



A Path to Sustainability

Dia das Multilaterais

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30 Outubro 2023



Background



THE WORLD BANK

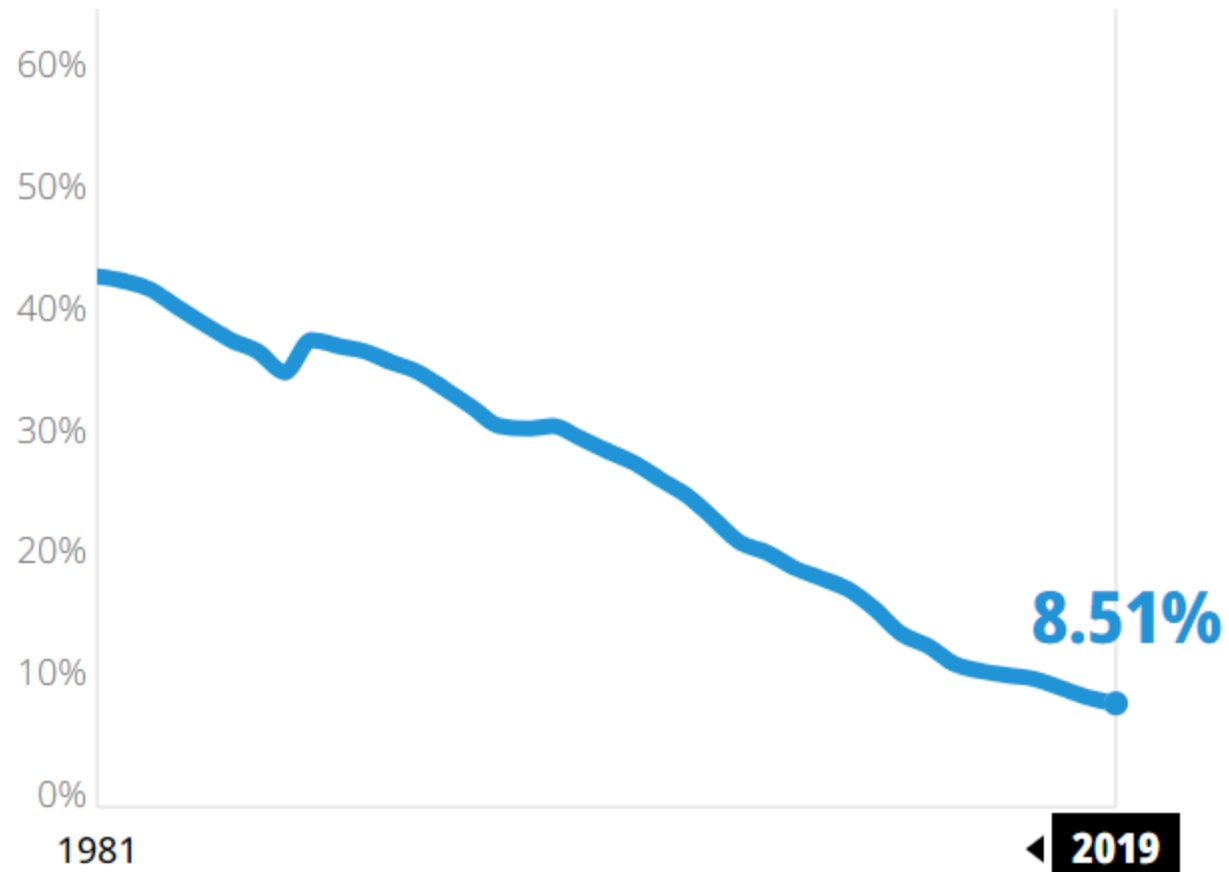
WBG Response



Evolution Roadmap

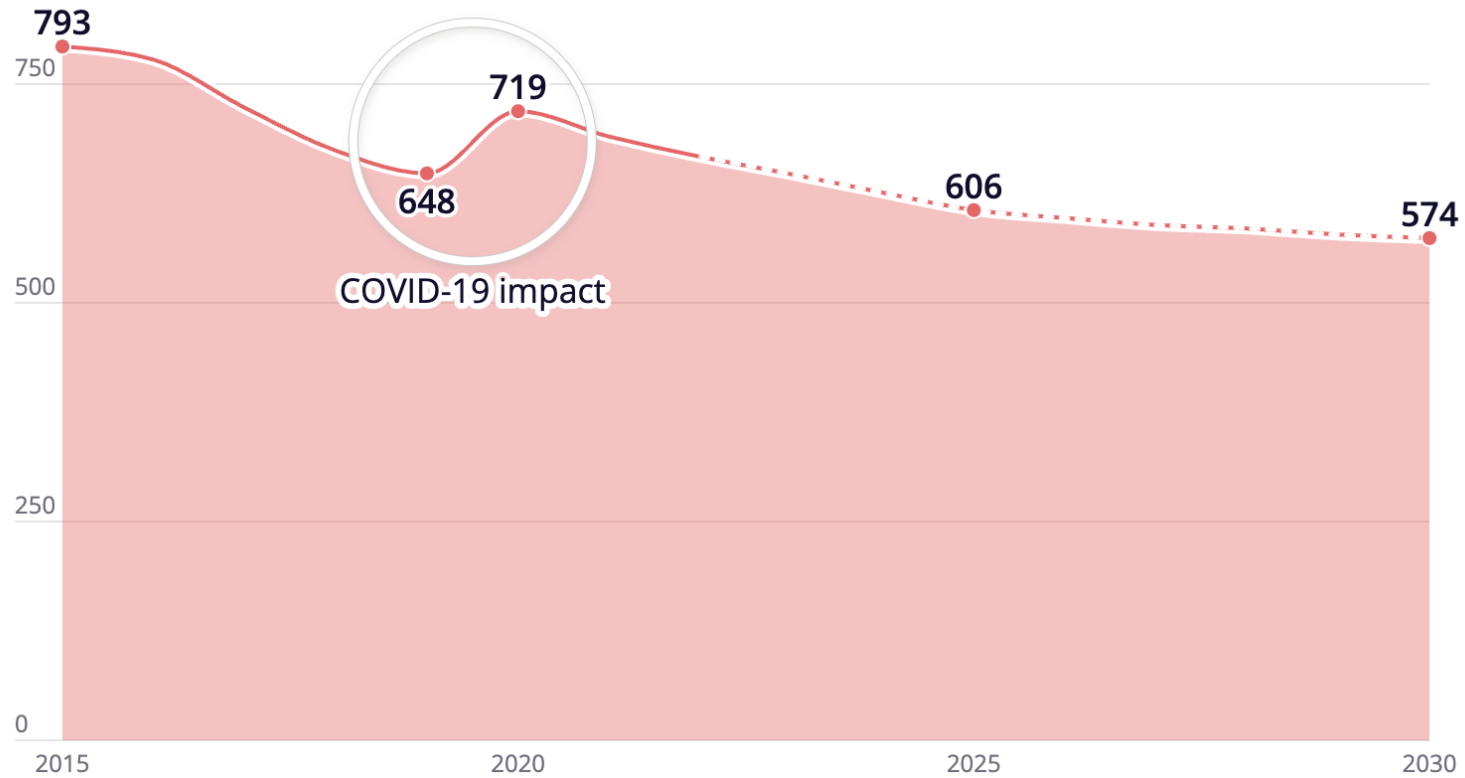
Global Progress for Poverty

Percentage of population below the international poverty line
(US\$2.15/day)



COVID-19 led to an increase in global poverty

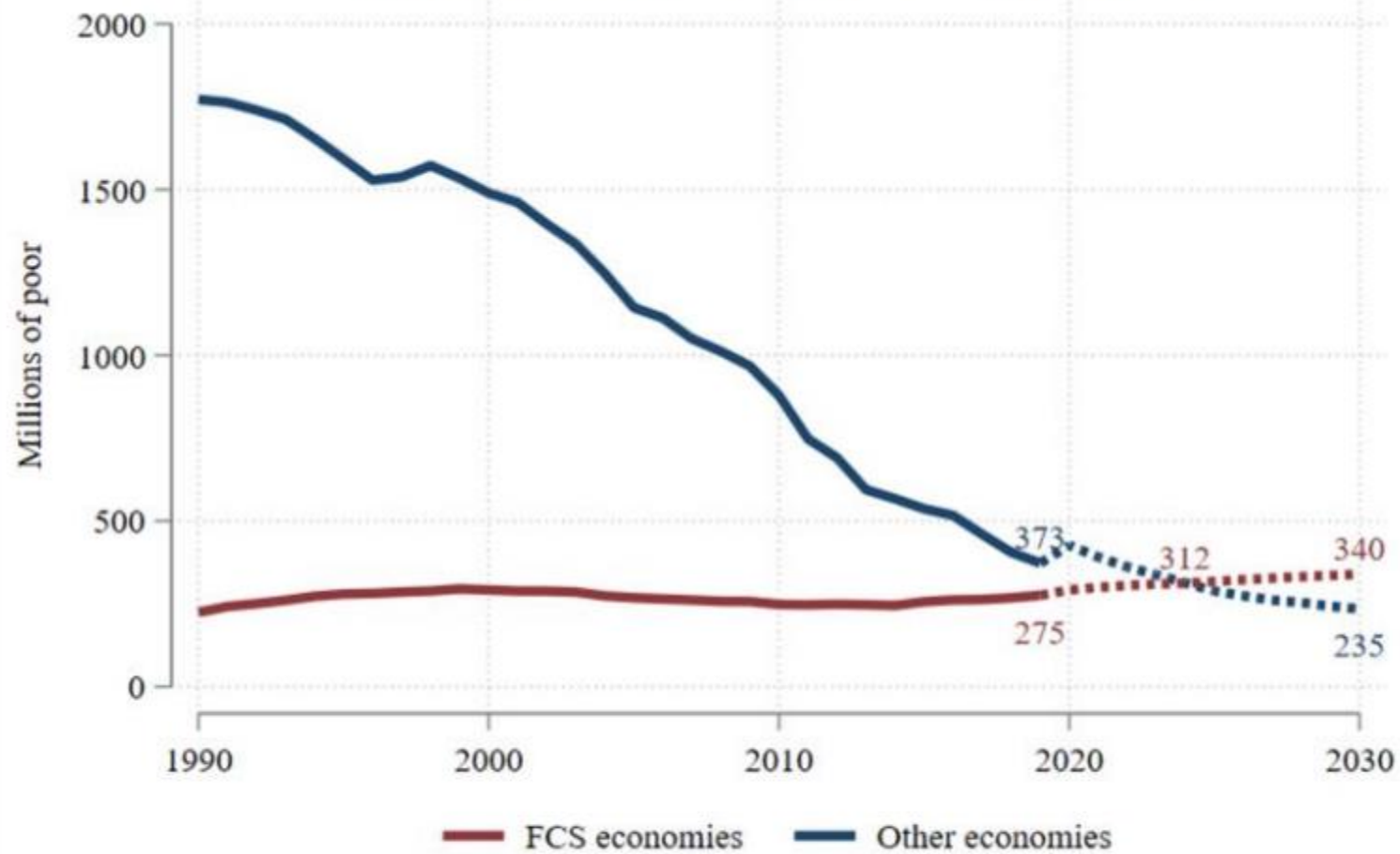
Millions of poor globally



Note: This figure uses the September 2022 vintage of the global poverty data and hence deviates a little from the prior numbers, which use the March 2023 vintage.

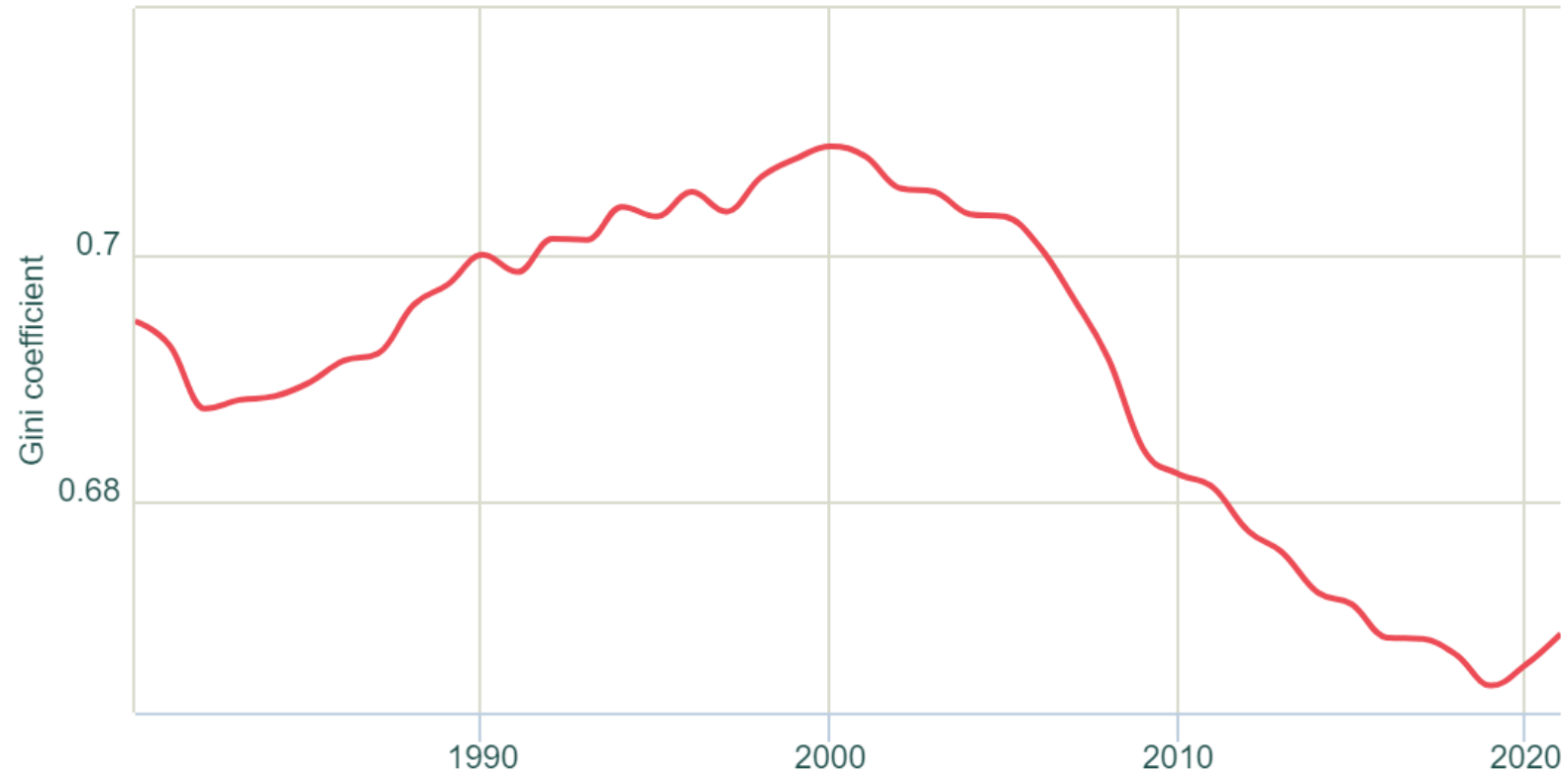
Data: World Bank Poverty and Inequality Platform, World Development Indicators (SI.POV.DDAY; SP.POP.TOTL), and 2022 Poverty and Shared Prosperity Report.

Millions of Extreme Poor, in FCS and Non-FCS



Sources: [Poverty and Inequality Platform](#) (PIP), v 20220909_2017_01_02_PROD; Mahler, Yonzan, and Lakner 2022; World Bank 2022h. Based on FY24 FCS list.

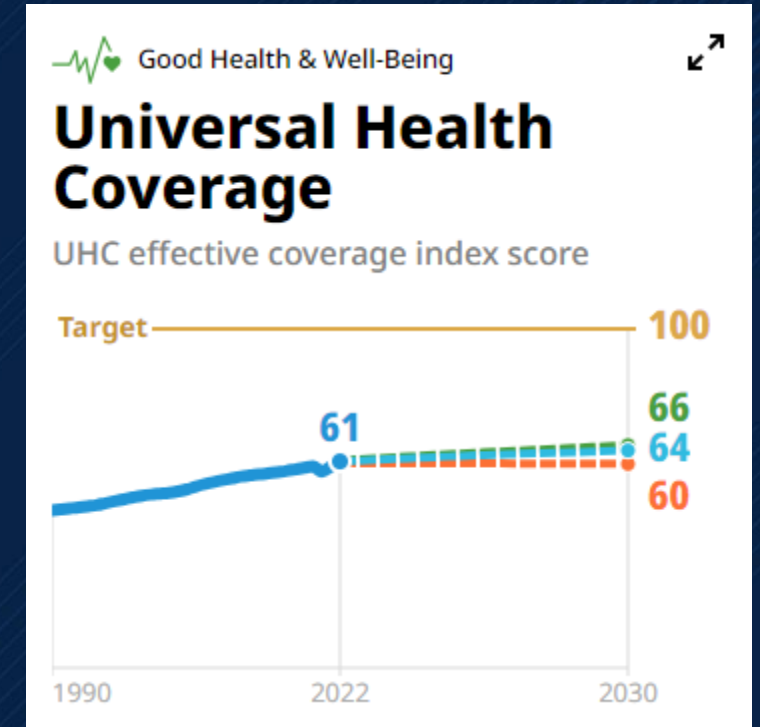
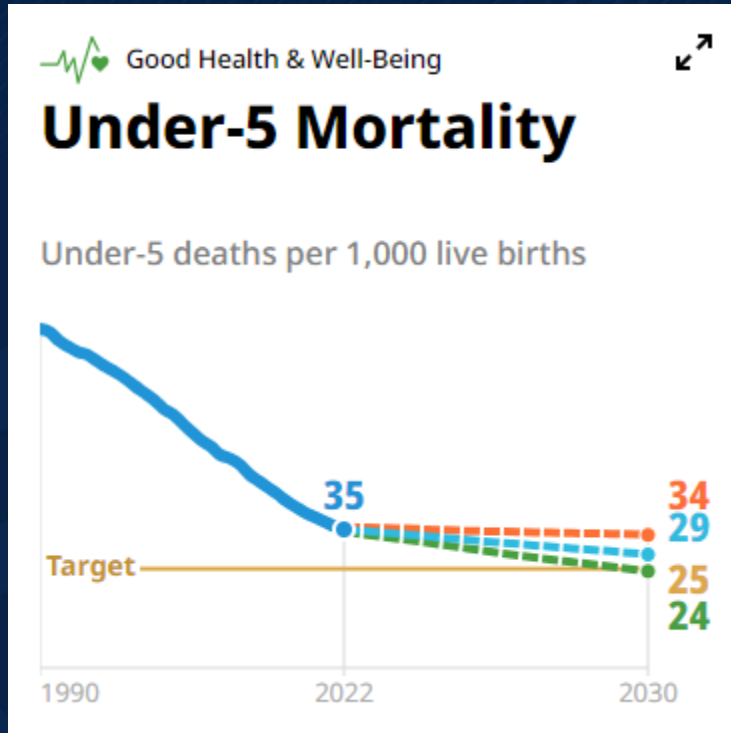
Gini index of national income



— World

Graph provided by www.wid.world

Significant number of SDGs are off-track





Financial stress



**Weaker-than-expected
near-term growth in
major economies**



**Climate-related
disasters**



**Persistently high
inflation**



Geopolitical stress



**Food and energy
market disruptions**



**Even higher-for-longer
interest rates**



Trade fragmentation



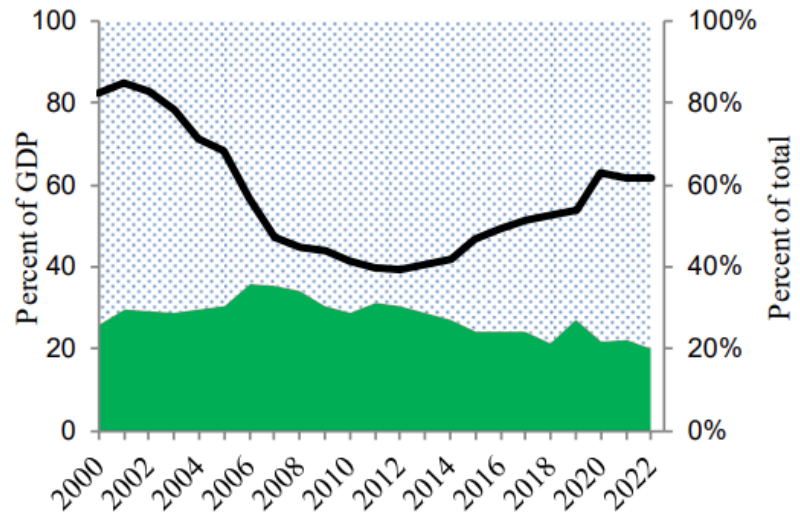
**Weaker-than-expected
long-term growth**

Currency Composition of Government Debt, 2000-22

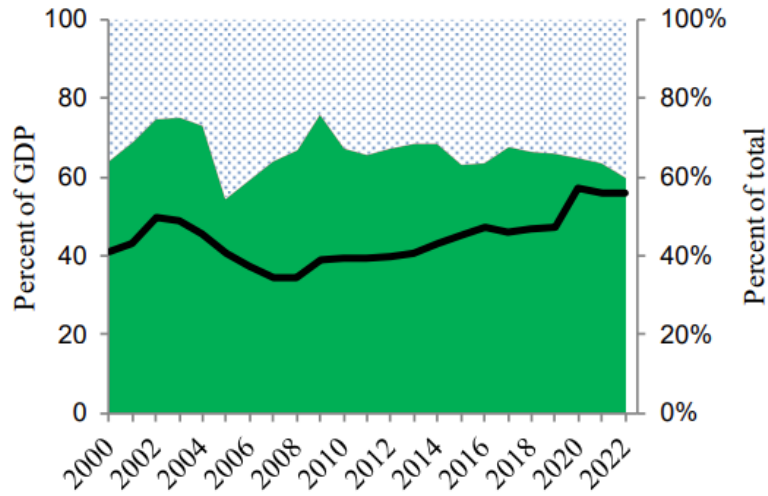
(Total in percent of GDP; Components in percent)

Domestic currency Foreign currency Total debt (lhs)

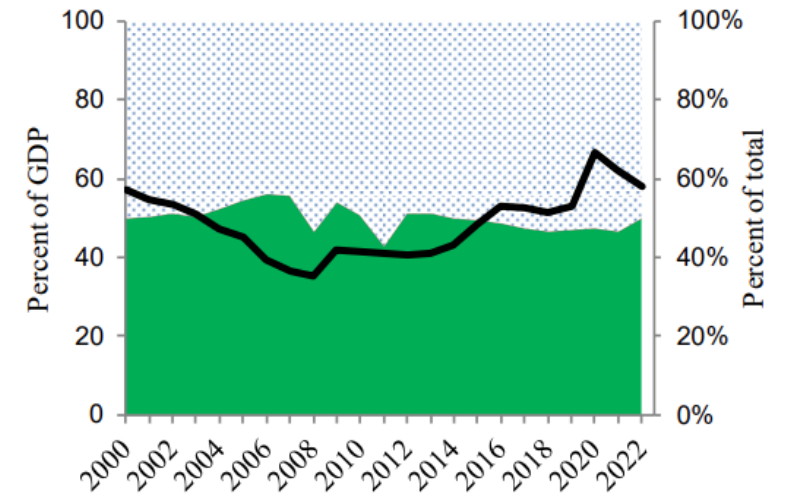
Low-income countries



Major emerging markets



Other emerging markets



Source: Eichengreen B. and Arslanalp, S. (2023), "Living with High Public Debt", Jackson Hole Economic Symposium.

ACLED Conflict Index

Ranking violent conflict levels across the world

Mid-Year Update: Data as of July 2023

1 in 6 people

are estimated to have been exposed to conflict so far in 2023

50 countries

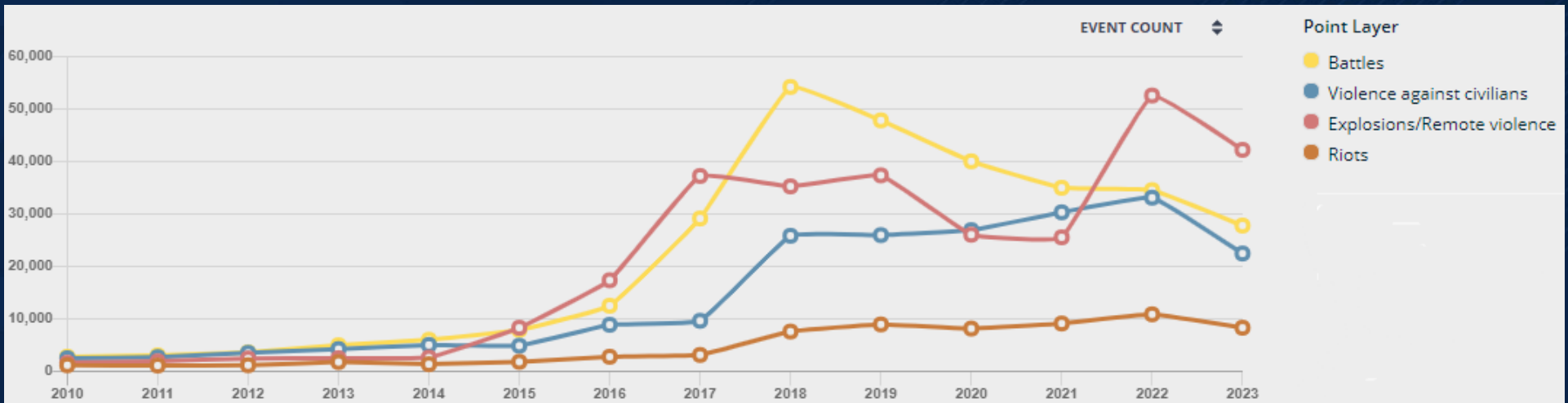
rank in the Index categories for extreme, high, or turbulent levels of conflict

Ukraine, Myanmar, Mexico, and Palestine

top each of the Index's four indicators

27% increase

in political violence incidents recorded in past 12 months



The Armed Conflict Location & Event Data "Conflict Index" assesses every country and territory in the world according to four indicators - deadliness, danger to civilians, geographic diffusion, and armed group fragmentation - based on analysis of political violence event data collected for the past year. The top 50 ranked countries and territories are experiencing extreme, high, or turbulent levels of conflict.

Autocratization

Advances in global levels of democracy made over the last 35 years have been wiped out

Most of the drastic changes have taken place within the last ten years

The level of democracy enjoyed by the average global citizen in 2022 is down to 1986 levels

72% of the world's population – 5.7 billion people – live in autocracies by 2022

Source: Varieties of Democracy 2023

SHARE OF WORLD POPULATION LIVING IN AUTOOCRACIES

2012:
46%



2022:
72%



SHARE OF WORLD POPULATION LIVING IN AUTOOCRATIZING COUNTRIES

2012:
5%



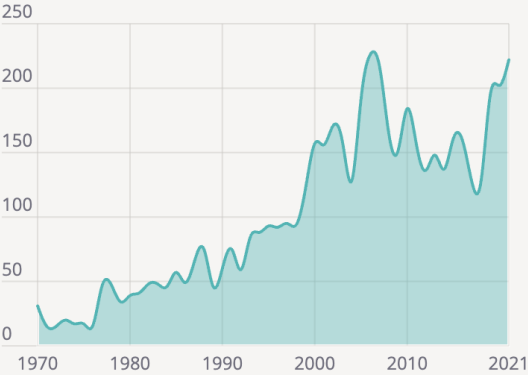
2022:
43%



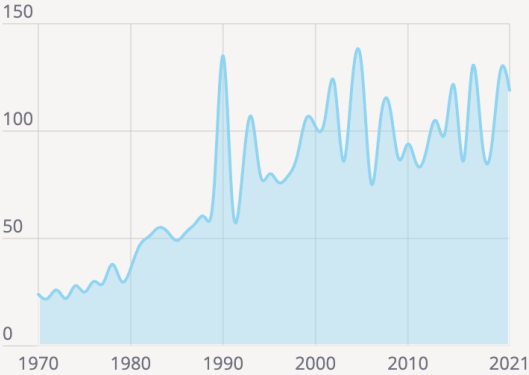
Frequency of natural disasters has increased across different types

Number of climate-related natural disasters by type

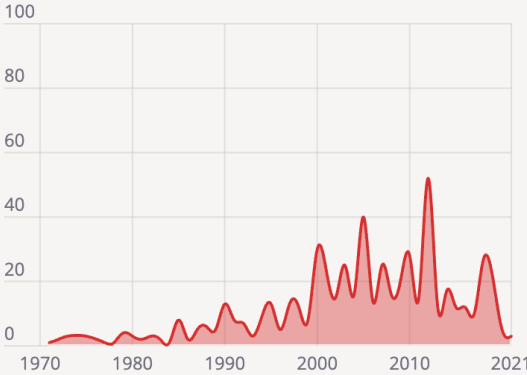
FLOOD



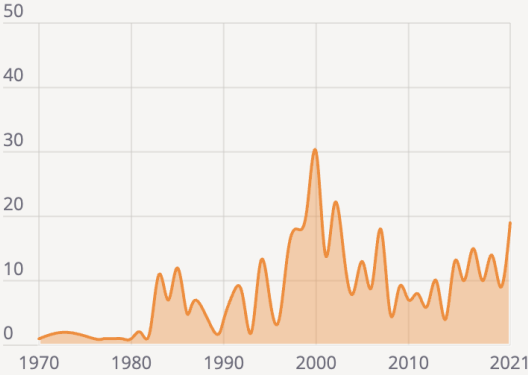
STORM



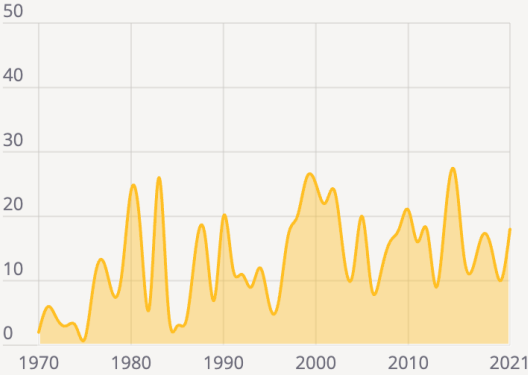
EXTREME TEMPERATURE



WILDFIRE



DROUGHT



Data: The international disasters database 2022



World Bank Group

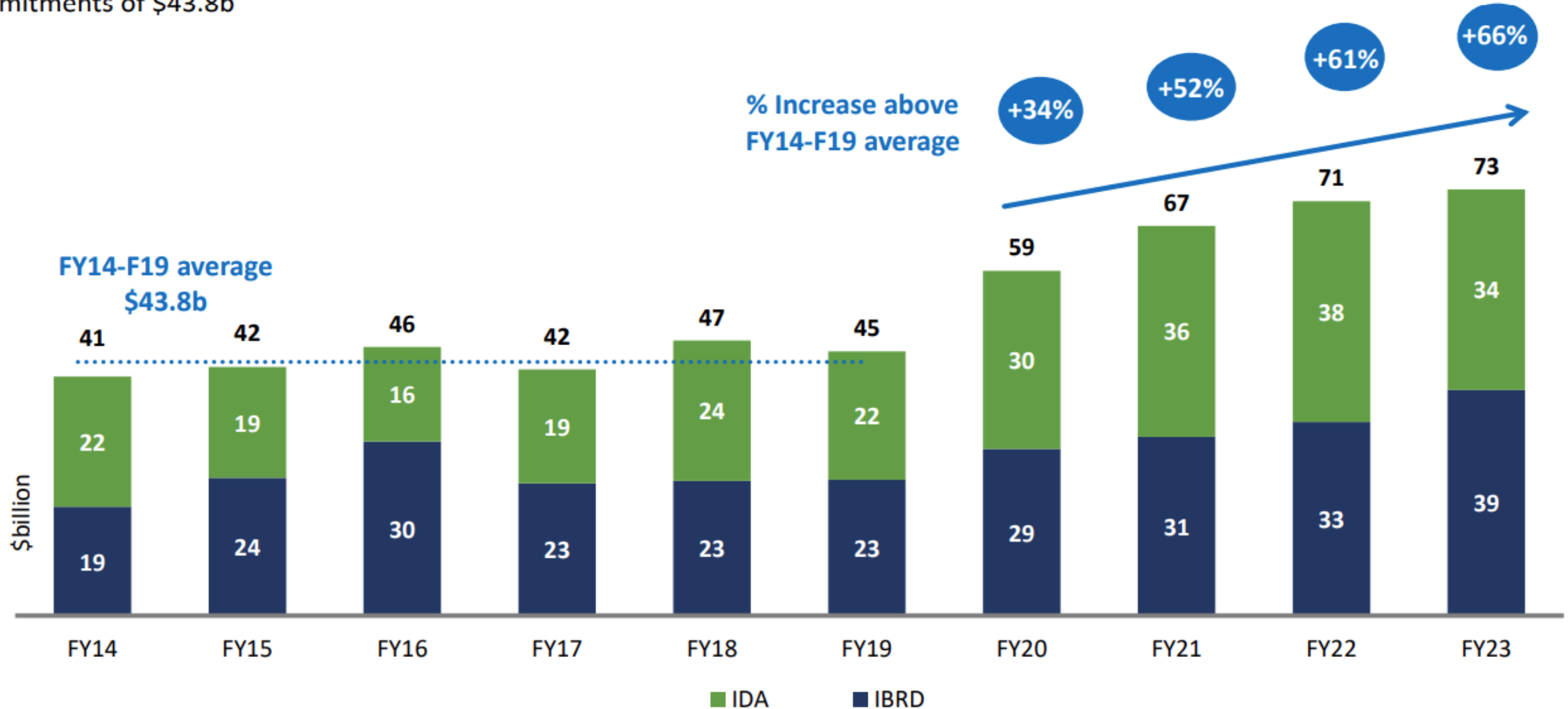
WORLD BANK GROUP COMMITMENTS, DISBURSEMENTS, AND GROSS ISSUANCE

BY FISCAL YEAR, MILLIONS OF DOLLARS

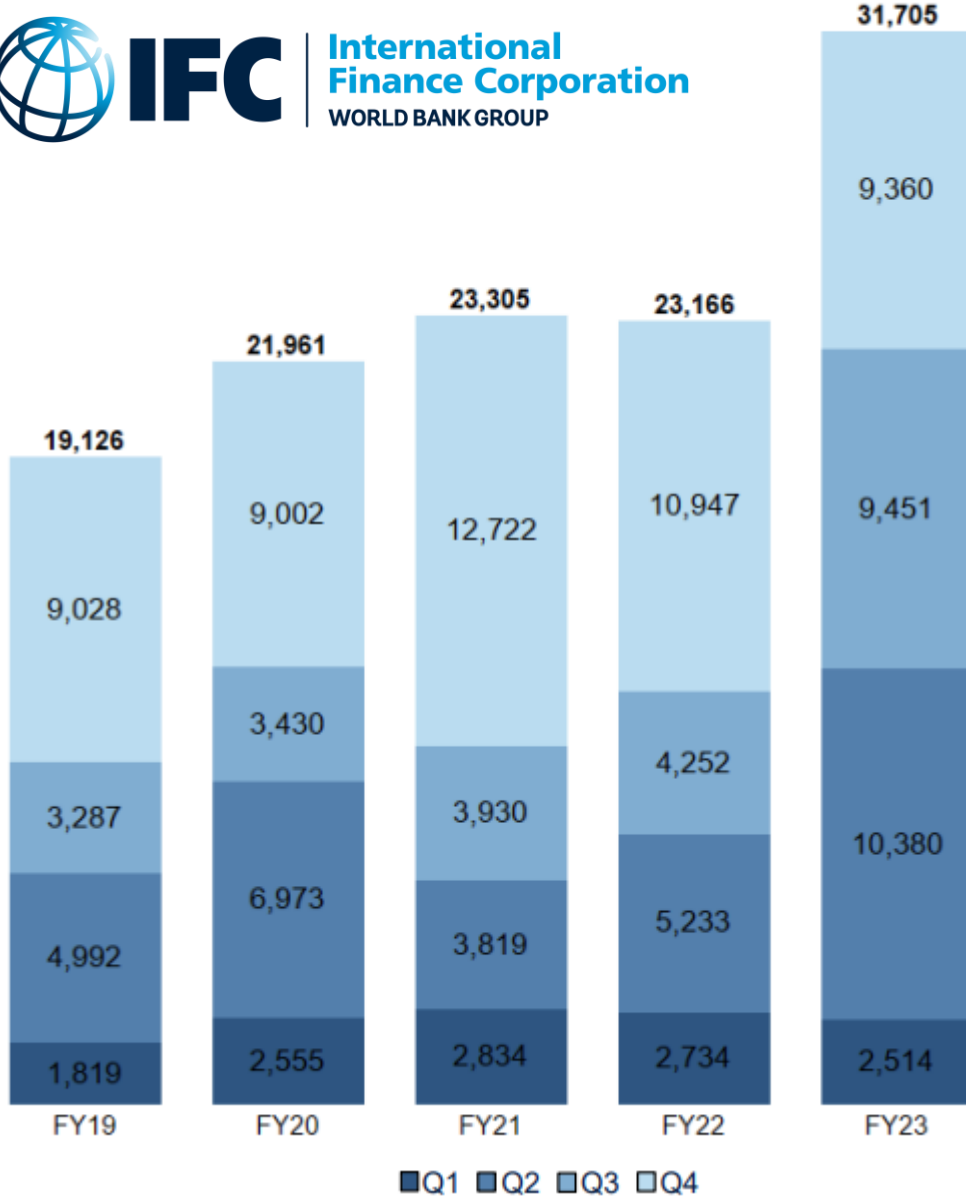
	2019	2020	2021	2022	2023
WORLD BANK GROUP					
Commitments ^a	68,105	83,547	98,830	104,370	128,341
Disbursements ^b	49,395	54,367	60,596	67,041	91,391
IBRD					
Commitments ^c	23,191	27,976	30,523	33,072	38,572
Disbursements	20,182	20,238	23,691	28,168	25,504
IDA					
Commitments ^{c,d}	21,932	30,365	36,028	37,727	34,245
Disbursements ^d	17,549	21,179	22,921	21,214	27,718
IFC					
Commitments ^e	14,684	17,604	20,669	22,229	27,704
Disbursements	9,074	10,518	11,438	13,198	18,689
MIGA					
Gross issuance	5,548	3,961	5,199	4,935	6,446
Recipient-Executed Disbursing Account					
Commitments	2,749	3,641	6,411	6,407	21,374
Disbursements	2,590	2,433	2,546	4,461	19,480

IBRD AND IDA FINANCING

FY23 WB financing was at \$72.8b (\$38.6b IBRD, \$34.2b IDA), \$2.0b above FY22 and 66% higher than the pre-crisis FY14-19 average commitments of \$43.8b

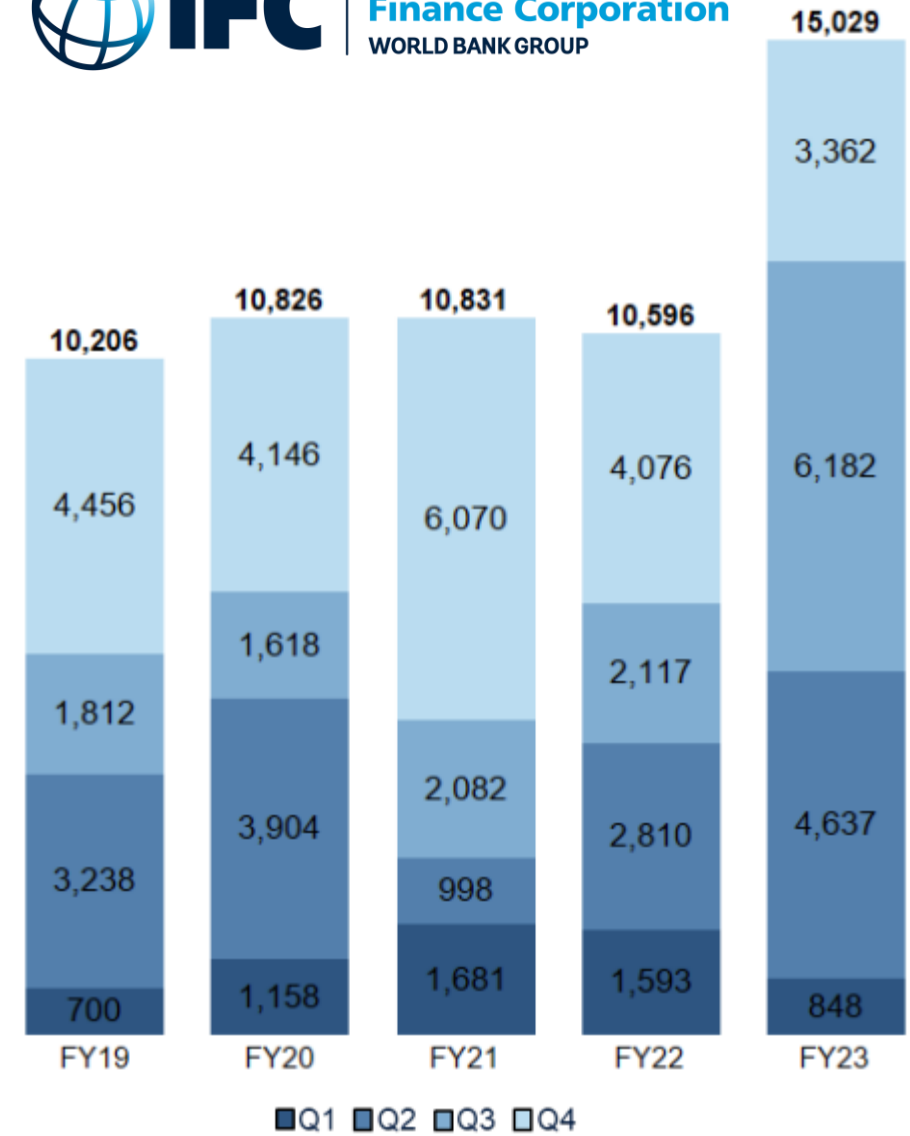


IFC Total LTF Commitment Volume by Quarter, FY19-23



IFC Core Mobilization Volume by Quarter, FY19-23

US\$. millions



FY18-FY23 IBRD and IDA FCV Financing

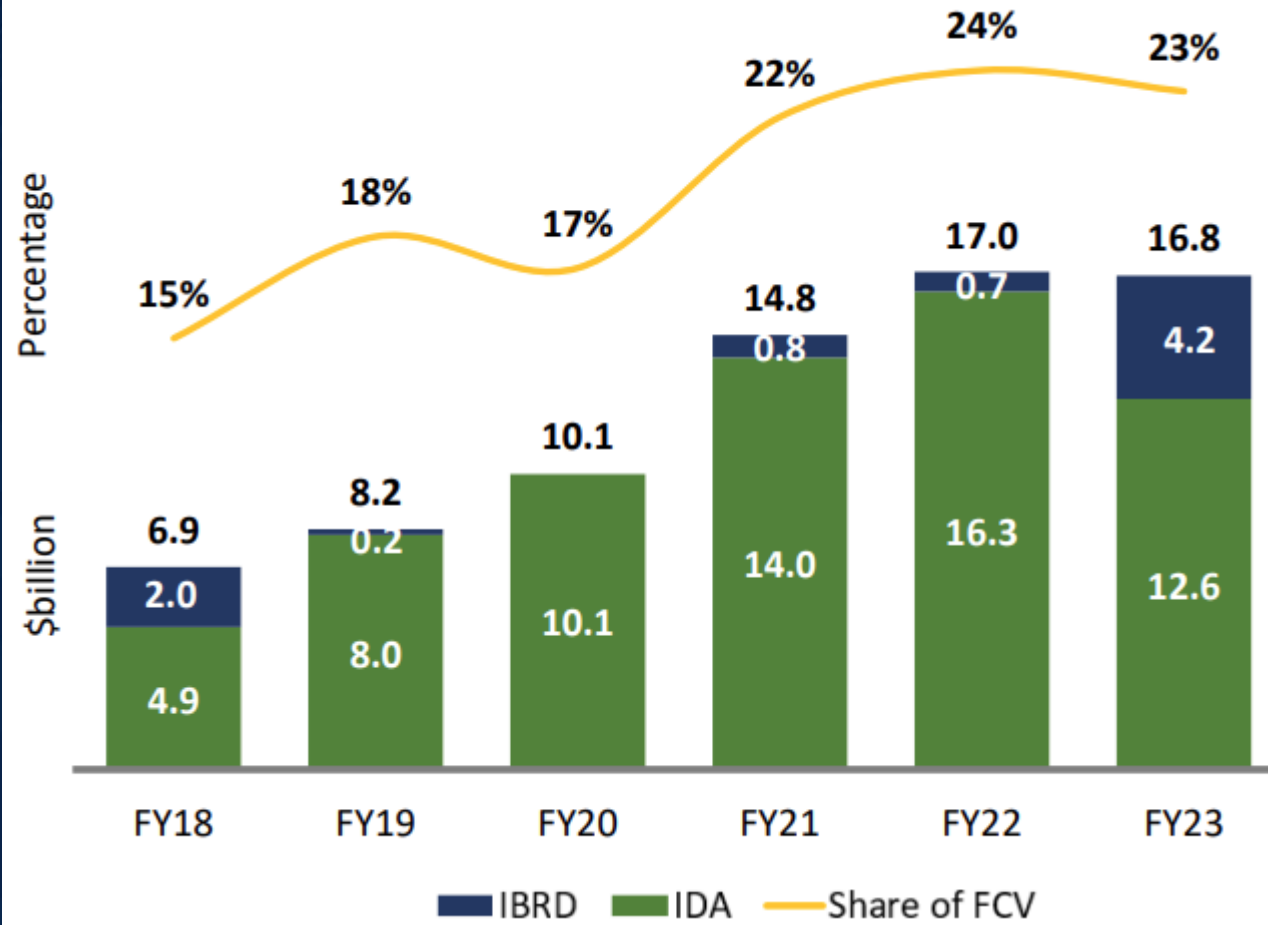


TABLE 21 IBRD COMMITMENTS BY THEME, FISCAL 2019–23

MILLIONS OF DOLLARS

THEME	FY19	FY20	FY21	FY22	FY23
Economic Policy	1,363	1,000	2,194	3,147	4,164
Environment and Natural Resources Management	8,514	9,423	10,902	13,664	18,412
Finance	3,546	5,304	6,408	4,375	7,417
Human Development and Gender	7,227	12,799	21,928	16,024	12,066
Private Sector Development	4,438	4,936	6,616	5,101	5,682
Public Sector Management	2,912	3,206	3,682	4,671	5,528
Social Development and Protection	2,453	4,721	5,603	3,964	4,518
Urban and Rural Development	6,511	6,777	7,945	10,549	14,272

TABLE 27 IDA COMMITMENTS BY THEME, FISCAL 2019–23

MILLIONS OF DOLLARS

THEME	FY19	FY20	FY21	FY22	FY23
Economic Policy	1,073	1,192	1,972	2,236	1,827
Environment and Natural Resources Management	9,680	11,141	13,019	15,228	15,595
Finance	2,418	2,680	6,161	5,760	4,840
Human Development and Gender	7,860	15,974	26,353	22,846	14,146
Private Sector Development	5,145	7,232	8,523	8,244	6,567
Public Sector Management	2,513	4,158	4,698	5,192	6,251
Social Development and Protection	2,722	4,738	8,114	6,568	6,109
Urban and Rural Development	7,866	8,899	11,647	19,375	17,416

Results and Performance Report 2023

- Notable increase in project restructurings
- Implementation challenges linked to conflict and instability increased from 8% of projects in the prepandemic period to 27% in projects closing in FY20-22
- Natural disasters negatively affected implementation of 23% of projects in FY20-22 compared to 9% in previous years



Evolution Roadmap

Evolution Roadmap



VISION & MISSION

Expand Vision and Mission to reflect global challenges; strengthen emphasis on resilience and sustainability



OPERATING MODEL

Enhancements to our country engagement model, analytics, financing instruments, and incentives



FINANCIAL MODEL

Balance Sheet Optimisation; concessionality within IBRD.



VISION & MISSION

The mission of the World Bank Group centers on achieving two overarching goals in a sustainable way:

End extreme poverty

and

Boost shared prosperity

by fostering sustainable, resilient, and inclusive development.



VISION & MISSION

A NEW VISION & MISSION

Our vision is to create a world free of poverty on a livable planet.

Our mission is to end extreme poverty and boost shared prosperity on a livable planet.

The WB will accelerate progress towards the SDGs as well as focus on eight global challenges:

- Climate Change Adaptation and Mitigation
- Fragility and Conflict
- Pandemic Prevention and Preparedness
- Energy access
- Food and Nutrition Security
- Water Security and Access
- Enabling Digitalization
- Protecting Biodiversity and Nature.



Agriculture and Food »

- Food Security Update
- Climate-Smart Agriculture
- Livestock and Sustainability
- [Show More →](#)



Climate Change »

- Climate-Smart Agriculture
- Disaster Risk Management



Competitiveness »

- Competition Policy
- Investment Climate
- Innovation and Entrepreneurship



Health »

- Infectious diseases and Vaccines
- Nutrition
- COVID-19 Hub
- [Show More →](#)



Inequality and Shared Prosperity »



Infrastructure »



Debt »

- Debt Relief



Digital Development »



Disaster Risk Management »



Jobs & Development »

- Labor Markets
- Skills Development
- Social Protection



Macroeconomics »

- Taxes and Government Revenue



Migration »



Education »

- Early Childhood Development
- Education and Technology
- Girls' Education
- [Show More →](#)



Energy »



Environment »

- Biodiversity
- Marine Plastic Pollution
- Natural Capital
- [Show More →](#)



Nutrition »



Poverty »

- Inequality and Shared Prosperity
- Measuring Poverty



Regional Integration »



Extractive Industries »

- Mining Investment and Governance Review
- Gas Flaring Reduction



Financial Inclusion »

- Payment Systems
- Credit Infrastructure
- Small and Medium Enterprises Finance



Financial Sector »

- Financial Stability
- Financial Integrity
- Long-Term Finance



Social Sustainability and Inclusion »

- Community-Driven Development
- Disability Inclusion
- Indigenous Peoples
- [Show More →](#)



Social Protection »

- Jobs and Development
- Pensions
- Safety Nets and Cash Transfers
- [Show More →](#)



Sustainable Infrastructure Finance »



Fragility, Conflict, and Violence »



Gender »



Governance »

- Procurement for Development



Trade »

- Trade Facilitation and Logistics
- Global Value Chains



Transport »



Urban Development »

- Disaster Risk Management
- Inclusive Cities
- Land



FINANCIAL MODEL

- Builds on G20 Capital Adequacy Report
- So far, concentrated on IBRD
- Reduction of minimum E/L ratio to 19%
- Increasing bilateral guarantee limits
- Hybrid capital: (i) private investors; (ii) shareholders
- Portfolio guarantee platform
- Enhanced callable capital
- Update on further utilizing MIGA's financial model for overall capital efficiency
- Concessionality in IBRD: Trust Funds, FIFs, GPG Fund, co-financing from development partners; and hybrid capital coupon payments relinquished.
- "Preferencing"



OPERATING MODEL

WBG EVOLUTION

BUILDING BLOCKS

Knowledge & Outcome Orientation

Speed & Simplification

New Programs & Instruments

Client Engagement

Crisis Response Toolkit

Domestic Resource Mobilization

Partnerships

Private Sector Mobilization & One WBG



Obrigado!

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WORLD BANK GROUP