



Sida's support to the World Bank Group (WBG)

In 2016, Sida disbursed close to SEK 1.3 billion to Trust Funds managed by the World Bank Group (WBG). This makes the WBG one of the largest recipients of contributions from Sida, with a share of approximately 20% of total multi-bilateral allocations. In addition to Sida's support to World Bank Trust Funds, the Ministry for Foreign Affairs disbursed approximately SEK 2.6 billion. In total, Sweden contributed almost SEK 3.9 billion to the WBG.



THE PARTNERSHIP WITH THE WORLD BANK GROUP

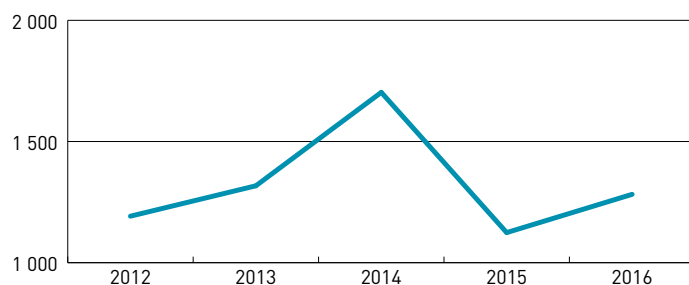
Sweden's cooperation with the WBG is guided by the Swedish Government strategy for cooperation with the WBG 2016–2018. The Government has identified four priority areas: 1) sustainable, inclusive economic development, 2) environment and climate, 3) gender equality and 4) peace and state building.

Most of Sida's support to the WBG is channelled through Trust Funds. The Trust Funds serve as financial and administrative mechanisms to receive contributions from donor governments for specific programmes and projects managed by the WBG. In the interest of aid effectiveness, Sida's contributions should preferably be channelled through Multi Donor Trust Funds (MDTF), to which several donors contribute. Funds can also be channelled to Financial Intermediary Funds (FIFs), which are joint efforts among donors to coordinate aid in key development areas. A long-term aim is to reduce the number of trust funds to which Sweden is contributing, and to achieve a more focused and coherent trust fund portfolio.

FINANCIAL OUTCOME

In 2016, most of Sida's contributions were made to MDTFs, with a total amount of approximately SEK 1.3 billion, making the WBG Sida's second largest development partner in 2016. The three largest contributions were made to the Afghanistan Reconstruction Trust Fund, the Global Partnership for Education, and the Global Water Security and Sanitation Partnership.

FIGURE 1: SIDA'S ANNUAL DISBURSEMENT TO WBG, MSEK



GEOGRAPHICAL AND THEMATIC DISTRIBUTION

The WBG provides loans and support to most low- and middle-income countries in the world, and thematic support on a global level. In 2016, global thematic Trust Funds received more than half of Sida's contributions to the WBG (51%), while support channelled through country specific and regional trust funds accounted for the remaining share (49%). Support to global programmes gives Sida an opportunity to contribute to poverty reduction in several areas relevant to Swedish development cooperation policy. It also provides an opportunity to take active part in the global policy dialogue, with the aim of having an impact in terms of policy development.

The predominant sectors were education, water and sanitation, agricultural research and urban, rural and social development.

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

THE WORLD BANK GROUP'S MANDATE AND STRATEGIC PRIORITIES

The WBG is a significant source of financial and technical assistance to low- and middle-income countries around the world. The WBG mission is to fight poverty for lasting results and to help people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

The WBG consists of five institutions. The International Development Association (IDA) focuses on the world's poorest countries while the International Bank for Reconstruction and Development (IBRD) aims at reducing poverty in middle-income and creditworthy poorer countries. Their work is complemented by that of the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for the Settlement of Investment Disputes (ICSID). The WBG provides low-interest or interest-free credits and grants for a wide array of purposes that include investments in various fields.

In 2016, Sweden entered into an agreement for secondments of Swedish staff to the WBG. At the end of 2016, Sweden was also financing three Swedish Junior Professional Officers (JPO) at the WBG.

GLOBAL DEVELOPMENTS

Although poverty has declined rapidly over the past three decades, humanity still faces urgent and complex challenges. More than 700 million people worldwide still live in destitution. Moreover, rising inequality and social exclusion seem to accompany the rising prosperity in many countries. Under these circumstances, the WBG's overarching mission of a world free of poverty continues to be relevant. The WBG helps to promote sustainable development in partner countries by providing financing, sharing knowledge and working with the public and private sectors. Delivering integrated solutions to help countries address their development challenges requires a focus on results.

During 2016, the WBG focused on developing innovative financing solutions, including those with private sector involvement, to ensure rapid response to global crises, and on reinforcing strategic partnerships between humanitarian and development actors. Another important priority was to strengthen the development response to forced displacements.

PROGRAMMES AND PROJECTS RECEIVING FUNDING FROM SIDA

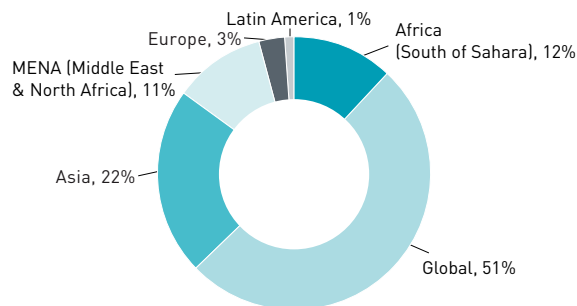
In 2016, Sida supported the Afghanistan Reconstruction Trust Fund (ARTF) and its programmes with SEK 280 million. The WBG reports that:

- In the area of rural development, the National Solidarity Programme has provided access to clean water in many

districts and contributed to local councils with democratic and more gender equal processes. The local councils present in 85% of Afghan communities have implemented 80,000 national development projects, resulting in economic prosperity in many villages.

- 11 436 female students have received scholarships and graduated from Teacher Training Colleges.
- The construction of an all-weather road in the Kandahar province has improved access to health centres and other services for people living in rural communities. In surrounding villages 16,000 residents have benefitted directly from the road.

FIGURE 2: SIDA'S SUPPORT TO WBG BY REGION



STORY OF CHANGE AT THE INDIVIDUAL LEVEL

Through the assistance from EQUIP, an educational programme within ARTF, a girl's school in Kandahar City in Afghanistan has been able to renovate their school. EQUIP assistance has also helped them purchase school supplies, new equipment, and a solar energy system which generates electricity. Students like Sina, 12 years, have had their enthusiasm for studying ignited thanks to the improved methods of learning and teaching.



"I used to have difficulties in learning chemistry so I did not like it. But ever since we have chemistry lessons in the laboratory, I want to become a chemist."

Sina

Photo: Sandra Calligaro/ARTF/World Bank