

# REGULATIONS OF THE BOARD OF EXECUTIVE DIRECTORS OF THE INTER-AMERICAN DEVELOPMENT BANK

---

These Regulations became effective May 9, 1960 and have subsequently been amended at various times. The text set forth below is a true copy of the Regulations as amended to September 17, 2008 when the most recent amendment became effective.

Washington, D.C.

## Contents

<b>PART I: GENERAL PROVISIONS.....</b>	<b>1</b>
SECTION 1. AUTHORITY FOR REGULATIONS .....	1
SECTION 2. DEFINITIONS.....	1
SECTION 3. AMENDMENTS.....	1
SECTION 4. PRECEDENCE .....	1
<b>PART II: POWERS.....</b>	<b>1</b>
SECTION 1. GENERAL RESPONSIBILITY OF THE BOARD .....	1
SECTION 2. POWERS OF THE BOARD .....	2
<b>PART III: RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF EXECUTIVE DIRECTORS.....</b>	<b>3</b>
SECTION 1. MEETINGS .....	3
SECTION 2. AGENDA FOR MEETINGS .....	4
SECTION 3. VOTING.....	7
SECTION 4. NOTICES TO EXECUTIVE DIRECTORS .....	7
SECTION 5. SECRETARY .....	7
SECTION 6. PUBLICITY.....	8
SECTION 7. COMMITTEE OF THE WHOLE .....	8
SECTION 8. COMMITTEES.....	8
<b>PART IV: CONDITIONS OF SERVICE OF EXECUTIVE DIRECTORS AND ALTERNATES.....</b>	<b>9</b>
SECTION 1. ARRANGEMENTS RELATING TO SERVICE.....	9
SECTION 2. REMUNERATION .....	9
SECTION 3. EXPENSES AND LEAVE.....	9
SECTION 4. OFFICE SERVICES .....	10



REGULATIONS OF THE BOARD OF EXECUTIVE DIRECTORS OF THE INTER-AMERICAN DEVELOPMENT BANK

---

**PART I: GENERAL PROVISIONS**

**Section 1. Authority for Regulations**

These Regulations of the Board of Executive Directors are adopted pursuant to Article VIII, Section 2(g), of the Agreement Establishing the Bank, Section 8 of the By-Laws of the Bank, and such other authority as may be cited hereafter.

**Section 2. Definitions**

(a) “Executive Director”, except where otherwise specified, includes the Alternate or a Temporary Alternate, as the case may be.

(b) “Board” refers to the Board of Executive Directors.

(c) “President” refers to the President of the Bank or the Executive Vice President when he is acting in the place of the President.

(d) “Agreement” refers to the Agreement Establishing the Inter-American Development Bank.

(e) “By-Laws” refers to the By-Laws of the Inter-American Development Bank.

(f) “Secretary” refers to the Secretary of the Board.

**Section 3. Amendments**

These Regulations may be amended by the Board at any meeting provided at least fifteen days’ notice of the proposed amendment has been given to the Executive Directors in writing.

**Section 4. Precedence**

The order in which the Executive Directors shall perform, for one month, the duties provided for in Part III, Section 1(a), of these Regulations shall be determined by lot in the first meeting held by the Board in July of each year.

**PART II: POWERS**

**Section 1. General Responsibility of the Board**

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 (Agreement, Article VIII, Section 3(a)).

## **Section 2. Powers of the Board**

The Board is empowered to:

(a) Adopt rules of administrative and operating policy for conducting the business of the Bank (Agreement, Article VIII, Section 2(g), and By-Laws, Sections 4 and 8).

(b) Consider and decide on all operations of the Bank (Agreement, Article VIII, Sections 2(g) and 3(a), and By-Laws, Section 4).

(c) Determine the basic organization of the Bank, including the number and responsibilities of the chief administrative and professional positions and approve the administrative budget of the Bank (Agreement, Article VIII, Section 3(i)).

(d) Determine the liquid form in which special reserve shall be maintained (Agreement, Article III, Section 13).

(e) Examine the financial statements of the Bank, including the balance sheet and the statement of profit and loss, and submit them to the Board of Governors at each regular meeting for approval (By-Laws, Section 10).

(f) Submit to each regular meeting of the Board of Governors a general report on the operations carried out by the Bank and a separate report on the activities of the Fund for Special Operations (By-Laws, Section 2).

(g) Make recommendations to the Board of Governors, in the general report, on matters relating to the activities of the Bank (By-Laws, Section 2).

(h) Call annual meetings of the Board of Governors, as well as special meetings whenever requested by five members of the Bank or by members having one fourth of the total voting power of the member countries (Agreement, Article VIII, Section 2(d), and Regulations of the Board of Governors, Section 1 (b)).

(i) Change the date and place of the meeting of the Board of Governors when there are circumstances or reasons justifying such action (Regulations of the Board of Governors, Section 1 (a)).

(j) Attend any meeting of the Board of Governors, any Director being entitled to participate in such meetings but not to vote therein (Regulations of the Board of Governors, Section 1(g)).

(k) Designate each year the official of the Bank who shall serve as Secretary of the Board of Governors (Regulations of the Board of Governors, Section 5).

(l) Submit specific questions to a vote of the Governors without calling a meeting of the Board of Governors, in accordance with the rules established (Agreement, Article VIII, Section 2(f), and By-Laws, Section 5).

(m) Authorize the establishment and maintenance of branches or agencies and the appointment of representatives (By-Laws, Section 1).

(n) Appoint, on recommendation of the President of the Bank, the Executive Vice President and other Vice Presidents, the latter to exercise such authority and perform such functions as the Board of Executive Directors may determine (Agreement, Article VIII, Section 5(b) and (c)).

(o) Determine the annual period of recess for the entire Board.

(p) Select and appoint, in consultation with the President as Chief of Staff of the Bank, the Director of the Office of Oversight and Evaluation who shall perform his duties in accordance with rules approved by the Board of Executive Directors.<sup>+</sup> Appoint, as

---

<sup>+</sup> Reference documents: RE-238-2 corr. of June 22, 1999 (Res. DE-54/99).

well, the Policy and Evaluation Committee for purposes of liaison with the Office of Oversight and Evaluation.

(q) Determine the conditions of employment of the Director of the Office of Oversight and Evaluation, including remuneration, in accordance with the personnel policy and procedures of the Bank.

(r) In an emergency, suspend operations in respect of new loans and guarantees until such time as the Board of Governors may have an opportunity to consider the situation and take pertinent measures (Agreement, Article X, Section 1).

(s) Decide, in the first instance, any question of interpretation of the provisions of the Agreement arising between any member and the Bank or between members (Agreement, Article XIII, Section 1 (a) and (b)).

(t) The President shall designate the official of the Bank who shall serve as Secretary of the Board, without prejudice to the power of the Board to request the removal of its Secretary when it considers this to be necessary.

### **PART III: RULES OF PROCEDURE FOR MEETINGS OF THE BOARD OF EXECUTIVE DIRECTORS**

#### **Section 1. Meetings**

(a) The President or, in his absence, the Executive Vice President, shall call the meetings and shall act as Chairman of the Board. In the absence of both, the Board shall be called into session and presided over by the Executive Director whose turn it is in accordance with the order of precedence established pursuant to Part I, Section 4, of these Regulations. The Board may be called into session at any time at the written request of any Executive Director.

(b) The Secretary shall notify the Executive Directors of meetings at least two working days in advance of each meeting, except in special circumstances, when notice of a meeting shall be give as soon as possible.

(c) The Board shall meet at the principal office of the Bank unless it decides in advance and for special reasons that a meeting shall be held elsewhere.

(d) The quorum for meetings of the Board of Executive Directors shall be an absolute majority of Directors, including an absolute majority of Directors of regional members, representing not less than two thirds of the total voting power of the member countries. If the required quorum is not present thirty minutes after the time set for a formal meeting of the Board of Executive Directors, a call for a meeting shall be issued every two working days until a quorum is reached.

(e) Meetings of the Board shall be attended only by the President, the Executive Vice President, the Directors, the Secretary, such other members of the Bank's staff as the President may designate because of the matters to be taken up, and such persons as the Board may invite, without prejudice to the provisions of Article IV, Section 8(b), and Article VIII, Section 3(g), of the Agreement.

(f) At the proposal of the President or any Executive Director, meetings may be held in executive session and shall be attended only by the President, the Executive Vice President, the Executive Directors and, with the approval of the Board, granted separately for each executive session, the Secretary and such other persons as may be specifically designated.

(g) When his principal is present at a meeting of the Board, an Alternate Executive Director may speak if his principal agrees.

## **Section 2. Agenda for Meetings<sup>1</sup>**

(a) The President shall prepare or arrange for the preparation of an agenda for each meeting of the Committee of the Whole and the Board, which shall be distributed to the Executive Directors at least seventy-two hours before such meetings, as shall the relevant supplementary documents. The principal documents, except loan and policy documents, shall be distributed at least seven calendar days before the scheduled date for their consideration in the Committee of the Whole. Except as otherwise provided in these regulations, loan and policy documents shall be distributed at least twenty-one calendar days before the scheduled date for their consideration in the Committee of the Whole. In the special cases provided for in subsection 1(b) above, the documents shall be distributed as soon as possible.

(b) Any Executive Director may propose the inclusion of a new item to the agenda of a meeting of the Committee of the Whole or of the Board of Executive Directors by so informing the Secretary in writing at least seventy-two hours before the date of the respective meeting. Amendment of the agenda of a meeting of the Committee of the Whole once the meeting is in progress shall require the approval of the body in question. Except as otherwise provided in these regulations, any new item proposed involving a new ordinary capital loan for the agenda of the Board of Executive Directors prior to or during a meeting, which has not previously been finally considered in the Committee of the Whole, shall be included in the next agenda of the Committee of the Whole. In accordance with the rules approved by the Board of Executive Directors,<sup>++</sup> documents for the approval of investment loans shall be distributed to the Board of Executive Directors at least twenty-one calendar days before the scheduled date for their inclusion on the agenda of the Board without prior consideration in the Committee of the Whole. At the request of the President or any Executive Director, any of such loan documents shall, nevertheless, be removed from the agenda of the Board, in which case such document shall be included in the agenda of the Committee of the Whole. Amendment of the agenda is understood to mean the addition of new items, the deletion of items included in the agenda, without prejudice to the provisions of subsection (c) of this section, and any change in the order of the items to be discussed.

---

<sup>1</sup> Pursuant to Section 6.11 of Document AB-1704 approved by the Board of Governors by Resolution AG-6/94, the modifications of this Section concerning procedures for the postponement of consideration of ordinary capital loans submitted to the Committee of the Whole are to remain effective with respect to the resources allocated to the lending program of the Eighth General Increase in the Resources of the Bank.

<sup>++</sup> Reference document: GN-1838-1 of July 1, 1994.

(c) The decision on an item added to the agenda of a meeting of the Committee of the Whole while the meeting is in progress will be adopted by the Board of Executive Directors in a formal meeting to take place not less than seven calendar days after the discussion in the Committee of the Whole, unless the Board of Executive Directors agrees unanimously to adopt a decision immediately.

(d) At the request of the President or any Executive Director, the consideration of, or decision on, a matter submitted to the Committee of the Whole or to the Board of Executive Directors, respectively, will be postponed a single time and for a period of seven calendar days.

(e) At the request of one Executive Director, or at the requests of more than one Executive Director, the consideration of an ordinary capital loan submitted to the Committee of the Whole will be postponed a single time for an additional period of one month.

(f) At the request or requests of two or more Executive Directors submitted prior to the end of the one-month period described in paragraph (e), the consideration of an ordinary capital loan submitted to the Committee of the Whole will be postponed under this paragraph a single time for an additional period of two months.

(g) Requests for postponements under paragraph (d) shall be submitted in writing to the Secretary prior to the meeting or verbally while a meeting of the Committee of the Whole or the Board of Executive Directors is in progress. Requests for postponement under paragraphs (e) and (f) shall be in writing and shall indicate the economic considerations which led to the request for postponement. However, prior to the expiration of the periods for postponement set out in those paragraphs, discussion of an item may be initiated or continued in the Committee of the Whole for subsequent presentation to the Board of Directors with the consent of the Director or all of the Directors who have requested postponement, whether requests were made under paragraphs (e) or (f). The distributed agenda shall inform the Executive Directors concerning the postponements requested and the consent for the consideration of the item before the expiration of the postponement period that might have been given. Any further request for an additional postponement under paragraphs (e) or (f) made after the consent or consents mentioned in this paragraph are given, will require the agreement of the pertinent body.

(h) Any item on the agenda for a meeting, consideration of which has not been completed at that meeting, shall, unless the Board decides otherwise, be automatically included on the agenda for the next meeting.

(i) To expedite the work of the Board of Executive Directors, Management may submit the matters indicated below for the Board's consideration under the short procedure, which consists in submitting a proposal to the Board and regarding it as approved upon the expiration of a fixed period of five working days. If the period of expiration is not interrupted at the written request of the Directors, the proposal will be considered approved by the Board of Executive Directors at the date of expiration of the period, and a record to that effect will be made in the minutes of the next meeting. If the period is interrupted at the written request of an Executive Director, the short procedure will be considered void and the document will be included in the agenda of the next meeting of the Committee of the Whole. Once included in the agenda, matters will be processed in accordance with the procedures set forth in these Regulations.

- (j) The following matters may be processed under the Short Procedure:
- (i) Lines of credit for the financing of exports of capital goods and services for more than US\$1,000,000;
  - (ii) Nonreimbursable technical cooperation projects up to the amount of US\$750,000 when the authority to approve such projects has not been delegated to the President;
  - (iii) Umbrella facilities for loans and technical cooperation under the Social Entrepreneurship Program;
  - (iv) The conditions of service of Executive Directors and Alternate Executive Directors;
  - (v) The evaluation reports of the Office of Evaluation and Oversight, so that the Board may take note of them and transmit them to Management, as well as the record of decisions of the Board relative to evaluation reports;
  - (vi) Amendments to resolutions and contracts for: investment and sector loans, technical cooperation and small projects, when the authority to approve such amendments has not been delegated to the President;
  - (vii) Quarterly financial statements of the Bank;
  - (viii) Proposals related to the acquisition of office space for the Bank's Country Offices and other Bank offices outside of its Headquarters;
  - (ix) Extensions of deadlines for voting by the Board of Governors without calling a meeting, as provided for in Section 5 of the By-Laws of the Bank;
  - (x) The final reports of Executive Directors in charge of verifying the vote count pursuant to the voting process referred to in subsection (ix) above, as submitted for Board approval;
  - (xi) Authorizations providing that, in accordance with their respective contracts of employment, the President and Executive Vice President of the Bank may accept honorary distinctions;
  - (xii) Modifications to the lists of countries and public and private international organizations invited to attend as observers the annual meetings of the Board of Governors;
  - (xiii) Waivers of conditions precedent for the release of the first tranche of sector loans;
  - (xiv) Waivers of conditions precedent for the release of the second or any subsequent tranche of sector loans, with the subsequent obligation to notify the Board of Executive Directors with ten working days' notice in advance of such release;
  - (xv) Waivers of contractual conditions of investment or sector loans, or small projects, when the authority to approve such waivers has not been delegated to the President;
  - (xvi) Loans under the Year 2000 Emergency Facility; and
  - (xvii) Loans under emergency Reconstruction Facility for Natural and Unexpected Disaster Support.
  - (xviii) Innovation Loans for up to the equivalent of US\$10,000,000 each, up to the cumulative amount for all such loans of US\$300,000,000.

- (xix) Individual investment loan operations granted under the Credit Facility for Responding to Food Price Increases.

### **Section 3. Voting**

(a) If an Executive Director requests a formal vote on any matter, the vote shall be taken in accordance with the provisions of Article VIII, Section 4(d), of the Agreement. In the absence of any such request, it will be understood that the Board is in agreement and the President will declare the matter approved. The Executive Directors always have the right to have their points of view recorded in the minutes.

(b) In voting in the Board, each Executive Director shall cast in person, without dividing them, the votes of the country which appointed him or of the countries whose votes counted toward his election (Agreement, Article VIII, Section 4(c)).

(c) Once a matter has been approved, it may be reconsidered only if the same majority that was necessary for its approval so agrees and if a decisive element that was not available when the first decision was taken has since become known.

### **Section 4. Notices to Executive Directors**

(a) Except as provided in Part I, Section 3, of these Regulations, notices to an Executive Director shall be deemed to have been sufficiently given when they shall have been delivered in writing, in person, or by telephone during regular business hours of the Bank in the principal office of the Bank.

(b) Whenever any document is required by these Regulations to be delivered to an Executive Director, it shall be deemed to have been sufficiently delivered if it was deposited, during regular business hours of the Bank, at the office of the Executive Director in the principal office of the Bank.

(c) The giving of any notice or the delivery of any document which is required by these Regulations to be given or delivered to an Executive Director may be waived by the Executive Director.

### **Section 5. Secretary**

(a) The Board shall have a Secretary, who shall be assisted by a Deputy Secretary and such staff as may be necessary for the performance of his duties.

(b) The Secretary shall be responsible for the preparation of the minutes of the meetings of the Board, which shall reflect the sense of the discussions and the decisions adopted. The minutes of executive sessions shall include only the decisions taken. In either case, the Executive Directors shall be entitled to have their views recorded in the minutes. Statements made in a meeting of the Committee of the Whole shall be recorded, when expressly requested by a Director, in the minutes of the meeting of the Board of Executive Directors at which the matter in question was addressed.

(c) (c)The provisional minutes of a meeting of the Committee of the Whole shall be circulated to the Executive Directors within five working days after each meeting except in special situations, and normally prior to the next meeting. Such minutes shall be presented to the Committee of the Whole for approval at the next meeting. The provisional minutes of a meeting of the Board shall be circulated and approved in the same manner as those of the Committee of the Whole, except when Directors' statements must be included pursuant to paragraph (b) above, in which case the provisional minutes shall be presented to the Board for approval not more than six weeks after the corresponding meeting.

(d) The Secretary shall be responsible for the custody of the minutes and other documents relating to proceedings of the Board. In the performance of his duties he shall utilize the services of such staff and such other facilities as the Secretariat of the Bank shall place at his disposal.

(e) The Secretary shall forward all decisions and resolutions emanating from the Board to the Secretariat of the Bank so that arrangements may be made for their implementation.

## **Section 6. Publicity**

The discussions of the Board are confidential as a rule, as well as certain proceedings that the Board shall consider of such character. However, the Board may expressly authorize the President to release appropriate information on such matters as considered advisable.

## **Section 7. Committee of the Whole<sup>2</sup>**

In addition to holding formal meetings, the members of the Board shall meet as a Committee of the Whole, subject to the provisions of these Regulations, for the purpose of giving preliminary and final consideration prior to submission to the Board of Executive Directors for decision to such agenda or matters as deemed appropriate.

## **Section 8. Committees**

(a) The board may establish such committees as it shall deem advisable. Membership of committees need not be limited to Executive Directors. The President, in consultation with the Board, shall appoint the members of committees and shall designate the chairmen thereof.

(b) Unless otherwise decided by the Board, there shall be no voting in committees of the Board. The chairman of each committee shall determine the sense of the committee and report it to the Board, with appropriate mention of any differing points of view which may exist.

---

<sup>2</sup> Pursuant to Section 6.11 of Document AB-1704 approved by the Board of Governors by Resolution AG-6/94 , the modifications of this Section concerning procedures for the postponement of consideration of ordinary capital loans submitted to the Committee of the Whole are to remain effective with respect to the resources allocated to the lending program of the Eighth General Increase in the Resources of the Bank.

## **PART IV: CONDITIONS OF SERVICE OF EXECUTIVE DIRECTORS AND ALTERNATES**

### **Section 1. Arrangements Relating to Service**

(a) In accordance with Section 3(c) of the By-Laws, as soon as possible after assuming office, and at such times thereafter as changes in his arrangement occur, each Executive Director shall report to the Board and to the President of the Bank in writing as to the amount of time which he and his Alternate will devote to the Bank. If the arrangement with respect to an Alternate contemplates that the Bank will pay any part of his remuneration, such arrangement shall be subject to approval by the Board after consultation with the President.

(b) In accordance with Section 3(e) of the By-Laws and Article VIII, Section 3(d) of the Agreement, when neither an Executive Director nor his Alternate is able to attend a meeting of the Board, the Executive Director may appoint a Temporary Alternate to take his place.

### **Section 2. Remuneration**

(a) The scale of remuneration of the Executive Directors shall be set in accordance with the procedures established by the Bank and the determinations made pursuant to Section 3(c) of the By-Laws.

(b) An Executive Director who does not reside at or near the seat of the Bank shall, in lieu of salary, be entitled to receive reasonable compensation for expenses incurred by him in attending meetings of the Board of Executive Directors or committees thereof, either in the form of per diem or actual expenses, based on the established policies of the Bank, provided that such compensation does not exceed the salary for the corresponding period.

(c) In the case of an Executive Director serving both the Bank and one or more other international organizations, appropriate arrangements consistent with subsection (a) of this Section and with Section 3(g) of the By-Laws shall be made. Executive Directors in such a situation shall so inform the Board.

(d) As provided in Section 3(e) of the By-Laws, Temporary Alternate Executive Directors shall receive no salary.

### **Section 3. Expenses and Leave**

(a) In accordance with Section 3(f) of the By-Laws, the Bank shall, in accordance with the rules established for the staff, cover travel and transportation expenses incurred in connection with the travel of each Executive Director and his immediate family as well as the transportation of personal effects to the seat of the Bank during or immediately prior to his period of service and from the seat of the Bank to his country during or immediately after his period of service.

(b) The Bank shall, in accordance with established procedures, cover the expenses incurred by each Executive Director in traveling officially.

(c) When planning to be absent from the seat of the Bank, an Executive Director shall notify the President and the Board of Executive Directors as far in advance of such absence as possible, so that arrangements can be made for coordination to ensure proper performance of the duties of the Board. Notifications of proposed travel by an Alternate Executive Director shall indicate the concurrence of the respective Executive Director. Each Executive Director shall also coordinate his travel plans with those of his Alternate to ensure that, so far as possible, as provided in Section 3(c) of the By-Laws, one or the other will be available at all times at the Bank's principal office.

(d) Each Executive Director shall be entitled, upon the completion of each two years of continuous full-time service, to have the Bank cover the expenses incurred for transportation of himself and his immediate family in making a single round-trip journey for a vacation in the country of which he is a national.

(e) In the case of an Executive Director serving both the Bank and one or more other international organizations, appropriate arrangements shall be made, consistent with Section 3(g) of the By-Laws, for sharing the expenses of the nature provided for in this Section.

(f) Except as provided in the preceding subsection, an Executive Director not serving on a full-time basis shall receive benefits of the kind specified in subsections (a), (d) and (h) of this Section which bear a reasonable relation to the nature of the arrangement under which he serves the Bank and to the time of services for which he is remunerated by the Bank.

(g) As used in Part IV, the term "full-time" shall be deemed to referred to full-time service to the Bank at the principal office, compensated in full, excepting absence provided for by subsections (b) and (d) of this Section and other occasional periods of absence from the principal office of the Bank.

(h) In addition to such payments for expenses as are provided for in subsections (a) and (d) of this Section, Executive Directors shall be entitled to receive a payment equivalent to a half-month's salary for installation expenses incurred upon their relocation to the seat of the Bank. Upon termination of services, they should be entitled, moreover, to receive an amount equivalent to a half-month's salary for re-establishment expenses.

#### **Section 4. Office Services**

In accordance with Section 3(i) of the By-Laws, the Bank shall provide such technical and secretarial services, offices, and other facilities as may be necessary to the performance of the duties of each full-time Executive Director. Part-time Executive Directors and Alternates may be extended such services as may be deemed appropriate upon the request of the principal and in consultation with the President.