



DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
on the
Transfer of Real Resources to Developing Countries)

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**FORWARD LOOK – A VISION FOR THE WORLD BANK GROUP IN 2030 -
IMPLEMENTATION UPDATE**

Attached is the document entitled “Forward Look – A Vision for the World Bank Group in 2030 - Implementation Update” prepared by the World Bank Group for the April 21, 2018 Development Committee Meeting.

7. **FCV focus.** The WBG has scaled up investment, knowledge, and advisory services for FCV-affected countries. According to the FY17 client opinion survey, stakeholders rated the WBG's effectiveness, impact, and knowledge in FCV-affected countries from 6.7 to 7.2 on a scale from 1 to 10. Under IDA18, US\$14.4 billion (doubled from IDA17) will be available for FCV. In FY17-18, the share of FCV in new IBRD/IDA commitments rose by 5.2 percentage points by value compared to FY13-16 (from 8.8 to 14.0 percent). At IFC, 9 percent of LTF projects in FY17, 5 percent of commitment volume, and 20 percent of advisory services were in FCV-affected countries. IFC investments in FCV-affected countries in FY18 include the largest solar project in the West Bank and Gaza and a US\$68 million investment in STG Cement in Myanmar. MIGA's gross exposure in FCV-affected countries grew from US\$700 million at end-FY13 to US\$1.7 billion as of January 2018, a 143 percent increase. Recent examples of projects supported include guarantees for a business center in Djibouti and a rooftop solar project in West Bank and Gaza.

8. IDA18 has several further special windows for FCV:

- The Risk Mitigation Regime has US\$835 million earmarked to help countries address the drivers of fragility and build institutional resilience. Work is focused in the four eligible countries – Guinea, Nepal, Niger, and Tajikistan.
- The Turnaround Regime offers exceptional levels of financial support to help countries emerging from conflict build stability and resilience.
- The US\$2 billion Refugee Sub-window provides additional resources to countries hosting refugees for investments benefiting both refugees and host communities. Eight eligible countries (Cameroon, Chad, Congo, Djibouti, Ethiopia, Niger, Pakistan, and Uganda) account for about 60 percent of all refugees in IDA countries. The project pipeline is robust, with over 15 projects, and several are projected to be delivered by end-FY18. Work is ongoing on eligibility for Bangladesh, Burkina Faso, Burundi, the Democratic Republic of Congo, Kenya, and Mauritania.
- The IFC-MIGA PSW, with facilities for risk mitigation, blended finance, MIGA guarantees, and local currency support, is available to select FCV-affected countries.

9. To support the higher cost of operating in FCV-affected countries, the Bank has expanded the share of FCV in its Country Engagement budgets from 17.9 percent in FY17 to 19.2 percent in FY18. IFC's FY18 budget for FCV-affected countries is US\$81 million, 62 percent more than in FY14. There has been a 9 percent increase in WBG staff based in FCV from FY16 to January 2018. Costs for security and other support in institutional, governance, and administrative (IG&A) units have also increased correspondingly.

10. **Small states** are inherently more vulnerable and need to build resilience and respond to shocks, through enhanced resources and innovative instruments (as such debt-swaps, blue and green bonds), as well as tailored operational approaches. The IDA18 allocations for eligible countries more than doubled to US\$1.5 billion.⁴ The WBG reacted quickly to support Caribbean clients respond to the devastating hurricanes in 2017.⁵ In line with the Roadmap for Small States, the WBG is working towards (i) enhancing concessional financing, including through a strong delivery of the IDA18 scale up, a new Low-Income Country Debt Sustainability Framework, and mobilization of climate finance; (ii) attracting private investment and economic diversification, including through use of IDA's new PSW, and (iv) building capacity in collaboration with development partners.

⁴ For the 23 IDA-eligible members of the Small States Forum.

⁵ For example, Dominica's losses from hurricane Maria are estimated at US\$1.3 billion or 226 percent of GDP.