

THE WORLD BANK AS A FULL PARTNER IFI IN THE WBIF



THE WORLD BANK

Treasury | IBRD • IDA

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Rationale for WB's Membership (1)

(1) Sector diagnostics as a public good – WB's analytical work identifies the institutional, investment, and financing interventions

(2) Linking investments to strategies - Preparing effective investment plans that prioritize the investment with the highest returns, aligning financiers, and providing governments with the tools to implement

(3) Social and environmental considerations – promote the importance of a coordinated and regional approach; environment: air pollution and the clean-up of legacy contaminated industrial and mining sites; Social: WB's new Human Capital Index

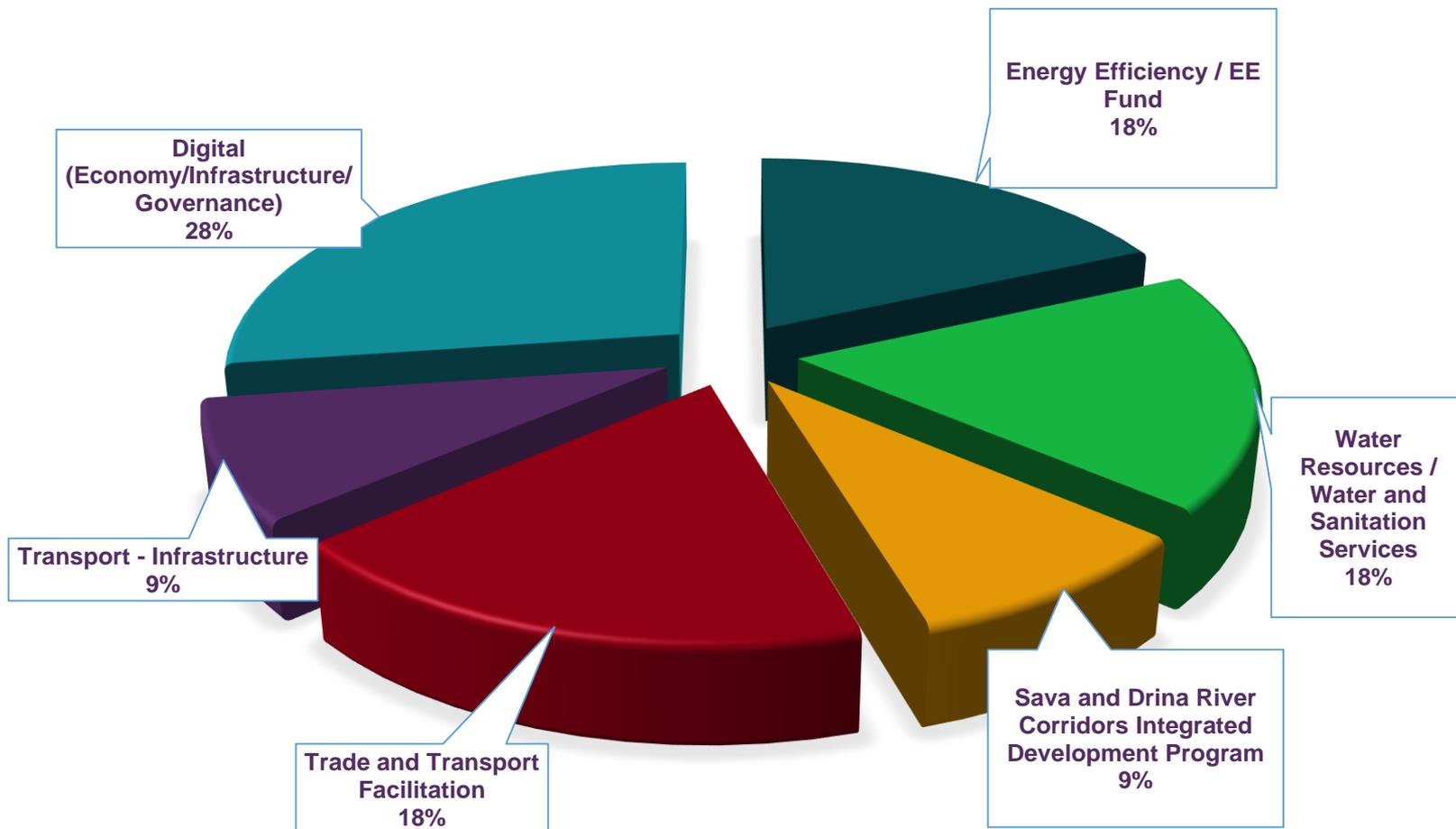
(4) Increasing the role of the private sector - the WBG via WBIF could assist governments to both (i) attract more private sector financing into key sectors of the economy (e.g., infrastructure) and (ii) strengthen the local private sector

Rationale for WB's Membership (2)

(5) Leveraging World Bank resources - the WB would seek to leverage the work program already in place in the region which includes

- (i) portfolio of 56 projects (US\$3.7 billion in lending; US\$137 million in investment grants through trust funds)
- (ii) Going forward, the World Bank has about \$370 million in investment operations that could be directly aligned with WBIF priorities
- (iii) (ii) analytical program of about US\$48 million which is predominantly financed through World Bank-executed trust funds

WB's program in WBIF's Priority Sectors (already under preparation, to start implementing in next two years)



The World Bank's contribution

World Bank budget allocated to activities aligned to WBIF priority sectors

- (i) **Own budget funds** allocated to preparation and supervision of projects in WBIF focus areas - estimated at about US\$8.6 million for projects already under development (in the relevant WB-country strategies)
- (ii) **Analytical and Technical Assistance** - budget expected to be about US\$500,000 per year, to finance e.g. specific studies to assess investment priorities, project design and modalities for sustainable operations and maintenance
- (iii) **WB's trust funds** i.e. the ones aligned to WBIF objectives – may be used to finance substantial technical assistance activities