Board of Executive Directors
Minutes of the 25 April 2017 Meeting

L. A. Moreno, Chairman of the Board of Executive Directors
R. Jeronimides, Acting General Manager
G. Quintana, Secretary

1. Minutes of meetings
   Board of Executive Directors: 2017/04 and 2017/05
   Approved.

Items of business

   the Organization, Human Resources, and Board Matters Committee of the IDB and the
   Committee of the Board of Executive Directors of the IIC (CII/GN-345, CII/GN-345-1)
   Presented by B. Martí, Chairperson of the Committee of the Board of Executive
   Directors.
   Approved.

3. IDB Group Country Strategy with the Republic of Trinidad and Tobago 2016-2020. Report
   of the Chairpersons of the Programming Committee of the IDB Board and the Committee
   of the Board of Executive Directors of the IIC (CII/GN-347, CII/GN-347-1)
   Presented by B. Martí, Chairperson of the Committee of the Board of Executive
   Directors.
   Approved.

   Chairpersons of the Audit Committee and the Committee of the Board of Executive
   Directors (CII/GN-344, CII/GN-344-1)
   Presented by K. Cowan, Chairperson of the Audit Committee.
   Approved.

Approved on June 6, 2017
Other business


Executive Directors and Alternates
Argentina and Haiti: F. Bragagnolo
Austria, Belgium, China, Germany, Italy, and Netherlands: S. Bazzoni
Bahamas, Barbados, Guyana, Jamaica, and Trinidad and Tobago: C. Morris-Skeete
Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua: M. Marroquín
Bolivia, Paraguay, and Uruguay: M. Machicao
Brazil and Suriname: A. Silveira
Canada, Denmark, Finland, France, Norway, Sweden, and Switzerland: C. Hofer
Chile and Ecuador: K. Cowan
Colombia and Peru: P. Miloslavich
Dominican Republic and Mexico: B. Martí
Israel, Japan, Korea, Portugal, and Spain: T. Yasui
Panama and Venezuela: V. Blanco
United States of America: L. Black

Secretariat Officers: P. Fernández Ostolaza and C. Ortega
1. **Minutes of meetings**

   Board of Executive Directors: 2017/04 and 2017/05

   Approved.


   2.1 The Board of Executive Directors approved the principles and priorities established in document CII/GN-345 and took note of the report of the Chairpersons of the Committees (document CII/GN-345-1).


   3.1 The Board of Executive Directors approved the IDB Group Country Strategy with the Republic of Trinidad and Tobago 2016-2020 (document CII/GN-347) and took note of the report of the Chairpersons of the Committees (document CII/GN-347-1).


   4.1 The Board of Executive Directors approved the Reappointment Process and Rotation Requirements of the External Auditor (document CII/GN-344) and took note of the report of the Chairpersons of the Committees (document CII/GN-344-1).

**Other business**


   **Board of Executive Directors**

   5.1 The Secretary asked the Board of Executive Directors to authorize an extension of the 1 June 2017 deadline for the Governors to vote on the following documents:

   - CII/AB-1464-7, Bylaws of the Inter-American Investment Corporation. Proposed amendments; and

   5.2 The Secretary noted that not enough votes had been cast thus far to meet the quorum requirement.
5.3 The Executive Director for Switzerland inquired what the general process would be for extending deadlines, how long of an extension would be granted if the quorum requirement was not met, and how these decisions related to governance in general.

5.4 The Secretary explained that the Board of Executive Directors had authority to authorize extensions of voting deadlines. He noted that the Office of the Secretary had routinely proposed extending a voting deadline when quorum had not been met, and that it was up to the Board to approve or reject the proposal, since it had plenary authority in this regard.

5.5 In the absence of comments on or objections to the proposal from the remaining chairs, the deadline was extended to 1 June 2017 for the Governors to vote on the following documents: Bylaws of the Inter-American Investment Corporation. Proposed amendments (document CII/AB-1464-7) and Regulations for the Election of Executive Directors of the Inter-American Investment Corporation. Proposed amendments (document CII/AB-1464-8).

5.6 On a different topic, the Executive Director for Switzerland inquired about the Corporation’s operational program, noting that the Board of Executive Directors had approved only a single project during the first quarter, and that its activity related to strategic issues during that quarter had also been light. He suggested that the Board be provided with the schedule of expected operations for 2017 and expressed concern over the potential “bunching” of project approvals in the final quarter, which would be an operating risk for the IIC.

5.7 The Executive Director for Switzerland also highlighted the success of the Global Infrastructure Forum and praised the event on climate risk and investment organized by the MIF.

5.8 The Chairman reflected on the work of the Corporation and gave assurances that an extraordinary team had been put in place to lead the institution. He predicted that project approvals would be “bunched” in two stages, namely, in June 2017 and in the final quarter of the year (as was common practice every year). The Chairman said the IIC’s current project pipeline was enormous, amounting to a volume of approximately US$6 billion.

5.9 IIC Management explained that it was taking steps to spread out its operational proposals for approval between the second and third quarters of the year so as to avoid end-of-the-year bunching. It also took note of the request of the Executive Director for Switzerland for an approximate schedule of operational proposals for 2017.

5.10 Responding to the Executive Directors, the Chairman said that the Corporation should focus on becoming an asset manager and a lender of record, but sell some of its assets. He said this would be a significant contribution to asset mobilization processes, along with the efforts being made to work with capital funds.
5.11 The Chairman also highlighted the IDB Group's efforts to ensure gender parity at the events it organized. He noted that such efforts required identifying candidates in the private sector or among the second and third tiers of public administration.

5.12 Aside from the IIC's work, the Chairman also touched on the meeting of the development banks that usually took place within the framework of the World Bank and International Monetary Fund spring meetings. He noted that certain statements by World Bank President Jim Yong Kim regarding a possible change in the way multilateral banks worked had caused some concern. The Chairman noted that the World Bank had made significant investments in the region, displacing other actors in the market, but that the IDB Group had intensified its activities with the private sector—so much so that in its first year of operations, the Corporation had tripled its activities in the infrastructure sector. The Chairman said that, thus far, US$1.5 had been mobilized for every dollar of financing invested.

The Chairman also touched on the upcoming meeting of the G-7 (Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, in addition to European Union political representation) and explained that Italy, which was chairing the G-7, was promoting the idea of establishing a series of principles for the work of multilateral banks. He said he had participated in several discussions on this topic. He also noted that the G-20 (the G-7 countries plus Argentina, Australia, Brazil, China, India, Indonesia, Korea, Mexico, Russia, Saudi Arabia, South Africa, and Turkey, as well as the European Union as an economic block) had launched the idea of evaluating the work of multilateral institutions as a whole, with the aim of producing a report on it for the fall 2018 meetings of the World Bank and IMF. He said that while some institutions were uncomfortable with the proposed evaluation, the IDB Group was willing to be compared to any of them. Although the purpose of the exercise was to encourage more cooperation among the institutions, for the Chairman it also represented an opportunity to address such issues as efficiencies, regulatory frameworks imposed on the institutions, governability, natural disasters, corruption, and citizen security.