**About the World Bank**

The World Bank,¹ comprising the International Bank for Reconstruction and Development (IBRD), which lends to governments of middle-income and creditworthy low-income countries, and the International Development Association (IDA), which provides financing on highly concessional terms to governments of the poorest countries, is one of the largest sources of development finance and expertise globally. Working in almost all thematic and sectoral international development areas, it made commitments of US$70.8 billion in its fiscal year 2022 (FY2022) July 2021 to June 2022.

The World Bank is headquartered in Washington, D.C., USA and operates in more than 140 countries worldwide. In FY2022, it employed nearly 12,800 staff and just over 6,100 full-time equivalent short-term consultants/temporaries.

The World Bank’s organizational structure is designed to support delivery of its strategy and programs. Technical staff are organized into four Practice Groups and seven Regional Vice Presidencies. The Practice Groups—Human Development; Equitable Growth, Finance and Institutions; Sustainable Development; Infrastructure—house Global Practice units (technical areas of expertise). Country Management Units are in the Regional Vice Presidencies—Eastern and Southern Africa, Western and Central Africa, East Asia and Pacific, Europe and Central Asia, Latin American and the Caribbean, Middle East and North Africa, and South Asia. Technical staff are professionally mapped to Practice Groups and organizationally assigned to Regional Vice Presidencies. Units delivering corporate services and functions support these units. Ninety-nine percent of Country Directors/Country Managers and 48 percent of staff are based in the geographic regions of the seven Regional Vice Presidencies.

**Mission**

To end extreme poverty and promote shared prosperity in a sustainable way.

---

¹ - The World Bank is part of the World Bank Group. The other institutions of the World Bank Group are the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Centre for Settlement of Investment Disputes.
About this Guide

This Guide provides a brief overview of World Bank Trust Funds—what they are, what they fund, and the operating environment in which they are managed. It also describes the Umbrella 2.0 Program, an approach to organizing and managing trust funds for greater development impact.

This Guide highlights and provides links to key policies underpinning implementation of activities carried out by the World Bank or by recipients of its funds—policies that apply equally to activities funded by trust fund contributions.

Table of Contents

- About the World Bank: i
- About this Guide: ii
- 1. Introduction: 1
- 2. Trust Funds, the Basics: 2
- 3. Umbrella 2.0 Programs: 8
- 4. Standalone Trust Funds: 12
- 5. The Trust Fund Lifecycle: 13
- 6. Other Financing Arrangements: 18

Annex 1: Active and Proposed Umbrella 2.0 Programs by World Bank Practice Group/Business Unit as of June 30, 2022: 20

Annex 2: Providing Oversight and Accountability: 23

Supplement: Guidance on Select World Bank Trust Fund and Umbrella 2.0 Program Topics

Contacts

Mr. Brice Quesnel
Manager and Acting Director
Trust Funds and Partner Relations
Development Finance
email: bquesnel@worldbank.org

General Inquiries: AskTF@worldbank.org

Other Resources

2022 World Bank Annual Report
2022 Trust Fund Annual Report

2 - This Guide does not address management and administration of Financial Intermediary Funds (FIFs), or trust funds managed by the International Finance Corporation (IFC). FIFs and IFC Trust Funds are administered using their respective policy frameworks.
1. Introduction

The complexity and urgency of the world’s challenges require meaningful collaboration among members of the development community and other stakeholders if the goals of ending extreme poverty and promoting shared prosperity are to be realized.

The World Bank works with a growing number of development partners from around the world to deliver on its strategy and to contribute to the achievement of the Sustainable Development Goals. From the international coalition of donors and clients that constitute IDA, through engagement with United Nations agencies, international nongovernmental organizations, foundations, and civil society, to an increasing focus on engaging private capital, the World Bank recognizes the transformative power of partnership when new ideas, perspectives, and experiences are combined with the necessary financial resources.

Partnerships through Trust Funds

Partnering with the World Bank is enabled through a variety of financial instruments and coordination mechanisms. The appropriate partnering mechanism is selected based on the objectives of the initiative, the nature of the activities to be supported, and the roles of the World Bank and its development partners.

Trust funds, and the Umbrella 2.0 Programs through which they can be organized, are the most commonly used mechanisms for partnerships in which the World Bank, donors, clients, and other stakeholders work together to address a specific development challenge or find new ways to approach problems at the global, regional, or country level.

In FY2022, cash contributions to World Bank trust funds totaled US$4.9 billion, and disbursements were US$5.6 billion. Funds held in trust were US$12.9 billion, of which 18 percent (US$2.3 billion) were for activities in Sustainable Development (see Figure 1).

Trust funds as a partnering mechanism have been in place for decades and have been important complements to both IBRD and IDA resources. As a part of recent Trust Fund reform efforts aimed at enhancing the efficiency, effectiveness, and strategic alignment of activities funded, the Umbrella 2.0

Figure 1: Funds Held in Trust in $ billions: by World Bank Units as of end-FY2022

<table>
<thead>
<tr>
<th>Unit</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Development</td>
<td>1.4</td>
</tr>
<tr>
<td>Equitable Growth, Finance &amp; Institutions</td>
<td>0.8</td>
</tr>
<tr>
<td>Sustainable Development</td>
<td>2.3</td>
</tr>
<tr>
<td>Infrastructure Development</td>
<td>0.5</td>
</tr>
<tr>
<td>Regions</td>
<td>6.3</td>
</tr>
<tr>
<td>Others</td>
<td>2.1</td>
</tr>
</tbody>
</table>
Box 1: Continuous Improvement through Reform

Since the early 1960s, trust funds have been used to enhance the financial support available to clients by providing co-financing for IBRD and IDA operations and for direct funding of technical assistance. Over the last few decades, the role and volume of trust funds have increased dramatically, and the World Bank has undertaken initiatives and reforms to promote continuous improvement in the efficiency, strategic alignment, and robust oversight of trust fund resources and the activities they support. Significant progress has been made in transitioning management, implementation, and oversight of trust funds into the World Bank’s operational, financial, and administrative control environment. The trust fund fiduciary framework is now fully mainstreamed into regular World Bank business processes. Successive reforms have improved the integration of trust-funded activities into World Bank operational and administrative processes, with the aim of reducing costs and better managing risks.

Designed to address the persistent challenge of a large, fragmented trust fund portfolio—many small trust funds with highly customized features—the Umbrella 2.0 Program was introduced in January 2020. Umbrella 2.0 Programs strengthen the link between funding and the strategic priorities of the World Bank and its clients and donors and promote impact at scale. A trust fund portfolio grounded in Umbrella 2.0 Programs means fewer, larger, more strategically aligned funding initiatives. The design of the Umbrella 2.0 Program built on a piloting phase involving diverse units in the World Bank experienced in managing trust fund resources. It was informed by lessons from existing programs as well as from the previous Umbrella model (1.0) and benefited from active donor support and engagement through a series of consultations that the World Bank organized over 2 years.

Learn more about Trust Fund Reform [here].

2. Trust Funds, The Basics

What is a Trust Fund?

A trust fund is a financing arrangement that the World Bank establishes with contributions from one or more donors and, in some cases, from the World Bank itself.

Consistent with the overall purposes of IBRD and IDA as set out in the Articles of Agreement, the World Bank establishes and administers trust funds as a complement to IBRD and IDA financing to promote development and aid effectiveness by leveraging its capacity and development knowledge. In administering a trust fund and holding the trust fund resources, the World Bank acts in a fiduciary capacity in accordance only with the provisions of the agreement concerning the trust fund.
The World Bank promotes trust funds that draw on its operational role, reinforce country capacity and ownership, foster harmonization and alignment of aid modalities, and include contributions from more than one donor.

Who contributes to Trust Funds?

More than 200 organizations and entities partner with the World Bank through trust funds. Most are sovereign entities. Others include multinational agencies, foundations, non-governmental organizations (NGOs), and private organizations. In a few rare cases, the World Bank contributes to trust funds from its own budget or from the IBRD’s surplus or net income.

Figure 2 shows the share of cash contributions in FY2022 by Donor type and Figure 3 shows cash contributions of the top 10 donors for FY2018–2021, and 2022.

Who may contribute to a World Bank Trust Fund?

As noted above, the World Bank accepts contributions to its trust funds from a wide range of donors. World Bank staff perform a due diligence review of prospective donors to identify and assess the World Bank’s exposure to risks that may arise when a new donor (sovereign or non-sovereign) wishes to contribute to a trust fund.

Any proposed contribution to a trust fund from a private donor, especially one that is, or is closely affiliated with, a corporation or other for-profit entity, is subject to enhanced scrutiny. Such review considers the specific context of the contribution and gives special consideration to potential, actual, or perceived benefit, unfair advantage, and/or conflict of interest, including...
in governance of the trust fund and in planning and implementation of trust-funded activities.

Natural persons may not contribute to World Bank trust funds.

**Why do Donors contribute to World Bank Trust Funds?**

Trust funds provide a platform for financial, knowledge, technical, and other forms of collaboration among donors, client countries, and other stakeholders at the global, regional, and country levels.

Donors work with the World Bank through trust funds to:

- **Catalyze funding support and align it with funding from other development partners within agreed-upon strategic frameworks**, including for global public goods.

- **Draw on the World Bank’s convening power** at the international and country levels to maximize coordinated action and achieve impact at scale.

- **Benefit from the World Bank’s extensive technical expertise, country experience, supervision capacity**, financial control framework, and ability to monitor and report on results.

- **Provide grant funding** in fragile, conflict-affected, and other complex situations, enabling the World Bank to engage and provide critical assistance where traditional instruments are not well suited or are unavailable.

- **Support innovative or emerging policy areas** that partners view as a priority.

**How are Trust Funds Classified?**

Each World Bank trust fund is identified with the following classifications:

**Geographic Scope**

- A trust fund that supports activities within or for the benefit of a single country is a *Single Country Trust Fund*. 

---

**Figure 3: Cumulative Cash Contributions by Top 10 Donors, FY2018–2021, FY2022**

<table>
<thead>
<tr>
<th>Country</th>
<th>FY2018-2021</th>
<th>FY2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>1,318</td>
<td>2,313</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2,113</td>
<td>280</td>
</tr>
<tr>
<td>European Commission</td>
<td>1,746</td>
<td>256</td>
</tr>
<tr>
<td>Germany</td>
<td>1,495</td>
<td>351</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1,001</td>
<td>274</td>
</tr>
<tr>
<td>Norway</td>
<td>1,058</td>
<td>161</td>
</tr>
<tr>
<td>Canada</td>
<td>962</td>
<td>150</td>
</tr>
<tr>
<td>Japan</td>
<td>693</td>
<td>279</td>
</tr>
<tr>
<td>Sweden</td>
<td>693</td>
<td>44</td>
</tr>
<tr>
<td>Australia</td>
<td>459</td>
<td>64</td>
</tr>
</tbody>
</table>
A trust fund that supports activities within or for the benefit of more than one country within a single region is a **Regional Trust Fund**.

A trust fund that supports activities within or for the benefit of several countries across more than one region is a **Global Trust Fund**.

Whether contributions are from one or more than one Donor

A trust fund that involves contributions from more than one donor is a **Multi-Donor Trust Fund (MDTF)**.

A trust fund that involves contributions from one donor exclusively is a **Single Donor Trust Fund (SDTF)**.

A MDTF may be established with a contribution from only one donor if it is planned that other donors will contribute trust fund. A SDTF cannot be converted to a MDTF after establishment.

Activities funded

A trust fund that is used exclusively to augment the World Bank’s administrative budget for its own development activities (bank-executed activities, see page 6) is a **Bank-executed trust fund**.

A trust fund that supports bank-executed activities and provides grant(s) to a recipient or recipients for the purpose of financing projects and programs (recipient-executed activities, see page 6) is a **Hybrid trust fund**.

Whether it is part of an Umbrella 2.0 Program

An Umbrella 2.0 Program Trust Fund is either:

- **Anchor Trust Fund**: A Multi-Donor Trust Fund that serves as the primary (and sometimes sole) funding arrangement for an Umbrella 2.0 Program (see pages 8–9).
- **Associated Trust Fund**: A Multi-Donor or Single Donor Trust Fund that finances specific activities, sectors, themes, or geographic areas within the overall scope of the Anchor Trust Fund of an Umbrella 2.0 Program (see page 9).

A trust fund that is not part of an Umbrella 2.0 Program is a **Standalone Trust Fund** (see page 12.)

**How does the World Bank administer Trust Funds?**

A World Bank–administered trust fund has a three-level structure or hierarchy.

- **At the Trustee level**, donor funds are contributed based on the provisions of a trust fund’s Administration Agreement or Administration Arrangement (Box 2). The World Bank, as trustee, receives, holds, invests, allocates, and reports on these funds. Each trust fund has one Trustee-level account, which is identified by a trust fund number.

- **At the Window level**, funds are allocated for activities or projects. For trust funds with a broad sector, thematic, and/or geographic scope, multiple Windows may be established to facilitate allocation of funds, work plan and budget monitoring, and results management. Each trust fund has at least one Window.

- **At the Disbursing or Activity level**, funds are disbursed or transferred. Disbursing- or activity-level allocations can be for recipient-executed activities, administered under grant agreements (see page 15), or for bank-executed activities.
Box 2: Administration Agreement/Administration Arrangement

Administration Agreements and Administration Arrangements are legal agreements between the World Bank, as administrator of a trust fund, and a donor. The Administration Agreement/Arrangement sets out the terms for the receipt and use of a contribution for a trust fund and the World Bank’s and donor’s respective rights and obligations in relation to establishment of the trust fund and its administration and management.

The Administration Agreement/Arrangement describes, among other things, the trust fund’s Development Objective, types of activities to be funded, governance arrangements (if any), and the End-Disbursement Date (EDD)—the date after which no expenditures can be charged to the trust fund and all financial closure procedures are completed.

The Administration Agreement/Arrangement is signed by the authorized representative of the World Bank and is countersigned by the authorized representative of the donor. Signed Administration Agreements/Arrangements are made available to the public according to the World Bank’s Access to Information policy.

What do Trust Funds Finance?

World Bank trust funds provide support—typically on a grant basis—to activities that complement IBRD and/or IDA programs, are consistent with the World Bank’s strategy, and are developed through World Bank Products and Services. Activities are recipient-executed or bank-executed depending on the role that the World Bank plays in delivery of the activity.3

Recipient-executed activities are projects or programs implemented by a third-party recipient, typically a government, for which the World Bank provides trust fund resources to the recipient under a Grant Agreement (see page 15). Recipient-executed activities support World Bank Financing Instruments aimed at achieving country Development Objectives, and policy and institutional reforms of national and subnational governments by providing budget financing and global expertise. Recipient-executed activities also support public projects to build physical and social infrastructure and to develop institutional capacity.

The World Bank appraises and provides implementation support for recipient-executed activities.

Bank-executed activities are development activities that the World Bank performs as part of its regular work program. Bank-executed activities support World Bank Advice and Analytics to inform country, regional, and global development agenda through knowledge dissemination, technical assistance, impact evaluation, research activities, and other knowledge products. Bank-executed activities also include project identification and appraisal, and project implementation support related to recipient-executed activities. Program Management and Administration (see page 9) is also a bank-executed activity.

The majority of trust fund resources finance recipient-executed activities, including co-financing of IBRD and IDA operations. In FY2022, recipient-executed activities accounted for around 71 percent (US$2.5 billion) of total disbursements from World Bank trust funds. Bank-executed activities represented the balance of 29 percent (US$1.0 billion).

How does the World Bank recover Indirect Costs associated with Trust Funds (Cost Recovery)?

While costs directly associated with implementation, supervision, and management and administration of a trust fund (e.g., personnel and travel costs) are charged directly to the trust fund, the World Bank recovers a

3 - In addition to recipient-executed and bank-executed activities, the World Bank may in exceptional circumstances allow for use of a Transfer Out, an arrangement through which the World Bank acts at the request of all donors to a multi-donor trust fund to transfer trust fund resources to another entity (the Transferee) under a Transfer Agreement. Under the Transfer Agreement, the World Bank has no responsibility for the funds transferred and does not perform a supervisory role with respect to the funds transferred or the activities that these funds finance. The Bank’s operational policies and procedures do not apply to the activities that the Transferee carries out; rather the policies and procedures of the Transferee apply.
share of trust fund–related indirect costs, such as information technology, human resources, legal services, and accounting, through the application of a common Cost Recovery Framework.

The Cost Recovery Framework itself is subject to periodic review and may change from time to time based on analysis of actual costs of establishing and administering trust funds. The current Cost Recovery Framework can be found here.

### How can a Donor track its portfolio of Trust Fund contributions and activities?

The Development Partner Center (DPC) is a secure single-stop portal for donors to access their World Bank Group financing portfolios, including World Bank trust funds, International Finance Corporation trust funds, Financial Intermediary Funds, Externally Financed Outputs, and IDA.

Through the DPC, donors can access a range of reports, documents, and daily updated financial data on active and closed trust funds and Umbrella 2.0 Programs to which they contributed. Reports and documents include the Donor Portfolio at a Glance, signed Administration Agreements, Results Frameworks, Indicative Budgets, Implementation Status Reports, and Implementation Completion Reports, among others. For donors to Umbrella 2.0 Programs, the DPC enables a comprehensive view of Umbrella 2.0 Program trust funds (Anchor and Associated) and activities supported, organized by Window to reflect the agreed-upon results reporting structure. The DPC’s analytical tools allow donors to slice-and-dice financial information in a customizable and downloadable format. Additional features aimed at enhancing analytics in support of Umbrella 2.0 Program monitoring are under development.

*Note: Financial reports available for donors in the DPC are organized by relevant accounting expense categories, rather than by trust fund activity or component.*

Other information available in the DPC includes Summary of Contributions to the World Bank (donor view), IBRD and IDA country lending summaries, disbursement details of recipient- and bank-executed activities; and country-specific World Bank documents. The Trust Fund Refunds feature, which allows tracking of the return of donors’ unspent funds upon closure of a trust fund, was recently implemented.

The DPC can be accessed here. Contact dpcqueries@worldbank.org for specific questions related to the DPC.

### Is Trust Fund Information Public?

The World Bank’s Access to Information Policy, effective July 1, 2010, applies equally to trust fund–related information as to all other World Bank information.

Underlying the Policy is the principle that the World Bank will disclose any information in its possession that is not on its list of exceptions. Trust fund–related documents such as fully executed Administration Agreements and approved implementation and completion reports are publicly disclosable.
3. Umbrella 2.0 Programs

The Umbrella 2.0 Program is a program supported by one or more trustee level trust funds designed to provide scale and efficiency for enhanced development impact and effectiveness. It is the primary way for donors to partner with the World Bank through trust funds.

Umbrella 2.0 Programs promote:

- **A strategic way to partner with the World Bank and finance mutual priorities.**

- **Access to the World Bank’s senior management in the context of high-level policy and strategy dialogue.**

- **Opportunities to collectively address global and local development challenges and achieve meaningful results at scale.**

- **Improved narrative and results reporting and greater attention to communications and visibility for donors.**

- **Greater access to knowledge-sharing opportunities on key development issues.**

Key elements of the Umbrella 2.0 Program principles and structure are described in the following sections and summarized in Figure 4. Box 3 provides examples of active Umbrella 2.0 Programs. Annex 1 shows all Active and Proposed Umbrella 2.0 Programs by World Bank Practice Group/Business Unit as of June 30, 2022.

**Umbrella 2.0 Program Principles**

Umbrella 2.0 Programs are designed based on the following guiding principles:

- **A single Governance arrangement** for all trust funds within the Umbrella 2.0 Program—led by a Partnership Council, comprising all donors to the Umbrella 2.0 Program trust funds (Anchor and Associated) and the World Bank as Chair. The Partnership Council provides strategic guidance and direction on implementation of all activities supported by the Umbrella 2.0 Program. For more on Umbrella 2.0 Program governance, see Supplement: Guidance on Select World Bank Trust Fund and Umbrella 2.0 Program Topics.

- **Options for donors to manage preferences** for a specific sector, theme, or geographic area. For more on donor options, see Options for Managing Development Partner Preferences in Umbrella 2.0 Programs.

- **A common Results Framework**, developed in consultation with donors, for all trust funds within the Umbrella 2.0 Program. The Results Framework enables monitoring and assessment of the contributions of individual activities to achievement of the overall Development Objective of the Umbrella 2.0 Program. For more on Results Frameworks, see Supplement: Guidance on Select World Bank Trust Fund and Umbrella 2.0 Program Topics.

- **A consolidated progress report** for all trust funds within the Umbrella 2.0 Program developed in reference to the common Results Framework for the Program. For more on reporting, see Supplement: Guidance on Select World Bank Trust Fund and Umbrella 2.0 Program Topics.

- **A strategic Communication and Visibility Plan** defining the communications objectives and high-level communications activities of the Umbrella 2.0 Program and how the Umbrella 2.0 Program, the World Bank, and participating donors will be represented on Umbrella 2.0 Program assets, outputs, and events. Among other things, the Communication and Visibility Plan covers the target audiences of communications activities, how success will be measured, branding protocols and identifiers, and the resources that will be devoted to communications and visibility. For more information see Guidance: Communications and Visibility in Umbrella 2.0 Programs.

**Umbrella 2.0 Program Structure**

An Umbrella 2.0 Program is made up of one or more trust funds. It always has an Anchor MDTF with a broad sector, thematic, and/or geographic scope. In many cases, the Umbrella 2.0 Program will consist only of...
the Anchor MDTF, the overarching Development Objective of which is the Development Objective of the Umbrella 2.0 Program. An Umbrella 2.0 Program can be global, regional, or single country in scope and can support one or more priority areas of a Global Practice or Region, as set out in its business plan.

**Options for Donors to Express Preferences under Umbrella 2.0 Programs**

A donor’s interests in or need to support a narrower sector, thematic, or geographic scope (within the scope of the Anchor MDTF) can be accommodated by establishing one or more Associated Trust Funds, which can be single- or multi-Donor and/or by nonbinding “preferencing” of their contribution to a MDTF.

An **Associated Trust Fund** is created when a Donor is unable to join a MDTF because it cannot pool its contributions with other Donors in an Anchor MDTF and/or provide funding for all implementation areas that the Umbrella 2.0 Program covers, because its internal budgeting constraints or legislative regulations require dedicated financial reporting to track its contributions. Activities that Associated TFs finance support the Umbrella 2.0 Program’s Development Objective; fall within the agreed-upon sector, thematic, or geographic scope of the Anchor MDTF; and contribute to the overarching Results Framework of the Umbrella 2.0 Program. The End-Disbursement Date of an Associated Trust Fund is no later than that of the Anchor MDTF. Go [here](#) to read more about Associated Trust Funds in Umbrella 2.0 Programs.

**Nonbinding preference** is when a donor to a multi-donor trust fund[^1] requests that its contribution be used to finance a sector, theme, or geographic area within the overall scope of the MDTF. All donors to a MDTF agree to the same set of terms and conditions with respect to administration and use of their contributions. **Earmarking** a contribution to a MDTF for a specific subset of activities or geographic areas or other restrictions is not possible. However, the World Bank accepts preference requests on an exceptional basis—when a donor’s internal approvals for its contribution are limited to financing of a specific sector, theme, or geographic area within the scope of the MDTF. The World Bank cannot guarantee that the contribution will be used for the donor’s specific preference and does not have any obligation to the donor if its preference cannot be accommodated, but it is understood that the request will be accommodated to the extent possible.

Preferencing is not accepted for a specific project or activity, type of execution (recipient-executed or bank-executed), or category of expenditure. Donors cannot express negative preferences. No monetary value or percentage is attached to the expressed preference. Preference cannot be expressed for a group of countries whose membership is maintained by an organization other than the World Bank Group.

All donors to a MDTF contribute to Program Management and Administration Costs, regardless of whether their contribution is preferred. Donor preferences are not considered when calculating the donor’s share of any remaining balance at the MDTF’s closing or refunds from the MDTF. These are calculated based on the pro-rata share of paid-in contribution amounts. Go [here](#) for more on preferencing in Umbrella 2.0 Programs.

**Umbrella 2.0 Program Management and Administration**

An Umbrella Program Management team supports an Umbrella 2.0 Program in the World Bank. An Umbrella Program Manager leads the team, which comprises World Bank technical and administrative staff and consultants, all of whom are subject to the World Bank’s policies and procedures. Umbrella 2.0 Program Management and Administration expenses are charged to the Anchor MDTF and to Associated Trust Funds, if any.

[^1]: Nonbinding preference also applies to Standalone MDTFs.
The **Partnership Council** is the sole governing body covering all trust funds in the Umbrella 2.0 Program. It provides strategic guidance and direction on implementation of program funds and activities.

**Umbrella 2.0 Programs are anchored in one main MDTF** that reflects the program’s overall Development Objective and its thematic and geographic scope.

**A Results Framework** developed at the Umbrella 2.0 Program level is designed to capture and facilitate aggregation of results expected from all trust funds in the Umbrella 2.0 Program.

**A Communication and Visibility Plan** defines the objectives and modalities of communication activities and donor visibility.

An efficiently staffed and resourced **Program Management and Administration team** provides day-to-day management and oversight of activities funded and supports the Partnership Council.

**Donors have flexibility** to establish **Associated TFs** focused on sector, theme, or geographic area within the scope of the Anchor MDTF and/or to indicate nonbinding preferences for their contributions to an Umbrella MDTF.

A single **Annual Progress Report** (with an option for a mid-year update) is produced for all donors to all trust funds in the Umbrella 2.0 Program. Production of the annual report is timed so that it is available for discussion at the Partnership Council meeting.

**Financial reports** are at the Trustee Level and may be accessed through the **Development Partner Center**.
Box 3: Spotlight on Selected Umbrella 2.0 Programs

**Strengthening Pandemic Prevention, Preparedness and Response: Health Emergency Preparedness and Response (HEPR) Umbrella Program**

The World Bank Board approved the HEPR Umbrella Program with a projected size of US$500 million in June 2020. The HEPR complements World Bank support to countries and provides further resources for health emergency preparedness and response for COVID-19 and future epidemics. The HEPR Program was established to provide incentives to IDA-eligible countries to increase investments in preparedness, for example, by offering co-financing grants that encourage use of their IDA allocations for better health emergency prevention, detection, and response; enable low-income countries to respond quickly and effectively to major disease outbreaks at an early stage, complementary to IDA’s Crisis Response window and Early Response Financing window; and support the immediate COVID-19 response in countries and territories without access to financing through the World Bank COVID-19 Fast Track Facility.

The HEPR Program has received US$211 million in donor contributions and allocated nearly US$117 million to 32 countries and regional efforts to address the COVID-19 pandemic and to better prepare for future health emergencies. In accordance with World Bank Board approval, 46 percent of grants have been allocated to preparedness activities (preparedness for future emergencies) and 54 percent to response activities (support for the COVID-19 response). Many of these grants have been processed as co-financing to new or existing World Bank projects that focus on health emergency preparedness and the countries’ COVID-19 responses. Projects include strong support for regional efforts (e.g., One Health in Southeast Asia); upstream investments and innovation, including genomic surveillance in Africa and drone delivery in Timor-Leste; and technical support to Task Teams on health emergency priority setting. There has been strong demand for technical assistance as countries have focused and prioritized health emergency preparedness while rebuilding and increasing the resilience of their health systems, writ large.

**Climate Support Facility**

The Climate Support Facility (CSF) was launched on December 10, 2020, with initial contributions from the German Federal Ministry of Economic Cooperation and Development; the U.K. Foreign, Commonwealth and Development Office; and the Austrian Federal Ministry of Finance. The CSF’s mission is to support developing countries accelerate their transition to low-carbon, climate-resilient development and elevate their national decarbonization agenda. The CSF is dedicated to integrating long-term climate considerations into World Bank advice, analytics, and operations and is expected to be a key contributor to achieving World Bank climate priorities as outlined in the World Bank Group Climate Change Action Plan (CCAP) 2021-2025.

The CSF has received US$118.5 million in contributions from donors, all of which has been allocated across 84 client countries. Through August 31, 2022, the CSF had approved 138 activity-level grants to task teams across all World Bank Regions and seven Global Practice units. These grants have helped fund the design of green recovery measures in World Bank–financed support packages, deploy technical expertise to key ministries to support climate-related recovery, help countries incorporate climate risks into macro and fiscal frameworks, and support implementation of Nationally Determined Contributions to global climate action in accordance with the Paris Agreement and development of long-term strategies.

**Lebanon Financing Facility**

In the aftermath of the August 4, 2020, Port of Beirut explosion and after the launch of the Lebanon Reform, Recovery, and Reconstruction Framework, the World Bank and the donor community came together to establish the Lebanon Financing Facility (LFF) Umbrella. LFF partners include the governments of Canada, Denmark, France, Germany, Norway, and the European Union. The LFF provides coordinated financial support for the immediate socioeconomic recovery of vulnerable people and businesses that the explosion affected and creates the foundation for medium-term recovery and sustainable reconstruction of the Port of Beirut and affected neighborhoods. It prioritizes socioeconomic and business recovery; preparation for reform and reconstruction; and strengthening of coordination, monitoring, accountability, and oversight of the Reform, Recovery, and Reconstruction Framework while ensuring that programs promote gender equality, transparency, inclusion, and community engagement. Donor contributions received to date total US$71.79 million.
4. Standalone Trust Funds

In some limited instances, the World Bank may establish a Standalone Trust Fund — a trust fund that is not part of an Umbrella 2.0 Program. A Standalone Trust Fund can be multi-donor or single donor.

Some Standalone Trust Funds have governance arrangements, and others do not. A Standalone Trust Fund may finance a set of pre-identified activities that are agreed upon with the donors at the time of trust fund establishment, in which case there is no need for a governing body. Alternatively, a Standalone Trust Fund may finance a program of activities supporting a specific Development Objective, with individual activities identified over time. When the Standalone Trust Fund supports a program of activities for which guidance on activity selection and resource allocation will be required, a Steering Committee is typically established made up of donors to the Standalone Trust Fund, with the World Bank as Chair. For more on governance in Standalone Trust Funds see Supplement: Guidance on Select Umbrella 2.0 Program Principles.

The most common use of a Standalone Trust Fund is to provide co-financing to an IBRD or IDA operation. A Standalone Co-financing trust fund typically finances one recipient-executed grant that co-finances an IBRD or IDA operation; associated project appraisal, supervision, management, and administration costs; and advisory services and analytics activities and products that are directly linked to the co-financed operation, if relevant. Standalone Co-financing trust funds do not have separate governance arrangements. Note that some Global and Regional Umbrella 2.0 Programs are also designed to support co-financing of IBRD and/or IDA operations.

When a Standalone Trust Fund is established for a purpose other than to co-finance an IBRD or IDA operation—for example, to finance activities that cannot be accommodated in an existing Global, Regional or Country Umbrella or for activities that do not contribute to the World Bank’s highest strategic priorities but are of medium-term interest—it may lead to increased fragmentation of the trust fund portfolio.

Box 4 provides a brief description of an active Standalone Co-financing Trust Fund.

**Box 4: Standalone Co-financing Mozambique Trust Fund**

This Single donor, Standalone Trust Fund supports achievement of the IDA Program-for-Results (PforR) operation—the Mozambique Primary Health Care Strengthening Program, with the Program Development Objective: to improve the utilization and quality of reproductive, maternal, child and adolescent health and nutrition services, particularly in underserved areas. The PforR operation is financed by IDA (US$80 million) and the Global Financing Facility (US$25 million). The U.K. Foreign, Commonwealth and Development Office (FCDO), the donor to this Trust Fund, provides co-financing in the amount of US$11.03 million. The PforR operation is also co-financed by the Netherlands (Euro 30 million) and Canada (CAD 75 million) through a multi-donor trust fund and was previously co-financed by USAID through a single donor trust fund in an amount of US$7.4 million.
5. The Trust Fund Lifecycle

The section highlights the major stages in the Trust Fund Lifecycle. World Bank units charged with managing trust fund resources and activities they support are responsible for observing internal management controls and for following procedures to ensure that trust-funded programs and activities they finance are supervised, audited, and evaluated and that reporting requirements are met. They also ensure that trust funds they manage are aligned with regional and country strategies and are included in reviews of their operations portfolio. In addition, they ensure that: (a) adequate management and control structures are maintained for proper implementation and oversight of trust-funded activities; (b) there is sufficient administrative and budgetary support for these tasks; (c) all trust funded activities are included in the budget and work plans of the managing unit to ensure full transparency; and (d) trust fund resources are used only for expenditures and purposes agreed upon with the donor.

The World Bank has a fiduciary responsibility to ensure that funds received are used in accordance with the Administration Agreement(s)/Arrangement(s) for the trust fund and with World Bank policies and procedures. Resources provided through trust funds and activities they fund are subject to the same oversight and accountability principles as other World Bank resources. In addition, the administration of trust funds is subject to real-time compliance and quality reviews through trust fund-specific controls and quality assurance exercises.

World Bank staff assigned to manage trust funds must be accredited to do so.

Planning

World Bank business units define their medium-term work program priorities annually, including priorities for external fundraising and plans for the portfolio of trust funds under their management. These plans collectively form the basis for mobilization and use of all external funds, including through Umbrella 2.0 Programs.

Engaging

To facilitate transparency and coordination of fundraising efforts, World Bank Business Units share information with Business Units across the World Bank on their pipeline of active fundraising initiatives. This process promotes early collaboration among Business Units, facilitates consolidated fundraising, and minimizes establishment of small, overlapping trust funds for related topics.

Designing

Once a decision is made to move forward with establishment of a trust fund, World Bank staff prepare a Concept Note for internal World Bank review and endorsement. The Concept Note typically reflects discussions held with prospective donors and goes through a formal internal review and decision process, wherein guidance and agreement are sought on issues and approach, scope, activities to be financed, risks and potential mitigation measures, resource estimates, and schedule. Once the Business Unit decision-maker signs off, World Bank staff coordinate with prospective donors and other relevant stakeholders, including prospective recipients and beneficiaries.

Establishing

After World Bank management approves the concept and design of the trust fund and after discussion with prospective donors, the trust fund is established through the execution of an Administration Agreement/Arrangement (Box 2). In the case of a multi-donor trust fund, the World Bank enters into an Administration Agreement/Arrangement with each donor separately concerning the trust fund. Administration Agreements/Arrangements for all donors to a multi-donor trust fund must contain the
same terms and conditions for use of the trust fund and for the World Bank’s and the donors’ rights and obligations in relation to establishment of the trust fund and its administration and management.

**Trust Fund Activation and Call of Funds:** Upon receipt of a fully executed (signed and countersigned) Administration Agreement/Arrangement, the World Bank activates the trust fund, which allows donors to remit contributions according to the schedule set out in the Administration Agreement/Arrangement.

Contributions are paid-in based on a Call of Funds, which World Bank staff initiate and send to the donor. The Call of Funds package includes the official invoice with all the depository banking details necessary for the donor to remit the contribution, along with the amount required in the currency set out in the Administration Agreement/Arrangement.

To provide assurance as to the authenticity of a Call of Funds request, an electronic copy of the package is provided as an “alert” in the donor’s secure account on the World Bank’s Development Partner Center (see page 7).

*The World Bank does not request funds from donors via manual invoices or share banking information outside of the Call of Funds system. Donors should not attempt to deposit funds in advance of receipt of a Call of Funds package.*

**Treatment of Contributions Received:** The World Bank converts trust fund contributions received from donors into the Holding Currency of the trust fund as set out in the Administration Agreement/Arrangement, after which they are commingled with other contributions from donors to the respective trust fund. Funds on deposit are invested and reinvested pending their disbursement. They may be freely exchanged into other currencies to facilitate their disbursement for eligible expenses.

**Basis of Commitment (BoC) of Funds:** Once the trust fund has been established and funds have been received, the World Bank starts making financing commitments in order to implement the planned activities. In the case of recipient-executed activities, this involves signing Grant Agreements, and in the case of bank-executed activities, it involves hiring consultants and staff, booking travel, and committing other expenses.

The BoC is the criterion that the World Bank uses to determine the amount of donor funding available for entering into financing commitments. For all World Bank trust funds, the standard BoC is “Cash only”—meaning that the World Bank makes commitments based only on cash received from donors. This ensures that funds will be available for disbursement when needed and avoids exposure of the World Bank to potential financial, currency, and reputational risks. Such risks could arise if donors provide funding in amounts less than what is set out in their Administration Agreement/Arrangement, or they delay their funding. The “Cash only” BoC is calculated as the total amount of unqualified cash contributions received plus investment income credited to the trust fund to date minus applicable cost recovery fees.

In exceptional circumstances, the World Bank may decide to apply a non-standard BoC. Non-standard options include: (a) cash plus promissory notes held but not yet encashed; and (b) cash, promissory notes, plus unqualified future donor receivables.

**Partnership Document:** An Umbrella 2.0 Program Management team may prepare a Partnership Document—typically soon after the Umbrella Anchor Trust Fund has received funds from donor(s) and is operational—which the donors have preferably agreed upon by the time of the first Partnership Council meeting. The purpose of the Partnership Document is to describe the principles and procedures for the day-to-day management and operation of the Umbrella 2.0 Program to donors. These typically include operational arrangements related to Partnership Council meetings and technical partnerships (when applicable), program management and administration, work plan and budget, results framework, reporting and evaluation, and the approach to communications and visibility.

The Partnership Document is not intended to summarize or reproduce World Bank policies and procedures governing trust funds. It does not expand, supplement, or otherwise modify the provisions of the Administration Agreement/Arrangement for the trust fund. In the event of any conflict between the content of the Partnership Document and provisions of the Administration Agreement/Arrangement, the provisions of the Administration Agreement/Arrangement prevail.
Implementing and Supervising Activities that Trust Funds Finance

Once a trust fund is established, and activities to be funded are selected, World Bank staff implement (in the case of bank-executed activities) or supervise implementation of (in the case of recipient-executed activities) the trust-funded activities.

Implementing Bank-executed Activities: The responsible World Bank Business Unit implements bank-executed activities that are selected and approved for financing through trust funds as part of its regular portfolio of activities. Each trust-funded bank-executed activity is identified along with its funding source(s) and is included in the Business Unit’s resource and work program planning, budgeting, and performance exercises. Bank-executed activities are administered in accordance with the World Bank’s administrative, planning, budgeting, performance, and human resources policies, directives, and procedures, which also apply to use of the World Bank administrative budget. For bank-executed activities that are Advice and Analytics products, policies and procedures for those products and services apply.

Supervising Implementation of Recipient-executed Activities: When trust fund resources will be used to provide a grant to a third-party recipient (typically a government) for the purpose of financing a development project or program, the World Bank appraises and provides implementation support for the activities that the grant finances. The World Bank enters into a Grant Agreement with the recipient to extend such a grant.

A Grant Agreement is a written legal instrument between the World Bank and a recipient for the purpose of providing a grant to assist with financing a project or program. It describes the project or program and its objective and sets out the terms of the financing and the recipient’s obligations in relation to the project or program.

Recipient-executed trust funded activities are supervised under the same policy framework that applies to World Bank–financed operations. The World Bank Operations Manual sets out the operations policies that detail the roles and responsibilities of the World Bank and its borrowers or, in the case of trust funds, recipients of trust fund resources through grants. These include:

- **An Environmental and Social Framework (ESF)** that enables the World Bank, borrowers, and grant recipients to better manage environmental and social risks of projects and to improve development outcomes. The ESF offers broad and systematic coverage of environmental and social risks (Box 5) and encourages transparency, non-discrimination, public participation, and accountability—including expanded roles for grievance mechanisms. It brings the World Bank’s environmental and social protections into closer harmony with those of other development institutions. Go here for details on the Environment and Social Framework and the 10 Environmental and Social Standards.

- **Procurement Framework for Projects** promotes tailored procurement approaches that emphasize choice, quality, and value for public spending while enabling adaptation to country contexts. It allows projects to respond quickly to emerging needs and helps client countries determine the best value for money to ensure quality outcomes and sustainability over the life of a project. By focusing on market research, needs analysis, and project-specific risks, including environmental and social issues, the World Bank helps countries develop procurement strategies and plans that meet their needs and facilitate successful implementation.

The Framework approach includes four key points to help clients and businesses: a Project Procurement Strategy for development in which the needs and risks of a project are analyzed, a focus on Value for Money; an approach to resolving procurement-related complaints, and involvement of World Bank staff in management of contracts with high value and high risk. Go here for information on procurement for projects and programs.

- **Financial Management**, through which borrowing countries and trust fund grant recipients are supported in improving their financial management performance and capacity, while encouraging transparency, and providing assurance on the use of World Bank financing and trust fund resources. In accordance with the World Bank’s operational policies and procedures, Financial Management specialists work with countries to design financial management and disbursement arrangements and to supervise
Box 5: Environmental and Social Risks

Environment related: The World Bank Group is globally committed to environmental sustainability, helping borrowers and grant recipients manage environment-related risks in World Bank–financed and trust-funded projects, and promoting strong collective action. At the project level, the global aspiration of environmental sustainability translates into enhancing development opportunities for all, particularly the poor and vulnerable, and promoting sustainable management of natural and living resources. Within the parameters of projects, the World Bank seeks to avoid or mitigate adverse effects on people and the environment; conserve or rehabilitate biodiversity and natural habitats and promote efficient, equitable use of natural resources and ecosystem services; and support climate change mitigation and adaptation, recognizing that this is essential in a world of finite natural resources. Climate change is a fundamental threat to development, so World Bank–financed projects aim to reduce their impact on the climate by choosing alternatives with lower carbon emissions. The World Bank is committed to helping its clients manage their economies, decarbonize, and invest in resilience while ending poverty and boosting shared prosperity.

Social risks are defined broadly under the ESF and include Gender-Based Violence, Sexual Exploitation and Abuse and Harassment (SEAH), threats to human security; and impacts on the health, safety, and well-being of workers and project-affected communities, among others. The World Bank uses specific guidance and tools, including a gender-based violence risk screening and risk rating tool to help staff identify SEAH risks during project preparation, and a Good Practice Note, Addressing Sexual Exploitation and Abuse and Sexual Harassment in Investment Project Financing Involving Major Civil Works, has been developed. Given that child survivors require specific protection measures and can often trigger mandatory reporting laws, the World Bank Group has also issued specific guidance on how to assess, prevent, and respond to SEAH involving child survivors.

and support the performance of World Bank– and trust fund–financed operations.

Recipients of trust fund financing under Grant Agreements are required to maintain adequate financial management systems, prepare annual financial statements in accordance with accounting standards acceptable to the World Bank, and have independent auditors acceptable to the World Bank audit these statements. Recipients are also required to submit interim financial reports acceptable to the World Bank. Each recipient-executed operation involves a World Bank Financial Management Specialist who assesses financial management risk and performance and reviews the recipient’s financial management compliance. Go here for more on financial management in World Bank operations.

- Risk Framework. The World Bank’s Risk Framework contains a set of institutional systems to help manage risk in World Bank operations, including trust-funded recipient-executed activities. The Risk Framework pillars include the Systematic Operations Risk-Rating Tool (SORT), which rates eight dimensions of risk (environmental and social, fiduciary, institutional capacity, macroeconomic, political and governance, sector strategies and policies, stakeholders, technical design) on a 4-point scale (high, substantial, moderate, low) depending on the likelihood that risk will materialize and the expected severity of its impact if it does.

The following are applicable to all recipient-executed and bank-executed activities under implementation.

- Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT). The World Bank has an obligation to follow decisions of the Security Council under Articles 41 and 42 of the United Nations Charter in making payments and disbursing funds. The World Bank is also required to avoid doing business with entities or individuals that have been debarred or suspended under the World Bank sanctions system (Annex 2). Suppliers under World Bank–financed projects, investee companies in IFC projects, Multilateral Investment Guarantee Agency guarantee holders, corporate vendors, commercial banks for transferring funds,
as well as payments to beneficiaries are screened against external sanctions lists and internal debarment and suspension lists. The anti-money laundering, countering financing of terrorism, and sanctions screening processes and procedures of World Bank Group entities define the types of entities and persons subject to screening and additional relevant details.

- **Anti-Corruption: Investigations, Sanctions, Prevention, and Compliance:** The Anti-Corruption Guidelines and applicable World Bank procurement regulations provide that the World Bank may impose administrative sanctions on firms and individuals found to have engaged in corrupt, fraudulent, coercive, collusive, or obstructive practices in connection with use of trust fund grant proceeds, including (but not limited to) in the course of procurement or selection of consultants or in execution of contracts financed by the trust fund grant. There are five possible administrative sanctions: Debarment, Debarment with Conditional Release, Conditional Non-Debarment, Public Letter of Reprimand, and Restitution. If the World Bank determines that there are credible allegations of fraud, corruption, collusion, or coercion in relation to recipient-executed or bank-executed activities financed by the trust fund grant. The restructuring of a multi-donor trust fund requires agreement of all donors to the trust fund. The Administration Agreement/Arrangement for the multi-donor trust fund is amended only after written agreement of acceptance by all contributing donors is received, and the amendment to the multi-donor trust fund becomes effective once all donors sign their amendment. If a donor does not wish to sign an

**Financial Reporting and Audits:** The World Bank provides donors with up-to-date trust fund financial information through its secure Development Partner Center. The World Bank also provides donors within 6 months following the end of each World Bank fiscal year an Annual Single Audit Report in respect of all cash-based Trust Funds. The single audit provides trust fund donors with assurance that the World Bank’s overall control framework surrounding trust funds provides reliable financial reports in place of individual externally audited trust fund financial statements. The single audit report comprises a management report together with an audit opinion from the World Bank’s external auditors concerning the adequacy of internal controls over cash-based financial reporting for all cash-based trust funds as a whole and a combined financial statement for all cash-based trust funds together with the World Bank’s external auditor’s opinion thereon. Go [here](#) for the most recent Annual Single Audit Report.

**Restructuring and Cancelling**

**Restructuring:** Once established, a trust fund may be restructured to modify its Development Objective or activity description, extend its End-Disbursement Date, modify governance arrangements (if any), or modify other terms such as changes to reporting arrangements or eligible expense categories. The restructuring of a trust fund requires approval from World Bank management and is accomplished by amending the Administration Agreement(s)/Arrangement(s) between the World Bank and the trust fund donors.

**Restructuring of a multi-donor trust fund requires agreement of all donors to the trust fund. The Administration Agreement/Arrangement for the multi-donor trust fund is amended only after written agreement of acceptance by all contributing donors is received, and the amendment to the multi-donor trust fund becomes effective once all donors sign their amendment. If a donor does not wish to sign an**
amendment, the donor reserves the right to exit from the multi-donor trust fund according to the terms and conditions of the Administration Agreement/Arrangement, allowing other donors to proceed with the amendment.

Cancelling a Donor Contribution: With 3 months prior written notice, a donor or the World Bank can cancel all or part of a donor’s pro-rata share of any contribution to a trust fund (paid and not yet paid) that is not committed pursuant to any agreement or contract between the World Bank and any consultants and/or other third parties, including any Grant Agreements, before receipt of such notice. In the event of a cancellation, the World Bank returns the donor’s pro-rata share in the holding currency, unless otherwise agreed to between the World Bank and the donor.

Closing a Trust Fund

Completion Report: Within 6 months from the trust fund’s End-Disbursement Date, World Bank staff prepare a completion report for donors that summarizes the achievements of the trust fund’s or Umbrella 2.0 Program’s Development Objective(s), aggregates results and outcomes attained, and describes lessons learned. The completion report also describes risks and challenges encountered during implementation and how they were managed and mitigated and any major deviations in the work plan or budget during the life of the trust fund or the Umbrella 2.0 Program.

Donor Balance Accounts: A Donor Balance Account is an administrative pass-through account that the World Bank establishes on behalf of a donor agency to hold funds temporarily pending transfer to another trust fund account, return to the donor, or use for purposes as agreed to with the donor. Once the trust fund account has been closed, unless otherwise agreed upon in writing between a donor and the World Bank, the World Bank will transfer the remaining fund balance to the donor’s Balance Account pending notification from the donor on how they want to process refunds. In the case of funds in a multi-donor trust fund, funds are transferred on a pro-rata basis according to the donor’s cumulative paid-in contributions.

6. Other Financing Arrangements

Financial Intermediary Funds

A Financial Intermediary Fund (FIF) is a type of trust fund that the World Bank supports through tailored administrative, financial, legal, and/or operational services. FIFs are important tools in the development finance toolbox, offering customized financing platforms for partnership programs and special financing mechanisms. They can catalyze a variety of public and private resources in support of international initiatives. Most often launched at high-level multilateral forums, FIFs enable the international community to provide a direct, coordinated response to global priorities by providing mostly independently governed multi-contributor collaboration platforms focused on supporting global public goods such as preventing communicable diseases, responding to climate change, and supporting food security. For more on FIFs, see the FIF Trustee website.

Externally Financed Outputs

The Externally Financed Output (EFO) is a streamlined instrument used to finance, in part or in full, a bank-executed activity or output of a bank-executed activity. The maximum contribution to an EFO is US$2 million. The maximum duration of an EFO is 36 months. EFOs use a standard legal agreement and standard, simplified progress and completion reporting. Financial reporting is not provided to the contributor. World Bank corporate procurement and administrative policies and procedures apply, and eligible expenditures are the same as those eligible under the World Bank’s budget.

Project Co-financing Arrangements

Under project co-financing arrangements, donors provide financing directly to a recipient to finance activities within the scope of an IBRD or IDA project. No trust fund arrangement is involved. Supporting documentation involves a Project Co-lenders Agreement (between the World Bank and the co-financier) and a Financing/Loan Agreement (between each financier and the recipient).
The World Bank has established overarching Co-financing Framework Agreements and/or Procurement Framework Agreements with several co-financing partners that can facilitate expediated agreement on project co-financing arrangements. For more on project co-financing, contact the World Bank’s co-financing team: WB_Co-Financing@worldbank.org.
**Annex 1: Active and Proposed Umbrella 2.0 Programs by World Bank Practice Group/ Business Unit as of June 30, 2022**

**Bold = Established, Not bolded = Pending Establishment**

<table>
<thead>
<tr>
<th>Practice Group/Business Units</th>
<th>No.</th>
<th>Umbrella 2.0 Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equitable Growth, Finance and Institutions</td>
<td>1</td>
<td>Financial Sector Reform and Strengthening (FIRST 2.0)</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Risk Finance</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Finance for Development (F4D)</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Umbrella Facility for Trade (UFT)</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Competitiveness for Jobs and Economic Transformation (C-JET)</td>
</tr>
<tr>
<td></td>
<td>6</td>
<td>Governance and Institutions (G&amp;I)</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>Financial Management and Accountability (FM&amp;A)</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>Procurement for Development (P4D)</td>
</tr>
<tr>
<td></td>
<td>9</td>
<td>Debt Management Facility (DMF)</td>
</tr>
<tr>
<td></td>
<td>10</td>
<td>Global Tax Program (GTP)</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>Umbrella Facility for Poverty and Equity (UFPE)</td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>Consultative Group to Assist the Poor (CGAP)</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>Fiscal Policy and Sustainable Growth</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>Foundational Learning Compact (FLC)</td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>Tertiary Education and Skills Training (TEST)</td>
</tr>
<tr>
<td></td>
<td>16</td>
<td>Umbrella Facility for Gender Equality (UFGE)</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>Human Capital Umbrella</td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>Health Emergency Preparedness and Response Umbrella (HEPRF)</td>
</tr>
<tr>
<td></td>
<td>19</td>
<td>Healthy Lives Nutrition and Population (HLNP)</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>Global Financing Facility (GFF)</td>
</tr>
<tr>
<td></td>
<td>21</td>
<td>RSR-ADSP Umbrella Trust Fund Program</td>
</tr>
<tr>
<td></td>
<td>22</td>
<td>JOBS Umbrella Partnership</td>
</tr>
<tr>
<td></td>
<td>23</td>
<td>KNOMAD-Migration Umbrella</td>
</tr>
</tbody>
</table>

(continues)
Annex 1: Active and Proposed Umbrella 2.0 Programs by World Bank Practice Group/ Business Unit as of June 30, 2022 (continued)

<table>
<thead>
<tr>
<th>Practice Group/Business Units</th>
<th>No.</th>
<th>Umbrella 2.0 Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>24</td>
<td><strong>Digital Development Partnership (DDP)</strong></td>
</tr>
<tr>
<td></td>
<td>25</td>
<td><strong>Identification for Development (ID4D)</strong></td>
</tr>
<tr>
<td></td>
<td>26</td>
<td><strong>Extractives Global Programmatic Support 2 (EGPS-2)</strong></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td><strong>Energy Sector Management Assistance Program (ESMAP)</strong></td>
</tr>
<tr>
<td></td>
<td>28</td>
<td>Sustainable Infrastructure</td>
</tr>
<tr>
<td></td>
<td>29</td>
<td><strong>Public-Private Infrastructure Advisory Facility (PPIAF)</strong></td>
</tr>
<tr>
<td></td>
<td>30</td>
<td><strong>Global Road Safety Facility 2.0 (GRSF)</strong></td>
</tr>
<tr>
<td></td>
<td>31</td>
<td><strong>Global Facility to Decarbonize Transport (GFDT)</strong></td>
</tr>
<tr>
<td><strong>Sustainable Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>32</td>
<td><strong>Food Systems 2030</strong></td>
</tr>
<tr>
<td></td>
<td>33</td>
<td><strong>Climate Support Facility (CSF)</strong></td>
</tr>
<tr>
<td></td>
<td>34</td>
<td><strong>Partnership for Market Implementation Facility (PMIF)</strong></td>
</tr>
<tr>
<td></td>
<td>35</td>
<td><strong>Climate Emissions Reduction Facility (CERF)</strong></td>
</tr>
<tr>
<td></td>
<td>36</td>
<td><strong>Global Facility for Disaster Reduction and Recovery (GFDRR)</strong></td>
</tr>
<tr>
<td></td>
<td>37</td>
<td><strong>PROBLUE</strong></td>
</tr>
<tr>
<td></td>
<td>38</td>
<td><strong>PROGREEN</strong></td>
</tr>
<tr>
<td></td>
<td>39</td>
<td><strong>PROCLEAN</strong></td>
</tr>
<tr>
<td></td>
<td>40</td>
<td><strong>Global Program on Sustainability (GPS)</strong></td>
</tr>
<tr>
<td></td>
<td>41</td>
<td><strong>Human Rights, Inclusion and Empowerment</strong></td>
</tr>
<tr>
<td></td>
<td>42</td>
<td><strong>Social Sustainability Initiative for All (SSI4ALL)</strong></td>
</tr>
<tr>
<td></td>
<td>43</td>
<td><strong>Sustainable Urban and Regional Development (SURGE)</strong></td>
</tr>
<tr>
<td></td>
<td>44</td>
<td><strong>Global Partnership on Results-Based Approaches (GPRBA)</strong></td>
</tr>
<tr>
<td></td>
<td>45</td>
<td><strong>Land 2030 Global Partnership (Land 2030)</strong></td>
</tr>
<tr>
<td></td>
<td>46</td>
<td><strong>Global Water Security and Sanitation Program (GWSP)</strong></td>
</tr>
<tr>
<td><strong>Development Economics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>47</td>
<td><strong>Knowledge for Change Program (KCP)</strong></td>
</tr>
<tr>
<td></td>
<td>48</td>
<td><strong>Global Data Facility</strong></td>
</tr>
<tr>
<td></td>
<td>49</td>
<td><strong>Impact Evaluation to Development Impact (i2i)</strong></td>
</tr>
<tr>
<td><strong>Fragility, Conflict and Violence</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>50</td>
<td><strong>State and Peacebuilding Fund (SFP) 2.0</strong></td>
</tr>
</tbody>
</table>

(continues)
<table>
<thead>
<tr>
<th>Practice Group/Business Units</th>
<th>No.</th>
<th>Umbrella 2.0 Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regions</strong></td>
<td></td>
<td><strong>Eastern and Southern Africa</strong></td>
</tr>
<tr>
<td></td>
<td>51</td>
<td>Somalia Country Engagement</td>
</tr>
<tr>
<td></td>
<td>52</td>
<td>Sudan Transition and Recovery Support (STARS)</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>South Sudan Umbrella</td>
</tr>
<tr>
<td></td>
<td>54</td>
<td>Zimbabwe Country Engagement</td>
</tr>
<tr>
<td></td>
<td>55</td>
<td>Horn of Africa Umbrella (HOA)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Western and Central Africa</strong></td>
</tr>
<tr>
<td></td>
<td>56</td>
<td>Liberia Reconstruction</td>
</tr>
<tr>
<td></td>
<td>57</td>
<td>AFW Regional Umbrella</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>East Asia and Pacific</strong></td>
</tr>
<tr>
<td></td>
<td>58</td>
<td>Timor-Leste Strategic Partnership (TLSP)</td>
</tr>
<tr>
<td></td>
<td>59</td>
<td>Myanmar Strategic Partnership (MSP)</td>
</tr>
<tr>
<td></td>
<td>60</td>
<td>Papua New Guinea and Pacific Islands Umbrella Facility (PPIUF)</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Latin America and the Caribbean</strong></td>
</tr>
<tr>
<td></td>
<td>61</td>
<td>Caribbean Umbrella</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Middle East and North Africa</strong></td>
</tr>
<tr>
<td></td>
<td>62</td>
<td>MNA Regional Umbrella 2.0</td>
</tr>
<tr>
<td></td>
<td>63</td>
<td>Palestinian Umbrella for Resilience Support to the Economy (PURSE)</td>
</tr>
<tr>
<td></td>
<td>64</td>
<td>Lebanon Financing Facility (LFF)</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>Tunisia Economic Resilience and Inclusion (TERI)</td>
</tr>
<tr>
<td></td>
<td>66</td>
<td>Yemen Resilience, Recovery, and Reconstruction Umbrella Program</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>South Asia</strong></td>
</tr>
<tr>
<td></td>
<td>67</td>
<td>South Asia Regional Integration, Cooperation, and Engagement Umbrella</td>
</tr>
<tr>
<td></td>
<td>68</td>
<td>Afghanistan Reconstruction Trust Fund (ARTF)</td>
</tr>
<tr>
<td></td>
<td>69</td>
<td>Pakistan@100 Partnership</td>
</tr>
<tr>
<td></td>
<td>70</td>
<td>India Country Umbrella</td>
</tr>
</tbody>
</table>
Annex 2: Providing Oversight and Accountability

The World Bank Group holds itself accountable through institutional mechanisms—both within and independent of the World Bank Group—that monitor operational performance, manage institutional risks, address grievances, and ensure transparency in our work. They provide guidance and recommendations to ensure maximum development effectiveness and adherence to the highest accountability standards.

Independent Evaluation Group

The Independent Evaluation Group (IEG) aims to strengthen the World Bank Group’s development effectiveness through evaluations that assess results and performance and that provide recommendations for improvements. It also validates the World Bank Group’s self-evaluations of the results of country programs and projects. The evaluations and validations provide evidence of factors influencing success and failure as well as lessons to help inform the World Bank Group’s directions, policies, programs, and operations.

In FY2022, IEG completed a range of major evaluations linked to the World Bank Group’s corporate and strategic priorities. These looked at the past decade of World Bank engagement in situations of conflict, the World Bank Group’s support for the transition to a circular economy, lessons learned from Doing Business, and the World Bank Group’s decentralization plans. The group also validated management’s progress on IEG evaluation recommendations and evaluated IFC and MIGA’s support for primary and secondary education in middle-income countries, as well as IDA’s sustainable development strategy and support for inclusive and sustainable farming practices. IEG also continued supporting the World Bank Group’s response to COVID-19, drawing on lessons learned from our response to past Ebola outbreaks, as well as innovations to support health and social responses during pandemics.

For more information and IEG’s annual report, visit ieg.worldbankgroup.org.

Accountability Mechanism

The World Bank Accountability Mechanism is an independent complaints mechanism for people and communities who believe that they have been or are likely to be adversely affected by a World Bank-funded project. It includes the Inspection Panel and the new Dispute Resolution Service (DRS). The Inspection Panel was established in 1993 as the first independent accountability mechanism at an international financial institution and continues to conduct independent compliance reviews. The DRS facilitates an independent and voluntary dispute resolution process for complainants and borrowers. The Accountability Mechanism reports to the Board and operates independently of World Bank management.

The Inspection Panel consists of three members, including the Chairperson, who report directly to the Executive Directors. During FY2021 and FY2022, the Panel submitted an investigation report on a roads project in Uganda and recommended investigations into projects in Nepal, Togo, and Uganda. It decided not to investigate a regional trade and transport project in Nepal and issued notices of non-registration on three projects in Kenya, one in Uganda, and one in India. In December 2021, it published an advisory report, Right to Be Heard, on intimidation and reprisals in Inspection Panel complaints.

The Dispute Resolution Service became operational in October 2021. During the year, the parties in two cases related to World Bank projects agreed to dispute resolution by DRS: a case in Uganda in December 2021, and a case in Nepal in April 2022. Both of these processes are ongoing.

Sanctions System

The World Bank Group’s Sanctions System is a multi-tier administrative process designed to address fraud, corruption, collusion, coercion, and obstruction by firms and individuals involved in World Bank Group operations. In FY2022, the World Bank Group sanctioned 35 firms and individuals through uncontested determinations of the World Bank’s Chief Suspension and Debarment Officer, decisions of the World Bank Group Sanctions Board, and settlement agreements. It removed 22 entities from sanction and converted the debarments with conditional release of one entity to conditional non-debarments. The World Bank Group also recognized 72 cross-debarments from other multilateral development banks (MDBs), and 28 World Bank Group debarments were eligible for recognition by other MDBs.

The Integrity Vice Presidency (INT) detects, deters, and prevents fraud and corruption in World Bank Group–financed operations and involving World Bank Group staff and corporate vendors. It investigates allegations of fraud, corruption, and other sanctionable practices, and, when these are substantiated, pursues sanctions against external entities and provides its findings for human resources decisions on disciplinary measures against staff. INT also works to identify, monitor, and mitigate integrity risks in World Bank Group operations. In addition, the Integrity Compliance Office (ICO), an independent unit within INT, reviews the compliance posture of entities involved in the sanctions process and engages with those that are working to meet their conditions for release from sanction.

In FY2022, INT marked its 20th anniversary as an independent accountability and oversight unit within the World Bank Group. To meet modern corruption challenges and best support World Bank Group operations, INT launched a strategy update covering FY2022–26. While preserving the centrality of INT’s investigative function and the ICO’s role, the update aims to strengthen INT’s prevention function by further leveraging its use of data analytics and tools and building up its knowledge and advisory resources; it also aims to enhance INT’s risk-based approach to investigations.

The Office of Suspension and Debarment is led by the World Bank’s Chief Suspension and Debarment Officer and provides the first level of adjudication in the World Bank’s Sanctions System. All World Bank sanctions cases that are not appealed to the World Bank Group’s Sanctions Board are resolved based on the officer’s determinations. The World Bank makes summaries of these uncontested determinations available to the public.

The Sanctions Board consists of seven members who are all external to the World Bank Group. It serves as the final decision maker in all contested sanctions cases across the World Bank Group and issues publicly available and fully reasoned decisions, which are not appealable.


To report suspected fraud or corruption in World Bank Group–financed projects, visit www.worldbank.org/fraudandcorruption.
Group Internal Audit Vice Presidency

The Group Internal Audit Vice Presidency (GIA) is an independent function reporting to the President and under the oversight of the Board’s Audit Committee. GIA provides senior management and the Board with reasonable assurance that processes for managing and controlling risks—as well as their overall governance—are adequately designed and functioning effectively. GIA’s work helps the World Bank Group serve its Clients more effectively. It delivers audits, as well as assurance and advisory reviews, that cover all key institutional areas: strategy, operations, finance, and corporate functions, including IT systems and processes. Its work is carried out in accordance with the Institute of Internal Auditors’ International Professional Practices Framework. GIA collaborates with risk management and governance functions within management as well as with the World Bank Group’s other independent oversight and accountability units.

GIA’s work program focuses on institutional and stakeholder priorities and significant risks; it delivers about 25 to 30 engagements per year. Key topics in FY2022 included IFC’s global trade finance and supplier programs; World Bank–UN engagement in projects; the World Bank Group’s contingent workforce, workers’ compensation, and disability programs; information security incident response, threat, and vulnerability management; and the implementation of a new enterprise resource planning system.

In FY2022, GIA continued to perform audits remotely due to COVID-19, adjusting the scope, priority, and timing of engagements, as necessary, to support the World Bank Group’s response. GIA employs a flexible, risk-based delivery model to adjust its focus alongside changes in the World Bank Group’s business and the related risk landscape.

For more information and GIA’s annual and quarterly reports, visit www.worldbank.org/internalaudit.
A GUIDE FOR DEVELOPMENT PARTNERS
Trust Funds & Partner Relations
Development Finance
October 2022

PARTNERING WITH THE WORLD BANK THROUGH TRUST FUNDS AND UMBRELLA 2.0 PROGRAMS

WORLD BANK GROUP