

A New Era in Development

ANNUAL REPORT 2023



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This annual report, which covers the period from July 1, 2022, to June 30, 2023, 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. Ajay Banga, 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 where possible 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 2023. As a result of rounding, numbers in tables may not add to totals, and percentages in figures may not add to 100.

Sustainable, inclusive, and resilient development

The World Bank contributes to impactful, meaningful development results around the world. Between fiscal 2019 and 2022, operations supported by the World Bank have resulted in:



96 million
people with better access
to transportation services



23 million
people benefiting
from financial services



371 million
students reached



58 million
people provided with new
or better electricity service



147 million
tons in greenhouse gas
emissions reductions
expected per year



10 million
farmers adopting better
agricultural technology



49 million
people provided with access
to better water sources



59 million
people provided with
access to the internet



135 million
women covered by social
safety net programs



191 million
people provided with
access to better
sanitation services



506 million
people who received
essential health services



68 million
individuals, households,
businesses, and others
benefiting from access
to new or better jobs

The Corporate Scorecards provide a broad overview of World Bank Group results and are critical for monitoring our performance in key global and institutional priority areas. These results show the impact of projects supported by the World Bank. Data are updated annually in October.

See more at: <https://scorecard.worldbank.org>

The mission of the World Bank Group centers on achieving two overarching goals in a sustainable way:

End extreme poverty

and

Boost shared prosperity

by fostering sustainable, resilient, and inclusive development.

IMPACT

RESPECT

INTEGRITY

TEAMWORK

INNOVATION



Introduction

The world is facing an unprecedented confluence of crises—including climate change, inflation, conflict, and food insecurity—with developing countries hardest hit. These challenges have been further compounded by the far-reaching impacts of Russia’s invasion of Ukraine, a growing debt crisis in many countries, the residual effects of the COVID-19 pandemic, and devastating natural disasters. Diminishing growth prospects and tightening fiscal resources are making it harder for countries to respond to these crises and invest in long-term development priorities, including health, education, social protection, and resilience. We anticipate that between now and 2030, developing countries will need an average of \$2.4 trillion per year to address the global challenges of climate change, conflict, and pandemics.

The World Bank works closely with countries, the private sector, civil society, and other multilateral institutions to confront these challenges and find lasting development solutions. Through our Global Crisis Response Framework, the World Bank has been responding at unprecedented levels to the converging crises, approving 322 operations in more than 90 countries for a total of \$72.8 billion in fiscal 2023. This includes \$38.6 billion from IBRD. Under the first year of IDA20, IDA committed \$34.2 billion for the poorest countries; to help these countries address the ongoing impacts of the COVID-19 crisis, we front loaded financial resources in fiscal 2023, building on the momentum from fiscal 2022. Our total climate finance amounted to a record high of \$29.4 billion, or 40 percent of total IBRD and IDA finance in fiscal 2023. Through our Country Climate and Development Reports, we also advise governments on policy actions to adapt to and mitigate the worst climate impacts. As outlined in our most recent Climate Change Action Plan, all new World Bank financing operations are fully aligned with the Paris Agreement goals beginning July 1, 2023. And drawing on lessons learned from the COVID-19 pandemic, we are working with partners to ensure that countries are better prepared for future disease outbreaks through stronger health systems and better access to financing.

But as countries face a crisis of development, more needs to be done to address these extraordinary challenges. Our shareholders, clients, and partners have called for the World Bank Group and other multilateral development banks to provide even more support to countries during this perilous time. Under the leadership of our Board, we have embarked on a process to evolve our vision and mission, operating model, and financial capacity. This entails more financing for countries, deeper engagement with the private sector, and ongoing knowledge and research to inform potential solutions. Our resulting Evolution Roadmap was publicly disclosed in January 2023. We are engaging and listening to various stakeholders across the development spectrum to ensure an inclusive and collaborative process. These endeavors will enable us to scale up our response and strengthen our partnerships, so we are better able to address global challenges and support countries as they face a new era in development.



Message from the President

Deeply intertwined challenges—poverty, pandemics, climate change, debt, conflict, food insecurity, and fragility—are eroding decades of hard-won development progress; the world is looking to us for solutions. Fortunately, the World Bank is built to take on difficult challenges. To truly make a difference, we will need a greater appetite for risk, meaningful private sector financing, and a sense of urgency.

This urgency motivates us to write a new playbook that will drive impactful development and lead to a better quality of life for people everywhere. Pandemics and climate change don't respect lines on a map. If we fail to work together to address these crises, we all lose. Our approach must be inclusive of everyone, including women, young people, and others too often left behind. It must be resilient to shocks, including climate and biodiversity catastrophes, pandemics, and fragility. And it must be sustainable—through economic growth, human development, fiscal and debt management, food security, and access to clean air, water, and affordable energy.

To help countries achieve these goals and address their most urgent development needs, we offer innovative solutions that can be implemented at scale to maximize impact. Through our knowledge and research, we help countries make informed, impactful decisions. Central to these efforts are our partnerships and convening power, which further extend our reach as we work to realize our shared vision.

Under the umbrella of our Evolution Roadmap, we are working to become a better Bank. We will become more efficient and do more in less time—incorporating output, not input. Keeping focus on how many girls are in school, how many jobs are created, how many tons of carbon dioxide emissions are avoided, and how many private sector dollars are mobilized.

We are digging deep to boost our lending capacity, finding ways to leverage callable capital, and creating new mechanisms like hybrid capital that could unlock untold resources to deliver results. We want to expand and evolve concessional financing to help more low-income countries achieve their development goals, while thinking creatively about how to encourage cooperation across borders and tackle shared challenges.

As we face a new era in development, we remain committed to creating a world free of poverty on a livable planet.

AJAY BANGA

President of the World Bank Group

and Chairman of the Board of Executive Directors



Message from the Executive Directors

Over the past year, the World Bank Group Executive Directors have engaged with Bank Group leadership about persisting global crises and the urgent need to restore progress toward the Sustainable Development Goals. More than 574 million people are projected to be living in extreme poverty by 2030, most of them in Africa. More broadly, nearly half the world—over 3 billion people—lives on less than \$6.85 per day. Spillover effects from the COVID-19 pandemic, Russia’s invasion of Ukraine, and extreme climate events are among the major issues on which the Executive Directors led Bank Group interventions to support countries, including a focus on opportunities for women and young people. From July 2022 to June 2023, support from the Bank Group for developing countries totaled \$122.9 billion, including \$38.6 billion from IBRD, \$34.2 billion from IDA, \$43.7 billion (including mobilization) from IFC, and \$6.4 billion in guarantees from MIGA.

At the Annual Meetings in October 2022, Development Committee members asked the Bank Group to review its vision, mission, and operating and financial models to enhance the institution’s capacity to respond to global challenges. In response, the Bank Group created the Evolution Roadmap, with the aim of better addressing the scale of challenges facing the world today. The Roadmap provides a basis for Bank Group management and the Board to discuss priorities for the institution’s evolution and begin to implement collective reform.

Led by the Boards of Executive Directors in partnership with management, the Evolution Roadmap gained momentum this year. At the 2023 Spring Meetings, Governors at the Development Committee commended the Bank Group for identifying measures to increase financial capacity by roughly \$50 billion over the next 10 years and discussed priorities to further strengthen the institution for the next phase of the Roadmap process ahead of the October 2023 Annual Meetings in Marrakech.

The important work of the Evolution comes as the World Bank Group continues to respond at record pace, scale, and impact to help countries address compounding crises and increasingly complex development challenges. In April 2022, the Bank Group outlined the Global Crisis Response Framework, which focused on responding to food insecurity, protecting people and preserving jobs, boosting resilience, and strengthening policies, institutions, and investments to build back better. Between April 2022 and June 2023, the Bank Group provided unprecedented crisis financing of \$171.6 billion, including \$53.1 billion from IBRD, \$51.8 billion from IDA, \$57.6 billion from IFC, and \$9.1 billion in guarantees from MIGA.

In addition to its impact on food security, Russia’s invasion of Ukraine has exacerbated trends in energy access, international trade, and other major sectors. Recognizing the invasion’s potentially long-term consequences, the Board approved several operations to help restore and improve access to essential health care, provide financial protection for the Ukrainian people, and repair Ukraine’s energy infrastructure. To date, the World Bank Group has mobilized over \$37.5 billion in emergency financing for Ukraine, including IBRD and IDA loans, IBRD loans guaranteed by partners, donor grants, short- and long-term IFC financing, and MIGA guarantees.

Climate action remains a crucial global priority. The Executive Directors welcome the efforts the Bank Group has made as the world's largest multilateral provider of climate finance for developing countries by mobilizing more public and private finance. The Executive Directors are encouraged that, in addition to work combining country diagnostics, policy advice, financing, and scalable mechanisms to mobilize funding, the World Bank is on track to align 100 percent of new operations with the goals of the Paris Agreement from July 1, 2023. For IFC and MIGA, 85 percent of new operations will be aligned starting July 1, 2023, and 100 percent from July 1, 2025.

The world witnessed devastating natural disasters this year that caused tragic losses of life and widespread destruction. The earthquakes in Türkiye are among the most recent events to which the Bank Group has responded. The Executive Directors continue to recognize the hardships encountered in fragile and conflict-affected situations around the world, including the challenges and complexities of migration, as discussed in this year's World Development Report. The Executive Directors commend the ongoing and coordinated efforts by the World Bank, IFC, and MIGA to swiftly address fragility and disasters, including by leveraging the IDA Private Sector Window and Contingency Emergency Response Components in operations. The Board also recently approved the establishment of an IDA Crisis Facility, which will boost support for the world's poorest countries in tackling urgent development challenges, particularly food security and climate change.

In addition to the many operations and country engagements the Board discussed and approved this year, Executive Directors also visited operations in several client countries. In February and May 2023, Board members traveled to Belize, Guatemala, Panama, the Republic of Congo, and São Tomé and Príncipe. During these missions, the Executive Directors engaged with key government entities, the private sector, civil society, and donor stakeholders and met with Bank Group staff and the people who have benefited from these operations.

As the Bank Group's leadership and Boards of Directors prepare for the October 2023 Annual Meetings in Marrakech, the Executive Directors and management are moving forward on the Evolution Roadmap. The Executive Directors extend their sincere gratitude to David Malpass for his strong and steadfast leadership of the World Bank Group through a historically challenging period. His commitment to the mission, diversity and inclusion, debt transparency and sustainability, and country-level development outcomes have seen the institution deliver record commitments for development. The Board warmly welcomes his successor, Ajay Banga, as the 14th President of the World Bank Group. Finally, the Executive Directors extend their thanks to all staff for their tireless dedication and hard work in these challenging times. Thanks to them, the World Bank Group continues to make a difference in the lives of many who deserve a life in dignity.



Photo of the World Bank Executive Directors

Photo Caption

Seated (left to right): Erivaldo Gomes, *Brazil*; Cecilia Nahon, *Argentina*; Ayanda Dlodlo, *South Africa*; Dominique Favre, *Switzerland*; Junhong Chang, *China – Co-Dean*; Koen Davidse, *The Netherlands – Dean*; Khalid Bawazier, *Saudi Arabia*; Adriana Kugler, *United States*; Matteo Bugamelli, *Italy*; Ernesto Acevedo, *Mexico*; Takashi Miyahara, *Japan*; Lene Lind, *Norway*

Standing (left to right): Wempi Saputra, *Indonesia*; Parameswaran Iyer, *India*; Mansour Alshamali, *Kuwait*; Michael Krake, *Germany*; Katharine Rechico, *Canada*; Roman Marshavin, *Russian Federation*; Velavan Gnanendran, *United Kingdom*; Il-Young Park, *Korea*; Hayrettin Demircan, *Türkiye (Bank/IFC Director and MIGA Alternate Director)*; Naveed Baloch, *Pakistan*; Abdoul Salam Bello, *Niger*; Arnaud Buissé, *France*

Absent: Floribert Ngaruko, *Burundi*

Addressing a Multitude of Global Challenges

The world is facing myriad global challenges—including climate change, pandemics, and conflict. At the same time, many developing countries are dealing with shrinking growth prospects, weakening investment, and surging debt. These trends are reversing hard-won development gains and threatening progress toward the Sustainable Development Goals: nearly 700 million people are living in extreme poverty, and almost half the world's population live on less than \$6.85 a day. These challenges are having particularly negative impacts on women and girls, poor and vulnerable people, and other marginalized communities.

As we address these challenges, global public goods are an important part of the solution. These are goods that benefit everyone and can be used over and over again without running out—biodiversity, clean air, the prevention of communicable diseases, international trade, the international financial architecture, and open data are some examples. The World Bank Group is working to strengthen the delivery of these goods through our financing, knowledge, and partnerships. From 2020 through 2022, our financing for global public goods—including climate action, pandemic preparedness, and support for countries affected by fragility—exceeded \$100 billion.

The largest multilateral financier of climate action in developing countries, the World Bank's total climate finance amounted to a record-high of \$29.4 billion, or 40 percent of total IBRD and IDA finance, in fiscal 2023. About half of the Bank's climate finance supports adaptation to address mounting climate impacts on the poorest and most vulnerable people. Since June 2022, we have produced more than 20 Country Climate and Development Reports—core diagnostics that integrate climate change and development considerations for countries, helping them prioritize the most effective ways to reduce emissions and boost adaptation.



Collectively, the low-carbon development strategies from these reports can reduce emissions by 70 percent, without harming growth. As of July 1, 2023, all new Bank financing operations—including projects and other assistance—that go to our Board will be expected to demonstrate how they meet our commitment to the Paris Agreement goals (see *more on page 46*).

The COVID-19 pandemic made clear the importance of preventing, preparing for, and responding to pandemics, especially in developing countries. Since the onset of the pandemic, the World Bank has provided \$14.2 billion to over 100 countries to support their health responses. We also help countries finance and build stronger, more resilient health systems, including more than \$30 billion to strengthen primary care and public health. We invest in regional programs, such as the Africa Centers for Disease Control and Prevention, to better detect diseases, expand laboratory capacities, and pool resources. Through the Pandemic Fund, which is housed at the World Bank, we finance projects that address critical gaps and strengthen pandemic prevention, preparedness, and response in developing countries (see *more on page 47*).

Nearly half the world's extreme poor live in countries affected by fragility, conflict, and violence, and the spillover effects place all countries at risk. The World Bank supports conflict-sensitive, green, and inclusive growth in these contexts, with a strong focus on preventing conflict. Through our partnerships, including with UN agencies and other humanitarian organizations, we engage in the most challenging situations. Since IDA16, average annual IDA financing for fragile and conflict-affected countries has increased more than fivefold; and the share of IBRD's portfolio in these countries nearly doubled from fiscal years 2016 to 2021. To address forced displacement, we help countries support refugees, internally displaced people, and host communities through concessional financing, social protection programs, and economic development (see *more on page 49*).

Since Russia's invasion of Ukraine in February 2022, the World Bank Group has leveraged our broad range of financing instruments to rapidly disburse funds while also mobilizing financing and support from donor partners. We have mobilized more than \$37.5 billion in emergency financing for Ukraine by providing platforms for generous support from donors and international partners to supplement our own resources. This financing helps the government meet urgent budget needs, support essential public services, and address critical recovery and repair needs. By the end of fiscal 2023, we had disbursed nearly \$23 billion. This support has reached 13 million Ukrainians, helping provide wages for essential employees, pensions for the elderly, and social programs for the vulnerable (see *more on page 31*).

A mounting debt crisis is making it harder for countries to confront these challenges. Total debt in developing countries is at the highest level in 50 years—about 60 percent of the poorest countries are at extreme risk of debt distress, if not already facing it, and the danger is spreading to many middle-income countries. This trend has been further exacerbated by rising interest rates, depreciating currencies, and slowing global growth. The World Bank supports comprehensive, long-term solutions for countries dealing with unsustainable debt levels. This includes our support for the G20's Common Framework, targeted relief for countries in debt distress, and measures to enhance accountability and debt transparency. We also co-chair the Global Sovereign Debt Roundtable with the IMF and the G20 Presidency of India to address barriers to debt restructuring (see *more on page 46*).

As these and other challenges evolve, the World Bank Group is finding ways to better support countries, strengthen our response to crises, and reverse the precipitous decline in economic growth, poverty reduction, and human development. We are working closely with governments, civil society, the private sector, and other stakeholders to hone our vision and enhance our mission to better aid a rapidly changing world. Ultimately, we expect to promote even more sustainable, inclusive, and resilient growth as we embark on a new era in development.

World Bank Group Institutions

The World Bank Group is the world's largest source of knowledge and financing for developing countries. It consists of five institutions that share a 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, guarantees, equity, advisory services, and project development services and mobilizes additional capital from other sources to grow 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, mediation, 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

	2019	2020	2021	2022	2023
WORLD BANK GROUP					
Commitments ^a	68,105	83,547	98,830	104,370	128,341
Disbursements ^b	49,395	54,367	60,596	67,041	91,391
IBRD					
Commitments ^c	23,191	27,976	30,523	33,072	38,572
Disbursements	20,182	20,238	23,691	28,168	25,504
IDA					
Commitments ^{c,d}	21,932	30,365	36,028	37,727	34,245
Disbursements ^d	17,549	21,179	22,921	21,214	27,718
IFC					
Commitments ^e	14,684	17,604	20,669	22,229	27,704
Disbursements	9,074	10,518	11,438	13,198	18,689
MIGA					
Gross issuance	5,548	3,961	5,199	4,935	6,446
Recipient-Executed Disbursing Account					
Commitments	2,749	3,641	6,411	6,407	21,374
Disbursements	2,590	2,433	2,546	4,461	19,480

a. Includes IBRD, IDA, IFC, Recipient-Executed Disbursing Account (REDA) commitments, and MIGA gross issuance. REDA commitments include all recipient-executed grants.

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

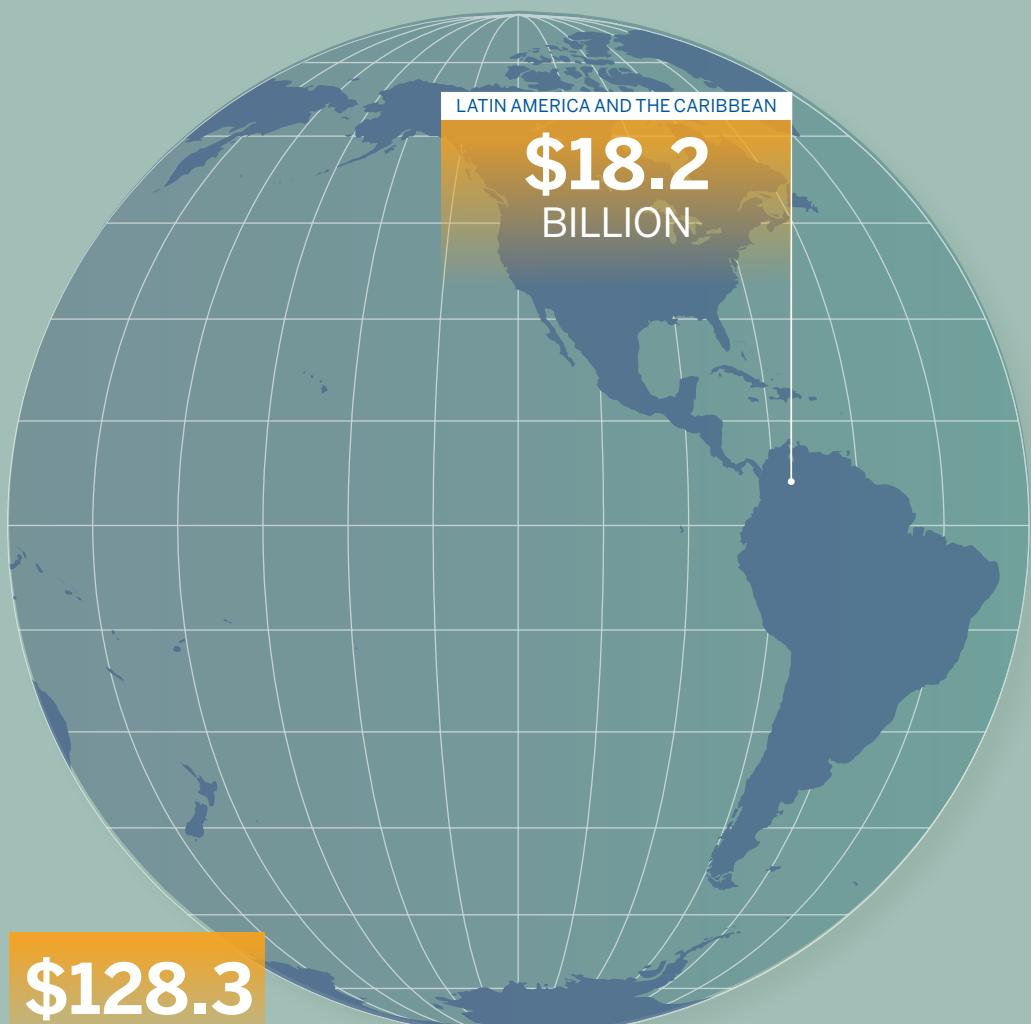
c. Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year.

d. Commitments and disbursements exclude IDA-IFC-MIGA Private Sector Window activities.

e. Includes long-term commitments for IFC's own account and short-term finance commitments. Does not include funds mobilized from other investors.

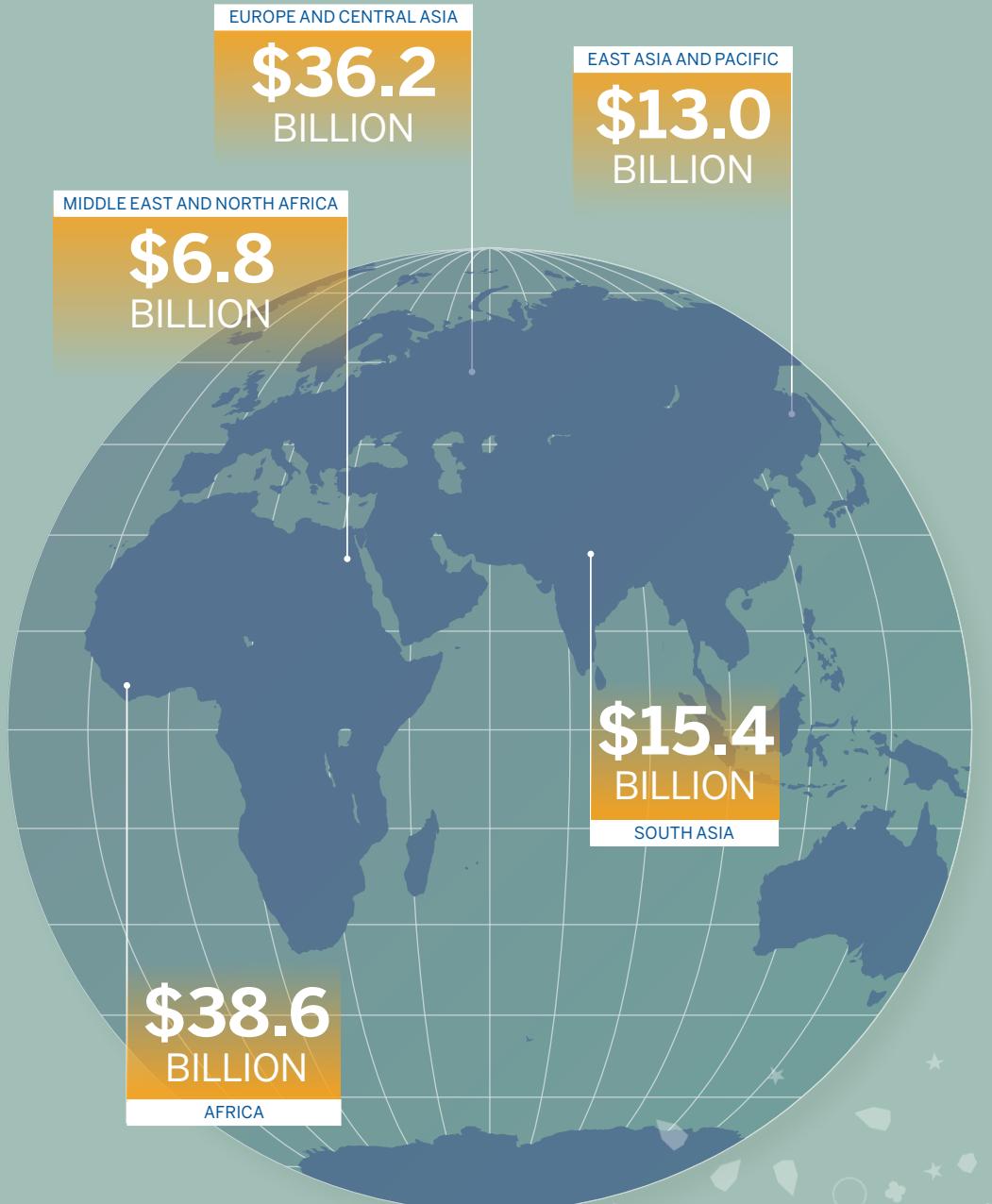
Global Commitments

In fiscal 2023, the World Bank Group provided much-needed financing, conducted research and analysis, and partnered with governments, the private sector, and other institutions to support countries' development and address global challenges.



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

Total includes multiregional and global operations. Regional totals reflect IFC commitments that were recalculated to match the World Bank's regional classifications by aggregating country-level commitments within each World Bank region.





Regional Engagements

The World Bank operates in more than 140 countries worldwide. By expanding our presence on the ground in client countries—particularly in those affected by fragility, conflict, and violence—we can work more effectively with governments and other partners. As of June 2023, 98 percent of Country Directors/Country Managers and 49 percent of staff are based in seven geographic regions.

Eastern and Southern Africa

Countries in Eastern and Southern Africa remain weighed down by a series of crises, including the impacts of Russia's invasion of Ukraine, soaring commodity prices and food shortages, devastating climate shocks, and debt distress. Real GDP growth in the region is estimated to decline to 3 percent in 2023, from 3.5 percent in 2022. The region's economy is hindered by lower long-term growth in the continent's largest countries, such as South Africa, whose economic activity is set to weaken further in 2023 to 0.8 percent as the energy crisis deepens.

However, many countries are showing resilience, including Democratic Republic of Congo, Kenya, and Rwanda, which grew at 8.6 percent, 5.2 percent, and 8.2 percent in 2022, respectively. By harnessing their natural resources and enacting the right policies, countries can improve fiscal and debt sustainability.

World Bank assistance

In fiscal 2023, the Bank approved \$16.7 billion in lending to Eastern and Southern Africa for 73 operations, including \$2.4 billion in IBRD commitments and \$14.3 billion in IDA commitments. This includes \$3.8 billion in new financing to help countries boost food security. Our work in Eastern and Southern Africa focuses on addressing food insecurity, building resilience to climate change, boosting inclusion, and promoting digital development.

Through the World Bank Group's Regional Integration Strategy, we stepped up efforts to strengthen regional integration in Africa during fiscal 2021–23, helping the continent recover from the COVID-19 pandemic and achieve economic transformation. The strategy also supports regional connectivity, trade and market integration, human capital development, and greater resilience. It focuses on bringing countries and partners together to address common fragility challenges in the Horn of Africa and the Great Lakes.

Combating rising food insecurity

More than 36 million people across the Horn of Africa cannot access enough food as Ethiopia, Kenya, and Somalia experience the worst drought in 40 years. The Bank is helping countries tackle growing food insecurity through a \$2.8 billion envelope that includes a Contingent Emergency Response Component to provide rapid financing in the region. This program is also supporting resilient agriculture, sustainable natural resources, greater market access, and more resilient food systems for the longer term through effective policies. Now in its third phase, the program is mobilizing much-needed resources to respond to the food crisis and promote resilient agricultural production in Comoros, Ethiopia, Kenya, Madagascar, Malawi, Somalia, and Tanzania. In Somalia, we helped over 1 million people, nearly a tenth of the country's population, receive unconditional cash transfers to meet basic nutrition and consumption needs. We also protected food security and livelihoods for another 600,000 people in the aftermath of a major locust outbreak in 2020 by temporarily scaling up the regular program and delivery of emergency cash transfers.

In March 2023, the longest-lasting tropical cyclone ever recorded in the Southern Hemisphere hit Malawi and Mozambique. Immediately following Cyclone Freddy,

**TABLE 2 EASTERN AND SOUTHERN AFRICA
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	1,525	2,907	2,364	325	2,441	1,690
IDA	14,089	15,266	14,368	8,081	7,133	10,417

Portfolio of operations under implementation as of June 30, 2023: \$74.2 billion.

we activated emergency contingency measures worth \$47 million and \$150 million, respectively, to support disaster response. In Malawi, this support helped purchase 65,000 metric tons of maize and medical supplies to address food insecurity and the spread of cholera (see *Spotlight* on page 19). In Mozambique, this financing is helping rehabilitate roads, bridges, schools, health centers, power lines, water supply, and drainage structures. It is also helping restore rural livelihoods by distributing agriculture seeds and tools to affected farmers.

Increasing resilience to climate shocks

Crippling droughts, devastating floods, and rapidly rising temperatures are severely hitting African economies. We provided \$385 million to help countries in the Horn of Africa better adapt to climate change. This project will foster cooperation between Ethiopia, Kenya, and Somalia to draw on the region's largely untapped groundwater resources. It will reach more than 3 million people, half of them women, by increasing access to water supply, reducing vulnerability to climate change, and improving food security.

We also committed \$328 million to help Djibouti, Ethiopia, Kenya, and Somalia address drought impacts on pastoral communities and better connect them to markets. The project will reach 250,000 households, helping pastoralists access drought insurance and digital tools and attracting more private investment. And in Rwanda, we provided \$100 million in additional financing to support a sustainability-linked bond instrument, to be issued by the Development Bank of Rwanda in local currency, to help mobilize private capital.

Expanding access to electricity

Unless the current pace of electrification is tripled, over half a billion people in Sub-Saharan Africa will remain without electricity in 2030. We are working to accelerate access to affordable, reliable, and sustainable electricity and facilitate a transition to more diverse and cleaner sources of energy that meet growing demand, promote growth, and create jobs. In Tanzania, we have helped provide more than 4.5 million people with access to electricity and added new connections to more than 1,600 health care facilities and nearly 6,000 schools since 2017. In South Africa, we are supporting a \$497 million project that will help Eskom—the country's main electricity supplier—decommission and repurpose the Komati coal-fired power plant using renewables and batteries. This effort will also create opportunities for those who are affected in Mpumalanga province, which has 12 of South Africa's coal-fired power plants and 83 percent of South Africa's coal production. This project was a landmark step in the Bank's efforts to help countries transition to low-carbon economies without sacrificing their development goals.

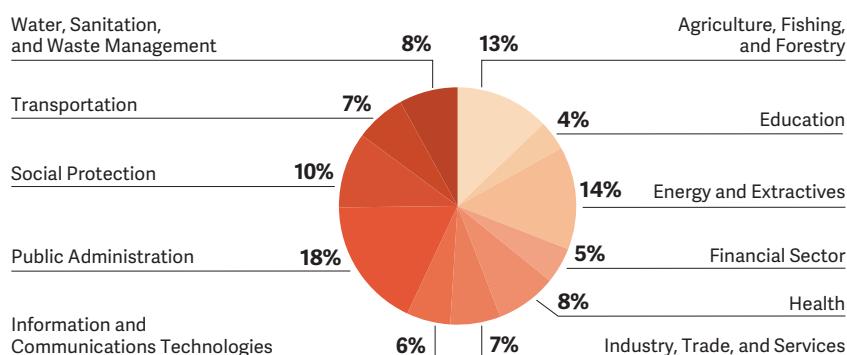
Stepping up investments to empower women and girls

The Bank is committed to empowering women and girls to boost human capital and accelerate growth. This includes our support for girls' education, economic opportunities for women, better health services, and greater agency for women. Our Regional Gender Action Plan focuses on closing gaps in earning, asset, digital,

FIGURE 1 EASTERN AND SOUTHERN AFRICA

IBRD AND IDA LENDING BY SECTOR • FISCAL 2023

SHARE OF TOTAL OF \$16.7 BILLION



and education; improving reproductive health care; reducing gender-based violence; addressing social norms; strengthening laws and regulations; and engaging men and boys. In Somalia, we are providing additional financing of \$52 million to increase access to education and skills training for 30,000 girls and women. This will help them acquire basic literacy, numeracy, life, and vocational skills that will allow them to improve their livelihoods. In Angola, a \$250 million project will reach 900,000 youth, mostly girls, and increase access to secondary education for girls, provide sexual and reproductive health services, offer scholarships to keep girls in school, and proactively address gender-based violence.

Establishing a Digital Africa

The Bank supports efforts to expand high-speed internet access across the continent to help boost firm productivity and exports and helping create jobs. In Kenya, we are providing \$390 million to expand access to high-speed internet, improve education and government services, and build skills for the regional digital economy—all of which will help reduce disparities in digital skills and connectivity and expand the digital marketplace. The project will also mobilize about \$100 million in private capital to develop broadband infrastructure.

**TABLE 3 EASTERN AND SOUTHERN AFRICA
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	402	538	721	
Population growth (annual %)	2.6	2.7	2.5	
GNI per capita (Atlas method, current US\$)	658	1,575	1,542	
GDP per capita growth (annual %)	0.8	0.9	0.8	
Population living below \$2.15 a day (millions)	227	231	262	
Life expectancy at birth, females (years)	53.7	61.3	65.1	
Life expectancy at birth, males (years)	50.2	57.3	59.9	
Carbon dioxide emissions (megatons)	358	525	545	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP)	56.5	42.9	40.3	
Debt service as a proportion of exports of goods, services, and primary income ^b	12	4	19	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	85	86	87	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	73	73	71	
Under-5 mortality rate per 1,000 live births	138	82	57	
Primary completion rate (% of relevant age group)	50	68	72	
Individuals using the internet (% of population)	1	7	28	
Access to electricity (% of population)	20	29	48	
Renewable energy consumption (% of total final energy consumption)	65	63	66	
People using at least basic drinking water services (% of population)	41	51	59	
People using at least basic sanitation services (% of population)	23	27	31	

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

a. The most current data available between 2018 and 2022; visit <https://data.worldbank.org> for data updates.

b. Data for Sub-Saharan Africa.

For more information, visit www.worldbank.org/en/region/afr/eastern-and-southern-africa.



Spotlight

Moving from response to resilience in cyclone-battered Malawi

With over 1,000 lives lost, hundreds of thousands displaced in camps, and roads, bridges, schools, hospitals, and powerlines damaged, Cyclone Freddy was the latest in a series of shocks that devastated the lives and livelihoods of the poorest and most vulnerable people in Malawi, as well as the country's prospects for long-term, inclusive growth.

In response to myriad crises—including COVID-19, cyclones Ana and Gombe in 2022, and the year-long cholera outbreak—the World Bank has stepped up to support Malawi's emergency response and promote more durable solutions. This includes \$87 million for COVID-19 response, vaccines, and systems strengthening; \$60 million to rehabilitate the Kapichira Dam, which supports one-third of Malawi's installed electricity capacity; \$100 million to protect essential health services in the face of cholera; and \$110 million for social protection.

Immediately following Cyclone Freddy, the Bank helped clear debris, supply clean water, and purchase fuel for search and rescue. We activated two Contingent Emergency Response Components, which allow the quick redirection of project funding, for maize supply and essential medicines for the southern region, where they are most needed. Working closely with the UNDP and the EU, we supported a post-disaster needs assessment, which estimates loss and damages of about \$600 million and recovery needs of \$700 million.

To support recovery following the cyclone, we are helping improve growth, livelihoods, and critical services. This includes the Malawi Agriculture Commercialization Project, which supports more than 75,000 members of producer groups by fostering productivity, resilience, and market integration with more than 100 purchasers, such as domestic supermarkets and international agrifood companies. We are also providing \$145 million to help municipal authorities in the city of Blantyre strengthen resilience in water supply and sanitation, reaching nearly half a million residents.

Looking ahead to the longer term, the Bank is preparing a comprehensive crisis response and resilience program to help Malawi build back better while also scaling up critical work on degraded landscapes.

Western and Central Africa

Countries in Western and Central Africa are suffering from the impacts of several interlinked crises—including Russia's invasion of Ukraine—primarily through higher global commodity prices, especially for wheat and energy; a changing climate; and rising levels of debt distress. They also face rising food insecurity, driven by challenges such as fragility, high levels of poverty, environmental degradation, and low agricultural productivity. More than 41 million more people in the region are at risk of food insecurity, and about 29 million depend on emergency food assistance. The region is projected to grow by 3.4 percent in 2023 (down from 3.7 percent in 2022) and accelerate to 3.9 percent in 2024.

The Bank is expanding our partnerships to support Agenda 2063—a strategic framework for inclusive and sustainable development in Africa. We support regional infrastructure networks, economic diversification, trade and transport, financial inclusion, human capital, and the resilience of people and communities. We are also focused on addressing fragility in the Lake Chad, Sahel, and Gulf of Guinea regions.

World Bank assistance

In fiscal 2023, the World Bank approved \$12.0 billion in lending to Western and Central Africa for 73 operations, including \$564 million in IBRD commitments and \$11.4 billion in IDA commitments. About half of these commitments went to countries affected by fragility, conflict, and violence. We also delivered 98 advisory services and analytics products in fiscal 2023.

Our priorities for the region focus on strengthening the social contract, bolstering job creation and economic transformation, improving human capital, empowering women, and boosting climate resilience. We also support recovery by investing in infrastructure, financial inclusion, and safety nets for the most vulnerable people.

Strengthening governance and service delivery

We work with countries to address macroeconomic vulnerabilities and debt sustainability, reinforce institutions, improve services, strengthen transparency in public finance, and engage their citizens. In Mauritania, a \$66 million project helped expand access to services and electricity from renewable sources in cities and rural areas, including for refugees and host communities. In Benin, we have leveraged over \$500 million, including \$288 million of Bank financing, to support universal access to drinking water in rural areas, already reaching more than 205,000 people.

Creating more and better jobs

We help countries work toward the regional goals of increasing electricity access from 50 to 64 percent by 2026 and expanding internet connectivity from 30 to 43 percent by 2024. As part of the West Africa Power Pool Program, we supported the construction of the Ghana-Burkina Faso Interconnector, which significantly reduced the cost and increased the security of electricity supply to Burkina Faso and increased

**TABLE 4 WESTERN AND CENTRAL AFRICA
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	500	386	564	132	261	161
IDA	10,955	12,213	11,390	6,045	6,544	7,948

Portfolio of operations under implementation as of June 30, 2023: \$56.4 billion.

Ghana's electricity-export capacity. With support from the World Bank and other donors, the West African Power Pool will connect all 14 mainland countries in Western Africa by 2024, contributing to the African Single Electricity Market. Through a \$311 million project, we are also helping increase grid-connected renewable energy capacity and strengthen regional integration in Chad, Liberia, Sierra Leone, and Togo, as well as in the West African Power Pool.

Our 2023 *Digital Africa: Technological Transformation for Jobs* report shows that technology provides a pathway to inclusive growth and the positive impact of internet availability on jobs and welfare. In Mauritania, we helped deploy about 1,700 kilometers of fiber optic cable, promoting quality mobile internet services and reducing the costs of communications services.

We help countries strengthen critical infrastructure, promote private sector investment, and boost job creation. We support a range of infrastructure projects to strengthen linkages, including a \$538 million project to improve regional connectivity and expand access to markets, which is reaching about 12 million people in Cameroon and Chad. We also support skills development and training across the region for youth. In the Republic of Congo, we helped nearly 5,500 vulnerable youth—44 percent of them women—acquire training and skills for successful employment opportunities. We also provided short-term employment, training, and income-generating opportunities for more than 14,400 youth in 200 of the poorest communities in Togo.

Strengthening human capital and saving lives

As part of our regional education strategy, we support efforts to expand education reforms and improve learning outcomes. In Chad, we supported a mobile payment system for community teachers, which improved their attendance. In Mauritania, we helped establish school management committees that increased parent involvement. And in Senegal, we helped religious schools promote foundational skills for students. The Bank has also helped the Africa Centers of Excellence Projects enroll 52,000 students and provide 12,000 internship placements—35 percent of them women—in Western and Central Africa.

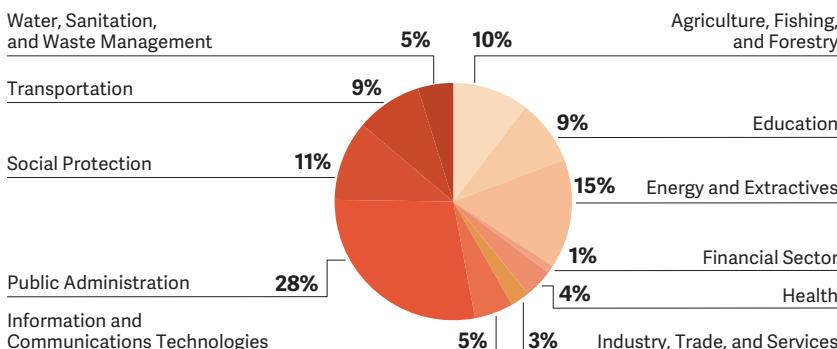
During the COVID-19 pandemic, countries saw good progress from our regional investments in health security, but more needs to be done to improve health preparedness and response. We work across the region to strengthen systems and capacity to detect outbreaks early and develop public health services for continuous service delivery before, during, and after an outbreak.

Ensuring greater climate resilience

We support the \$645 million Regional Food System Resilience Multiphase Programmatic Approach, as well as food emergency responses in Burkina Faso, Cameroon, Mauritania, and Niger. Our efforts reached nearly 2 million people in the Sahel,

**FIGURE 2 WESTERN AND CENTRAL AFRICA
IBRD AND IDA LENDING BY SECTOR • FISCAL 2023**

SHARE OF TOTAL OF \$12.0 BILLION



supporting food and humanitarian assistance and promoting investments in food production for the next season. In Cameroon, we helped over 360,000 livestock producers—nearly a quarter of them women and more than a tenth of them pastoralists—by enhancing productivity of the pastoral production system, developing more than 7,000 hectares of pastureland, constructing more than 800 kilometers of cattle tracks, and planting over 29,000 trees. We also supported efforts to protect and restore West Africa's coastal zones by helping countries stabilize the coastline, prevent the loss of critical infrastructure, and preserve the health and productivity of coastal waters.

In Benin, a \$300 million program is providing access to resilient infrastructure and flood protection for 1 million people in urban areas. Another \$100 million project is helping reduce flood risks in metropolitan areas of Cotonou, as part of a larger multilateral initiative. In the Republic of Congo, we are helping reduce emissions from deforestation and forest degradation by rewarding conservation efforts with matching payments. In Ghana, over 710,000 hectares of land is under sustainable land management through a \$103 million project to restore degraded lands for agricultural productivity and strengthen sustainable forest land management.

**TABLE 5 WESTERN AND CENTRAL AFRICA
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	270	366	490	
Population growth (annual %)	2.7	2.8	2.5	
GNI per capita (Atlas method, current US\$)	454	1,595	1,779	
GDP per capita growth (annual %)	1.0	1.9	1.2	
Population living below \$2.15 a day (millions) ^b	151	140	124	
Life expectancy at birth, females (years)	51.4	55.9	58.1	
Life expectancy at birth, males (years)	49.1	54.1	55.9	
Carbon dioxide emissions (megatons)	141	165	216	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP) ^b	54.5	38.3	27.3	
Debt service as a proportion of exports of goods, services, and primary income ^c	12	4	19	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	84	84	80	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	83	80	79	
Under-5 mortality rate per 1,000 live births	169	119	94	
Primary completion rate (% of relevant age group)	60	67	70	
Individuals using the internet (% of population)	0	9	47	
Access to electricity (% of population)	34	46	54	
Renewable energy consumption (% of total final energy consumption)	83	80	76	
People using at least basic drinking water services (% of population)	50	62	72	
People using at least basic sanitation services (% of population)	22	29	35	

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

a. The most current data available between 2019 and 2022; visit <https://data.worldbank.org> for data updates.

b. Data from 2001.

c. Data for Sub-Saharan Africa.

For more information, visit www.worldbank.org/en/region/afr/western-and-central-africa.



Spotlight

Empowering women and girls in Western and Central Africa

Gender equality is not only essential for building more inclusive societies, but it can also accelerate progress in other areas of development, from improving human capital and food security to addressing climate change and fragility. But despite progress, women and girls in Western and Central Africa have a 58 percent chance of not being enrolled in secondary school and a 20 percent chance of bearing children as a teenager. Regardless of the sector in which they work, they can expect to earn less than men.

The World Bank Group is helping countries across the region empower women and girls and promote gender equality. This means working to address the norms, attitudes, and beliefs that hold back women and girls and promoting their access to education and quality jobs. In Burkina Faso, we are supporting the Sahel Women's Empowerment and Demographic Dividend Project, which is transforming the habits of married men and helping increase the use of contraceptives, decrease violence against children and women, and enable women to become more involved in household decisions. In Nigeria, through the Adolescent Girls Initiative for Learning and Empowerment program, we are improving education access and quality to address the constraints that girls face and ensure that they complete secondary education. Launched in 2014, the Africa Higher Education Centers of Excellence program supports higher skills-development and research in science, technology, engineering, and mathematics, particularly among women; these are fields that tend to be male dominated, especially in Africa. But across the continent, the program is attracting more and more female students for whom "science has no gender." Currently, about 35 percent of students enrolled in the program across Africa are women.

Our work with countries to advance gender equality is showing strong results. According to the World Bank's most recent *Women, Business, and the Law* report, Gabon and Côte d'Ivoire were among the top reformers in Sub-Saharan Africa, increasing their index scores from 82.5 to 95 and from 83.1 to 95, respectively. Gabon reached 100 on pay by mandating equal remuneration for work of equal value and eliminating all restrictions on women's employment; women in Gabon can now work in industrial jobs and in jobs deemed dangerous in the same way as men. Côte d'Ivoire reached 100 on entrepreneurship by prohibiting discrimination in access to credit.

These advances are fostering more inclusive development by addressing the legal reforms, institutional barriers, and social norms that prevent women and girls from fully participating in society. They are helping close gaps in earnings and economic opportunity, reduce gender-based violence, and afford women and girls' voice and agency. Guided by our regional gender action plan for Western and Central Africa, the Bank will continue to work with countries across the region to drive transformational change on the scale that women and girls deserve in order to ensure all people are able to achieve their full potential.

East Asia and Pacific

Over the past two decades, most countries in East Asia and Pacific have generated strong and stable growth that has resulted in a striking decline in poverty. At the same time, inequality has been declining. Recovering from the effects of the COVID-19 pandemic, the developing East Asia and Pacific region grew 3.5 percent in 2022 and is expected to accelerate to 5.5 percent in 2023, driven largely by China's projected rebound following its post-pandemic reopening. Growth in the rest of the region is expected to slow moderately to 4.8 percent in 2023 due to weakening external and domestic demand after a strong recovery in 2022. Slowing global growth, elevated commodity prices, and financial market developments are expected to weigh on the region's economies in 2023.

While most major economies in the region have recovered from recent shocks and are growing, progress toward the convergence of per capita income levels with those of high-income countries has stalled. The recovery has been uneven across the region, with output still below pre-pandemic levels in many island countries in the Pacific.

World Bank assistance

The Bank approved \$7.5 billion for 28 operations in the region in fiscal 2023, including \$6.6 billion in IBRD commitments and \$877 million in IDA commitments. We also signed six Reimbursable Advisory Services agreements with two countries for a total of \$3.5 million.

With countries in the region facing the challenges of deglobalization, aging, and climate change, our work focuses on four main areas: promoting economic recovery for long-term growth, building human capital and strengthening pandemic preparedness, mobilizing climate finance, and building resilience and sustainability. The World Bank remains engaged in Myanmar, aligned with the World Bank Group Strategy for Fragility, Conflict, and Violence. We are monitoring and assessing the situation on the ground and assisting the most vulnerable people through a multi-donor trust fund. We continue to deepen our partnerships with non-borrowing member countries, including Korea, Malaysia, and Singapore, allowing us to exchange development lessons and solutions for shared priorities.

Promoting economic recovery for long-term growth

We help countries expand private sector opportunities and enable investment and innovation to promote sustainable growth. In the Philippines, the Bank is supporting a program to strengthen financial sector stability, expand financial inclusion, and bolster sustainable financing for mitigating climate and disaster risk. It supports reforms to boost job creation, human capital, and resilience to conflict and natural disasters. In Cambodia, we are supporting efforts to expand growth through a more competitive private sector environment and to strengthen the country's fiscal, social, and environmental resilience. This will help enhance the financial sector and foster private enterprises while strengthening public sector accountability and

**TABLE 6 EAST ASIA AND PACIFIC
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	6,753	5,482	6,636	4,439	5,439	4,350
IDA	1,115	1,673	877	1,297	1,502	1,448

Portfolio of operations under implementation as of June 30, 2023: \$34.4 billion.

finance. We are also promoting digitalization to improve public services, increase productivity, and expand access and inclusion, including in Kiribati, Lao People's Democratic Republic, the Republic of the Marshall Islands, and Mongolia.

Building human capital and strengthening future pandemic preparedness

Investing in human capital is key to ensuring long-term sustainable growth and reducing poverty. In Indonesia, we are supporting a successful children's health initiative to improve nutrition and prevent stunting. In the Philippines, we are working to address the persistence of high levels of childhood undernutrition and reverse the trends that could seriously damage the country's human and economic potential. In Timor-Leste, we are helping the government better prepare for, prevent, respond to, and mitigate the impact of epidemics; while in Tuvalu, we are supporting efforts to improve health service delivery, strengthen health management systems, and respond promptly and effectively to crises or emergencies.

We are helping Lao PDR improve child health, nutrition, and food security through social assistance and livelihood options, better child care, and access to health services and clean water. We are also working with the government to address the learning lost during the pandemic. In Papua New Guinea, we are supporting efforts to scale up a community-based approach to delivering nutrition services and improving families' nutrition knowledge and practices.

Mobilizing climate finance for resilient growth

Through the World Bank's Country Climate and Development Reports, we offer concrete, evidence-based proposals for countries to address climate change without sacrificing their development goals. The report for China analyzed the fundamental changes in energy, industry, transport, cities, and land use that could help realize national commitments to reach peak carbon emissions before 2030 and achieve carbon neutrality by 2060.

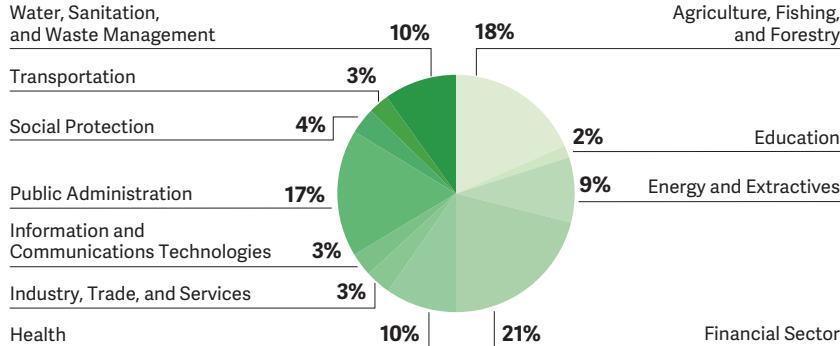
Even though climate change is already exacting a heavy toll on the Philippines, the country has many of the tools required to reduce damages substantially, according to the report for the country. And in Vietnam, the report suggested that with the right mix of policies and strategies, decarbonization efforts could help ensure that the country can meet growth and development goals while achieving net zero emissions.

Building resilience and sustainability

East Asia and Pacific is highly vulnerable to the effects of climate change. We work with countries to strengthen resilience, reduce pollution and emissions, support climate-smart agriculture, and transition to clean and renewable energy. This includes island countries in the Pacific, which are particularly vulnerable to climate

**FIGURE 3 EAST ASIA AND PACIFIC
IBRD AND IDA LENDING BY SECTOR • FISCAL 2023**

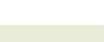
SHARE OF TOTAL OF \$7.5 BILLION



change and natural disasters as well as economic shocks—such as the severe contraction of tourism during the COVID-19 pandemic—due to their geography, remoteness, and limited economic opportunities.

In response to these challenges, we have rapidly expanded our program in the Pacific. This includes in Papua New Guinea, where the roads are vulnerable to natural disasters and climate change, and some three-quarters of them become impassable at some point during the year. We are helping improve the climate-resilience and sustainability of the country's road network to diversify the economy, decentralize service delivery, and promote social inclusion. In Indonesia, we are helping mitigate climate change impacts through the Mangroves for Coastal Resilience and Oceans for Prosperity projects.

**TABLE 7 EAST ASIA AND PACIFIC
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	1,817	1,984	2,129	
Population growth (annual %)	1.0	0.8	0.3	
GNI per capita (Atlas method, current US\$)	910	4,336	10,040	
GDP per capita growth (annual %)	6.6	7.8	3.1	
Population living below \$2.15 a day (millions)	718	206	25	
Life expectancy at birth, females (years)	72.9	76.8	78.4	
Life expectancy at birth, males (years)	68.3	71.6	72.8	
Carbon dioxide emissions (megatons)	4,142	10,516	12,661	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP)	39.5	10.4	1.2	
Debt service as a proportion of exports of goods, services, and primary income	16	4	10	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	82	79	81	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	63	52	43	
Under-5 mortality rate per 1,000 live births	42	22	16	
Primary completion rate (% of relevant age group)	92	95	97	
Individuals using the internet (% of population)	2	32	70	
Access to electricity (% of population)	91	96	98	
Renewable energy consumption (% of total final energy consumption)	32	15	16	
People using at least basic drinking water services (% of population)	80	88	94	
People using at least basic sanitation services (% of population)	56	75	90	

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

a. The most current data available between 2019 and 2022; visit <https://data.worldbank.org> for data updates.

For more information, visit www.worldbank.org/eap.



Spotlight

Protecting forests and improving livelihoods in Indonesia

In Indonesia, more than 40 percent of the country's emissions result from deforestation and fires that release carbon into the atmosphere. But the undamaged trees and forests that remain help temper the damage by absorbing the carbon—effectively acting as a sink to drain carbon from the air. Indonesia wants to make its forests a net carbon sink by 2030 by fostering forest and land use practices that absorb more carbon than is emitted. This objective is part of Indonesia's efforts to reduce greenhouse gas emissions by 32 percent—or as much as 43 percent with international assistance—by 2030. In addition to reducing emissions, sustainable forest management activities can also improve communities' livelihoods.

The Bank has supported Indonesia's transition toward low-carbon, resilient, bio-diverse, and prosperous landscapes since 2016 through the Sustainable Landscape Management Program, which has yielded four important lessons. First, strong government leadership is essential, particularly at the local level. Second, decentralized forest management is key to balancing protection with local economic activity. Third, land-tenure security for local communities and Indigenous peoples is critical for forest protection and livelihoods. Fourth, solutions should be tailored to the different challenges across land uses.

We promote sustainable livelihood opportunities in Indonesia through the Second Forest Investment Program, which has reached over 110,000 people—nearly a third of them women and 15 percent from Indigenous communities—helping them develop skills in sustainable forest management. Through this program, we are also protecting forests while preserving sources of income for Indigenous communities. One example is the rehabilitation of a natural pool within the Mandala traditional forest as a tourist destination, which helped increase the number of visitors by 50 percent and contribute to the local economy.

The program has strengthened local forest management and established partnerships with communities as well as 95 forest farmer groups. It has provided participants—30 percent of them women or girls and 15 percent of them from Indigenous communities—with access to online training and support for agroforestry development, helping them better implement sustainable forest management.

We are also helping Indigenous peoples and local communities achieve legal access to land, positioning them as central to decision-making about the management of their regions and choices about their sustainable livelihoods. This has helped accelerate recognition of over 2 million hectares of customary land and over 180,000 hectares of customary forest areas in 51 communities.

Europe and Central Asia

Countries in Europe and Central Asia are facing unprecedented shocks and uncertainty. Russia's invasion of Ukraine, now in its second year, has had devastating economic and social consequences for Ukraine and profound negative impacts on the region. The region's economy is being adversely affected by the fallout from the war, notably with high energy and food prices, tighter financial conditions, trade disruptions, and geopolitical instability. Regional output is projected to grow by 1.4 percent in 2023. As a result, the region has experienced significant setbacks in development gains over the past year, including increases in poverty and unprecedented levels of forced displacement, as well as rising concerns over vulnerability, inequality, and exclusion.

World Bank assistance

We have scaled up our support, emphasizing speed, flexibility, and innovation in our lending; mobilizing partnerships; and leveraging existing engagements for crisis response. In fiscal 2023, the World Bank approved \$11.3 billion in lending for 50 operations in Europe and Central Asia—a significant increase compared to previous years—including \$10.2 billion in IBRD commitments and \$1.1 billion in IDA commitments. We also supported 20 Reimbursable Advisory Services agreements with five countries for a total of \$34 million.

For Ukraine alone, the Bank mobilized rapid and unprecedented financial support of more than \$33 billion in fiscal 2023, mostly through generous grant support from donors, to help maintain basic administrative and institutional capacity and deliver critical services. Following the devastating earthquakes in Türkiye, we provided \$780 million in immediate assistance through two ongoing projects and \$1 billion through an emergency reconstruction loan. We are also responding to the impacts of fragility, conflict, and violence in Kosovo, Moldova, and other countries throughout the region.

We remain focused on boosting resilience to crises and addressing challenges to protect and strengthen the foundations of future prosperity. Our engagement centers on boosting human capital, skills, and inclusion; advancing the green transition and climate resilience; supporting private sector development and creating jobs; and strengthening institutions.

Boosting human capital, skills, and inclusion

We are helping countries strengthen social protection, education, and health systems to protect investments in human capital and reverse setbacks. In Tajikistan, we vaccinated 3 million people and provided equipment for intensive care units in 10 hospitals, expanding the country's intensive care capacity by 100 beds. We also help countries manage transitions, including addressing aging societies and strengthening elder care in the Western Balkans and developing effective migration and integration policies in Moldova and Romania. In Türkiye, we are supporting the national employment agency, which is providing job counseling services to nearly 6 million Turkish citizens and 70,000 Syrian refugees. In Bosnia and Herzegovina,

**TABLE 8 EUROPE AND CENTRAL ASIA
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	4,559	5,974	10,162	3,625	4,580	4,833
IDA	1,315	2,511	1,098	880	764	2,385

Portfolio of operations under implementation as of June 30, 2023: \$42.6 billion.

we are helping increase formal private sector employment for youth, strengthening job intermediation, and modernizing monitoring and evaluation practices. We are also helping countries in Central Asia develop a regional health approach across animal, environmental, and public health sectors to prevent pandemics and protect food systems.

We work to minimize learning losses and fortify schools against future crises, such as in Türkiye, where we are developing a digital learning platform for schools, and in Romania, where we are improving learning while making the school system more resilient. We also help people prepare for the changing nature of work by supporting relevant skills training in Bosnia and Herzegovina, Georgia, North Macedonia, and throughout Central Asia.

Advancing the green transition and climate resilience

We are scaling up our engagement on climate and strengthening the region's resilience for a sustainable future. We help countries strengthen their ability to respond to disasters in a sustainable way, accelerate decarbonization, and support people through a just transition—one that is inclusive and equitable. To create this enabling environment, we assist countries with governance and energy subsidy reforms. We also focus on accelerating energy efficiency to reduce demand, improve service delivery and air quality, and boost renewable and hydropower energy.

This work includes our Country Climate and Development Reports for Kazakhstan and Türkiye as well as new operations in fiscal 2023, such as development policy financing for the green transition in Serbia, financing with IFC for hydropower in Central Asia, and support for e-waste recycling in Poland. Along the Danube basin, we have trained more than 400 utilities and 1,200 experts across 16 countries, fostering a network of water professionals to make water services more sustainable and resilient.

Supporting private sector development and creating jobs

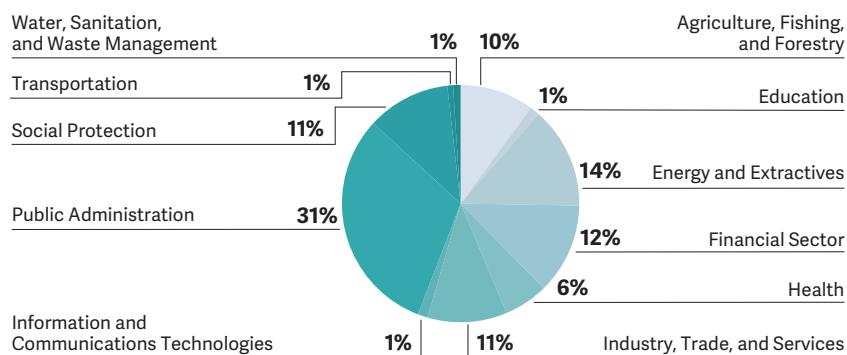
We support reforms and investments that focus on private sector-led growth and job creation by enhancing competition, supporting productivity growth and innovation, and preparing people for the changing nature of jobs. We also work to strengthen macrofiscal management and transparency and the management and reform of state-owned enterprises. In Albania, Poland, and Serbia, our analytical work focuses on greening private sectors and expanding operations on green competitiveness. We are also promoting innovative approaches to decarbonizing key industries and greening industrial zones in Türkiye.

We are working closely with MIGA and IFC on private sector reforms to modernize infrastructure and promote the green agenda for industry and finance. Through our innovative financing instruments, we also help strengthen the resilience of the financial sector.

FIGURE 4 EUROPE AND CENTRAL ASIA

IBRD AND IDA LENDING BY SECTOR • FISCAL 2023

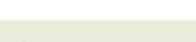
SHARE OF TOTAL OF \$11.3 BILLION



Strengthening institutions

Throughout the region, we are supporting the public sector's crisis response and resilience through policies that aim to strengthen institutions, governance, and state effectiveness. We have scaled up financing to support fiscal reforms and manage energy and forced-displacement shocks in Armenia, Georgia, Moldova, Romania, and the Western Balkans. We are also using innovative instruments to mobilize resources, such as in Ukraine, where we are providing financing to the government to maintain basic administrative and institutional capacity and deliver critical services.

**TABLE 9 EUROPE AND CENTRAL ASIA
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	371	381	397	
Population growth (annual %)	0.0	0.6	(1.0)	
GNI per capita (Atlas method, current US\$)	1,789	8,060	9,221	
GDP per capita growth (annual %)	8.4	5.7	1.8	
Population living below \$2.15 a day (millions)	43	18	11	
Life expectancy at birth, females (years)	72.8	75.8	75.6	
Life expectancy at birth, males (years)	62.7	66.9	67.5	
Carbon dioxide emissions (megatons)	2,577	2,997	2,831	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP)	9.1	3.8	2.3	
Debt service as a proportion of exports of goods, services, and primary income	19	15	19	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	73	73	71	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	23	19	16	
Under-5 mortality rate per 1,000 live births	36	17	11	
Primary completion rate (% of relevant age group)	94	99	101	
Individuals using the internet (% of population)	2	44	84	
Access to electricity (% of population)	98	99	100	
Renewable energy consumption (% of total final energy consumption)	5	5	7	
People using at least basic drinking water services (% of population)	93	95	96	
People using at least basic sanitation services (% of population)	88	92	95	

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

a. The most current data available between 2020 and 2022; visit <https://data.worldbank.org> for data updates.

For more information, visit www.worldbank.org/eca.



Spotlight

Sustaining support for Ukraine

Now in its second year, Russia's invasion of Ukraine is a tragedy with far-reaching human and economic impacts. The war has unraveled 15 years of progress on reducing poverty, pushing 7.1 million more Ukrainians into poverty (living on less than \$6.85 a day) and displacing 13.5 million people. The country's GDP is projected to grow by only 0.5 percent in 2023, after contracting by 30 percent in 2022.

The World Bank Group has leveraged our broad range of financing instruments to rapidly disburse funds. We have expanded existing projects, established multi-donor trust funds, and channeled guarantees and parallel financing from donor countries. Since the start of the invasion, we have mobilized more than \$37.5 billion in emergency financing by providing platforms for generous support from donors and international partners that have supplemented our own resources to help the government meet urgent budget needs and support essential public services—about half of all economic assistance mobilized for Ukraine. We had disbursed nearly \$23 billion by the end of the fiscal 2023.

This support has reached 10 million pensioners, 500,000 education staff, 145,000 government employees, 56,000 first responders, and more than 3 million internally displaced persons and recipients of social assistance. The Bank has deployed a range of mechanisms—including expenditure verification, beneficiary-complaint monitoring, procedure reviews, and surveys—to ensure that money goes where it is intended.

We are helping restore access to essential health services, administering 2 million doses of childhood vaccinations and providing more than 500,000 people with free or low-cost medicines. Nearly 70,000 people accessed critical rehabilitation services to address both mental and physical trauma, while 2,300 physicians were trained on how to address gender-based violence, which has escalated during the war.

In March, the World Bank released the updated Rapid Damage and Needs Assessment for Ukraine, which emphasized the need for both public and private funds to address an estimated \$411 billion in reconstruction and recovery costs over the next 10 years. The highest estimated needs are in transport, housing, energy, social protection and livelihoods, explosive-hazard management, and agriculture. To support recovery and build capacity for reconstruction, the Bank devised an innovative “framework” project approach to disburse funds quickly and be scalable as more financing becomes available. Through this approach, we are helping Ukraine strengthen primary health care and address greater demand for mental health and rehabilitation services due to the war.

Our energy project is helping repair the country's electricity transmission and heating infrastructure—half of which was damaged this past winter—by urgently procuring critical equipment. We are also helping Ukraine restore its transport network—which was disrupted in more than 21,000 villages, 51 towns, and 35 cities—by repairing bridges and railways to relink communities, support immediate humanitarian relief and recovery, and increase capacity of import and export corridors. These projects are supported by the Bank's Ukraine Relief, Recovery, Reconstruction, and Reform Trust Fund, which channels and leverages grant contributions from donor partners.

In addition to our investments, we provide advice on policies and reforms and structuring viable projects, all of which can mobilize private capital to help Ukraine on its path to a sustainable future. These efforts strive to help Ukraine's government, the international community, and the private sector work together to rebuild the country after the war ends.

Latin America and the Caribbean

Over the past year, Latin America and the Caribbean largely recovered from recent GDP losses, with COVID-19 having receded and employment back to pre-pandemic levels. The region's economy grew by an estimated 3.7 percent in 2022, but recovery growth prospects have turned bleak, estimated to be 1.5 percent in 2023 and 2.0 percent in 2024.

Poverty has also gone down to pre-pandemic levels. Excluding Brazil, which implemented generous mitigation programs, average poverty (measured at \$6.85 a day) is estimated at 30.3 percent. However, long-term scars from the crisis remain. If human capital losses are not properly addressed, they are likely to affect the future well-being of today's school-age children. The region's growth prospects are also facing global headwinds, including softening commodity prices, rising interest rates in the G7 countries, and China's unsteady recovery.

World Bank assistance

The World Bank approved \$10.0 billion in lending to the region in fiscal 2023, including \$9.8 billion in IBRD commitments and \$181 million in IDA commitments. We signed four Reimbursable Advisory Services agreements with four countries for a total of \$2 million.

In the region, we seek to boost sustainable, resilient, and inclusive growth by protecting and improving human capital, adapting to climate change and mitigating its impacts, and seizing new opportunities in the green industries. We also aim to foster inclusive recovery by attracting investments, promoting job creation, and engaging with traditionally excluded groups, including Indigenous peoples and Afro-descendants. In fiscal 2023, we prioritized helping basic education recover from the learning losses of the pandemic, boosting resilience in the health sector, and strengthening social protection systems.

Fostering inclusive growth

To reduce exclusion and inequality in the region, the Bank invests in development projects that reinforce social safety nets and improve productivity and job creation. In Haiti, a \$20 million project helped more than 1,300 avocado, cacao, coffee, and mango producers export to the United States, Europe, and Japan and also expand their business skills. In Bolivia, a \$254 million project improved access to basic services by expanding safety net coverage to workers in the informal sector who were unemployed due to COVID-19; more than 3.5 million people, including 1.5 million women, received temporary cash transfers. And in Colombia, we supported policies to reduce public expenditures, increase the tax base, and improve competition and innovation among small and medium enterprises.

Investing in human capital

The COVID-19 pandemic had devastating impacts on the region's education and health systems. The Bank helps countries recover and strengthen their resilience to new challenges. In the Caribbean, we provided \$35 million to support access

**TABLE 10 LATIN AMERICA AND THE CARIBBEAN
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	9,464	9,407	9,828	8,741	8,911	8,216
IDA	769	1,030	181	495	510	322

Portfolio of operations under implementation as of June 30, 2023: \$33.1 billion.

to high-quality and affordable digital connectivity for more than half the people of Grenada, St. Lucia, and St. Vincent and the Grenadines, helping improve access for students and schools.

In Ecuador, a \$53 million project strengthened basic services in disaster-affected sectors, including water, health, social protection, and disaster risk management, reaching more than 2 million people, half of them women. And in Honduras, we committed \$30 million to support managerial training and market access for rural producers, including women from Indigenous communities.

Supporting a green recovery

Climate-related events, such as droughts, floods, and hurricanes, affect vulnerable communities the most. The Bank works to support a green transition and a low-carbon future for the region. In Uruguay, we helped more than 5,000 farmers, nearly a quarter of them women, adopt climate-smart agriculture and livestock practices to enhance resilience to climate change through two projects totaling \$91 million. They also helped bring over 2.7 million hectares of land under sustainable landscape management practices. In Central America and the Caribbean, we provided \$24 million in grants to support co-financed catastrophe risk insurance against earthquakes, tropical cyclones, and excess rainfall; payouts totaling \$245 million have helped more than 3.5 million people. In Chile, we committed \$150 million to help develop the clean hydrogen industry—the first project of its kind globally—which will accelerate the energy transition, create jobs, and generate growth while mitigating climate impacts.

We also work to build resilience against disasters and preserve the region's vast natural capital. We provided \$66 million to help Panama better manage risks stemming from natural and health-related hazards. In Honduras, a \$30 million project strengthened national and community-level disaster preparedness and response capacity, benefiting 1.3 million people. And in Brazil, we helped implement a system to monitor deforestation and forest fires in the Cerrado biome, which extends across several states in the country and is the largest savanna region in South America. Through a \$9 million grant, we strengthened the institutional capacity to monitor the area, which will support the growth of agriculture while conserving natural vegetation, critical ecosystem services, rural livelihoods, and lower greenhouse gas emissions.

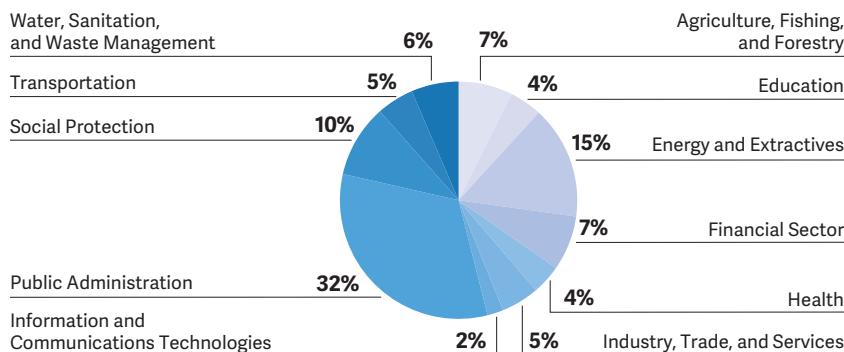
Helping countries achieve development goals

The Bank also provides advisory services, analysis, and technical assistance to support countries' development goals. Our *Roadmap for Climate Action in Latin America and the Caribbean* report looked at opportunities for countries to build resilience to the impacts of climate change and transition to low-carbon economies. We also issued Country Climate and Development Reports—which offer diagnostics

FIGURE 5 LATIN AMERICA AND THE CARIBBEAN

IBRD AND IDA LENDING BY SECTOR • FISCAL 2023

SHARE OF TOTAL OF \$10.0 BILLION



to support countries' climate and development goals—for Argentina and Peru in November 2022 and Brazil and Honduras in May 2023.

Our *Building Resilient Health Systems in Latin America and the Caribbean* report summarizes key findings about the COVID-19 pandemic's health impacts on countries in the region and proposes courses of action for decision makers. And our *Understanding Migration in North Central America Countries* report explores the main factors behind migration flows from El Salvador, Guatemala, Honduras, and Nicaragua to inform policies and programs at the national, bilateral, and regional levels.

TABLE 11 LATIN AMERICA AND THE CARIBBEAN REGIONAL SNAPSHOT

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	468	535	597	
Population growth (annual %)	1.5	1.1	0.7	
GNI per capita (Atlas method, current US\$)	4,023	8,487	8,149	
GDP per capita growth (annual %)	2.1	3.3	2.9	
Population living below \$2.15 a day (millions)	70	35	31	
Life expectancy at birth, females (years)	74.2	76.8	75.4	
Life expectancy at birth, males (years)	67.7	70.7	68.6	
Carbon dioxide emissions (megatons)	1,037	1,352	1,242	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP)	13.5	6.0	4.7	
Debt service as a proportion of exports of goods, services, and primary income	44	14	26	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	61	66	69	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	36	33	35	
Under-5 mortality rate per 1,000 live births	34	21	16	
Primary completion rate (% of relevant age group)	99	100	100	
Individuals using the internet (% of population)	3	39	76	
Access to electricity (% of population)	91	96	98	
Renewable energy consumption (% of total final energy consumption)	30	30	35	
People using at least basic drinking water services (% of population)	90	95	97	
People using at least basic sanitation services (% of population)	73	82	88	

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

a. The most current data available between 2020 and 2022; visit <https://data.worldbank.org> for data updates.

For more information, visit www.worldbank.org/lac.



Spotlight

Expanding opportunities for women in Brazil

Brazil has been a leader among Latin American countries in addressing gender issues, with all levels of government enacting policies to protect women and advance gender equality. Yet challenges remain. Two-thirds of the country's university graduates are women, but women still earn only 77 percent of men's wages, and they are concentrated in low-paying jobs. The COVID-19 pandemic worsened these gaps, with women seeing their labor force participation fall from 66 to 62 percent as well as higher unemployment rates, especially among Afro-Brazilian women. Maternal mortality and gender-based violence also increased during the pandemic.

To address these challenges, the World Bank helped increase women's access to opportunities including through productive farming technologies and land titles, as well as by addressing the risks of violence and giving women better access to social protection and public services. In the state of Rio de Janeiro, nearly 5,300 women farmers transitioned to more productive and sustainable farming technologies. To help overcome women's disadvantages in land access, over 1,300 land titles in the state of Piaui were issued to small-scale farmers in the names of both spouses and in the woman's name for farmers without a spouse.

We also supported efforts to address gender-based violence across the country. In the state of Pernambuco, we helped establish the Chamber on Violence against Women and the first state-level system, *SeiMulheres*, to register cases of gender-based violence and act on them. We also worked with the Women Secretariat of the National Congress to promote awareness and prevention of gender-based violence among youth.

The World Bank also helped develop and finance the *Bolsa Família* program and build its registry, *Cadastro Único*, to target resources to those in need. By 2018, the program had reached nearly 47 million people, of whom about 24 million were women. As an early response to the economic shocks of the pandemic, we supported the expansion of the program through a \$1 billion project that reached 14 million families.

Middle East and North Africa

Economies in the Middle East and North Africa experienced divergent growth rates in 2022. The region's average rate of inflation-adjusted GDP growth is estimated to have reached 5.8 percent in 2022, making it one of the fastest-growing regions in the world. However, this growth was concentrated in high-income, oil-exporting economies that benefited from elevated global oil prices. The region's developing economies experienced more modest growth; their poorest and most vulnerable people face further pressure from rapidly rising inflation, particularly in food prices. Between March and December 2022, food inflation rose by as much as 29 percent over the previous year.

These challenges reflect deeper structural challenges for countries in the region relating to economic governance that contribute to an outsize presence of the state in the economy, high labor inactivity and unemployment rates among women and youth, and limited intraregional trade and investment. Average regional growth is expected to decelerate to 3.0 percent in 2023.

World Bank assistance

The World Bank approved \$5.2 billion in lending to the region for 22 operations in fiscal 2023, including \$4.7 billion in IBRD commitments and \$561 million in IDA commitments. Another \$80 million in special financing was provided for projects in the West Bank and Gaza. We also delivered 107 advisory services and analytics products. Revenue from Reimbursable Advisory Services agreements reached \$9 million for strategic and technical assistance on sustainable social, economic, and environmental reforms.

Supporting the most vulnerable people during times of crisis

The World Bank works to support the region's poorest and most vulnerable people, especially during times of crisis. We are providing an additional \$500 million to expand Egypt's social safety net program, "Takaful and Karama." This program covers nearly 4.6 million households, representing more than 18 million people, nearly three-quarters of them women. The program helped boost the resilience of vulnerable households against global economic shocks, such as the COVID-19 pandemic and the rise in food and energy prices. We also approved \$300 million in additional financing for Lebanon to expand targeted cash transfers for poor and vulnerable households.

In Yemen, we are providing \$207 million to address chronic food insecurity and malnutrition, reaching around 1.8 million households. The project will also further the transition to digital payments for cash transfers, helping people obtain national identification and improve their financial literacy on a pilot basis. We also committed an additional \$20 million that will reach 3 million Yemenis by restoring access to critical urban services.

**TABLE 12 MIDDLE EAST AND NORTH AFRICA
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	3,976	4,135	4,697	2,764	3,407	2,964
IDA	658	817	561	379	559	552

Portfolio of operations under implementation as of June 30, 2023: \$25.9 billion.

Promoting private sector engagement and financial inclusion

The World Bank works with countries to help strengthen the private sector and expand access to finance. In Tunisia, a \$120 million project is helping small and medium enterprises access long-term lines of credit from the Ministry of Finance through participating financial institutions.

In Morocco, we are providing \$450 million—the third round in a series of financing—to help the government implement reforms to improve financial inclusion, digital entrepreneurship, and access to digital infrastructure and services for people and businesses. The series has enabled the country to increase access to financial services to 44 percent in 2023 from 29 percent in 2017 and digital payments to 30 percent from 17 over the same period. It has also improved the infrastructure for digital payments, mobile payment networks, microinsurance, collateral registries, and women's access to finance and economic empowerment.

We have also enabled almost \$70 million in private capital to be invested in the West Bank and Gaza. The Innovative Private Sector Development Project leveraged roughly \$4 million in grants to enable \$11 million in private investment by venture capital firms in nearly 40 early-stage small and medium enterprises. The TechStart project has helped catalyze over \$1.5 million in private investment in technology training and business infrastructure. And the Second Finance for Jobs Project leveraged nearly \$13 million in grants, through the Investment Co-financing Facility and Development Impact Bond, mobilizing \$56 million in private capital to help create jobs.

Transitioning economies and boosting climate resilience

Under the Bank Group's Climate Change Action Plan for 2021–25, we continued to help countries in the region in their energy transition and to boost climate resilience. In Jordan, a \$400 million program is promoting jobs and business opportunities for women and strengthening government effectiveness through better policies. It will help the government integrate climate concerns in the country's economic reform agenda and investment plans. It will also support Jordan's goals to achieve a low-carbon trajectory and work toward the country's Nationally Determined Contribution target of 31 percent of renewable energy in the electricity supply mix. We are also providing \$250 million to improve the efficiency, reliability, and governance of the country's electricity sector.

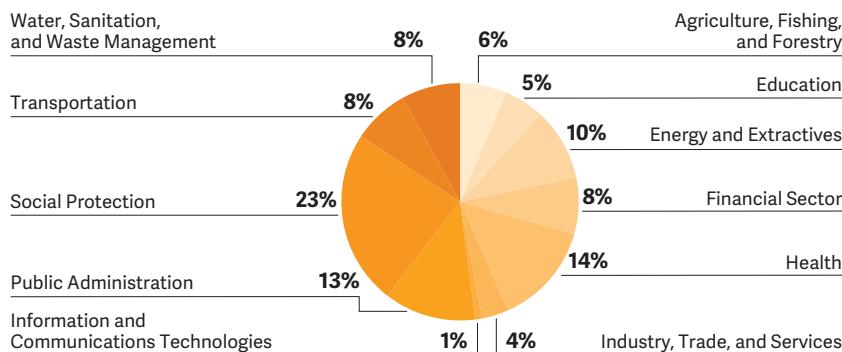
To support the new Tunisia-Italy electricity interconnector, we are providing \$268 million to help scale up the development of renewable energy in Tunisia and increase the trade of clean electricity across the Mediterranean.

In the West Bank and Gaza, the World Bank is aiming to expand access to safe water for nearly 100,000 residents in the Jenin Governorate through investments

FIGURE 6 MIDDLE EAST AND NORTH AFRICA

IBRD AND IDA LENDING BY SECTOR • FISCAL 2023

SHARE OF TOTAL OF \$5.2 BILLION



in infrastructure. This is made possible through a \$25 million World Bank grant that leverages an additional \$26 million in co-financing from the Palestinian Partnership for Infrastructure Development Multidonor Trust Fund, supported by Australia, Finland, France, Italy, the Netherlands, Norway, Portugal, Sweden, and the United Kingdom. In Morocco, we are helping strengthen the institutional capacity to implement the country's Nationally Determined Contributions and help vulnerable groups and ecosystems become more resilient to climate change. And in Egypt, we are helping shift freight transport from roads to low-carbon rail between Alexandria and the Greater Cairo Area to support the decarbonization of the logistics and transport sectors.

In fiscal 2023, we published Country Climate and Development Reports for Egypt, Iraq, Jordan, and Morocco. These reports underscored that without urgent action, decades of development gains could be reversed, and that water scarcity could affect almost every aspect of socioeconomic development in an already-dry region. They also showed that decarbonization can protect and generate jobs and contribute to economic growth.

**TABLE 13 MIDDLE EAST AND NORTH AFRICA
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	284	350	424	
Population growth (annual %)	2.0	1.9	1.5	
GNI per capita (Atlas method, current US\$)	1,763	4,241	3,742	
GDP per capita growth (annual %)	4.0	(2.8)	2.3	
Population living below \$2.15 a day (millions)	10	8	39	
Life expectancy at birth, females (years)	70.8	73.9	74.4	
Life expectancy at birth, males (years)	66.5	69.2	69.5	
Carbon dioxide emissions (megatons)	813	1,239	1,371	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP)	3.5	2.2	9.6	
Debt service as a proportion of exports of goods, services, and primary income	16	6	13	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	24	26	24	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	35	32	30	
Under-5 mortality rate per 1,000 live births	47	29	24	
Primary completion rate (% of relevant age group)	81	90	93	
Individuals using the internet (% of population)	1	23	73	
Access to electricity (% of population)	91	95	97	
Renewable energy consumption (% of total final energy consumption)	3	3	3	
People using at least basic drinking water services (% of population)	86	91	94	
People using at least basic sanitation services (% of population)	79	86	90	

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

a. The most current data available between 2018 and 2022; visit <https://data.worldbank.org> for data updates.

For more information, visit www.worldbank.org/mena.



Spotlight

Advancing gender equity in the Middle East and North Africa

The World Bank's Regional Gender Action Plan for fiscal 2018–23 and Regional Action Plan to Address Gender-Based Violence guide our efforts to help countries improve women's access to jobs, entrepreneurship and financial inclusion, and access to and ownership of assets and enhance agency, including in situations of fragility, conflict, and violence.

In Jordan, we supported policies focused on flexible work arrangements and streamlined licensing for home-based businesses. Among companies that adopted flexible work, 70 percent reported higher productivity, while 60 percent reported an increase in the employment and retention of female employees. Our support helped the Jordanian government register 5,500 home-based businesses, 60 percent of them owned by women and 10 percent by Syrian refugees. In Morocco and Tunisia, we support access to private equity for hundreds of women-led startups and small and medium enterprises and provide business skills training.

In the West Bank and Gaza, we piloted the development impact bond, a results-based financing tool designed to address high unemployment, especially among female youth, and to make firms more competitive. As of May 2023, the program has helped over 500 youth—40 percent of them women—access technical training and secure employment in a broad range of sectors. We also support efforts to help women better understand their rights and the processes around tenure security and real estate registration. In Egypt, we are supporting the government's work to help women access housing subsidies and establish eligibility criteria for ownership and rental subsidies that prioritize women-headed households—increasing the female share of housing owners to 20 percent.

In Djibouti, we provide grants to new enterprises and business plan competition winners, support business development training, and provide resources for entrepreneurs. As part of the first standalone project in the region focused on gender-based violence, we work to improve community awareness of the risks of gender-based violence and counseling services for survivors. In Yemen, we reached nearly 3 million women with income support and over 120,000 women with nutrition services, and almost half of solar kit credit sales under the Yemen Emergency Electricity Access Project were to women, as of December 2022.

In the United Arab Emirates, we launched a Gender Center for Excellence, which will help address gender issues through research and knowledge exchange. And in Saudi Arabia, our advisory services contributed to legal measures to help women become heads of households, prohibit discrimination in employment and access to credit, mandate equal pay, and introduce protection from sexual harassment in the workplace. These reforms have helped boost women's participation in the labor force from 22 percent in 2019 to almost 35 percent in 2023, exceeding the target of 30 percent set by Saudi Vision 2030.

In June 2022, we launched the Regional Network in Energy for Women, supported by the Energy Sector Management Assistance Program, to boost women's participation in the energy sector. With partnerships with national energy security utilities, the private sector, and academia from across the region, the network held its first conference in Tunis in June 2023.

South Asia

South Asia's GDP is expected to grow 5.6 percent in 2023 and to remain moderate at 5.9 percent in 2024, following an initial post-pandemic recovery of 8.2 percent in 2021. The region's growth prospects have weakened due to tightening financial conditions, with limited fiscal space and depleting reserves contributing to large downside risks in most countries. The decline in poverty is expected to recover in line with economic growth, with the number of people living on less than \$3.20 a day across the region forecast to be 754 million in 2023, lower than the estimates in 2019.

South Asia is highly vulnerable to the impacts of climate change and natural disasters. Over the past two decades, climate-related disasters have affected 750 million people—more than half of the people in the region. High inequality magnifies these impacts, as the poor, vulnerable, and marginalized bear the greatest burden of these disasters and have limited means to help them recover.

World Bank assistance

The World Bank approved \$10.1 billion in lending to the region for 37 operations in fiscal 2023, including \$4.3 billion in IBRD commitments and \$5.8 billion in IDA commitments. We also supported 61 advisory services and analytical products for eight countries. These provided technical advice on issues such as debt management, governance, job creation, social protection, air pollution, and climate resilience.

Across the region, we are focused on the resilience of human capital to minimize the scarring effects of crises; resilience to the impacts of a changing climate and natural disasters; and resilience of the economy, markets, and society so that development is inclusive and sustainable.

Protecting people in the wake of crisis

The Bank helped Pakistan respond to devastating floods with nearly \$1.7 billion for five projects in the worst-affected Sindh province to build resilient housing, restore crop production, provide health services for mothers and children, and strengthen social protection and the local government's disaster response capacity. In Afghanistan, we have continued to provide support for basic services and livelihoods in health, agriculture, and education, with more than \$1 billion in off-budget support implemented through UN agencies and international non-governmental organizations.

In response to the unprecedented economic and financial crisis in Sri Lanka, we moved quickly to protect people—particularly the poor and vulnerable—from its worst impacts. We repurposed \$325 million to finance emergency cash transfers, medicines, school feeding programs, tuition vouchers, fertilizer for smallholder farmers, and cooking gas. In December 2022, the Bank approved Sri Lanka's request to access concessional financing from IDA—a process called reverse graduation—to stabilize the economy. We also prepared a new country partnership framework for fiscal 2024–27, along with two operations totaling \$700 million to advance critical economic reforms and improve social protection.

Investing in resilient human capital

Across South Asia, the COVID-19 pandemic led to a collapse in human capital for millions of children and young people. Today's students could lose more than 14 percent

**TABLE 14 SOUTH ASIA
REGIONAL COMMITMENTS AND DISBURSEMENTS FOR FISCAL 2021–23**

	COMMITMENTS (\$ MILLIONS)			DISBURSEMENTS (\$ MILLIONS)		
	FY21	FY22	FY23	FY21	FY22	FY23
IBRD	3,746	4,781	4,321	3,665	3,129	3,290
IDA	7,127	4,217	5,770	5,744	4,202	4,646

Portfolio of operations under implementation as of June 30, 2023: \$57.8 billion.

of their future earnings; today's toddlers could see a 25 percent decline in earnings when they reach adulthood. Learning poverty—the inability to read and understand a simple text by age 10—increased from 60 to 78 percent during the pandemic. We support education policies that ensure learning for all, build skills for future needs, and improve access to labor markets. In Maldives, a \$9 million project is improving the quality of secondary education. In Nepal, a \$120 million project is helping establish a teacher mentoring system and ensuring that a full complement of subjects is taught in schools.

We are also strengthening health systems, expanding access to primary care, and building targeted and responsive social protection systems. In the Indian state of Gujarat, we are providing \$350 million to improve public health care, with a special focus on girls. In India's Odisha state—which is hit with a natural disaster about every 15 months—a \$100 million program is enhancing social protection coverage for poor and vulnerable households through a digital cash transfer program.

Building resilient economies

To help countries build economic resilience, we promote private sector-led solutions, increase transparency of debt and investment, improve credit and market access for small and medium enterprises, and boost digital transformation. Our research looks at the drivers of the high rate of inequality of opportunity and how countries can enhance inclusion.

In the Indian state of Punjab, we committed \$150 million to help the state better manage its financial resources and improve access to public services by leveraging digital technology and increasing accountability in public procurement. In Maldives, a \$15 million project is strengthening private participation in state-owned enterprises, as well as their financial stability, and boosting the competitiveness of small and medium enterprises. In Nepal, we provided \$100 million to support sustainable and productive use of natural capital, strengthen resilience to climate change, and promote private sector investment in greening the economy and creating jobs and livelihoods.

Boosting resilience to climate change and natural disasters

South Asia is confronting intensifying heat waves, cyclones, droughts, and floods—the changing climate could sharply diminish living conditions for up to 800 million people.

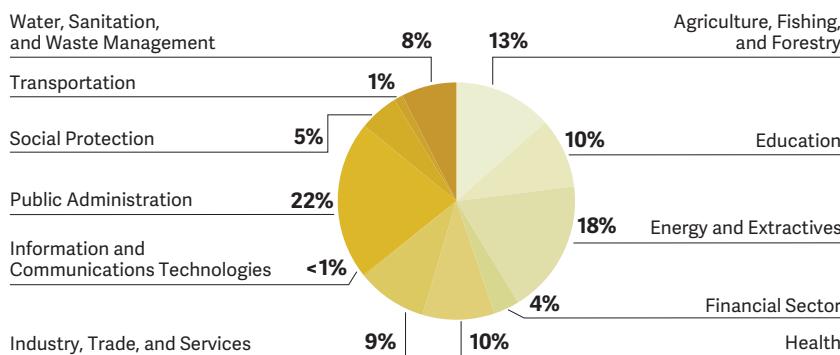
In fiscal 2023, we launched Country Climate and Development Reports for Bangladesh, Nepal, and Pakistan. The reports underscore the urgent need to boost resilience across the region's roads, hydropower dams, coastal communities, and agriculture, as well as its rapidly growing cities, which are full of informal settlements that are at the highest risk.

In India, we provided \$1.5 billion to scale up renewable energy, develop green hydrogen, and stimulate climate finance for low-carbon energy investments. In Pakistan's Punjab province—which accounts for 73 percent of the country's total food production—a \$200 million project is promoting climate-smart technologies and practices to improve water-use efficiency, build resilience to extreme weather, and increase small-scale farmers' incomes. In Bangladesh, we provided \$250 million to promote green investments in the brick-kiln sector, municipal waste management, clean cookstoves, and rooftop solar systems to reduce air pollution and improve environmental quality.

FIGURE 7 SOUTH ASIA

IBRD AND IDA LENDING BY SECTOR • FISCAL 2023

SHARE OF TOTAL OF \$10.1 BILLION



Promoting regional integration and cooperation

We support regional cooperation to strengthen economic and digital connectivity, climate resilience, and human capital. Our *Striving for Clean Air* report presents evidence that regional approaches to air-quality management are more efficient and cost-effective and lead to faster results. Our partnership with the United Kingdom through a \$63 million trust fund is helping accelerate climate action through the Resilient Asia Program.

We support the clean energy transition and promote energy trade between Bangladesh, Bhutan, India, and Nepal. Our work to upgrade roads to climate-resilient highways and modernize infrastructure at land ports is improving trade and transport connectivity in these four countries. In the southwest Indian Ocean region, we are strengthening fisheries management, with Maldives leading the way on sustainable fisheries and sharing lessons learned. We continue to engage through regional forums for collective action, including WePower, a network of women professionals in the energy sector, and the South Asia HydroMet Forum, a platform to improve weather information and climate services.

**TABLE 15 SOUTH ASIA
REGIONAL SNAPSHOT**

INDICATOR	2000	2011	CURRENT DATA ^a	TREND
Total population (millions)	1,407	1,685	1,919	
Population growth (annual %)	2.0	1.5	0.9	
GNI per capita (Atlas method, current US\$)	440	1,260	2,278	
GDP per capita growth (annual %)	2.1	3.6	5.5	
Population living below \$2.15 a day (millions) ^b	582	360	161	
Life expectancy at birth, females (years)	63.9	69.0	69.4	
Life expectancy at birth, males (years)	62.0	65.5	65.9	
Carbon dioxide emissions (megatons)	1,073	1,987	2,518	
Extreme poverty (% of population below \$2.15 a day, 2017 PPP) ^b	39.8	21.4	8.6	
Debt service as a proportion of exports of goods, services, and primary income	17	7	9	
Ratio of female to male labor force participation rate (%) (modeled ILO estimate)	35	35	34	
Vulnerable employment, total (% of total employment) (modeled ILO estimate)	79	76	69	
Under-5 mortality rate per 1,000 live births	93	60	37	
Primary completion rate (% of relevant age group)	69	87	92	
Individuals using the internet (% of population)	0	9	43	
Access to electricity (% of population)	58	78	99	
Renewable energy consumption (% of total final energy consumption)	49	38	38	
People using at least basic drinking water services (% of population)	82	87	91	
People using at least basic sanitation services (% of population)	18	46	69	

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

a. The most current data available between 2019 and 2022; visit <https://data.worldbank.org> for data updates.

b. Data from 2002.

For more information, visit www.worldbank.org/sar.



Spotlight

Maldives: Powered by sunshine toward a resilient future

Like other small island developing states, Maldives has a small, undiversified economy that makes it particularly vulnerable to external shocks, including sky-rocketing food and energy prices in the wake of Russia's invasion of Ukraine. The country spends over 10 percent of its GDP annually to import diesel to meet energy needs. In 2020, its GDP contracted by 34 percent as the pandemic shut down tourism, the main driver of economic growth. In 2022, Maldives was hit by the surge in global commodity prices, putting pressure on domestic inflation, the government's fiscal position, and the balance of payments. It is also extremely vulnerable to rising sea levels and extreme weather brought on by climate change. Much of the country lies just a meter above sea level; current projections show that it is likely to be fully submerged by rising sea levels by the end of this century.

The island nation is building resilience by scaling up renewable energy capacity, investing in green infrastructure, restoring mangroves to protect against coastal flooding, and ramping up early warning systems. Maldives has also committed to becoming a net-zero carbon emitter by 2030. But amid highly constrained public borrowing capacity, the private sector must play a critical role to fill the financing gap. With just over \$12 million in World Bank concessional financing, the Accelerating Sustainable Private Investments in Renewable Energy and the Accelerating Renewable Energy Integration and Sustainable Energy projects are helping install a total of 53.5 megawatts of solar panels on the islands and on the open ocean, build 40 MWh of battery storage solutions for the country, and upgrade the electricity grid to include cleaner energy sources.

This Bank financing leveraged an additional \$140 million—about 12 times the amount of funding for every dollar spent—including from the private sector. Bank Group guarantees will help mitigate the risks that kept investors from putting their money into a small island with a volatile economy. By allaying investors' fears and attracting more private investment, this approach has made renewable energy projects more financially sustainable for Maldives.

The first solar project in Maldives under ASPIRE attracted only four investors in 2014; buoyed by the risk mitigation structure, there were a record 63 bids in 2022. Greater private investment has also driven down costs—the power purchase price, which is the purchase price per unit of electricity that a power company agrees to with a solar power plant, decreased over this period from 21 cents per unit of electricity to less than 9.8 cents, significantly below the current price of imported fossil energy. These successes in attracting private investors have helped Maldives expand renewable energy, reduce import costs, and generate affordable and reliable clean energy.



Working to Achieve Development Goals

The World Bank offers financing, data, knowledge, policy advice, and technical assistance to help countries achieve their development goals and address global challenges. Our experience on the ground spans countries, regions, and sectors, while our data and research inform policy-making and operations. This work is further strengthened through engagement with a wide range of partners to achieve shared goals.

Correcting course to accelerate poverty reduction

Amid a crisis of development spurred by successive global shocks, the Bank remains focused on assessing the impacts on the world's poorest and most vulnerable. Issued in October 2022, our *Poverty and Shared Prosperity Report: Correcting Course* found that the COVID-19 pandemic dealt the biggest setback to global poverty reduction in decades, increasing the global extreme poverty rate to an estimated 9.3 percent in 2020—up from 8.4 percent in 2019. It is estimated that the pandemic pushed about 70 million people into extreme poverty in 2020, the largest one-year increase since global poverty monitoring began in 1990. An estimated 719 million people subsisted on less than \$2.15 a day by the end of 2020. Going forward, several long-term trends will make the fight against poverty more difficult. Along with the pandemic, the path to equitable growth has become more challenging due to growing debt burdens, inflation, and rising costs of finance. The effects of climate change on growth are becoming ever more visible, particularly for poorer countries.

Helping achieve inclusive economic growth that lifts people out of poverty is at the core of our support to countries. This includes measuring, monitoring, and analyzing data to help policy makers better understand the economics behind poverty and inequality. It also means elevating poverty reduction and equitable growth in the development discourse, sharing policy analysis for development that targets poverty, and reinforcing the important links between climate action and equity.

Convening global stakeholders around key development issues remains central to our work. We shared insights on fiscal policy options that can support the most vulnerable people in developing countries, with a focus on taxes, transfers, and subsidies. We also facilitated discussions and exchanged knowledge on rapidly monitoring poverty and welfare during times of crisis, more targeted poverty mapping, the role of social norms in shaping economic development, and rethinking reforms of state-owned enterprises.

Our core analytical work included the latest Poverty and Equity Briefs and Country Poverty Assessments, along with tools and methods to assess the poverty and equity impacts of climate risks in the Bank's new Country Climate and Development Reports.

Putting climate at the heart of development

Tackling climate change is fundamental to development and the fight against poverty. In fiscal 2023, our total climate finance amounted to a record high of \$29.4 billion, or 40 percent of total IBRD and IDA finance. Looking ahead, we will go beyond focusing on how much money we are putting in to fight climate change. We also plan to tell the bigger story that captures the impacts of our investments. We know that our projects reduce emissions, deliver cleaner air, better water quality, and better health for people. But just how much of a difference is that climate finance making? How is it contributing to development paths that bring the world to net zero emissions and keep people safe from climate impacts?

To address climate and development together, we identify strategies to reduce greenhouse gas emissions in countries while supporting sustainable development through a new core diagnostic, the Country Climate and Development Reports. Covering over 20 countries, the first set of these reports show that climate change poses a major threat to long-term development objectives, but countries can grow while reducing emissions if they embrace major change. The financing to drive the transition averages about 1.4 percent of GDP, a manageable amount with appropriate private sector involvement. But in lower-income countries, financing needs can exceed 5 percent, which will require more support, including more concessional resources, from high-income countries. In South Africa, the Country Climate and Development Report considered the energy transition. The Bank is providing \$497 million to help decommission the Komati coal plant, the first of 12 in the country that will be retired by 2030. The project will help repurpose Komati and create new opportunities for affected workers and communities.

The Bank Group also committed to aligning our new financing operations with the Paris Agreement goals, an important step toward containing the warming of the earth to well below 2 degrees—and preferably 1.5 degrees—Celsius, while achieving sustainable development and ending poverty. From July 1, 2023, all new World Bank financing operations will comply with this commitment. As agreed in our Climate Change Action Plan for 2021–25, we will vet every Bank operation using detailed methodologies aligned with the joint Multilateral Development Bank Paris Alignment Approach.

We host the secretariat for the Coalition of Finance Ministers for Climate Action. Consisting of 86 finance ministries and 26 institutional partners, the coalition came together at the 2023 World Bank Group–IMF Spring Meetings to ensure that climate change and a socially just transition were at the top of the economic agenda, discuss their respective policy challenges, and exchange best policy practices. They also launched a new guide to help finance ministries mainstream climate action. Policy makers also discussed “transition finance,” which looks at the decarbonization of the dirtiest sectors and activities; they also expanded programs to build capacity and implement new green policies and processes. Indonesia and the Netherlands will lead the coalition moving forward.

Addressing the debt crisis in the developing world

The debt crisis in developing countries has worsened over the past year. The most recent data show that public debt in developing countries had doubled in the past decade. Interest rate hikes and slowing growth have made it harder for countries to make repayments on this larger debt stock. Around 60 percent of low-income countries are either in debt distress or at high risk of it.

The World Bank has stepped up its support to countries facing debt distress, helping countries improve debt management and transparency while strengthening their fiscal positions through better tax compliance, more efficient public spending, and better domestic resource mobilization. We also play a unique and critical role in the international financial system, providing implicit debt reduction through substantial non-repayable grants for countries with the highest debt vulnerabilities and concessional financing that delivers large, low-cost external flows to the countries that need it most.



The **International Debt Report** (formerly *International Debt Statistics*) is an annual World Bank publication featuring external debt statistics and analyses for the 121 developing countries that report to the Bank's Debt Reporting System. Now in its 49th year, the report supports policy makers and analysts by monitoring external debt trends. It provides a comprehensive picture of external borrowing and sources of lending by type of borrower and creditor.

The 2022 report highlights rising debt-related risks for all developing countries, underscoring the urgent need to improve debt transparency and provide more complete debt information so countries can manage debt risks and use resources efficiently for sustainable development. The total external debt of low- and middle-income countries has more than doubled since 2011, reaching \$9 trillion at the end of 2021. About 60 percent of the world's poorest countries are at high risk of debt distress or are already in distress. The share of external debt owed to private creditors and government creditors outside the Paris Club also rose sharply over the past decade, making it even more difficult to facilitate restructuring.

This year's edition adds substantive analysis and expands both the breadth and specificity of the data. The International Debt Statistics database includes the actual debt service deferred in 2021 by each bilateral creditor and the projected monthly debt-service payments owed to all bilateral creditors for the calendar year 2022. Over the past five years, the database has identified and added \$631 billion of previously unreported loan commitments; an additional \$44 billion was identified in 2021.

We are helping the international community break the impasse among creditors that is slowing sovereign debt restructurings, which must be completed quickly to prevent reversals in development. Alongside the IMF and G20 Presidency of India, we established the Global Sovereign Debt Roundtable to identify and address recurring technical problems in debt restructuring. For the first time, the round-table brought debtor countries to the table alongside a diverse group of creditors—including multilateral, official bilateral, and commercial creditors—to discuss ways to improve the sovereign debt architecture.

Produced in partnership with the IMF, our Debt Sustainability Analyses for low-income countries are vital global public goods. We also help developing countries better manage their debt through country-specific projects funded by the Debt Management Facility and Government Debt Risk Management trust funds—a critical step in promoting transparency and other sound practices that can help prevent future debt crises.

Building more resilient health systems for universal health coverage and health security

We help developing countries build more resilient health systems; better prevent, prepare for, and respond to pandemics; and strengthen public health. Our nearly \$34 billion global health portfolio includes over 200 projects that improve health outcomes and health security, especially for poor and vulnerable people, by strengthening primary care and public health. The World Bank is the largest funder of the global COVID-19 health response, with \$14.2 billion committed to over 100 countries, including more than 30 countries impacted by fragility, conflict, and violence. The COVID-19 pandemic showed that countries need stronger, more resilient



health systems that can better prevent, prepare for, and respond to future shocks while maintaining essential health services. Our *Change Cannot Wait* report presents how countries can improve health outcomes by anticipating and adapting to health dynamics such as aging, stunting, non-communicable diseases, inequalities, and climate-related illnesses. We work with countries to screen for climate-related health risks—including food insecurity and poor diets, which affect vulnerable people in particular—and identify effective ways to tackle them. We also help address the double burden of obesity and stunting, which is key to improving human capital.

We are addressing future pandemic risks through a comprehensive approach that includes knowledge, partnerships, and financing. In *Preventing, Preparing for, and Responding to Disease Outbreaks and Pandemics*, we outline an ambitious agenda for the Bank Group to enhance pandemic preparedness and response at the country, regional, and global levels as part of a broader approach to strengthen health systems. In West Africa and the Sahel, we are improving regional cooperation on public health, upgrading veterinary laboratories, and preventing antimicrobial resistance. In East Africa, we supported a laboratory network that has expanded regional capacity to detect outbreaks and mount rapid responses. IDA will also deepen support for low-income countries to better prepare for future crises, including pandemics. In September 2022, we helped establish the new Pandemic Fund, which is housed at the Bank and governed by a board comprising representatives from governments, foundations, and civil society organizations. The fund provides a dedicated stream of catalytic, long-term financing to strengthen pandemic preparedness and response in developing countries and provide technical support. The fund issued its first call for proposals in March 2023.

The Health Emergency Preparedness and Response Program provides additional resources to respond to COVID-19 and other health emergencies and help countries better prepare for future health emergencies. It offers rapid financing to countries with the greatest needs, some of which cannot access traditional Bank financing. Since its launch in April 2020 through June 2023, the program has allocated \$126 million from trust funds to support country and regional efforts.

Due to global economic shocks, government spending capacity is expected to decline or stagnate in many low- and lower-middle-income countries. For many of them, rising interest payments on public debt further threaten their capacity to invest in health. An update to the *From Double Shock to Double Recovery* report projects that these trends will restrict countries' ability to strengthen pandemic

preparedness, limit progress toward universal health coverage, and lead to growing inequalities between countries. We help countries take concerted policy action by reprioritizing health, increasing the efficiency of public expenditure, and exploring opportunities for resource mobilization—such as health taxes on tobacco, alcohol, or sugar-sweetened beverages—to improve health outcomes and increase revenue.

Hosted at the Bank, the Global Financing Facility is a country-led partnership that advances the health and rights of women, children, and adolescents. It links grants to Bank lending and unlocks and aligns more resources to help investments go further for women, children, and adolescents in the hardest-to-reach communities. Between fiscal years 2015 and 2022, IDA lending for the health of women, children, and adolescents rose by 12 percent, resulting in \$1.7 billion in additional financing for the Global Financing Facility's partner countries specifically focused on women, children, and adolescents. Since 2015, the Global Financing Facility and the Bank have helped provide more than 96 million pregnant women with antenatal care visits; over 103 million women with safe delivery care; 111 million newborns with early breastfeeding; and more than 500 million people with access to modern contraceptives, helping avert more than 187 million unintended pregnancies. In Kenya, 46 percent more women delivered their babies in facilities with a skilled attendant between 2014 and 2021; Vietnam and Uganda trained more frontline health workers; and Guatemala expanded cash transfers for nutrition. It also helps countries reform financing to increase health budgets and better align partner resources. This includes in Côte d'Ivoire, where the government expanded insurance coverage to 89 percent of the population, especially in the poorest communities, contributing to 36 percent more pregnant women accessing antenatal care between 2020 and 2021.

Supporting countries affected by fragility, conflict, and violence

By 2030, nearly 60 percent of the extreme poor around the world will be in countries affected by fragility, conflict, and violence (FCV). According to UNHCR, there are now more than 108 million forcibly displaced people globally. The severe food insecurity that will likely affect over 240 million people until 2027 is twice as prevalent in countries affected by FCV. Destabilizing events—such as coups, irregular political transitions, and Russia's invasion of Ukraine—further threaten efforts to address poverty in developing countries.

The World Bank Group helps countries respond to these challenges under the guidance of our FCV Strategy. The strategy outlines our commitment to helping prevent conflict, remain engaged during conflict and crisis, support countries' transitions out of FCV, and mitigate spillover effects such as forced displacement. Our risk and resilience assessments identify drivers of FCV and sources of resilience to inform our engagement with countries. In Mozambique, one such assessment led to constructive dialogue and portfolio changes to support the government in addressing an insurgency in the north as well as residual challenges related to the civil war. Since the FCV Strategy was launched in 2020, we have delivered 32 assessments, including regional assessments for Central Asia, Lake Chad, and the Horn of Africa, as well as a subnational assessment in South Sudan.

Bank Group financing for countries affected by FCV stands at an all-time high. The share of the IBRD portfolio in FCV-affected countries nearly doubled from fiscal years 2016 to 2021.¹ For the poorest countries, average annual IDA financing for fragile and conflict-affected countries has increased more than fivefold since IDA16, reaching 39 percent of total IDA resources, with more than half of the grants going to countries affected by FCV in fiscal 2021. The IDA20 replenishment will continue to allocate a significant share of resources to fragile and conflict-affected countries between July 2022 and June 2025. This record level of support underscores the

¹ IBRD estimate is based on the Fragile and Conflict-Affected Situations list for each fiscal year.

importance of addressing risks and grievances proactively, supporting refugees and host communities, strengthening core government functions, and addressing transboundary drivers of these challenges. Crisis preparedness is a new cross-cutting issue under IDA20, as the poorest countries affected by FCV often experience complex crises. IFC and MIGA also leverage the IDA Private Sector Window to support investments and offer guarantees in the poorest countries and FCV situations.

IDA support includes the FCV envelope (a top-up in addition to regular IDA allocations), as well as platforms and instruments to support refugees and host communities, respond to crises (including for food security), and promote regional approaches. About \$8.8 billion has been set aside for the FCV envelope in IDA20—an increase of 17 percent compared to IDA19. In fiscal 2023, this includes \$1.2 billion to help governments prevent conflicts from escalating. It also includes \$305 million to help three countries transition out of fragility, and \$141 million to remain engaged in high-intensity conflict settings in two countries. More countries can now access this support. Another \$2.4 billion has been set aside for the Window for Host Communities and Refugees in IDA20, with \$920 million committed in fiscal 2023.



The World Development Report 2023: Migrants, Refugees, and Societies provides a comprehensive analysis of international migration and its potential to help reduce poverty and boost shared prosperity in all countries. It focuses on the 184 million people around the world who lack citizenship in the country where they live, including 37 million refugees. The future of migration will likely be driven by rapid demographic change. In both middle- and high-income countries, people are aging quickly; in the former, they are growing older before they become rich. In low-income countries, the population is booming, but many young people lack the skills needed for the global labor market. These trends will spark a global competition for workers and make migration increasingly necessary for countries at all income levels.

The report presents a framework to guide policy-making based on how well migrants' skills match the needs of destination countries, as well as the motives for their movement and the corresponding obligations under international law. Under this framework, origin countries should make labor migration an explicit part of their development strategy by designing policies to lower remittance costs, facilitate knowledge transfer from their diaspora, build skills that are in high demand globally, mitigate the adverse effects of "brain drain," protect their nationals while abroad, and support them upon their return. Destination countries should manage migration more strategically to ensure they meet labor needs. They should provide sustainable, international protection to refugees by letting them move, find jobs, and access national services where available. They should also reduce the need for distressed, high-risk movements, while treating migrants with dignity.

International cooperation is essential to make migration a strong force for development, including bilateral cooperation to strengthen the "match" of migrants and multilateral efforts to share the costs of hosting refugees and address distressed migration. New financing instruments can help countries care for non-citizens in a predictable manner. Underrepresented voices must also be heard, including developing countries, the private sector, and other stakeholders, as well as migrants and refugees themselves.

First launched in 2008, the State and Peacebuilding Umbrella Trust Fund is now the Bank's largest multidonor trust fund, which provides catalytic financing to help prevent conflict, rapidly respond to crises, and build long-term resilience. By 2022, the fund had financed 286 grants in 66 countries since its inception, with over \$327 million committed.

Russia's invasion of Ukraine—which caused the fastest-growing refugee crisis in Europe since World War II—exacerbated the global forced-displacement crisis. The Global Concessional Financing Facility supports middle-income countries that host large numbers of refugees. Since 2016, it has provided more than \$851 million in grants, unlocking about \$6.8 billion in concessional financing to improve the lives of refugees and host communities. It is helping Jordan and Lebanon address the impact of hosting Syrian refugees; Moldova support Ukrainian refugees and host communities; and Colombia, Costa Rica, and Ecuador meet the needs of Venezuelan refugees and migrants, as well as host communities. It also supports coordination among multilateral development banks, the UN, and participating countries.

The Bank Group works with humanitarian, development, peacebuilding, security, and private sector organizations to leverage our complementary mandates and strengthen our impact on the ground. The Bank partners with UN agencies in more than 40 crisis-affected situations, such as Yemen, allowing us to stay engaged in the most difficult environments. This includes UNHCR, which is a critical partner in addressing the needs of forcibly displaced people, refugees, and host communities, particularly in IDA and Global Concessional Financing Facility countries. And by partnering with organizations like the International Committee of the Red Cross, we can implement projects in conflict-affected countries and deliver critical services to vulnerable people in challenging areas, including Myanmar, South Sudan, and Yemen.

Tackling the global food crisis while building long-term resilience

Global efforts to tackle food insecurity are being stymied by conflict, economic shocks, and extreme weather events fanned by a changing climate. The Bank Group works to meet the world's food security needs both now and over the long term. Since April 2022, we have delivered \$22 billion to address food and nutrition security, with \$11 billion of that amount supporting short-term responses and \$11 billion going to long-term resilience efforts.

In the wake of the food crisis, the World Bank and the G7 Presidency established the Global Alliance for Food Security to catalyze an immediate and coordinated response. In November 2022, the alliance launched the public Global Food and Nutrition Security Dashboard, which provides timely information and a common database for decision-makers. To help mitigate the potential of future crises, we are working with development partners to develop Food Security Crisis Preparedness Plans in 26 countries. We also developed guidelines to apply the Bank Group Paris Alignment assessment methods in our agriculture and food operations. Almost all Country Climate and Development Reports extensively cover agriculture and food, presenting options for policy reform and technologies to support climate-smart agriculture. Additionally, we are developing a roadmap to guide the Bank and our partners as we transition the world's food system from a model that generates a third of global greenhouse gas emissions to one that contributes fewer emissions and sequesters carbon in plants and soils.

Contributing to global public goods, our *Putting Pandemics Behind Us* report provides a framework to help governments, international organizations, and donors direct financial resources to prevent pandemics. Through the Food Systems 2030 trust fund, we provide resources to provide analytics, pilot innovative options, and finance de-risking platforms to help transform food systems to ensure healthy people, healthy planet, and healthy economies.



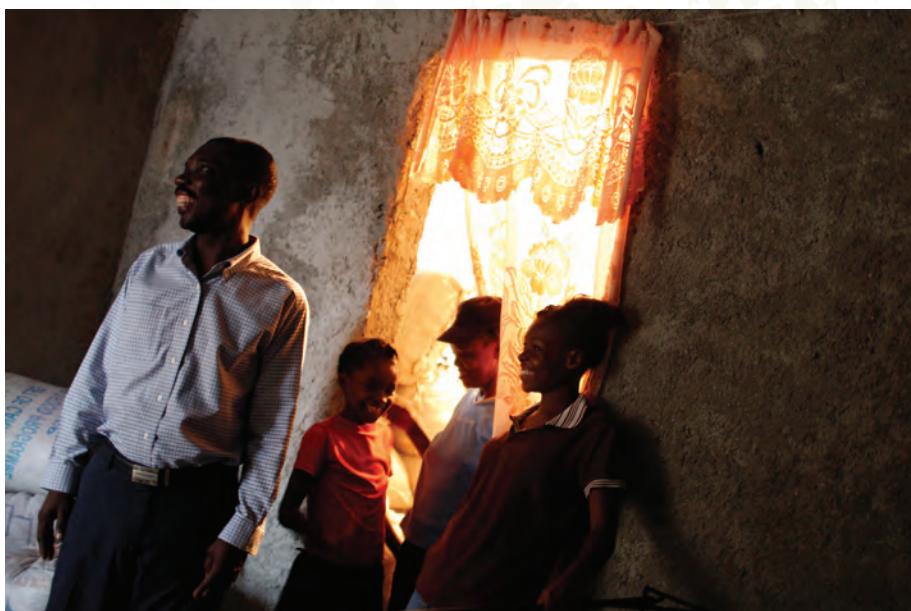
Ensuring access to sustainable energy for all

Energy-related emissions account for over 75 percent of global emissions. The war on Ukraine has led to volatile energy prices and supply worldwide, particularly affecting the poorest countries. This crisis has highlighted the urgent need to deploy renewable energy on a massive scale to mitigate climate change and ensure energy reliability and security. Technological advances have greatly reduced the cost of renewable energy, presenting an opportunity to increase its share in the global energy mix.

The World Bank aims to accelerate an equitable and just energy transition. We are one of the largest providers of financing for renewable energy and energy efficiency projects in developing countries. In the past five years, we have committed over \$7 billion to renewable energy generation projects, invested about \$4.6 billion to enhance energy efficiency, and helped mobilize private capital. We have increased our support for renewable energy to expand energy access—especially in Sub-Saharan Africa—through renewable energy mini-grids, off-grid solar systems, and sustainable solar electrification for health care facilities and schools.

Yet 675 million people still live without electricity, and about 2.3 billion lack access to clean cooking. Over the past five years, the Bank has helped create or improve electricity connections for about 77 million people and committed \$5.7 billion to energy-access programs. In fiscal 2023, the Bank launched the Decentralized Access with Renewable Energy Scale-Up Platform, which aims to provide energy access to 100 million people in Africa. In Tanzania, we helped provide more than 4.5 million people with access to electricity and added new connections to more than 1,600 health care facilities and nearly 6,000 educational institutions—one of the fastest rates of energy-access expansion in Sub-Saharan Africa over the past decade. We also launched the Utility Knowledge Exchange Platform in 2022 to help countries improve their electric utilities' performance through policy, regulatory, institutional, and governance reforms. From 2018 to 2022, over \$27 billion in Bank financing supported projects with a utility component.

We partner with the Energy Sector Management Assistance Program to help achieve universal access to energy by 2030. The program helps mainstream solar mini-grid solutions to provide remote communities with enough electricity for critical equipment, such as medical equipment in hospitals or for pumping clean water



in farms. The Bank's mini-grid portfolio of over \$1.4 billion is supporting more than 3,000 mini-grids in 30 countries to bring electricity to more than 13 million people by 2029. Clean hydrogen—produced using renewable energy or processes with low gas emissions—can further decarbonize sectors and create green jobs. In 2022, the Bank launched the Hydrogen for Development Partnership to catalyze financing for hydrogen investments in developing countries.

In a new framework, *Scaling Up to Phase Down*, the Bank outlines a vision for how the international community can help developing countries overcome the barriers paralyzing the power sector transition by catalyzing urgently needed investment. It distills the energy transition into six steps to accelerate the deployment of affordable, secure, and reliable clean energy while phasing down coal-fired electricity generation. Governments need low-cost and concessional climate finance to prepare the transition, strengthen their electric utilities and networks, and realize a pipeline of affordable clean energy investments.

We help countries manage extractive industries for a more livable planet, contributing to sustainable growth and development, protecting communities and the environment, and reducing emissions. Over the past two decades, the World Bank has provided more than \$3 billion to help governments close coal mines and power plants while ensuring a just transition that provides livelihood opportunities for workers and communities and protects the environment. Our work on the just transition in coal regions is one of five priorities under our Climate Change Action Plan for 2021–25. To keep global warming well below 2°C, the world will need over 3 billion tons of minerals and metals to deploy wind, solar, and geothermal power, and store that energy and connect it to end users. Through initiatives such as our Climate-Smart Mining Initiative, we help developing countries grow and diversify their economies, decarbonize production, add value locally beyond mining, increase competitiveness and investments, and enhance sustainability and resilience to climate change. The Bank also works with countries and partners to reduce gas flaring and methane emissions. At current levels, flaring alone is estimated to cause more than 350 million tons of CO₂ equivalent in emissions annually. Support for the Zero Routine Flaring by 2030 initiative—introduced by the Bank and the UN in 2015—grew to 35 governments and 54 companies in fiscal 2023, collectively accounting for almost two-thirds of global flaring.

Creating productive jobs to reduce poverty and boost shared prosperity

Good jobs are the surest pathway out of poverty. But the limited availability of quality jobs remains a pressing problem in developing countries, with formal wage employment only representing one-third of jobs and many people still working in informal, low-productivity, low-paying, and insecure jobs. These challenges have been further exacerbated by the COVID-19 crisis and the impacts of climate change. Countries need to prioritize improving job quality for more people and expanding access to sustainable, quality jobs for women, young people, and migrants. Potential gains from cross-border labor mobility are hindered by discrimination and difficult conditions, while significant gaps in job outcomes persist for women and young people.

The Bank invests in better jobs outcomes, conducts jobs diagnostics, and supports global knowledge sharing and research. In 2023, we supported 510 jobs-related projects totaling about \$87 billion. In Kenya, a youth empowerment program combined classroom learning with on-the-job experience and apprenticeships, contributing to much higher rates of young people in paid work.

With support from the Jobs Umbrella Multidonor Trust Fund, we leverage large-scale investment lending projects to improve jobs outcomes. In Madagascar, we are boosting job creation and quality through a series of projects that mobilized over \$320 million. We are also supporting IFC's Women's Employment Program, which provides clients with tools and resources to strengthen gender inclusion. The Jobs Umbrella also supports projects that focus on environmental and employment challenges. We are helping Cambodia protect its natural resources by promoting opportunities in ecotourism and conservative agriculture. And in Bangladesh, we are helping reduce pollution discharges and improving workers' health and safety by identifying viable resource-efficient alternative technologies.

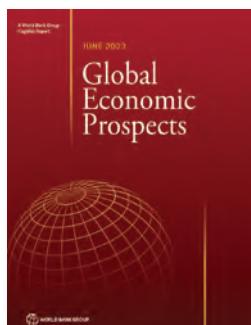
We host Solutions for Youth Employment, a global partnership with strong private sector participation that supports youth employment and connects stakeholders with over 150 related operations at the Bank. In June 2023, it published *Working Without Borders*, which provides the first global analysis of the online gig economy. The partnership is also working with the International Labour Organization and Circle Economy on the impact of the circular economy on jobs and with Germany's development agency on job opportunities in the creative sectors.



Boosting trade and strengthening the foundation for future growth

Since 1990, the integration of developing countries into the global economy has played a critical role in creating jobs, helping lift more than 1 billion people out of poverty. Trade has been a powerful force in supporting economic recovery from the pandemic. Bank research from November 2022 showed that sustained foreign demand for exports helped offset declines in domestic demand and enabled countries integrated into global value chains—such as those in East Asia—to recover up to two years more quickly than the least integrated countries. Our analytical work examines how to make trade a better solution for addressing climate, creating jobs, and preparing for future health crises. We tracked developments in trade logistics and facilitation, including maritime shipping, through our quarterly Trade Watch series. Published in April 2023, our latest Logistics Performance Index confirmed that trade had largely bounced back from COVID-19-related distortions and offered insights into how developing countries can become more competitive through investments in trade logistics and digital innovation.

Efforts to shore up economic growth have renewed interest in industrial policy and the management of state-owned enterprises, which are major players in commercial markets around the world. The World Bank's new Business of the State database offers a trove of data for state-owned enterprises operating in 91 countries, which show that their presence in competitive private industries is large, accounting for almost half of employment and revenues in a set of 30 countries with good data coverage. While these firms' economic activities can be positive for employment and access to essential goods and services, such as energy, they can also be inefficient—with business decisions affected by politics—and account for a significant share of public debt. Their operations may curb competition and hinder efforts to raise private capital for investment in development priorities, including climate. The World Bank is redoubling engagement with policy makers and stakeholders on this important development topic.



The semiannual flagship report ***Global Economic Prospects***, published in January and June, examines global economic developments, prospects, and policies, with a focus on developing countries. The June 2023 edition shows that the world economy remained hobbled more than three years after the start of the COVID-19 pandemic—set to grow just 2.1 percent in 2023, down from 3.1 percent in 2022. The report also presents a troubling picture of the plight of the 28 poorest countries. Struggling with record debt levels, these countries now spend just 3 percent of government revenues on their most vulnerable citizens. The biggest slice of revenues—nearly half—now goes just to pay employee wages and interest on debt. The report also finds that recent interest-rate hikes of the type and magnitude that prevailed in major advanced economies are associated with a greater risk of financial crisis in developing countries, especially those with underlying vulnerabilities.

Leveraging policy to promote financial stability and investment

Developing countries face complex risks to financial stability and growth, including elevated debt, inflation, rising global interest rates, and climate change. We help financial regulators and supervisors in developing countries monitor evolving stresses in financial institutions through joint World Bank–IMF Financial System Assessment Programs in individual countries as well as through advisory programs. We also provide policy guidance to improve resilience and transparency on topics such as high levels of sovereign debt holdings by domestic banks, digital financial innovations, and climate-related risks to investment portfolios.

Developing countries will need trillions of dollars of investment to transition to a low-carbon economy. We help governments improve the incentives for raising private capital for green investments. This includes setting standards for sustainability-linked bonds by promoting disclosure and reporting and verifying and certifying environmental credit ratings.

In November, we launched the new Global Shield Financing Facility to help developing countries access more financing for recovery from natural disasters and climate shocks. It builds on the work of the previous Global Risk Financing Facility, which over three years in 18 countries combined about \$200 million of grants with \$3 billion of World Bank lending to leverage over \$1 billion of private risk capital through reinsurance and bonds. With support from Canada, Germany, Japan, and the United Kingdom, the new \$300 million trust fund is coordinating grants with financing and advice to developing countries through Bank projects and partners, including UN agencies and other multilateral development banks.

We help governments maximize the opportunities—and manage the risks—of digital financial technology. Our analytical series on Fintech and the Future of Finance explored how digital technology is bridging access to payments and other basic financial services, such as credit, savings, and insurance—a process accelerated by the pandemic. It also looked at issues surrounding crypto-assets and central bank digital currencies. Our latest *Findex* report highlights how digital financial services expanded access to financial services, showing that 76 percent of adults around the world had access to a transaction account in 2021, up from 51 percent in 2011.

In fiscal 2023, we launched the World Bank Finance for Development Trust Fund, supported by the Bill & Melinda Gates Foundation, the EU, Global Affairs Canada, and the Swiss State Secretariat for Economic Affairs with \$40 million of funding to date. It will coordinate and better target donor funding to strengthen financial sector resiliency and promote financing for poor and vulnerable people, economic activity, and developing financial markets.

Addressing the global learning crisis

Education is in crisis. Learning poverty—the share of children unable to read and understand a simple text by age 10—is estimated to have risen from 57 to 70 percent in developing countries as a result of the COVID-19 pandemic, the worst shock to education and learning in recorded history. On average, for every 30 days of school closures, students lost about 32 days of learning. This generation of students risks losing \$21 trillion in potential lifetime earnings, or the equivalent of 17 percent of today's global GDP. Unrecovered learning losses will also lead to greater inequality because students from poorer and less educated households lost more ground during school closures. The problem is particularly dire for girls, who face additional barriers to a quality education, especially in countries affected by fragility, conflict, and violence.

Domestic financing for education over the past two years has not kept pace with the need to recover and accelerate learning. Across low- and lower-middle-income countries, the average share of education in government budgets fell during the



pandemic; in 2022, it remained below 2019 levels. The best chance for a better future is to invest in education—amid fiscal pressures, protecting spending that yields long-run gains, such as on education, will maximize impact.

Our RAPID Framework for Learning Recovery and Acceleration synthesizes effective policy actions: reaching every child and keeping them in school; assessing learning levels regularly; prioritizing teaching the fundamentals; increasing the efficiency of instruction (including through catch-up learning); and developing psychosocial health and well-being. Countries also need to develop foundational skills for post-secondary students. In many countries, students need both remedial education for these skills and education in the technical skills demanded by the labor market.

The World Bank is the largest source of external financing for education in developing countries. Our projects reach more than 432 million students and 18 million teachers—one-third of students and nearly a quarter of teachers in developing countries. We are also the largest implementing agency of the Global Partnership for Education’s active grants, managing about 59 percent of their \$3.6 billion portfolio.

We are helping governments implement ambitious learning-recovery programs to get children back to school, recover lost learning, ensure student and teacher well-being, support marginalized children, and accelerate progress. In Edo State in Nigeria, we are helping the state government improve teaching and learning in basic education while also focusing on developing digital and entrepreneurial skills. In Romania, we support secondary school students transitioning to tertiary education—as well as tertiary education students during their first years of university—through a series of grants for educational institutions to develop social support programs for students. In Afghanistan, we provide emergency funding to increase girls’ and boys’ access to school and improve school conditions, including constructing water, sanitation, and hygiene facilities. We are also reaching out-of-school children through community-based education programs.

We work closely with UNICEF, UNESCO, the U.S. and U.K. governments, and the Bill & Melinda Gates Foundation on foundational learning. These efforts are largely

Strengthening human capital

As countries deal with multiple global crises, investments are critical to address gaps in human capital—the knowledge, skills, and good health that people need to achieve their potential. The World Bank's Human Capital Project supports these efforts with a combination of research, data, analytics, and country and global engagement. With a network of 89 member economies, it helps policy makers shape national plans and priorities and builds consensus to address global challenges through investments in human capital. Alongside events with country focal points from ministries of finance and Bank staff, our biannual ministerial conclaves in fiscal 2023 focused on addressing food security and on accelerating climate action. Human capital also became a special theme in the IDA20 policy package, ensuring a focus on addressing gaps and leveraging investments in people in the poorest countries.

Since the launch of the Human Capital Index in 2019, we have harnessed research and data to help monitor human capital outcomes and identify areas for improvement. Country briefs offer snapshots and measure progress in each life cycle for 172 countries. Over 46 ongoing Human Capital Reviews help governments identify constraints and improve financing and efficiency in public spending for better outcomes. We also implement regional human capital plans for Africa, Latin America and the Caribbean, the Middle East and North Africa, and South Asia. These tools highlight the investments and interventions needed, supporting evidence-based policy-making on human capital.

Our *Collapse and Recovery* report provided the first comprehensive review of global data of young people during the COVID-19 pandemic. It showed that the pandemic disrupted human capital accumulation at critical moments in the life cycle, derailing development for millions of children and young people in developing countries. We also issued policy briefs on strengthening food security and human capital, gender, and climate change, helping countries and partners integrate human capital policies as they address crises amid shrinking fiscal space.

Financed by the Bill & Melinda Gates Foundation and the Canadian government, the Human Capital Umbrella Program provides a flexible financing model that allows donors and partners to support broader, more systematic institutional and policy reforms. It has provided 18 countries in Africa and South Asia with analytics and technical assistance to address human capital challenges. The program has also informed more than 15 Bank operations totaling over \$4 billion, reaching more than 35 million people.



at the primary school level, but also include a focus on early childhood development, so that children can go to school ready to learn. They also include the Accelerator Program, which fights learning poverty in countries, and the Coalition on Foundational Learning, a global network of actors committed to halving learning poverty by 2030, as captured in the Commitment to Action on Foundational Learning. The Tertiary Education and Skills global program, launched with support from the Mastercard Foundation, prepares youth and adults for the future of work and society by improving access to relevant, quality, and equitable reskilling and post-secondary education opportunities. We also collaborate with the Global Education Evidence Advisory Panel, an independent panel of global experts convened by the World Bank, UNICEF, and the U.S. and U.K. governments. The panel's 2023 *Smart Buys* report draws on 400 high-quality impact evaluations and lays out evidence on interventions that improve student learning cost-effectively. It builds on the panel's 2020 report by updating and expanding the evidence base and extending it to cover important new areas, including health and nutrition interventions.

Our engagement on education in situations of fragility, conflict, and violence stands at over \$5 billion, which accounts for about a quarter of our education portfolio. In line with the Bank Group's Fragility, Conflict, and Violence strategy, our approach recognizes that education is crucial in minimizing the impacts of fragility and displacement on children and youth and to prevent violent conflict over the long term.

Investing in digital development to address global challenges

Digital infrastructure and technologies help countries respond and build resilience to today's complex development challenges—from climate change and pandemics to conflicts and food insecurity—by enhancing connectivity, inclusion, and access to services. But digitalization can also exacerbate economic and social divides and open countries to greater privacy and cybersecurity risks. The World Bank is working to maximize the benefits of digitalization while mitigating the risks. In more than 100 developing countries, we collaborate with governments to build strong foundations for digital economies to thrive. This includes broadband connectivity, digital data infrastructure, safeguards, information and communications technologies—enabled growth, digital skills and jobs, and the intersection of digitalization and climate mitigation.

In Uganda, we helped improve access to and affordability of the country's communications infrastructure, increasing internet penetration by 25 percent while lowering the price of mobile broadband internet by 74 percent. We also helped enhance government services by supporting the digitalization of e-services and cybersecurity investments. In Maldives, we support digital platforms that enable climate-relevant data sharing and improve data-driven planning and policy-making that can help mitigate rising sea levels and coastal erosion. In Argentina, we are helping strengthen data infrastructure and close the digital divide; this will provide digital-skills training to over 300,000 people in areas without internet connections, with a special focus on women.

Our research shows the role of digital technologies and platforms in boosting jobs and enabling economic transformation. Our *Digital Africa* report demonstrated that internet availability helps create jobs and reduce poverty in African countries. Our *Working Without Borders* report found that online work, which is often informal, is growing faster in developing countries and opens opportunities for inclusion. Vulnerable groups will need access to digital devices and high-speed, reliable, and affordable internet to engage in online work and reap the benefits of the digital economy.

Under the G20 Presidency of India, the Bank supported the development of a common framework for digital public infrastructure. We also partnered with the G7 Presidency of Japan on inclusive, secure, and resilient digital infrastructure. We work with several initiatives and trust funds that support digital transformation, such as

the Digital Development Partnership, the Cybersecurity Multidonor Trust Fund, the Identification for Development and Government-to-Person Payments initiatives, and the Korea Digital Development Program.

Building more adaptive social protection systems

Effective social protection systems protect poor and vulnerable people, including the elderly and persons with disabilities, and help people escape from poverty and increase their resilience. Yet major gaps in coverage remain, with multiple crises arising from climate shocks, war, and inflation increasing the need for support. Demographic transitions—including societal aging, the need for new jobs as part of a green transition, and disruptions from rapid technological change—mean countries need better policies, programs, and approaches to protect and empower their people. Our new strategy, *The Compass*, recognizes that progress toward universal social protection is critical to protect people from shocks, build human capital, and lay the foundation for inclusive, equitable, and resilient societies. It calls for adaptive social protection programs to increase resilience against climate, economic and health shocks, food insecurity, and inflation as well as to ensure the transition to a green economy through income support, upskilling, and reskilling. We help countries implement policies for social assistance, labor markets, social insurance, and pensions and scale up delivery systems to reach more people. In fiscal 2023, we committed \$7.3 billion for social protection, including \$4.1 billion from IDA.

We spearhead efforts to monitor social protection responses to shocks, including the war on Ukraine and the price shocks in food, fuel, and fertilizer that were exacerbated by the war. As of April 2023, the inflation tracker recorded over 1,300 social protection measures across 178 economies, representing a 30 percent increase since December 2022. We also made significant strides in data collection in fiscal 2023, including our Atlas of Social Protection Indicators of Resilience and Equity on social insurance, social assistance, and labor programs.

In fiscal 2023, we helped scale up economic inclusion programs and enhance coordination between social assistance and labor policies. We supported labor markets to improve resilience against climate change, promoting policies for green jobs, upskilling, and matching, especially for youth. We provided opportunities for poor and vulnerable people, protecting and supporting informal workers, persons with disabilities, migrants, and refugees, and empowering women and girls. We also highlighted the impacts of societal aging and demographic



change on pensions and social insurance. In Zambia, the Girls' Education and Women's Empowerment and Livelihood program has reduced school dropout rates among adolescent girls and led to a 63 percent increase in business profits through women's grant and savings groups. In Malawi, the flagship cash transfer program was expanded to become "shock-responsive," providing relief to over 100,000 households in the event of a drought. And in Cameroon, we helped the government build basic safety net systems that reach almost a third of the poor—2.3 million people—including refugees from conflict-affected countries. We also provided technical support to help countries extend the coverage of their pension systems to support their aging populations, including in Albania and Mexico.

Our work on policies related to migrant workers and refugees includes the Knowledge Partnership on Migration and Development (KNOMAD), which monitors migration and remittance flows and policy developments, and the Rome Jobs and Labor Mobility Center, which supports orderly and safe migratory flows through better job creation. KNOMAD showed that remittances to developing countries increased in 2022 by an estimated 5 percent to \$626 billion. Refugee flows have also increased, especially due to the war on Ukraine; and climate change is set to increase migration, mostly within countries, with the poorest likely to be the most affected.

Accelerating gender equality for sustainable growth and resilience

The world is experiencing an unprecedented set of intertwined crises with particularly negative impacts on women, girls, sexual and gender minorities, and marginalized people. These crises threaten hard-won gains in human capital, economic empowerment, and voice and agency. The negative impacts are further compounded by discriminatory laws and policies, restrictive social norms, gender-based violence, and growing backlash against gender equality.

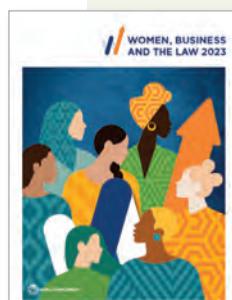
The Bank Group helps countries work toward progress on gender equality and women's empowerment to achieve sustainable, resilient, and inclusive development. Our work is guided by our Gender Equality Strategy for 2016–23, which seeks to close gaps between men and women across four key pillars: human endowments (health, education, and social protection), jobs, assets, and voice and agency. In fiscal 2023, 95 percent of Bank-financed operations identified a gender gap, devised an intervention to address the gap, and tracked the results—an increase from 50 percent in fiscal 2017. In June 2023, we published our retrospectives on *Gender Equality in Development and Gender-Based Violence Prevention and Response in World Bank Operations*, looking at progress made in these areas over the past decade. And through our #AccelerateEquality campaign, we hosted a series of analytics, partnerships, events, and milestones to reflect on progress made over the past decade. We continue to engage with stakeholders to inform the 2024–30 World Bank Group Gender Strategy.

Through IDA, we tackle challenges at the forefront of gender equality and girls' and women's empowerment, including around sexual and reproductive health, child care, economic inclusion, entry of women into higher-skilled jobs, gender-based violence, and fiscal policy and budget system reforms. IDA resources have supported over 300 country-led actions in targeted areas and reached more than 700 million women and girls since fiscal 2015.

The Umbrella Facility for Gender Equality finances impact evaluations to inform solutions that can be adapted by governments, development partners, and the private sector. We collect and curate data through the Gender Data Portal, which provides sex-disaggregated data for over 900 indicators covering demography, education, health, economic activities, assets, leadership, gender-based violence, and more to inform policies and programs.

We help women participate in economic activity and promote productive economic inclusion. We support cash-for-work programs, greater child care support,

Women, Business, and the Law 2023 measures the laws and regulations that affect women's economic opportunities in 190 economies. This report contributes to research and policy discussions about women's economic empowerment by examining the economic decisions women make throughout their working lives, as well as the pace of reform over the past five decades. It presents eight indicators about women's interactions with the law as they move through their lives and careers: mobility, workplace, pay, marriage, parenthood, entrepreneurship, assets, and pension.



The latest edition provides a comprehensive look at global progress toward gender equality in the law. It finds that strong progress has been made since 1970, with the average score improving by nearly 70 percent, from 45.8 to 77.1 points. However, reform fatigue seems to have set in, and in 2022, the global pace of reforms fell to a 20-year low. The report highlights that more needs to be done worldwide to ensure that good intentions are accompanied by tangible results.

agricultural extension services, and better access to financial and digital services, including credit and liquidity for women-led firms. In Serbia, we are improving scientific research, entrepreneurship, and access to finance, with more than half of the \$6.8 million in science grants awarded going to women. In countries like Angola, Nigeria, and Tanzania, we help provide safe spaces for girls in schools, improve girls' sexual and reproductive health, and work with teachers to change norms. Through our support for the Women Entrepreneurs Finance Initiative (We-Fi), we help unlock financing and support systems for women-led and -owned businesses in developing countries. Since 2018, We-Fi has worked with hundreds of partners in over 60 countries to catalyze billions in funding to provide finance and training and address systemic data and policy gaps.

We also aim to make climate action more effective and inclusive. In Costa Rica, we worked with the government and the Forest Carbon Partnership Facility on a gender analysis to support women's involvement in activities that help reduce emissions from deforestation and forest degradation as well as conserve and enhance forest carbon stocks.

We work to prevent and respond to gender-based violence by supporting remote counseling services, educating parents on healthy relationships, addressing sexual harassment on public transport, training health workers to identify and refer cases, and strengthening data collection and referral mechanisms. We are helping school management and teachers in Tanzania better prevent and address gender-based violence. We are also addressing gender-based violence through development policy operations, including through stronger legal protections and redress systems.

The Bank Group is committed to non-discrimination, inclusion, and equal opportunity for all, encompassing sexual and gender minorities. Our research and engagement tackles disadvantages facing men and boys, as well as vulnerabilities arising from the intersection of gender with other characteristics, such as poverty, ethnicity, and disability.

Investing in sustainable infrastructure

The World Bank works to drive more investment into infrastructure to support high-quality, sustainable projects that maximize value for people, the economy, and the environment. In fiscal 2023, we provided \$12.5 billion to support infrastructure spending in developing countries. Yet tremendous gaps remain. Developing

countries need to spend about 4.5 percent of GDP annually to fund basic improvements in energy, transport, digital, and other sectors, and another 2.7 percent of GDP on maintenance and operation in these sectors—far more than any one entity can contribute.

In the two decades leading up to the onset of COVID-19, the private sector committed about \$97 billion on average annually to infrastructure projects in emerging markets. Though the pandemic had a major impact on private participation in infrastructure, there are encouraging trends toward recovery. Our annual *Private Participation in Infrastructure* report shows these commitments increased for the second consecutive year in 2022, reaching \$91.7 billion across 263 projects for a 23 percent increase from 2021.

By blending public and private financing and combining it with capacity building, guarantees, and risk management, we help create an environment conducive to private investment in infrastructure that is climate-responsive, fiscally sustainable, and bankable. This includes our global platforms, such as the Global Infrastructure Facility, the Public-Private Infrastructure Advisory Facility, and the Quality Infrastructure Investment Partnership. We also work effectively with IFC and MIGA to deploy the full range of World Bank instruments, with the IDA Private Sector Window continuing to support IFC and MIGA in challenging markets—allowing for projects that would otherwise not be commercially viable.

These efforts produce concrete results. In Kenya, we helped establish a strong public-private partnerships pipeline that is expected to mobilize \$1.3 billion in private capital for transport, energy, education, and agriculture. In Senegal, the Bank provided comprehensive upstream and downstream support—including project identification, design, and structuring through to financial close—for the first electric vehicle bus rapid transit system in Dakar, which is expected to mobilize \$200 million in private capital over 15 years. And World Bank support is helping India advance its energy transition, implement the national infrastructure pipeline, and build capacity on asset recycling.

Investing in nature to support lives and livelihoods

We invest in greener development to help countries tackle the interconnected biodiversity, climate, and pollution crises. We support countries with data and analytics to value nature and make informed decisions about how to sustainably manage land, sea, and freshwater resources to create jobs, improve livelihoods, enhance ecosystem services, decrease pollution, store carbon, and increase resilience to climate change.

At the 15th Conference of the Parties on Biodiversity in December 2022, countries agreed on ambitious new targets for the Global Biodiversity Framework to 2030. The World Bank informed this discussion through a series of briefs on integrating nature into countries' development policies, scaling up finance, and integrating nature investments with those in climate adaptation and mitigation. Our analytical work also informs ongoing multilateral processes, such as the negotiations on a legally binding treaty on plastics pollution. The *Pathways Out of Plastic Pollution* report helps countries assess the true cost of plastics and substitute products, and offers guidance on policies that could speed the move toward a more circular economy.

In addition to being the leading multilateral financier of biodiversity, we prioritize nature across all sectors. In the Caribbean, we are making investments across sectors in the “blue economy” to strengthen resilience, create jobs, and accelerate recovery. With the support of the Global Environment Facility, we are piloting wetland restoration in Rwanda to improve climate resilience and livelihoods for more than 250,000 people exposed to flooding. We also work to mainstream nature across the Bank Group’s work, including as part of commitments under IDA and our Climate Change Action Plan for 2021–25.



Ensuring water security for people and the planet

Today, over 2 billion people lack safe drinking water, 3.6 billion people lack safe sanitation, and at least 1.8 billion people face significant flood risk. With 70 percent of the world's water shared across national boundaries and the variability of trans-boundary water resources due to climate change, risks of water-induced conflicts are escalating. By 2050, the global economy could face \$5.6 trillion in losses due to worsening droughts, storms, and torrential rain in some of the world's largest economies. These challenges are compounded by a burgeoning population; higher demand for water for energy, agriculture, industry, and human consumption; and the escalating climate crisis.

The World Bank Group supports countries as they work toward a water-secure world in a way that fosters inclusive and sustainable development. The One-Wash program in Ethiopia is helping scale up access to water and sanitation by bringing together the water, health, education, and finance sectors. The second phase of the program, which started in 2019, aims to provide safe water to 4.4 million people and better sanitation services to 4.8 million. In the Philippines, where floods are a recurring problem, the Metro Manila Flood Management Project is improving the city's drainage infrastructure, establishing flood-prevention systems, and relocating informal settler families. These measures are protecting the lives and livelihoods of over a million people, many of whom live in informal settlements along the city's most flood-prone waterways. In Tajikistan, where almost half the country's workforce relies on agriculture, we helped modernize irrigation services and increase agricultural productivity, incomes, and food security. And we supported the Haitian government's response to myriad crises—including a cholera outbreak, Hurricane Matthew, the COVID-19 pandemic, and an earthquake—by helping more than half a million people in rural areas gain access to better water and sanitation services.

Our operations are strengthened by our analytical work. This includes our *What the Future Has in Store* report, which examines ways to close the growing gap in natural, built, and hybrid water storage to ensure a water-secure world for all. The *Hidden Wealth of Nations: Groundwater in Times of Climate Change* report advances understanding of the value of groundwater, the costs of mismanagement, and opportunities to leverage its potential. A new analysis on *Water Security and Fragility in South Sudan* explores opportunities and trade-offs in aligning the country's water-related investments and policies with its commitment to peace and its climate adaptation needs.



We host two global initiatives: the Global Water Security and Sanitation Partnership, which brings together bilateral partners to help countries work toward water-related Sustainable Development Goals, and the 2030 Water Resources Group, a global public-private partnership for water security. These initiatives provide a global platform to fast track global and country-level action to ensure water security for people and the planet.

Supporting greener and more resilient transport

Transport connects people to jobs, education, health care, and opportunities, but it also exacts a heavy toll on people and the planet through growing global emissions, air pollution, and traffic fatalities.

The Bank works with developing countries to change mobility behaviors and scale up transport solutions that enable people and goods to move in a safe, less-polluting way. We are the largest provider of development financing for transport globally; in fiscal 2023, the Bank committed \$2.8 billion for transport-related projects around the world, 56 percent of which had climate co-benefits.

We are working to make electric mobility more accessible for developing countries and helping countries assess their readiness for e-mobility. Electrifying public bus transport fleets, as well as two- or three-wheel vehicles, are two effective ways to jumpstart this transition. In Senegal, the Dakar Bus Rapid Transit Pilot Project will soon introduce the first all-electric bus fleet in Africa.

We are also leveraging our new Global Facility to Decarbonize Transport to further accelerate innovation and investment toward low-carbon mobility solutions in developing countries. In its first year, the facility provided grants to seven programs working to catalyze sustainable mobility investments. Through this new facility, we are helping countries prepare for the electrification of thousands of buses, improve options for public transport in cities, and establish regional financing facilities to modernize the fleet of vehicles and advance zero-emission mobility.

Our transport work extends to road safety as well. Developing countries see over 90 percent of the world's nearly 1.4 million annual traffic fatalities, despite having fewer than 60 percent of the world's motor vehicles. We work toward the UN goal of halving road crash fatalities and injuries by 2030 through research and program support provided by the Global Road Safety Facility. This facility recently completed over 1,800 kilometers of road infrastructure safety assessments in Argentina, China, Ethiopia, Ghana, India, the Philippines, and Vietnam, informing \$2.3 billion worth of Bank transport investment projects and ensuring that safety is front and center in our project plans.

Recent disruptions to logistics and supply chains have had a severe impact on economic stability and food security, especially for the world's poorest people. We are helping countries develop more resilient and efficient logistics systems by investing in quality infrastructure, supporting the digitalization of freight transport, and facilitating regional integration and cross-border trade. Our *Container Port Performance Index*, published annually, identifies critical policies—such as digitalization—to help improve the efficiency of logistics and supply chains. In Africa, we are increasingly focusing on regional corridor programs, including trade and transport connectivity projects in the Horn of Africa that will enhance resilience across the supply chain and help lower food prices.

Paving the path for resilient disaster recovery

The world's most vulnerable people continue to be battered by earthquakes, cyclones, droughts, floods, and volcanic eruptions. In the aftermath of a disaster, it is imperative to act quickly. Prompt and accurate disaster-impact assessments enable fast mobilization and efficient allocation of relief funds—crucial in directing recovery and reconstruction efforts and informing investments in rebuilding and climate adaptation. Supported by the Global Facility for Disaster Reduction and Recovery (GFDRR), the Bank developed the Global Rapid Post-Disaster Damage Estimation methodology, a more cost-effective way to quickly assess economic damages after a disaster. It can provide reliable and accurate estimates of physical damage distribution by area and sector within two weeks, helping efficiently direct resources to where they are most urgently needed. We conducted these assessments for Pakistan, Syria, and Türkiye in the aftermath of earthquakes and floods. Since 2022, this methodology has directly enabled the mobilization of over \$500 million from the IDA Crisis Response Window. GFDRR also contributes to the global knowledge base for disaster risk management through its work on nature-based solutions, hydro-meteorological services, and inclusive disaster management; it shares this expertise through events such as the Understanding Risk Global Forum.

Building more sustainable and inclusive cities

Cities are home to 56 percent of the global population—a number expected to rise to 70 percent by 2050—and over 80 percent of global economic activity. They also bear the brunt of crises such as pandemics, conflict, displacement, and climate



change, which can exacerbate risks and compound inequalities. Our *Thriving* report found that while cities in high- and upper-middle-income countries contribute significantly to global CO₂ emissions, cities in lower-income countries suffer the most from climate-related shocks and stresses due to poor management of urbanization pressures. This leads to sprawl, homes and businesses built in risky areas, traffic congestion, and more emissions. As the world's largest multilateral financier for sustainable urban development, we support climate-smart development and work with cities and national governments to establish robust financial frameworks and institutions. We help cities deliver better infrastructure and services, attract investment, reduce emissions, adapt to climate risks, and foster inclusive, low-carbon, climate-resilient, and sustainable economies. In Maldives, we are strengthening the resilience of infrastructure, buildings, and communities to climate and disaster risks. We are extending our support for urban services in Rwanda beyond the capital of Kigali to secondary cities, while also helping improve resilience through integrated flood management, wetland rehabilitation, and nature-based solutions. In collaboration with the government of Japan and the city of Hiroshima, we co-convened an international symposium through our Tokyo Development Learning Center in March 2023, gathering high-level officials and technical experts to share best practices to address conflict, climate, and pandemics. We also conduct research on sustainable urban development, including through urbanization reviews, Country Climate and Development Reports, and other analytics, providing city leaders with frameworks to identify policy distortions and analyze investment priorities. Through initiatives such as the City Resilience Program, the City Partnership Program, the Gap Fund, and the City Creditworthiness Initiative, we help cities conduct critical diagnostic studies, develop investable projects and investment pipelines, improve creditworthiness, and raise financing for climate and disaster resilience.

Building social sustainability for better development outcomes

The Bank promotes social cohesion to build trust and help communities work together to address complex development issues, such as migration or climate change. In the Philippines, our engagement in Mindanao brought together groups engaged in conflict to collectively allocate resources and solve problems. In the Sahel, we are helping resolve conflicts between farmers and herders while also strengthening their relationships with the local government.

We see inclusion as more than having access to services and markets; it also affords people the ability to participate in society and engage in development that influences their lives. The Financing Locally Led Climate Action Program enables partnerships between citizens and local governments to assess climate risks and identify inclusive, tailored solutions. In Bangladesh, the Nuton Jibon project assesses extreme weather events and local communities through participatory risk analyses that inform the locations and design of community centers, rural roads, tube wells, and other works. We also strengthen how public decisions are made and implemented by allowing all stakeholders to have a say and be heard, building trust and creating process legitimacy. This includes efforts to transition away from fossil fuels in a fair and just way.

We are boosting resilience within communities so that everyone, including poor and marginalized groups, can safely withstand shocks and protect their cultural integrity. In Argentina, we collaborated with the National Ministry of Production and Labor to strengthen employment offices throughout the country to better address the challenges women face in getting access to training and the formal job market. The project also addressed challenges faced by persons with disabilities, Indigenous peoples, and LGBTI people. In addition, we help countries develop stronger environmental and social regulatory frameworks and institutional capacity (see page 78).

Through the Global Partnership for Social Accountability, we amplify the voices of the most marginalized communities in systemic ways. This includes the Green



Accountability Call for Proposals, which places citizens and civil society at the heart of climate finance to direct funding, implement solutions, and hold decision-makers accountable for effective and equitable climate action.

We actively incorporate technology and agility to amplify citizens' voices in decision-making. Civic technology explores diverse ways to boost the feedback loop through digital innovation, engaging citizens, communities, civil society groups, and public sector institutions to generate development solutions and improve service delivery. The Bank works to make these tools accessible while ensuring that vulnerable communities gain digital literacy and bridging the digital gender divide.

Strengthening public institutions and improving governance

Governments play a crucial role in protecting citizens and shaping a better future for them, particularly during times of crisis. The World Bank works with countries to strengthen the effectiveness, inclusiveness, and accountability of public institutions, which is essential for ensuring fair and sustainable development, particularly amid growing needs and tightening fiscal space. Our support enables countries to boost public sector productivity, mobilize technology to deliver public services, reduce corruption, and better manage climate-related disasters and other shocks.

In January 2023, we established a new data hub on government and governance patterns in developing countries. It will support a repository of key global, regional, and country-level analytical studies, covering governance issues such as the distribution of power, interests, and resources, as well as organizational capacity,

technical processes, and systems. These will include the Country-Level Institutional Assessment and Review, which will provide guidance on conducting reviews of public institutions to influence policy dialogue and inform country engagement.

We developed several tools and datasets to support effective policy reforms. The 2022 Supreme Audit Institutions Independence Index provides insights into the legal and operational independence of crucial institutions in more than 100 countries. We also launched the *2022 GovTech Maturity Index*, which assesses how governments in 198 economies are using technology to improve public service delivery and strengthen citizen engagement. Our Worldwide Bureaucracy Indicators constitutes the most comprehensive global dataset on public sector employment and wages, with 192 indicators from 200 economies. The Global Public Procurement Database contains information on laws, regulations, and use of electronic government procurement from over 200 economies. And our Procurement Anticorruption and Transparency platform allows users to monitor and analyze data to strengthen the efficiency and integrity of public procurement.

Corruption can cost lives, reduce access to basic services, and exacerbate inequality—often harming poor people the most. Through our work on anticorruption and integrity, we help countries better detect and deter corruption as early as possible by exploring changes in trends, emerging challenges, and new technologies.

The Atlas of Sustainable Development Goals 2023 is an interactive storytelling and data visualization platform examining the 17 Sustainable Development Goals adopted by the UN in 2015. As we passed the mid-point of the 2030 target for reaching the goals, the UN warned that reaching the goals is in jeopardy. The atlas highlights trends within each goal and aims to inspire collective action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity by 2030.

For more information, visit www.worldbank.org/topics.



Promoting Sustainable Finance and Capital Markets

IBRD has mobilized finance for middle-income countries for more than 75 years, raising over \$1 trillion from private investors since issuing its first bond in 1947. IBRD engages with investors through its issuance of sustainable development bonds, helping connect investing to the Sustainable Development Goals and, increasingly, environmental, social, and governance considerations. Investors are also interested in how their investments contribute to topics such as climate action, biodiversity, and gender equality. The World Bank Treasury publishes an annual impact report for investors that summarizes results of IBRD-financed projects; highlights of the Treasury's issuance activities in the fiscal year are also outlined here.

In fiscal 2023, IBRD drew on its triple-A rating and strong standing in the markets to raise about \$43 billion in sustainable development bonds, which were issued in a variety of structures and maturities. As part of its funding program, IBRD issues sustainability bonds and green bonds. Since issuing the first-ever labeled green bond in 2008, it has issued almost \$290 billion in labeled bonds, including \$18 billion in green bonds. For green bonds, IBRD allocates equivalent amounts to eligible activities that address climate change. We have expanded our approach to issue sustainable development bonds that support all our activities—today, IBRD is the largest issuer of sustainable development bonds and uses the funds raised from capital markets to support development activities in member countries.

Since its capital market debut in 2018 with a \$1.5 billion bond in U.S. dollars, IDA has been building its market presence to support a larger funding program by issuing bonds in various maturities and currencies, including the euro, British pound, Swedish krona, and Norwegian krone. IDA's triple-A rating enables it to issue sustainable development bonds that leverage shareholder contributions to help low-income countries address their most pressing issues. In fiscal 2023, IDA issued approximately \$2 billion in bonds.

Supporting climate action, conservation, and other development priorities through capital markets

As part of its efforts to mobilize capital from capital markets, IBRD continued to engage with bond investors in fiscal 2023 about how we mainstream climate action and integrate climate and sustainability throughout our work with countries. We also engaged with investors on development priorities such as biodiversity, education, climate change, road safety, and water.

Following the first-of-its-kind outcome bond for wildlife conservation in March 2022, we issued another outcome bond in March 2023: a five-year emission reduction-linked bond that provided additional financing from private investors to a water purifier project in Vietnam. Instead of regular coupons, bond investors receive a return linked to the carbon credits generated by the project. This new approach raises upfront financing for a climate-focused project by securitizing future carbon credit sales revenue and passing project performance risk onto bond investors. The purifier project will make clean water available to 2 million children in Vietnam and reduce greenhouse gas emissions by almost 6 million tons of CO₂ over 10 years.

Developing sustainable capital markets

The Bank provides countries with technical assistance to develop greener and more sustainable capital markets and financial systems, facilitate market-based solutions, and mobilize private sector capital toward environmental and social priorities. After working with Colombia on their first sovereign green bond—by helping develop a national green taxonomy to identify projects and activities that can be supported by these bonds—we assisted with their post-issuance impact report in fiscal 2023. We also provided technical assistance for post-issuance impact reports for Egypt and Indonesia, as well as for the state-owned enterprise, PT Indonesia Infrastructure Finance. Also in fiscal 2023, we provided technical assistance to the government of India in establishing a sovereign green bond program, helping them raise the equivalent of about \$2 billion in Indian rupees in domestic capital markets through two green bonds. These will help finance renewable energy and the electrifying of transport systems throughout the country. The Bank also leveraged its capital market expertise by analyzing climate finance options, including green, social, and sustainability bonds, through our Country Climate and Development Reports—in fiscal 2023, we conducted these analyses for Malawi, South Africa, and the Sahel countries.

Informing countries about financial products and solutions

Ahead of all World Bank loans transitioning from LIBOR to alternative reference rates in July 2023, our Treasury executed more than \$1.3 billion in interest rate fixing transactions in fiscal 2023, working with clients to use interest risk management options where possible when accessing new borrowing. This included our engagement with Armenia and Georgia to automatically fix the interest rates at the disbursement of recent IBRD loans to fund a green and inclusive recovery. We also provided capacity building and training on financial risk management to government officials in Bhutan, Botswana, Brazil, Kenya, Maldives, Mozambique, Namibia, North Macedonia, Pakistan, Peru, and South Africa.

We helped countries secure access to concessional climate financing by structuring blended financing packages for investments. In fiscal 2023, this included large-scale loans that combined IBRD funding with concessional loans from various climate funds to cover investments for renewable energy in South Africa and climate resilience in the Republic of Congo. In Tanzania, we structured a \$500 million development policy loan—the largest in the country's history—by blending funds from IDA's new highly concessional Short Maturity Loan product and a regular IDA Scale-Up Window loan (which is based on IBRD financial terms). We also designed and implemented the new Investment Project Financing with Delayed Drawdown Option, which provides financing for earmarked expenditures in the event of shocks; the pilot project provided a liquidity backstop for the Romanian Bank Deposit Guarantee Fund.

Managing disaster risks through global capital markets

The Bank helps countries increase fiscal resilience against disasters by improving their access to the reinsurance and capital markets. Our Treasury works with governments to prepare and execute risk-transfer transactions before a catastrophic event occurs. In March 2023, we executed a joint catastrophe bond and swap transaction that provides Chile with \$630 million of insurance—\$350 million of catastrophe bonds and \$280 million of catastrophe swaps—for extreme earthquake events for three years. This was IBRD's 19th catastrophe bond issuance, the second catastrophe risk transfer transaction for Chile, and the first World Bank bond as well as catastrophe bond ever listed on Hong Kong Exchanges and Clearing Limited.



As of June 2023, we have helped countries transfer \$5.8 billion of disaster risk to international markets; of this, \$1.3 billion in IBRD-issued catastrophe bonds and swaps addressing earthquake and hurricane risks in Chile, Jamaica, and Mexico are outstanding.

Building capacity and managing assets for the public sector

The World Bank Treasury's Reserve Advisory and Management Partnership supports public asset management institutions worldwide through advisory services, executive training, and asset management services—all through a global network of practitioners. It serves 72 central banks, public pension funds, sovereign wealth funds, and international financial institutions, including six in low-income countries and six in countries affected by fragility, conflict, and violence. The Reserve Advisory and Management Partnership Trust Fund extends membership to central banks and other public sector institutions in IDA countries or those affected by fragility, conflict, and violence and that could not otherwise afford to participate.

The Bank also manages around \$82 billion for trust funds and external clients, including other official sector institutions. We issued our inaugural Impact Report for our dedicated Sustainable Fixed Income Strategy, which focuses on asset management mandates for trust funds managed by the Bank.

For more information, visit treasury.worldbank.org.



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Engaging with Partners on Shared Priorities

The World Bank Group works with multilateral institutions, bilateral development partners, civil society organizations, the private sector, foundations, think tanks, parliamentarians, and other stakeholders to address global challenges, support global public goods, and achieve shared development goals. At the country, regional, sectoral, and global levels, our partnerships take the form of dialogue, knowledge exchange, and operational collaboration.

Partnerships with multilateral institutions

We engage closely with the G7, G20, IMF, other multilateral development banks, the EU, and the UN to address countries' development priorities and global challenges. At their Bali Summit in November 2022, G20 leaders voiced support for the Bank Group's food security responses, including a \$30 billion commitment for food and nutrition security. G20 leaders also welcomed the establishment of the Pandemic Fund—hosted by the World Bank—to address critical pandemic prevention, preparedness, and response gaps. The fund has already raised \$2 billion in initial contributions, including \$700 million from the United States. Under the Indonesian and Indian G20 presidencies, we discussed options to implement the recommendations of the G20 Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks, leading to a component of our report on the Bank Group's Evolution in April 2023. We also co-chaired the Global Sovereign Debt Roundtable with the IMF and India (G20 presidency) to accelerate debt restructuring processes, including the G20 Common Framework.

In support of the German and Japanese G7 presidencies, the Bank Group provided expertise and advocacy on climate mitigation and adaptation, sustainable infrastructure, and support for vulnerable poor countries amid compounded crises. The G7 recognized our efforts to channel a significant amount of financial support for Ukraine and welcomed the work of IFC and MIGA to support private investments. At the joint meeting of G7 Finance and Health Ministers in May 2023, they emphasized the importance of mobilizing prevention, preparedness, and response financing from various sources effectively and quickly to contain pandemics at the early stage. At the G7 Hiroshima Summit in May 2023, G7 Leaders strongly supported the Bank Group's Evolution to review and transform business models. The leaders also tasked Finance Ministers to deliberate specific actions by developing the Partnership for Resilient and Inclusive Supply-Chain Enhancement especially in collaboration with the Bank Group.

The Bank Group partners with the EU to boost country outcomes around joint priorities, including fragile contexts, Sub-Saharan Africa, water, food security, pandemics, digital development, climate, disaster risk management, governance, public sector reforms, and private sector development. We are coordinating with the EU on our response to the war on Ukraine, including cooperation on Rapid Damage and Needs Assessments and the EU-Ukraine Solidarity Lanes initiative. The EU is also an important financial partner to the Bank Group and has committed \$467 million to the Pandemic Fund.

We continued to work with UN agencies and other international organizations—including UNICEF, UNOPS, UNHCR, the WHO, the WTO, and the International Committee of the Red Cross—to strengthen the resilience of countries in an environment of intertwined crises while supporting their long-term development. The Bank Group and the UN bring our combined capacity and expertise to bear on critical issues including fragile contexts, refugees, food security, pandemics, social protection, and jobs. We draw on these partnerships at the UN General Assembly and other high-level UN forums, as well as through close collaboration with individual agencies on financing, policy support, and knowledge. This includes our engagement with UN agencies in Bank-financed operations, notably in countries affected by fragility, conflict, and violence where the Bank Group has limited or no presence on the ground or in situations of crisis or emergency. In Afghanistan, we provide significant support to deliver food, livelihood, health, and education services and to build civil society capacity through projects implemented by UN agencies and civil society organizations. In fiscal 2023, we issued joint statements with the heads of the Food and Agriculture Organization, the IMF, the World Food Programme, and the WTO on the global food and nutrition security crisis, and engaged with UNHCR, the International Organization for Migration, and the International Labour Organization in the High-Level Advisory Panel of our *World Development Report 2023* on international migration.

Engagements with civil society, the private sector, foundations, think tanks, and parliamentarians

Our work with civil society organizations is broad and considers the differentiated roles they play: from advocacy groups with significant reach and international operational organizations to regional players and local organizations delivering results for their communities. During the World Bank Group–IMF Annual and Spring Meetings in fiscal 2023, the Civil Society Policy Forum—our largest platform to engage these groups—brought together over 2,000 stakeholders, more than half of them from developing countries. This year, the Board introduced a new format for the roundtable that Executive Directors host for civil society organizations during these meetings, which increased interaction and the frank exchanges of views. Throughout the year, we collaborated with civil society organizations via discussions with technical experts on key issues such as gender; fragility, conflict, and violence; climate; debt; and IDA. We actively sought their feedback for global and country-specific consultations; recent examples include a consultation on the implementation of the Bank's Fragility, Conflict, and Violence Strategy as well as country-level consultation on the Country Engagement Note for Yemen. Our regular touchpoints include a monthly newsletter and monthly global calls. We also work with faith-based organizations, such as the Moral Imperative to End Extreme Poverty Initiative, the UN Task Force on Religion and Development, the Joint Learning Initiative, and the International Partnership on Religion and Sustainable Development.

As part of our ongoing collaboration with the private sector and philanthropy, we convened Insights & Opportunities briefings for these partners to discuss our response to rising fragility, the global learning crisis, and the nexus between climate and education. At the World Bank Group–IMF Annual and Spring Meetings, we engaged the private sector and foundations on the climate crisis—recognizing the critical role they can play in tackling its impacts—as well as partners representing financial services, technology, philanthropy, and other sectors to share best practices and perspectives. We work with more than 400 partners through the Partnership Fund for the Sustainable Development Goals; to date, the fund has disbursed over \$10 million for initiatives that promote investments in environmental, social, and governance approaches and low-carbon development.

The Private Sector for Refugees initiative brings private sector growth to communities hosting forcibly displaced people by helping develop small and medium enterprises, which produce jobs. We support this work through partnership development and strategic communications. As of fiscal 2023, this initiative has worked in five countries, including countries in the Middle East and Africa and, most recently, in Poland, where it assessed the economic inclusion of Ukrainians who were forcibly displaced, resulting in actionable guidance for the government and private sector.

We cultivate and strengthen relationships with think tanks through regular discussions between their experts and Bank Group leadership to gather informed perspectives on challenges such as economic recovery, debt, global trade, conflict and fragility, climate change, and multilateral development bank reform. We also engage legislators and partner parliamentary organizations, notably the Parliamentary Network on the World Bank and IMF. In fiscal 2023, our events—including two Global Parliamentary Forums and virtual field visits to Kenya and Madagascar—convened more than 300 parliamentarians from around the world on priorities such as climate, debt, pandemic preparedness, gender, fragility, digitalization, human capital, and Ukraine. We also launched a capacity-building initiative for young parliamentarians—jointly sponsored by McGill University and our Parliamentary Network—that enrolled the first cohort of 14 members from every region.

Staff support local and global charities through the World Bank Group's Community Connections Campaign, a part of our community outreach program. In fiscal 2023, the workplace giving program raised more than \$12 million in donations from staff, consultants, retirees, and corporate matching funds. The campaign saw the most donors ever in each giving category and set a record for global staff participation, at over 79 percent. The program also helped staff respond to disasters throughout the year, raising over \$1.5 million for relief in response to the earthquakes in Türkiye and Syria, floods in Pakistan, and the cyclone in Mozambique and Malawi.

For more information, visit www.worldbank.org/en/about/partners.

Enhancing Effectiveness and Sustainability in Our Operations

World Bank operations benefit from a robust risk management approach to ensure they deliver strong country support while protecting the poorest and most vulnerable people. These safeguards include the Environmental Social Framework, the Procurement Framework, grievance redress mechanisms, and measures to prevent and address gender-based violence in our operations. We also work through trust funds and financial intermediary funds to deploy rapid financing and generate knowledge for key development priorities. Collectively, these efforts enable us to deliver effective, efficient, and tailored support to countries to help them achieve more resilient, sustainable, and inclusive development.

The World Bank's Environmental and Social Framework

The Environmental and Social Framework applies to Investment Project Financing initiated on or after October 1, 2018. The framework promotes sustainable and inclusive development outcomes by strengthening protections for people and the environment and addressing a broad range of environmental and social issues and risks in an integrated manner. These include labor and working conditions, community health and safety, resource efficiency, biodiversity, gender-based violence, and inclusion and non-discrimination.

The framework also places a strong focus on transparency and stakeholder engagement through meaningful and ongoing consultations throughout the project life cycle, responsive grievance mechanisms, and timely information disclosure. It promotes a risk-based and proportionate approach and allows for adaptive risk management to respond to changes in project circumstances. It further seeks to strengthen client countries' environmental and social capacity and systems. As of the end of June 2023, the framework applies to 47 percent of our active Investment Project Financing portfolio, with the transition from the Safeguard Policies expected to last several more years.

For more information, visit www.worldbank.org/esf.

The World Bank Procurement Framework

Since July 2016, the Bank's Procurement Framework has enabled tailored procurement approaches for Investment Project Financing operations, emphasizing sustainability and value for money in public procurement. In fiscal 2023, 76 percent of the Bank's Investment Project Financing portfolio, by awarded value, applied the framework. The rate of coverage increases as older projects close and new ones are approved; all procurement is expected to apply the framework by 2026.

In fiscal 2023, we completed a review of the framework to assess its results. It found a profoundly positive impact on many aspects of procurement under Bank-financed Investment Project Financing operations. Supply markets are diversifying, resulting in increased competition. And 77 percent of the contracts by value over the past five years were with new market entrants, suggesting greater private sector confidence in the Bank's procurement procedures.

Innovations in procurement—such as the Hands-On Expanded Implementation Support modality and Bank-facilitated procurement—have played critical roles in our response to COVID-19, helping us adapt to evolving operating environments and changing global supply chain dynamics while providing stepped-up support to countries. Through Hands-On Expanded Implementation Support, the Bank provides direct support to borrowing countries, especially in situations of fragility, conflict, and violence. This has helped cut the average processing time of procurement actions by two-thirds, with even greater reductions in fragile environments. It has also increased transparency and enabled us to address complaints faster, with half of complaints in fiscal 2022 being addressed within 19 calendar days.

During fiscal 2023, we updated all procurement documents, issued new guidance, and rolled out a major training and communications program to support the mandatory use of rated criteria for all international contracts advertised on or after September 1, 2023. Using these criteria more widely will increase borrowers' flexibility to procure works, goods, and non-consulting services best suited to their specific situations. It will also encourage the best suppliers to bid and participate in Bank-financed projects.

We developed guidance notes and training programs on key procurement aspects, such as supply chain management, sustainable procurement, contract management, and cybersecurity. We implemented mandatory direct payment for all procurements in fragile environments. We expanded the publication of beneficial owners of winning bidders to include all internationally advertised contracts. We also implemented a major upgrade to the Systematic Tracking of Exchanges in Procurement system to facilitate contract management, including better monitoring of contracts' physical and financial implementation.

For more information, visit www.worldbank.org/procurement.

Addressing risks of sexual exploitation, abuse, and harassment in our operations

We remain committed to preventing and mitigating the risks of gender-based violence, including sexual exploitation and abuse and sexual harassment, in our operations.

In September 2022, we released a new good practice note to help Bank staff and borrowers in identifying, addressing, and monitoring risks of sexual exploitation and abuse and sexual harassment in Investment Project Financing projects that focus on education, health, nutrition, social protection, and jobs. Rooted in the principles of the Environmental Social Framework and a Bank directive on addressing risks and impacts on disadvantaged or vulnerable individuals or groups, the note addresses the specific drivers of risks and opportunities in human development operations, including the large in-situ workforce, which often includes civil servants, the wide footprint of human development operations, and the power differentials between project actors and the most vulnerable people.

We have organized dedicated internal training on the note and leveraged a variety of awareness-raising opportunities, with about 250 staff trained in the second half of fiscal 2023. We have also begun training for borrowers. And we updated our good practice note on addressing sexual exploitation and abuse and sexual harassment in Investment Project Financing projects involving major civil works in order to integrate stronger guidance on how to identify and address the specific needs of children.

We continue to work with other international financial institutions to harmonize operational approaches to address sexual exploitation and abuse and sexual harassment in development operations; exchange knowledge, including through a shared website; and support collaboration and coordination with countries while promoting a survivor-centered approach.

Supporting countries through trust funds and financial intermediary funds

Through trust funds and financial intermediary funds, the Bank Group can deploy financing quickly, expand operations, and generate knowledge to help countries reduce poverty and boost shared prosperity in a sustainable way. These funds have provided financing, analytical support, and policy advice to respond to development challenges such as COVID-19, climate change, the food and energy crises, and Russia's invasion of Ukraine.

At the end of fiscal 2023, \$51.1 billion was held in trust in the form of cash, investments, and promissory notes. Of this, \$14.7 billion was for trust funds and \$34.5 billion for financial intermediary funds. Trust funds finance about two-thirds of the World Bank's advisory services and analytics, with 85 percent (\$31.5 billion) of total trust fund disbursements going to countries during fiscal 2019–23. Of this amount, over \$8.3 billion was disbursed to IDA and blend countries (countries eligible for both IDA and IBRD lending). Contributions to financial intermediary funds averaged \$9.6 billion annually, while cash transfers to implementing entities remained steady, with an average annual transfer of \$7.9 billion over the past five years.

As the role of trust funds has evolved during the past few decades, the Bank has undertaken initiatives and reforms to improve the effectiveness of trust fund resources and activities. The Bank is transitioning its trust fund portfolio into fewer, larger, and more strategically aligned "Umbrella 2.0" programs. The Management Framework for Financial Intermediary Funds strengthens the selectivity criteria for these funds and ensures a more systematic approach to their life-cycle management.

Umbrellas and financial intermediary funds are important arrangements for donors to support global public goods. The Scaling Climate Action by Lowering Emissions partnership is a new Umbrella program that will help countries unlock the potential of carbon markets. The Global Concessional Finance Facility is a financial intermediary fund that helps countries manage the influx of refugees—critical in situations where access to IBRD resources is constrained. The World Bank has mobilized over \$21.6 billion in vital financing through trust funds, providing fast-disbursing support to Ukraine to maintain essential services and core government functions during the war. The Bank also launched a new trust fund for Pandemic Prevention, Preparedness, and Response that will assess and strengthen health preparedness in developing countries.

For more information, visit www.worldbank.org/dfi.

Grievance Redress Service

Established in 2015, the Grievance Redress Service provides individuals and communities with an avenue to submit complaints directly to the World Bank if they believe a Bank-supported project has or is likely to have adverse effects on them, their community, or their environment. The service complements project-level grievance mechanisms overseen by country authorities and ensures that complaints received directly by the Bank are promptly addressed through sound and sustainable solutions. Cases cover a broad spectrum of issues, including harm to people's livelihoods, adverse impacts on the environment, and community health and safety concerns. The service plays a key role in identifying trends and systemic issues from past cases to foster institutional learning and apply lessons learned to new and ongoing operations.

In fiscal 2023, the Grievance Redress Service received 538 complaints from more than 70 countries.

For more information, visit www.worldbank.org/grs.

Our Values, People, and Places

We strive to become a more sustainable and responsible workplace by upholding and practicing our core values, safeguarding staff health and well-being, reducing our environmental footprint, and finding more efficient ways to work. Our Global Reporting Initiative Index and Sustainability Review present further details on the sustainability considerations of our operations and corporate practices; these can be accessed online through the Annual Report website.

Our Values

The World Bank Group's core values are impact, integrity, respect, teamwork, and innovation. They embody what is most important to us as an institution and guide how we work with each other, our clients, and our partners. Our Code of Ethics—which articulates what our core values mean in practice and focuses on behaviors, rather than compliance—complements these values. In fiscal 2023, we strengthened the code's focus on anti-racism and anti-discrimination, clarified reporting options for different types of misconduct, articulated responsibilities for staff who supervise other colleagues without formal authority, and expanded content on retaliation and diversity sensitivity. The Staff Rules continue to define the regulations and policies that guard against and prohibit misconduct. We build understanding of ethical and compliance issues in the workplace through a mandatory e-learning for staff on our core values and Code of Ethics. We facilitate in-person offerings on how to create a respectful workplace, supervisors' and managers' responsibilities, and bystander interventions. We also conduct outreach via staff townhalls, a learning series on ethics in the workplace, and internal communications.

Our People

We aim to attract, motivate, and retain diverse and global top talent by continually evaluating and improving our employee value proposition. In fiscal 2023, we rebranded our Office of Human Resources as the Office of People and Culture, reflecting our commitment to enhance the employee experience, facilitate a more compassionate and values-based culture, and boost our reputation as the best place to work in development. We are prioritizing ways to strengthen our culture and weave this into strategies and communications with staff.

At the end of fiscal 2023, the Bank had 13,122 full-time staff (53.2 percent of them women), in 141 locations representing 181 nationalities. Of these, 1,081 were new employees who joined the Bank during the fiscal year.

Focusing on people. We are committed to strengthening the employee experience and working at all levels to build resilience, maintain competitiveness, and enhance our position as the premier development institution. In fiscal 2023, this included our ongoing support to staff and the organization to address the impacts of COVID-19, as well as efforts to build a healthier, more agile workplace where people can thrive and build successful global careers. We also made our leave policies more family-friendly, including better access to paid parental leave for primary and secondary caregivers and a broader definition of "parent" to include stepparents and others in child-rearing roles.



We improved our support for employees facing disabilities through several policy reforms, providing staff with eligible claims with a more user-friendly case management process and greater access to pay. We also made enhancements that emphasize rehabilitation, return to work, and special accommodations.

We took steps this year to promote work-life harmony and help employees transition back to the office after a two-year period of home-based work necessitated by the COVID-19 pandemic. Through a tiered approach, we facilitated a safe return to offices by monitoring local health indicators, gradually easing protective measures as the situation allowed, and issuing continuous guidance to staff.

We carefully monitor the security landscape in country offices, particularly in situations of fragility, conflict, and violence, to ensure the health and safety of employees and their families worldwide. In fiscal 2023, we swiftly and safely evacuated 53 staff from Haiti, Sudan, and the Democratic Republic of the Congo in response to wide-ranging crises.

Strengthening culture. In fiscal 2023, we worked to support culture changes and improve trust, transparency, and two-way communication within the institution. Through all-staff townhalls, senior leaders held open dialogue with staff about onboarding, career progression, mobility, discrimination, and other important topics. They also went on missions to hear and address concerns specific to country offices. Other engagements included quarterly conversations with staff groups and roundtable discussions with senior leaders on compensation, mobility, and performance. Through our Be the Value campaign, we promoted the Bank Group's core values throughout the institution, and will recognize employees who went above and beyond to exemplify them.

Protecting and promoting staff health and safety. We are committed to protecting and promoting the health and safety of staff by focusing on personal health and wellness, occupational health and safety, and mental health and well-being. As of fiscal 2023, as part of a multiyear strategy to enhance services for staff globally, we have deployed fully staffed multidisciplinary hubs in Bulgaria, India, and Kenya that offer medical, counseling, and occupational health and safety support for staff based in the regions. This expansion will also apply to existing medical teams in Cameroon, Senegal, Singapore, and South Africa. We also continued to implement the Bank Mental Health Strategy to instill a culture of health and well-being, mitigate work-related and other risk factors, and provide better support for staff and families who face mental health challenges.

Strengthening our workplace culture

The Bank Group's workplace culture is central to delivering on our mission. In September 2022, then-President David Malpass and members of the Task Force on Workplace Culture—established by the president in November 2021—shared their initial recommendations on enhancing managerial accountability and reducing the fear of retaliation. The recommendations were shaped through sustained engagements with staff over several months.

Since these recommendations were announced, the Bank Group has taken several actions. We established the Ethics and Internal Justice unit and selected a new vice president to lead it. We launched a review to create a modern grading structure that aligns with industry best practices and enhances our ability to attract, motivate, and retain staff. We expanded our employment screening program to include criminal background checks for all new short-term consultants.

We continue to work on implementing the recommendations, including establishing the Disciplinary Advisory Panel and clarifying staff rules and whistleblower protections. Together, these actions build trust, empower, and motivate staff, and strengthen culture as a core value proposition.

To strengthen support for employees experiencing mental health conditions, we launched a campaign to increase understanding, reduce stigma, and encourage people to seek help early. We also delivered stronger medical plans this year that enhance access to mental health services for all staff and their families, with special emphasis on country offices, given the shortage of mental health professionals in some locations.

Addressing racism and racial discrimination. Since June 2020, the Anti-Racism Task Force has delivered recommendations to senior leadership to address racism and racial discrimination within the Bank Group, our operations, and the communities we serve. In its first phase, the Task Force submitted ideas on issues within the workplace, which were endorsed by management for implementation. In Phase Two, the Task Force focused externally, looking at race in our operations, corporate procurement, community engagement, and the composition of our country offices and staff around the world. The recommendations from this phase were submitted to the Bank Group President and senior leadership in March 2023 for review and endorsement for implementation. This marked the fulfilment of the Task Force mandate, and the working groups were disbanded.

During early 2023, vice presidents across the Bank Group hosted townhalls for the Task Force secretariat to present and discuss the anti-racism work, engage with staff, and keep up the momentum around the effort, building on previous internal engagements and those with external organizations. This was capped by an all-staff townhall with the President, members of senior leadership, and the Staff Association in March 2023.

The Task Force also worked to raise awareness around race and encourage conversations and activities across the organization. The Task Force developed and shared resource guides and other tools to support staff in these efforts and offer practical information and guidance. It also prepared and shared an infographic based on data that look at the composition of staff by regional nationality, including recruitment, promotions, and our global footprint. With the sunsetting of the Task Force—and based on feedback from staff and senior leadership that the anti-racism work continue to be built into the organization's culture, policies, and work—the Task Force Chair, Ethiopis Tafara, will lead a transition period to further implement the recommendations and periodically report on progress tracked by an Implementation Monitoring Unit.

Supporting more efficient and modern operations through information and technology solutions. In fiscal 2023, the Bank continued to modernize our internal operations workspace—which supports more than 6,000 teams—through better digital capabilities. Through Project ARIA, a Bank Group-wide, multiyear initiative, we continued to replace our aging financial enterprise resource-planning system to enhance process effectiveness, increase agility, improve business insights, and reduce operational risk. We also boosted cybersecurity preparedness through our Zero Trust Architecture initiative, helping thwart more than 177 million cyberattacks in fiscal 2023.

Supporting staff learning and skills development. With the World Bank Group's Open Learning Campus, staff can access a broad range of learning and leadership development programs, including self-paced virtual courses, facilitated learning, and on-the-job learning. In fiscal 2023, we introduced the EdCast Learning Experience Platform to meet the Bank Group's evolving needs and to simplify and improve offerings for staff and clients. The platform helps staff learn continuously through artificial intelligence and machine learning to support a personalized learning experience.

Facilitating a safe place for staff to address concerns and conflicts. In fiscal 2023, we established the Ethics and Internal Justice Services Vice Presidency to provide comprehensive and coordinated services related to Staff Rules compliance and addressing work-related concerns and grievances. The new unit comprises the functions performed by the Bank's Internal Justice Services and Ethics and Business Conduct Department.

Through the Internal Justice Services, staff have confidential channels to seek guidance on workplace issues and resolve conflicts. These include Ombuds Services, the Respectful Workplace Advisors Program, Mediation Services, Peer Review Services, Performance Management Review, and the Race Equity Office. In fiscal 2023, more than 1,100 staff turned to these services for help. The Internal Justice Services also delivered training and outreach to 5,827 staff.

The Ethics and Business Conduct Department is another trusted resource for staff seeking guidance on compliance and workplace issues and for preventing and addressing misconduct. In fiscal 2023, it reviewed 168 allegations of misconduct and delivered ethics training and outreach to 8,113 staff. Through its advisory services, it also responds to staff requests for ethics advice on potential conflicts of interest or other compliance issues, on average within less than one business day. In fiscal 2023, 1,248 staff sought advice from the department. It has focused its efforts on promoting transparency around the outcomes of its reviews of misconduct and conducts in-depth reviews of high-risk or recurring cases to help close gaps in controls. The department's Anti-Harassment Coordinator addresses allegations of sexual and other forms of harassment. In fiscal 2023, the Anti-Harassment Coordinator received 278 cases; along with other institutional stakeholders, they also implemented supportive measures, such as post-resolution monitoring to ensure a safe working environment for survivors of sexual harassment.

Representing staff voice. The World Bank Group's Staff Association represents the rights and interests of staff to senior management and the Board. It offers several services for members, including consultations on grievance-related matters, health insurance coverage for short-term temporary employees and consultants at headquarters, and regular communications to inform and update staff on relevant issues. In fiscal 2023, the Staff Association Delegate Assembly entered the second year of its two-year term to advocate for staff priorities and concerns, including compensation (particularly in country offices), talent retention, and career growth. In March 2023, the Staff Association hosted a Country Office Staff Association Forum that brought together representatives from around the world to exchange knowledge and engage on advocacy, with the support of the Bank's regional vice presidents. The Staff Association also facilitated townhalls and supported policy changes through its working groups.

TABLE 16 WORLD BANK (IBRD/IDA) STAFF DATA, FISCAL 2021–23

INDICATOR	FY21	FY22	FY23	RELATED INDICATORS
Total full-time staff	12,528	12,778	13,122	GRI 401; SDG 8
Non-U.S. based (%)	45	46	47	
Short-term consultants/temporaries (FTEs)	5,944	6,163	5,986	
Diversity index	0.89	0.89	0.90	
% represents the deviation from the gender balance target for a given category*				
Administrative and support staff (%)	17.8	17.6	17.7	
Entry and junior technical (%)	3.2	2.7	2.7	
Senior technical (%)	5.8	4.7	3.8	
Managers (%)	2.7	4.7	3.4	
Average days of training per staff, at headquarters	3.1	2.6	2.7	GRI 404; SDG 8
Average days of training per staff, in country offices	3.1	2.9	2.1	

Note: – = not available; FTE = full-time equivalent (staff); GRI = Global Reporting Initiative; SDG = Sustainable Development Goal. *Gender balance is defined as 50% men and 50% women, with a +/– 2% margin; 0% means we have met our gender balance target, while figures over 0% mean men/women are overrepresented.

Our Places

The Bank manages the environmental, social, and economic impacts of our internal business operations by striving for net positive impacts on the ecosystems, communities, and economies where we have facilities.

Reducing emissions globally. Travel resumed, resulting in an estimated 24 percent increase in emissions from fiscal 2021 to fiscal 2022. Globally, buildings remained below full capacity. As part of our annual effort to offset carbon emissions, carbon offsets and Renewable Energy Credits equivalent to the World Bank's footprint were purchased and retired.

Reducing emissions at headquarters. In July 2022, we began piloting a hybrid work model and resumed cafeteria, coffee bar, and catering services in alignment with the Bank Group commitment to the Cool Food Pledge of reducing food-related greenhouse gas emissions by 25 percent by 2030 relative to a 2019 baseline. We purchased Renewable Energy Credits equivalent to 100 percent of our electricity use at headquarters. These credits represent the environmental impact of one megawatt-hour of renewable energy generation that is added to the electricity grid. Carbon offset projects are chosen based on rigorous Bank Group guidelines in IDA countries, with recent projects in Cambodia (to reduce methane leakage), Madagascar (to expand solar power), and Myanmar (to restore mangroves).

Designing sustainable facilities. We incorporate sustainability considerations into all aspects of our real estate portfolio, including new constructions, renovations, and day-to-day operations, to ensure that our facilities are not only modern, healthy, and comfortable but also environmentally responsible. This includes earning energy efficiency certifications, enhancing facilities with renewable technologies, using green and biophilic design elements, and applying these principles across all our facilities, from headquarters to country offices.

We have modernized our approach to optimize sustainability in our facilities. This enables us to maximize space use, lower operating costs, increase office flexibility, and reduce carbon emissions, energy consumption, and waste. In Washington, D.C., we are renovating the aging “I Building” with energy-efficient designs, sustainable materials, and remanufactured office furniture (as part of a circular economy approach). We have implemented similar design concepts for our country offices in Australia, Bhutan, the Central African Republic, France, Lebanon, Kenya, Mali, Micronesia, Nepal, Nigeria, Papua New Guinea, Sri Lanka, Uganda, Zambia, and other locations.

An example of how we incorporated sustainability into renovations is our Bangladesh country office in Dhaka, which recently achieved LEED Gold Certification for Operations and Maintenance. We upgraded our 20-year-old building with more efficient filtration systems, green walls, water-saving devices, LED lighting, and heating, ventilation, and air conditioning systems. Our current projects include a 150 kilowatt-hour solar panel installation and an 88,000 liter rainwater harvesting system, further reducing energy consumption and water usage. In Paris, we are enhancing the sustainability of our office by connecting to Europe's first cooling network, which provides chilled water from the Seine that is used to cool the building, eliminating the need to own or maintain any air conditioners or chillers. We also completed new buildings in Brazil, Burkina Faso, Niger, and Sierra Leone in accordance with green building standards.

Our Supply Chain

Promoting a more inclusive and sustainable supply chain. In fiscal 2023, the Bank's institutional supply chain continued to be disrupted by the COVID-19 pandemic, geopolitical conflicts, and global debt distress. The main challenges include demand volatility, inventory shortages, and workforce disruptions across various sectors and locations. We stepped up efforts to manage third-party risk in our global vendor base, which includes vendors from 196 countries, by effectively assessing risks and vulnerabilities and establishing contingencies. Amid global financial disruptions and inflation, we also sought to balance vendors' financial stability and operational capacity with the need to drive sustainable development in an ever-changing environment.

Despite these challenges, we continued to increase our corporate procurement from women-owned and minority-owned businesses. We are well on our way to double the share of procurement to 7 percent by fiscal 2023 and 8 percent by fiscal 2025, respectively. Results will be announced in fiscal 2024. In fiscal 2023, we engaged with more than triple the number of women-owned businesses as vendors since we began measuring in fiscal 2018, enhancing supply chain resilience and promoting women's economic inclusion. For the second year in a row, the World Bank was commended as a Platinum Top Global Champion for Supplier Diversity and Inclusion by WEConnect International.

TABLE 17 SELECTED WORLD BANK ENVIRONMENTAL IMPACTS, FISCAL 2019–22

INDICATOR	FY19	FY20	FY21	FY22	RELATED INDICATORS
Absolute GHG emissions (metric tons of CO ₂ equivalent) ^a	248,336	180,890	39,773	85,480	GRI 305; CDP C6; SDG 13
Energy use (GJ) ^b	458,315	471,930	393,728	360,514	GRI 302; CDP C8.2; SDG 7
Energy-use intensity (GJ/m ²) ^b	0.74	0.74	0.61	0.56	
Water use (m ³)	299,054	261,534	201,134	196,562	GRI 303; SDG 6
Waste diverted from landfill (%) ^c	61	67	33	40	GRI 306; SDG 12
Total paper use with 100% recycled content (both copy paper and print shop, %) ^c	57	54	34	57	GRI 301; SDG 12

Note: Data lag by one fiscal year due to timing of data collection. Bank facilities were closed or at reduced occupancy for most of fiscal 2021, and there was a partial return of staff to offices in fiscal 2022. For additional details and data, visit the Corporate Responsibility website. CO₂ = carbon dioxide; CDP = Carbon Disclosure Project; GHG = greenhouse gas; GJ = gigajoule; GJ/m² = gigajoule per square meter; GRI = Global Reporting Initiative; SDG = Sustainable Development Goal.

a. Data are for all Bank facilities worldwide and include Scope 1, Scope 2, and Scope 3 business travel and headquarters food procurement emissions. Scope 3 business air travel emissions include radiative forcing and exclude Global Environment Facility and MIGA business air travel emissions, whereas those are included in the Bank's Global Reporting Initiative report. Fiscal 2020 includes the addition of Cool Food Pledge emissions from Bank headquarters food procurement. Details have been captured in the Inventory Management Plan.

b. Data are for all Bank facilities worldwide and include electricity, stationary combustion, and mobile combustion.

c. Data are for Bank headquarters facilities only.

The World Bank's **Climate-Related** Disclosures

As part of this report, the World Bank is issuing its second climate-related disclosure aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures. The disclosure for fiscal 2023 demonstrates the progress made toward identifying and managing climate-related risks and opportunities in our financial, corporate, and development activities, as well as in our disclosure efforts. It highlights our commitment to supporting sustainable capital markets, underscoring the importance of harmonized, consistent, and comparable climate disclosures and a broader view of sustainability-related financial risks and opportunities, which can help shift financial flows toward climate- and sustainability-aligned projects and initiatives.

The Bank made significant progress in fiscal 2023 to help countries harness opportunities as they advance their climate ambitions and transition toward low-carbon, climate-resilient development. We published more than 20 Country Climate and Development Reports in fiscal 2023, continuing to help countries integrate climate change and development considerations. These reports also help countries prioritize the most impactful actions that can reduce greenhouse gas emissions and boost adaptation while delivering on broader development goals, feeding into other core Bank Group diagnostics, country engagements, and operations.

Fulfilling the commitment made in the World Bank Group Climate Change Action Plan for 2021–25, all new World Bank financing operations will be aligned with the objectives of the Paris Agreement beginning July 1, 2023. This will help deploy lower-carbon options whenever technically and economically feasible, prevent carbon lock-in, and ensure that material climate risks are assessed and reduced to an acceptable level. This process will evolve by refining guidance, building capacity, and adapting mechanisms as lessons emerge.

We recognize that our key stakeholders, shareholders, and investors are keen to understand emissions and other climate-related implications of our corporate and development activities. The Bank supports the transparency encouraged by the release of the general sustainability and climate-related standards in June 2023 by the International Sustainability Standards Board. The issuance of these standards is an important milestone toward a global baseline of sustainability-reporting standards, which will help mainstream and standardize reporting of related risks and opportunities. We are preparing a multiyear roadmap to align our climate and sustainability-related financial disclosures with these standards and support our clients and their adoption of these standards. The Bank is actively engaging with international standard setters and plans on offering large-scale capacity building and technical assistance for governments, the private sector, civil society, and other key stakeholders.

We recognize that climate reporting is evolving, as are the tools and methodologies to assess climate risk and impacts, such as the evaluation of entities' progress in reducing emissions and the application of scenario analysis for sovereigns. The Bank will continue to contribute to methodology improvements by working with our development partners and other stakeholders. Looking ahead, we will continue to refine our approach and enhance our disclosure based on lessons learned and evolving best practices while considering how disclosure standards apply to our unique business model and development mission.

Our full climate-related disclosure aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures for fiscal 2023 can be found in the report appendixes.



Guiding the Institution



If 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 2022 through October 2024.

The Executive Directors oversee the Bank's strategic direction and represent member countries' viewpoints on the Bank's role. They 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 discuss Country Partnership Frameworks that shape the Bank Group's engagement with client countries and support for development programs. The Executive Directors are responsible for providing the Board of Governors with an audit of accounts, an administrative budget, and the Bank's annual report on fiscal year results.

The Board has five standing committees. 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 other key documents. 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 Accountability Mechanism and the Independent Evaluation Group, both of which report directly to the Board.

FIGURE 8 COMMITTEES OF THE BOARD OF EXECUTIVE DIRECTORS

Steering Committee for the World Bank's (IBRD and IDA) Board		
Audit Committee Oversees the Bank's finances, accounting, risk management, internal controls, and institutional integrity.	Budget Committee Assists the Board in approving the Bank's budgets.	Committee on Development Effectiveness Assesses the Bank's development effectiveness, guides its strategic direction, and monitors the quality and results of its operations.
Committee on Governance and Executive Directors' Administrative Matters Guides the governance of the Bank, the Board's own effectiveness, and the administrative policy applicable to Executive Directors' offices.	Human Resources Committee Oversees responsibility on the Bank's human resources strategy, policies, and practices, and their alignment with the institutions' business needs.	Ethics Committee Established in 2003 to consider, on an ad hoc basis, matters relating to the interpretation or application of the Code of Conduct for Board Officials.

Providing Oversight and Accountability

We hold ourselves accountable through institutional mechanisms—both within and independent of the Bank—that monitor operational performance, manage institutional risks, address and prevent corruption, 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 strengthens the Bank Group's development effectiveness through evaluations that assess results and performance and provide recommendations for improvements. It also validates the Bank Group's self-evaluations of the results of country programs and projects. The evaluations and validations provide evidence of factors influencing success and failure as well as lessons to help inform the Bank Group's directions, policies, programs, and operations.

In fiscal 2023, the Independent Evaluation Group completed evaluations covering several of the Bank Group's corporate and strategic priorities. These looked at the Bank's engagement in disaster-risk reduction and its Low-Income Country Debt Sustainability Framework and assessed the effectiveness of the Bank Group's support for demand-side energy efficiency projects. The group also validated management's self-assessments on their implementation of the group's recommendations from fiscal 2018 to 2021 and evaluated IFC's additionality in middle-income countries. The Independent Evaluation Group also looked more closely at two aspects of the Bank Group's response to COVID-19: protecting human capital and addressing economic implications. In line with the Bank Group's country-level-outcome focus, the group completed Country Program Evaluations of Madagascar, Morocco, Mozambique, and Ukraine. It also contributed to the Evolution Roadmap, drawing on its body of evaluative evidence to provide insights into the Bank Group's country-level development model, convening for global public goods, and outcome orientation.

For more information and the Independent Evaluation Group's annual report, visit ieg.worldbankgroup.org.

Accountability Mechanism

The World Bank Accountability Mechanism is an independent complaints mechanism for people and communities who believe that they have been or are likely to be adversely affected by a Bank-funded project. It houses the Inspection Panel and the new Dispute Resolution Service. The Inspection Panel, which recently celebrated its 30th anniversary, was established in 1993 as the first independent accountability mechanism at an international financial institution and continues to receive and process complaints from affected communities and conduct its independent compliance investigations. The Dispute Resolution Service facilitates an independent and voluntary dispute resolution process between complainants and borrowers. The Accountability Mechanism Secretary and the Inspection Panel each report to the Board and operate independently of Bank management.

The **Inspection Panel** consists of three members, including the Chairperson, who report directly to the Executive Directors. In fiscal 2023, the Panel received seven requests for inspection. It registered three cases from Bolivia, Cameroon, and India, and recommended investigations into projects in Bolivia and Cameroon. The investigation for Bolivia is in progress. The Panel also submitted an investigation report in fiscal 2023 to the World Bank's Board for a case received from Togo. The Board discussed investigation reports on Uganda and India, which were investigated by the Panel in previous fiscal years.

The **Dispute Resolution Service** became operational in 2021. In fiscal 2023, the Dispute Resolution Service's first-ever cases—one in Nepal and one in Uganda—reached agreement within the time frames allowed by the Board. Additionally, a case in Cameroon entered the dispute resolution process, while another case returned to the Inspection Panel for investigation. The Accountability Mechanism's Operating Procedures were issued in December 2022 after an extensive open consultation.

For more information on the Accountability Mechanism,
visit www.worldbank.org/en/programs/accountability.

Sanctions System

The World Bank Group's Sanctions System is a multitier administrative process designed to address fraud, corruption, collusion, coercion, and obstruction by firms and individuals involved in Bank Group operations.

The **Integrity Vice Presidency** detects, deters, and prevents fraud and corruption in Bank Group–financed operations and involving Bank Group staff and corporate vendors. It investigates allegations of fraud, corruption, and other sanctionable practices; when these are substantiated, it pursues sanctions against external entities and provides its findings for human resources decisions on disciplinary measures against staff. The unit also works to identify, monitor, and mitigate integrity risks in Bank Group operations. The Integrity Compliance Office, an independent unit within the Integrity Vice Presidency, reviews the compliance posture of entities involved in the sanctions process and engages with those that are working to meet their conditions for release from sanction.

In fiscal 2023, the Integrity Vice Presidency convened the fifth International Corruption Hunters Alliance forum in Abidjan, Côte d'Ivoire, engaging with anticorruption practitioners from around the world on global challenges, with a focus on the nexus between corruption and development. This year's forum built on ongoing efforts to strengthen the network of anticorruption actors in confronting corruption at the local, regional, and global levels.

The **Office of Suspension and Debarment** is led by the World Bank's Chief Suspension and Debarment Officer and provides the first level of adjudication in the Bank Group's Sanctions System. All sanctions cases that are not appealed to the Bank Group Sanctions Board are resolved based on the officer's determinations, summaries of which are available to the public.

The **Sanctions Board** consists of seven members who are all external to the Bank Group. It serves as the final decision maker in all contested sanctions cases across the Bank Group and issues publicly available and fully reasoned decisions, which are not appealable.



In fiscal 2023, the Bank Group sanctioned 23 firms and individuals through uncontested determinations of the Bank's Chief Suspension and Debarment Officer, decisions of the Bank Group Sanctions Board, and settlement agreements. It removed 17 entities from sanction and converted the debarments with conditional release of one entity to conditional non-debarment. One entity failed to meet its conditions for non-debarment, and its sanction was converted from conditional non-debarment to debarment with conditional release. The Bank Group also recognized 44 cross-debarments from other multilateral development banks, and 12 Bank Group debarments were eligible for recognition by other multilateral development banks.

For more information about the World Bank Group Sanctions System and its annual report, visit www.worldbank.org/integrity.

To report suspected fraud or corruption in World Bank Group–financed projects, visit www.worldbank.org/fraudandcorruption.

Group Internal Audit Vice Presidency

The Group Internal Audit Vice Presidency is an independent function reporting to the President and under the oversight of the Board's Audit Committee. It provides senior management and the Board with reasonable assurance that processes for managing and controlling risks and their overall governance are adequately designed and functioning effectively. Its work helps the Bank Group serve its clients more effectively. It delivers two services—assurance and advisory—covering all key institutional areas: strategy, operations, finance, and corporate functions, including IT systems, applications, and processes. In fiscal 2023, the unit added verification reviews and insight notes, both of which enable faster and more targeted insights and foresights. Its work is carried out in accordance with the Institute of Internal Auditors' International Professional Practices Framework. The unit collaborates with risk management and governance functions within management, as well as with the Bank Group's other independent oversight and accountability units.

The Group Internal Audit Vice Presidency's work program focuses on institutional and stakeholder priorities and significant risks; it delivers about 30 engagements per year. Key topics in fiscal 2023 included business continuity management, conflicts of interest, workforce planning, IDA country allocations, Bank-facilitated procurement, technology use in project supervision, IFC's upstream approach, IFC's private sector mobilization, Reimbursable Advisory Services, fraud and corruption risk management in Investment Project Financing operations, treasury asset management system consolidation, data privacy policy, and information technology service continuity.

The unit employs a flexible, risk-based delivery model to adjust its focus alongside changes in the Bank Group's business and risk landscape. In fiscal 2023, it piloted a new Country Assurance and Advisory Program to enhance its coverage of governance, risk management, and internal controls of in-country processes. The program responds to internal developments, such as decentralization as well as the findings and recommendations from the Group Internal Audit Vice Presidency's 2022 External Quality Assessment.

The unit actively partners with internal audit and investigation units in other bilateral, multilateral, and development organizations to enhance collaboration, particularly in risk intelligence and information exchange, and share new approaches, tools, and methodologies to strengthen oversight in challenging contexts, including in countries affected by fragility, conflict, and violence.

For more information and the Group Internal Audit's annual and quarterly reports, visit www.worldbank.org/internalaudit.

The World Bank Policy on Access to Information

The World Bank's Policy on Access to Information became effective in 2010, marking a pivotal shift in our approach to transparency. Under this policy, any information we possess is available to the public, unless it falls under a list of defined exceptions. Along with the Bank's Open Data Initiative, also launched in 2010, this policy has fostered a culture of openness reflected in initiatives like Open Archives, the Open Knowledge Repository, and Open Finances.

In fiscal 2023, visitors downloaded documents through our official repositories more than 37 million times, and more than 275,000 pages of archival records were declassified.

Through the policy, members of the public can request information pertaining to our operations, research, finances, and Board proceedings. For requests that are denied, the public can appeal by alleging violation of policy and/or public interest. The internal Access to Information Committee serves as the first level of appeals. The external and independent Access to Information Appeals Board serves as the second and final recourse for appeals alleging a violation of policy.

In fiscal 2023, the Bank received 549 information requests, 83 percent of which were handled within 20 business days. The Committee decided three cases, and one appeal 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.

Deploying Resources Strategically

The World Bank Group has a systematic, evidence-based model for providing financial, analytical, and advisory services, focusing on strong country ownership and good development outcomes. This engagement model rests on several mechanisms, which include the Country Partnership Framework and Systematic Country Diagnostics.

The Country Partnership Framework guides the Bank Group's support to a country over a four- to six-year period while retaining flexibility amid rapidly changing global and national circumstances. It is the central tool for management and the Board when reviewing and guiding our country programs. The Bank, IFC, and MIGA jointly prepare and implement these frameworks by:

- Taking into account the country's development goals.
- Drawing on the Systematic Country Diagnostic, prepared in close consultation with national authorities, the private sector, and other stakeholders. These diagnostics look at a range of issues and seek to identify barriers to and/or opportunities for sustainable poverty reduction and shared prosperity.
- Considering the Bank Group's comparative advantage, lessons learned, and other partners' activities.
- Aligning with the Bank Group's goals and the Bank's commitments from our 2018 capital increase and the IDA20 replenishment.

In fiscal 2023, we fully implemented the revised Country Engagement Guidance and Procedure. This guidance aims to enhance outcome orientation by integrating high-level outcomes in results frameworks and articulating how the Bank Group program contributes to these. High-level outcomes are expected to be achieved over multiple Country Partnership Framework cycles—consistent with a country's development goals. Following a deferral period, gradually phased out in fiscal 2022, at the onset of the COVID-19 pandemic, we resumed the preparation of country engagement products. We delivered 11 Systematic Country Diagnostics, 25 Country Partnership Frameworks, 14 Performance and Learning Reviews, and two Country Engagement Notes in fiscal 2023.

In July 2022, we published the Global Crisis Response Framework, which outlined and guided the Bank's operational response over the 15-month period from April 2022 to June 2023. Through this framework, we aimed to address short-term shocks to improve prospects for sustainable development while fostering long-term resilience to help prepare for future shocks. It rests on four interconnected pillars that combine support to crisis response and long-term goals.

- **Pillar 1:** Responding to food insecurity through immediate crisis response to provide urgent support and avoid long-term derailment of development prospects.
- **Pillar 2:** Protecting people and preserving jobs to help mitigate the medium- to long-term impact of crises.
- **Pillar 3:** Strengthening resilience to be better prepared for any future crises and challenges.
- **Pillar 4:** Strengthening policies, institutions, and investments for rebuilding better to utilize the opportunities the crises provide to improve long-term development outcomes.



We offer countries a tailored approach to their crisis response. Our global, regional, and country analytical and advisory products are critical complements to our financing portfolio, helping deliver evidence-based policies and financing operations to maximize impact at the country level.

Between April 2022 and June 2023, the World Bank approved 529 standalone and regional operations covering more than 110 countries across the four pillars of the framework, totaling \$104.9 billion, including \$53.1 billion under IBRD and \$51.8 billion under IDA. Of the total amount, \$23.7 billion was committed for countries affected by fragility, conflict, and violence, and \$2.0 billion for small states.

Financing instruments and approaches for countries

The Bank offers a variety of financing instruments and approaches, such as the Multiphase Programmatic Approach, to help countries 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 policy and institutional reforms, including through guarantees.
- Program-for-Results Financing, which links the disbursement of funds to the achievement of predefined results.

The Bank Group has used all three financing instruments to support countries' responses to crises under the Global Crisis Response Framework. Through Investment Project Financing and Program-for-Results Financing under the Multiphase Programmatic Approach, we helped strengthen the health response to COVID-19, initially focusing on testing and health equipment and later on acquiring and deploying vaccines. We mobilized Development Policy Financing to support institutional and policy measures for crisis response and recovery, supporting reforms in health, social protection, fiscal and debt management, business regulations, public administration, education, the environment, rural development, and labor.

In fiscal 2023, we approved 55 Development Policy Financing operations and one supplemental operation, totaling \$20.5 billion; 40 Program-for-Results operations and eight additional financing, totaling \$13.6 billion; and 171 Investment Project Financing Operations and 47 additional financing, totaling \$38.7 billion. Climate co-benefits reached 40 percent of total commitments, including 37 percent for Development Policy Financing, 35 percent for Program-for-Results, and 44 percent for Investment Project Financing.

The Multiphase Programmatic Approach allows countries to structure complex engagements as a set of linked operations or phases under one program. It

supports vertical programs, which enable a deep dive into a single country with long-term engagement; and horizontal programs, which comprise multiple countries, often addressing common challenges, including global public goods, where a narrow focus and common approach make sense for the medium term. In fiscal 2023, the Bank approved 12 vertical and four horizontal Multiphase Programmatic Approach programs, with up to \$2.7 billion and \$1.2 billion, respectively. They also approved two vertical and one horizontal additional financing operations under the Multiphase Programmatic Approach, with up to \$120 million and \$50 million, respectively.

Advisory services and analytics for development outcomes

The Bank Group's advisory services and analytics help countries implement better policies and strategies and strengthen their institutions so they can sustain development gains over the long term. These products include analytical reports, good practice and policy notes, toolkits, hands-on advice, capacity-building initiatives, knowledge-sharing workshops, and training programs. At the country level, our advisory services and analytics underpin our Systematic Country Diagnostics and Country Partnership Frameworks, as well as government programs and Bank-supported projects. At the regional and global levels, the products inform solutions for development and contribute to global public goods. In fiscal 2023, the Bank produced 1,089 advisory services and analytics products in over 120 countries and globally. These addressed topics such as climate change, economic growth and planning, public sector data development and capacity building, public administration, pandemic response, and jobs.

Reimbursable Advisory Services are advisory services and analytics requested and paid for by country clients; all member states, including non-borrowing countries, can request these services. In fiscal 2023, 53 such agreements were signed for a total amount of \$63 million in 14 countries. These services provided countries with technical assistance, capacity building, and implementation support on topics such as climate change, digital transformation, social safety nets, energy transition, private sector-led growth, public investment management, and agriculture and judicial sector reform.

For more information, visit www.worldbank.org/asa.

A greater focus on climate change

Climate change poses serious threats to sustainable development, and countries urgently need to integrate efforts to reduce greenhouse gas emissions as well as incorporate adaptation and resilience into their development strategies. Under the Bank Group's Climate Change Action Plan for 2021–25, we launched a core diagnostic product: the Country Climate and Development Reports, which are prepared jointly by the Bank, IFC, and MIGA. Building on rigorous data and research, these reports analyze how a country can achieve its development goals and work to mitigate or adapt to climate change. As a core diagnostic, they are expected to provide inputs into the Systematic Country Diagnostics, which in turn inform Country Partnership Frameworks. We published the first batch of 20 reports during the 2022 UN Climate Change Conference in November 2022.

Starting July 1, 2023, the World Bank will align all new financing operations with the goals of the Paris Agreement, per our commitment in the Climate Change Action Plan for 2021–25. Every activity in Investment Project Financing, Program-for-Results, and Development Policy Financing operations will need to show that it is designed with a thorough, meticulous, and transparent climate lens, using a three-step, risk-based methodology.

Support to small states

Small states—countries with a population of 1.5 million or less—face some of the biggest risks from the multiple crises affecting the global economy. They are highly vulnerable to external shocks, such as economic volatility, natural disasters, and climate change, due to the small size of their economies, remoteness, and capacity constraints. They suffer from annual disaster-related losses that average roughly 5 percent of GDP. Several small states experienced double-digit inflation in 2022, resulting in financial tightening and higher international borrowing costs. Many face exacerbated debt vulnerabilities. As most small states are net food and fuel importers, persistently high prices contribute to deteriorating external accounts and adverse social impacts, especially in countries with relatively high poverty rates.

We have scaled up IDA and IBRD resources to help small states combat these crises. During fiscal 2021–22 (IDA19), the Bank provided an average of \$1.5 billion per year to small states, which was 66 percent higher than the average annual support provided during fiscal 2018–20 (IDA18). In fiscal 2023, financing to small states totaled \$0.6 billion (\$0.5 billion under IDA and \$0.1 billion under IBRD). This is aligned with the levels in the first year of IDA18, the last regular non-condensed IDA cycle. The January 2023 edition of the Bank's *Global Economic Prospects* report also includes a special focus on the challenges facing small states.

The Bank houses the Small States Secretariat, which hosts the high-level Small States Forum annually on the sidelines of the World Bank Group–IMF Annual Meetings, as well as a Small States Information Session on the margins of the World Bank Group–IMF Spring Meetings. At the last information session in April 2023, the discussions focused on how small states could better respond to crises and build resilience to shocks. The forum remains an important platform for small states to foster partnerships, advocate for their needs, and facilitate knowledge exchange in tackling their unique challenges.

For more information, visit www.worldbank.org/smallstates.

Budgeting amid an unprecedented confluence of crises

In fiscal 2023, the Bank responded at record pace and scale to help countries address multiple, overlapping, and compounding crises and increasingly complex development challenges. Our efforts focused on responding to food insecurity; protecting people and preserving jobs; strengthening resilience; and strengthening policies, institutions, and investments. The Bank provided unprecedented levels of crisis financing and developed a range of rapid, flexible financing instruments and facilities for countries.

The Bank's growing program was facilitated by strong budget discipline and implementing a savings program that has been rolled out over the past few years. Through efficiencies and cost avoidance, redeployments, and cost recoveries, the Bank has directed an increasing share of its administrative budget toward front-line services; advancing country, regional, and global knowledge and analytics; and increasing our staff presence in client countries.

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 2023, new IBRD lending commitments amounted to \$38.6 billion for 136 operations, of which six were IBRD and IDA blended operations.

TABLE 18 IBRD COMMITMENTS, BY REGION, FISCAL 2019–23

MILLIONS OF DOLLARS

REGION	FY19	FY20	FY21	FY22	FY23
Eastern and Southern Africa	315	1,716	1,525	2,907	2,364
Western and Central Africa	505	9	500	386	564
East Asia and Pacific	4,030	4,770	6,753	5,482	6,636
Europe and Central Asia	3,749	5,699	4,559	5,974	10,162
Latin America and the Caribbean	5,709	6,798	9,464	9,407	9,828
Middle East and North Africa	4,872	3,419	3,976	4,135	4,697
South Asia	4,011	5,565	3,746	4,781	4,321
Total	23,191	27,976	30,523	33,072	38,572

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year.

TABLE 19 IBRD DISBURSEMENTS, BY REGION, FISCAL 2019–23

MILLIONS OF DOLLARS

REGION	FY19	FY20	FY21	FY22	FY23
Eastern and Southern Africa	159	932	325	2,441	1,690
Western and Central Africa	531	155	132	261	161
East Asia and Pacific	5,048	4,679	4,439	5,439	4,350
Europe and Central Asia	2,209	3,100	3,625	4,580	4,833
Latin America and the Caribbean	4,847	5,799	8,741	8,911	8,216
Middle East and North Africa	4,790	2,415	2,764	3,407	2,964
South Asia	2,598	3,158	3,665	3,129	3,290
Total	20,182	20,238	23,691	28,168	25,504

TABLE 20 IBRD COMMITMENTS BY SECTOR, FISCAL 2019–23

MILLIONS OF DOLLARS

SECTOR	FY19	FY20	FY21	FY22	FY23
Agriculture, Fishing, and Forestry	1,025	1,767	1,260	3,611	3,669
Education	1,875	1,135	2,017	1,090	1,529
Energy and Extractives	2,847	2,053	2,379	3,069	6,913
Financial Sector	2,299	3,702	3,828	1,877	4,212
Health	1,674	3,980	2,606	6,252	3,128
Industry, Trade, and Services	2,361	2,208	3,030	1,916	2,301
Information and Communications Technologies	611	886	773	509	630
Public Administration	5,327	4,301	5,666	6,484	9,314
Social Protection	2,115	4,786	4,800	3,446	3,270
Transportation	1,485	1,323	2,273	3,036	1,249
Water, Sanitation, and Waste Management	1,571	1,834	1,891	1,782	2,359
Total	23,191	27,976	30,523	33,072	38,572

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year. Numbers may not add to totals, because of rounding. Visit projects.worldbank.org/sector for more information.

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.

TABLE 21 IBRD COMMITMENTS BY THEME, FISCAL 2019–23

MILLIONS OF DOLLARS

THEME	FY19	FY20	FY21	FY22	FY23
Economic Policy	1,363	1,000	2,194	3,147	4,164
Environment and Natural Resources Management	8,514	9,423	10,902	13,664	18,412
Finance	3,546	5,304	6,408	4,375	7,417
Human Development and Gender	7,227	12,799	21,928	16,024	12,066
Private Sector Development	4,438	4,936	6,616	5,101	5,682
Public Sector Management	2,912	3,206	3,682	4,671	5,528
Social Development and Protection	2,453	4,721	5,603	3,964	4,518
Urban and Rural Development	6,511	6,777	7,945	10,549	14,272

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year. 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. Visit projects.worldbank.org/theme for more information.

TABLE 22 IBRD TOP COUNTRY BORROWERS, FISCAL 2023

MILLIONS OF DOLLARS

COUNTRY	COMMITMENTS	COUNTRY	COMMITMENTS
India	4,321	Morocco	1,850
Türkiye	3,881	Argentina	1,800
Indonesia	3,250	Colombia	1,750
Ukraine	3,133	Romania	1,327
Philippines	2,336	Angola	1,250

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year.

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. IBRD's funding approach continues to be 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 achieve its goals.

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 for 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.

TABLE 23 IBRD KEY FINANCIAL INDICATORS, FISCAL 2019–23

MILLIONS OF DOLLARS, EXCEPT RATIOS, WHICH ARE IN PERCENTAGES

	FY19	FY20	FY21	FY22	FY23
Lending highlights					
Net commitments ^a	23,191	27,976	30,523	33,072	38,572
Gross disbursements	20,182	20,238	23,691	28,168	25,504
Net disbursements	10,091	10,622	13,590	14,876	12,736
Reported basis					
<i>Income statements</i>					
Board of Governors–approved and other transfers	(338)	(340)	(411)	(354)	(221)
Net (loss) income	505	(42)	2,039	3,990	1,144
<i>Balance sheet</i>					
Total assets	283,031	296,804	317,301	317,542	332,641
Net investment portfolio	81,127	82,485	85,831	82,057	79,195
Net loans outstanding	192,752	202,158	218,799	227,092	241,041
Borrowing portfolio ^b	228,763	237,231	253,656	256,909	266,828
Allocable income					
Allocable income	1,190	1,381	1,248	806	1,312
Allocated as follows:					
General Reserve ^c	831	950	874	589	921
International Development Association	259	—	274	117	291
Surplus	100	431 ^d	100	100	100
Usable equity^{e,f}	45,360	47,138	49,997	50,481	53,105
Capital adequacy					
Equity-to-loans ratio (%) ^g	22.8	22.8	22.6	22.0	22.0

Note: For a complete presentation of fiscal year data, see the full financial statements: www.worldbank.org/financialresults.

- a. Amounts include guarantee commitments and guarantee facilities that have been approved and are net of full terminations and cancellations relating to commitments approved in the same fiscal year.
- b. Includes associated derivatives.
- c. The June 30, 2023, amount represents the transfer to the General Reserve from fiscal 2023 net income, which was approved by the Board on August 3, 2023.
- d. On January 25, 2021, the Board of Governors approved a transfer of \$331 million to IDA from Surplus, which was made on February 1, 2021.
- e. Excludes amounts associated with unrealized mark-to-market gains/losses on non-trading portfolios, net and related cumulative translation adjustments.
- f. Usable Equity includes the transfer to the General Reserve from fiscal 2023 net income, which was approved by the Board on August 3, 2023.
- g. As part of the Evolution Roadmap, the Board approved a reduction in the policy minimum Equity-to-Loans ratio from 20 percent to 19 percent in April 2023. This decision was based on IBRD's review of its capital adequacy framework. The minimum Equity-to-Loans ratio policy continues to support IBRD's triple-A rating and long-term financial sustainability.

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 2023, IBRD raised about \$43 billion by issuing bonds in a variety of currencies.

As a cooperative institution, IBRD does not seek to maximize profit but to earn enough income to ensure the long-term financial capacity necessary to sustain its development activities. Of fiscal 2023 allocable net income, the Executive Directors approved the allocation of \$921 million to the General Reserve and recommended to the Board of Governors the transfer of \$291 million to IDA and \$100 million to Surplus. 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 covering financial and operational risks. 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, 2023, this ratio was 22.0 percent, and the cumulative subscribed capital of IBRD totaled \$317.8 billion, including \$21.8 billion in paid-in capital.

For more information, visit 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 living conditions for poor people.

Fiscal 2023 marked the first year of the IDA20 cycle. In light of extraordinary circumstances and IDA countries' elevated financing needs caused by multiple unfolding crises, IDA made available, in line with existing policies, resources from fiscal 2024 and fiscal 2025 for fiscal 2023 as part of the World Bank Group's crisis response package.

In fiscal 2023, 75 countries were eligible for IDA assistance.² New IDA lending commitments for fiscal 2023 amounted to \$34.2 billion for 192 operations, of which six were IBRD and IDA blended operations. These commitments included \$27.0 billion in credits and \$7.3 billion in grants. In addition, 22 projects for \$900 million and six subprojects for \$105 million were approved for support from the IDA20 IDA-IFC-MIGA Private Sector Window (PSW) during the fiscal year.

TABLE 24 IDA COMMITMENTS BY REGION, FISCAL 2019–23

MILLIONS OF DOLLARS

REGION	FY19	FY20	FY21	FY22	FY23
Eastern and Southern Africa	7,512	9,581	14,089	15,266	14,368
Western and Central Africa	6,675	9,514	10,955	12,213	11,390
East Asia and Pacific	1,272	2,500	1,115	1,673	877
Europe and Central Asia	583	1,497	1,315	2,511	1,098
Latin America and the Caribbean	430	978	769	1,030	181
Middle East and North Africa	611	203	658	817	561
South Asia	4,849	6,092	7,127	4,217	5,770
Total^a	21,932	30,365	36,028	37,727	34,245

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year.

a. Excludes IDA-IFC-MIGA PSW activities.

² Sri Lanka was reclassified from IBRD-only to IDA-eligible (Gap) country, effective December 5, 2022.

TABLE 25 IDA DISBURSEMENTS BY REGION, FISCAL 2019–23

MILLIONS OF DOLLARS

REGION	FY19	FY20	FY21	FY22	FY23
Eastern and Southern Africa	6,168	7,904	8,081	7,133	10,417
Western and Central Africa	4,022	5,469	6,045	6,544	7,948
East Asia and Pacific	1,282	1,589	1,297	1,502	1,448
Europe and Central Asia	931	365	880	764	2,385
Latin America and the Caribbean	340	466	495	510	322
Middle East and North Africa	647	151	379	559	552
South Asia	4,159	5,235	5,744	4,202	4,646
Total^a	17,549	21,179	22,921	21,214	27,718

a. Excludes IDA-IFC-MIGA PSW activities.

TABLE 26 IDA COMMITMENTS BY SECTOR, FISCAL 2019–23

MILLIONS OF DOLLARS

SECTOR	FY19	FY20	FY21	FY22	FY23
Agriculture, Fishing, and Forestry	2,796	1,978	2,912	4,008	4,678
Education	1,767	4,037	3,585	2,335	2,168
Energy and Extractives	3,468	3,218	3,801	3,696	3,351
Financial Sector	870	534	1,910	1,346	1,247
Health	1,736	4,295	3,840	4,269	2,261
Industry, Trade, and Services	1,963	2,712	2,174	2,317	2,304
Information and Communications Technologies	779	1,202	1,151	1,245	1,689
Public Administration	3,109	4,252	5,572	6,194	7,921
Social Protection	2,163	4,185	6,352	4,792	4,075
Transportation	1,709	2,132	2,367	5,167	2,303
Water, Sanitation, and Waste Management	1,572	1,820	2,365	2,357	2,247
Total^a	21,932	30,365	36,028	37,727	34,245

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year. Numbers may not add to totals, because of rounding. Visit projects.worldbank.org/sector for more information.

a. Excludes IDA-IFC-MIGA PSW activities.

TABLE 27 IDA COMMITMENTS BY THEME, FISCAL 2019–23

MILLIONS OF DOLLARS

THEME	FY19	FY20	FY21	FY22	FY23
Economic Policy	1,073	1,192	1,972	2,236	1,827
Environment and Natural Resources Management	9,680	11,141	13,019	15,228	15,595
Finance	2,418	2,680	6,161	5,760	4,840
Human Development and Gender	7,860	15,974	26,353	22,846	14,146
Private Sector Development	5,145	7,232	8,523	8,244	6,567
Public Sector Management	2,513	4,158	4,698	5,192	6,251
Social Development and Protection	2,722	4,738	8,114	6,568	6,109
Urban and Rural Development	7,866	8,899	11,647	19,375	17,416

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year. Excludes IDA-IFC-MIGA PSW activities. 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. Visit projects.worldbank.org/theme for more information.

TABLE 28 IDA TOP COUNTRY BORROWERS, FISCAL 2023

MILLIONS OF DOLLARS

COUNTRY	COMMITMENTS	COUNTRY	COMMITMENTS
Pakistan	2,305	Côte d'Ivoire	1,850
Bangladesh	2,300	Ethiopia	1,700
Tanzania	2,135	Mozambique	1,625
Kenya	2,010	Nigeria	1,551
Congo, Democratic Republic of	1,940	Senegal	1,219

Note: Amounts are net of full terminations and cancellations relating to commitments approved in the same fiscal year. Excludes IDA-IFC-MIGA PSW activities.

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 Sustainable Development Goals.

IDA financial resources and financial model

IDA is primarily funded by contributions from high- and middle-income partner countries, transfers from other Bank Group institutions, borrowers' repayments of earlier IDA credits, and funding raised in the capital markets. In 2016, IDA received its first-ever public credit rating—triple-A—which has been reaffirmed by rating agencies annually since then. IDA's financial strength is based on its robust capital position and shareholder support, as well as prudent financial policies and practices, including a capital adequacy framework. IDA shares the same risk-management governance as IBRD.

IDA uses this funding to support an ambitious policy package with five special themes and several cross-cutting issues that are adjusted for each replenishment cycle.

For IDA20, a global coalition of development partners agreed to a financing envelope of \$93 billion (equivalent to SDR 65.1 billion)³ to provide credits, grants, and guarantees to IDA's client countries. Of this, \$84.2 billion is expected to be used on concessional terms, \$6.3 billion on IBRD terms for the Scale-Up Window, and \$2.5 billion for the Private Sector Window. To help countries address the impacts of the COVID-19 crisis, the Bank front loaded IDA19 resources to enable IDA to sustain the scale of financing at \$35 billion for both fiscal 2021 and fiscal 2022, excluding the Private Sector Window; the remaining amount of about \$11 billion was carried over into IDA20. IDA has continued to lean forward with deploying resources in fiscal 2023 to help countries deal with multiple crises. As of June 30, 2023, \$32.0 billion was committed on concessional terms, \$2.2 billion on non-concessional terms (through the Scale-Up Window), and \$0.9 billion through the Private Sector Window. Administrative expenses for IDA are recovered primarily through net charges and interest paid by recipient countries.

³ The Financing Framework for the IDA20 Replenishment is managed predominantly in Special Drawing Rights (SDRs). U.S. dollar equivalent figures given here are calculated using IDA20 reference exchange rates.

FIGURE 9 IDA BUSINESS MODEL

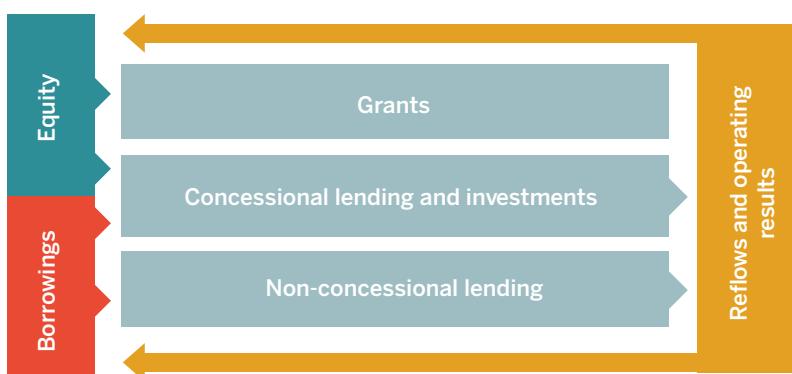


TABLE 29 IDA KEY FINANCIAL INDICATORS, FISCAL 2019–23

MILLIONS OF DOLLARS, EXCEPT RATIOS, WHICH ARE IN PERCENTAGES

	FY19	FY20	FY21	FY22	FY23
Loans, grants, and guarantees					
Net commitments ^{a,b}	21,932	30,365	36,028	37,727	34,245
Gross disbursements ^b	17,549	21,179	22,921	21,214	27,718
Net disbursements ^b	12,221	15,112	16,465	14,477	19,968
Balance sheet					
Total assets	188,553	199,472	219,324	220,014	227,482
Net investment portfolio	32,443	35,571	37,921	39,561	30,672
Net loans outstanding	151,921	160,961	177,779	174,490	187,669
Borrowing portfolio ^c	10,149	19,653	28,335	35,032	35,393
Total equity	162,982	168,171	180,876	178,668	185,782
Income statement					
Interest revenue, net of borrowing expenses	1,702	1,843	1,996	1,901	2,367
Transfers from affiliated organizations and others	258	252	544	274	117
Development grants	(7,694)	(1,475)	(2,830)	(2,372)	(3,946)
Net (loss) income	(6,650)	(1,114)	(433)	12	(3,262)
Adjusted net (loss) income	225	724	394	260	193
Capital adequacy					
Deployable strategic capital ratio (%)	35.3	35.8	30.4	26.4	24.1

Note: For a complete presentation of fiscal year data, see the full financial statements: www.worldbank.org/financialresults.

- a. Amounts include commitments that have been approved and are net of full terminations and cancellations relating to commitments approved in the same fiscal year.
- b. Commitments, gross disbursements, and net disbursements exclude IDA-IFC-MIGA PSW activities.
- c. Includes associated derivatives.

To support IDA20, partners are providing \$23.5 billion (equivalent to SDR 16.4 billion) in grants, of which \$0.1 billion is the grant element from concessional partner loan contributions. Partners are also providing \$0.2 billion in concessional partner loans, excluding the grant element, and \$1.8 billion in compensation for debt relief under the Multilateral Debt Relief Initiative during IDA20. As of June 30, 2023, 51 partners had submitted IDA20 Instruments of Commitment. Total Instruments of Commitment deposited to date amount to \$23.4 billion, representing

99 percent of the total pledge amount. IDA's borrowing program enables it to significantly scale up support for the Sustainable Development Goals while offering investors an efficient way to contribute to global development. Under IDA20, this hybrid financial model—which blends donor contributions with market debt—enables IDA to mobilize nearly \$4 in IDA commitment authority for every \$1 contributed by development partners.

Since its inaugural bond in international capital markets on April 17, 2018, IDA has issued bonds in five currencies: euro, British pounds, Swedish krona, Norwegian krone, and U.S. dollars. In fiscal 2023, IDA issued approximately \$2 billion in bonds. IDA continues to broaden its investor base and raise liquidity in various currencies from a diverse set of investors. We will continue to seek opportunities to further diversify IDA's currency composition and develop its capital markets presence.

To address the impacts of the many crises faced by IDA countries, including the fallout from Russia's invasion of Ukraine, as well as to enhance Bank support to Ukraine and Moldova, IDA partners agreed to the establishment of the IDA Crisis Facility with strong support from IDA deputies and the Executive Directors; this facility was approved by the Board of Governors. The facility will have two pillars: the Special Program to Enhance the Crisis Response Window and the Special Program for Ukraine and Moldova Recovery. Voluntary donor contributions to these programs, leveraged through IDA's balance sheet, will provide resources at scale to IDA countries and to Ukraine and Moldova, respectively.

IDA20 replenishment

In December 2021, IDA members agreed on the IDA20 operational and financing framework with a financing envelope of \$93 billion, covering fiscal years 2023–25. It is supported by \$23.5 billion in contributions from 52 member countries, as well as contributions to the Multilateral Debt Relief Initiative, financing raised in capital markets, carryover from IDA19, internal resources (such as loan repayments), and transfers from IBRD. IDA20 introduced new lending terms for eligible countries: shorter-maturity loans and 50-year credits.

IDA20's policy framework maintains the four IDA19 special themes of climate change; fragility, conflict, and violence; gender and development; and jobs and economic transformation. It introduces human capital as the fifth special theme. IDA20 will also help deepen recovery efforts by focusing on four cross-cutting issues: crisis preparedness, which was newly introduced for IDA20; debt; governance and institutions; and technology. The IDA20 period began on July 1, 2022.

Following the conclusion of the IDA20 replenishment process, new and ongoing challenges continue to influence the global outlook. These include high inflation, rising food insecurity, growing inequality, global fragility, pandemic risks, Russia's invasion of Ukraine and other geopolitical events, elevated levels of debt, climate change, and macroeconomic imbalances. As part of broader Bank Group efforts, IDA works with partners at the global and country levels to help borrowing countries address the impacts of these multiple crises, enhance resilience, and lay the groundwork for rebuilding better.

For more information, visit ida.worldbank.org.

Commitment to Results

The World Bank helps countries address their most pressing development challenges by providing financing, sharing knowledge, and working with the public and private sectors. Our work spans regions, sectors, and industries to ensure tangible results and lasting development impact.

For more information, visit www.worldbank.org/results.

- 1 Albania:** Since 2015, over 1,335 kilometers of road, which carry about 70 percent of the country's passenger and goods traffic, have been placed under routine maintenance.
- 2 Bangladesh:** Between April 2020 and June 2022, about 68 million doses of COVID-19 vaccines were administered.
- 3 Brazil:** Between 2020 and 2021, 14 million of the poorest families were provided with income support as part of the response to the economic shock of the COVID-19 pandemic.
- 4 Burkina Faso:** Over 9 million women and children gained access to basic health care services between 2018 and 2021.
- 5 Cambodia:** Between 2020 and 2021, nearly 3 million students benefited from distance-learning support.
- 6 Democratic Republic of Congo:** Between 2017 and 2022, over 14 million students in grades 1–4 benefited from textbooks.
- 7 Egypt:** Since 2015, nearly 5 million households have benefited from cash transfer programs, increasing their access to food, education, and health care services.
- 8 Ethiopia:** Between 2013 and 2022, more than 85 million women and children received basic nutrition services.
- 9 Ghana:** Between 2020 and 2022, nearly 3 million students benefited from interventions to enhance learning and reduce learning losses caused by the COVID-19 pandemic.
- 10 Honduras:** Between 2013 and 2021, more than 1 million people, over half of them women, benefited from reforms that improved the country's emergency preparedness and response to natural disasters and climate change impacts.
- 11 India:** Between 2008 and 2020, more than 12 million women in rural areas gained better access to finance and markets and to health and nutrition practices.
- 12 Indonesia:** Since 2006, over 25 million people have gained better access to water supply facilities, and 26 million have gained access to better sanitation.
- 13 Jamaica:** Since 2016, 1.6 million people, nearly 57 percent of the population, have benefited from technical assistance, risk reduction, and emergency response operations, enhancing their resilience to disaster and climate risk.
- 14 Kenya:** Between 2017 and 2021, registered capital investments more than tripled in value due to a simpler entry and retention process for investors.

- 15 Lebanon:** Between 2021 and 2022, more than 1.2 million people gained access to more resilient road infrastructure.
- 16 Malaysia:** In 2020, the government collected about \$100 million in new revenues through indirect taxation on imported digital services.
- 17 Mexico:** Between 2018 and 2023, 1.4 million hectares of land have been brought under sustainable landscape management practices.
- 18 Morocco:** Between 2015 and 2021, the municipality of Casablanca increased its own-source revenues by 30 percent, benefiting over 3 million people, while also improving the business environment and access to basic services.
- 19 Nepal:** Since 2022, 100 percent of new government buildings built comply with the technical seismic-resistant criteria of updated building codes.
- 20 Nigeria:** Since 2018, more than 7 million people have gained access to new or better electricity services.
- 21 Pakistan:** Since 2019, the Khyber region has increased its tax revenue by \$117 million, representing a 117 percent increase, which will benefit 35 million people.
- 22 Senegal:** Between 2012 and 2022, nearly 13 million people, half of them women, benefited from more reliable electricity services.
- 23 Tajikistan:** Between 2011 and 2022, the availability of 24-hour water supply services for customers in Dushanbe rose from 57 percent to 94 percent.
- 24 Tanzania:** Between 2015 and 2021, 37 million people received essential health and nutrition services.
- 25 Türkiye:** Between 2013 and 2019, small and medium enterprises accessed loans that helped them reduce greenhouse gas emissions by 400,000 tons per year.
- 26 Ukraine:** Since June 2022, over 13 million people, including teachers, health workers, civil servants, and first responders, have benefited from financial help programs.
- 27 Vietnam:** Between 2017 and 2022, energy efficiency projects with innovative technologies saved over 55 billion Megajoules of energy.
- 28 Yemen:** Between 2016 and 2022, nearly 32 million people benefited from health and nutrition services.

World Bank Annual Report 2023

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 <https://www.worldbank.org/annualreport>.

Additional IBRD and IDA financial, lending, and organizational information is available at: <https://www.worldbank.org/annualreport>.

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