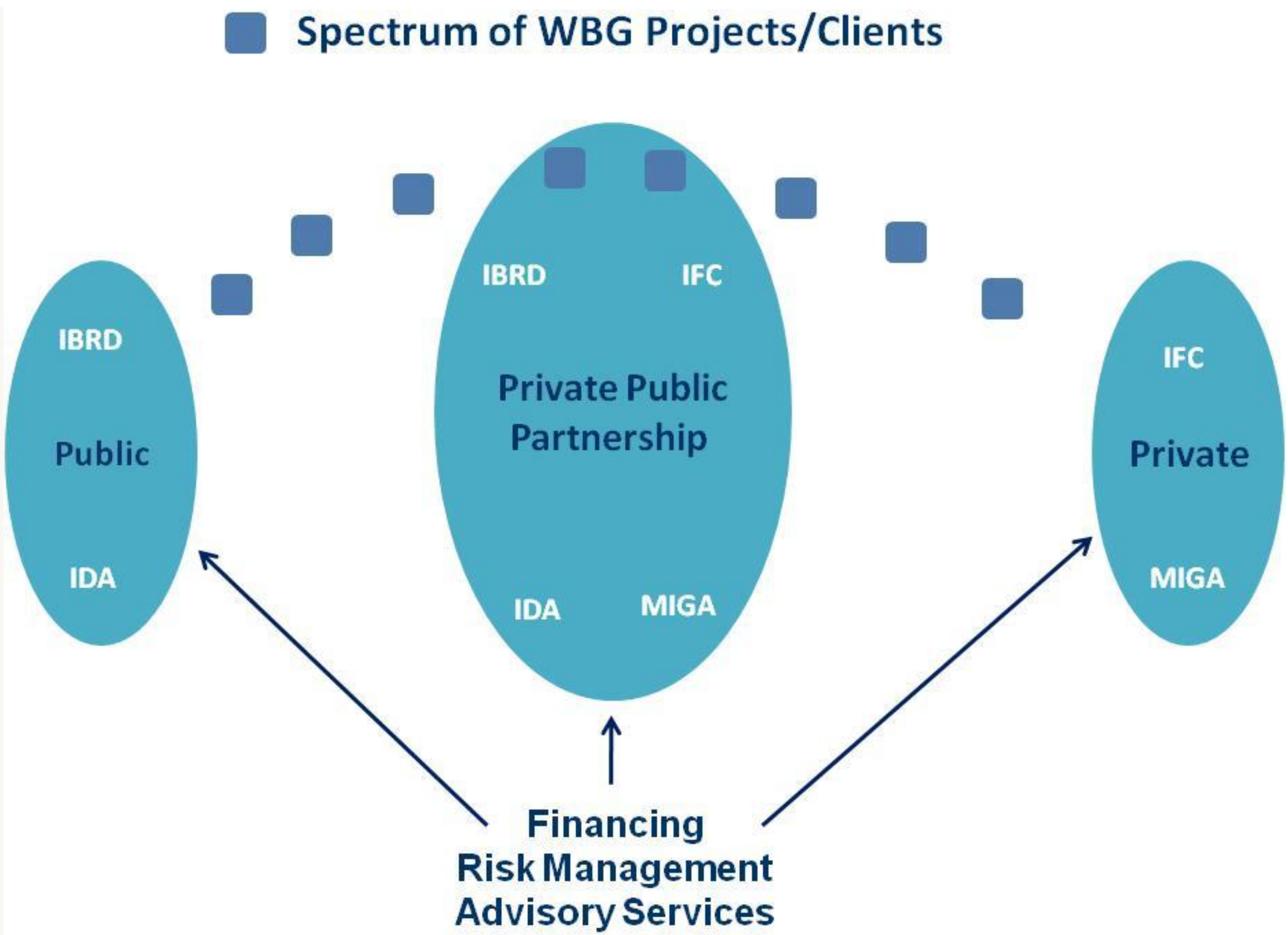
Mobilizing Resources for Project Finance

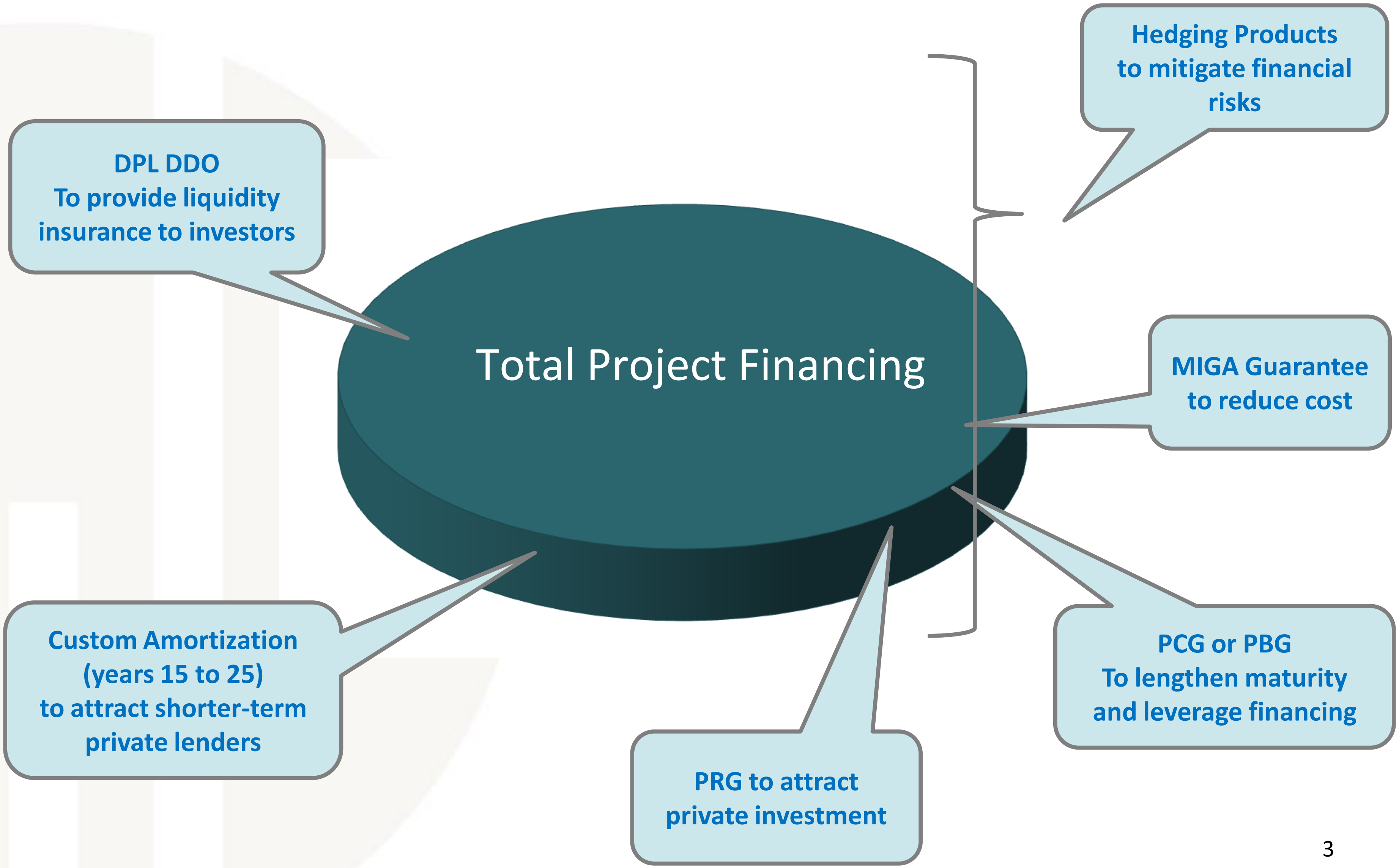
Issam Abousleiman
Head of Banking Products
Financial Advisory and Banking

TREASURY
THE WORLD BANK

World Bank Group Financial Solutions



Mobilization Approach



Financial Products Provide Solutions to Mitigate Risk

TREASURY • THE WORLD BANK

Risk	Solution	Provider
Foreign Exchange Risk	Currency conversions and hedges on IBRD loans and other debt	IBRD
Interest Rate Risk	Interest rate conversions and hedges, caps and collars, on IBRD loans and other debt	IBRD
Liquidity Risk	Customized repayments; long repayment terms (up to 30 yrs); contingent financing	IBRD
Credit Risk	Risk Guarantee, Partial Credit Guarantee to enhance creditworthiness/bankability	IBRD
Food Prices	Food price hedges	IBRD/IDA
Oil Prices	Oil hedges	IBRD/IDA
Weather	Weather hedges, drought pools	IBRD/IDA
Natural Disasters	Cat bonds, Cat swaps, contingent financing	IBRD/IDA

Financial Product Menu

TREASURY · THE WORLD BANK

		CREDIT EXPOSURE
Loans	❑ IBRD Flexible Loan (IFL) ❑ Local currency loans ❑ Sub-national finance	100% 100% 0%
Contingent Financing	❑ Deferred Drawdown Option (DDO)	100%
Credit Enhancement	❑ Partial credit and policy-based guarantee ❑ Partial risk guarantee (IBRD and IDA) ❑ MIGA NHSFO Guarantee	25% Except near SBL 25% Limited to $1.5 bn 0%
Hedging Products	❑ Currency swap ❑ Interest rate swap ❑ Interest rate cap and collar ❑ Commodity price swap	0% IBRD 10% non-IBRD
Disaster Risk Financing	❑ Weather hedge ❑ Cat DDO ❑ Insurance pool ❑ Catastrophe bond	0% 100% 0% 0%
Fee-Based Client Advisory Services	❑ Asset management ❑ Public debt management ❑ Asset-liability management ❑ Capital market access strategy & implementation ❑ Transaction processing, reporting, and IT	0% 0% 0% 0% 0%

World Bank Group Value-added

- WBG financial solutions allow governments to attract financing from the private sector for project finance by:
  - Covering financing gaps
  - Managing financial risks
  - Improving financing terms and project costs
  - Maximizing IBRD country lending envelope limits
- WBG financing flexibility allows governments to align project financing with their debt management strategy
- WBG participation in project finance allows governments to continue development programs in difficult market conditions

Contacts

TREASURY • THE WORLD BANK

Issam Abousleiman
Head of Banking Products, BDM
202-458-0865
iabousleiman@worldbank.org

treasury.worldbank.org

Disclaimers

TREASURY • THE WORLD BANK

treasury.worldbank.org

TREASURY

THE WORLD BANK