



WORLD BANK BONDS FOR SUSTAINABLE DEVELOPMENT



ROADMAP

What is the World Bank?

Why invest with the World Bank?

What investment products does the World Bank offer?

How is the World Bank engaging with investors on the Sustainable Development Goals?

Annex: Project stories

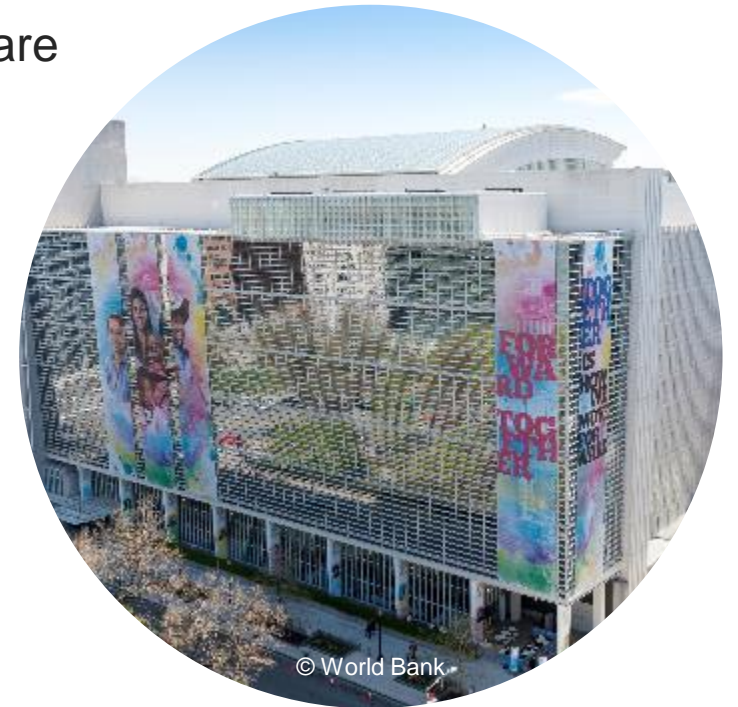


© World Bank

WHAT IS THE WORLD BANK?

WORLD BANK INTRODUCTION

- International organization **owned by 189 member countries** – its owners are its clients.
- Purpose is to **end extreme poverty on a livable planet**. These goals align with the Sustainable Development Goals.
- The world’s largest source of development finance and expertise – 75+ years of financing development projects.
- About \$240 billion in loans outstanding to 77 countries.
- Nearly 12,000 staff in 136 offices. Headquarters in Washington, DC.
- Largest shareholders: US, Japan, China, Germany, France, and the UK.
- International Bank for Reconstruction and Development – **IBRD**, known as **“World Bank”** in the capital markets, is rated AAA/Aaa based on its capital, reserves and prudent financial policies.

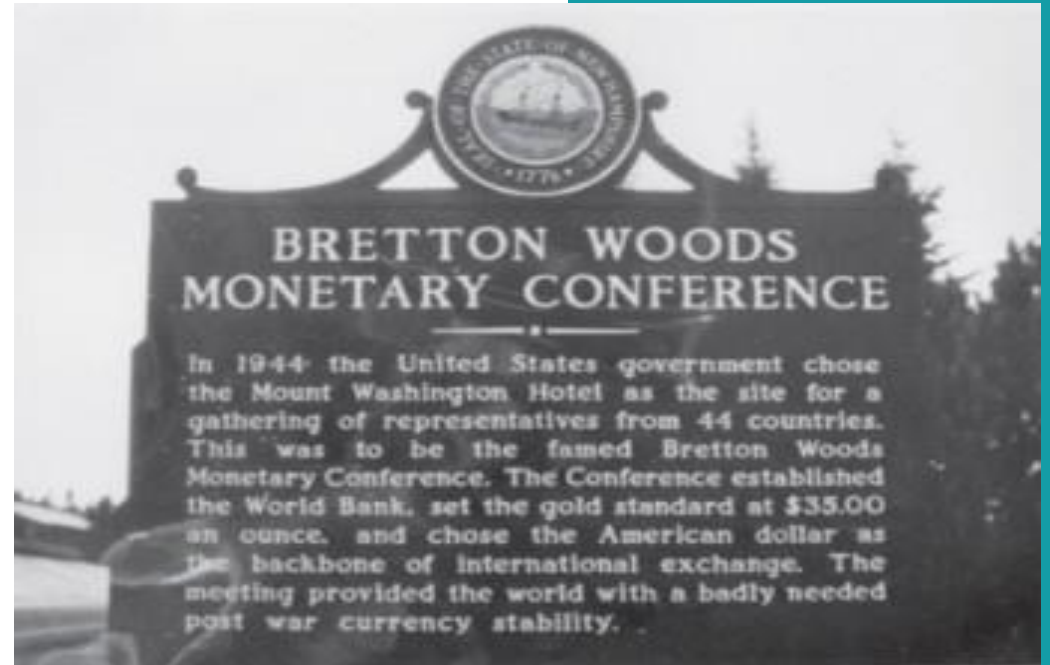


**World Bank Headquarters
Washington, DC**

HISTORY OF THE WORLD BANK

IBRD was created in 1944 to rebuild Europe after World War II and was **soon referred to as the “World Bank”**.

- IBRD was designed to be **financially self-sustaining** and earn income to support its development activities.
- First loans were made to developed countries for **reconstruction** purposes.
- IBRD's focus shifted towards **poverty alleviation** in the 1960s and it continued to lend to countries that were creditworthy and could borrow at market-based rates.
- In the 2020s an explicit focus on global public goods led to adding “**on a livable planet**” to the vision.



OVERVIEW



IBRD

INTERNATIONAL BANK FOR
RECONSTRUCTION AND
DEVELOPMENT

Provides loans to
governments of middle-
income countries.



**Issuer of World Bank
(IBRD) Bonds**



IDA

INTERNATIONAL
DEVELOPMENT
ASSOCIATION

Provides loans and grants
to governments of lower-
income countries.



**Funds raised from
donors and IDA Bonds
144A/RegS**



IFC

INTERNATIONAL
FINANCE
CORPORATION

Promotes development by financing
private sector enterprises in
developing countries.



Issuer of IFC Bonds



MIGA

MULTILATERAL
INVESTMENT
GUARANTEE AGENCY

Promotes foreign direct
investment into developing
countries by offering political
risk insurance (guarantees)
to investors and lenders.



ICSID

INTERNATIONAL CENTRE
FOR THE SETTLEMENT OF
INVESTMENT DISPUTES

Provides international
facilities for conciliation and
arbitration of investment
disputes.

IBRD, IDA and IFC are all three rated AAA/Aaa. They share the same overall development goals, but are legally separate entities. Each has its own risk profile and capital structure.
The World Bank Treasury is the treasury for IBRD and IDA.

SUSTAINABLE DEVELOPMENT BONDS

All World Bank bonds support sustainable development. They offer investors the opportunity to invest in financial products with a high credit rating while supporting projects with positive impact



Goals of the World Bank Group



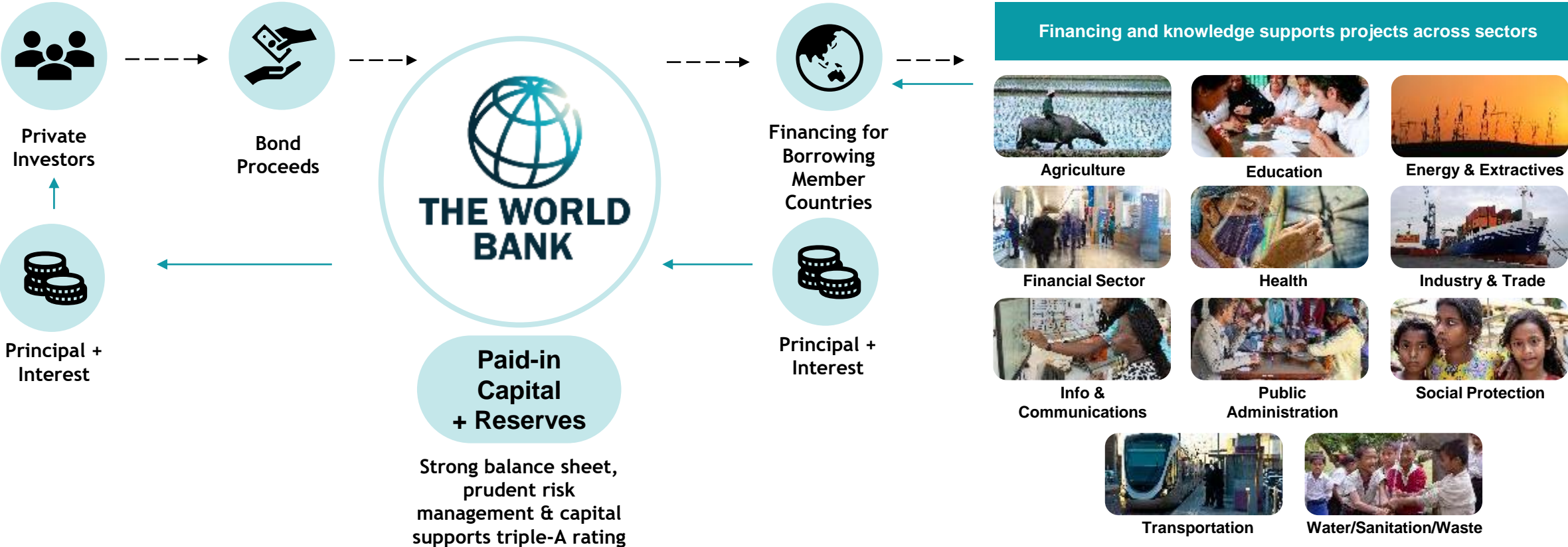
Project Results



Sustainable Development Goals (SDGs)

THE WORLD BANK BUSINESS MODEL

How World Bank Projects are Financed

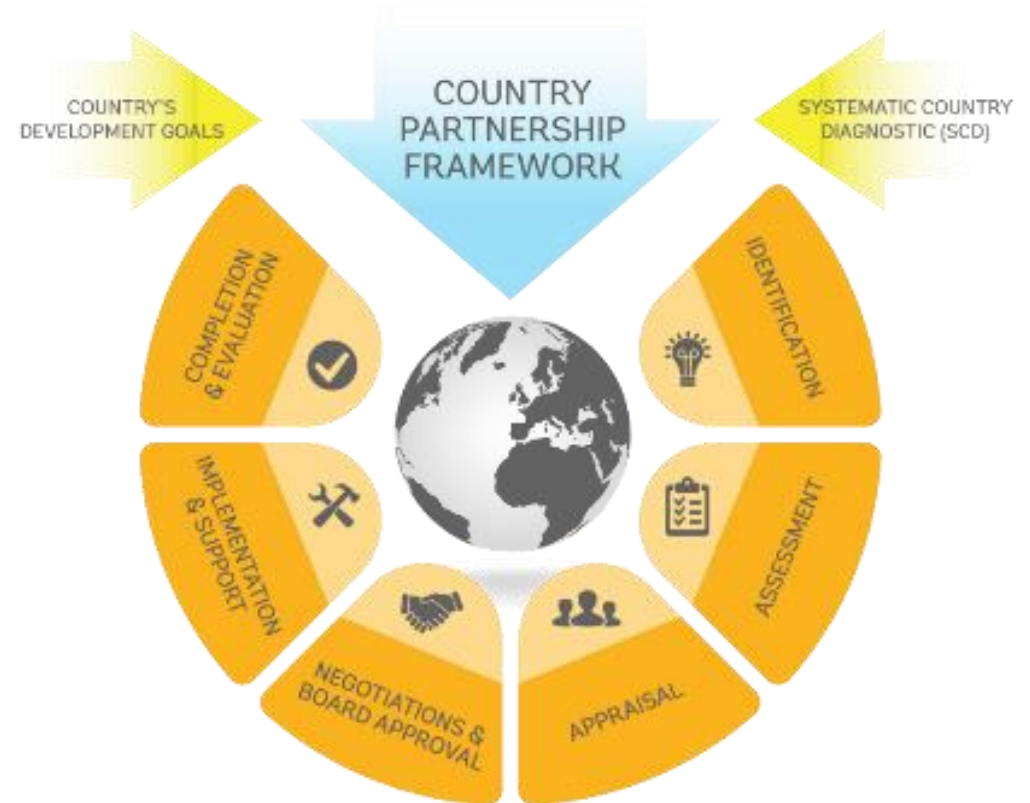


PROJECTS MUST MEET STRICT STANDARDS

The World Bank works with its member countries to design projects that meet their **sustainable development needs**.

All projects are designed to:

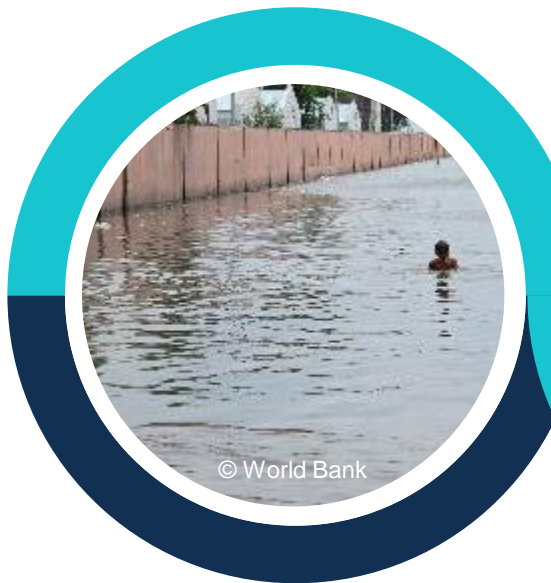
- Address country-identified priorities
- Contribute to World Bank goals
- Meet environmental and social standards
- Make a positive impact



OVERLAPPING CRISES

The World Bank is responding with impact, speed and scale to help member countries

Shocks have had both a deep direct human and economic impact as well as long-term adverse spillovers on developing countries, threatening to reverse decades of development gains.



**Impacts of
climate change**



**Lingering
pandemic effects**



**Commodity shocks,
food insecurity**



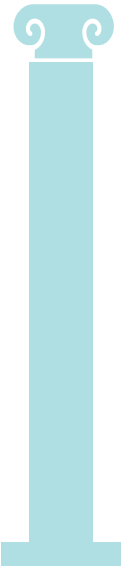
**Wars and
persistent fragility**

EVOLUTION PROCESS

Transforming the World Bank to Leverage its Impact

The World Bank and other Multilateral Development Banks (MDBs) are increasingly important in addressing global challenges such as poverty, shared prosperity, inclusion, resilience, sustainability, and cross-border issues like climate change, pandemics, and conflict and violence.

The three building blocks of the World Bank's Evolution Process:



Vision & Mission

Our new vision is to create a **world free of poverty on a livable planet** and our new mission is to **end extreme poverty and boost shared prosperity on a livable planet** by strengthening inclusion, resilience, and sustainability.



Operating Model

We are introducing enhancements to our country engagement model, analytics, financing instruments, and incentives, to focus more on outputs rather than inputs.



Financial Model

While maintaining the triple-A credit rating that allows us to efficiently leverage shareholder equity, we have been making available more resources through balance sheet optimization and we are attracting more funds for increasing our equity (e.g. through hybrid capital), as well as more resources for concessional funding.

FOCUS ON GLOBAL CHALLENGES

The World Bank's shareholders support focus on global goals

The World Bank is committed to addressing the most pressing global challenges faced by our member countries. Our focus areas encompass a wide range of critical issues:



Climate
Change
Mitigation
and
Adaptation



Energy
Access



Food,
Nutrition &
Security



Water
Security &
Access



Protecting
Biodiversity &
Nature



Pandemic
Prevention &
Preparedness



Fragility &
Conflict



Enabling
Digitization

WORLD BANK GROUP'S CLIMATE CHANGE ACTION PLAN

Aligning with the Paris Agreement, increasing Climate Finance

World Bank to be Paris Aligned by July 1, 2023

Definition

Provision of support to clients that is consistent with pathways towards equitable, sustainable, low-carbon, and climate-resilient development



Country Circumstances

Paris Agreement gives countries latitude in the pathways they choose based on country circumstances in integrating climate and development

Adaptation

Ensuring physical risk mitigation measures are fully embedded in project design

Mitigation

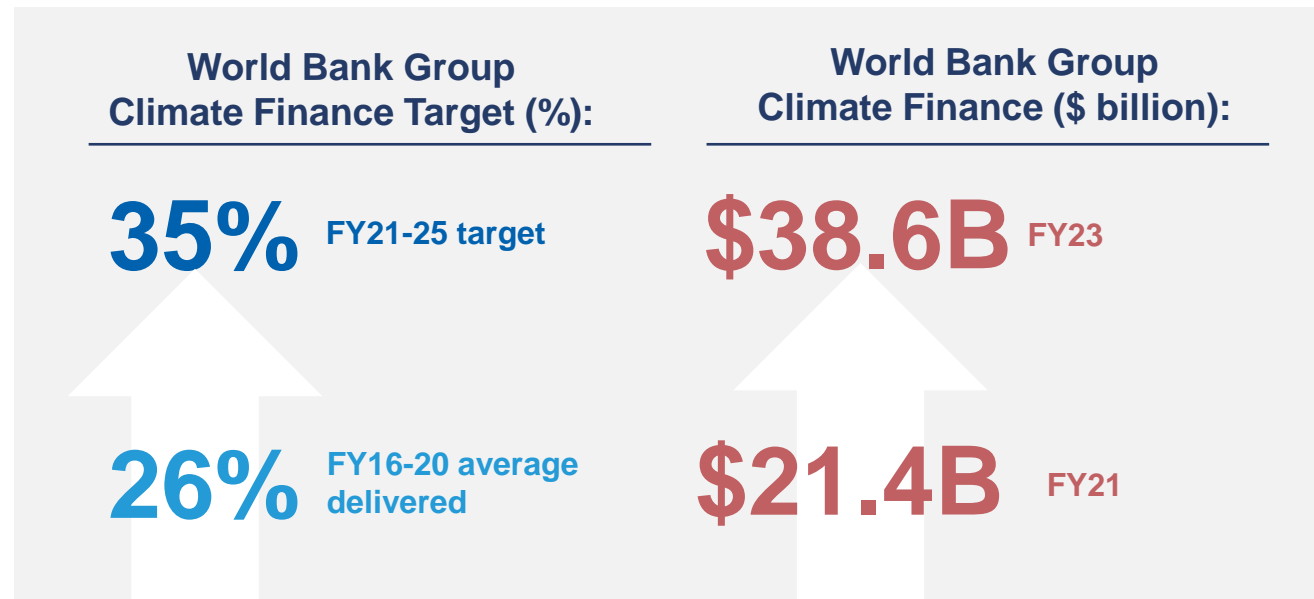
Ensure investments support limiting global warming to well below 2 degrees, recognizing that peaking of GHG emissions will take longer for developing countries



Learn more about the World Bank's Climate Change Action Plan ([link](#))


World Bank Group to Increase Overall Flows to Climate

With at least 50% of climate financing going to adaptation



*Institutions of the World Bank Group that contribute climate benefits include: IBRD, IDA, IFC and MIGA and averaged together.

CLIMATE ACTION CUTS ACROSS SECTORS

-  **100%** of all IBRD projects are screened for climate risk and impact
- 92%** of all IBRD projects (by #) had climate financing in FY23, representing
- 41%** of all commitments (by dollar value)

Climate Results Cut Across all World Bank Sectors

Energy & Extractives
Agriculture
Urban Resilience & Land
Transport
Water
Environment, Natural Resources & Blue Economy
Social Sustainability & Inclusion

Finance & Competitiveness
Governance
Trade
Poverty & Equity
Education
Health, Nutrition and Population
Social Protection
Digital Development





© Bru_Greg/iStock

WHY INVEST WITH THE WORLD BANK?

KEY FEATURES OF WORLD BANK BONDS



Decades in capital market, wide range of products

- Issuing debt since 1947; triple-A rating since 1959
- Fixed income products in multiple currencies, structures and maturities



Special Features

- 0% Basel II and III risk weighting minimizes capital requirements
- Liquid bonds are classified as “Level 1 HQLA” (high quality liquid assets)



Safety

- Strong balance sheet as a result of prudent financial policies
- Funds only for sovereigns/sovereign-guaranteed projects



Development Mandate

- The World Bank’s sustainable development programs aim to achieve positive social and environmental impacts in member countries

WHY INVEST? SECURITY

AAA/Aaa Credit rating



Conservative Financial Policies

- States only as borrowers
- Limits for individual countries
- Borrowers are also shareholders
- Preferred creditor status



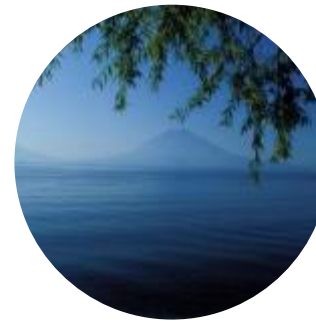
Conservative Risk Management

- Fixed credit limits
- Equity to loans ratio granted only takes into account the equity paid in
- Strict and conservative investment policy



Solid Capital Structure

- Equity US\$60 bn (FY23)
- Callable capital US\$296 bn (FY23)
- 189 government shareholders
- 2018 capital increase of US\$7.5 bn increases borrowing capacity

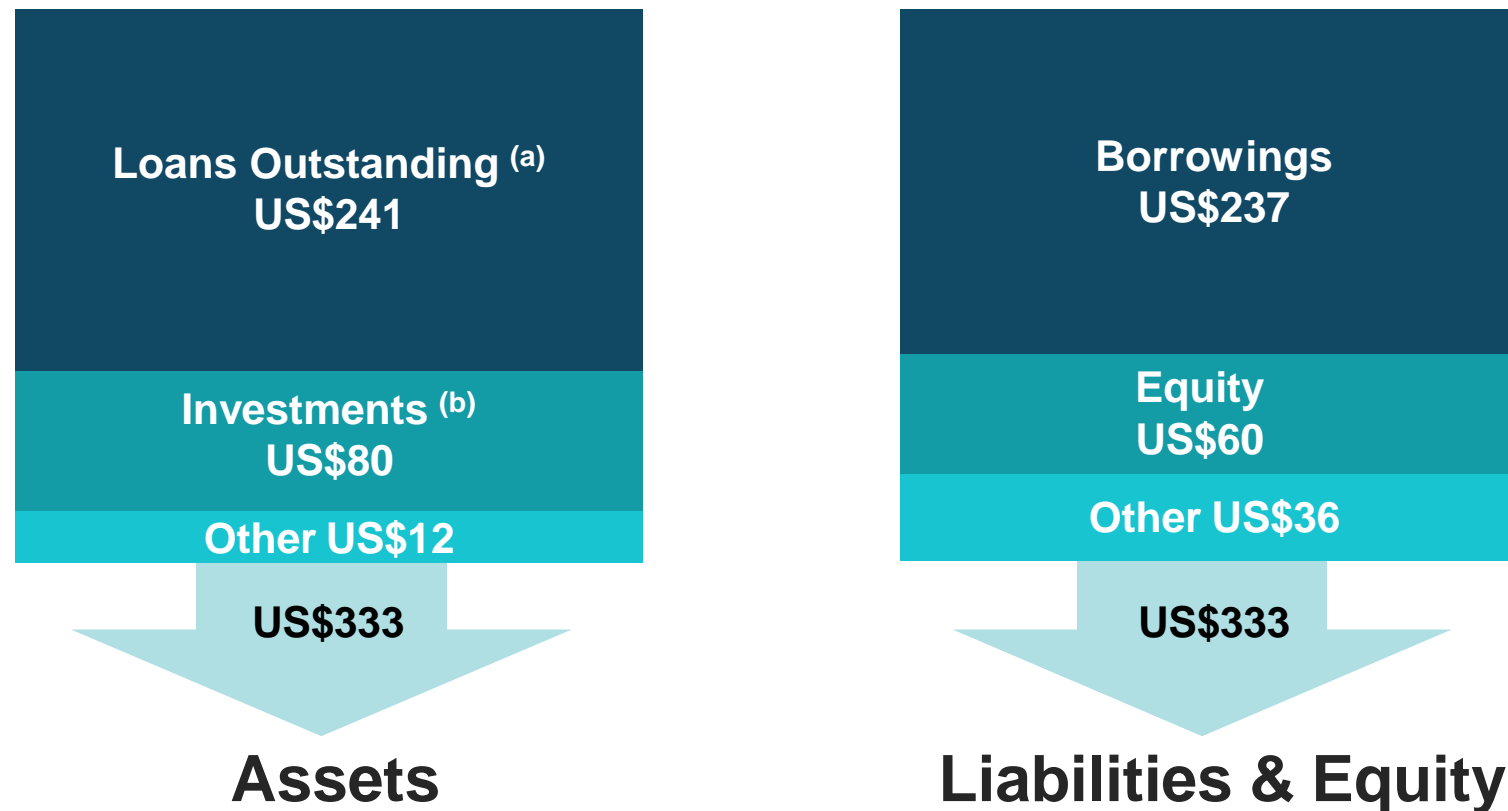


High Liquidity

- Target liquidity level is 12 months coverage (US\$59 bn in FY24)
- Actual liquidity exceeds target (US\$75 bn in FY23)
- Bond portfolio with securities rated AAA/AA

BALANCE SHEET STRUCTURE

Key Balance Sheet Items (as of June 30, 2023, in billions US\$)



(a) Net of accumulated loan loss provision and deferred loan income

(b) Investments and due from banks; of this amount, the liquidity portfolio is US\$75billion

WORLD BANK'S STRONG CREDIT QUALITY

DIVERSIFIED SHAREHOLDER BASE

QUALITY LOAN PORTFOLIO

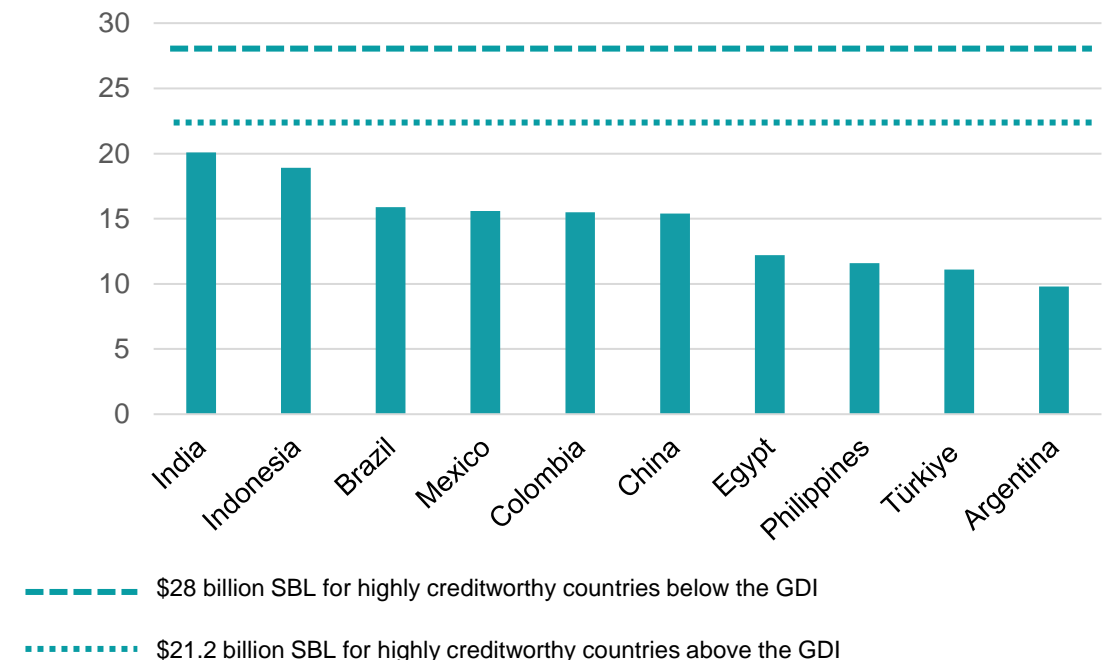
PRUDENT RISK MANAGEMENT

SUBSTANTIAL LIQUIDITY

- Global diversification
- Lending only to sovereign or sovereign-guaranteed projects
- Borrowing clients are also shareholders; increased incentive to repay
- Preferred creditor treatment – borrowing clients prioritize financial obligations to the World Bank – recognized by rating agencies and financial market participants
- Policy of freezing additional lending if payments not on time
- Single Borrowing Limits (SBL) for individual countries
- Graduation Discussion Income (GDI) is the level of per capita income of a member country above which graduation from IBRD starts being discussed.

Top 10 Country Exposures for IBRD

(as of June 30, 2023, US\$ billions)



WORLD BANK'S STRONG CREDIT QUALITY

DIVERSIFIED SHAREHOLDER BASE

QUALITY LOAN PORTFOLIO

PRUDENT RISK MANAGEMENT

SUBSTANTIAL LIQUIDITY

Shareholder Support

- IBRD bonds are supported by the strength of its balance sheet and support of its 189 sovereign shareholders

Largest Shareholders

- United States, 16.64%
- Japan, 7.59%
- China, 5.88%
- Germany, 4.50%
- France, 4.12%
- United Kingdom, 4.12%

By percentage of total subscription as of June 30, 2023

Total Subscribed Capital

US\$ billions as of June 30, 2023

Paid-in Capital	US\$21.8
Callable Capital	US\$296.0
Subscribed Capital	US\$317.8

Callable Capital

- The World Bank's financial policies are designed to minimize the need for a call on capital and key management tools like the Equity-to-Loans ratio targets do not take callable capital into account.
- No call has ever been made on a callable capital.
- Callable capital can only be called to satisfy debt obligations. Shareholders are responsible for the full amount of their callable capital subscription regardless of ability to fulfill their obligations.

WORLD BANK'S STRONG CREDIT QUALITY

DIVERSIFIED
SHAREHOLDER BASE

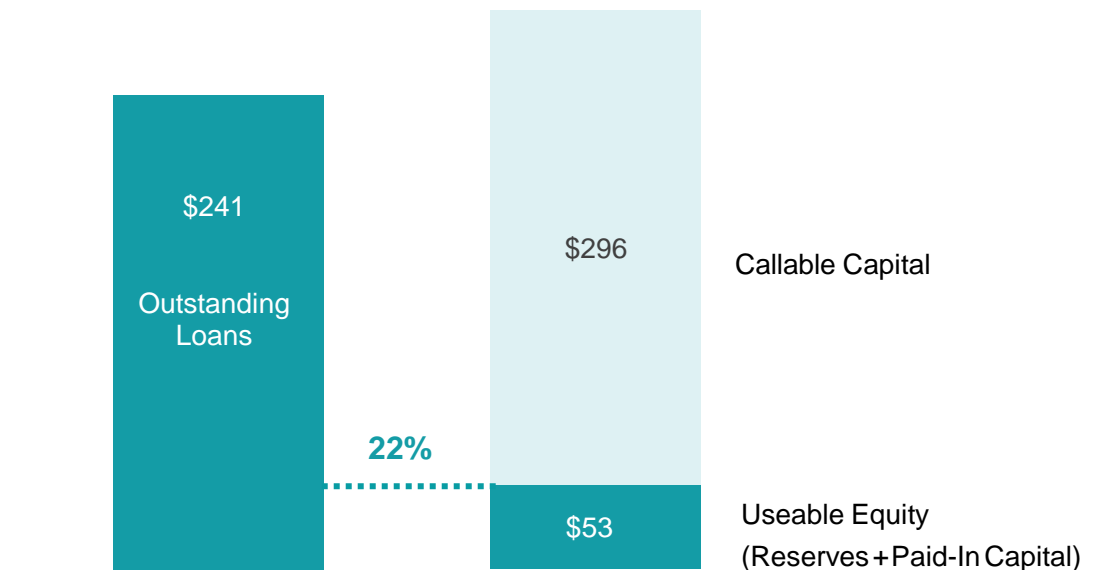
QUALITY LOAN PORTFOLIO

PRUDENT RISK MANAGEMENT

SUBSTANTIAL
LIQUIDITY

- **Conservative financial policies** are designed to minimize the need for a call on capital.
- Key risk management indicators do not factor in **callable capital (\$296 billion)** to determine IBRD's risk-bearing capacity.
- The key risk tolerance indicator, **Equity-to-Loans Ratio** is set at a policy minimum of 19%. As of June 30, 2023, the total outstanding amount of loans made by IBRD was \$241 billion to useable equity of \$53 billion (**E/L Ratio of 22%**).
- FX and interest rate risks managed carefully to minimize risks.

Equity-to-Loans Ratio
(US\$ billions; FY23)



WORLD BANK'S STRONG CREDIT QUALITY

DIVERSIFIED SHAREHOLDER BASE

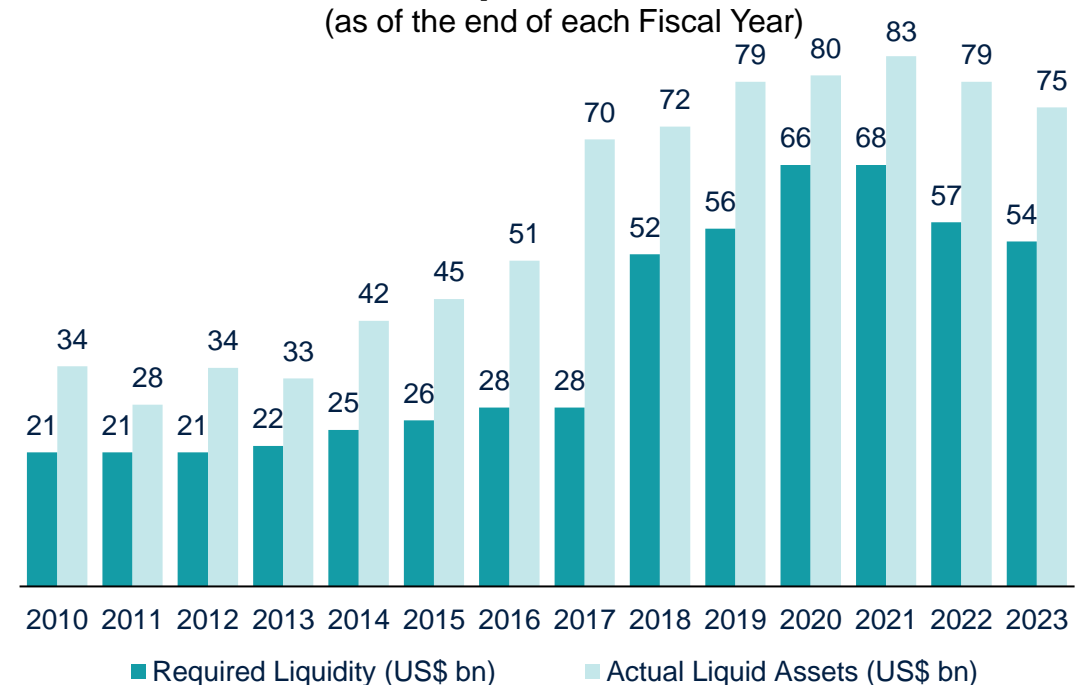
QUALITY LOAN PORTFOLIO

PRUDENT RISK MANAGEMENT

SUBSTANTIAL LIQUIDITY

- The target liquidity level represents 12 months coverage as calculated at the beginning of every fiscal year.
- Actual liquidity exceeds the estimated liquidity requirement to provide financial flexibility in the timing of new debt issuance while meeting obligations. The FY24 target liquidity level was set at US\$59 billion, US\$5 billion higher than FY23 Target Liquidity Level due to higher projected debt service for FY24.
- Liquidity portfolio is conservatively managed against strict guidelines. Eligible investments are highly rated fixed income securities rated AA- or better for governments and agencies, and AAA for corporates and ABS.

Liquid Assets
(as of the end of each Fiscal Year)





© Anmuelle/iStock

WHAT INVESTMENT PRODUCTS DOES THE WORLD BANK OFFER?

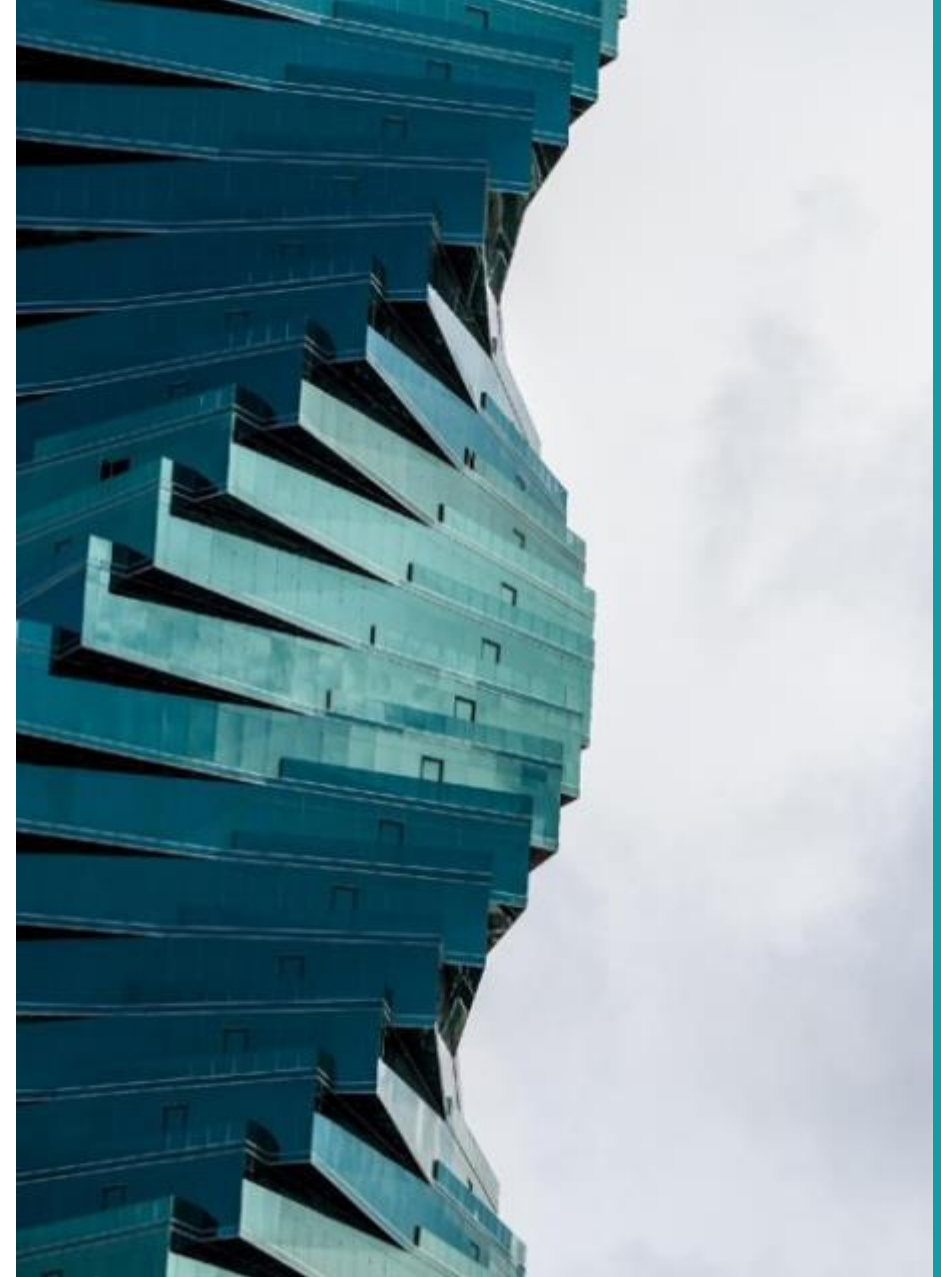
FUNDING STRATEGY

Meet Investors' Needs

- Offer a wide range of debt instruments from a AAA/Aaa issuer, with various characteristics including flexible structures, size, liquidity and maturities.
- Customize products to meet investor preferences
- Maturities up to 50 years.
- A 0% Basel II and III risk weighting minimizes capital requirements.
- Liquid bonds are considered level 1 HQLA (high quality liquid assets).
- Bonds have 'green' or 'sustainability' bond tag in Bloomberg

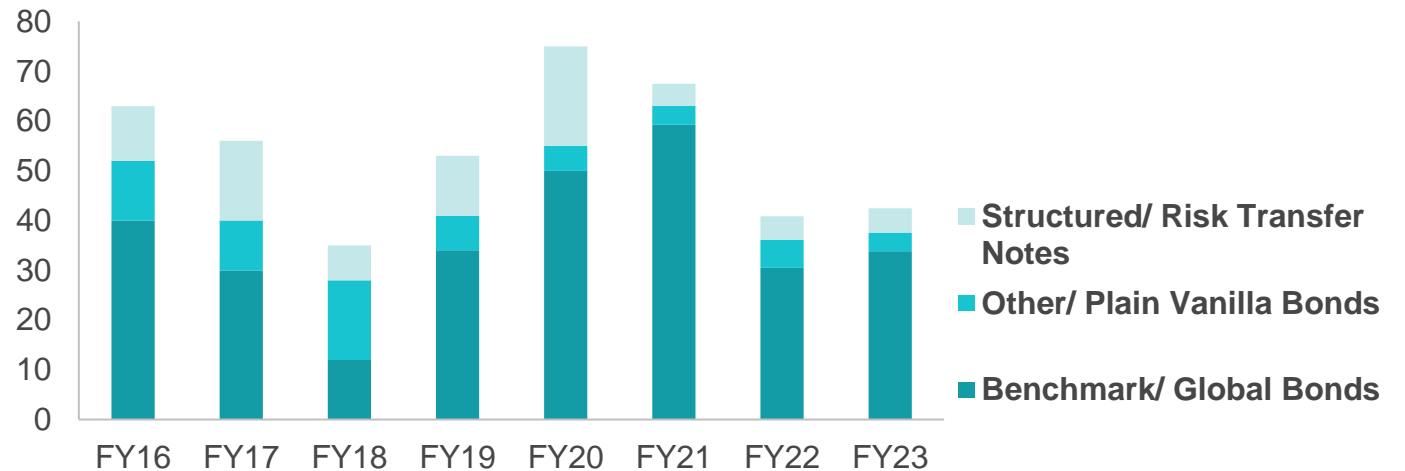
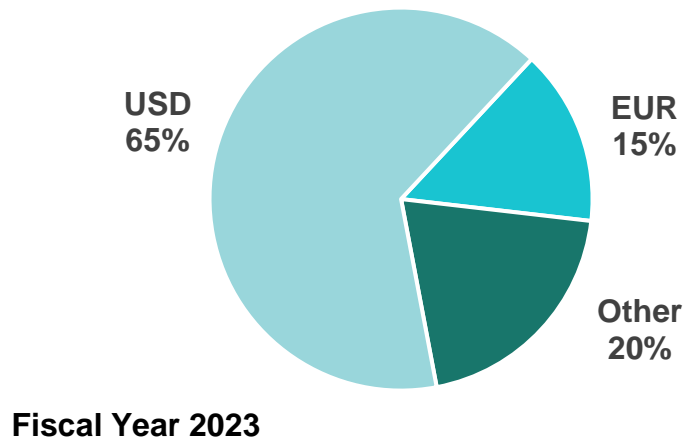
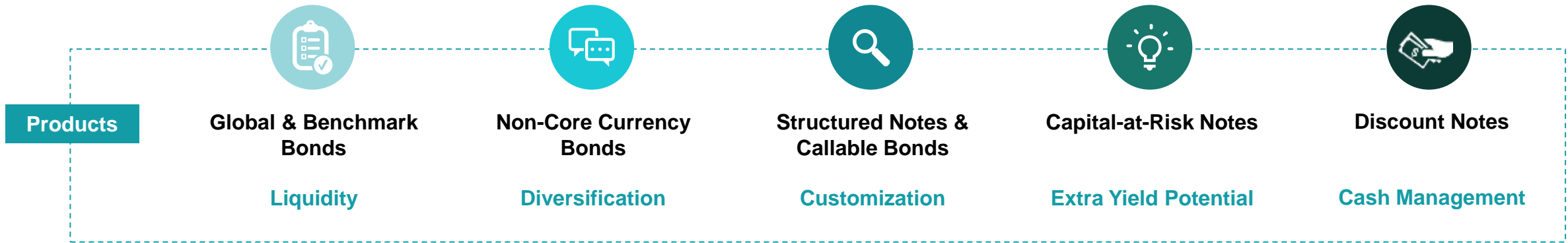
High Execution Standards

- Broad sponsorship from underwriters with solid primary placement with a diversified investor base.
- Strong aftermarket spread performance for liquid bonds.



FUNDING PROGRAM

Investors have a wide choice of products to choose from



SUSTAINABLE DEVELOPMENT BONDS

Connecting Investment with Purpose

World Bank bonds provide investors with an opportunity to do well by doing good.



Bond proceeds support the financing of green and social projects



World Bank supports sustainable development



Environmental & Social Standards



Project Cycle



17 Sustainable Development Goals



World Bank Sustainable Development Bonds and Green Bonds are:

- aligned with the Sustainability Bond Guidelines
- tagged sustainability bonds on Bloomberg
- displayed on the Luxembourg Green & Sustainable Exchange

IBRD USE OF PROCEEDS

Supporting Sustainable Development in IBRD Member Countries

World Bank Sustainable Development Bonds support the financing of a combination of green and social, i.e., “sustainable development”, projects, programs, and activities in IBRD member countries.

Each project is designed intentionally to achieve both positive social and environmental impacts and outcomes in line with the World Bank Group’s twin goals of eliminating extreme poverty and promoting shared prosperity.

The World Bank’s [Sustainable Development Bond Framework](#) describes the process for selecting, evaluating and reporting on eligible Sustainable Development Projects and contains descriptions and examples of such eligible projects.

Target Populations: World Bank projects aim to protect and empower vulnerable groups, including women and girls, the poor, disabled people, and youth to reduce poverty, improve living standards, and raise income and productivity.

5 Global Themes



[Climate Change](#)



[Fragility, Conflict & Violence](#)



[Gender](#)



[Infrastructure, PPPs & Guarantee](#)



[Knowledge Management](#)

GLOBAL BONDS

The World Bank offers global bonds in a variety of currencies and maturities through strategic offerings designed to meet investor demand.

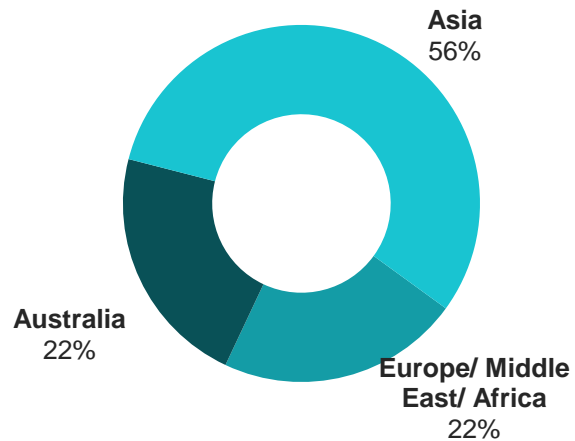
- **Global Bonds provide:**
 - Investors with liquidity and strong dealer commitment to secondary market support
 - Diversification among triple-A holdings and benefit from a rarity value in the marketplace
- **Characteristics:**
 - Issue size is typically US\$1-4 billion, or benchmark size for each market; largest benchmark was US\$8 billion
 - Maturities generally range between 2-10 years
 - Denominated in a variety of currencies, incl. USD, EUR, GBP, CAD, AUD, NZD
- World Bank bonds are represented in **major indices**
- **Pricing** and other bond details: Bloomberg: IBRD <Govt> <Go> or IBRD <Go>

GLOBAL BOND EXAMPLE

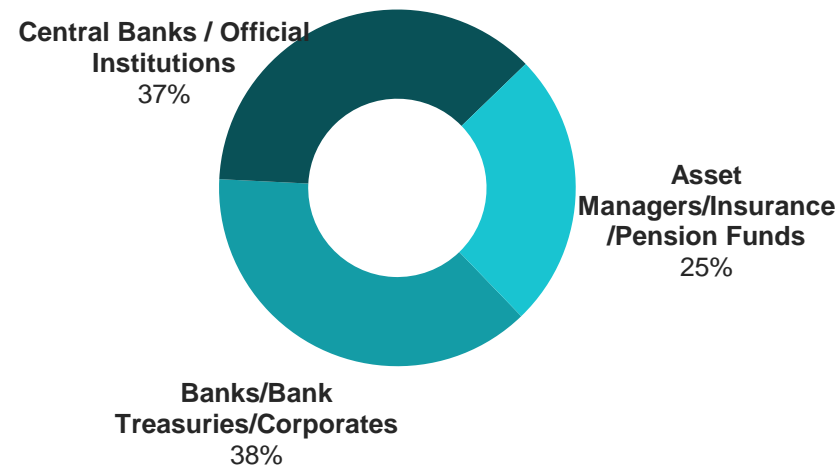
AUD 2 Billion 5-year Sustainable Development Bond

On January 3, 2024, the World Bank (IBRD) priced its first benchmark of 2024 – an Australian dollar 2 billion 5-year bond due January 10, 2029. The transaction attracted over 50 orders totaling more than AUD 2.4 billion from investors drawn to IBRD’s high credit quality while supporting the World Bank’s mission.

Distribution by Geography



Distribution by Investor Type



AUD 2 billion 5-year bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	5-year
Total Amount:	AUD 2 billion
Settlement Date:	01/10/2024
Maturity Date:	01/10/2029
Coupon:	4.30% p.a. payable semi-annually
Joint Lead managers:	Deutsche Bank, JP Morgan, Nomura International plc, RBC Capital Markets

Press Release: [AUD 2 Billion 5-year Sustainable Development Bond](#)

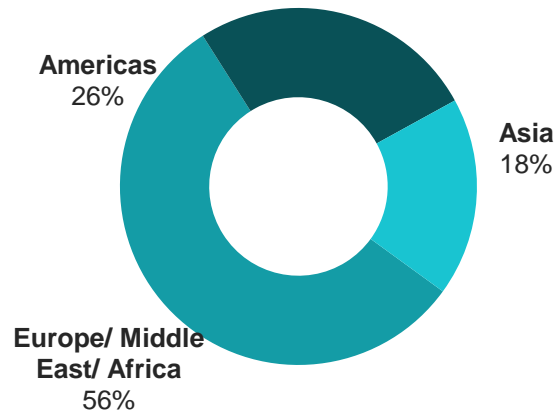
Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

GLOBAL BOND EXAMPLE

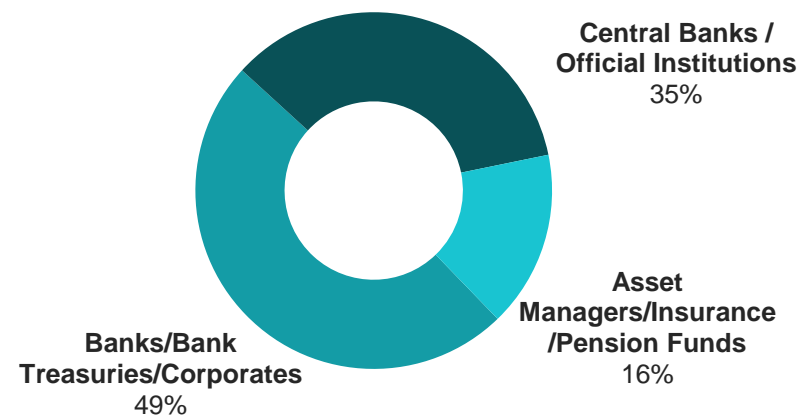
USD 5 billion 7-year Sustainable Development Bond

On January 3, 2024, the World Bank (IBRD) priced a 7-year benchmark bond that matures in January 2031. The Sustainable Development Bond raised USD 5 billion from investors seeking to support the World Bank’s work to end extreme poverty and boost prosperity on a livable planet.

Distribution by Geography



Distribution by Investor Type



USD 5 billion 7-year Bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	5-year
Total Amount:	USD 5 billion
Settlement Date:	01/10/2024
Maturity Date:	01/10/2031
Coupon:	4.00%, payable semi-annually
Leads:	Barclays Bank PLC, BMO Capital Markets, BNP Paribas, Citigroup Global Markets
Senior co-lead managers:	CastleOak Securities, L.P., Daiwa Capital Markets Europe Limited, National Bank of Canada Financial Inc. and The Bank of Nova Scotia, London Branch

Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

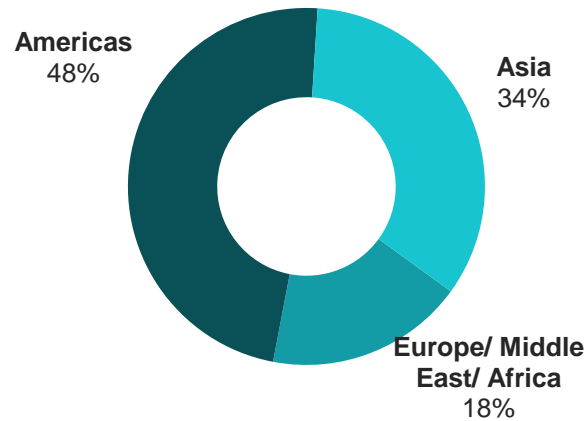
[USD 5 billion 7-year Sustainable Development Bond](#)

GLOBAL BOND EXAMPLE

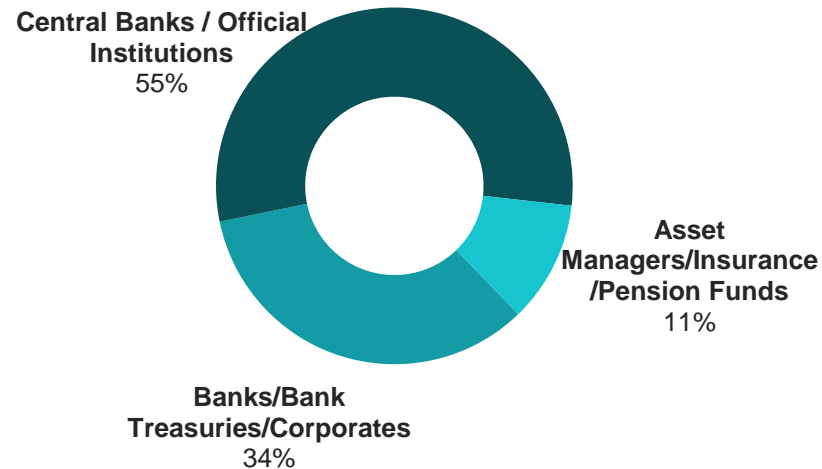
CAD 1.4 Billion 5-year Sustainable Development Bond

On January 3, 2024, the World Bank (IBRD) priced a new 5-year CAD 1.4 billion benchmark that matures in January 2029.

Distribution by Geography



Distribution by Investor Type



CAD 1 billion 5-year bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	5-year
Total Amount:	CAD 1.4 billion
Settlement Date:	01/12/2024
Maturity Date:	01/12/2029
Coupon:	3.50% per annum
Joint Lead managers:	CIBC, RBC Capital Markets, National Bank Financial Inc., TD Securities

Press Release: [CAD 1.4 Billion 5-year Sustainable Development Bond](#)

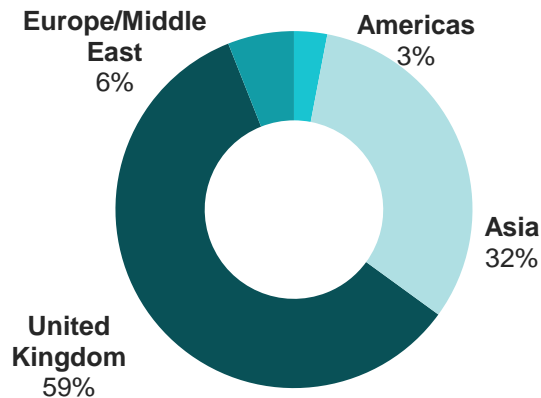
Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

GLOBAL BOND EXAMPLE

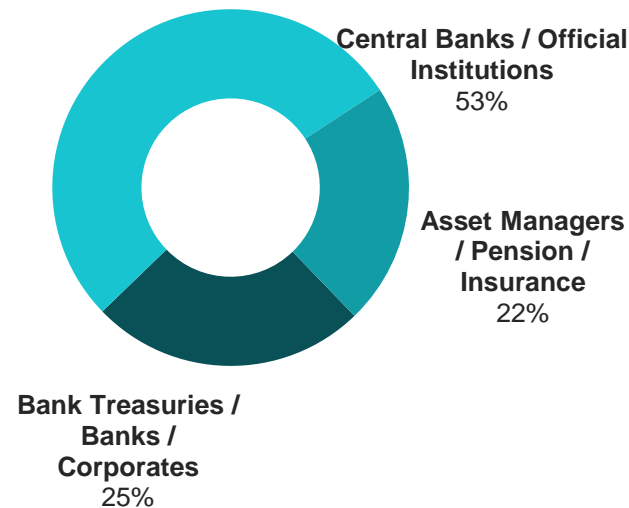
GBP 1.5 billion 5-year Sustainable Development Bond

On January 4, 2024, the World Bank (IBRD) priced a 5-year British pound sterling (GBP) benchmark bond due October 2028. The Sustainable Development Bond raised an impressive size of GBP 1.5 billion from investors to support the financing of the World Bank's work to fund sustainable development solutions in its member countries.

Distribution by Geography



Distribution by Investor Type



GBP 1.5 billion 5-year Bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	5-year
Total Amount:	GBP 1.5 billion
Settlement Date:	01/11/2024
Maturity Date:	10/02/2028
Coupon:	3.875% p.a.
Leads:	Citigroup, NatWest Markets, Santander and TD Securities

[GBP 1.5 billion 5-year Global Benchmark Bond](#)

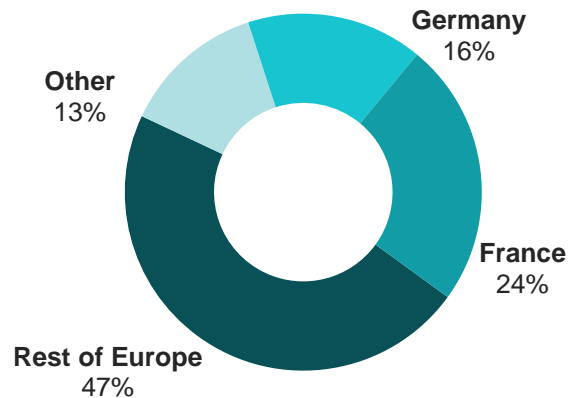
Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

GLOBAL BOND EXAMPLE

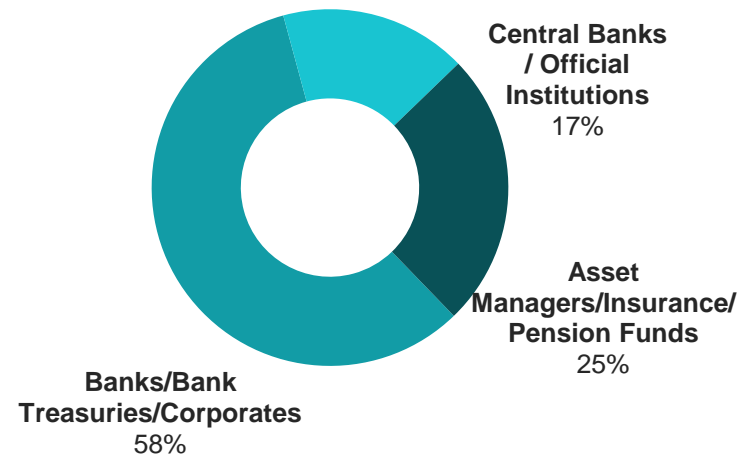
EUR 3 billion 10-year Sustainable Development Bond

On February 6, 2024, the World Bank (IBRD) priced a EUR 3 billion 10-year Sustainable Development Bond. This transaction attracted over 100 orders totaling Euro 4.7 billion from European and global investors seeking high credit quality and an investment that supports sustainable development at the longer end of the EUR curve.

Distribution by Geography



Distribution by Investor Type



EUR 3 billion 10-year Bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	10-year
Total Amount:	EUR 3 billion
Settlement Date:	02/14/2024
Maturity Date:	02/14/2034
Coupon:	2.900% p.a., payable annually
Leads:	BNP Paribas, NatWest Markets, Nomura, TD Securities

[EUR 3 billion 10-year Sustainable Development Bond](#)

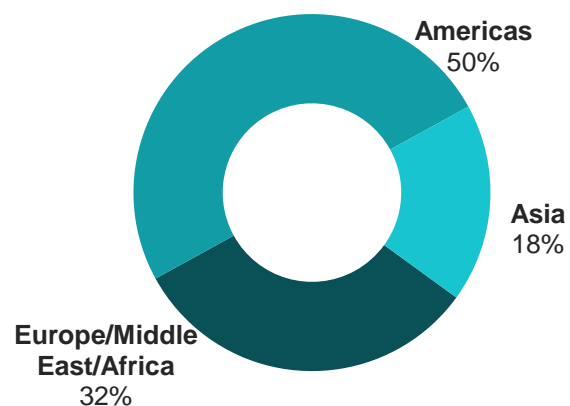
Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

GLOBAL BOND EXAMPLE

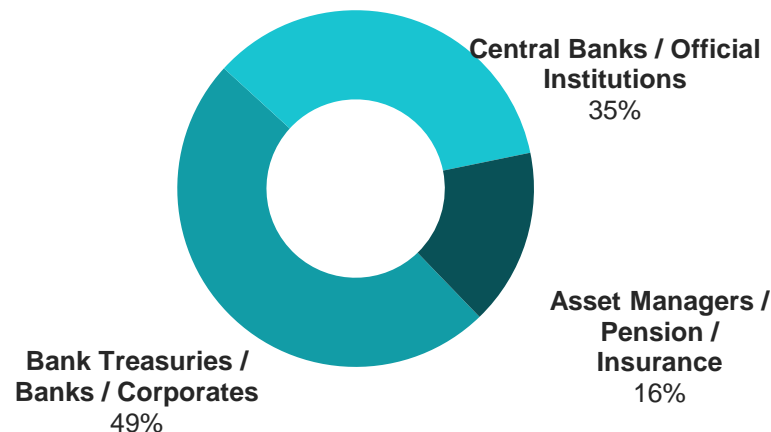
SOFR-Linked Floating Rate Bond

On February 15, 2024, the World Bank (IBRD) priced a USD 1.25 billion Sustainable Development Bond linked to the Secured Overnight Financing Rate (SOFR). The transaction attracted over 30 orders totaling USD 1.4 billion from a diverse set of investors seeking a high credit quality investment while supporting sustainable development.

Distribution by Geography



Distribution by Investor Type



USD 1.25 billion 3-year Bond

Summary Terms and Conditions

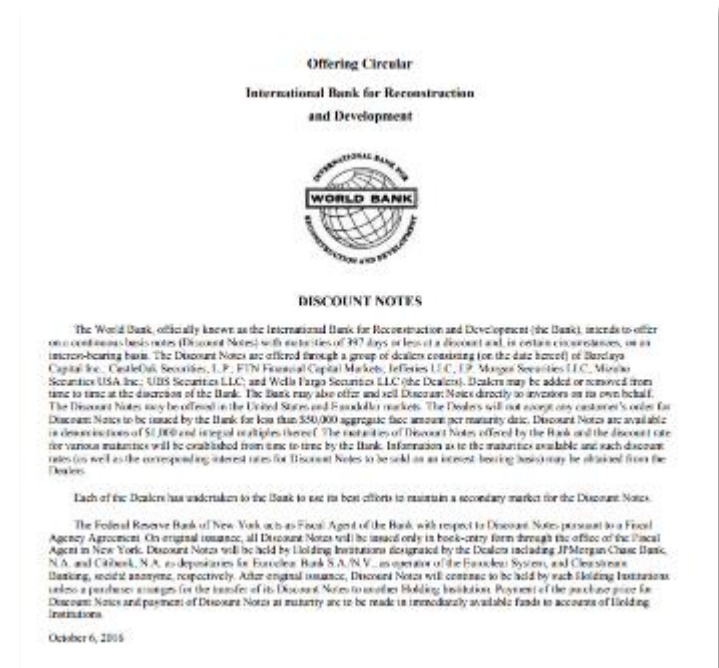
Issuer Rating:	Aaa/AAA
Maturity:	3-year
Total Amount:	USD 1.25 billion
Settlement Date:	02/23/2024
Maturity Date:	02/23/2027
Coupon:	Compounded Daily SOFR + 28 basis points
Leads:	Wells Fargo Securities, BMO Capital Markets, Scotiabank

[USD 1.25 billion SOFR-Linked Floating Rate Bond](#)

Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

DISCOUNT NOTES

- The World Bank offers flexible and customized short-term debt instruments through its USD Discount Notes Program using simple documentation (Offering Circular).
- Discount Notes are offered in the United States and Eurodollar markets.
- Rates for World Bank Discount Notes are posted on Bloomberg's "ADN" page under the World Bank option ("WBDN").
- Discount Notes characteristics:
 - maturities of 397 days (13 months) or less
 - aggregate face amounts of US\$50,000 and higher per maturity date



BUYBACK PROGRAM



World Bank Headquarters, Washington, DC

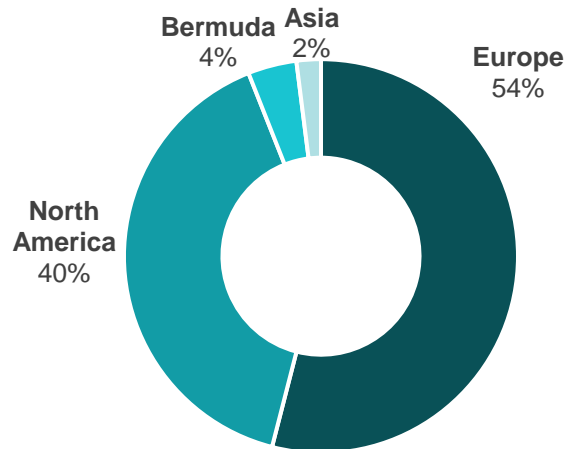
- The World Bank buys back its own bonds through dealers on a reverse enquiry basis
- Program is designed to offer backstop liquidity to investors and covers vanilla and structured IBRD notes, as well as benchmarks
- Repurchased notes are retired from the market
- The program has been operational 20+ years, including the 2008-2009 financial crisis and the 2020 COVID-19 crisis with average volumes of roughly US\$1 billion annually
- Confidential execution as requested
- Execution remains at the discretion of IBRD

CATASTROPHE BOND EXAMPLE

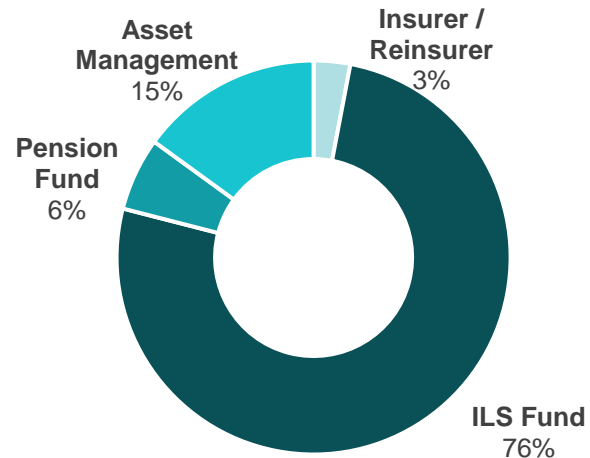
Provides Insurance to Chile for Earthquake Events

On March 17, 2023, the World Bank (IBRD) issued a joint catastrophe bond and swap transaction that provides a total of USD 630 million of earthquake insurance to the Government of Chile for three years, consisting of **USD 350 million of catastrophe bonds** and USD 280 million of catastrophe swaps. The bond is IBRD's 19th cat bond and the first listed on the Hong Kong Exchange (HKEX).

Distribution by Geography



Distribution by Investor Type



Net proceeds of the bonds described herein are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on the bonds described herein are not linked to the performance of any particular project or program."

USD 350 million 3-year Cat Bond

Summary Terms and Conditions

Issuer Rating:	Aaa/AAA
Maturity:	3-year
Total Amount:	USD 350 million
Settlement Date:	03/24/2023
Maturity Date:	03/31/2026
Bond Coupon:	Compounded SOFR + Funding Margin + Risk Margin
Risk Margin:	+4.75% p.a.
Funding Margin:	+0.04% p.a.
Covered Perils:	Earthquake
Trigger:	Parametric, per occurrence
Leads:	Aon Securities, GC Securities and Swiss Re Capital Markets

[Chile Cat Bond Press Release](#)

[Chile Cat Bond listed on the HKEX Press Release](#)



OUTCOME BOND EXAMPLE

Wildlife Conservation Bond to Protect Black Rhinos and Support Local Communities in South Africa

On March 31, 2022, the World Bank (IBRD) issued the first **Wildlife Conservation Bond**, a principal protected outcome bond, that channels additional private capital for conservation outcomes.

- Investors foregone regular coupons **fund conservation investment** in two parks in South Africa, while also providing environmental and social benefits to local communities.
- In addition to return of principal and a small guaranteed return, investors potentially receive a **conservation success payment** at maturity (funded by the Global Environment Facility) based on rhino population growth rates.
- Nuveen was the lead investor in the transaction which included other **institutional investors and individual investors** from both Credit Suisse and Citi private banking.

[WCB Press Release](#)

USD 150 million 5-year Bond	
Summary Terms and Conditions	
Rating:	AAAp
Maturity:	5-year
Total Amount:	USD 150 million
Settlement Date:	03/31/2022
Maturity Date:	03/31/2027
Issue Price:	94.84%
Conservation Investment Payment:	Issuer will make payments totaling ZAR 152 million to the Park Managers to finance rhino conservation activities.
Conservation Success Payment:	Paid to investors at maturity based on rhino growth rates in two Parks. Maximum payment is US\$13.76 million
Sole Structurer:	Credit Suisse
Bookrunners:	Credit Suisse and Citibank, NA



OUTCOME BOND EXAMPLE

Helping Communities Remove and Recycle Plastic Waste

On January 24, 2024, the World Bank (IBRD) issued a [Plastic Waste Reduction-Linked Bond](#), a principal protected outcome bond, that channels private capital to a project with positive climate and development impacts.

- Investors forego regular coupon payments to provide up-front financing for [projects that aim to reduce and recycle plastic waste in vulnerable communities](#) in Ghana and Indonesia.
- Projects help to reduce plastic pollution, create improvements in local pollution and air quality, reduce associated health impacts, and create jobs in marginalized communities.
- In addition to return of principal and a small guaranteed return, investors receive variable [coupons linked to Plastic Waste Collection Credits, Plastic Waste Recycling Credits and Voluntary Carbon Units](#) expected to be generated by two projects.
- Investors include: Velliv Pension, Skandia, Mackenzie Investments, T. Rowe Price, Muzinich & Co

[Plastic Waste Reduction Bond Press Release](#)

USD 100 million 7-year Bond	
Summary Terms and Conditions	
Rating:	AAAp
Maturity:	7-year
Total Amount:	USD 100 million
Settlement Date:	01/31/2024
Maturity Date:	01/31/2031
Issue Price:	100%
Plastic & VCU-Linked Interest Payment:	Linked to the number of Plastic Credits and Verified Carbon Units (VCUs) issued from the projects, each subject to a cumulative ceiling
Minimum coupon:	1.75% per Specified Denomination
Lead Manager:	Citibank





© Dirk Daniel Mann/iStock

HOW IS THE WORLD BANK ENGAGING WITH INVESTORS ON THE SDGs?

BUILDING SUSTAINABLE CAPITAL MARKETS



World Bank's first green bond catalyzed the green bond market and spearheaded disclosure and impact reporting standards for green and other sustainable assets.

A revolution sparked by green bonds has the potential to drive more data-driven sustainable/ impact investing.

The green bond model for project selection, second party opinion, and impact reporting has expanded to World Bank Sustainable Development Bonds.



A global development institution focused on the reduction of poverty reduction and inequality.



Issuer of sustainable development bonds and green bonds.



Engagement with investors and others on sustainable and impact investments.



Partnering with others to:

- leverage our issuance and development experience
- increase awareness for thematic investment and sustainable capital flows
- support transparency and data availability as a global public good.



Sustainable Development Bonds

Today, most World Bank bonds are labeled as Sustainable Development Bonds.

The Sustainable Development Bond label highlights how proceeds support the financing of projects with both green and social goals and emphasizes the holistic approach that the World Bank takes to mainstream climate action in all operations.

PIONEERING THE GREEN BOND MARKET



- The **World Bank's first green bond catalyzed the green bond market** and spearheaded disclosure and impact reporting standards for green and other sustainable assets.
- Green bonds carry the same financial terms and risk as other World Bank bonds.
- The World Bank is **advising member countries** on green finance and green bond issuance, e.g., through a [guide for a national taxonomy](#).



4,800,000 tons
of untreated wastewater
prevented from flowing into rivers
annually in **China**



6,000,000 tons
of CO₂ emissions reduced
due to reforestation
in **Mexico**



774,600 hectares
of forest restored or
reforested
in **China & Mexico**



51,462 GWh
in annual
energy savings

Examples of projects herein are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by IBRD anytime in the future. Net proceeds of IBRD securities are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on IBRD securities are not linked to the performance of any particular project or program

MEETING INVESTOR DEMAND

For Sustainable Investment Products

- All **World Bank bonds** aim to achieve **positive social and environmental impact** in line with the SDGs.
- Investors are factoring environmental and social risks and sustainability considerations into decision-making.
- World Bank bonds are **natural fit for investors seeking positive impact**.
- World Bank Treasury is cultivating a long-term **partnership with the private sector** driving growth in green and sustainability bonds and innovation to mobilize financing for sustainable development.
- Investors are **focusing investments on special themes and the SDGs** like climate action, gender equality, good health and well-being, equitable social services, and sustainable transport.

SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE DEVELOPMENT BONDS

IBRD issues two types of labeled bonds

Sustainable Development Bonds | Commitments & Disbursements

Table 1. Fiscal Year
\$ millions

Total
Public Administration
Health
Agriculture, Fishing & Forestry
Social Protection
Energy & Extractives
Transportation
Water, Sanitation & Sewerage
Financial Sector
Education
Industry, Trade & Services
Information & Communications



World Bank Sustainable Development Bonds aligned with **Sustainability Bond Guidelines** published by ICMA

Green Bonds Commitments & Allocations*

US\$18 billion has been committed
US\$12.5 billion allocated net

Commitments & Allocations by Sector

Sectors
1. Renewable Energy and Energy Efficiency
2. Clean Transportation
3. Water and Wastewater
4. Solid Waste Management
5. Biodiversity
6. Agriculture, Land Use, Forestry, and Ecosystems
7. Resilient Infrastructure, Built Environment
Total
Percentage



World Bank Green Bonds aligned with **Green Bond Principles** published by ICMA

GREEN BONDS



Read the [2022 World Bank \(IBRD\) Impact Report](#)

FY22 GREEN BOND PROJECT RESULTS

Biodiversity



7.3 million ha under sustainable landscape management practices

Resilient Infrastructure



25 years of return period for which roads are designed to withstand a flood event

Renewable Energy & Energy Efficiency



675,023 MWh of heat and electricity generated from renewable biomass

Clean Transportation



1.2 million people benefitting from enhanced access to transportation services

Sustainable Agriculture



134,420 clients adopting improved agricultural technology



105,571 MWh of annual energy savings



323 new, cleaner-fuel vehicles procured



43,836 tons of annual pollution load (COD) and **5,031 tons** of annual nutrient load to waterways reduced



179 MW of renewable capacity added



46 km of bus rapid transit routes operated



37,594 ha provided with new/improved irrigation or drainage services

SUSTAINABLE DEVELOPMENT BONDS

Holistic Approach Uses SDGs as a Framework

Sustainable & Inclusive Growth



9.2 million people with enhanced access to transportation services



772 MW of generation capacity of energy constructed or rehabilitated



493,000 people with new/improved electricity service



500,000 people with new/enhanced access to broadband internet



29.3 million students with direct interventions to enhance learning



9.1 million beneficiaries of job-focused interventions²¹



Of which:

- **590,000 beneficiaries** of financial services²²
- **3.3 million farmers** accessing agricultural assets/services
- **865,220 teachers** recruited/trained
- **2.7 million beneficiaries** of job-focused interventions
- **755,200 students** benefiting from direct interventions to enhance learning²³
- **1.1 million people** benefiting from labor market programs



590,000 people and **10,000 businesses** benefiting from financial services²⁴



680 projects supported

\$33.1 billion in lending committed

Read the [2022 World Bank \(IBRD\) Impact Report](#)

WORLD BANK SUMMARY

- The World Bank's purpose is to **end extreme poverty** and **promote shared prosperity**.
- World Bank bonds fund sustainable development activities.
- **AAA/Aaa rating** is based on its strong balance sheet and capital, conservative financial policies and risk management, and support from 189 member countries.
- **Wide range of products** ranging from benchmark bonds to tailor-made notes designed to suit specific investor needs.
- All bonds are labeled as 'sustainability' or 'green' bonds designed to achieve positive impact.
- **Outcome based structured bonds** allow investors to take on other risks for additional impact.





© World Bank

ANNEX: PROJECT STORIES

Disclaimer: Examples of projects herein are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by IBRD anytime in the future. Net proceeds of IBRD securities are not committed or earmarked for lending to, or financing of, any particular projects or programs, and returns on IBRD securities are not linked to the performance of any particular project or program.



© World Bank

COLOMBIA

Access and Quality in Higher Education

Development Challenge: The participation of young people from socioeconomically disadvantaged backgrounds in tertiary education in Colombia is very low. In 2014, only 10% of young people in the poorest quintile enrolled in a higher education program, compared to 59% of the richest quintile. That same year, only 13% of the rural population enrolled in a tertiary education program, as compared to 60% in the main cities. Half of the students who enter tertiary education drop out before finishing their studies.

Purpose: Improve the quality of tertiary education in participating institutions and increase enrollment of students from disadvantaged socioeconomic backgrounds in quality programs. The project provides financing for students to attend tertiary and postgraduate education through student loans and scholarships. The project also provides financing for institutions to carry out quality improvements to obtain accreditation through competitive research grants and loans.

- Expected Results (include):**
- 1,222,876 students from disadvantaged backgrounds enrolled in tertiary education
 - 46,080 students from low socioeconomic groups who obtain a loan
 - 322,000 students benefiting from direct interventions to enhance learning
 - 6.2% of new student loans given to victims of violence; 7.5% to indigenous, afro-Colombians, and Roma people; 7% of loans to new students in 'remote areas'

For more information:
<https://projects.worldbank.org/en/projects-operations/project-detail/P160446>

IBRD Financing: \$160 million
Closing: 2023





© World Bank

For more information:

<https://projects.worldbank.org/en/projects-operations/project-detail/P172548>

EGYPT

Greater Cairo Air Pollution Management and Climate Change Project

Development Challenge: Despite significant improvements in air quality in recent years, Greater Cairo's air pollution levels far exceed international standards. Pollution management is key to providing safe living conditions for communities while reducing the health burden, fiscal strain, and economic costs from environmental degradation. Air pollution and adverse climate impacts threaten the longevity of Egypt's draw for tourism (a sector that contributes about 12% to GDP) by degrading Egypt's rich cultural heritage and creating conditions that discourage tourists from visiting altogether.

Purpose: Reduce air and climate emissions from critical sectors and increase resilience to air pollution in Greater Cairo. In response to COVID-19, the project is working to improve healthcare waste management systems and introduce prevention measures in municipal waste operations. This will focus on under-served hospitals to provide waste sterilization equipment and personal protective gear, alongside the provision of technical assistance and training on the safe handling, transportation and disposal of healthcare waste.

Expected Results (include):

- Increase the number of women employed in the solid waste chain by 10%, following training and capacity building
- Reduce GHG emissions from public buses by 23%
- Reduce GHG emissions from municipal solid waste by 30%

IBRD Financing: \$200 million

Closing: 2026



© World Bank

For more information:

<https://projects.worldbank.org/en/projects-operations/project-detail/P173927>

GABON

COVID-19 Strategic Preparedness and Response

Development Challenge: Although Gabon has two laboratories capable of diagnosing COVID-19, samples must be transported either by air, facing logistical constraints, or by road, which is far from the capital. These two centers do not have enough capacity to provide the laboratory testing Gabon needs during the COVID-19 pandemic and financial support is needed for laboratory equipment and acquisition of kits and laboratory reagents.

Purpose: Prevent, detect, and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness in Gabon. The project received additional financing to support the country's National Vaccination and Deployment Plan, to enable affordable and equitable access to COVID-19 vaccines, providing 945,255 doses.

Expected Results (include):

- 23 laboratories provided with COVID-19 diagnostic equipment, test kits, and reagents
- Increase the percentage of health staff equipped with appropriate PPE for infection prevention and control to 80%
- Provide 26 ambulances to transport COVID-19 patients
- 60% of population vaccinated, of which 50% are women
- Distribute gender sensitive educational communication materials on COVID-19 vaccines

IBRD Financing: \$21 million

Closing: 2024



© World Bank

GUATEMALA

Crecer Sano: Guatemala Nutrition and Health Project

Development Challenge: Guatemala faces a crisis as a result of the spread of COVID-19, both in terms of public health and the economy. COVID-19 has worsened the country’s economic situation, leading to a rise in malnutrition along with food shortages and an increase in food prices. Approximately 47% of Guatemalan children suffer from stunting – one of the highest rates in the world. The capacity of the country’s health infrastructure to respond to the crisis is limited due to high demand and insufficient human resources, equipment, and financing.

Purpose: Improve selected practices, services, and behaviors known to be key determinants of chronic malnutrition (with an emphasis on the first 1,000 days of life) and respond to the threat posed by COVID-19, in selected intervention areas. In response to the COVID-19 pandemic, the project was restructured to reallocate \$20 million of original project financing to increase capacity for COVID-19 testing and expand temporary and mobile medical pavilions to cope with the increasing demand for health services.

Expected Results (include):

- 680,000 people reached with essential health, nutrition, and population services including:
 - 400,000 children under 5 years old receiving immunizations
 - 280,000 women and children under 5 years old receiving basic nutrition services
- Train 5,000 health staff in COVID-19 infection prevention and control
- Build and equip 2 temporary hospitals for COVID-19 treatment

IBRD Financing: \$100 million

Closing: 2024

For more information:
<http://projects.worldbank.org/P159213?lang=en>



© World Bank

INDIA

Innovate for Inclusiveness

Development Challenge: While India is recognized as a leading global manufacturer of high-quality generic drugs, industry gaps and market failures constrain its innovation capabilities, limiting its competitiveness and ability to address its disease burden. Diseases that disproportionately affect low- and middle-income countries are largely ignored as companies tend to allocate resources to high-profit markets, leading to a growing concern of getting affordable healthcare in India.

Purpose: Facilitate innovation in biopharmaceutical products and medical devices that address public health priorities. Strengthen and accelerate the pilot-to-market innovation ecosystem for low-cost vaccines, biopharmaceuticals, diagnostics, and medical devices funding for the government of India’s Biotechnology Industry Research Assistance Program (BIRAC). The project will provide grant funding to companies, research and academic institutions, and practitioners to support early-stage bio-manufacturing, clinical development, training, and technology transfer.

Expected Results (include):

- 50 products addressing public health priorities advance at least one step on the product development pathway
- 23 technologies licensed for manufacturing or commercialization
- 14 international publications
- 6,295 people trained

IBRD Financing: \$125 million

Closing: 2023

For more information:
<https://projects.worldbank.org/en/projects-operations/project-detail/P156241?lang=en>



© World Bank

LEBANON

Greater Beirut Urban Transport Project

Development Challenge: Lebanon has one of the highest population densities in the world. About 87% of the resident population lives in urban areas, with more than half in the Greater Beirut Area. The economic cost of traffic congestion in Lebanon is estimated above US\$2 billion, between 5% and 10% of national GDP. A growing population, including an increase in Syrian refugees, has increased traffic levels by as much as 25%.

Purpose: Improve the speed, quality, and accessibility of public transport for passengers in Greater Beirut and at the city of Beirut's northern entrance. The project will provide needed infrastructure to reduce the traffic burden, create jobs, and stimulate the economy while increasing mobility and ensuring security for vulnerable groups including the poor, women, and youth.

Expected Results (include):

- Create 2 million labor days in construction jobs for low-income Lebanese and Syrians
- Attract more than 300,000 passengers per day while halving commute times between Beirut and the northern suburbs
- Reduce traffic congestion
- 60,000 tons of CO2 equivalent reduced annually

IBRD Financing: \$225.2 million

Closing: 2023

For more information:

<https://projects.worldbank.org/en/projects-operations/project-detail/P160224?lang=en>



© World Bank

SERBIA

Enabling Digital Governance Project

Development Challenge: The Serbian government wanted to digitalize services to quickly respond to the COVID-19 crisis and prepare for the second wave of the pandemic. While Serbia has placed a strong emphasis on e-government services, efforts have been uncoordinated and only partially funded. Many registries and information data bases are fragmented, imposing an additional burden in terms of time and costs to citizens and businesses when engaging with the government.

Purpose: Improve access to and efficiency of online government services. Two activities have been introduced in response to the COVID-19 pandemic: (1) a business continuity assessment for government institutions to help guide the transition to providing digital services, and (2) the development of software solutions to enable mobile access to government services.

Expected Results (include):

- Increase the number of government services digitized and available online to 30, from a baseline of 4
- Provide 2,000,000 people with access to online services
- Increase user satisfaction with online services by 50%

IBRD Financing: \$50 million

Closing: 2024

For more information:

<https://projects.worldbank.org/en/projects-operations/project-detail/P164824>



© World Bank

TURKEY

Energy Efficiency in Public Buildings

Development Challenge: Energy efficiency is critical for Turkey to sustain its economic growth while meeting its commitments for climate change and environmental sustainability. As energy use per capita in Turkey rises, its energy intensity is expected to grow. This high intensity negatively impacts energy security as Turkey’s energy imports account for almost 19% of the country’s total imports. It also has a negative impact on the environment, with the energy sector accounting for 72.2% of the country’s greenhouse gas (GHG) emissions.

Purpose: Reduce energy use in central government buildings and inform the development of sustainable financing mechanisms to support a scaled-up, national program for energy efficiency in public buildings. The project supports the renovation of central government and central-government affiliated buildings (i.e., public buildings including schools and hospitals); and strengthens technical assistance to support project implementation to ensure its sustainability and scale-up.

Expected Results (include):

- 315 GWh of annual energy savings
- 225,000 tons of CO2 equivalent reduced annually
- 620 buildings commissioned
- US\$18,000,000 of energy costs savings annually

IBRD Financing: \$150 million

Closing: 2025

For more information:
<https://projects.worldbank.org/en/projects-operations/project-detail/P162762>

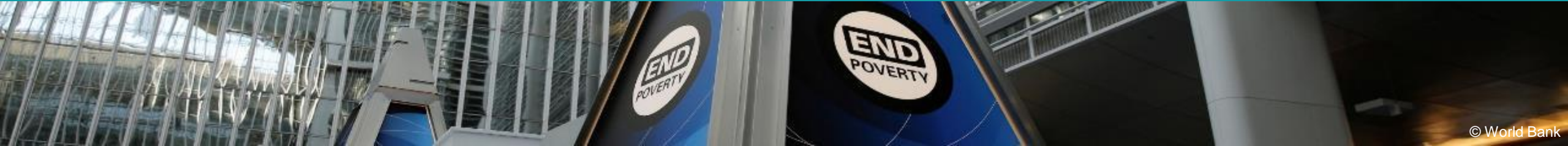
CONTACT US

Internet:	https://treasury.worldbank.org/
Phone:	+1 202 477 2880
Fax:	+1 202 477 8355
Email:	debtsecurities@worldbank.org
Address:	1818 H Street N.W. MSN C7-710 Washington, DC 20433, USA

Pricing Sources	
Bloomberg	IBRD <Govt> <Go> or IBRD <Go>
Discount Notes	WBDN <Go>

THE WORLD BANK IBRD

Acknowledgements and Disclaimers



© World Bank

- Photos, graphics and content © The World Bank and as noted. Cover photo credits (from left to right): © Eefje Verbeek/iStock, © World Bank, © pespiero/iStock.
- This presentation has been prepared by the World Bank (International Bank for Reconstruction and Development, IBRD) for information purposes only, and the IBRD makes no representation, warranty or assurance of any kind, express or implied, as to the accuracy or completeness of any of the information contained herein.
- No Offer or Solicitation Regarding Securities. This presentation may include information relating to certain IBRD securities. Any such information is provided only for general informational purposes and does not constitute an offer to sell or a solicitation of an offer to buy any IBRD securities. All information relating to securities should be read in conjunction with the appropriate prospectus and any applicable supplement and Final Terms thereto, including the description of the risks with respect to an investment in such securities, which may be substantial and include the loss of principal. The securities mentioned herein may not be eligible for sale in certain jurisdictions or to certain persons.
- Consult with Advisors. Investors considering purchasing an IBRD security should consult their own financial and legal advisors for information about such security, the risks and investment considerations arising from an investment in such security, the appropriate tools to analyze such investment, and the suitability of such investment to each investor's particular circumstances.
- No Guarantee as to Financial Results. IBRD does not warrant, guarantee or make any representation or warranties whatsoever, express or implied, or assumes any liability to investors regarding the financial results of the IBRD securities described herein.
- Each recipient of this presentation is deemed to acknowledge that this presentation is a proprietary document of IBRD and by receipt hereof agrees to treat it as confidential and not disclose it, or permit disclosure of it, to third parties without the prior written consent of the IBRD. All content (including, without limitation, the graphics, icons, and overall appearance of the presentation and its content) are the property of the IBRD. The IBRD does not waive any of its proprietary rights therein including, but not limited to, copyrights, trademarks and other intellectual property rights.
- This presentation includes forward-looking statements. These forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "may," "should" and similar expressions identify forward-looking statements. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including, without limitation, management's examination of historical operating trends, data contained in IBRD's records and other data available from third parties. Although IBRD believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, and IBRD may not achieve or accomplish these expectations, beliefs or projections. Neither IBRD, nor any of its members, directors, officers, agents, employees or advisers intend or have any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this presentation.