

WORLD BANK'S FINANCING MODELS AND DELIVERY MODALITIES



WORLD BANK GROUP



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Agenda

Part 1. Introduction to the World Bank Group

- Missions
- Organization
- History
- What We Do
- Where We Operate

Part 2. How We Operate

- Financing model
- Governance

Part 3. How Projects Work

Q&A / Discussion

Introduction

The World Bank and the International Monetary Fund (IMF) are international financial institutions that share a **common goal of economic development.**

The World Bank promotes long-term economic development through technical and financial support.

The IMF focuses on macroeconomic and financial stability.



Image: Annual Meeting of the Boards of Governors of the World Bank and IMF

The World Bank and IMF collaborate on areas such as the SDGs, climate change, assessing financial stability and reducing debt burdens.

Missions



World Bank

Vision: End Poverty on a Livable Planet

Mission: Ending Extreme Poverty and Promoting Shared Prosperity through Inclusive, Resilient and Sustainable Development



IMF

1. Furthering international monetary cooperation
2. Encouraging trade and economic growth
3. Discouraging policies that harm prosperity

Who we are: Five Institutions, One Group



International Bank for Reconstruction and Development (IBRD):

Provides financial development and policy financing



International Development Association (IDA)

Provides zero-to-low interest loans and grants



International Finance Corporation (IFC)

Mobilizes private sector investment and provides advice



Multilateral Investment Guarantee Agency (MIGA)

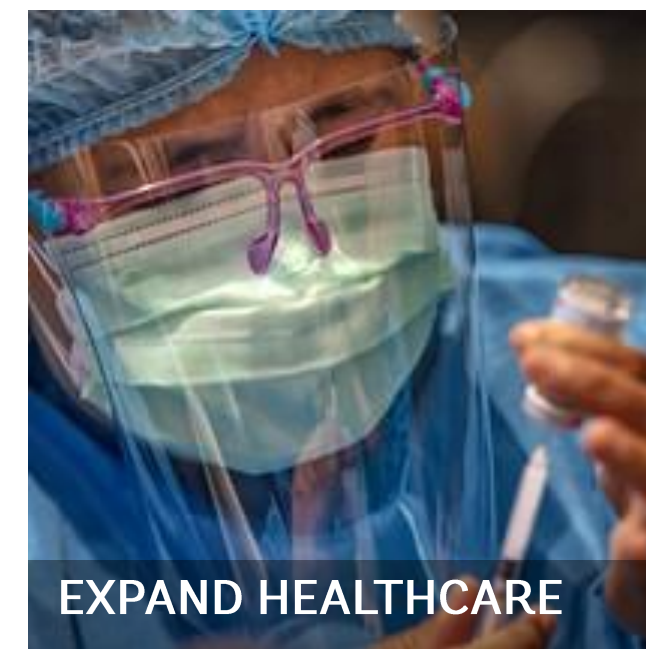
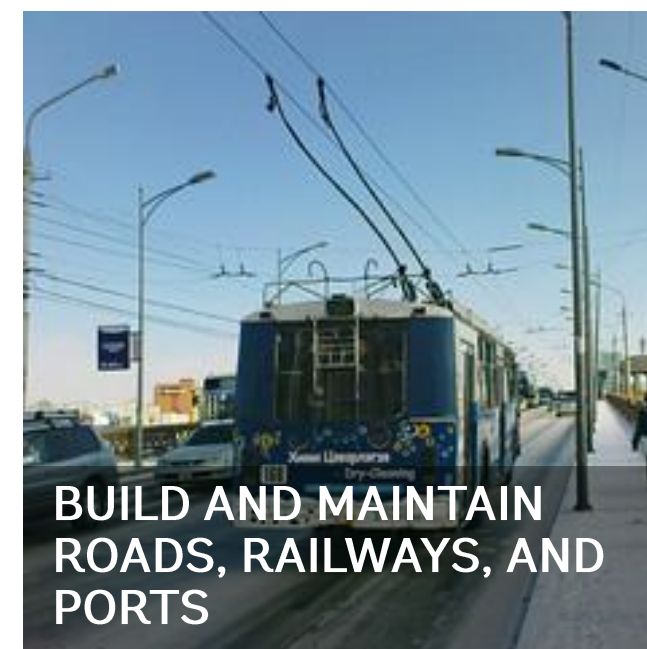
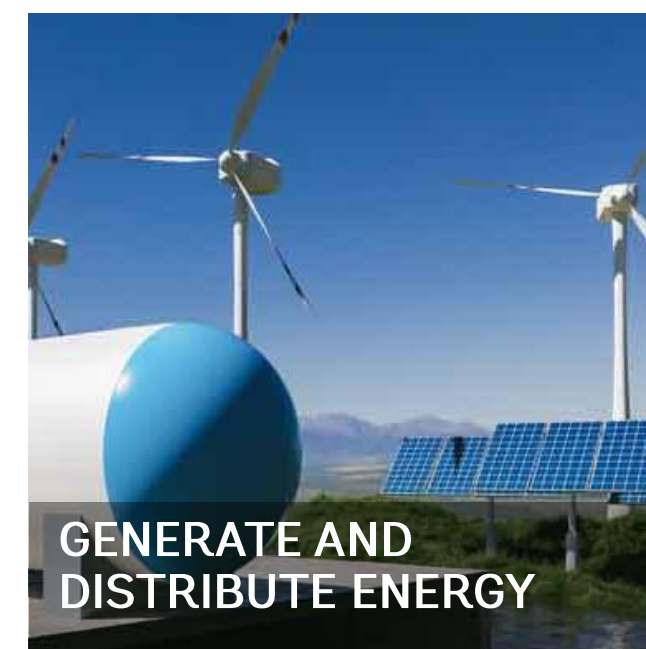
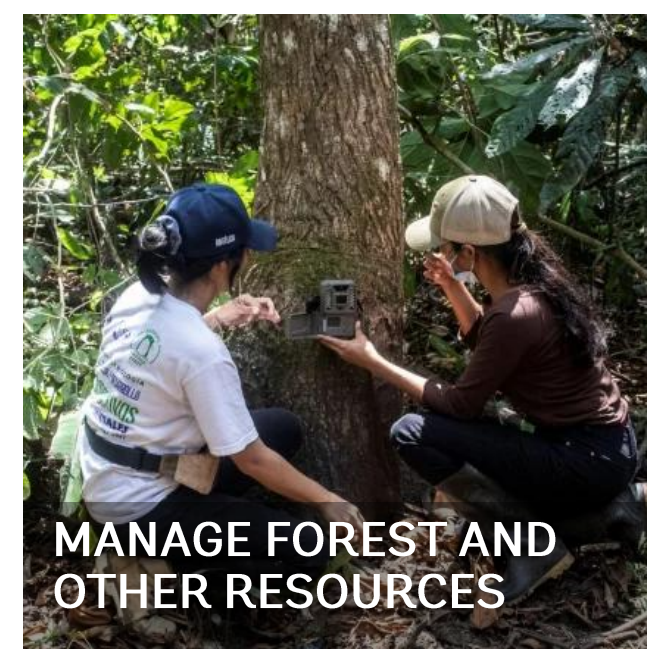
Provides political risk insurance



International Centre for Settlement of Investment Disputes (ICSID)

Settles investment disputes

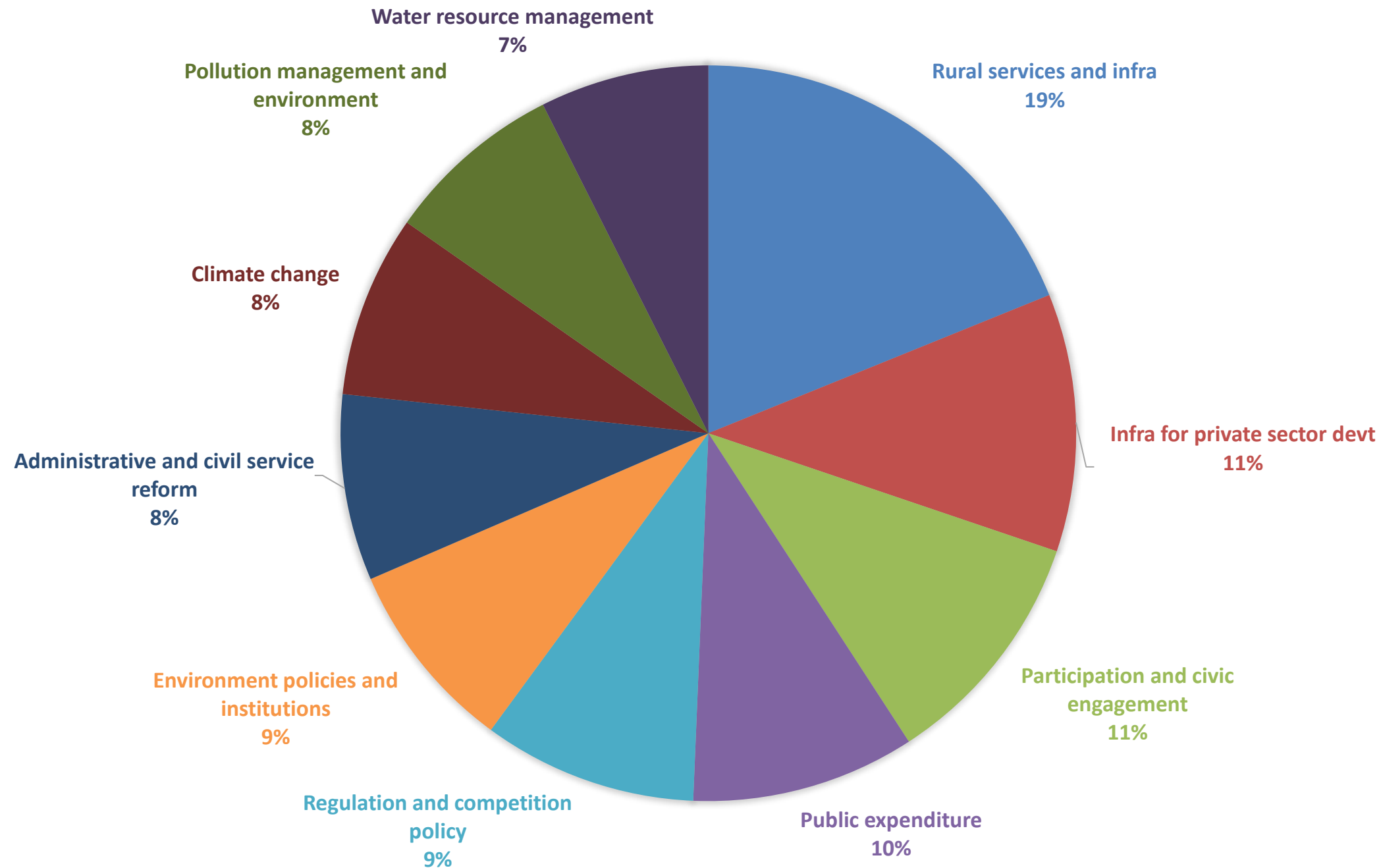
What We Do



What We Do

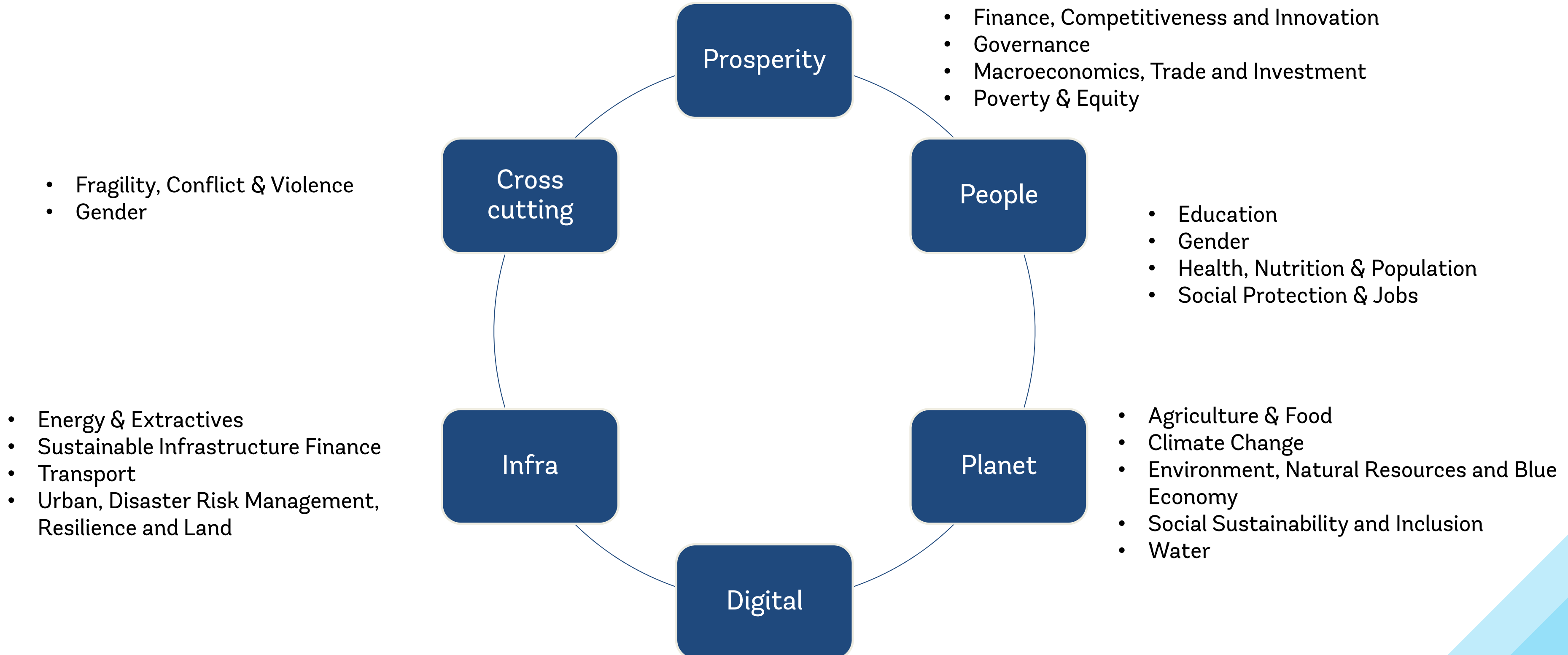
The World Bank works in every major area of development. Funding over 12,000 development projects since 1947.

Projects by Themes



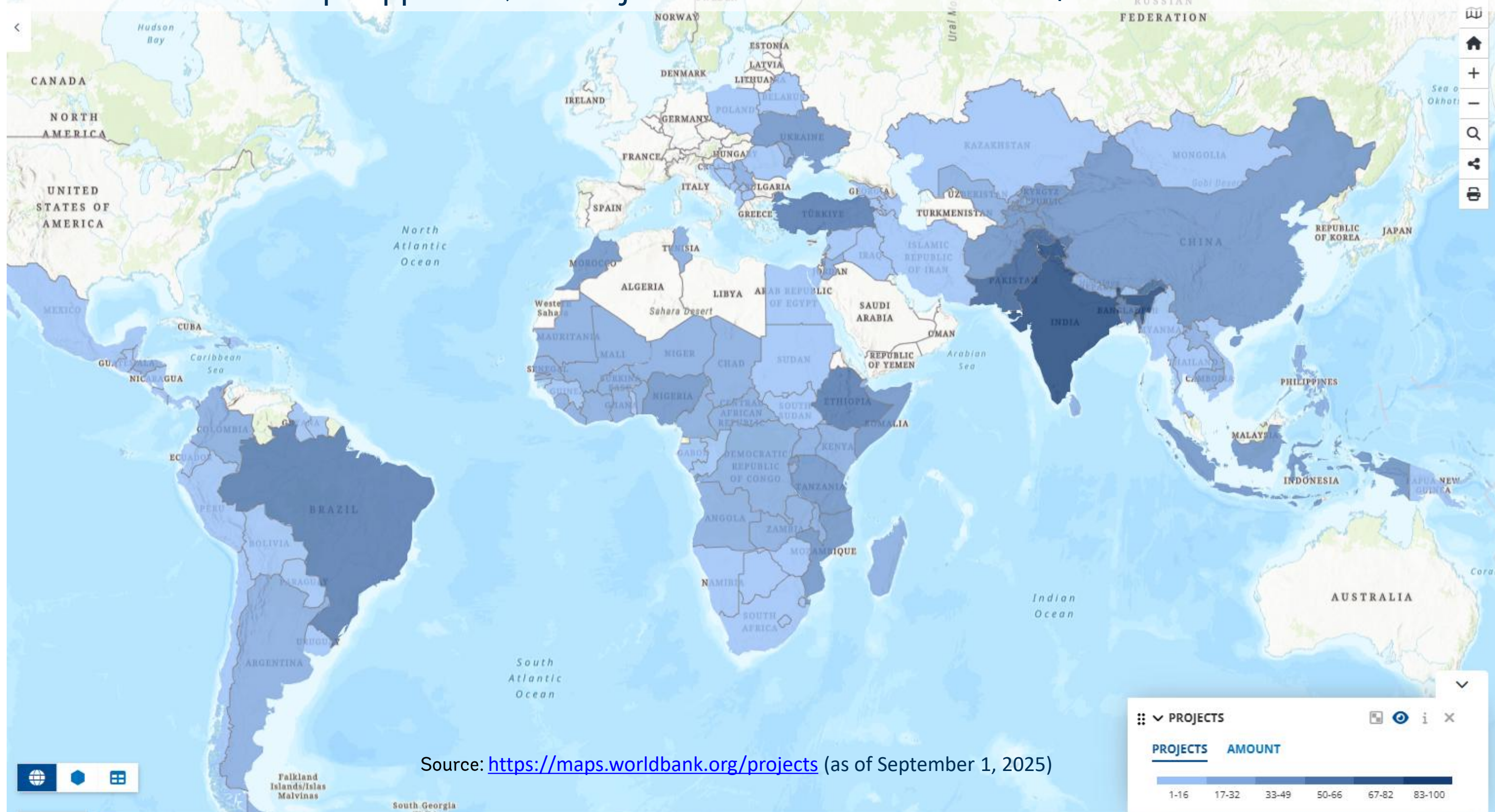
Projects Database: <https://projects.worldbank.org/en/projects-operations/projects-summary?lang=>

What We Do

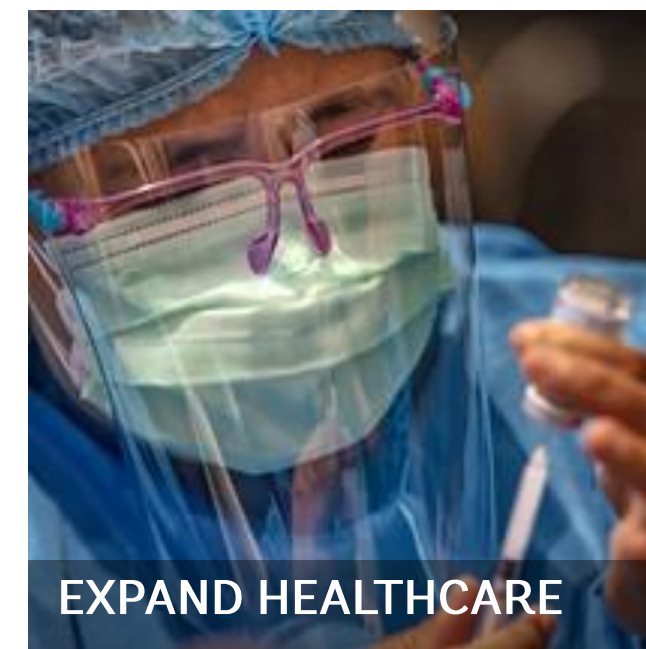
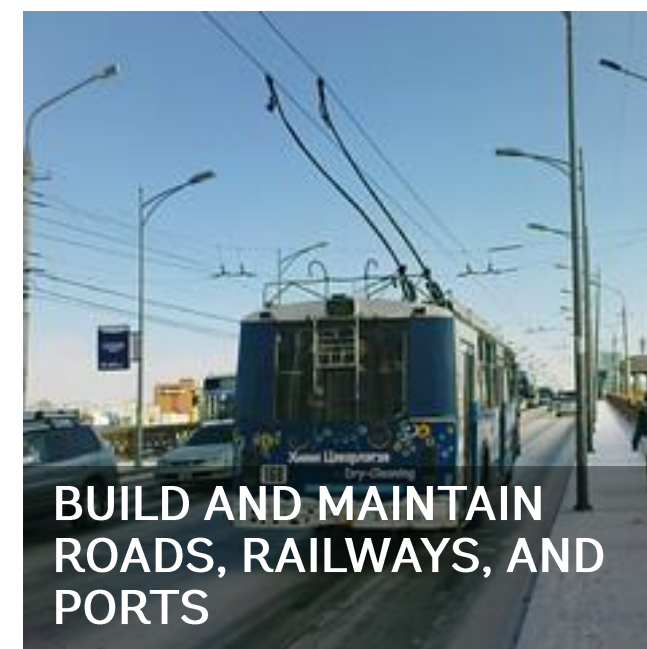
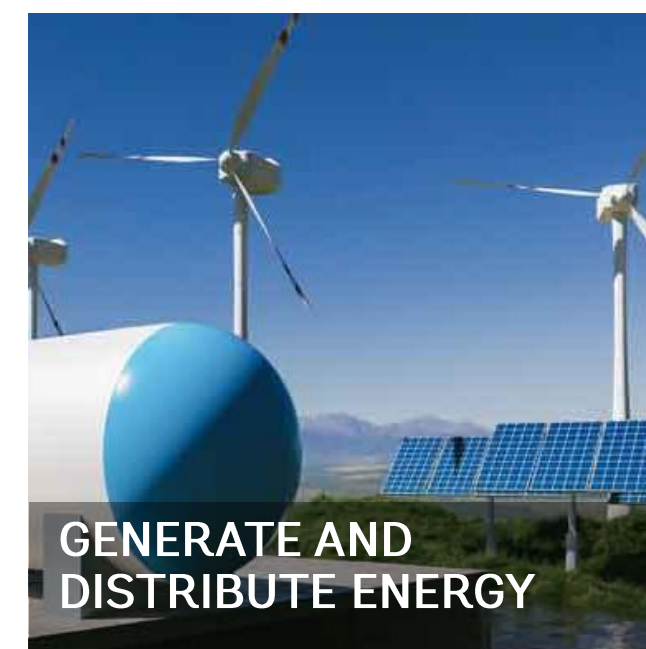
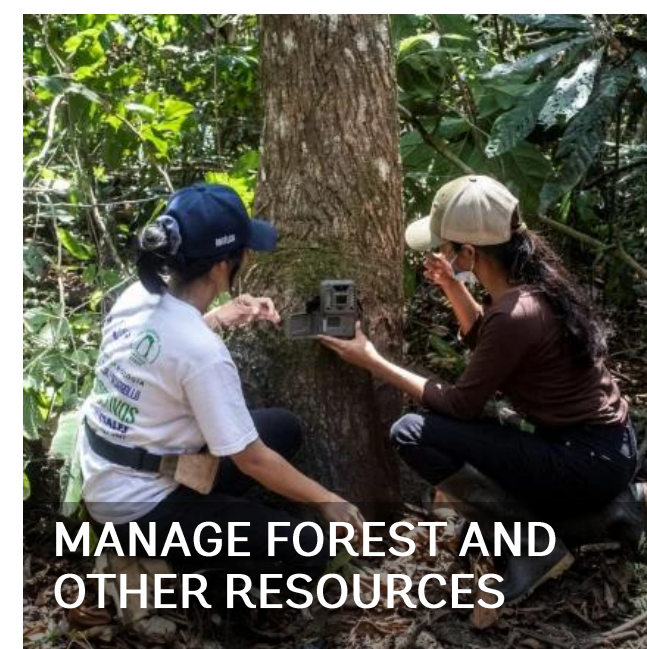


Where We Operate

The World Bank Group supports 2,613 Projects in 151 Countries with US\$399.9 billion commitments.

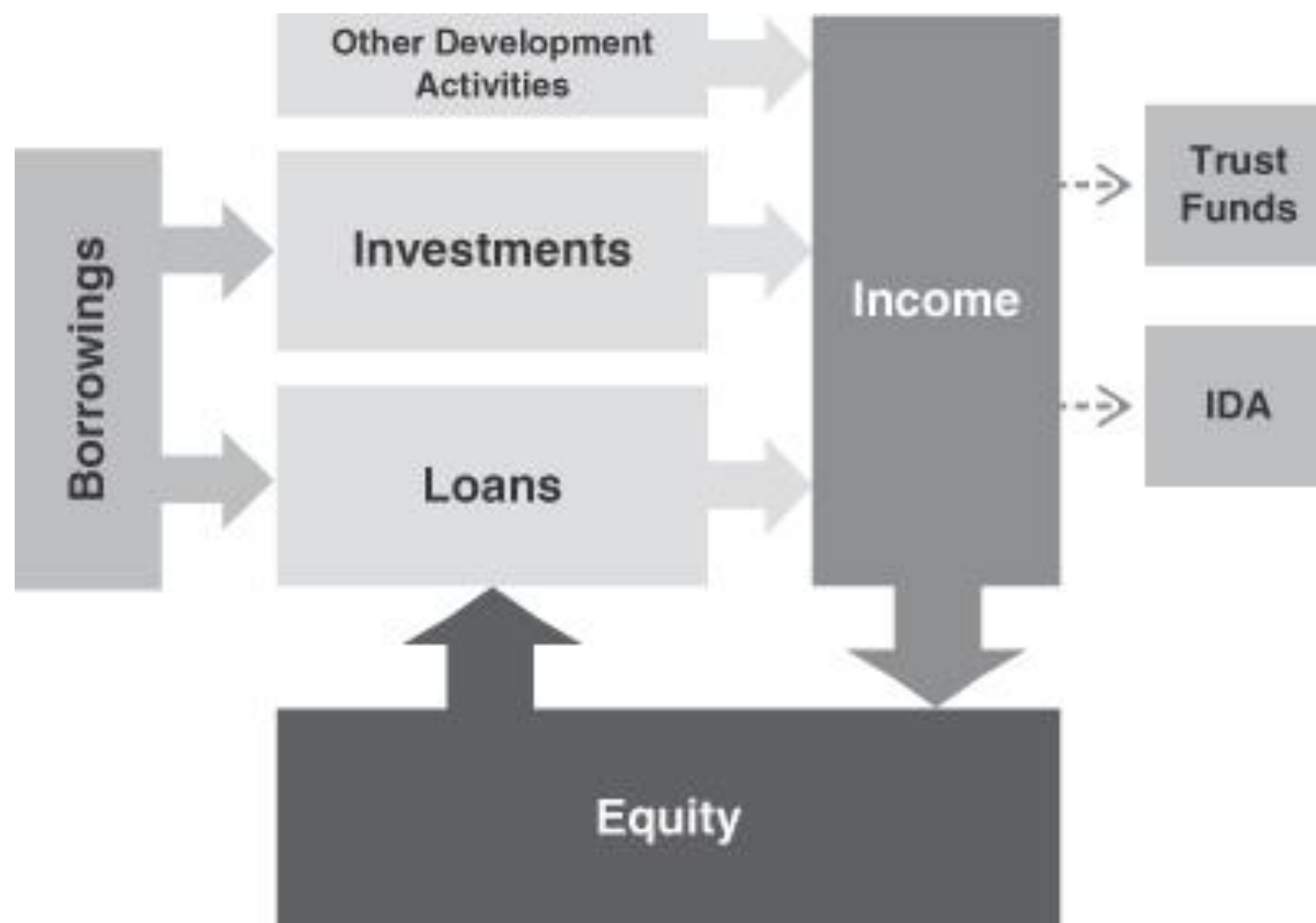


How We Operate



IBRD's Financing Model

The International Bank for Reconstruction and Development (IBRD) lends to governments of middle-income and creditworthy low-income countries.



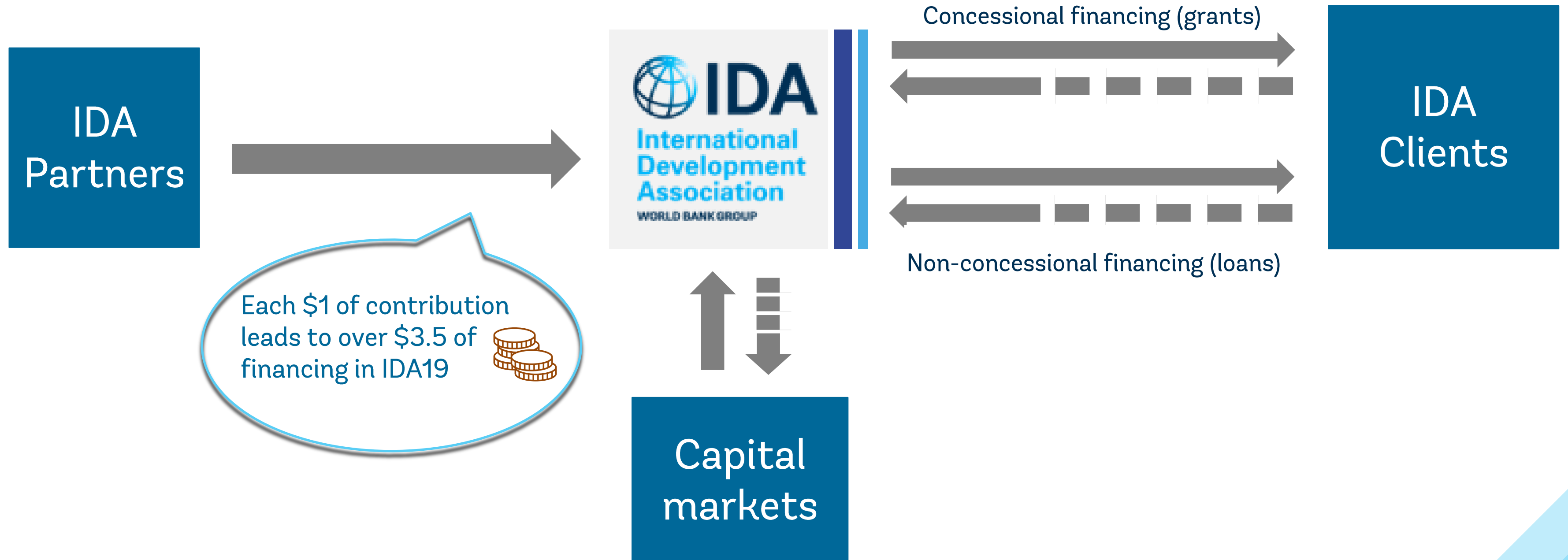
Security: AAA/Aaa Credit Rating

- Conservative Financial Policies
- Conservative Risk Management
- Solid Capital Structure
- High Liquidity

Figure Source: <https://www.sec.gov/Archives/edgar/data/51120/000119312514349397/d774082dannlrpt.htm>

IDA's New Financing Model

The International Development Association (IDA) provides interest-free loans – called credits – and grants to governments of the poorest countries.



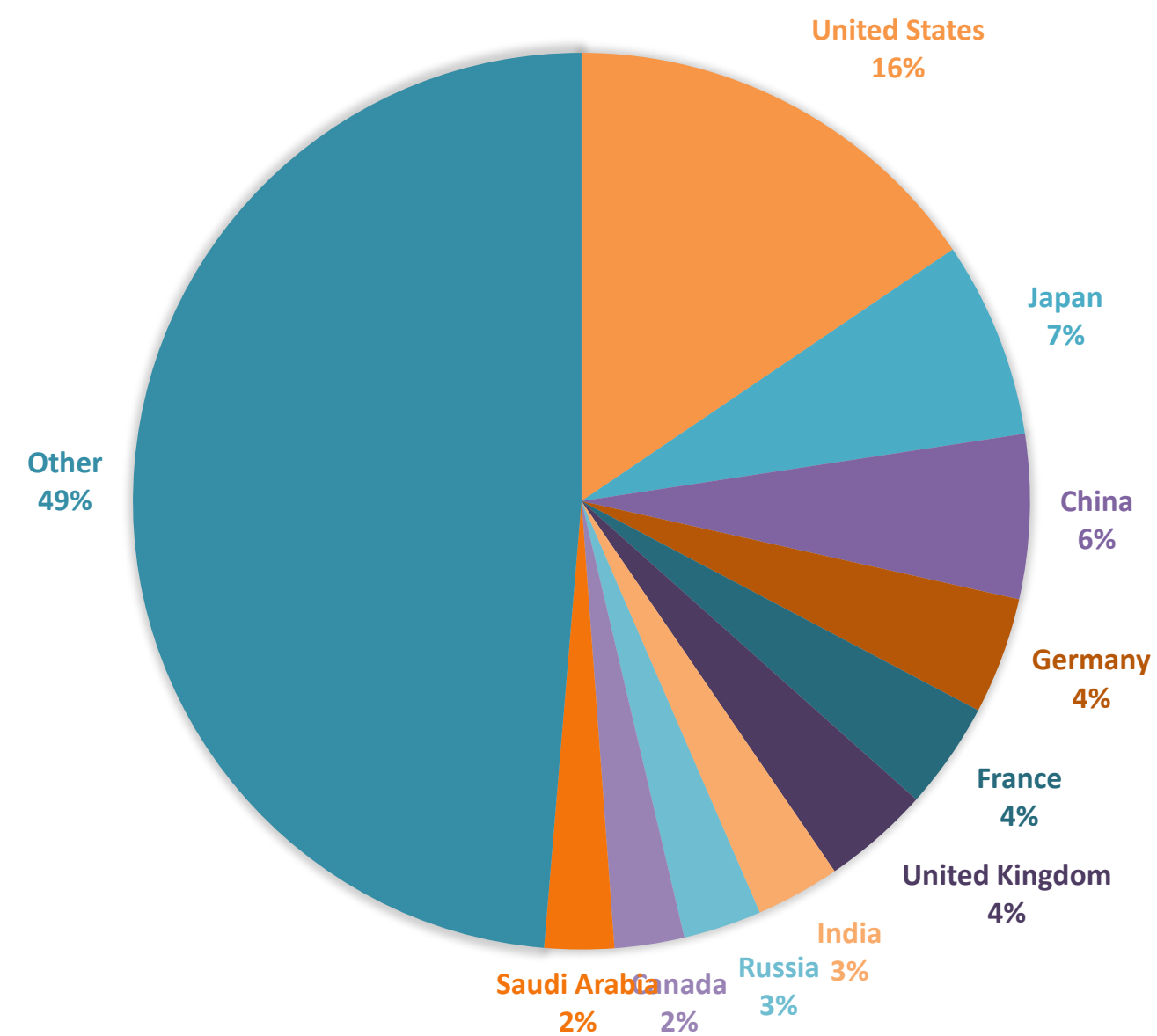
Governance



World Bank is like a cooperative

- Made up of 189 member countries
- Working with staff of 170+ nationalities
- 18,000+ staff in 130+ country offices
- A Board of Governors represent the member countries and make decisions at the World Bank

IBRD (WB) Voting Rights (%)
Top Ten Countries



Source: World Bank
Updated as of Sept. 2023

How Projects Work

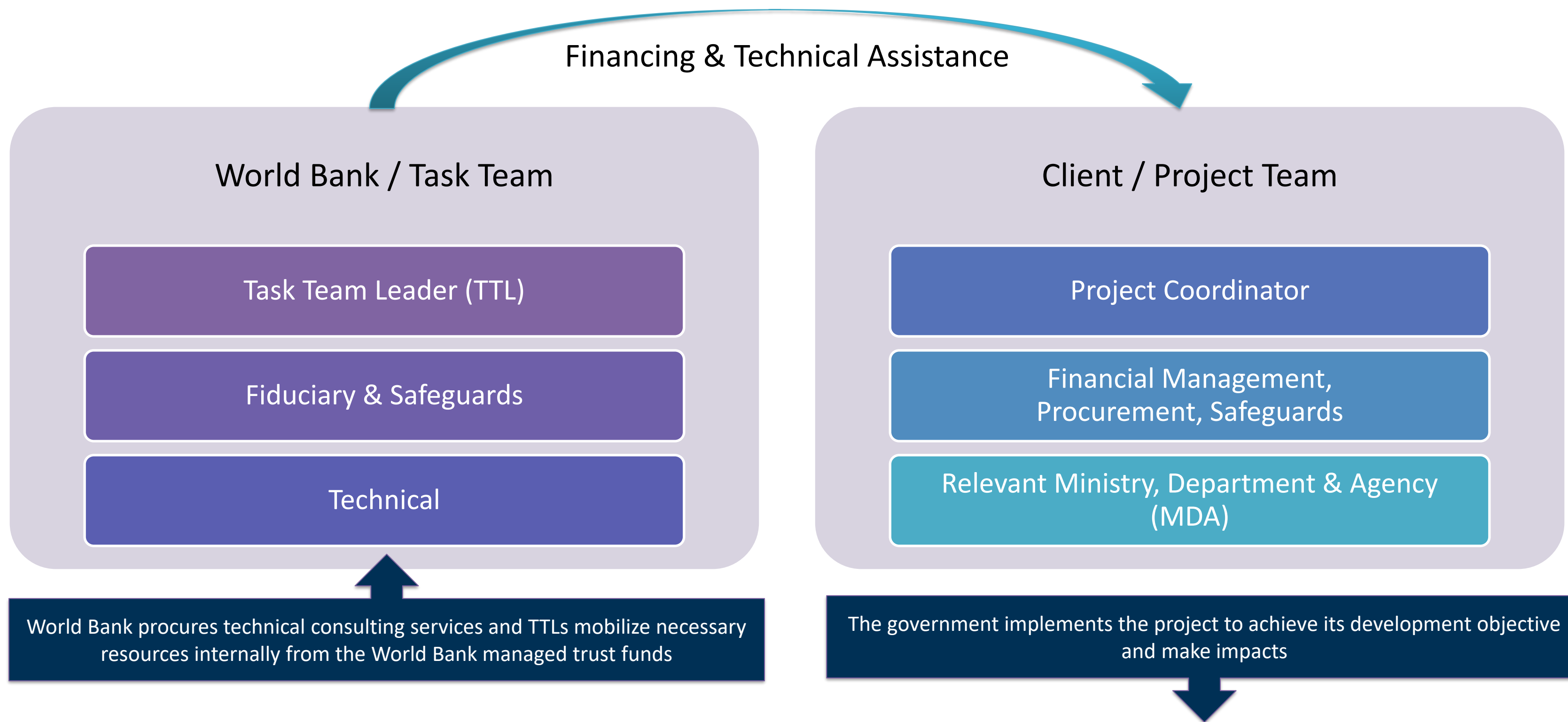


World Bank Project Cycle



- 1. IDENTIFICATION** Government and Bank agree on initial project concept and identify expected beneficiaries.
- 2. PREPARATION / ASSESSMENTS** Implementation agency prepares project with Bank advice and support.
- 3. APPRAISAL** Government and Bank review the adequacy of project preparation.
- 4. NEGOTIATIONS AND BOARD APPROVAL** Government and Bank negotiate draft legal agreements. Executive Directors conform approval for Bank financing.
- 5. IMPLEMENTATION SUPPORT AND SUPERVISION** Implementing agency implements project with support from the Bank.
- 6. COMPLETION AND EVALUATION** Government and Bank assess project outcomes and lessons learned during implementation.

Key Actors and Relationships



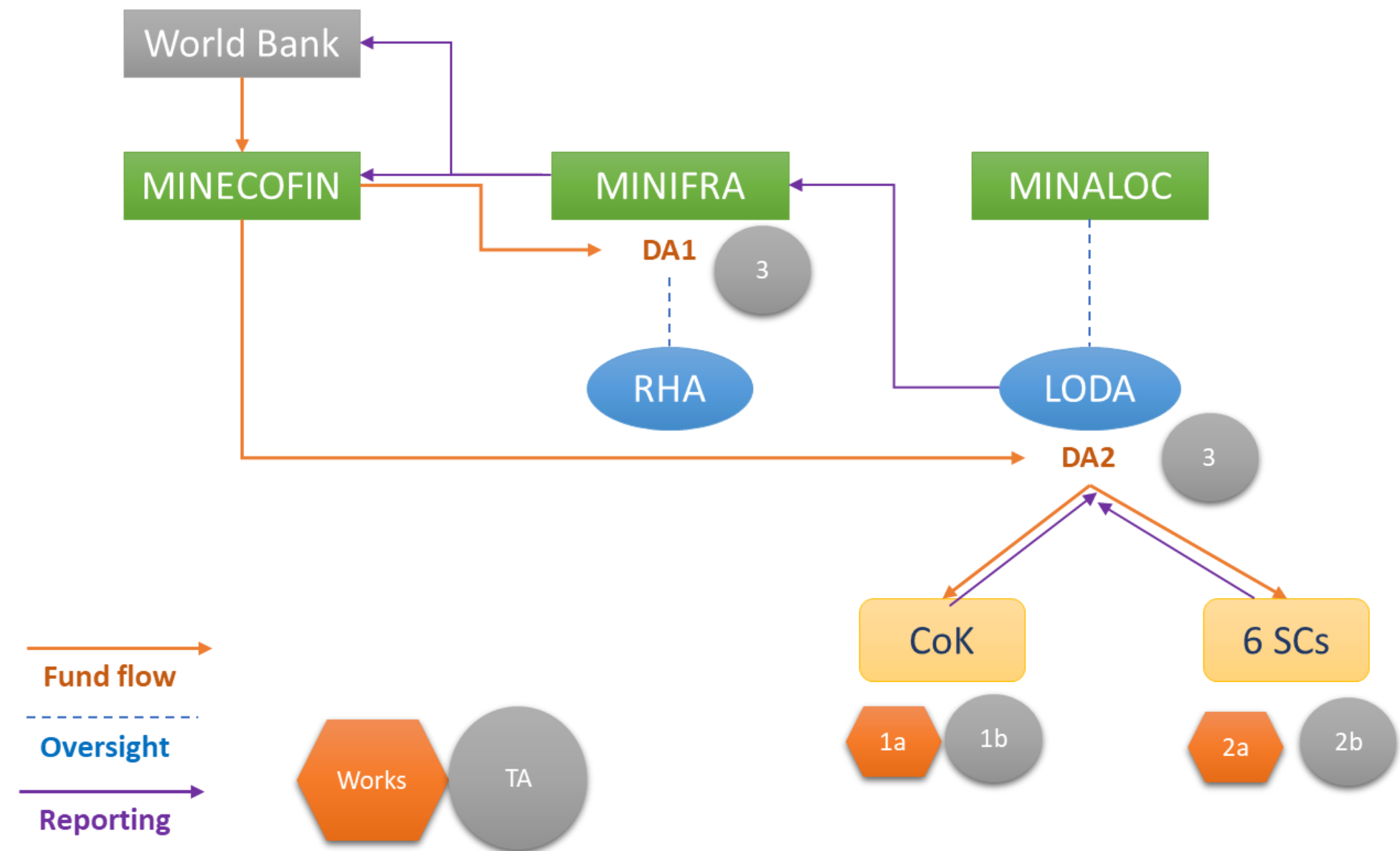
Project Case 1. Rwanda Urban Development Project



Project development objective	To provide access to basic infrastructure and enhance urban management in selected urban centers of the participating districts
World Bank Loan	US\$95 million
Implementation	2016 – 2021
Project Components	<p>Component 1: Provision of Basic Infrastructure in Secondary Cities - US\$80 million</p> <p>Component 2: Upgrading of Unplanned Settlements in the City of Kigali - US\$10 million</p> <p>Component 3: Technical Assistance for Sustainable Urban Management - US\$3 million</p> <p>Component 4: Project Management (US\$2 million)</p>

Project Case 1. Rwanda Urban Development Project

- Projects was designed in line with the institutional arrangement in place
- Activities include both:
 - Investment
 - Technical Assistance (TA)
- They cover:
 - Primary city like Kigali
 - Secondary cities
 - National government agencies
- Key questions for effective implementation
 - Who coordinates?
 - Who implements and what?



Project Case 2. Global Smart City Partnership Program

Program Objectives

To support the World Bank Group teams and clients:

1. To develop smart city best practices and solutions for sustainable urban development.
2. To enhance the capacity of planning and implementing smart city investment projects.

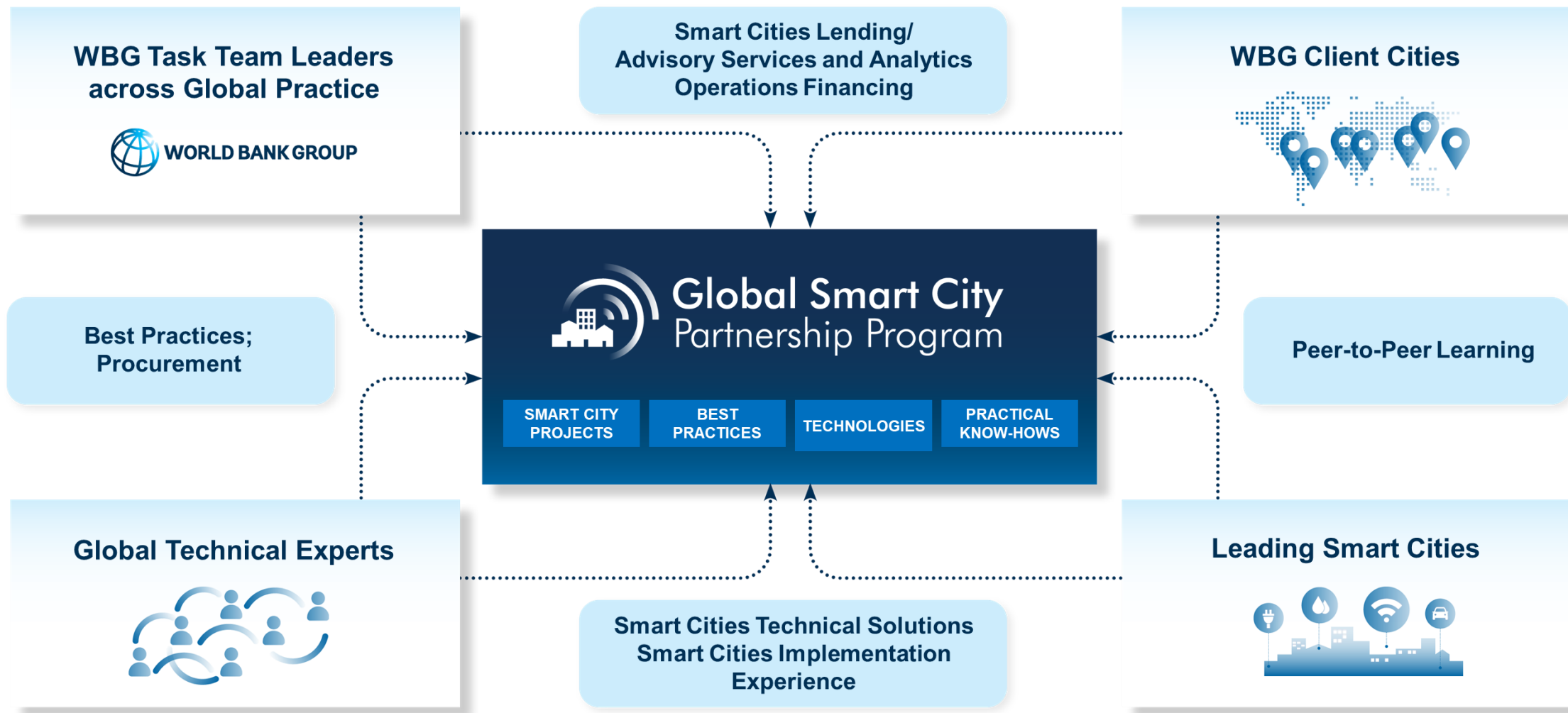
Program Components

- **Component 1.** Just-in-time Technical Assistance & Operational Support
- **Component 2.** Knowledge Sharing and Dissemination



Project Case 2. Global Smart City Partnership Program

Partnership core to the Program's operation



Project Case 2. Global Smart City Partnership Program

<<Engagement Case>> Intelligent Transport Systems in Ulaanbaatar

OBJECTIVE To help Ulaanbaatar city prepare to upgrade its Intelligent Transport Systems for more efficient traffic management

SUPPORT PERIOD July 2021-June 2022

GSCP INPUT US\$ 23,000 (expert time)

OUTPUT

- Diagnostics and needs assessment of Ulaanbaatar's Intelligent Transport Systems
- Traffic survey implementation guideline for Ulaanbaatar
- Best practices on crowdsourcing of climate events



Global Smart City Partnership Program



WORLD BANK GROUP



ENGAGEMENT BRIEF



Diagnosing Intelligent Transport Systems and Exploring Avenues for Better Transportation Planning for Ulaanbaatar

BASIC INFORMATION	GSCP SUPPORT OVERVIEW
<p>PROJECT NAME Ulaanbaatar Sustainable Urban Transport Project (P174007)</p> <p>GLOBAL PRACTICE Transport</p> <p>REGION East Asia Pacific</p> <p>COUNTRY Mongolia</p> <p>GEOGRAPHICAL SCOPE Ulaanbaatar</p> <p>COUNTERPARTS Municipality of Ulaanbaatar</p>	<p>TITLE Ulaanbaatar Intelligent Transport Systems</p> <p>OBJECTIVE To help Ulaanbaatar city prepare to upgrade its Intelligent Transport Systems for more efficient traffic management</p> <p>SUPPORT PERIOD July 2021-June 2022</p> <p>GSCP INPUT US\$ 23,000 (expert time)</p> <p>OUTPUT</p> <ul style="list-style-type: none"> • Diagnostics and needs assessment of Ulaanbaatar's Intelligent Transport Systems • Traffic survey implementation guideline for Ulaanbaatar • Best practices on crowdsourcing of climate events



— ULAANBAATAR, MONGOLIA

Q&A / Discussion

