

SUSTAINABLE FINANCE AND ESG ADVISORY



Provided technical assistance to the **Indian Government** for their inaugural green bond issuance; the **Colombian Government** to become the first sovereign in Latin America to issue a green bond in the domestic market; the **Indonesian state-owned enterprises** to issue their green and sustainability bonds; the

Egyptian Government to issue the first sovereign green bond in the Middle East; the **Nigerian Government** to issue the first African green bond; the **Fijian Government** to issue the first sovereign green bond by an emerging market; the **Malaysian solar power company** Tadau Energy to issue the first green Sukuk in the world.

DISASTER RISK MANAGEMENT AND INSURANCE



• Provided Chile with \$630 million in insurance against earthquakes for three years by executing the largest single-country catastrophe bond and swap transaction

• Provided Jamaica with \$185 million in storm protection for three hurricane seasons by issuing a catastrophe bond

• Provided Mexico with insurance against hurricane and earthquake events for four years by issuing \$485 million of catastrophe bonds

FINANCIAL OPTIMIZATION



• Designed a \$1.45 billion financial solution for Jordan that helped increase the loan amount, lower the expected financing cost, and extend the average maturity of Jordan's overall debt profile

• Developed a creative financial framework to blend donor grants with IBRD loans for the Global

Concessional Financing Facility (GCF) to unlock \$3-4 in concessional loans for every \$1 in donor contributions. GCF's financial framework has become the benchmark for other global facilities

CLIENT SOLUTIONS

CONTINGENT FINANCING



• Helped Romania safeguard insured bank deposits with a \$452 million Investment Project Financing with a Deferred Drawdown Option (IPF-DDO)

• Helped Colombia strengthen resilience to disasters, climate change, and health risks by utilizing a development policy loan with a \$300 million catastrophe deferred drawdown option (Cat DDO)

• Helped Indonesia mobilize funding from the capital markets with a \$2 billion Development Policy Loan (DPL) with a Deferred Drawdown Option (DDO)

FINANCIAL RISK MANAGEMENT



• Helped crisis-hit Sri Lanka reduce interest rate risk by converting 11 loans, totaling \$712 million, from variable reference rates to fixed reference rates at competitive financing terms

• Helped Angola reduce interest rate risk on 98 percent of their IBRD outstanding loan portfolio

and thus created up to \$270 million in potential savings on the estimated interest payments

• Helped Colombia protect \$10.7 billion against interest rate increases by using the conversion feature of the IBRD Flexible Loan (IFL). This reduced the floating rate exposure of Colombia's IBRD loan portfolio by 99.4 percent

IDA FINANCING



• Maximized concessional financing for Tanzania by structuring a \$500 million blended financing package. The package combines the IDA Shorter Maturity Loan with a regular IDA Scale-Up Window loan

• Maximized concessional financing for Rwanda by structuring a \$257.5 million financial package from five different funding sources, including credits, grants, and concessional loans

• Helped Côte d'Ivoire access IBRD financing for promoting the cashew processing industry by structuring a €163 million IBRD Enclave Loan

OUTCOME BONDS



• Made up-front financing available to a water purifier project in Vietnam by securitizing future carbon credit sales revenue through the \$50 million Emission Reduction Linked Bond

• Raised up-front financing for a conservation project that boosts South Africa's efforts to protect

black rhinos through a \$150 million Wildlife Conservation Bond with support of a results-based grant



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Treasury | IBRD • IDA

FINANCIAL PRODUCTS & CLIENT SOLUTIONS

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FINANCIAL PRODUCTS & CLIENT SOLUTIONS

We design and implement financial products and provide advisory services that help clients maximize access to development financing and mitigate risks.

We help clients find the most suitable financing sources and financial terms for projects.

Our clients may be exposed to currency, interest rate, and refinancing risks depending on financing sources and financing terms. They may also be vulnerable to natural disasters or commodity price volatility that have severe economic impacts.

The World Bank offers a suite of financial products ranging from loans and credits to risk management products, contingent credit lines, and insurance/reinsurance and derivatives. The team also offers advisory services to help clients on a variety of topics, from sustainable finance to risk management strategies.

WHY WORK WITH THE WORLD BANK TREASURY?

The World Bank Treasury has deep relationships with major financial institutions and unmatched financial sector expertise, anchored in years of capital markets and structured funding activities.

The team leverages the World Bank's (IDA and IBRD) AAA credit rating, market presence, and convening power to identify and help implement the right solution for clients.



FINANCING

The World Bank offers a wide variety of loans at highly competitive rates depending on the borrower's income classification and other criteria.

- IBRD Flexible Loan (IFL)
- IBRD Enclave Loans for IDA borrowers
- IDA Grants, Credits
- IDA Non-concessional Loans
- Local Currency Financing



FINANCIAL RISK MANAGEMENT

Stand-alone hedging products for risk management help clients manage financial risks related to IBRD debt or third-party liabilities.

- Currency Swaps
- Interest Rate Swaps
- Commodity Price Swaps
- Interest Rate Caps & Collars



OUTCOME BONDS

The World Bank structures and issues bonds that mobilize private capital to directly support the up-front project financing needs of clients and/or manage risks. Outcome bonds can solve the timing mismatch between future revenue streams or results-based donor/outcome payments and the up-front financing needs of projects.



CONTINGENT FINANCING

Contingent financing allows IBRD and IDA borrowers to rapidly meet financing requirements following adverse economic events, natural disasters, or health-related emergencies.

- The Development Policy Loan (DPL) with a Deferred Drawdown Option (DPL-DDO)
- The Development Policy Loan with a Catastrophe Deferred Drawdown Option (Cat-DDO)
- The Investment Project Financing with a Deferred Drawdown Option (IPF-DDO)



DISASTER RISK MANAGEMENT AND INSURANCE

The World Bank provides clients with insurance cover for disaster events by transferring disaster risks to capital markets and reinsurance markets. Insurance solutions complement other risk financing instruments and increase the financial resilience of clients against catastrophic events.

- Catastrophe bonds
- Catastrophe swaps/reinsurance
- Weather derivatives



ADVISORY AND CAPACITY BUILDING

The World Bank Treasury partners with other units across the World Bank to provide technical assistance and capacity building to countries on:

- IDA to IBRD transition
- Accessing market-based disaster risk transfer instruments
- Using financial instruments to manage market risks
- Developing green financing strategies, roadmaps, and regulations
- Identifying sustainable financing options, developing sustainable financial systems, and facilitating the issuance of labeled bonds such as Green Bonds, Blue Bonds, Social Bonds, Sustainability Bonds