

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

RESOLUTION DE-117/18

Authorization of Master MDB Exposure Exchange Agreement  
and Confirmations Executed Thereunder

WHEREAS, the Inter-American Development Bank (the “Bank”) wishes to exchange risk exposures to sovereign and/or sovereign-guaranteed loan reference portfolios (“Exposures”) with other Multilateral Development Banks (the “Participating MDBs”) in order to reduce sovereign credit risk at the portfolio level and mitigate country concentration risks, among other reasons;

WHEREAS, the Bank and the other Participating MDBs propose to facilitate such exchanges on a collective basis by entering into a Master MDB Exposure Exchange Agreement (the “Master EEA”) enabling bilateral exchanges of Exposures between any two or more Participating MDBs to be executed through confirmation schedules to the Master EEA (“Confirmations”) when deemed appropriate by such parties;

WHEREAS, through Resolution DE-133/15, the Board of Executive Directors authorized the Bank to enter into a Master EEA and Confirmation with each of the International Bank for Reconstruction and Development (“IBRD”) and the African Development Bank (“AfDB”) on terms specified in that Resolution; and

WHEREAS, Management has recommended that the Board of Executive Directors approve further authorizations;

The Board of Executive Directors

RESOLVES:

1. The President of the Bank, or such representative as he shall designate, is authorized in the name and on behalf of the Bank, to enter into:

- i. A further Confirmation with the AfDB as described in Document FN-701-4;
- ii. A Master EEA and Confirmation with the Asian Development Bank (“AsDB”) substantially for the purposes described in Document FN-701-4; and
- iii. Further Master EEAs and Confirmations with such MDBs (including Participating MDBs) as he shall determine, substantially for the purposes described in Document FN-701-4 and detailed in Section 2, below.

2. The Bank shall execute Confirmations under the Master EEA meeting the following conditions:

i. The aggregate Exposure notional amounts to be exchanged with other Participating MDBs through Confirmations shall not exceed, at the time of execution, 10% of the total outstanding loan balance of the Bank's sovereign-guaranteed portfolio for any given fiscal year; and

ii. The Bank shall not accept any Exposure from other Participating MDBs that would result, at the time of execution, in such Exposure becoming one of the Bank's ten largest single-country sovereign-guaranteed credit exposures upon such exchange.

3. Management shall report quarterly to the Board of Executive Directors on the execution of any further Master EEA pursuant to this Resolution, and on the execution and performance of transactions entered into pursuant to any Confirmations.

4. Resolution DE-133/15 and the corresponding requirements recorded in Minutes DEA/15/37 are expressly superseded.

(Adopted on 6 December 2018)