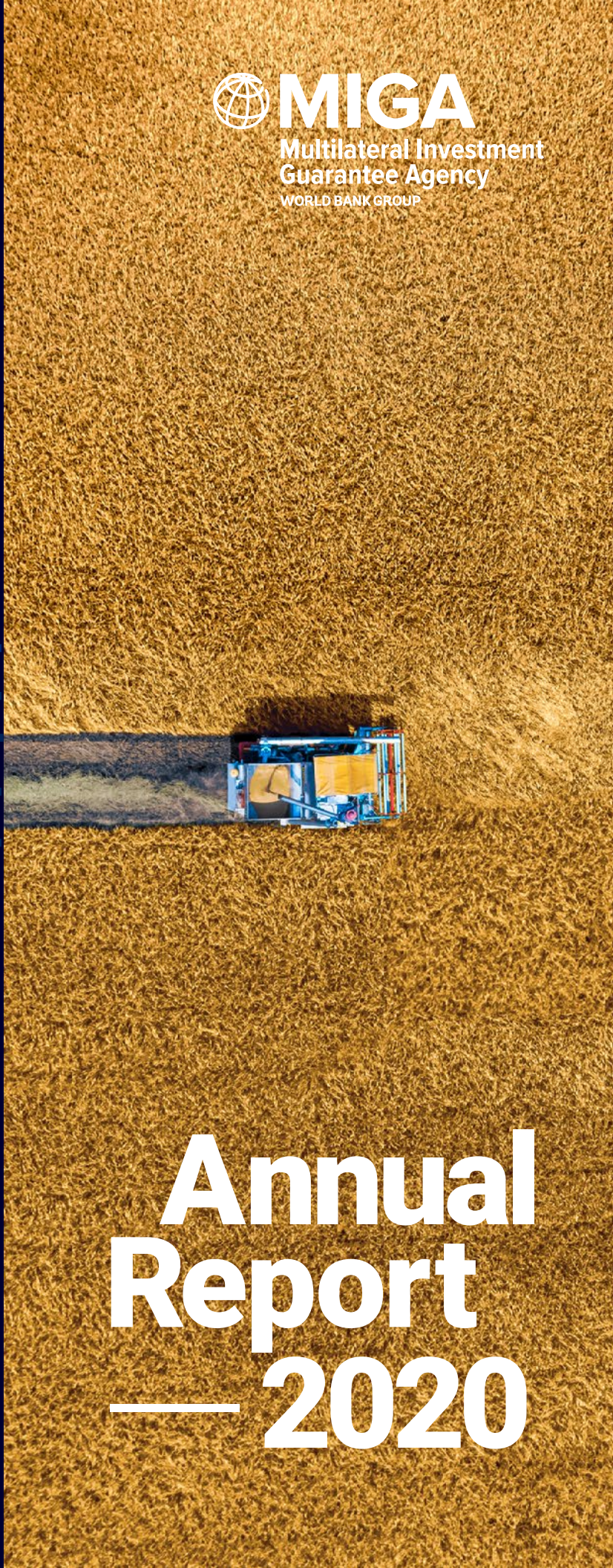
COVID-19 Response

Development Impact

Environmental and Social Sustainability

Protecting Investments

Reinsurance



MIGA
Multilateral Investment Guarantee Agency
WORLD BANK GROUP

Annual Report — 2020

About MIGA

Our mandate is to promote cross-border private investment in developing countries by providing guarantees (political risk insurance and credit enhancement) to investors and lenders.

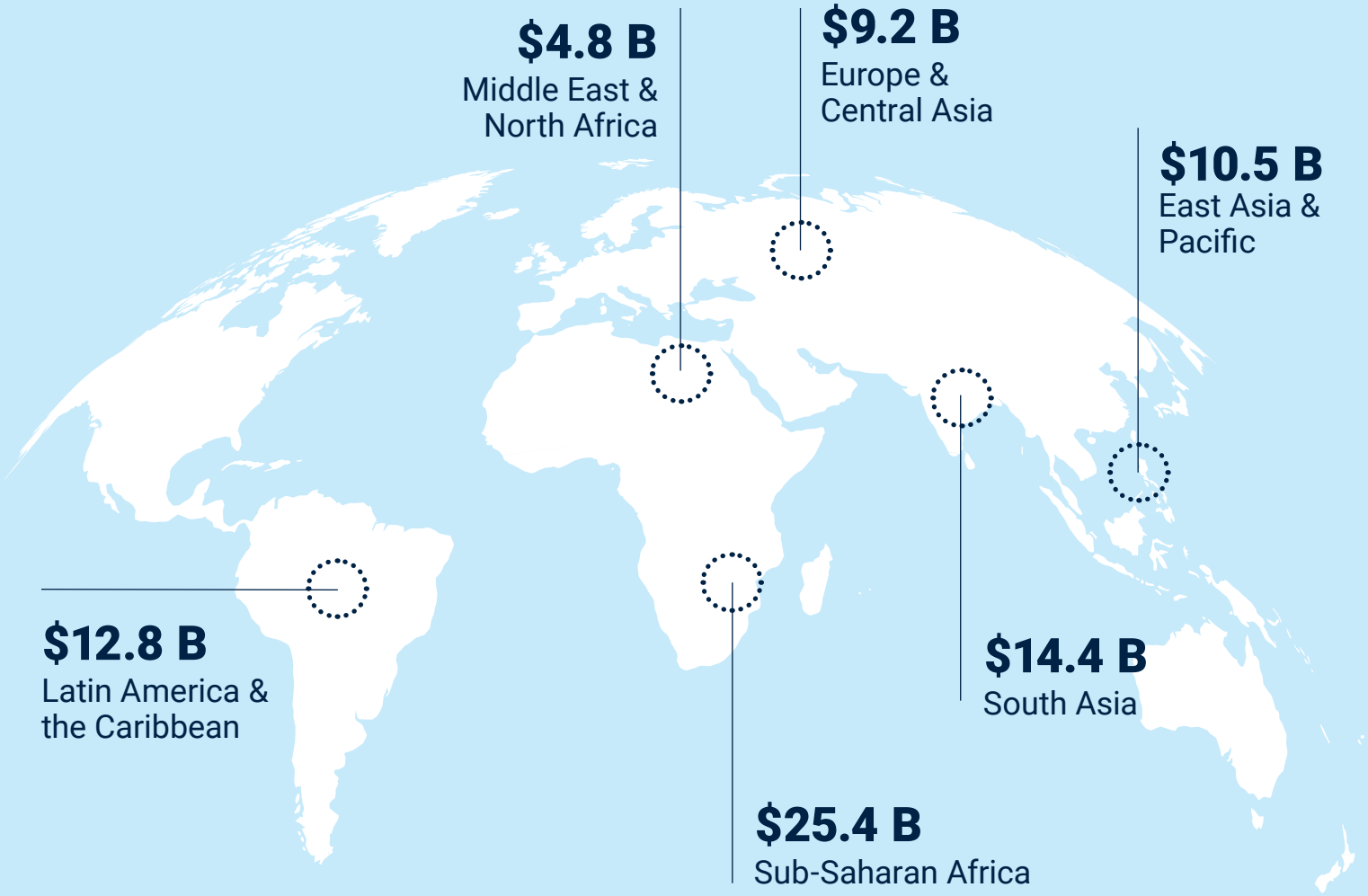
The COVID-19 pandemic is expected to decrease global foreign direct investment (FDI) by up to 40 percent in 2020, and the World Bank Group forecasts that the global economy will experience the worst recession since World War II. Developing countries are at risk of wiping out critical development gains, and millions might be pushed into extreme poverty.

Against the backdrop of these challenges, MIGA's role and mission remain more essential than ever. In FY20, MIGA issued nearly US$4 billion in new guarantees, helping mobilize over US$7 billion in total financing. FY20 projects will provide access to power to some 12.4 million people, procure US$4.3 million in goods locally each year, and avoid approximately 3 million tons of carbon dioxide equivalent (tCO_2e) emissions per year.

A member of the World Bank Group, MIGA is committed to strong development impact and promoting projects that are economically, environmentally, and socially sustainable. MIGA helps investors mitigate the risks of restrictions on currency conversion and transfer, breach of contract by governments, expropriation, war and civil disturbance, as well as offering credit enhancement on sovereign obligations.

World Bank Group Global Commitments

The World Bank Group supported developing countries in fiscal 2020 by delivering results for clients, convening key partners, and addressing an unprecedented pandemic and global economic challenge.



Total $77.1 billion in loans, grants, equity investments, and guarantees to partner countries and private businesses*

*Total includes multiregional and global projects. Regional breakdowns reflect World Bank country classifications.

A Message from the President

The COVID-19 pandemic presented countries with unprecedented challenges this year, requiring them to respond quickly to major disruptions in health care, economic activity, and livelihoods. The World Bank Group has been at the forefront of that response, mobilizing rapidly to deliver much-needed support to countries to provide critical supplies, reduce loss of life and economic hardship, protect hard-earned development gains, and deliver on our mission of reducing poverty and boosting shared prosperity. Our goal in all these efforts is to improve conditions, both immediate and long-term, for the poorest and most vulnerable populations.

At the onset of COVID-19, the Bank Group took broad, decisive action in delivering a fast-track facility to help countries respond quickly to this crisis. We expect to deploy up to $160 billion in the 15 months ending June 30, 2021, through new operations and the restructuring of existing ones to help countries address the wide range of needs arising from the pandemic. This will include over $50 billion of IDA resources on grant and highly concessional terms.

By May, we reached the milestone of emergency health operations in 100 countries. Our initial projects focused on limiting the pandemic's spread and boosting the capacity of health services. We helped countries access essential medical supplies and equipment through support for procurement and logistics, including negotiations with suppliers on their behalf. Many developing countries are dependent on imports for supplies, making them highly exposed to price fluctuations and trade restrictions. Through IFC and MIGA, we provided vital working capital and trade finance for the private sector in developing countries, particularly firms in core industries, and helped financial sectors continue lending to viable local businesses.

In March, the World Bank and IMF called for official bilateral creditors to suspend debt payments from IDA countries. In April, G20 leaders issued a historic agreement suspending official bilateral debt service payments from May 1 through the end of 2020 and called for comparable treatment by commercial creditors—a powerful example of international cooperation to help the poorest countries.

Beyond immediate health concerns, the Bank Group is supporting countries as they reopen their economies, restore jobs and services, and pave the pathway to a sustainable recovery. Many of our client countries have enhanced their transparency and attractiveness to new investment with fuller disclosure of their public sector's financial commitments. The Bank is helping the most vulnerable countries evaluate their debt sustainability and transparency, which are both essential to good development outcomes.

The Bank Group is supporting countries' efforts to scale up their social safety nets. This includes cash transfer operations through both in-person and digital options so that governments can efficiently deliver this critical support to their most vulnerable people. We are also engaging with governments to eliminate or redirect costly and environmentally harmful fuel subsidies and reduce trade barriers for food and medical supplies.

In fiscal 2020, IBRD's net commitments rose to $28 billion, while disbursements remained strong. IDA's net commitments were $30.4 billion, 39 percent higher than the previous year. The 19th replenishment of IDA was approved in March, securing

a three-year $82 billion financing package for the world's 76 poorest countries. This will increase our support to countries affected by fragility, conflict, and violence (FCV) and strengthen debt transparency and sustainable borrowing practices.

Over the last year, we realigned the Bank's staff and management to drive coordinated country programs and put high-quality knowledge at the center of our operations and development policy. We are increasing our global footprint to be closer to our operations on the ground. We also strengthened our focus on Africa by creating two Bank vice presidencies, one focusing on Western and Central Africa and the other on Eastern and Southern Africa, to take effect in fiscal 2021. I appointed four new senior leaders: Anshula Kant as Managing Director and Chief Financial Officer, Mari Pangestu as Managing Director of Development Policy and Partnerships, Hiroshi Matano as Executive Vice President of MIGA, and Axel van Trotsenburg as Managing Director of Operations on the departure of Kristalina Georgieva to head the IMF. In addition to these appointments, there were 12 vice-presidential appointments or reassignments over the last year. Together, the strong leadership team and a highly dedicated and motivated staff are striving to build the world's most effective development institution, with a resilient and responsive business model that can help each country and region achieve better development outcomes.

At our Annual Meetings in October, we presented a new index to track *learning poverty*—the percentage of 10-year-olds who cannot read and understand a basic story. Reducing learning poverty will require comprehensive reforms, but the payoff—equipping children with the skills they need to succeed and achieve their potential as adults—is vital for development.

By helping countries leverage new digital technologies, we are expanding access to low-cost financial transactions, particularly for women and other vulnerable groups. Digital connectivity is one of many key steps in helping women unleash their full economic potential. The Women Entrepreneurs Finance Initiative (We-Fi), hosted by the Bank Group, works to remove regulatory and legal barriers that women face and help them gain access to the financing, markets, and networks they need to succeed. Bank operations also focus on providing women with greater agency and voice in their communities, working to ensure that girls can learn effectively and safely in schools, and promoting quality health care for mothers and children.

We help countries strengthen their private sectors, which are central to creating jobs and boosting economic growth. In fiscal 2020, IFC's long-term finance commitments increased to $22 billion, which includes $11 billion of its own commitments and $11 billion in mobilization, commitments from private investors, and others. In addition, IFC extended $6.5 billion in short-term finance. MIGA's commitments totaled $4 billion, with an average project size of $84 million. Looking forward, MIGA's product line, staffing, and upstream efforts are well suited to help in the Bank Group's COVID-19 response, including a focus on smaller projects in IDA-eligible countries and countries affected by FCV.

None of these achievements would have been possible without our staff's hard work and successful adjustment to home-based work during the pandemic. Working around the world and at all levels, staff continued to deliver solutions to address countries' most urgent needs. I am deeply grateful for their dedication and flexibility, especially amid these difficult circumstances.

As people in developing countries worldwide grapple with the pandemic and deep recessions, the World Bank Group remains committed to their future, providing the support and assistance they need to overcome this crisis, and achieve a sustainable and inclusive recovery.

David Malpass
President of the World Bank Group
and Chairman of the Board of Executive Directors

A Message from the MIGA Board of Directors

We are facing one of the most challenging times for development since the creation of the World Bank in 1944. The COVID-19 pandemic has spared no country or segment of society; it has gravely impacted the lives of millions, small and large businesses across the world, and the modern global economy as we know it. Through combined efforts to address this pandemic, the World Bank Group has taken swift and comprehensive action. We express our heartfelt thanks to the staff, who have worked tirelessly to mobilize resources in fighting these unprecedented global health, social, and economic crises. Guided by our twin goals of ending poverty and promoting shared prosperity, and the *COVID-19 Crisis Response Approach Paper: Saving Lives, Scaling-up Impact and Getting Back on Track*, the Bank Group has committed to provide as much as $160 billion over 15 months to help countries respond to the crisis—as of the end of fiscal 2020, we were already providing support in over 100 countries. We envisage this funding will help improve resilience and inclusion, as well as foster transformative investments that will in turn help countries build back better. We believe our continued cooperation with governments, private and public sector partners, and a wide range of stakeholders is key to returning to a sustainable path of recovery and development.

To support further progress toward the twin goals and the Sustainable Development Goals, we endorsed the World Bank Group's Fragility, Conflict, and Violence (FCV) Strategy. Building on the ongoing, successful implementation of the 2016 Forward Look and the 2018 capital package, the strategy aims to enhance effectiveness in helping countries address the drivers and impacts of FCV and in strengthening resilience, with a focus on the most vulnerable and marginalized populations.

Earlier in fiscal 2020 we discussed strategic and operational issues related to jobs and economic transformation, migration, global value chains, and digital transformation. We discussed MIGA's underwriting and guarantee facilities, strengthening existing markets and exploring new ones. We also welcomed MIGA's new Executive Vice President, Mr. Hiroshi Matano.

DJ Nordquist, United States

Masanori Yoshida, Japan

Richard Hugh Montgomery, United Kingdom

Arnaud Buissé, France

Juergen Karl Zattler, Germany

Shahid Ashraf Tarar, Pakistan

Louise Levonian, Canada

Adrián Fernández, Uruguay

Kunil Hwang, Korea

Nathalie Francken, Belgium

Merza Hussain Hasan, Kuwait (Dean)

Aparna Subramani, India

We discussed critical matters to our *organization*, such as having staff located closer to our clients and how we measure development results; our independent *accountability* mechanisms; and the governance framework and the 2020 Shareholding review. In addition, we discussed and endorsed the strategy and business outlook for MIGA for fiscal 2021–23 and budget for fiscal 2021 that help shape the Bank Group's direction over the coming year.

The Board strongly supports racial justice and equality within the Bank Group and in our work. We will continue prioritizing diversity and inclusion across the institution and in our support to clients and communities. We believe that it is critical to embed concern for race and ethnicity in our development work and programs around the world, and that promoting diversity and inclusion in the workplace reflects our institution's core values. These efforts will remain an important focus in the year ahead.

Jean-Claude Tchatchouang, Cameroon

Anne Kabagambe, Uganda

Elsa Agustin, Philippines (Alternate)

Kulaya Tantitemit, Thailand

Yingming Yang, China

Jorge Alejandro Chávez Presa, Mexico

Koen Davidse, The Netherlands

Geir H. Haarde, Iceland

Patrizio Pagano, Italy (Co-Dean)

Hesham Alogeel, Saudi Arabia

Roman Marshavin, Russian Federation

Werner Gruber, Switzerland

Larai Hajara Shuaibu, Nigeria

A Message from Hiroshi Matano

Executive Vice President

To say that the global economy today is fundamentally different from a year ago is an understatement.

Though the fallout from the novel coronavirus pandemic will last years, the immediate damage is already visible: loss of jobs, an expected 40 percent drop in global FDI, and about 100 million people pushed into extreme poverty. Once-confident global investors are now instead holding back and looking inward to domestic markets.

"While political risk insurance and credit enhancement are our key products, our role goes far beyond them."

MIGA's role amid this uncertainty is to encourage private investors to stay the course and to offer greater stability by helping manage and mitigate country risks. Indeed, working with our clients and partners, we mobilized US$7.3 billion in development financing through issuances of nearly US$4 billion in guarantees to cross-border private investors in FY20. Nearly half of our guarantees supported projects in IDA (lower-income) countries and fragile settings, and more than 20 percent of our issuances contributed to climate change adaptation or mitigation. As a result, our issuances in FY20 are expected to help provide access to power to some 12.4 million people, procure US$4.3 million in goods locally each year, and avoid approximately 3 million tCO_2e per year.

However, while political risk insurance and credit enhancement are our key products, our role goes far beyond them. With the access to member countries that being a member of the World Bank Group affords us, we are frequently brought in to help mend relationships and keep projects on track.

Well before the pandemic, we were focused on reaching new markets through innovative applications of our products, and the pandemic brought into sharper focus the need to do so faster. A key part of this was shifting away from single, large-exposure transactions and focusing on smaller, higher-risk projects in challenging environments that have a greater potential for delivering development results on the ground.

We also provided capital relief to international financial institutions working within Basel and other regulatory regimes that can constrain financing capacity in developing economies. As a result, with credit still flowing, micro, small, and medium-size enterprises (MSMEs) will continue to have liquidity despite a challenging environment.

In response to the novel coronavirus pandemic, we acted quickly alongside the World Bank and the IFC, announcing a US$6.5 billion fast-track facility in early April that redirected MIGA's capacity toward the purchase of urgent medical equipment; provision of working capital for MSMEs, corporates, and individuals; and support for short-term funding needs of governments. The facility utilized four mechanisms:

- Credit enhancement for governments and their agencies to borrow on non-concessional terms to purchase urgent medical equipment, protective gear, medicines, and services
- De-risking solutions for commercial banks and financial institutions so they continue to provide lending through their subsidiaries in low- and middle-income countries
- Credit enhancement for governments and their agencies seeking to access the credit markets for funding economic recovery projects and programs in a liquidity-constrained environment
- Supporting trade finance to ensure the continued flow of goods through global supply chains, particularly in low-income and fragile countries

Some of the projects we supported included financing for domestic banks in Panama in response to liquidity constraints that emerged from the COVID-19 crisis, and providing mandatory reserves cover for multiple banks across Sub-Saharan Africa. By June-end, we provided guarantee coverage of US$2.1 billion—over half of our total issuances—as part of our COVID-19 response.

Looking ahead, the FY21–23 strategy that we presented to the Board this year charts a path for exploring new opportunities to increase MIGA's reach and impact. Innovations being explored include expanding operations to trade finance guarantees; broadening the number of currencies against which the agency may provide guarantees; working with domestic investors; supporting capital markets; and increasing collaboration with the IFC, other multilateral development banks (MDBs), and export credit agencies (ECAs).

More broadly, we are aiming to increase our total annual issuances to between US$5.5 and US$6.0 billion on average per year and are dedicating a larger portion in support of projects in IDA countries and fragile and conflict-affected situations (FCS). This means going from 25 percent (FY17–19) to 30–33 percent (FY21–23) of annual guarantees issued in these most challenging environments. In addition, we will target at least 35 percent of our annual guarantees issued over FY21–25 to support climate finance—in line with the World Bank Group goal.

Although we are living through exacting times, I am heartened that, working with our clients, we are helping individuals get through. I remain optimistic that we will stay the course on meeting the World Bank Group's mission.

I am particularly proud of our staff, and thankful to our clients and Board, who managed to deliver on key targets even under uncertain and difficult circumstances. While the challenges ahead are many, we have the tools, the resources, and the will to take them head-on.

Hiroshi Matano
Executive Vice President
Multilateral Investment Guarantee Agency

World Bank Group Responding to the COVID-19 Pandemic

In early 2020, the coronavirus pandemic (COVID-19) struck countries around the world, presenting enormous challenges to health systems and spurring wide-spread shutdowns, school and business closures, and job losses. Nearly all countries are facing an unprecedented economic downturn.

The World Bank Group has been at the forefront of the global response. In March, the Board of Executive Directors approved a new fast-track facility to help countries address their immediate health needs and bolster economic recovery. The World Bank deployed the first set of projects under this facility in April, aimed at strengthening health systems, disease surveillance, and public health interventions. To soften the economic blow, IFC and MIGA moved quickly to provide financing and increase access to capital to help companies continue operating and paying their workers.

In Nigeria, a $50 million
loan from IFC to a domestic bank to help expand lending to small and medium enterprises so that they can continue operating and sustain jobs, as part of ongoing efforts to support resilient recovery.

In Mongolia, $27 million
in World Bank financing to help provide training for emergency care doctors, nurses, and paramedics; purchase medical and laboratory equipment and supplies; rehabilitate health care facilities; and strengthen the country's capacity to respond to health crises.

In the Kyrgyz Republic, $12 million
in World Bank financing to help boost the capacity of rapid-response teams, hospitals, and laboratories by providing medical and laboratory supplies, ICU equipment, and preparedness funds for hospitals.

In Colombia, $385 million
in MIGA guarantees to support short-term financing for micro, small, and medium enterprises facing constraints to accessing credit as a result of the pandemic.

In Yemen, $27 million
in World Bank financing to help the country limit the spread of and mitigate risks associated with COVID-19, in partnership with the World Health Organization (WHO).

In India, $2.8 billion
in World Bank financing to strengthen health care services, provide support to small and medium enterprises, and enhance social protection for the poorest and most vulnerable, especially women and migrant workers.

The Bank Group expects to deploy up to $160 billion over 15 months through June 2021 to support countries' responses to COVID-19 through a series of new operations, the restructuring of existing ones, the triggering of catastrophe drawdown options, and support for sustainable private sector solutions that promote restructuring and recovery. The pandemic could push about 100 million more people into extreme poverty in 2020. Countries impacted by FCV challenges are particularly vulnerable to the health, social, and economic impacts of the pandemic. Our support in these settings focuses on investing in prevention, remaining engaged in crisis situations, protecting human capital, and supporting the most vulnerable and marginalized groups, including forcibly displaced populations. The poorest and most vulnerable countries also face food insecurity, as supply chain disruptions and export restrictions threaten the food supply. To address this, we urged countries to ensure that food supply chains continued to flow and function safely and helped them monitor the impact of the pandemic on people's ability to buy food. We advocated for strong social protection programs for the poorest and most vulnerable to ensure that people can afford to eat and access basic food supplies, while helping protect livelihoods.

Our research and knowledge products looked at the widespread impact of the pandemic—including economic updates, a report on declining global remittance flows, and a policy note on the shock to education and children's futures. But long after the immediate crisis subsides, countries will need support in mitigating its impacts and boosting long-term growth. Our policy recommendations offered countries ways to achieve this, including by improving governance and business environments, countering disruptions in financial markets, investing in education and health for better human capital outcomes, facilitating new investments through greater debt transparency, expanding cash safety nets for the poor, reviewing energy pricing policies, and implementing reforms that allow for capital and labor to adjust quickly to post-pandemic structures.

Engaging with the private sector is critical to the emergency response, and IFC expects to provide $47 billion in financial support through June 2021

as its part of the Bank Group's response. In its initial package, IFC is providing $8 billion to help companies continue operating and sustain jobs during the crisis. This package will support existing clients in vulnerable industries, including infrastructure, manufacturing, agriculture, and services, and provide liquidity to financial institutions so they can provide trade financing to companies that import and export goods and extend credit to help businesses shore up their working capital.

IFC is also preparing the second phase of its response, during which it will support existing and new clients. This includes the Global Health Platform, which aims to increase access to critical health care supplies, including masks, ventilators, test kits, and, eventually, vaccines. It will provide financing to manufacturers, suppliers of critical raw materials, and service providers to expand capacity for delivering products and services to developing countries. IFC will contribute $2 billion for its own account and mobilize an additional $2 billion from private sector partners. It will also help restructure and recapitalize companies and financial institutions on their path to recovery.

MIGA also launched a $6.5 billion fast-track facility to help private sector investors and lenders tackle the pandemic in low- and middle-income countries. The facility allows for the issuance of guarantees using streamlined and expedited procedures. It offers credit enhancement for governments and their agencies to purchase urgent medical equipment, protective gear, medicines, and services, and to fund economic recovery efforts. It also includes de-risking solutions for commercial banks and financial institutions, as well as support for trade financing for local banks.

By supporting trade financing, both IFC and MIGA are complementing broader Bank Group efforts to ensure that global supply chains are preserved, particularly for the production and distribution of vital medical supplies. We mobilized quickly to help countries access these supplies by reaching out to suppliers on behalf of governments. We also cautioned governments against protectionist measures, which can reduce global supply, lead to higher prices, and prevent developing countries from getting the supplies they need.

The Bank, along with the International Monetary Fund (IMF), called for the suspension of bilateral debt payments from IDA countries to ensure that countries have the liquidity needed to grapple with the challenges posed by the outbreak and allow for an assessment of their financing needs. On April 15, leaders of the G20 nations heeded this call and issued a debt relief agreement suspending bilateral debt service payments by poor countries beginning May 1. In remarks to the Development Committee at the virtual Spring Meetings of the Bank Group and IMF, President David Malpass commended this historic achievement: "Debt relief is a powerful, fast-acting measure that can bring real benefits to the people in poor countries."

In June 2020, the Board of Executive Directors approved an approach paper detailing our response to the COVID-19 pandemic. The paper *Saving Lives, Scaling-up Impact, and Getting Back on Track* explains how we're organizing our crisis response across the three stages of relief, restructuring, and resilient recovery. The first involves emergency response to the immediate health, social, and economic impacts of COVID-19. Then, as countries bring the pandemic under control and start reopening their economies, the restructuring stage focuses on strengthening health systems for future crises; restoring people's lives and livelihoods through education, jobs, and access to health care; and helping firms and financial institutions regain a solid footing. The resilient recovery stage entails helping countries build a more sustainable, inclusive, and resilient future in a world transformed by the pandemic.

We will continue to deliver support with unparalleled scale and speed, while concentrating our efforts for the greatest impact and maintaining our financial capacity for a robust response. Working across all the Bank Group institutions, we will continue seeking the right mix of public and private sector solutions and working with clients and partners to fight the pandemic.

Despite the unprecedented scale of the crisis and the ways we've repositioned our support to countries, our long-term mission remains unchanged. We remain committed to our goals of ending extreme poverty and boosting shared prosperity in a sustainable manner. To get there, we will focus our efforts on helping countries work toward a resilient recovery from the pandemic and ultimately build back stronger.

The Institutions of the World Bank Group

The World Bank Group is one of the world's largest sources of funding and knowledge for developing countries. It consists of five institutions with a shared commitment to reducing poverty, increasing shared prosperity, and promoting sustainable growth and development.

IBRD

International Bank for Reconstruction and Development (IBRD) lends to governments of middle-income and creditworthy low-income countries.

ICSID

International Centre for Settlement of Investment Disputes (ICSID) provides international facilities for conciliation and arbitration of investment disputes.

IDA

International Development Association (IDA) provides financing on highly concessional terms to governments of the poorest countries.

IFC

International Finance Corporation (IFC) provides loans, equity, and advisory services to stimulate private sector investment in developing countries.

MIGA

Multilateral Investment Guarantee Agency (MIGA) provides political risk insurance and credit enhancement to investors and lenders to facilitate foreign direct investment in emerging economies.

World Bank Group Financing for Partner Countries

World Bank Group Commitments, Disbursements, and Gross Issuance

by fiscal year, millions of dollars	2016	2017	2018	2019	2020
WORLD BANK GROUP					
Commitments[a]	64,185	61,783	66,868	62,341	**77,078**
Disbursements[b]	49,039	43,853	45,724	49,395	**54,367**
IBRD					
Commitments[c]	29,729	22,611	23,002	23,191	**27,976**
Disbursements	22,532	17,861	17,389	20,182	**20,238**
IDA					
Commitments[c]	16,171	19,513[d]	24,010[e]	21,932[e]	**30,365**[e]
Disbursements	13,191	12,718[d]	14,383	17,549	**21,179**[e]
IFC					
Commitments[f]	11,117	11,854	11,629	8,920	**11,135**
Disbursements	9,953	10,355	11,149	9,074	**10,518**
MIGA					
Gross Issuance	4,258	4,842	5,251	5,548	**3,961**
Recipient-Executed Trust Fund					
Commitments	2,910	2,962	2,976	2,749	**3,641**
Disbursements	3,363	2,919	2,803	2,590	**2,433**

a. Includes IBRD, IDA, IFC, Recipient-Executed Trust Fund (RETF) commitments, and MIGA gross issuance. RETF commitments include all recipient-executed grants, and therefore total WBG commitments differ from the amount reported in the WBG Corporate Scorecard, which includes only a subset of trust funded activities.
b. Includes IBRD, IDA, IFC, and RETF disbursements.
c. Amounts are net of full terminations and cancellations approved in the same fiscal year.
d. Figures include a $50 million grant to the Pandemic Emergency Financing Facility.
e. Commitments and disbursements exclude IFC-MIGA Private Sector Window (PSW) activities.
f. Long-term commitments for IFC's own account. Does not include short-term finance or funds mobilized from other investors.

MIGA's Global Reach and Country Results

$3,961.4 million
FY20 Gross Issuance

Gross Issuance

Country Results

$168 M
Middle East and North Africa

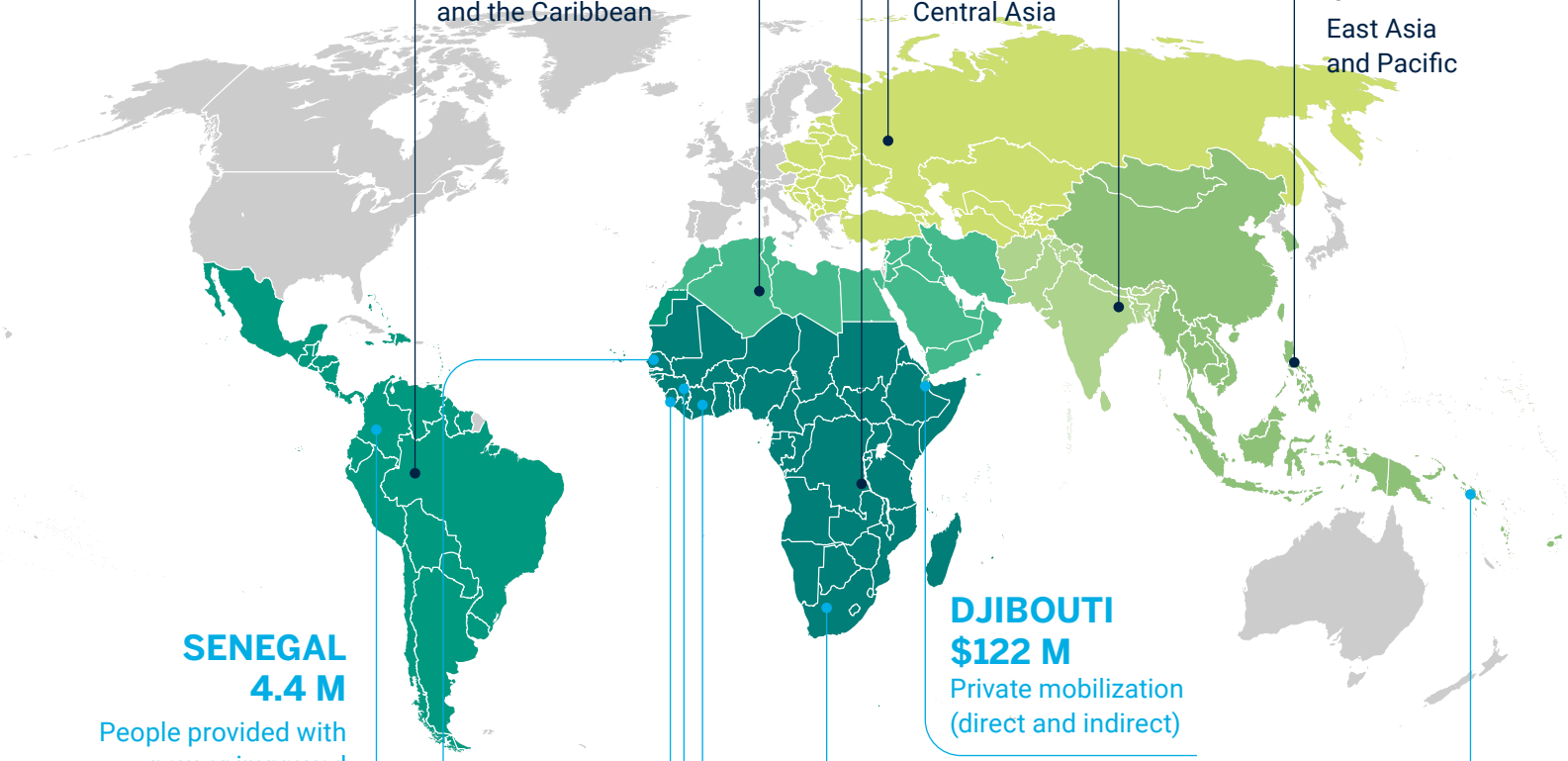
$1,282 M
Sub-Saharan Africa

$444.2 M
South Asia

$1,480 M
Latin America and the Caribbean

$499.2 M
Europe and Central Asia

$88.1 M
East Asia and Pacific



SENEGAL
4.4 M
People provided with new or improved electricity service

DJIBOUTI
$122 M
Private mobilization (direct and indirect)

SIERRA LEONE
$18.6 M
Taxes and fees (per year)

SOUTH AFRICA
4.2 M
GHG avoided (tCO_2e per year)

SOLOMON ISLANDS
$10.8 M
Climate finance private mobilization

GUINEA
2,500
Direct jobs (temporary + permanent)

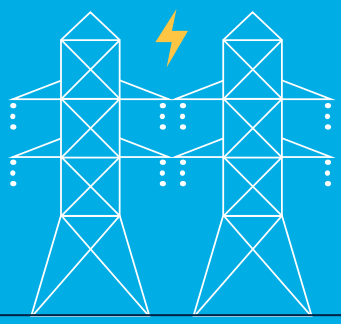
CÔTE D'IVOIRE
1.7 M
People provided with new or improved electricity service

COLOMBIA
$1.5 B
Loans supported

Note: Figures are from projects signed/closed in fiscal years FY15–20.

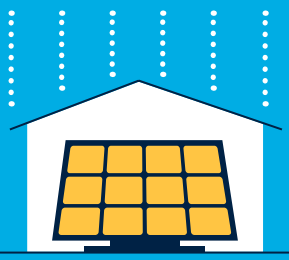
MIGA Expected Development Results for Projects Signed in FY20

Expanded power generation (GWhs) per year
5,547



Financing mobilized
$7.3 billion

People provided with new or improved electricity service
12.4 million

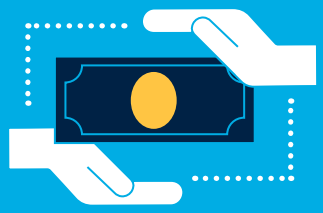


Locally procured goods per year
$4.3 million

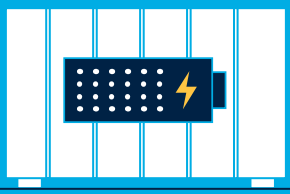
GHG emissions avoided (tCO_2e/year)
3 million

Taxes and fees paid per year to host governments
$197 million

Volume of loans supported
$5.5 billion



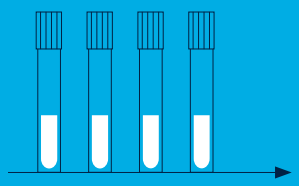
Power—installed capacity (MW)
1,226



MIGA COVID-19 Fast-Track Facility

In April 2020, MIGA launched a US$6.5 billion facility to help developing countries and the private sector respond to the impacts of the COVID-19 pandemic. MIGA's response to the crisis is multi-dimensional, aimed at covering three stages of the pandemic: (1) the first response, dealing with immediate emergency needs that focus primarily on supporting the public and the financial sectors; (2) a recovery phase, supporting the restoration of ongoing economic activities in the short and medium term, particularly in the real sectors and private enterprise; and (3) investment across the public and private sectors to ensure long-term resilience. As of August 2020, MIGA has provided US$2.6 billion for projects to mitigate the impact of the crisis in emerging markets and developing economies. There is also a significant pipeline of additional COVID-19 focused projects that are under preparation and expected to close in the coming year.

Pillars of the MIGA COVID-19 Fast-Track Facility

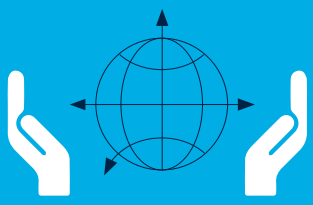


Pillar 1
Procurement of COVID-19 Medical Supplies/Services

- Support host governments in purchasing needed medical goods and services (for example, COVID-19 testing kits, hospital gowns, masks, ventilators, and medicines)

Pillar 2
Countering Adverse Economic Impacts during the COVID-19 Crisis

- Credit enhancement program—Supporting governments at eligible sovereign, sub-sovereign, or state-owned enterprise levels to provide short-term funding and working capital support to SMEs, corporates, and individuals during the crisis
- Capital optimization—Supporting financial institutions in extending lending in host countries by freeing up risk-weighted assets locked up in maintaining their mandatory reserves with central banks



Pillar 3
Supporting Trade Finance, Post COVID-19

- Supporting trade finance to enhance the flow of goods and services through global supply chains, including for critically needed commodities, especially in IDA and FCS countries

MIGA COVID-19 Fast-Track Facility Projects, FY20

Africa
(multiple countries)

MIGA issued €359 million in guarantees to the Eastern and Southern African Trade and Development Bank (TDB), a regional development bank with 22 member states. These guarantees will help diversify the bank's long-term funding sources, sharpen the focus on critical food and fuel imports, and facilitate imports of COVID-19 equipment and construction materials for health care facilities through its structured trade finance business.

Botswana, Eswatini, Ghana, Lesotho, Mozambique, Nigeria, Zambia

Up to US$235 million in guarantees were issued to FirstRand Limited under Pillar 2 of MIGA's COVID-19 response package. The guarantees free up capital, which helps FirstRand's seven subsidiaries navigate through the crisis and sustain operations while laying the foundation for long-term growth.

Albania

This project supports Alpha Bank Albania's lending operations at a time of significant strain arising from the pandemic. A sizable portion of the €47.5 million MIGA guarantees will support MSMEs, a key driver of growth and leading source of jobs in Albania.

Argentina

MIGA extended the tenor of the coverage for Santander's investments in Santander Río in order to support the provision of credit in Argentina. The guarantees free up the bank's capacity to continue to support the supply of credit in the economy, which includes several government-promoted COVID-19 responses and SME programs. MIGA's support will be critically needed at this time of extreme stress.

Colombia

MIGA has guaranteed a loan, which will be used by Bancóldex, to finance several government initiatives aimed at providing emergency liquidity for companies and MSMEs in response to the COVID-19 crisis. The MIGA-guaranteed loan will be used to fund government programs, such as "Colombia Responde" and "Colombia Responde para Todos," among others.

Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia

MIGA guarantees will mitigate deleveraging pressure in Nova Ljubljanska banka d.d., Ljubljana's (NLB's) portfolio arising from the COVID-19 pandemic. The guarantees will free up capital, providing extra capacity for on-lending across its six subsidiaries in Eastern Europe at a time of critical need.

Panama

As Panama has a dollarized economy and no central bank, it is difficult for the country to respond to economic shocks through monetary policy. A MIGA-guaranteed loan will help finance Caja de Ahorros's response to the economic crisis brought on by COVID-19. Proceeds from the loan will be used to provide liquidity to SMEs and other companies to improve their resiliency and stimulate Panama's economic recovery.

Highlighted Projects

A Closer Look at MIGA Projects in FY20

Djibouti: Breakthrough Wind Energy Project

Djibouti Wind will reduce dependence on imported electricity and support Djibouti's transition to renewable energy.

MIGA backed Djibouti's first utility-scale wind project by providing US$91.6 million in guarantees to Djibouti Wind Company Ltd. These guarantees are supporting the design, development, construction, operation, and maintenance of a 58.9 megawatt wind farm in Ghoubet along with interconnection facilities in the Arta Region (between Lake Assal and Djibouti City). The guarantees cover up to 90 percent of investments made and future earnings in the project for up to 20 years. They are providing protection against currency inconvertibility and transfer restriction, expropriation, breach of contract, and war and civil disturbance.

This will be the country's first independent power producer (IPP) project—with powerful demonstration effects. MIGA's support for the project is expected not only to sustain a competitive tariff and reduce greenhouse gas (GHG) emissions but also to support the country's transition to renewable energy while enhancing energy security. The project will avoid approximately 154,500 tCO_2e emissions per year when operational. Equally important, it aims to improve private sector confidence and mobilize further foreign private investment in Djibouti, an IDA and FCS[1] country. The project also benefits from the support of the IDA18 Private Sector Window (PSW) MIGA Guarantee Facility with a shared first loss layer of US$44 million.

1 Listed on the World Bank Group Harmonized List of Fragile Situations in FY17–19

The Solomon Islands: Supporting Clean Power Generation

The Solomon Islands is a country confronted with difficult energy challenges, due in large part to its remote location and size. Communities across the archipelago have uneven access to grid-connected electricity; 66 percent of residents in the capital, Honiara, have access, compared with less than 10 percent in other regions of the country. Adding to this, the country is heavily dependent on aging generators and imported diesel, causing the electricity to be both unreliable and expensive. MIGA has backed investments in the Tina River Hydropower Development Project to foster greater energy independence. US$14.09 million in MIGA guarantees were issued to Korea Water Resources Corporation and Hyundai Engineering Co. Ltd. to cover the risks of expropriation, breach of contract, and war and civil disturbance for up to 20 years. The project consists of a 15 megawatt hydropower plant on the Tina River, 20 kilometers southeast of Honiara. The project could lead to a reduction of 1.3 million tCO_2e emissions over its lifetime. It is also the first MIGA project in the Solomon Islands, an IDA and FCS country. The project benefits from the support of the PSW with a shared first loss layer of US$5.1 million.

Communities across the archipelago have uneven access to grid-connected electricity; 66 percent of residents in the capital, Honiara, have access, compared with less than 10 percent in other regions of the country.

Absa Group Limited and FirstRand Limited: Raising Bank Resilience Across Africa

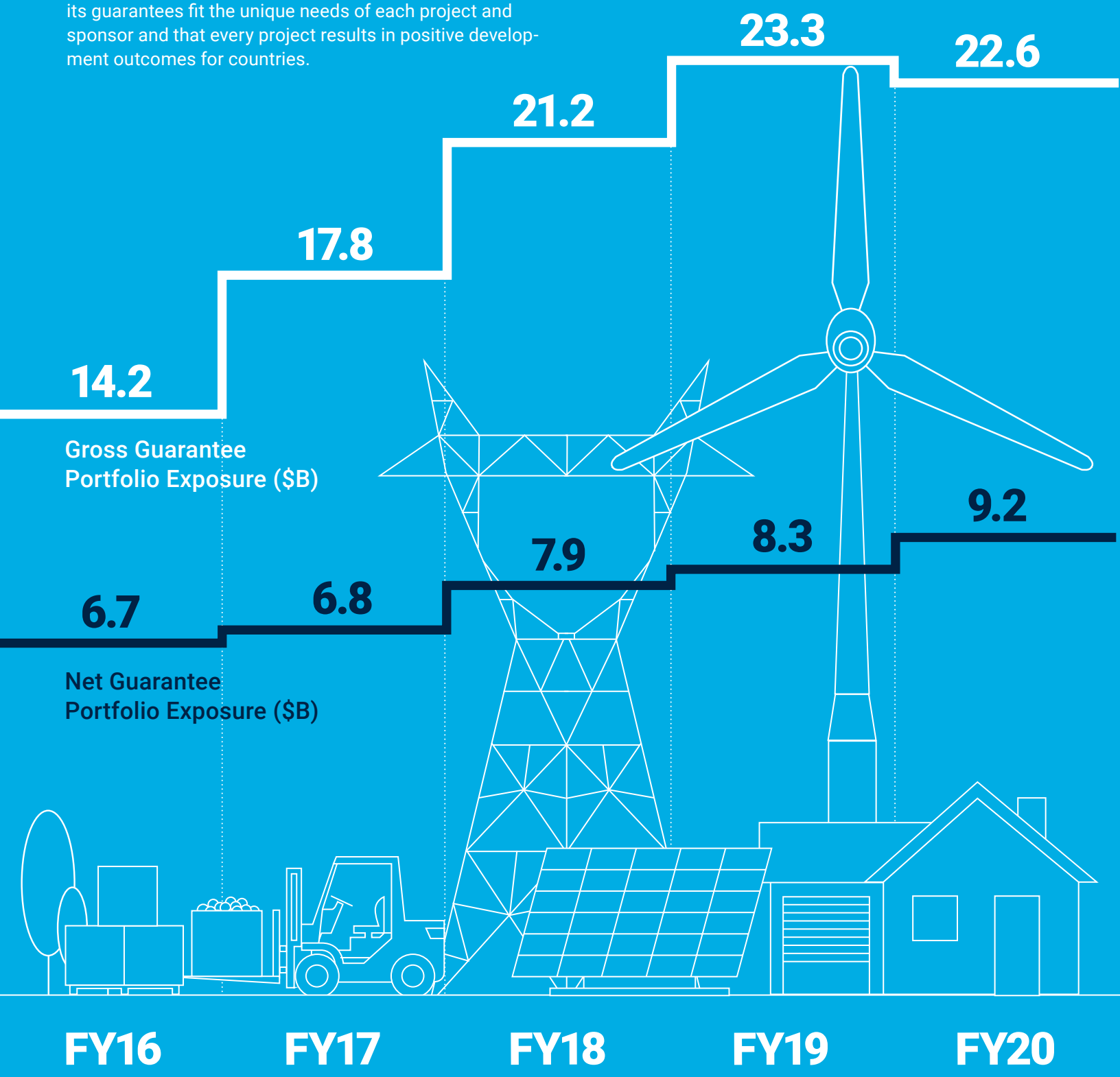
MIGA backed investments in two pan-African banks, boosting lending in the region and increasing bank resiliency amid the COVID-19 pandemic.

In FY20, MIGA backed investments in two pan-African banks, boosting lending in the region and increasing bank resiliency amid the COVID-19 pandemic. MIGA issued US$497 million in guarantees to South Africa's Absa Group Ltd. to help expand financing across seven countries: Ghana, Kenya, Mauritius, Mozambique, the Seychelles, Uganda, and Zambia. Lending will be focused on increasing financing for corporates and SMEs, as well as on projects with potential climate co-benefits. In addition—and as part of the COVID-19 Fast-Track Facility—MIGA issued guarantees to FirstRand to support its subsidiaries in Botswana, Eswatini, Ghana, Lesotho, Mozambique, Nigeria, and Zambia. The guarantees free up capital, which allows the subsidiaries to continue their operations and weather the pressures arising from the pandemic.

Business and Operational Review

MIGA aims to draw cross-border investment to developing economies in support of the World Bank Group's mission of ending extreme poverty and boosting shared prosperity. Despite a substantial drop in FDI flows to developing countries as a result of the COVID-19 pandemic, MIGA continued to mobilize private investment into developing economies this fiscal year. MIGA works to ensure that its guarantees fit the unique needs of each project and sponsor and that every project results in positive development outcomes for countries.

In FY20, the agency issued nearly US$4 billion in new guarantees in support of 47 projects. Of these projects, 70 percent addressed one or more of MIGA's priority areas: IDA-eligible countries, FCS countries, and climate change. MIGA's gross outstanding exposure stands at US$22.6 billion, and net exposure at US$9.2 billion.



MIGA's Strategic Priority Areas

Of the 47 projects supported during FY20, 70 percent addressed at least one of the three strategic priority areas: **IDA-eligible countries, FCS countries, and climate change.**

IDA and FCS

MIGA has maintained a commitment to deepening impact in IDA and FCS countries. An estimated 63 percent of the world's extreme poor (living at or below US$1.90 per day) currently live in IDA countries, and this percentage is expected to increase. Amplifying this development challenge is an upsurge in violent conflicts—more now than in the past 30 years. Estimates predict that by 2030, up to two-thirds of the world's extreme poor will live in countries characterized by fragility, conflict, and violence.

Despite the challenging investment environment, MIGA continued to prioritize these countries. In FY20, MIGA issued US$1.7 billion in guarantees across 15 IDA-eligible countries. The agency issued guarantees for US$495 million in support of projects in three FCS countries: Kosovo, Nigeria, and the Solomon Islands. MIGA's gross outstanding exposure in IDA-eligible countries and FCS has increased by 13 percent and 25 percent, respectively, since FY19.

MIGA leveraged the IDA Private Sector Window in support of several projects in FY20. The PSW was created in IDA18 with the goal of mobilizing private sector investment in IDA-only countries, particularly in FCS. During FY20, MIGA issued four guarantees for a total of US$193.1 million with the support of the PSW and ceded US$73.5 million under a first loss layer to IDA. Projects supported include hydropower facilities in Nepal and the Solomon Islands, as well as a wind farm project in Djibouti.

MIGA's Sierra Tropical project in Sierra Leone

Climate Change

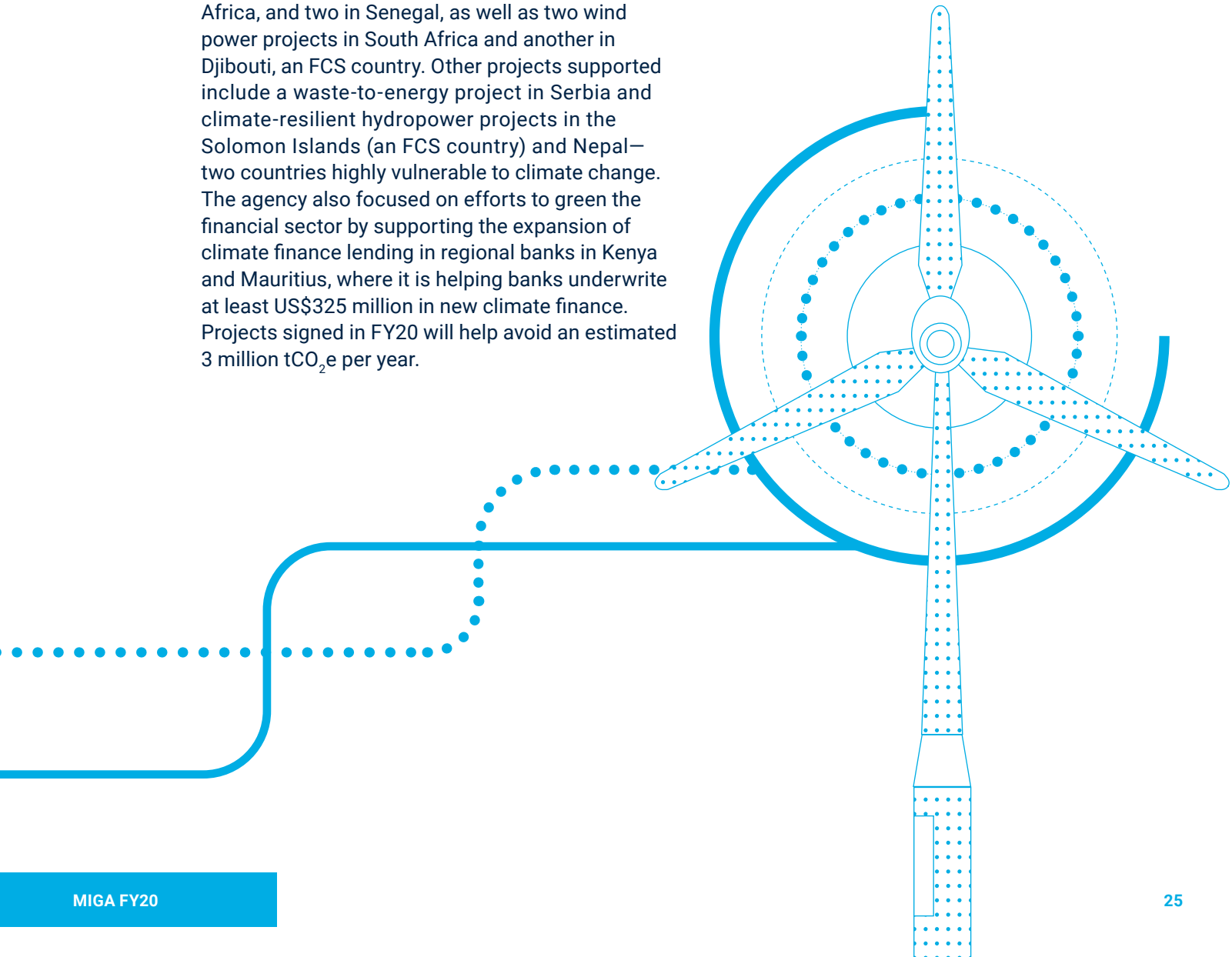
Climate change poses an acute threat to achieving the World Bank Group's twin goals. Its impacts are particularly strong on the poorest and most vulnerable members of society, and by 2030, they could push an additional 100 million people into poverty. Moreover, as many as 143 million people in just three regions (86 million in Sub-Saharan Africa, 40 million in South Asia, and 17 million in Latin America) could become climate migrants by 2050. Therefore, a continued commitment to limiting and adapting to climate change impacts is critical.

This fiscal year, MIGA mobilized US$1.3 billion in climate finance from the private sector for projects that contributed to climate mitigation or adaptation. The agency's support of renewable energy was especially strong this year in North and Sub-Saharan Africa, adding projects such as six solar power projects in the Arab Republic of Egypt, two in South Africa, and two in Senegal, as well as two wind power projects in South Africa and another in Djibouti, an FCS country. Other projects supported include a waste-to-energy project in Serbia and climate-resilient hydropower projects in the Solomon Islands (an FCS country) and Nepal—two countries highly vulnerable to climate change. The agency also focused on efforts to green the financial sector by supporting the expansion of climate finance lending in regional banks in Kenya and Mauritius, where it is helping banks underwrite at least US$325 million in new climate finance. Projects signed in FY20 will help avoid an estimated 3 million tCO_2e per year.

FY21–23

Looking ahead, MIGA will continue its efforts in IDA/FCS and climate change and deepen its impact as it implements the FY21–23 MIGA Strategy and Business Outlook. MIGA intends to increase the share of its investments in IDA/FCS and has based a senior staff member in Nairobi with the primary focus of increasing support for new transactions in low-income countries and fragile settings. The agency will also continue to build its climate business across clean energy, public transportation, green buildings, climate-smart agribusiness, and green finance.

For more on the FY21–23 MIGA Strategy and Business Outlook, visit: https://www.miga.org/about-us

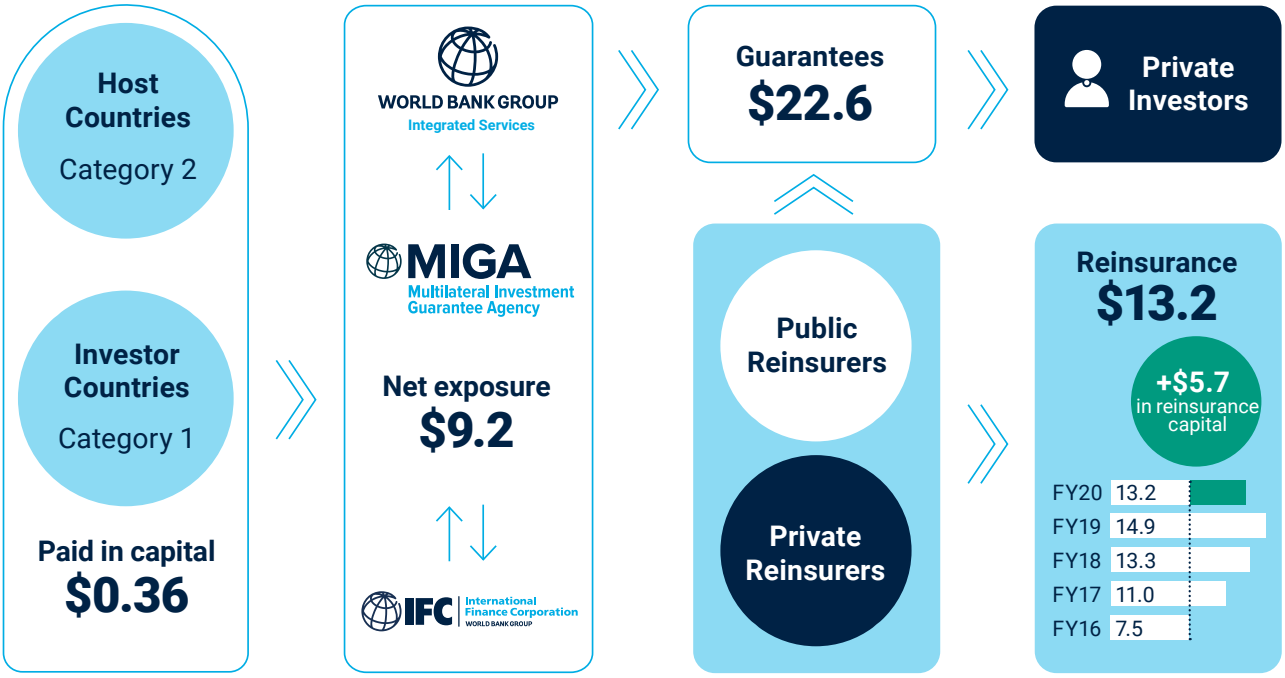


Reinsurance

Reinsurance allows MIGA to use its capital efficiently and minimizes risk concentrations. At the same time, reinsurance contributes to MIGA's revenue in the form of ceding commissions (that is, a percentage of the premiums ceded to reinsurers is retained by MIGA).

The agency continued to use reinsurance capacity, ceding US$1.6 billion of new business during FY20 to the reinsurance market in line with the strategy of preserving capital to fund future growth. As of June 30, 2020, US$13.2 billion (58 percent) of the outstanding gross portfolio was reinsured. Over the past five years, MIGA has increased the use of reinsurance in its guarantee portfolio by US$5.7 billion, allowing the agency to support its growth trajectory through increased guarantee capacity without the need for additional capital from its shareholders.

MIGA Operating Model ($B)



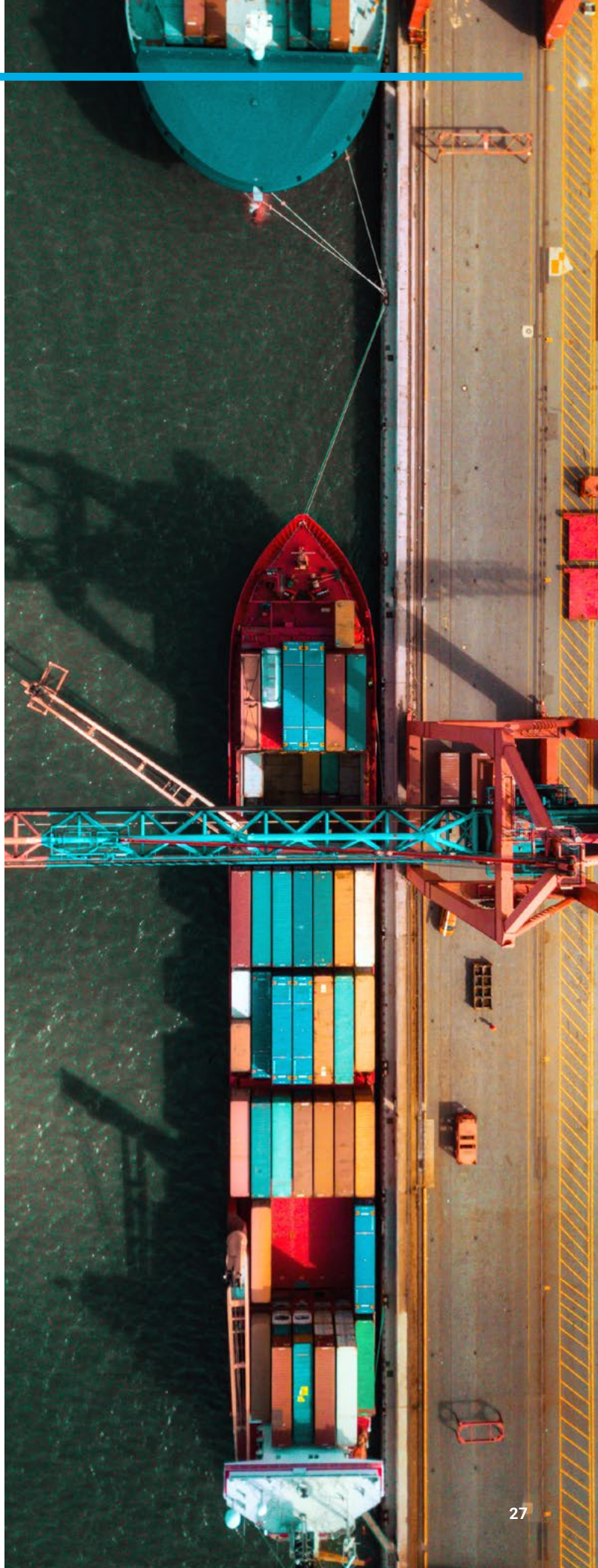
Leveraging MIGA's Partnerships for Greater Development Impact

In FY20, MIGA continued to build on its relationships with partners across the World Bank Group, governments, the private sector, and particularly multilateral development banks (MDBs).

MIGA increased its engagement with MDBs by convening a series of events, including the first-ever MDB Guarantee Conference during the 2019 World Bank Group/IMF Annual Meetings, technical workshops, and bilateral meetings. These engagements have promoted a dialogue among the MDBs, and MIGA is collaborating with them on finding ways to strengthen and complement each other's support to development projects. MIGA is also compiling a handbook highlighting the driving principles of successful MDB collaboration on political risk insurance, examples of projects where MDBs have collaborated in an innovative fashion, and best practices for success. These principles will inform MIGA's business agreements with members of the development community.

Looking at ways to further strengthen cooperation with other World Bank Group institutions, MIGA is also exploring the development of joint products and improving additional ways to cooperate with the IFC to achieve even greater joint impact on the private sector agenda.

MIGA also formally became a technical partner of the Global Infrastructure Fund (GIF) in FY20, consistent with the agency's strategic objectives to increase partnership and upstream activities. The GIF platform presents an opportunity for MIGA to collaborate more cohesively with other MDBs and gives access to resources to engage in upstream activities that support future business development.



MIGA & ESG

Environmental and Social Sustainability

MIGA is committed to working with its clients to ensure the environmental and social sustainability of projects it supports. MIGA's environmental and social due diligence is a comprehensive process whereby potential environmental and social risks and/or impacts are identified and mitigation measures are agreed upon. Clients can in turn improve project sustainability, create value for business, and possibly reduce project costs. MIGA Performance Standards are applied to projects in line with the requirements of the MIGA Policy on Environmental and Social Sustainability.

MIGA regularly monitors projects for compliance with environmental and social requirements. As of June 30, 2020, the MIGA portfolio had about 209 projects, with about 45 percent in Africa, 21 percent in Europe and Central Asia, 14 percent in Middle East and North Africa, 8 percent in Latin America, 8 percent in East Asia and Pacific, and 4 percent in South Asia. Prior to COVID-19 travel restrictions, 45 project site visits were conducted this fiscal year for environmental and social monitoring. Twenty self-evaluations on environmental and social performance were also performed.

Impact Measurement

Robust and evidence-based results measurement systems are critical to assessing our development impact. Because MIGA is continually striving to improve ways to measure project results, the agency recently launched the IMPACT Framework. The Impact Performance Assessment and Comparison Tool (IMPACT) assesses expected project-specific outcomes as well as beyond-the-project effects on foreign investment. The framework complements the agency's broader results measurement system. The revised IMPACT framework has the following objectives:

- Align the ex ante assessment of development impact to similar dimensions used in ex post evaluation
- Align with IFC's Anticipated Impact Measurement and Monitoring (AIMM) framework and coordinate development impact ratings for IFC-MIGA joint projects
- Enable comparative analysis of expected development impact of projects
- Inform project prioritization, based on rigorous and evidence-based ex ante assessment of anticipated development impact
- Follow an agile approach to integrate IMPACT efficiently with MIGA's existing guarantee processes

Integrity

Integrity and reputational risk management in its operations are key to MIGA's role as a development partner. Therefore, MIGA considers both integrity and reputational risks in its clients and projects. As such, it subscribes to the World Bank Group's Anti-Corruption Guidelines, which identify fraud, corruption, collusion, coercion, and obstruction as major impediments to development, and are considered sanctionable practices. MIGA's integrity team conducts due diligence as part of business development and underwriting and monitors projects in the portfolio for potential emerging integrity or reputational risk flags. In this work, MIGA uses desktop resources, including proprietary databases, World Bank and IFC local knowledge, market soundings, previous experience with the client, and on-site evaluations. In FY20, MIGA continued to share integrity best practices through collaboration with other World Bank Group members and development partners, and at various integrity-focused forums.

MIGA Performance Standards

MIGA Performance Standards on Environmental and Social (E&S) Sustainability

Performance Standard 1:

Assessment and management of environmental and social risks and impacts
Underscores the importance of identifying E&S risks and impacts and of managing E&S performance throughout the life of a project

Performance Standard 2:

Labor and working conditions
Recognizes that the pursuit of economic growth through employment creation and income generation should be balanced with protection of basic rights for workers

Performance Standard 3:

Resource efficiency and pollution prevention
Recognizes that increased industrial activity and urbanization often generate higher levels of air, water, and land pollution and that there are efficiency opportunities

Performance Standard 4:

Community health, safety, and security
Recognizes that projects can bring benefits to communities but can also increase potential exposure to risks and impacts from incidents, structural failures, and hazardous materials

Performance Standard 5:

Land acquisition and involuntary resettlement
Applies to physical or economic displacement resulting from land transactions such as expropriation or neglected settlements

Performance Standard 6:

Biodiversity conservation and sustainable management of living natural resources
Promotes the protection of biodiversity and the sustainable management and use of natural resources

Performance Standard 7:

Indigenous peoples
Aims to ensure that the development process fosters full respect for indigenous people

Performance Standard 8:

Cultural heritage
Aims to protect cultural heritage from adverse impacts of project activities and support its preservation

Benefits of the Performance Standards

Create value for business
Sustainability has become an important factor in business strategies. Many companies recognize that by addressing E&S issues they can save on costs, improve their brands and reputation, and strengthen stakeholder relations.

Realize opportunities and guard against unforeseen risks
Implementing the Performance Standards helps companies identify and guard against interruptions in project execution, brand protection, and/or access to international markets.

Improve financial and operational performance
Implementation of the Performance Standards can help optimize inputs such as water and energy, as well as minimize emissions, effluents, and waste, leading to a more efficient and cost-effective operation.

Social license to operate
The Performance Standards help clients maximize local development benefits and encourage the practice of good corporate citizenship. Enhanced brand value and reputation may also be attractive to new investors or financiers.

Gain an international stamp of approval
The “Equator Principles,” which have been adopted by over 75 of the world’s leading financial institutions in developed and developing countries, are based on the Performance Standards. These principles are estimated to cover over 70 percent of project finance debt in emerging markets.

For more on MIGA Performance Standards, visit:
https://www.miga.org/guidelines-policy

MIGA's Focus on Gender

The World Bank Group works with public- and private-sector clients to help close gaps between men and women globally for lasting impact in ending poverty and driving sustainable economic growth to boost shared prosperity. MIGA has accordingly developed a new gender strategy this fiscal year that will fully integrate gender across its business operations, in its engagement with projects and clients, and in its commitment to creating opportunities for women through clients' investment activities.

Operations

Within MIGA, the agency continually strives for gender parity across all staff levels and embraces diversity and inclusion in the workplace. MIGA leverages the World Bank Group's work to strengthen its efforts to address gender issues in the private sector. Gender is also a cross-cutting theme in MIGA's Policy on Environmental and Social Sustainability. This policy calls for clients to minimize gender-related risks from business activities and unintended gender-differentiated impacts. MIGA ensures that gender issues are assessed during project consultations and aims to support clients in developing sustainable gender-appropriate mitigation measures, where appropriate.

Aïssata S. Béavogui, Director General of Guinea Alumina Corporation S.A. (GAC) and recipient of MIGA's 2020 Gender CEO Award

MIGA Gender CEO Award

In 2016, MIGA launched its MIGA Gender CEO Award, in recognition of MIGA's clients who have records of establishing and maintaining enabling environments that create opportunities for women and promote gender equality. This year, MIGA honored Aïssata S. Béavogui, Director General of Guinea Alumina Corporation S.A. (GAC). Ms. Béavogui oversees the implementation and strategy for sustainable development in the largest greenfield investment in Guinea, providing a leading example of how the mining industry can operate throughout the region. She is also the first female director of an international company in Guinea. As part of her vision to augment GAC's support for local women-owned enterprises, Béavogui leads corporate social responsibility initiatives that empower and advocate for sustainable development, innovation, economic growth, and job creation in Guinea.

Beneficiaries of Caja de Ahorros housing loans

Banco Davivienda, Colombia
Loans for Women-Owned Small and Medium-Size Enterprises

Colombian women entrepreneurs face considerable financing challenges. Approximately 14.6 percent of Colombian women entrepreneurs abandon their business activities because of lack of finance versus less than 10 percent in other countries in the region, such as Argentina, Peru, and Uruguay. Furthermore, 30 percent of Colombian women-owned small and medium-size enterprises (WSMEs) have credit constraints, representing a formal financing gap of approximately US$5.4 billion.

In FY20, MIGA issued a US$47.5 million guarantee to support Banco Davivienda S.A., a systemically important bank in Colombia, to support the growth of its lending portfolio—in particular, lending to WSMEs. This project was part of a US$600 million financing package arranged by the IFC. The financing package is expected to increase Banco Davivienda's lending to WSMEs by US$350 million, amounting to some 5,200 additional loans.

Caja de Ahorros, Panama
Housing Finance for Women

In Panama, only 29 percent of homes are owned by women or women-headed households. Helping address this gender gap in homeownership, MIGA is backing a low- and middle-income housing loan facility with Caja de Ahorros, of which roughly 50 percent will target women or women-headed households. The project provides an opportunity to grow the homeownership base for women in the country, helping them to build wealth and potentially improve their economic and social well-being.

Governance

MIGA's Board

A Council of Governors and a Board of Directors, representing 182 member countries, guide MIGA's programs and activities. Each country appoints one governor and one alternate. MIGA's corporate powers are vested in the Council of Governors, which delegates most of its powers to a Board of 25 Directors. Voting power is weighted according to the share of capital that each Director represents. The Directors meet regularly at the World Bank Group headquarters in Washington, DC, where they review and decide on investment guarantee projects and oversee general management policies.

Visit the Board's website for more information: http://www.worldbank.org/en/about/leadership/governors

Oversight and Accountability

Compliance Advisor Ombudsman

The Office of the Compliance Advisor Ombudsman (CAO) is the independent accountability mechanism for MIGA and the IFC. The CAO responds to complaints from people affected by MIGA and IFC-supported business activities, with the goals of enhancing environmental and social outcomes on the ground and fostering greater public accountability of both institutions.

Visit the CAO website for more information: http://www.cao-ombudsman.org/

Group Internal Audit

Group Internal Audit (GIA) provides independent, objective, insightful risk-based assurance and advice to protect and enhance the value of the World Bank Group. GIA gives management and the Board reasonable assurance that processes for managing and controlling risks—as well as their overall governance—are adequately designed and functioning effectively. GIA reports to the President and is under the oversight of the Audit Committee.

Visit the GIA website for more information: http://www.worldbank.org/internalaudit

Independent Evaluation Group

The Independent Evaluation Group (IEG) assesses MIGA's strategies, policies, and projects to improve the agency's development results. The IEG is independent of MIGA management and reports its findings to MIGA's Board of Directors and the Board's Committee on Development Effectiveness.

Visit the IEG website for more information: http://ieg.worldbankgroup.org/

Integrity Vice Presidency (INT)

The Integrity Vice Presidency (INT) is an independent unit within the World Bank Group that investigates and pursues sanctions related to allegations of fraud, corruption, collusion, coercion, and obstruction in WBG-financed projects, as well as fraud and corruption by WBG staff and vendors. In addition, through its Integrity Compliance Office, INT engages with parties toward meeting their conditions for release from sanction. INT shares its investigative insights across the institution to help mitigate fraud and corruption risk in projects, playing a fundamental role in supporting the WBG's fiduciary responsibility for the development resources it manages.

Visit the INT website for more information: www.worldbank.org/integrity

To report suspected fraud, corruption, or other sanctionable practices in WBG-financed projects, visit www.worldbank.org/fraudandcorruption

MIGA Financial Highlights

Financial Results

By fiscal year, millions of dollars	2016	2017	2018	2019	2020
Gross premium income	139.8	179.7	210.1	237.9	**232.3**
Net premium income[a]	86.4	93.2	104.1	115.1	**117.1**
Administrative expenses[b]	48.1	51.3	51.6	57.8	**61.1**
Operating income[c]	38.3	41.9	52.5	57.3	**56.0**
Net income	56.8	200.2	40.9	82.4	**57.2**
Administrative expenses to net premium income ratio	56%	55%	50%	50%	**52%**

a. Net premium income equals gross premium income and ceding commissions less premium ceded to reinsurers and brokerage costs
b. Administrative expenses include expenses from pension and other post-retirement benefit plans
c. Operating income equals net premium income minus administrative expenses

Capital Measures

By fiscal year, millions of dollars	2016	2017	2018	2019	2020
Total economic capital[a]	663	592	685	717	**756**
Shareholders' equity	989	1,213	1,261	1,320	**1,335**
Operating capital	1,329	1,398	1,471	1,542	**1,591**
Total economic capital / operating capital (%)	50%	42%	47%	47%	**48%**

a. Total economic capital (EC) equals capital consumption from the guarantee portfolio, plus capital required for operational risk and investment risk. Effective FY17, EC is based on a new model and is not comparable with prior periods based on an older EC model.

Spotlight on FY20

The World Bank Group/ IMF Annual Meetings, Washington, DC, October 2019

Over 250 people attended the Annual Meetings MIGA event, "Catalyzing Environmental, Social and Governance Investment." The event brought together private investors to discuss how they are integrating environmental, social, and governance (ESG) impact into their investment strategies and how partners like MIGA can help support these objectives. The event featured the MIGA-backed Parc Eolien Taiba N'diaye wind farm, the biggest wind farm in West Africa, which provides clean energy to approximately 2 million residents.

Panelists included Rakhi Kumar, Senior Managing Director and Head of ESG Investments and Asset Stewardship, State Street Global Advisors; Sujoy Bose, CEO, National Investment and Infrastructure Fund of India; S. Vijay Iyer, COO, MIGA; and Keiko Honda, Former Vice President and CEO, MIGA. It was moderated by Joel Weber of Bloomberg Businessweek.

Multilateral Development Bank Guarantees Conference

MIGA hosted the first-ever MDB Guarantee Conference during the 2019 World Bank Group/IMF Annual Meetings. The Guarantee Conference was attended by senior leadership of MDB organizations and presented MIGA with the opportunity to elicit support for more systematic collaboration.

Senior Management Appointments

Hiroshi Matano was appointed Executive Vice President in November 2019. Ethiopis Tafara assumed his role as Vice President and Chief Risk, Legal and Administrative Officer in September 2019.

Somalia MIGA Membership

In March, the federal government of Somalia became the 182nd member of MIGA, following normalization of its financial relationship with the World Bank. Somalia's membership affords it new opportunities for drawing foreign direct investment and fostering economic growth in the coming years.

Operating Principles for Impact Management

In February 2020, MIGA became a signatory to the Operating Principles for Impact Management, or "Impact Principles." The Impact Principles provide a framework for investors to ensure that impact considerations are purposefully integrated throughout the investment life cycle. As a signatory, MIGA is publicly demonstrating its commitment to implementing a global standard for managing investments for impact. Each year, the organization is required to publish a disclosure statement describing how each Principle is incorporated into its investment process and the extent of its alignment with each Principle.

MIGA 2020 Gender CEO Award

In March 2020, Ms. Aïssata S. Béavogui, Director General of Guinea Alumina Corporation, received the MIGA 2020 Gender CEO Award for her leadership in empowering women and raising their profile in the workplace.

Who We Are
MIGA Management

Hiroshi Matano
Executive Vice President

S. Vijay Iyer
Vice President and
Chief Operating Officer

Ethiopis Tafara
Vice President and
Chief Risk, Legal and
Administrative Officer

Sarvesh Suri
Director, Operations

Muhamet Fall
Associate Director
and Chief Underwriter,
Operations

Aradhana Kumar-Capoor
Director and General Counsel

Santiago Assalini
Director,
Finance and Risk

Merli Margaret Baroudi
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