



# Supporting Countries in Unprecedented Times

Annual Report 2020



**THE WORLD BANK**  
IBRD • IDA | WORLD BANK GROUP

AFGHANISTAN ALBANIA ANGOLA ARGENTINA ARMENIA AZERBAIJAN BANGLADESH BELARUS BELIZE BENIN BHUTAN BOLIVIA BOSNIA AND HERZEGOVINA BOTSWANA BRAZIL BULGARIA BURUNDI BURKINA FASO BURUNDI CABO VERDE CAMBODIA CAMEROON CENTRAL AFRICAN REPUBLIC CHAD CHILE CHINA COLOMBIA COMOROS DEMOCRATIC REPUBLIC OF CONGO REPUBLIC OF CONGO COSTA RICA CÔTE D'IVOIRE CROATIA DJIBOUTI DOMINICA DOMINICAN REPUBLIC ECUADOR ARAB REPUBLIC OF EGYPT EL SALVADOR ESWATINI ETHIOPIA FIJI GABON THE GAMBIA GEORGIA GHANA GRENADA GUATEMALA GUINEA GUINEA-BISSAU GUYANA HAITI HONDURAS INDIA INDONESIA IRAQ JAMAICA JORDAN KAZAKHSTAN KENYA KIRIBATI KOSOVO KYRGYZ REPUBLIC LAO PEOPLE'S DEMOCRATIC REPUBLIC LEBANON LESOTHO LIBERIA MADAGASCAR MALAWI MALDIVES MALI MARSHALL ISLANDS MAURITANIA MEXICO FEDERATED STATES OF MICRONESIA MOLDOVA MONGOLIA MONTENEGRO MOROCCO MOZAMBIQUE MYANMAR NEPAL NICARAGUA NIGER NIGERIA NORTH MACEDONIA PAKISTAN PANAMA PAPERUA NEW GUINEA PARAGUAY PERU PHILIPPINES POLAND ROMANIA RUSSIAN FEDERATION RWANDA SAMOA SÃO TOMÉ AND PRÍNCIPE SENEGAL SERBIA SEYCHELLES SIERRA LEONE SOLOMON ISLANDS SOMALIA SOUTH AFRICA SOUTH SUDAN SRI LANKA SURINAM TAJIKISTAN TANZANIA THAILAND TIMOR-LESTE TOGO TONGA TUNISIA TURKEY TUVALU UGANDA UKRAINE URUGUAY UZBEKISTAN VANUATU VIETNAM REPUBLIC OF YEMEN ZAMBIA ZIMBABWE



# Contents

- 3 Introduction
- 4 Message from the President
- 6 Message from the Executive Directors
- 9 Responding to the COVID-19 Pandemic
- 17 Regional Perspectives
- 43 Applying Experience and Insights for Good Country Outcomes
- 65 Advancing Knowledge, Research, and Data for Development
- 67 Supporting Countries' Development through Capital Markets
- 69 Partnering to Boost Development Impact
- 71 Improving Operations for Country Outcomes
- 75 Our Values and Our Staff
- 79 Guiding the Institution
- 81 Ensuring Oversight and Accountability of Our Operations
- 85 Deploying Resources Strategically
- 98 Committed to Results

## KEY TABLES

- 91 IBRD Key Financial Indicators, Fiscal 2016–20
- 95 IDA Key Financial Indicators, Fiscal 2016–20

This annual report, which covers the period from July 1, 2019, to June 30, 2020, has been prepared by the Executive Directors of both the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA)—collectively known as the World Bank—in accordance with the respective bylaws of the two institutions. David Malpass, President of the World Bank Group and Chairman of the Board of Executive Directors, has submitted this report, together with the accompanying administrative budgets and audited financial statements, to the Board of Governors.

Annual reports for the other World Bank Group institutions—the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID)—are published separately.

Throughout the report, the term *World Bank* and the abbreviated *Bank* refer only to IBRD and IDA; the term *World Bank Group* and the abbreviated *Bank Group* refer to the five institutions. All dollar amounts used in this report are current U.S. dollars unless otherwise specified. Funds allocated to multiregional projects are accounted for by recipient country in tables and text when referring to regional breakdowns. For sector and theme breakdowns, funds are accounted for by operation. Fiscal year commitments and disbursements data are in accordance with the audited figures reported in the IBRD and IDA Financial Statements and Management's Discussion and Analysis documents for fiscal 2020. As a result of rounding, numbers in tables may not add to totals, and percentages in figures have been adjusted to add to 100.

# THE WORLD BANK GROUP'S RESPONSE TO THE COVID-19 PANDEMIC

The World Bank Group will provide up to \$160 billion through the end of June 2021 to help countries address the health, social, and economic impacts of COVID-19 while maintaining a line of sight to their long-term development goals. This support will be guided by the following framework, which can be adapted to local country contexts. Through this approach, we will ensure that our response draws from our comparative advantages, can scale up selectively for impact, and contributes to our goals of ending extreme poverty and promoting shared prosperity.

The COVID-19 pandemic could push **about 100 million** more people into extreme poverty.

## RELIEF

## RESTRUCTURING

## RESILIENT RECOVERY



### SAVE LIVES

#### Public health emergency

- WBG global emergency health program and new Bank projects
- Restructuring existing Bank projects

#### Restructuring health systems

- WBG global emergency health program and new Bank projects
- Mobilizing private investment to close health supply gaps

#### Pandemic-ready health systems

- WBG global emergency health program and new Bank projects
- Long-term IFC financing for private firms



### PROTECT THE POOR & MOST VULNERABLE

#### Social emergency

- Cash and in-kind transfers
- Community-driven development
- Restructuring existing Bank projects
- Guarantees to microfinance institutions (MFIs)

#### Restoring human capital

- Cash and in-kind transfers
- Community-driven development
- New Bank projects
- Recapitalization of MFIs through IFC support

#### Building equity and inclusion

- Cash and in-kind transfers
- Community-driven development
- Advisory services and analytics (ASAs) on labor market policies
- IFC lending to MFIs



### ENSURE SUSTAINABLE BUSINESS GROWTH AND JOB CREATION

#### Economic emergency

- New Bank projects and programs
- Support for trade and working capital from IFC
- MIGA instruments
- Financing from public-private partnerships (PPPs)

#### Firm restructuring & debt resolution

- New Bank projects
- IFC support to recapitalize firms
- Long-term financing from IFC
- MIGA instruments
- PPPs

#### Green business growth & job creation

- New Bank projects
- IFC and MIGA instruments
- PPPs



### STRENGTHEN POLICIES, INSTITUTIONS, AND INVESTMENTS FOR REBUILDING BETTER

#### Maintaining focus on long-term goals

- New Bank projects on fiscal strengthening and service delivery
- ASAs on debt sustainability and transparency
- Guarantees for small and medium enterprises and MFIs

#### Policy and institutional reforms

- New Bank projects
- ASAs on restructuring and to track progress toward shared development goals

#### Investments to rebuild better

- Full range of Bank Group instruments, with focus on PPPs and private sector solutions
- ASAs to track progress toward shared development goals

For more information, read:  
***Saving Lives, Scaling-up Impact, and Getting Back on Track***

# RESPECT

The mission of the World Bank Group centers on  
two overarching goals:

# IMPACT

End extreme poverty . . .

# INTEGRITY

by reducing the share of the global population  
living on less than \$1.90 a day.

# TEAMWORK

Promote shared prosperity . . .

# INNOVATION

. . . by increasing the incomes of the  
poorest 40 percent of people.



## INTRODUCTION

### **Countries are facing unprecedented challenges**

in their efforts to achieve sustainable development. The COVID-19 pandemic is threatening lives, livelihoods, and entire economies, erasing decades of economic progress, poverty reduction, and gains in human development. The world has made great strides in reducing extreme poverty in recent decades, but was not on track to reach the goal of ending it by 2030 even before the coronavirus hit—the pandemic could push about 100 million more people into extreme poverty in 2020. And by 2030, up to two-thirds of the world's extreme poor could be living in settings affected by fragility, conflict, and violence (FCV).

The World Bank works closely with countries to provide assistance where it is needed most. In addition to financing, we draw on experience and knowledge that span regions and sectors to provide evidence-based insights and policy support, helping countries address their development priorities and facilitating the exchange of ideas and best practices. We are increasing our support to the poorest countries through IDA, which received a strong vote of confidence and \$82 billion in financing at its latest three-year replenishment in December 2019. Our footprint in IDA countries—as well as countries affected by FCV—continues to grow, even as physical distancing poses unfamiliar challenges to working with clients and the people we serve.

In these unprecedented times, we remain committed to providing flexible, innovative, and rapid solutions. The World Bank Group expects to deploy up to \$160 billion over 15 months through June 2021 in financing tailored to the health, economic, and social shocks countries are facing as a result of the COVID-19 pandemic. The combination of financing, knowledge, experience, and global partnership makes the World Bank uniquely positioned to help countries respond to the crisis, protect hard-earned development gains, and plan for the recovery.

## MESSAGE FROM THE PRESIDENT

The COVID-19 pandemic presented countries with unprecedented challenges this year, requiring them to respond quickly to major disruptions in health care, economic activity, and livelihoods. The World Bank Group has been at the forefront of that response, mobilizing rapidly to deliver much-needed support to countries to provide critical supplies, reduce loss of life and economic hardship, protect hard-earned development gains, and deliver on our mission of reducing poverty and boosting shared prosperity. Our goal in all these efforts is to improve conditions, both immediate and long-term, for the poorest and most vulnerable populations.

At the onset of COVID-19, the Bank Group took broad, decisive action in delivering a fast-track facility to help countries respond quickly to this crisis. We expect to deploy up to \$160 billion in the 15 months ending June 30, 2021, through new operations and the restructuring of existing ones to help countries address the wide range of needs arising from the pandemic. This will include over \$50 billion of IDA resources on grant and highly concessional terms.

By May, we reached the milestone of emergency health operations in 100 countries. Our initial projects focused on limiting the pandemic's spread and boosting the capacity of health services. We helped countries access essential medical supplies and equipment through support for procurement and logistics, including negotiations with suppliers on their behalf. Many developing countries are dependent on imports for supplies, making them highly exposed to price fluctuations and trade restrictions. Through IFC and MIGA, we provided vital working capital and trade finance for the private sector in developing countries, particularly firms in core industries, and helped financial sectors continue lending to viable local businesses.

In March, the World Bank and IMF called for official bilateral creditors to suspend debt payments from IDA countries. In April, G20 leaders issued a historic agreement suspending official bilateral debt service payments from May 1 through the end of 2020 and called for comparable treatment by commercial creditors—a powerful example of international cooperation to help the poorest countries.

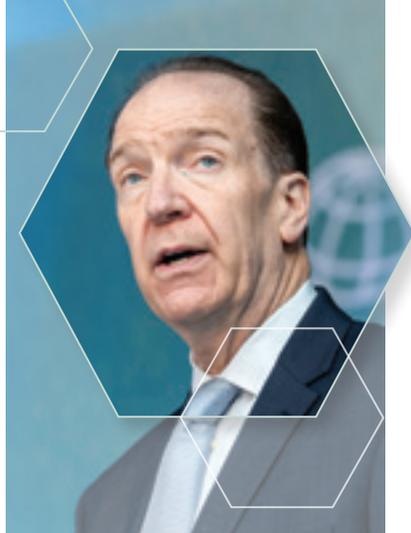
Beyond immediate health concerns, the Bank Group is supporting countries as they reopen their economies, restore jobs and services, and pave the pathway to a sustainable recovery. Many of our client countries have enhanced their transparency and attractiveness to new investment with fuller disclosure of their public sector's financial commitments. The Bank is helping the most vulnerable countries evaluate their debt sustainability and transparency, which are both essential to good development outcomes.

The Bank Group is supporting countries' efforts to scale up their social safety nets. This includes cash transfer operations through both in-person and digital options so that governments can efficiently deliver this critical support to their most vulnerable people. We are also engaging with governments to eliminate or redirect costly and environmentally harmful fuel subsidies and reduce trade barriers for food and medical supplies.

In fiscal 2020, IBRD's net commitments rose to \$28 billion, while disbursements remained strong. IDA's net commitments were \$30.4 billion, 39 percent higher than the previous year. The 19th replenishment of IDA was approved in March, securing a three-year \$82 billion financing package for the world's 76 poorest countries. This will increase our support to countries affected by fragility, conflict, and violence (FCV) and strengthen debt transparency and sustainable borrowing practices.

Over the last year, we realigned the Bank's staff and management to drive coordinated country programs and put high-quality knowledge at the center of our operations and development policy. We are increasing our global footprint to

be closer to our operations on the ground. We also strengthened our focus on Africa by creating two Bank vice presidencies, one focusing on Western and Central Africa and the other on Eastern and Southern Africa, to take effect in fiscal 2021. I appointed four new senior leaders: Anshula Kant as Managing Director and Chief Financial Officer, Mari Pangestu as Managing Director of Development Policy and Partnerships, Hiroshi Matano as Executive Vice President of MIGA, and Axel van Trotsenburg as Managing Director of Operations on the departure of Kristalina Georgieva to head the IMF. In addition to these appointments, there were 12 vice-presidential appointments or reassignments over the last year. Together, the strong leadership team and a highly dedicated and motivated staff are striving to build the world's most effective development institution, with a resilient and responsive business model that can help each country and region achieve better development outcomes.



At our Annual Meetings in October, we presented a new index to track learning poverty—the percentage of 10-year-olds who cannot read and understand a basic story. Reducing learning poverty will require comprehensive reforms, but the payoff—equipping children with the skills they need to succeed and achieve their potential as adults—is vital for development.

By helping countries leverage new digital technologies, we are expanding access to low-cost financial transactions, particularly for women and other vulnerable groups. Digital connectivity is one of many key steps in helping women unleash their full economic potential. The Women Entrepreneurs Finance Initiative (We-Fi), hosted by the Bank Group, works to remove regulatory and legal barriers that women face and help them gain access to the financing, markets, and networks they need to succeed. Bank operations also focus on providing women with greater agency and voice in their communities, working to ensure that girls can learn effectively and safely in schools, and promoting quality health care for mothers and children.

We help countries strengthen their private sectors, which are central to creating jobs and boosting economic growth. In fiscal 2020, IFC's long-term finance commitments increased to \$22 billion, which includes \$11 billion of its own commitments and \$11 billion in mobilization, commitments from private investors, and others. In addition, IFC extended \$6.5 billion in short-term finance. MIGA's commitments totaled \$4 billion, with an average project size of \$84 million. Looking forward, MIGA's product line, staffing, and upstream efforts are well suited to help in the Bank Group's COVID-19 response, including a focus on smaller projects in IDA-eligible countries and countries affected by FCV.

None of these achievements would have been possible without our staff's hard work and successful adjustment to home-based work during the pandemic. Working around the world and at all levels, staff continued to deliver solutions to address countries' most urgent needs. I am deeply grateful for their dedication and flexibility, especially amid these difficult circumstances.

As people in developing countries worldwide grapple with the pandemic and deep recessions, the World Bank Group remains committed to their future, providing the support and assistance they need to overcome this crisis, and achieve a sustainable and inclusive recovery.

A handwritten signature in dark ink that reads "David Malpass". The signature is written in a cursive, flowing style.

**DAVID MALPASS**

*President of the World Bank Group  
and Chairman of the Board of Executive Directors*

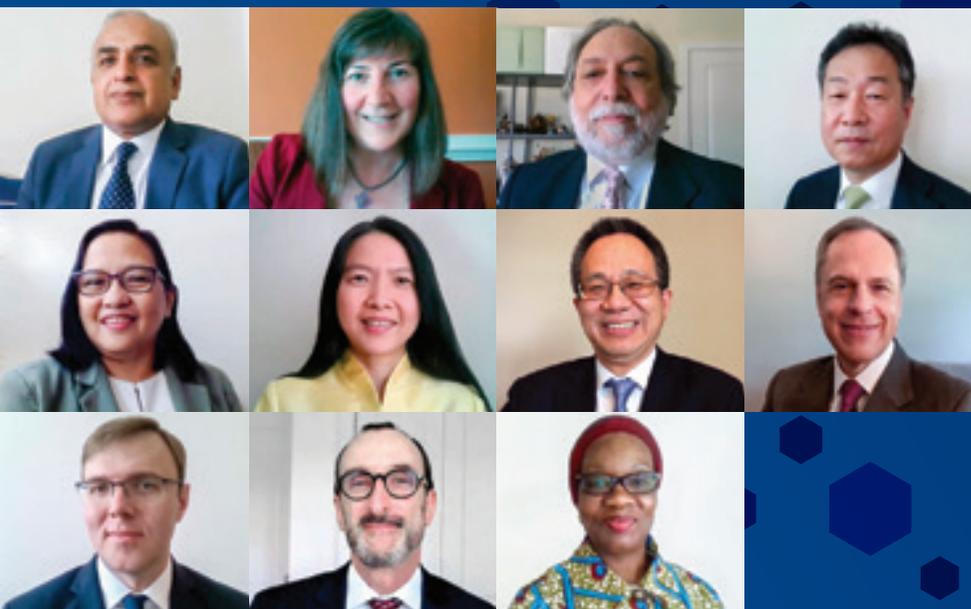


## MESSAGE FROM THE EXECUTIVE DIRECTORS

We are facing one of the most challenging times for development since the creation of the World Bank in 1944. The COVID-19 pandemic has spared no country or segment of society; it has gravely impacted the lives of millions, small and large businesses across the world, and the modern global economy as we know it. Through combined efforts to address this pandemic, the World Bank Group has taken swift and comprehensive action. We express our heartfelt thanks to the staff, who have worked tirelessly to mobilize resources in fighting these unprecedented global health, social, and economic crises. Guided by our twin goals of ending poverty and promoting shared prosperity, and the COVID-19 Crisis Response Approach Paper: *Saving Lives, Scaling-up Impact and Getting Back on Track*, the Bank Group has committed to provide as much as \$160 billion over 15 months to help countries respond to the crisis—as of the end of fiscal 2020, we were already providing support in over 100 countries. We envisage this funding will help improve resilience and inclusion, as well as foster transformative investments that will in turn help countries build back better. We believe our continued cooperation with governments, private and public sector partners, and a wide range of stakeholders is key to returning to a sustainable path of recovery and development.

Recognizing the severe impact on countries' abilities to respond effectively to the crisis, the World Bank and IMF called for a debt service suspension for the poorest countries as endorsed by the G-20 Finance Ministers in April 2020. This will help countries free up resources so that they can increase social, health, or economic spending in response to COVID-19. Our recently approved Sustainable Development Finance Policy will also help provide incentives to IDA-eligible countries to move toward transparent and sustainable financing and to strengthen creditor coordination. The recently approved IDA19 replenishment is a key part of this effort. Starting on July 1, 2020, the historic \$82 billion financing package secured in fiscal 2020 will help IDA countries invest in immediate needs and longer-term economic growth as well as bolster their resilience to climate shocks and natural disasters.

To support further progress toward the twin goals and the Sustainable Development Goals, we endorsed the World Bank Group's Fragility, Conflict, and Violence (FCV) Strategy. Building on the ongoing, successful implementation of the 2016 Forward Look and the 2018 capital package, the strategy aims to enhance effectiveness in helping countries address the drivers and impacts of FCV and in strengthening resilience, with a focus on the most vulnerable and marginalized populations.



From left to right, top row: DJ Nordquist, *United States*; Masanori Yoshida, *Japan*; Richard Hugh Montgomery, *United Kingdom*; Arnaud Buisé, *France*; Juergen Karl Zattler, *Germany*; Shahid Ashraf Tarar, *Pakistan*; Louise Levonian, *Canada*; Adrián Fernández, *Uruguay*; Kunil Hwang, *Korea*; (from left to right, middle row) Guenther Schoenleitner, *Austria*; Merza Hussain Hasan, *Kuwait (Dean)*; Aparna Subramani, *India*; Jean-Claude Tchatchouang, *Cameroon*; Anne Kabagambe, *Uganda*; Elsa Agustin, *Philippines (Alternate)*; Kulaya Tantitemit, *Thailand*; Yingming Yang, *China*; Jorge Alejandro Chávez Presa, *Mexico*; (from left to right, bottom row) Koen Davidse, *The Netherlands*; Geir H. Haarde, *Iceland*; Patrizio Pagano, *Italy (Co-Dean)*; Hesham Alogeel, *Saudi Arabia*; Roman Marshavin, *Russian Federation*; Werner Gruber, *Switzerland*; Larai Hajara Shuaibu, *Nigeria*

Earlier in fiscal 2020 we discussed strategic and operational issues related to jobs and economic transformation, migration, global value chains, and digital transformation. We reengaged with Somalia and discussed changes to the Heavily Indebted Poor Countries (HIPC) initiative. We focused attention on progress in the Human Capital Project; Women, Business and the Law; and the fight against gender-based violence.

We welcomed the Bank Group becoming the largest multilateral funder of climate investments in developing countries and continued to encourage progress on climate adaptation, resilience, and action, as well as in mainstreaming disaster risk management.

We discussed critical matters to our organization, such as having staff located closer to our clients and how we measure development results; our independent accountability mechanisms, as well as the Inspection Panel toolkit, whose review we approved in fiscal 2020; and the governance framework related to IDA voting rights and the 2020 Shareholding review. In addition, we discussed and endorsed the strategy and business outlook for the World Bank for fiscal 2021–23 and budget for fiscal 2021 that help shape the Bank Group’s direction over the coming year.

The Board strongly supports racial justice and equality within the Bank Group and in our work. We will continue prioritizing diversity and inclusion across the institution and in our support to clients and communities. We believe that it is critical to embed concern for race and ethnicity in our development work and programs around the world, and that promoting diversity and inclusion in the workplace reflects our institution’s core values. These efforts will remain an important focus in the year ahead.

In addition to the operations and country engagements that we discussed and approved, we visited project sites to engage with government officials, civil society, private sector representatives, and other stakeholders on the effectiveness of the Bank Group’s delivery model. In November 2019 and January 2020, Board members traveled to Bangladesh, Djibouti, Egypt, Jordan, Maldives, Nepal, and the West Bank.



## RESPONDING TO THE COVID-19 PANDEMIC

**In early 2020, the coronavirus pandemic (COVID-19)** struck countries around the world, presenting enormous challenges to health systems and spurring widespread shutdowns, school and business closures, and job losses. Nearly all countries are facing an unprecedented economic downturn.

The World Bank Group has been at the forefront of the global response. In March, the Board of Executive Directors approved a new fast-track facility to help countries address their immediate health needs and bolster economic recovery. The World Bank deployed the first set of projects under this facility in April, aimed at strengthening health systems, disease surveillance, and public health interventions. To soften the economic blow, IFC and MIGA moved quickly to provide financing and increase access to capital to help companies continue operating and paying their workers.

**The Bank Group expects to deploy up to \$160 billion over 15 months through June 2021** to support countries' responses to COVID-19 through a series of new operations, the restructuring of existing ones, the triggering of catastrophe drawdown options, and support for sustainable private sector solutions that promote restructuring and recovery. The pandemic could push about 100 million more people into extreme poverty in 2020. Countries impacted by FCV challenges are particularly vulnerable to the health, social, and economic impacts of the pandemic. Our support in these settings focuses on investing in prevention, remaining engaged in crisis situations, protecting human capital, and supporting the most vulnerable and marginalized groups, including forcibly displaced populations. The poorest and most vulnerable countries also face food insecurity, as supply chain disruptions and export restrictions threaten the food supply. To address this, we urged countries to ensure that food supply chains continued to flow and function safely and helped them monitor the impact of the pandemic on people's ability to buy food. We advocated for strong social protection programs for the poorest and most vulnerable to ensure that people can afford to eat and access basic food supplies, while helping protect livelihoods.

Our research and knowledge products looked at the widespread impact of the pandemic—including economic updates, a report on declining global remittance flows, and a policy note on the shock to education and children's futures. But long after the immediate crisis subsides, countries will need support in mitigating its impacts and boosting long-term growth. Our policy recommendations offered countries ways to achieve this, including by improving governance and business environments, countering disruptions in financial markets, investing in education and health for better human capital outcomes, facilitating new investments through greater debt transparency, expanding cash safety nets for the poor, reviewing energy pricing policies, and implementing reforms that allow for capital and labor to adjust quickly to post-pandemic structures.

**Engaging with the private sector is critical to the emergency response, and IFC expects to provide \$47 billion in financial support through June 2021 as its part of the Bank Group's response.** In its initial package, IFC is providing \$8 billion to help companies continue operating and sustain jobs during the crisis. This package will support existing clients in vulnerable industries, including infrastructure, manufacturing, agriculture, and services, and provide liquidity to financial institutions so they can provide trade financing to companies that import and export goods and extend credit to help businesses shore up their working capital.

IFC is also preparing the second phase of its response, during which it will support existing and new clients. This includes the Global Health Platform, which

aims to increase access to critical health care supplies, including masks, ventilators, test kits, and, eventually, vaccines. It will provide financing to manufacturers, suppliers of critical raw materials, and service providers to expand capacity for delivering products and services to developing countries. IFC will contribute \$2 billion for its own account and mobilize an additional \$2 billion from private sector partners. It will also help restructure and recapitalize companies and financial institutions on their path to recovery.

**MIGA also launched a \$6.5 billion fast-track facility to help private sector investors and lenders tackle the pandemic in low- and middle-income countries.** The facility allows for the issuance of guarantees using streamlined and expedited procedures. It offers credit enhancement for governments and their agencies to purchase urgent medical equipment, protective gear, medicines, and services, and to fund economic recovery efforts. It also includes de-risking solutions for commercial banks and financial institutions, as well as support for trade financing for local banks.

By supporting trade financing, both IFC and MIGA are complementing broader Bank Group efforts to ensure that global supply chains are preserved, particularly for the production and distribution of vital medical supplies. We mobilized quickly to help countries access these supplies by reaching out to suppliers on behalf of governments. We also cautioned governments against protectionist measures, which can reduce global supply, lead to higher prices, and prevent developing countries from getting the supplies they need.

The Bank, along with the International Monetary Fund (IMF), called for the suspension of bilateral debt payments from IDA countries to ensure that countries have the liquidity needed to grapple with the challenges posed by the outbreak and allow for an assessment of their financing needs. On April 15, leaders of the G20 nations heeded this call and issued a debt relief agreement suspending bilateral debt service payments by poor countries beginning May 1. In remarks to the Development Committee at the virtual Spring Meetings of the Bank Group and IMF, President David Malpass commended this historic achievement: “Debt relief is a powerful, fast-acting measure that can bring real benefits to the people in poor countries.”

In June 2020, the Board of Executive Directors approved an approach paper detailing our response to the COVID-19 pandemic. The paper *Saving Lives, Scaling-up Impact, and Getting Back on Track* explains how we’re organizing our crisis response across the three stages of relief, restructuring, and resilient recovery. The first involves emergency response to the immediate health, social, and economic impacts of COVID-19. Then, as countries bring the pandemic under control and start reopening their economies, the restructuring stage focuses on strengthening health systems for future crises; restoring people’s lives and livelihoods through education, jobs, and access to health care; and helping firms and financial institutions regain a solid footing. The resilient recovery stage entails helping countries build a more sustainable, inclusive, and resilient future in a world transformed by the pandemic.

We will continue to deliver support with unparalleled scale and speed, while concentrating our efforts for the greatest impact and maintaining our financial capacity for a robust response. Working across all the Bank Group institutions, we will continue seeking the right mix of public and private sector solutions and working with clients and partners to fight the pandemic.

Despite the unprecedented scale of the crisis and the ways we’ve repositioned our support to countries, our long-term mission remains unchanged. We remain committed to our goals of ending extreme poverty and boosting shared prosperity in a sustainable manner. To get there, we will focus our efforts on helping countries work toward a resilient recovery from the pandemic and ultimately build back stronger.



### » NIGERIA: \$50 million

loan from IFC to a domestic bank to help expand lending to small and medium enterprises so that they can continue operating and sustain jobs, as part of ongoing efforts to support resilient recovery.



### » MONGOLIA: \$27 million

in World Bank financing to help provide training for emergency care doctors, nurses, and paramedics; purchase medical and laboratory equipment and supplies; rehabilitate health care facilities; and strengthen the country's capacity to respond to health crises.



### » KYRGYZ REPUBLIC: \$12 million

in World Bank financing to help boost the capacity of rapid-response teams, hospitals, and laboratories by providing medical and laboratory supplies, ICU equipment, and preparedness funds for hospitals.

### » COLOMBIA: \$385 million

in MIGA guarantees to support short-term financing for micro-, small, and medium enterprises facing constraints to accessing credit as a result of the pandemic.



### » YEMEN: \$27 million

in World Bank financing to help the country limit the spread of and mitigate risks associated with COVID-19, in partnership with the World Health Organization (WHO).



### » INDIA: \$2.8 billion

in World Bank financing to strengthen health care services, provide support to small and medium enterprises, and enhance social protection for the poorest and most vulnerable, especially women and migrant workers.



## THE INSTITUTIONS OF THE WORLD BANK GROUP

The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. It consists of five institutions with a shared commitment to reducing poverty, increasing shared prosperity, and promoting sustainable growth and development.

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

**International Development Association (IDA)** provides financing on highly concessional terms to governments of the poorest countries.

**International Finance Corporation (IFC)** provides loans, equity, and advisory services to stimulate private sector investment in developing countries.

**Multilateral Investment Guarantee Agency (MIGA)** provides political risk insurance and credit enhancement to investors and lenders to facilitate foreign direct investment in emerging economies.

**International Centre for Settlement of Investment Disputes (ICSID)** provides international facilities for conciliation and arbitration of investment disputes.

# WORLD BANK GROUP FINANCING FOR PARTNER COUNTRIES

**TABLE 1**  
**WORLD BANK GROUP COMMITMENTS, DISBURSEMENTS, AND GROSS ISSUANCE**  
BY FISCAL YEAR, MILLIONS OF DOLLARS

|                                       | 2016   | 2017                | 2018                | 2019                | 2020                |
|---------------------------------------|--------|---------------------|---------------------|---------------------|---------------------|
| <b>WORLD BANK GROUP</b>               |        |                     |                     |                     |                     |
| Commitments <sup>a</sup>              | 64,185 | 61,783              | 66,868              | 62,341              | 77,078              |
| Disbursements <sup>b</sup>            | 49,039 | 43,853              | 45,724              | 49,395              | 54,367              |
| <b>IBRD</b>                           |        |                     |                     |                     |                     |
| Commitments <sup>c</sup>              | 29,729 | 22,611              | 23,002              | 23,191              | 27,976              |
| Disbursements                         | 22,532 | 17,861              | 17,389              | 20,182              | 20,238              |
| <b>IDA</b>                            |        |                     |                     |                     |                     |
| Commitments <sup>c</sup>              | 16,171 | 19,513 <sup>d</sup> | 24,010 <sup>e</sup> | 21,932 <sup>e</sup> | 30,365 <sup>e</sup> |
| Disbursements                         | 13,191 | 12,718 <sup>d</sup> | 14,383              | 17,549              | 21,179 <sup>e</sup> |
| <b>IFC</b>                            |        |                     |                     |                     |                     |
| Commitments <sup>f</sup>              | 11,117 | 11,854              | 11,629              | 8,920               | 11,135              |
| Disbursements                         | 9,953  | 10,355              | 11,149              | 9,074               | 10,518              |
| <b>MIGA</b>                           |        |                     |                     |                     |                     |
| Gross issuance                        | 4,258  | 4,842               | 5,251               | 5,548               | 3,961               |
| <b>RECIPIENT-EXECUTED TRUST FUNDS</b> |        |                     |                     |                     |                     |
| Commitments                           | 2,910  | 2,962               | 2,976               | 2,749               | 3,641               |
| Disbursements                         | 3,363  | 2,919               | 2,803               | 2,590               | 2,433               |

a. Includes IBRD, IDA, IFC, Recipient-Executed Trust Fund (RETF) commitments, and MIGA gross issuance. RETF commitments include all recipient-executed grants, and therefore total World Bank Group commitments differ from the amount reported in the Corporate Scorecard, which includes only a subset of trust-funded activities.

b. Includes IBRD, IDA, IFC, and RETF disbursements.

c. Amounts are net of full terminations and cancellations approved in the same fiscal year.

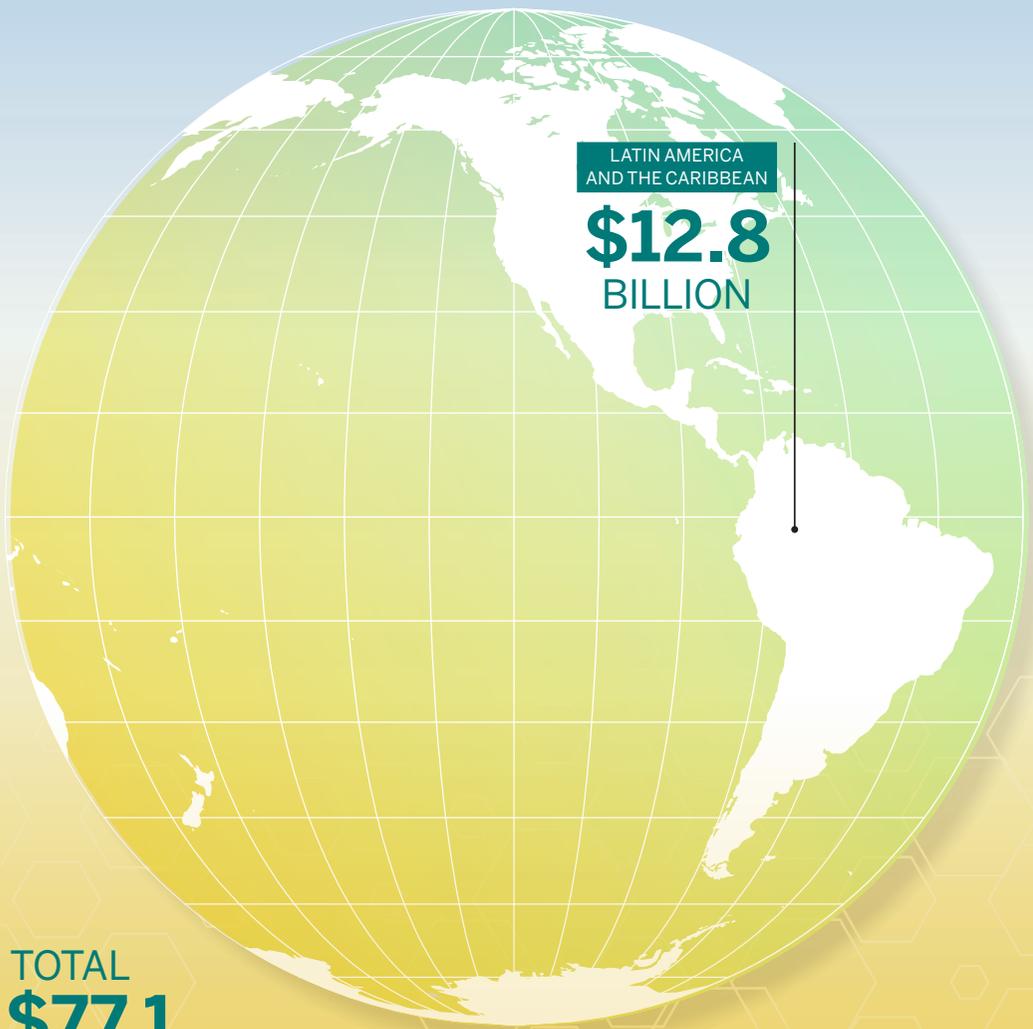
d. Figures include the commitment and disbursement of a \$50 million grant for the Pandemic Emergency Financing Facility.

e. Commitments and disbursements exclude IFC-MIGA Private Sector Window (PSW) activities.

f. Long-term commitments for IFC's own account. Does not include short-term finance or funds mobilized from other investors.

# GLOBAL COMMITMENTS

The World Bank Group supported developing countries in fiscal 2020 by delivering results for clients, convening key partners, and addressing an unprecedented pandemic and global economic challenge.



TOTAL  
**\$77.1**  
BILLION

in loans, grants, equity investments, and guarantees to partner countries and private businesses.

Total includes multiregional and global operations.  
Regional breakdowns reflect World Bank country classifications.

EUROPE AND CENTRAL ASIA

**\$9.2**  
BILLION

EAST ASIA AND PACIFIC

**\$10.5**  
BILLION

**\$4.8**  
BILLION

MIDDLE EAST AND NORTH AFRICA

**\$14.4**  
BILLION

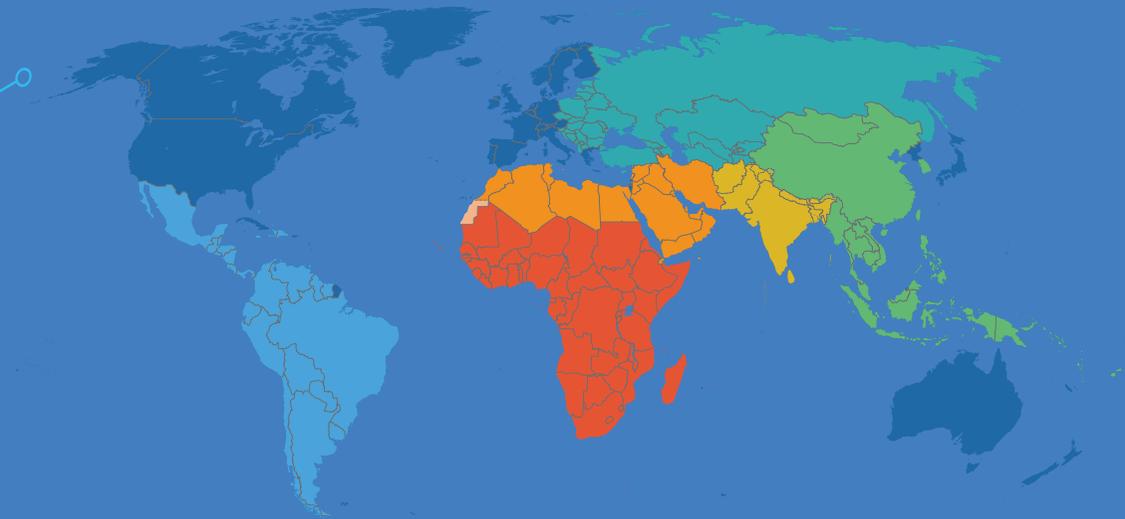
SOUTH ASIA

**\$ 25.4**  
BILLION

SUB-SAHARAN AFRICA



## REGIONAL PERSPECTIVES



The World Bank operates out of 145 countries worldwide. An increased presence in client countries is helping the Bank to better understand, work more effectively with, and provide more timely services to our partners in those countries. Ninety-six percent of Country Directors/Country Managers and 46 percent of staff are based in countries within each of the six geographical regions. The following section features notable examples of our support to countries in fiscal 2020.



# AFRICA

**GLOBAL VOLATILITY DUE TO COVID-19** is having a negative impact on Sub-Saharan Africa. The health, economic, and social impacts are costing the region between \$37 billion and \$79 billion in output losses in 2020, reducing agricultural productivity, weakening supply chains, limiting job prospects, and decreasing remittances—all contributing to uncertainty. Unprecedented locust swarms are further disrupting food security and livelihoods in East Africa. Economic growth is expected to contract from 2.4 percent in 2019 to between –2.1 and –5.1 percent in 2020, sparking the region’s first recession in 25 years. The pandemic is likely to push millions of households into poverty and could spark a food security crisis, with Africa’s agricultural production potentially contracting in the range of 2.6 to 7 percent. With almost 90 percent of the region’s workers in informal jobs, we also seek to help countries reach them with the support they need.

## World Bank assistance

In fiscal 2020, the Bank approved \$20.8 billion in lending to the Africa region for 156 operations, including \$1.7 billion in IBRD commitments and \$19.1 billion in IDA commitments. Revenue from Reimbursable Advisory Services agreements with eight countries was \$11 million.

We seek to help the region foster human capital and empower women, leverage digital technologies for trade and government effectiveness, maintain public investment and mobilize private financing in critical sectors, encourage job creation, and address the drivers and effects of climate change and conflict.

**In fiscal 2020, in response to COVID-19, the Bank approved 28 new operations (\$493 million) and redirected funding from 27 existing projects (\$476 million) for Africa under the global Strategic Preparedness and Response Program.**

## Powering Africa’s potential through its people

In April 2019, we launched the Africa Human Capital Plan, which sets out targets and commitments to boost the region’s potential through its human capital—the health, knowledge, skills, and resilience of its people. The plan aims to reduce child mortality and stunting and increase children’s learning outcomes by 20 percent. It also seeks to provide social protection to 13 million more people, empower women, reduce adolescent fertility rates, and improve sanitation practices.

Since the plan’s launch, we have doubled our commitments to boost human capital outcomes in the region, including \$2.2 billion to empower women. The flagship Sahel Women Empowerment and Demographic Dividend Project will soon reach nine countries with \$675 million in Bank funding. It helps empower women and girls in the Sahel region by increasing their access to education and quality health care, boosting employment opportunities, and engaging religious and community leaders to amplify these results. To date, it has helped more than 100,000 girls go to school, trained more than 6,600 midwives, and implemented vocational training for nearly 100,000 women.

## Supporting inclusive governance and transforming economies

Our work on governance and inclusion focuses on enabling efficient and inclusive delivery of public services and building institutions and systems that are resilient to economic, social, and environmental pressures. We help countries create sound conditions for investment and ensure continuity of state services, promoting progress toward sustainable

**TABLE 2 AFRICA**  
**REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20**

|             | COMMITMENTS (\$ MILLIONS) |        |        | DISBURSEMENTS (\$ MILLIONS) |        |        |
|-------------|---------------------------|--------|--------|-----------------------------|--------|--------|
|             | FY18                      | FY19   | FY20   | FY18                        | FY19   | FY20   |
| <b>IBRD</b> | 1,120                     | 820    | 1,725  | 734                         | 690    | 1,087  |
| <b>IDA</b>  | 15,411                    | 14,187 | 19,095 | 8,206                       | 10,190 | 13,373 |

Portfolio of operations under implementation as of June 30, 2020: \$88.2 billion.

development. Technology has also affected how governments operate and interact with citizens, improving transparency and service delivery.

We leverage all sources of financing and expertise to help create an enabling environment for investors, particularly those in the private sector. This approach will open up more opportunities for governments and companies to scale up critical infrastructure, expand digital access, and generate employment. We are also working with countries to realize a rapid transition to the digital economy, which can boost productivity, increase financial inclusion, and create jobs. The region is working to connect every African individual, business, and government to the internet by 2030.

In March 2020, Somalia began receiving debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative to help the country reduce its debt from \$5.2 billion at the end of 2018 to \$557 million once it reaches the HIPC Completion Point in about three years' time. The Bank played a strong role in helping Somalia achieve this milestone, including \$140 million in pre-arrears clearance grants in fiscal 2019 and \$475 million in development policy financing to strengthen state capacity, financial management, and transparency, and promote inclusive private sector-led growth.

### Addressing the drivers of fragility and conflict

Addressing fragility, conflict, and violence (FCV) is a priority of the region's Human Capital Plan, as these issues continue to limit opportunities. Access to education and vocational training is limited, leaving many young people with few marketable skills. Private sector growth is constrained, with few openings for job seekers. And security concerns limit the provision and quality of public service delivery.

In fiscal 2020, we invested \$2.5 billion in countries affected by FCV. In the Central African Republic, which has experienced cycles of violence and conflict since gaining independence in 1960, we have helped strengthen governance, public financial management, and service delivery following the signing of a peace agreement in February 2019. We also produced analytical work outlining ways for the country to realize inclusive growth, including by enhancing public services, strengthening the social contract, broadening the tax base, and modernizing the tax system.

We will build on this progress with more investments and high-quality interventions, including additional funding under IDA19 for cross-border programs in the Sahel, the Lake Chad region, and the Horn of Africa. These efforts will also seek to address the different risks and opportunities that women and men face in FCV situations.

### Supporting climate change mitigation and adaptation

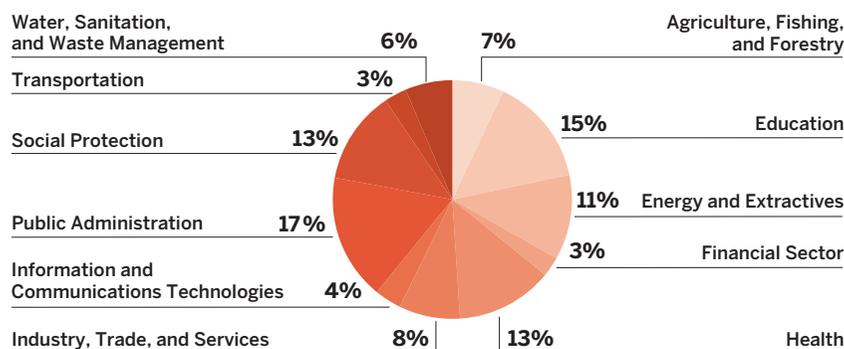
With the poor in Africa hardest hit by climate change, investments in climate resilience are a top priority. The region has set new targets to support integrated landscape management of more than 60 million hectares in 20 countries, improve the livelihoods of 10 million farmers through climate-smart agriculture, and increase renewable energy generation capacity from 28 to 38 gigawatts.

The Africa Climate Business Plan (ACBP), launched in 2015, and the updated Next Generation ACBP are grounded in the Bank Group's commitment to mainstream climate into development. As of December 2019, more than \$30 billion of Bank financing has been delivered for 312 projects, exceeding the plan's 2020 resource mobilization target. The updated plan builds on the achievements and lessons of the original ACBP to propel a bold vision for climate action at scale.

**FIGURE 1 AFRICA**

#### IBRD AND IDA LENDING BY SECTOR • FISCAL 2020

SHARE OF TOTAL OF \$20.8 BILLION



## Stepping up to support regional integration in Africa

The Bank Group is expanding support for regional integration, including fostering linkages with North Africa, to address the key priorities of the continent's 54 countries. We are focusing on: strengthening connectivity through infrastructure development in transport, energy, and digital technology; supporting trade and building markets; improving human capital by providing opportunities for skills development, empowering women, and managing diseases and pandemics; and promoting resilience through work on farming and livestock, food security, climate change, displacement, and transboundary waters. We also aim to address the drivers of fragility in the Horn of Africa, the Lake Chad region, and the Sahel.

The Regional Disease Surveillance Systems Enhancement Program covers 16 countries and provides \$629 million in financing. It strengthens health systems and inter-country collaboration to detect and respond to outbreaks of communicable diseases. The Bank has also provided \$250 million to help Ethiopia, Zambia, and the African Union implement the Africa Centers for Disease Control and Prevention project, to counter the spread of infectious diseases and address regional and continent-wide public health issues. Both projects have now mobilized resources to help countries procure laboratory equipment and increase their capacities to address the COVID-19 pandemic.

Locust swarms are jeopardizing the food security and livelihoods of millions of people in the region. We are helping countries respond to this threat through the \$500 million Emergency Locust Response Program, which provides support for monitoring and controlling locust populations, helping people safeguard their assets and cope with the economic impacts, and strengthening national preparedness systems. The program has provided financing to Ethiopia, Kenya, Somalia, and Uganda to support their response efforts.

**TABLE 3 AFRICA: REGIONAL SNAPSHOT**

| INDICATOR   | 2000              | 2010  | CURRENT DATA <sup>a</sup> | TREND |
|---|-------------------|-------|---------------------------|-------|
| Total population (millions)   | 664               | 868   | 1,106                     |       |
| Population growth (annual %)  | 2.7               | 2.8   | 2.7                       |       |
| GNI per capita (Atlas method, current US\$)                                       | 550               | 1,434 | 1,536                     |       |
| GDP per capita growth (annual %)  | 0.8               | 2.6   | (0.4)                     |       |
| Population living below \$1.90 a day (millions)                                   | 388 <sup>b</sup>  | 405   | 420                       |       |
| Life expectancy at birth, females (years)   | 52                | 58    | 63                        |       |
| Life expectancy at birth, males (years)   | 49                | 55    | 60                        |       |
| Carbon dioxide emissions (megatons)   | 565               | 765   | 848                       |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 55.4 <sup>b</sup> | 46.6  | 42.3                      |       |
| Debt services as a proportion of exports of goods and services                    | 9                 | 3     | 8                         |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 84                | 85    | 86                        |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 78                | 76    | 74                        |       |
| Under-5 mortality rate per 1,000 live births                                      | 153               | 101   | 78                        |       |
| Primary completion rate (% relevant age group)                                    | 54                | 68    | 69                        |       |
| Individuals using the Internet (% of population)                                  | <1                | 7     | 25                        |       |
| Access to electricity (% population)  | 26                | 34    | 48                        |       |
| Renewable energy consumption (% total final energy consumption)                   | 73                | 72    | 70                        |       |
| People using at least basic sanitation services (% of population)                 | 23                | 27    | 31                        |       |
| People using at least basic drinking water services (% of population)             | 46                | 55    | 61                        |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://iresearch.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/afr](http://www.worldbank.org/afr).

## Supporting refugees and host communities in Uganda

**WITH A REFUGEE POPULATION OF 1.4 MILLION**, Uganda is Africa's largest host of refugees and the world's third largest. Despite the country having some of the world's most progressive and generous refugee policies, refugees experience practical challenges in securing livelihoods and social services. This is due in part to their protracted presence and the fluid nature of new arrivals. These trends have increased demand for local services in hosting areas and on communities that are themselves underserved, underlining the need for long-term investments.

The Bank is supporting Uganda through the \$150 million Development Response to Displacement Impacts Project, which secured financing from IDA's sub-window for refugees and host communities. The project is improving access to basic social services, expanding economic opportunities, and upgrading social and economic infrastructure. It also supports natural resource management and environmental regeneration.

The project covers 14 districts in Uganda that host the largest number of refugees. It has a larger footprint in the north, where the focus is on graduating from an emergency response to a medium-term perspective; in the west and southwest, it centers on enhancing economic opportunities and integrating district and national service delivery systems. A Displacement Crisis Response Mechanism provides financing that enables the government to rapidly scale up education, health, and water supply services to poor and vulnerable communities that may face a rapid inflow of refugees.

In Koboko, northwestern Uganda, we are easing overcrowding and improving the learning environment in Lobule primary school by building new classrooms, with upgrades such as rainwater harvesting tanks, better lighting, and drainable latrines. In total, about 80 facilities have been built and nearly 100 are under construction; they include classrooms with modern furniture, teachers' houses, health centers, public latrines, water harvesting tanks, and veterinary clinics. The project is also helping rehabilitate degraded lands, improve the sustainability of water sources, and maintain fertile croplands and forests. Renovations are becoming more user-friendly by using alternative energy, such as solar energy for lighting and water pumping, and better household cook stoves.

To help both refugees and host communities thrive, a livelihoods program is helping create, expand, and improve opportunities for people to earn income, including in value-added agriculture, fisheries, and charcoal and brick production.

The project is part of a larger regional effort to support communities hosting refugees in Djibouti, Ethiopia, Kenya, and Uganda. Through a community-driven development approach, it ensures citizen participation and engagement in identifying and prioritizing sub-projects that address urgent community needs, empowering not only the community but also grassroots institutions and decentralized government bodies. The project also seeks to address underlying social risks, including gender-based violence and violence against children. The overarching goal is to enhance social cohesion among refugee and host communities, improve social accountability, and integrate humanitarian and development programs for the benefit of all.





# EAST ASIA & PACIFIC

**EVEN BEFORE THE COVID-19 PANDEMIC**, growth in East Asia and Pacific was slowing, from 6.3 percent in 2018 to 5.9 percent in 2019. In China, growth decelerated from 6.6 percent in 2018 to 6.1 percent in 2019; in the rest of developing East Asia and Pacific, it declined from 5.2 percent in 2018 to 4.7 percent in 2019. Growth in the region is expected to slow to 0.5 percent in 2020, according to the June edition of the Bank’s Global Economic Prospects report. The risks to the outlook are firmly tilted to the downside. They include the pandemic lasting longer than expected, prolonged financial stress, and a contraction in global trade being sharper and longer than expected, compounded by re-escalating trade disputes.

In 2019, the estimated number of poor (living on less than \$5.50 per day) in developing East Asia and Pacific (excluding China) was 271 million; in China, there were about 225 million, even though China accounts for about 65 percent of the total population of developing East Asia. However, the economic impacts of COVID-19 could lead to a sizable increase in poverty in the region in 2020.

## World Bank assistance

The World Bank approved \$7.3 billion for 77 operations in the region in fiscal 2020, including \$4.8 billion in IBRD commitments and \$2.5 billion in IDA commitments. We also signed Reimbursable Advisory Services agreements with three countries for a total of about \$4 million.

The World Bank’s work in the region focuses on three main areas: human capital and inclusion, private sector-led growth, and resilience and sustainability.

**In fiscal 2020, in response to COVID-19, the Bank approved 11 new operations (\$500 million) and redirected funding from nine existing projects (\$42 million) for East Asia and Pacific under the global Strategic Preparedness and Response Program.**

## Building human capital and promoting economic inclusion

Promoting human capital is a priority for Indonesia, where we are providing \$600 million to the government’s Family Hope Program to strengthen delivery systems for social assistance and help break the cycle of poverty in some of the country’s poorest communities. The program is providing conditional cash transfers and supporting behavioral change for 10 million families to promote investment in their children’s education and health. We are also supporting the Institutional Strengthening for Improved Village Service Delivery Project to help ensure the effective spending of nearly \$8 billion in fiscal transfers to about 75,000 villages, reaching nearly 176 million Indonesians. During the COVID-19 pandemic, the government is

**TABLE 4 EAST ASIA AND PACIFIC**  
**REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20**

|             | COMMITMENTS (\$ MILLIONS) |       |       | DISBURSEMENTS (\$ MILLIONS) |       |       |
|-------------|---------------------------|-------|-------|-----------------------------|-------|-------|
|             | FY18                      | FY19  | FY20  | FY18                        | FY19  | FY20  |
| <b>IBRD</b> | 3,981                     | 4,030 | 4,770 | 3,476                       | 5,048 | 4,679 |
| <b>IDA</b>  | 631                       | 1,272 | 2,500 | 1,252                       | 1,282 | 1,589 |

Portfolio of operations under implementation as of June 30, 2020: \$35.5 billion.

using these funds to provide income support, health information, and community assistance to mitigate the health, economic, and social impacts of the crisis.

In Lao People’s Democratic Republic, rates of maternal and child malnutrition represent a loss of human capital, potentially costing an estimated 2.4 percent of GDP annually. A child born in Lao PDR today is only 45 percent as productive as she would be if they enjoyed complete education and full health. We are supporting a long-term multisectoral approach to address malnutrition, with several complementary operations in provinces that suffer from stunting levels above 40 percent.

In the Philippines, we are supporting the Philippine Rural Development Project with \$570 million to help raise rural incomes and enhance farm and fishery productivity throughout the country. The project has provided about 323,500 people—46 percent of whom are women—with farm-to-market roads, irrigation, drinking water, agricultural enterprise projects, and coastal and marine resource conservation activities. Surveys indicate that the household income of farmers and fisher households who benefited from these efforts increased by an average of 36 percent.

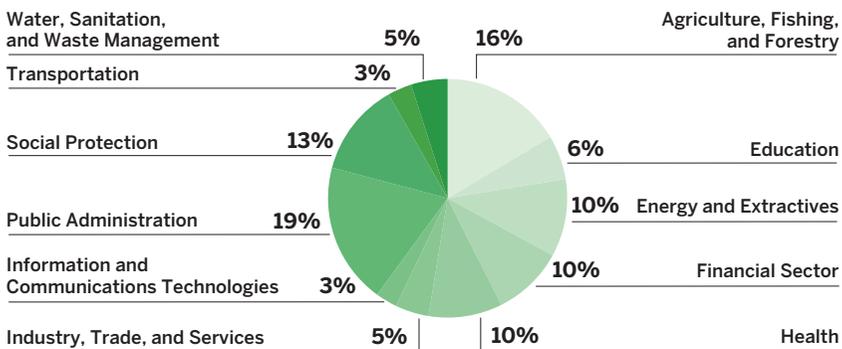
### Promoting private sector-led growth

Expanding private sector opportunities and creating an enabling environment for investment and innovation are crucial for sustainable growth in the region. The Bank is helping countries such as Fiji, Indonesia, and the Philippines implement policy reforms that promote private sector growth. We are also providing advisory services to help countries including China, Malaysia, and Thailand improve the enabling environment for doing business. We are promoting entrepreneurship and innovation through policies and programs that support micro, small, and medium enterprises in the Philippines, as well as investments in competitiveness and trade in Lao PDR and Myanmar. We are helping broaden access to finance by implementing the Bali Fintech Agenda, so that countries can harness the benefits of financial technology—fintech—while managing potential risks. We are also conducting fintech assessments in the Philippines and Vietnam and promoting access to credit for female farmers and small and medium enterprises in Cambodia and the Independent State of Samoa.

### Building resilience and sustainability

Countries in the region are highly exposed to the impacts of climate change, but they are innovating to accelerate mitigation. We are working with China to promote low-carbon growth by supporting the government’s national emissions trading scheme, power sector reform, and results-based air pollution control mechanisms. We are also supporting policy reforms in Lao PDR and Vietnam through green

**FIGURE 2 EAST ASIA AND PACIFIC**  
**IBRD AND IDA LENDING BY SECTOR • FISCAL 2020**  
 SHARE OF TOTAL OF \$7.3 BILLION



growth and climate-focused development policy financing and helping Thailand and Vietnam with analytical and advisory work on carbon pricing.

Through innovative financing mechanisms, we are helping countries invest in climate-smart agriculture to ensure food security and in climate-smart infrastructure to make sure they can withstand extreme weather events. Vietnam's densely populated, low-lying Mekong Delta is the epicenter of the country's vulnerability to climate change. It is home to 20 million people, many of whom depend on rice farming for their livelihoods. The \$310 million Integrated Climate Resilience and Sustainable Livelihoods Project supports the transition to more climate-resilient water and land management practices here, while improving the economic well-being of rural communities. It is also introducing climate-smart integrated planning across the Delta region.

**TABLE 5 EAST ASIA AND PACIFIC: REGIONAL SNAPSHOT**

| INDICATOR   | 2000              | 2010   | CURRENT DATA <sup>a</sup> | TREND |
|---|-------------------|--------|---------------------------|-------|
| Total population (millions)   | 1,816             | 1,966  | 2,094                     |       |
| Population growth (annual %)  | 1.0               | 0.7    | 0.6                       |       |
| GNI per capita (Atlas method, current US\$)                                       | 911               | 3,759  | 8,299                     |       |
| GDP per capita growth (annual %)  | 6.4               | 9.0    | 5.2                       |       |
| Population living below \$1.90 a day (millions)                                   | 550 <sup>b</sup>  | 219    | 28                        |       |
| Life expectancy at birth, females (years)   | 72                | 75     | 78                        |       |
| Life expectancy at birth, males (years)   | 68                | 71     | 73                        |       |
| Carbon dioxide emissions (megatons)   | 4,189             | 10,004 | 11,421                    |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 29.7 <sup>b</sup> | 11.2   | 1.3                       |       |
| Debt services as a proportion of exports of goods and services                    | 8                 | 2      | 1                         |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 82                | 79     | 78                        |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 62                | 54     | 47                        |       |
| Under-5 mortality rate per 1,000 live births                                      | 42                | 23     | 16                        |       |
| Primary completion rate (% relevant age group)                                    | 92                | 96     | 98                        |       |
| Individuals using the Internet (% of population)                                  | 2                 | 29     | 51                        |       |
| Access to electricity (% population)  | 92                | 95     | 98                        |       |
| Renewable energy consumption (% total final energy consumption)                   | 32                | 16     | 16                        |       |
| People using at least basic sanitation services (% of population)                 | 56                | 72     | 82                        |       |
| People using at least basic drinking water services (% of population)             | 80                | 88     | 92                        |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://iresearch.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/eap](http://www.worldbank.org/eap).

## Bridging the digital divide in Tonga

**SINCE 2011, THE BANK'S PACIFIC REGIONAL CONNECTIVITY PROGRAM** has been working with governments in the Pacific to increase access to information and communication technology (ICT) and improve its affordability, reliability, and quality. In Tonga—a geographically remote nation on 176 islands spread across 700,000 square kilometers of the South Pacific Ocean—the first phase has delivered significant benefits.

Before the program, Tonga depended on expensive satellite links for internet connectivity, which was available to only 2 percent of the population. Access to broadband was even lower, at 0.9 percent. This limited capacity could not meet the growing demands of a population seeking better connectivity for business and trade, health, education, and communication with the country's diaspora community.

By investing in infrastructure and technical assistance, the program benefited over 101,000 people, including close to 20,000 in the two main outer islands of Ha'apai and Vava'u. It reduced the costs of international connectivity and strengthened the telecommunications regulatory framework. This has improved the enabling environment for ICT, fostered healthier market competition, and increased access to infrastructure and health and government services. The average retail cost of broadband internet decreased by 97 percent and the average per-minute cost of international phone calls by 37 percent. The effort delivered significantly lower wholesale prices for broadband and a 118-fold increase in available international internet bandwidth to 4,400 megabits per second. The program also funded the construction of a 1,217-kilometer network of submarine fiber optic cables, connecting Tonga and Fiji, as well as Tonga's main island to Ha'apai and Vava'u.

The positive impacts have reached beyond telecommunications. "This fiber optic cable will allow our doctors to communicate more easily with health workers on other islands and with doctors overseas," explained Dr. Paula Vivili, Director of the Public Health at the Pacific Community, and Tonga's only eye surgeon. He added, "Video conferencing has big potential for us, particularly as a remote island nation. It will mean international specialists can join us and provide immediate advice and input during an operation, which will reduce some of the pressure on our team here."

To promote private sector participation, the project helped guide the partial privatization of the nation's monopoly cable operator by selling 16.7 percent of the company to a private operator. It also assisted in the development of the Communications Act, passed in 2016.

This dual approach of delivering essential infrastructure and strengthening the regulatory environment is now being replicated in Fiji, Kiribati, the Federated States of Micronesia, Palau, the Independent State of Samoa, and Tuvalu. Improved connectivity has laid the groundwork for the new Tonga Digital Government Support Project, which is working to improve access to government services and strengthen digital access, efficiency, and security in the public service.





# EUROPE & CENTRAL ASIA

**REGIONAL GROWTH DECELERATED TO AN ESTIMATED 2.2 PERCENT IN 2019**, reflecting weakness in the region's two largest economies, Russia and Turkey. It is expected to fall into negative territory in 2020 in the wake of the COVID-19 pandemic. While the economic implications of COVID-19 are subject to significant uncertainty, scenarios suggest regional growth will contract by 4.7 percent in 2020 before rebounding in 2021, as policy measures are introduced, global commodity prices recover, and trade strengthens.

The pandemic is occurring at an already fragile time for emerging and developing economies in Europe and Central Asia. Since February, the region has faced an uphill battle to cope with both the immediate health crisis and the long-term challenges caused by the pandemic. Most economies are experiencing major disruptions to social and economic activity and to global and regional supply chains, as well as significantly limited mobility, reduced travel and tourism, and decreased export demand.

## World Bank assistance

In fiscal 2020, the World Bank approved \$7.2 billion in lending to the region for 64 operations, including \$5.7 billion in IBRD commitments and \$1.5 billion in IDA commitments. The Bank also signed 39 Reimbursable Advisory Services agreements with seven countries for a total of around \$75 million.

We seek to support countries' development goals, with a focus on boosting health outcomes, improving educational systems, promoting skills development, and achieving sustainable and resilient growth. In response to the COVID-19 pandemic, we are prioritizing stronger health sector capabilities and effectiveness, as well as social protection. Improvements in education outcomes complement initiatives in the health sector, helping clients bolster human capital development to ensure better livelihoods for people throughout their lives. We are partnering with countries in the region to help ensure their paths to growth are both equitable and sustainable, and that they can increase their resilience to climate change and mitigate its potential causes. In addition to financing, we are providing policy advice to help countries address the impacts of the pandemic and influence the volume, focus, and impact of government responses throughout the region.

**In fiscal 2020, in response to COVID-19, the Bank approved 11 new operations (\$740 million) and redirected funding from nine existing projects (\$689 million) for Europe and Central Asia under the global Strategic Preparedness and Response Program.**

## Improving health care systems to improve effectiveness and save lives

The Bank helps countries enhance their health care systems through increased efficiency and upgraded facilities and equipment. The onset of the COVID-19 pandemic in early 2020 has accelerated the need for better health systems that can minimize loss of life and provide better health outcomes for all. In April 2020, we activated a EUR 15 million Catastrophe Deferred Drawdown Option operation for Serbia, which is helping strengthen the country's institutional and legal frameworks to effectively manage the physical and fiscal impacts of health emergencies and natural hazards. This is allowing the country to rapidly access funding to address COVID-19.

**TABLE 6 EUROPE AND CENTRAL ASIA**  
**REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20**

|             | COMMITMENTS (\$ MILLIONS) |       |       | DISBURSEMENTS (\$ MILLIONS) |       |       |
|-------------|---------------------------|-------|-------|-----------------------------|-------|-------|
|             | FY18                      | FY19  | FY20  | FY18                        | FY19  | FY20  |
| <b>IBRD</b> | 3,550                     | 3,749 | 5,699 | 4,134                       | 2,209 | 3,100 |
| <b>IDA</b>  | 957                       | 583   | 1,497 | 298                         | 931   | 365   |

Portfolio of operations under implementation as of June 30, 2020: \$29.8 billion.

In fiscal 2020, Tajikistan became the region's first country to join the Global Financing Facility for Women, Children, and Adolescence, a global platform that aims to address health and nutrition issues more effectively by improving donor coordination and increasing efficiency in the use of domestic and international resources.

The Bank's advisory services and analytics provide policy recommendations that help governments make informed decisions to address development priorities. Our April 2020 regional economic update assessed COVID-19's impact on economic growth and recommended policy measures to boost health care systems, support small businesses, and enhance safety nets, especially for the poor and most vulnerable.

### Boosting potential by investing in human capital

Ensuring quality health care and providing adequate education are the cornerstones of human capital development and vital to preparing children to succeed and prosper as adults in a rapidly changing world. As shown by the Human Capital Index, individuals in Europe and Central Asia can achieve a high level of productivity during their life, backed by solid investment in human capital during their childhood and teenage years. We work with partners to drive targeted investments that can improve health and education outcomes and give people the opportunity to grow to their fullest potential.

The Innovation, Inclusion, and Quality Project in Georgia is providing \$103 million to expand access to preschool education and improve the quality of education and the learning environment at all levels. Through this project, 116,000 students around the country will gain access to better learning environments, 1,600 teachers and coaches will receive advanced training, and 65 new schools will be built.

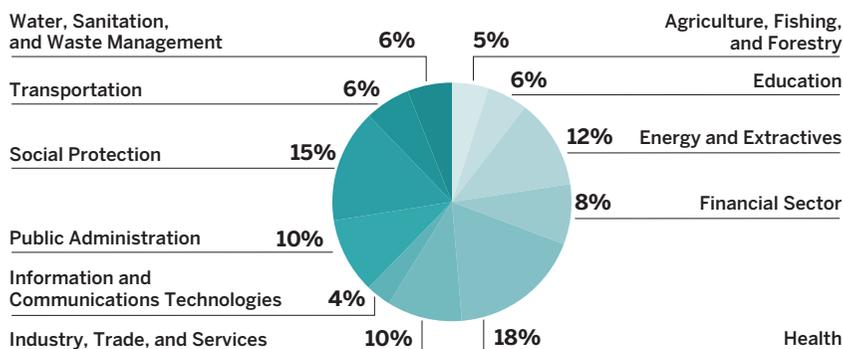
The \$60 million Promoting Early Childhood Development Project is helping Uzbekistan improve preschool education, promote partnerships with the private sector, and enable the systematic measurement of education quality to better inform policy making, strategic planning, and monitoring. More than 1 million children—including 540,000 girls—will benefit from modern and child-friendly equipment, furniture, and learning materials. Over 20,000 preschool educators and staff are also being trained in new early childhood development approaches.

### Strengthening resilience to climate change and natural disasters

Over the past 30 years, countries across Europe and Central Asia have experienced roughly 500 significant floods and earthquakes, resulting in 50,000 fatalities and affecting 25 million people. Nearly one-third of the region's capital cities have been devastated by an earthquake or flood at some point, while droughts and other natural disasters continue to destroy livelihoods, with the poorest and most vulnerable disproportionately impacted by these events.

Several operations are helping countries mitigate disasters related to climate impacts, increase their preparedness, and enhance recovery efforts when disasters strike. We were the first international financial institution to help Croatia after an earthquake in March 2020. We assisted with a rapid needs assessment, and in June 2020, we approved the \$200 million Earthquake Recovery and Public Health Preparedness

**FIGURE 3 EUROPE AND CENTRAL ASIA**  
**IBRD AND IDA LENDING BY SECTOR • FISCAL 2020**  
 SHARE OF TOTAL OF \$7.2 BILLION



Emergency Recovery Project. This will help with the rehabilitation of critical public services and the design of a financial support program for housing reconstruction.

In Turkey, the \$133 million Sustainable Cities Project is helping improve sustainable urban development through technical assistance, feasibility studies and environmental assessments, and infrastructure investments. Turkey is also using an additional \$325 million through the Renewable Energy Integration Project to develop and strengthen infrastructure so that it can integrate wind plants into the transmission grid and connect wind energy with different parts of the country.

The North Macedonia Public Sector Energy Efficiency Project is providing \$27 million to reduce energy consumption and support the development and implementation of a sustainable financing mechanism for energy efficiency in the public sector, benefiting nearly 97,000 people. The project will contribute to almost \$4 million in energy savings annually and reduce consumption by roughly 2.5 billion megajoules over 20 years.

### Fostering cooperation across the region

Through regional initiatives, we help foster cooperation, boost connectivity, and promote trade across borders. The \$592 million Central Asia South Asia Electricity Transmission and Trade Project is creating conditions for sustainable electricity trading between Afghanistan, the Kyrgyz Republic, Pakistan, and Tajikistan. The \$32 million Central Asia Regional Hydrometeorology Modernization Project is helping improve the accuracy of hydrological and meteorological services across Central Asia, while the multiphase Central Asia Regional Links Program is strengthening connectivity, trade, and logistics, and supporting sustainable tourism across the region.

**TABLE 7 EUROPE AND CENTRAL ASIA: REGIONAL SNAPSHOT**

| INDICATOR   | 2000             | 2010  | CURRENT DATA <sup>a</sup> | TREND |
|---|------------------|-------|---------------------------|-------|
| Total population (millions)   | 369              | 378   | 399                       |       |
| Population growth (annual %)  | 0.0              | 0.6   | 0.5                       |       |
| GNI per capita (Atlas method, current US\$)                                       | 1,795            | 7,391 | 8,014                     |       |
| GDP per capita growth (annual %)  | 8.3              | 5.0   | 1.2                       |       |
| Population living below \$1.90 a day (millions)                                   | 28 <sup>b</sup>  | 12    | 6                         |       |
| Life expectancy at birth, females (years)   | 73               | 75    | 78                        |       |
| Life expectancy at birth, males (years)   | 62               | 66    | 70                        |       |
| Carbon dioxide emissions (megatons)   | 2,610            | 2,935 | 2,979                     |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 6.0 <sup>b</sup> | 2.5   | 1.2                       |       |
| Debt services as a proportion of exports of goods and services                    | 11               | 6     | 9                         |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 72               | 72    | 71                        |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 23               | 20    | 18                        |       |
| Under-5 mortality rate per 1,000 live births                                      | 36               | 19    | 13                        |       |
| Primary completion rate (% relevant age group)                                    | 94               | 98    | 97                        |       |
| Individuals using the Internet (% of population)                                  | 2                | 35    | 73                        |       |
| Access to electricity (% population)  | 100 <sup>b</sup> | 100   | 100                       |       |
| Renewable energy consumption (% total final energy consumption)                   | 5                | 5     | 6                         |       |
| People using at least basic sanitation services (% of population)                 | 86               | 91    | 94                        |       |
| People using at least basic drinking water services (% of population)             | 93               | 95    | 96                        |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://iresearch.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/eca](http://www.worldbank.org/eca).

## Promoting women's inclusion and gender equality in Europe and Central Asia

**NO COUNTRY CAN REACH ITS POTENTIAL** with a large share of its population excluded from fully participating in the economy. However, in Europe and Central Asia, women make up slightly less than half of the labor force and earn, on average, 30 percent less than men. Women also have limited financial access and are less likely than men to have formal bank accounts, hold savings at financial institutions, or obtain loans. Women also face risks arising from domestic violence, sexual harassment at work, and job restrictions, resulting in limited voice and agency.

We help countries in the region remove the economic and social barriers that women confront and increase their formal participation in the labor force to improve livelihoods and boost economic growth. We developed a regional gender action plan to ensure that our operations effectively promote gender equality. The plan focuses on three pillars: (i) country-led strategic gender mainstreaming; (ii) research, innovation, and data generation; and (iii) communications, capacity building, and reporting.

In fiscal 2020, we committed about \$5.3 billion to 42 operations in the region that identify gender gaps in their design and work to address them throughout the project cycle. In Albania, the \$10 million Gender Equality in Access to Economic Opportunities Project is the Bank's first development policy operation solely focused on gender. It supports efforts to enhance gender equality policies by recognizing property ownership, creating opportunities for women to generate income, and strengthening gender-informed policy making. In Uzbekistan, the \$150 million Livestock Sector Development Project is helping integrate smallholder farms into modern supply chains to increase opportunities for women to earn income. In Moldova, the EUR 36 million Higher Education Project is promoting women's enrollment in higher education programs in science, technology, engineering, and mathematics by raising awareness and providing career guidance. These efforts have helped address gender disparities at the local, country, and regional levels throughout Europe and Central Asia.





# LATIN AMERICA & THE CARIBBEAN

**A SERIES OF SHOCKS HIT LATIN AMERICA AND THE CARIBBEAN** over the past year, including social unrest, the collapse of international oil prices, and the COVID-19 crisis. GDP growth in the region (excluding Venezuela, where there is insufficient data) was 0.8 percent in 2019 and is expected to decline to -7.2 percent in 2020. Growth is expected to rebound to 2.8 percent in 2021.

We aim to protect the gains made during the region's profound social transformation in the first decade of the 21st century, when the commodity boom and widespread growth cut poverty rates in half. Between 2003 and 2016, the share of the population living in extreme poverty fell from 24.5 percent to 9.9 percent. Since then, however, economic prospects have dimmed, and many people are at risk of slipping back into poverty. These risks are further exacerbated by the pandemic.

## World Bank assistance

The World Bank approved \$7.8 billion in lending to the region for 67 operations in fiscal 2020, including \$6.8 billion in IBRD commitments and \$1.0 billion in IDA commitments. We signed six Reimbursable Advisory Services agreements with two countries for a total of \$2 million.

Our work in the region centers on three pillars. The first pillar focuses on inclusive growth by promoting greater productivity, competitiveness, transparency, and accountability; engaging with traditionally excluded groups, including Indigenous peoples, Afro-descendants, and rural communities; and attracting private investment. The second pillar emphasizes investing in human capital to prepare people for challenges and opportunities that come with the changing nature of work. The third pillar seeks to build resilience so that countries can better manage and withstand shocks, such as natural disasters, economic upheaval, migration, crime and violence, and infectious diseases.

**In fiscal 2020, in response to COVID-19, the Bank approved 10 new operations (\$215 million) and redirected funding from 17 existing projects (\$703 million) for Latin America and the Caribbean under the global Strategic Preparedness and Response Program.**

## Promoting inclusive growth

We are committed to promoting inclusive economic and social growth by increasing productivity, fostering accountability, and creating opportunities. We helped Mexico increase the connectivity of its biological corridors to conserve and protect the country's biodiversity. This effort conserved more than 81,000 hectares through biodiversity-friendly practices, benefited nearly 13,000 producers, helped create over 42 business alliances with buyers, and established standards for biodiversity-friendly goods. In Honduras, the \$30 million Rural Competitiveness Project helped boost productivity and competitiveness among small-scale

**TABLE 8 LATIN AMERICA AND THE CARIBBEAN**  
**REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20**

|             | COMMITMENTS (\$ MILLIONS) |       |       | DISBURSEMENTS (\$ MILLIONS) |       |       |
|-------------|---------------------------|-------|-------|-----------------------------|-------|-------|
|             | FY18                      | FY19  | FY20  | FY18                        | FY19  | FY20  |
| <b>IBRD</b> | 3,898                     | 5,709 | 6,798 | 4,066                       | 4,847 | 5,799 |
| <b>IDA</b>  | 428                       | 430   | 978   | 223                         | 340   | 466   |

Portfolio of operations under implementation as of June 30, 2020: \$31.0 billion.

producers by helping them engage in productive alliances. These producers saw an estimated 28 percent increase in incomes as a result, benefiting 7,200 rural families. In Colombia, Bank-supported policy reforms decreased air pollution in major cities by 24 percent, increased clean energy production in rural areas, and improved access to clean water for half a million people.

### Investing in human capital

We seek to ensure that everyone has access to the health and education they need to prosper and take advantage of the opportunities provided by inclusive growth and a rapidly changing jobs market. We helped improve education and health services in Haiti, which increased access to quality education for 240,000 children and to maternal and child health services for more than 1.2 million people. Our interventions also led to a significant interruption in cholera transmission—since January 2019, no laboratory-confirmed cases have been recorded. In Brazil, we strengthened the Bolsa Família conditional cash-transfer program, which benefited nearly 47 million people. The program also contributed to higher rates of school attendance, which reached 91 percent.

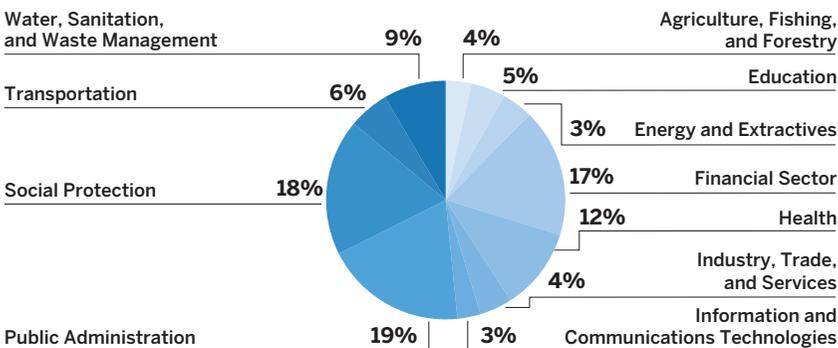
In response to the COVID-19 pandemic, we approved new projects in Argentina, Ecuador, Haiti, and Paraguay, totaling \$100 million, as part of the Bank Group’s fast-track facility. These interventions aim at minimizing loss of life and strengthening health systems. Additional responses included the activation of Catastrophe Deferred Drawdown Options in Colombia, the Dominican Republic, Honduras, and Panama.

### Building resilience

The COVID-19 pandemic highlights the need to build resilience to future pandemics and health crises. In May 2020, we approved a \$500 million development policy loan to help Ecuador respond to the pandemic, eliminate constraints to private sector development, support economic recovery, and promote public sector efficiency and fiscal sustainability for the long term.

Latin America and the Caribbean also faces the highest frequency of natural disasters in the world, a vulnerability that climate change makes even more challenging. To address this, we focus on building better infrastructure that can weather storms and other disasters. In the Dominican Republic, we improved the quality of sanitation services for nearly 143,000 people through investments in new sewerage, wastewater treatment, and disposal infrastructure. In Haiti, we helped improve infrastructure and disaster preparedness, expand electricity access for more than 233,000 people, and build all-weather roads that will benefit more than 2 million people. The project also provided access to safer drinking water for more than 60,000 people.

**FIGURE 4 LATIN AMERICA AND THE CARIBBEAN**  
**IBRD AND IDA LENDING BY SECTOR • FISCAL 2020**  
 SHARE OF TOTAL OF \$7.8 BILLION



## Employing advisory services, technical assistance, and convening power

The Bank provides advisory services, technical assistance, and in-depth analyses to support countries' development goals, in addition to financing. A November 2019 report called attention to the challenges faced by countries that are absorbing the unprecedented flow of migrants from Venezuela. It provided a robust evidence-based tool to design policies that help both migrants and host communities. In Ecuador, we joined with the UN to gather data for addressing the education and health needs of the roughly 400,000 Venezuelan migrants in the country.

We worked with the Central America Integration System, NASA, and the UN Office for Disaster Risk Reduction to boost resilience in Central America by highlighting the links between governance, urban planning, climate change, and disaster risk management. In cooperation with the Inter-American Development Bank, we helped Honduras update its methodology for measuring poverty, paving the way for better targeting of social protection programs. In Colombia, our advisory services improved the management of the country's education system and increased parental participation. In February 2020, we also hosted the Understanding Risk Central America Conference in Costa Rica, which brought together over 700 participants from 22 countries to promote innovations in disaster risk management and resilience.

**TABLE 9 LATIN AMERICA AND THE CARIBBEAN: REGIONAL SNAPSHOT**

| INDICATOR   | 2000              | 2010  | CURRENT           |       |
|---|-------------------|-------|-------------------|-------|
|   |                   |       | DATA <sup>a</sup> | TREND |
| Total population (millions)   | 493               | 559   | 614               |       |
| Population growth (annual %)  | 1.5               | 1.1   | 0.9               |       |
| GNI per capita (Atlas method, current US\$)                                       | 4,021             | 7,832 | 8,355             |       |
| GDP per capita growth (annual %)  | 2.3               | 4.8   | (0.1)             |       |
| Population living below \$1.90 a day (millions)                                   | 63 <sup>b</sup>   | 36    | 28                |       |
| Life expectancy at birth, females (years)   | 75                | 77    | 78                |       |
| Life expectancy at birth, males (years)   | 68                | 71    | 72                |       |
| Carbon dioxide emissions (megatons)   | 1,237             | 1,562 | 1,658             |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 11.9 <sup>b</sup> | 6.2   | 4.4               |       |
| Debt services as a proportion of exports of goods and services                    | 22                | 7     | 10                |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 60                | 66    | 68                |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 36                | 33    | 34                |       |
| Under-5 mortality rate per 1,000 live births                                      | 33                | 25    | 17                |       |
| Primary completion rate (% relevant age group)                                    | 98                | 100   | 99                |       |
| Individuals using the Internet (% of population)                                  | 3                 | 34    | 66                |       |
| Access to electricity (% population)  | 91                | 96    | 98                |       |
| Renewable energy consumption (% total final energy consumption)                   | 28                | 29    | 28                |       |
| People using at least basic sanitation services (% of population)                 | 72                | 81    | 86                |       |
| People using at least basic drinking water services (% of population)             | 90                | 94    | 96                |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://iresearch.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/lac](http://www.worldbank.org/lac).

## Responding to the Venezuelan migrant crisis

**THE LATIN AMERICA AND CARIBBEAN REGION** has seen an unprecedented refugee exodus as a result of the humanitarian, economic, and social crisis in Venezuela. By the end of 2019, almost 5 million people had left the country. About 80 percent of those migrants remained in other countries across the region, mainly Colombia (1.6 million), Peru (863,300), and Ecuador (385,000).

The Bank is working to support the migrants and host communities through analysis, technical support, and financial resources. We also work to share knowledge and mobilize our convening power around this crisis, including through the Quito process on the margins of the UN General Assembly, a TEDx-sponsored event in Peru, and several high-profile Bank events.

In Colombia, we prepared the country's first impact assessment of the Venezuelan migration to inform a national response policy and the Colombia National Development Plan. In January 2019, Colombia became eligible for the Global Concessional Financing Facility (GCFF). The Bank is providing a \$750 million development policy loan that mobilized \$32 million in GCFF co-financing to support Colombia's fiscal sustainability and competitiveness amid the migration crisis. We are also supporting a health project, composed of a \$150 million Bank loan and \$38 million in GCFF financing, to strengthen the country's health care system and support enrollment of migrants and refugees into the social security system.

In November 2019, we launched a similar analysis of the impacts of Venezuelan migration in Peru. Along with UN agencies, we helped finance a national survey of the migrants and refugees by the National Institute of Statistics and Information, and supported other institutional, sectoral, and qualitative analysis. Given the disproportional impact of the COVID-19 pandemic on migrants and refugees, we are mobilizing resources to address their increasing needs, including through technical assistance to the government.

We are also completing a fiscal impact analysis of Venezuelan migration in Ecuador. In collaboration with six UN agencies, we designed, implemented, and financed a national survey and focus groups to support the analysis of host and migrant communities. Ecuador also became eligible for the GCFF in 2019 and accessed \$6 million in concessional financing in May 2020.





# MIDDLE EAST AND NORTH AFRICA

**GROWTH IN THE MIDDLE EAST AND NORTH AFRICA** contracted by 0.2 percent in 2019 and is expected to contract by 4.2 percent in 2020, although there is considerable uncertainty about this projection amid the COVID-19 pandemic, the associated collapse in global oil prices and tourism, and declining remittances. Output from the region's developing-country oil exporters is expected to contract by 5.0 percent, while Gulf Cooperation Council (GCC) economic output is expected to fall by 4.1 percent. Reflecting a broad-based deceleration of tourism, remittances, and other critical sources of revenue, growth of the region's oil importers is expected to contract by 0.8 percent.

In a region where two-thirds of the population is under 35, the rate of unemployed youth stood at nearly 25 percent even before the pandemic. Nearly half of the region's population (42 percent) lives on an income below \$5.50 per day. Extreme poverty (defined as living on an income below \$1.90 per day) doubled from 2.4 percent in 2011 to 4.2 percent in 2015 due to conflicts and unequal access to education and basic infrastructure. The trend is expected to worsen as a result of COVID-19.

The expected costs of the pandemic are about 3.7 percent of the region's 2019 GDP, equivalent to well over \$100 billion. In Yemen, the ongoing conflict is adding stress on the low-capacity health care system and increasing poverty, further complicating the response.

## World Bank assistance

The World Bank approved \$3.6 billion in lending to the region for 22 operations in fiscal 2020, including \$3.4 billion in IBRD commitments and \$203 million in IDA commitments. Another \$103 million were provided for projects supporting the West Bank and Gaza. We delivered 140 Advisory Services and Analytics products, and revenue from Reimbursable Advisory Services agreements reached \$65 million. The expanded advisory program continues to provide ongoing support to the reform process in the GCC countries.

**In fiscal 2020, in response to COVID-19, the Bank approved seven new operations (\$177 million) and redirected funding from 10 existing projects (\$464 million) for the Middle East and North Africa under the global Strategic Preparedness and Response Program.**

We are helping countries in the region stabilize their economies in response to the multiple shocks caused by COVID-19, the collapse of global oil prices, and slowdowns in local economic activity. We remain committed to helping countries transform their growth models by pursuing structural reforms that open up markets and create more and better economic opportunities for the region's large youth population. We are doing this by helping countries harness human capital, leverage digital technologies, and create competitive markets. We also support peace and stability in the region by helping strengthen the social contract between citizens and governments, supporting regional markets, and strengthening resilience to prevent and mitigate the effects of conflict and climate change.

## Renewing the social contract

The World Bank seeks to reinforce the bonds between citizens and the state by expanding employment and economic opportunities in the private sector, promoting citizen

**TABLE 10 MIDDLE EAST AND NORTH AFRICA**  
**REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20**

|             | COMMITMENTS (\$ MILLIONS) |       |       | DISBURSEMENTS (\$ MILLIONS) |       |       |
|-------------|---------------------------|-------|-------|-----------------------------|-------|-------|
|             | FY18                      | FY19  | FY20  | FY18                        | FY19  | FY20  |
| <b>IBRD</b> | 5,945                     | 4,872 | 3,419 | 3,281                       | 4,790 | 2,415 |
| <b>IDA</b>  | 430                       | 611   | 203   | 569                         | 647   | 151   |

Portfolio of operations under implementation as of June 30, 2020: \$20.1 billion.

engagement, empowering vulnerable groups, improving public services, and strengthening governance. In Tunisia, the Bank provided \$100 million to help the government leverage digital technologies and improve service delivery in social protection and education. The project aims to ensure that vulnerable populations—such as low-income groups, women in rural areas, people who are illiterate, and those with disabilities—have access to these services and that government systems enable greater citizen feedback to improve accountability. In Jordan, the \$200 million Youth, Technology, and Jobs Project, which includes \$37 million in financing from the Global Concessional Financing Facility, aims to increase young people’s access to jobs and expand digital government services. It seeks to capitalize on Jordan’s potential to grow its digital economy and absorb skilled labor to support economic growth and job creation. In the West Bank and Gaza, a \$9 million project will help the Palestinian Authority invest in early childhood development by supporting prenatal care for pregnant women, child nutrition and growth monitoring, and early learning opportunities. This will include interventions to expand access to and enhance the quality of kindergarten education for Palestinian children.

In February 2020, the Bank launched the report *Convergence: Five Critical Steps Toward Integrating Lagging and Leading Areas in the Middle East and North Africa*. It found that enhancing opportunities and social services in areas that are economically distant from large metropolitan centers is key for faster economic growth and social inclusion.

**Expanding regional cooperation**

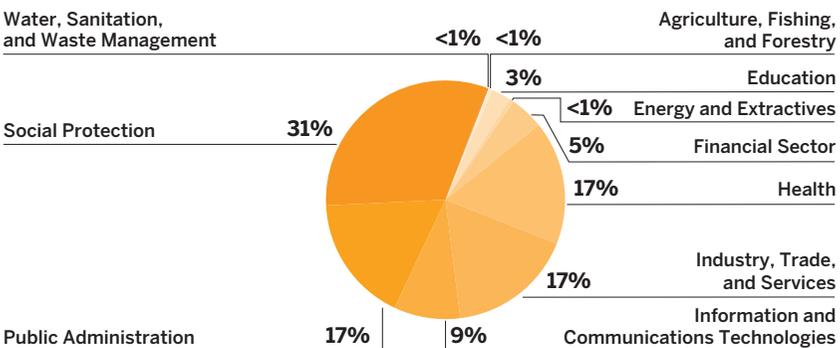
The Middle East and North Africa remains the world’s least economically integrated region, with intraregional trade accounting for only 10 percent of total trade. The Bank focuses on developing regional markets by leveraging the region’s resources, labor, and capital. With support from the Arab Coordination Group and other partners, we are helping establish a regional energy market; the first phase is the Pan-Arab Electricity Market, which aims to connect countries’ electricity grids. This regional energy market, once fully interconnected and developed, would be the second largest after that of Europe. We are also expanding regional cooperation and fostering economic integration through the Horn of Africa Initiative, which is currently chaired by Djibouti and also includes Eritrea, Ethiopia, Kenya, and Somalia.

**Strengthening resilience to shocks**

Climate vulnerabilities and the spillovers of conflict continue to exact a heavy toll in the region. The Bank is helping countries strengthen their capacities to respond to these shocks. In Morocco, a \$275 million project will help the country strengthen its capacity to manage the financial impact of natural disasters and climate-related shocks and upgrade its institutional framework for disaster risk management.

The Bank is supporting countries as they respond to the COVID-19 pandemic with emergency operations that focus on securing essential medical supplies for health systems. This support includes financing, policy advice, and technical assistance to help countries cope with urgent health needs and slow the spread of the disease. We are also working with partners to provide relief to individuals, communities, and businesses across the region to help stabilize incomes and spur economic recovery.

**FIGURE 5 MIDDLE EAST AND NORTH AFRICA**  
**IBRD AND IDA LENDING BY SECTOR • FISCAL 2020**  
 SHARE OF TOTAL OF \$3.6 BILLION



## Promoting recovery and reconstruction

We provide life-saving development assistance to communities devastated by conflict. This includes our program in Yemen, which has been enduring conflict since early 2015. Already the region's poorest country before the conflict, Yemen is now suffering the worst humanitarian crisis in the world, according to the UN. Fighting has devastated its economy, destroyed critical infrastructure, and led to food insecurity that is verging on famine. The country's prospects are further threatened by the spread of COVID-19, extensive flooding, and locusts, all of which are pushing Yemen closer to catastrophe.

Our work here focuses on protecting livelihoods and supporting recovery by boosting institutional capacity, improving service delivery, providing assistance to the poor and vulnerable, creating temporary jobs, and supporting the private sector. In partnership with the UN, we have provided \$1.8 billion to finance these efforts.

The Bank continues to support reconstruction efforts in Iraq, where the Emergency Operation for Development Project is helping restore services and infrastructure in the country's second largest city, Mosul, home to 4 million people. The efforts include the reconstruction of three bridges, which has reinstated access to health and education services, markets, and businesses for 1.5 million people and created employment opportunities. The project is also supplying and installing generators and cables to help restore electricity connections to 1 million people and businesses.

**TABLE 11 MIDDLE EAST AND NORTH AFRICA: REGIONAL SNAPSHOT**

| INDICATOR   | 2000             | 2010  | CURRENT DATA <sup>a</sup> | TREND |
|---|------------------|-------|---------------------------|-------|
| Total population (millions)   | 279              | 333   | 389                       |       |
| Population growth (annual %)  | 1.8              | 1.8   | 1.7                       |       |
| GNI per capita (Atlas method, current US\$)                                       | 1,568            | 3,993 | 3,861                     |       |
| GDP per capita growth (annual %)  | 2.6              | 3.4   | 1.2                       |       |
| Population living below \$1.90 a day (millions)                                   | 10 <sup>b</sup>  | 7     | 28                        |       |
| Life expectancy at birth, females (years)   | 71               | 74    | 76                        |       |
| Life expectancy at birth, males (years)   | 68               | 70    | 72                        |       |
| Carbon dioxide emissions (megatons)   | 873              | 1,282 | 1,475                     |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 3.4 <sup>b</sup> | 2.0   | 7.2                       |       |
| Debt services as a proportion of exports of goods and services                    | 12               | 6     | 10                        |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 24               | 26    | 26                        |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 35               | 32    | 31                        |       |
| Under-5 mortality rate per 1,000 live births                                      | 45               | 29    | 24                        |       |
| Primary completion rate (% relevant age group)                                    | 81               | 89    | 90                        |       |
| Individuals using the Internet (% of population)                                  | <1               | 21    | 60                        |       |
| Access to electricity (% population)  | 89               | 96    | 96                        |       |
| Renewable energy consumption (% total final energy consumption)                   | 3                | 3     | 3                         |       |
| People using at least basic sanitation services (% of population)                 | 82               | 86    | 89                        |       |
| People using at least basic drinking water services (% of population)             | 86               | 91    | 93                        |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://iresearch.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/mena](http://www.worldbank.org/mena).

## Closing the human capital gap in Egypt

**THE WORLD BANK GROUP'S MIDDLE EAST AND NORTH AFRICA HUMAN CAPITAL PLAN** seeks to improve outcomes through priority interventions, such as expanding investments in early childhood development, addressing learning poverty, improving skills, reducing the impact of non-communicable diseases, protecting vulnerable groups, strengthening resilience to crises, and closing gaps in learning for boys and in labor-force participation for girls. Supporting the regional approach are country-specific plans that focus on key challenges at the country level and identify areas for Bank Group support. Egypt, an early adopter of the approach, illustrates how countries in the region can raise the quality of health and education services and expand the reach of social safety nets.

The \$500 million Supporting Egypt Education Reform Project aims to improve teaching and learning conditions in schools. It is helping increase access to quality kindergarten education, enhance the capacity of teachers and education leaders, develop a reliable student assessment system, and expand the use of modern technology and digital learning resources in teaching and learning. The project's goal is to have 500,000 new students enrolled in kindergarten, with 50 percent from the poorest districts; teachers applying better practices; 2 million students benefiting from the new assessment system; and a reformed secondary school graduation system focused on building skills.

Meanwhile, we provided additional financing of \$500 million for a second phase of the Strengthening Social Safety Nets Project, which supports Egypt's national cash transfer program. This program is the largest cash transfer operation in the Middle East and North Africa and among Egypt's most significant investments in promoting human capital. It has reached over 3 million households to date, representing more than 8 million individuals, with over 67 percent of the cash directed to the poor and vulnerable and 74 percent of program cardholders being women. As part of these efforts, the Takaful program provides conditional, monthly family income support to protect poor households from the short-term negative impacts of economic reforms and shocks. It also encourages families to keep children in school and provides health care, including pre- and postnatal health services and the monitoring of children's growth. The complementary Karama program provides monthly unconditional cash assistance to poor elderly citizens, people with severe disabilities and diseases, and orphans. Under the latest round of financing, the government is also preparing an initiative that will help promote livelihoods and boost economic inclusion across eight governorates.

In addition, we are providing \$400 million to support Egypt's health insurance system as the country works to achieve universal health coverage and improve outcomes. The project will help the government establish the foundation for universal health insurance, pilot it, and offer temporary financial protection to help the most vulnerable pay for expenses related to COVID-19. This builds on ongoing efforts to improve services at primary health care facilities and hospitals, support family planning, scale up a community health workers program, and facilitate screenings for hepatitis C, non-communicable diseases, and other risk factors.

In March 2020, the Bank activated \$8 million from the contingency emergency response component of this project to fund emergency response to the COVID-19 outbreak in Egypt, including implementation of a preventive plan to confront the pandemic. This comes in addition to a \$50 million project that was launched under the Bank Group's Fast-Track Facility for COVID-19, which aims to strengthen the prevention, detection, and response to the pandemic.





# SOUTH ASIA

**IN 2020, AMID THE GLOBAL ECONOMIC FALLOUT** triggered by the COVID-19 pandemic, South Asia is experiencing its worst economic performance in the past 40 years. Regional growth is projected to contract by 2.7 percent in 2020, down from a previously projected growth rate of 6.3 percent. This negative forecast is expected to linger into 2021, with growth expected to hover around 2.5 percent.

Fast growth in past years led to declining poverty and impressive improvements in health and education. But as of 2015, the proportion of people living on less than \$1.90 a day was still an estimated 12.4 percent, or about 216 million people—a third of the global poor. South Asia is expected to see the largest increase in the number of extreme poor as a result of the COVID-19 crisis. Multidimensional poverty in South Asia is also higher than the global average, and many countries suffer from extreme forms of social exclusion and significant infrastructure gaps. The region has also seen one of the largest refugee inflows in modern times, with more than 740,000 Rohingya refugees fleeing to Bangladesh since August 2017, according to UN estimates.

## World Bank assistance

The World Bank approved \$11.7 billion in lending to the region for 61 operations in fiscal 2020, including \$5.6 billion in IBRD commitments and \$6.1 billion in IDA commitments. We also delivered 122 advisory services and analytical products to eight countries, totaling \$83 million, providing technical advice on issues such as energy sector reform, female labor force participation, and climate change.

We emphasize promoting sustainable and inclusive growth, investing in people, and strengthening resilience. Our assistance focuses on supporting policy reforms for private sector-led job creation; addressing stunting in child development; increasing female labor force participation; supporting refugees, returnees, and internally displaced persons; and addressing climate risks through disaster preparedness and management.

As part of our support to countries' responses to COVID-19, we are helping them purchase vital protective equipment and medical supplies, provide learning to children, deliver cash transfers and food to the most vulnerable, support small and medium businesses, create jobs, and strengthen institutions for a more resilient recovery.

**In fiscal 2020, in response to COVID-19, the Bank approved nine new operations (\$1.7 billion) and redirected funding from 10 existing projects (\$110 million) for South Asia under the global Strategic Preparedness and Response Program.**

## Supporting sustainable growth and creating jobs

As it paves the way for recovery, South Asia can sustain high growth only if investments and exports both grow stronger. With an estimated 1.5 million people entering the job market every month over the next two decades, job creation is essential. A \$120 million project in Nepal will improve employment services and labor market outcomes for nearly 100,000 youth, especially women. In Pakistan, an additional \$700 million for the Dasu Hydropower Project will help lower the overall cost of the country's energy generation, benefiting millions of users and making electricity more affordable. The hydropower plant

**TABLE 12 SOUTH ASIA**

### REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2018–20

|             | COMMITMENTS (\$ MILLIONS) |       |       | DISBURSEMENTS (\$ MILLIONS) |       |       |
|-------------|---------------------------|-------|-------|-----------------------------|-------|-------|
|             | FY18                      | FY19  | FY20  | FY18                        | FY19  | FY20  |
| <b>IBRD</b> | 4,508                     | 4,011 | 5,565 | 1,698                       | 2,598 | 3,158 |
| <b>IDA</b>  | 6,153                     | 4,849 | 6,092 | 3,835                       | 4,159 | 5,235 |

Portfolio of operations under implementation as of June 30, 2020: \$58.3 billion.

will provide most of its electricity during the summer months, when demand is highest, helping reduce blackouts. In Afghanistan, a \$99 million financing package is supporting two gas-to-power energy projects to increase the amount of electricity generated domestically while leveraging private financing for the energy sector. This package includes IDA guarantees and financing from the IDA18 Private Sector Window and leverages IFC loans and MIGA guarantees.

In India, a \$210 million project in the state of Maharashtra will help smallholder farmers access emerging domestic and export markets, increase private sector investment in agricultural value chains, increase productivity, respond to price fluctuations, and build crop resilience. It will be implemented in all 36 state districts and benefit over 1 million farming households. At least 43 percent of participating farmers and workers are expected to be women.

### Investing in people and supporting inclusive growth

To boost human capital as a driver of growth, the Bank is helping the region improve access to and quality of education, address childhood stunting and malnutrition, strengthen health systems and services, and expand safety nets to protect the poorest people. In Pakistan, we committed \$436 million to improve health and education services and social protection for poor and vulnerable households in Balochistan, Khyber Pakhtunkhwa, and Punjab. These projects will increase the quality and uptake of health services, improve early childhood education, provide learning opportunities for children in primary and secondary school, and establish more efficient economic and social inclusion programs. In December 2019, we also convened the 100-day “Girls Learn, Women Earn” campaign, which focused on creating better learning and employment opportunities for Pakistani girls and women.

In Bangladesh, the \$100 million Municipal Water Supply and Sanitation Project will help provide access to cleaner water sources and sanitation services for at least 600,000 people. It will also support hand-washing stations in several municipalities to improve hygiene, both as part of the effort to address COVID-19 and for the longer term.

### Fostering resilience to conflict and climate change

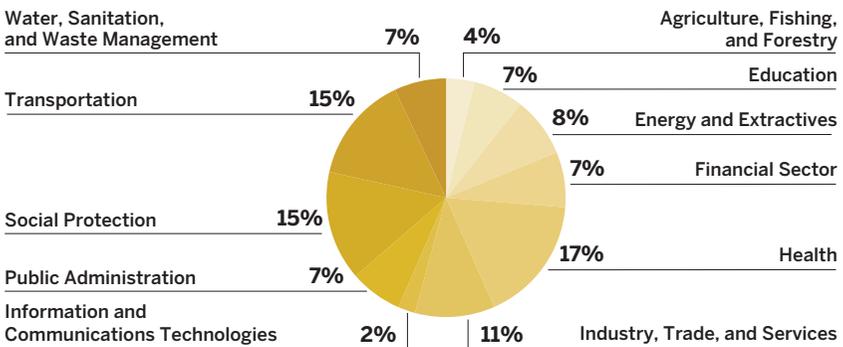
Conflict and fragility risks are increasing in South Asia, resulting in greater displacement. We are working with partners to provide basic services to the displaced and hosting communities. In Bangladesh, we approved three operations totaling \$350 million to help address the needs of host communities and displaced Rohingya. Through three projects, we will provide nearly 4 million people with access to health, nutrition, and family planning services and address gender-based violence through preventive and response services.

The region is also highly vulnerable to climate impacts, including natural disasters and rising sea levels and temperatures. Addressing this requires building resilience at the local level. In India, an \$80 million project will improve water management and increase agricultural productivity for more than 400,000 smallholder farmers, women, and pastoral communities in Himachal Pradesh. For the first time in South Asia, we extended a \$10 million Catastrophe Deferred Drawdown Option (CAT-DDO), which will help Maldives

**FIGURE 6 SOUTH ASIA**

#### IBRD AND IDA LENDING BY SECTOR • FISCAL 2020

SHARE OF TOTAL OF \$11.7 BILLION



mitigate the risks and vulnerabilities associated with COVID-19. In Bhutan, \$15 million in financing with a CAT-DDO will support reforms to manage climate and disaster risks, including disease outbreaks. In Nepal, we provided an additional \$200 million to the Earthquake Housing Reconstruction Project. This will fund nearly 87,000 more houses in 32 districts affected by the 2015 earthquakes and provide grants for families to ensure rebuilt housing is earthquake resistant. In India, a \$400 million project will help the government develop an institutional framework to manage the Ganga river basin and finance investments that address pollution in the basin's urban areas.

## Promoting regional integration

The Bank supports cross-border trade, transport and energy connectivity, long-term water security, environmental sustainability, and resilience in South Asia, which remains one of the world's least economically integrated regions. In Bangladesh, a \$500 million program will expand and enhance a 260-kilometer national highway to support greater regional trade and help improve the livelihoods of over 20 million people in rural areas. A \$50 million regional project will support a partnership to fight plastic pollution in trans-boundary river systems and the region's shared seas.

Our report *Unleashing E-Commerce for South Asian Integration* analyzed how e-commerce can become a driver of growth and boost trade. By increasing the use of e-commerce, the region could help increase competition and firms' productivity, increase market access, and strengthen commercial linkages between countries.

**TABLE 13 SOUTH ASIA: REGIONAL SNAPSHOT**

| INDICATOR   | 2000              | 2010  | CURRENT DATA <sup>a</sup> | TREND |
|---|-------------------|-------|---------------------------|-------|
| Total population (millions)   | 1,391             | 1,639 | 1,836                     |       |
| Population growth (annual %)  | 1.9               | 1.4   | 1.2                       |       |
| GNI per capita (Atlas method, current US\$)                                       | 446               | 1,153 | 2,019                     |       |
| GDP per capita growth (annual %)  | 2.1               | 6.2   | 3.6                       |       |
| Population living below \$1.90 a day (millions)                                   | 556 <sup>b</sup>  | 404   | 275                       |       |
| Life expectancy at birth, females (years)   | 64                | 68    | 71                        |       |
| Life expectancy at birth, males (years)   | 62                | 66    | 68                        |       |
| Carbon dioxide emissions (megatons)   | 1,181             | 1,978 | 2,737                     |       |
| Extreme poverty (% population below \$1.90 a day, 2011 PPP)                       | 38.5 <sup>b</sup> | 24.6  | 16.1                      |       |
| Debt services as a proportion of exports of goods and services                    | 15                | 3     | 5                         |       |
| Ratio of female to male labor force participation rate (%) (modeled ILO estimate) | 36                | 33    | 31                        |       |
| Vulnerable employment, total (% of total employment) (modeled ILO estimate)       | 80                | 78    | 70                        |       |
| Under-5 mortality rate per 1,000 live births                                      | 94                | 62    | 42                        |       |
| Primary completion rate (% relevant age group)                                    | 69                | 87    | 92                        |       |
| Individuals using the Internet (% of population)                                  | <1                | 7     | 30                        |       |
| Access to electricity (% population)  | 57                | 73    | 92                        |       |
| Renewable energy consumption (% total final energy consumption)                   | 53                | 42    | 38                        |       |
| People using at least basic sanitation services (% of population)                 | 20                | 43    | 59                        |       |
| People using at least basic drinking water services (% of population)             | 80                | 87    | 92                        |       |

**Note:** ILO = International Labour Organization; PPP = purchasing power parity.

a. The most current data available between 2013 and 2019; visit <http://data.worldbank.org> for data updates.

b. 2002 data. For poverty estimates, see the regional groups on <http://research.worldbank.org/PovcalNet/data.aspx>.

For more information, visit [www.worldbank.org/sar](http://www.worldbank.org/sar).

## Sustaining Afghanistan's development achievements

**OVER THE PAST TWO DECADES**, Afghanistan has achieved impressive development gains under challenging circumstances. The country has made progress in delivering public services, reducing infant mortality, improving enrollment in education, and expanding access to electricity. However, Afghanistan has been hit hard by COVID-19, compounding the challenges of continued insecurity and political uncertainty. Economic growth is expected to drop sharply in 2020, with the vast majority of the country's population falling below the poverty line due to the pandemic's severe impacts on incomes and jobs.

Continued international aid is vital to support Afghanistan's recovery and protect development gains. The Bank is a major development partner, providing support to the poorest people and helping the government build and strengthen institutions. This partnership includes our work administering the Afghanistan Reconstruction Trust Fund on behalf of 34 donors.

At the onset of COVID-19, we fast-tracked financial assistance to mitigate the pandemic's health, social, and economic impacts. A \$100 million emergency project is enhancing health service delivery and providing personal protective equipment and medicines to health workers and patients. A \$200 million emergency project, co-financed by IDA and the trust fund, is supporting faster recovery and keeping basic infrastructure—such as water, electricity, and telecommunications—up and running.

Beyond the pandemic, projects co-financed by the trust fund are helping improve health and education outcomes and protect livelihoods across the country. Through the Eqra Project, we are working to expand access to primary and secondary education, particularly for girls. A separate project is helping improve the quality and relevance of higher education; as a result, between 2015 and 2020, enrollment in key disciplines, such as economics and law, increased from 64,200 to 81,900. We are also improving access and quality for health, nutrition, and family planning services. In agriculture, projects we support have helped rehabilitate nearly 200 irrigation schemes, benefiting 425,000 farmer households; financed more than 35,500 hectares of new pistachio and fruit orchards in 34 provinces; rehabilitated 32,000 hectares of existing orchards; and established 143,000 kitchen gardening programs.

There is still a long way to go. The coming years will be critical in helping the country's institutions strengthen their capacity to deliver basic services. Working with donor countries through the trust fund, we will continue to play a key role in safeguarding Afghanistan's development gains.





## APPLYING EXPERIENCE AND INSIGHTS FOR GOOD COUNTRY OUTCOMES

**THE EFFECTIVENESS OF OUR PRESENCE** in countries is strengthened by our sectoral expertise and by knowledge and research programs that offer insights to help countries solve pressing development challenges. Our global practices work with country staff, partners, and other Bank Group institutions to provide comprehensive financial, operational, advisory, and convening support. We draw on experience and technical knowledge that spans regions and sectors, facilitating the exchange of ideas and best practices between countries and offering a uniquely global, cross-cutting view of leading development issues.

We share our research through publications, in-depth analysis, and open development data. Our flagship reports—widely referenced by governments, civil society organizations, partners, and the private sector—help drive the discourse on challenges at the global, regional, and country levels. Our tailored analytic products offer detailed assessments of priority concerns for clients and development partners. By promoting access to wide-ranging data and insights, we help countries monitor progress and make informed decisions when implementing projects.

We are applying this sectoral knowledge through broad, fast action that is helping countries respond to COVID-19. We are also drawing on our experience in supporting countries through previous crises, including natural disasters, infectious diseases, and economic shocks. Our support aims to help countries develop comprehensive and tailored responses to the challenges arising from the pandemic, covering a range of issues including health care, education, social protection, sanitation, digital services, and food security. We seek to protect hard-earned development gains and ensure that countries are able to secure good development outcomes for their people as they recover from the unprecedented crisis.

### Reducing poverty amid global challenges

Despite great strides in recent decades, the world was not on track to reach the goal of ending poverty by 2030, even before the onset of the COVID-19 pandemic. We estimate that the pandemic could push about 100 million more people into extreme poverty. A large share of this will be concentrated in countries that are already struggling with high poverty rates, but middle-income countries will also be significantly affected. We are helping countries respond by providing them with the data, policy advice, and financial resources they need to protect people and businesses from the impacts of this crisis and build resilience.

To alleviate extreme poverty more broadly, we need more and better data, especially from the poorest countries and those affected by fragility and conflict. Building on previous efforts, IDA19 includes new commitments to help countries scale up and improve their data collection. The Bank Group's Data for Policy initiative supports a core set of economic, social, and sustainability statistics that are required to monitor and evaluate public policies and programs. It also aims to improve the availability and quality of gender- and sex-disaggregated statistics in IDA countries to inform policy making.

## Ensuring debt sustainability and transparency

Debt financing is critical for development and, when used wisely, can help countries finance major projects and achieve sustained and inclusive growth. Our work on public debt focuses on three core areas: promoting debt transparency, enabling effective debt and fiscal risk management, and addressing debt vulnerabilities.

Rising indebtedness had begun resurfacing as a risk across emerging and developing economies even prior to the spread of COVID-19. In addition to managing new vulnerabilities arising from the pandemic, the Bank Group continues to work with the IMF and client countries to analyze and assess debt levels through the Debt Sustainability Framework.

In April 2020, the Bank, along with the IMF, called for the suspension of bilateral debt service payments from IDA countries to ensure they have the liquidity needed to tackle the challenges posed by COVID-19 and to allow for an assessment of their financing needs. Leaders of the G20 nations endorsed the Debt Service Suspension Initiative suspending bilateral debt service payments by poor countries beginning May 1, 2020. In June 2020, we disclosed new information on the creditor country composition of projected annual debt service payments of all 73 countries eligible for relief under this initiative through an online portal that highlights the potential savings for each eligible country, both in dollar terms and as a percentage of GDP.

We published two important analytical pieces in fiscal 2020 to help measure the level of rising debt in developing countries and propose solutions. *Global Waves of Debt*, published in December 2019, shed light on the fast and broad buildup of debt in developing countries since 2010 and offered policy options to reduce the likelihood of a crisis and alleviate the impact if crises take place. *The Evolution of Public Debt Vulnerabilities in Lower-Income Economies*, published in February 2020 with the IMF, assessed emerging debt issues in lower-income economies since 2017 and identified key risks. We also developed a crisis-response policy framework to provide support on public debt management and government securities markets for developing countries affected by the pandemic.

To finance their development needs, countries need to raise funds from domestic resources. However, in more than a third of the world's poorest countries, tax-to-GDP ratios are below the estimated 15 percent that is deemed necessary to carry out basic state functions. We help developing countries mobilize domestic resources by broadening and deepening their tax bases. This can lessen their dependence on external funding—such as international aid, development assistance, and foreign borrowing—while also catalyzing broader improvements in government accountability, responsiveness, and institutional capacity.

Somalia is one country where sustained support has helped increase revenue collection in a fragile state. Since 2015, the Bank Group has provided support on tax policy administration and taxpayer education to improve voluntary compliance. During this period, revenue collection more than doubled, from \$76 million in 2013 to \$183 million in 2018, exceeding targets. And in March 2020, the Bank Group and the IMF determined the country had taken the necessary steps to begin receiving debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative. Somalia is the 37th country to reach this milestone, known as the HIPC Decision Point.

## Tackling corruption and promoting good governance

We work with countries to strengthen their governance and institutions and fight systemic corruption. We help governments strengthen public financial management, improve judicial services, train the civil service bureaucracy, invest in financial information systems, expand access to information for the public, and reduce opportunities for administrative corruption, such as bribery. We are also developing new tools to monitor and measure illicit financial flows at the country and regional

levels. With the COVID-19 crisis further highlighting the importance of a strong public sector, we have also prepared policy notes and a tracking portal to help countries strengthen the resilience of their governance and institutions as part of their response to the pandemic.

Weak capacity in developing countries can lead to less fiscal space, inefficient procurement, and poor services as well as increase the risk of corruption. Technology can boost government efficiency, transparency, responsiveness, and citizen trust. Our GovTech Global Partnership and the GovTech Multidonor Trust Fund (established with support from Austria and the Republic of Korea) seek to use technology to strengthen government operations, service delivery, and citizen engagement. These initiatives will allow us to deepen our work on a global scale, help countries modernize public administration, and support our IDA commitment to promote simple, accessible, and efficient government—all of which have become even more critical in light of COVID-19.

We are strengthening and broadening our approach to anticorruption. The rapid allocation of resources to address COVID-19 may heighten corruption risks, which can erode public trust in governments' responses to the pandemic. To help countries implement a more intensive approach against corruption, we have developed a new initiative and action plan to reaffirm and reenergize our commitment to anticorruption work. These efforts provide assessments of the challenges that governments face in tackling corruption, instruments that can be effective in addressing them, and the ways progress is being achieved in individual countries.

Sound public procurement enhances integrity and efficiency in public spending. The Bank provides fiduciary oversight and support, helps governments prepare and implement projects, and advises governments on policy and operational reforms to strengthen procurement systems. Through an international collaborative effort, we are leading a new assessment methodology to accelerate the implementation of modern, efficient, sustainable, and more inclusive procurement. In fiscal 2020, we conducted 16 such assessments in Bangladesh, Burkina Faso, China, the Democratic Republic of Congo (DRC), Djibouti, Ethiopia, Gabon, India, Kazakhstan, Lebanon, Malawi, Moldova, Mozambique, Rwanda, Tunisia, and Zambia. We also support e-procurement implementation and other emerging initiatives, such as artificial intelligence and data analytics. Under IDA19, the Bank will help at least half of IDA countries establish e-procurement systems and conduct detailed procurement data analytics, enhancing public spending efficiency, transparency, and integrity.

Following the onset of the COVID-19 pandemic, we mobilized quickly to help countries by working with suppliers to share aggregate demand estimates and developing a streamlined procedure to procure medical supplies and equipment. This entailed applying emergency fast-track procurement, addressing supply chain constraints for medical supplies and equipment, and managing the impact of COVID-19 on non-emergency procurement and contract execution.

## **Unleashing the economic power of women**

The world has narrowed the divide between men and women, especially in primary education and health, yet critical gaps remain. Evidence shows that if women had the same lifetime earnings as men, global wealth could increase by \$172 trillion. But major development challenges affect boys, girls, men, and women differently due to discriminatory laws and policies, along with gender and social norms that influence their roles and responsibilities.

The Bank Group's Gender Strategy for 2016–23 builds on past progress and reflects changes in the global landscape as well as evidence of what works to close gaps between men and women in health, education, social protection, jobs, assets, and voice and agency. New commitments under IDA19 accelerate momentum in areas such as land rights, higher-productivity employment in infrastructure, digital employment, financial services, and efforts to stop and respond to gender-based violence.

Closing gender gaps and empowering women can help set countries on a sustainable path to more diversified economies, higher productivity, and better prospects for the future. In South Asia, the Women in Power Sector Professional Network (WePower) is working to increase the low share of women working in the energy sector. In Ghana, we are helping close gender gaps in access to financial services, in part by upgrading ICT platforms to support digital financial services and reach underserved populations. In the Central African Republic, the Health System Support and Strengthening Project is raising the quality of essential health services while supporting services for survivors of gender-based violence, including clinical services, safe spaces, and mental health and socioeconomic support.

The Bank also houses the Women Entrepreneurs Finance Initiative (We-Fi), which helps women in developing countries gain access to financing, markets, and networks for their businesses, and reduces regulatory and legal barriers to their success. As one of We-Fi's implementing partners, the Bank Group is implementing 27 projects in 24 countries through a \$75 million program, including \$26 million through the Bank and \$49 million through IFC. In Pakistan, we are strengthening the local entrepreneurship ecosystem, helping build the capacity of local incubators to offer better programs and train women entrepreneurs.

In the Middle East and North Africa, a Bank partnership with UPS will help some 750 women expand their businesses across borders through access to e-commerce platforms, learning opportunities, and tailored assistance and coaching. And in Bangladesh, we organized trainings for more than 100 women entrepreneurs, while 15 corporations have made pledges to work with women's small and medium enterprises in the supply chain.

The Bank Group's Gender Data Portal provides open access to sex-disaggregated data for over 600 indicators covering demographics, education, health, access to economic opportunities, public life, and decision making. Gender Innovation Labs in five developing regions generate evidence on what boosts gender equality and conduct rigorous impact evaluations on innovative approaches to closing gender gaps. The Bank is also tapping business registry data to capture the percentage of women owners, directors, and sole proprietors of limited liability corporations in 52 countries.

However, the COVID-19 pandemic threatens to reverse gains. Women often have more tenuous forms of employment and carry most of the burden of caregiving;



## ***Women, Business, and the Law 2020***

The sixth edition of this report analyzed laws and regulations affecting women's economic inclusion in 190 economies. Its Women, Business, and the Law Index comprises eight indicators structured around women's interactions with the law as they begin, progress through, and end their careers. The Index aligns different areas of the law with the economic decisions that women make at various stages of their lives. The report updated all indicators as of September 2019 and built evidence on the linkages between legal gender equality and women's economic inclusion.

in the crisis, they also face increased risk of gender-based violence and confront greater reproductive health risks. Women entrepreneurs are particularly vulnerable to the supply and demand shocks of COVID-19, as a disproportionate share of their businesses are informal and lack access to finance and working capital.

We are working with countries to ensure that response and recovery efforts reflect the pandemic's different impacts on women and men. In the Solomon Islands, the Community Access and Urban Services Enhancement Project is scaling up short-term employment and training activities for vulnerable populations, including women, youth, the urban poor, and many workers in the informal sector who may have lost their main source of income. In Uganda, the Development Response to Displacement Impacts Project will monitor information on gender-based violence and violence against children and support rapid and effective case referral.

## Supporting job creation and transforming economies

### Creating more and better jobs to alleviate poverty and expand opportunity

Good jobs are the surest pathway out of poverty and key to creating prosperous, equitable societies. Over the past decade, rising labor incomes accounted for about 40 percent of the drop in poverty worldwide. However, the jobs challenge facing much of the developing world remains immense and pressing. At the end of 2018, more than 173 million people worldwide, disproportionately youth, were unemployed, while another 2 billion working-age adults, mostly women, remained outside the workforce. Over the next decade, about 600 million people will be looking for jobs. Over 65 percent of those who work—roughly another 2 billion people—engage in informal, low-productivity jobs and do not earn enough to escape poverty. These trends will only be further exacerbated by the economic impacts of COVID-19 with job losses already at staggering levels in many countries.

To help overcome the jobs crisis, the Bank Group supports developing countries in the design and implementation of integrated, multisectoral jobs strategies and mobilizes global knowledge to help create better jobs for more people. We conduct jobs diagnostics to help countries identify key issues at the macro, firm, and household levels. We mobilize global knowledge to identify solutions to common jobs challenges; the latest *Pathways to Better Jobs* report helped identify transitions that people follow to more productive jobs. The Bank Group helps countries implement strategies to promote better jobs and economic transformation, with a focus on investments in physical and human capital to raise productivity and earnings and policies that facilitate competitiveness and trade to generate stronger market linkages and increase demand. We also design monitoring and evaluation tools to standardize how jobs outcomes are measured in projects.

IDA continues to be at the forefront of these efforts. The \$82 billion financing package for IDA19 will allow us to reinforce support for job creation and economic transformation. It will facilitate job-creating private investments, including in quality, accessible infrastructure. It will also help expand opportunities for workers and entrepreneurs, boost their capabilities, and connect them to jobs. As part of IDA19, we are committed to supporting at least 12 of the IDA countries that rank lowest on the Human Capital Index with programs or policies that improve skills and employability, emphasizing the different constraints facing young women and men. At least 60 percent of IDA19 financing operations for digital skills development will support women's access to higher productivity jobs, including online work, to help remove constraints to women's economic empowerment.

The Bank also houses several important partnerships to promote better jobs outcomes, including Solutions for Youth Employment, a multi-stakeholder alliance with strong private sector participation, as well as the Partnership for Economic Inclusion, which supports sustainable income growth for the poorest households and communities. We also house the Knowledge Partnership on Migration and Development (KNOMAD), which monitors migration and remittance flows. According to its latest

report, global remittances—a vital source of income for developing countries—are projected to decline by about 20 percent in 2020, the sharpest decline in recent history, in the economic crisis caused by COVID-19. We are working with KNOMAD to keep remittance channels open and safeguard the poorest communities' access to basic needs.

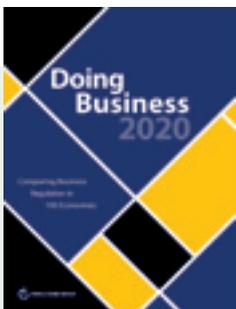
### **Leveraging digital financial services and payment systems to expand access**

Access to affordable financial services is critical to reducing poverty, boosting income equality, and promoting economic growth. Far too many people—65 percent of adults in developing countries—lack access to basic transaction accounts to send or receive payments, much less the savings, insurance, and credit services that would help them expand their businesses, mitigate risks, and plan for the future.

Digital financial services can lower costs by maximizing economies of scale and increasing the speed, security, and transparency of transactions. They also allow for more tailored financial services that can better serve the poor. We are working with the public and private sectors in over 50 countries to help expand access to digital financial services by investing in infrastructure, such as mobile broadband, and by advising on legal and regulatory frameworks to encourage the growth of these services.

In Niger, we supported the government's efforts to better supervise microfinance institutions, increase access points through the postal network and mobile phones, add savings products to mobile money applications, and switch government payments from cash-based to electronic channels. In Mexico, we advised the government as it developed a law on financial technology and implemented regulations to improve financial inclusion for households and small and medium enterprises.

We also launched the Government-to-Person Payments initiative, which provides guidance to countries seeking to digitize cash transfers and social assistance payments to provide individual agency and choice across providers, boost financial inclusion, and support women's economic empowerment. The initiative comes as governments around the world are scaling up social assistance and finding ways to directly transfer funds to individuals. In light of COVID-19, dozens of countries are considering direct financial transfers to households and small businesses, outside of traditional social protection mechanisms. For those living in extreme poverty, this immediate cash support can be life-saving. Efficient cash transfer systems can also support recovery, rebuild livelihoods, and help prepare for future challenges. By working with countries to modernize their payment ecosystems, we help ensure that this assistance reaches those in need quickly and efficiently.



### ***Doing Business 2020: Comparing Business Regulation in 190 Economies***

The 17th edition of this annual flagship report measured the regulations that enhance business activity and those that constrain it. It provided quantitative indicators covering 12 areas of the business environment in 190 economies. The 2020 report aims to provide objective data to help governments design sound business regulatory policies and encourage research on important dimensions of the regulatory environment for firms.

## **World Development Report 2020: Trading for Development in the Age of Global Value Chains**

This flagship report pointed out that global value chains (GVCs) can help boost growth, create better jobs, and reduce poverty if developing countries undertake deeper reforms and industrial countries pursue open, predictable policies. The evidence indicated that technological change is likely to be more a boon than a curse for trade and GVCs. The benefits of participating in GVCs can be widely shared and sustainable if all countries enhance social and environmental protections.



### **Facilitating trade for economic growth**

Trade is an important engine of growth that creates jobs, reduces poverty, and increases economic opportunity. Since 1990, growth underpinned by open trade has helped over 1 billion people escape poverty. Global value chains powered this surge and now account for almost half of all trade. Since the 2008 global financial crisis, however, trade growth has been sluggish, and the expansion of value chains has stalled. The 2020 World Development Report, *Trading for Development in the Age of Global Value Chains*, examines the opportunities that value chains offer to countries. It concludes that although new technologies could ultimately draw production closer to consumers and reduce the demand for labor, technological change remains more a boon than a curse.

To ensure that everyone benefits from trade, the Bank Group works with countries to make it faster and easier to import and export. We help them remove trade constraints and bottlenecks, increase the predictability of transit times, and harmonize systems and procedures with international standards. As of June 2020, we were working on trade facilitation efforts in 68 countries. In Guatemala and Honduras, we helped cut the time for traders to cross the border from 10 hours to 7 minutes through an online tool that eliminates duplicate customs procedures and paperwork at the border. In Sierra Leone, we helped upgrade the Freetown port to the Automated System for Customs Data, the globally recognized system for customs management. With this upgrade, Sierra Leone hopes to reduce trade fees by 10 percent and simplify and reduce the number of processes traders must complete.

Maintaining trade flows during the COVID-19 pandemic is crucial in providing access to essential food and medical items and in limiting the negative impacts on jobs and poverty. We are providing guidance and technical assistance to help developing countries facilitate the safe and free flow of goods. In the face of medical supply shortages, we cautioned governments against protectionist measures, such as export bans. These lead to higher prices and can prevent necessary supplies from reaching developing countries, many of which are dependent on imports for crucial medical supplies.

### **Supporting robust human capital outcomes**

Human capital is the health, knowledge, capabilities, skills, and resilience that people accumulate through life. It equips them to realize their full potential and become productive members of society and is a key driver of economic growth, poverty reduction, and shared prosperity. Countries that invest efficiently and equitably in building, protecting, and deploying human capital will be better prepared to compete in a global economy that rewards higher-level cognitive skills.

The COVID-19 pandemic places a spotlight on the importance of protecting human capital in times of crisis. Our policy note, *Protecting People and Economies:*

*Integrated Policy Responses to COVID-19*, offers a series of recommendations, including: (i) combining measures such as testing and tracing, isolation and quarantine, and treatment to contain the disease and combat the pandemic; (ii) implementing efforts to preserve jobs, ensure more sustainable business growth and job creation, protect household income and food security, and ensure access to services for vulnerable populations; and (iii) working to maintain longer-term macroeconomic stability, build trust, communicate clearly, and rethink policy to build back with stronger systems for people and economies.

The profound impacts of the crisis underscore the urgency of achieving universal health coverage, establishing robust educational systems, expanding coverage of social protection, and ensuring adaptable programs and policies, so that countries can mitigate the effects of the shock and lay the groundwork for future resilience.

### **Implementing the Human Capital Project**

The Human Capital Project is a global effort to accelerate more and better investments in people for greater equity and economic growth. As of the end of fiscal 2020, the project included 77 countries across regions and income levels—reflecting broad recognition of the importance of human capital as a key driver of economic growth, poverty reduction, and shared prosperity. The project is mobilizing partners to improve human capital outcomes, so that every girl and boy grows up well nourished and ready to learn, attains real learning in school, and enters the job market as a healthy, skilled, and productive adult.

The Bank Group is committed to helping countries improve human capital across its advisory, analytical, operational, and research services. As countries address the impacts of COVID-19, we are intensifying our support by mobilizing and deploying human resources, critical supplies, and financing toward public health interventions, nutrition, safety nets, and essential services as part of the emergency response, with special outreach to vulnerable groups, such as the elderly, health care workers, and those who have lost their livelihoods. We continue to help countries improve their human capital outcomes and accelerate progress by:

- Implementing a new generation of multisectoral development policy operations that focus on unlocking human capital gains by removing policy and institutional bottlenecks, including in Madagascar, Pakistan, Peru, and Rwanda.
- Sharpening the focus on learning poverty (the percentage of 10-year-olds who cannot read and understand a short text), and taking measures to address learning loss, especially amid school closures during the pandemic.
- Expanding universal health coverage—quality services for all without financial hardship, including for pandemics such as COVID-19—with an emphasis on primary care for an additional 1 billion people by 2023.
- Putting women and girls at the center of efforts through better access to education, health services, economic opportunities, and empowerment.
- Prioritizing foundational investments in children's early years to boost the lifelong impacts of access to good health, adequate nutrition, early stimulation and learning, responsive caregiving, and safety and security.
- Accelerating investments to spur economic transformation, so that investments in human capital can translate into viable livelihoods and more and better jobs.
- Providing analytical support to help governments prioritize expenditures in the face of fiscal constraints and pursue a robust measurement agenda, including tracking key human capital investments and outcomes.

We are also preparing an updated Human Capital Index with the latest available data. These include 17 additional country profiles compared to the 2018 edition, greater disaggregation by gender, and a trajectory of human capital data for countries over a decade to better inform policy making.

Partnerships to foster collaboration and share knowledge are also central to the project. These include a Focal Point Network that connects government officials

around the world to share their experiences, innovative solutions, and lessons learned, including from the fight against COVID-19. We also engage with the project's global champions at major events, including the UN General Assembly and the World Bank-IMF Spring and Annual Meetings, as well as with other key stakeholders. To address the global learning crisis, we have mobilized partners, including UK Aid, the Bill & Melinda Gates Foundation, UNESCO, and UNICEF. We have also established the Human Capital Umbrella, a multidonor financing mechanism to support catalytic initiatives for accelerating human capital outcomes.

### **Responding to the global learning crisis**

The world is witnessing a learning crisis. Even prior to COVID-19, nearly 260 million children and youth were out of school. Low-quality instruction meant many students were learning too little. The most disadvantaged children and youth had the worst access to schooling, the highest dropout rates, and the largest learning deficits.

At the UN General Assembly in September 2019, the Bank Group introduced a new concept, learning poverty, which we developed in close collaboration with the UNESCO Institute for Statistics. We found that the learning poverty rate in low- and middle-income countries was 53 percent, meaning that over half of all 10-year-old children could not read and understand a simple story. To galvanize action toward education goals and tackle this crisis, we launched a new global target at the 2019 Annual Meetings to reduce the learning poverty rate by at least half by 2030.

With operations in over 80 countries, the Bank is the largest external financier of education in developing countries. Through financing and analytical and advisory services, we help countries build and enhance systems that provide learning for children, youth, and those who need skills in adulthood. We currently finance over 145 education projects, ranging from early childhood development and basic and secondary education to skills development and tertiary education.

As we help address the impacts of COVID-19, our operational response seeks to mitigate the damage from the pandemic and use the investments made for remote learning during the crisis as a launchpad to accelerate progress toward a more resilient, equitable, and personalized education system. To support countries while schools are closed, we have moved quickly to help them set up or improve remote-learning systems, including through the effective use of print, radio, television, and mobile technology. We are also supporting nutrition for those who have lost access to school meals. To help countries manage continuity as schools reopen and to minimize student dropout, we are promoting learning recovery while ensuring that schools can operate safely through health protocols and better hygiene practices; campaigns to promote reenrollment and prevent dropouts based on early-warning systems; school feeding programs; blended in-person and remote learning through technology; and training to help teachers assess and remediate learning losses.

To improve and accelerate learning after reopening, we are helping countries build resilient education systems by ensuring that learning can happen anywhere; using data to make schools more equitable; providing personalized learning; and offering greater support for parents, teachers, and students, including socioemotional support.

We are working closely with a consortium of partners on these efforts, including UNICEF, UNESCO, the Harvard School of Education, and the OECD. Through project restructuring, additional financing, and new projects in nearly 60 countries, we have mobilized over \$2.5 billion for education in response to COVID-19. Examples include:

- In Turkey, a \$160 million emergency project to help the government develop digital content for television and online channels, as well as catch-up courses and blended teaching and learning programs. All TV-based materials will include sign language, subtitle support, and audio transcriptions for students with hearing or visual impairments. The project will also fund expansion of the current online education system, as well as mental health counseling.

- In Pakistan, a procurement plan to help the Ministry of Higher Education provide devices to all students so that they are able to participate in remote-learning opportunities.
- In Rwanda, an interactive instruction program that aims to reach 60 percent of all students, as well as a \$10 million GPE-financed project to support remote learning through television, YouTube, and the government's e-learning platform. When schools reopen, the project will support remedial, or catch-up, programs, including for students at risk of dropping out.
- In Nigeria, the restructuring of an existing project to provide 325,000 students with interactive radio lessons, digital self-study activity packets, storybooks, and mobile interactive quizzes, as well as support from teachers through classroom-based WhatsApp groups. It will also provide digital lesson guides for parents to support learning at home.

### **Ensuring accessible and quality health care**

In March 2020, the Bank Group announced the COVID-19 Fast Track Facility to support countries' response to the pandemic. This early response focused on addressing the immediate health needs of countries, including strengthening the capacity of health systems, limiting the spread of the pandemic, boosting disease surveillance, and supporting research to facilitate the development of vaccines and treatments. We are also helping countries access critically needed medical supplies by reaching out to suppliers on their behalf.

In fiscal 2020, we rapidly approved health operations to help more than 100 countries combat COVID-19. This is part of the Bank Group's pledge to deploy up to \$160 billion over 15 months through June 2021 to help countries address their health needs, as well as bolster economic recovery.

Our work is strengthened by our collaboration with key international partners. In February 2020, we joined forces with the WHO and other multilateral organizations on the COVID-19 strategic preparedness and response plan at the global and country levels. As the trustee for the Coalition for Epidemic Preparedness Innovations, we convened a multi-stakeholder task force to develop a vaccine for COVID-19 and help ensure fair global allocation of vaccines, once available.

Even before COVID-19, we had been helping developing countries strengthen their pandemic preparedness. Regional Disease Surveillance Systems Enhancement programs in 16 countries of West and Central Africa have been strengthening national and regional cross-sectoral capacity for collaborative disease surveillance and preparedness. Following the 2014–15 West Africa Ebola crisis, we helped establish the Africa Center for Disease Control and many national public health institutions. IDA has also provided \$286 million in response to the 10th Ebola epidemic in the DRC, which began in August 2018. We also supported the East Africa Public Health Laboratory Networking Project, which created a network of 40 well-equipped public health laboratories with trained personnel and enhanced diagnostic and surveillance capacity in Burundi, Kenya, Rwanda, Tanzania, and Uganda; this network is now being leveraged for the COVID-19 response.

Our goal of achieving universal health coverage is crucial to building human capital. We help countries provide quality and affordable health services to everyone—regardless of their ability to pay—by strengthening primary health care systems, reducing the financial risk associated with ill health, and increasing equity.

Despite substantial progress in global health outcomes, the *2019 Universal Health Coverage Global Monitoring Report* by the WHO and the Bank finds that significant challenges remain. It is estimated that each year, people in developing countries pay over half a trillion dollars out of pocket for health care, causing financial hardship for more than 925 million people and pushing nearly 90 million people into extreme poverty. We reaffirmed our commitment to accelerating progress in this area at the first UN High-Level Meeting on Universal Health Care in September 2019. As one of 12 co-signatories of the Global Action Plan for Healthy Lives and Well-being for All,

## The Health Equity and Financial Protection Indicators

This database is a global resource to track progress on key health sector indicators across countries at all income levels; the first dataset was published in 2000. The latest version, launched in 2019, includes data on health service coverage and health outcomes from 196 countries based on 1,204 surveys. It also includes data on financial protection for 149 countries based on 646 surveys, which look at the fraction of countries spending more than 10 percent of their total income on health care, as well as the percentage of the population who are impoverished by out-of-pocket health care expenses.



the Bank Group will continue helping countries reduce inefficiencies and deliver on their international health commitments.

We help countries that face aging populations and a growing burden of non-communicable diseases. These diseases cause 70 percent of deaths globally, mostly in low- and middle-income countries. Primary health care services are critical for prevention, early detection, and management of diseases, as well as health promotion. To prevent, detect, and treat cancer, we are strengthening the capacity of health ministries in Burundi, Kenya, Rwanda, Tanzania, and Uganda through a regional program for cancer registries.

COVID-19 has caused significant disruptions in access to essential, life-saving health services for women and children, which threaten to roll back years of global progress in reducing maternal and child mortality. The Global Financing Facility (GFF), a country-driven partnership hosted by the Bank Group, provides catalytic financing and technical support to protect and promote safe and equitable health and nutrition services for women and children and build more resilient health systems. Working in 36 low- and lower-middle-income countries that have the world's highest maternal and child mortality, the GFF is helping governments prioritize and plan for ongoing essential health services during the pandemic, strengthen front-line service delivery, and address constraints in delivery of sexual and reproductive health and other life-saving services. In Zambia, the government is now integrating essential health services for women and children and gender-based violence into its national COVID-19 response plan.

Before the pandemic, countries supported by the GFF were already seeing improvements in the health of women and children. In Liberia, between 2017 and 2019, the number of children under 1 year of age receiving immunization increased by 52 percent, and assisted deliveries rose by 48 percent. In Ethiopia, between 2016 and 2019, births attended by skilled health workers rose from 28 to 50 percent, and the number of children under 2 years of age receiving nutrition support rose from 27 to 44 percent.

### Protecting the poor and vulnerable through social protection

Social protection programs help protect lives and livelihoods, build and maintain human capital, and empower people to lift themselves and their families out of poverty, thus contributing to more just, equitable, and inclusive societies. However, the Bank's *Atlas of Social Protection Indicators of Resilience and Equity* shows that only 45 percent of people around the world are covered by some form of social protection—in the poorest countries, only one in five poor people has access to social safety nets.

Effective social protection delivery systems are especially important in times of crisis, as they help people manage risks and cope with shocks. According to the *Sourcebook on the Foundations of Social Protection Delivery System*, well-developed

delivery systems can allow for greater coordination across programs, ensuring that support goes to the right people and helping achieve maximum impact. In response to COVID-19, the Bank Group moved fast to leverage countries' existing social protection systems to support families and businesses in restoring incomes and preserving their livelihoods. We are ramping up our investment in cash transfers by an estimated \$10 billion over 15 months. We also helped countries enhance the preparedness of their social protection systems and build resilience against future crises.

In response to locust swarms affecting countries in Africa and the Middle East, our \$500 million Emergency Locust Response Program is providing support to affected households through targeted social safety nets so that they can recover and rebuild. This includes cash transfers, cash for work, emergency food supplies, and seed and fodder packages that farmers can use to restore their crops and feed their livestock.

These crises underscore the importance of adaptive social protection systems, which can scale up quickly in times of crisis to reach those affected. Such programs also help build the resilience of poor and vulnerable households by boosting their capacity to prepare for, cope with, and adapt to shocks, including climate-related risks and fragile or conflict-affected situations. In India, the Pradhan Mantri Garib Kalyan Yojana Project will help scale up cash transfers and food benefits for 800 million people, provide robust social protection for essential workers involved in COVID-19 relief, and benefit vulnerable groups, particularly migrants and informal workers.

We are helping countries substantially increase coverage by 2030 by supporting safety net programs, including cash transfers, public works, and school feeding programs. A conditional cash transfer program in the Philippines is supporting more than 4 million households, accounting for a quarter of the country's poverty reduction in the past seven years. In Kenya, the National Safety Net Program significantly expanded the coverage of cash transfers from 1.7 million people in 2013 to 5 million people in 2019, 2.3 million of whom were women.

Extending social protection to informal workers is a persistent challenge, with up to 80 percent of workers in developing countries earning their living in the informal economy and the number of workers who lack full protections also rising in high-income countries. Recognizing the changing nature of work, the *Protecting All: Risk-Sharing for a Diverse and Diversifying World of Work* report proposes an approach to worker protection and social security that is better adapted to the increasingly diverse and fluid world of work, calling on governments to provide social protection irrespective of the sector of work. Considering the devastating impacts of the COVID-19 pandemic on the poor, especially those in the informal economy, this proposed model of worker protection is more relevant than ever.

## **Investing in sustainable infrastructure**

Infrastructure development is essential for poverty reduction and shared prosperity. We work with countries to build sustainable infrastructure that helps connect people to opportunities, promotes economic growth, and leads to better outcomes. Our integrated approach spans all dimensions of infrastructure development, from advising on policy and regulation to boosting private sector participation, mobilizing financial solutions, and helping governments prepare projects and bring them to market.

The COVID-19 pandemic presents a major shock to infrastructure. The Bank is helping governments take stock of projects and contracts, prioritize planned projects based on changing priorities, and build resilience in response to future shocks such as natural disasters, climate change, and pandemics. We are also convening government ministries around the world to exchange experiences and recommendations as they address the challenges posed by the outbreak.

## **Connecting people to opportunities through sustainable transport**

The COVID-19 pandemic has had major implications for transport and mobility. The impact is being felt most strongly in countries with long or weak supply chains, major regional ports, and large urban populations that rely on public transportation

## Fostering private sector participation in infrastructure

Most developing countries have low rates of public and private savings, as well as underdeveloped domestic capital markets; domestic long-term financing for infrastructure is seldom available. Along with perceived political and commercial risks, these factors have limited countries' access to international capital markets, with the private sector accounting for only 9–13 percent of total infrastructure investments. To help close this infrastructure gap, the Bank Group is deploying our full range of financial instruments and services, encompassing support from the Bank, IFC, and MIGA. In Afghanistan, we helped set up the first long-term private investment in the energy sector, boosting domestic electricity generation by up to 30 percent. Bank Group support is helping the country move away from reliance on electricity imports and meet growing energy demand. The Mazar-e-Sharif gas-to-power plant was made possible by a debt financing package arranged by IFC and partners, which also includes a guarantee from IDA and political risk insurance through MIGA.

In Morocco, Bank Group support is helping upgrade rural roads and expand Casablanca's tram system. This includes \$100 million in financing from the IFC without a sovereign guarantee—a first for any local government in North Africa. An advisory program is also providing technical expertise and guidance on environmental and social governance. This is part of a broader Bank Group effort to support reforms and investment to boost Morocco's regional development.

In the West Bank and Gaza, a pioneering project to build solar arrays atop 500 schools in the West Bank will provide the energy-starved territory with enough clean electricity to power 16,000 homes. The financing package comprises loans from IFC and partners, as well as a grant from the Bank's Investment Co-Financing Facility. The project is part of a larger push by the Bank Group to bolster the power supply in the West Bank and Gaza.

In Ethiopia, we are helping attract private sector investments through sound policy, legal, institutional, and regulatory frameworks. The Bank provided technical assistance to introduce competition into the telecoms market through new legislation and establishment of an independent regulatory authority. These efforts are complemented by IFC support to help the government liberalize the telecoms market.

to move workers and goods. Addressing mobility is crucial for countries to curb the spread of the pandemic, protect the well-being of transport workers and services that move essential personnel and supplies, and rekindle economic activity. As countries move from isolation to management of the pandemic, the Bank is committed to helping them address their transport and mobility needs. In Bosnia and Herzegovina, we are financing the purchase of protective gear for railway staff. In Indonesia, we are helping strengthen safety, security, and emergency preparedness. And as Kazakhstan prepares for long-term recovery, we are helping the government create job opportunities in rural road works.

Sustainable transport remains key to addressing many of the world's development challenges. Lack of access to all-weather roads locks half a billion people in Africa in poverty. Worldwide, an estimated one in six women does not look for work out of fear of harassment in transit. Road crashes kill 3,700 people and seriously injure over 50,000 every day. Transport also accounts for 16 percent of the world's greenhouse gas emissions, while congestion costs cities millions of dollars daily.

The Bank is helping improve mobility and build sustainable transport that is green, safe, efficient, and accessible to all. In Africa, we are supporting the use of drones to deliver medicine and other important supplies to isolated villages. In Pakistan, we are expanding access to roads for women, who are twice as likely to go to prenatal consultations when they have better access. Young people in Freetown, Sierra Leone, are crowdsourcing data to send minibuses along routes that serve poorer areas in the city. In Bangalore, we are supporting India's first intelligent public transport and

public bike-sharing systems, initiating a new urban model of mobility. In Bogotá, Colombia, and Lima, Peru, electric metro lines will replace thousands of vehicles and bring residents within an hour's commute of thousands of jobs.

Following the devastation from cyclones Idai and Kenneth in 2019, the Integrated Rural Roads Development Project supported Mozambique's recovery by reestablishing critical links between agricultural producers and consumers, as well as restoring access to education and health services. We also have a long-standing partnership with Bloomberg Philanthropies to support the Global Road Safety Facility (GRSF); the studies and road improvements this has supported are expected to save about 7,000 lives by 2030 in 10 cities across five countries. In fiscal 2020, the GRSF and the Bank-hosted Sustainable Mobility for All consortium (SuM4All) also offered countries diagnostic reports about their road safety and broader mobility challenges, helping them build tailored policy responses using international best practice. In October 2019, SuM4All released its Global Roadmap of Action toward Sustainable Mobility for 183 countries; Ethiopia and South Africa were the first to adopt programs based on this.

### **Closing the digital divide**

Digital technologies are at the forefront of development and provide a unique opportunity for countries to accelerate economic growth. Yet at the end of 2019, half the world's population was still without internet access, with the vast majority of them concentrated in developing countries. A persisting digital divide could exacerbate inequalities and create a new class of "digital poor." The Bank works with governments to expand access to fast, reliable, and affordable internet and develop online platforms that improve service delivery, governance, and social accountability. We are helping client countries scale up efforts toward universal broadband access and give people the skills and resources they need to fully participate in the digital economy. Through the Digital Development Partnership, we are also fostering and implementing digital strategies for countries, working with donor governments and global technology organizations.

Across Africa, where less than a third of the population has access to broadband, achieving universal, affordable, and quality internet access will require an investment of \$100 billion. To help achieve this objective, the Bank Group launched the Digital Economy for Africa initiative in 2019, in support of the African Union's Digital Transformation Strategy. It sets an ambitious target to digitally connect every individual, business, and government in Africa by 2030. As part of the initiative, the Bank is conducting diagnostics on countries' digital economies to identify challenges and opportunities for future growth. We delivered 25 diagnostics in fiscal 2020.

We are working with digital technologies to address a broad range of development challenges. In Niger, a country where half of the population is not covered by mobile broadband, the Smart Villages for Rural Growth and Digital Inclusion Project aims to increase digital connectivity and bring digital financial services to underserved areas. In Bangladesh, we established the country's core digital government foundations, including the first national data center, cybersecurity center, and enterprise architecture. This helped create 35,000 jobs for youth, more than a third of whom are women, and boosted IT industry revenue by 160 percent. In Peru, where two out of three women experience intimate partner violence, the \$36 million Centralized Emergency Response System Project is using technology to prevent and respond to gender-based violence.

Approximately 1 billion people around the world do not have any officially recognized ID, limiting their access to services and opportunities. Through the Identification for Development (ID4D) initiative, we help countries develop inclusive and trusted ID systems. The Bank is supporting more than 40 countries' efforts to design and implement digital ID and civil registration systems.

Digital technologies can also play an indispensable role in sustaining social and economic activities during the COVID-19 pandemic. Digital platforms are providing people with solutions for remote study or work, while e-commerce can be a lifeline during lockdowns. Governments are using digital technologies to maintain services

or facilitate contact tracing to limit infections. However, many poor countries lack the infrastructure to implement these measures. In April 2020, we co-hosted a high-level virtual roundtable with the International Telecommunication Union; GSMA, which represents mobile operators worldwide; and the World Economic Forum. This dialogue brought together government ministries, ICT regulators, and technology companies to launch an accelerated action plan that aims to help countries better leverage the use of digital technologies and infrastructure during the pandemic.

### **Accelerating sustainable solutions in energy and extractives**

Access to electricity supports essential services, makes communities safer, fuels the movement of people and goods, and promotes the investments and industries that drive growth for economies. However, nearly 840 million people still live without electricity, mostly in Africa and South Asia, while millions more grapple with unreliable access.

The Bank helps countries secure an affordable, reliable, and sustainable energy supply, as well as manage their natural resources in a way that contributes to economic growth and poverty reduction. Since 2017, we have helped countries provide new electricity connections to over 30 million people. And in the past two years, we committed about \$1 billion for mini-grids and standalone off-grid systems; over 80 percent of these commitments were in Sub-Saharan Africa.

Recognizing that renewable energy and energy efficiency play a pivotal role in development and in tackling climate change, we provided \$9.4 billion in financing over the past five years for projects in these sectors in developing countries.

Through the Climate Investment Fund and the Energy Sector Management Assistance Program's Sustainable Renewables Risk Mitigation Initiative, we support activities like our Off-Grid Electrification Project in the West Africa and Sahel region, which aims to deliver electricity access or better services to nearly 2 million people.

Around the world, 3 billion people continue to cook with polluting fuels, creating major health, development, and climate setbacks. To address this, we launched the Clean Cooking Fund in September 2019 to help accelerate progress toward universal access to clean cooking.

In Rwanda, our policy development work aims to help the country reach near-universal electricity access by 2024, from just 6 percent in 2009, while also promoting energy efficiency and increasing the share of solar and hydro power in the country's energy mix. In the Gambia, we helped the country go from three hours of electricity per day in 2017 to a continuous supply in 2020; we also helped lay the foundation to achieve universal access by 2025 with a cleaner and more affordable energy mix.

We secured \$36 million in funding for the second phase of the Extractives Global Programmatic Support trust fund, which works to improve transparency and governance in the extractives industry, especially in the poorest and most fragile countries.

### **Promoting climate action, disaster resilience, and adaptation**

Countries around the world are struggling against the COVID-19 pandemic, and the Bank Group has a wealth of experience—including from its work on climate and disaster risk management—to draw from to help them respond to the immediate crisis and build a more resilient and sustainable future. This includes key lessons from disaster response programs that demonstrate the importance of adaptive social protection systems that can expand quickly to reach more people, which we are applying in countries like Pakistan and South Sudan. To help countries build back stronger, we are urging policy makers to take into account short- and long-term considerations. We developed a sustainability checklist to help ensure that stimulus packages address job creation, economic activity, timeliness, and risk, while also considering longer-term impacts on human, natural, and physical capital, as well as resilience and decarbonization.

We work with countries to implement projects identified in their adaptation plans and nationally determined contributions under the Paris Agreement; many of these could also be included in stimulus package investments as countries recover from the pandemic. As secretariat to the Coalition of Finance Ministers for Climate

Action, the Bank Group encourages countries to focus on investments that promote cleaner air, reduce greenhouse gas emissions, and take on climate impacts. Addressing climate change is also one of the policy backbones of the Bank Group's recent capital increase commitments and the IDA19 replenishment. We continue to surpass our own climate targets, committing \$17.2 billion for climate-related investments in fiscal 2020.

We produce analytical work to help policy makers in developing countries prepare for a low-carbon future. *Technology Transfer and Innovation for Low-Carbon Development*, published in March 2020, offers policies that can help support the transfer of low-carbon technologies to developing countries, including subsidies, human capital investments, and fewer restrictions on trade and foreign direct investment.

The Bank also provides technical and financial support to help countries assess their exposure to hazards and address disaster risk as a result of extreme weather events, geological hazards, and pandemics. We support specialized agencies, including those responsible for emergency preparedness and response, and promote a comprehensive approach to managing disaster risk and mainstreaming resilience across sectors and communities, especially vulnerable groups. Since February 2020, nearly \$1.7 billion has been rapidly disbursed through Catastrophe Deferred Drawdown Options to support the COVID-19 response across 15 countries. All Bank projects are now screened for climate and disaster risk to ensure they build the resilience of people on the ground.

### **Building sustainable and inclusive cities**

Today, over half of the world's population lives in cities. By 2050, seven out of 10 people will be urban dwellers, and close to 90 percent of future urbanization will take place in the developing world, mainly Asia and Africa. We help cities in developing countries become more livable, climate-smart and resilient, inclusive, and competitive, so they can contribute to growth and poverty alleviation. By investing an average of \$5 billion–\$6 billion annually and supporting policy reforms, we focus on four key challenges: the planning and capacity gap, the financing gap resulting from rapid urbanization in lower-income countries, widening spatial and territorial inequalities between regions and within cities, and the growing hazard risk for people and assets concentrated in urban areas.

We assist governments in designing and implementing urban development plans and help them improve access to infrastructure and basic services, including solid waste management, housing, urban transport, and water and sanitation systems. In Morocco, we supported reforms of the country's housing value chain, which included upgrading slums and modernizing the building code and housing rental law. This helped over 100,000 households employed in the informal sector access mortgage finance. *The Hidden Wealth of Cities* report, published earlier this year, identified strategies for cities to leverage public spaces to enhance livability, resilience, and competitiveness.

The global investment needed for resilient urban infrastructure is \$4.5 trillion–\$5.4 trillion per year. Much of this need is in the developing world, far exceeding what official development assistance can provide. The Bank helps cities expand their access to finance from multiple sources, such as generating public revenue, reforming intergovernmental fiscal transfers, and improving access to private and commercial finance by capturing land values. Our City Creditworthiness Initiative strengthens the financial performance of local governments and prepares them to tap domestic and regional capital markets without a sovereign guarantee. Since 2014, this initiative has trained municipal officials from 250 cities in 26 countries. In Ethiopia, the \$600 million Urban Institutional and Infrastructure Development Program is helping 117 urban local governments strengthen institutions, municipal infrastructure, and local economic development, benefiting over 9 million people.

We are working to reduce spatial inequalities, both across regions and within cities. At the subnational level, we support investments and government strategies that help regions reach unmet potential, such as a \$1 billion multisectoral initiative underway in Kenya's northeastern region. At the local level, we invest in upgrading

informal settlements to improve access to urban infrastructure and service delivery, including in Buenos Aires, Argentina, and across Indonesia. The *Convergence* report, published in February 2020, looks at drivers of spatial inequalities in the Middle East and North Africa. It highlights how gaps within the region have been exacerbated by constraints to the mobility of goods and people, inefficient and centralized service delivery, and regulatory frictions in urban land markets.

We also support cities in developing countries as they transition to low-carbon and climate-resilient pathways. The City Climate Finance Gap Fund aims to identify and speed up the preparation of climate-friendly projects in cities through financing to formulate strategies and analyze key interventions. The City Resilience Program, a partnership between the World Bank and the Global Facility for Disaster Reduction and Recovery, is a multidonor initiative aimed at increasing financing for urban resilience. Since its inception in 2017, it has helped more than 90 cities in over 50 countries plan for and mitigate the adverse impacts of disasters and climate change, as well as mobilize financing for resilient infrastructure. In Senegal, the program is helping Dakar attract private investment to build and operate a new municipal sanitary landfill.

Cities are on the front lines of the COVID-19 pandemic, together with public health and disaster risk management authorities. But many cities in developing countries lack capacity to contain the spread of the virus, particularly among slum dwellers and other vulnerable groups who find it difficult to adhere to distancing and sanitation practices. Taking broad-based action, the Bank is helping cities prevent community transmission, deliver critical public services, protect the urban poor, improve zoning and land use, and strengthen financial sustainability.

## **Managing resources sustainably**

### **Ensuring food security and sustainable food systems**

Since 2015, the number of undernourished people has continued to grow each year. Many countries are facing greater levels of food and nutrition insecurity amid shocks related to climate change, conflict, and pests, as well as income losses stemming from the COVID-19 pandemic. These shocks threaten food production, disrupt supply chains, and weaken people's ability to purchase nutritious food. We are working with governments and partners to closely monitor global and domestic food prices and supply chains. We are encouraging countries to adopt policy responses that keep food supply chains open and functional, incorporate health and safety measures along these supply chains, and boost safety net programs for the most vulnerable populations.

These efforts build on our ongoing efforts to improve food security for countries. In August 2019, we helped convene the Africa Food Security Leadership Dialogue, a joint initiative with the African Union Commission, the African Development Bank, the Food and Agriculture Organization, and the International Fund for Agricultural Development. It catalyzes action and financing to help address Africa's worsening food security situation. In May 2020, we provided support for emergency responses to a historic locust outbreak, which has been exacerbated by climate change and weak governance in some countries. This support aims to reduce the impact of the pest on crops and pasture, restore livelihoods, and strengthen prevention and control systems in the Horn of Africa and beyond.

Contemporary food systems result in outsized environmental and health costs, which urgently need to be curbed. We have helped countries like Colombia, where 23,000 hectares have been converted to tree-based livestock management systems that increase milk yields and incomes, while restoring ecosystems, increasing climate resilience, and protecting biodiversity. In Pakistan, we are supporting food system reforms to deliver better nutrition, livelihoods, and resilience in Punjab province, where about 40 percent of adults are employed in agriculture and about 40 percent of children under age 5 are stunted in their development.

We are working with countries to tackle some of the root causes of emerging infectious diseases like COVID-19, including the uncontrolled risk of pathogen transmission from animals to humans in a rapidly changing environment. These risks are

## The 50 X 2030 Initiative

This initiative is an alliance of development agencies, governments, and donors to achieve “data-smart agriculture” in the next 10 years by helping 50 low- and lower-middle-income countries strengthen their national agricultural data systems to produce timely agricultural and rural survey data. The endeavor will reshape the landscape of statistics and evidence-based decision making in agriculture, helping these countries move toward zero hunger, global food security, better nutrition, and sustainable agriculture. Development partners have so far committed \$200 million to a Bank-managed trust fund, which will leverage \$300 million–\$500 million in complementary resources, including IDA operations and the private sector. This will further unlock domestic resources from individual countries to enhance sustainability and promote data-smart agriculture.

exacerbated by food systems under strain from significant increases in production and consumption, as well as increased movements and trade that multiply the capacity to spread diseases. These developments underscore the importance of treating environmental health, animal health, and human health as one. By investing in safer, more sustainable, and more robust food systems, we can help prevent costly outbreaks, protect livelihoods, and ensure access to reliable and affordable food supplies.

### Supporting ecosystems and biodiversity for long-term growth

We work with countries to reduce pollution, contributing to better health outcomes. Air pollution causes more than 7 million premature deaths annually. Through our Pollution Management and Environmental Health Program, we provide developing countries with knowledge products and technical assistance to help them better manage air and land pollution. In China’s Hebei province, Bank interventions have helped lower annual concentrations of fine particulate matter by about 41 percent. In Bangladesh, the use of cleaner technologies in brick-making kilns has helped reduce emissions. In Egypt, we provided analytical support to help prepare an investment project on air and waste management.

In developing countries, a significant share of people’s food, fuel, and incomes come from forests, lakes, rivers, and oceans. However, many of these natural assets are being depleted by human activities such as over-fishing, deforestation, and the illegal wildlife trade. The COVID-19 crisis has further underscored the strong links between human and planetary health and loss. The degradation and loss of forests, for example, is disrupting nature’s balance and increasing the risk and exposure of people to zoonotic diseases. In collaboration with a wide range of stakeholders and partners, we will help more than 10 countries develop policy notes to inform and support investment in forests per our commitments under the Bank Group’s Forest Action Plan. In October 2019, we published the report *Illegal Logging, Fishing, and Wildlife Trade*, which provides a road map for policy makers around the world to address the root causes of the illegal activities.

We help countries better manage and conserve their natural assets and increase productivity, growth, and jobs, while balancing environmental risks and making communities more resilient. Through our Global Program on Sustainability, we are working with more than 20 countries to value and measure the economic contribution of biodiversity, including forests, land, and water resources so that they can better manage these natural assets. In Ethiopia, a \$100 million Resilient Landscapes and Livelihoods Project is supporting climate resilience, land productivity, carbon storage, soil and water management, and livelihood diversification in watersheds.

Through development policy financing, we continue to support government reforms that promote environmental and economic sustainability, which has become even more important as countries work toward a greener, bluer, and climate-smart recovery from COVID-19. In Costa Rica, the \$300 million First Fiscal and Decarbonization Project is helping lay the foundation for a sustainable recovery by

promoting green growth and low-carbon development. The new multidonor trust fund PROGREEN helps countries improve livelihoods while tackling declining biodiversity, desertification, loss of forests, deteriorating land fertility, and other increasing risks, such as uncontrolled forest fires. Our blue economy program and the PROBLUE multidonor trust fund help countries better manage fisheries and aquaculture; establish coastal and marine protected areas; enhance the sustainability of oceanic sectors, such as offshore wind energy and shipping; and develop nature-based solutions that reduce communities' exposure to hazards. We are also addressing the threat posed by pollution from plastics. In Indonesia, the Bank has committed \$100 million to improve solid waste management services for urban populations, prevent marine litter, and address marine debris and plastics. Through the \$37 million Plastic-Free Rivers and Seas for South Asia Project, we are helping the region's countries curb marine plastic pollution and develop solutions to reinvent plastic use and production.

### **Promoting sustainable management of water and sanitation**

Water insecurity—arising from gaps in access to water supply and sanitation, rapid urbanization and population growth, pollution, climate impacts, and water-intensive growth patterns—presents a threat to economic progress, poverty alleviation, and sustainable development. To achieve a water-secure world for all, we are working with countries and partners to improve resource management, facilitate universal access to water and sanitation, and optimize water use in agriculture. This also helps build resilience through systems that can better withstand climate extremes and address fragility in water-stressed countries.

Our support to countries in maintaining services in water, sanitation, and hygiene is helping contain COVID-19, lessen its immediate impact and aftermath, and build future resilience to infectious disease outbreaks. In Sri Lanka, the COVID-19 Emergency Response and Health Systems Preparedness Project is helping prevent, detect, and respond to COVID-19 and strengthen national systems for public health preparedness. It also raises public awareness about handwashing and promotes the importance of hygiene. It is making information widely accessible in different languages, addressing cultural sensitivities, and reaching those with illiteracy or disabilities. In Ethiopia, we urgently mobilized resources for the Second Urban Water Supply and Sanitation Project to respond to the pandemic. We are working closely with the Ministry of Health and the Addis Ababa Water and Sewerage Authority to ensure all health care facilities and isolation centers have round-the-clock access to water. The project is also replacing and rehabilitating water pumps and boreholes in Addis Ababa, ensuring those living in this dense urban area have access.

Our work in water extends beyond Bank operations. The Global Water Security and Sanitation Partnership, a multidonor trust fund launched in 2017, helps countries build capacity and strengthen the institutions and infrastructure they need to adequately supply current and future generations with water, food, and energy. The 2030 Water Resources Group, a public-private–civil society partnership, supports government-accelerated reforms to help countries sustainably manage their water resources for long-term development and economic growth.

### **Addressing fragility, conflict, and violence**

By 2030, up to two-thirds of the world's extreme poor will live in situations affected by fragility, conflict, and violence (FCV). Violent conflicts have increased to the highest levels observed over the past 30 years. The world also faces the largest forced displacement crisis ever, with more than 79 million people fleeing conflict and violence. These challenges are exacerbated by risks such as climate change, demographic change, digital transformation, violent extremism, and pandemics like COVID-19. Our February 2020 report, *Fragility and Conflict: On the Front Lines of the Fight against Poverty*, found that, in countries facing chronic fragility and conflict, poverty rates have stalled at more than 40 percent over the past decade, while countries that have escaped these situations have reduced poverty by more than half. Today, a person in a country facing chronic fragility and conflict is 10 times more likely to be poor than

one living in a country that hasn't been in conflict or affected by fragility in the past 20 years. Given the increasingly complex and protracted nature of FCV, development support is essential to protect human capital, build the foundations for sustainable peace, and promote shared prosperity.

In February 2020, we released the Bank Group's first five-year FCV strategy. It aims to increase our effectiveness in helping countries address the causes and impacts of FCV and to strengthen resilience, especially for vulnerable and marginalized populations. Building on the Bank Group's decades of experience in FCV situations, the strategy articulates a tailored approach to support countries impacted by diverse FCV challenges and proposes operational changes to adapt our engagement in the most challenging settings. It reflects consultations and feedback from over 2,000 stakeholders across 95 countries and territories, representing governments, international organizations, civil society, and the private sector.

IDA scaled up its support to countries affected by FCV significantly under IDA18, doubling its financing to \$14 billion. In fiscal 2020, the Bank approved \$10 billion in IDA18 commitments for countries affected by FCV.\* As part of the IDA19 replenishment in December 2019, we are further increasing financing and tailored support for countries affected by FCV to address a range of risks. This will be critical in addressing the root causes of fragility, investing in conflict prevention, providing development support during conflict and crisis situations, and helping countries build the institutions needed to transition out of fragility. The IDA19 replenishment includes a larger \$2.2 billion Window for Host Communities and Refugees, as well as a renewed \$2.5 billion Private Sector Window to catalyze investments in the private sector and create jobs, including in FCV settings. As part of the pivot to prevention, IDA19 will continue scaling up regional approaches to fragility, including in the Sahel, the Lake Chad region, and the Horn of Africa. It will also focus on strengthening the conflict sensitivity of country approaches, supporting capacity building and implementation in insecure settings, and investing in crisis preparedness and response to address food insecurity and pandemic threats.

Most of the world's nearly 26 million refugees are hosted by developing countries, and three-quarters of them remain displaced after five years. In fiscal 2020, the IDA18 Sub-Window for Refugees and Host Communities provided \$923 million in financing for 16 projects in nine countries. In Ethiopia, it provided \$202 million to help the government create 30,000 economic opportunities for refugees and 45,000 for Ethiopians; this is complemented by reforms that focus on refugees' access to legal documentation, better social services, and freedom of movement. The IDA18 Crisis Response Window also helps the poorest countries manage crises and mitigate large refugee flows by creating opportunities. It is applying regional approaches in areas acutely affected by forced displacement, including the Sahel, the Lake Chad region, and the Horn of Africa.

We are deepening cooperation and complementary partnerships with humanitarian, development, peace building, security, and private sector organizations to strengthen our impact on the ground. In South Sudan, we are working with UNICEF and the International Committee of the Red Cross to provide critical health services to vulnerable and marginalized communities in conflict-affected areas. Globally, our Refugee Investment and Matchmaking Platform brings together businesses, foundations, and the development community to create economic opportunities for refugees and host communities.

Through community-driven approaches, we have scaled up quickly to operate in remote or conflict-affected environments. In the Horn of Africa, the Development Response to Displacement Impacts Project has improved access to basic social services, expanded economic opportunities, and enhanced environmental management for communities hosting refugees.

The Global Concessional Financing Facility provides concessional financing to middle-income countries that host large numbers of refugees. Since 2016, it has

---

\* Countries affected by FCV consists of the countries on the List of Fragile and Conflict-Affected Situations and those benefiting from the IDA18 Risk Mitigation Regime.

provided more than \$600 million in grants to unlock more than \$3.5 billion in concessional financing. This has helped Jordan and Lebanon address the inflow of Syrian refugees and is helping Colombia and Ecuador meet the needs of more than 1 million displaced Venezuelans and their host communities. It also provides a platform for coordination between multilateral development banks, the UN, and participating countries.

## Supporting more inclusive and empowered communities

We work with countries to foster cohesive and resilient societies, close critical access gaps for marginalized people, and enhance voice and agency for all. Our work is based on decades of experience in people-centered, participatory approaches to development that recognize the importance of informal institutions and community values in influencing country outcomes. We support a broad range of community-driven development projects, which give control of planning decisions and investment resources to communities and local governments. This approach helps build resilience, inclusion, and social accountability. Under our Environmental and Social Framework, stakeholder engagement plans and citizen engagement are important to ensure voice and agency for project beneficiaries.

Our social development efforts respond to a variety of needs, including clean water access, rural roads, school and health clinic facilities, nutrition for mothers and infants, and support for livelihoods and microenterprises, with a focus on women. A \$400 million program in Indonesia helped community health workers monitor service access for vulnerable families and provided nutrition support, parenting classes, early childhood programs, and education for pregnant mothers and young children. Such programs have shown a remarkable ability to respond to crises; they are being adapted in several countries to support an early response to the COVID-19 pandemic by facilitating prevention, public health communications, high-frequency monitoring, and emergency support for vulnerable families.

In countries affected by FCV, we support monitoring, participatory service delivery, peace building and reconciliation processes, and targeted efforts to reduce interpersonal violence. Over the past few years, the Bank has redoubled its efforts to address gender-based violence (GBV) through operational and analytical work, as well as partnerships with other international and local stakeholders. We support over \$300 million in operations aimed at addressing GBV, as well as the integration of GBV components in areas such as transport, education, social protection, and forced displacement.

Our work on social inclusion focuses research and actions on gender, sexual orientation and gender identity (SOGI), persons with disabilities, and indigenous peoples. In Serbia, we published an evidence-based study that highlighted the socioeconomic implications of SOGI discrimination. We have also mainstreamed disability inclusion into Bank operations across a wide range of sectors. Under IDA19, the Bank has made six commitments to ensure that development is disability inclusive and that the design and delivery of operations benefit persons with disabilities. We have established a network of regional and global staff with expertise on Indigenous peoples' issues to increase their inclusion in our Systematic Country Diagnostics and Country Partnership Frameworks, as well as national policy dialogues and public investments. A community-driven project to support Indigenous communities in Panama illustrates how deepening engagement with Indigenous peoples can better support their development priorities.

We also work to strengthen the voice of other racial and ethnic minorities to help ensure to access essential services and jobs. Examples include efforts across Latin America to expand economic opportunities for Afro-descendants and close their gap in digital access, a platform for Roma civil society organizations in Romania to voice their concerns in policy dialogues, work with Vietnam to broaden the economic participation of ethnic minorities, and support for Guatemala to improve childhood nutrition for Indigenous peoples.

For more information, visit [www.worldbank.org/topics](http://www.worldbank.org/topics).



## ADVANCING KNOWLEDGE, RESEARCH, AND DATA FOR DEVELOPMENT

**OUR KNOWLEDGE, RESEARCH, AND DATA PRODUCTS** provide a valuable global public good, offering relevant analysis and insights that are embedded in our operations, support informed decision making by countries, and guide the global development agenda.

### ***Global Economic Prospects: Slow growth, policy challenges***

This semiannual flagship report, published in January and June, examines global economic developments, prospects, and policies, with a focus on emerging market and developing economies. The June 2020 edition showed how the COVID-19 pandemic has dealt a heavy blow to an already weak global economy, which is expected to slide into its deepest recession since World War II. The global recession would be deeper if countries take longer to bring the pandemic under control, if financial stress triggers defaults, or if there are protracted effects on households and businesses. Disruptions are likely to be more severe and protracted in emerging market and developing economies with larger domestic outbreaks and weaker medical care systems; greater exposure to international spillovers through trade, tourism, and commodity and financial markets; weaker macroeconomic frameworks; and more pervasive informality and poverty. The pandemic will likely leave lasting scars on the global economy by undermining consumer and investor confidence, human capital, and global value chains. Low oil prices—resulting from a recent plunge in global energy demand—are unlikely to provide much of a boost to global growth in the near term. While policy makers' immediate priorities are to address the health crisis and moderate the short-term economic losses, the likely long-term consequences of the pandemic highlight the need to undertake comprehensive reforms to improve the fundamental drivers of economic growth once the crisis abates.

### **Providing data to strengthen development knowledge**

We bring together resources from across the data value chain, from data production to curation and analytics. Accurate and accessible data help countries strengthen service delivery, promote accountability, and monitor progress toward development goals. However, many of the poorest countries face challenges in collecting and using data, such as inadequate financing, insufficient use of statistical evidence by decision makers, and limited public access. We work to build institutional capacity in these countries and reduce gaps in the availability of core data that can inform evidence-based policy making and reforms. The next edition of the World Development Report, *Data for Better Lives*, will be released in early 2021. It will focus on how data can improve the lives of the poor in developing countries and will reflect on the current data landscape and the environment needed to enable the use of data while preventing misuse.

**PovcalNet** is an online analysis tool for global poverty monitoring that allows users to replicate the Bank's official poverty estimates, calculate poverty measures under different assumptions, and assemble estimates for different groups of economies. In March 2020, we released revised estimates of global poverty from 1981 to 2015, and new poverty estimates for the reference year 2018 are now included for some regions. The estimates use data from more than 1,900 household surveys across

164 economies. Research suggests that COVID-19 may push about 100 million more people into extreme poverty, with Sub-Saharan Africa being the hardest hit.

The **International Comparison Program** is one of the largest statistical programs in the world, led by the Bank under the auspices of the UN Statistical Commission, with 176 participating economies. In partnership with regional, national, and international agencies, it collects and compares price data and GDP expenditures to estimate purchasing power parities (PPPs) of the world's economies every three years. In May 2020, new PPPs for reference year 2017 were released, adjusting for differences in the cost of living across economies. Revised results for 2011, the program's previous reference year, were also released, as well as estimates of annual PPPs for 2012–16. PPPs are key to analyzing poverty and competitiveness, as well as monitoring progress toward the Sustainable Development Goals.

The **Development Data Partnership** overcomes significant data gaps in development by facilitating collaboration among international organizations and companies, so that they can jointly create insights and tools that support better public services and infrastructure. It reduces transaction costs associated with data sharing, while increasing the transparency and accountability of public goods analytics. The partnership includes the IMF and the Inter-American Development Bank and supports more than 50 Bank operations. We have leveraged it to help map transit routes in Freetown, Sierra Leone; identify road safety risks in Nairobi, Kenya; understand access to employment in Dhaka, Bangladesh; and examine gender pay disparities in small and medium enterprises in emerging economies.

For more information, visit [data.worldbank.org](https://data.worldbank.org).



## Using data to support the response to COVID-19

As part of our global response to the COVID-19 pandemic, the Bank quickly developed data tools and conducted research to better understand the pandemic and its impact on developing countries. The COVID-19 Mobility Analytics Task Force provides countries with data analytics on mobility that can inform mitigation policies to prevent the spread of the disease, working in partnership with mobile network aggregators, smartphone app developers, and data aggregators. Our **coronavirus open data website** provides streamlined,

open access to relevant COVID-19 data, including a dashboard tool that allows users to analyze real-time global data alongside relevant indicators, such as health system capacity and access to basic handwashing facilities. Reflecting our commitment to **open data**, the website allows users, including developers, to access the data through APIs. It also provides data to the **Humanitarian Data Exchange**, in partnership with UNHCR.

We also developed COVID-19 Business Pulse Surveys to measure the impact of the pandemic on firms, companies, and public policy responses. By the end of fiscal 2020, data collection was planned or ongoing in 33 countries across six regions. The results are being used to inform the design of our COVID-19-response operations.

## SUPPORTING COUNTRIES' DEVELOPMENT THROUGH CAPITAL MARKETS

**THROUGH GLOBAL CAPITAL MARKETS, IBRD AND IDA MOBILIZE FINANCE** for our client countries. As Bank operations scaled up to address the COVID-19 pandemic in fiscal 2020, we raised exceptional levels of funding and worked to manage risks while continuing to deliver advisory services to clients. By quickly disbursing loans and grants to support emergency projects, we helped countries cope with the health, economic, and social impacts of the pandemic. We also have robust business continuity arrangements in place to ensure that our disbursements continue without disruption to help countries meet their development challenges.

In addition to raising funds for IBRD and IDA, the Bank's Treasury manages over \$184 billion in assets for IBRD, IDA, and MIGA, as well as for 76 clients—including central banks, public pension funds, sovereign wealth funds, and international financial institutions—as well as annual cash flows of over \$7.6 trillion in 125 currencies in 138 countries.

### **Mobilizing capital markets and sustainable finance to support countries**

IBRD has mobilized finance for client countries for over 70 years, raising nearly \$1 trillion since its first bond in 1947. In fiscal 2020, IBRD raised \$75 billion through its triple-A rating and strong standing in the markets to support the Bank's mandate and help clients manage risk and build resilience. In April 2020, in support of our efforts to help countries address COVID-19, IBRD raised \$15 billion through sustainable development bonds over a three-day period, including a five-year \$8 billion bond—the largest ever issued by a supranational.

IDA supports the world's poorest countries, many of which face severe challenges from COVID-19. In fiscal 2020, IDA issued \$5 billion. This year saw debut issuance in additional currencies, such as the British pound sterling (GBP), euro, and Swedish krona (SEK). IDA also has a triple-A rating and continues to expand into new markets.

### **Increasing development impact through sustainable development bonds and technical assistance**

We help pioneer financial tools that expand markets and provide the financing needed to undertake the world's most difficult development challenges. By issuing sustainable development bonds, we support the financing of a variety of priorities in line with our mission to end extreme poverty and reduce inequality. These bonds also help develop local capital markets, especially in low-income countries. In January 2020, we issued our first IBRD bond denominated in Rwandan francs, providing international investors with an opportunity to gain exposure to the country's growing economy through its currency. It is the seventh Sub-Saharan African currency for IBRD.

Sustainable development bonds offer investors an opportunity to earn a financial return while making a positive impact, communicating their sustainable investment priorities, and supporting global development objectives. In May 2020, we published the first-ever *Sustainable Development Bond Impact Report*. It covers all IBRD bond issuances and is a key part of our efforts to engage market participants while adhering to strong transparency and disclosure standards.

In April 2020, to raise awareness about countries' health programs and our support for their efforts to respond to COVID-19, IBRD issued a two-year SEK 11.5 billion benchmark and a three-year GBP 1.5 billion benchmark to global investors.

IBRD bonds are also helping raise awareness about food insecurity, a global challenge exacerbated by COVID-19. In September 2019, IBRD issued bonds totaling

\$500 million that will support Bank lending, including \$4.6 billion to combat food loss and waste, as well as strengthen infrastructure, expand access to markets and logistics, and improve waste management. These efforts totaled \$1.7 billion in issuance in fiscal 2020.

As one of the largest issuers of green bonds, IBRD supports climate-related projects while helping investors support development solutions that address climate change. We also help countries build green bond markets to demonstrate leadership on sustainability and climate action. Since issuing the world's first labeled green bond in 2008, we have raised \$14 billion through 165 transactions in 22 currencies. In November 2019, we issued a 20-year Danish kroner (DKK) 3 billion green bond—the first green bond denominated in DKK and the longest-maturity green bond issued by a sovereign, supranational, or agency issuer in the Danish market.

We provide technical assistance to subnational and sovereign issuers in emerging markets, including Colombia, Indonesia, Kenya, and Malaysia. We also published the *Guide on Developing a National Green Taxonomy* to promote sustainable finance in emerging markets; conducted surveys of issuers and investors on environmental, social, and governance issues; and hosted workshops to facilitate dialogue between sovereign issuers and investors. We also help financial sector regulators implement reforms for greener financial systems, including climate stress testing for the banking sector, as well as environmental, social, and governance disclosure and reporting frameworks for institutional investors.

Through initiatives such as the Joint Capital Market Program, the Bank Group is delivering technical assistance to help emerging market and developing economies deepen their capital markets and mobilize private capital in local currency, so that they can increase funding for strategic sectors including infrastructure, housing, agriculture, and small and medium enterprises.

## Managing disaster risks through global capital markets

The Bank's disaster risk insurance platform helps member countries manage risks related to natural disasters, including pandemics, through insurance and capital markets transactions. In November 2019, we issued catastrophe bonds that will provide the Philippines with \$225 million of insurance cover for earthquakes and tropical cyclones for three years. It was the first catastrophe bond sponsored by an Asian sovereign and listed on an Asian stock exchange, as well as the first World Bank bond on the Singapore Exchange.

We have supported Mexico's catastrophe bond program since it began in 2005. In March 2020, we issued four tranches of catastrophe bonds for the country's Natural Disasters Fund, attracting 38 investors globally and providing \$485 million of insurance cover against earthquakes and hurricanes for four years. This is Mexico's largest and longest-ever catastrophe bond transaction; it brings the total disaster risk transactions facilitated by the Bank for member countries to nearly \$5 billion.

## Building human capital in public sector asset management

The World Bank Treasury's Reserve Advisory and Management Partnership delivers demand-driven capacity building and asset management services to official sector asset managers. It helps central banks, pension funds, and sovereign wealth funds build human capital and strengthen operations through advisory missions, technical workshops, and global conferences.

Demand for the program continues to grow—it now serves 75 institutions, including nine in low-income countries and seven in countries in fragile and conflict-affected situations. In fiscal 2020, it released its second biannual survey on central bank reserve management practices, highlighting the progress made by central banks in governance and risk management.

For more information, visit [treasury.worldbank.org](https://treasury.worldbank.org).

## PARTNERING TO BOOST DEVELOPMENT IMPACT

**BY ENGAGING AND PARTNERING** with a wide array of stakeholder groups, we seek to advance development dialogue and action at all levels to help address countries' development challenges. Our work with partners has helped advance and foster action on issues of critical importance, including human capital, fragility, gender, and sustainability. During the COVID-19 pandemic, we have brought together key development partners, facilitating sharing of information and identifying avenues for collaboration.

**Multilateral and international affairs.** The Bank works closely with shareholders and multilateral partners to enable a favorable authorizing environment for strong country outcomes. In fiscal 2020, we mobilized support for an \$82 billion financing package for IDA19, a 3 percent increase in real terms compared to IDA18. We participated in a range of multilateral platforms, such as the G7 under the French presidency, to build high-level support for IDA19 priorities. The latter include scaling up efforts in countries affected by FCV, especially in the Sahel; addressing debt vulnerabilities; empowering women; and combating climate change. In early 2020, the Bank Group engaged closely with the U.S. G7 Presidency, the Saudi G20 Presidency, other multilateral development banks (MDBs), and the UN system to support the globally coordinated response to COVID-19. As part of this effort, in April 2020, the Bank, together with the IMF, called for the suspension of bilateral debt service payments from the poorest countries to ensure they have the liquidity needed to address the impacts of the pandemic. G20 Finance Ministers subsequently endorsed the Debt Service Suspension Initiative (DSSI), which took effect on May 1, 2020. The Bank also took the lead in developing a coordinated response with nine MDBs on our approach to the DSSI to ensure positive net flows to beneficiary countries so they could focus on their response to COVID-19. During the fiscal year, we have also worked with the European Union to develop efficient and inclusive financial systems, encourage digital transformation, address inequality, and mobilize financing for development.

**Civil society.** We engage with civil society organizations (CSOs) worldwide through partnerships and outreach, advocacy and campaigns, policy consultations, operational collaboration, and information exchange. They provide regular input through stakeholder consultations, which are now embedded as part of the project cycle under the Bank's Environmental and Social Framework and our Citizen Engagement Framework. At the October 2019 Annual Meetings, the Civil Society Policy Forum brought together more than 800 CSO representatives from 75 countries. CSOs have also been strong champions of IDA, supporting a successful IDA19 replenishment in fiscal 2020.

**Faith-based organizations.** The Bank Group works with faith actors that share our mission and have proven experience in advancing country outcomes; engagements include advocacy, relationship building, evidence building, and operations. In fiscal 2020, consultations with faith actors played an important role in supporting the Bank's new FCV strategy (see page 62). Extensive consultations also helped inform our Country Partnership Framework for the Democratic Republic of the Congo.

**Parliamentarians.** Through the independent Parliamentary Network, we engage with over 1,500 legislators from member countries. In 2019, parliamentarians mobilized around the IDA19 replenishment and advocated for gender equality in



parliaments. The Global Parliamentary Workshop at the 2019 Annual Meetings convened more than 60 members of parliament from 35 countries to explore ways to strengthen country ownership and leadership on fighting inequalities.

**Philanthropy and the private sector.** We are able to mobilize new ideas and sources of funding and broaden support for our development mission by partnering with foundations, philanthropists, impact investors, social entrepreneurs, and the private sector. In fiscal 2020, our long-standing partnership with the Bill & Melinda Gates Foundation focused on boosting human capital, scaling up digital financial services, improving monitoring in primary health systems, strengthening country data analytics, and improving service delivery models. Since the onset of the COVID-19 pandemic, we have worked closely together on the procurement and deployment of diagnostics, therapeutics, and vaccines. We are also joining forces to help countries cope with the economic repercussions of the pandemic, including through the expansion of digital platforms to deliver social protection payments. The 2019 Partnership Forum convened 17 CEOs and senior leaders along with over 30 specialists from the private sector and philanthropy to explore support for the growth of women-owned businesses.

**Local communities.** The Bank Group's Community Connections program helps staff live our values in our communities through corporate philanthropy, volunteerism, in-kind donations, and an internship program for local high school students. These efforts leverage our motivated, caring workforce for betterment of the Washington, D.C., metropolitan area and other communities around the world where we work. This year, we contributed over \$9 million to nongovernmental organizations in our communities, with over \$4 million of it donated by staff. In response to the COVID-19 pandemic, we conducted a staff disaster relief drive, which raised \$1 million for local and international partner organizations, including the DC Central Kitchen, UNICEF, and the International Rescue Committee. We also gave more than \$190,000 in fiscal 2020 to D.C.-based organizations that work for racial justice. In June 2020, Community Connections announced an additional \$100,000 in grants to fight racism. The program is adding more new charities to the workplace giving list so that staff and the institution can more actively support work to end racism and increase economic opportunities for those who are Black, Indigenous, or People of Color.

For more information, visit [www.worldbank.org/en/about/partners](http://www.worldbank.org/en/about/partners).

# IMPROVING OPERATIONS FOR COUNTRY OUTCOMES

**TO BETTER SERVE OUR CLIENTS AND PARTNERS**, we continuously work to improve our operations, policies, and processes; to become a more effective and efficient institution; and to maximize our development impact.

## The World Bank's Environmental and Social Framework

The Bank's Environmental and Social Framework (ESF) became effective on October 1, 2018, and applies to all new investment project financing (IPF) operations with Concept Note meetings on or after this date. It offers broad and systematic coverage of environmental and social risks and makes important advances in areas such as transparency, non-discrimination, public participation, protection for vulnerable and disadvantaged people, stakeholder engagement, and accountability, including grievance mechanisms.

As we implement projects under the framework, we are enhancing our capacity and staff skills, upgrading operational systems, revising processes, and strengthening borrower capacity to improve risk management. We have issued guidance materials, templates, and other resources on key topics, including non-discrimination and disability; preventing sexual exploitation, abuse, and sexual harassment; use of security personnel; road safety; and third-party monitoring. The framework has also prompted dialogue with borrowers on the new and more explicit requirements, while new project processes and documents have strengthened transparency, accountability, and stakeholder engagement.

Since contractors are responsible for applying many aspects of its standards, we have integrated the ESF into procurement processes. Project contracts now reflect requirements for preventing child and forced labor, ensuring community and occupational health and safety, managing supply chain and inspections, and addressing sexual exploitation and abuse and sexual harassment.

As part of our rapid response to the COVID-19 pandemic, countries and Bank teams have prepared emergency projects while maintaining the organization's robust environmental and social policies and risk management standards.

For more information, visit [www.worldbank.org/esf](http://www.worldbank.org/esf).

## The World Bank Procurement Framework

The Bank's Procurement Framework promotes tailored procurement approaches for investment project finance operations. It allows projects to respond quickly to emerging needs and helps clients determine the best value for money to ensure quality outcomes and sustainability over the life of a project. By focusing on market research, needs analysis, and project-specific risks, including environmental and social issues, we help countries develop procurement strategies and plans that meet their needs and address the operating contexts of projects to ensure successful implementation.

The framework has supported our emergency response to the COVID-19 pandemic; projects have adopted flexible measures for fast-track procurement while maintaining fiduciary oversight. We acted quickly to introduce Bank-facilitated procurement for clients who requested help in accessing critically needed medical supplies and equipment as the pandemic drove price volatility, long lead times, disruption of supply chains, risks to transparency and integrity. This option helps



countries identify interested suppliers, negotiate prices and conditions, and manage outsourcing logistics, an approach that has been well received by manufacturers, suppliers, and governments alike. Countries remain responsible for signing and implementing contracts. As of July 2020, 27 contracts worth \$105 million were signed or due to be signed under this approach.

We have scaled up our Hands-On Expanded Implementation Support for procurement, which helps clients implement effective processes, including for operations addressing the impacts of COVID-19. In fiscal 2020, we provided this support for 70 projects.

Our Alternative Procurement Arrangements (APAs) allow procurement through other organizations, including other multilateral development banks (MDBs) and UN agencies, as well as Bank-approved government agencies under Bank-financed operations; we have used these arrangements with UN agencies to respond in situations affected by fragility, conflict, and violence, including in South Sudan and Yemen. In fiscal 2020, 19 projects involved APAs with UN agencies and other MDBs.

Following implementation of the Bank's Environmental and Social Framework, we revised all of our Standard Procurement Documents (SPDs) for Works to ensure that contractors hired under the Bank's financing projects adequately manage environmental and social risks to protect people and the environment. We also enhanced SPDs and processes to help prevent, mitigate, and manage risks as part of broader, concerted measures to protect vulnerable communities and address sexual exploitation and abuse and sexual harassment in Bank-financed projects. In fiscal 2020, we finalized measures to further enhance contractors' performance and accountability. And to support fast-tracked operations during COVID-19, we quickly developed a suite of streamlined emergency SPDs.

The Procurement Framework applies to projects with a concept note on or after July 1, 2016—thus not yet to all of the projects in the active portfolio. We closely monitor and evaluate the application of the framework at the project, country, regional, and global levels. In fiscal 2020, 44 percent of the Bank's investment project portfolio (36 percent by dollar value) followed the framework's Procurement Regulations for IPF Borrowers. By implementing a complaints module in our online tool for procurement planning and monitoring, we are now better able to track complaints related to procurement. In its first year, this resulted in a 52 percent increase in the number of complaints recorded. However, only 18 percent of resolved complaints were upheld in favor of the complainant, which suggests that we are doing well at ensuring fairness and transparency in our processes.

In fiscal 2020, we reviewed 2,072 contracts valued at approximately \$7.4 billion and provided 890 days of capacity-building training and knowledge sharing for about 18,800 project and government staff.

To increase access to procurement opportunities under Bank-financed projects, we launched a free subscription service that provides alerts of procurement notices and contract-award publications for our operations.

For more information, visit [www.worldbank.org/procurement](http://www.worldbank.org/procurement).

## Reforming trust funds for greater efficiency and oversight

Trust funds complement IBRD and IDA by providing financial resources and contributing to development knowledge. They support the global public goods agenda on key development challenges, including climate change, fragility, forced displacement, and pandemics; help attract new sources of finance; promote innovative financial solutions; and help the Bank exercise its global convening power.

The amount of World Bank funds held in trust at the end of fiscal 2020 was \$12.2 billion for trust funds and \$24.2 billion for financial intermediary funds (FIFs). Bank trust funds finance about two-thirds of the Bank's advisory services and analytics, with about 74 percent (\$14.1 billion) of total trust fund disbursements going to client countries over fiscal 2016–20. Of this amount, over \$11.6 billion has been disbursed to IDA and IBRD-IDA blend countries. Contributions to FIFs averaged \$7.9 billion annually, while cash transfers to implementing entities remained relatively steady, with an average annual transfer of \$6.2 billion over the past five years.

The key focus of ongoing trust fund reforms is to improve strategic alignment, increase efficiency, and enhance oversight of this portfolio to deliver solutions for clients while providing the best value for donors. A key measure is the introduction of Umbrella 2.0 programs, which will reduce portfolio fragmentation. In fiscal 2020, the Bank's global practices and regions reviewed their full portfolio of 526 trust funds and identified opportunities for consolidation: 70 proposals for Umbrella 2.0 programs will serve as the basis for the majority of future fundraising efforts. We also updated our FIF Management Framework to strengthen future selectivity by introducing a menu of options for responding to global calls for collective action.

For more information, visit [www.worldbank.org/dfi](http://www.worldbank.org/dfi).

## Grievance Redress Service

The Grievance Redress Service (GRS) is an avenue for people and communities to submit complaints directly to the Bank if they believe a Bank-funded project has adversely affected them or is likely to. It was established in 2015 based on recommendations from an Independent Evaluation Group review of the Safeguard Policies. It complements project-level grievance mechanisms and ensures that complaints received at the corporate level are promptly and proactively addressed by fostering dialogue and applying relevant dispute resolution tools.

As awareness of the service grew, the caseload rose from four cases in fiscal 2015 to 225 cases in fiscal 2020. Complaints brought to the GRS cover a wide spectrum of grievances, including harm to people's livelihoods, environmental degradation, and occupational health and safety concerns. Experiences from five years of handling complaints, as well as internal and external feedback, have allowed us to reflect on what works and what could be improved in the processes and functioning of the service. We are working to strengthen the GRS, including by establishing policies, updating systems and processes, and further increasing awareness.

For more information, visit [www.worldbank.org/grs](http://www.worldbank.org/grs).



## OUR VALUES AND OUR STAFF

**THE CORE TENET OF OUR WORK** is respect for our people, our clients, our partners, and our planet. Our Global Reporting Initiative (GRI) Index presents further details on the sustainability considerations of our operations and corporate practices and can be accessed online as part of the Annual Report appendixes.

### Our values

Respect, impact, integrity, teamwork, and innovation are our core values. We have prepared an updated Code of Ethics to further embed these values into the Bank Group's culture and operations. It is a set of principles designed to guide staff to do the right thing when confronted with ethical dilemmas. The Staff Rules continue to define the regulations and policies that guard against misconduct.

**Increasing diversity and inclusion.** In fiscal 2020, the Bank implemented new indicators to strengthen gender diversity across the institution. Following the successful launch of a virtual reality learning program to address unconscious bias and raise awareness about sexual orientation and gender identity, we developed a new program focused on disability inclusion. We were also recertified under the Economic Dividends through Gender Equality program, which recognizes our efforts to close the gender gap in the workplace.

**Action Plan for Preventing and Addressing Sexual Harassment.** The Bank Group is creating a workplace culture that systematically addresses sexual harassment and misconduct. In fiscal 2020, we implemented most recommendations in the 2019–21 action plan to prevent and address sexual harassment and recruited an anti-harassment coordinator to address allegations of harassment and sexual harassment that may not rise to the level of misconduct. The coordinator can caution staff and managers about alleged inappropriate behaviors. The Ethics and Business Conduct (EBC) department also deployed training extensively to help prevent harassment and sexual harassment.

**Expanding our global footprint and working in challenging environments.** As we work to scale up our footprint in client countries, we expect that 55 percent of Bank staff will be based outside the United States by the mid-2020s. This means having more staff closer to our clients—particularly in countries affected by fragility, conflict, and violence (FCV)—and empowering teams who work on the front lines. In fiscal 2020, we achieved our IDA18 policy commitment to expand our presence on the ground by 150 staff in low-income countries affected by FCV. We launched a recruitment drive to fill 100 positions in countries affected by FCV, in line with the Bank's new FCV strategy and our commitment under IDA19 to further increase our footprint in these countries. We are also implementing a revamped approach to career mobility to enable more staff to move across regions, countries, and different parts of our operations; we are developing a new framework for mobility benefits.

### Our people

In fiscal 2020, we developed a three-year strategy for the Bank's nearly 12,300 full-time staff to build a workforce with the right skills, in the right place, at the right time to help solve the world's pressing development challenges. It seeks to offer the best value to clients and to ensure that our organization is the best place to work in development.

During the COVID-19 pandemic, we are providing wide-ranging support to address the needs of our workforce amid the rapid transition to home-based work at headquarters and country offices (see box, “Supporting our workforce during the COVID-19 pandemic,” on page 77). Through this support, we have helped ensure business continuity and ongoing support to our clients. Results from a staff survey showed that 90 percent of our staff adjusted well or fairly well to home-based work, and 88 percent reported that they were able to remain fairly productive or very productive during this period.

The heightened global awareness around racial injustice and systemic racism has sparked valuable discussions about the need to enhance how we value diversity, dignity, respect, and inclusion in our institution. In June 2020, President David Malpass announced the establishment of a World Bank Group Task Force on Racism that will identify areas of action, offer concrete recommendations to address this challenge, and continue to provide a safe space for staff to raise issues and concerns. The Bank Group’s senior leadership team has committed to working closely with all staff to do all we can to end racism in our institution, our programs, and our communities.

**Ensuring staff health and safety.** The Bank Group provides an array of programs and services to promote and protect the health and security of staff through services focusing on personal health and wellness, occupational health and safety, and mental health and well-being. In the second half of fiscal 2020, the priority focus shifted to the COVID-19 response (see box, “Supporting our workforce during the COVID-19 pandemic,” on page 77).

**Engaging in continuous learning and skills development.** With the Bank Group’s Open Learning Campus (OLC), staff have the opportunity to learn continuously through a broad range of learning resources as they carry out our mission, including online courses, peer-to-peer conversations, and on-the-job learning. In fiscal 2020, this effort grew to support 30 units across the Bank Group, launched a manager’s dashboard for easy access to staff learning indicators, upgraded evaluations for mentoring and on-the-job activities, and released a personalized version of OLC with curated learning paths.

**Implementing the Knowledge Management Action Plan.** To enhance operational efficiency and effectiveness, we updated our internal solutions to better identify in-house expertise and recruit external consultants. We have revised our content management approach and conducted comprehensive analyses to address wider

**TABLE 14 WORLD BANK (IBRD/IDA) STAFF DATA, FISCAL 2018–20**

| INDICATOR   | FY18   | FY19   | FY20   | RELATED INDICATORS |
|---|--------|--------|--------|--------------------|
| Total full-time staff   | 12,216 | 12,283 | 12,394 | GRI 401; SDG 8     |
| Non-US based (%)  | 42.6   | 43.2   | 53     |                    |
| Short-term consultants/temporaries (FTEs)                     | 4,810  | 5,097  | 5,521  |                    |
| Employee engagement (%)                                       | —      | 79     | 77     |                    |
| Diversity index   | 0.86   | 0.88   | 0.89   |                    |
| <i>*Gender Balance: deviation from 50/50 (Target: &lt;2%)</i> |        |        |        |                    |
| Administrative and Support Staff (%)                          | 17.3   | 17.5   | 17.4   |                    |
| Entry and Junior Technical (%)                                | 2.0    | 2.8    | 2.7    |                    |
| Senior Technical (%)  | 7.3    | 6.8    | 6.5    |                    |
| Managers (%)  | 6.6    | 3.9    | 2.8    |                    |
| Average days of training per staff, at headquarters           | 5.1    | 5.1    | 3.6    | GRI 404; SDG 8     |
| Average days of training per staff, in country offices        | 4.4    | 4.7    | 3.2    |                    |

**Note:** — = not available; FTE = full-time equivalent (staff); GRI = Global Reporting Initiative. There was no Engagement Survey in fiscal 2018; \*‘Gender Balance’ is defined as 50% men and 50% women, with a +/-2% margin.

## Supporting our workforce during the COVID-19 pandemic

In response to COVID-19, we implemented measures to protect our global workforce, including health and safety support, financial assistance, and flexible remote work policies, with a focus on staff and dependents in vulnerable locations. Efforts included:

- An online hub for staff to access up-to-date information and guidance on the pandemic, including information for country offices.
- Access to health and safety advice, including tracing and counseling of confirmed cases and potential contacts for staff who contracted the illness, as well as support through virtual appointments and services through an onsite external provider.
- An off-site testing location through an external provider for staff at headquarters who have symptoms.
- Financial support for staff and consultants seeking medical treatment or advice, including advance payments and an emergency loan program for staff.
- For staff affected by the pandemic, assistance in case management, risk assessment, and professional guidance and advice, in coordination with country offices as needed.
- Extensive psychosocial support, including webinars, counseling sessions, and peer-support groups, to help staff cope with stress and anxiety.
- Upward of 800,000 face masks and other personal protective equipment for staff in Bank Group offices, as well as help for those struggling to access prescription medications.
- Monitoring of scenarios that could result in domestic violence, with enhanced resources to address unsafe situations for staff or their families.
- Remote support for staff to set up an ergonomic home office.
- Access to the dedicated UN medical evacuation initiative, in close cooperation with interagency partners.

We have developed preparedness plans and risk-management guidance for offices and processes, including guidance for safe reopening. The Staff Association also provided financial assistance to members in need, helping reduce their financial burdens from economic shocks. The OLC launched virtual training options for clients on health, social protection, jobs, and economic growth and offered fully virtual courses for staff as they transitioned to home-based work.

In line with our fiduciary obligations, we facilitated sound commercial and risk-management decisions for corporate procurement and vendor management, including special measures to ensure supply chain continuity and fair treatment of vendors during COVID-19. As we shifted to home-based work, we continued paying our contractors to mitigate hardship and ensure they can return to work when normal operations resume.

Looking ahead, we are developing a plan to enable the safe and gradual return to the workplace at headquarters and country offices, taking into account local conditions and guidelines, ensuring appropriate health measures and safeguards, and recognizing the individual circumstances of staff.



issues in knowledge management. We developed effective collaboration networks to build successful communities of practice through training, advising, and customized technical assistance.

**Safe place for staff to address concerns and conflicts.** EBC addresses and investigates allegations of misconduct. A new anti-harassment coordinator position was set up within the unit to prevent and address all types of harassment in the institution. In fiscal 2020, 1,291 queries were answered in less than 8 working hours on average. Through our Internal Justice Services, staff have channels to seek advice, guidance, and resources to resolve conflicts, including Ombuds Services, Respectful Workplace Advisors, Mediation, Peer Review Services, and Performance Management Review. These services facilitate a respectful, values-driven, and ethics-based workplace culture; in fiscal 2020, about 1,750 staff approached them for advice.

**Representing staff voice.** The World Bank Group Staff Association represents the rights and interests of staff and consultants to senior management and the Board. In fiscal 2020, it relayed concerns about organizational changes, challenges posed by the amended compensation methodology, health coverage policies, and occupational health matters. It created a website for health insurance coverage for headquarters-based short-term temporaries and consultants, as well as working groups on staff disability and environmental sustainability. To strengthen its country office network, the association hosted representatives from over 80 countries at a forum in October 2019.

## Our places

**Strengthening environmental commitment in our own operations.** The Bank Group manages the environmental, social, and economic impacts of its internal business operations by striving for net positive impacts on the ecosystems, communities, and economies where we have offices. We measure, reduce, offset, and report on emissions from our facilities, major meetings, and business travel. In fiscal 2020, we signed the Cool Food Pledge, committing to reduce food-related emissions from cafeterias, coffee bars, and catering operations at headquarters by 25 percent by 2030. A headquarters-wide waste system instituted in fiscal 2019 significantly increased waste diversion in the affected buildings. The Bank Group has committed to reducing its facilities-related emissions by 28 percent by 2026. To maximize our facilities' operational efficiency, we commissioned a series of audits for buildings at headquarters, including for water, waste, and energy, as well as in country offices, starting with two of our larger offices, in Chennai, India, and Nairobi, Kenya. Carbon emissions that are not reduced are offset through a portfolio of Carbon Emissions Reductions. The Bank also purchases Renewable Energy Certificates equivalent to 100 percent of our headquarters electricity use. Details are available in the Carbon Disclosure Project disclosures.

## Our supply chain

**Building a sustainable supply chain.** The Bank Group's Sustainable Procurement Framework integrates sustainability throughout our corporate procurement process. It addresses the environmental, social, and economic impacts of our purchases while identifying opportunities to align corporate spending with operational priorities, such as gender, climate change, and addressing FCV. In fiscal 2020, we continued to make progress toward the goal of doubling corporate procurement from women-owned businesses to 7 percent of our total procurement spend by 2023. In fiscal 2020, 4 percent of this was with women-owned businesses. In addition, we launched the Minority Business Enterprise Program, aimed at boosting engagement with our local community by enhancing the support to local minority-owned businesses.

For more information, visit [www.worldbank.org/corporateresponsibility](http://www.worldbank.org/corporateresponsibility).

## GUIDING THE INSTITUTION

**ALL THE POWERS OF THE WORLD BANK** are vested in the Board of Governors, the Bank's senior decision making body, according to the Articles of Agreement for IBRD and IDA. Each member country of the Bank is represented by one governor and one alternate.

The Board of Governors delegates most powers to 25 resident Executive Directors who comprise the Board of Directors for IBRD and IDA. The Executive Directors represent the World Bank's 189 member countries and are responsible for the conduct of the general operations of the Bank. The Executive Directors select a President, who serves as Chair of the Board. The current Board term is from November 2018 through October 2020.

The Executive Directors guide the Bank's general operations and strategic direction and represent member countries' viewpoints on the Bank's role. They consider and decide on proposals made by the President for IBRD and IDA loans, credits, grants, and guarantees; policies; the administrative budget; and other operational and financial matters. They also discuss Country Partnership Frameworks—the central tool by which management and the Board review and guide the Bank Group's engagement with client countries and support for development programs. The Executive Directors are also responsible for presenting to the Board of Governors an audit of accounts, an administrative budget, and the Bank's annual report on fiscal year results. The Dean, the longest serving full-time Executive Director, plays a role within the Board related to the contract of the President, selection of members to the Board Ethics Committee, and coordination of the Board's external engagements, among other issues.

The Board has five standing committees and one ad hoc committee. Executive Directors serve on one or more of these committees, which help the Board discharge its oversight responsibilities through in-depth examinations of policies and practices. The Executive Directors' Steering Committee, on which all Executive Directors serve, meets bimonthly to discuss the Board's strategic work program. Through its committees, the Board regularly engages on the effectiveness of Bank Group activities with management and with the independent Inspection Panel and the Independent Evaluation Group, both of which report directly to the Board.

**FIGURE 7 COMMITTEES OF THE BOARD OF EXECUTIVE DIRECTORS**





## ENSURING OVERSIGHT AND ACCOUNTABILITY OF OUR OPERATIONS

**WE HOLD OURSELVES ACCOUNTABLE** through institutional mechanisms—both within and independent of the Bank—that monitor operational performance, manage institutional risks, address concerns and grievances, and ensure transparency in our work. They provide guidance and recommendations to ensure maximum development effectiveness and adherence to the highest accountability standards.

### Independent Evaluation Group

The Independent Evaluation Group (IEG) aims to strengthen the Bank Group's development effectiveness through evaluations that assess results and performance and provide recommendations for improvements. It helps inform the Bank Group's directions, policies and procedures, and programs. In fiscal 2020, IEG completed evaluations on convening power, urban resilience, and social contracts. Each evaluation assessed the Bank Group's performance and identified lessons for enhancing operations regarding a theme, sector, or corporate process.

Reforms in fiscal 2020 aimed to increase IEG's relevance and value. The reorganized work program is based on streams reflecting Bank Group strategic priorities, such as fragility, conflict, and violence; gender; and mobilizing finance for development. A new focus on evaluation sequencing and work program flexibility has positioned IEG to deliver timely reports to inform key decisions. Examples include an evaluation of the Philippines program, which coincided with the design of the new country partnership framework, and a mid-term review of the Gender Strategy.

IEG's flagship series, *Results and Performance of the World Bank Group*, is transforming to provide big-picture analysis of how the different institutions deliver on key goals and more detailed evidence on the performance of country programs and projects.

For more information and IEG's annual report, visit [ieg.worldbankgroup.org](http://ieg.worldbankgroup.org).

### Inspection Panel

The Inspection Panel was established by the Bank's Board of Executive Directors to provide people who believe they have been harmed by a Bank-funded project with access to an independent body where they can express their concerns and seek recourse. During fiscal 2020, the Panel received 13 complaints. The Board considered a panel investigation report related to two projects in Uganda concerning a biodiversity offset. The panel submitted to the Board another investigation report involving a project in India and neared completion of a third investigation report related to a project in Brazil.

A Board review that concluded in fiscal 2020 led to the establishment of an expanded independent accountability mechanism. When operational, this mechanism will comprise the panel, which will carry out compliance reviews, and a new dispute resolution unit. The Board also approved measures to (i) extend the time limit under which complaints can be submitted to the panel to 15 months beyond project closure; and (ii) allow independent and proportionate risk-based verification, when approved by the Board, of the implementation of Management Action Plans (MAPs) developed in response to panel findings. Earlier in its review, the Board formalized the panel's advisory function and authorized the Bank to

provide complainants with an opportunity to read panel investigation reports before consultations on the development of MAPs.

For more information and the Inspection Panel's annual report, visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## Integrity Vice Presidency

Reflecting the Bank Group's commitment to fight and prevent corruption, the Integrity Vice Presidency (INT) investigates allegations of fraud and corruption in Bank Group–financed projects and those involving Bank Group staff and corporate vendors. As an independent unit within the institution, INT plays a fundamental role in supporting the Bank Group's fiduciary responsibility over the development resources it manages: it pursues sanctions against outside firms and individuals and discipline against staff who are found to have engaged in fraud, corruption, and other sanctionable practices. Following sanctioning decisions, the Integrity Compliance Office (ICO) engages with sanctioned firms and individuals to work toward meeting their conditions for release from sanction. INT also works closely with operational teams to identify and draw lessons about effectively mitigating integrity risks in future projects. Efforts this year helped identify and mitigate integrity risks in 14 sectors across 53 countries.

In fiscal 2020, the Bank Group sanctioned 49 firms and individuals via uncontested determinations of the Bank's Chief Suspension and Debarment Officer, decisions of the Bank Group Sanctions Board, and settlement agreements. We also recognized 72 cross-debarments from other multilateral development banks (MDBs), and 38 Bank Group debarments were eligible for recognition by other MDBs. The ICO released 18 firms from sanction after they met agreed-upon conditions.

As project development accelerated during the Bank Group's COVID-19 response, INT provided additional support by identifying integrity risks in relevant sectors and providing guidance to help mitigate these risks within the projects' designs. INT also developed digital tools to monitor integrity risks across the Bank Group's portfolio of COVID-19 operations, along with systems for rapid notification of complaints, to more effectively respond to these risks.

For more information and the World Bank Group Sanctions System's annual report, visit [www.worldbank.org/integrity](http://www.worldbank.org/integrity).

To report suspected fraud or corruption in World Bank Group–financed projects, visit [www.worldbank.org/fraudandcorruption](http://www.worldbank.org/fraudandcorruption).

## Group Internal Audit Vice Presidency

To help the Bank Group effectively serve clients, the Group Internal Audit Vice-Presidency (GIA) collaborates with risk management and governance functions within management, as well as with other oversight and accountability units, to provide valuable assurance, advice, and insight. GIA gives senior management and the Board reasonable assurance that processes for managing and controlling risks—as well as their overall governance—are adequately designed and functioning effectively. GIA delivers audits, as well as assurance and advisory reviews, which cover all key institutional areas: strategy operations, finance, and corporate functions, including IT systems and processes. Its work is carried out in accordance with the Institute of Internal Auditors' International Professional Practices Framework.

GIA focuses on institutional and stakeholder priorities and significant risks; it delivers about 25 engagements a year covering both advisory and assurance work. Key topics in fiscal 2020 included management of environment and social risk, procurement risk and legal risk of projects, integrity due diligence of business counterparts, knowledge management, staff safety and security, the Global Payments Program, loan pricing, mobile technology, and cybersecurity.

In light of the Bank Group's response to the COVID-19 pandemic, GIA is performing audits remotely and adjusting the scope, priority, and timing of engagements as necessary. It is reviewing components of the COVID-19 Fast Track Facility to provide early feedback to management and advice on business continuity. To help the Bank Group quickly deliver client programs, GIA is collaborating with management and other risk functions to provide effective assurance, advice, and insight.

For more information and GIA's annual and quarterly reports, visit [www.worldbank.org/internalaudit](http://www.worldbank.org/internalaudit).

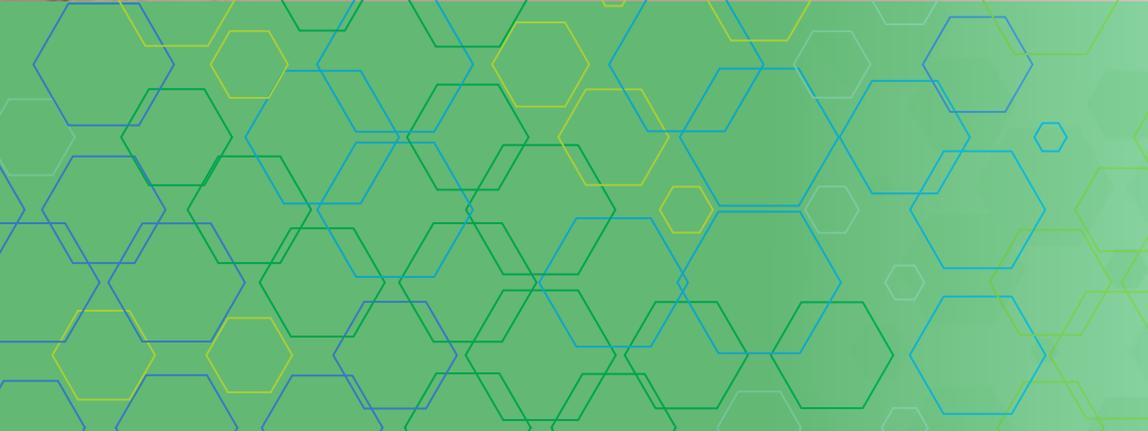


## The World Bank Policy on Access to Information

The Bank's Policy on Access to Information has made us a global leader in transparency and led to groundbreaking change in how we make information publicly available. The public has access to more of our information than ever before, including details about projects under preparation or implementation, analytic and advisory activities, and Board proceedings. In fiscal 2020, the Bank received 589 information requests and declassified 153,264 pages of archival records. It also digitized 98,880 pages of archival records and made them available through the Bank's Projects and Operations database and the Bank Group's Archives.

For requests that are denied, the public can appeal by alleging a violation of policy and/or the public interest. The internal Access to Information Committee serves as the first level of appeals, and its decisions are final for appeals alleging a public interest ground. A second and final recourse for appeals alleging a violation of policy is available through the external and independent Appeals Board. In fiscal 2020, the Committee considered one case, and one complaint was filed before the Board.

For more information and to submit public access requests for information to the World Bank, visit [www.worldbank.org/en/access-to-information](http://www.worldbank.org/en/access-to-information).



## DEPLOYING RESOURCES STRATEGICALLY

### Helping countries address the COVID-19 crisis

The Bank Group is drawing on our financial capacity, global partnerships, and convening power to help countries combat the COVID-19 pandemic and shorten the time to economic and social recovery. The recent capital increases for IBRD and IFC and the IDA19 replenishment are enabling our strong response to the crisis. We are prepared to provide countries with \$160 billion in financing over 15 months through June 2021.

For the health response to COVID-19, in fiscal 2020, IBRD and IDA approved a total of 76 operations amounting to \$3.8 billion through a dedicated fast-track facility. This includes our global \$6 billion Health Strategic Preparedness and Response Program, which was launched in April 2020. We are providing broad and fast support to help countries address their immediate health needs and bolster economic recovery, employing for the first time a global multiphase programmatic approach (MPA), which has shortened preparation times for emergency support to client countries. With country authorities, we also helped redirect \$2.5 billion in existing projects in 63 countries, using instruments that allow for operational flexibility in emergency situations, such as projects' contingent emergency response components. In countries that have active development policy operations with Catastrophe Deferred Drawdown Options (CAT-DDOs), rapid access to financing supported the response to the pandemic, including in Colombia, Morocco, and the Independent State of Samoa.

The Bank Group developed a high-level approach to the policy response to the pandemic's health, economic, and social impacts. The financing needs of developing countries have increased significantly, with tax revenues depressed by low economic activity and higher expenditures to protect the poor and vulnerable, support those who lost jobs, and sustain government services, such as education.

### Prioritizing strategic interventions across the World Bank Group

The World Bank—IBRD and IDA—works in close coordination with IFC and MIGA to leverage the collective strength of the Bank Group. Our comparative advantage comes from the powerful combination of country depth and global breadth, public and private sector relationships, multisectoral knowledge, and the ability to mobilize financing to support countries' development priorities. Collaboration across the Bank Group has grown over time and spans activities at the sector, thematic, country, regional, and global levels.

We help countries build stronger systems and institutions and extend the impact of policy and institutional reforms beyond the boundaries of a single project. We monitor development effectiveness through a robust results framework, as well as through our corporate reporting, which aggregates development results in terms of our key institutional priorities. By learning from evidence and results, we continually improve our support to countries and help them achieve good development outcomes.

We have become a trusted advisor and honest broker for clients by fostering long-term relationships, deepening our country knowledge, innovating in our operations, adhering to the highest standards, and expanding our presence on the ground. We work in the world's most difficult settings—in fragile and conflict-affected states and where poverty is most entrenched—while maintaining portfolio quality. Our partnerships help shape and amplify global development priorities. Our coordination with development partners and governments has helped secure focused financing on the most urgent needs in the response to COVID-19. We have also served as a convening platform to help countries secure critical medical equipment and supplies using Bank-facilitated procurement. And through greater use of contingent instruments, such as disaster insurance and CAT-DDOs, we help countries build capacity for crisis response and enhance resilience.

## Defining our engagement with countries

The Bank Group has a systematic, evidence-based model for providing financial, analytic, and advisory services to countries, with a focus on strong country ownership and good development outcomes. The Country Partnership Framework (CPF) articulates the strategic goals of the Bank Group's engagement with a country for a period of four to six years, while retaining flexibility to support countries in rapidly changing global and national circumstances, as is currently the case due to COVID-19. It is the central tool for management and the Board when reviewing and guiding the Bank Group's country programs. The Bank, IFC, and MIGA jointly prepare the CPFs by:

- Taking into account the country's vision of its development goals;
- Drawing on the analytical findings and priorities of the Systematic Country Diagnostic (SCD), prepared by staff in close consultation with national authorities, the private sector, and other stakeholders;
- Considering the Bank Group's comparative advantage; and
- Aligning with the Bank Group's development goals.

The CPF includes a results framework of agreed-upon outputs and outcomes for activities under implementation and for planned activities; this can be adjusted to incorporate our response to changing country needs and to external or domestic shocks.

This process has been in place since July 2014. In fiscal 2020, the Bank Group prepared SCDs in 11 countries and new CPFs in 11 countries.

We offer countries a variety of instruments and approaches that help them best achieve their development goals; these include investment project financing, which helps build physical and social infrastructure and develop institutional capacity; development policy financing, which supports borrowers in addressing policy and institutional actions and reforms, including through guarantees; and Program-for-Results financing, which supports client programs and links the disbursement of funds directly to the delivery of defined results.

The MPA, introduced in fiscal 2018, structures complex country and multi-country engagements as a set of linked phases within one program. It centers on adaptable design and learning from implementation to ensure that operations are more responsive to evolving country and project circumstances. In fiscal 2020, we applied the approach globally for the first time to support health operations in 75 countries, including 25 countries affected by FCV and 11 small states, to help address COVID-19. This global MPA enabled an integrated approach with common objectives across sectors and regions to deal with the emergency, while allowing for tailored adjustments to maximize results. We also launched the Emergency Locust Response Program, a \$500 million cross-regional MPA, to help countries in Africa and the Middle East fight the locust swarms that are threatening food security and livelihoods for millions of people.

Achieving strong results since its introduction in 2012, the Program-for-Results instrument was mainstreamed across the Bank in fiscal 2020, following the removal of a 15 percent cap on its use in operations financed by IBRD and IDA. We also continued to review and refine our use of results-based financing in investment project financing operations, incorporating lessons learned on how to more effectively strengthen project outcomes.

The Bank Group helps small states address their unique development challenges through the Small States Forum. It comprises 50 members—42 countries classified as small states by the Bank and eight with larger populations that face similar challenges—and meets semi-annually at the World Bank–IMF Spring and Annual Meetings. At the October 2019 Annual Meetings, UN Secretary-General António Guterres and Bank Group President David Malpass discussed economic and financial resilience, climate adaptation, and the suite of Bank instruments tailored to small states.

## Addressing development challenges through technical advice and analysis

Advisory Services and Analytics (ASAs) are crucial to how the World Bank contributes to development. Countries use our analytical and technical advice to sustain development over the long term by implementing better policies and development strategies and strengthening institutions. At the country level, this work underpins CPFs, government programs, and projects supported by Bank lending and guarantees. At the regional and global levels, ASAs contribute to public goods and inform policy debates.

In fiscal 2020, we produced 1,515 ASA products in over 140 countries. They addressed key topics such as economic policy, human development, social protection, governance, urban and rural development, and climate and the environment. In the Sahel, ASAs provided knowledge, capacity building, and timely assistance for developing, implementing, and evaluating adaptive social protection systems and programs.

Reimbursable Advisory Services (RAS) are requested and paid for by country clients; all member states are able to request these services, including non-borrowing countries. In fiscal 2020, we produced 92 RAS products for 27 countries. RAS provided technical assistance, capacity building, and implementation support to countries on various topics, including public financial management, social protection programs, national reforms for quality education, and centralized health sector procurement.

For more information, visit [www.worldbank.org/asa](http://www.worldbank.org/asa).

## Valuing the opinions of country stakeholders

The World Bank Group Country Opinion Survey Program annually assesses the views of thousands of decision makers and influencers across borrowing countries. In fiscal 2019, about 10,000 opinion leaders in more than 40 countries responded to the survey. Key findings demonstrate that our current areas of emphasis—including building human capital, creating jobs, addressing corruption, and improving governance—align well with stakeholders' top priorities.

## Maintaining budget discipline to maximize the use of financial resources

As part of the IBRD capital increase package agreed upon in 2018, we have committed to additional and continuous efficiencies and economies of scale to help maintain budget sustainability and strengthen the Bank's financial position. Ongoing measures to improve efficiency and productivity, including through optimization of organizational processes and effective use of technology, will help contain some of the rising costs of doing business that we face as we deliver a growing and more complex work program. We have established a comprehensive monitoring framework for the implementation of budget commitments under the capital package to achieve and track cumulative efficiencies and economies of scale on a yearly basis.

The Bank is implementing a significant program to support client countries' response to the COVID-19 pandemic, helping them cope with the health, social, and economic impacts and build conditions for a fast, sustainable, and resilient recovery worldwide. While prioritizing the COVID-19 response, the Bank will continue efforts to deliver on other interventions to support the twin goals of ending extreme poverty and boosting shared prosperity and the key priorities and commitments of the IBRD capital package, the IDA19 replenishment, and the FCV strategy. These commitments will result in substantial program growth in priority areas, especially in poorer and smaller countries and those affected by FCV. They will also support critical themes, including: broadening access to critical infrastructure, digital financial services and social protection; enhancing human capital; promoting growth and development of the private sector; promoting good governance and the rule of law, as well as debt and investment transparency; addressing climate change and low-carbon goals; and building resilience to exogenous shocks.

## IBRD financial commitments and services

IBRD is a global development cooperative owned by its 189 member countries. As the largest multilateral development bank in the world, it provides loans, guarantees, risk management products, and advisory services to middle-income and creditworthy low-income countries, and coordinates responses to regional and global challenges.

In fiscal 2020, new IBRD lending commitments amounted to \$28.0 billion for 152 operations, of which 10 were IBRD and IDA blended operations.

For monitoring, reporting, and better decision making about its commitments, the Bank applies a taxonomy of codes to all lending operations to reflect the sectors and themes to which it directs resources. Sector codes reflect high-level groupings of economic activities based on the types of goods and services produced, and are used to indicate which part of the economy is supported by the Bank's intervention. Theme codes reflect the goals and objectives of Bank-supported activities and are used to capture the Bank's support to the Sustainable Development Goals (SDGs).

**TABLE 15 IBRD COMMITMENTS, BY REGION, FISCAL 2016–20**  
MILLIONS OF DOLLARS

| REGION                          | FY16          | FY17          | FY18          | FY19          | FY20          |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| Africa                          | 669           | 1,163         | 1,120         | 820           | 1,725         |
| East Asia and Pacific           | 5,176         | 4,404         | 3,981         | 4,030         | 4,770         |
| Europe and Central Asia         | 7,039         | 4,569         | 3,550         | 3,749         | 5,699         |
| Latin America and the Caribbean | 8,035         | 5,373         | 3,898         | 5,709         | 6,798         |
| Middle East and North Africa    | 5,170         | 4,869         | 5,945         | 4,872         | 3,419         |
| South Asia                      | 3,640         | 2,233         | 4,508         | 4,011         | 5,565         |
| <b>Total</b>                    | <b>29,729</b> | <b>22,611</b> | <b>23,002</b> | <b>23,191</b> | <b>27,976</b> |

**TABLE 16 IBRD DISBURSEMENTS, BY REGION, FISCAL 2016–20**  
MILLIONS OF DOLLARS

| REGION                          | FY16          | FY17          | FY18          | FY19          | FY20          |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| Africa                          | 874           | 427           | 734           | 690           | 1,087         |
| East Asia and Pacific           | 5,205         | 3,961         | 3,476         | 5,048         | 4,679         |
| Europe and Central Asia         | 5,167         | 2,799         | 4,134         | 2,209         | 3,100         |
| Latin America and the Caribbean | 5,236         | 3,885         | 4,066         | 4,847         | 5,799         |
| Middle East and North Africa    | 4,427         | 5,335         | 3,281         | 4,790         | 2,415         |
| South Asia                      | 1,623         | 1,454         | 1,698         | 2,598         | 3,158         |
| <b>Total</b>                    | <b>22,532</b> | <b>17,861</b> | <b>17,389</b> | <b>20,182</b> | <b>20,238</b> |

**TABLE 17 IBRD COMMITMENTS BY SECTOR, FISCAL 2016–20**  
MILLIONS OF DOLLARS

| SECTOR                                      | FY16          | FY17          | FY18          | FY19          | FY20          |
|---|---------------|---------------|---------------|---------------|---------------|
| Agriculture, Fishing, and Forestry          | 561           | 754           | 2,561         | 1,025         | 1,767         |
| Education                                   | 1,788         | 1,074         | 1,685         | 1,875         | 1,135         |
| Energy and Extractives                      | 4,599         | 4,434         | 3,084         | 2,847         | 2,053         |
| Financial Sector                            | 2,657         | 1,879         | 764           | 2,299         | 3,702         |
| Health                                      | 1,181         | 1,189         | 2,204         | 1,674         | 3,980         |
| Industry, Trade, and Services               | 3,348         | 2,694         | 3,416         | 2,361         | 2,208         |
| Information and Communications Technologies | 194           | 503           | 324           | 611           | 886           |
| Public Administration                       | 5,111         | 4,754         | 2,189         | 5,327         | 4,301         |
| Social Protection                           | 1,393         | 778           | 2,091         | 2,115         | 4,786         |
| Transportation                              | 4,569         | 2,551         | 2,074         | 1,485         | 1,323         |
| Water, Sanitation, and Waste Management     | 4,192         | 2,000         | 2,610         | 1,571         | 1,834         |
| <b>Total</b>                                | <b>29,729</b> | <b>22,611</b> | <b>23,002</b> | <b>23,191</b> | <b>27,976</b> |

**Note:** Numbers may not add to totals because of rounding. As of fiscal 2017, new sector categories have replaced the previous taxonomy as part of an internal data modernization effort. Past fiscal year data reported here have been revised to reflect the new categories and therefore may not match figures published in previous annual reports. Please visit [projects.worldbank.org/sector](http://projects.worldbank.org/sector) for more information on changes.

**TABLE 18 IBRD COMMITMENTS BY THEME, FISCAL 2017–20**  
MILLIONS OF DOLLARS

| THEME  | FY17  | FY18   | FY19  | FY20   |
|--|-------|--------|-------|--------|
| Economic Policy                              | 1,677 | 1,124  | 1,363 | 1,000  |
| Environment and Natural Resources Management | 7,237 | 10,409 | 8,514 | 9,423  |
| Finance                                      | 3,330 | 2,501  | 3,546 | 5,304  |
| Human Development and Gender                 | 2,687 | 6,641  | 7,227 | 12,799 |
| Private Sector Development                   | 5,741 | 4,945  | 4,438 | 4,936  |
| Public Sector Management                     | 3,516 | 1,353  | 2,912 | 3,206  |
| Social Development and Protection            | 939   | 2,844  | 2,453 | 4,721  |
| Urban and Rural Development                  | 5,937 | 8,593  | 6,511 | 6,777  |

**Note:** As of fiscal 2017, new theme categories have replaced the previous taxonomy as part of an internal data modernization effort. Because lending commitments for individual operations can be applied to multiple theme categories, figures organized by theme do not add up to fiscal year commitment totals, and therefore should not be summed. Past fiscal year theme data have been remapped but not revised according to the new methodology. As they are no longer directly comparable, historical data are not included here. Please visit [projects.worldbank.org/theme](http://projects.worldbank.org/theme) for more information on changes.

**TABLE 19 IBRD TOP COUNTRY BORROWERS, FISCAL 2020**

MILLIONS OF DOLLARS

| COUNTRY                 | COMMITMENTS | COUNTRY  | COMMITMENTS |
|-------------------------|-------------|----------|-------------|
| India                   | 4,580       | Angola   | 1,380       |
| Philippines             | 1,870       | Colombia | 1,250       |
| Turkey                  | 1,855       | Mexico   | 1,230       |
| Indonesia               | 1,660       | China    | 1,200       |
| Egypt, Arab Republic of | 1,450       | Morocco  | 1,110       |

## IBRD financial resources and financial model

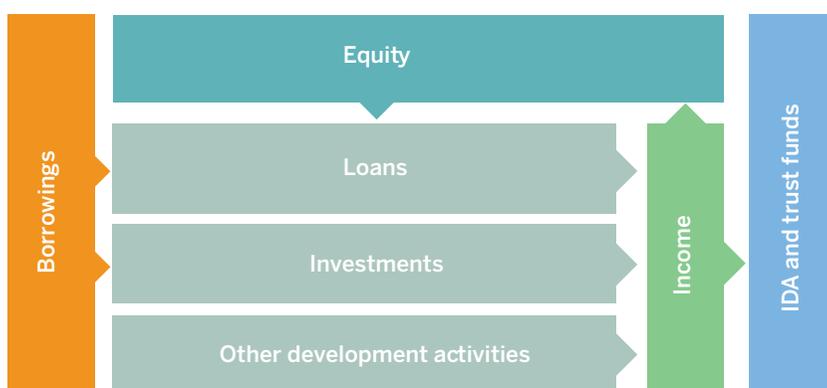
IBRD finances its loans from its own equity and from money borrowed in the capital markets through the issuance of IBRD bonds to fund development projects in member countries. IBRD is rated Aaa by Moody’s and AAA by Standard & Poor’s, and investors view its bonds as high-quality securities. Against the backdrop of a global liquidity crisis and the challenges presented by COVID-19, IBRD’s funding approach is aimed at achieving the best long-term value on a sustainable basis for borrowing members. IBRD’s ability to intermediate the funds it raises in international capital markets to developing member countries is important in helping to achieve its goals.

All IBRD bonds support sustainable development. IBRD issues its securities through both global offerings and bond issues tailored to the needs of specific markets or investor types. Its bonds connect the private and public sectors to the Bank’s development goals through investors such as asset managers, insurance companies, pension funds, central banks, corporations, and bank treasuries from around the world. IBRD issues bonds to investors in various currencies, maturities, and markets, and at fixed and variable terms. It often opens new markets for international investors by issuing new products or bonds in emerging market currencies. IBRD’s annual funding volumes vary from year to year.

IBRD’s approach has enabled it to borrow at favorable market terms and pass the savings on to its borrowing members. Funds not immediately deployed for lending are held in IBRD’s investment portfolio to provide liquidity for its operations. In fiscal 2020, IBRD raised \$75 billion by issuing bonds in a variety of currencies.

As a cooperative institution, IBRD seeks not to maximize profit but to earn enough income to ensure the long-term financial capacity necessary to sustain its development activities. Of fiscal 2020 allocable net income, the Executive Directors approved the allocation of \$950 million to the General Reserve and recommended to the Board of Governors the transfer of \$431 million to the Surplus. The transfer to the Surplus includes \$331 million, reflecting the amount produced by the formula-based approach for transfers to IDA from allocable income for fiscal 2020. Management and

**FIGURE 8 IBRD BUSINESS MODEL**



**TABLE 20 IBRD KEY FINANCIAL INDICATORS, FISCAL 2016–20**  
MILLIONS OF DOLLARS, EXCEPT RATIOS, WHICH ARE IN PERCENTAGES

| INDICATOR                                       | FY16    | FY17    | FY18    | FY19    | FY20    |
|---|---------|---------|---------|---------|---------|
| <b>Lending highlights</b>                       |         |         |         |         |         |
| Commitments <sup>a</sup>                        | 29,729  | 22,611  | 23,002  | 23,191  | 27,976  |
| Gross disbursements                             | 22,532  | 17,861  | 17,389  | 20,182  | 20,238  |
| Net disbursements                               | 13,197  | 8,731   | 5,638   | 10,091  | 10,622  |
| <b>Reported basis</b>                           |         |         |         |         |         |
| <i>Income statements</i>                        |         |         |         |         |         |
| Board of Governors-approved and other transfers | (705)   | (497)   | (178)   | (338)   | (340)   |
| Net income/(loss)                               | 495     | (237)   | 698     | 505     | (42)    |
| <i>Balance sheet</i>                            |         |         |         |         |         |
| Total assets                                    | 231,408 | 258,648 | 263,800 | 283,031 | 296,804 |
| Net investment portfolio                        | 51,760  | 71,667  | 73,492  | 81,127  | 82,485  |
| Net loans outstanding                           | 167,643 | 177,422 | 183,588 | 192,752 | 202,158 |
| Borrowing portfolio                             | 178,231 | 207,144 | 213,652 | 228,763 | 237,231 |
| <b>Allocable income</b>                         |         |         |         |         |         |
| Allocable income                                | 593     | 795     | 1,161   | 1,190   | 1,381   |
| Allocated as follows:                           |         |         |         |         |         |
| General Reserve <sup>b</sup>                    | 96      | 672     | 913     | 831     | 950     |
| International Development Association           | 497     | 123     | 248     | 259     | —       |
| Surplus   | —       | —       | —       | 100     | 431     |
| <b>Usable equity<sup>c,d</sup></b>              | 39,424  | 41,720  | 43,518  | 45,360  | 47,138  |
| <b>Capital adequacy</b>                         |         |         |         |         |         |
| Equity-to-loans ratio (%)                       | 22.7    | 22.8    | 22.9    | 22.8    | 22.8    |

**Note:** For a complete presentation of fiscal year data, see the full financial statements: [www.worldbank.org/financialresults](http://www.worldbank.org/financialresults).

- Amounts are net of full terminations/cancellations approved in the same fiscal year and include guarantee commitments and guarantee facilities that have been approved by the Executive Directors.
- The June 30, 2020, amount represents the proposed transfer to the General Reserve from fiscal 2020 net income, which was approved on August 7, 2020, by the Board.
- Excluding amounts associated with unrealized mark-to-market gains/losses on non-trading portfolios, net and related cumulative translation adjustments.
- Usable equity includes the proposed transfer to the General Reserve.

the Board proposed to hold this amount in the Surplus, as a measure of prudence in view of the current uncertain outlook due to the COVID-19 crisis, so as to retain the option of subsequently deciding to use those funds to strengthen its reserves in a downside scenario. As part of its lending, borrowing, and investment activities, IBRD is exposed to market, counterparty, country credit, and operational risks.

The Bank Group's Chief Risk Officer leads the risk oversight function and supports the institutional decision making process via dedicated risk committees. In addition, IBRD has put in place a strong risk management framework, which supports management in its oversight functions. The framework is designed to enable and support IBRD in achieving its goals in a financially sustainable manner. One summary measure of IBRD's risk profile is the ratio of equity to loans, which is closely managed in line with its financial and risk outlook. As of June 30, 2020, this ratio stood at 22.8 percent, and the cumulative subscribed capital of IBRD totaled \$288.0 billion, including \$18.0 billion in paid-in capital.

For more information, visit [www.worldbank.org/ibrd](http://www.worldbank.org/ibrd).

## IDA financial commitments and services

IDA is the world's largest multilateral source of concessional financing for the poorest countries. It provides financing in the form of development loans, grants, and guarantees to help these countries increase economic growth, reduce poverty, and improve the living conditions of the poor.

In fiscal 2020, 76 countries were eligible for IDA assistance, with Somalia becoming active during the fiscal year. In addition, three countries—Bolivia, Sri Lanka, and Vietnam, which graduated at the end of the IDA17 cycle—received exceptional transitional support from IDA. New IDA lending commitments amounted to \$30.4 billion for 305 operations, of which 10 were IBRD and IDA blended operations. These commitments included \$22.4 billion in credits, \$8.0 billion in grants, and \$25 million of IDA resources to back guarantees. In addition, 35 projects and sub-projects for a total of \$792 million were approved for support from the IDA18 IFC-MIGA Private Sector Window (PSW) during the fiscal year.

For monitoring, reporting, and better decision making about its commitments, the Bank applies a taxonomy of codes to all lending operations to reflect the sectors and themes to which it directs resources. Sector codes reflect high-level groupings of economic activities based on the types of goods and services produced; these are used to indicate which part of the economy is supported by the Bank's intervention. Theme codes reflect the goals and objectives of Bank-supported activities and are used to capture our support to the SDGs.

**TABLE 21 IDA COMMITMENTS, BY REGION, FISCAL 2016–20**

MILLIONS OF DOLLARS

| REGION                          | FY16          | FY17                      | FY18                      | FY19                      | FY20                      |
|---------------------------------|---------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Africa                          | 8,677         | 10,679                    | 15,411                    | 14,187                    | 19,095                    |
| East Asia and Pacific           | 2,324         | 2,703                     | 631                       | 1,272                     | 2,500                     |
| Europe and Central Asia         | 233           | 739                       | 957                       | 583                       | 1,497                     |
| Latin America and the Caribbean | 183           | 503                       | 428                       | 430                       | 978                       |
| Middle East and North Africa    | 31            | 1,011                     | 430                       | 611                       | 203                       |
| South Asia                      | 4,723         | 3,828                     | 6,153                     | 4,849                     | 6,092                     |
| <b>Total</b>                    | <b>16,171</b> | <b>19,463<sup>a</sup></b> | <b>24,010<sup>b</sup></b> | <b>21,932<sup>b</sup></b> | <b>30,365<sup>b</sup></b> |

a. Figure does not include the commitment of a \$50 million grant for the Pandemic Emergency Financing Facility.

b. Excludes IFC-MIGA PSW activities.

**TABLE 22 IDA DISBURSEMENTS, BY REGION, FISCAL 2016–20**

MILLIONS OF DOLLARS

| REGION                          | FY16          | FY17                      | FY18          | FY19          | FY20                      |
|---------------------------------|---------------|---------------------------|---------------|---------------|---------------------------|
| Africa                          | 6,813         | 6,623                     | 8,206         | 10,190        | 13,373                    |
| East Asia and Pacific           | 1,204         | 1,145                     | 1,252         | 1,282         | 1,589                     |
| Europe and Central Asia         | 365           | 310                       | 298           | 931           | 365                       |
| Latin America and the Caribbean | 303           | 229                       | 223           | 340           | 466                       |
| Middle East and North Africa    | 44            | 391                       | 569           | 647           | 151                       |
| South Asia                      | 4,462         | 3,970                     | 3,835         | 4,159         | 5,235                     |
| <b>Total</b>                    | <b>13,191</b> | <b>12,668<sup>a</sup></b> | <b>14,383</b> | <b>17,549</b> | <b>21,179<sup>b</sup></b> |

a. Figure does not include the disbursement of a \$50 million grant for the Pandemic Emergency Financing Facility.

b. Excludes IFC-MIGA PSW activities.

**TABLE 23 IDA COMMITMENTS BY SECTOR, FISCAL 2016–20**  
MILLIONS OF DOLLARS

| SECTOR                                      | FY16          | FY17 <sup>a</sup> | FY18                      | FY19                      | FY20                      |
|---|---------------|-------------------|---------------------------|---------------------------|---------------------------|
| Agriculture, Fishing, and Forestry          | 1,849         | 2,025             | 1,442                     | 2,796                     | 1,978                     |
| Education                                   | 1,431         | 1,773             | 2,836                     | 1,767                     | 4,037                     |
| Energy and Extractives                      | 2,814         | 1,891             | 4,028                     | 3,468                     | 3,218                     |
| Financial Sector                            | 443           | 1,227             | 546                       | 870                       | 534                       |
| Health                                      | 1,191         | 1,246             | 2,062                     | 1,736                     | 4,295                     |
| Industry, Trade, and Services               | 841           | 1,541             | 1,991                     | 1,963                     | 2,712                     |
| Information and Communications Technologies | 78            | 519               | 419                       | 779                       | 1,202                     |
| Public Administration                       | 1,500         | 1,954             | 5,013                     | 3,109                     | 4,252                     |
| Social Protection                           | 2,475         | 1,913             | 2,112                     | 2,163                     | 4,185                     |
| Transportation                              | 2,277         | 3,271             | 1,455                     | 1,709                     | 2,132                     |
| Water, Sanitation, and Waste Management     | 1,271         | 2,102             | 2,105                     | 1,572                     | 1,820                     |
| <b>Total</b>                                | <b>16,171</b> | <b>19,463</b>     | <b>24,010<sup>b</sup></b> | <b>21,932<sup>b</sup></b> | <b>30,365<sup>b</sup></b> |

**Note:** Numbers may not add to totals because of rounding. As of fiscal 2017, new sector categories have replaced the previous taxonomy as part of an internal data modernization effort. Past fiscal year data reported here have been revised to reflect the new categories and therefore may not match figures published in previous annual reports. Please visit [projects.worldbank.org/sector](https://projects.worldbank.org/sector) for more information on changes.

- a. Fiscal 2017 IDA sector breakdown excludes a \$50 million grant for the Pandemic Emergency Financing Facility.  
b. Excludes IFC-MIGA PSW activities.

**TABLE 24 IDA COMMITMENTS BY THEME: FISCAL 2017–20**  
MILLIONS OF DOLLARS

| THEME  | FY17 <sup>a</sup> | FY18               | FY19               | FY20               |
|--|-------------------|--------------------|--------------------|--------------------|
| Economic Policy                              | 1,791             | 468                | 1,073              | 1,192              |
| Environment and Natural Resources Management | 5,766             | 9,491              | 9,680              | 11,141             |
| Finance                                      | 1,507             | 1,642              | 2,418              | 2,680              |
| Human Development and Gender                 | 6,471             | 7,509              | 7,860              | 15,974             |
| Private Sector Development                   | 4,837             | 4,240 <sup>b</sup> | 5,145 <sup>b</sup> | 7,232 <sup>b</sup> |
| Public Sector Management                     | 1,936             | 3,827              | 2,513              | 4,158              |
| Social Development and Protection            | 2,544             | 2,980              | 2,722              | 4,738              |
| Urban and Rural Development                  | 8,352             | 8,654              | 7,866              | 8,899              |

**Note:** As of fiscal 2017, new theme categories have replaced the previous taxonomy as part of an internal data modernization effort. Because lending commitments for individual operations can be applied to multiple theme categories, figures organized by theme do not add up to fiscal year commitment totals, and therefore should not be summed. Past fiscal year theme data have been remapped but not revised according to the new methodology. As they are no longer directly comparable, historical data are not included here. Please visit [projects.worldbank.org/theme](https://projects.worldbank.org/theme) for more information on changes.

- a. Fiscal 2017 IDA theme breakdown excludes a \$50 million grant for the Pandemic Emergency Financing Facility.  
b. Excludes IFC-MIGA PSW activities.

**TABLE 25 IDA TOP COUNTRY BORROWERS, FISCAL 2020**  
MILLIONS OF DOLLARS

| COUNTRY                       | COMMITMENTS | COUNTRY  | COMMITMENTS |
|-------------------------------|-------------|----------|-------------|
| Nigeria                       | 2,576       | Tanzania | 950         |
| Bangladesh                    | 2,265       | Nepal    | 949         |
| Congo, Democratic Republic of | 1,642       | Kenya    | 943         |
| Pakistan                      | 1,471       | Somalia  | 903         |
| Ethiopia                      | 1,046       | Myanmar  | 900         |

### IDA financial resources and financial model

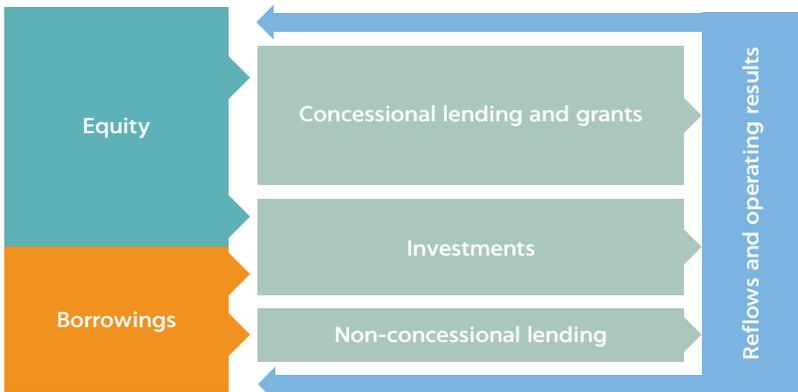
IDA has previously been funded largely by contributions from high- and middle-income partner countries. Additional financing comes from Bank Group transfers and borrowers’ repayments of earlier IDA credits. As part of the groundbreaking IDA18 package, which covers fiscal 2018–20, IDA partners agreed to transform IDA’s financing model, leveraging its strong capital base to pioneer a new model for development finance that combines donor funding with funding raised in the capital markets to support an ambitious policy package with focus on five special themes: jobs and economic transformation; climate change; gender and development; fragility, conflict, and violence; and governance and institutions. IDA received its first-ever public credit rating—triple-A—in 2016. IDA’s financial strength is based on its robust capital position and shareholder support, as well as on its prudent financial policies and practices, which help maintain its triple-A credit rating.

For IDA18, development partners agreed to a financing envelope of SDR 53.5 billion (equivalent to \$75.0 billion)\* to provide credits, grants, and guarantees to IDA’s client countries. At the outset, \$63.5 billion is expected to be used on concessional terms, \$9.0 billion on IBRD terms for the Scale-Up Facility and transitional support, and \$2.5 billion for the PSW. As of June 30, 2020, after the effect of reallocations agreed with IDA’s development partners during the IDA18 period, including as part of IDA’s support to clients to respond to COVID-19, \$68 billion was committed on concessional terms, \$8.4 billion on IBRD terms for the Scale-Up Facility and transitional support, and \$1.4 billion for the PSW. IDA administrative expenses are recovered primarily through net charges and interest paid by recipient countries.

Supporting IDA18 were SDR 16.1 billion (equivalent to \$22.6 billion) in grants from IDA’s donors, of which SDR 0.9 billion (\$1.2 billion) is the grant element from concessional partner loan contributions. Partners are also providing SDR 3.6 billion (\$5.1 billion) in concessional partner loans—SDR 2.7 billion (\$3.8 billion) excluding

\* The Financing Framework for the IDA18 Replenishment is managed predominantly in Special Drawing Rights (SDRs). U.S. dollar equivalent figures given here are calculated using IDA18 reference exchange rates.

**FIGURE 9 IDA BUSINESS MODEL**



the grant element of the loans—and SDR 2.9 billion (\$4.1 billion) in compensation for debt relief under the Multilateral Debt Relief Initiative (MDRI). As of June 30, 2020, 50 partners had submitted IDA18 Instruments of Commitment and concessional loan agreements. Along with compensation for MDRI for the IDA18 period, contributions total SDR 21.7 billion (\$30.4 billion).

IDA's borrowing program enables it to significantly scale up its support toward achieving the SDGs, while offering investors an efficient way to contribute to global development. This optimization of its capital enables IDA to mobilize three dollars in IDA commitment authority for every dollar of development partner contributions under IDA18. On April 17, 2018, for the first time, IDA issued \$1.5 billion of debt in the international capital markets. This inaugural IDA bond received strong reception in the market and paved the way for further market borrowing, including an IDA Bills Program and more benchmark issuances in euro, British pounds, and US dollars. The program has been successful in raising liquidity in various currencies from a diverse set of investors across the globe. IDA will continue to seek opportunities to further diversify its currency composition and develop its capital markets presence.

**TABLE 26 IDA KEY FINANCIAL INDICATORS, FISCAL 2016–20**  
MILLIONS OF DOLLARS, EXCEPT RATIOS, WHICH ARE IN PERCENTAGES

| INDICATOR  | FY16    | FY17                | FY18                | FY19                | FY20                |
|--|---------|---------------------|---------------------|---------------------|---------------------|
| <b>Loans, grants, and guarantees</b>               |         |                     |                     |                     |                     |
| Commitments <sup>a</sup>                           | 16,171  | 19,513 <sup>b</sup> | 24,010 <sup>c</sup> | 21,932 <sup>c</sup> | 30,365 <sup>c</sup> |
| Gross disbursements                                | 13,191  | 12,718 <sup>b</sup> | 14,383              | 17,549              | 21,179 <sup>c</sup> |
| Net disbursements                                  | 8,806   | 8,154               | 9,290               | 12,221              | 15,112 <sup>c</sup> |
| <b>Balance sheet</b>                               |         |                     |                     |                     |                     |
| Total assets                                       | 167,985 | 173,357             | 184,666             | 188,553             | 199,472             |
| Net investment portfolio                           | 29,908  | 29,673              | 33,735              | 32,443              | 35,571              |
| Net loans outstanding                              | 132,825 | 138,351             | 145,656             | 151,921             | 160,961             |
| Borrowing portfolio                                | 2,906   | 3,660               | 7,318               | 10,149              | 19,653              |
| Total equity                                       | 154,700 | 158,476             | 163,945             | 162,982             | 168,171             |
| <b>Income statement</b>                            |         |                     |                     |                     |                     |
| Interest revenue, net of borrowing expenses        | 1,453   | 1,521               | 1,647               | 1,702               | 1,843               |
| Transfers from affiliated organizations and others | 990     | 599                 | 203                 | 258                 | 252                 |
| Development grants                                 | (1,232) | (2,577)             | (4,969)             | (7,694)             | (1,475)             |
| Net income/(loss)                                  | 371     | (2,296)             | (5,231)             | (6,650)             | (1,114)             |
| <b>Adjusted net income<sup>d</sup></b>             | 423     | (158)               | (391)               | 225                 | 724                 |
| <b>Capital adequacy</b>                            |         |                     |                     |                     |                     |
| Deployable strategic capital ratio                 | n.a.    | 37.2%               | 37.4%               | 35.3%               | 35.8%               |

**Note:** n.a. = not applicable. For a complete presentation of fiscal year data, see the full financial statements: [www.worldbank.org/financialresults](http://www.worldbank.org/financialresults).

a. Amounts are net of full terminations/cancellations approved in the same fiscal year.

b. Figures include the commitment and disbursement of \$50 million grant for the Pandemic Emergency Financing Facility.

c. Commitments and disbursements exclude IFC-MIGA PSW activities.

d. Effective June 30, 2019, IDA introduced this new income measure to reflect the economic results of its operations. Prior period numbers have been calculated and presented for comparability.

## IDA19 replenishment

Every three years, development partners meet to review IDA's policies, assess its financial capacity, agree on the amount of financing for the next replenishment period, and commit to additional contributions of equity that are required to meet IDA's objectives and development goals. The replenishment process for IDA19, which covers fiscal 2021–23, began in November 2018 and was finalized in December 2019.

IDA19 is comprised of an \$82 billion envelope to finance projects from July 1, 2020, to June 30, 2023, presenting a 3 percent increase in real terms compared to IDA18. Of this total, \$23.5 billion comes from donor contributions and the remainder from repayments of outstanding IDA loans, contributions from the Bank, and financing raised from the capital markets. The funding will allow IDA to continue helping countries deal with the challenges posed by climate change, gender inequality, and situations of fragility, conflict, and violence, while also reinforcing support for job creation and economic transformation, good governance, and accountable institutions. IDA19 will also tackle broader development challenges, such as enhancing debt sustainability and transparency, harnessing and adapting to transformative digital technology, promoting inclusion of those living with disabilities, and investing in human capital. While the COVID-19 pandemic requires innovative responses, particularly during the IDA19 period, IDA remains committed to countries' long-term development challenges.

For more information, visit [www.worldbank.org/ida](http://www.worldbank.org/ida).

## Mitigating risks to the institution amid global uncertainties

The Bank Group's Chief Risk Officer monitors the global political and economic influences that could affect the institution's financial stability. Amid the COVID-19 pandemic, countries have faced disruptions in global trade, supply chains, migration and remittances, international travel, and tourism. Real GDP in advanced economies is projected to contract by 7 percent this year. Lockdowns and other restrictive measures have affected both domestic demand and labor supply. As reduced economic activity has weakened revenue, fiscal deficits and public debt ratios have risen sharply.

Many countries have attempted to support economic activity by helping those hit hard by the slowdown. A number of emerging markets experienced strong capital outflows in March and April 2020, which subsequently recovered as central banks in advanced economies intensified efforts to support liquidity. Though commodity prices, particularly for oil, fell sharply at the onset of the pandemic, increasing activity in China has contributed to a modest and partial recovery in these prices, particularly for metals. A renewed commitment by OPEC and other producers to reduce oil production has also led to a partial recovery in oil prices.

The outlook for credit quality remains uncertain and will depend on the extent and duration of the pandemic. Public debt ratios are likely to remain high in many countries. Financial sectors could present substantial contingent liabilities for many governments. The pandemic could also lead to an enduring loss of both human and physical capital, reducing potential growth rates for the long term.

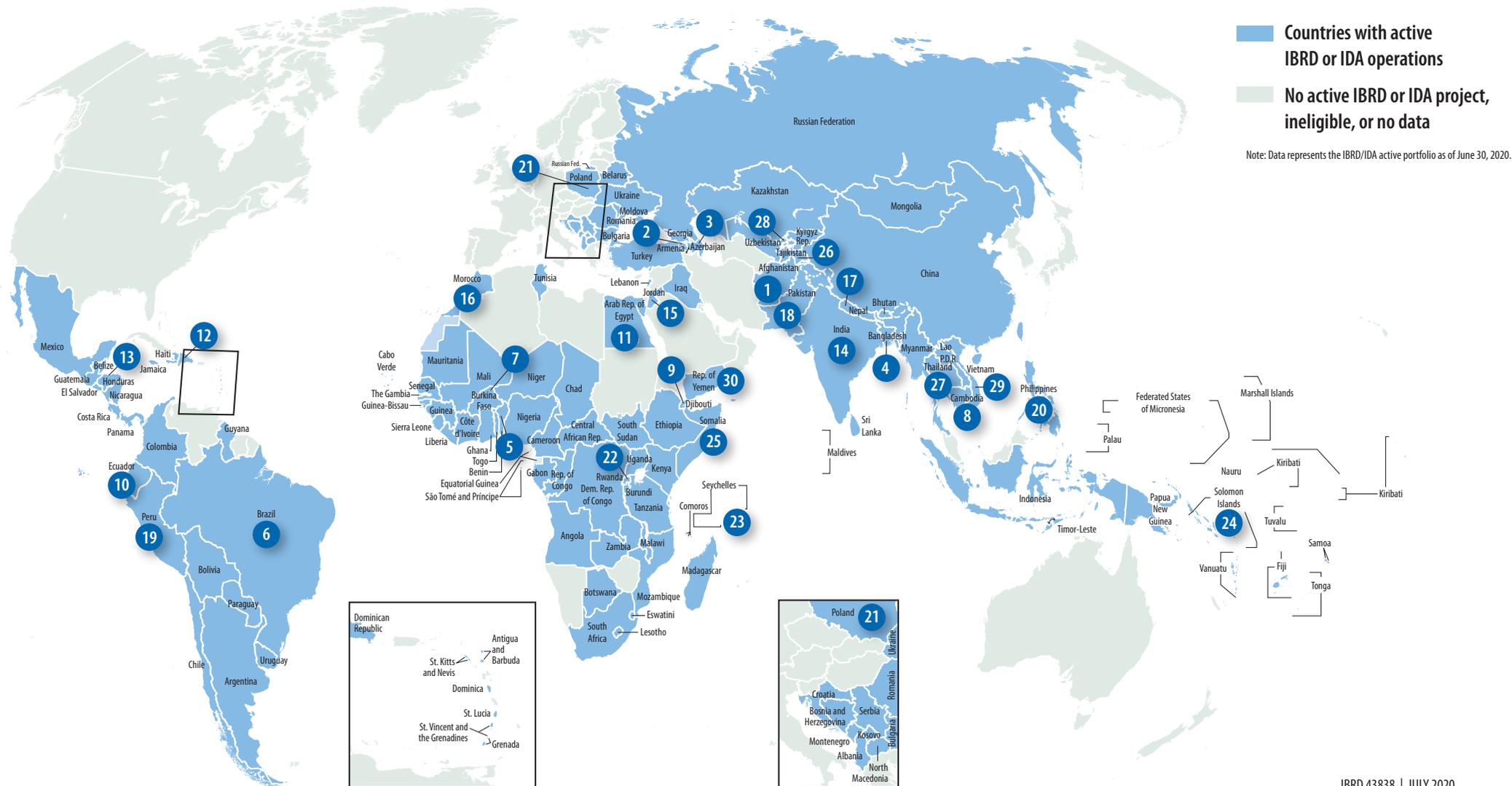


# COMMITTED TO RESULTS

The World Bank helps to promote sustainable development in partner countries by providing financing, sharing knowledge, and working with the public and private sectors. Delivering integrated solutions to help countries address their development challenges requires a focus on results. In recent years, the Bank has made important contributions across many areas to support development results achieved by its partner countries.

For more information, visit [www.worldbank.org/results](http://www.worldbank.org/results).

- 1 **Afghanistan:** Between 2003 and 2018, the newborn mortality rate fell from 53 per 1,000 live births to 23 per 1,000 live births, and the number of functioning health facilities increased from about 500 to more than 2,800.
- 2 **Armenia:** Since 2013, more than 270,000 people in rural areas have gained access to all-season roads.
- 3 **Azerbaijan:** Between 2011 and 2018, irrigation and drainage services increased from 530,000 hectares to more than 920,000 hectares.
- 4 **Bangladesh:** Between 2013 and 2020, over 333,000 people, including more than 166,500 women, gained more resilience to tidal flooding and storm surges through construction of embankments in low-lying areas.
- 5 **Benin:** Between 2012 and 2020, over 1 million people—of whom about 41 percent were women—benefited from interventions that improved agricultural productivity and increased the volume of exports.
- 6 **Brazil:** Between 2010 and 2018, nearly 47 million received conditional cash transfers.
- 7 **Burkina Faso:** Between 2014 and 2019, over 570,000 more people—of whom 53 percent were women—were included in the country's safety net. More than 34,000 of them received adaptive cash transfers following food security shocks.
- 8 **Cambodia:** In 2019, about 2.9 million of the poorest people have benefited from free access to outpatient health care and 160,000 from admission to hospitals every year.
- 9 **Djibouti:** Between 2014 and 2019, more than 300,000 people received quality health care, and over 85 percent of children have been fully immunized before their first birthday.
- 10 **Ecuador:** Since 2015, more than 39,000 people in Guayaquil have been provided with better sanitation services.
- 11 **Egypt:** Between 2014 and 2019, more than 300,000 jobs were created, and nearly 175,000 entrepreneurs—of whom 42 percent were women—were able to start their businesses.
- 12 **Haiti:** Between 2011 and 2018, 57 schools were built in remote areas, and nearly 460,000 children participated in health and nutrition programs at schools.
- 13 **Honduras:** Between 2013 and 2018, over 30,000 people in nine communities benefited from lower crime rates, safer schools, and greater access to justice services, as part of efforts to reduce violence in their communities.
- 14 **India:** Between 2007 and 2019, more than 10,000 circuit kilometers of transmission lines were installed, helping connect India's southern region with the country's electricity grid and enabling cross-border electricity transmission between India, Nepal, and Bangladesh.
- 15 **Jordan:** Since 2016, more than 2 million Jordanians and nearly 250,000 Syrian refugees—at least 45 percent of whom were women—have benefited from municipal services, including better waste collection, road networks, and street lighting.



IBRD 43838 | JULY 2020

- 16 Morocco:** Between 2010 and 2020, more than 9,000 farmers in areas facing acute water scarcity benefited from better irrigation services across more than 24,000 hectares.
- 17 Nepal:** Between 2016 and 2019, around 670,000 people—of whom 30 percent were women—opened bank accounts.
- 18 Pakistan:** Between 2015 and 2020, about 7 million people became better protected against flood risks as a result of new protective infrastructure and stronger disaster risk management institutions and practices.
- 19 Peru:** Between 2011 and 2017, about 143,000 people gained new electricity connections, which include nearly 12,000 solar power systems for households in remote areas.
- 20 Philippines:** Since 2014, more than 27,000 community projects have benefited over 5 million households across roughly 19,300 villages.
- 21 Poland:** Between 2007 and 2020, more than 2.5 million people gained better protection against flooding as a result of new flood embankments, canals, and bridges, as well as the construction of the Racibórz Dolny dry reservoir—the largest water investment in Poland.
- 22 Rwanda:** Between 2008 and 2019, about 2,200 public works projects were implemented, employing more than 800,000 households and generating more than 40 million paid working days.
- 23 Seychelles:** Between 2013 and 2019, the government reformed its budgeting process across all ministries, departments, and agencies, allowing them to better allocate funding to priority areas, monitor performance, and focus on results.
- 24 Solomon Islands:** Since 2010, over 882,000 days of work have been generated for urban youth and women, who earned more than \$4 million in wages.
- 25 Somalia:** Between 2017 and 2018, 767,000 Somalis, of whom 42 percent were women, gained better access to food, and 777,000 Somalis gained better access to water.
- 26 Tajikistan:** Between 2012 and 2020, 1.4 million people benefited from better irrigation services and water management.
- 27 Thailand:** Between 1994 and 2014, changes in production technology for small and medium enterprises helped reduce carbon emissions by the equivalent of 870,000 tons annually.
- 28 Uzbekistan:** Between 2012 and 2018, over 30 large industrial enterprises improved their energy efficiency, resulting in savings of 360 million kilowatt hours—enough to satisfy the electricity needs of over 176,000 households annually.
- 29 Vietnam:** Between 2010 and 2018, more than 11,000 common interest groups for small businesses were established, helping them increase their share in value chains and sell more than \$24 million worth of products.
- 30 Yemen:** Since 2017, more than 2 million people have gained restored access to critical urban services, including water and sanitation, transport, energy, and waste management.



# World Bank Annual Report 2020

**Financial Statements incorporated by reference.** The Management's Discussion and Analysis and Audited Financial Statements of IBRD and IDA ("Financial Statements") shall be deemed to be incorporated in and to form part of this Annual Report. The Financial Statements may be accessed at <http://www.worldbank.org/financialresults>.

Additional IBRD and IDA financial, lending, and organizational information is available on the World Bank Annual Report 2020 website: <http://www.worldbank.org/annualreport>.

For more information on the World Bank or its publicly-available data and knowledge resources, visit online:

- *Finances One*: <https://financesapp.worldbank.org>
- *Corporate Scorecard*: <http://scorecard.worldbank.org>
- *World Bank Open Data*: <http://data.worldbank.org>
- *Open Knowledge Repository*: <http://openknowledge.worldbank.org>
- *World Bank Corporate Responsibility*: <http://www.worldbank.org/corporateresponsibility>
- *World Bank Access to Information*: <http://www.worldbank.org/en/access-to-information>

**Production credits.** The World Bank Annual Report 2020 was produced by the World Bank Group's External and Corporate Relations unit, under the direction of Jeremy Hillman in the Corporate Communications department, with editorial coordination by Leslie Yun, Paul McClure, Nadia Kanji, and Nicole Frost. Design by Naylor Design, Inc. Typesetting by BMWW. Translation by the World Bank's Translation and Interpretation Services.

**Photography credits.** Cover spread: Henitsoa Rafalia/World Bank; Page 2: Vincent Tremeau/World Bank; Page 5: Simone D. McCourtie/World Bank; Pages 6 and 7: Grant Ellis/World Bank; Page 8: Maldives National Defence Force; Page 11 (from top to bottom): Arne Hoel/World Bank, Sh. Khash-Erdene/World Bank, Pavel Kondrashin/World Bank, Dominic Chavez/World Bank, Hanan Ishaq/WHO, John Isaac/World Bank; Page 16 (from top to bottom): Sh. Khash-Erdene/World Bank, Mihaaru; Page 21: Government of Uganda; Page 25: Tom Perry; Page 29: Taguhi Minasyan/World Bank; Page 33: Greta Granados/World Bank; Page 37: Dominic Chavez/World Bank; Page 41: Rumi Consultancy/World Bank; Page 42: John Lyimo/World Bank; Page 46: Graham Crouch/World Bank; Page 53: Henitsoa Rafalia/World Bank; Page 64: Tom Perry; Page 66: Henitsoa Rafalia/World Bank; Page 70: Brandon Payne/World Bank; Page 72: Pavel Kondrashin/World Bank; Page 74: Henitsoa Rafalia/World Bank; Page 80: Paul Salazar/World Bank; Page 83: Gerhard Jörén/World Bank; Page 84: John Lyimo/World Bank; Page 97: Paul Salazar/World Bank.

This publication follows recommended standards for paper use set by the Green Press Initiative. The paper contains postconsumer fiber, is certified FSC® and EcoLogo, and is manufactured using renewable biogas energy and elemental chlorine-free processing.

## 2020 International Bank for Reconstruction and Development / The World Bank

1818 H Street NW, Washington, DC 20433  
Telephone: 202-473-1000;  
Internet: [www.worldbank.org](http://www.worldbank.org)

Some rights reserved

1 2 3 4 23 22 21 20

This work is a product of the staff of The World Bank. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Nothing herein shall constitute or be considered to be a limitation upon or waiver of the privileges and immunities of The World Bank, all of which are specifically reserved.

### Rights and Permissions



This work is available under the Creative Commons Attribution-NonCommercial-NoDerivatives 3.0 IGO license (CC BY-NC-ND 3.0 IGO) <http://creativecommons.org/licenses/by-nc-nd/3.0/igo>. Under the Creative Commons-NonCommercial-NoDerivatives license, you are free to copy, distribute, and transmit this work, for noncommercial purposes only, under the following conditions:

**Attribution**—Please cite the work as follows:

World Bank. 2020. World Bank Annual Report 2020. Washington, DC: World Bank. doi:10.1596/978-1-4648-1619-2. License: Creative Commons Attribution-NonCommercial-NoDerivatives 3.0 IGO (CC BY-NC-ND 3.0 IGO).

**Noncommercial**—You may not use this work for commercial purposes.

**No Derivative Works**—You may not alter, transform, or build upon this work.

**Third-party content**—The World Bank does not necessarily own each component of the content contained within the work. The World Bank therefore does not warrant that the use of any third-party-owned individual component or part contained in the work will not infringe on the rights of those third parties. The risk of claims resulting from such infringement rests solely with you. If you wish to re-use a component of the work, it is your responsibility to determine whether permission is needed for that re-use and to obtain permission from the copyright owner. Examples of components can include, but are not limited to, tables, figures, or images.

All queries on rights and licenses should be addressed to World Bank Publications, The World Bank Group, 1818 H Street NW, Washington, DC 20433, USA; fax: 202-522-2625; e-mail: [pubrights@worldbank.org](mailto:pubrights@worldbank.org).

ISBN: 978-1-4648-1619-2  
eISBN: 978-1-4648-1620-8  
doi: 10.1596/978-1-4648-1619-2



# WORLD BANK GROUP

**THE WORLD BANK**  
IBRD • IDA

**IFC** | International  
Finance Corporation

**MIGA** | Multilateral Investment  
Guarantee Agency

The World Bank comprises the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). The organization's mission is to end extreme poverty and promote shared prosperity in a sustainable way.

[www.worldbank.org/annualreport](http://www.worldbank.org/annualreport)

SKU: 211620