



Sida's support to the World Bank Group in 2023

In 2023, Sida disbursed SEK 1.317 billion to the World Bank Group (WBG). Sida's financial support is mainly directed through a number of trust funds and financial intermediary funds. These funds have a global, regional or country focus with either a specific thematic or geographical aim.



WORLD BANK GROUP

THE PARTNERSHIP WITH THE WORLD BANK GROUP

The World Bank Group (WBG) is one of the world's largest sources of funding and knowledge for developing countries. Sida supports the WBG's mission and twin goals: to end extreme poverty and to promote shared prosperity on a livable planet.

Sweden's cooperation with the WBG is guided by the Government's new overarching policy, *Development assistance for a new era – freedom, empowerment and sustainable growth* focusing on a long-term perspective, transparency and effectiveness for Swedish development assistance to be able to better tackle multiple global challenges. The capacity of multilateral development banks, and the lever effect that they enable, is critical to bring about comprehensive systemic changes and structural reforms.

Sweden's Ministry for Foreign Affairs, contributes funds to the International Development Association (IDA), the International Bank for Reconstruction and Development (IBRD) and the International Finance Cooperation (IFC). These contributions can be defined as 'core support' to the WBG, which finance concessional loans and grants to developing countries.

SIDA'S SUPPORT TO THE WORLD BANK GROUP

Sida's support to the WBG is channeled through trust funds (TFs) and financial intermediary funds (FIFs) promoting global public goods through e.g. knowledge generation or addressing global challenges and pilot innovations that may later be brought to scale, at global, regional and country level. The trust funds complement the World Bank's longer-term lending instruments and are often global first responders, providing grants to countries confronting crises and shocks, including in fragile, conflict-affected, and vulnerable regions or when natural hazards strike. Trust funds also allow the WBG to mobilize resources to strategic development priorities and capabilities of other development actors through various partnership programs.

At Sida, selection of implementing partners and decisions on financial contributions are decentralized and decisions are guided by global, regional or bilateral strategies for development cooperation, decided by the Government of Sweden. Sida's contributions to trust funds are often combined with contributions from other donors in multi-donor trust funds and umbrella trust funds and complement funding from the IBRD, IDA and IFC to WBG country programmes.

The financial support from Sida is normally in the form of flexible funds, which allows Sida, in dialogue with the WBG and its partners, to influence strategic planning of programmes.

Financial intermediary funds (FIFs) are different from trust funds, as they are hosted entities within the WBG and normally have their own board and governance structure. The WBG's role is to provide financial intermediary services as Trustee of the FIFs. Sida's largest contributions to a FIF is to the Global Partnership for Education and the CGIAR. Sida is also financing secondments of Swedish senior experts and Junior Professional Officers to the WBG providing expertise in areas of mutual priority as well as contributing to the development and strengthening of the Swedish resource base for multilateral development cooperation.

EVOLVING THE WORLD BANK GROUP

In 2022, the WBG started an internal reform process called the Evolving Bank and the management presented its Roadmap in December the same year. The purpose was to become a better bank, finding ways to better address the development challenges of today, including increased poverty and inequality, but also global challenges such as climate change, pandemics, and increased number of conflicts and violence.

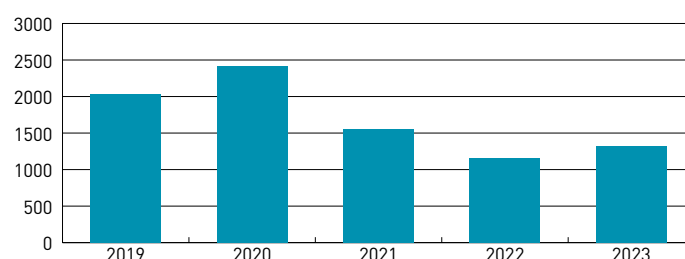
Main areas within the evolution process are (i) a new vision, to create a world free of poverty on a livable planet; (ii) sharpened operational solutions anchored in a new WBG 'playbook' with focus on country engagement and becoming a One World Bank Group; (iii) a new Knowledge Compact, placing knowledge front and center of the WBG's work; (iv) an outcome oriented WBG Scorecard linked to the SDGs; (v) a new financial model to increase the WBG's financing capacity to meet development needs.

Sweden's Ministry for Foreign Affairs and the Ministry of Finance have the overall responsibility to represent Sweden in this process, while Sida contributes with its expertise.

FINANCIAL OUTCOME

In 2023, Sida disbursed a total of SEK 1.317 billion to the WBG (Figure 1), which makes the WBG Sida's second largest

FIGURE 1: SIDA'S ANNUAL DISBURSEMENT TO WBG 2019-2023 (MILLION SEK)



partner (after UNICEF). This is an increase compared to 2022 when the total disbursement was SEK 1.15 billion. The increase is explained by Sida's large contribution to the Ukraine Relief, Recovery, Reconstruction, Reform Trust Fund in 2023. Sida's ten largest contributions to WBG trust funds and FIFs can be found in Figure 2.

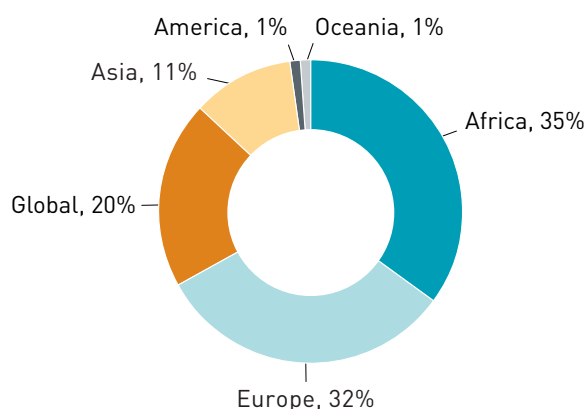
FIGURE 2: TOP 10 WBG TRUST FUNDS AND FIFS RECEIVING SUPPORT FROM SIDA IN 2023 (MILLION SEK)



GEOGRAPHICAL AND THEMATIC DISTRIBUTION

The largest shares of Sida's support are directed to WBG programmes in Africa, Europe and through global thematic programmes (Figure 3). The biggest recipient countries are Ukraine, Mozambique and Somalia. For thematic support, the main sectors (as defined by the OECD-DAC) are Reconstruction relief and rehabilitation, Energy, Education, Government and Civil Society, and Health.

FIGURE 3: SIDA'S SUPPORT TO THE WBG BY REGION 2023



HIGH LEVEL STRATEGIC DIALOGUE

Sida participates at the IMF/WBG Annual and Spring meetings and contribute to the high-level dialogue, bilateral meetings or events, focusing on Swedish priorities such as environment and climate, private capital mobilization, gender equality, and the WBG's efforts to work in fragile and conflict-affected contexts.

Every two years, Sweden holds bilateral high-level strategic consultations with the WBG. The purpose is to strengthen Sweden's dialogue and cooperation with the WBG. The last consultations (2021) resulted in a joint recognition of the strong and strategic bilateral partnership between Sweden

and the WBG. The parties agreed on continued joint efforts to accelerate a just transition to low-carbon growth and phase out of fossil fuels through country-driven reforms and climate diplomacy.

THE WORLD BANK GROUP'S INSTITUTIONS

The WBG has 189 member countries, staff from more than 170 countries, and offices in over 130 locations.

The five institutions that form the WBG are the following:

1. International Development Association (IDA)
2. International Bank for Reconstruction and Development (IBRD)
3. International Finance Corporation (IFC)
4. Multilateral Investment Guarantee Agency (MIGA)
5. International Centre for the Settlement of Investment Disputes (ICSID)

<https://www.worldbank.org/>

PROGRAMMES RECEIVING FUNDING FROM SIDA

The Human Rights Inclusion and Empowerment Umbrella Trust Fund (HRIE), operating since 2008, is a World Bank knowledge and learning initiative on human rights designed to enhance the understanding and application of human rights in WB operations and analyses. Sida is the biggest contributor to HRIE, and other donors are Canada, Finland, Germany, Iceland, the Netherlands, Norway, the United Kingdom and France. The HRIE is a small fund with large impact. It supports units and teams across the WB – at national, regional, and global level – to build their capacity in integrating human rights into operational and/or analytical work. Activities span over sectors such as infrastructure; governance; fragility, conflict, violence and forced displacement; social inclusion; research and evaluation.

HRIE has financed analytical work on: human rights in the digital world to ensure that project design for digital infrastructure mitigates potential human rights impact ("Cybersecurity and Human Rights" World Bank 2023); anticorruption and human rights that analysed the overlaps between these agendas; data collection aiming at understanding and addressing barriers to access to justice for LGBTI people in the Western Balkans and to enhance knowledge of the determinants and the cost of discrimination based on sexual orientation and gender identity, [Barriers to LGBTI People Accessing Justice in Serbia | Social Analysis \(worldbank.org\)](#). The HRIE has also financed research on embedding the rights of women with disabilities in WB operations which has generated critical data on legal frameworks to inform policy engagement globally by assessing gender and disability laws and policies worldwide, [Women with Disabilities \(worldbank.org\)](#) and a [toolkit](#). The fund has also facilitated the publication [Integrating-HR-into-development-WEB.pdf \(worldbank.org\)](#).



More information about HRIE can be found at: [Human Rights, Inclusion and Empowerment \(worldbank.org\)](#)

For more information about the portfolio and Sida's cooperation with the World Bank Group, please contact Sida's focal points for the WBG: Cristina de Carvalho Eriksson, cristina.de-carvalho@sida.se or Maria Liungman, maria.liungman@sida.se