

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

RESOLUTION DE-17/18

Modification of the Basic Organization of the  
Inter-American Development Bank

WHEREAS, the Agreement Establishing the Inter-American Development Bank (the “Agreement”), at Article VIII, Section 3(i), provides that the Board of Executive Directors shall determine the basic organization of the Bank;

WHEREAS, the Board of Executive Directors has considered the proposal for the Basic Organization of the Bank;

The Board of Executive Directors

RESOLVES:

To amend the Basic Organization of the Bank as provided in the attachment to this Resolution, and to authorize the President to take such actions as may be necessary to update the Basic Organization.

(Adopted on 30 May 2018)

# OR-BAS Basic Organization

## INTRODUCTION

This subchapter describes the basic organization of the Bank.

### 1. PROVISIONS OF THE AGREEMENT ESTABLISHING THE BANK

1.1. Article VIII, Section 1, of the Agreement Establishing the Bank states that the Bank shall have a Board of Governors, a Board of Executive Directors, a President, an Executive Vice President, a Vice President in charge of the Fund for Special Operations and other officers and staff as necessary. Pursuant to Article VIII, Section 3(i), "the Board of Executive Directors shall determine the basic organization of the Bank, including the number and general responsibilities of the chief administrative and professional positions."

1.2. Pursuant to these provisions, the basic structure of the Inter-American Development Bank comprises the following bodies:

#### 1.2.1. BOARD OF GOVERNORS

1.2.1.1. All the powers of the Bank are vested in the Board of Governors, which has delegated to the Board of Executive Directors all such powers except those indicated in Article VIII, Section 2(b), of the Agreement Establishing the Bank.

#### 1.2.2. BOARD OF EXECUTIVE DIRECTORS

1.2.2.1. The Board of Executive Directors is responsible for the conduct of the operations of the Bank, and for this purpose may exercise all the powers delegated to it by the Board of Governors under Section 4 of the By-laws of the Bank.

#### 1.2.3. OFFICE OF EVALUATION AND OVERSIGHT

1.2.3.1. The Office of Evaluation and Oversight established by the Board of Executive Directors on June 30, 1999 (DE-54/99), is responsible for the independent and systematic evaluation of strategies, policies, programs, activities, delivery support functions, and systems; and for the dissemination within the Bank of evaluation findings.

#### 1.2.4. OFFICE OF THE INDEPENDENT CONSULTATION AND INVESTIGATION MECHANISM

1.2.4.1. The Office of the Independent Consultation and Investigation Mechanism, established by the Board of Executive Directors, was created to provide a forum and process to address complaints from parties that allege that they are or might be adversely affected by IDB operations.

#### 1.2.5. ADMINISTRATIVE TRIBUNAL

1.2.5.1 By resolution of the Board of Executive Directors of April 29, 1981, the Administrative Tribunal was created for the purpose of hearing and ruling upon any application wherein a member of the staff of

the Bank alleges nonobservance of the contract of employment or terms and conditions of employment of such staff member.

## 2. MANAGEMENT OF THE BANK

2.1. The Bank carries out its activities through various units whose major characteristics constitute the basic organization of the Bank, as determined by the Board of Executive Directors in accordance with the above-mentioned provisions of the Agreement Establishing the Bank.

## 3. BASIC ORGANIZATION OF THE BANK

3.1. The basic organization of the Inter-American Development Bank comprises the units listed below, which operate under the supervision of the officials indicated:

<b><u>UNIT</u></b>	<b><u>OFFICIAL IN CHARGE</u></b>
Office of the President	President
Office of the Executive Vice President	Executive Vice President
Office of the Secretary	Secretary
	Deputy Secretary
Office of Strategic Planning and Development Effectiveness	General Manager and Chief Development Effectiveness Officer
Divisions (2)	Chiefs
Office of the Executive Auditor	Executive Auditor
Office of Institutional Integrity	Chief
Office of Risk Management	Chief Risk Officer
Office of Outreach and Partnerships	Manager
Offices (2)	Representative
Divisions (1)	Chief
Office of the Multilateral Investment Fund	General Manager
Office of Ethics	Ethics Officer
Vice Presidency for Countries	Vice President for Countries
Country Departments (4) <sup>1</sup>	General Managers
Country Offices (26)	Country Representatives
Operations Financial Management and Procurement Services Office	Chief
Vice Presidency for Sectors and Knowledge	Vice President for Sectors and Knowledge
Department of Research and Chief Economist	General Manager and Chief Economist
Department of Knowledge, Innovation and Communication	General Manager
Divisions (3)	Chiefs
Sectors (4)	Sector Managers
Divisions (14)	Chiefs
Integration and Trade Sector	Sector Manager
Division (1)	Chief
Vice Presidency for Finance and Administration	Vice President for Finance and Administration

Finance Department	General Manager and Chief Financial Officer
Divisions (2)	Chiefs
Human Resources Department	General Manager
Divisions (3)	Chiefs
Information Technology Department	General Manager and Chief Information Officer
Divisions (2)	Chiefs
Budget and Administrative Services Department	General Manager
Divisions (2)	Chiefs
Legal Department	General Counsel
Divisions (2)	Chief Counsels
Executive Secretariat of the Staff Retirement Plans	Executive Secretary of the Staff Retirement Plans

[1] The decrease in the number of Country Departments from 5 to 4 pursuant to Resolution DE-26/17 as a result of the dissolution of Country Department Haiti as of December 16, 2016.

3.2. The positions of General Manager, Sector Manager, Manager, General Counsel, Secretary and Deputy Secretary of the Bank, Executive Auditor, Chief Risk Officer; Chief, Office of the Presidency; and Chief, Office of Institutional Integrity are Executive positions. The positions of Country Representative and Representative are equal in level and rank.

3.3. The President will designate a member of executive management as the Vice President for the Fund for Special Operations in accordance with Article IV, Section 8, of the Agreement Establishing the Bank.

#### 4. OFFICE OF THE PRESIDENT

4.1. The President, as the Chief Executive Officer (CEO) of the institution, is responsible for the business of the Bank and is the Chief of its staff and the legal representative of the Bank. The President is responsible for the oversight and approval of initiatives to be forwarded to the Board of Executive Directors for consideration and approval, including country and sector strategy documents, and operational and financial policies.

4.2. The President spearheads the Bank's strategy, as well as its programming activities and exercises oversight over its lending and evaluation activities. Moreover, under the guidance of the Board of Executive Directors, the President is the ultimate authority with respect to the management of human resources and budgetary matters.

4.3. The President sets goals for the Executive Vice President (EVP) and evaluates his or her performance. The President and the EVP set the goals for the Vice Presidents and other senior staff.

#### 5. EXECUTIVE VICE PRESIDENT

5.1. The Executive Vice President (EVP), as the Chief Operating Officer of the institution and under the direction of the Board of Executive Directors and the President of the Bank, is responsible for the operation of the Bank and provides day-to-day management oversight of, and direction to, the Vice Presidents and all other senior staff.

5.2. The EVP also oversees the quality control and risk management of all Bank operations and serves as chair of all of Management committees responsible for the Bank's operational activities. The EVP advises the President on key corporate planning issues and on the selection of the Vice Presidents and senior staff and is responsible for the implementation of any business and strategic plans.

5.3. The EVP conducts performance evaluations of the Vice Presidents and provides them to the President for review.

## 6. VICE PRESIDENT FOR COUNTRIES

6.1. The Vice President for Countries reports to the Executive Vice President and follows the Executive Vice President in order of precedence. In the absence or incapacity of the President and the Executive Vice President, exercises the authority and performs the functions of the President.

6.2. The Vice President for Countries is responsible for leading the dialogue and relationship of the Bank with borrowing countries; leading the Bank's engagement with Civil Society; formulating the Bank's country and regional strategies; coordinating and supervising the development of the operational program for the public sector; coordinating the work program and the resources of the Country Departments, and establishing annual performance goals for each of the Country Departments for maximum development impact; and, coordinating the necessary resource allocation for the development of country and regional programs.

6.3. The Vice President for Countries also performs such functions as may be determined by the President, the Executive Vice President and the Board of Executive Directors.

## 7. VICE PRESIDENT FOR SECTORS AND KNOWLEDGE

7.1. The Vice President for Sectors and Knowledge reports to the Executive Vice President and follows the Executive Vice President and the Vice President for Countries in order of precedence. In the absence or incapacity of the President, the Executive Vice President and the Vice President for Countries, exercises the authority and performs the functions of the President.

7.2. The Vice President for Sectors and Knowledge is responsible for developing knowledge focusing on emerging development challenges; developing the level of sector knowledge of countries and regions necessary to support member countries in the design and execution of their development projects and for the promotion of integration and trade; developing and supporting the execution of programs and projects; disseminating and training on Bank knowledge and sector expertise to member countries; developing a demand-driven learning program for staff skills in support of business needs; supporting the adoption of innovative solutions; and contributing to positioning the Bank.

7.3. The Vice President for Sectors and Knowledge also performs such functions as may be determined by the President, the Executive Vice President and the Board of Executive Directors.

## 8. VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

8.1. The Vice President for Finance and Administration reports to the Executive Vice President and follows the Executive Vice President, the Vice President for Countries and the Vice President for Sectors and Knowledge in order of precedence. In the absence or incapacity of the President, the Executive Vice

President, the Vice President for Countries and the Vice President for Sectors and Knowledge, exercises the authority and performs the functions of the President.

8.2. The Vice President for Finance and Administration is responsible for mobilizing and managing the Bank's resources and the provision of support services, ensuring effective, efficient performance by financial, legal, and administrative staff.

8.3. The Vice President for Finance and Administration also performs such functions as may be determined by the President, the Executive Vice President and the Board of Executive Directors.

## 9. OFFICE OF THE SECRETARY

9.1. The Office of the Secretary is responsible for providing secretariat services to the Board of Governors and the Board of Executive Directors, as well as for meetings staged by the Bank, for standing committees, and for such other internal committees as may be determined by the President. The Office coordinates the implementation of the Access to Information Policy. The Office also provides language, documentation, conference, and protocol services.

9.2. The Office operates under the supervision of the Secretary, assisted by a Deputy Secretary.

## 10. OFFICE OF STRATEGIC PLANNING AND DEVELOPMENT EFFECTIVENESS

10.1. The Office of Strategic Planning and Development Effectiveness is responsible for ensuring that the corporate strategy is reflected in a corporate plan and in departmental planning, which guide resource allocation and key decisions aimed at the achievement of development results.

10.2. The Office monitors the quality control of the program of the Bank by setting quality standards and safeguards for both the design and the implementation of the Bank's products in consultation with relevant departments; monitoring and ensuring compliance with standards and safeguards; leading the development of operational instruments and policies; producing progress reports on development effectiveness and portfolio performance; and assessing the quality of the Bank's corporate information systems.

10.3. The Office operates under the supervision of the General Manager and Chief Development Effectiveness Officer, assisted by two Division Chiefs.

## 11. OFFICE OF THE EXECUTIVE AUDITOR

11.1. The Office of the Executive Auditor serves as the principal advisory unit to the President for providing periodic, independent, and objective appraisals and audits of financial, accounting, operational, administrative, and other activities, including identifying possible means of improving the efficiency and economy of operations and the use of resources.

11.2. The Office provides independent assessments to the Management of the Bank about the effectiveness of the activities being reviewed and provides suggestions for improvements, from the standpoint both of strengthening controls and increasing efficiency and cost effectiveness.

11.3. The Office operates under the supervision of the Executive Auditor, who has a dual reporting relationship to the President and to the Board of Executive Directors.

## 12. OFFICE OF INSTITUTIONAL INTEGRITY

12.1. The Office of Institutional Integrity is responsible for investigating allegations of prohibited practices, including violations of the Bank's standards of institutional integrity, in Bank-financed activities. The Office provides advice to the Office of the President, the Bank's senior management, the operational and fiduciary units of the Bank, including units responsible for risk management and internal control, Bank management committees, and the Audit Committee of the Board of Executive Directors. Such advice may include recommendations on improvements to the Bank's mechanisms, practices, regulations and policies that enhance the integrity of Bank operations, as well as assistance in implementing measures to identify and prevent the risk of prohibited practices.

12.2. The Office operates under the supervision of a Chief.

## 13. OFFICE OF RISK MANAGEMENT

13.1. The Office of Risk Management is in charge of managing risk within the organization, including the assessment of credit, operational and market risks. The Office is responsible for strengthening the Bank's capacity to identify measure and manage the credit risks of the Bank in its loan portfolio, and its treasury activities including derivatives. It also manages the Bank's exposure to market and operational risks.

13.2. The Office operates under the supervision of a Chief Risk Officer.

## 14. OFFICE OF OUTREACH AND PARTNERSHIPS

14.1. The Office of Outreach and Partnerships is responsible for strengthening the Bank's dialogue and alliances with other constituencies of the development community, including trust fund donors, co-financing counterparties, private sector and supporting the identification, administration of trust fund resources, and development of harmonization initiatives and coordination to promote development.

14.2. The Office operates under the supervision of a Manager, assisted by two Representatives (Europe and Asia) and one Division Chief.

### 14.2.1. OFFICE IN EUROPE

14.2.1.1. The Office in Europe represents the Bank in the non-regional countries except in Asia. The Office helps secure financial and technical resources, and assists in the dissemination and exchange of information in such countries.

14.2.1.2. The Office operates under the supervision of a Representative.

## 14.2.2 OFFICE IN ASIA

14.2.2.1. The Office in Asia represents the Bank in Asia. The Office helps secure financial and technical resources, and assists in the dissemination and exchange of information in Asia.

14.2.2.2. The Office operates under the supervision of a Representative.

## 15. OFFICE OF THE MULTILATERAL INVESTMENT FUND

15.1. The Office of the Multilateral Investment Fund is responsible for undertaking or overseeing the identification, preparation and presentation for approval of operations to be financed with the Fund resources, as well as Bank microfinance activities and the Social Entrepreneurship Program (SEP). The Office of the Multilateral Investment Fund undertakes small, targeted development projects in partnership with business groups, NGOs and public sector entities to build the capabilities and skills standards of the workforce, broaden the economic participation of smaller enterprises and strengthen the environment for doing business.

15.2. The Office operates under the supervision of a General Manager.

## 16. OFFICE OF ETHICS

16.1. The Office of Ethics provides impartial assistance to employees and Management in reviewing and resolving matters regarding ethics and conduct in the workplace in a manner that contributes to the good governance of the Bank and helps to preserve and promote institutional integrity. The Office is responsible for receiving consultations and providing advice in response to requests for interpretation of the Code of Ethics and Professional Conduct. The Office is also responsible for receiving allegations of misconduct and, as provided in Bank policy, investigating allegations and providing advice and recommendations to employees and Management. The Office also leads training initiatives aimed at increasing awareness on ethics and workplace conduct.

16.2. The Office operates under the supervision of the Ethics Officer.

## 17. VICE PRESIDENCY FOR COUNTRIES

### 17.1. COUNTRY DEPARTMENTS (4)<sup>[2]</sup>

17.1.1. The Country Departments are responsible for the promotion and development of Bank country strategies and programming. The Departments support the processing, negotiation, and administration of regional and country-specific projects and programs; leading and maintaining the relations of the Bank with member countries; supporting the implementation of country-specific operations; promoting and coordinating the use of the funds administered by the Bank or under parallel financing agreements, and monitoring the operation-related procurement activities of Bank borrowers and beneficiaries. The Country Departments lead the Bank's dialogue on developmental challenges and coordinate with the Vice Presidency for Sectors and Knowledge regarding the development and implementation of Bank operations.



17.1.2. The Country Departments operate under the supervision of four General Managers, assisted by twenty-six Country Representatives.

17.1.3. The Country Offices, supervised by the Country Representatives, are the focal point for guiding Bank Country dialogue, mapping out the strategy and program, and delivering outputs. The Country Offices are responsible for: 1) engaging in dialogue and developing relations with the country; 2) spearheading the strategy and its implementation; 3) originating programs and projects; 4) designing and executing projects through active involvement by sector specialists; 5) supporting the strengthening of country systems in financial management, procurement, and monitoring and evaluation; and 6) promoting the Bank's image in the country.

17.1.4. The Country Offices operate under the supervision of the Country Representatives.

[2] The decrease in the number of Country Departments from 5 to 4 pursuant to Resolution DE-26/17 as a result of the dissolution of Country Department Haiti as of December 16, 2016.

## 17.2. OPERATIONS FINANCIAL MANAGEMENT AND PROCUREMENT SERVICES OFFICE

17.2.1. The Operations Financial Management and Procurement Services Office provides support to the Vice Presidency for Countries and the Country Departments regarding functions related to operations procurement and financial management.

17.2.2. The Office operates under the supervision of a Division Chief.

## 18. VICE PRESIDENT FOR SECTORS AND KNOWLEDGE

### 18.1 DEPARTMENT OF RESEARCH AND CHIEF ECONOMIST

18.1.1. The Department of Research and Chief Economist advises Management on economic and development issues, in particular in the areas of macro- and microeconomic policies, and is in charge of the program of studies on aspects of development policy in Latin America and the Caribbean. The Department is responsible for research and analysis on macroeconomic trends and microeconomic foundations for growth, equity and poverty issues, as well as crosscutting and long run development issues. The Department is also in charge of developing the Bank's quantitative and analytical databases.

18.1.2. The Department operates under the supervision of the General Manager and Chief Economist.

### 18.2. KNOWLEDGE, INNOVATION AND COMMUNICATION DEPARTMENT

18.2.1. The Knowledge, Innovation and Communications Department is responsible for: (i) supporting the IDB Group in the identification, generation, application and dissemination of high-quality knowledge, as well as to develop and use learning products that allow building technical and general competences; (ii) promoting an internal culture of innovation by providing experience, networks, methodologies and accelerating the adoption of innovative solutions; and (iii) expanding the audience that consumes the Bank's knowledge products and position the brand through internal and external communication. It is also responsible for setting the institutional learning agenda and managing the Bank's learning budget.

18.2.2. The Knowledge, Innovation and Communication Department operates under the supervision of a General Manager, assisted by three Division Chiefs.

### 18.3. SECTORS

18.3.1. The Sectors' main function is to conceptualize, prepare, support the execution and supervise the Bank's operations in borrowing member countries, using its technical and operational experience. Responsibilities include: 1) developing sector analytical work, best sector practices, and case studies; 2) designing and executing country and regional programs and projects, and evaluating development results of such interventions; 3) preparing sector policies and strategies; and 4) incorporating and evaluating environmental and social safeguards as well as evaluating executing agencies' institutional and fiduciary capacities.

18.3.2. Four Sectors operate under the supervision of a Sector Managers, assisted by fourteen Division Chiefs.

### 18.4. INTEGRATION AND TRADE SECTOR

18.4.1. The Integration and Trade Sector advises Management on trade and regional development issues, as well as overall Bank strategies and programs in these areas. It is also responsible for policy-relevant research on regional and global economic integration issues, as well as specialized technical sector support to trade and integration-related operations and activities.

18.4.2. The Integration and Trade Sector operates under the supervision of a Sector Manager, assisted by one Division Chief.

## 19. VICE PRESIDENT FOR FINANCE AND ADMINISTRATION

### 19.1 FINANCE DEPARTMENT

19.1.1. The Finance Department is responsible for the mobilization and administration of the Bank's financial resources, pertaining to both the assets and liabilities of the organization, including debt and non-debt funds, the management of the Bank's liquidity, the accounting and financial records of its operations, and the administration of its relations with financial markets and intermediaries.

19.1.2. The Department operates under the supervision of the General Manager and Chief Financial Officer, assisted by two Division Chiefs.

### 19.2. HUMAN RESOURCES DEPARTMENT

19.2.1. The Human Resources Department is responsible for the administration and development of the human resources of the Bank and the coordination of human resources planning, for all units in the Bank.

19.2.2. The Department operates under the supervision of a General Manager, assisted by three Division Chiefs.

### 19.3. INFORMATION TECHNOLOGY DEPARTMENT

19.3.1. The Information Technology Department is the focal point for the application of information technology and telecommunications, by developing and supporting IT architecture, corporate information systems and infrastructure at Headquarters and Country Offices.

19.3.2. The Department operates under the supervision of the General Manager and Chief Information Officer, assisted by two Division Chiefs.

### 19.4. BUDGET AND ADMINISTRATIVE SERVICES DEPARTMENT

19.4.1. The Budget and Administrative Services Department is responsible for providing Senior Management and the Board of Executive Directors information on performance and resource allocation in order to inform and enhance decision-making; as well as manage corporate procurement and administrative services. As such, the Department is the focal point for budget formulation and execution support, and for ensuring the most transparent and efficient corporate procurement system.

19.4.2. The Department operates under the supervision of a General Manager, assisted by two Division Chiefs.

### 19.5. LEGAL DEPARTMENT

19.5.1. The Legal Department advises the President and Management of the Bank and when appropriate, the Board of Governors and the Board of Executive Directors, on all legal matters relating to the Bank. The Department directs the Bank's representation in litigation, arbitration, or other administrative or legal proceedings, or in matters in which the Bank may become a party or have an interest. The Department is also responsible for providing legal support to operations.

19.5.2. The Department operates under the supervision of the General Counsel assisted by two Chief Counsels.

### 19.6. EXECUTIVE SECRETARIAT OF THE STAFF RETIREMENT PLANS

19.6.1. The Executive Secretariat of the Staff Retirement Plans is responsible for overseeing the payment or distribution of benefits under the Plans, managing the investment of assets, carrying-out the day-to-day administration of the Plans, including managing the Plans' service providers, and performing such other functions as may be contemplated in the Plans' governance regulations. The Secretariat maintains such records and documents as may be necessary for the efficient and effective administration of the Plans.

19.6.2. The Secretariat operates under the supervision of the Executive Secretary of the Staff Retirement Plans.

20. INTER-AMERICAN INVESTMENT CORPORATION (Corporation or IIC)

20.1. The Agreement Establishing the IIC (IIC Agreement) provides that the IIC is a legal entity distinct from the Bank. The IIC has a separate membership, Board of Governors, Board of Executive Directors and financial assets, among other characteristics independent of the Bank.

20.2. The IIC Agreement expressly contemplates a coordination of the activities of the IIC with those of the Bank, including the following provisions:

"The purpose of the Corporation shall be to promote the economic development of its regional developing member countries by encouraging the establishment, expansion, and modernization of private enterprises, preferably those that are small and medium-scale, in such a way as to supplement the activities of the Inter-American Development Bank." (Article I, Section1)

"The Board of Governors shall hold an annual meeting, which shall be held in conjunction with the annual meeting of the Board of Governors of the Inter-American Development Bank." (Article IV, Section 2(d))

"The President of the Bank shall be ex-officio Chairman of the Board of Executive Directors of the Corporation. He shall preside over meetings of the Board of Executive Directors but without the right to vote except in the event of a tie. He may participate in meetings of the Board of Governors, but shall not vote at such meetings." (Article IV, Section 7(a))

"Whenever activities must be carried out that require specialized knowledge or cannot be handled by the regular staff of the Corporation, the Corporation shall obtain technical assistance from the staff of the Bank, or if is unavailable, the services of experts and consultants may be engaged on a temporary basis." (Article IV, Section 7(c))

Nothing within the IIC Agreement "shall [] prevent the Corporation from making arrangements with the Bank regarding facilities, personnel, services and others concerning reimbursement of administrative expenses paid by either organization on behalf of the other." (Article IV, Section 8(a))

"The Corporation shall seek insofar as possible to utilize the facilities, installations and personnel of the Bank." (Article IV, Section 8(b))

20.3. In order to give effect to these provisions of the IIC Agreement, and to facilitate coordination of activities and an effective use of resources, the Bank and the Corporation shall enter into agreements or other arrangements. Such arrangements may include, but shall not be limited to, consultation, support and coordination on operations, the sharing of facilities and administrative functions, and the provision of oversight, risk management, and compliance services on the part of the Departments and other units within the Basic Organization of the Bank, including the Country Offices, as may be deemed appropriate.