



Sida's support to the World Bank Group

In 2019, Sida disbursed SEK 2.0 billion to the World Bank Group (WBG), which makes the organisation the second largest recipient of Sida development cooperation financing. Sida's financial support to the WBG is mainly directed through trust funds at global, regional and country level, with specific thematic or geographical focuses. Sida also collaborates with the WBG on knowledge production and with the International Finance Corporation (IFC) on private sector development.



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 collaborates with the WBG to support its commitments to reducing poverty, increasing shared prosperity, and promoting sustainable development.

Decisions on financial contributions and choices of implementing partners are managed by Sida in a decentralised manner. Such decisions are guided by global, regional or bilateral Strategies for Development Cooperation, decided by the Government of Sweden. Sweden's policy vis-à-vis the WBG is guided by the Government Strategy for Multilateral Development Policy and by the Government's Strategy for Sweden's Cooperation with the World Bank Group 2020–2023 which defines four priority areas: 1) inclusive sustainable economic growth and development, 2) environment and climate, 3) gender equality and 4) peace- and state building.

Sida's support to the WBG is channelled through trust funds and financial intermediary funds that channel contributions to specific programmes. The World Bank plays a key role as implementing partner of programmes supported by Sida and is also a financier of programmes implemented by e.g. governments, the UN or the private sector. Sida's support is often combined with support from other donors in multi-donor trust funds (MDTFs). The support is mostly not tightly earmarked, which allows for Sida, in discussion with the WBG and partners, to influence long-term and strategic planning of programmes.

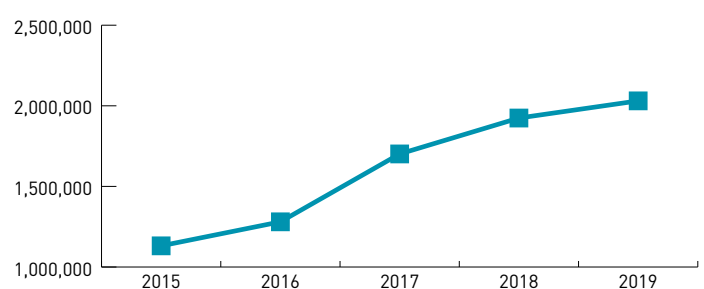
Since 2016, Sida has an agreement for senior secondments of Swedish professionals to the World Bank. So far, Sida has financed four senior secondments in addition to several Swedish Junior Professional Officers (JPOs).

During 2019 and 2020 the WBG has, together with partners, been actively engaged in a trust fund reform. The overall objective is to increase effectiveness, efficiency and counteract aid fragmentation. This will be achieved by reducing the number of trust funds and clustering them under thematic or geographic "Umbrellas". Sida has also decreased the number of WBG trust funds it supports.

FINANCIAL OUTCOME

In 2019, Sida disbursed SEK 2.03 billion to the WBG (Figure 1.). Sida's contributions to the 10 largest trust funds amount to 73 % of the total sum disbursed to the WBG.

FIGURE 1: SIDA'S ANNUAL DISBURSEMENT TO WBG, (MILLION SEK)



THE GLOBAL GOALS

The Global Goals for Sustainable Development include everyone – and we can all contribute. The goals are interdependent and therefore indivisible. Sida's main contribution is to implement development cooperation, thereby reducing poverty and saving lives. Together we can build a better future where no one is left behind.



Results

GEOGRAPHICAL AND THEMATIC DISTRIBUTION

Afghanistan is the biggest recipient country of Sida support through the World Bank followed by Somalia, Mozambique and Palestine (Figure 2.). However, the largest share of Sida support through the WBG is directed to global thematic programmes (Figure 3.). For thematic support, the predominant sectors (as defined by OECD-DAC) are government and civil society, education, energy, infrastructure, water and sanitation, and health.

FIGURE 2: TOP TEN WBG TRUST FUNDS RECEIVING SUPPORT FROM SIDA 2019 (MILLION SEK)

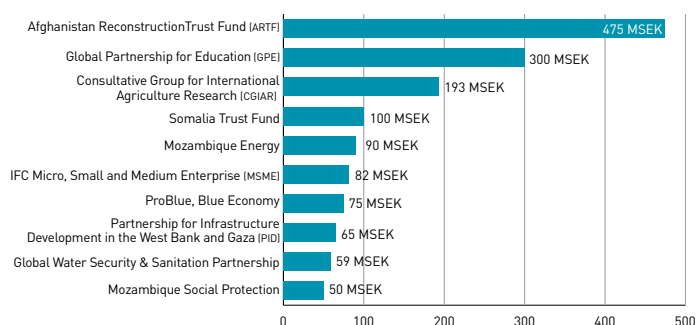
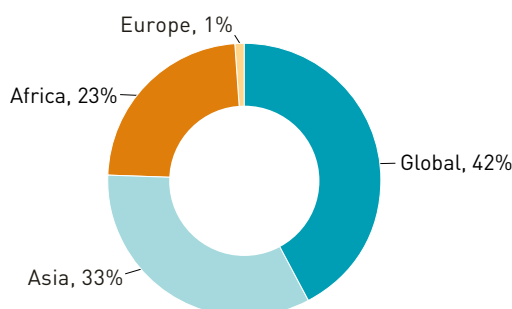


FIGURE 3: SIDA'S SUPPORT TO WBG BY REGION 2019



THE WORLD BANK GROUP'S MANDATE AND STRATEGIC PRIORITIES

The WBG mission is to fight poverty and help people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors. 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)

The WBG's Mission for the world to achieve by 2030 are:

- To end extreme poverty by reducing the share of the global population that lives in extreme poverty to 3%;
- To promote shared prosperity by increasing the incomes of the poorest 40% of people in every country.

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

SWEDEN AND THE WORLD BANK GROUP'S HIGH-LEVEL STRATEGIC CONSULTATIONS

The bilateral High-Level Strategic Consultations (HLSC) with the WBG were introduced in 2017 as a new approach to strengthen Sweden's dialogue and cooperation with the WBG. In June 2019, the HLSC focused on activities in areas affected by fragility and conflict, blended and innovative finance, human capital (including education and health), country diagnostics and research cooperation. A separate HLSC on gender equality was held in September 2019. The two parties have agreed to hold HLSC's every second year.

PROJECT: DIALOGUE ON GENDER

Sida's financial support is always linked to a partner dialogue with the aim to advance the uptake and implementation of Swedish development policies, perspectives and thematic priorities. To advance Sida's work on dialogue, Sida initiated a project in 2019 focusing on the dialogue with the WBG on gender equality and focused on challenges and areas for possible improvement of the dialogue. The project included a specific HLSC on gender equality as well as the participation of Sida's Lead Policy Specialist for gender equality in high-level meetings during the WBG/IMF Annual Meetings in October 2019.

PROGRAMMES RECEIVING FUNDING FROM SIDA

Sida's biggest contribution to the WBG is to the Afghanistan Reconstruction Trust Fund (ARTF). This fund is an important vehicle for the international community to finance the reconstruction and rehabilitation of Afghanistan after decades of conflict. The main purpose of the ARTF is to strengthen the government's ability to deliver basic services like education, health, infrastructure etc. The ARTF has contributed to significant results over the years. For example, 6.2 million Afghans now have access to electricity and 20.3 million Afghans (out of a total population of 37.17 million, 2018) have benefited from investment in water and sanitation. In addition, the ARTF has created 8 466 libraries, 1 602 schools and 6 teacher training sites. Gender equality is a key dialogue issue for Sida within the ARTF contribution.



Photo: Lotta Westerberg/Sida

For more information about the portfolio and Sida's cooperation with the World Bank Group, please contact Sida's focal points for the WBG: Eva Atterlöv Frisell +46 (0)8 698 50 00, eva.atterlov.frisell@sida.se and Cristina de Carvalho Eriksson, +46 (0)8 698 50 00, cristina.de-carvalho@sida.se