Input of the World Bank Group to the 2018 High Level Political Forum

Steps taken by the Bank Group to support the 2030 Agenda and SDG implementation

The World Bank Group (WBG) submits the following input on the steps our institution is taking to support the implementation of the Sustainable Development Goals (SDGs), to be considered for the 2018 High Level Political Forum (HLPF) and the implementation of the 2030 Agenda for Sustainable Development. This document reflects on the institution's strategic direction, in line with the 2030 Agenda, and the three pillars of support through financing, data and implementation. It also reflects on efforts to support the delivery of the SDGs set to be reviewed at the 2018 HLPF, including SDG 6, 7, 11, 12, and 15.

The WBG has set two goals for the world to achieve by 2030: (*i) Ending extreme poverty and (ii) Promoting shared prosperity*. These goals need to be pursued within a sustainable environment, socially, economically and environmentally. We will help achieve these two goals in three ways: first by promoting sustainable and inclusive economic growth, especially through creating jobs and boosting private investment in infrastructure; second by investing in human capital including childhood development, skills for jobs, and equal opportunities in education, health, and training that can make the biggest differences in countries' ability to grow sustainably for long periods at a time and compete; and finally, by fostering resilience to global shocks and threats, by ramping up efforts to tackle the global challenges threatening to roll back development gains, supporting resilience infrastructure and investing in disaster risk preparedness.

In addition, the WBG's organizational structure is composed of Global Practices (GPs) and Cross-Cutting Solution Areas (CCSAs) which match the 17 SDGs almost one to one. The structure also supports country ownership and focuses on SDG-centered policies and institutions backed by effective leadership. Within this structure, the WBG is working along several tracks to support the 2030 Agenda: (i) **financing**; (ii) **data,** and (iii) **implementation.**

Strategic direction

During the 2015 WBG Annual Meetings in Lima, the Development Committee discussion set the tone for the institution's work towards implementation of the SDGs in "WBG Support for the 2030 Agenda for Sustainable Development". Further, in 2016, "Forward Look – a Vision for the World Bank Group in 2030" sets a common view among WBG shareholders of how to best support the development agenda for 2030 and connects the WBG institutional vision to the SDGs agenda. The document encourages commitments and policies towards the global public goods agenda while (i) prioritizing private sector solutions before deploying scarce public resources, including for infrastructure; (ii) strengthening domestic resource mobilization; (iii) assisting all WBG clients, including low-income and middle-income countries; (iv) encouraging agility and a focus on results across public and private sector; and (v) paying attention to stabilizing the economy and supporting growth in situations of fragility, conflict and violence, as well as to the development needs of small states.

Further, the ***WBG Corporate Scorecards (Scorecards)***, which were endorsed in April 2014 to monitor the implementation of the WBG Strategy, are aligned with the 2030 Agenda. The WBG has assessed the strategic alignment of the SDGs, targets and indicators with the WBG's corporate results frameworks (in particular the Scorecards) and the Results Measurement System (RMS) for the International Development Association (IDA). Starting in July 2017, frameworks take the SDGs into account in the WBG's business planning and monitoring. The Scorecards and IDA18 RMS are consistent with and fully reflect the spirit of the SDGs while maintaining the ability to serve specific needs in monitoring the WBG's performance.

Most recently, during the 2018 Spring Meetings, the WBG Development Committee reaffirmed the institution's commitment by agreeing on a package of measures that include a $13 billion paid-in capital increase. The capital increase, through leveraging and financial innovation, will have the capacity of over $100 billion a year from fiscal year 2019 through 2030.

Country Engagement

Systemic Country Diagnostics and Country Partnership Frameworks

In July 2014 the WBG launched a revised country engagement model consisting of two main instruments: the (i) Systematic Country Diagnostics (SCD) and the (ii) Country Partnership Frameworks (CPF). An SCD informs each new CPF. The aim of the SCD is to identify the most important challenges and opportunities a country faces in advancing towards its own development and the WBG's twin goals.

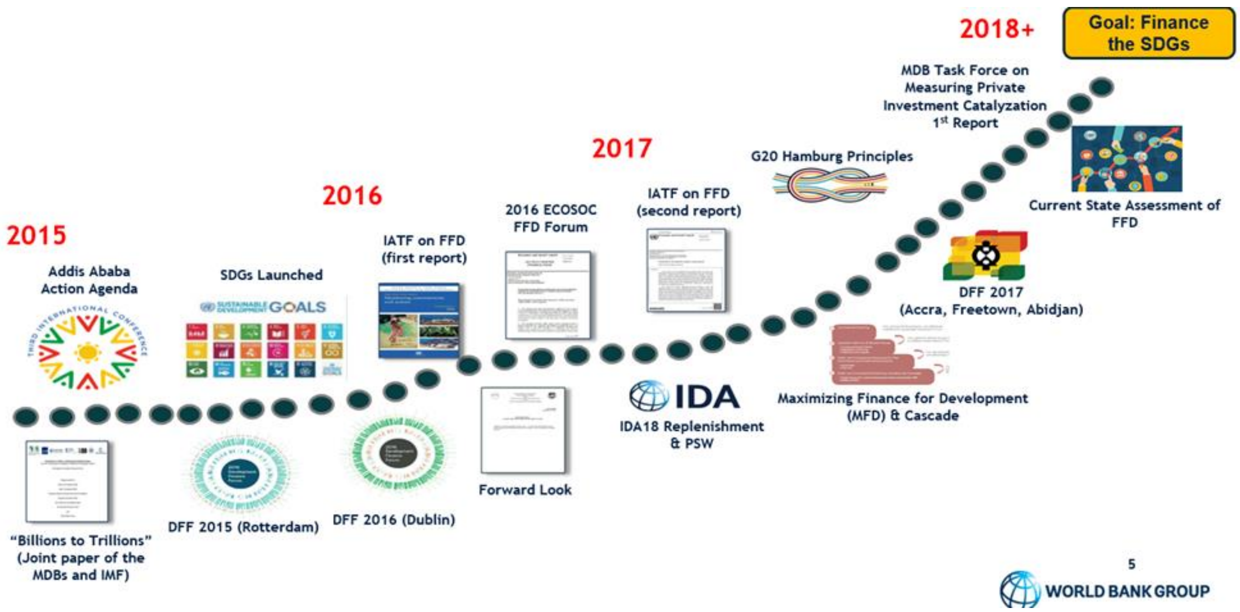
The WBG's CPF aims to make our country-driven model more systematic, evidence-based, selective, and focused on the Bank's abovementioned twin goals. Used in conjunction with an SCD, the CPF guides the WBG's support to a member country. The aim is to help the country by identifying the most important challenges and opportunities a country faces in advancing towards the twin goals. SCDs are prepared by WBG staff in close and thorough consultations with a country's national authorities and a range of other stakeholders. This alignment will also prove useful to support countries ahead of the Voluntary National Review presentations at the High Level Political Forum.

In virtue of the alignment between the WBG corporate goals and the SDGs, SCDs and CPFs are supporting progress towards the 2030 Agenda. The sustainability aspect of the SCD and CPF will also ensure that economic, social and environmental aspects of sustainable development are taken into account (including SDG 8: sustainable and inclusive economic growth). Further, the SCD analysis identifies important development challenges of a country, which could include areas of governance (institutional arrangements and capacity, transparency, and accountability), conflict and fragility, natural resource management, and gender inequality and natural resource management. Addressing some of these constraints will contribute to specific SDG goals (such as gender equality (SDG 5), climate action (SDG 13) but also SDG 12, 14 and 15 as well as the goal Peace, Justice and Strong Institutions (SDG 16) and the overall achievement of the 2030 Agenda.

Achieving the SDGs: Financing, Data, and Implementation

The next three sections outline the WBG's work in the three mains areas of SDG support: (i) finance; (ii) data; and (iii) implementation.

Financing the SDGs



During the 2018 WBG-IMF Spring Meetings, the Development Committee agreed on a package of measures that include a $13 billion paid-in capital increase and through the leveraging exercise and financial innovation, will have the capacity of over $100 billion a year from fiscal year 2019 to fiscal year 2030. This will benefit all WBG members across all spectrums of income, and with a focus on gender and in partnerships with the private sector. The capital increase represents the institution's commitment to sustainable development and a great demonstration of the unity behind the SDGs. The capital increase will greatly strengthen the institution's financial ability to support the 2030 Agenda and the SDGs.

The capital increase is one chapter of a long narrative of WBG support to the financing of the 2030 Agenda. In 2015, the joint Multilateral Development Banks (MDBs) and IMF paper "from Billions to Trillions" was instrumental in galvanizing discussion around potential solutions for financing the SDGs. The WBG, IMF, and MDBs are increasing the level of financing available to support country efforts on the SDGs and have identified the following areas of focus as priority:

- Mobilizing domestic resources, including a new joint WBG/IMF tax initiative and greater focus on illicit financial flows.
- Leveraging private sector, domestic, and foreign resources for investment in programs, projects, and various mechanisms that reduce risks and operational cost for the private sector.

- Developing tools to address global public goods, including global or regional initiatives around pandemics, forced displacement, and climate change.

The WBG has already taken concrete steps to realize these commitments. This past year, the WBG has introduced a Maximizing Finance for Development (MFD) approach to systematically assess and leverage all sources of finance, expertise, and solutions to support developing countries' sustainable growth. It extends and shapes our involvement – Bank, IFC, and MIGA - by asking a number of cascading questions that ensure the World Bank Group does not crowd out the private sector, but instead brings it in. This approach aligns development efforts into a shared vision, led by developing countries with support from the WBG as well as other MDBs, investors, and partners. This approach is guided by the Hamburg Principles, adopted by the G20 in 2017. The approach is already operational in nine pilot countries.

In this context, the WBG will also be devoting more resources to our work with government in client countries on reforms that catalyze private sector involvement in a wide range of sectors. Working to ensure environmental and social sustainability and promoting good governance are at the core of what we do. The WBG has broad experience in mobilizing private sector funding. Two key examples are IFC's syndicated loan program, the oldest and largest of its kind, and its Asset Management Company, which enables institutional investors to invest alongside IFC in developing countries. MIGA, through its political risk insurance and credit enhancement products, has also helped drive private capital to critical projects in developing countries.

As of February 2018, MIGA supported $19.3 billion worth of investments into developing countries, a doubling from five years ago, to support investments that are developmentally sound and meet high social and environmental standards.

The WBG is using concessional finance in innovative ways to mitigate risk, and blended finance to support private sector investment. This includes the new IDA18 IFC-MIGA Private Sector Window, a pilot initiative, which is an allocation of $2.5 billion for IFC and MIGA to mobilize private sector investment in IDA-only countries, and IDA-eligible fragile and conflict-affected situations (FCS). It is estimated that 60% of the world's poor will be living in fragile and conflict-affected situations by 2030. Private investment is vital in FCS to create jobs, spur economic growth, generate tax revenues, and rebuild infrastructure. Through its support to foster sustainable public-private partnerships (PPPs), the WBG can also help governments combine the skills and resources of the public and private sectors through sharing of risks and responsibilities.

This work was made possible following the groundbreaking decision in December 2016 by our shareholders, who agreed to a record breaking replenishment of IDA. In response to heightened global ambitions and escalating risks, IDA18 presents a paradigm shift in how it mobilizes finance to help IDA clients achieve their development goals. The IDA18 replenishment is the largest in IDA's 56-year history and heralds a significant step change in its policy and financing framework. IDA18 was finalized in December 2016 and is financing projects over the three-year period from July 1, 2017 to June 30, 2020. The IDA18 package responded to the calls from the G20 and international community for the WBG to innovate and be a critical implementation agent for achieving the 2030 Agenda. IDA18 participants agreed to an array of measures to help IDA clients achieve their ambitions.

IDA18 made its debut in the capital markets on April 19, 2018, joining a select group of top-tier supranational issuers with its first bond – a US$1.5 billion benchmark on the back of an orderbook totaling US$4.6 billion from investors around the world. Investors welcomed the bond with great enthusiasm. The quality of the orderbook—with orders originating from 110 investors in 30 countries--reflected IDA's strong financial profile and the unique opportunity to directly contribute to IDA's work towards the SDGs.

As already noted above, IDA18 also takes on a radical transformation to leverage additional financing by blending donor contributions with internal resources and funds raised through debt markets, allowing IDA to increase its financial support dramatically from $52B in IDA17 to $75B in IDA18. IDA18 therefore offers unparalleled value for money: every $1 in partner contributions generates about $3 in spending authority, as compared to 1:2 in IDA17. IDA18 financial innovations represent a concrete and significant commitment towards Financing for Development and is critical for achieving the SDGs.

The additional financing has enabled IDA to double resources to address fragility, conflict and violence (more than $14 billion), as well as address the root causes of these risks before they escalate. It also provides additional resources for refugees and their host communities ($2 billion). Increased financing has helped strengthen IDA's support for crisis preparedness and response, pandemic preparedness, disaster risk management, small states and regional integration through a Crisis Response Window ($2 billion) and additional funds under the Regional Window ($5 billion). Different approaches are being taken to tackle to full spectrum of fragility and better target efforts to address the root causes of fragility and forced displacement. Further, efforts to stimulate private sector development in the most difficult environments, at the core of job creation and economic transformation, have received a major push in the form of a $2.5 billion Private Sector Window, that leverages WBG expertise by working through IFC and MIGA. About US$6.2 billion in complementary non-concessional resources provides the financing needed to allow transformational projects with strong development impact to come to fruition.

As part of the commitments towards the Addis Ababa Action Agenda, the WBG is supporting creative and innovative instruments to leverage private sector resources. For example, a major lesson of the Ebola crisis and other recent pandemics is that the world must be better prepared for and respond much more quickly to future disease outbreaks. The last 30 years have seen a steady increase in the frequency and diversity of disease outbreaks. But many countries chronically underinvest in critical public health functions that enable the early identification and containment of outbreaks, such as disease surveillance, diagnostic laboratories, and emergency operations centers. The WBG's new Pandemic Emergency Financing Facility (PEF), which is supported by governments, private sector and WHO, enables a rapid response to severe outbreaks, using an innovative combination of public and private financing including resources from the insurance and capital markets. Another example, to enhance the Bank's effectiveness, is the Global Concessional Financing Facility (GCFF), which assists middle income countries to address refugee crises by using grants from donor countries to leverage concessional financing and provide longer term and low-cost financing. Eight countries have been found eligible for support so far, and projects are being prepared to address the social and economic aspects of crises to help host communities as well as refugees. To help middle-income countries address the refugee crisis, the GCFF, launched in partnership with the UN and Islamic Development Bank, has unlocked $1.4 billion in concessional financing for Jordan and Lebanon, promoting job creation and expanding vital public services and infrastructure.

The Women Entrepreneurs Finance Initiative (We-Fi) – announced at the G20 Leaders' Summit in July 2017, and launched at the Bank-Fund Annual Meetings in October – creates an opportunity to harness the public and private sectors to open new doors for women entrepreneurs across the developing world. With funding of over $340 million from 14 governments, this collaborative partnership among governments, MDBs, and other stakeholders is designed to help maximize private sector financing for development, working to unlock more than $1 billion for women entrepreneurs, including in fragile and low-income markets. We-Fi supports women entrepreneurs by creating and scaling up access to financial products and services, building capacity, increasing access to networks and mentors, and providing opportunities to link with domestic and global markets. It is also helping governments address the legal barriers and regulations that can – sometimes inadvertently – discriminate against women

Further, the World Bank Treasury has taken steps to raise awareness and get capital markets' investors to focus on the environmental and social sustainability of the projects and activities that they fund with their investments. In February 2018, the World Bank (IBRD) issued a US$350 million bond that raises funds for its development activities around the world, while highlighting four of the 17 Sustainable Development Goals (SDGs). The World Bank issues between US$50-US$60 billion in the global capital markets every year, and proceeds of all its bond support development programs that are aligned with the SDGs. This includes, for example, projects that are creating access to health care for uninsured women and children in Argentina; improving the quality of primary and maternal healthcare in Swaziland; improving waste management in six urban districts in China; upgrading water and sanitation facilities to improve the lives of women and children in India; and supporting the rehabilitation of a coral reef in Indonesia.

The WBG has already taken steps over the years to pioneer the green bond market. Since its first green bond in 2008, the World Bank (IBRD) has issued USD 10 billion through 130 transactions in 18 currencies. The growing green bond market now includes issuers such as other development banks, government agencies, municipalities and cities, corporates, and an expanding list of investors. This is coupled with the World Bank Treasury's role in the capital markets in developing standards for and harmonizing (working with MDBs and others) "impact reporting" for investors. Impact reports provide investors with specific information on the expected environmental and social impacts of projects that their investments support. For example, the World Bank Green Bond Impact Report has been recognized and accepted as the market standard. These instruments are helping to encourage greater accountability and targeted investments in global public goods in support of the overall agenda for sustainable development.

In response to the Addis Ababa Action Agenda's call for greater mobilization of support and resources for infrastructure, the MDBs will hold the next Global Infrastructure Forum in October 2018 during the WBG-IMF Annual Meetings in Bali, Indonesia.

Lastly, the WBG is committed to the High-Level Political Forum and the National Voluntary Reviews by supporting its client countries with scaling up finance in their national contexts, including through the rubric of National Development Plans which are experiencing a revival in their popularity as a development planning approach. Support includes helping countries develop and execute financing plans for their NDPs, and strengthening the capacity of governments to implement the plans.

Data for development, monitoring, and reviewing the SDGs

The SDG agenda aims to transform our world, but unreliable or non-existent data undermine our capacity to plan and monitor development actions. The WBG operates at both the global and country level to address gaps in data production, accessibility, and use.

The WBG has weighed the direct adoption of SDG indicators against the quality of data and the availability of an established methodology. The WBG adopted verbatim eight (8) SDG indicators in Tier 1 of the Scorecard. Looking more broadly at the SDGs, the WBG also linked at least 45 other indicators of the Scorecards and IDA Results Measurement Systems (RMS) to 31 of the 169 SDG targets and 15 of the 17 goals.

In October 2017, the WBG launched a global Human Capital Project – an accelerated effort to assess the progress countries have made in building human capital and help countries invest more – and more effectively – in their people. Investing in people through nutrition, health care, quality education, jobs and skills helps build human capital, which is key to ending extreme poverty and creating more inclusive societies. When these investments begin in the early years of life, they lay a particularly strong foundation for both adult prosperity and resilience, and the growth and competitiveness of nations. Human capital is the largest component of global wealth, and rich countries have vastly more human capital wealth than low and middle-income countries, according to our recent report, The Changing Wealth of Nations. This finding strengthens the already powerful case for investing in people. Without human capital, countries cannot sustain economic growth, prepare workforces for the more highly-skilled jobs of the future, or compete effectively in the global economy. Rapid global changes in demography, fragility, and technology impose even greater pressures and urgency to invest in human capital. These investments must be scaled up now to prevent setbacks to global growth, equality, resilience, and stability.

Globally, the WBG compiles data to track development progress, contributes to building standards and definitions for SDG indicators, and works with others to maximize impact.

- The Atlas of Sustainable Development Goals is a flagship data publication led by the World Bank Group's data department in collaboration with experts from across the Bank. The 2018 edition, the 2nd annual report, features over 180 annotated data visualizations about trends, data, and measurement issues related to the 17 SDGs. The Atlas draws on the World Bank Group's World Development Indicators database, which is the World Bank's compilation of statistics from over 200 economies about global development and the quality of people's lives.
- The Bank participates in the Inter-Agency Expert Group on SDG Indicators which defines the indicators the world will use to measure SDG progress. The Bank is directly involved in reporting on 17 of these indicators (and indirectly many more). The Bank leads on SDG 1 on poverty, both in terms of methodology and data.

- The Bank is a major contributor to innovative approaches to filling gaps in SDG data production, access, and use. Working in close collaboration with the Global Partnership for Sustainable Development Data and DFID, the WBG is providing funding and technical know-how to pilot, test, and scale inventive uses in technology and new forms of collaboration between governments, civil society, and international organizations. The first installment of innovative financing will provide $3m in support to a wide range of new projects.

At the country level, the Bank puts its resources to work to improve data production and use by providing funding for improvements in partner country data. At present, the WBG has about 300 active projects to support data improvements providing about $200m per annum in financing for initiatives such as improving partner country household surveys, civil registration and vital statistics, and open data. In 2015, the WBG made a commitment to help countries complete at least one household survey every three years, with a focus on IDA countries. An estimated 111 surveys should be completed between 2017 and 2019.

Internally, the Bank is improving its coordination and impact through better data governance. The WBG Data Council ensures development data is core Bank business. The Council has endorsed institution-wide action plans in household surveys, price statistics, civil registration and vital statistics, and geospatial data. The Council has overseen improvements in tracking operations supporting data, established technical working groups and protocols to improve Bank-wide collaboration on key themes, and enabled the creation of an institution-wide platform for sharing all development data assets acquired through WBG-supported projects.

The institution is also putting big data into action and changing the way data is gathered, understood, shared, and utilized. Over the past two months a joint World Bank and IFC team developed a corporate value proposition around harnessing technology trends to end poverty and boost prosperity. Led by the president's office, the team engaged over 500 staff across 35 teams and every region to refine a robust set of meta-trends, thought-provoking scenarios for the future, and pillars of a new corporate narrative. In a series of workshops, groups of managers and directors have distilled over 200 technologies—from blockchain, artificial intelligence, to cloud computing—into a list of five meta-trends: platforms, digitization to enable access, the future of work, learning in the digital age, and the new social contract.

The Data Revolution is changing the way the WBG does business. We are using big data analytics and tradecraft to find actionable insights out of the data that flows from sources like mobile technology, social networks, satellites, sensors, and machine-to-machine transactions – reimagining how big data can enhance and supplement traditional analytic approaches. Putting big data into practice has many complexities. We are delivering technical assistance, knowledge and learning, and essential resources to operationalize big data solutions. World Bank projects are using Big Data to help governments reimagine solutions and improve service delivery and work toward achievement of the SDGs. In Haiti, for example, mobile phones are being used to connect urban residents to jobs, services, and economic opportunities. In the Philippines, governments are using GPS data from taxis to reduce accidents and improve emergency services.

The WBG has launched new partnerships to deliver on the data revolution. This includes new initiatives with the GSMA – the international trade body representing over 800 mobile network operators in 220 countries. First, the World Bank Group is joining the GSMA's Big Data for Social Good initiative. The WBG will work in collaboration with the GSMA to develop approaches and processes that enable mobile operators to share insights from call detail records to help improve WBG projects. Second, the Bank Group and GSMA will form a new Internet of Things (IoT) Big Data initiative to explore how data from *all devices* which are connected to the internet can be harnessed to end poverty and increase shared prosperity. IoT devices can be the delivery vehicles of big data sets, connecting real-time information from thermostats, sensors on lampposts, GPS devices and more.

Even more recently, The Disruptive Technologies for Development Fund (DT4D), which President Jim Yong Kim launched in May 2018 in partnership with Credit Suisse, will support staff with resources to pursue avenues to sustainable, inclusive and *smart development.* For the first time, the World Bank Group is partnering with individual philanthropists who will directly support our operational work. Credit Suisse will act as an intermediary to arrange an initial contribution of $10 million and assist in reaching out to technology partners. DT4D embodies the Bank Group's ambition to broker new, public-private coalitions that leverage diverse sources of innovation, funding, and perspectives to make the global market system work for the poor.

Implementing the SDGs

In setting the 2030 Agenda and the SDGs, the global community has recognized the challenges to data, financing, and implementation at the country level. Addressing these challenges necessitates an integrated analysis of the SDGs and the associated financing framework. To help countries with this analysis, the WBG publication: "Trajectories for Sustainable Development Goals: Framework and Country Applications" helps to address a range of questions related to prioritize areas to accelerate progress and unlocking the required financial resources. The framework benchmarks country performance in SDGs using GNI per capita as a gradient, makes projections for SDGs to the year 2030, discusses data availability, and identifies financial means of implementation. Cross country regressions of SDGs and their correlation with GNI per capita play a central role in the analysis, which has been applied to over 20 countries to date.

The 2018 HLPF SDGs

The 2018 meeting of the high-level political forum on sustainable development, convened under the auspices of the Economic and Social Council, will have the theme "Transformation towards sustainable and resilient societies." The set of goals to be reviewed in depth will be the following, including Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development, that will be considered each year:

- Goal 6. Ensure availability and sustainable management of water and sanitation for all
- Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all
- Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

- Goal 12. Ensure sustainable consumption and production patterns
- Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

The information below provides some examples of WBG led activities that specifically corresponds to the SDGs being reviewed.

Goal 6: Ensure availability and sustainable management of water and sanitation for all

Water touches nearly every aspect of development and it flows through the SDGs. It drives economic growth, supports healthy ecosystems, is essential to our food and energy production and is fundamental for life itself. The WBG has over 300 experts worldwide working in such areas as water supply and sanitation, water resources management, hydropower, irrigation, institutional reform, gender and inclusion, among others. And with a portfolio of water investments of $39 billion, it is the largest multilateral source of financing for water in developing countries.

But the SDGs come with new and large financing needs. The water and sanitation sector alone requires six times more financing than governments, the private sector, and donors are currently funding. That's why the World Bank is working with client countries to help them more effectively utilize public finance, to leverage additional resources and to blend public or donors' funds with commercial finance. For example, in Kenya, the World Bank through its new Trust Fund, the Global Water Security & Sanitation Partnership (GWSP), is helping support the transition towards the use of more commercial finance. This entails changes to the legal and regulatory framework to clarify roles and responsibilities, corporatizing service providers, and supporting local banks so that they become more comfortable with the water sector.

Achieving the SDGs will also mean ensuring nobody is left behind. And the World Bank takes many approaches for this. A recent World Bank report "Reducing Inequalities in Water Supply, Sanitation, and Hygiene in the Era of the SDGs" suggests that a drastic change is required in the way countries manage resources and provide key services, starting with better targeting to ensure they reach those most in need, and tackling inefficiencies to make sure public services are sustainable and effective. Offering a comprehensive analysis of water and sanitation indicators, the research spans 18 countries around the world and - for the first time - pinpoints specific geographic regions within countries that have inadequate WASH services. It sheds light on major disparities in water supply and sanitation services between rural and urban, poor and non-poor areas.

If we are to realize SDG indicators 6.1 and 6.2, then a strong emphasis on inclusion is needed. That's why the World Bank is deepening its work on social inclusion in water through knowledge generation and curation, country engagements, learning, and partnerships. The recent World Bank report 'The Rising Tide' provides policymakers and practitioners with a new framework for thinking about the intersection between water and gender. And in Indonesia, the Bank is supporting around 200 villages to gain inclusive infrastructure that makes water and sanitation facilities accessible for persons with disabilities, by constructing handrails, non-slippery floors, and ramps.

Water is widely recognized as a major global challenge and a recent World Bank report, '*Uncharted Waters*,' provides even more evidence why. It found that children in Africa who experience dry shocks (droughts) in their infancy, receive less food in the critical first 1,000 days of life. As a result, they do not reach their full cognitive or physical potential: they drop out of school earlier, have less wealth, bear more children and may be stunted. Most tragically, their children are also more likely to be stunted and less healthy, perpetuating a vicious cycle of poverty and ill-health.

It is with issues such as this in mind, that the highest level of government leadership—11 heads of state and a special advisor that make up the High-Level Panel on Water (HLPW) —was convened by the UN Secretary General and the World Bank Group President to identify a sustainable path forward for water. For the past two years, the HLPW has engaged in robust study and analysis to solve the challenge of ensuring the availability and sustainability of water. The Water GP has been closely involved in the entire process, providing both intellectual leadership and support to the HLPW. As a legacy of the Panel, the Bank will continue to leverage the high-level partnerships we have forged with ongoing work in a number of areas including investment, innovation, water scarcity, valuing water and a number of new Bank-funded programs in our client countries addressing the broader resilience agenda. But perhaps the Panel's biggest legacy is how it has furthered our collective partnership and exemplifies the spirit of collaboration we must continue to channel amongst one another and within our respective governments, institutions and sectors.

The International Decade for Action, "Water for Sustainable Development", which initiated by the Panel as one of the vehicles to facilitate the achievement of SDG 6, was commenced on World Water Day 2018. The Decade for Action calls for all to join in committing to valuing water and taking action to address our water challenges within this decade. The HLPW mandate ended with the release of their outcome package consisting of an open letter to fellow leaders, an outcome document, short summaries of key initiatives undertaken by the Panel and a "galvanizing" video. The outcome report articulated an agenda and key recommendations at three levels: a foundation for action; leading an integrated agenda at the local, country and regional levels; and catalyzing change, building partnerships & international cooperation at the global level.

At an operations level, the Bank Group is committed to moving towards aligning the monitoring of results with ongoing discussion on water-related SDG indicators. As part of GWSP reporting, the Bank has committed to reporting on the portfolio shifts in priority themes deemed essential for achieving the SDGs - sustainability, inclusion, institutions, financing, and resilience. The Bank is also committed to strengthening the results indicators in our lending operations to go beyond access alone and instead track service delivery outcomes (such as adequacy, reliability, quality, and affordability), as well as service provision to the poor. Given the country-driven approach of our operations, this means continued efforts to strengthen country capacity to collect the data required to measure the SDGs.

In partnership with the UNICEF/WHO Joint Monitoring Program, the custodian agency for SDG indicators 6.1 (on drinking water) and 6.2 (on sanitation and hygiene), the Bank is working with these actors and others to align the data collection efforts for compliance with the definitions for these indicators.

Finally, the World Bank is contributing in multiple task forces including the preparation of the 2018 SDG6 Synthesis Report on Water and Sanitation, and the World Water Development Report 2018. We look forward to future opportunities for such engagement and stand ready to do all we can do deliver a healthy and water-secure world for all

Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all

Despite progress made in certain areas of SDG7 – particularly renewable penetration in electricity, industrial energy efficiency and electrification in developing countries – the world is not on track to meet the SDG7 targets. These include universal access to electricity, clean fuels and technologies for cooking, a call for doubling the rate of improvement of energy efficiency, and a substantial increase in the share of renewables in the global energy mix.

While the World Bank has helped provide electricity to 32 million people over the course of two years (2014-2016), 1.06 billion people still live without access to energy and over three billion cook with polluting fuels such as firewood and dung. The world is not moving fast enough to reach SDG7, but bold policy commitments, innovative technology and increased private investments can help reach those goals.

There are two important contributors to solving the global energy challenges: first, there is a need to increase private sector participation in the energy sector both quantitatively and qualitatively and second, a need to build the institutions and frameworks that attract and retain private sector participation. There are many countries where cheaper and cleaner technologies depend on the legal and regulatory frameworks that can accommodate them while incentivizing private sector participation.

According to the 2018 report "Tracking SDG7: The Energy Progress Report" prepared by the custodians off SDG7, including the World Bank, that countries that are making efforts on both on-grid and off-grid electrification are the ones moving the furthest and fastest.

Comprehensive data and analytical tools provide the data needed to inform governments as they develop policies to attract private sector investments and track their progress toward SDG7. Under the SEforALL Knowledge Hub, the Energy Sector Management Assistance Program (ESMAP) has developed three comprehensive data and analytical tools to help governments craft policies that attract investment and track progress toward SDG7. These tools include Tracking SDG7: The Energy Progress Report, which is a comprehensive database to track sustainable energy pillars; the Multi-Tier Framework (MTF), which tracks energy access in 17 pilot studies and provide new ways to inform SDG7.1, as well as provide capacity building through the training of statistical offices and workshops on energy data, and; the Regulatory Indicators for Sustainable Energy (RISE), which provide regulatory data collected on the three pillars in over 100 countries as a tool for attracting investments. In FY17 the Bank approved 41 new energy lending projects. ESMAP's portfolio of advisory services and analytics informed $6.1 billion in World Bank lending.

In FY14-16, ESMAP's analytical work and technical assistance informed $3.7 billion in World Bank IDA and IBRD lending through 250 activities in 130 countries. In turn, these lending projects leveraged a further $1.8 billion from public, private, and other sources. ESMAP's Clean Stove Initiative supported China with $80 million as part of a larger World Bank program, to distribute 6 million clean cookstoves in the country's Hebei province by 2017. It is also funding Lighting Africa, which provided almost 15 million people with basic access to electricity and leveraged over $40 million for seven IDA projects.

To support Country Action, in 2014 ESMAP launched a $15 million technical assistance program for select client countries to help them develop investment prospectuses as part of national energy access plans. This program will continue for FY 2017-20 with emphasis on geospatial planning for energy access scale up. In FY2017/2018, ESMAP was able to mainstream its global knowledge and best practices into operations on the ground leading to $640 million in lending operations with off-grid and mini-grid components. The following is an example of WBG support:

- In Niger, ESMAP feasibility studies helped identify energy supply options to define investment for mini-grids in a $49 million World Bank investment project to bring electricity to remote, rural populations. The Bank is preparing in Ethiopia a Renewable Energy Guarantees Project to increase renewable energy generation capacity through private sector participation. With IDA Guarantees of $200 million the Bank expects to mobilize $800 million in private capital. The project is expected to help attract private capital to diversify the generation mix and support the Government's efforts to limit the public debt burden and improve sector financial sustainability.

Access to energy is recognized as key to reaching all the SDGs. The Bank and IFC established a cross-sectoral collaboration (ECCH) in 2015 between Energy, Environment, Health, Agriculture and Climate Change. The ECCH program supports a lending portfolio of over $300 in the cooking/heating sector, benefiting 3.6 million households, over 18 million people in 14 countries with improved access to cooking/heating solutions.

Lastly, the World Bank is accelerating efforts to expand access to electricity, by scaling up investments in both grid and off-grid solutions. The goal is to add 20 GW of renewable energy generation over five years and mobilize $25 billion in commercial funds for clean energy. In Africa alone, the World Bank has committed to help develop 5 GW of grid-connected solar energy projects and provide 55 million off-grid consumers with modern energy services by 2026.

Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable

Today, over four billion people around the world – more than 50 percent of the global population – live in cities. By 2050, with the urban population doubling its current size, nearly 70 out of 100 people in the world will live in cities. With this in mind, the WBG has a strong program of operations and technical assistance to support countries with full implementation of SDG 11 and the New Urban Agenda to make cities inclusive, safe, resilient, and sustainable for all.

The WBG invests an average of 6 billion USD in urban development and resilience projects every ear. Through a combination of investment project financing, policy development loans, and

Program-for-Results funding, the WBG aims to help cities meet the critical demands of urbanization.

To reach these goals, the organization sees three big elements that are essential for successfully implementing SDG 11 and the New Urban Agenda.

Financing the New Urban Agenda

First, we need to leverage all kinds of financing. The global investment needed for urban infrastructure is 4.5-5.4 trillion per year (including a 9-17% premium to make this low emission and climate resilient), most of which lies in the developing world.

Only a very small fraction of this can be supplied by ODA. In this context, the World Bank's strategy has three basic prongs, all of which are guided by the premise that assisting cities to expand access to finance from multiple sources, including private and commercial finance, is the key goal.

Second, the basic building blocks of sound city financing systems need to be strengthened: more own source revenues need to be generated; fiscal transfers need to increase; the accounting and financial management performance of city governments and service delivery agencies needs to improve; and regulatory frameworks for facilitating private investment in urban entities and projects need to be established.

Third, the World Bank provides funding and helps cities and national governments put in place the financial framework to enable them to attract investment to grow in a sustainable manner. For example, in East Africa, the World Bank has an operational portfolio of almost $1 billion in urban projects focused on improving financial and institutional performance in Ethiopia, Kenya, Uganda, and Tanzania. In Casablanca, Morocco, a EUR 172 million World Bank loan aims to improve the city's investment capacity by improving the municipality's revenue management systems, and attracting private investment in municipal infrastructure and services through public-private partnerships. Johannesburg and Medellin are among the cities that have sought World Bank support to expand their sources of revenue to encompass a wider array of "value capture" and land-based financing tools, thereby leveraging private capital in greater amount and increasing the social, economic, and fiscal return on cities' public investment.

Fourth, innovative ways of leveraging investment from private and non-traditional sources, sometimes in combination with MDBs and other agencies, are needed. Through the capital raising strategy of the World Bank's Cities Resilience Programme, the Bank is pushing the boundaries in this area. The Bank's City Creditworthiness Initiative (CCI) aims to strengthen the financial performance of local governments, and prepare them to tap domestic / regional capital markets without a sovereign guarantee. The CCI has trained over 600 municipal officials from 240 cities in 25 countries.

Promoting territorial development

Second, we need to promote territorial development in developing countries. Economic activities are concentrated in only a few places – only 1.5 percent of the world's land is home to half of its production. This concentration is inevitable, and it is also desirable. The evidence suggests that prosperous and peaceful countries have been successful by bringing people and businesses closer to each other in cities, harnessing agglomeration economies to boost productivity, job creation and economic growth.

However, while spatial imbalances in economic growth are inevitable, radical disparities in living standards are not. Economic development is unbalanced. Its process brings challenges for the economic and social integration of countries and regions. The World Bank is a platform that provide cities and territories with the financial resources, technical knowledge, and operational experience needed to "leave no area behind."

Territorial development looks at cities not only as individual entities, but also at the connectivity between them that allows faster economic growth and links people to better jobs. For example, the World Bank's East Asia and Pacific Cities: Expanding Opportunities for the Urban Poor report encourages cities in the region to ensure inclusive, equitable urban growth through a multi-dimensional approach to planning, incorporating aspects of economic, spatial, and social inclusion to foster economic growth and reduce poverty. In Kenya, areas of the north of the country have mostly been excluded from the benefits of rising living standards. The World Bank is launching the North & Northeastern Development Initiative (NEDI), a multi-sectoral program consisting of projects in transport, water, energy, agriculture, livelihoods, and social protection to connect the region to national and global markets.

Building resilience to natural disasters and climate change

Lastly, we need to build resilience to natural disasters and climate change. 90 percent of urban expansion takes place in developing countries, and much of it occurs near natural hazards, rivers and coastlines, and through informal and unplanned settlements. Lack of adequate infrastructure, land use planning and building codes exacerbate the risks to which urban dwellers are exposed.

The poorer segments of the population are particularly vulnerable, since they tend to live in more hazardous settlements and lack the necessary safety nets to recover from economic or environmental shocks. Preparing cities for disaster and climate risks and strengthening urban resilience are thus critical to all development and poverty reduction efforts. In recent years, the World Bank has worked in more than 7,000 cities and towns across 130 countries, investing over $4 billion during fiscal year 2017 in disaster risk management, and committing over $50 billion through more than 900 projects with climate-related activities.

The World Bank has also facilitated global partnerships to support countries in their urban resilience work: For example, through the City Resilience Program (CRP), supported by the Global Facility for Disaster Reduction and Recovery (GFDRR), the Swiss Economic Secretariat (SECO), and other partners, the World Bank is helping cities around the world raise the finance they need to build resilience to climate change and disaster risks, connecting investors with bankable projects, and keeping millions of people safer and stronger. From Panama City, Panama and Porto Alegre, Brazil to Accra, Ghana and Can Tho, Vietnam, CRP has engaged over 30 cities across the world on developing investment programs that could be financed with a range of financial instruments.

Urban resilience goes hand in hand with environmental sustainability. The World Bank's Global Platform for Sustainable Cities (GPSC) works with mayors in developing countries to transform cities into inclusive and resilient hubs of growth, as part of the Global Environment Facility (GEF)'s Sustainable Cities program that is active in 27 cities and 11 countries, and will leverage $1.5 billion over five years.

Goal 12: Ensure sustainable consumption and production patterns

Achieving sustainable economic growth and development requires that we reduce our ecological footprint by changing the way we produce and consume goods and resources. Total environmental damages worldwide have doubled in the past 20 years, and have only stabilized or declined in 25% of countries. As evidence that current trends are unsustainable: (i) 92% of the world's population lives in areas with air pollution levels above WHO guidelines, and air pollution has become the fourth leading risk factor for deaths worldwide; (ii) one third of all food is lost or wasted; (iii) by 2035, half the world will face water scarcity, and (iv) by 2050, arable land per person will only be 25% of what it was in 1960.

To address these challenge, the Bank Group provides financing, technical assistance, and expertise to help countries sustainably manage their land, sea, and freshwater natural resources. The Bank Group Global Practice on Environment and Natural Resources is directly addressing SDG 12 – Responsible Consumption and Production.

Through the Adjusted Net Savings (ANS) indicator, the Bank Group is helping measure the difference between national production and consumption annually, taking into account investment in human capital, depreciation of fixed capital, depletion of natural resources, and pollution damage.

The recent publication on "The Changing Wealth of Nations" evaluates global and regional trends (over the past two decades for 141 countries) in the various wealth assets that underpin socio-economic activity, i.e. produced, human and natural capital (including forests, land, protected areas, energy and minerals); and provides examples of how wealth accounts can be used for the analysis of development patterns.

The Bank Group–led Wealth Accounting and Valuation of Ecosystem Services Global Partnership Program (WAVES) aims to promote sustainable development by ensuring that natural resources are mainstreamed in development planning and national economic accounts. Currently active in nine developing countries (with plans to extend support to several more in the near future), the program combines data improvement with technical assistance in their use for decision making.

For example, WAVES has helped the Philippines set up ecosystem accounts, including e.g. water supply, water regulation, sedimentation, carbon sequestration and services from mangroves. Information organized in these accounts is being used to develop flood risk plans for the Laguna Lake area and land use plans for crops and forested areas on the island of Palawan, among others. In Rwanda, the Program has helped set up land, water and mineral accounts, and developed an associated land use trade-off tool. The accounts are informing the implementation of the National Land Use and Development Master Plan and the National Water Resources Master Plan.

The Bank Group also supports programs to reduce food waste by cutting transportation time and costs and improving storage technology, market information, and product differentiation. In Montenegro, for instance, the Industrial Waste Management and Cleanup Project is working to reduce contamination of natural resources and public health risks. Measures include groundwater management and waste removal, strengthening the country's institutional and regulatory capacities, and developing infrastructure for industrial hazardous waste disposal. In Nigeria, the Earthcare Solid Waste Composting Project helps reduce greenhouse gas emissions by diverting solid waste that would normally go to city landfills in Lagos. Waste is collected at food markets and treated at a state-of-the- art facility to produce compost, aiming to reduce waste disposal in landfills by 10–20 percent by 2018. This is Nigeria's first composting project to be registered as a Clean Development Mechanism project under the UN Framework Convention on Climate Change (UNFCCC) and is expected to reduce greenhouse gas emissions by 253,800 metric tons of carbon dioxide per year over 10 years.

Toxic land pollution is just as much of a health threat as major disease, with toxic substances found at levels noxious to health in drinking water, soil, air, and food. This issue generally receives low levels of attention and investment around the world, largely because of lack of data or robust estimates of the health impacts and related economic costs of toxic and contaminated sites. The Bank is contributing to improve the Toxic Site Identification Program database and improved the Initial Site Screening Protocol. The Protocol is being implemented in Tanzania, to help the country identify toxic sites.

In Lake Victoria, the Bank has developed an environmental management program that enabled identification of 1,100 polluting industries and opportunities for application of Resource Efficiency and Cleaner Production (RECP). About a third have been trained on RECP and around 15% implemented measures, leveraging US$90 m of private investment.

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Despite economic growth in many parts of the world, development needs are great and taking a toll on natural resources. Environmental degradation perpetuates poverty in which the most vulnerable people lack access to adequate resources needed to survive. Poor management of natural resources also threatens the gains achieved by growing economies. The World Bank supports a more integrated approach for managing land sustainably and for multiple purposes and functions -- a *landscape approach*. Managing renewable natural resources in an integrated way across different land uses and connecting them at landscape level provides the basis for enhancing people's livelihoods, security, and resilience to climate variability and change. For policy-makers, it is a chance to plan across economic sectors to minimize trade-offs and reap more value from existing resources by focusing on development challenges at the right scale.

The World Bank has a three-pronged approach to tackle forests and landscape restoration: analytical work, investments and partnership.

Through analytical work, the Bank has made a solid case for investing and managing land and natural resources more strategically, for multiple uses and multiple benefits. For example, the recently published report "*The Changing Wealth of Nations 2018 Building a Sustainable Future*" covers national wealth as the sum of produced capital, natural capital and human capital and makes the point that in developing countries most of the wealth comes from natural capital and investment in natural capital assets is essential for growth. In 2017 the "*Confronting Drought in Africa's Drylands: Opportunities for Enhancing Resilience"* report summarized the development challenge posed by drylands in East and West Africa and discussed determinants of resilience to droughts and other shocks. If current trends continue, dryland regions of Africa will experience strong population growth over the next two decades. As competition for resources intensifies, conflicts over land, water, and feed will likely multiply, reducing the ability of governments, development agencies, and local communities to manage the impact of droughts and other shocks. In this context, building resilience is vitally important

Through Investments. The World Bank has been investing at a landscape level for over two decades, drawing lessons from successes such as the Loess Plateau, in China, where a large-scale erosion control program, including natural regeneration and bans on grazing, returned a devastated plateau to a thriving landscape supporting sustainable agricultural production, and improving the livelihoods of 2.5 million people. Ten years later, a similar approach helped increase incomes and fight deadly erosion in in Ethiopia, generating gains in agriculture productivity, regreening of the landscape and carbon credits as an added benefit of landscape restoration. Below are a few recent examples.

- ***The Great Green Wall Initiative in the Sahel and West Africa*** is an example of a trans-African initiative led by the African Union that aims to reverse land degradation and desertification, boost food security and support local communities to adapt to climate change in the Sahel and South Africa. The Bank's TerrAfrica Platform supports this initiative through a US$1.1 billion flexible investment umbrella program, the Sahel and West Africa Program, active in 12 countries (Benin, Burkina Faso, Chad, Ethiopia, Ghana, Mali, Mauritania, Niger, Nigeria, Senegal, Sudan and Togo).
- ***The Amazon Sustainable Landscapes Program*** aims to protect globally significant biodiversity and implement policies to foster sustainable land use and restoration of native vegetation cover in Brazil, Colombia and Peru. The program aims to maintain 73,000,000 hectares of forest land, promote sustainable land management in 52,700 hectares, and support actions that will help reduce CO2 emissions by 300 million tons by 2030.

- ***Tunisia - Oases Ecosystems and Livelihoods Project.*** This project is aimed at improving sustainable natural resources management and promoting the diversification of livelihoods in selected Tunisian oases. Oases are the main source of employment and income in

Southern Tunisia, since they offer high-value agricultural products, dates, but their communities face environmental challenges that increase poverty and accelerate degradation of natural resources. In this context, the project targets traditional oases because of their role in desert ecosystems resilience and their social and cultural importance; it uses an approach aiming at balancing conservation, adaptation and socio-economic development. The project is being scaled-up by the recently approved USD 100 million project on Integrated Landscape Management in Lagging Regions.

- ***China - Ningxia Desertification Control and Ecological Protection Project.*** Desertification in arid and semi-arid areas of Northwest China is a major environmental issue for the country. This project aims to strengthen the Chinese Government's Program to Combat Desertification by supporting activities aiming to control desertification and rehabilitate degraded areas in the Ningxia Hui Autonomous Region of Northeast China. Intervention is proposed in strategically important fragile and desert areas where sandstorms threaten the well-being of millions of people, and where environmental degradation puts agriculture, industry, and infrastructure at serious risk. To date, around 36,000 ha or more than 60% of the project's target area of 60,000 ha has been rehabilitated through dune stabilization, re-vegetation, and tree planting. Total project costs are USD 113.8 million of which USD 80 million will be financed by the World Bank and USD 33.8 million by the government.

- ***Mekong Delta Integrated Climate Resilience and Sustainable Livelihoods.*** In Vietnam, the $300 million project is strengthening institutional coordination and planning across the Mekong Delta, and improving resilience of people's livelihoods and assets to climate change in selected vulnerable sub-regions. This is achieved by strengthening information and decision support systems; reinforcing institutional coordination, planning and capacity; and identifying and financing 'low-regret' investments, adopting an integrated landscape approach, in three key sub-regions of the Mekong Delta.

Through Partnerships. Due to the scale of investment needed to meet the Sustainable Development Goals and the rising aspirations of the poor, multilateral banks have agreed on the importance of leveraging the private sector for growth and sustainable development. The World Bank recognizes the crucial role the private sector plays, and is determined to leverage it to help countries maximize their resources for development by encouraging private sector participation in landscape restoration investments. An important example is the *Cocoa and Forest Initiative* where the chocolate industry has signed a declaration that it will source cocoa only from restored landscapes. The World Bank is also deeply engaged in international efforts by supporting and being a strategic partner of numerous initiatives, such as:

- *The Global Landscape Forum,* a proactive worldwide network which seeks to increase awareness of the many benefits of landscape approach, build support among decision makers, mobilize experts, increase capacity, and share knowledge on best practices for restoration success.

- *The Tropical Forest Alliance 2020*, a global umbrella partnership linked to the World Economic Forum whose goal is to reduce tropical deforestation related to the production of palm oil, soy, beef, and paper and pulp.

- *Collaborative Partnerships for Forests* is a partnership under the UN that brings together international organizations to promote sustainable management of forests and strengthen long-term political commitment to this purpose.