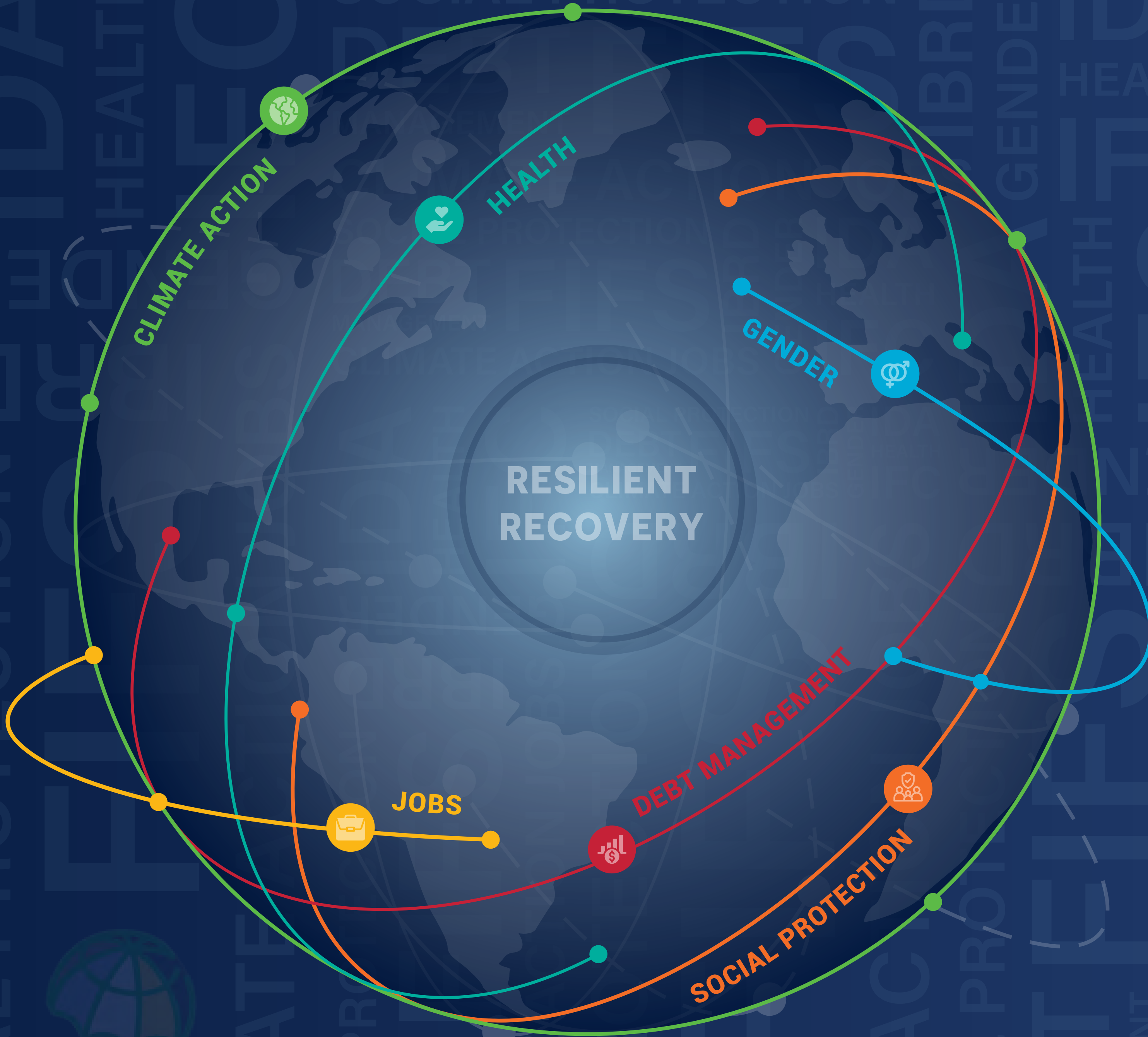
2021 TRUST FUND ANNUAL REPORT

TOWARD GREATER RESILIENCE



Trust Funds & Partner Relations
Development Finance

WORLD BANK GROUP

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Throughout this 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: IBRD, IDA, IFC, MIGA, and ICSID. The terms "donors" and "development partners" are also used interchangeably throughout the report.

World Bank

MESSAGE FROM THE VICE PRESIDENT

This was a year dominated by COVID-19 and the ensuing global health and economic crisis. The pandemic has taken lives and disrupted livelihoods in every corner of the world. It has raised the urgency of mitigating severe economic impacts on poverty and overcoming the dangers of climate change, systemic inequality, social instability, financial risks, declining growth rates, and conflicts.

The World Bank Group's ongoing response to the COVID-19 crisis has been massive and decisive, with trust funds and financial intermediary funds (FIFs) contributing to immediate relief initiatives and providing strategic support to countries as they rebuild for a resilient recovery. This report highlights the important work trust funds and FIFs are supporting to help shorten the crisis and lay a strong foundation for a future that is more prosperous and better prepared for disasters like COVID-19.

Ongoing trust-funded activities are part of the World Bank Group's efforts to build this foundation of greater resilience. Looking across the thematic areas of health, climate action, gender, social protection and jobs, and debt management, this report shows how trust fund and FIF resources—disbursing $51.62 billion from fiscal years 2017 to 2021—support the World Bank Group's goals to end extreme poverty and promote shared prosperity through greener, more inclusive and more resilient development.

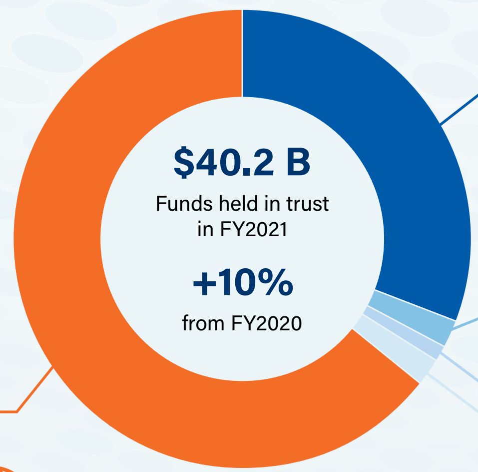
Trust funds and FIFs complement the core funding and activities of the World Bank Group, increase the scope and reach of its activities, and further its knowledge and learning agenda. They help address global and regional issues that transcend national boundaries and make it possible to support countries, such as non-members and those in arrears, where the World Bank Group cannot provide financing from its own resources.

This report also examines how the World Bank Group brings value to trust-funded partnerships. Its convening power, at both the international and country level, optimizes coordinated action on shared development priorities to achieve impact at scale. Partners benefit from the World Bank Group's extensive technical expertise, country experience and supervision capacity, and its ability to monitor and report on results. Ongoing reforms in trust fund and FIF management also ensure strategic alignment, efficiency, transparency, collaboration, and predictability in the use of resources. As part of the drive to enhance financial sustainability, new measures are also being implemented to recover costs in delivering externally funded activities.

Partnerships are at the core of trust fund and FIF success, and we thank all our development partners, implementing partners, and client countries for their engagement, collaboration, and dedication to our shared mission and vision. Our work ahead is more critical than ever. Together, we are building on forward momentum to generate a resilient recovery that ensures a broad and lasting rise in prosperity for all.

Akihiko Nishio
Vice President
Development Finance, World Bank Group

WORLD BANK GROUP TRUST FUNDS AND FINANCIAL INTERMEDIARY FUNDS



WBG Trust Funds

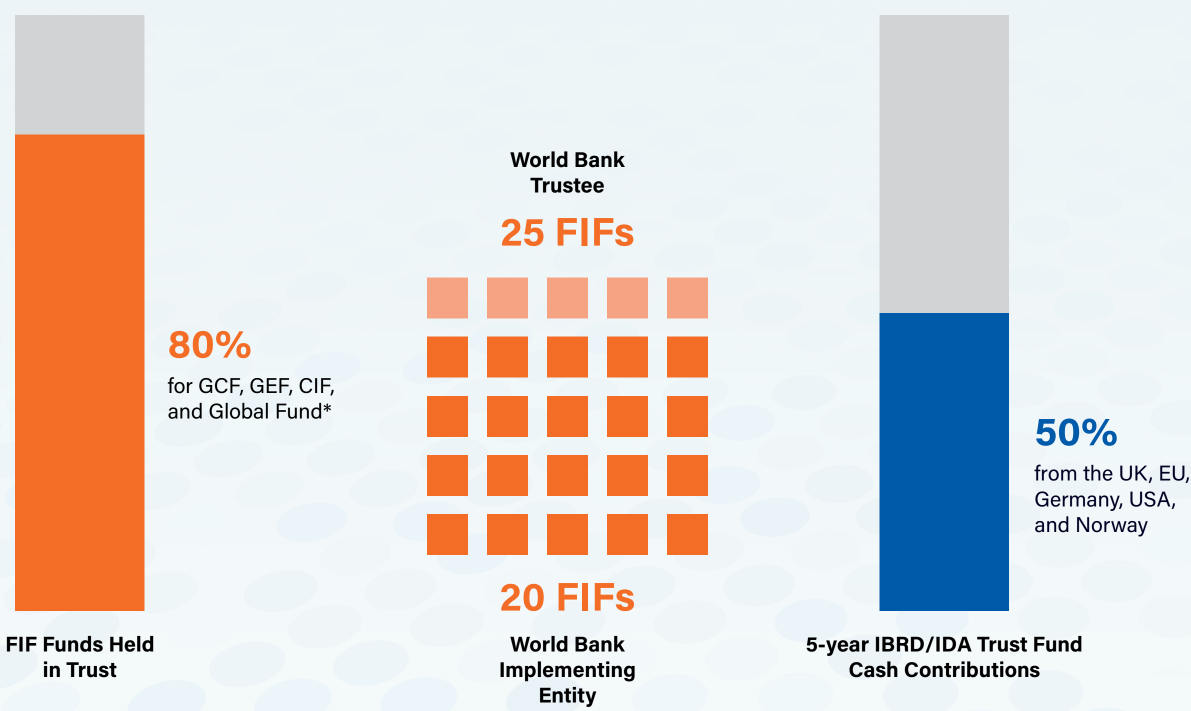
Financial instruments that accept contributions from one or more donors which are held and disbursed by the World Bank Group as a trustee. These are important funding sources for both clients and the Bank Group itself—creating partnerships and platforms for financial, knowledge, and other collaborations worldwide.

Financial Intermediary Funds (FIFs)

Tailored financing mechanisms that provide large-scale funding for broad, coordinated interventions, usually focused on vertical themes and achieving global public goods.

$4.1 B
Cash contributions to IBRD/IDA trust funds in FY2021

+11% from FY2020



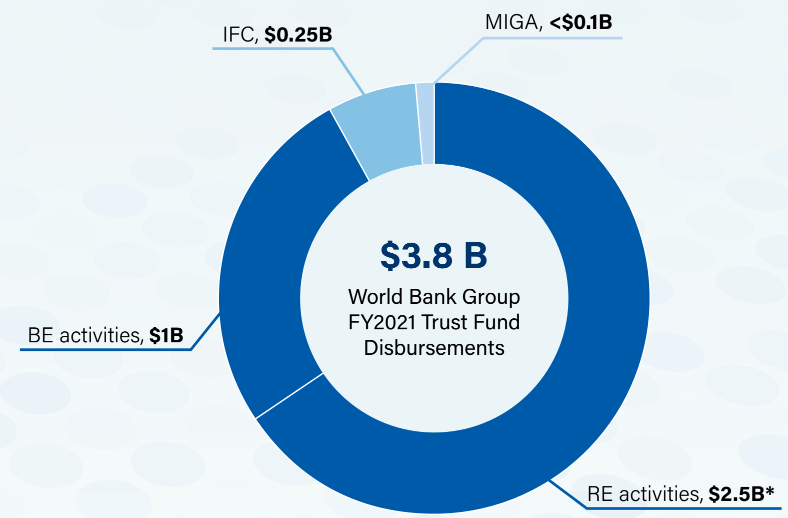
Data as of end FY2021

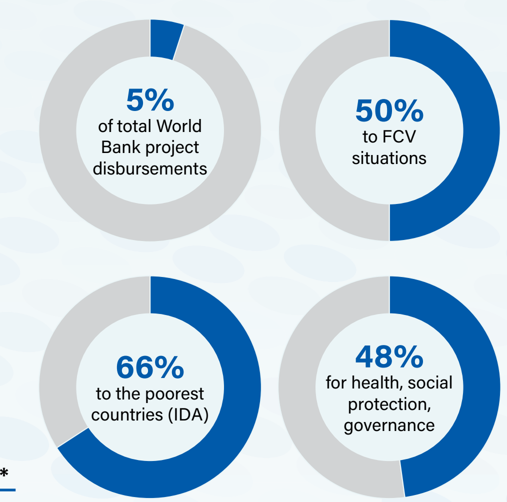
*Green Climate Fund, Global Environment Facility, Climate Investment Funds, and Global Fund to Fight AIDS, Tuberculosis and Malaria

WBG Trust Funds	Uses of Funds
World Bank (IBRD/IDA)TRUST FUNDS **Umbrella 2.0 Programs** • Large, strategically aligned programs supporting the main priorities of the Bank and its clients • Designed to foster partnerships, reduce transactions costs, and achieve large-scale results on major development challenges **Stand-alone trust funds** • Often for innovative and emerging topics	**Bank-executed (BE) activities** • Research and knowledge products • Advisory services and analytics (ASA) • Technical assistance, capacity building • Direct/indirect support for project preparation and supervision **Recipient-executed (RE) activities** • Co-financing for World Bank projects • Stand-alone projects that can extend Bank support in situations of fragility, conflict and violence (FCV), emergencies, and locations out of reach of IBRD/IDA financing
IFC TRUST FUNDS	Advisory Services: Co-funding for IFC Upstream and Advisory activities Blended Finance: Co-investments alongside IFC investments in the private sector
MIGA TRUST FUNDS	Help to expand guarantee work in FCV-affected countries where MIGA operations would be limited

$1 of $4 of World Bank administrative expenditures

$2 of $3 of ASA costs provided by IBRD/IDA trust funds





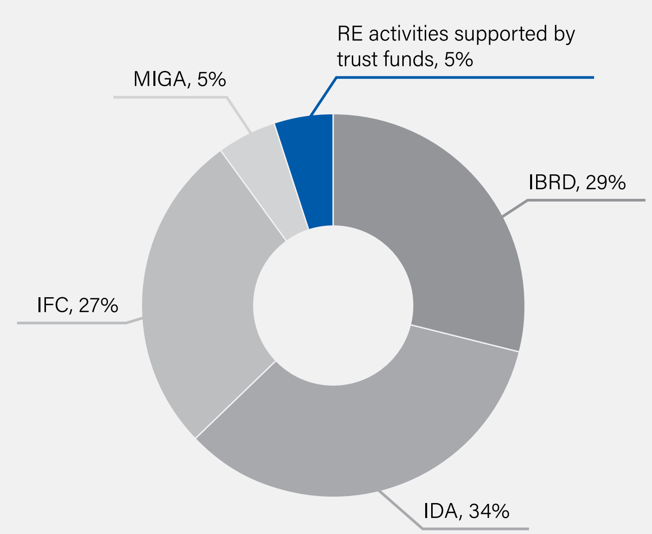
*75% from IBRD/IDA trust fund resources ($1.92 B) and 25% from World Bank-implemented FIF resources ($0.63 B)

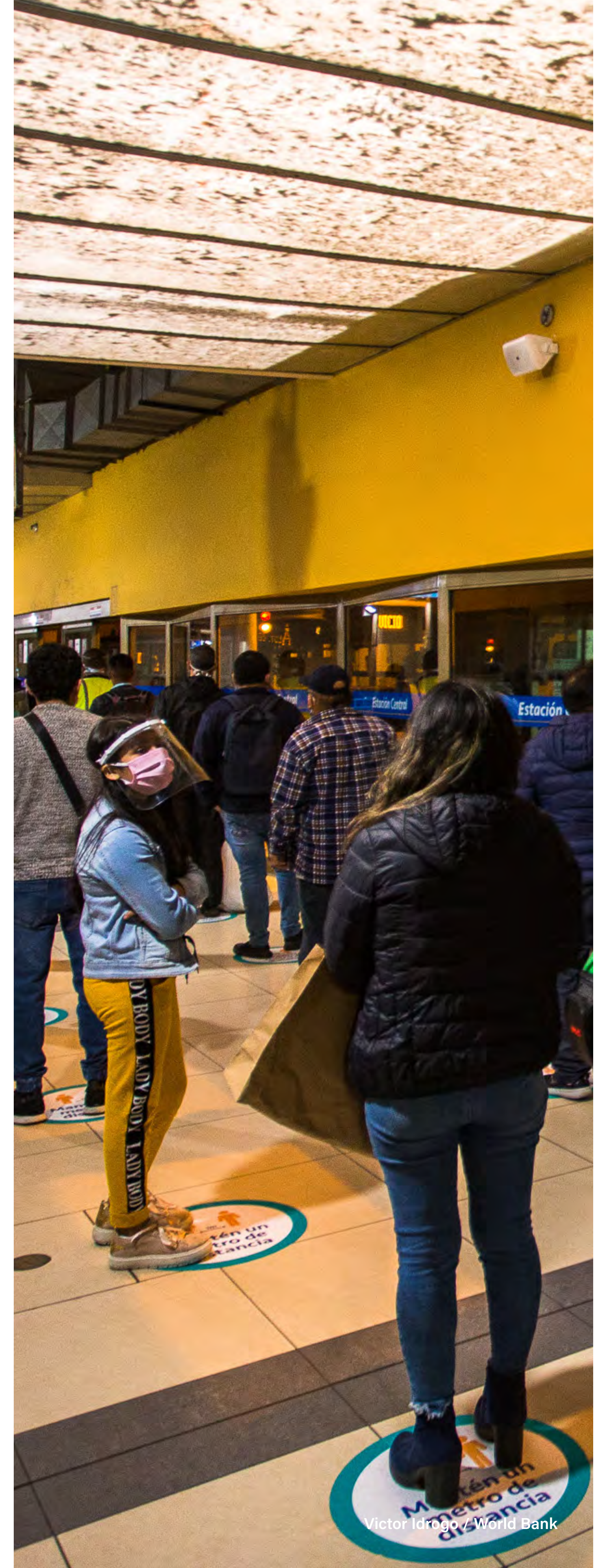
EXECUTIVE SUMMARY: TOWARD GREATER RESILIENCE

The COVID-19 crisis has affected economies around the world and shocked every sector from health and the environment to education and jobs to the macroeconomy and government debt, to name just a few. The impacts of the pandemic have cascaded into developing markets and hit vulnerable populations especially hard. COVID-19 has severely disrupted access to many essential health services, particularly in the poorest nations with the most fragile health systems, and has spawned the worst crisis to education and learning in a century. Rising global inequalities, lagging progress in economic and social development, multiple prolonged violent conflicts, and increased forced displacement have all been exacerbated by the pandemic. Women and girls have borne the brunt of impacts at work and in the home.

The World Bank Group has mounted a broad and decisive response to the crisis—the largest in its history. From April 1, 2020 through June 30, 2021, the World Bank Group committed over $157 billion, including $45.6 billion in financing from the International Bank for Reconstruction and Development (IBRD) for middle-income countries, $53.3 billion in concessional financing and grants from the International Development Association (IDA) for the poorest countries, $42.7 billion from the International Finance Corporation (IFC) to private companies and financial institutions, $7.6 billion in guarantees from the Multilateral Investment Guarantee Agency (MIGA) to support private sector investors and lenders, and $7.9 billion for recipient-executed activities supported by trust fund resources (Figure 0.1).

FIGURE 0.1 World Bank Group Crisis Response Commitments (April 1, 2020–June 30, 2021)





Víctor Idrogo / World Bank

The World Bank Group's crisis response has provided an opportunity to support a strong, durable recovery that tackles rising poverty and deepening inequality while addressing both the immediate devastation wrought by the COVID-19 pandemic and the longer-term challenge of climate change. Green, resilient, and inclusive development, or GRID, is the Bank Group's renewed and refocused approach to collective action on interlinking challenges.

This Trust Fund Annual Report, **Toward Greater Resilience,** speaks to the many ways that trust funds and financial intermediary funds (FIFs) are contributing to the World Bank Group's effort to help client countries respond to the ongoing health and economic crisis stemming from COVID-19 and recover without significant setbacks to their long-term development agendas. Covering July 1, 2020 to June 30, 2021 (fiscal year 2021 or FY2021), this year's report provides an overview of the World Bank Group's trust funds and FIFs totaling $40.24 billion in funds held in trust as of June 30, 2021. The report focuses on their core strengths, institutional efficiencies and reforms, key results and impacts from the field, and financial trends and analytics. Highlighted activities illustrate the strong commitment and support of contributing development partners in addressing the development objectives of client countries.

TRUST-FUNDED ACTIVITIES ADD VALUE

Trust funds and FIFs are an integral part of the World Bank Group's development assistance architecture. They complement the core funding and activities of the Bank Group's institutions—IBRD, IDA, IFC, and MIGA—by providing financial resources and contributing to development knowledge and operational innovations. The flexibility and responsiveness of trust funds and FIFs help to expand World Bank Group lending operations, generate new knowledge, and pilot projects. They help test cutting-edge approaches for scale up, advance development finance innovations, and provide technical assistance, advice, and training to build stakeholder capacity and enhance sustainability. Trust funds and FIFs also build on the World Bank Group's convening power and global and local presence to bring value to clients.

In FY2021, the World Bank Group disbursed $3.82 billion in trust fund resources (not including FIFs), the bulk of which, $3.57 billion, was disbursed by the World Bank (IBRD and IDA combined). Almost three-quarters of World Bank-disbursed trust fund financing, or $2.55 billion, went to recipient-executed activities on the ground, representing approximately 5 percent of the World Bank's total project disbursements. IDA-only countries were the largest recipients at 66 percent, followed by IBRD countries (17 percent), IBRD-IDA blend countries (7 percent), and the balance to global or regional activities.

The World Bank disbursed the remaining $1.03 billion in trust fund resources toward Bank-executed activities, including knowledge generation, analytical activities, and project implementation support. Over the past five years, trust fund disbursements for Bank-executed activities have represented 25 percent of the Bank's administrative expenditures, including 63 percent of total expenditures for advisory services and analytics (ASA).

IFC Advisory trust funds are a small but critical part of IFC's overall budget, and are used to build the capacity of private sector clients, especially in IDA countries. IFC trust funds increasingly support IFC's Creating Markets Upstream approach to create bankable projects in the most challenging settings. IFC's blended concessional finance trust funds are also an important and growing tool for creating markets and stimulating development. The strategic use of concessional funds for projects with high development impact can catalyze private financing that would not otherwise be available and support the creation of new markets.

World Bank Group trust funds and FIFs also support global public goods that help advance key development issues that transcend national boundaries, including climate change, fragility, and pandemic preparedness and response. Many FIFs look to the World Bank Group as an implementing partner of choice. Trust funds and FIFs also allow a broader pool of contributors, including non-governmental entities, to channel funds toward World Bank efforts to enhance global public goods.

Moreover, trust-funded activities allow the World Bank Group to provide development resources to non-member countries, countries in arrears, and non-sovereign entities that cannot receive Bank Group financing. MIGA, for example, works with development partners to leverage its limited resources and to increase the risk appetite of private investors in challenging environments. By collaborating with development partners to establish specialized guarantee trust funds, MIGA mobilizes guarantee capacity in high-risk states affected by fragility, conflict, and violence (FCV), where its operations would be limited.

IBRD/IDA trust fund grants are also a critical financing source for investments and technical assistance for recipient-executed activities in FCV situations. In FY2021, about 50 percent of total trust fund disbursements for recipient-executed activities were made to FCV-affected countries, concentrated in five locations: Afghanistan, Sudan, West Bank and Gaza, Mozambique, and the Democratic Republic of the Congo. Effective implementation of these activities is subject to the shifting circumstances on the ground in some of these countries.

TRUST-FUNDED ACTIVITIES HELP BUILD RESILIENCE

Trust funds and FIFs are making important contributions to all three stages of the World Bank Group's pandemic response: relief, restructuring, and resilient recovery. This report sheds light on the ways in which trust-funded activities are fast-tracking funding to emergency needs, boosting support for the most vulnerable, and extending the World Bank Group's reach to help countries around the world end the pandemic and emerge stronger, more united, more equitable, and more prepared for future challenges. By the end of FY2021, IBRD/IDA trust funds had committed $1.13 billion to 248 World Bank operations that are helping countries respond directly to the COVID-19 crisis. They are enhancing access to lifesaving COVID-19 vaccines and treatment, and keeping students learning and governments solvent, among many other actions.


GEF

As the Bank Group looks ahead with its GRID approach, it brings into focus progress already being made in strengthening resilience across systems and society. The report showcases results stories from the field that illustrate how, over the past five years, trust funds and FIFs have supported World Bank Group projects and programs in health, climate action, gender, social protection and jobs, and debt management—all essential building blocks for greater resilience.

- In Cambodia, the Health Equity and Quality Improvement Program (H-EQIP) Multi-Donor Trust Fund is driving reforms across the health sector that have helped to reduce the proportion of households vulnerable to high health care costs by 43 percent from 2015 to 2020.
- In Colombia, funding from the Global Environment Facility (GEF) has played a critical role in reducing deforestation, conserving biodiversity, and fostering climate resilience in the Amazon, including piloting a community-based approach to land-use planning that the Government of Colombia is scaling up across the Colombian Amazon.
- In East Africa, the Umbrella Facility for Gender Equality (UFGE) has funded research and a pilot program that is showing how digital financial service providers can tailor their product offerings and marketing to attract more women in agriculture.
- In Zambia, the Girls' Education and Women's Empowerment and Livelihood (GEWEL) Multi-Donor Trust Fund is helping to expand the successful Social Cash Transfer Program, which seeks to reach 30 percent of the Zambian population and 50 percent of the poor by 2022.
- In Georgia, ongoing engagement through the Debt Management Facility (DMF) had enabled the country to build a framework for greater resilience in government debt management, so that it was able to respond effectively when the COVID-19 pandemic shocked the economy.
- In the Middle East and North Africa, funding from IFC's MENA Micro, Small and Medium Enterprises (MSME) 2.0 Trust Fund and the Partnership for Resilient Efficient and Sustainable SMEs Facility supported the development of an interactive webinar series that is helping MSMEs increase their business resilience in the wake of the COVID-19 crisis.

REFORMS MAKE FUNDING MORE EFFECTIVE

The World Bank Group is organized to work across the entire development spectrum, at the country, regional, and global levels, to facilitate coordinated action for solutions that support its mission to end extreme poverty and promote shared prosperity. The Bank Group's increased presence in more than 160 offices worldwide helps to understand better, work more effectively with, and provide more timely services to its partners in those client countries. This geographic spread—combined with a renewed delivery model that strengthens cooperation among sectoral and regional teams across the World Bank Group and increases focus on fragile states—help to strategically align resources with the Bank Group's priorities and rising demand from client countries to achieve better development outcomes.

The role of trust funds has evolved dramatically during the last few decades, and the World Bank Group has undertaken initiatives and reforms to continuously improve the effectiveness of trust fund resources and activities. The World Bank's latest reform to transition the IBRD/IDA trust fund portfolio into fewer and larger Umbrella 2.0 Programs aims to deliver transformative solutions for client countries and development partners through improved strategic alignment, increased efficiency, reduced fragmentation and transactions costs, and enhanced management oversight.

For development partners, the reform elevates the World Bank-donor partnership to focus on strategy, enables collective action at scale on development challenges, supports knowledge exchange, and strengthens results reporting and visibility. For clients, the reform facilitates better alignment of trust fund activities with country priorities and enables trust fund resources to be better integrated in World Bank country programs.

During FY2021, the World Bank continued the transition to 72 Umbrella 2.0 Programs by consolidating, redesigning, rebranding, and/or combining existing IBRD/IDA trust funds, as well as establishing new programs. This has enabled the World Bank to mobilize resources more strategically, efficiently, and effectively to help client countries achieve their development objectives.


Arne Hoel / World Bank

A new Cost Recovery Framework for IBRD/IDA trust funds was launched in FY2021. Building on the previous one, this framework is simpler, easier to communicate and more predictable. The new framework aims to support and maintain the budget sustainability, including implementing targeted efficiencies and economies of scale, and increasing cost recovery. The new framework also increases the recovery of the World Bank's indirect costs associated with trust funds over time, while maintaining some level of contribution from the Bank in recognition of the partnership nature of trust funds.

IFC has initiated a proactive and strategic review of its fundraising efforts and use of trust funds to ensure alignment with its 3.0 Strategy and Creating Markets Upstream approach in support of private sector investment opportunities. The trust fund reform process has centered around IFC's new corporate Funding Needs Assessment (FNA), which has allowed IFC to streamline governance and align development partner fundraising with its strategic goals and ensure development partner funds are appropriately balanced with IFC's resources. By the end of FY2021, the FNA was fully integrated into IFC's annual budgeting process, thereby facilitating more focused strategic partnerships with development partners.

The World Bank Group also began implementing an updated FIF Management Framework in FY2020. This is helping to increase upstream engagement with development partners and shape the dialogue around the continuum of financing instruments available to meet development objectives and keep aid fragmentation in check. Discussions around new proposals now systematically include consideration of building on the existing aid architecture, including existing FIFs. No new FIFs have been established since FY2018.


Orlando Barría / World Bank

READING THIS REPORT

This report and its accompanying volumes delve deep into the contributions of World Bank Group trust funds and FIFs during the past five years (FY2017–21). It has the following structure:

Chapter 1 explains institutional reforms and how trust fund programs add value to the World Bank Group mission and complement the work of its various arms. It examines how the Bank Group's convening power and technical capacities strengthen international partnering initiatives to achieve collective goals more efficiently than one partner could achieve by itself.

Chapter 2 looks at how trust funds and FIFs have supported the World Bank Group's response to the COVID-19 crisis. Fast-acting and targeted trust-funded activities have helped in relief, restructuring, and resilient recovery efforts to save lives, protect the poor and vulnerable, ensure sustainable business growth and job creation, and strengthen policies, institutions, and investments.

Chapter 3 takes a broader view to showcase how trust funds and FIFs have supported World Bank Group public and private sector efforts in health, climate action, gender, social protection and jobs, and debt management during the past five years. These themes illustrate the diversity and strategic value of trust-funded activities in building the foundations for greater resilience now and into the future.

Chapter 4 provides financial information and analytics on the activities of World Bank Group trust funds and FIFs, as well as externally financed outputs. It examines five-year trends on trust fund and FIF inflows, outflows, and assets under management—all of which demonstrate the World Bank Group's position as the partner of choice in advancing development agendas in countries, regions, and around the globe.

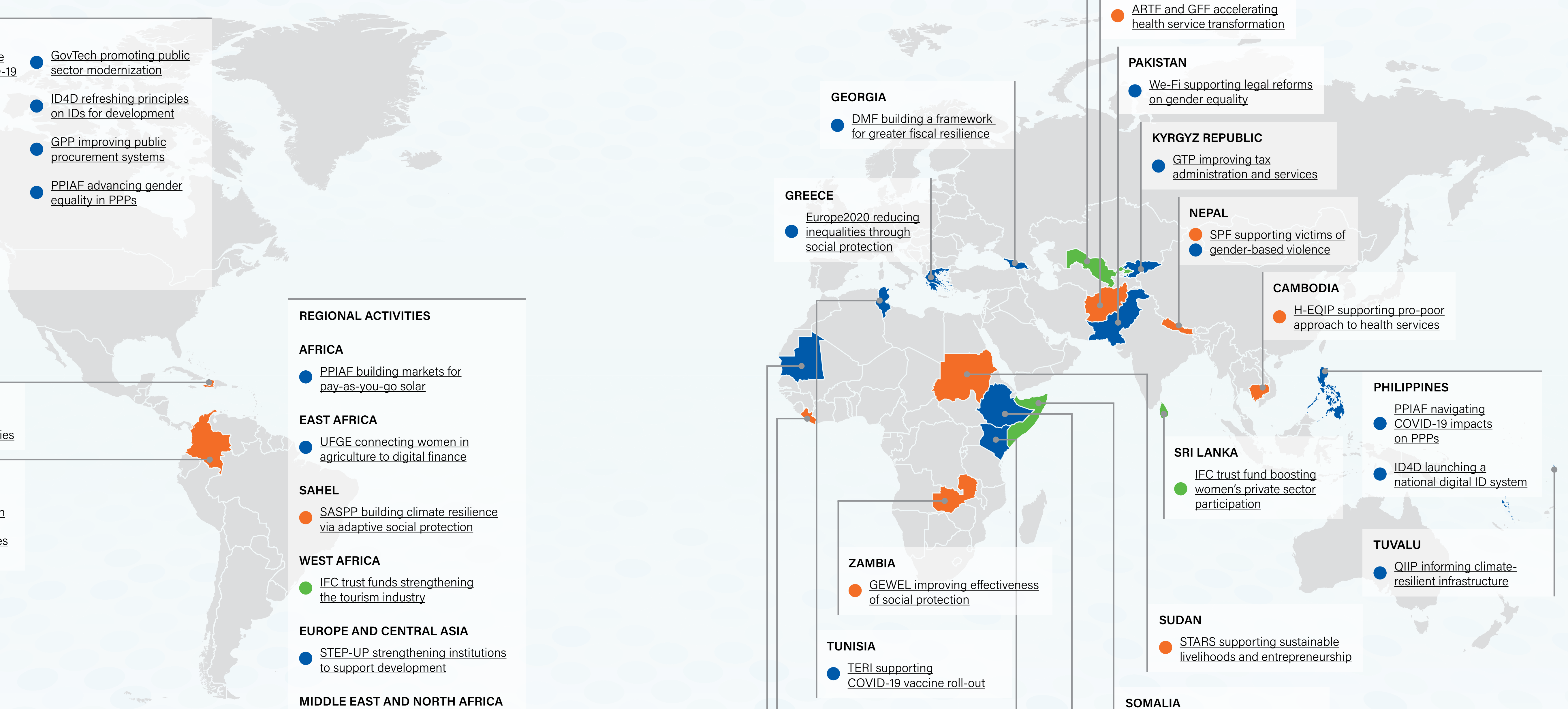
2021 Yearbook of Trust-funded Results is a separate, complementary document that expands on the trust-funded activities referenced in the report. It shines more light on development partner contributions, as well as the work of beneficiaries and stakeholders on the ground.

Lessons from the Umbrella 2.0 Transition is a separate, complementary document that offers useful insights and lessons on how IBRD/IDA trust funds are being integrated into Umbrella 2.0 Programs.

Victor Idrogo / World Bank

TOWARD GREATER RESILIENCE AROUND THE WORLD

World Bank Group trust funds and FIFs support a broad range of development activities that are helping communities, businesses, countries, and regions around the world build toward greater resilience. This report features the following 39 trust-funded activities, which are further detailed in the 2021 Yearbook of Trust-funded Results.



GLOBAL ACTIVITIES

- CGAP helping microfinance institutions weather COVID-19
- EGPS supporting artisanal and small-scale miners
- EGPS supporting women in oil, gas, and mining
- FIRST improving environmental, social, and governance data
- FoodSystems2030 championing sustainable food systems
- GovTech promoting public sector modernization
- ID4D refreshing principles on IDs for development
- GPP improving public procurement systems
- PPIAF advancing gender equality in PPPs

HAITI

- ESMAP providing solar energy to health care facilities

COLOMBIA

- GEF fostering low-carbon development in the Amazon
- IFC trust funds helping cities during COVID-19

REGIONAL ACTIVITIES

AFRICA

- PPIAF building markets for pay-as-you-go solar

EAST AFRICA

- UFGE connecting women in agriculture to digital finance

SAHEL

- SASPP building climate resilience via adaptive social protection

WEST AFRICA

- IFC trust funds strengthening the tourism industry

EUROPE AND CENTRAL ASIA

- STEP-UP strengthening institutions to support development

MIDDLE EAST AND NORTH AFRICA

- IFC trust funds building capacity of SMEs during COVID-19

SOUTHEAST ASIA

- SEADRIF establishing disaster risk insurance facility

UZBEKISTAN

- IFC trust funds scaling up solar energy

AFGHANISTAN

- ARTF and GFF accelerating health service transformation

PAKISTAN

- We-Fi supporting legal reforms on gender equality

GEORGIA

- DMF building a framework for greater fiscal resilience

KYRGYZ REPUBLIC

- GTP improving tax administration and services

GREECE

- Europe2020 reducing inequalities through social protection

NEPAL

- SPF supporting victims of gender-based violence

CAMBODIA

- H-EQIP supporting pro-poor approach to health services

PHILIPPINES

- PPIAF navigating COVID-19 impacts on PPPs
- ID4D launching a national digital ID system

SRI LANKA

- IFC trust fund boosting women's private sector participation

TUVALU

- QIIP informing climate-resilient infrastructure

ZAMBIA

- GEWEL improving effectiveness of social protection

SUDAN

- STARS supporting sustainable livelihoods and entrepreneurship

TUNISIA

- TERI supporting COVID-19 vaccine roll-out

SOMALIA

- IFC trust funds promoting private sector investment

LIBERIA

- GFF protecting basic health services during COVID-19

ETHIOPIA

- CSF advancing green growth strategies

MAURITANIA

- CIIP engaging women in the fisheries sector

KENYA

- InfoDev researching women in tech and entrepreneurship

Bank-executed (BE) activity
Recipient-executed (RE) activity
IFC Advisory services
IFC Blended finance

PHOTO CREDIT:
World Bank

1 OPTIMIZING EXTERNAL FUNDING AND PARTNERSHIPS

Trust funds are financing instruments that accept contributions from one or more donors that are held in trust by the World Bank Group as a trustee and disbursed according to the provisions of the Bank Group's Administrative Agreement with the donor(s) to each trust fund. Trust funds often create platforms and partnerships for financial, knowledge and other forms of collaboration between the Bank Group, its donors, its client countries, and others at the global, regional, and country levels.

Trust funds combine the advantages of multilateral aid (such as larger geographic presence, economies of scale, lower administrative costs, and proven implementation capacity) with those of bilateral assistance (targeted assistance in areas such as fragile situations where donors have limited or no presence). Trust funds can also bring down transactions costs and reduce the proliferation of bilateral programs. Channeling trust funds through multilateral institutions, like the World Bank Group, can also facilitate the integration of global priorities into country programs.

1.1 VALUE PROPOSITION OF TRUST FUNDS

Trust funds support the achievement of the World Bank Group's goals to end extreme poverty and promote shared prosperity in a sustainable way by providing financial resources, contributing to the knowledge agenda, and building on the Bank Group's convening power and global and local presence to contribute to country, regional, and global development.

Trust funds complement core World Bank Group financing. Trust funds enhance global, regional, and country-level knowledge and provide targeted support to clients to complement the World Bank Group's own financing. They fund nearly two-thirds of the World Bank's analytical work and provide funding to pilot innovative ideas, support the quality and development impact of operations, and make it possible for the Bank Group to provide development resources to non-member countries, countries in arrears, and other institutions that cannot receive Bank Group financing.

Trust funds are used to mobilize development finance. For countries lacking the development finance to achieve their own goals, trust funds complement IBRD and IDA in helping governments build their capacity to mobilize revenue, manage public expenditure and public debt, and improve their procurement and public financial management systems. Trust funds support the development of innovative financial solutions and the mobilization of new, nontraditional sources of development finance.

Trust funds are used to address global and regional issues that transcend national boundaries, such as climate change, communicable diseases, and other shared challenges. Individual countries can be reluctant to borrow for county-level investments that contribute to the provision of global or regional public goods, the benefits of which transcend national boundaries. Trust funds facilitate assembling global and national stakeholders into partnerships to support the global aspects of public goods. For example, trust funds are helping to boost climate resilience by scaling up the implementation of renewable energy and energy efficiency measures. They are also helping to enhance countries' response to the COVID-19 pandemic and preparedness for future pandemics.

1.2 WORLD BANK GROUP AND TRUST FUNDS

The World Bank Group consists of five institutions: the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for the Settlement of Investment Disputes (ICSID). IBRD and IDA (collectively the "World Bank")

Ayesha Abeyratne / IFC

administer the largest number of trust funds. IFC and MIGA manage fewer trust funds both in number and volume. IBRD also manages financial intermediary funds (FIFs)—tailored financing mechanisms that enable the international community to provide a coordinated response to global priorities.

IBRD/IDA TRUST FUNDS

IBRD is the largest 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. IDA, the Bank Group's fund for the poorest countries, aims to reduce poverty by providing zero to low-interest loans and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions.

As of June 30, 2021, the World Bank had 529 active trust fund accounts at the trustee level, into which donors make their contributions. The World Bank managing unit for each trust fund account disburses these resources to support either Bank-executed activities or recipient-executed activities.

Bank-executed (BE) activities are performed by the World Bank, and constitute part of the Bank's work program. Therefore, trust fund disbursements for BE activities are comparable to and contribute toward the Bank's administrative expenditures. BE activities support the World Bank's work over the entire range of the project cycle, from upstream activities (such as research, learning, and advisory services and analytics, or ASA) to country-level technical assistance and capacity building to support for project preparation, design, implementation, and impact evaluations (Box 1.1). In FY2021, trust fund disbursements for BE activities represented a quarter of the Bank's administrative expenditures, including 63 percent of total ASA expenditures.

BOX 1.1 Bank-executed activities are part of the World Bank's work program

Research activities increase understanding of the economic and social issues critical to the success of WBG operations, inform policy dialogue, and influence development thinking more generally.

Knowledge products inform global engagements; share existing knowledge; establish World Bank and international standards, indicators, and various methodologies; and inform existing and new client engagements.

Advisory services and analytics (ASA) are services with an external client to inform the World Bank's policy dialogue and engagement strategy with a country or specified audience (such as think tanks, academia, NGOs, development partners, governments, and the general public) and to stimulate public debate about development challenges and actions at a country, regional, or global level. ASA includes innovative, proof-of-concept, and pilot activities leading to the development of diagnostic tool kits that may be used in subsequent analytical activities.

Technical assistance helps strengthen the capacity of specific institutions and individuals involved in policy-making or managing investments to enhance project preparation, design, implementation, or the sustainability of project outcomes after a project has closed.

Recipient-executed (RE) activities support projects that are typically executed by country-level recipients, similar to IBRD or IDA financing. Like IBRD/IDA projects, Bank staff appraise and supervise the projects to ensure that the recipients execute them in accordance with World Bank policies and procedures. The recipients who execute these projects are mostly sovereign governments or their agencies, as well as UN agencies or non-governmental organizations (NGOs). Therefore, trust fund disbursements for RE activities form part of the Bank's investment project portfolio.

Trust fund support for RE activities enables the Bank to expand and complement its lending program in several contexts, such as situations of fragility, conflict, and violence (FCV) or when the Bank's resources are limited by IDA's assistance envelope or by the availability of IBRD's lending resources. RE grants can also extend the Bank's reach to countries in arrears, non-members (such as the West Bank and Gaza), and non-state recipients, such as civil society organizations (CSOs), which cannot receive direct funding through regular Bank instruments like IBRD loans or IDA credits and grants. They also complement IBRD and IDA in providing immediate assistance in response to emergencies, natural disasters, and countries dealing with an influx of refugees.

Trust-funded RE activities can either be stand-alone grants or provide co-financing to projects being financed by the World Bank, IFC, FIFs, or other donor financing. In many instances the RE grants effectively lower the interest rate charged to borrowers. They are typically accompanied by trust-funded BE activities that support the Bank's preparation, appraisal, and implementation of the RE grants. Trust-funded RE activities represented 5 percent of World Bank disbursements to client countries in FY2021.

IFC TRUST FUNDS

IFC advances economic development and improves the lives of people by encouraging the growth of the private sector in developing countries. IFC does this by creating new markets, mobilizing other investors, and sharing expertise—all of which help to create jobs and raise living standards, especially for the poor and vulnerable. Private investment and private sector solutions are essential to meet the World Bank Group's twin goals of ending extreme poverty by 2030 and boosting shared prosperity, especially given the longer-term economic impact of COVID-19.

IFC's Creating Markets Upstream approach envisions a continuum of work, beginning with Advisory services (to help create the conditions for new investment through reform and development of promising business sectors) and continuing with support for developing specific projects in which IFC may invest.

Through Advisory programs, IFC works with clients, including companies, financial institutions, industries, and governments, to transform ideas into increased private sector investment, green growth, inclusive job creation, and bankable projects. IFC trust funds are the main instrument for financing IFC Advisory services, and increasingly its Upstream agenda, with funding coming from development partners, IFC, and its clients. While donor trust funds are an important contributor to delivery of IFC's strategy, they account for a small portion of IFC's total resources.

Based on data for FY2020 and 2021, partner funding accounted for 13 to 15 percent of total annual resources. As of June 30, 2021, IFC had 158 active donor trust fund accounts, 54 percent of which were focused on IDA countries. IFC's Advisory portfolio had 806 projects spanning 100 countries, with disbursements of more than $1.3 billion over the past five years.

IFC uses blended finance to crowd in private sector financing that would otherwise not be available. Relatively small amounts of concessional donor funds allow to mitigate specific investment risks and help rebalance risk-reward profiles of pioneering, high-impact investments so that these have the potential to become commercially viable over time. IFC takes a disciplined and targeted approach to blended finance governance, including following key blended finance principles for development finance institutions: rationale for blended concessional finance, crowding-in and minimum concessionality, commercial sustainability, reinforcing markets, and promoting high standards.

IFC's blended finance portfolio encompassed 20 donor-funded programs at the end of FY2021, compared to 10 programs at the end of FY2017, with $1.45 billion in active contributions from 11 donors, including the IDA Private Sector Window.[1]

MIGA TRUST FUNDS

MIGA facilitates foreign direct investments into developing countries by providing guarantees (political risk insurance and credit enhancement) to investors and lenders. MIGA guarantees protect investments against noncommercial risks and can help investors obtain access to funding sources with improved financial terms and conditions.

MIGA has two active trust fund accounts that help to expand its guarantee work in FCV countries where MIGA's operations would otherwise be limited: the Conflict-Affected and Fragile Economies Facility and the West Bank and Gaza Trust Fund. These promote the stability and growth of FCV countries by catalyzing private capital flows from investors and financial institutions to these countries through the mobilization of political risk insurance products from both MIGA and the global political risk insurance industry.

[1] As part of the 18th replenishment of IDA, the World Bank Group created a $2.5 billion IDA-IFC-MIGA Private Sector Window, to catalyze private sector investment in IDA-only countries, with a focus on FCV-affected states. The window became operational on July 1, 2017 and is administered as a trust fund.

Sarah Farhat / World Bank

Going forward, MIGA plans to augment these two existing trust funds with two new trust fund accounts: one focused on renewable energy and another on advisory services to address the critical sustainability issues of governance, gender, and environmental and social compliance. All four trust funds will be brought under one coordinating MIGA Strategic Priorities Framework to ensure internal alignment and a consistent and coordinated approach.

FINANCIAL INTERMEDIARY FUNDS

FIFs are important tools in the development finance toolbox, offering customized financing platforms for partnership programs and special financing mechanisms that can catalyze a variety of public and private resources in support of international initiatives. The World Bank supports FIFs through tailored administrative, financial, legal, or operational services.

Most often launched at high-level, multilateral forums, FIFs enable the international community to provide a direct and coordinated response to global priorities. They serve as multi-contributor collaboration platforms, typically governed independently, that focus on providing large-scale pooled funding in support for global public goods, such as preventing communicable diseases, responding to climate change, and food security.

The World Bank manages a large and diverse portfolio of FIFs. It facilitates the establishment and operation of FIFs by offering to perform a set of roles and responsibilities tailored to the circumstances of each FIF. The World Bank is a valued partner as a trustee for FIFs, building on well-established financial, investment management, and accounting platforms developed over the past two decades, and on specialized legal and treasury services. In addition, the World Bank often hosts FIF secretariats, serves as an implementing entity for many FIFs, and in some cases hosts an evaluation office (Table 1.1).

TABLE 1.1	World Bank Group's Roles and Services in FIFs during FY2021			
Bank Services / Bank Roles	**Standard Financial Management Services[a]**	**Additional Financial Management Services[b]**	**Customized Financial Management Services[c]**	**Number of FIFs**
Trustee + Implementing Entity + Secretariat + Independent Evaluation Office		GEF, LDCF, SCCF, NPIF, CBIT		5
Trustee + Implementing Entity + Secretariat	DRTF, GAFSP, HRF, GPE, MENATF, GIF, WE-Fi	CIF (CTF, SCF), GCFF	AF, PEF[d]	12
Trustee + Secretariat			PAF	1
Trustee + Implementing Entity	GRIF, GCF, CREWS			3
Trustee	CGIAR, AgResults, CEPI		Global Fund, IFFIm, AMC[e]	6
Number of FIFs	13	8	6	27

In each cell of this table, the FIFs are listed in chronological order of establishment according to the dates at which each FIF trust fund was activated. See Annex D for full FIF names.

[a] Standard financial management services include managing contributions, holding funds received in trust, investing such funds pending disbursement, and committing and transferring funds to the implementing/supervising entities.

[b] Additional financial management services include replenishment support, cash flow projections, and reflows/repayment management.

[c] Customized financial management services include customized treasury management services and reporting, e.g. for AMC, IFFIm, and Global Fund. This also includes Certified Emission Reductions (CERS) management for AF, support for pandemic bonds and insurance in the PEF, and managing auctions and bond issuances for PAF.

[d] The PEF term expired on April 30, 2021, and it is in the process of financial closure in FY2022.

[e] The Pneumococcal Advance Market Commitment (AMC) operationally closed on December 31, 2020, as agreed at the outset of the program and is in the process of financial closure in FY2022.

The World Bank served as limited trustee and/or financial or treasury manager for 27 FIFs that were active during FY2021. Of these, the World Bank provided the legal personality for 19 FIFs, hosted the secretariats for 18 FIFs, and served as an implementing entity for 20 FIFs. The World Bank takes on an implementing entity role for most FIFs whose secretariat is hosted by the World Bank. The World Bank also acts as an implementing entity for three FIFs with external secretariats: Climate Risk and Early Warning Systems (CREWS), the Green Climate Fund (GCF), and the Guyana REDD+ Investment Fund (GRIF). Two FIFs were closed in FY2021: the Advanced Market Commitments (AMC) for Pneumococcal Vaccines and the Pandemic Emergency Financing Facility (PEF), reducing the total number of FIFs to 25 at the end of FY2021.

TABLE 1.2	Major Replenishments in FIFs (in chronological order of previous or upcoming replenishments)			
FIF	**Pledging Session (previous or upcoming)**	**Current or Next Replenishment Cycle**	**Previous Replenishment**	
			Period	**Amount ($ billions)**
Global Fund	October 2019	FY2020–22	FY2017–19	14.0
GCF	October 2019	FY2020–23	FY2015–19	10.0
GAFSP	October 2020	FY2020–25	FY2010–20	1.5
GPE	July 2021	CY2021–25	CY2018–20	4.0
Tentative upcoming replenishments				
CIF	No formal replenishment	FY2020–22	n.a.	8.0[a]
GEF	Spring 2022	FY2022–26	FY2018–22	4.1

[a] For CIF, this amount represents pledges since inception

FIFs financed a significant portion (28 percent) of total RE disbursements to project supervision by the World Bank over the last five years. During FY2017–21, the largest FIF contributors to Bank-supervised RE activities were the Global Partnership for Education (GPE) ($1.22 billion), the Climate Investment Funds (CIF) ($0.98 billion), and the Global Environment Facility (GEF) ($0.75 billion).

The Global Agriculture and Food Security Program (GAFSP) launched its FY2020–25 replenishment cycle in October 2020, during which it received $300 million in pledges for the first year of the replenishment period, with the goal of receiving $1.5 billion over the full replenishment period (Table 1.2). In June 2021, donors announced plans to commit up to $2 billion to CIF to support its new Accelerating Coal Transition initiative. Donors also pledged $4 billion to the GPE at the Global Education Summit in July 2021.

1.3 ENHANCING EFFECTIVENESS THROUGH INSTITUTIONAL CHANGES

WORLD BANK

The IBRD/IDA trust fund portfolio upholds the World Bank's country-based, demand-driven delivery model, in which the Bank strives to achieve its developmental goals through activities at the country level, based on decisions made by sovereign country authorities. This requires deep and customized analysis of the economic and social conditions in each country, and a careful assessment of government priorities and of the Bank Group's comparative advantage within each country.

The World Bank has realigned senior responsibilities within its Global Practices to strengthen links and cooperation between sectoral and regional teams, while maintaining the flexibility of the renewed delivery model. This is also expected to enhance contestability as well as the quality of the Bank's knowledge products.

As part of this realignment, a large portion of the IBRD/IDA trust fund portfolio has been remapped to the Regions. This move, along with the continuing efforts of operational business units to consolidate their trust funds into fewer Umbrella 2.0 Programs (Section 1.4), is enabling the Bank to mobilize resources more efficiently and effectively to help client countries achieve their development objectives, including the 17 Sustainable Development Goals (SDGs). Larger, consolidated programs have greater flexibility to be strategically aligned and responsive to country needs. The Bank will be able to integrate trust fund activities into its annual strategy and planning processes, intermediating the supply of trust fund resources managed by Global Practices, and ensuring this is informed by client needs garnered from the Regions' engagement with client countries.

A new Cost Recovery Framework for trust funds went into effect on January 1, 2021. Consistent with guidance from the Executive Board and feedback received from development partners and staff, this framework is simpler, easier to communicate and more predictable than the previous one. It aims to support and maintain budget sustainability, including implementing targeted efficiencies and economies of scale and increasing cost recovery. The new framework also increases the recovery of the Bank's indirect costs associated with trust funds over time while maintaining some level of contribution from the Bank in recognition of the partnership nature of this instrument.

IFC

Since launching its Creating Markets strategy in December 2016, IFC has embarked on a series of internal reforms that have strengthened World Bank Group collaboration while taking a more focused approach to market creation. IFC's partners will play an increasingly important role, by providing funding to support sector transformation and capacity building and through blended finance. IFC is also changing the way it identifies partner funding needs and develops funding arrangements with development partners.

In FY2020, IFC embarked on a trust fund reform process centered around a new corporate Funding Needs Assessment (FNA). It has streamlined governance to align development partner fundraising with IFC's strategic goals and ensure development partner funds are appropriately balanced with IFC's resources. By the end of FY2021, the FNA had been fully integrated into IFC's annual budgeting process to ensure alignment with country strategies.

IFC's new approach to fundraising for its trust funds works to ensure all aspects of the business are addressing key development challenges. This approach delivers a number of advantages:

- Enables more focused strategic partnerships and coordinated engagement with its development partners
- Presents a holistic view of IFC's activities across various themes and regions to ensure alignment with partners' strategic priorities
- Improves collaboration with the World Bank
- Increases efficiencies in the areas of trust funds, particularly in preparing proposals for partners and in allocating funds

FIF MANAGEMENT FRAMEWORK

The World Bank updated its FIF Management Framework in 2019 in response to a number of issues arising from the rapid growth in the FIF portfolio from nine to 27 FIFs between 2008 and 2018. This growth added to the fragmentation and complexity of the aid architecture, with some unintended consequences for clients. FIFs can also raise significant risks for the Bank in the different roles it plays and at various points in their lifecycles.

The primary objective of the updated FIF Management Framework has been to raise awareness of the challenges of some FIFs in responding to calls for a collective response across the development community and to put forward more concrete actions to address them, including the following:

- Strengthening FIF selectivity, in part, by providing a menu of options that the World Bank Group could support to respond to global calls for collective action and by reserving new FIFs for situations where there are no reasonable alternatives.
- Deepening application of a risk-based approach for approval of new and restructured FIFs and in relation to major changes during a FIF's lifecycle.
- Providing the World Bank Group's Board with more regular information on FIFs, including new FIFs under development, FIFs that seek restructuring, and information on the FIF portfolio as a whole.
- Clarifying the Bank Group's expectations and accountabilities in FIFs, particularly as the host of FIF secretariats and as an implementing entity.

In FY2020, the World Bank's Development Finance Vice Presidency (DFi) led the implementation of the framework by working in close consultation with other Vice-Presidential Units throughout the Bank. This involved the following actions:

Policy amendments. The World Bank's Board of Executive Directors approved a new Trust Fund Policy (OP 14.40) in FY2021 and Management will issue a series of policy documents for staff in FY2022 that will further support its implementation.

FIF directives, procedures, and guidance notes. Extensive work has been undertaken to translate the direction of the Management Framework into updated FIF directives, procedures and guidance, which will be formalized in FY2022.


Chhor Sokunthea / World Bank

Increasing FIF selectivity and oversight. Since FY2020, early discussions have been held systematically with internal and external counterparts on the most appropriate mechanism for new high-profile initiatives. In each case to date, it has been agreed that there was no need for a new FIF, but rather, objectives could be achieved as well or better through alternative options, including existing FIFs.

Increasing information sharing. In line with the commitment in the FIF Management Framework to increase information sharing on the FIF portfolio, the Bank presented key developments at the Annual Meetings and Trust Fund Forum meetings in FY2020 and 2021. This included sharing references to recent reviews and evaluations of FIFs and information on upcoming replenishments. This Trust Fund Annual Report maintains the Bank's commitment to provide at least annual reporting on the FIF portfolio.


Dominic Chavez / World Bank

1.4 TRANSITIONING TO UMBRELLA 2.0 PROGRAMS

A 2017 review of the IBRD/IDA trust fund portfolio revealed significant fragmentation, with about 70 percent of the trust fund accounts contributing to only around 7 percent of the overall trust fund resources. The World Bank's current reform of its trust fund portfolio through fewer and larger Umbrella 2.0 Programs aims at delivering transformative solutions for client countries and for development partners through improved strategic alignment, increased efficiency, and enhanced oversight.

Umbrella 2.0 Programs are more strategically aligned with Bank priorities and are expected to increase the use of development partners' contributions to achieve better outcomes for client countries. During FY2021, the World Bank continued the transition to Umbrella 2.0 Programs by consolidating, redesigning, rebranding, and/or combining existing IBRD/IDA trust funds, as well as establishing new programs.

ROADMAP TO A LESS FRAGMENTED TRUST FUND PORTFOLIO

The role of trust funds has evolved dramatically during the last few decades, and the World Bank has undertaken initiatives and reforms to promote continuous improvement in the efficiency, strategic alignment, and robust oversight of trust fund resources and the activities they support. Prior reforms had enabled significant progress in transitioning trust funds to World Bank operational, financial, and administrative controls, including implementation of the trust fund fiduciary framework, which is now fully mainstreamed into regular business processes.

The current trust fund reform aims to reduce fragmentation of trust funds. Its cornerstone is organizing the trust fund portfolio around a limited number of Umbrella 2.0 Programs. These are strongly aligned with the World Bank's priorities and seek to enhance the effectiveness of development resources by strengthening internal oversight and integration with the Bank's strategy and planning processes while further reducing transactions costs for mutual benefit.

The process to transition the IBRD/IDA trust fund portfolio to one based on Umbrella 2.0 Programs began in early 2020 following World Bank Senior Management endorsement of the reform vision—the culmination of a three-year, Bank-wide effort to define the design and implementation of the trust fund reform. Through this transition, the Bank is reducing the number of IBRD/IDA trust funds from a fragmented portfolio of 529 trust found accounts to 72 proposed Umbrella 2.0 Programs.

Each of the World Bank's Global Practices and Regions prepared "roadmaps" in FY2020 to identify a future trust fund portfolio architecture that would support strategically driven fundraising for their objectives and priorities. By the end of FY2021, 72 programs were identified, of which 48 were confirmed to meet the Umbrella 2.0 Principles (Box 1.2). The complete list of Umbrella 2.0 Programs is available in Annex C.

The reform has benefited from extensive engagement with internal and external stakeholders and funding partners, generating many valuable recommendations on addressing the challenges and opportunities. In FY2021, "Deep Dives" with donor agencies, consultations, and events at the World Bank–International Monetary Fund (IMF) Annual and Spring Meetings and regular communication buttressed development partner support and buy-in.

Internally, continued engagement across the World Bank's Global Practices and Regions helped maintain internal momentum and enabled continued roll-out of the reforms. Staff training was modernized and updated to reflect the Umbrella 2.0 Program reform, and program managers were convened as a network for peer learning and mutual support. In FY2022, a series of policy documents for staff will be issued pursuant to the new Trust Fund Policy that the World Bank's Executive Board approved in FY2021.

As the Bank's Practice Groups, Regions, and Development Economics Vice Presidency transition to a more strategic trust fund architecture, FY2022 will see an increased focus on improving the upstream integration of trust fund resources in the Bank's planning cycle.

BOX 1.2 | Umbrella 2.0 Principles

1. A single governance structure, a Partnership Council, that provides strategic guidance and direction on the implementation of all trust fund activities in the Umbrella 2.0 Program
2. Options for development partners to express preferences for a specific theme or geographic area
3. A results framework developed in consultation with development partners to help monitor and assess how individual activities are contributing to the overall development objectives of the Umbrella 2.0 Program
4. A Communication and Visibility Plan addressing stakeholder analysis, branding and recognition
5. Unified reporting at the program level with a strong focus on results

Rama George-Alleyne / World Bank

KEY FEATURES OF UMBRELLA 2.0 PROGRAMS

Umbrella 2.0 Programs embody a flexible approach to trust fund organization and management that enables development partners and the World Bank to partner and finance mutual priorities. Designed to address the persistent challenge of a large and fragmented trust fund portfolio (many small funds with highly customized features), Umbrella 2.0 Programs strengthen the link between funding and the strategic priorities of the World Bank, its clients and partners, and promote impact at scale.

A trust fund portfolio grounded in Umbrella 2.0 Programs means fewer, larger, more strategically aligned funding initiatives. The umbrella architecture also upholds the Bank's country-based, demand-driven delivery model and takes advantage of recent corporate realignments that deepen coordination between World Bank Regions and Global Practices.

Each Umbrella 2.0 Program is anchored by a primary multi-donor trust fund (MDTF) and, in some cases, may include associated trust funds (Figure 1.1). In all cases, the anchor MDTF and the associated trust funds retain common governance, results framework, and reporting in the new umbrella program. The anchor MDTF is a programmatic trust fund with a relatively broad thematic or geographic scope.

Umbrella 2.0 Programs offer options for development partners who are interested in supporting a specific theme or geographic area. These options can accommodate situations where development partners are unable to contribute to the main MDTF due to their internal policies or regulations that require dedicated financial reporting to track their contributions. Such situations are handled by establishing separate associated trust funds, which support activities within the geographic and thematic scope of the umbrella.

The overarching development objective of an Umbrella 2.0 Program is that of the anchor MDTF. An Umbrella 2.0 Program can be global, regional, or single country in scope and can support one or more priority areas of a World Bank Global Practice or Region as set out in its business plan. Associated trust funds support the Umbrella 2.0 Program development objective and contribute to the overarching results framework of the Umbrella 2.0 Program. They have a thematic and geographic scope that is within the scope of the anchor MDTF.

FIGURE 1.1 Umbrella 2.0 Programs provide scale and efficiency while working with development partners' requirements

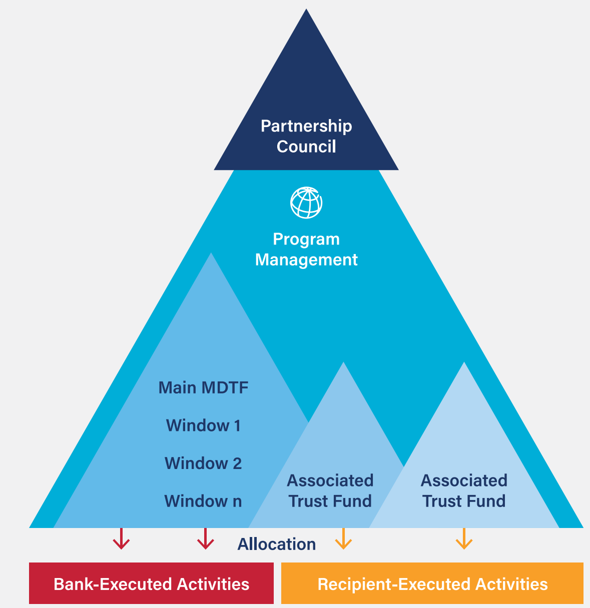
Always organized around a primary multi-donor trust fund and based on the principle of **optimal aggregation.**

Retains flexibility to allow development partners to:

- indicate **non-binding preferences** for their contributions and
- **associate** trust funds, sharing the **same governance and using a common results and reporting framework,** when pooling is not possible.

Single governance structure (Partnership Council) focuses dialogue between the Bank and its partners on strategic issues, work programs, and budgets. The Bank decides on allocation of funds to individual activities allowing better integration into planning processes.

The deal requires effective communication and reporting of umbrella results and ensuring visibility for donors.



Umbrella 2.0 Programs provide scale and efficiency for enhanced development impact and effectiveness, by offering the following benefits:

A more strategic way to partner with the World Bank and to finance priorities. Umbrella 2.0 Programs offer an approach to organizing and managing trust funds in support of one or more shared strategic priority areas. Their broad scope and clear strategic focus elevate the dialogue with partners around shared priorities and mutually desired outcomes, while accommodating partners' interests and aligning with the World Bank's planning and budgeting framework.

Increased access to the World Bank's Senior Management in the context of high-level policy and strategy dialogue. Umbrella 2.0 Programs provide greater opportunities for development partners and the World Bank to work together strategically and efficiently and deliver better results for clients. A single governance structure for all funds in a program brings the World Bank's Senior Management and partners to the same table around common development objectives, helps avoid fragmentation of resources, and increases efficiency.

Opportunities to collectively address global and local development challenges and achieve meaningful results at scale. Through participation in the Partnership Council, development partners review progress against the unified results framework; provide strategic advice on setting priorities, including adjusting to changes in the local or global context; and collaborate in and benefit from knowledge-sharing activities. This strategic, program-level dialogue allows the World Bank and partners to work together to help advance policy dialogue and to ensure that individual activities are aligned around common outcomes. The Partnership Council endorses the Umbrella 2.0 Program's annual work program and budget after which the World Bank allocates program resources to individual activities.

Improved narrative and results reporting and greater attention to communications and visibility for development partners. The Results Framework for each Umbrella 2.0 Program is developed in consultation with development partners. This covers activities funded by all trust funds in a program. The results framework is the key monitoring tool to assess how individual activities are contributing to a program's overall development objectives. Results progress reporting is provided at the Umbrella 2.0 Program level and may highlight contributions from associated trust funds in a comprehensive report.

Increased access to knowledge sharing opportunities on key development issues. Umbrella 2.0 Programs develop Communication and Visibility Plans (CVP) that are discussed with the Partnership Council. The CVP ensures that the strategic communication needs of each Umbrella 2.0 Program are considered and implemented. This may include stakeholder analysis, audience segmentation, key messaging and channel selection, and how these can support the overall program goals and drive for results. The CVP also ensures appropriate branding of a program, participating development partners, and the World Bank.

STRATEGIC FUNDRAISING

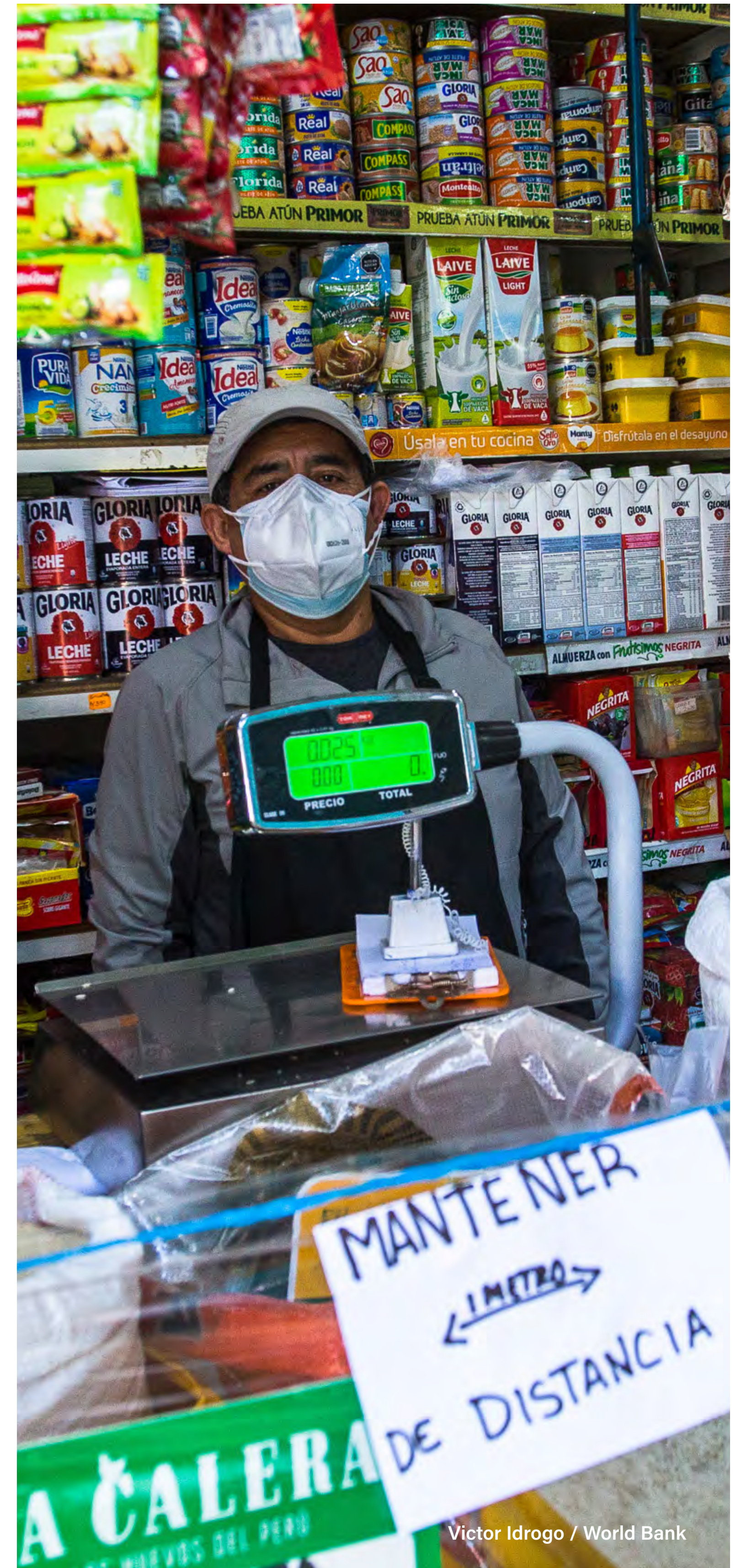
The Strategic External Funds Framework (SEFF) exercise was launched in FY2021 to support Bank Management in furthering the evolution to a more strategy-driven approach to fundraising. The exercise consolidated progress made in the shift to a streamlined Umbrella 2.0 trust fund portfolio architecture and allowed for Management to review fundraising plans and ensure their alignment with priorities. Based on the plans laid out in the SEFF, 90 percent of trust fund fundraising will be channeled through the proposed 72 Umbrella 2.0 Programs, a higher share than previously expected at this early stage in the reform implementation.[2]

The progress made on the Umbrella 2.0 Program rollout and enhanced management oversight of fundraising have made it possible for the Bank to avoid a moratorium on donor outreach for trust fund contributions during an IDA replenishment year, as had been the case in the past. This new Responsible Fundraising approach has ensured that IDA20 replenishment remains the top priority in 2021, supplemented by strategic trust fund fundraising plans complementary to and supportive of IDA and IBRD. Moving forward, the streamlined SEFF will be an annual management exercise for reviewing and updating strategic priorities for fundraising and authorizing changes in the trust fund portfolio architecture.

In parallel with the World Bank's transition to Umbrella 2.0 Programs, IFC has undertaken a similar exercise designed to consolidate fundraising in trust funds that can house multiple projects and programs in a single, efficient administrative structure. The Facility for Investment Climate Advisory Services (FIAS), one of the World Bank Group's oldest and largest multi-donor trust funds, is one of the key vehicles for IFC's approach. FIAS supports IFC Advisory services that foster inclusive private sector growth in client countries, with a focus on IDA, fragile states, and Africa.

During the FY2017–21 FIAS strategy cycle, 16 donor countries and organizations supported FIAS-backed IFC teams in helping to bring about 200 reforms that are making it easier to invest, start, and grow businesses in developing countries. More than half of these reforms took place in IDA countries, and about one-fourth were in FCV-affected situations. The strong working-level ties that IFC teams have developed with their clients paid dividends as the COVID-19 crisis unfolded and projects in the FIAS portfolio pivoted to meet urgent client demand.

[2] In some limited circumstances, the Bank may establish stand-alone trust funds (outside of umbrella programs), for example, to co-finance an IBRD or IDA project, or when it would not be possible or practical to channel donor resources in an umbrella as determined by Management. See, for example, the Cambodia Health Equity and Quality Improvement Program on page 37.



Victor Idrogo / World Bank

During FY2021, the FIAS team updated its strategy for FY2022–26, with a pipeline of projects in support of IFC's Creating Markets Upstream agenda. FIAS will be the fundraising vehicle of choice for IFC Advisory services projects at the preparatory end, what IFC calls "Creating Markets with Sector Interventions." These involve sectoral or market-wide interventions that will facilitate private sector investment and for which IFC could be a potential financing partner.

LEARNING FROM UMBRELLA 2.0 PROGRAMS

The transition to a trust fund portfolio based on Umbrella 2.0 Programs is an iterative process that began in FY2019 with a handful of pilot programs. These have helped the World Bank to learn by doing and to avoid a one-size-fits-all approach in designing umbrella programs. The pilot phase has given way to the launch of full-fledged Umbrella 2.0 Programs.

Table 1.3 features nine recently established programs that are implementing the Umbrella 2.0 principles, including governance arrangements, preferencing, results frameworks, reporting, and communications. Their implementation experiences offer lessons that can help guide the continuing transition process. These and other lessons from early Umbrella 2.0 Programs continue to be collected to develop expanded knowledge-sharing activities.

Each of these programs began their Umbrella 2.0 journey from a different starting point and each is at a different stage of implementation. The featured programs have diverse origins, including long-standing legacy programs, restructuring of existing programs, consolidation and mergers of existing programs, and new programs being built from scratch. Their objectives are well aligned with the GRID approach of green, resilient, and inclusive development. More insights are detailed in the accompanying Lessons from the Umbrella 2.0 Transition.

TABLE 1.3 Implementing Umbrella 2.0 Principles, Nine Featured Programs

Program	Objectives	Origins	Governance & Management	Preferencing and Associated TFs	Results Framework (RF)	Reporting and Communications
Public-Private Infrastructure Advisory Facility (PPIAF)	Helping national, sub-national and cross-border entities to strengthen the policy, regulations and institutions that enable private participation in infrastructure	Long-standing legacy program that was founded in 1999 to strengthen public and market institutions to enable private participation in infrastructure investments		Historically established a number of TFs, which are now formally associated TFs	Retaining its existing RF developed in collaboration with donors over 20 years	
Rapid Social Response–Adaptive and Dynamic Social Protection Program (RSR-ADSP)	Developing adaptive social protection and jobs programs and systems that help protect individuals and families, especially the poor/vulnerable from shocks and crises, but also the near-poor who risk falling into destitution	Continuation of a legacy program founded in 2009 along with the consolidation of related trust funds under one umbrella program		In all instances in table, make associated TFs lower case associated TFs	Currently revising its RF to reflect the new umbrella structure with anchor and associated TFs	
Sustainable Urban and Regional Development (SURGE)	Enabling cities and regions in developing countries to function as drivers of sustainable and inclusive economic development	Continuation of a legacy program founded in 2010 along with the consolidation of related trust funds under one umbrella program		Includes some existing funds as associated TFs		The visibility of legacy programs will persist during a transition phase, while starting to reflect SURGE support and affiliation
Human Rights, Inclusion and Empowerment (HRIE)	Increasing and strengthening the understanding and application of human rights principles in the Bank's work	Restructuring and renaming of an existing program, the Nordic Trust Fund, founded in 2009		No associated TFs		
Sudan Transition and Recovery Support Program (STARS)	Providing fiscal space for an IMF program and other much needed reforms, and to finance an extensive social impact mitigation program (the Sudan Family Support Program) supporting macro-economic reforms	Restructuring and renaming of an existing program, the Sudan Multi-Partner Fund, founded in 2014	Government of Sudan is a decision-making member. Sudanese Minister of Finance co-chairs Council, United Nations, AfDB, and non-contributing donors are invited.	No associated TFs	Has revised its RF to align with the themes/pillars of the restructured county umbrella	

TABLE 1.3 Implementing Umbrella 2.0 Principles, Nine Featured Programs (cont.)

Program	Objectives	Origins	Governance & Management	Preferencing and Associated TFs	Results Framework (RF)	Reporting and Communications
Climate Support Facility (CSF)	Supporting developing countries in accelerating their transition to low-carbon and climate-resilient development before mid-century and elevate the decarbonization agenda	Restructuring and renaming of existing programs, Climate Resilient and Low-Carbon Development and the NDC Support Facility, founded in 2014 and 2018, respectively	NDC Partnership, UNDP, WRI, and IMF are invited	No associated TFs		
Foundational Learning Compact (FLC)	Strengthening policy frameworks as well as system and institutional capacity so that all children everywhere can have access to relevant, quality, and equitable early childhood, primary, and secondary education	The association of several MDTFs with the Systems Approach for Better Education Results (SABER), established in 2011 and being transformed into the umbrella anchor	UNICEF, Global Partnership for Education and UNESCO Institute for Statistics to Council are invited	Includes some existing funds as associated TFs	Reflects consolidation of existing RFs, while honoring the intent behind funds with pre-existing RFs	Retaining existing branding for programs such as the Early Learning Partnership that have strong brand identification
Global Partnership for Sustainable and Resilient Landscapes (PROGREEN)	Supporting countries' efforts to improve livelihoods while tackling environmental and climate risks	A new program with new a conceptual framework being built from scratch		Includes some existing funds as associated TFs	Developed its RF based on lessons learned from PROFOR, the Forest Action Plan, and other previous forest and landscape engagements	
FoodSystems 2030	Building the foundations for sustainable food systems that deliver improved livelihoods and safe, affordable, and nutritious diets for all	A new program with new a conceptual framework being built from scratch		No associated TFs	Developed an overarching RF embedded in the umbrella's Theory of Change	

Note: More detailed information about these programs is available in the supplement, Lessons from the Umbrella 2.0 Transition.

1.5 BRINGING THE BEST OF WBG TO TRUST FUND PARTNERSHIPS

The World Bank Group contributes to trust-funded programs, such as Umbrella 2.0 Programs, through the partnership elements inherent in them. When the Bank Group engages as one of the partners in a trust-funded program, it is not simply a contractor for hire that provides services for the contributing donors. Rather, it brings all its institutional capacities to bear to achieve shared objectives more efficiently than one partner could achieve by itself.

From the international coalition of development partners and clients that constitute the World Bank Group to engagement with UN agencies, international NGOs, foundations, and civil society to an increasing focus on leveraging private capital—the World Bank Group has long recognized the transformative power of partnership where new ideas, perspectives, and experiences are combined with the necessary financial resources. Partnerships require more than financial resources to be successful; they need buy-in to legitimize the collaboration and advocacy that can extend their reach beyond the immediate partners.

Trust funds as a partnering mechanism have been in place for decades and have been instrumental in building upon the expertise and resources of multiple development partners and the World Bank Group. They are the most commonly used vehicle for funding partnerships in which the Bank Group, development partners, and other stakeholders work together to tackle a specific development issue or find new ways to approach problems at the global, regional, or country level (Box 1.3). Umbrella 2.0 Programs are now becoming the primary way to partner with the World Bank through trust funds.

A 2020 evaluation by the Independent Evaluation Group (IEG) found that trust funds and FIFs provide important convening opportunities for the World Bank Group to bring together relevant actors to address global, regional, and local development challenges. This is because trust funds and FIFs, as financial vehicles, are the essential components around which global partnership programs and other global initiatives are constructed and operate. The evaluation also found that the Bank Group both leads and supports convening in different instances. The leaders of partner organizations view the Bank Group's comparative advantages in convening as its global reach, country presence, central place in international development networks, data and research, and its ability to work across sectors and to design and apply innovative financial instruments.[3]

BOX 1.3 | Why development partners choose to partner with the World Bank Group through trust funds

- To support innovative or emerging policy areas, which partners view as a priority
- To build on the World Bank Group's convening power, at both the international and country level, to maximize coordinated action and achieve impact at scale
- To provide grant funding in countries affected by fragility, conflict and violence, and other complex situations enabling the Bank Group to engage and provide critical assistance where traditional instruments are not well-suited or are unavailable
- To benefit from the Bank Group's extensive technical expertise, country experience and supervision capacity, and its ability to monitor and report on results
- To align and scale up funding support with other development partners within agreed strategic frameworks, including for global public goods

As the following examples illustrate, the World Bank Group has a unique ability to convene partners, draw upon its deep professional expertise and knowledge as a thought leader, provide trusted sources of development data and analysis, facilitate consensus on approaches to key development issues, and then activate these approaches in the Bank Group's country operations. These abilities enable the Bank Group to use trust funds for the purpose of partnership. See more information about these activities and their contributing development partners in the accompanying [2021 Yearbook of Trust-funded Results].

CONVENING MULTIPLE ACTORS

The World Bank Group is able to convene a broad range of actors around an agenda. For example, under the **FoodSystems2030** Umbrella 2.0 Program, the World Bank is bringing together stakeholders—from farmers to government policy makers—to repurpose agricultural policies to make food systems more resilient, sustainable, and fit-for-purpose from the point of view of people, the economy, and the planet. What started as a policy note to COP24 in 2018 became a critical contribution to the UN Food System Summit in September 2021 and a key lever for mobilizing action under the cross-cutting theme on Nature at COP26 in 2021.

ENGAGING AS A PROGRAM PARTNER

Once programs have been established, the World Bank Group actively engages as a partner, by facilitating agreements on approaches to key development issues, and then operationalizing these approaches in the Bank Group's country operations.

Since the formulation of its first strategy for working with the European Union (EU) in 2010, the World Bank has been a critical partner of the EU in Europe and Central Asia (ECA), by contributing its technical expertise, global experience, and ability to structure and deliver large-scale operations. The new **Strategic European Partnerships Umbrella 2.0 Program (STEP-UP)** is the most recent iteration of this partnership, focusing on a) harnessing relevant knowledge and expertise, b) ensuring shared policy priorities for institutional strengthening, and c) leveraging areas of complementarity between EU and Bank priorities.

Since 2019, the World Bank has been convening partners around Gov-Tech, a whole-of-government approach to public sector modernization that promotes simple, efficient, and transparent government with the citizen at the center of reforms. The GovTech approach is at the forefront of supporting countries to digitally transform their governments to boost their effectiveness and improve service delivery using technologies already available and accessible in most countries. The **GovTech Global Partnership** has subsequently supported readiness assessments and new GovTech strategies for digital public service delivery in a range of countries.

> "The GovTech Global Partnership is at the forefront of advancing the use of government technology solutions for sustainable development and showing how we, as development partners, can make a difference."
>
> *Elisabeth Gruber, Head of Department for International Financial Institutions, Ministry of Finance, Austria*

[3] Independent Evaluation Group, 2020, *The World's Bank: An Evaluation of the World Bank Group's Global Convening*, p. ix.

In 2017, the World Bank played an essential role as a facilitator, thought leader, and convener of a broad group of development partners, UN agencies, and the private sector to create a shared vision for "good" ID systems in the *Principles of Identification for Sustainable Development.* Since then, through the **Identification for Development (ID4D) Program,** the Bank has deeply infused these principles into its support for civil registration and ID systems globally, including analytical work, technical assistance, and over $1.5 billion in World Bank financing. Three years later, the same group of stakeholders came together to revisit the *Principles* to ensure that they continue to reflect new realities and good practices.

IFC's **Global Cities Platform** connects municipalities, regional governments, and the private sector around complex cities transformation initiatives and underlying development challenges. The platform has enabled IFC to refocus its work with three of Colombia's largest cities during the COVID-19 pandemic. It pivoted from catalyzing investments in sustainable urban infrastructure to helping the public sector balance the need to protect citizens and slow the spread of the virus with a desire to reopen economies. In 2020, IFC supported the city of Bogota to define and collect data on the impact of the quarantine on women, which will be used to inform a data-driven gender-sensitive policy response. IFC is also preparing Advisory packages covering smart cities, urban mobility, waste and water solutions, and environmental and social policies, tailored to the needs of each city.

ADVANCING CROSS-CUTTING ISSUES

The World Bank Group works through trust-funded partnerships to advance cross-cutting issues inherent in the global consensus underlying the SDGs—in these cases, advancing gender equality.

Several years ago, the **Public-Private Infrastructure Facility (PPIAF)** and IFC began a modest initiative to advance gender equality in public-private partnerships (PPPs) in infrastructure in the light of the World Bank's 2015–23 Gender Strategy. This investigation of gender equity considerations within PPPs culminated in the publication of a primer on *Gender Equality, Infrastructure and PPPs* in May 2019. Today, the primer is playing a key role in moving PPP practitioners in development banks and client countries toward a more systematic integration of gender considerations in PPP projects.

To share and build greater knowledge among governments, academia, industry, and civil society on actions that could enhance gender equality in oil, gas and mining, the **Extractives Global Programmatic Support Program (EGPS)** and the Inter-American Development Bank jointly organized the Second Gender Oil, Gas and Mining Conference, held virtually in March 2021. The World Bank contributed its deep professional expertise and knowledge to the conference to assist participants in bringing about improvements in all people's lives working in the sector.

> "The first conference was a game changer for me, who was trained as a well-site geologist, and expected to just do administrative work behind the desk. I am now attending this second conference from offshore, with my work vest on, just to show everyone how far we've come."
>
> *Yijofmen Fienmaih Jane, Chief of Service, Hydrocarbon Exploitation Ministry of Mines, Industry and Technological Development, Cameroon*

PROVIDING GLOBAL PUBLIC GOODS

The World Bank is one of the main and most trusted sources of national sustainability data and analysis. It fosters collaboration and partnerships by providing global public goods in the form of analytical toolkits and open-source data portals.


World Bank

Since 2016, the **Global Procurement Partnership (GPP)** has supported innovative activities for procurement reforms at the global and country levels, including the Methodology for Assessing Procurement Systems (MAPS). This universal diagnostic tool for public procurement systems assesses the accountability, integrity, and transparency of the public procurement systems of countries or jurisdictions, including the legal, regulatory, and institutional frameworks and market practices. The partnership has subsequently funded the implementation of 15 MAPS assessments across five regions, including eight IDA countries and five FCV-affected countries, and supported follow-up action plans and reforms in some of these countries.

In early 2019, the **Financial Sector Reform and Strengthening Initiative (FIRST),** the Global Program on Sustainability, and several other World Bank trust funds joined forces to improve the quality of publicly available environmental, social and governance (ESG) data. The Sovereign ESG Data Portal helps investors make more informed decisions and direct their capital to the countries, companies and projects where it is needed to meet the SDGs and the Paris Climate Accord targets. Launched in October 2019, the portal is a free, open, and easy-to-use online platform that provides users with sovereign-level ESG data, for all World Bank countries, so that investors can better engage sovereign issuers on ESG criteria and policies.

RALLYING IN-COUNTRY ACTORS

The World Bank Group can also convene country-level partners to enable trust funding. The World Bank set up and activated the **Tunisia Economic Resilience and Inclusion (TERI)** Umbrella 2.0 Program in record time in March 2021 in response to an urgent request from the Tunisian government to help put in place an end-to-end management and information system before the first COVID-9 vaccines arrived in the country. The Bank mobilized relevant funds in a very short time period through an initial contribution by the United Kingdom, which enabled the Bank to respond to this request in a challenging and dynamic context.

> "That the World Bank team was able to design a program and move it to implementation under the new Umbrella Trust Fund, is testament to the strong team and the great relationship they have with us and Government of Tunisia partners."
>
> *Ianto Jones, Head, Prosperity and Programmes, British Embassy, Tunis*

PHOTO CREDIT:
UNOPS / World Bank

2 RESPONDING TO THE COVID-19 CRISIS

The World Bank Group has mounted the fastest and largest crisis response in its history to help developing countries respond and recover from the COVID-19 crisis. This response, which also applies to trust funds and FIFs, is taking place across three stages: relief, restructuring, and resilient recovery.

The World Bank Group has made available around $157 billion from April 2020 through June 2021, including from IBRD, IDA, IFC, MIGA, trust funds, and portfolio allocations. The response recognizes that COVID-19 is not only a health crisis, but also a wide-ranging socio-economic crisis that involves saving lives, protecting poor and vulnerable people, ensuring sustainable business growth and job creation, and strengthening policies, institutions, and investments (Box 2.1).

World Bank Group trust funds and FIFs are all contributing to the COVID-19 response in accordance with their particular niches. Many development partners are making new contributions to trust funds and FIFs for these purposes, including channeling resources in their Donor Balance Accounts held by the Bank Group.[4]

2.1 TRUST FUND AND FIF CONTRIBUTIONS

IBRD/IDA TRUST FUNDS

By the end of FY2021, IBRD/IDA trust funds had contributed, in whole or in part, $1.13 billion to 248 World Bank operations that are helping countries respond directly to the COVID-19 crisis. About 93 percent of commitments ($1.06 billion) has been in the form of trust-funded RE grants and 7 percent of commitments ($77 million) have been in the form of trust-funded BE grants. About 41 percent of commitments ($481 million) were disbursed by June 30, 2021. This represents more than 10 percent of all trust fund disbursements during the 15 months between April 1, 2020 and June 30, 2021.

BOX 2.1 | Pillars of the World Bank Group Response to the COVID-19 Crisis

1. Saving lives: Helping countries stop transmission, deliver health services, ensure vulnerable households access to medical care, and build resilience for future pandemics.

2. Protecting the poor and most vulnerable people: Supporting income and food supplies for the most vulnerable, as well as employment for poorer households, informal businesses, and microenterprises.

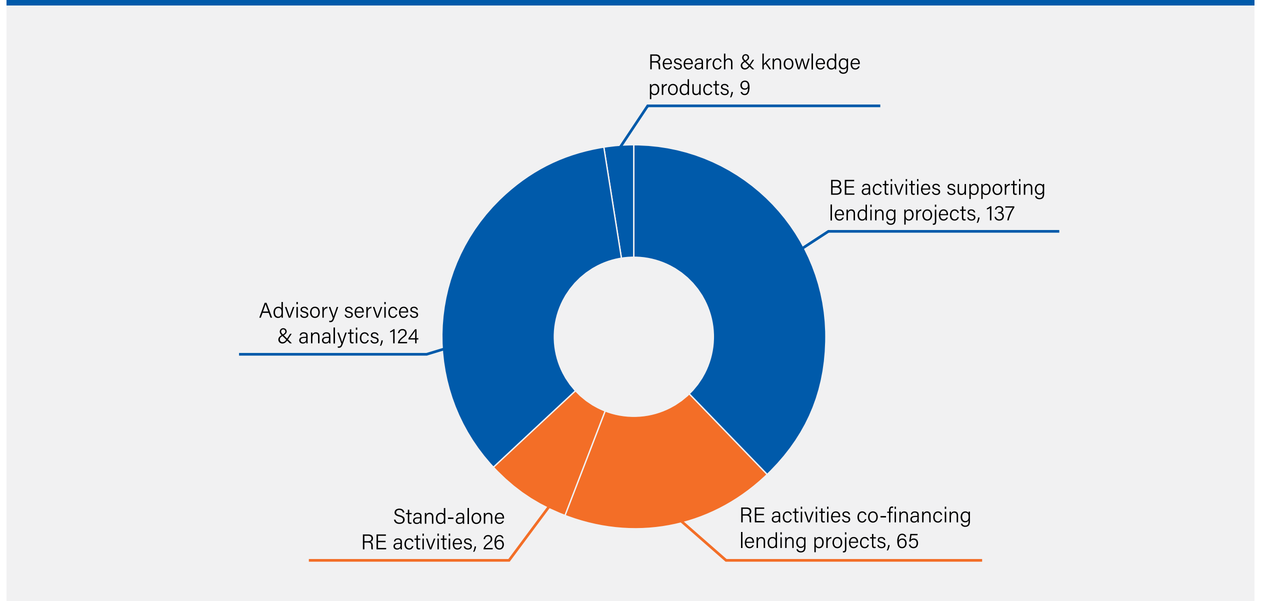
3. Ensuring sustainable business growth and job creation: Providing policy and financial assistance to businesses and financial institutions to help companies (especially small and medium-enterprises) preserve jobs, weather the crisis, and return to growth.

4. Strengthening policies, institutions, and investments: Helping countries prepare for a resilient recovery, with an emphasis on improving governance and institutions.

Source. World Bank Group, June 2020, "Saving Lives, Scaling-up Impact and Getting Back on Track: World Bank Group COVID-19 Crisis Response Approach Paper, p. vii.

[4] Donor Balance Account (DBAs) are administrative accounts that the Bank establishes on behalf of an individual donor agency to temporarily hold funds until such time as they are returned to the donor agency, transferred to another trust fund, or used for purposes as agreed with the donor agency. DBAs are established by donor agency, not by donor country.

FIGURE 2.1 | Number of IBRD/IDA Trust Fund Activities Supporting Different Types of COVID-19 World Bank Operations



Of the 248 operations, 135 are lending projects, 105 are ASA, and 8 are research and knowledge activities. The 135 lending projects were supported by 137 trust funds for BE activities, 65 co-financing trust funds for RE activities, and 26 stand-alone trust funds for RE activities. The 105 ASA were supported by 124 trust funds for BE activities and the 8 research and knowledge products were supported by 9 trust-funds for BE activities (Figure 2.1).

As shown in Figure 2.2, the number of new trust-funded BE grant commitments for the COVID-19 response accelerated from five commitments in the third quarter of FY2020 (January to March 2020) to 43 commitments in the fourth quarter (April to June 2020), and 82 commitments in the first quarter of FY2021 (July to September 2020). The number of new trust-funded RE grant commitments peaked one quarter later at 26 grants during the second quarter of FY2021 (October to December 2020). Trust fund commitment amounts for both BE and RE activities peaked during the first quarter of FY2021, with BE grants at $27.4 million and RE grants at $297 million (Figure 2.3).

IBRD/IDA trust funds are especially critical for countries that do not have access to IBRD/IDA financing. These include countries in arrears (Zimbabwe and Sudan),[5] and non-members (West Bank and Gaza). Syrian refugees in Lebanon and Jordan, and Venezuelan refugees in Ecuador are other special cases where trust funds can provide vital resources because their access to IBRD or IDA resources is constrained. The COVID-19 pandemic has also exacerbated risks in FCV-affected countries, such as Afghanistan and Iraq. Five of the top 10 countries receiving trust fund support for COVID-19-related activities are affected by FCV and collectively accounted for 54 percent of total trust fund commitments for COVID-19 response.

For example, the **Afghanistan Reconstruction Trust Fund (ARTF)** approved five RE grants totaling $470 million during FY2021, alongside IDA financing of $420 million, to help the country respond to the COVID-19 crisis. This included a development policy grant to strengthen the policy for relief and recovery and four investment projects that aimed to support critical food supply chains, provide emergency support to households, improve access to and quality of water supplies, and strengthen national systems for public health preparedness.

[5] Sudan formally cleared its arrears half way through FY2021, in March 2021.

FIGURE 2.2 | Number of COVID-19 Related Trust Fund Activities by Time Periods

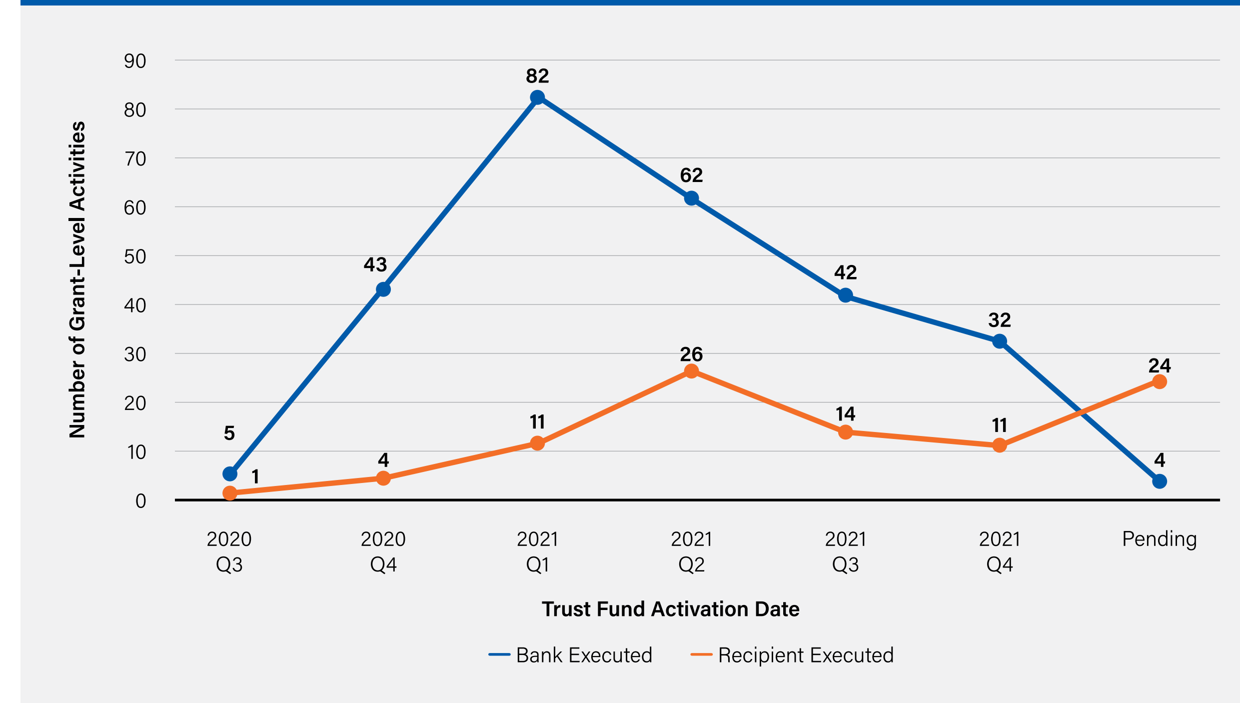
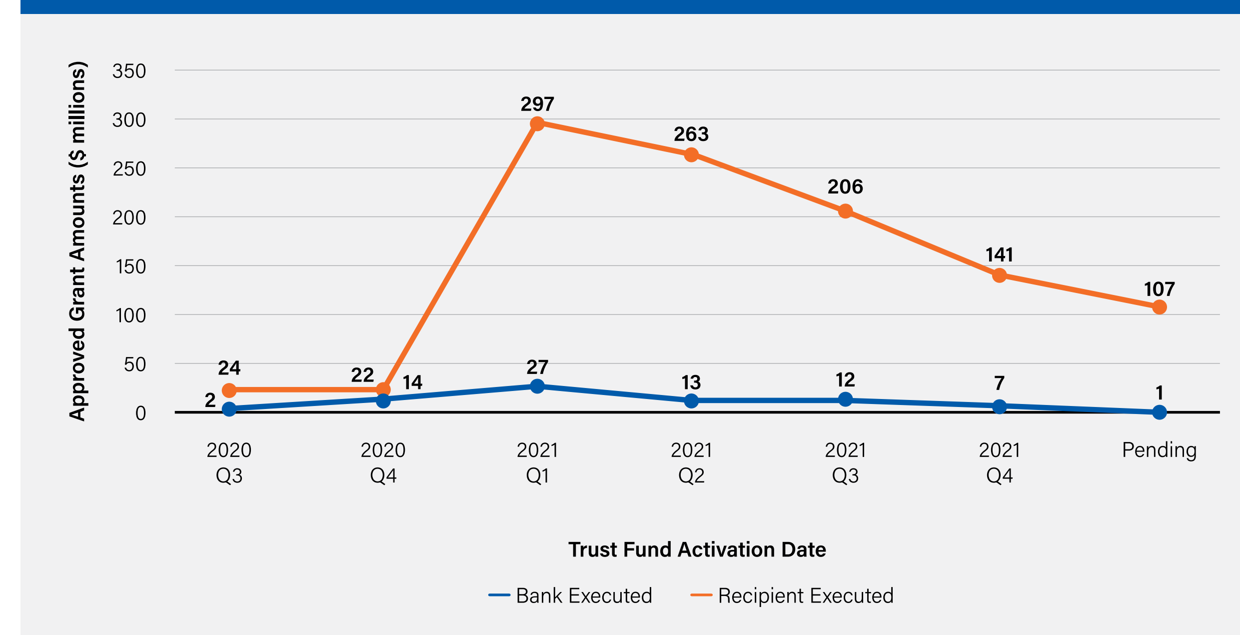


FIGURE 2.3 | Approved COVID-19 Related Grant Amounts by Time Periods



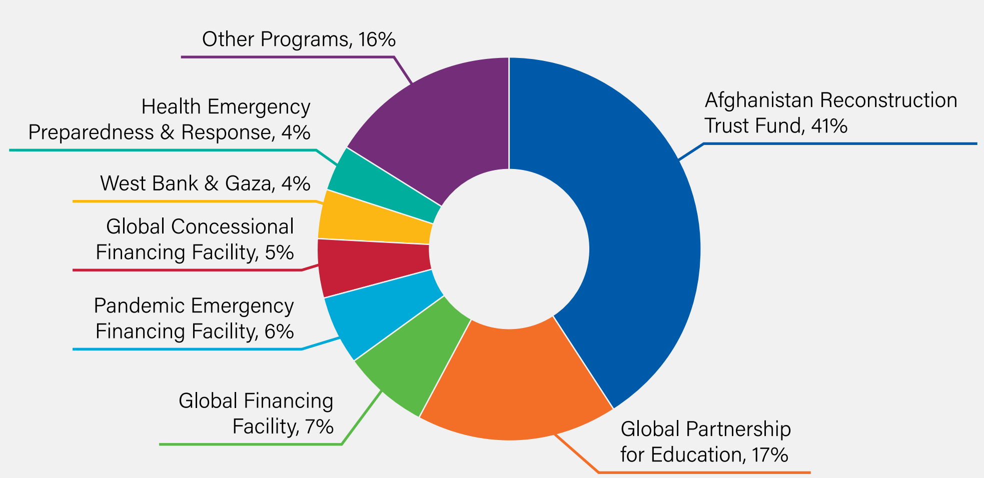
The **Jordan Inclusive Growth and Economic Opportunities MDTF** provided $24.17 million alongside $350 million of IBRD financing for the Jordan Emergency Cash Transfer COVID-19 Response Project, which was approved in June 2020. Like other small, open economies with strong links to global markets, Jordan's real GDP contracted by 1.6 percent in 2020 due to profound impacts on key sectors of the economy, such as services, travel receipts, and tourism. Economic contraction and job loss have hit women and youth especially hard. The project is providing temporary cash transfers to 270,000 poor and vulnerable households adversely affected by the COVID-19 outbreak.

Low-income countries have received 62 percent of total COVID-19-related trust fund commitments and lower middle-income countries have received 25 percent. The World Bank and the International Monetary Fund (IMF) initiated a Debt Service Suspension Initiative (DSSI) allowing participating countries to temporarily suspend debt-service payments to their official creditors. Since its launch on May 1, 2020, the initiative has delivered more than $5 billion in relief to more than 40 countries who chose to participate in it, out of the 73 eligible countries.[6] About 64 percent of total COVID-19-related trust fund commitments have gone to participating DSSI countries, and another 9 percent to non-participating eligible countries.

The transition of the IBRD/IDA trust fund portfolio toward better focused, more consolidated Umbrella 2.0 Programs is also showing results through the World Bank Group's crisis response. A total of 27 Umbrella Programs have responded to COVID-19 with new grant-level commitments, collectively representing 57 percent of the total trust fund response of $1.13 billion as of end of FY2021.

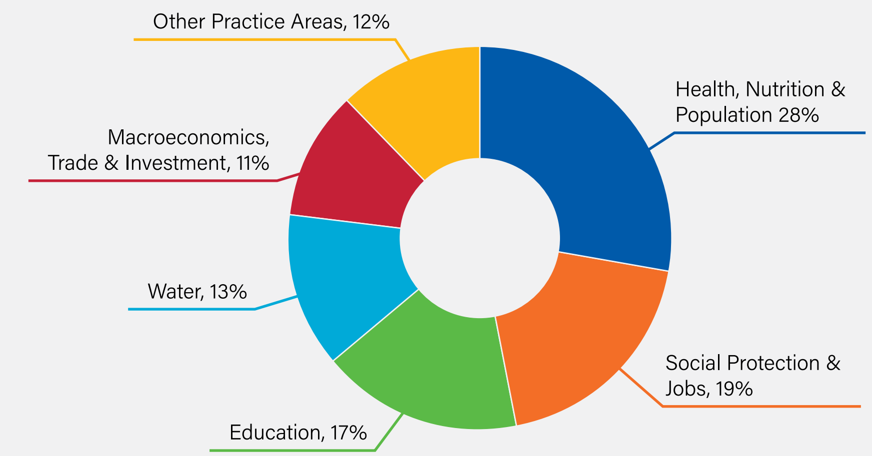
The remainder of the response has come in part from three FIF-supported programs (28 percent) for which the World Bank is one of the implementing entities—the Global Partnership for Education, the Pandemic Emergency Financing Facility, and the Global Concessional Financing Facility—and from some other large trust-funded programs (14 percent) like the West Bank and Gaza MDTF. The top seven programs, led by the Afghanistan Reconstruction Trust Fund, have accounted for 84 percent of the grant commitments to COVID-19-related activities (Figure 2.4).

FIGURE 2.4 COVID-19 Related Trust-Funded Activities: Seven Largest Programs by Approved Grant Amounts



[6] For more information on the Debt Service Suspension Initiative, see https://www.worldbank.org/en/topic/debt/brief/covid-19-debt-service-suspension-initiative.

FIGURE 2.5 COVID-19-related Trust-Funded Activities: Top Five Commitments by World Bank Global Practice



Overall, the umbrella framework has facilitated a more rapid response than might otherwise have been the case. Some programs have streamlined grant-making processes to make crisis recovery funds available to implementing partners as quickly as possible. They have also pivoted existing grants to address clients' most immediate needs. These adjustments have enabled programs to free up resources to support their COVID-19 responses and deliver on the most pressing priorities.

For example, the **Global Facility for Disaster Reduction and Recovery (GFDRR)** has adapted existing engagements to help countries manage the pandemic. It is supporting the development of emergency preparedness plans and response protocols, identifying and repurposing public facilities, and scaling approaches that link disaster risk management preparedness and response systems to health emergencies. Going forward, GFDRR will work with partners to support communities and countries to meet the dual challenge of managing natural hazard risks, while mobilizing the disaster risk management community to address the impacts of the pandemic.

The **Human Rights, Inclusion and Empowerment (HRIE)** program has also adjusted grant implementation to make up for cancelled or postponed on-the-ground activities, such as primary data collection, engagement with local governments and CSOs, and field visits to supervise implementation. Working with governments and CSOs, teams have shifted gears to continue reaching out to marginalized populations. An e-learning program was developed in lieu of in-person training, enabling teams to reach much broader audiences than previously anticipated.

The **Debt Management Facility (DMF)** has also changed its way of doing business to meet client country needs. Instead of traveling to client countries to provide technical assistance, it has adapted to remote delivery. It has also prioritized the development of new Massive Online Open Courses (MOOCs) offering self-paced learning opportunities, as well as adapting other training and learning opportunities to a virtual format.

From a thematic perspective, five World Bank Global Practices collectively account for 87 percent of the IBRD/IDA trust fund response to COVID-19, starting with the Health, Nutrition and Population Global Practice at 28 percent (Figure 2.5). These show that the Bank's COVID-19 response addresses not just the health crisis, but also the wider socio-economic crisis.

IFC TRUST FUNDS

The private sector's role in development has never been more important than it is now, as the world works to recover from the COVID-19 crisis. Governments around the world have reallocated resources to combat the spread of COVID-19, making limited public resources scarcer and highlighting the importance of catalyzing private sector investments.

IFC is helping countries weather the devastating economic impacts of COVID-19 and build a more sustainable, inclusive, and resilient future with the support of the private sector. With insolvencies looming across the developing world, IFC is working to preserve the private sector, rebuild economies, and work upstream to create projects that will attract investment back into developing countries. IFC's goal is also to help restructure and recapitalize viable financial institutions and companies on their path to recovery, as well as alleviate bottlenecks in critical supply sectors such as health care.

For example, IFC has launched a $4 billion Global Health Platform aimed at boosting the production and supply of critical COVID-19 health care products in developing countries. The initiative, supported by development partners, is focusing on manufacturing products, such as personal protective equipment, ventilators and other medical equipment, COVID-19 test kits, therapeutic drugs, and vaccines.

Strong emphasis is being placed on supporting clients operating in low-income and FCV-affected countries. To attract foreign direct investment into these more challenging locations, IFC is also leveraging concessional financing from trust funds.

As IFC works to help countries build a resilient recovery, trust funds will be important contributors. IFC aims to accelerate the expansion of upstream activities with the goal of building back better and delivering interventions that meet the short-term needs but also maintain a line of sight on longer-term development challenges. Development partner support through trust funds will be needed to develop projects quickly, build capacity, and support delivery, as well as to mitigate risks and encourage the private sector to invest.

IFC is also working with the World Bank to ensure that countries have policies and regulations in place to resolve distressed assets, and that companies' underlying operations are restructured to be viable to support growth and sustain employment.

IFC has adapted its delivery modes in response to COVID-19. It has overcome travel restrictions by moving to virtual outreach and delivery platforms, including piloting innovative approaches such as virtual reality assessments. The focus on virtual and remote consultation has spurred clients to adopt digital solutions that will facilitate future engagement.

FINANCIAL INTERMEDIARY FUNDS

The global initiatives supported by FIFs have provided much needed leadership and support in providing immediate relief to the COVID-19 pandemic. Four health-related FIFs have played leading roles in COVID-19 vaccine research and development, preparedness and response: the Coalition for Epidemic Preparedness Innovations (CEPI), International Finance Facility for Immunisation (IFFIm), the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund), and the Pandemic Emergency Financing Facility (PEF). In addition, the Advanced Market Commitment (AMC) for Pneumococcal Vaccines has served as a model for establishing the COVID-19 Vaccines Global Access (COVAX) AMC, which is creating market-based incentives to support more equitable, world-wide access to COVID vaccines.

Established in 2018, **CEPI** was one of the first organizations to start investing in the development of COVID-19 vaccines. Prior to the COVID-19 pandemic, CEPI had allocated over $140 million to develop vaccines against MERS, a virus related to SARS-CoV-2. During 2020, CEPI was able to pivot most of its MERS and platform technology partners to work on COVID-19 and rapidly built up a portfolio of 11 vaccines for SARS-CoV-2. By the end of year, two of these vaccines had demonstrated high efficacy in preventing severe COVID-19 disease and had received emergency use authorizations, enabling roll out of vaccine doses in early 2021. Not only has CEPI invested in one of the world's largest portfolio of vaccines against COVID-19, it has also awarded forgivable loans to expand global manufacturing capacity and established a global network of laboratories to standardize vaccine assessment.

Established in 2006, **IFFIm** issues Vaccine Bonds in capital markets, backed by binding pledges from donor countries, which provide immediate funding for Gavi, the Vaccine Alliance, to purchase and distribute vaccines. With the World Bank serving as Treasury Manager, IFFIm has played a critical role in frontloading donor pledges to support the international community's response to COVID-19 pandemic. During 2020, IFFIm provided $272 million to Gavi for use by CEPI to develop COVID-19 vaccines. Then in January 2021, IFFIm provided a first tranche of $400 million to Gavi for COVAX AMC to fund the purchase of vaccines for 92 of the world's poorest countries, and an additional $380 million for COVAX AMC as of June 30, 2021. The Vaccine Bonds issued by IFFIm to support these disbursements have included the first-ever Norwegian Kroner-denominated bonds in July 2020 and the second largest issuance of $750 million in April 2021.

Established in 2002, the **Global Fund** also responded quickly and decisively to the COVID-19 crisis, by approving up to $1 billion in April 2020 to help countries respond to the pandemic; adapt their HIV, TB and malaria programs; and reinforce their already overstretched health systems. Through its COVID-19 Response Mechanism, the Global Fund has become the primary grant support to low- and middle-income counties for obtaining COVID-19 tests, treatments, and personal protective equipment. The Global Fund is also a founding partner of the Access to COVID-19 Tools Accelerator (ACT-Accelerator) and co-leads two of the ACT-Accelerator's four components: the Diagnostics Pillar and Health Systems Connector. This global collaboration of leading public health agencies is working with governments, civil society and industry to accelerate the development and equitable distribution of tests, treatments, and vaccines and to strengthen health systems.

Victor Idrogo / World Bank

Until it closed in April 2021, **PEF** was a fast-disbursing financing mechanism to provide surge funding to IDA-eligible countries in the case of major multi-country disease outbreaks like COVID-19. Its Cash Window, which has been supported by traditional donor contributions into a trust fund, had paid out $61.4 million to support the front-line response to Ebola in the Democratic Republic of Congo in 2018 and 2019. On March 31, 2020, conditions for a payout from the PEF Insurance Window were met, releasing the maximum coverage of $195.84 million to support the COVID-19 pandemic response in IDA countries. The PEF Steering Body allocated the whole amount to 64 of the world's poorest countries with reported cases of COVID-19, with special attention given to areas with the most vulnerable populations, especially in FCV-affected countries. By September 30, 2020, the entire insurance payout had been transferred to support COVID-19 responses, with the World Bank serving as one of the main implementing entities for PEF grants.

Other FIF-supported programs in agriculture, education, the environment, and infrastructure have also addressed some of the immediate socio-economic effects of the crisis. They have been fully engaged in addressing the question of how the world can end the pandemic and emerge stronger, more united, more equitable, and more prepared for future known threats. (Section 3.3.)

2.2 STORIES FROM THE FIELD

Trust-funded programs are contributing to the World Bank Group's COVID-19 response by supporting efforts to save lives, protect poor and vulnerable people, ensure sustainable business growth and job creation, and strengthen policies, institutions, and investments. Many of these activities are detailed in the 2021 Yearbook of Trust-funded Results.

SAVING LIVES

The Global Financing Facility (GFF) and **the Health Emergency Preparedness and Response Fund (HEPR)** are leading the IBRD/IDA trust funds' contribution to mitigating COVID-19 transmission, delivering health services, ensuring that vulnerable households have access to medical care, and building resilience for future pandemics. The Pandemic Emergency Financing Facility (PEF) was also an important contributor until its closure in April 2021 (Figure 2.4).

The **GFF** has played a complementary role to the World Bank's efforts to finance the purchase and distribution of COVID-19 vaccines, tests, and treatments. Its COVID-19 Essential Health Services grants have enabled partner countries to prioritize and strengthen primary care and community-based services, capacities, and the health workforce that are critical for the equitable and effective delivery of both COVID-19 tools and essential health services. The GFF is helping to ensure that as countries recover and build their next generation health systems, they prioritize access to quality, affordable care for women, children, and adolescents.

The World Bank set up the **HEPR** Umbrella Program in 2020 to complement regular IBRD/IDA resources. It provides upstream and catalytic funding to help countries prepare for and rapidly respond to emerging health emergencies, even when they occur outside their borders. By the end of FY2021, HEPR had secured over $175 million in donor contributions, and allocated nearly $117 million to 24 countries and regional efforts, with 59 percent of grant allocations to address the COVID-19 pandemic and 41 percent to prepare better for future health emergencies.

Orlando Barría / World Bank

Many of these grants have been processed as co-financing to new or existing World Bank projects that focus on health emergency preparedness and the client countries' COVID-19 responses.

The COVID-19 pandemic has also highlighted the critical need for electricity to save lives. **The Energy Sector Management Assistance Program (ESMAP)** has developed a strong collaboration with the World Bank's Health Global Practice and its global partners to rapidly deliver a climate-informed COVID-19 response. It is focusing on electrification of health facilities with renewable energy and sustainable operational models and on deployment of reliable and climate-smart cold chains to deliver vaccines. In Haiti, for example, ESMAP is supporting efforts to install solar hybrid electricity systems for prioritized health care and water facilities. Approximately 1 million people are expected to gain improved access to health services and clean water as a result.

PROTECTING THE POOR AND MOST VULNERABLE

Trust funds are also supporting World Bank Group's efforts to protect incomes and food supplies for the most vulnerable, as well as employment for poorer households, informal businesses, and microenterprises impacted by the pandemic. Leading the trust fund contribution to mitigating both the immediate and long-term disruptions to education is **the Global Partnership for Education (GPE),** a FIF for which the World Bank is an implementing entity. This includes more than $175 million in World Bank-supervised RE grants to help children in recipient countries to continue to access learning opportunities, with a focus on girls and poor children, who have been the hardest hit by school closures.

The Rapid Social Response–Adaptive and Dynamic Social Protection (RSR–ADSP) Umbrella Program issued its latest call for grant proposals in early FY2021 to address gender-specific and differentiated concerns as part of social protection and safety net responses to the pandemic. This call focused on systems to help households cope with income and job loss, ensure continued access to social and human capital services, and address the disproportionate socio-economic impact of the virus on women and girls.

PROBLUE has prioritized activities supporting fishing communities that have been adversely impacted by the pandemic, as well as new activities around water and sanitation issues in the fisheries value chain.

The Extractives Global Programmatic Support (EGPS) Umbrella Program has established a $5.2 million emergency response facility to provide short-term assistance to a range of international, regional, and local organizations providing relief to artisanal and small-scale mining (ASM) communities. The COVID-19 pandemic threatened to reverse the enormous progress that ASM communities have made to formalize the sector. Similar to informal workers worldwide, ASM communities are disproportionally vulnerable to the COVID-19 crisis due to poor health care, precarious working conditions, high incidence of respiratory diseases, and exposure of vulnerable groups in an environment of limited government oversight.

> "Some of the poorest and most vulnerable people work in artisanal and small-scale mining, and we are deeply concerned by the effects of COVID-19 on their lives and livelihoods. EGPS is well-placed to provide significant and concerted support."
>
> *Monica Rubiolo, Head of Trade Promotion, Swiss State Secretariat for Economic Affairs*

SUPPORTING SUSTAINABLE BUSINESS GROWTH AND JOBS

World Bank Group trust funds are providing policy and financial assistance to governments, businesses, and financial institutions to help companies, especially small and medium-enterprises (SMEs), preserve jobs, weather the crisis, and return to growth.

The Consultative Group to Assist the Poor (CGAP) has provided guidance to microfinance institutions on navigating the COVID-19 crisis and improving their resilience to future shocks, and to governments on improving government-to-person payment (G2P) systems. The World Bank and CGAP have helped accelerate policy reforms in countries that had not yet invested in digital systems and were struggling to distribute relief payments. CGAP support to Ecuador, Indonesia, Lebanon, Pakistan, the Philippines, Sudan, and Zambia, among others, has resulted in reforms being implemented in a few months that would normally take years.

> "CGAP's work on G2P payments organically built on ongoing project work and catalyzed policy reforms. It looked to apply lessons from India to countries such as the Philippines and Peru."
>
> *Comments from a confidential evaluation of CGAP's COVID-19 response*

Since 2017, IFC's SheWorks Sri Lanka Partnership, supported by the **DFAT-IFC Global Advisory Services Trust Fund,** has worked with 15 leading employers across different industries to help identify and implement gender-smart business solutions to boost women's participation and business productivity. Twelve of these companies participated in a 2020 IFC survey in Sri Lanka that demonstrated COVID-19 was impacting women differently than men. In response, the SheWorks companies came together for a series of webinars to share lessons learned about how to support employees, especially women, during the pandemic. They reported that the family-friendly policy frameworks, like flex-work and remote working that had been put in place due to SheWorks, enabled them to seamlessly transition to work from home during lock downs. This COVID-19 study has led to two new IFC projects in Sri Lanka focusing on SME capacity building and COVID-19 impacts on employment.

> "The business organizations participating in SheWorks have provided the proof that commitment to gender diversity is good for their businesses."
>
> *H.E. David Holly, Australian High Commissioner to Sri Lanka and the Maldives*

The pandemic has also highlighted the critical need for water to not only prevent the spread of the disease, but also to revitalize economies, employment opportunities, health outcomes, and the environment. **The Global Water Security and Sanitation Program (GWSP)** has utilized the umbrella approach to quickly provide resources across its various business lines to tackle emerging needs, while also preserving long-term engagements on the ground. Sustaining the gains of the past and putting countries back on track to achieve SDG 6 (clean water and sanitation) are fundamental to a resilient and sustainable recovery and will remain a focus for GWSP in the medium to long term.

As governments turn their attention to economic recovery from the COVID-19 pandemic, there are new opportunities to embrace green, resilient, and inclusive recovery programs to achieve more growth with lower pollution. **PROCLEAN** activities will help tackle the environmental problems that have the most significant impact on health. Each of its the major work streams, but particularly Environmental Health, Air Quality Management, and Circular Economy, will have strong links to the COVID-19 pandemic in terms of analytical work, addressing connections between air pollution and COVID-19 outcomes.

PROBLUE is also contributing to a clean recovery through its focus on marine pollution prevention, for example, by assessing the impacts of single-use plastics use in health care facilities and by developing health care waste management plans in cities along rivers and in coastal areas.

STRENGTHENING POLICIES, INSTITUTIONS, AND INVESTMENTS

Trust-funded activities are also helping countries prepare for a resilient recovery, with an emphasis on improving governance and institutions. **The Global Tax Program (GTP)** Umbrella Program responded to the COVID-19 crisis by providing countries with just-in-time fiscal policy advice on developing effective, efficient, and balanced fiscal policy responses. This has included macro-fiscal policy, domestic resource mobilization, expenditure policy, and fiscal risk management, plus important cross-cutting themes, such as poverty and distributional impact, transparency, and accountability. An additional $5.4 million in donor contributions is supporting GTP efforts on long-term fiscal sustainability and resilience.

In 2020, IFC signed its first national-level agreement with the Federal Government of Somalia to provide a road map for the development of the of the nascent private sector. It was part of ongoing legal and regulatory Advisory work supported by two **Somalia Private Sector Development trust funds.** IFC collaborated with partners to conduct a survey of businesses across the country to help the government assess the impact of COVID-19. Although the initial impact was devastating—90 percent of firms experienced decreased liquidity and cash flow—the survey found that companies were optimistic for the future. IFC's work in Somalia aims to build on this optimism, and ensure that, moving forward, companies have the institutional framework to help support them to fully recover and operate their businesses sustainably.

> "IFC's advisory support will help Somalia tackle bottlenecks in the business environment and enable us to attract more investment from both domestic sources and the Somali diaspora, which is a national priority."
>
> *Gamal M. Hassan, Minister of Planning, Investment, and Economic Development, Somalia*

To help governments navigate the impacts of COVID-19 on their PPPs for infrastructure projects, **the Public-Private Infrastructure Advisory Facility (PPIAF)** and the World Bank have launched a COVID-19 PPP Rapid Response Program. It conducts rapid assessments of countries' portfolios to identify fiscal, financial, and social risks; estimate their costs; and inform decision-makers on options and actions. The program has brought global financial, fiscal, technical, and legal expertise to eight countries and one regional engagement during its first year of operation, including Peru and the Philippines.

> "PPIAF provided us deeper understanding of PPP fiscal impacts and best practices for managing them."
>
> *Ferdinand A. Pecson, Executive Director of the Public-Private Partnership Center of the Philippines*

3 BUILDING RESILIENCE NOW AND INTO THE FUTURE

The World Bank Group's COVID-19 crisis response has provided an opportunity to support a strong, durable recovery that tackles rising poverty and deepening inequality while addressing the longer-term challenge of climate change.

The Bank Group's green, resilient, and inclusive development approach, or GRID, calls for scaling up investments in all forms of capital—human, physical, natural, and social—to drive growth, create jobs, and contribute to a better future for all, especially vulnerable, low-income populations. Integrated, longer-horizon GRID strategies can repair the structural damage caused by COVID-19 and accelerate climate action while restoring momentum on poverty reduction and shared prosperity.

The World Bank Group is well positioned to help countries with the challenges ahead through its convening power, global reach, and capacity to mobilize finance, technical assistance, and knowledge for both the public and private sectors and in cooperation with its development partners. This clear line of sight forward points to progress already being made to strengthen resilience across systems and society.

Looking back over the last five years, trust funds and FIFs have supported World Bank Group public and private sector efforts in health, climate action, gender, social protection and jobs, and debt management—all essential building blocks for greater resilience and key development priorities of client countries. Not only do these themes align with the GRID approach, but they also reveal the diversity and strategic value of trust-funded activities already underway.

As shown in Table 3.1, social protection and jobs has received more than 42 percent of IBRD/IDA trust fund support to these five themes during the last five years, followed by health (28 percent) and climate action (24 percent). About 68 percent of FIF support has been for health and 31 percent for climate action. Together with IFC's ongoing work with the private sector, this represents a strong foundation for greater resilience now and into the future.

The following activities, which are expanded in the 2021 Yearbook of Trust-funded Results, demonstrate how World Bank Group trust funds and FIFs advance countries' development priorities and help build greater resilience.

TABLE 3.1 Trust Fund and FIF Support to Five Thematic Areas, FY2017–21 ($ millions)

Thematic Area	IBRD/IDA Trust Fund Disbursements			FIF Cash Transfers[a]
	BE Activities	RE Activities	Total	
Social Protection & Jobs	196	1,308	1,504	–
Health	114	890	1,004	20,590
Climate Action	235	634	869	9,366
Gender	115	49	164	171
Debt Management	16	11	27	182
Total	**676**	**2,892**	**3,568**	**30,309**

[a] FIF cash transfers include transfers to implementing entities for all purposes, including project preparation, supervision and implementation costs, and secretariat costs. They do not include transfers made to IBRD/IDA as a FIF implementing entity.

3.1 WORLD BANK TRUST FUNDS

HEALTH

Ensuring that every man, woman, and child has access to health care is fundamental to ending poverty and building robust economies. The pandemic has disrupted delivery of essential health services, particularly in the poorest nations with the most fragile health systems, threatening to reverse years of hard-won gains in health and human capital outcomes. Now more than ever there is a need to strengthen national health systems' preparedness and capacities and ensure continuity of essential health services.

In addition to health interventions related to COVID-19 (Section 2.2), ongoing health sector investments and research within the World Bank are focused on building resilient health systems, with trust funds playing an integral role.

For example, the **Global Financing Facility for Women, Children and Adolescents (GFF)** is supporting the World Bank's Liberia Health System Strengthening Project to improve service delivery and health outcomes for women and children. This work had contributed to 24 percent more assisted deliveries and 20 percent more children being immunized in six at-risk counties, but these gains were jeopardized when COVID-19 disrupted delivery of essential services. The GFF quickly adapted its grant funding to focus on strengthening community health channels and addressing low service demand. Funding helped modify the delivery of routine health services for COVID-19, increase the capacity of frontline health care workers, and adapt existing programming to address emergency needs.

The GFF has also worked alongside the World Bank and the **Afghanistan Reconstruction Trust Fund (ARTF)** on the Sehatmandi Project to improve the delivery and quality of health, nutrition, and family planning services in 34 provinces across Afghanistan. By the end of FY2021, a first-ever resource mapping and expenditure tracking exercise had helped to assess the impact of investments on the quality of basic health services.

A new performance-based system was also introduced to better manage service provider contracts and link payment to performance in delivering 11 key health services, including immunization, skilled birth attendance, family planning visits, and growth monitoring of children. The volume of services delivered under the project increased for 10 out of 11 payment indicators. For example, between 2018 and 2019, the number of couple-years of contraceptive protection provided by Sehatmandi facilities increased by 49 percent and the number of women giving birth at a health facility increased by 21 percent.

Saroeun Bou / World Bank

CAMBODIA: PRO-POOR APPROACH TO QUALITY HEALTH SERVICES

The **Cambodia Health Equity and Quality Improvement Program (H-EQIP) MDTF** supports a program of the same name that is helping the Cambodian government improve nationwide access to better quality, affordable health services. Despite dramatic reductions in poverty and improved health outcomes (especially in maternal and child health), socio-economic and rural-urban health inequalities persist in Cambodia. About one quarter of the population remains vulnerable to small economic shocks, and out-of-pocket expenditures on health care are around 60 percent—one of the highest rates in the world.

To improve service quality and help poor households overcome the cost barrier, H-EQIP helped launch service delivery grants, which are regular payments to health facilities based on performance, and health equity funds (HEFs), which purchase health services on behalf of registered households so that they can access care free of charge.

These platforms are now predominantly funded by the government, and strong national ownership is assured by the Payment Certification Agency (PCA), an independent public entity that verifies reimbursements to health facilities. The PCA provides a cost-efficient and sustainable mechanism for managing the HEF system and is well placed to a play a central role as Cambodia progresses toward universal health coverage.

Service delivery grants now flow to all health facilities on time, and the PCA is fully staffed and operational. HEFs operate at all public health facilities in the country, and H-EQIP performance monitoring tools were digitized in 2019 to ease tracking of service quality. These and other measures have helped to reduce the proportion of households vulnerable to high health care costs by 43 percent from 2015 to 2020.

An important moment for H-EQIP came in 2020 when its Contingent Emergency Response Component (CERC) was activated. This enabled immediate mobilization of $14 million for Cambodia's COVID-19 response without interrupting continuity in the delivery of core health services.

"H-EQIP is driving reform across the health sector and beyond, thanks to its effective approaches to performance-based and decentralized financial management, its use of information and communications technology, and governance reforms."

Sarah Wadley, First Secretary, Department of Foreign Affairs and Trade, Australia, and Chair, H-EQIP Multi-Donor Trust Fund Management Committee

CLIMATE ACTION

The threat of climate change remains critical for countries, forcing people to evacuate homes, grapple with food insecurity, or the impacts of deforestation and biodiversity loss, even as they also deal with the health and economic impacts of the pandemic. Left unchecked, climate change will push 132 million people into poverty over the next 10 years, undoing hard-won development gains.

The World Bank Group is the largest multilateral provider of climate finance for developing countries, and it is focused on increasing climate ambition and action around the world. Ongoing trust-funded activities are not only helping countries cope with climate vulnerabilities that threaten their ongoing development, but also helping them stay competitive as the global economy moves toward a net-zero future.

For example, the **Sahel Adaptive Social Protection Program (SASSP)** is supporting adaptive social protection programs in six Sahelian countries. The combination of cash transfers and assistance is helping poor and vulnerable households become more resilient to shocks and stresses, particularly the impacts of climate change. The program has helped pilot an early drought response mechanism that uses satellite data to trigger rapid-response cash transfers to at-risk households in Mauritania and Niger.

The **Southeast Asia Disaster Risk Insurance Facility (SEADRIF)** is a first-of-its-kind facility in Asia that leverages financial markets to provide member countries with technical and financial solutions for better protection against disaster shocks in the face of climate risks. The first insurance product, a regional catastrophe risk pool launched in 2021, is underpinned by the first regional near-real-time flood monitoring platform and risk model. This enables governments to make better risk-informed decisions before, during, and in the aftermath of flooding.

The **Public-Private Infrastructure Advisory Facility (PPIAF)** is helping to expand African markets for pay-as-you-go (PAYGO) solar, a fast-growing business model for off-grid lighting and electricity solutions. Together with IFC, PPIAF created the PAYGO Market Attractiveness Index, which PAYGO operators are using to assess demand, supply, and enabling factors at a country-by-country level. Policymakers can also use it to identify gaps and opportunities for policy interventions and reforms.

Trust funds are also financing research and knowledge tools to support greater climate resilience and low-carbon growth. The **Climate Support Facility (CSF)** helped Ethiopia assess its Climate Resilient Green Economy Strategy for mainstreaming into national development plans, as well as updating its Nationally Determined Contribution ahead of COP26 in November 2021.

In the small island nation of Tuvalu, a study funded by the **Quality Infrastructure Investment Partnership (QIIP)** provided technical specifications and engineering solutions to fix the runway at the Funafuti International Airport, which had failed due to moisture build-up exacerbated by sea level rise, increased rainfall, and larger waves.


Parques Nacionales de Colombia

COLOMBIA: FOSTERING RESILIENCE AND LOW-CARBON DEVELOPMENT IN THE AMAZON

Since 2015, the Forest Conservation and Sustainability in the Heart of the Colombian Amazon Project has played a critical role in reducing deforestation, conserving biodiversity, and fostering climate resilience in the Amazon. It represents long-term commitment and cooperation among donors, the government, and community organizations, with co-financing from government resources, bilateral cooperation agencies, and three rounds of FIF funding from the **Global Environment Facility (GEF)** implemented by the World Bank, the most recent of which was approved in 2021.

Investments are helping to strengthen the management of protected areas—including the Serranía de Chiribiquete National Park, the world's largest national tropical rainforest protected area at 4.3 million hectares—and assisting national and subnational public institutions to mainstream environmental criteria into different areas of agriculture, mining, infrastructure, and land-use planning. Colombia's forest and carbon monitoring systems are also being supported.

The project is also enhancing the capacity of Indigenous and rural communities to undertake sustainable landscape management practices. Participatory community land-use planning processes have led to increased ecosystem connectivity and strengthened climate resilience in target areas. To date, rural households have signed 558 conservation agreements to preserve standing forests, restore degraded areas, and develop agroforestry activities on over 48,000 hectares, conserving more than 40 percent of their farmland. In parallel, the government and research institutions are helping rural communities increase incomes and food security through climate-smart livelihood alternatives that also strengthen low-carbon development and restore productive natural resources.

The local planning approach has proven so successful that the government has expanded it to reach 12,000 households in the Amazon region as outlined in the National Development Plan. Newly approved GEF financing will help scale up efforts to strengthen management and financial sustainability of additional protected areas, and it will build on the results of local community agreements to expand the area under sustainable community forestry practices.

> "Community agreements are important not only for the forest and preventing deforestation, but also for the future of our children, community, and generations to come."
>
> *María de los Ángeles Gaitain, member of the Vereda La Tortuga community, San José del Guaviare*

GENDER

The pandemic has exposed existing social and economic inequities even more glaringly. Lockdowns, school closures, and economic downturn have disproportionately impacted the education, employment, and domestic lives of women and girls. The World Bank Group recognizes that major challenges like pandemics affect people differentially, often to the detriment of women and girls due to discriminatory laws and policies, as well as ingrained gender and social norms. It also recognizes that no country, community, or economy can achieve its potential without the full and equal participation of all its people.

The World Bank Group is working to narrow gender gaps and elevate women as agents of economic growth, stability, and sustainability. Trust funds are helping to accelerate progress on human capital, increase women's access to good jobs and asset ownership, and amplify women's voice and agency.

For example, the **State and Peace Building Fund (SPF)** helped pilot the Integrated Platform for Gender-based Violence Prevention and Response in four districts of Nepal back in 2016 to raise awareness about gender-based violence and improve services for survivors. A 24-hour toll-free helpline was launched to link survivors with shelter, psychosocial support, legal aid, and child support services provided by CSOs. The National Women Commission has since taken ownership of the project and expanded services nationwide, with the helpline providing nearly 13,500 integrated services to over 21,000 clients.

The **Competitive Industries and Innovation Program (CIIP)** financed studies on building greater resilience and inclusion in the fisheries sector in Mauritania's Nouadhibou Free Zone, a major hub for fresh fish exports. The goal is to connect small-scale fishermen and informal processors and traders (generally women) to the value chain. Both the government and the private sector are focused on building women's entrepreneurship and other skills in this artisanal processing sector.

World Bank Group-implemented funding from the **Women Entrepreneurs Finance Initiative (We-Fi)** and the Doing Business Pakistan Project supported a partnership between the Government of Pakistan and the World Bank Group's Women, Business and the Law Advisory Program that informed an amendment to Pakistan's Companies Act. Passed in 2020, the amendment lifts the requirement for women entrepreneurs to provide the name of their father or husband during the company incorporation process. Through the We-Fi program, IFC and the World Bank are also working to catalyze outreach and investments in early-stage, high-impact technology start-ups led by women in Pakistan.

The **InfoDev MDTF** helped the World Bank and the Kenyan government assess business incubators and accelerators within the country to identify ways of better supporting women in technology and to inform the design of the Kenya Industry and Entrepreneurship Project. Consultations garnered feedback from potential women beneficiaries, including entrepreneurs, students, and small business owners. This research continues to contribute to a better understanding of women in Kenya's business landscape, and offers a foundation for future gender-focused interventions in the country.

Stephan Gladieu / World Bank

EAST AFRICA: MAKING MOBILE MONEY MORE ACCESSIBLE TO WOMEN IN AGRICULTURE

Agriculture is the largest source of employment for women in developing countries, with women representing more than 60 percent of the agricultural labor force in some parts of Asia and Africa. Yet, women farmers have significantly less access to productive assets, including financial services. Digital financial services, accessed largely through mobile devices, have expanded the availability of financial products to smallholder farmers and represent a safe and convenient way to save, obtain loans, and make or receive payments. However, in low- and middle-income countries, women are 36 percent less likely than men to own mobile money accounts.

The Umbrella Facility for Gender Equality (UFGE) is supporting efforts to promote greater financial inclusion. It funded an assessment, Mobile Technologies and Digitized Data to Promote Access to Finance for Women in Agriculture, and follow-on technical assistance to help three digital financial service providers better understand the needs of women farmers and develop more targeted financial products and marketing. Lessons learned and recommendations from the three pilot programs were consolidated and captured in a 2021 report, Women in Agriculture: Using Digital Financial Services.

Fenix (now Engie Energy Access), an off-grid solar home system provider in Uganda, invested in new tools to better gather feedback from its women clients. It has since adapted the tools for other markets and is using them in countries like Benin.

Safaricom's Digifarm, a digital platform that offers financial and non-financial services to smallholder farmers in Kenya, partnered with a commercial bank to offer savings products better tailored to the financial needs of women involved in agriculture. It also engaged with women's groups to build trust and understanding of financial products. Women now account for 48 percent of clients for multiple Digifarm products, a 10 to 15 percent increase since technical assistance began.

MyAgro, a social enterprise that offers bundled services to farmers in Tanzania, also adopted new marketing mechanisms. It engaged influential women in leadership to encourage others to enroll in programs, and created marketing products with images and terminology familiar to local women involved in agriculture. MyAgro also made services more accessible by reducing the minimum package size and associated prices.

SOCIAL PROTECTION & JOBS

Social protection programs are at the heart of boosting human capital for the world's most vulnerable. Not only can they cushion the impact of crises like COVID-19, but at any time, they can empower people to be healthy, pursue their education, and seek opportunity to lift themselves and their families out of poverty. Social protection systems that are well-designed and implemented can enhance human capital and productivity, reduce inequalities, build resilience, and end inter-generational cycles of poverty.

Funding from trust funds is helping the World Bank to expand successful programs, pilot new approaches, and build the evidence base on what works and what does not in policies and programs for social safety nets and sustainable social insurance.

For example, the **Identification for Development Initiative (ID4D)** brought together a multi-sectoral team from across the World Bank to support the Government of the Philippines in developing its new national Philippine Identification System (PhilSys). Proof of identity is the key to accessing social and financial services, and those who lacked proper documentation can be locked out. PhilSys aims to register more than 90 million Filipinos and accelerate the country's transition to an inclusive and resilient digital economy, society, and government. Integrating best practices for inclusion, data privacy, and digital security, ID4D also helped adapt the registration approach for COVID-19 to prioritize low-income households that would benefit most from a digital ID to access social protection and financial services.

The **Sudan Transition and Recovery Support (STARS)** program, an umbrella coordination platform for World Bank engagement in Sudan, is supporting the economic and peacebuilding transition after the collapse of the former regime in November 2019. As part of a larger sustainable livelihoods project, STARS provided technical support and financing to promote youth entrepreneurship. Over 1,000 young people, 70 percent of whom were women, received technical and vocational skills training, while another 1,400 women received home cultivation training. The project also established a permanent incubator, the Inventors Development Center, to nurture and train young Sudanese entrepreneurs and creators in areas like medicine, engineering, electronics, and information technology.

When the Eurozone crisis struck in late 2019, Greece lacked a well-targeted welfare system to support the most vulnerable. Through the **Europe2020 Programmatic Trust Fund** financed by the European Commission, the World Bank brought critical global knowledge to the task of implementing new social safety net programs and provided hands-on support for a new social solidarity income program. By June 2019, the program had reached approximately 650,000 people (6.5 percent of the population). This work in Greece has led to similar reimbursable advisory services in Italy and has generated approaches applied in Russia, Argentina, Turkey, and a globally available and applied toolkit for practitioners.

ZAMBIA: PUTTING CASH IN THE HANDS OF THE POOR CHANGES LIVES

The objective of the **Girls' Education and Women's Empowerment and Livelihood (GEWEL) MDTF** is to support the Government of Zambia in improving the effectiveness of its social protection system. Working through the GEWEL project, the trust fund helps increase women's access to livelihood support and make secondary education more accessible to disadvantaged adolescent girls in extremely poor households in selected districts. It also supports cash transfers for poor and vulnerable households through the Social Cash Transfer (SCT) Program.


Carlyn Hambuba / World Bank

Bi-monthly SCT payments are helping families pay for school fees, cover medical and food expenses, and invest in small-scale businesses to boost incomes. To expand the program, the Zambian government secured funding from the World Bank and other partners through the GEWEL MDTF.

In November 2020, payments began to flow to over 370,000 beneficiaries in 67 districts across the country prioritized based on poverty rates and size of SCT caseloads, among other factors. Additional World Bank financing will expand coverage to a total of 750,000 households in 2021 and 994,000 households by 2022. This support will enable timely and predictable disbursements of cash transfers to 30 percent of the Zambian population and 50 percent of the poor by 2022.

> "My life has improved since I started receiving SCT payments. The money helps me pay for my husband's medical bills and school fees for the orphaned children I look after."
>
> *Sylvia Banda, head of household and SCT beneficiary, Zambia*

A 2019 impact evaluation showed that the SCT program is contributing to increased human capital and productivity, both key to enhancing greater resilience. Households were found to have increased the land they operate by 18 percent, maize production by 8 percent, and livestock by 21 percent. Households also increased their ability to meet the material needs of children (clothes, shoes, blankets) by 30 percent and increased the number of children attending primary school by 10 percent.

DEBT MANAGEMENT

Debt financing is critical for development, but unsustainable levels harm growth and the poor. Debt can be a useful tool if it is transparent, well-managed, and used in the context of a credible growth policy, but this is often not the case. High public debt can inhibit private investment, increase fiscal pressure, reduce social spending, and limit governments' ability to implement reforms.

The COVID-19 pandemic has exacerbated debt stress in many emerging and developing economies, with increased spending on health, incomes, and employment. It has forced some countries to borrow more and compromised others' ability to repay creditors. For a resilient recovery, debt management and transparency need to be top priorities, along with domestic resource mobilization. The World Bank is helping countries around the world to strengthen their capacity to manage debt and tax revenue generation, with trust funds providing important resources for technical assistance and guidance.

For example, the **Debt Management Facility (DMF)** helps countries strengthen debt management to reduce debt-related vulnerabilities and improve debt transparency. It offers advisory services, training, and peer-to-peer learning to more than 80 developing countries around the world to strengthen their debt management capacity, processes, and institutions.

DMF efforts have led to more countries preparing and publishing debt management strategies, improving the quality of government debt records, and better organizing their debt management institutions and coordination with fiscal policies through alignment with medium-term fiscal frameworks.

The **Global Tax Program (GTP)** enhances the World Bank's capacity to support tax reforms, especially at this crucial time. The program provides an umbrella framework for tax support and leads an ongoing program of activities at both international tax and country levels focused on strengthening tax institutions and mobilizing revenues.

For example, the GTP is funding the Kyrgyz Republic Tax Reform Technical Assistance Project, which is helping the Kyrgyz government to improve administrative effectiveness and reduce the compliance burden for taxpayers. Ongoing since 2018, the project has provided advice on designing tax policy and administration, strengthening taxpayer communication and outreach, rebuilding business processes, and digitizing the issuance of tax certificates. The knowledge generated by this technical assistance is informing the Tax Administration and Statistical System Modernization Project for the Kyrgyz Republic approved by the World Bank in February 2020.

World Bank

GEORGIA: BUILDING A FRAMEWORK FOR GREATER FISCAL RESILIENCE

The COVID-19 pandemic has triggered a steep increase in public debt across the world, including in Georgia. The government had to borrow substantially to finance stringent health measures, fiscal stimulus packages, and the deficit due to falling tax revenues. Hence, Georgia increased domestic debt issuance and, with additional support from development partners, the country was able to meet its government's financing needs at a time when capital markets were in turmoil. Fortunately, Georgia had already built a framework for greater resilience, with support from the DMF, prior to the pandemic.

The DMF started providing technical assistance to Georgia in 2013 with an initial Debt Management Performance Assessment followed by a reform plan and several support missions for domestic debt market development. The assessment identified several areas of weaknesses in government debt management processes and procedures, as well as in the structure of debt and guarantees management.

Through the assessment, reform plans, and training opportunities, the DMF catalyzed significant progress in Georgia's debt management and assisted the country in reducing vulnerability to financial shocks. DMF training opportunities also improved the analytical capacity of debt management experts in the Ministry of Finance to conduct debt sustainability and portfolio analysis and formulate debt management strategies.

Since the initial DMF engagement in 2013, Georgia has improved debt management transparency with the publication of a semi-annual public debt statistical bulletin, monthly debt statistics, and annual debt sustainability analysis. The government has also developed and published debt management strategies, which provide guidance for borrowing operations and lay out measures for domestic market development. Cash management has also improved with the establishment of a cash management unit in the Ministry of Finance and the introduction of weekly and daily cash flow forecasts and active investment of surplus cash.

> "I am using the knowledge and experience that I gained in the Debt Manager's Practitioner Program to develop the domestic debt market in Georgia."
>
> *Irakli Katcharava, Head of Domestic Public Debt Instruments' Development Division of the Ministry of Finance of Georgia*

3.2 IFC TRUST FUNDS

IFC is also focused on building resilience. The GRID approach is apparent in its work with the private sector, whose role in development has never been more important than in the wake of COVID-19.

IFC is deploying a comprehensive approach, utilizing the Creating Markets Upstream approach, Advisory services, and blended finance trust funds, to address protracted development challenges around the globe and build a pipeline of investment projects that will accelerate recovery after the pandemic. This constellation of IFC services will help pave the way for private sector investment in everything from climate change to digital infrastructure. Together with the contributions of development partners, IFC is de-risking emerging technologies, opening frontier markets, and delivering greater impact on the ground.

This work is informed by Country Private Sector Diagnostics many of which are co-funded with development partners,[7] and driven by IFC Country Strategies. The diagnostics bring together the combined expertise of the World Bank and IFC to better align country-level engagement in regard to private sector development, including with development partners.

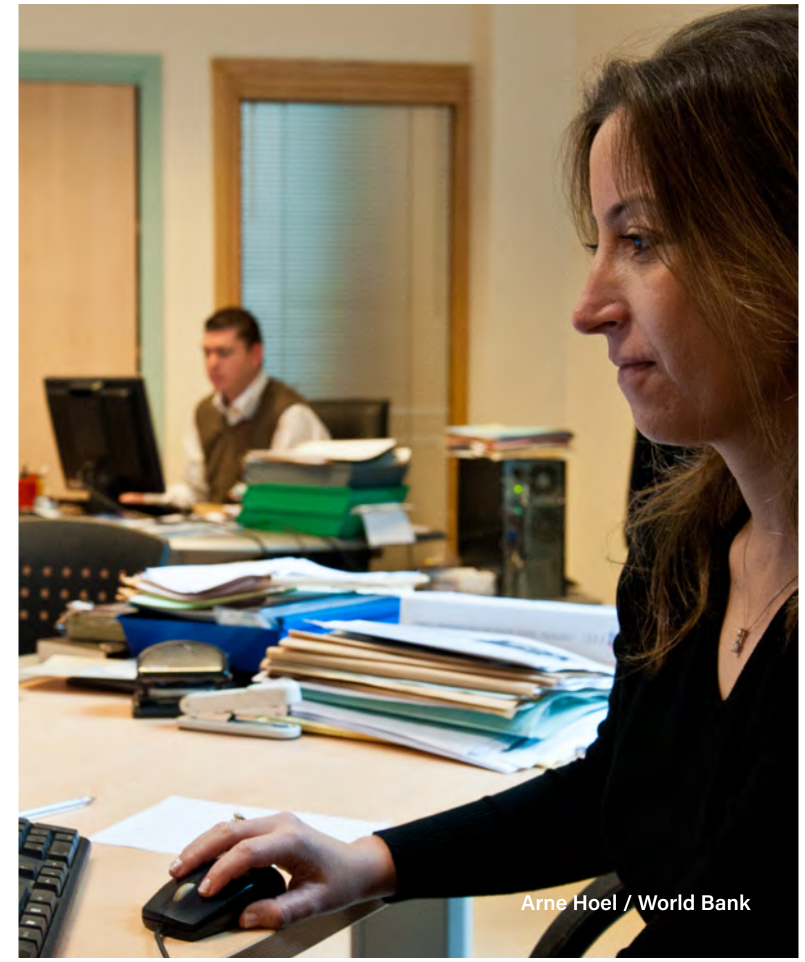
An important component is IFC Advisory services, which are long-term engagements that build capacity and enable markets. As governments and companies have had to navigate multiple, compounding shocks during the past year, IFC's work is helping to build the foundation for greater resilience.

Advisory projects on digital financial services, for example, have helped governments revise their legislation to enable financial institutions to launch online banking services. As COVID-19 forced the closure of many brick-and-mortar bank branches, digital financial services have filled the void, making it possible for SMEs to continue to access financial services. Work with municipalities and infrastructure projects have helped to attract private capital for public projects, freeing up government resources for other needs, while general capacity building for SMEs has enabled them to access increased financing to meet short-term liquidity needs.

In West Africa, the travel and tourism industry lost nearly 30 percent of tourism-related jobs in 2020 due to the pandemic, which exposed an over-dependence on foreign travelers. IFC had been working to strengthen local tourism value chains through the Invest West Africa Tourism project funded by two global funds, **IFC Support for G-20 Compact with Africa Initiative (ISCA)** and **the Trust Fund to Facilitate USAID Access to IFC Advisory Service's Expertise and Services.** In light of COVID-19, IFC shifted its focus to supporting companies to access additional sources of financing and identify domestic markets. IFC provided coaching to 18 supplier companies and worked with Côte d'Ivoire's private-sector support committee to develop an online platform that helps affected companies identify and apply for loans, grants, and other financing support.

Trust funds are also supporting countries to build greener, more resilient energy sectors. IFC has been advising the government of Uzbekistan to transition from natural gas to solar energy through the country's first competitively tendered PPP, the Uzbekistan Solar Project. A group of six trust funds[8] is supporting this effort. The success of this tender, which will bring the lowest tariff for solar energy in Central Asia, has spurred the government to launch two additional solar projects expected to add an additional 900 MW of solar generation capacity in the country. Going forward, this will help boost the resilience of Uzbekistan's energy supply through renewable energy.

[7] Of $13.3 million invested in this work so far, $1.5 million came from the IFC's G-20 Compact with Africa Initiative (ISCA) Trust Fund, supported by Germany, the Netherlands, and Norway.
[8] Austria-Financial Support of IFC Advisory Services in ECA, Switzerland Financial Support for Advisory Services in ECA, Dutch Climate Advisory Partnership (CAP), BMZ PPP Advisory Fund for Infrastructure Investment in Developing Countries, SECO-IFC ECA Advisory Services Trust Fund, and Canada-IFC Blended Climate Finance Program



Arne Hoel / World Bank

MIDDLE EAST AND NORTH AFRICA: BUILDING THE CAPACITY OF SMES TO NAVIGATE COVID 19

When IFC conducted its 2018 Advisory Services Client Survey, clients identified skills training as the most anticipated need for the coming years. COVID-19 only heightened this need. Many micro, small, and medium enterprises (MSMEs), especially those with weak financial and business management skills, are finding it difficult to navigate and exit the COVID-19 crisis on a strong footing. MSMEs in the Middle East and North Africa (MENA) region, in particular, have been slower to digitize their operations and move to online sales and e-commerce than in other regions. COVID-19 lockdown measures forced many MSMEs to suspend activities entirely.

In 2020, IFC launched the Grow Learn Connect project with support from several trust funds, including **the MENA MSME 2.0 Trust Fund** and **the Partnership for Resilient Efficient and Sustainable SMEs Facility.** Recognizing that financial institutions play an important role in enabling their MSME clients to mitigate business financial risks and maintain access to finance, the Grow Learn Connect team developed an interactive webinar series for MSMEs, focused on increasing business resilience and delivered through financial institutions. It covered topics such as how to access financing during crises, doing business online, and communicating with stakeholders during crises. In partnership with seven financial institutions, IFC delivered the webinar series to more than 1,100 participants in six countries.

IFC will also work directly with financial institutions to create awareness about the benefits of offering nonfinancial services to MSMEs, such as business development services and access to information and markets, to complement and increase uptake of their financial services. Although the program was born out of a need to respond to COVID-19, IFC's work in building skills and knowledge for financial institutions and MSMEs in MENA will benefit both types of institutions and result in companies that are better equipped to navigate the post-COVID-19 world.

> "Participants benefitted from support and advice on how to cope with the pandemic—how to adapt their business plans, to access finance, to do business and market their goods and services online, and to communicate with stakeholders during crises."
>
> *Mehdi Chahed, IFC-certified master trainer and COVID-19 webinar facilitator for MSMEs in Tunisia and Morocco*

3.3 FINANCIAL INTERMEDIARY FUNDS

FIFs are important financial vehicles that channel large-scale grant and concessional financing for critical global issues. Like trust funds, many FIFs support activities relate to the GRID approach and help to scale up collective action in health, climate, gender, jobs, and debt sustainability.

More than half (56 percent) of FIF resources were transferred to health programs during FY2017–21, and one quarter (25 percent) to environment and climate-related programs. This includes five health-related FIFs that support equitable access to COVID-19 vaccines, pandemic preparedness, and other aspects of the COVID-19 response (Section 2.1) and 12 FIFs that contribute to a range of environmental and climate-related activities. Other FIFs contribute to education, gender equality, infrastructure, and debt relief.

The COVID-19 pandemic has dramatically changed the context in which the work of climate-related FIFs is taking place. Urgent and sizeable development assistance is needed to support governments, businesses, and communities to recover quickly from the economic downturn and rebuild for a greener, sustainable, and more resilient future. Pursuing low-emission and climate-resilient growth is the best way to unlock lasting socio-economic and environmental benefits. Coupling large-scale financial investments with technical assistance in the context of COVID-19 lending is advancing climate-friendly policy reforms. Investments in clean energy are creating millions of jobs, while strengthening key economic sectors, to bolster COVID-19 recoveries.

For example, the **Climate Investment Funds (CIF)** provide concessional financing for innovation and de-risking alongside multilateral development bank (MDB) investments in developing countries. The World Bank has been CIF's largest implementing partner, disbursing roughly 50 percent of the funds.

In April 2020 CIF introduced four new programs in the areas of renewable energy integration, climate-smart urbanization, low-carbon and climate-resilient industries, and nature, people, and climate investments. In March 2021, it launched the Accelerating Coal Transition (ACT) program, which offers a holistic approach to tackling the governance, people, and infrastructure challenges related to transitioning away from coal. In June 2021, four donors (Canada, Germany, USA, and the United Kingdom) announced new financial commitments of up to $2 billion to support ACT and renewable energy integration in developing countries.

The **Global Environment Facility (GEF)** has implemented a variety of measures to assist countries in addressing the evolving challenges arising from the pandemic and to support efforts in building back better, greener, and more resilient. Its work embraces all facets of a healthy environment, including climate change, biodiversity loss, chemical pollution, and pressure on forests, oceans, landscapes, and wildlife.

The GEF has a central role in restoring a better balance between people and nature and in addressing the underlying factors of zoonotic diseases, such as the global wildlife trade. GEF's integrated programs—the Good Growth Platform, the Sustainable Cities Impact Program, the Food, Land Use, and Restoration Impact Program, and the Wildlife Conservation for Development Program—are helping countries to build economies and societies that will thrive despite inevitable future shocks. The proposed GEF-8 strategy for 2022–26 will continue to build on this systemic approach by applying a Healthy Planet, Healthy People framework to develop a healthy, productive and resilient planet that underpins the well-being of human societies.

The **Global Partnership for Education (GPE)** has implemented one of the largest external aid programs dedicated to education in the global pandemic response. By June 2020, GPE had secured $500 million to establish a new accelerated funding window for COVID-19 response and recovery measures through which grants of $467 million have helped 66 partner countries mitigate the impact of the pandemic on children's learning and build more resilient education systems. The World Bank has been a major implementing entity for these funds (Section 2.2).

As a result of streamlined application and approval processes, the accelerated funding window has facilitated the swift delivery of support to countries most in need, with all funds disbursed to implementing entities by June 2021. The window required GPE funds to be based on the recipients' own response plan, to be complementary to other sources of COVID-19 support, and to be focused on reaching vulnerable populations (including girls, children with disabilities, poor, or displaced children) who are most susceptible to fall further behind during the pandemic.

The **AgResults Initiative** uses Pay-for-Results (PfR) prize competitions to incentivize the private sector to develop and deliver productivity-enhancing technologies to smallholder farmers. Its Challenge Projects demonstrate how to encourage local actors to develop linkages along selected value chains to address formerly missing markets with contextualized and more resilient solutions. The Vietnam GHG Emissions Reduction Challenge Project (2017–21) incentivized improved rice cultivation practices both to increase productivity and to reduce greenhouse gas emissions. The Tanzania Dairy Challenge Project (launched in November 2019) is incentivizing private sector suppliers to deliver productivity-enhancing input bundles (parasite control, nutrition, vaccines, artificial insemination) to both men and women smallholder dairy farmers in a socially inclusive way.

Sustainable infrastructure is key to delivering economic growth, social progress, and climate action in line with the SDGs and Paris Agreement commitments. Created in 2014, the **Global Infrastructure Facility (GIF)** is tackling head-on the dearth of bankable, sustainable infrastructure pipelines in developing countries through the provision of end-to-end transaction advisory services to national and subnational governments through ten MDB Technical Partners.

The GIF supports developing country governments not only to prioritize, design, and structure individual low-carbon, climate-smart infrastructure transactions, but also to encourage programmatic approaches, including standardization efforts, that can lead to replication and aggregation. The goal is to appeal to institutional capital through better coordination with governments and development finance institutions. The GIF is heavily promoting climate mitigation, adaption and resilience: to date, 74 percent of its current portfolio and 85 percent of its pipeline activities are climate-smart.

CIF / ESMAP

4 FINANCIAL ANALYTICS OF WORLD BANK GROUP TRUST FUNDS AND FIFS

PHOTO CREDIT:
Chris Morgan / World Bank

The World Bank Group's trust funds and FIFs are strong proof of what can be accomplished when development partners work together to move toward greater resilience. Analysis of key financial trends across Bank Group trust funds and FIFs further underscores the forward momentum of this shared commitment.

This chapter provides aggregate financial information on the activities of trust funds and FIFs administered individually or jointly by the World Bank, IFC, MIGA, and ICSID, as well as externally financed outputs (EFOs). It looks at five-year trends, from FY2017 to FY2021, on trust fund and FIF inflows, outflows, and assets under management—all of which demonstrate the World Bank Group's position as the partner of choice to advance development agendas in countries, regions, and around the globe. Box 4.1 defines financial terms and Table 4.1 provides an overview of key financial data.

INFLOWS

Inflows, or contributions to World Bank Group trust funds and FIF, have remained strong and have shown an increase over the last five years, reaching $14.31 billion in FY2021. In particular, cash contributions to IBRD/IDA trust funds rose to $4.08 billion in FY2021, an increase of 11 percent ($414 million) from FY2020 primarily driven by cash contributions to the Sudan Transition and Recovery Support Program (STARS), the Global Financing Facility (GFF), and the Sint Maarten Recovery and Resilience Program.

IFC trust fund contributions increased by 18 percent ($48 million) in FY2021 compared to FY2020. Paid-in contributions (cash and promissory notes receipts) to FIFs increased from $8.94 billion in FY2020 to $9.91 billion in FY2021. This increase was primarily due to increased contributions to the Green Climate Fund (GCF), the Coalition for Epidemic Preparedness Innovations (CEPI), and the Global Environment Facility (GEF). Almost 80 percent of this increase is to CEPI for the COVID-19 response.

Development partners recognize the strategic advantages of entrusting their resources with the World Bank Group. It has the technical expertise, country experience, and supervision and reporting capacity to ensure funds are directed to development activities that align with agreed priorities and achieve impact at scale. Efficiency, relevance, global reach, and influential convening power are all reasons why development partners choose to contribute to trust funds and FIFs managed by the World Bank Group.

OUTFLOWS

Outflows, or disbursements from World Bank Group trust funds and cash transfers from FIFs, have increased in the last five years to reach $12.97 billion in FY2021. IBRD/IDA trust fund disbursements were $3.57 billion in FY2021, an increase of 2 percent ($75 million) from FY2020. RE activities accounted for around 71 percent ($2.55 billion) of total disbursements and BE activities 29 percent ($1.03 billion). The higher disbursements were driven mainly by STARS, the Global Partnership for Education (IBRD as implementing entity), and the Pandemic Emergency Financing Facility (IBRD as implementing entity).

Annual cash transfers from FIFs to implementing entities increased from $7.66 billion in FY2020 to $10.03 billion in FY2021. The increase in cash transfers was driven by the International Finance Facility for Immunisation; the Global Fund to Fight AIDS, Tuberculosis and Malaria (Global Fund); and the Advanced Market Commitments for Pneumococcal Vaccines for their support in helping countries strengthen health systems and mitigate the impact of COVID-19. Cash transfers from FIFs include transfers for all purposes, including secretariat costs and administrative expenses.

The World Bank Group is strategic in deploying trust fund and FIF resources to complement its own funding and deepen support for specific objectives shared by clients and donors, as well as to deliver timely financial responses to emergencies like the COVID-19 crisis. The share of FIF resources that the World Bank implements reflect this strategic alignment. Nearly one-third (28 percent) of trust fund disbursements for RE activities during the last five years have come from FIF resources implemented by the World Bank.

Trust fund support for advisory services that the Bank Group provides to public and private sector clients is also significant. Nearly all of IFC's Advisory services and two-thirds of the World Bank's ASA are funded by trust funds, allowing the Bank Group to build knowledge, inform policy dialogue, and enhance enabling environments. Trust-funded activities also bring World Bank Group support to locations outside the immediate reach of its financing instruments.

ASSET MANAGEMENT

Asset management is another important way in which the World Bank Group brings value to trust fund and FIF partnerships. As trustee, the World Bank receives and invests development partner contributions to trust funds and FIFs until funds are disbursed to final recipients for development objectives. In FY2017–21, investment income earned on trust fund and FIF funds held in trust (FHIT) totaled $2.66 billion.

The trust fund and FIF portfolios have grown over the years due to an increase in development partners' contributions for multi-year projects, an increase in the number of trust funds managed by the World Bank Group, and investment returns. As of June 30, 2021, the amount of funds held by the World Bank Group trust funds and FIFs reached $40.24 billion. The top three IBRD/IDA programs with large amounts of FHIT (cash and investments) were the Afghanistan Reconstruction Trust Fund, the Carbon Finance Fund, and the GFF, and the top three FIFs were the GCF, GEF, and the Climate Investment Funds.

The World Bank's investment management services aim to preserve donor funds and enhance their value while accommodating the varying liquidity needs and risk preferences of different trust funds and FIFs. Participating funds benefit from access to a wide variety of investment products and longer terms of maturity to enhance investment returns over time. Environmental, social, and governance (ESG) investment solutions and product offerings also cater to the sustainable responsible investing aspirations of participating funds.

Dominic Chavez / World Bank

BOX 4.1 | Definitions of Key Financial Terms

Inflows: Cash contributions to trust funds include encashment of promissory notes and cash receipts from donors. For FIFs, paid-in contributions include receipts in the form of cash or promissory notes, and other sources of funds, such as Certified Emissions Reductions (CERs) and bond issuances, but not including investment income.

All contributions paid-in (cash and promissory notes, net of certain discounts) are reported using the date of receipt. It may also include contribution transfers from other trust funds. Amounts to donor balance and holding accounts have been excluded. From FY2017, most contributors to the Global Fund provided contributions directly to its secretariat, and the trustee receives these funds as contributions from the Global Fund Secretariat as a contributor.

Outflows: Disbursements from trust funds and cash transfers from FIFs to implementing entities for development activities. For accounting purposes, FIF transfers to the World Bank as an implementing entity are not included in FIF disbursements but transferred and later recorded as IBRD/IDA trust fund disbursements.

Assets: Funds held in trust (FHIT) are comprised of cash, investments, and promissory notes receivable at the end of the fiscal year. "Other" FHIT includes amounts held in escrow on behalf of the International Centre for Settlement of Investment Dispute (ICSID), donor balance accounts (DBA), balances on administration accounts, and unapplied receipts. The total amount of DBA balances held was $394 million at the end of FY2021.

Externally financed outputs (EFO): Funding instrument used for activities (often research work) that do not exceed a 36-month timeframe and $2 million contribution limit.

Due to rounding, disbursements below $50 million are displayed as $0.00 million and other figures presented in this chapter may not add up to totals.

TABLE 4.1 Key Statistics on World Bank Group Trust Funds and FIFs, FY2017–21

Cash Contributions ($ billion)	FY17	FY18	FY19	FY20	FY21
IBRD/IDA Trust Funds (TFs)	2.74	2.79	3.85	3.67	4.08
IFC TFs	0.27	0.33	0.45	0.27	0.32
MIGA TFs	0.01	0.00	0.00	0.00	0.00
FIFs	7.10	7.70	6.99	8.94	9.91
Total	**10.13**	**10.82**	**11.29**	**12.88**	**14.31**
Disbursements and Transfers ($ billion)	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**
IBRD/IDA Trust Funds (TFs)	3.86	3.86	3.67	3.50	3.57
Bank-executed (BE) activites	0.99	1.06	1.08	1.07	1.03
Recipient-executed (RE) activities	2.92	2.80	2.59	2.43	2.55
IFC TFs	0.30	0.31	0.30	0.27	0.25
MIGA TFs	0.00	0.00	0.00	0.00	0.00
FIFs	5.33	5.63	4.87	6.75	9.15
Total	**9.49**	**9.80**	**8.84**	**10.52**	**12.97**
FIF transfers to WBG TFs[a]	0.91	1.43	1.00	0.92	0.88
Funds Held in Trust ($ billion)	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**
IBRD/IDA Trust Funds (TFs)	8.84	9.09	10.35	11.22	12.35
IFC TFs	0.60	0.64	0.80	0.83	0.91
MIGA TFs	0.11	0.11	0.11	0.09	0.09
FIFs	21.10	21.65	23.13	24.39	25.96
Others	0.98	0.77	0.88	0.89	0.94
Total	**31.63**	**32.27**	**35.26**	**37.42**	**40.24**
Contribution Receivable ($ billion)	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**
IBRD/IDA Trust Funds (TFs)	3.66	4.37	3.77	3.57	3.86
IFC TFs	0.35	0.42	0.45	0.51	0.38
MIGA TFs	0.01	0.01	0.01	0.01	0.01
FIFs	7.75	5.54	6.42	7.01	9.72
Total	**11.77**	**10.34**	**10.65**	**11.09**	**13.97**
Investment Income ($ billion)	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**
IBRD/IDA Trust Funds (TFs)[b]	0.10	0.14	0.28	0.23	0.04
IFC TFs	0.01	0.01	0.02	0.02	0.00
FIFs	0.24	0.32	0.58	0.51	0.16
Total	**0.35**	**0.47**	**0.88**	**0.76**	**0.20**

[a] FIF transfers to World Bank Group trust funds are excluded from the total to avoid double counting of disbursements. FIF transfers to the World Bank Group as implementing entity, trustee, and secretariat are excluded from the transfers.

[b] Includes MIGA trust funds

4.1 INFLOWS

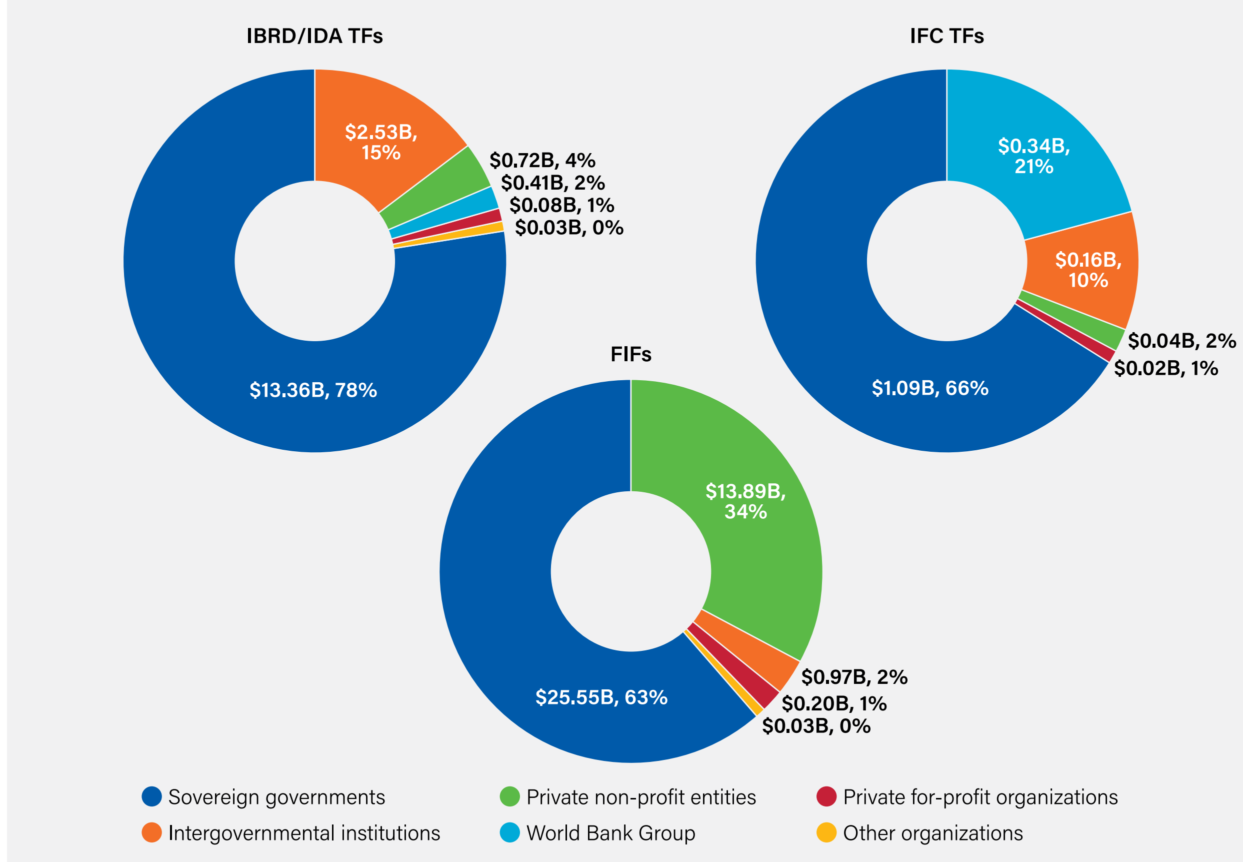
CONTRIBUTIONS BY DEVELOPMENT PARTNER TYPE

For IBRD/IDA trust funds,[9] sovereign governments remain the largest contributors, accounting for 77 percent ($3.13 billion) of total cash contributions received in FY2021 and 78 percent during the last five years (FY2017–21). The increase in cash contributions ($151 million) in FY2021 compared to FY2020 was primarily due to larger contributions by Norway, the Netherlands, and Germany. Intergovernmental institutions contributed 16 percent ($663 million) of total cash contributions in FY2021, an increase of $265 million from FY2020, mainly due to the European Commission's contribution. Private nonprofit entities contributed 4 percent ($159 million) of total cash contributions in FY2021, an increase of $17 million from FY2020, primarily due to contributions from the Bill and Melinda Gates Foundation.

For IFC trust funds, the share of cash contributions by sovereign governments decreased from 90 percent in FY2020 to 71 percent in FY2021. IFC Advisory trust funds received cash contributions predominantly from the United Kingdom, Switzerland, the Netherlands, and Germany.

For FIFs, sovereign governments provided 62 percent ($6.19 billion) of paid-in contributions in FY2021, followed by private nonprofit entities with 32 percent ($3.19 billion). The increase in paid-in contributions ($970 million) in FY2021 compared to FY2020 was primarily due to incremental contributions by Germany, the United Kingdom, and Japan.

FIGURE 4.1 Contributions by Development Partner Type: IBRD/IDA and IFC Trust Funds (Cash Contributions)[10] and FIFs (Contributions Paid-in), FY2017–21



[9] Includes MIGA trust funds, whose cash contributions ($0.01B) were all received from sovereign governments.
[10] IFC trust funds include Advisory trust funds but not blended finance trust funds.

CUMULATIVE CONTRIBUTIONS BY TOP TEN DEVELOPMENT PARTNERS

For IBRD/IDA trust funds, during the last five years (FY2017–21), the United Kingdom was the largest development partner with cumulative cash contributions of $2.53 billion, followed by the European Commission at $2.19 billion, and Germany at $1.75 billion.[11] In FY2021, the European Commission made the highest total cash contributions of $609 million to IBRD/IDA trust funds, followed by the United Kingdom at $607 million, and Germany at $488 million.

For IFC Advisory trust funds, the United Kingdom was the largest sovereign contributor during FY2017–21, accounting for 13 percent of cumulative cash contributions ($220 million), followed by Switzerland with 10 percent ($168 million), and the European Commission with 10 percent ($162 million).[12] In FY2021, the United Kingdom was the largest contributor to IFC trust funds with 15 percent ($48 million) of cash contributions.

For FIFs, the top ten development partners contributed $22 billion during FY2017–21, which accounted for 54 percent of cumulative paid-in contributions ($40.65 billion). The United Kingdom was the largest development partner with contributions of $4.32 billion, followed by Germany ($3.72 billion), and the United States ($3.29 billion). The United Kingdom provided substantial contributions to the Green Climate Fund ($1.35 billion) and the International Finance Facility for Immunisation ($0.75 billion). Germany made significant contributions to the Green Climate Fund ($1.29 billion) and the Global Environment Facility (GEF) ($0.56 billion). The United States made large contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria ($0.99 billion) and the GEF ($0.70 billion).

[11] Transfers from FIFs to IBRD/IDA trust funds as implementing entity during FY2017–21 amounted to $5.1 billion. These transfers, when aggregated, accounted for the highest inflows to IBRD/IDA trust funds when compared with direct contributions made by any single sovereign donor to trust funds over the five-year period.
[12] This does not include blended finance trust funds that support IFC's investment program.

FIGURE 4.2 Cash Contributions to IBRD/IDA and IFC Trust Funds by Top Ten Donors, FY2017–21 ($ billions)

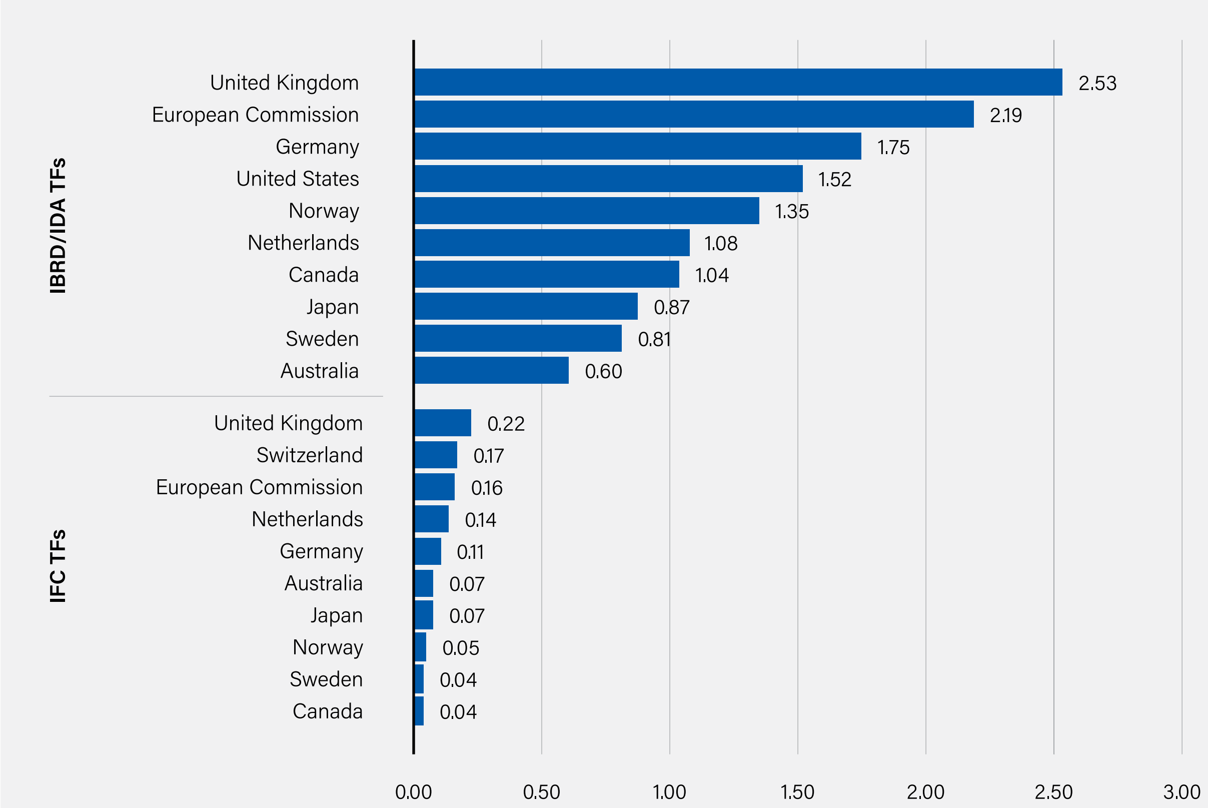
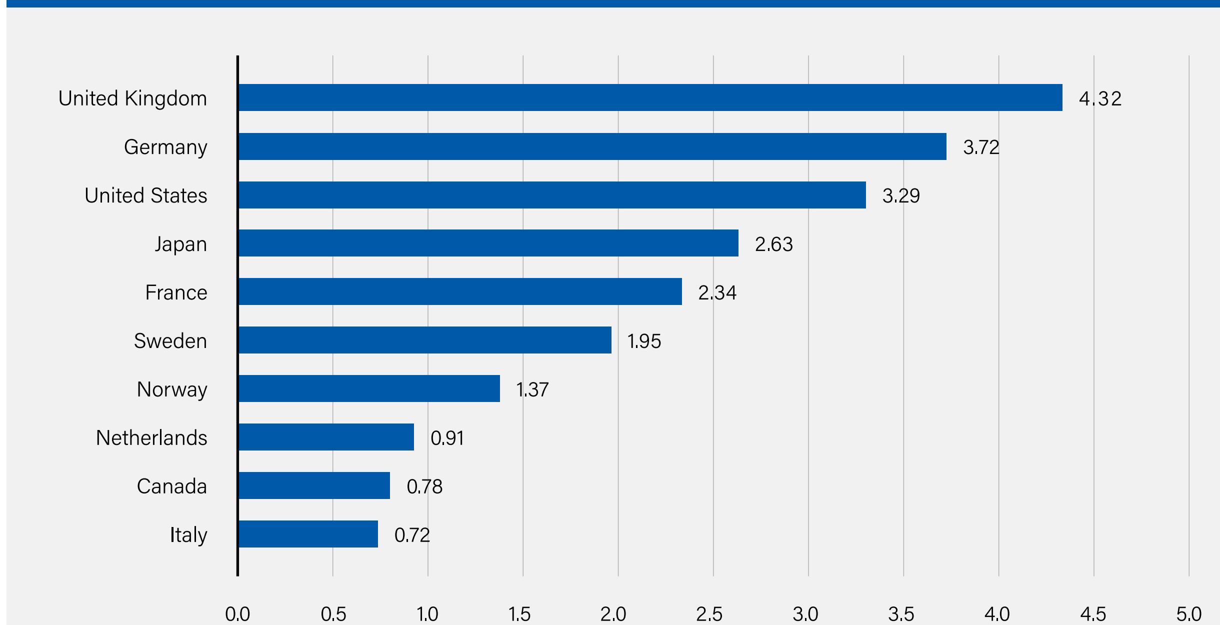


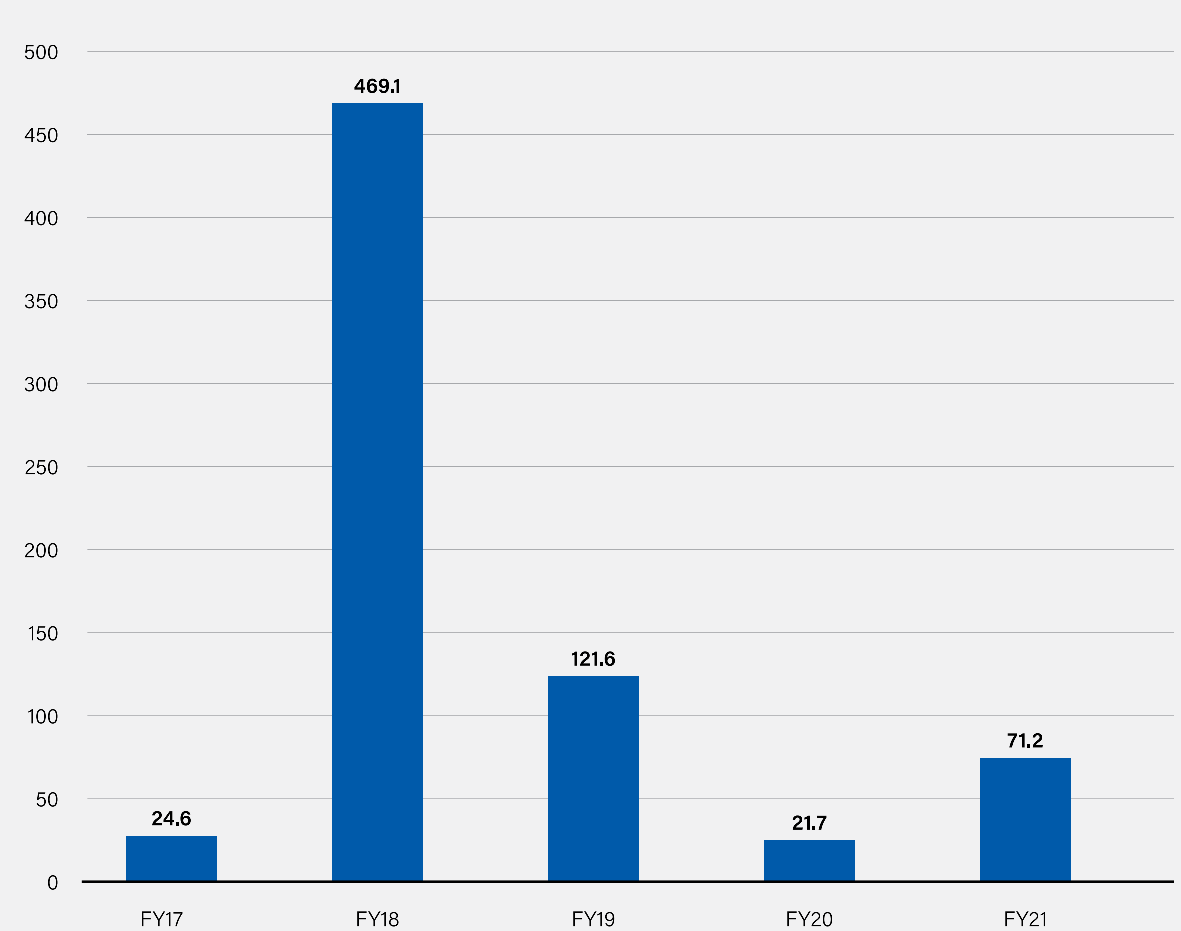
FIGURE 4.3 Paid-in Contributions to FIFs (including Global Fund) by Top Ten Donors, FY2017–21 ($ billions)



SIGNED CONTRIBUTIONS TO IFC BLENDED FINANCE TRUST FUNDS (FY2017–21)[13]

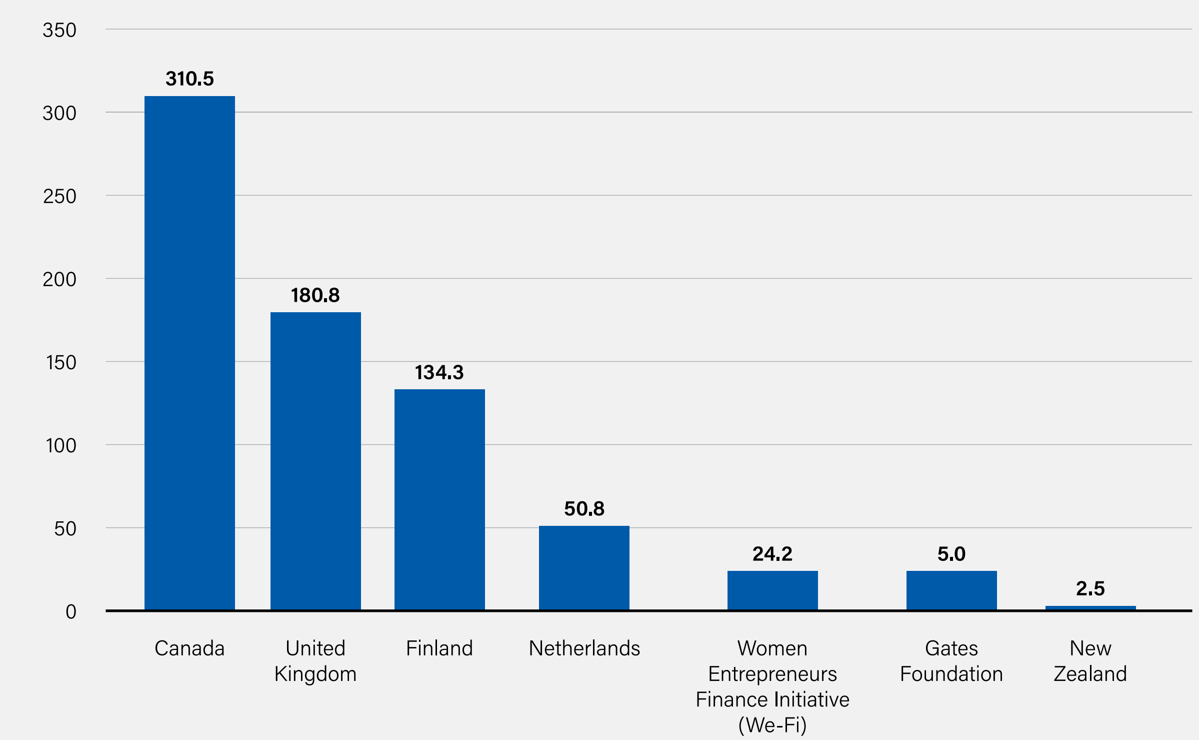
Since FY2017, blended finance signed contributions had averaged $137 million a year. Canada has been the largest sovereign donor to IFC blended finance trust funds during FY2017–2021, accounting for 44 percent of total cumulative signed contributions ($311 million), followed by the United Kingdom with 26 percent ($181 million) and Finland with 19 percent ($134 million). In FY2021, the United Kingdom was the largest donor to IFC blended finance trust funds with $53.7 million in signed contribution, followed by Netherlands with $17.5 million.

FIGURE 4.4 | Signed Contributions to IFC Blended Finance Trust Funds, FY2017–21 ($ millions)



[13] IFC blended finance trust funds are managed separately and therefore not included in the financial summaries in Chapters 1 and 4.

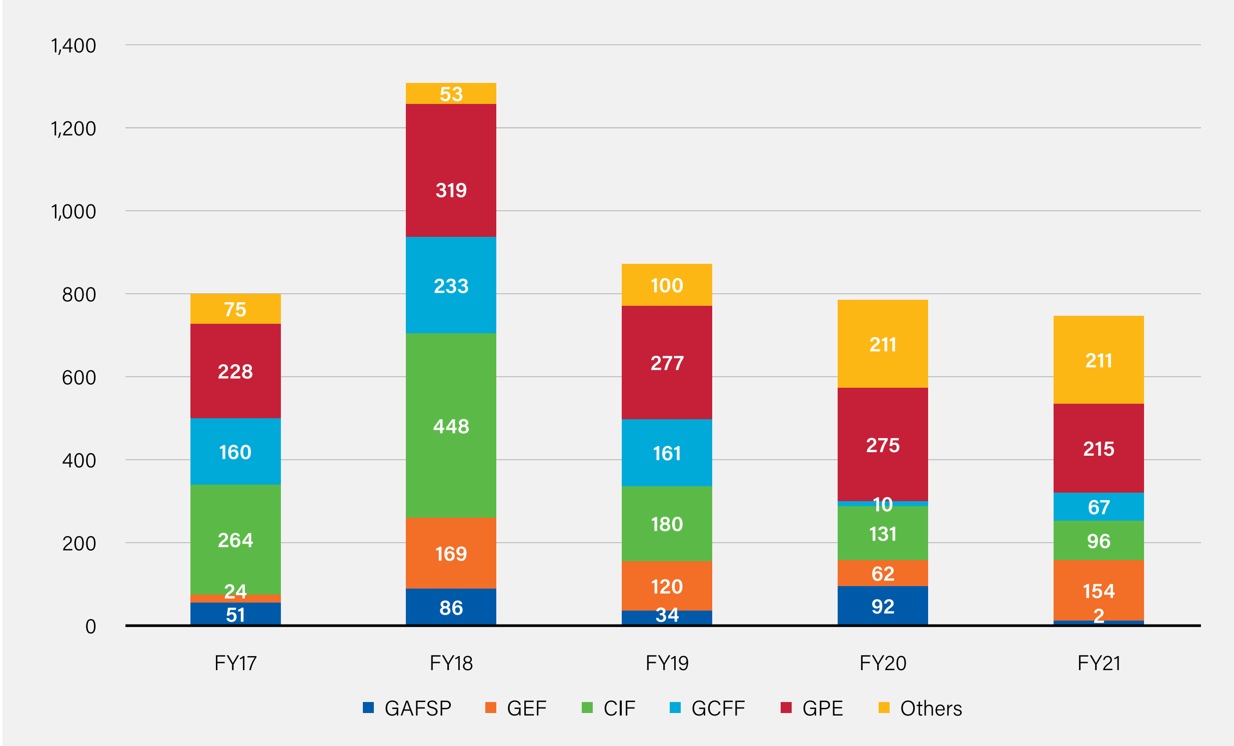
FIGURE 4.5 | Donors to IFC Blended Finance Trust Funds by Signed Contributions, FY2017–21 ($ millions)



ANNUAL TRANSFERS FROM FIFS TO THE WORLD BANK GROUP AS IMPLEMENTING ENTITY[14,15]

Transfers from FIFs to projects implemented by the World Bank Group decreased from 11 percent of the total transfers from FIFs to all implementing entities in FY2020 ($0.8 billion) to 8 percent in FY2021 ($0.7 billion). The largest transfer amounts in FY2021 were from the Global Partnership for Education (GPE) at $215 million, followed by the Global Environment Facility (GEF) at $154 million and the Climate Investment Funds (CIF) at $96 million. On a cumulative basis spanning FY2017–21, the World Bank Group as an implementing entity received the largest amount of transfers from the GPE ($1.3 billion), followed by CIF ($1.1 billion) and the Global Concessional Financing Facility (GCFF) ($0.6 billion).

FIGURE 4.6 Annual Transfers to World Bank Group as an Implementing Entity by FIFs, FY2017–21 ($ millions)



[14] An implementing entity is any agency that receives funds from a FIF and is responsible for managing those funds for activities as approved by the governing body.

[15] Transfers to implementing entities include transfers for project preparation, supervision fees, project implementation, and special agreement transfers for HIPC and AMC. However, in the case of the Global Fund, there is a lump sum transfer to the secretariat, and the use of the transferred funds is determined by the Global Fund. The GEF Secretariat acts as an implementing entity for a limited number of projects, i.e. the National Portfolio Formulation Exercises. Transfers to implementing entities exclude a one-time transfer of $383 million from the GEF to IBRD to cover reevaluation of grants denominated in Special Drawing Rights (from 2004). Non-USD transfers are valued as of June 30, 2021.

4.2 OUTFLOWS

DISBURSEMENTS AND CASH TRANSFERS

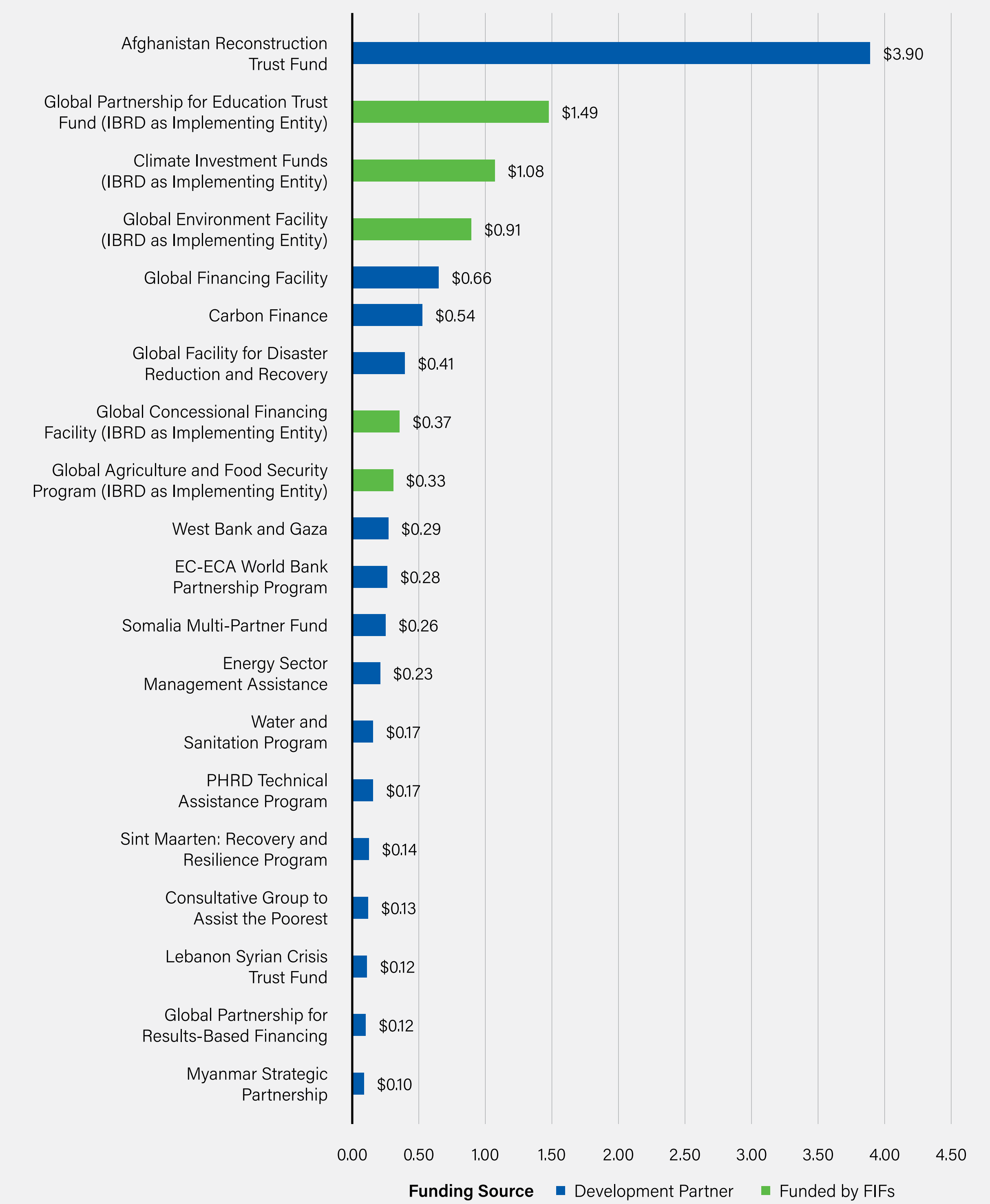
Total World Bank Group trust fund disbursements were $3.82 billion in FY2021. The marginal increase in disbursements and cash transfers from IBRD/IDA trust funds in FY2021 were mainly from the Sudan Transition and Recovery Support Program (up by $95 million) and IBRD as an implementing entity of the Global Partnership for Education (up by $67 million) and the Pandemic Emergency Financing Facility (up by $63 million). IBRD/IDA trust funds accounted for 94 percent of World Bank Group disbursements and cash transfers from trust funds in FY2021, and IFC trust funds accounted for the remaining 6 percent.

FIFs continue to play a significant role in the international aid architecture. The average amount of annual transfers from FIFs during FY2017–21 was $7.37 billion. The annual transfer from FIFs to implementing entities increased from $7.66 billion in FY2020 to $10.03 billion in FY2021, primarily due to an increase of $2.93 billion in transfers from the International Finance Facility for Immunisation; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the Advanced Market Commitments for Pneumococcal Vaccines in response to COVID-19. This was offset by a decrease in transfers from the Climate Investment Funds, the Global Environment Facility, the Coalition for Epidemic Preparedness Innovations, and the Global Agriculture and Food Security Program.

IBRD/IDA TRUST FUND DISBURSEMENTS FROM TOP 20 TRUST FUND PROGRAMS

In FY2017–21, the top 20 trust fund programs accounted for 63 percent of the total IBRD/IDA trust fund disbursements ($18.46 billion). The highest disbursements were made from the Afghanistan Reconstruction Trust Fund ($3.90 billion), followed by other large disbursements made by the World Bank in its role as implementing entity for FIFs like the Global Partnership for Education ($1.49 billion), the Climate Investment Funds ($1.08 billion) and the Global Environment Facility ($0.91 billion).

FIGURE 4.7 | IBRD/IDA Trust Fund Disbursements from Top 20 Trust Fund Programs, FY2017–21 ($ billions)

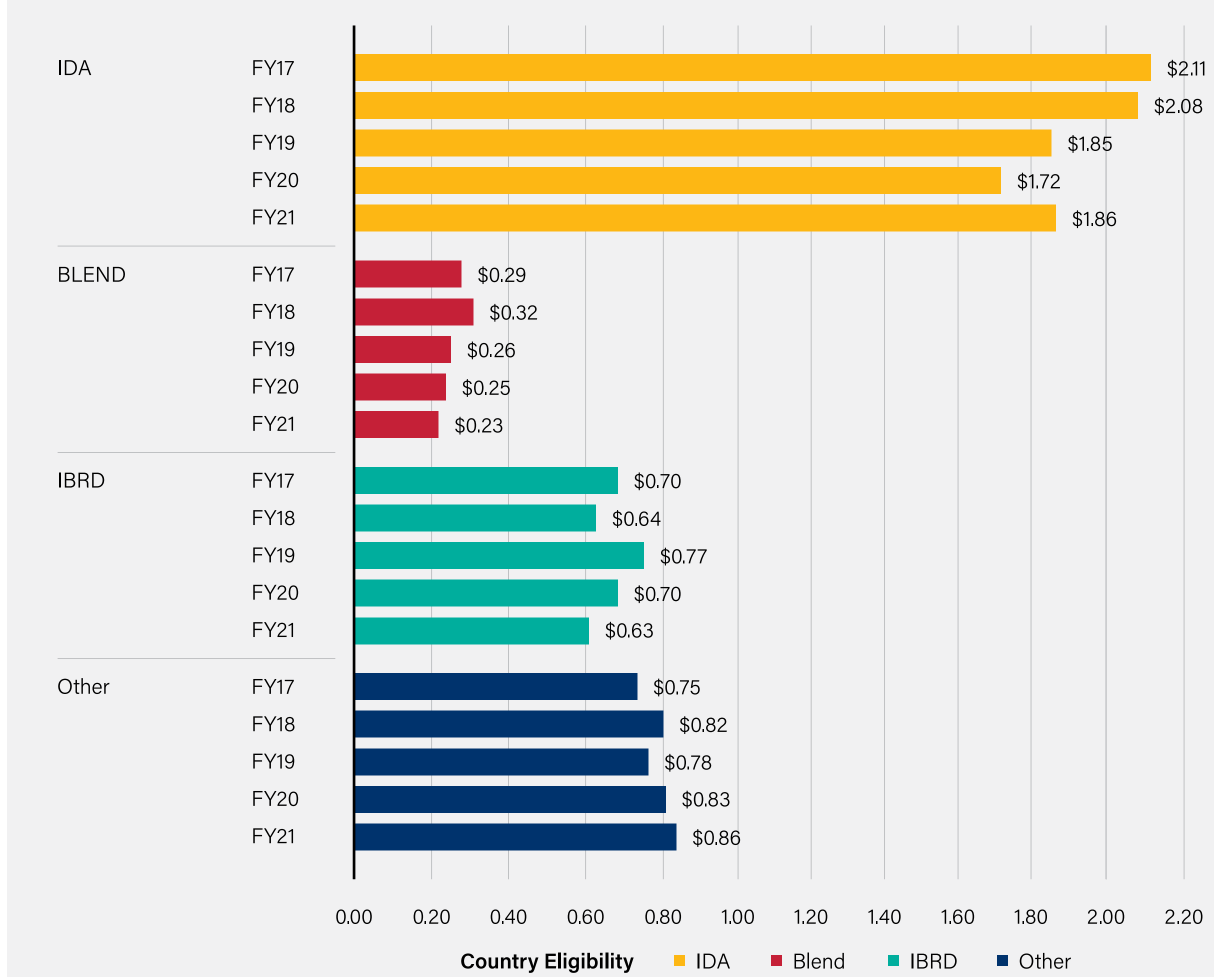


IBRD/IDA TRUST FUND DISBURSEMENTS BY COUNTRY ELIGIBILITY

Cumulative IBRD/IDA trust fund disbursements for RE activities during FY2017–21 were $13.29 billion. The highest annual level of $2.92 billion in FY2017 decreased to $2.55 billion in FY2021. IDA countries continue to receive the largest share of disbursements for RE activities year after year, with 66 percent of total RE disbursements in FY2021. Over the past five years, approximately $1 out of every $9 disbursed to IDA and IDA-IBRD blend countries[16] was from trust-funded RE activities. Approximately 19 percent of the total trust fund disbursements for RE activities were to IBRD countries.

Out of $5.2 billion in cumulative trust fund disbursements for BE activities during the last five years, about $1 billion were for activities that support IDA countries. Compared to FY2017, trust fund disbursements for BE activities to support IDA countries declined by 6 percent to $191 million in FY2021, trust fund disbursements for BE activities to support IBRD-IDA blend countries dropped by 25 percent to $50 million in FY2021, and trust fund disbursements for BE activities to support IBRD countries grew by 29 percent to $196 million in FY2021.

FIGURE 4.8 | IBRD/IDA Trust Fund Disbursements by Country Eligibility, FY2017–21 ($ billions)[17]



[16] Blend countries refer to those that are IDA-eligible based on per capita income levels and are also creditworthy for some IBRD borrowing, such as Nigeria and Pakistan.
[17] "Other" represent global and/or regional activities.

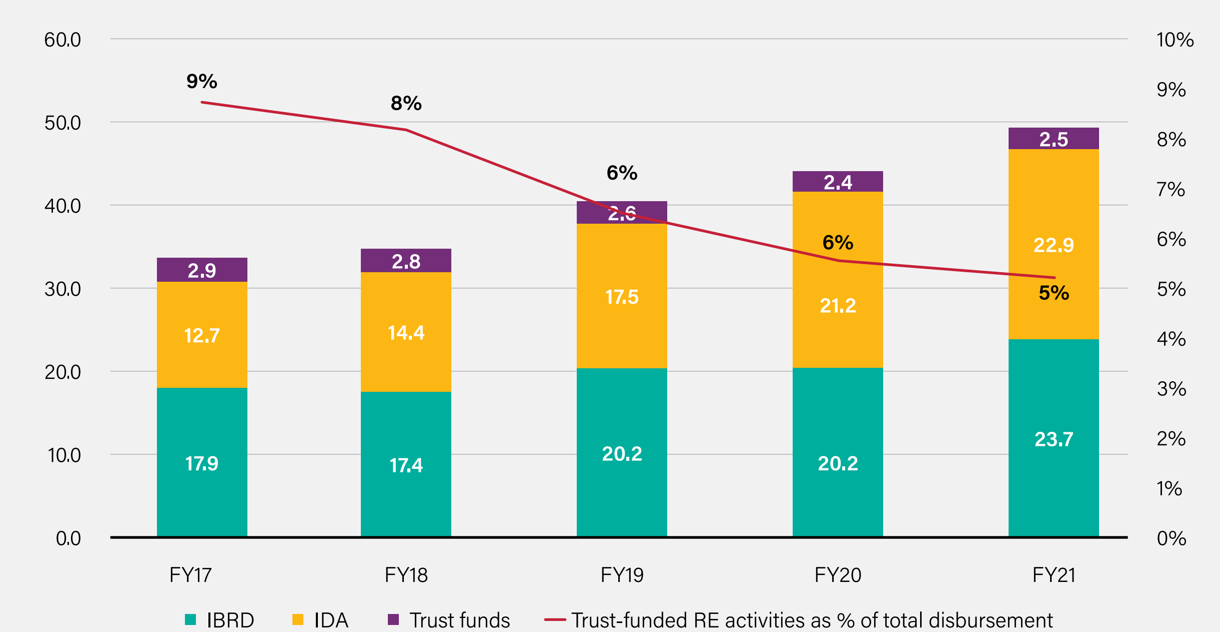
DISBURSEMENTS FROM IBRD, IDA, AND TRUST FUNDS FOR RE ACTIVITIES

Trust funds regularly co-finance IBRD and IDA projects, increasing scale and reach and filling knowledge and financing gaps. They provide grant financing where client countries are reluctant to borrow, reducing transactions costs and allowing development partners to build on World Bank Group technical and operational capacity to maximize impact. During the past five years, trust fund disbursements for RE activities in client countries have averaged 7 percent of total World Bank RE disbursements—a share that peaked at 9 percent in FY2017 and fell to 5 percent in FY2021.

Total trust fund disbursements from RE activities (including stand-alone trust funds, co-financing trust funds, and other trust funds)[18] declined by 13 percent from $2.92 billion in FY2017 to $2.55 billion in FY2021. This decline was primarily due to lower disbursements from the following trust fund programs: Afghanistan Reconstruction Trust Fund, IBRD as an implementing entity for FIFs (i.e., Global Partnership for Education, Climate Investment Funds, and Global Environment Facility), and the Carbon Finance Fund. IBRD and IDA disbursements also varied during FY2017–21, with increased disbursements in FY2021 compared to FY2020 to combat the impact of the COVID-19 pandemic.

Stand-alone trust fund disbursements for RE activities decreased from $1.48 billion in FY2017 to $0.68 billion in FY2021, or 27 percent of total FY2021 trust fund disbursements for RE activities ($2.55 billion). Meanwhile, disbursements from co-financing trust funds continued an upward trajectory, from 36 percent ($1.04 billion) of total trust fund disbursements for RE activities in FY2017 to 62 percent ($1.58 billion) in FY2021. Rounding out FY2021 disbursements were grants that financed other lending projects ($0.26 billion).

FIGURE 4.9 | Disbursements from IBRD, IDA, and Trust Funds for RE Activities, FY2017–21 ($ billions)



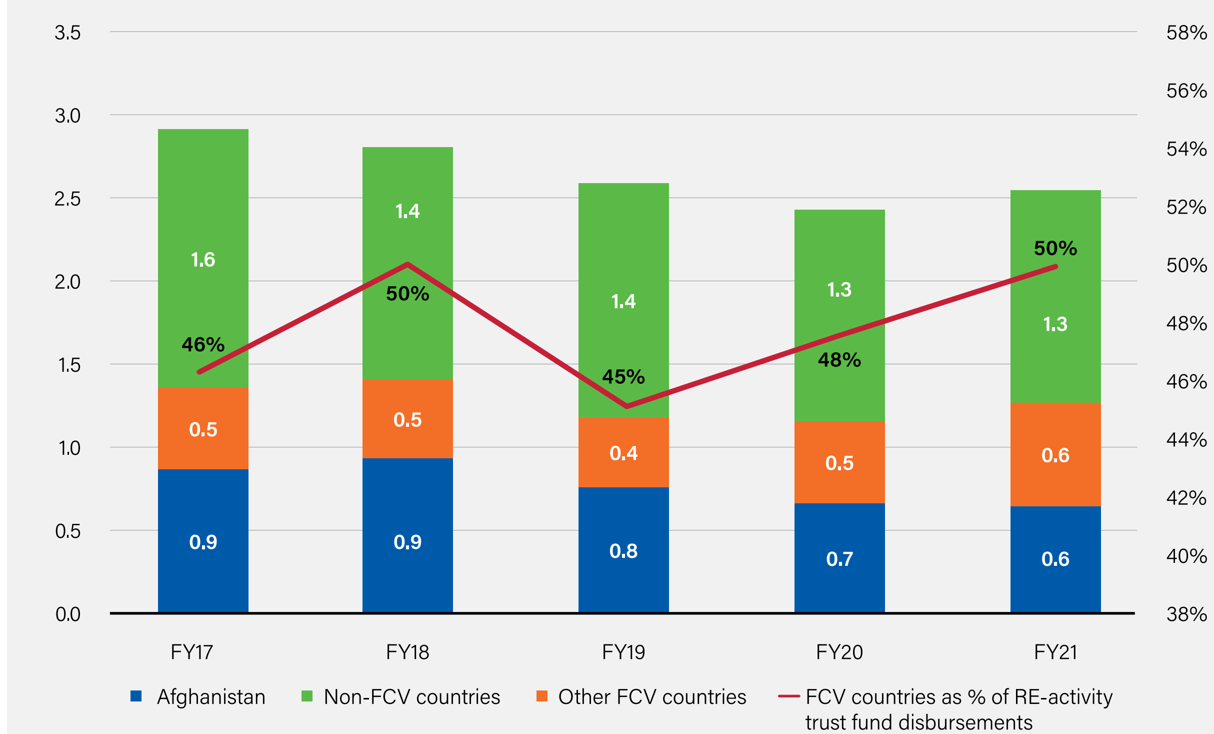
[18] Other trust funds for RE activities include transfers-outs, GEF, and the Montreal Protocol trust fund, among others.

TRUST FUND DISBURSEMENTS FOR RE ACTIVITIES IN STATES AFFECTED BY FRAGILITY, CONFLICT AND VIOLENCE

RE grants are important financing instruments to respond to the needs of states affected by FCV. While trust fund disbursements for RE activities in these countries decreased in absolute amounts from $1.36 billion in FY2017 to $1.27 billion in FY2021, their share increased from 46 percent in FY2017 to 50 percent in FY2021.

In FY2021, Afghanistan accounted for a significant portion (51 percent, $0.65 billion) of total trust fund disbursements for RE activities in states affected by FCV followed by Sudan ($119 million), the West Bank and Gaza ($100 million), Mozambique ($79 million), Democratic Republic of Congo ($60 million), and Somalia ($39 million). RE disbursements to countries affected by FCV (excluding Afghanistan) averaged around $0.5 billion in FY2017–21.

FIGURE 4.10 | Trust Fund Disbursements for RE Activities in Countries Affected by FCV, FY2017–21 ($ billions)

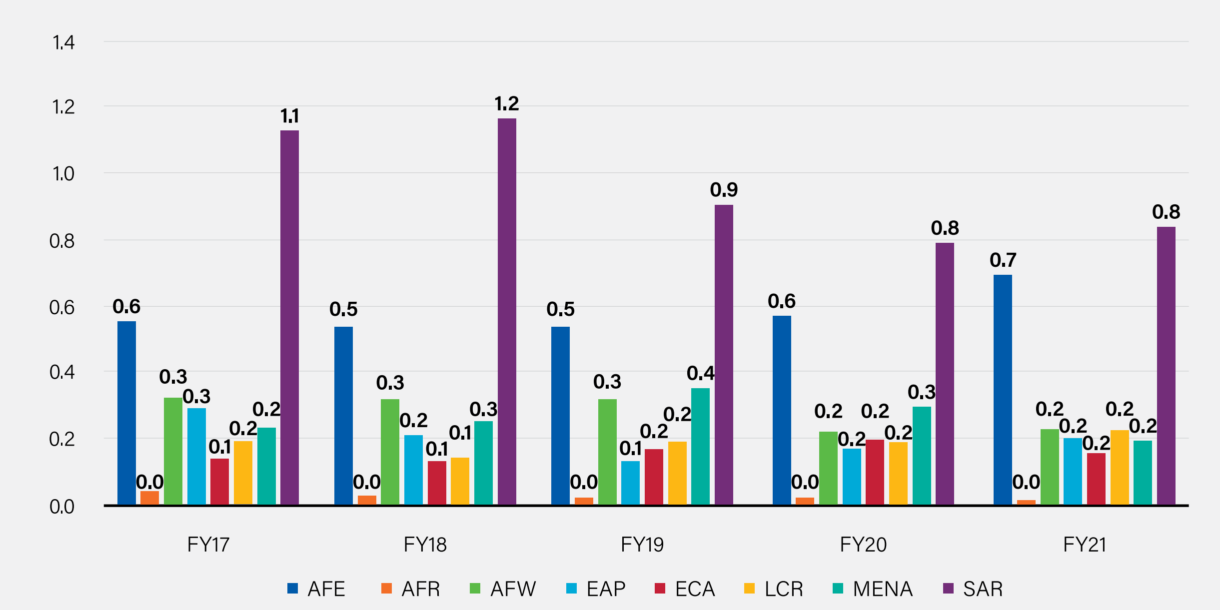


REGIONAL SHARES OF TRUST FUND DISBURSEMENTS FOR RE ACTIVITIES

Among the World Bank's Regional Units, the South Asia Region (SAR) was the largest beneficiary of trust fund disbursements for RE activities, with $840 million in FY2021. The Eastern and Southern Africa Region (AFE) was the second largest beneficiary at $694 million, followed by the Western and Central Africa (AFW) at $225 million, Latin America and Caribbean (LCR) at $221 million, East Asia and the Pacific (EAP) at $196 million, and Europe and Central Asia (ECA) at $152 million.

Compared with FY2020, trust fund disbursements for RE activities in AFE increased by 21 percent in FY2021, primarily due to an increase in disbursement from the Sudan Transition and Recovery Support Program ($95 million), IBRD as implementing entity for the Global Partnership for Education (GPE) ($42 million), and the Somalia Multi Partner Fund ($19 million). Trust fund disbursements for RE activities in SAR increased by 6 percent mainly driven by an increase in disbursements from the Community and Capacity Development Support Program ($14 million), IBRD as implementing entity for the Global Environment Facility ($9 million), and the IBRD as implementing entity for GPE ($8 million).

FIGURE 4.11 Trust Fund Disbursements for RE Activities by Region, FY2017–21 ($ billions)[19]



[19] Includes disbursements for regional/global activities, such as the Debt Management Facility II Trust Fund and the Stolen Asset Recovery Initiative MDTF

WORLD BANK RECIPIENT-EXECUTED DISBURSEMENTS FUNDED FROM FIFS

In FY2021, FIFs financed a significant proportion (25 percent) of total trust fund disbursements to RE activities supervised by the World Bank. The share for the last five years is at 28 percent. The volume and share of the FIF funding have declined during the last five years from $861 million (29 percent) in FY2017 to $631 million (25 percent) in FY2021. Almost one-third of the funding during FY2017–2021 was from the Global Partnership for Education.

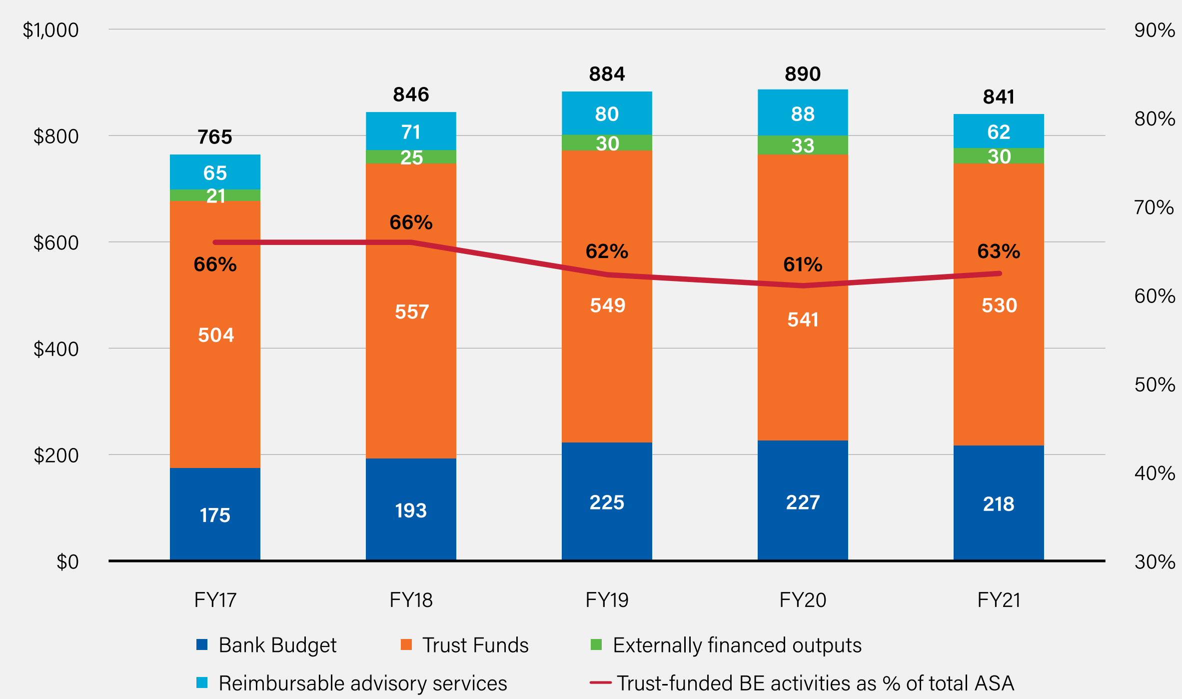
TABLE 4.2 World Bank Recipient-executed Disbursements Funded from FIFs, FY2017–21 ($ millions)

Program Group	FY17	FY18	FY19	FY20	FY21	Grand Total
Global Partnership for Education Trust Fund	286.7	387.1	224.5	127.5	190.2	1,216.0
Climate Investment Funds	263.6	201.2	205.0	155.2	153.6	978.6
Global Environment Facility	189.4	154.2	159.7	115.0	134.5	752.7
Global Concessional Financing Facility	49.7	30.0	137.1	90.7	57.3	364.8
Global Agriculture and Food Security Program	53.4	60.4	73.5	81.2	24.7	293.3
Pandemic Emergency Financing Facility				1.9	64.8	66.7
Midlle East and North Africa Transition Fund	10.9	13.5	10.1	5.9	2.7	43.0
Adaptation Fund	1.5	2.3	2.3	1.3	0.2	7.6
Haiti Reconstruction Fund	5.2					5.2
Guyana REDD-Plus Investment Fund	0.4	1.4	0.6			2.4
Green Climate Fund – IBRD and IDA as Accredited Entity				0.0	1.9	1.9
Global Infra Facilty (GIF)			0.0	0.1	0.7	0.8
Total for FIF Funded Programs	**860.8**	**850.0**	**812.9**	**578.9**	**630.5**	**3,733.1**
Other Non-FIF funded Programs	*2,058.7*	*1,953.2*	*1,777.4*	*1,853.7*	*1,915.8*	*9,558.8*
Grand Total	**2,919.5**	**2,803.2**	**2,590.3**	**2,432.6**	**2,546.3**	**13,291.9**

DISTRIBUTION OF FUNDING SOURCES FOR ADVISORY SERVICES AND ANALYTICS

Trust fund financing for BE activities represents a significant share of the World Bank's expenditures on ASA at 63 percent in FY2021. This large share of externally financed ASA provides opportunities to work with development partners on the knowledge agenda, while also introducing challenges to the Bank's ability to plan and align its work to its strategic priorities. These challenges are being addressed as a part of the ongoing trust fund reforms.

FIGURE 4.12 Distribution of ASA Funding, FY2017–21 ($ millions)



Source: WB statistics based on Analytics for Office data platform as of July 2021.
Note: Illustration reflects ASA spend using product lines.

4.3 ASSETS

Trust fund assets consist of funds held in trust (FHIT)—cash, investments, promissory notes and contribution receivables. These assets are managed and reported separately for IBRD/IDA trust funds, IFC trust funds, and FIFs following established reporting protocols.

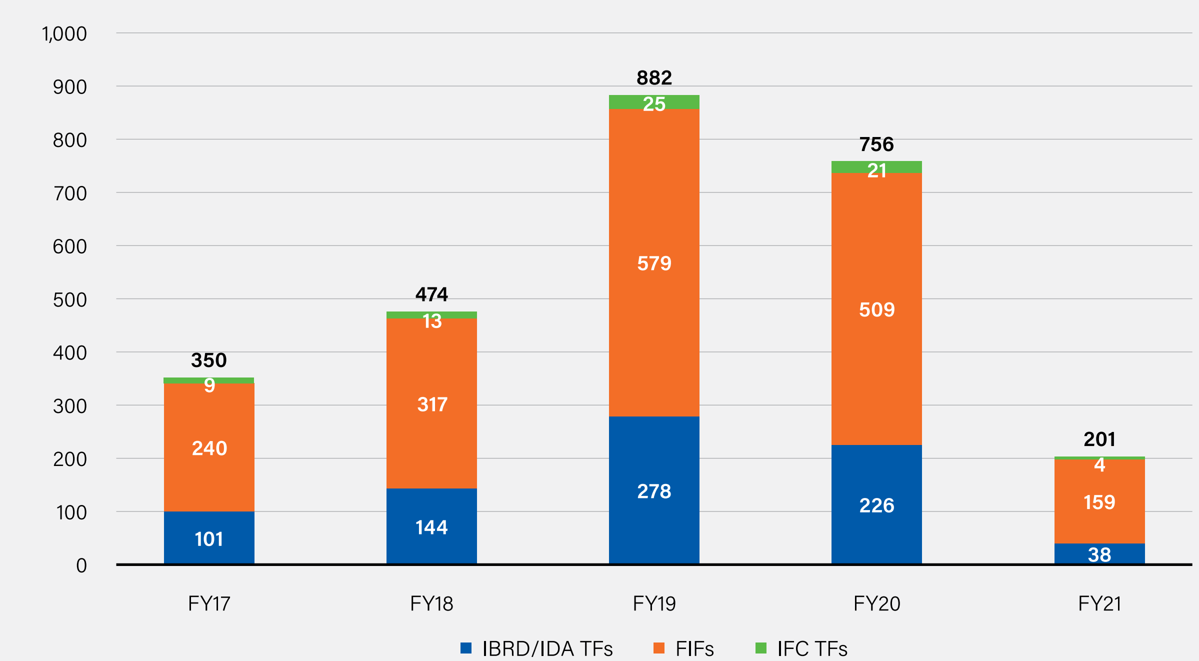
INVESTMENT MANAGEMENT

The World Bank manages the liquid assets of trust funds and FIFs in a single, commingled investment pool that provides the following benefits to its participants:

- A selection of sub-portfolios or model portfolios to accommodate varying liquidity needs and risk preferences of different funds, managed within a comprehensive risk management framework
- Access to a wide variety of investment products and longer terms of maturity to enhance investment returns over time
- Regular review of liquidity needs across funds to optimize investments over the longer term
- Standardized and customized ESG investment solutions and product offerings to cater to various sustainable responsible investing (SRI) aspirations of individual funds

These investments earn income based on the trust fund's share of interest income, realized gains or losses from the sale of securities, and unrealized gains or losses resulting from changes in the asset value held by the pool at fair value. During FY2017–21, investment income on trust fund and FIF assets totaled $2.66 billion, with a peak in FY2019 at $882 million and a decline in FY2021 to $201 million.

FIGURE 4.13 Investment Income by Trust Fund Classification,[20] FY2017–21 ($ millions)



[20] IBRD/IDA trust funds includes investment income for MIGA trust funds ($0.008 B) for FY2017–21.

ASSET MIX OF TRUST FUNDS INVESTMENT PORTFOLIO

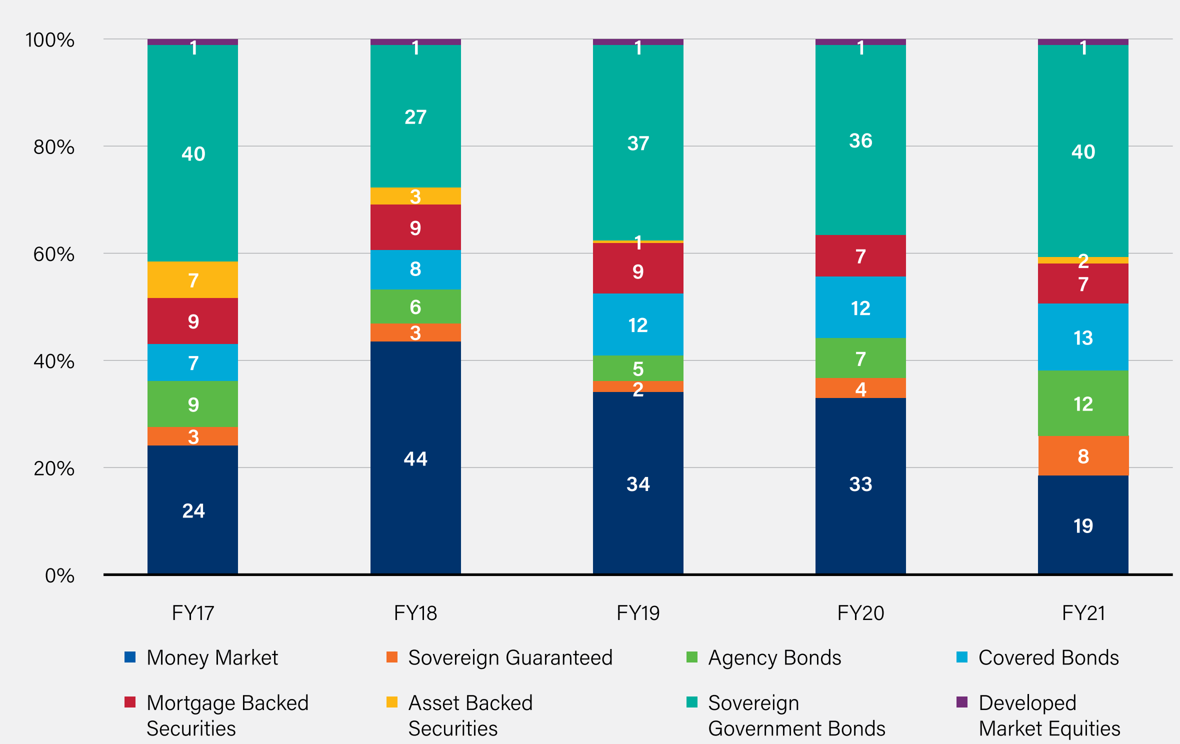
Upon receipt of development partner contributions to a trust fund, the World Bank invests these resources in the international capital markets until they are disbursed to final recipients. Trust fund assets are managed with the primary investment objective of capital preservation and liquidity on demand.

The provisions of the World Bank's General Investment Authorizations for IBRD and IDA also apply to the investment of trust fund assets. Accordingly, these assets are managed within conservative overall risk tolerance parameters and invested in high quality securities, which include securities issued by sovereign governments, government agencies, and multilateral and other official institutions, asset-backed and agency-guaranteed mortgage-backed securities, as well as swaps and a range of derivatives in support of securities investments. Subject to the primary investment objective, the asset mix among the investment products authorized by the General Investment Authorizations is based on market opportunities available within the applicable risk limits. As part of monitoring and financial and risk management oversight, a regular rebalancing of assets is performed to ensure that enough liquidity is available to meet disbursements needs.

The portfolio asset allocation as of FY2021 reflects this conservative investment approach and defensive positioning to maintain the portfolio within the policy risk tolerance. The portfolio includes a large allocation of 40 percent invested in sovereign government bonds, followed by 19 percent in cash and money market instruments, 13 percent in corporate-covered bonds, and 12 percent in agencies. The rest of the portfolio is invested in sovereign government bonds, asset-backed securities, and a small allocation to equities.

The Investment Management of World Bank Group Trust Fund offers more details about how the World Bank manages and invests development partner financial resources.

FIGURE 4.14 Asset Mix of the World Bank Group Trust Funds Investment Portfolio, FY2017–21



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CONSIDERATIONS

There has been a major shift in the global asset management industry toward sustainable and responsible investing (SRI), with rapidly growing awareness of global environmental, social, and governance (ESG) issues. The World Bank Group is committed to a more ambitious development agenda focusing on the SDGs and helping client countries to achieve their climate action targets. The Bank Group takes pride in incorporating sustainability-related themes in all operational activities, including the investment management function entrusted to it by its clients.

Since July 2019, the World Bank Treasury has applied ESG Integration as the default SRI approach for all portfolios managed by the World Bank. ESG Integration explicitly considers material ESG factors in the investment process and is intended to help fulfil the existing investment objectives without changes to the current investment objectives or risk limits of the portfolios for which it is used. Endorsed by World Bank Management, ESG Integration is the most appropriate SRI approach within the purview of the IBRD/IDA General Investment Authorizations and clients' investment guidelines as stipulated in the Investment Management Agreements.

The World Bank continues to explore additional SRI strategies in line with the current market practices to meet the evolving SRI aspirations and development objectives of the development partners. In FY2021, the World Bank implemented its Sustainable Bond Strategy, which seeks to invest in high-grade bond and cash instruments that generate positive sustainable development impacts while retaining the overarching investment objectives of the trust funds and FIFs. The strategy is formulated based on three core commitments:

- A focus on high-grade fixed-income investments aiming to generate positive impact outcomes
- Fundamental fixed-income risk disciplines with no compromise on returns
- Transparent and reliable impact reporting

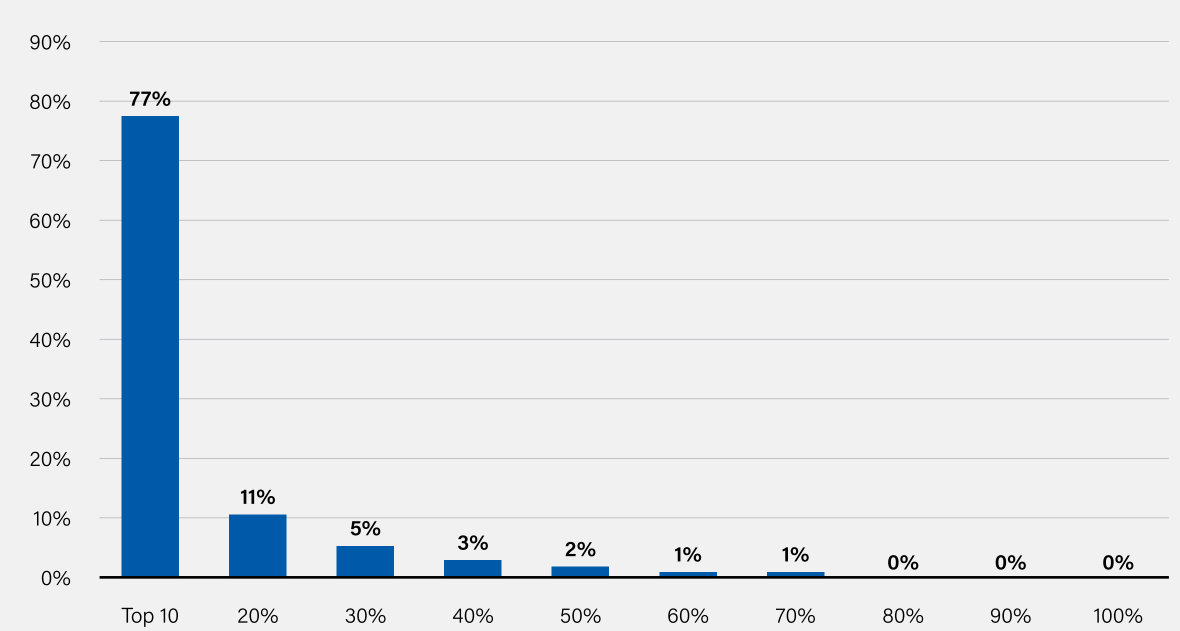
The strategy is implemented following a gradual and phased approach, alongside the development of the sustainable bond market. Initially, it will focus on sovereign bonds, governmental agency bonds, and supra-national bonds through a process of positive identification, wherein rigorous analytical assessments are performed to identify bonds from the investable universe that have verifiable sustainability impact. In time, the strategy could adopt the same sustainability methodology of positive selection to a wider investment universe, encompassing, for example, high-grade corporate bonds.

FUNDS HELD IN TRUST

Funds held in trust (FHIT) are comprised of cash, investments, and promissory notes, or similar obligations, received but not encashed at the end of the fiscal year. It reflects, at a point in time, contributions paid-in from contributors and investment income earned less cash transfers from FIFs to IBRD/IDA trust funds when the Bank acts as implementing entity for FIFs. The top decile of the IBRD/IDA trust funds (measured by FHIT) held 77 percent of total FHIT as of June 30, 2021.

These trust funds broadly demonstrate a link to high priority areas, such as states affected by FCV (Afghanistan, West Bank and Gaza), themes (climate change), and support to the SDGs (health, nutrition, and population). The bottom eight deciles held 12 percent of total FHIT. While the long tail of smaller funds can provide important funding for innovation and knowledge, fragmentation poses challenges to linking with strategic priorities and achieving greater development outcomes. Small, customized trust funds may also increase transactions costs associated with fundraising, establishment, heterogeneous governance, results frameworks, and reporting requirements.

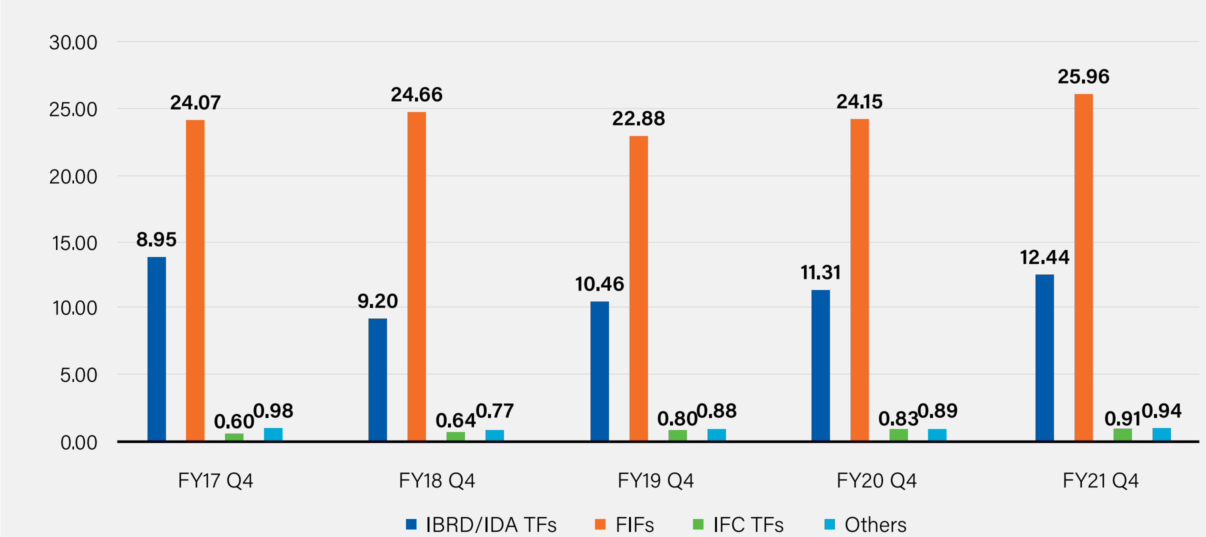
FIGURE 4.15 IBRD/IDA Trust Funds FHIT, June 30, 2021



DISTRIBUTION OF FUNDS HELD IN TRUST

As of the end of FY2021, FHIT for IBRD/IDA trust funds was $12.44 billion (including $0.09 billion of MIGA trust funds), an increase of 10 percent ($1.13 billion) compared to the end of FY2020. The increase was primarily due to larger FHIT for the Sudan Transition and Recovery Support Program ($339 million), the Global Financing Facility ($294 million), IBRD as an implementing entity for the Green Climate Fund ($155 million), and the Canada Climate Innovation Financing Facility ($138 million). The FHIT for FIFs increased by $1.8 billion (7 percent) from $24.15 billion to $25.96 billion during FY2021. The increase was primarily due to larger FHIT for the Green Climate Fund ($1.69 billion), the Coalition for Epidemic Preparedness Innovations ($863 million), the Global Environment Facility ($244 million), and the Global Agriculture and Food Security Program ($166 million).

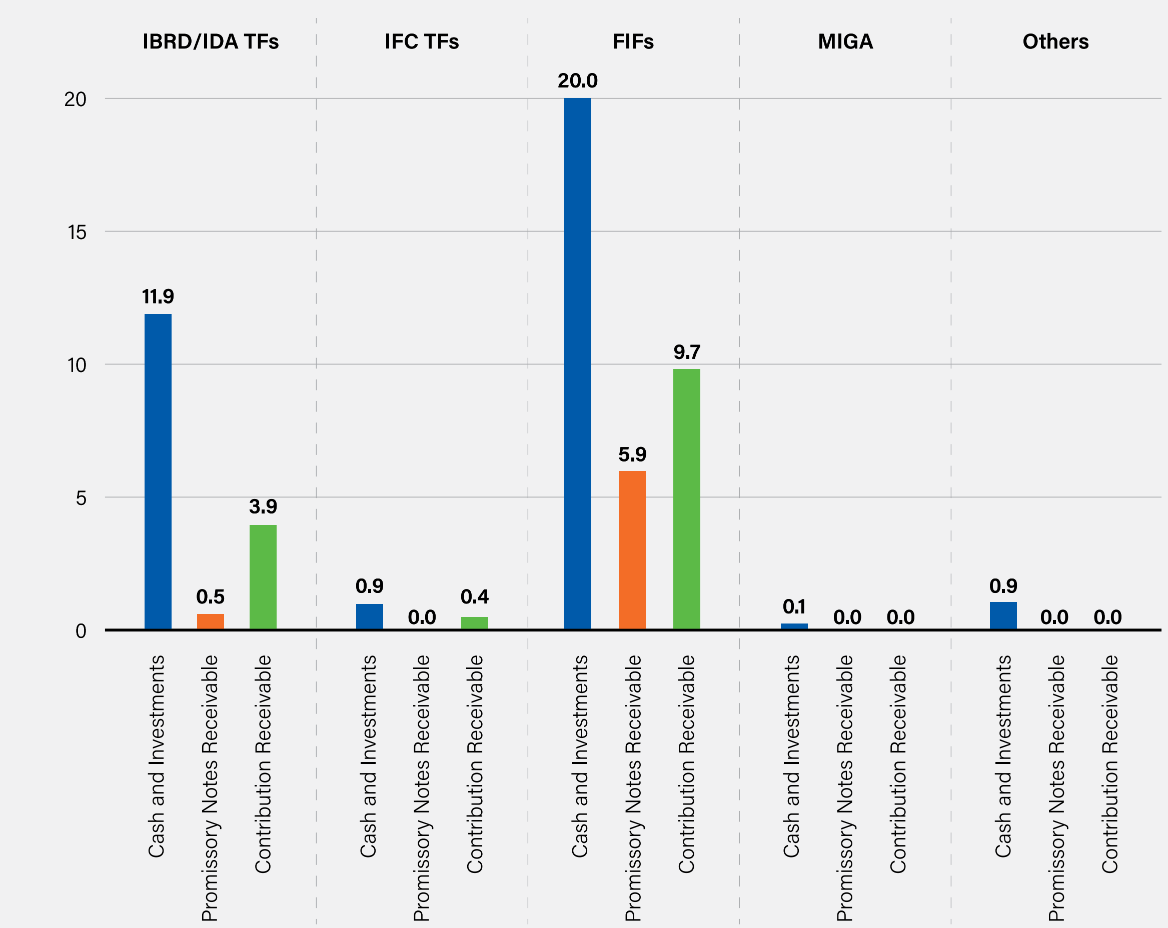
FIGURE 4.16 Distribution of Funds Held in Trust, FY2017–21 ($ billions)



DISTRIBUTION OF ASSETS

The amount of assets—comprising cash and investments, promissory notes receivable, and contributions receivable—for World Bank Group trust funds and FIFs amounted to $54.21 billion at the end of FY2021. The share of cash and investments amounted to 62 percent of total assets, and the share of contributions receivable and promissory notes receivable was 26 percent and 12 percent, respectively.[21,22] FIFs held $35.68 billion (66 percent) at the end of FY2021, IBRD/IDA trust funds held $16.28 billion (30 percent), IFC trust funds $1.29 billion (2 percent), and other trust funds $0.94 billion (2 percent).

FIGURE 4.17 Distribution of Assets: Cash and Investments, Promissory Notes Receivable, and Contributions Receivable, FY2021 ($ billions)



[21] Contributions receivable refers to any portion of a contribution that is not a qualified contribution, to be received in the form of cash or a promissory note.
[22] Promissory notes receivable refers to the balance of promissory notes not yet received in cash.

4.4 EXTERNALLY FINANCED OUTPUTS

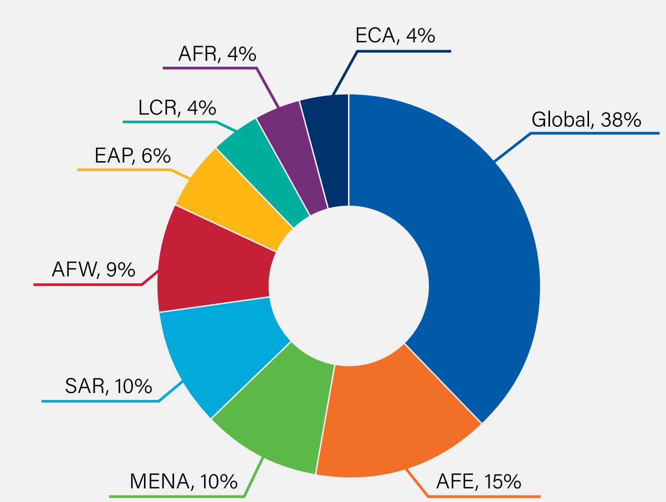
Externally financed outputs (EFOs) are funding instruments used for activities that have a finite time frame (36 months) and an upper limit of $2 million for receiving contributions. Activities that exceed these parameters do not qualify for EFOs and trust funds then become the preferred instrument. EFOs can be used to support single or multiple bank activities or outputs that are managed by the same Vice-Presidential Unit, are part of the same project, and are consistent with the Bank's work program.

EFO CONTRIBUTIONS PAID-IN

Total EFO contributions paid-in during FY2017–21 totaled $234 million, with the annual average contribution paid-in at $47 million. The FY2021 contributions paid-in decreased by 39 percent (down by $22 million) compared to FY2020.

Among World Bank Regions, the Eastern and Southern Africa Region (AFE) received the highest contributions paid-in at 15 percent ($36 million) during FY2017–21, excluding global EFOs (38 percent). Recipient countries such as Ethiopia, Malawi, Somalia, and Sudan received higher contributions that led to a spike in FY2019 contributions. AFE received an annual average of $7 million and the Middle East and North Africa Region (MENA) received an annual average of $5 million during the five-year period.

FIGURE 4.18 EFO Contributions Paid-in by Region, FY2017–21



ANNEXES

PHOTO CREDIT:
World Bank

ANNEX A. ABBREVIATIONS AND ACRONYMS

AFE	Eastern and Southern Africa Region
AFW	Western and Central Africa Region
ASA	Advisory services and analytics
COP	Conference of the Parties
CSO	Civil society organization
DFi	Development Finance Vice-Presidency
EAP	East Asia and Pacific Region
ECA	Europe and Central Asia Region
EFO	Externally financed output
ESG	Environmental, social, and governance
FCV	Fragility, conflict, and violence
FY	Fiscal year
FHIT	Funds held in trust
FIF	Financial intermediary fund
GDP	Gross domestic product
GRID	Green, resilient and inclusive development
IBRD	International Bank for Reconstruction and Development
ICSID	International Center for Settlement of Investment Disputes
IDA	International Development Association
IE	Implementing entity
IEG	Independent Evaluation Group
IFC	International Finance Corporation
IMF	International Monetary Fund
LCR	Latin America and Caribbean Region
MDB	Multilateral development bank
MDTF	Multi-donor trust fund
MENA	Middle East and North Africa Region
MIGA	Multilateral Investment Guarantee Agency
NGO	Non-governmental organization
PPP	Public-private partnership
SAR	South Asia Region
SDG	Sustainable Development Goal
SME	Small and medium enterprise
SRI	Sustainable and responsible investing
UN	United Nations
USAID	United States Agency for International Development
WBG	World Bank Group

The World Bank Group's fiscal year runs from July 1 to June 30.
Unless otherwise specified, "$" represents United States dollars throughout the report.

ANNEX B. LIST OF BOXES, FIGURES, AND TABLES

BOXES

FIGURES

TABLES

ANNEX C. LIST OF UMBRELLA 2.0 PROGRAMS AS OF JUNE 30, 2021

Practice Group/ Business units	No.	Umbrella 2.0 Program*	
Equitable Growth, Finance and Institutions Practice Group	1	Competitiveness for Jobs and Economic Transformation (C-JET)	✓
	2	Consultative Group to Assist the Poor (CGAP)	✓
	3	Debt Management Facility (DMF)	✓
	4	Finance for Development	
	5	Financial management and Accountability (FM&A)	✓
	6	Financial Sector Reform and Strengthening Initiative (FIRST 2.0)	✓
	7	Fiscal Policy and Sustainable Growth	
	8	Global Tax Program (GTP)	✓
	9	Governance and Institutions (G&I)	
	10	Procurement for Development (P4D)	
	11	Risk Finance	
	12	Umbrella Facility for Poverty and Equity (UFPE)	
	13	Umbrella Facility for Trade (UFT)	✓
Human Development Practice Group	14	Foundational Learning Compact (FLC)	✓
	15	Global Financing Facility for Women, Children and Adolescents (GFF)	✓
	16	Health Emergency Preparedness and Response Fund (HEPR)	✓
	17	Healthy Lives, Nutrition and Population (HLNP)	
	18	Human Capital Umbrella	✓
	19	JOBS Umbrella Partnership	✓
	20	KNOMAD – Migration Umbrella	✓
	21	Rapid Social Response–Adaptive and Dynamic Social Protection (RSR-ADSP)	✓
	22	Tertiary Education and Skills Training (TEST) Umbrella	
	23	Umbrella Facility for Gender Equality (UFGE)	✓
	24	Digital Development Partnership (DDP)	✓
Infrastructure Practice Group	25	Enabling Environment and Pipeline Development	✓
	26	Energy Sector Management Assistance Program (ESMAP)	✓
	27	Extractives Global Programmatic Support 2 (EGPS-2)	✓
	28	Global Facility to Decarbonize Transport	
	29	Identification for Development (ID4D)	✓
	30	Project Preparation, Structuring and Implementation	
	31	Sustainable Infrastructure	
	32	Climate Emissions Reduction Facility (CERF)	
	33	Climate Support Facility	✓

Practice Group/ Business units	No.	Umbrella 2.0 Program*	
Sustainable Development Practice Group	34	FoodSystems2030	✓
	35	Global Facility for Disaster Reduction and Recovery (GFDRR)	
	36	Global Partnership on Results-Based Approaches (GPRBA)	
	37	Global Program on Sustainability (GPS)	✓
	38	Global Water Security and Sanitation Program (GWSP)	✓
	39	Human Rights, Inclusion and Empowerment (HRIE)	✓
	40	Land 2030 Global Partnership	✓
	41	Partnership for Market Implementation Facility (PMIF)	✓
	42	PROBLUE	✓
	43	PROCLEAN	
	44	PROGREEN	✓
	45	Social Sustainability Initiative for All (SSI4ALL)	✓
	46	Sustainable Urban and Regional Development (SURGE)	✓
Development Economics (DEC)	47	Global Data Facility	
	48	Impact Evaluation to Development Impact (i2i)	✓
	49	Knowledge for Change Program (KCP)	✓
Fragility, Conflict and Violence	50	State and Peacebuilding Fund 2.0 (SFP 2.0)	
Eastern and Southern Africa Region (AFE)	51	Horn of Africa Umbrella	✓
	52	Somalia Country Engagement	✓
	53	Sudan Transition and Recovery Support (STARS)	✓
	54	Zimbabwe Socio-Economic Transformation	✓
Western and Central Africa Region (AFW)	55	AFW Regional Umbrella	
	56	Liberia Reconstruction	✓
	57	Nigeria Country Engagement Umbrella	✓
East Asia and the Pacific Region	58	Indonesia Strategic Partnership (ISP)	
	59	Myanmar Strategic Partnership (MSP)	✓
	60	Papua New Guinea and the Pacific Islands Umbrella Facility (PPIUF)	✓
	61	Philippines Peacebuilding and Development Initiatives in Mindanao (PPDI)	
	62	Timor-Leste Strategic Partnership (TLSP)	
Europe and Central Asia Region	63	Strategic European Partnerships Umbrella Program (STEP UP)	

Practice Group/ Business units	No.	Umbrella 2.0 Program*	
Middle East and North Africa	64	Lebanon Financing Facility	✔
	65	MENA Regional Umbrella 2.0	✔
	66	Palestinian Umbrella for Resilience Support to the Economy	✔
	67	Tunisia Economic Resilience and Inclusion (TERI)	✔
	68	Yemen Resilience, Recovery and Reconstruction Umbrella Program	
South Asia	69	Afghanistan Reconstruction Trust Fund (ARTF)	✔
	70	India Country Umbrella	✔
	71	Pakistan@100 Trust fund	✔
	72	South Asia Regional Integration and Cooperation Umbrella (SARRE)	

✔ Check mark indicates that the program has been formally established.

*Any changes to proposed Umbrella 2.0 Programs made after June 30, 2021 are not reflected in this table.

ANNEX D. LIST OF TRUST FUNDS AND FIFS REFERENCED IN THIS REPORT

IBRD/IDA Trust Funds		
Program	Name	Weblink
ARTF	Afghanistan Reconstruction Trust Fund	http://www.artf.af/
CFF	Carbon Finance Fund	
CSF	Climate Support Facility	https://www.worldbank.org/en/topic/climatechange/brief/the-climate-support-facility
	Community and Capacity Development Support Program	
CIIP	Competitive Industries and Innovation Program	https://www.theciip.org/
CGAP	Consultative Group to Assist the Poor	https://www.cgap.org/
DMF	Debt Management Facility	https://www.dmfacility.org/
	EC-ECA World Bank Partnership Program	
ESMAP	Energy Sector Management Assistance Program	https://www.esmap.org/
	Europe2020 Programmatic Trust Fund	
EGPS	Extractives Global Programmatic Support	https://www.worldbank.org/en/programs/egps
FIRST 2.0	Financial Sector Reform and Strengthening	https://www.firstinitiative.org/
	FoodSystems2030	https://www.worldbank.org/en/topic/agriculture/brief/food-systems-2030
FLC	Foundational Learning Compact Umbrella Program	
GEWEL	Girls' Education and Women's Empowerment and Livelihood MDTF	
GFDRR	Global Facility for Disaster Reduction and Recovery	https://www.gfdrr.org/en
GFF	Global Financing Facility for Women, Children, and Adolescents	https://www.globalfinancingfacility.org/
GPP	Global Procurement Partnership	
GTP	Global Tax Program	https://www.worldbank.org/en/programs/the-global-tax-program
GWSP	Global Water Security and Sanitation Program	https://www.worldbank.org/en/programs/global-water-security-sanitation-partnership
GovTech	GovTech Global Partnership	https://www.worldbank.org/en/programs/govtech
HEPR	Health Emergency Preparedness and Response Fund	https://www.worldbank.org/en/topic/health/brief/health-emergency-preparedness-and-response-hepr-umbrella-program

Program	Name	Weblink
H-EQIP	Health Equity and Quality Improvement Program	
HRIE	Human Rights, Inclusion and Empowerment	https://www.worldbank.org/en/programs/human-rights-and-development-trust-fund
ID4D	Identification for Development	https://id4d.worldbank.org/
InfoDev	Information for Development Program	https://www.infodev.org/
	Jordan Inclusive Growth and Economic Opportunities	
	Korea Green Growth Trust Fund	http://www.kgreengrowthpartnership.org/
PROBLUE	PROBLUE	https://www.worldbank.org/en/programs/problue
PROCLEAN	PROCLEAN	
PROGREEN	PROGREEN	https://www.worldbank.org/en/programs/progreen
PPIAF	Public-Private Infrastructure Advisory Facility	https://ppiaf.org/
QIIP	Quality Infrastructure Investment Partnership	https://www.worldbank.org/en/programs/quality-infrastructure-investment-partnership
RSR-ADSP	Rapid Social Response–Adaptive and Dynamic Social Protection Program	https://www.worldbank.org/en/programs/rapidsocialresponseprogram
SASSP	Sahel Adaptive Social Protection Program	https://www.worldbank.org/en/programs/sahel-adaptive-social-protection-program-trust-fund
	Somalia Country Engagement	
SEADRIF	Southeast Asia Disaster Risk Insurance Facility	https://seadrif.org/
SFP	State and Peacebuilding Fund	https://www.worldbank.org/en/programs/state-and-peace-building-fund
STEP-UP	Strategic European Partnerships Umbrella Program	
STARS	Sudan Transition and Recovery Support Program	
SURGE	Sustainable Urban and Regional Development	
TERI	Tunisia Economic Resilience and Inclusion	
UFGE	Umbrella Facility for Gender Equality	https://www.worldbank.org/en/programs/umbrellafacilityforgenderequality
UFPE	Umbrella Facility for Poverty and Equity	
	West Bank and Gaza MDTF	https://www.worldbank.org/en/programs/palestinian-partnership-for-infrastructure-trust-fund

IFC Trust Funds		
Program	Name	Weblink
TF071494	Austria-Financial Support of IFC Advisory Services in Europe and Central Asia	
TFC-22-A	Canada-IFC Blended Climate Finance Program	https://www.ifc.org/wps/wcm/connect/topics-ext-content/ifc-external-corporate-site/bf/focus-areas/bf-climate/bcfp
TF071889 / TF083599	Department of Foreign Affairs and Trade (DFAT) - IFC Global Advisory Services Trust Fund/ Women in Work Sri Lanka	https://www.youtube.com/watch?v=MIMDI-fX4mw
TF072769	FIAS FY17-21 Investment Climate Cooperation Program	https://www.thefias.info/
TF073397	Financial Inclusion and Jobs for Middle East and North Africa (MENA) Micro Small and Medium Enterprises (MSME) 2 Multi Donor Trust Fund	https://youtu.be/Tu8I8FVXJNQ
TF071446	Financial Support for Advisory Services in Europe and Central Asia	
TF072979	IFC Support for G-20 Compact with Africa Initiative (ISCA)	https://www.compactwithafrica.org/content/compactwithafrica/home.html
TF073041	Korea-IFC Partnership Program	https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=16770
TF073374	Middle East and North Africa (MENA) Micro, Small and Medium Enterprises (MSME) 2.0 - Algeria Trust Fund	https://youtu.be/Tu8I8FVXJNQ
TF073373	Middle East and North Africa (MENA) Micro, Small and Medium Enterprises (MSME) 2.0 - Morocco Trust Fund	https://youtu.be/Tu8I8FVXJNQ
TF073272	Partnership for Resilient Efficient and Sustainable SMEs (PRESS) Facility	https://www.growlearnconnect.org/
TF073284	Private Sector Development in Somalia Program Trust Fund	https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=26072
TF072339	Project Development Facility to Support Infrastructure to Build Resilience	https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=17950
TF073142	Public Private Partnership Advisory Fund for Infrastructure Investment in Developing Countries	https://www.ifc.org/wps/wcm/connect/Industry-EXT-Content/IFC-External-Corporate-Site/PPP
TF072812	Somalia Private Sector Development Trust Fund	https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=26072
TF072383	Trust Fund to Facilitate USAID Access to IFC Advisory Service's Expertise	https://www.worldbank.org/en/topic/competitiveness/brief/invest-west-africa

Financial Intermediary Funds		
FIF	**Name**	**Weblink**
AF	Adaptation Fund	https://www.adaptation-fund.org/
AGR	AgResults	https://agresults.org/
CEPI	Coalition for Epidemic Preparedness Innovations	https://cepi.net/
CGIAR	Formerly the Consultative Group on International Agriculture Research	https://www.cgiar.org/
CIF[a]	Climate Investment Funds	https://www.climateinvestmentfunds.org/
CTF	Clean Technology Fund	https://www.climateinvestmentfunds.org/topics/clean-technologies
SCF	Strategic Climate Fund	https://www.climateinvestmentfunds.org/content/strategic-climate-fund-structure
CREWS	Climate Risk and Early Warning Systems Initiative	https://www.crews-initiative.org/en
DRTF	Debt Relief Trust Fund	
Gavi[b]	Gavi, the Vaccine Alliance (formerly the Global Alliance for Vaccines and Immunization)	https://www.gavi.org/
AMC	Advanced Market Commitment for Pneumococcal Vaccines	https://www.gavi.org/investing-gavi/innovative-financing/pneumococcal-amc
IFFIm	International Finance Facility for Immunization	https://iffim.org/
GCFF	Global Concessional Financing Facility	https://globalcff.org/
GEF[c]	Global Environment Facility	https://www.thegef.org/
CBIT	Capacity Building Initiative for Transparency	https://www.thegef.org/topics/capacity-building-initiative-transparency-cbit
LDCF	Least Developed Countries Fund for Climate Change	https://www.thegef.org/topics/least-developed-countries-fund-ldcf
NPIF	Nagoya Protocol Implementation Fund	https://www.thegef.org/documents/brochure-nagoya-protocol-implementation-fund
SCCF	Special Climate Change Fund	https://www.thegef.org/topics/special-climate-change-fund-sccf
GAFSP	Global Agriculture and Food Security Program	https://www.gafspfund.org/
Global Fund	Global Fund to Fight AIDS, Tuberculosis and Malaria	https://www.theglobalfund.org/en/
GIF	Global Infrastructure Facility	https://www.globalinfrafacility.org/
GPE	Global Partnership for Education	https://www.globalpartnership.org/
GCF	Green Climate Fund	https://www.greenclimate.fund/
GRIF	Guyana REDD-Plus Investment Fund	http://www.guyanareddfund.org/

FIF	Name	Weblink
HRF	Haiti Reconstruction Fund	https://www.haitireconstructionfund.org/
MENATF	Middle East and North Africa Transition Fund	https://www.menatransitionfund.org/
PEF	Pandemic Emergency Financing Facility	https://www.worldbank.org/en/topic/pandemics/brief/pandemic-emergency-financing-facility
PAF	Pilot Auction Facility for Methane and Climate Mitigation	https://www.pilotauctionfacility.org/
We-Fi	Women Entrepreneurs Finance Initiative	https://we-fi.org/

[a] CTF and the SCF are two separate FIFs that support the Climate Investment Funds.
[b] Although Gavi is not a FIF, both AMC and IFFIm are FIFs that provide financial resources for Gavi.
[c] CBIT, LDCF, NPIF, and SCCF are four separate FIFs that are managed under the GEF governance framework in addition to the main GEF Fund.

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