



# SUSTAINABLE BOND PROGRAM

## *Allocation and Impact Report*

DECEMBER 2023



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# Letter from Our CEO





At IDB Invest, we are opening new paths towards sustainable development. Guided by a renewed vision and with a new business model, we are scaling our operations in Latin America and the Caribbean and increasing our impact to meet the changing needs in the region and improve people's lives. To do this, we are evolving the organization to become a conduit between development needs and private investors across the world.

I am pleased to share with you the allocation of bond proceeds from our sustainable debt issued as of year-end 2023. We have closed another year of successful activities in the capital markets where we connect the region's most pressing development challenges such as infrastructure, energy transition, climate change, gender and inclusion, and financial inclusion to mention some with investors through the issuance of green, social and sustainability bonds. This report provides a comprehensive overview of the bonds that IDB Invest has issued and the impact we have achieved with the projects financed.

Despite the region's multiple challenges, we have achieved impressive results. In 2023, IDB Invest issued over \$1.2 billion worth of sustainable bonds, raising the total amount outstanding of this kind of security to \$5.1 billion, or 69% of our total outstanding borrowings.

Our projects are tackling the region's multiple emerging challenges and fostering partnerships for innovation, economic growth, and social inclusion. From projects with strong environmental impact through the reduction of greenhouse emissions, improving wastewater management and renewable energy; to socially driven projects that increase access to potable water, creation of new jobs, and economic growth in micro, small and medium-sized enterprises (MSMEs). Our projects are impacting lives, and we have integrated gender considerations throughout.

Our rigor in implementing strong Environmental, Social and Governance (ESG) standards has enabled us to maintain, and build, investor confidence. This sets us apart as an impact-driven organization that is the partner of choice for the private sector in Latin America and the Caribbean.

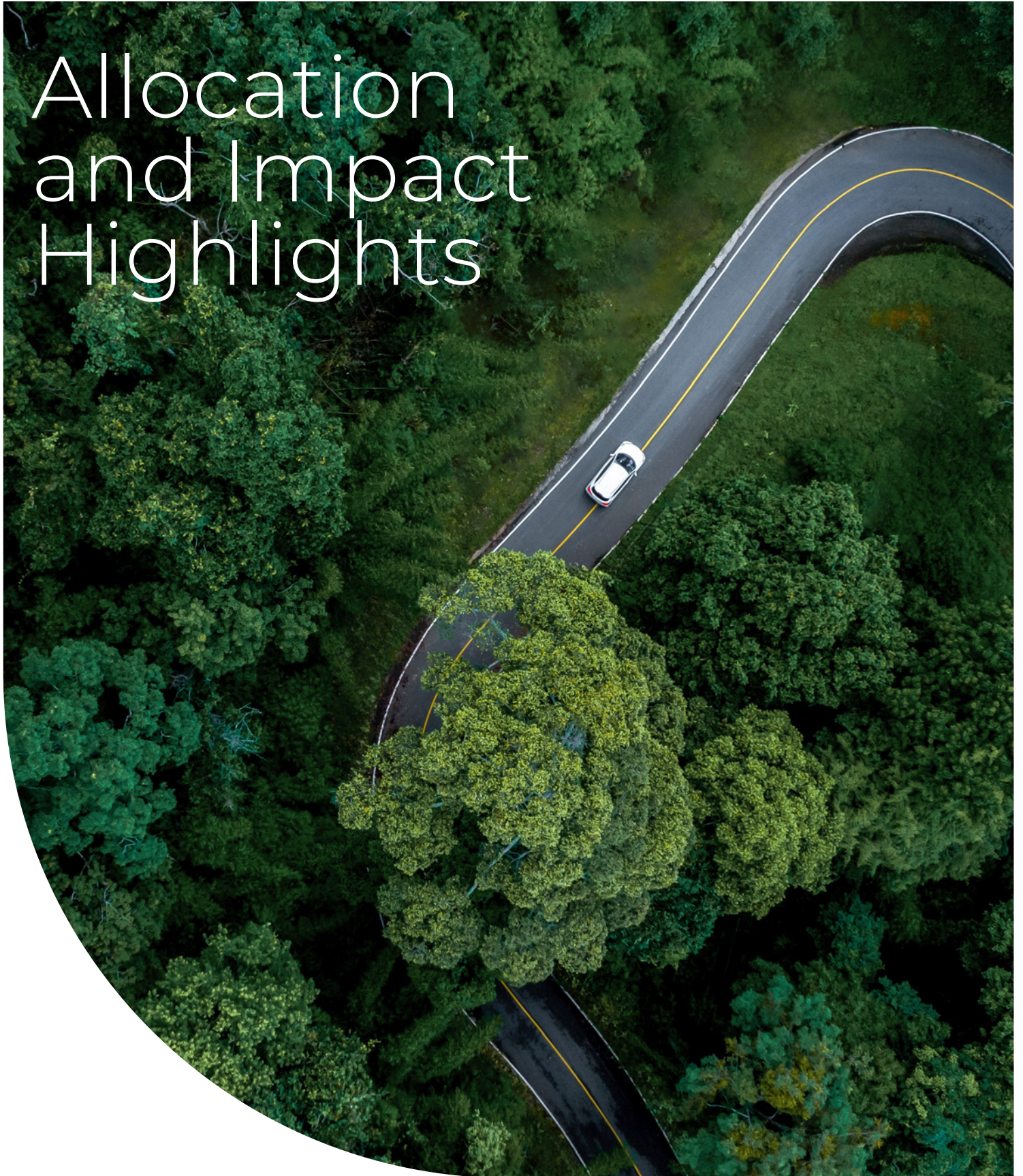
I thank our investors for their continued confidence and strong partnerships to stimulate economic prosperity and development.

IDB Invest has been a pioneer in innovative sustainability bonds, and we will continue to bridge gaps, provide access to finance and markets, and drive stronger results for people in the region.



James P. Scriven  
CEO, IDB Invest





# Allocation and Impact Highlights



## Cumulative 2021-2023

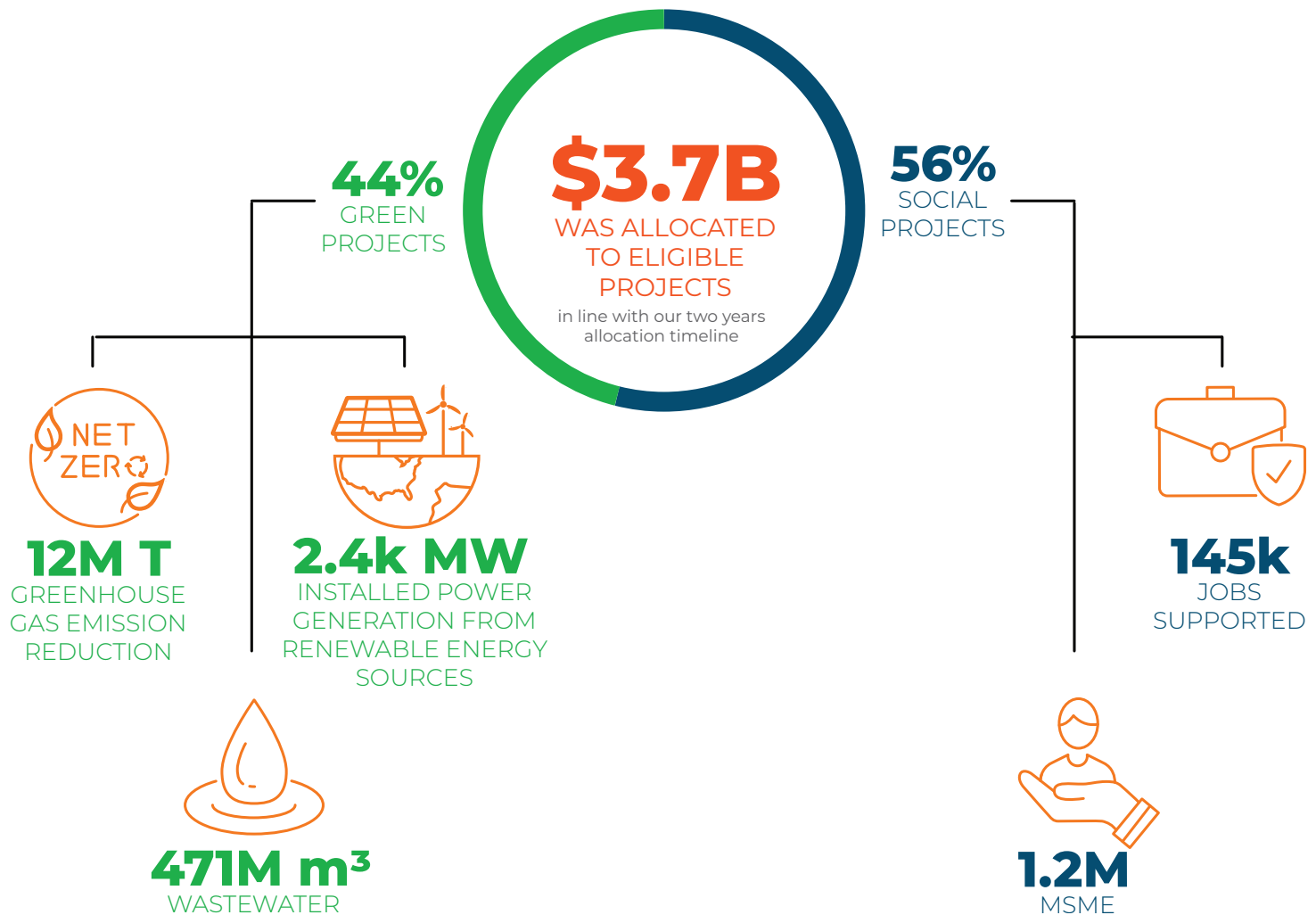
**\$7.4B** RAISED BY  
IDB Invest  
AS OF YE2023

INCLUDING

**\$4.9B**  
IN SUSTAINABLE  
DEBT ISSUANCE  
THROUGH



**18** BOND TRANSACTIONS | **5** CURRENCIES







## INTRODUCTION

We are pleased to present our 2023 Allocation and Impact Report, underscoring our commitment to transparency and accountability in our journey as a Sustainable Issuer in the capital markets. Our social, green and sustainability bonds provide investors with the opportunity to finance impactful projects in Latin America and the Caribbean that contribute to improving people's lives.

This marks our third cycle of proceeds allocation from our sustainable bond issuances. This report covers issuances under our [Sustainable Debt Framework](#) in 2023 and cumulative impact reporting for the 2019-2023 period. It also provides a comprehensive overview of the pool of projects financed with the proceeds from our green, social and sustainability bond issuances and shares the progress we have made towards achieving the intended impact.

The funds raised through the issuances have been carefully allocated to eligible projects in alignment with the categories defined in our Sustainable Debt Framework. Additionally, the report includes selected development impact indicators from the pool of projects and their contributions to the United Nations Sustainable Development Goals (SDGs).

This year we delivered strong impact in key areas such as reducing carbon emissions, increasing energy generated from renewable sources and providing financing to support underserved populations as highlighted by our achieved results. These are the result of collective efforts across our organization for a sustainable future for Latin America and the Caribbean.



# 01 Transforming for Greater Impact and Scale

In March 2024, our Boards of Governors approved three transformational changes to increase the impact and scale of the IDB Group's development work in Latin America and the Caribbean. These include a new Institutional Strategy, a \$3.5 billion capital increase to support a new business model for IDB Invest, and up to \$400 million in additional resources to support IDB Lab's new business model.

Together, we call these three transformations [IDBImpact+](#). They make us not just bigger, but better, and drive the IDBImpact+ ethos. Ambitious, innovative programs and initiatives put that ethos into practice.





# New Institutional Strategy

The Institutional Strategy sets the IDB Group's strategic direction through 2030 to bring a new level of impact and scale in the region. It renews our mission to be the partner of choice for Latin America and the Caribbean, with a commitment to addressing the region's vulnerabilities and unlocking its potential to foster transformative social and economic progress while actively combating climate change.

Through this new strategy, we aim to boost the Group's results and impact through a series of measures, including developing a results-based, programmatic approach to working with member countries, upgrading lending tools and measurement metrics, investing more in knowledge capacity, and enhancing a culture of impact and meritocracy across the IDB, IDB Invest and IDB Lab.

**Core Objectives:** Three mutually reinforcing objectives are at the core of the Institutional Strategy, driving action across all of our development projects.

- **Reducing Poverty and Inequality:** We are devoted to eradicating extreme poverty and investing in human capital – from education to food security and health to gender equality;

- **Addressing Climate Change:** We are dedicated to combating and adapting to climate change, including by safeguarding the Amazon, curbing emissions and preserving biodiversity, while strengthening resilience and;

- **Bolstering Sustainable Growth:** We are committed to increasing the region's long-term growth, by investing in infrastructure, empowering the private sector to drive productivity and innovation, and enhancing regional integration

**Operational Focus Areas:** To achieve our core objectives, we work in seven areas of operational focus. The first three are addressed through targeted projects as well as through their mainstreaming in diverse sectors to enhance impact.

- **Biodiversity, Natural Capital and Climate Action**
- **Gender Equality and Inclusion of Diverse Population Groups**
- **Institutional Capacity, Rule of Law and Citizen Security**
- **Social Protection and Human Capital Development**
- **Sustainable, Resilient and Inclusive Infrastructure**
- **Productive Development and Innovation through the Private Sector**
- **Regional Integration**

## Capitalization for IDB Invest

To meet these objectives, the IDB Group will bolster its financial capacity. A \$3.5 billion capital





increase for IDB Invest will support its new vision and business model, scaling its ability to channel resources to the region from approximately \$8 billion per year currently to around \$19 billion.

The new IDB Invest business model will allow it to shift toward an impact-driven originate-to-share approach. It will be able to take on more risk, expand its field presence, and deploy innovative products to deliver better results at the project and portfolio levels.

## New Funding for IDB Lab

To ensure that the IDB Group further leverages innovation to drive social inclusion, climate action, and productivity in the region, the IDB and IDB Invest Boards of Governors approved a proposal for IDB Lab to enhance its operating model and become an innovation hub for development. This approval allows IDB Lab to seek \$400 million in new funding, which would be deployed in the 2026-2032 period.

## Boosting IDB Group synergies and private resource mobilization

The institutional strategy intends to strengthen synergies across the IDB, IDB Invest and IDB Lab. It also calls for the IDB Group to work with other multilateral development banks as part of an integrated system.

The new strategy, along with the new business model and capital increase for IDB Invest, and the new model for IDB Lab will increase the scale of the Group's work by placing financial innovation and mobilization of private sector resources front and center of each investment decision, strengthening selectivity and crowding-in private investors at scale. Taken together, the reforms, along with efforts by each institution to optimize their balance sheets, will enable the IDB Group to increase its financing capacity to up to \$112 billion over the next 10 years.





# 02 Our Investors Opinion



Incorporating the perspectives of our investors is essential to creating a well-rounded and strong Sustainable Framework as we continue our journey in the sustainable finance with our green, social and sustainable bonds. As key stakeholders, their insights provide critical feedback on the effectiveness of our Framework and the disclosure of the broader impact we are striving to achieve with the allocated portfolio. Including these opinions enriches our report by offering a holistic view of how proceeds deployment is perceived by those whose support and commitment to our mission forward. It fosters transparency and collaboration, ensuring that we remain responsive to investor input as we work toward greater positive impact together.

# Record

## Asset Management

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*The partnership with IDB Invest has been instrumental in achieving the ambition of our private investors and expanding our reach across new markets to support underserved communities globally. Their Sustainable Debt Framework contributes to allocate proceeds that deliver clear and measurable impact outcomes and have a long-lasting positive impact on local businesses and communities in Latin America and the Caribbean.*

”



Renata Kreuzig  
Director, EM and  
Frontier Portfolio  
Manager  
SSA Debt and  
Currency

Currency volatility is a significant obstacle for borrowers in emerging markets that seek long-term funding to finance projects that are vital for unlocking the productivity potential of their economies. Development loans available to government, private sector and SME borrowers are predominantly denominated in hard currencies, potentially exposing private businesses to volatile exchange rate fluctuations that can result in business uncertainty, higher cost of capital, additional debt burden and lower corporate creditworthiness when their assets and revenues are mostly denominated in local currency. Efficient and developed capital markets create opportunities to access long-term finance in local currency, which predicates a well-functioning private sector and contributes to sustainable socioeconomic prosperity and improved wealth distribution.

In this context, the Record EM Sustainable Finance Fund was launched in 2021 as a sub-fund of Record UCITS ICAV and is managed by Record Currency Management, a leader in bespoke currency risk management solutions with a track record of 40 years in currency hedging for global investors. The Fund has c. 1bn in AUM (as of June 2024) and has been active in managing currency risk in approx. 40



currencies of Emerging Market and Developing Economies (“EMDEs”) through foreign exchange forward contracts and local currency bond instruments. Simultaneously, the fund directly supports the financing of development projects by making investments in USD-denominated sustainable bonds issued by Multilateral Development Banks and other Development Finance Institutions with development operations in EMDE countries. Issuers in the portfolio are expected to integrate ESG considerations in their internal and external processes as well as comply with sustainable finance legislation, including the “Do No Significant Harm” principle and good governance practices in its economic activity. For the purpose of the EU Sustainable Finance Disclosure Regulation the Fund has been categorized as an Article 8 Fund with investments that aim to promote social characteristics.

### *How do IDB Invest's bonds align with the Record EM Sustainable Finance Fund?*

The Fund's ambitions are closely aligned with the IDB Invest mandate and partnerships between development banks and private sector investors can therefore help support long-term economic development, reduce poverty and inequality, and bolster inclusive sustainable growth, in line with the UN SDGs. In particular, the IDB Invest Sustainable Debt Framework has offered a range of sustainable products that deliver greater disclosure and comply with international guidance that promotes investment transparency and integrity. IDB Invest's approach to transparent impact reporting is critical to the Fund's commitment to disclosing the environmental and social impacts of its investments. Furthermore, sustainable instruments enable the mobilization of private sector capital to finance key development projects that contribute to the global efforts to address pressing challenges such as climate change, social inequality, and sustainable development. The Sustainable Debt Framework is an essential tool that can help accelerate and

scale private sector investments and drive positive change to meet the UN SDGs.

The Fund is therefore pleased to collaborate and engage with IDB Invest on several initiatives and provide funding that aims to finance sustainability projects in the Latin America and Caribbean region with clear social and green impact outcomes. We have partnered on private placement bond transactions that will see proceeds allocated in local currency to initiatives that promote access to inclusive long-term finance, supports microlending activities in underserved communities, and provides technical and financial support for innovative and environmentally sustainable projects critical to transportation infrastructure, renewable energy and telecommunications. More recently, we were delighted to be the sole investor in the Private Sector Bond to finance the Amazon Region, issued under the Sustainable Debt Framework and aligned with the objectives of Amazonia Forever, the IDB Group's holistic umbrella program that seeks to upscale financing for the sustainable development of the Amazon region launched in June 2023.

# Nuveen

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*We were impressed by their thorough Sustainable Debt Framework that, upon initial evaluation, appeared to be closely aligned with our Impact Investment approach. We liked the clear and concise eligible categories that also included numerous example projects that provided investors a good indication of how capital would be deployed. Additionally, including both Social and Environmental categories amongst the eligibility criteria aligns with our view that all issuers, regardless of sector, impact both society and/or the environment.*

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**nuveen**

Stephen M. Liberatore,  
CFA  
Senior Managing Director/Head  
of ESG/Impact  
Global Fixed Income  
Nuveen

Nuveen's fixed income ESG/impact strategies team is responsible for managing all public fixed income portfolios that have dedicated Environmental, Social and Governance (ESG) criteria and/or an Impact focus. As of 9/30/24, we have approximately \$22 billion in Assets Under Management (AUM) in 38 different mandates that include intermediate duration, short duration, green, social and all impact. Products offered cover Annuities, 40 Act Mutual Funds, Separately Managed Accounts (SMA), Undertaking for Collective Investment in Transferable Securities (UCITS), an active Exchange Traded Fund (ETF) and a Closed End Fund. All of these accounts are managed on an active, total return basis against common fixed income benchmarks. Our client base consists of Retail Investors, High Net Worth Individuals, Family Offices, Religious Organizations, Endowments, Foundations, Non-Profits, Educational Institutions, Corporate Benefit Plans and a State Fund. We evaluate securities across all fixed income sectors, the ratings spectrum and up and down the capital stack for inclusion in our portfolios. Securities are eligible for inclusion in our portfolios if they are deemed to be an ESG Leader or an Impact Investment. ESG Leadership is evaluated on a best-of-industry class basis



utilizing both internal and external data, while an Impact Investment must have a direct and measurable social and/or environmental outcome associated with its' proceeds. An Impact Investment must be in alignment with our proprietary Impact Investment Framework which was created in 2007 and is reviewed annually and updated accordingly. As of 9/30/24 we have approximately \$10 billion of AUM that qualify as Impact Investments across the four thematic areas we focus on:

- **Affordable Housing**
- **Community and Economic Development**
- **Renewable Energy and Climate Change**
- **Natural Resources**

Regardless of the account, we look to maximize Impact within the relevant investment guidelines. As a result, we continually look for securities that have a direct and measurable social and/or environmental benefit and meet our Framework. The team pursues a non-concessionary approach to impact, with all investments assessed on a relative value basis. The focus is on financing projects and programs with positive societal and/or environmental outcomes via the public fixed income market. The team does not participate in deals unless the use of proceeds is well-articulated in the offering documents, the outcomes are observable, and reporting will be available with sufficient frequency and transparency to measure the results and hold issuers accountable. In a typical year, the team frequently passes on labeled Green, Social and Sustainability (GSS) deals that fall short of Nuveen's standards based on use of proceeds and reporting.

It was through this process that we first become exposed to IDB Invest's Sustainable Debt Issuance program. We were impressed by their thorough Sustainable Debt Framework that, upon initial evaluation, appeared to be closely aligned with our Impact Investment approach. We liked the clear and concise eligible categories that also included numerous

example projects that provided investors a good indication of how capital would be deployed. Additionally, including both Social and Environmental categories amongst the eligibility criteria aligns with our view that all issuers, regardless of sector, impact both society and/or the environment. In fact, we feel that our belief that all environmental projects have an impact on society and correspondingly that most social projects have an impact on the environment is well reflected in IDB Invest's framework. The defining characteristic however, is the identification of relevant, market accepted Key Performance Indicators (KPIs) for each eligible category and commitment to detailed annual impact reporting.



The team's assessments are conducted on a case-by-case basis. This idiosyncratic evaluation requires a heavy commitment to upfront due diligence. Depending on the level of clarity of the offering documents and similarity to previously issued bonds by that issuer or other issuers, due diligence and research ranges from light touch to exhaustive. The team speaks with project leads and managers, engineers, scientists, CEOs, CFOs, and other senior leaders of the issuer to fully understand how proceeds from the deal will be deployed and the processes and resources the issuer has in place to track and measure project- and outcome-specific KPIs. Despite the clarity and granularity of the IDB Invest Sustainable Debt Framework, we still needed to speak with leaders at the organization that could provide high level insights into the approach and support around this initiative. These conversations with IDB Invest provided us comfort with the strategy and commitment to sustainability and impact reporting at IDB Invest. Additionally, we were impressed that IDB Invest was a signatory to the Operating Principles for Impact Management (Principles) and had obtained independent verification of their alignment with them. The Principles provide a framework to guide investors on the integration of impact considerations throughout the investment life cycle. As a fellow signatory that has also obtained independent verification of alignment, we fully appreciate the rigor, effort and commitment that is needed to meet the underlying requirements.

These factors, combined most importantly with the attractive relative value presented by IDB Invest's bonds, have led our team to invest over \$100 million in IDB Invest Sustainable Debt transactions since their debut. We look forward to evaluating future transactions for potential inclusion within our portfolios given that to date, these securities have helped us to deliver on our mission to provide our investors long term excess return potential with direct and measurable social and/or environmental impact.





# 03 Sustainable Bond Program

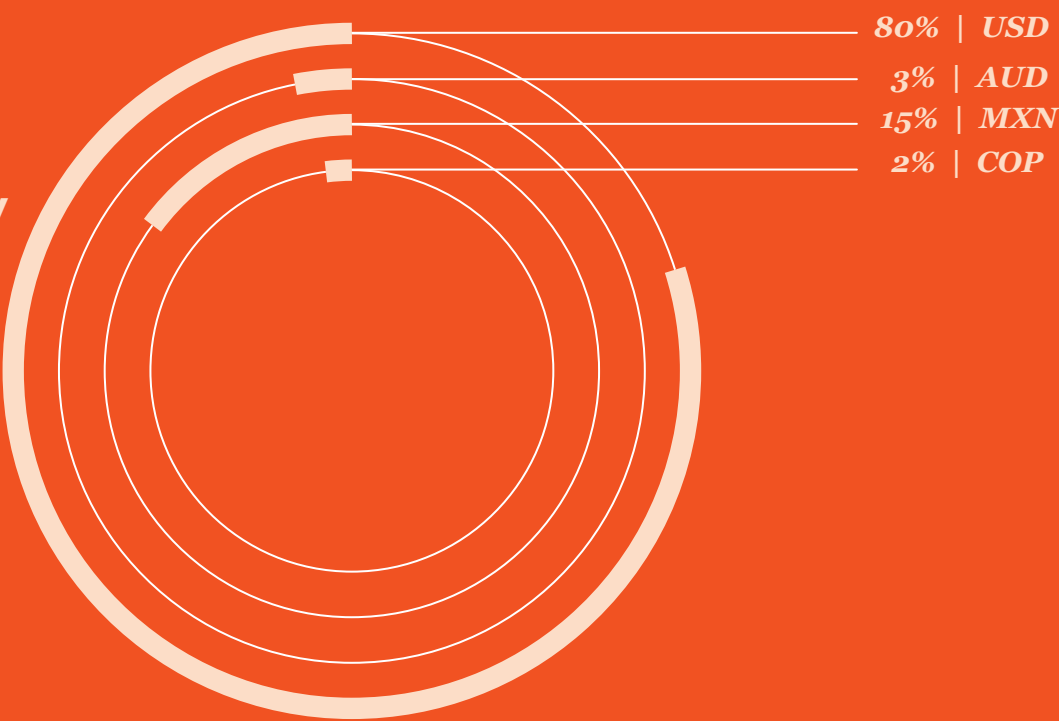
## 2023 Overview

In 2023, we issued a total of **\$1.2 billion** under our Sustainable Debt Framework, including **\$43.0 million in green bonds, \$191.8 million in social bonds and \$1.0 billion in sustainability bonds**. Expanding our currency offerings for sustainable bonds, we issued our first sustainable bond denominated in the Colombian peso to finance eligible green and social projects in Colombia. This local currency issuance will help protect borrowers in Colombia from foreign currency fluctuations, making debt repayments less volatile and more sustainable.

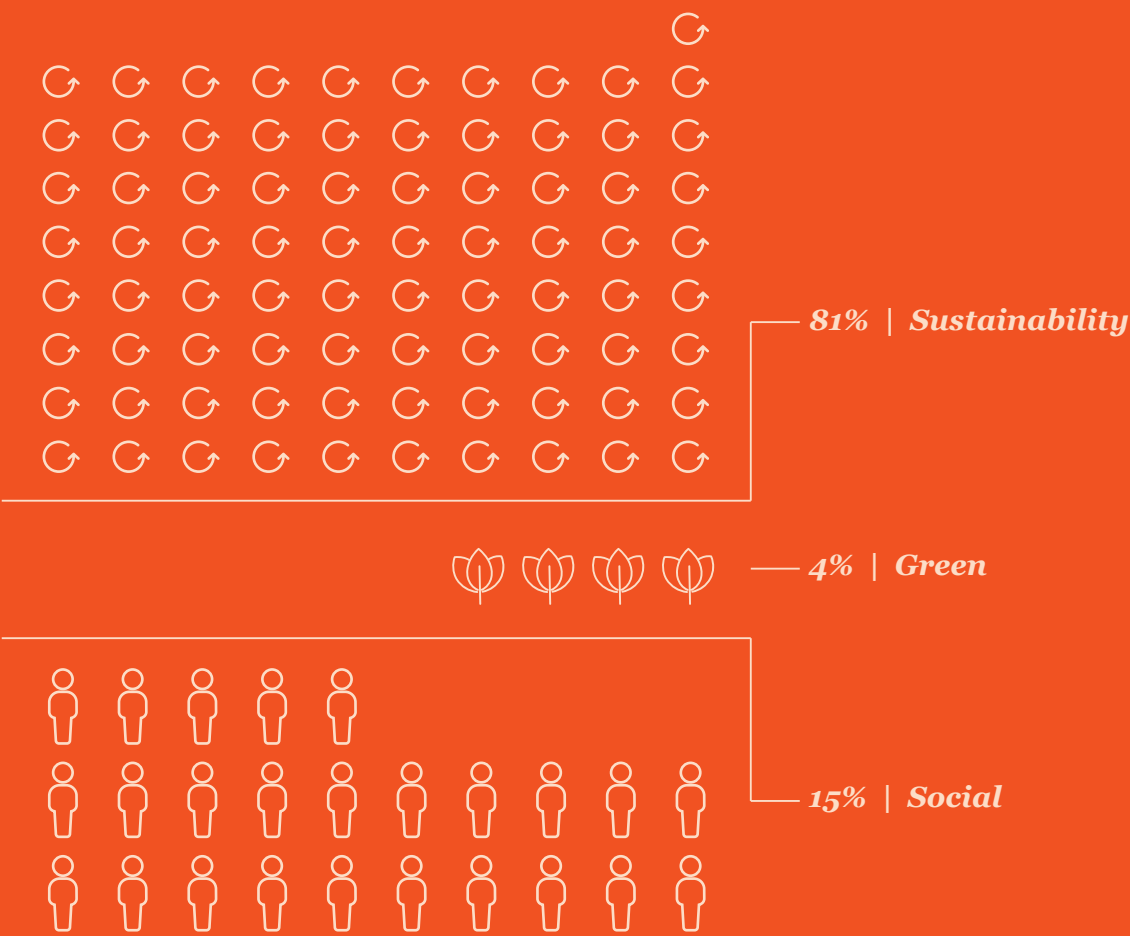
The sustainable debt issued in 2023 included our second Global U.S. dollar Benchmark Sustainability Bond, our third Mexican peso Benchmark Social Bond, and three private placements, including two Australian dollar private placement Green Bonds and the aforementioned Colombian peso sustainability bond.

# Sustainable Debt 2023

## By Currency



## By Category



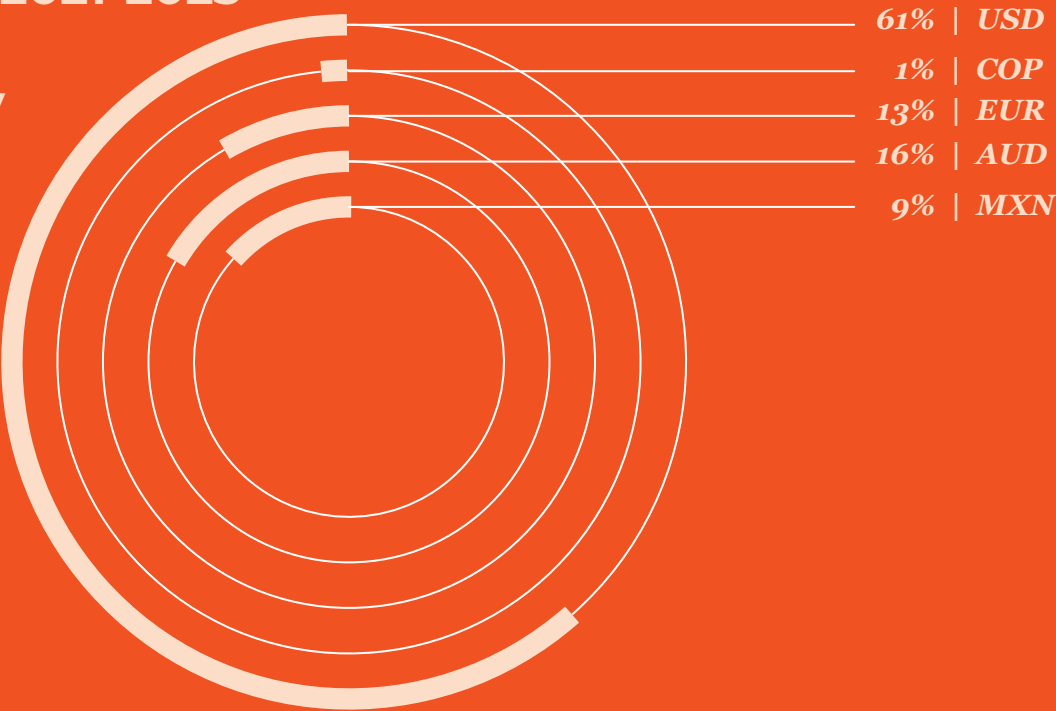


## Cumulative 2021-2023 Sustainable Debt

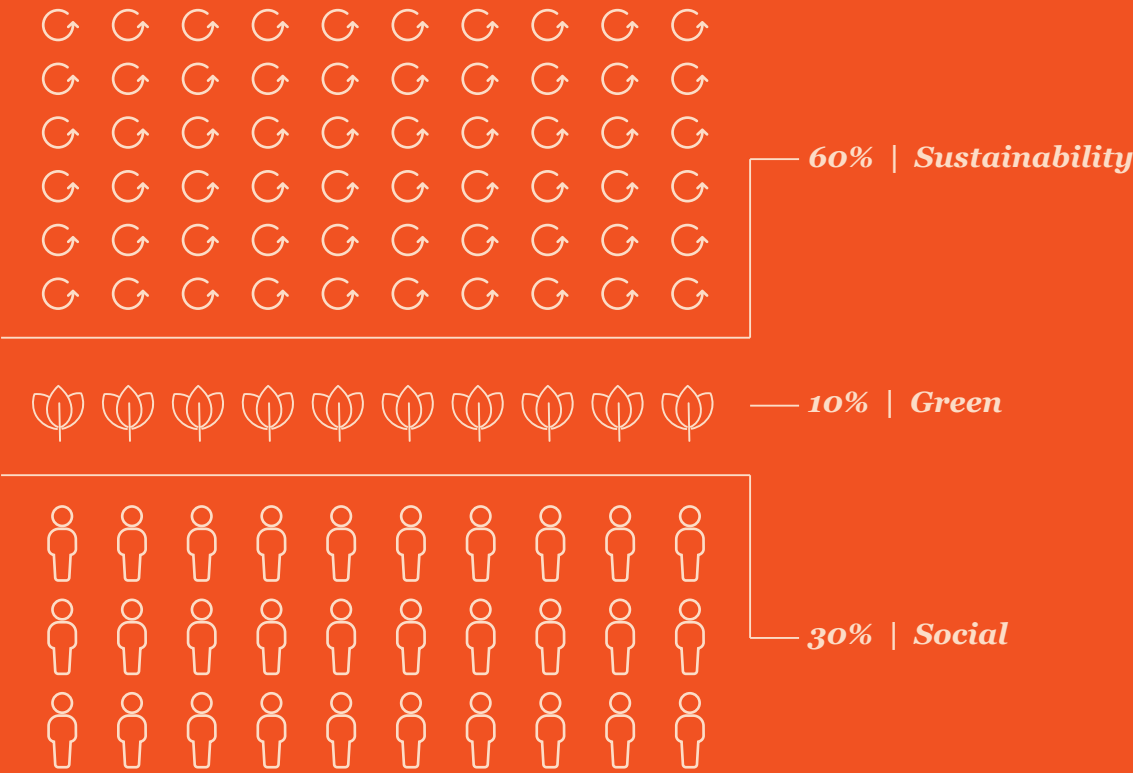
As of year-end 2023, the total issuance under IDB Invest's Sustainable Debt Framework reached **\$4.9 billion**, representing **67%** of our total outstanding debt in the market as of that date. The distribution by category is 10% green bonds, 30% social bonds and 60% sustainability bonds.

# Sustainable Debt Cumulative 2021-2023

## By Currency



## By Category







## Outstanding Sustainable Debt Year-end 2023

Bond Type	Theme	Status	ISIN	Issue Date	Coupon	Maturity	CCY	USD Amount Issued	Proceeds in USD
Sustainability	N/A	Active	XS2297244878	2/10/21	Fixed 0.625%	2/10/26	USD	1,000,000,000	1,000,000,000
Social	Gender	Matured	MXJIBI0K0036	3/24/21	TIIE28 Flat	03/20/24	MXN	2,500,000,000	121,654,501
Green	Transition	Active	XS2349425657	6/11/21	Fixed 1.69%	6/11/31	USD	100,000,000	100,000,000
Social	N/A	Active	AU3CB0281285	6/30/21	Fixed 1.10%	6/30/26	AUD	400,000,000	301,760,000
Green	Decarbonization	Active	XS2391894404	9/29/21	Fixed 1.749%	9/29/31	AUD	68,000,000	49,238,800
Green	Blue	Active	AU3CB0284263	11/4/21	Fixed 2.20%	11/4/31	AUD	50,000,000	37,450,000
Green	N/A	Active	AU3CB0286557	2/17/22	Fixed 2.30%	2/17/27	AUD	300,000,000	215,100,000
Sustainability	N/A	Active	US45828Q2A46	4/22/22	Fixed 2.625%	4/22/25	USD	1,000,000,000	1,000,000,000
Social	SME in Value Chains	Active	MXJIBI0K0044	9/1/22	TIIE +0.05%	9/2/25	MXN	2,500,000,000	123,850,000
Green	Blue	Active	XS2535354745	9/29/22	Fixed 4.55%	9/29/37	AUD	38,000,000	25,619,600
Social	Silver Economy	Active	AU3CB0292506	9/30/22	Fixed 4.55%	9/30/32	AUD	103,000,000	69,339,600
Social	N/A	Active	XS2547604715	11/15/22	Fixed 3.125%	11/15/27	EUR	650,000,000	649,880,000
Green	Blue	Active	AU3CB0294189	11/17/22	Fixed 4.9%	11/17/42	AUD	50,000,000	32,187,500
Sustainability	N/A	Active	US45828Q2B29	2/15/2023	Fixed, 4.125%	02/15/28	USD	1,000,000,000	1,000,000,000
Green	N/A	Active	XS2587359196	2/16/2023	Fixed 4.81%	02/16/38	AUD	13,000,000	9,018,100
Green	Sustainable Management of Natural Resources and Land Use	Active	AU3CB0301083	7/19/2023	Fixed 4.95%	08/02/38	AUD	50,000,000	34,040,000
Social	N/A	Active	MXJIBI0K0051	10/17/2023	TIIE+10	10/15/26	MXN	3,500,000,000	191,800,000
Sustainability	No Theme	Active	XS2715327172	11/8/2023	Fixed 11.25%	01/16/29	COP	82,000,000,000	20,618,556

**4,981,556,657**



# 04 Allocation of Proceeds



# Overview

We conduct our allocation and impact reporting annually, considering the cumulative debt issued as of the end of the previous year. This approach ensures that our reporting reflects the full outstanding sustainable debt activities over time. When allocating proceeds to eligible projects, we apply a maximum lookback period of 24 months as indicated in the second pillar of our [Sustainable Debt Framework](#) – Management of the Proceeds. This means that the funds raised through our sustainable debt are allocated to projects that were committed and disbursed within the past 24 months, allowing us to support both ongoing and new projects.

We are committed to ensuring that full allocation is achieved within 24 months of the end of any cycle. The temporarily unallocated proceeds from our sustainable debt issuance will be held in our general account and invested in alignment with our conservative treasury investment guidelines.

As of the end of 2023, the total outstanding sustainable debt issued was \$4.9 billion (\$1.6 billion in 2021, \$2.1 billion in 2022, and \$1.2 billion in 2023), which successfully contributed to \$3.7 billion in disbursements to eligible projects. This amount represents 75% of the allocation of total outstanding debt. The

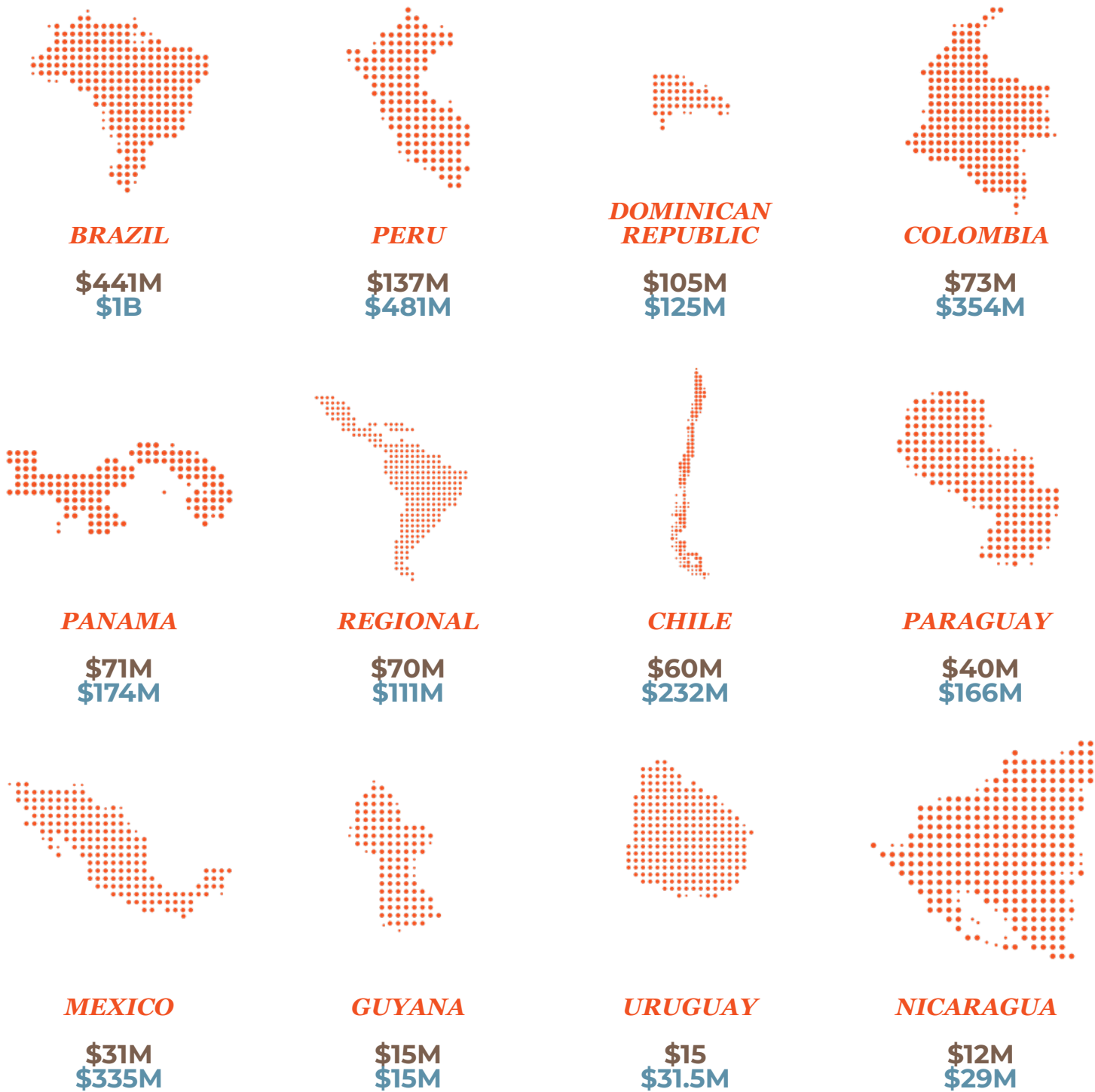
remaining balance will be managed following our Management of Proceeds commitment included in our Framework.

Of the total outstanding bond proceeds, 71% were allocated to new projects and 29% to existing eligible projects (so called refinancing) which are projects committed and disbursed previous to, but in no case longer than 24 months before, the bond issuance. Based on the Framework's categories, 61% of the proceeds were allocated to green projects, while 39% were directed towards social projects. Within the social category, the majority of proceeds—21%—were allocated to support socioeconomic advancement and empowerment. In the green category, 38.9% of the funds were dedicated to renewable energy projects.



# Allocated Projects by Country

Year-end 2023 and Cumulative 2021-2023



Sum of Amount Allocated 2023  
Sum of Cumulative Allocation 2021 - 2023

**ECUADOR**

**\$10M**  
\$236M

**COLOMBIA  
AND CHILE**

**\$8M**  
\$8M

**HAITI**

**\$8M**  
\$8M

**COSTA RICA**

**-**  
\$20M

**EL SALVADOR**

**-**  
\$176M

**BELIZE**

**-**  
\$4M

**JAMAICA**

**-**  
\$35M

**GUATEMALA**

**-**  
\$100M

**ARGENTINA**

**-**  
\$6M

**HONDURAS**

**-**  
\$94M

**GRAND TOTAL****\$1.1B**






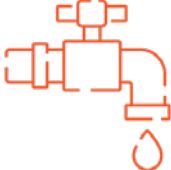
Allocated  
2023







**\$3.7B**

Allocation  
2021 - 2023



# Allocated Projects by Category

			2023	Cumulative 2021 - 2023*
Green		-	0%	0.87%
Clean Transportation		\$47,457,970	4.33%	1.68%
Energy Efficiency		-	0%	0.57%
Environmental Sustainable Management of Living Natural Resources		-	0%	2.91%
Renewable Energy		\$426,341,856	38.91%	32.13%
Sustainable Water and Wastewater Management		\$191,455,141	17.47%	5.50%

			2023	Cumulative 2021 - 2023
Climate Change Adaptation and Climate		\$8,127,672	0.74%	0.22%
Access to Essencial Services		\$45,992,655	4.20%	4.66%
Affordable Basic Infrastructure		\$62,314,488	5.69%	4.09%
Employment Generation and Programs		\$19,000,000	1.73%	7.86%
Food Security and Sustainable Food System		\$55,000,000	5.02%	2.23%
Socioeconomic Advancement and Empowerment		\$240,000,000	21.90%	37.27%
<b>Grand Total</b>		<b>\$1,095,689,782</b>		

## Eligible Projects

This section presents detailed project-level reporting, including financial terms, approval dates, approval amounts, disbursement amounts, and co-financing amounts, among other details. It also provides a project-level mapping with the SDGs and Sustainable Debt Framework categories aligned with the ICMA Principles. Project results should be read in conjunction with the description of our Impact Management Framework, which outlines our reporting approach.



				Allocation					
Transaction Number	Transaction padre	Transaction Name	Country names	Amount Allocated 2021	Amount Allocated 2022	Amount Allocated 2023	Cumulative Allocation 2021 & 2023	Portfolio	Category
11363-06	11363-06	Tanner factoring SMEs II	Chile	36.000.000	0		36.000.000	Social	Social - Socioeconomic advancement and empowerment
11466-03	11466-03	Natelu B Bond	Uruguay	1.378.100	0		1.378.100	Green	Green - Renewable Energy
11467-03	11466-03	Yarnel B Bond	Uruguay	1.429.000	0		1.429.000	Green	Green - Renewable Energy
11488-04	11488-04	Sicredi - Green Bond	Brazil	0	100.000.000		100.000.000	Green	Green - Renewable Energy
11749-07	11749-07	Banco Guayaquil Social Bond	Ecuador	15.000.000	0		15.000.000	Social	Social - Socioeconomic advancement and empowerment
11752-03	11752-03	Banco Promerica: SME Financing Partnership	Costa Rica	20.000.000	0		20.000.000	Social	Social - Socioeconomic advancement and empowerment
11762-06	11762-06	Pichincha Gender Bond	Ecuador	0	17.500.000		17.500.000	Social	Social - Socioeconomic advancement and empowerment
11843-02	11843-02	Daycoval Sustainable Financing Partnership	Brazil	100.000.000	0		100.000.000	Social	Social - Socioeconomic advancement and empowerment
11847-02	11847-02	Banco Internacional A/B MSMEs Financing Partnership	Chile			40.000.000	40.000.000	Social	Social - Socioeconomic advancement and empowerment
11859-02	11859-02	Alianza con Banco Internacional para Fomentar el Financiamiento Verde para PYMES	Ecuador	15.000.000	0		15.000.000	Social	Social - Socioeconomic advancement and empowerment
11861-03	11861-03	Promerica El Salvador - Sustainable Bond	El Salvador	0	15.874.587		15.874.587	Social	Social - Socioeconomic advancement and empowerment
11894-03	11894-03	Xoxocotla Solar PV	Mexico	9.303.031	0		9.303.031	Green	Green - Renewable Energy
11984-02	11984-02	Klabin II	Brazil	13.736.263	6.263.737	80.000.000	100.000.000	Green	Green - Renewable Energy
12090-02	12090-02	Factotal COVID-19 Mitigation Financing Partnership	Chile	15.000.000	0		15.000.000	Social	Social - Socioeconomic advancement and empowerment
12092-02	12092-02	New Juazeiro Bifacial Solar Power Project	Brazil	52.103.342	0		52.103.342	Green	Green - Renewable Energy
12092-03	12092-03	Casablanca PV Bifacial Solar Power Project	Brazil	51.516.882	31.329.649		82.846.532	Green	Green - Renewable Energy
12114-03	12114-03	Davienda Subordinado	Colombia	100.000.000	0		100.000.000	Social	Social - Socioeconomic advancement and empowerment
12174-02	12174-02	Banistmo Gender Bond	Panama	50.000.000	0		50.000.000	Social	Social - Socioeconomic advancement and empowerment
12201-01	12201-01	Emergencias Argentina	Argentina	6.000.000	0		6.000.000	Social	Social - Affordable basic infrastructure
12249-01	12249-01	Brookfield - BRK/RMR W&S Project in Recife	Brazil	13.009.871	1.427.898		14.437.770	Social	Social - Access to essential services
12249-01	12249-01	Brookfield - BRK/RMR W&S Project in Recife	Brazil	13.009.871	1.427.898		14.437.770	Green	Green - Sustainable water and wastewater management
12282-01	12282-01	Hotel La Compania	Panama	9.000.000	4.106.274		13.106.274	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12292-01	12292-01	Grupo Kowi	Mexico	8.680.061	5.996.147		14.676.208	Social	Social - Food security and sustainable food systems
12297-03	12297-03	Agrofertíl - Expansion Capex	Paraguay	0	10.000.000		10.000.000	Social	Social - Food security and sustainable food systems
12325-01	12325-01	Cooperativa de Ahorro y Crédito Pacífico	Peru	10.000.000	0		10.000.000	Social	Social - Socioeconomic advancement and empowerment
12340-01	12340-01	PPP EDUCATIVA 2 URUGUAY	Uruguay	0	13.840.000		13.840.000	Social	Social - Access to essential services
12343-02	12343-02	Primus Capital Post COVID-19 Recovery Financing Partnership	Regional	0	20.000.000		20.000.000	Social	Social - Socioeconomic advancement and empowerment
12357-01	12357-01	CMAC Huancayo	Peru	15.858.340	0		15.858.340	Social	Social - Socioeconomic advancement and empowerment
12362-01	12362-01	American Industrial Park	El Salvador	8.000.000	0		8.000.000	Green	Green - Renewable Energy
12362-02	12362-02	Orion IP & Free Zone	El Salvador	0	18.000.000		18.000.000	Green	Green - Renewable Energy
12375-01	12375-01	Grupo Elcatex/San Juan Textiles	Honduras	64.000.000	0		64.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12378-01	12378-01	Puerto de Uraba	Colombia	0	8.191.263	10.899.161	19.090.424	Social	Social - Affordable basic infrastructure
12402-01	12402-01	Navojoa Solar PV	Mexico	12.000.000	0	0	12.000.000	Green	Green - Renewable Energy
12457-02	12457-02	Banco Bolivariano Subordinated Loan	Ecuador	0	9.000.000		9.000.000	Social	Social - Socioeconomic advancement and empowerment
12457-02	12457-02	Banco Bolivariano Subordinated Loan	Ecuador	0	1.000.000		1.000.000	Green	Green - Energy Efficiency
12467-01	12467-01	Grupo Kattian	Honduras	5.000.000	0		5.000.000	Green	Green - Renewable Energy
12511-01	12511-01	Corporacion Favorita	Ecuador	90.000.000	0		90.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12597-01	12597-01	CRN - CCN Reciclaje	Nicaragua	17.500.000	0	11.500.000	29.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12621-01	12621-01	Bancolombia Emisión de Bonos Sostenibles	Colombia	78.435.192	0		78.435.192	Social	Social - Socioeconomic advancement and empowerment
12621-01	12621-01	Bancolombia Emisión de Bonos Sostenibles	Colombia	12.384.504	0		12.384.504	Green	Green - Renewable Energy
12621-01	12621-01	Bancolombia Emisión de Bonos Sostenibles	Colombia	12.384.504	0		12.384.504	Green	Green - Energy Efficiency
12678-01	12678-01	CAME	Mexico	14.935.075	0		14.935.075	Social	Social - Socioeconomic advancement and empowerment
12710-01	12710-01	LD Celulose SA	Brazil	0	109.000.000		109.000.000	Green	Green - Environmentally sustainable management of living natural resources and land use
12754-01	12754-01	Demerara Distillers Limited	Guyana			15.000.000	15.000.000	Social	Social - Food security and sustainable food systems
12766-01	12766-01	HITEC	Mexico	0	18.830.000		18.830.000	Social	Social - Socioeconomic advancement and empowerment
12789-01	12789-01	Tiendas TIA	Ecuador	30.000.000	0		30.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12793-03	12793-03	JMMB Bank Partnership	Jamaica	35.000.000	0		35.000.000	Social	Social - Socioeconomic advancement and empowerment
12822-01	12822-01	VARMOXZ	Mexico	46.500.000	0		46.500.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
12824-02	12824-02	BAC El Salvador - Support to "Mujer Acelera" Program	El Salvador	60.000.000	0		60.000.000	Social	Social - Socioeconomic advancement and empowerment
12853-02	12853-02	BAC Guatemala - SME Partnership and Digitalization Promotion	Guatemala	100.000.000	0		100.000.000	Social	Social - Socioeconomic advancement and empowerment
12872-01	12872-01	Avla Chile WHL	Chile	8.000.000	19.000.000		27.000.000	Social	Social - Socioeconomic advancement and empowerment
12893-01	12893-01	La Pimienta Solar Project	Mexico	37.646.700	9.581.299		47.227.999	Green	Green - Renewable Energy
12933-01	12933-01	Sudameris MSME Financing Partnership	Paraguay	14.885.604	0		14.885.604	Social	Social - Socioeconomic advancement and empowerment
12957-01	12957-01	PPP Educativa 3	Uruguay			14.900.000	14.900.000	Social	Social - Access to essential services
12976-01	12976-01	BDMG - Sustainable Bond	Brazil	34.000.000	0		34.000.000	Social	Social - Socioeconomic advancement and empowerment
12976-01	12976-01	BDMG - Sustainable Bond	Brazil	8.000.000	0		8.000.000	Green	Green - Renewable Energy
12976-01	12976-01	BDMG - Sustainable Bond	Brazil	8.000.000	0		8.000.000	Green	Green - Energy Efficiency
12995-01	12995-01	Engie Decarbonization Instrument	Chile	74.000.000	0		74.000.000	Green	Green - Renewable Energy
13001-01	13001-01	Mercader Financial - SME Financing Partnership	Mexico	19.334.506	0		19.334.506	Social	Social - Socioeconomic advancement and empowerment
13019-01	13019-01	Caja Arequipa Bono Mujer	Peru	16.061.974	0		16.061.974	Social	Social - Socioeconomic advancement and empowerment
13057-01	13057-01	Konfio Warehousing Line	Mexico	1.523.759	9.450.789		10.974.548	Social	Social - Socioeconomic advancement and empowerment
13102-01	13102-01	Kubo Financiero	Mexico	9.943.493	0		9.943.493	Social	Social - Socioeconomic advancement and empowerment
13146-01	13146-01	Cáldida Corporate Loan	Peru	100.000.000	0		100.000.000	Social	Social - Access to essential services

				Allocation					
Transaction Number	Transaction padre	Transaction Name	Country names	Amount Allocated 2021	Amount Allocated 2022	Amount Allocated 2023	Cumulative Allocation 2021 & 2023	Portfolio	Category
13289-01	12718-03	Green Power Assets (Magdalena)	Mexico	26.670.000	0		26.670.000	Green	Green - Renewable Energy
13290-01	12718-03	Green Power Assets (Dolores)	Mexico	46.660.000	0		46.660.000	Green	Green - Renewable Energy
13291-01	12718-03	Green Power Assets (Amistad IV)	Mexico	26.670.000	0		26.670.000	Green	Green - Renewable Energy
13303-01	13303-01	Sofisa SME Financing Partnership	Brazil			20.000.000	20.000.000	Social	Social - Socioeconomic advancement and empowerment
13316-01	13316-01	Capital Bank SME Financing Partnership	Panama	30.000.000	0		30.000.000	Social	Social - Socioeconomic advancement and empowerment
13420-01	13420-01	PV Llanos 3	Colombia	940.000			940.000	Green	Green - Renewable Energy
13424-01	13424-01	El Rosado Ecuador	Ecuador	0	25.000.000		25.000.000	Green	Green - Renewable Energy
13429-01	13429-01	Banco Pan - Microfinance Long Term Financing	Brazil	0	17.500.000		17.500.000	Social	Social - Socioeconomic advancement and empowerment
13446-01	13446-01	Enel Green Power Peru	Peru	0	40.000.000		40.000.000	Green	Green - Renewable Energy
13450-01	13450-01	Punta Lomitas Wind Farm	Peru	0	132.000.000	116.833.333	248.833.333	Green	Green - Renewable Energy
13466-01	13466-01	Viva	Peru			20.000.000	20.000.000	Social	Social - Affordable basic infrastructure
13473-01	13473-01	Mendubim Solar PV Power Project	Brazil			150.020.576	150.020.576	Green	Green - Renewable Energy
13487-02	13487-02	Viru TSCF Loan	Peru	0	30.000.000		30.000.000	Social	Social - Socioeconomic advancement and empowerment
13505-01	13505-01	Ruba Inmobiliaria	Mexico			23.388.156	23.388.156	Social	Social - Affordable basic infrastructure
13683-01	13683-01	Codevi	Haiti			7.500.000	7.500.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
13761-01	13761-01	Promerica DR Subordinated Debt	Dominican Republic	0	5.000.000		5.000.000	Social	Social - Socioeconomic advancement and empowerment
13787-01	13787-01	AVLA - Social Housing Financing	Chile	0	20.000.000	20.000.000	40.000.000	Social	Social - Socioeconomic advancement and empowerment
13808-01	13808-01	New Financing Structure for Rutas 2/7	Paraguay	0	76.488.650		76.488.650	Social	Social - Affordable basic infrastructure
13889-01	13889-01	Grupo Elcatex/San Juan Textiles II	Honduras	0	25.000.000		25.000.000	Social	Social - Socioeconomic advancement and empowerment
13896-01	13896-01	Guagua Fontibon Electric Bus Project	Colombia			19.229.964	19.229.964	Green	Green - Clean transportation
13918-01	13918-01	La Mata (Solarpack)	Colombia	0	6.282.199	4.824.128	11.106.328	Green	Green - Renewable Energy
13929-01	13929-01	Bancolombia	Colombia	0	36.494.204		36.494.204	Social	Social - Socioeconomic advancement and empowerment
13945-01	13945-01	PROCSA III	Mexico			8.027.171	8.027.171	Social	Social - Affordable basic infrastructure
13958-01	13958-01	Banco Agrícola Subordinated Debt to Strengthen Women-led SMEs and Green Financing in El Salvador	El Salvador	0	70.000.000		70.000.000	Social	Social - Socioeconomic advancement and empowerment
13959-01	13959-01	Royal America	Chile, Colombia			8.127.672	8.127.672	Green	Green - Climate change adaptation and climate resilience
13986-01	13986-01	Cordada MSME Productive Development Partnership	Regional	0	11.000.000		11.000.000	Social	Social - Socioeconomic advancement and empowerment
13993-01	13993-01	Finanzauto S.A. BIC A/B Loan for productive financing to I	Colombia	0	15.504.625		15.504.625	Green	Green - Clean transportation
<b>14015-01</b>	<b>14015-01</b>	<b>Social Bond of Gender and Inclusion - Banco Solidario</b>	Ecuador	0	20.000.000	10.000.000	30.000.000	Social	Social - Socioeconomic advancement and empowerment
14022-01	14022-01	Agrovision	Regional	0	10.000.000		10.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
14030-01	14030-01	CMI - Alimentos III	Regional			40.000.000	40.000.000	Social	Social - Socioeconomic advancement and empowerment
14037-01	14037-01	BHD Subordinated Debt for Capital Strengthening and Financial Empowerment of WSME	Dominican Republic			75.000.000	75.000.000	Social	Social - Socioeconomic advancement and empowerment
14108-01	14108-01	Guagua Usme Electric Bus Project	Colombia			28.228.006	28.228.006	Green	Green - Clean transportation
14115-01	14115-01	Marie Sharp	Belize	0	4.000.000		4.000.000	Social	Social - Employment generation and programs to alleviate unemployment from socio-economic crises
14121-01	14121-01	La Union (Solarpack)	Colombia	0	5.042.734	9.783.619	14.826.352	Green	Green - Renewable Energy
14162-01	14162-01	Banco Continental Sustainable Financing Partnership	Paraguay	0	13.691.176		13.691.176	Green	Green
14162-01	14162-01	Banco Continental Sustainable Financing Partnership	Paraguay	0	10.808.824	30.000.000	40.808.824	Social	Social - Socioeconomic advancement and empowerment
14169-01	14169-01	Agripac Trade Facility	Ecuador	0	3.866.810		3.866.810	Social	Social - Food security and sustainable food systems
14181-01	14181-01	Bancop Food Security Financing Partnership	Paraguay			10.000.000	10.000.000	Social	Social - Food security and sustainable food systems
14348-01	14348-01	CEPM Green Projects	Dominican Republic	0	15.000.000		15.000.000	Green	Green - Renewable Energy
14421-01	14421-01	Grupo Ortiz-Water and Sanitation Facility	Panama			31.092.655	31.092.655	Social	Social - Access to essential services
14486-01	14486-01	Proparco Aguas do Rio - Bloco 4	Brazil			62.907.690	62.907.690	Green	Green - Sustainable water and wastewater management
14487-01	14487-01	Proparco Aguas do Rio - Bloco 1	Brazil			33.873.372	33.873.372	Green	Green - Sustainable water and wastewater management
14488-01	14488-01	Proparco Sabesp - Tietê River Depollution Project Phase IV	Brazil			94.674.079	94.674.079	Green	Green - Sustainable water and wastewater management
14505-01	14505-01	Global Bank - Climate Financing Partnership	Panama			40.000.000	40.000.000	Green	Green - Renewable Energy
14509-01	14509-01	CMI Alimentos Expansion	Regional			30.000.000	30.000.000	Social	Social - Food security and sustainable food systems
14542-01	14542-01	AES Warehouse Facility for Renewable Projects	Dominican Republic			24.880.200	24.880.200	Green	Green - Renewable Energy
				<b>1.604.500.074</b>	<b>1.022.498.763</b>	<b>1.095.689.782</b>	<b>3.722.688.620</b>		

\* Please note that projects in bold are bonds structured by our clients in which case we participate as whole or anchor investor to develop the green, social and sustainable market in the region

[Download in Excel](#)

# 05 Impact Report





# Interpreting IDB Invest's Impact Report

To better understand the impact metrics reported for the allocated portfolio, this section explains how IDB Invest measures and manages impact, from its measurement tools to the selection of impact indicators and reporting for co-financed projects, among other elements.

Our [Impact Management Framework](#) is an end-to-end series of tools and practices that support the complete project lifecycle and integrate impact and financial considerations into project origination and portfolio management. This includes the DELTA impact rating system described below.

**IDB Invest's impact rating system:** The DELTA<sup>1</sup> is a fact-based scoring system that assesses the impact potential of each investment, assigning a score from zero to 10, and tracks results achieved over time. The DELTA score is a key decision-making factor in IDB Invest's portfolio approach, together with the Financial Contribution Rating, which assesses each investment's contribution to IDB Invest's long-term financial sustainability based on the risk-adjusted return on capital (RAROC). Proposed investments must meet certain impact and financial rating thresholds, with decreasing financial contribution requirements for highly impactful investments.



The DELTA score is based on four key elements: an approximation of the economic and social rate of return (monetization) of each investment, complemented by a stakeholder analysis to ensure that the most important direct and indirect effects are considered, a sustainability assessment, and an assessment of the additionality that IDB Invest brings to the project.

The DELTA also serves as a management tool, collecting data on impact results from individual projects to help visualize the evolution of the portfolio as a whole and identify patterns, gaps, and key predictors of impact success. In addition to the comprehensive impact analysis that goes into the score itself, each project has a results matrix with specific indicators and targets relevant to its theory of change and impact objective, including indicators to track the project's contribution to identified SDG targets.

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<sup>1</sup> Development Effectiveness, Learning, Tracking, and Assessment.

Each project also has a monitoring and evaluation plan that outlines how these indicators will be tracked and measured throughout implementation, and ultimately, evaluated at the end of a project to determine whether objectives were achieved. This plan specifies the frequency, methods, sources, and responsibilities for data collection and analysis. Whenever possible, indicators are aligned with standardized metrics from the [Harmonized Indicators for Private Sector Operations \(HIPSO\)](#) or the IRIS+ system.

Therefore, the DELTA's structure paves the way for ongoing measurement of impact results against expectations throughout the lifetime of the project. As part of the annual supervision exercise that integrates both financial and impact performance, the DELTA Project Score is updated on a client level basis to reflect actual performance toward achieving impact targets set in the results matrix, allowing for a portfolio view of ongoing impact achievements.

**Impact indicator selection:** The impact indicators presented in this report have been carefully chosen from a range of possible metrics. The purpose is to provide an aggregate overview of the anticipated and actual outcomes across various sectors and country contexts within the allocated portfolio.

**Scope of impact results:** The impact indicators are tracked on a project-level basis. Unless otherwise indicated, reporting is based on estimates of impacts at the time of project appraisal and the data reported annually by clients following the requirements established in the legal documentation. For confidentiality reasons, the impact results presented in this report are aggregated at the portfolio level.

**The expected end-of-project value (EOP):** The expected EOP value for each impact metric represents the cumulative results set as targets for each project; however, not all indicators are required to set EOPs. Actual and planned EOP values can be revised from time-to-time to improve measurement and/or account for changes in the underlying methodology used by the client to calculate or report indicators. In these cases, IDB Invest has an internal protocol to ensure consistency in the evaluability of the project. Therefore, proper justification needs to be provided and approved by the Chief of Development Effectiveness.

**Impact reporting period:** The impact metrics reported herein represent the aggregate impact indicators reported by allocated projects for the period 2019-2023. Projects may have impact across a wider range of indicators than captured in this report.

**Impact reporting for co-financed projects:**

IDB Invest often co-finance projects with other lenders. The results reported for each individual project consider the project's total financing. The indicators presented herein have not been prorated for the portion of IDB Invest's contribution to the total project cost.

**GHG emission methodology:** The estimation of net avoided greenhouse gas (GHG) emissions is performed following the practices of the [Clean Development Mechanism \(CDM\)](#) using the without-project-scenario approach. Avoided emissions are calculated as the product of electricity generation from clean or low-carbon sources by the relevant emission factor in the country. The emission factor is chosen to better reflect the emissions associated with the counterfactual scenario, considering the project technology and context. At the structuring stage, the analysis is based on the most recent emission factor from official sources or, in the absence of information, from the Default Grid Emission Factor Dataset, produced by the International Financial Institutions Technical Working Group on Greenhouse Gas Accounting (IFI TWG).

**Project replacement process:** In the event that a project financed by the proceeds of our sustainable debt is fully repaid or prepaid, we will reallocate the corresponding funds to other eligible projects, in accordance with our Sustainable Debt Framework. The new project(s) included in the allocation must meet the same eligibility criteria set forth in our Framework. The replaced project will be identified on the project-by-project table with an updated allocation status. All impact data collected from repaid or prepaid projects is included in the overall portfolio impact data as of the date of the client's last report.





# Impact Metrics

## Social Indicators - Realized

Cumulative 2019 - 2023

MSMEs  
financed  
(#)



**1.2M**

Women  
beneficiaries  
of economic  
empowerment  
initiatives(#)



**153K**

Households  
with improved  
access to  
water and  
sanitation (#)



**590K**

Beneficiaries  
receiving  
health care (#)



**1.2M**

Jobs  
Supported  
by firms (#)



**145K**

Beneficiaries of  
employment  
support  
initiatives (#)



**18K**

Farmers with  
improved access  
to agricultural  
services and  
investments (#)



**6K**

International  
trade promoted  
(USD)



**12B**

Loans  
distributed -  
Women-owned /  
led MSMEs (#)



**1.3M**

# Social Indicators - Realized

Cumulative 2019 - 2023

Value of  
Export Sales  
(#)



**12B**

Domestic  
MSME Clients



**590K**

Total Value of  
Sales (USD)



**40B**

Total Value of  
Goods  
Purchased  
from Domestic  
MSMEs (#)



**5B**

New  
Residential  
Gas  
Connections -  
Natural Gas (#)



**718K**

Domestic  
MSME  
Suppliers (#)



**16K**

Roads built or  
upgraded  
(KM)



**170**

Students  
Benefited by  
education  
projects (#)



**17K**



# Target Population

Cumulative 2019-2023

Excluded population  3

Low-income population  16

MSMEs  44



Vulnerable population  4

Women-Led and/or women-headed households  6



# Impact Metrics

## Green Indicators

		Cumulative 2019 - 2023	
		Realized	EOP*
Greenhouse Gas Emission Reduction - (million tons of CO <sub>2</sub> )		12	71
Installed power generation from renewable energy sources (MW) - Flow		2.4K	3.5K
Treated wastewater (m3)		471M	6.5B
Energy Generated - Renewable (MWh)		17M	169M
Energy Savings (MWh)		81K	N/A
Roads (Km)		170	176.5

\* Expected End of the Year Project

# SDGs Mapping

Cumulative 2019-2023

Number of Projects		Number of Projects		Number of Projects	
<div><div>1</div><div>NO POVERTY</div><div></div></div>	18	<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div>	8	<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>	15
<div><div>2</div><div>ZERO HUNGER</div><div></div></div>	7	<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div>	38	<div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div>	36
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	8	<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div>	91	<div><div>13</div><div>CLIMATE ACTION</div><div></div></div>	47
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	4	<div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div>	82	<div><div>15</div><div>LIFE ON LAND</div><div></div></div>	3
<div><div>5</div><div>GENDER EQUALITY</div><div></div></div>	24	<div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div>	24	<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div>	62

# 06 Investment Highlights





# Increasing Coverage of Water and Sanitation Services in Brazil

**Project:** AEGEA ÁGUAS do Rio Bloco 1 and Bloco 4

**Category:** Green

**Sub-Category:** Sustainable water and wastewater management

**Closing Amount:** \$33.36 million (Bloco 1) and \$61.95 million (Bloco 4)

**Total Mobilization:** 0

**Closing Year:** 2022

**Disbursement Year:** 2023

**Country:** Brazil

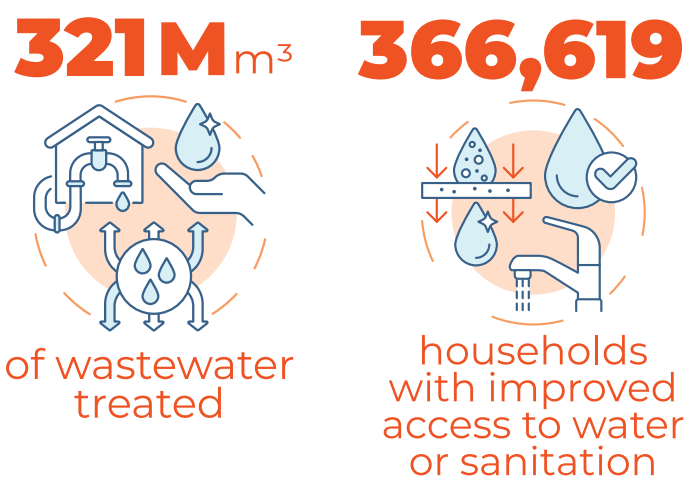


AEGEA Saneamento and Participacoes S.A. is the largest water and sanitation company in Brazil. In 2021, it won two innovative concession contracts to serve 19 municipalities in the state of Rio de Janeiro for 35 years. The contracts establish investment goals for the universal coverage of sustainable water and sanitation services, as well as a comprehensive system of performance indicators linked to tariff adjustments to achieve appropriate service quality and affordability.

IDB Invest provided local currency financing with a 20-year tenor, including a 4-year grace period, to support one of the largest investment plans in the country of around BRL39.8 billion, to be mainly implemented during the first 12 years of the concession. The financing will enable the construction, operation, recovery, and maintenance of sanitation infrastructures, including new water pipelines, potable water and sewage treatment plants, sewers, elevation and charge towers, water reservoirs, among others. These investments aim to increase the rates of water distribution coverage from 82% to 99% and sewage collection and treatment from 51% to

90%, benefiting approximately 10 million people.

Although the projects are still in an early stage, by the end of 2023 the following results were achieved<sup>3</sup>:



<sup>3</sup> This information reflects last impact reporting by the Client on 10.21.2024. As of 05.27.2024, the reported impact was 208 million m<sup>3</sup> of wastewater treated and 251,681 households with improved access to water or sanitation.



# Electrifying Public Transportation In Bogotá

**Project:** Guagua Fontibon and Guagua USME Electric Buses

**Category:** Green

**Sub-category:** Clean Transportation

**Closing amount:** \$53.8MM

**Amount mobilized:** \$20MM

**Commitment Year:** 2022

**Disbursement Year:** 2023

**Country:** Colombia



The project aims to promote the integration of electric bus fleets in the municipal transportation system of Bogotá. This entails acquiring a fleet of 172 electric buses and developing recharging infrastructure for mass transportation services. The approximate cost of the project is up to \$161 million (COP\$787 billion), about 33% of which is IDB Invest financing.

The project was expected to reduce carbon emissions and generate energy savings compared to existing diesel-fueled alternatives, while providing a reliable transportation service for passengers.

By the end of 2023, the 172 electric buses have been delivered and are fully operational, contributing to lower carbon emissions and energy costs. Results to date have surpassed targets set for the first year of project operations:

**172** Electric Buses deployed



Recharging Infrastructure Implemented

**COP 4.6** Billion  
**\$1.2** million



Energy cost savings

Approximately

**7,900**

Tons of CO<sub>2</sub>

**97 kg**

PM 2.5 emissions

**145**

Tons of NO<sub>x</sub>



Emissions Avoided



Greater Comfort and Safety, as well as Reduced Noise for Passengers



## Caja Huancayo

**Project: Caja Huancayo**

**Category: Social**

**Sub-category: Socioeconomic advancement and empowerment**

**Approved amount: \$16 million**

**Commitment Year: 2020**

**Disbursement Year: 2020**

**Country: Peru**



Municipal Savings and Credit Banks (CMAC) are the most important sector of the Peruvian microfinance industry. They play a fundamental role in closing financing gaps for micro, small and medium-sized enterprises (MSMEs), particularly in peri-urban and rural areas.

Caja Huancayo is a leading Municipal Savings and Credit Bank, with 227 offices throughout the country and more than 2.5 million clients. It focuses on serving MSMEs and vulnerable populations and promotes strategic alliances to strengthen commercially viable business models that generate value.

IDB Invest provided a PEN 57 million (\$16 million) convertible<sup>4</sup> subordinated loan to Caja Huancayo to support its growth and consolidation in the Peruvian microfinance industry and increase access to credit for MSMEs. Through this project, IDB Invest is helping Caja Huancayo to strengthen its Environmental and Social Management System. In addition, with support from the Women Entrepreneurs Financing Initiative (We-Fi), IDB Invest is providing technical

assistance to Caja Huancayo to develop an impact measurement system integrated into credit and financial services and incorporate a gender and diversity lens into its MSME strategy.

Caja Huancayo has significantly increased its portfolio of loans to microenterprises and expanded its reach in high-poverty areas. The SME portfolio also expanded more than originally projected. So far, the project's results have surpassed targets set for its first year of operations:

<sup>4</sup> If the loan converts to equity, from that moment the project will exit under the Sustainable Debt Program.

**345,000**

Clients Received

microenterprise loans,  
reflecting an**11.8%**<sup>5</sup>growth between  
2020-2023.**150,000**

Clients Received

SME loans,  
reflecting a**17%**growth between  
2020-2023.**+60%**

of clients

come from  
high-poverty  
areas<sup>5</sup> Real terms, from a 2019 baseline.

## Educational Infrastructure

**Category: Social**

**Sub-category: Access to essential services**

**Committed amount: \$42 million**

**Commitment Year: 2020 and 2021**

**Disbursement Year: 2020 and 2023**

**Country: Uruguay**



The Government of Uruguay has been implementing three packages for the development of an educational infrastructure program through Public-Private Partnership (PPP) contracts for a 22-year term. IDB Invest provided long-term financing for the implementation of two of these packages: Educational Infrastructure 2 and 3, with 20-year senior loans of US\$42 million. The total investment for both projects is approximately US\$145 million.

A notable aspect of the social infrastructure program is that the private sector not only sourced the new investments but is also responsible for maintaining these educational assets through the concession period, adhering to quality parameters established in the contract.

Educational Infrastructure 2 encompasses the design, financing, construction, operation, maintenance, and equipment of 23 schools, 9 technology centers, and 10 sports centers. These projects were distributed across the Districts of Artigas, Canelones, Cerro Largo, Colonia, Durazno, Maldonado, Montevideo, Paysandú, Río Negro, Rivera, Rocha, Salto, San

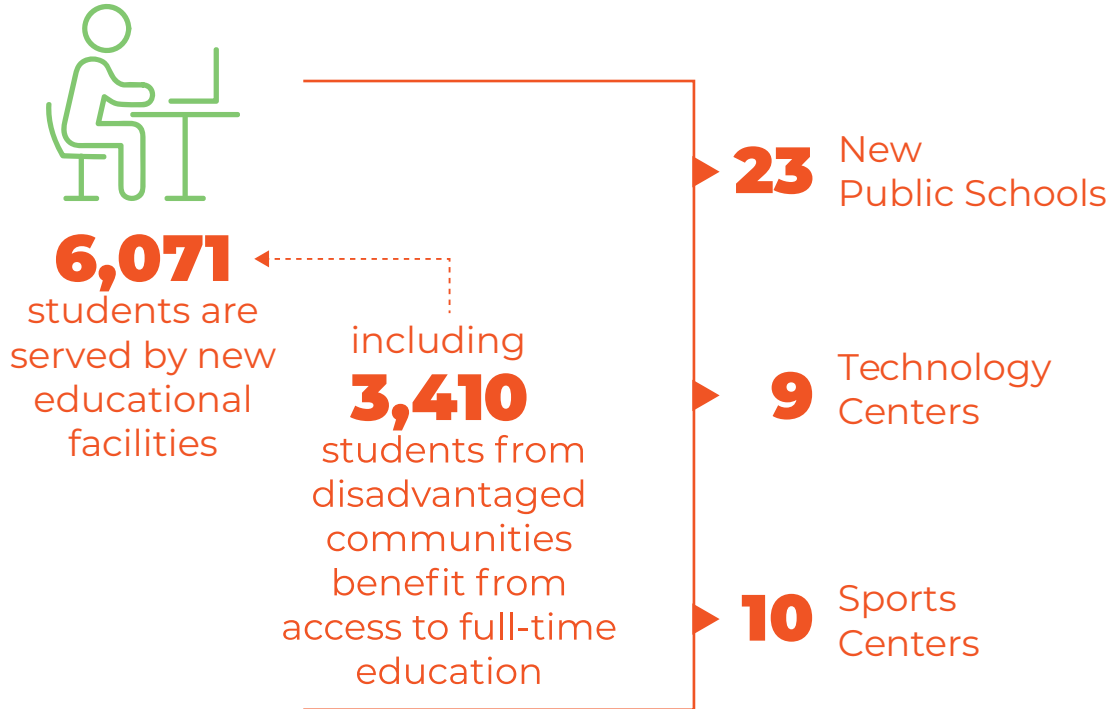
José, Tacuarembó, and Treinta y Tres. The objective of Educational Infrastructure 2 is to enhance the public education centers' infrastructure to facilitate access to quality education and promote full-time education in disadvantaged communities.

On the other hand, Educational Infrastructure 3 focuses on developing infrastructure for 15 primary school centers managed by the National Association of Public Education, as well as 27 child and family care centers (Centros de Atención de la Infancia y la Familia, or CAIF) managed by the Institute for Children and Adolescents of Uruguay. The CAIF aim to ensure the protection and promotion of children's rights from conception to age three, prioritizing access for children from poor and/or socially vulnerable families.

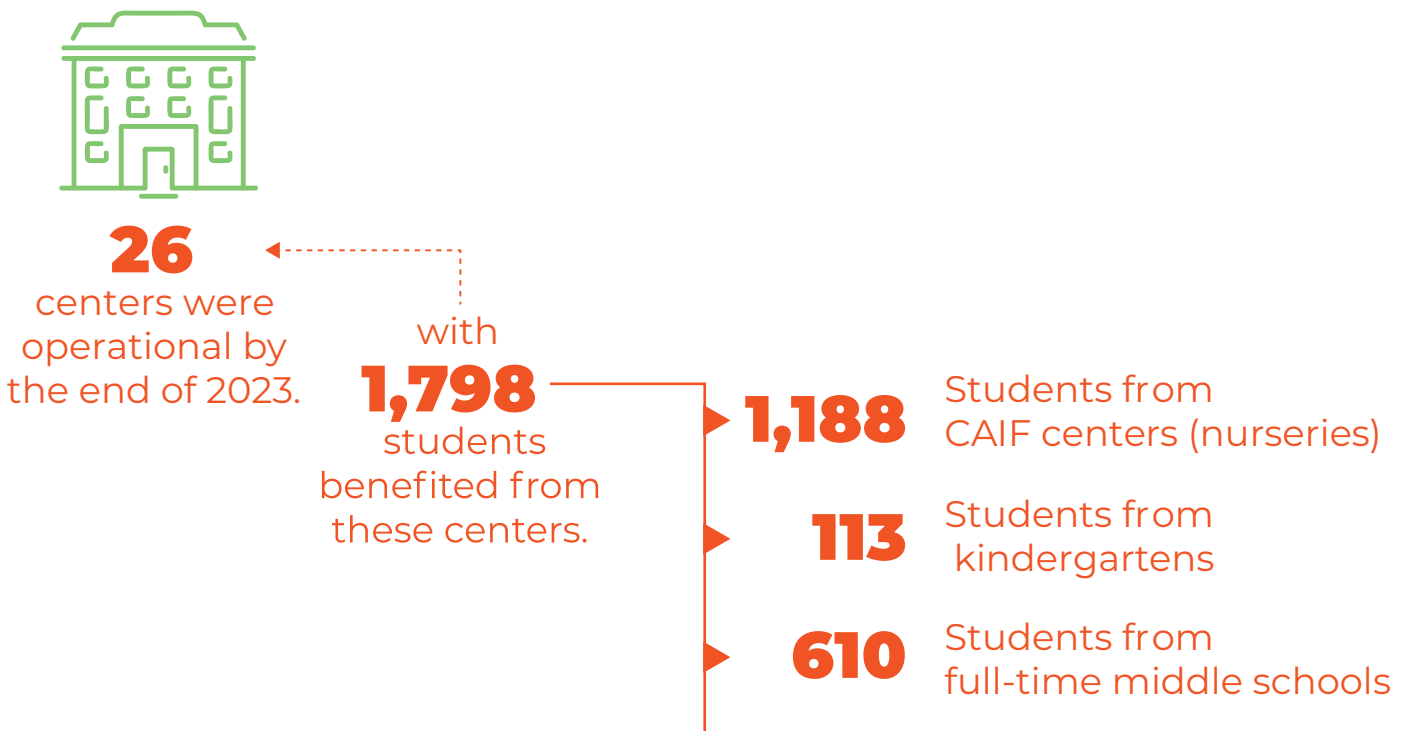


The projects have achieved the following results to date:

- *Educational Infrastructure 2:*



- *Educational Infrastructure 3:*



# AU AUTHORS

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