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A decade of **transformation**

OFID ten years on



Uniting against Poverty

Our vision

To aspire to a world where Sustainable Development, centered on human capacity-building, is a reality for all.

Our mission

To foster South-South Partnership with fellow developing countries worldwide with the aim of eradicating poverty.



Uniting against Poverty

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Introduction

The past decade has been a period of dramatic change at OFID. This transformation is well reflected in the operational and financial results of the past few years, which are the outcome of a process of strategic repositioning, organization strengthening and financial realignment. These developments have enabled the institution to substantially enhance the execution of its mandate and consolidate its standing as a prominent and respected player in the global development arena.

Global outreach

LATIN AMERICA & THE CARIBBEAN

Antigua and Barbuda
Barbados
Belize
Bolivia
Colombia
Costa Rica
Cuba
Dominica
Dominican Republic
Ecuador
El Salvador
Grenada
Guatemala
Guyana
Haiti
Honduras

Jamaica
Nicaragua
Paraguay
Peru
Saint Kitts and Nevis
Saint Lucia
Saint Vincent
Venezuela*

Argentina
Brazil
Chile
Panama
Uruguay
Mexico
Suriname

AFRICA

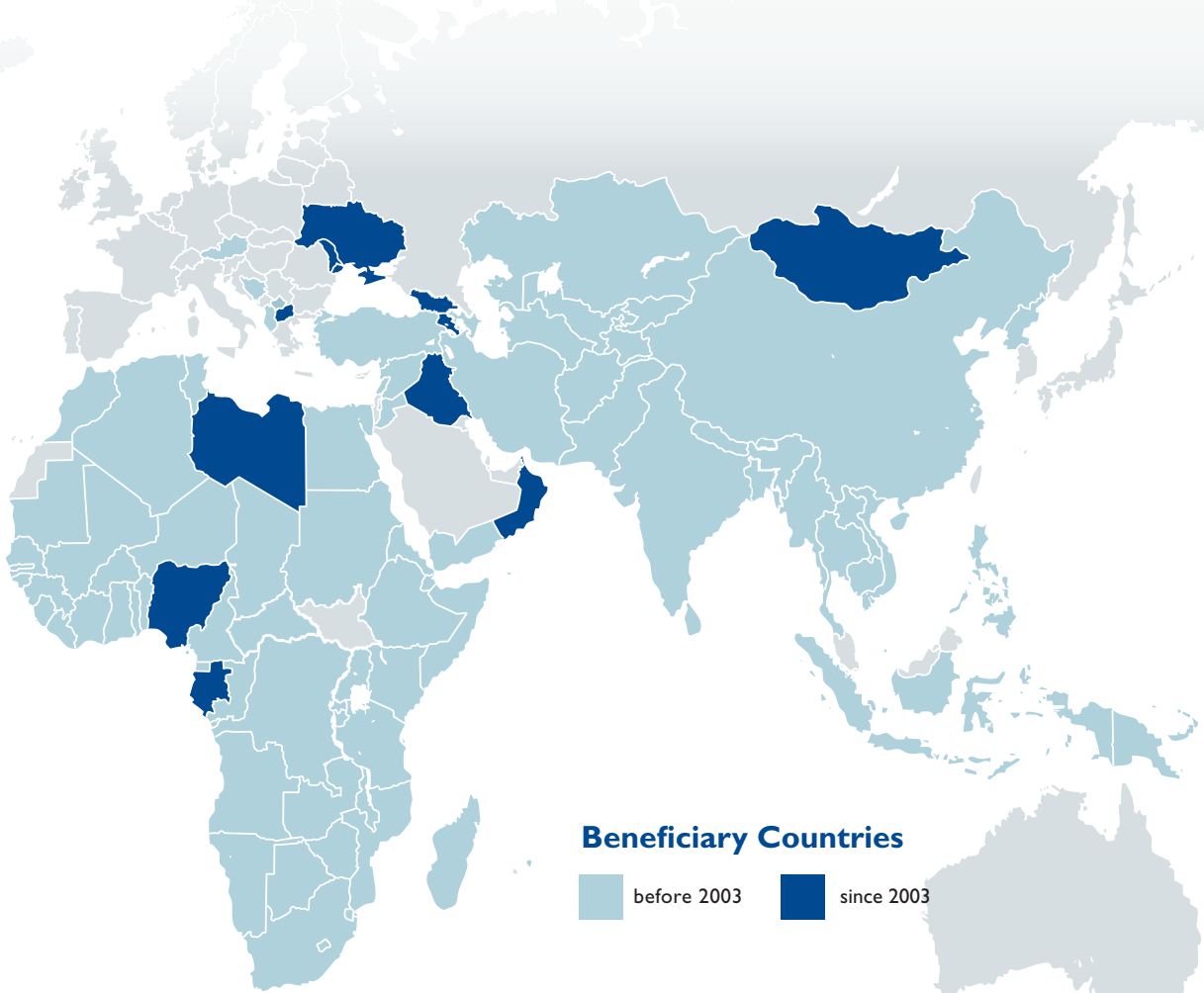
Algeria*
Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
Comoros
Congo DR
Congo Republic
Côte d'Ivoire
Djibouti
Egypt
Equatorial Guinea
Eritrea

Ethiopia
Gambia, The
Ghana
Guinea
Guinea Bissau
Kenya
Lesotho
Liberia
Madagascar
Malawi
Mali
Mauritania
Mauritius
Morocco
Mozambique
Namibia
Niger
Rwanda

São Tomé & Príncipe
Senegal
Seychelles
Sierra Leone
Somalia
South Africa
Sudan
Swaziland
Tanzania
Togo
Tunisia
Uganda
Zambia
Zimbabwe

Gabon*
Libya*
Nigeria*

Maps are for illustration purposes only and are not to be taken as accurate representations of borders. For reasons of scale, countries/territories with small areas are not shown.



Beneficiary Countries

before 2003
 since 2003

ASIA & THE MIDDLE EAST

Afghanistan	Lao PDR
Azerbaijan	Lebanon
Bangladesh	Maldives
Bhutan	Myanmar
Cambodia	Nepal
China	Pakistan
Fiji	Palestine
India	Papua New Guinea
Indonesia*	Philippines
Iran, I.R.*	Samoa
Jordan	Solomon Islands
Kazakhstan	Sri Lanka
Kiribati	Syria
Korea DPR	Tajikistan
Kyrgyz Republic	Thailand

Tonga
 Turkey
 Turkmenistan
 Uzbekistan
 Vietnam
 Yemen

Armenia
Georgia
Iraq*
Mongolia
Oman
Ukraine
Bahrain
Timor Leste

EUROPE

Albania
 Austria
 Bosnia-Herzegovina
 Kosovo

Macedonia
Moldova

**Although in principle exempt from benefiting from OFID's assistance, Member Countries occasionally receive support in the wake of natural disasters or as part of a regional program.*

Strategic repositioning

Redefining OFID's goals, its identity and its role as a global player in the international development arena, in order to respond more effectively to member countries' call to do more for poverty eradication.

Institutional rebranding

- **New vision:** "To aspire to a world where Sustainable Development centered on human capacity-building is a reality for all."
- **New mission:** "To foster South-South Partnership with fellow developing countries worldwide with the aim of eradicating poverty."
- Birth of the **acronym OFID**, together with the creation of a modern **new logo** and a corporate identity.
- Adoption of an institutional slogan: "**Uniting against Poverty.**"

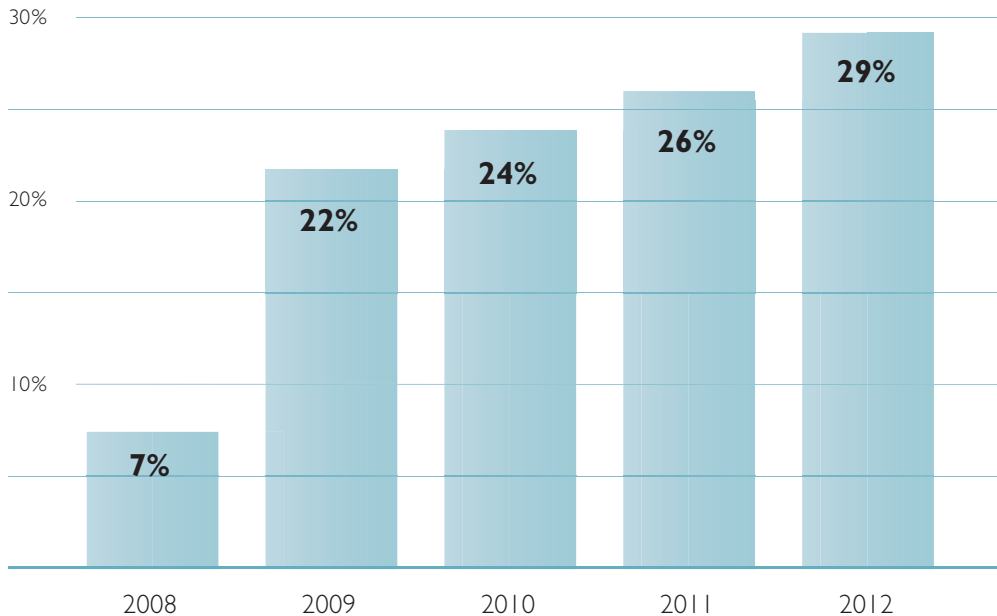
An additional mandate

- Realignment of operational focus in response to **Energy for the Poor Initiative**.
- Advocacy to establish **Energy Poverty Alleviation** as **9th MDG**.
- Creation of **special grant account** for **energy programs**.
- Selected as member of **Advisory Board** for UN Secretary-General's **Sustainable Energy for All initiative**.

Corporate plan

- Establishment of **Corporate Planning and Economic Services Unit**.
- Development of **OFID's first financial planning model** for the period 2006-2015.
- Further **evolution of planning scenarios** to ensure financial sustainability.

Increase in share of Energy Projects in annual commitments since introducing the **ENERGY FOR THE POOR** initiative



Operational achievements

Scaling-up, restructuring and prioritizing of operations by broadening financial mechanisms and allocating increased resources in order to better respond to Partner Country needs and enhance execution of OFID's mandate.



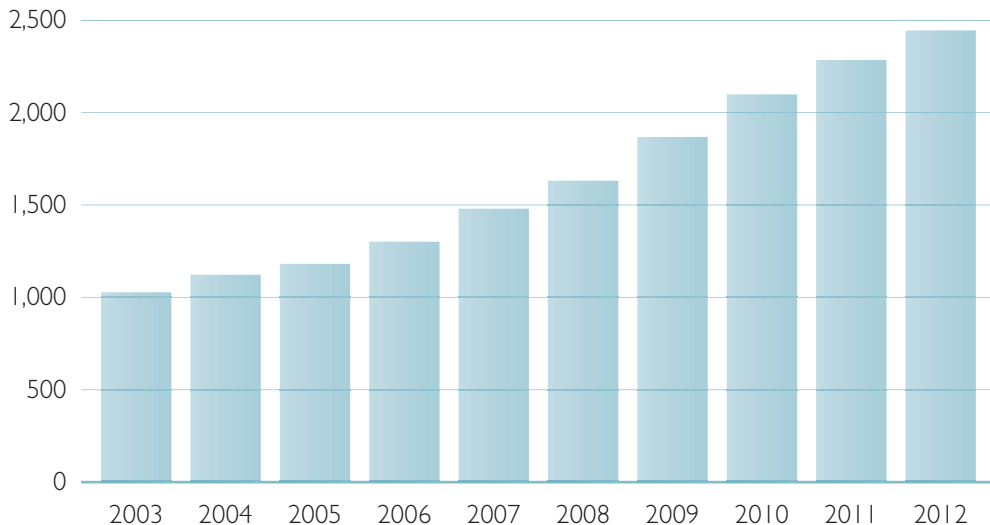
PHOTO: OFID/ROMULO MARTINEZ

Public Sector Operations

- Greater focus on **improving development effectiveness and sustainability**.
- Larger number of **operational missions** to increase proximity to Partner Countries and better gauge their needs.
- Working with Partner Countries to help ensure that **national systems, institutions and procedures** for managing development resources are effective, accountable and transparent.
- Heightened support to priority sectors in support of the **Water-Food-Energy Nexus**.
- Establishment of market-based **Blend Facility** to meet growing demand from Partner Countries, especially those graduating out of the concessional windows.

Public Sector Loans Outstanding have more than doubled during the past 10 years.

in US\$m

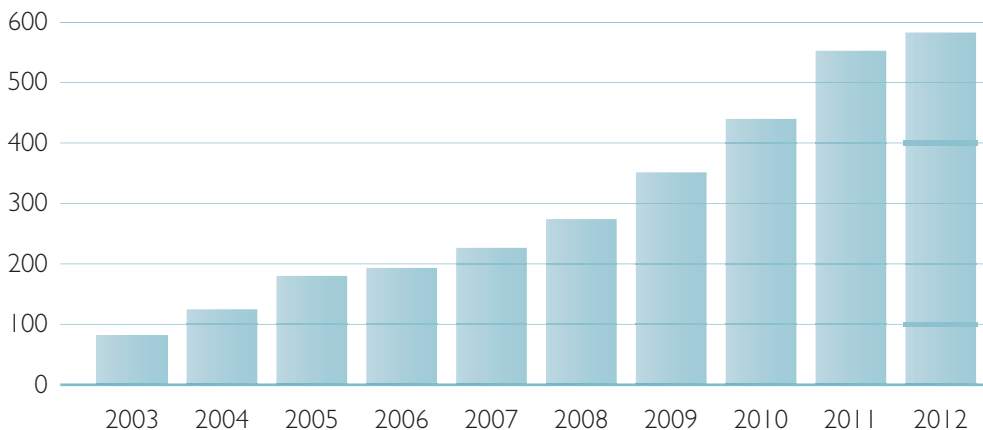


Private Sector Operations

- Substantial resources channeled through **financial intermediaries** for on-lending to **SMEs** and **micro-entrepreneurs**, with priority given to **low-income countries**.
- Development of **diversified portfolio** with a sophisticated range of products.
- Creation of a wide **partnership network** to help originate quality projects that are both financially viable and have a sound social and economic impact.
- Shaping OFID into a **leading and reliable private sector financing partner**.
- **Scale-up of operations** in 2008/9 in response to financial crisis, with participation in special initiatives such as the **Africa Bank Capitalization Fund** and the **Microfinance Enhancement Initiative**.
- **High quality portfolio** due to careful selection of projects, risk-sharing with partners and close internal interaction among all concerned departments/functions.

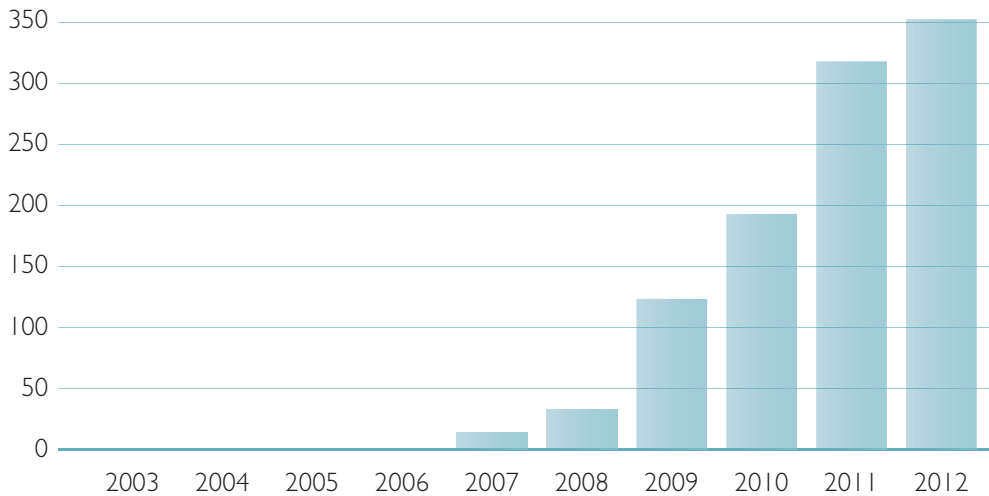
Private Sector Loans Outstanding increased seven-fold between 2003 and 2012.

in US\$m



Trade Finance Facility Loans Outstanding have reached over US\$350m in just 6 years.

in US\$m



Trade Finance Operations

- Launch of TFF in 2006 to **increase relevance** to Partner Country needs.
- Complements Public Sector and Private Sector windows by offering **short-term funding** for working capital, imports, exports and commodity financing.
- **Exponential growth** in first six years of operation.
- Approval of **US\$1.5bn in risk-sharing programs** with DFIs and commercial banks in response to the 2008 financial crisis.
- TFF acknowledged with “special mention” in final voting for **awards of excellence** from two leading trade finance magazines, plus several **awards for specific transactions**.



PHOTO: SVEN TORFINN/PANOS

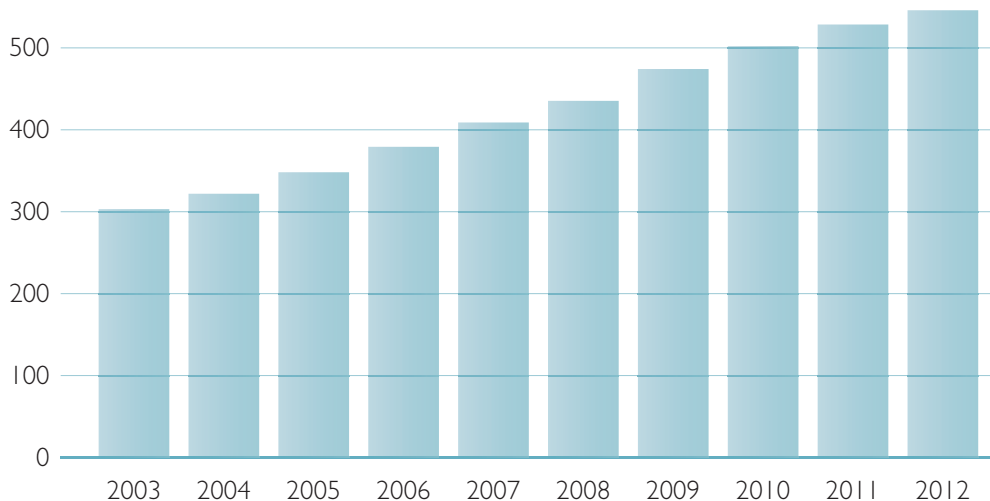
Grant Operations

- **Increased diversification** both in terms of geography and development sectors.
- Launch of **Energy Poverty Program** in 2011, followed in 2012 by one-fifth of grant allocations going to energy projects.
- **Rationalization of grants** into one account with six programs, giving greater flexibility and accountability.

- Establishment of a range of **new initiatives**: Annual Award for Development, Scholarship Program, Fellowship Program with Lindau Foundation.
- Expansion of operations on **research and intellectual activities**.
- Palestine Program highlights: **PalFund** micro-credit scheme, **scholarship program** for Palestinian students, contribution to reconstruction of **Nahr-El-Bared refugee camp**, support to 230 **Palestinian NGOs**.
- Extension of **pro-active emergency** relief through efficient channels.
- Cooperation with IDLO to **strengthen legal systems** in partner countries.

10 Year Growth in Grant Commitments

Cumulative amounts in US\$m



Financial enhancement and sustainability

Rationalization and augmentation of resources to ensure long-term financial sustainability and enhanced execution of the OFID mission.

Redistribution of resources

- Transfer of funds from Investment Portfolio to Loan Portfolio, resulting in an **increase in ratio of development assets** to total OFID assets and a more mandate-oriented use of resources.

Broadening and strengthening of financing mechanisms

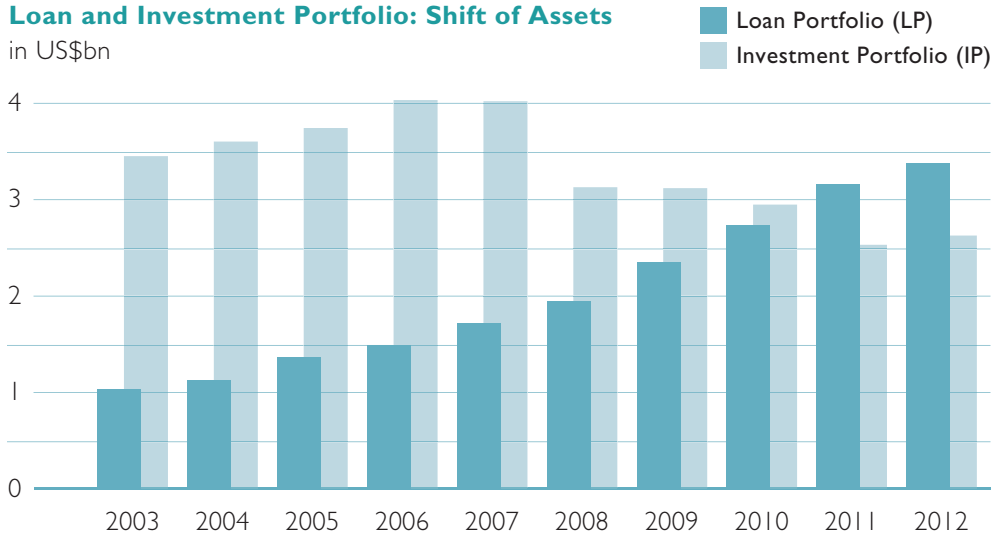
- Introduction of new financing windows, **Blend** and **Trade Finance**, designed to address Partner Country requirements and at the same time generate higher returns on transactions.
- Intensification of **Private Sector** activities, leading to increased revenue for reinvestment.

Resource enhancement

- Enhanced returns on OFID's **Investment Portfolio**.
- Approval from Ministerial Council in June 2007 to engage in **Borrowing** as a means of accessing more resources for development financing.
- **US\$1bn replenishment** agreed by Member Countries in June 2011.

Loan and Investment Portfolio: Shift of Assets

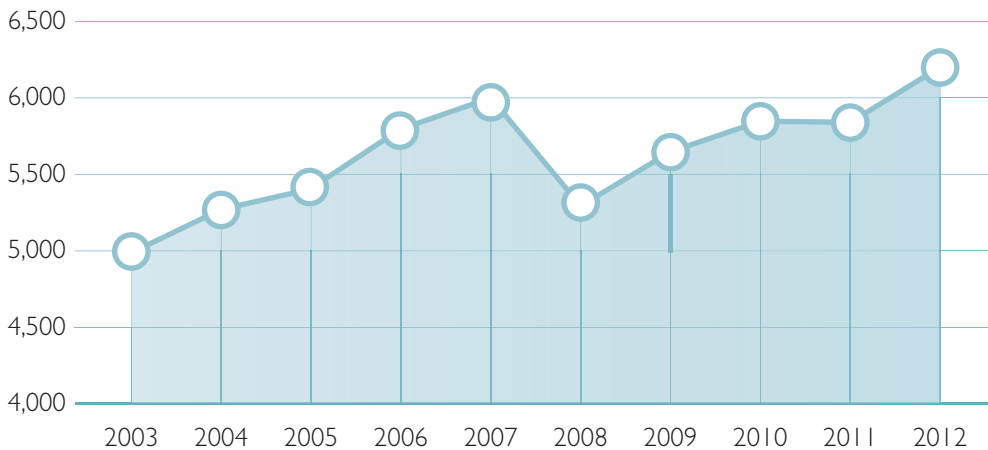
in US\$bn



In 10 years US\$2.1bn was transferred from the IP to the LP.

OFID Assets 2003-2012

in US\$m



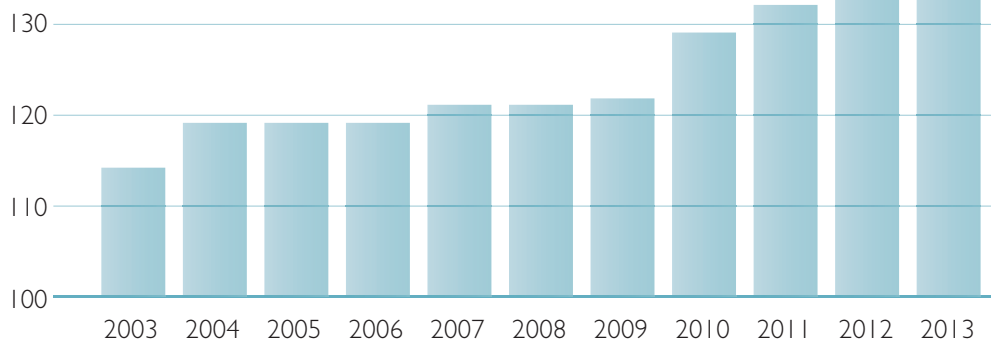
Despite losses during the 2008 financial crisis, OFID shows a steady increase in assets over the past 10 years.

Partnership network

Broadening and strengthening of partnership alliances to improve efficiency and impact of aid delivery.

- December 2006: OFID granted **Observer Status in the UN General Assembly**.
- June 2009: OFID granted **Observer Status in the International Atomic Energy Agency**.
- **Agreements or MoUs** signed with:
 - Asian Development Bank
 - BADEA
 - BANDES
 - CAF
 - EBRD
 - Export Development Bank of Iran
 - IFAD
 - Inter-American Development Bank
 - Proparco
 - World Bank Group

Beneficiary Countries



During the past 10 years, 20 additional countries have become beneficiaries.



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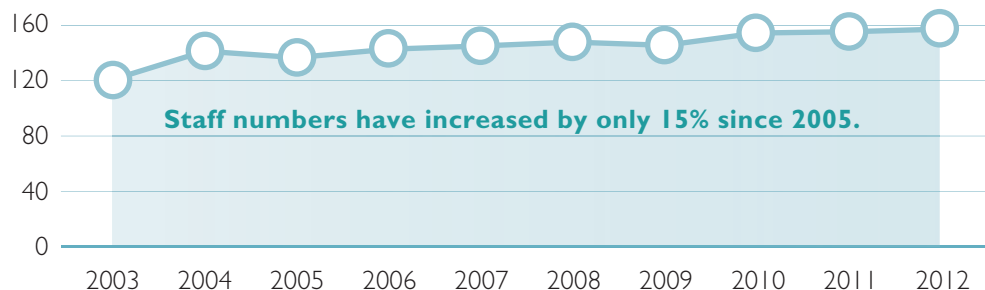
Organization strengthening

Enhancing capacity to boost efficiency, productivity, transparency and team spirit, and to control risk.

Administration and human resources enhancement

- Establishment of the **Human Resources Policy and Planning Group**.
- Implementation of new **performance appraisal system** that supports career development and succession planning through goal setting.
- Review and updating of **Staff Regulations**, including a range of enhanced benefits and allowances to help attract and retain the best talent.
- Updating of **job descriptions**.
- Introduction of **strategic recruitment policy** that seeks to build a balanced cadre of both young and experienced professionals.
- **Target-oriented training**, including in-house core-function training and external courses, seminars and conferences.

OFID Staff Complement



- Introduction of annual **Staff Service Awards** to recognize long service.
- **Building renovation**, including new office space and meeting facilities.
- Installation of **multimedia** and **tele-conferencing** facilities.

IT capacity building

- Continuous enhancement of **IT infrastructure and services**, including introduction of more standardized, economical and secure information systems using up-to-date technologies such as **servers' virtualization**, **Citrix remote connections** and **Oracle databases**.
- Introduction of the **SAP Enterprise Resource Planning System** and **Electronic Document Management System (EDMS)** to provide a secure, cohesive and fully integrated technological infrastructure capable of supporting the entire OFID stakeholder community.
- Implementation of a **HOT Disaster Recovery Virtual Data Site** in cooperation with the OPEC Secretariat that supports not only data but also server back-up.

Increased transparency and communication

- Introduction of a **series of communication tools** to keep staff informed, nurture their loyalty, educate them in the main corporate messages and promote their cohesion as a group.
- Launch of **bi-monthly staff magazine "Insights"** to help break down the social, cultural and hierarchical barriers characteristic of an international organization.
- Introduction of the **"OFID Weekly" news brief** to improve transparency and flow of information.

Policies, procedures and risk management

- Publication of **staff orientation booklet** “**Welcome Aboard**”.
- Use of **OFID Intranet** to preview upcoming events, report on key missions and generally keep staff apprised of OFID-related activities on a day-to-day basis.
- Establishment of staff **Social Committee**.
- Initiation of a series of **informal presentations** based on missions and other topics of relevance with the aim of promoting institutional knowledge-sharing.
- Inclusion of staff and their family members in the **sponsorship of special events**, such as One Young World and the Global Social Business Forum.
- Reorganization of loan processing operations through the separation of **Disbursement** and **Loan Management** tasks.
- Establishment of **Risk Management framework** and committee, and appointment of Risk Management Officer.
- Implementation of **Multi-Currency Payment Solution** “**Worldlink**,” with enhanced accounting records to comply with international reporting requirements.
- Modernization of the **Accounting System**, resulting in increased transparency in **Financial Statements** and, in 2012, the first unqualified opinion from external auditors in over 20 years.
- Update of **Financial Rules and Procedures** and **Investment Guidelines**, as well as development of a **Foreign Exchange Hedging Strategy**.
- Development of separate **Private Sector** and **Trade Finance Operations Manuals**.

Advocacy

Raising OFID's voice and presence in the international development arena through participation in global initiatives in support of South-South cooperation.

- Powerful and leading advocate of **Energy Poverty Alleviation**.
- Working with Partner Countries and peer institutions towards the **Millennium Development Goals**.
- Fulfilling obligations under the **HIPC Initiative**.
- Involved in international movement to boost **Development Effectiveness**, including the High-Level Forums in Paris, Accra and Busan.
- Supporting Arab countries in transition through the **Deauville Partnership**.
- Promoting the emerging **Water-Food-Energy nexus**.
- Financing and publication of a study on **biofuels** and their impact on food prices and availability.

Visibility

Facilitating the attainment of OFID's mission by raising its visibility among all stakeholders and strengthening its position as an experienced and respected global development partner.

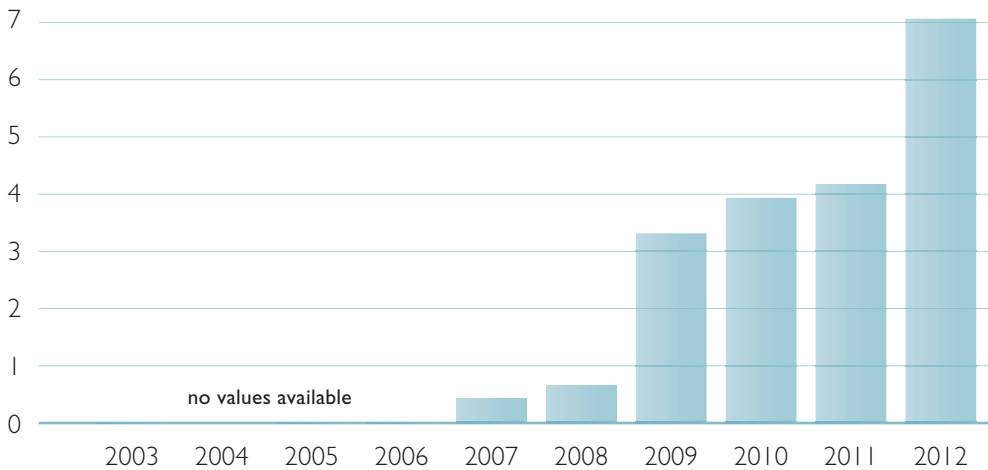
Integrated Communications Strategy

- Rationalization of communication objectives to bring **greater structure, alignment and planning** to communication activities in a strategic context with a built-in process of **evaluation, feedback and review**.
- Clearly defined set of **objectives, stakeholders and messages**, together with varied **range of tools** reflecting best practice and new media channels.
- **Print media: re-packaging** of Annual Report and OFID Quarterly; launch of **new products**: Executive Diary, TFF Booklet, Children's Book, subject-specific leaflets.
- Publication of a book on the history of the **OFID HQ building**, which dates back to 1868, and dedicating it to the City of Vienna.
- **ICTs**: re-launch of OFID **website**; introduction of **social media channels** Facebook, Twitter and YouTube to stay ahead of new media trends.
- **Networking**: heightened media presence through **targeted media relations**; advances in the area of **institutional relations**, with the aim of developing synergies and sharing knowledge.

- **Audio-visual:** production of over 60 **video clips** highlighting specific topics and messages and posted on website and social media platforms.
- **External activities:** enhanced participation in **exhibitions** and **events** as a means of engaging with priority stakeholders and audiences.
- **Spokespersons:** development of selected members of Senior Management to support the representation of the Director-General.
- **Campaign activities:** targeting **specific audiences and/or topics**, including Energy Poverty, 35th Anniversary, Youth, Austrian Community, Africa, OFID Staff.
- **Cultural activities** such as the in-house exhibition series.

OFID's website page views

in millions



High-level Partner Country missions

- Increasing number of **Director-General-led missions** to partner countries, including meetings with heads of state and senior ministers, project site visits, etc.
- **Loan signatures in Partner Countries**, supported by advance media briefing, leading to greater visibility and media presence.

Hosting of conferences, meetings and workshops (amongst others)

- Abuja Workshop on Energy Poverty in Africa, June 2008
- Scientific Forum at the IAEA General Conference, September 2009
- Joint Technical Meeting of the Arab Coordination Group Institutions and the OECD Development Assistance Committee (DAC), April 2010
- OFID Workshop with BANDES and the Venezuelan Ministry of Popular Power for Planning and Finance, June 2010
- Vienna Energy Club, October 2010
- Emerging Markets Workshop, March 2011
- Crans Montana Forum's High Level Panel on Energy Poverty, April 2011
- DFIs Coordination Meeting on Investment Strategies and FACTA, May 2012
- AGFUND Symposium on Microfinance, June 2012
- IEF Symposium on Energy Poverty, November 2012
- Technical meeting of High-Level Group on SE4All, November 2012
- Trade Finance Workshops
- Meetings of the Coordination Group of Arab/OFIG/Islamic Development Aid Institutions

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