



Sida's support to the World Bank Group

In 2020, Sida disbursed SEK 2.4 billion to the World Bank Group (WBG), which makes the institution the single largest recipient of Sida's financial disbursements. The increase from 2019 is mainly due to an increased cooperation to respond to the effects of COVID-19. Sida's financial support to the WBG is mainly directed through trust funds at global, regional and country level, with specific thematic or geographical focus.



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 mission with its twin goals: to end extreme poverty and promote shared prosperity in a sustainable way.

Sweden's cooperation with the WBG is guided by the Government's [Multilateral Development Policy](#) and its [Strategy for Sweden's Cooperation with the World Bank Group 2020-2023](#). The latter 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 which fund a wide range of specific projects. The World Bank plays a key role as an implementing partner of programmes supported by Sida and is also a financier of programmes implemented in partner countries by governments, the UN, the private sector or others. Sida's support is often combined with other donors' support in multi donor trust funds. The support is mostly *not* tightly earmarked, which allows for Sida, in discussion with the WBG and its partners, to influence long-term and strategic planning of programmes.

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.

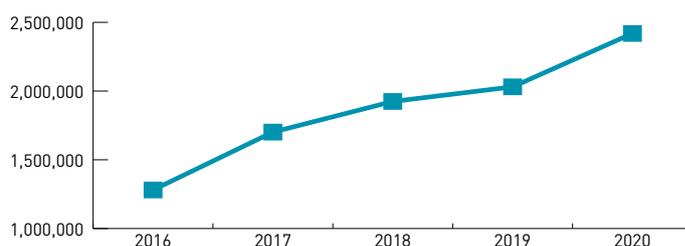
Sida is also financing secondments of Swedish senior experts to the World Bank as well as Swedish Junior Professional Officers (JPOs). This is a means to contribute to the Swedish resource base in development cooperation and also to provide expertise to the WBG in areas of mutual priority.

The WBG is currently implementing a trust fund reform with the overall objective to increase aid effectiveness and counteract fragmentation. This is achieved by reducing the number of trust funds and clustering them under thematic or geographic "umbrellas". Sida has, together with other donors, been actively engaged in this important reform process.

FINANCIAL OUTCOME

In 2020, Sida disbursed SEK 2.4 billion to the WBG (Figure 1), which is an increase of almost 20% from 2019. This makes the World Bank Group the largest single recipient of Sida's development cooperation financing. Sida's contributions to the ten largest WBG trust funds can be found in Figure 2.

FIGURE 1: SIDA'S ANNUAL DISBURSEMENT TO WBG 2016-2020, (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’s support through the World Bank, followed by Mozambique, the Sudan and Somalia. However, the largest share of Sida’s support through the WBG is directed through global thematic programmes (Figure 3). For thematic support, the main sectors (as defined by the OECD-DAC) are social infrastructure (incl. social protection), education, government (institutions) and civil society as well as agriculture and forestry.

FIGURE 2: TOP 10 WBG TRUST FUNDS AND FIFS RECEIVING SUPPORT FROM SIDA 2020 (MILLION SEK)

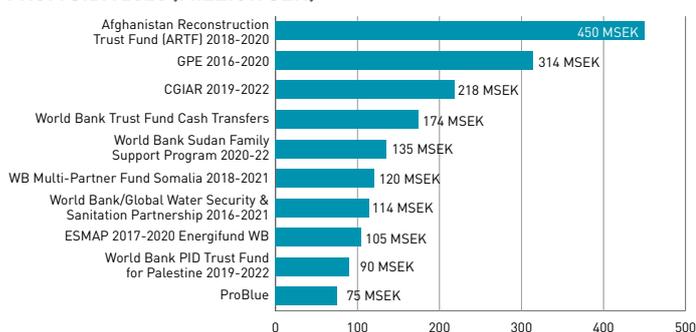
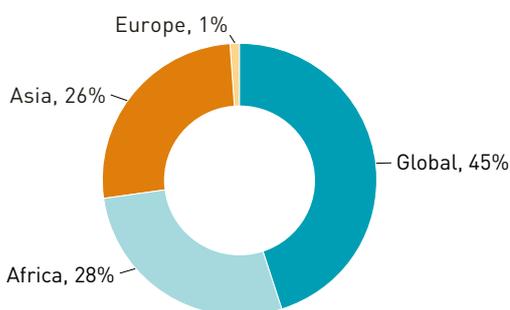


FIGURE 3: SIDA’S SUPPORT TO THE WBG BY REGION 2020



THE WORLD BANK GROUP’S MANDATE AND STRATEGIC PRIORITIES

The World Bank Group is an international financial institution with the mission to end extreme poverty and promote shared prosperity in developing countries. This is done by providing finance to projects in the form of loans and through grants, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

With 189 member countries, staff from more than 170 countries, and offices in over 130 locations, the WBG is a unique global partnership.

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/>

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

The bilateral High-Level Strategic Consultations (HLSC) were introduced in 2017 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 and research cooperation. A specific HLSC on gender equality was also held in September 2019. The next HLSC is planned for 2021.

PROJECT: DIALOGUE ON GENDER

Sida’s financial support is always linked to a dialogue with the partners. The aim is to advance the uptake and implementation of Swedish development policies, perspectives and thematic priorities. In 2019, Sida initiated a pilot project on dialogue with the WBG on gender equality. The purpose was to provide insights into WBG’s operations and to foster an exchange of ideas and knowledge in this prioritised area. The project was concluded in 2020 and has been presented both in Sweden and at the WBG.

PROGRAMMES RECEIVING FUNDING FROM SIDA

Sida’s biggest single 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 war and 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, the number of births attended by a skilled attendant have increased from 429,305 (2013) to 1,665,954 (2019). Also, 89 percent of the rural population is now (2019) living within 2 km of an all season road compared to 58 percent on 2012.

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