

# BECOMING A BETTER BANK

THE WORLD IS CONFRONTING A SET OF INTERTWINED CHALLENGES — POVERTY, THE CLIMATE CRISIS, DEBT, FOOD INSECURITY, PANDEMICS, AND FRAGILITY — AND A NEED TO ACCELERATE ACCESS TO CLEAN AIR, ENERGY, AND WATER. TIME IS OF THE ESSENCE.

We need a better Bank to address these challenges and the challenges of tomorrow.

The G20 Leaders requested the World Bank Group to change and be a more significant part of the solution. In response, we raised our ambition for speed, simplicity, better leveraging our balance sheet, and engaging partners and the private sector. Here's how we are enhancing our approach:



## FINANCIAL INNOVATIONS

Our new financial instruments are designed to boost lending capacity and enable the World Bank Group to take on more risk for shared global challenges. We've squeezed \$40 billion over 10 years from our balance sheet by adjusting our loan-to-equity ratio. We've launched a hybrid-capital instrument. Our Livable Planet Fund, launched in April 2024, offers governments, philanthropies, and other partners an opportunity to contribute to our concessional resources for middle-income countries.



## PRIVATE SECTOR INVESTMENT LAB

The Private Sector Investment Lab is a collaborative initiative between the World Bank Group and directors of leading global private sector institutions. Its goal is to develop solutions that address existing barriers to private sector investment in emerging markets and developing economies. The Lab's core group of 15 CEOs and Chairs have delivered recommendations on regulatory certainty, increased use of guarantees, foreign-exchange-risk mitigation, and increased use of originate-to-distribute models for mobilization of private capital. Their feedback has already informed the development of the World Bank Group Guarantee Platform.



## WORLD BANK GROUP GUARANTEE PLATFORM

This new platform is delivering simplicity and improved access to our guarantee products, putting us on a path to boost our annual guarantee issuance to \$20 billion by 2030 — and multiply our mobilization of private capital many times.



### **GLOBAL EMERGING MARKETS RISK DATABASE (GEMS) CONSORTIUM**

The GEMs Consortium comprises 25 multilateral development banks and development finance institutions. The World Bank Group and the GEMs Consortium are driving transparency and mobilizing private investment in emerging markets by releasing comprehensive credit risk data.



### **KNOWLEDGE BANK**

Knowledge has been critical to the World Bank Group for 80 years, and we are refocusing ourselves not just as a funding mechanism, but also as a source of knowledge. To do this, we are bringing experts to the forefront of our country-driven model, working with governments to craft focused development plans that marry their ambition and our expertise. The *Knowledge Compact for Action* details this approach, with a focus on four areas: new and updated knowledge products, strategic partnerships, enhanced learning, and cutting-edge systems.



### **WORLD BANK GROUP SCORECARD**

Accountability and focus underpin all our work. Our new Scorecard is a yardstick of accountability and a cornerstone of our efforts for greater efficiency, impact, and results. This tool allows our shareholders and taxpayers to clearly see the impact we are making, rewarding their trust.



### **CRISIS PREPAREDNESS AND RESPONSE TOOLKIT**

The World Bank Group is rolling out an expanded Crisis Preparedness and Response Toolkit to help developing countries better respond to crises and build resilience against future shocks. Climate Resilient Debt Clauses allow small states to prioritize disaster recovery over debt repayment when catastrophes hit.