

# DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

## RESOLUTION AG-9/17

### Proposal to Create a Special Development Lending Category

#### WHEREAS:

Pursuant to Resolution AG-1/02 of March 1, 2002, the Board of Governors approved a New Lending Framework consisting of three categories of lending, one of which was Emergency Lending;

Pursuant to Resolution AG-9/12 of October 4, 2012, the Emergency Lending category as set forth pursuant to Resolution AG-1/02 was replaced by the Development Sustainability Credit Line (“DSL”), which expired as a lending category for purposes of the approval of individual loan operations on December 31, 2015;

Given the stressed macroeconomic conditions that the Latin American and Caribbean region could face in the coming years, the Bank requires the appropriate lending category to help borrowing member countries address macroeconomic crisis, while also maintaining the Investment Lending and Policy-Based Lending categories of the Bank’s Lending Framework, established pursuant to Resolution AG-1/02;

Such a lending category should also be available to borrowing member countries eligible for concessional financing, provided that such financing is consistent with the debt sustainability analysis carried out by the Bank in the context of the biennial allocation of concessional resources, pursuant to the Debt Sustainability Framework (DSF) set forth in document GN-2442, entitled “Implementation of multilateral debt relief and concessional finance reform at the IDB. Proposal for the implementation of a Debt Sustainability (DSF) and Enhanced Performance-Based Allocation (PBA) framework”;

The financing of loan operations under such lending category should at all times be consistent with the limitations set forth in the Agreement Establishing the Inter-American Development Bank and applicable Bank policies, including limitations on lending, categories of operations, limitations on borrowings and other applicable requirements; and

The Board of Executive Directors has considered document GN-2031-14, entitled “Proposal to Create a Special Development Lending Category” and, pursuant to Resolution DE-10/17, agreed to submit for consideration of the Board of Governors this proposed resolution.

The Board of Governors

RESOLVES:

1. That Special Development Lending (SDL) shall be established as a permanent category of lending of the Bank in accordance with the provisions set forth in section IV of document AB-3134.

2. That the Board of Executive Directors shall be authorized to modify from time to time the financial terms and conditions applicable to individual loan operations financed under SDL.

(Adopted on 30 June 2017)