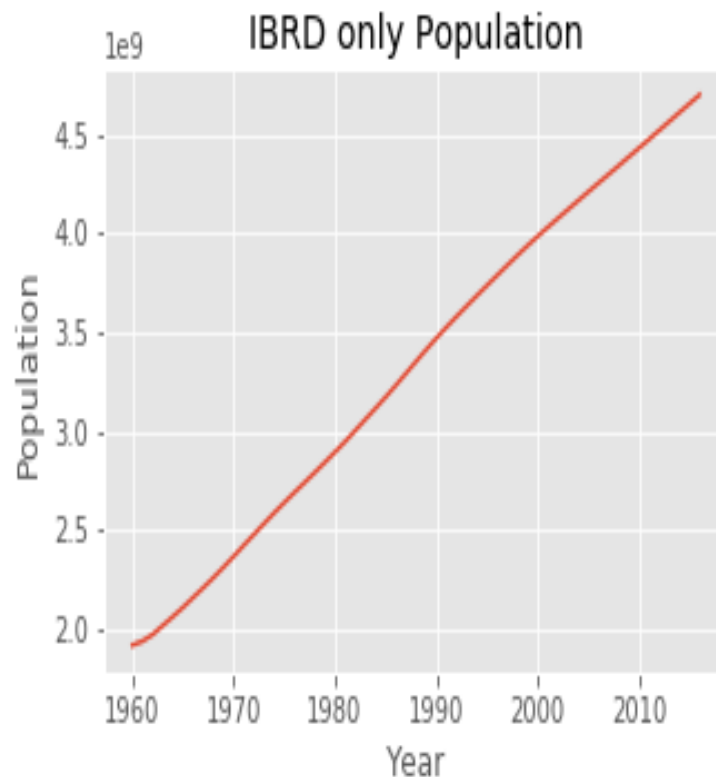


IBRD only



The International Bank for Reconstruction and Development (IBRD) is an international financial institution that offers loans to middle-income developing countries. The IBRD is the first of five member institutions that compose the World Bank Group and is headquartered in Washington, D.C., United States. It was established in 1944 with the mission of financing the reconstruction of European nations devastated by World War II. The IBRD and its concessional lending arm, the International Development Association, are collectively known as the World Bank as they share the same leadership and staff. Following the reconstruction of Europe, the Bank's mandate expanded to advancing worldwide economic development and eradicating poverty. The IBRD provides commercial-grade or concessional financing to sovereign states to fund projects that seek to improve transportation and infrastructure, education, domestic policy, environmental consciousness, energy investments, healthcare, access to food and potable water, and access to improved sanitation. The IBRD is owned and governed by its member states, but has its own executive leadership and staff which conduct its normal business operations. The Bank's member governments are shareholders which contribute paid-in capital and have the right to vote on its matters. In addition to contributions from its member nations, the IBRD acquires most of its capital by borrowing on international capital markets through bond issues. In 2011, it raised \$29 billion USD in capital from bond issues made in 26 different currencies. The Bank offers a number of financial services and products, including flexible loans, grants, risk guarantees, financial derivatives, and catastrophic risk financing. It reported lending commitments of \$26.7 billion made to 132 projects in 2011. == History == The International Bank for Reconstruction and Development (IBRD) and International Monetary Fund (IMF) were established by delegates at the Bretton Woods Conference in 1944 and became operational in 1946. The IBRD was established with the original mission of financing the reconstruction efforts of war-torn European nations following World War II, with goals shared by the later Marshall Plan. The Bank issued its inaugural loan of \$250 million (\$2.6 billion in 2012 dollars) to France in 1947 to finance infrastructure projects. The institution also established its first field offices in Paris, France, Copenhagen, Denmark,

and Prague in the former Czechoslovakia. Throughout the remainder of the 1940s and 1950s, the Bank financed projects seeking to dam rivers, generate electricity, and improve access to water and sanitation. It also invested in France, Belgium, and Luxembourg's steel industry. Following the reconstruction of Europe, the Bank's mandate has transitioned to eradicating poverty around the world. In 1960, the International Development Association (IDA) was established to serve as the Bank's concessional lending arm and provide low and no-cost finance and grants to the poorest of the developing countries as measured by gross national income per capita. == Governance == The IBRD is governed by the World Bank's Board of Governors which meets annually and consists of one governor per member country (most often the country's finance minister or treasury secretary). The Board of Governors delegates most of its authority over daily matters such as lending and operations to the Board of Directors. The Board of Directors consists of 25 executive directors and is chaired by the President of the World Bank Group. The executive directors collectively represent all 189 member states of the World Bank. The president oversees the IBRD's overall direction and daily operations. As of July 2012, Jim Yong Kim serves as the President of the World Bank Group. The Bank and IDA operate with a staff of approximately 10,000 employees. == Funding == Although members contribute capital to the IBRD, the Bank acquires funds primarily by borrowing on international capital markets by issuing bonds. The Bank raised \$29 billion USD worth of capital in 2011 from bonds issued in 26 different currencies. The IBRD has enjoyed a triple-A credit rating since 1959, which allows it to borrow capital at favorable rates. It offers benchmark and global benchmark bonds, bonds denominated in non-hard currencies, structured notes with custom-tailored yields and currencies, discount notes in U.S. dollars and eurodollars. In 2011, the IBRD sought an additional \$86 billion USD (of which \$5.1 billion would be paid-in capital) as part of a general capital increase to increase its lending capacity to middle-income countries. The IBRD expressed in February 2012 its intent to sell kangaroo bonds (bonds denominated in Australian dollars issued by external firms) with maturities lasting until 2017 and 2022. == Services == The IBRD provides financial services as well as strategic coordination and information services to its borrowing member countries. The Bank only finances sovereign governments directly, or projects backed by sovereign governments. The World Bank Treasury is the division of the IBRD that manages the Bank's debt portfolio of over \$100 billion and financial derivatives transactions of \$20 billion. The Bank offers flexible loans with maturities as long as 30 years and custom-tailored repayment scheduling. The IBRD also offers loans in local currencies. Through a joint effort between the IBRD and the International Finance Corporation, the Bank offers financing to subnational entities either with or without sovereign guarantees. For borrowers needing quick financing for an unexpected change, the IBRD operates a Deferred Drawdown Option which serves as a line of credit with features similar to the Bank's flexible loan program. Among the World Bank Group's credit enhancement and guarantee products, the IBRD offers policy-based guarantees to cover countries' sovereign default risk, partial credit guarantees to cover the credit risk of a sovereign government or subnational entity, and partial risk guarantees to private projects to cover a government's failure to meet its contractual obligations. The IBRD's Enclave Partial Risk Guarantee to cover private projects in member countries of the IDA against sovereign governments' failures to fulfill contractual obligations. The Bank provides an array of financial risk management products including foreign exchange swaps, currency conversions, interest rate swaps, interest rate caps and floors, and commodity swaps. To help borrowers protect against catastrophes and other special risks, the bank offers a Catastrophe Deferred Drawdown Option to provide financing after a natural disaster or declared state of emergency. It also issues catastrophe bonds which transfer catastrophic risks from borrowers to investors. The IBRD reported \$26.7 billion in lending commitments for 132 projects in fiscal year 2011, significantly less than its \$44.2 billion in commitments during fiscal year 2010. == See also == Bretton Woods system == References == == External links == Official website World Bank Open Data website