

Everything you always wanted to know about the World Bank

About us

Who are we?

- International organization owned by 187 countries
- World's largest source of development finance
- World's largest resource for development expertise and coordination services
- Frequent bond issuer rated AAA

What's our objective?

- Work with our members so they can meet their development goals, and achieve major, sustainable improvements in standards of living for their people

How do we help our members achieve their development goals?

By providing:

- Financial solutions, including financing, guarantees, and risk management tools to support their development-related investment programs; and
- Expertise in areas such as agriculture, health, education, transportation, energy, and legal, financial market, and institutional reform, so that they can find solutions to national, regional and global problems



Financial Position

What are the underpinnings of the World Bank's AAA rating?

- Diversified shareholder base
- Prudent risk management
- Quality loan portfolio that benefits from preferred creditor status
- Substantial liquidity
- Consistent profitability

Who are the World Bank's shareholders and how much capital do they own?

- 187 member countries have subscribed to US\$189 billion of subscribed capital (paid in capital + callable capital)
- The largest five shareholders are: US (16.8%), Japan (8%), Germany (4.6%), France (4.4%), and the UK (4.4%)

What is the World Bank's gearing ratio limit?

- The maximum gearing ratio is 1:1 – outstanding loans and guarantees may not exceed subscribed capital, reserves and surplus

What does the World Bank's loan portfolio look like?

- Lending is limited to sovereigns or sovereign-guaranteed projects in eligible member

countries

- Only countries with at least US\$1,165 of annual per capita income are eligible (poorer countries receive concessional financing from a separate entity in the World Bank Group)
- Currently, the five largest country exposures are to China, Brazil, Turkey, India, and Indonesia

What's the World Bank's liquidity policy?

- Large amount of liquidity supports flexibility
- Actual liquidity is always greater than the minimum liquidity target, calculated as the highest consecutive six months of debt service plus half of the estimated loan disbursements that year

Is the World Bank profitable?

- Yes, although we are not a profit-maximizing institution, strong financial performance is important to sustainably support development goals

Capital Markets

How much does the World Bank borrow each year?

- Approximately US\$30 billion per year

What are the key components of the World Bank's funding strategy?

- Meet investor needs by offering a broad product mix
- Ensure high standards of execution

What are the main features of the World Bank's debt offerings?

- The World Bank has been rated triple-A for over 50 years
- World Bank debt has a 0% risk weighting (Basel II)
- World Bank bonds have been offered in over 50 different currencies, with a wide variety of maturities as “plain vanilla” bonds or structured notes

Does the World Bank issue liquid, global bonds?

- US\$1-6 billion in size, benchmark maturities
- USD, EUR, and other currencies
- World Bank bonds are part of major indices such as Barclays Capital Global Aggregate, BofA-ML Global Broad Market Quasi Gov., and Citigroup WorldBIG

What tailor-made products does the World Bank offer?

- A wide variety of plain vanilla and structured notes in many different sizes and maturities
- Green bonds and other climate-focused products to meet specific investor preferences

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