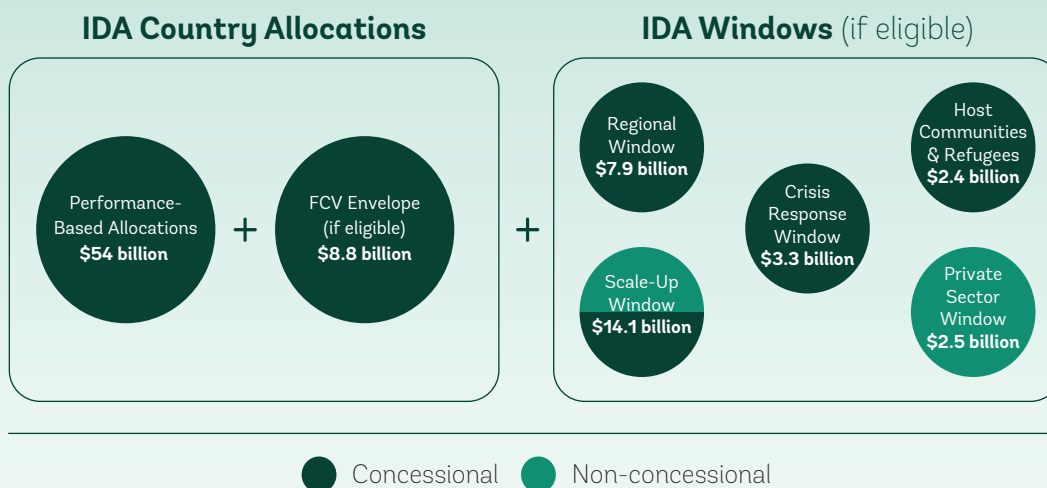


IDA20 FINANCIAL ARCHITECTURE

IDA20 Offers Scaled-up Financing through Country Allocations and Special Windows

IDA20 makes \$93 billion available to eligible countries during the period from July 1, 2022, to June 30, 2025. The majority of resources are provided to countries through **Performance-Based Allocations** (PBA), which are based on countries' performance and needs. In addition, eligible countries

facing situations of fragility, conflict, and violence (FCV) can also secure a top-up to their PBA from one of the three allocations from the **FCV Envelope**: Prevention and Resilience Allocation; Remaining Engaged during Conflict Allocation; or Turn Around Allocation.



Countries can access additional resources through the **IDA windows**. This structure is similar to that of IDA19, with some changes and innovations:

The \$7.9 billion **Regional Window** (RW) supports IDA countries in collaborating to find solutions to shared regional challenges, address issues of small and fragmented markets, and promote global or regional public goods. In IDA20, the RW provides more flexibility, as only two countries (instead of three in IDA19), of which at least one should be an IDA-eligible country, will be required to qualify as a regional operation. Eligible operations should generate positive externalities across country boundaries, have strong country and regional ownership, and may involve regional organizations. The RW also incentivizes financing of COVID-19 vaccines, therapeutics and diagnostics given their classification as global public goods.

The \$2.4 billion **Window for Host Communities and Refugees** (WHR) supports IDA countries in promoting medium- to long-term development opportunities for both refugees and host

communities in IDA countries. To access the WHR, IDA countries should (i) be hosting more than 25,000 refugees or 0.1 percent of their population; (ii) adhere to an adequate framework for the protection of refugees; and (iii) have in place a strategy or plan acceptable to IDA that describes concrete steps toward long-term solutions that benefit host communities and refugees.

The \$3.3 billion **Crisis Response Window** (CRW) provides financing to IDA countries to (i) respond, as a last resort, to the impact of severe natural disasters, public health emergencies, and economic crises; and (ii) tackle slower-onset crises, such as disease outbreaks and food insecurity, at an early juncture. Last resort resources may be used to: support IDA-eligible countries in the aftermath of an exceptional severe and intense natural disaster; address public health emergencies where the affected country has declared a national public health emergency; and tackle severe economic crises caused by exogenous shocks. Support to tackle slower-onset events, requires that IDA countries have or are developing, prior



to the crisis, a robust preparedness plan for disease outbreaks or food insecurity. Upon the disease outbreak or food insecurity event, countries should develop a credible response plan to be assessed as part of the country's request to access the CRW.

The \$14.1 billion **Scale-up Window** (SUW) aims to increase financing in eligible IDA countries for high quality, transformational, country and/or regional operations with strong development impact and help meet heightened external financing needs in the aftermath of COVID-19. In IDA20, the SUW will have two different portions:

1. Regular SUW, providing countries with healthy debt outlooks the opportunity to pursue high-impact operations at IBRD terms, and
2. Concessional shorter-term maturity loans (SUW-SML), which will allow countries to scale up investments needed in the short- and medium-term as part of COVID-19 response.

Operations financed through regular SUW are identified annually based on potential transformational impact of the proposed project; alignment with WBG goals and IDA policy priorities; and borrower country's capacity to absorb non-concessional resources in accordance with the Sustainable Development Finance Policy. Operations financed through the SUW-SML must align with the four pillars of the WBG COVID-19 Approach.

The \$2.5 billion **Private Sector Window** (PSW) mobilizes private capital by supporting investment in IDA-only countries and IDA-eligible Fragile and Conflict-affected Situations. It does so by blending concessional funds with IFC and MIGA investments to help mitigate a variety of risks — ranging from credit risk and currency devaluation to political risks — enabling high-impact projects that would otherwise not happen. Business development efforts for PSW-supported investments are led by IFC and MIGA, respectively. Investments seeking PSW support are subject to a rigorous governance process to assess their alignment with the [DFI Enhanced Blended Concessional Finance Principles](#).