assets	171,323	174,903	193,430
Liabilities			
Accrued expenses	69	78	80
Total Liabilities	69	78	80
Net Assets Available for Benefits	\$171,254	\$174,825	\$193,350

The second table shows that contributions have exceeded benefit payments, supporting asset growth, while transfers of pension rights to/from other Plans have slightly reduced assets. Benefit payments have continued to grow, more than \$173 thousand since 2014, as the deferred and retired participants pool has grown. Contributions have slightly declined in 2016 since there are less active beneficiaries who contribute to the plan in comparison with 2014.

Changes in Net Assets Available for Benefits (\$Thousand)

	2014	2015	2016
Net Assets Available for Benefits (beginning of year)	\$156,054	\$171,254	\$174,825
Net Investment Income	10,740	(1,319)	14,227
Contributions from Employer	6,370	7,475	6,539
Contributions from Participants	2,794	2,697	2,556
Transfers from other Plans	(154)	(515)	(74)
Total Contributions	9,010	9,657	9,021
Total Benefit Payments	(4,550)	(4,767)	(4,723)
Net Increase (decrease) in Net Assets Available for Benefits	15,200	3,571	18,525
Net Assets Available for Benefits (end of year)	\$171,254	\$174,825	\$193,350

Net Assets and Funded Status

The tables below show the Plan's funded status based upon their net assets. The tables show a decline in both ABO (benefits accrued to date) and PBO (benefits accrued with provision for salary increases) measures of funded status.

ABO Funded Status (Assets/Obligation Expressed in \$Thousand)

	2014	2015	2016
Net Assets Available for Benefits	\$171,254	\$174,825	\$193,350
Accumulated Benefit Obligation	160,489	139,315	159,923
ABO Funded Status	106.7%	125.5%	120.9%

ABO Funded Status (Assets/Obligation Expressed in \$Thousand)

	2014	2015	2016
Net Assets Available for Benefits	\$171,254	\$174,825	\$193,350
Projected Benefit Obligation	196,225	169,442	194,595
PBO Funded Status	87.3%	103.2%	99.4%

ACCOUNTING FUNDED STATUS

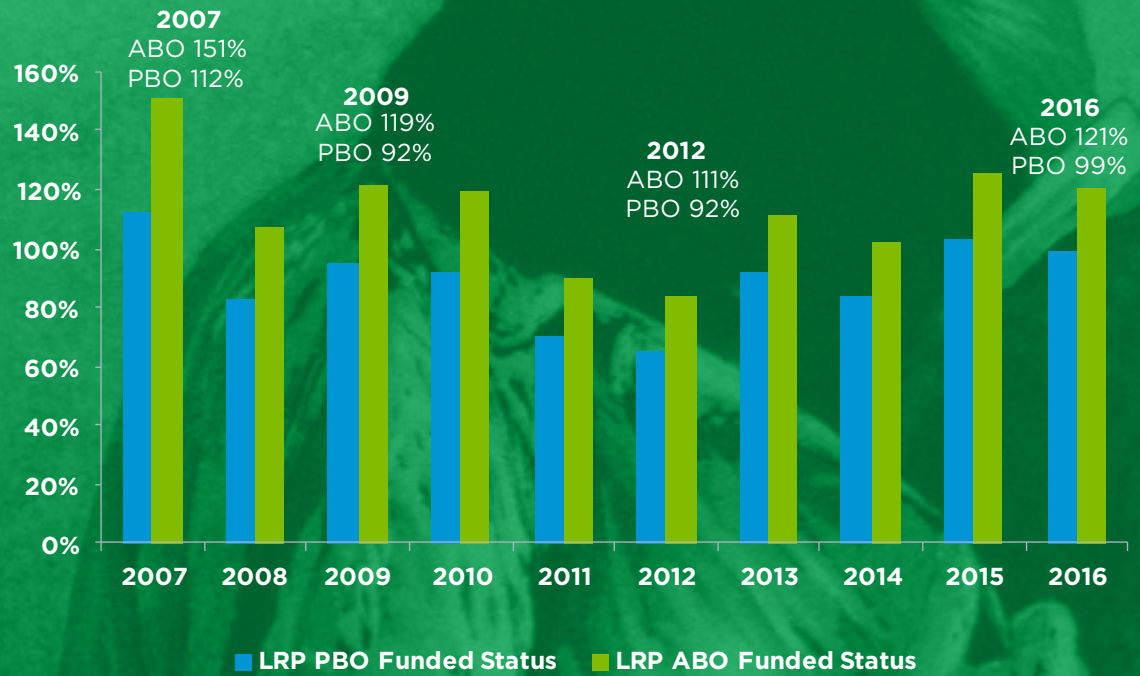
The Plan's accounting funded status includes two measures: the ABO and PBO. Since 2007, the Plan's funded status has generally declined due to a significant drop in the liability discount rate – defined according to U.S. GAAP as high-quality corporate bond yields at the maturities of the Plan's liability cash flow payments. While asset values fell during the global financial crisis (GFC), they have rebounded and risen to highest-ever levels; nonetheless, the extraordinary actions by central banks in response to the GFC, to stimulate economic growth, has caused interest rates to continue at historic lows, and the Plan's discount rate fell from over 6% in 2007 to just over 4% at year-end 2016.

U.S. Treasury and Plan Discount Rates 2007 to 2016



Interest rate volatility impacts the Plan's funded status due to the discounting of accounting liabilities using high-quality interest rates. This volatility, in combination with changes in the Plan's asset values, has caused material variations in the Plan's ABO and PBO funded status since 2007. While the Plan's asset returns in 2016 exceeded actuarial assumptions, but these gains were offset by an increase of 15% in the present value of the Plan's PBO liabilities caused by a 19 basis point decrease in the discount rate.

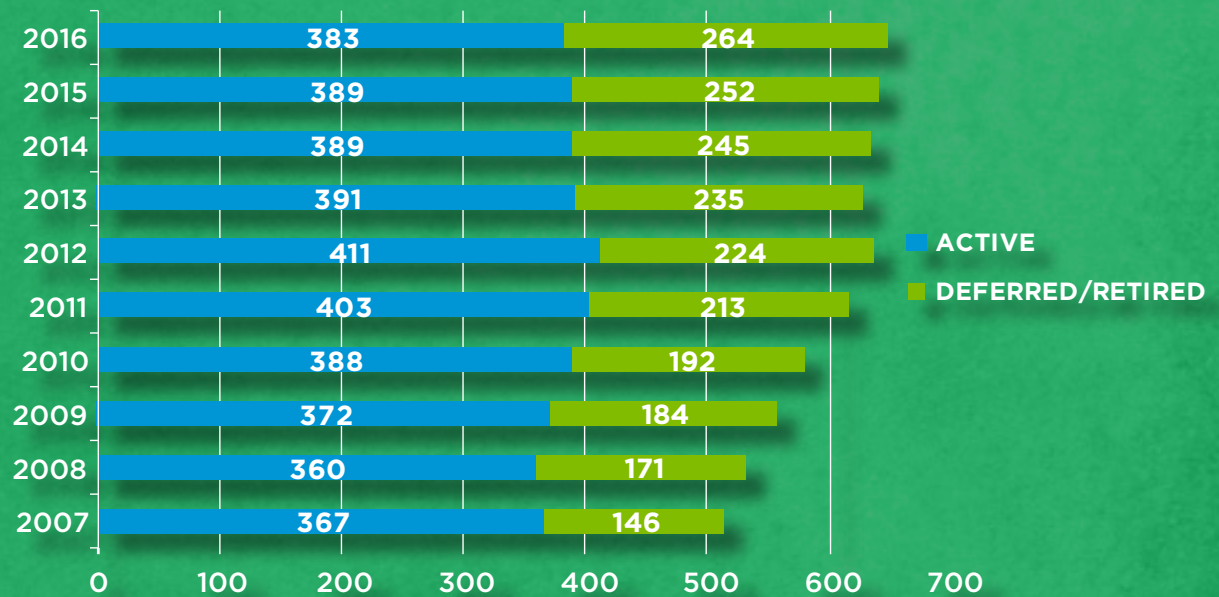
Local Retirement Plan PBO Funded Status 2007 to 2016



PLAN PARTICIPANTS

Since 2007, the total number of Plan participants has grown 26%, from 513 to 647, almost completely driven by an 81% growth in retired participants (those who are already receiving benefits) and deferred participants (those who are entitled to, but not yet receiving, benefits), as active staff has grown only 4% in the period. As a consequence, while the number of active participants remains higher than the number of retired and deferred participants, the active/retired-deferred ratio has declined from 2.51 in 2007 to 1.45 in 2016. The net change of 6 in active participants include 25 new entrants and 31 beneficiaries who retired/deferred, had benefits ended and were transferred out. For retired participants, the net change of 12 was driven by 17 new retirees minus 5 retirees whose benefits ended. Participant trends are shown below.

Local Retirement Plan Participants 2006 to 2016





Enrique Collar
La curandera, 1993
Oil

Inventory Number: 1992.97
Inter-American Bank Art Collection
Washington, DC

V. PLAN OVERVIEW AND ADMINISTRATION

OVERVIEW OF THE PLAN AND PLAN BENEFITS

The LRP is a defined benefit pension plan provided to the national employees of the IDBG. The employee's contribution equates to 10% of net remuneration while the Plan Sponsor contributes based upon actuarial requirements. The Plan Document, most recently revised in 2014, establishes eligibility requirements, accrual factors, normal and early retirement ages, and remuneration upon which pensions are calculated. Eligible participants are entitled to:

- A lifetime pension at retirement.
- Income replacement in the event of total and permanent disability.
- Cost of living adjustments on pension benefits as prescribed in the Plan.
- Benefits to qualifying surviving spouse in the event of a participant's death.
- Benefits to qualifying dependents in the event of a participant's death.
- If no surviving spouse, lump sum payment to beneficiary in the event of a participant's death.
- In lieu of all pension benefits, a lump-sum withdrawal provision upon leaving the service of the IDB.
- In lieu of part of the pension benefits, a partial commutation provision upon pension benefit commencement of the IDB.

PLAN GOVERNANCE

Due to the Plan Sponsor's fiduciary responsibility regarding its defined benefit pension plans, it is governed by a multi-layer structure:

Board of Executive Directors

- ➔ Maximum Authority of the Pension & Postretirement Plans
 - ⦿ Approves Plan Documents and amendments
 - ⦿ Approves Annual contribution rates
 - ⦿ Approves Risk and Contribution Policies

Pension Committee

- ➔ Oversee, and Carry out the provision of the Pension Plans
 - ⦿ Recommends annual contributions
 - ⦿ Recommends changes in Plan Provisions
 - ⦿ Selects and oversees the work of external actuaries
 - ⦿ Approves actuarial assumptions used for valuation
 - ⦿ Review actuarial valuations
 - ⦿ Approves investment Policies
- ➔ Ensures that contribution support Pension Plans' financial sustainability
 - ⦿ Recommends Contribution & Risk Policies

Managing Committee

- ➔ Makes, establish, and prescribe rules, policies, procedures and rules for the administration of the Plan, its interpretation and the exercise of rights or privileges for all participants and beneficiaries
- ➔ Approves External Investment Managers' hiring, termination and investment guidelines
- ➔ Monitors the Retirement Plans' compliance with Policies, IDBG external audits, Financial Disclosures, actuarial and accounting funded Status, and performance of the Plans' assets and accounts
- ➔ Reviews the Plans' actuarial valuations, financial statements, participant reports and the VPF/SRP business plan and budget

Administration Sub-Committee

- ➔ Supports the administration of the Plans, including the consideration of individual petitions or matters concerning the rights and benefits of participants
- ➔ Interprets the Plan
- ➔ Determines whether any person has a right to any benefit under the Plan

As defined benefit plans create contractual obligations for the Plan Sponsor, and benefits are funded through a combination of staff and Plan Sponsor contributions and returns earned on accumulated contributions in the SRF and SRP-SR Funds, they are governed by a multi-level structure, with membership, key responsibilities and delegations of each unit, pursuant to the Plan Document, described below. The governance committees and Board of Executive Directors met to discuss and approve decisions related to the Plans seven times during 2016.

GOVERNANCE UNIT	MONTH	APPROVALS GRANTED
Board of Executive Directors	November	2016 Contribution amounts, all Retirement Plans SCRs under LTF Policy for 2016
Pension Committee	October & Short Procedures	2015 Actuarial Valuations & Audited Plans' Financial Statements, (Pension Plans) VPF/SRP Business Plan & Administrative Expense Budget 2016 Actuarial Consulting Service Contract Extension (2017-2018) Investment Policy Statement: SRP & LRP SR Funds Amendment of Rules for Election of Members – Active Staff
Managing Committee	March, May, July, September & Short Procedures	Rules for Election of Members to Subcommittees Retirement Plans' Mission, Values & Investment Beliefs Interim Inflation Adjustments (Argentina, Venezuela), LRP Investment Vehicles: SRP, LRP, PRBP SR Funds
Administration Subcommittee	May	Pensioner's claim of Pension Rights

Governance Committee Rosters as of June 30, 2017

PENSION COMMITTEE	
Members	Alternate Members
Luis Alberto Moreno, Chairperson	
Julie Katzman, Vice Chairperson	
Jaime Sujoy, Ex-officio	
James Scriven, Ex-officio	
Mark Lopes*	Vacant
Joffrey Celestin Urbain*	Maria Rodriguez De la Rua*
Raul Novoa*	Vacant
Jerry Butler*	Cheryl Morris-Skeete*
Gustavo De Rosa	Rocio Palafox
Alexandre Meira Rosa	Orlando Ferreira Caballero
Claudia Bock-Valotta	Hector Salazar
Fernando Glasman**	Jose Mauro Barros**
Laura Velez **	Diego Flaiban **
David Atkinson ***	Carlos Valencia***
Kurt Focke, Secretary	
John Scott, Legal Advisor	

MANAGING COMMITTEE	
Members	Alternate Members
Jaime Sujoy, Chairperson	
Claudia Bock-Valotta, Vice Chairperson	
Gustavo De Rosa, Ex-officio	
Yeshvanth Edwin, Ex-officio	
Federico Galizia, Ex-officio	
Rocio Palafox, Ex-officio	
Gonzalo Afcha	
Elizabeth Bedoya-Turner	
Fernando Glasman**	Jose Mauro Barros**
Laura Velez**	Diego Flaiban**
David Atkinson***	German Paraud***
Kurt Focke, Secretary	
Jose Lovo, Assistant Secretary	

ADMINISTRATION SUBCOMMITTEE	
Members	Alternate Members
Claudia Bock-Valotta, Chairperson	
Yeshvanth Edwin, Vice Chairperson	Claudia Franco
Vacant	Rachel Beth Robboy
Katharina Falkner-Olmedo	Dougal Martin
Juan Ketterer	Janine Ferretti
Fernando Glasman**	Jose Mauro Barros**
Laura Velez**	Diego Flaiban**
David Atkinson***	German Paraud***
Kurt Focke, Secretary	
Jose Lovo, Assistant Secretary	
John Scott, Legal Advisor	

* Member of the Board of Executive Directors

** Elected Members representing active participants

*** Representatives of the Association of Retirees

Executive Secretariat of the IDBG Retirement Plans (VPF/SRP)

The Secretariat is responsible for activities delegated to it by the Managing Committee, and reports directly to the Vice President of Finance and Administration and is also subject to the supervision of the Plan's governing committees and Board of Executive Directors. The Secretariat's Front Office, Investments and Pension Administration teams work closely together to provide recommendations, technical support and activities coordination to the Managing and Pension Committees. Under the Executive Secretary's supervision, the three teams also work closely with a variety of IDBG departments in the completion of accounting, budget and reporting; actuarial and human resources; external and internal audit; long-term financial planning and capital adequacy; financial and operational risk management; and other activities.

The Front Office team, led by the Executive Secretary, oversees the Plan's actuarial work, analytics, enterprise risk, technology solutions, and administrative coordination of the office. Specifically, the team: i) coordinates Committee meetings and work plans; ii) manages Secretariat operations, including hiring staff and consultants to support the unit's work, updating Plan records, and documenting procedures; iii) oversees actuarial data delivery, calculations, assumptions and reporting, including leading the Actuarial Working Group; iv) provides analytical support to Management related to IDBG policies, audit and actuarial documents; v) responds to IDBG internal audit requests; vi) coordinates technology initiatives, including website capabilities for active and retired participants; vii) is a key liaison for the Bank's Optima implementation as it relates to the Plans; and viii) digitalized all participant records.

Under the supervision of the Secretary, the Investment team oversees all aspects of the retirement plans' investments, operational risk, audit compliance, and reporting. Specifically, the team: i) recommends selection, guidelines and termination of external investment managers, custodian and consultants to the Managing Committee; ii) supervises the activities and evaluates performance of investment managers, including compliance with Managing Committee-approved guidelines; iii) is responsible for all operational, asset-liability and market risk related to the Plans' investments; iv) internally-manages U.S. TIPS portfolios of the retirement Funds; v) rebalances retirement Funds in compliance with IPS SAAs; vi) directs payment of all fees and pension transfers; vii) reports to Management, governing Committees and the Board of Executive Directors; viii) completes legal documentation with current and new managers, regulators and vendors, with the support of the Bank's Legal and Procurement teams; and ix) oversees A-L Studies and,

consistent with their results and IDBG Policies, recommends changes to IPS to governing Committees.

The Pension Administration team, under the supervision of the Secretary, oversees all aspects of the Plan's administration of benefits, census-related actuarial and audit data provision, and interaction with participants. Specifically, the team: i) determines and approves payment of benefits under the IDBG's retirement Plans, including verifying entitlements and eligibility; ii) applies policies and procedures uniformly as established by the Plans' regulations; iii) maintains and is custodian of the official records of the Plans; iv) makes presentations in Headquarters and Country Offices regarding the retirement Plans; v) assists participants in the selection of benefit options, including those affected by IDBG restructuring initiatives; vi) prepares data for annual actuarial and audit assessments; and vii) reconciles data between the Pension Administration System and the Bank's SAP Administrative platform. The digitalization of participants' records was completed.

TRANSFER AGREEMENTS

The LRP has a Transfer Agreements with the Staff Retirement Plan (SRP), which permits the IDBG to provide for the transferability and continuity of an employee's accrued pension rights. In 2016, the Secretariat processed 8 transfers from the LRP to the SRP and one from the SRP to the LRP.

BENEFIT STATEMENTS

Issued annually in English and Spanish, pension Benefit Statements provide individualized calculations of earned benefits. This year, the Secretariat has made an effort to present Plan participants their accrued benefits in a very simple and clear manner. Pension Benefit Statements provide estimates of accrued retirement benefits as of a given cut-off date, while active staff participants can also estimate their projected benefits under various scenarios through the new VPF/SRP website's Your Pension Resources (YPR) portal.

RETIREMENT PRESENTATIONS

Headquarters Presentations

Twice during 2016, in April and November, the Secretariat conducted a two-day seminar for active participants planning to retire within the next five to seven years. This seminar provides in-depth information regarding retirement benefit options and Plan investments. It also includes presentations by outside experts regarding retiree medical insurance, health care, transitioning to retirement, financial planning, estate planning, taxes, visa status, and immigration. Overall, more than 70 participants attended the seminars.

Country Office Presentations

Pension Administration officers conducted a mission trip to Perú and Colombia in October 2016. In each country, two general sessions of explanation of pension benefits were given, one each for International and National staff, and individual consultations were made with any staff participant so requesting. A special informative session was also organized with retirees. All sessions were well-attended and well received.

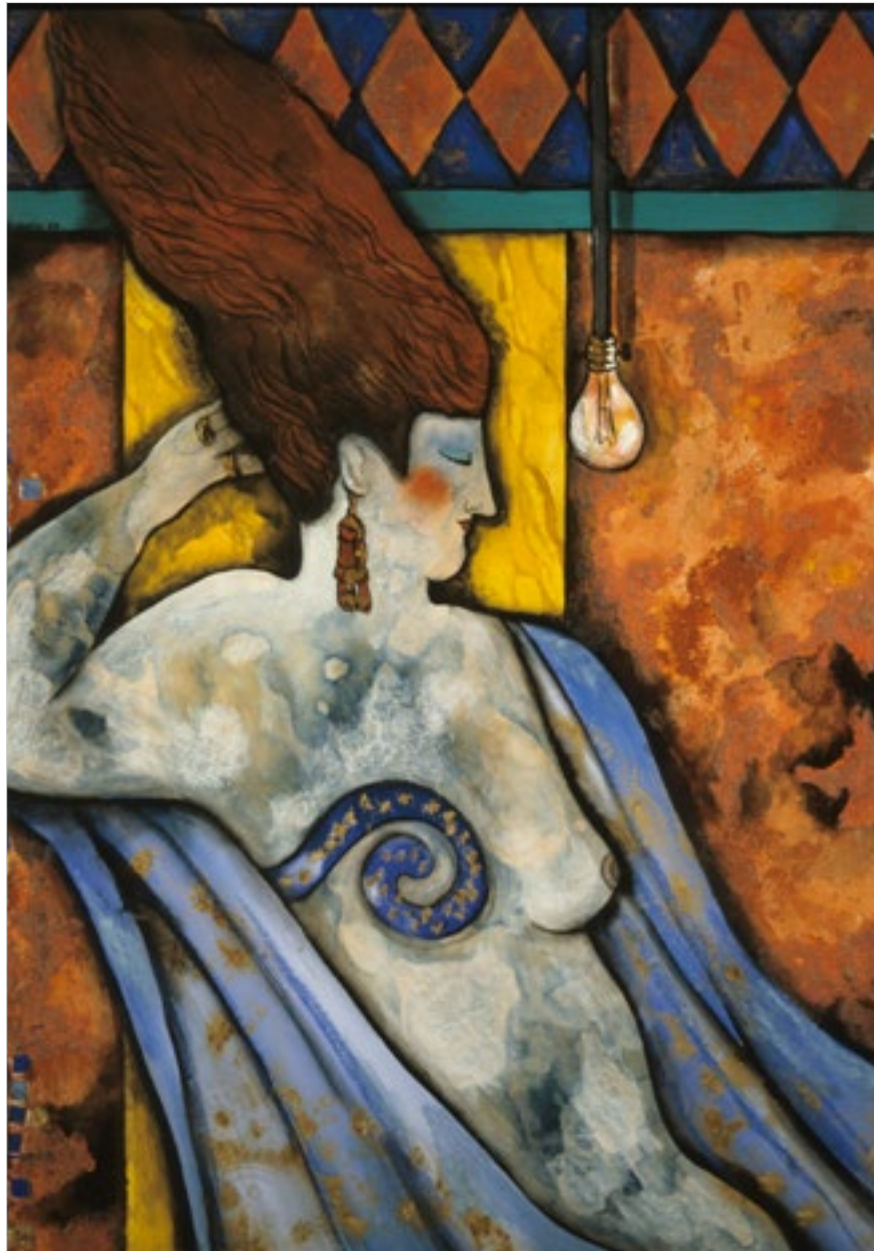
COST OF LIVING ADJUSTMENTS

The Plan provides for annual cost of living adjustments (COLA) for LRP pensions received by retirees and beneficiaries. Retirees' pensions are adjusted based upon the change in the Consumer Price Index (CPI) of their respective countries. The COLA, made effective on January 1 of each year, is based on CPI change from November two years prior through November of the prior year. LRP COLAs are processed during each year as soon as available, retroactive to January 1 of that year. Subject to the Plan Document's provisions, intra-year General Adjustments may be approved by the Managing Committee should economic conditions so warrant, specifically in countries that experience exceptionally high inflationary environments. These conditions were defined as a computed cumulative inflation ratio of CPI exceeding 15% during the six months following the latest General Adjustment. During 2016, intra-year general adjustments were approved for Argentina and Venezuela.

Shown in the table below is the COLA for pensions received in 2016 and 2017 based on the CPI change in the preceding year. The source of information for the majority of countries ¹ is the report of International Financial Statistic published by the International Monetary Fund.

LRP RETIREE/BENEFICIARY COLA		
Country	2016	2017
Argentina	25.043%	40.239%
Barbados	0.000%	Not available
Belize	0.000%	0.000%
Bolivia	3.643%	3.877%
Brazil	10.475%	6.989%
Chile	3.938%	2.931%
Colombia	6.452%	5.981%
Costa Rica	0.000%	0.000%
Dominican Republic	1.538%	0.878%
Ecuador	3.406%	1.045%
El Salvador	0.263%	0.000%
France	0.047%	0.528%
Guatemala	2.513%	4.672%
Guyana	0.000%	0.000%
Haiti	11.952%	14.155%
Honduras	2.102%	3.305%
Jamaica	3.068%	1.659%
Japan	0.291%	0.498%
Mexico	2.215%	3.305%
Nicaragua	1.991%	3.287%
Panama	0.000%	1.099%
Paraguay	2.909%	4.241%
Peru	4.158%	3.349%
Suriname	20.687%	57.291%
Spain	0.000%	0.000%
Trinidad & Tobago	1.385%	2.829%
Uruguay	9.459%	8.099%
Venezuela	370.162%	1,113.642%

¹ For Argentina and Venezuela, the FIEL and Ecoanalitica are utilized for inflation measurement, respectively.



Ricardo Migliorisi

Dama descansando, 1990

Mixed media

Inventory Number: 1992.226

Inter-American Bank Art Collection

Washington, DC



Carlos Colombino
Serie Paraguay, n.d.
Mixed media
Inventory Number: 1992.98
Inter-American Bank Art Collection
Washington, DC

VI. SPECIAL REPORT: 2016 PENSION ADMINISTRATION MILESTONES

DIGITALIZATION OF PARTICIPANT FILES

During 2016, the Front Office team initiated and completed a project to transfer all participants' files from paper to digital, ensuring confidentiality, security and business continuity, with the following results:

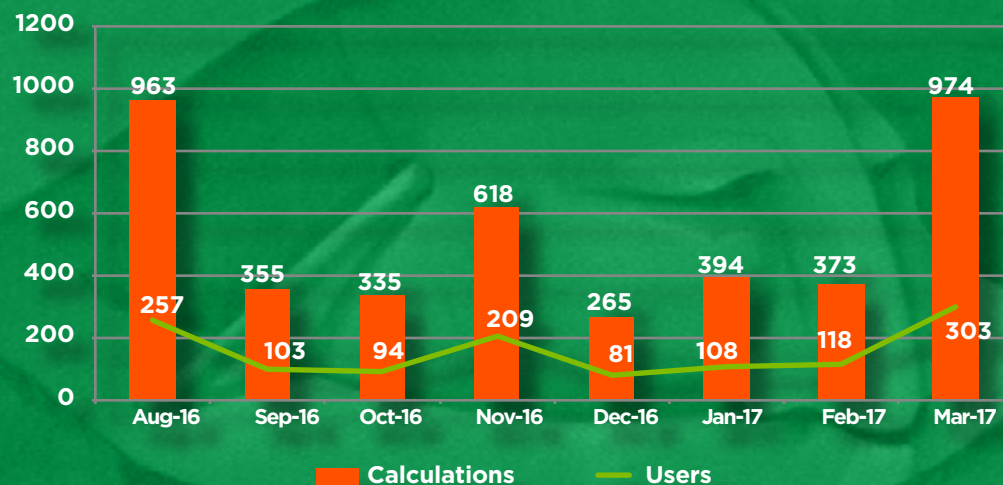
- More than 60 years' of participant history digitalized
- 5,000+ Active, deferred, retired and beneficiary file data preserved
- Retention of, and electronic access to, data for Pension Officers
- Soon, through YPR, active staff will have access to data
- Reduction of more than 36 cabinets of paper files, and scanning/storage of 40 boxes, through Human Resources' (HR) recommended Quality Associates, Inc. (QAI)
- Scanner installed in Front Office to support day-forward digitalization of records



YOUR PENSION RESOURCES - YPR

In August 2016, following the integration between the Pension Administration System (PAS) with the new Bank's Administrative platform SAP, and as an integral part of the Secretariat's Capital Project, a self-service tool for active participants was launched, Your Pension Resources (YPR). Leveraged on the same calculation engine as the PAS and using up-to-date HR master data, YPR provides up-to-the moment information on active participants' pension, withdrawal and accumulated benefits. YPR also permits participants to run multiple simple and complex pension scenarios for side-by-side comparisons of their personal benefits.

The Secretariat provided information regarding YPR through different channels: the IDBG Employee Portal, TV screen notices in the Headquarters (HQ) lobbies, information boards, HQ retirement presentations, and in individual sessions with active participants. As a result, the tool was utilized by hundreds of users during 2016, running more than 2,500 scenarios, as shown in the graph below.



Despite expected monthly fluctuations, YPR has become a highly used tool for participants' retirement planning purposes under desired assumptions, and VPF/SRP encourages active participants to visit YPR for such purposes, accessing it through the VPF/SRP intranet: <http://retirement/>.

RETIREE SELF-SERVICES – RSS

The Secretariat launched a new online tool for retirees, the Retiree Self-Services (RSS), in September 2016; housed in the IDBG Retirees Portal. The RSS tool helps retirees, including surviving beneficiaries (spouses, children, and beneficiaries of pension partitions), securely use IDB Group (IDBG) services anytime, from anyplace with internet access.

By embracing this modern tool to access IDBG services, retirees are able to:

- View current and historical pay slips
- Download and print a pension verification letter in all four IDBG languages
- Manage personal data
- Manage beneficiary information

After completing the one-time registration process, retirees are able to access the RSS through the <http://www.iadb.org/retirees>, under “Retiree Self-Services Access here” menu; or directly by going to this page: <http://www.iadb.org/en/retirees/self-services,20446.html>.

In the IDBG Retirees’ Portal, retirees also find other assistance related to the RSS including:

- Video Tutorials for PC/IBM and Mac/Apple-compatible systems
- Guides for PC/IBM and Mac/Apple compatible systems
- FAQs: Frequent Asked Questions
- Forgot your Retiree Self-Services password: Tips for recovering your password
- Need help?: Contact information

Your online Retiree Self-Services is now available!

- View current and historical pay slips
- Download and print your pension verification letter
- Manage your personal information

Click here to learn more: ➤

Since the launch of the RSS, a considerable number of retirees have registered and are actively using the RSS application. As a result, the Secretariat has received valuable feedback from the Association of Retirees and individual retirees regarding possible enhancements. To this end, the Secretariat is working with the IDBG's Information Technology Department to implement more efficient and effective registration and password reset processes, which we expect to be implemented by the end of 2017.

The Secretariat encourages all retirees and their beneficiaries, to use this new, always-accessible means of accessing retirement plan services. Stay tuned, via retirees' personal emails, for tips on new functionalities and enhancements.



Osvaldo Salerno

Muralla, 1989

Acrylic

Inventory Number: 1992.293

Inter-American Bank Art Collection

Washington, DC

RETIREMENT PLANNING SEMINARS

Since its creation, the Executive Secretariat of the Staff Retirement Plans has focused on giving proper orientation about retirement to all active staff. Twice a year, around April and November, a two-day seminar about Planning for Retirement is held at Headquarters. This two-day presentation addresses expected benefits from our Plan and also provides tools for planning life at retirement. It raises awareness about all related aspects, from health to succession laws.

The presenters include seasoned professionals on: (i) Health in Retirement, explaining all health related issues an aging person should be aware of; (ii) Personal Financial Planning, giving orientation on economic facts at retirement; (iii) Estate Planning, Wills, Estate Taxation, and Strategies, which includes an in-depth explanation of US Laws that retirees should consider; (iv) Visa Status and Immigration, dedicated to those that are planning on becoming US residents. Also, experts from the IDBG's Medical and Tax Reimbursement Programs explain how these benefits apply at retirement.

This seminar is intended to mainly serve participants planning to retire within the next 5 to 7 years, but all staff is invited; it's never too early to plan for retirement. The seminar is held in Washington, DC and is geared towards International staff and their spouses in Headquarters and Country Offices. The Secretariat covers the cost of the seminar, but does not cover travel or lodging expenses, so participants must be authorized by their supervisor to attend.

Overall, every year, more than 70 participants attend the seminar and give us excellent reviews; as they find the information received extremely useful and very well organized. Early registration is encouraged as the seminar is always well attended. Based on a recent satisfaction survey, 93% of the attendees highlighted that the seminar fully met their pre-retirement planning needs as shown below:

