CDD Portfolio Update as of end-June 2019

- Total IBRD/IDA lending towards CDD over the past ten years (between FY10-19) is $32 billion (averaging $3.2 billion per year) to **432 projects** (including 122 Additional Financing) in **94 countries**.

- **New CDD lending for FY19 amounted to $4.1 billion to 60 projects** (including 8 Additional Financing and 6 Recipient-Executed Projects) in **37 countries**. CDD lending has increased steadily over the past five years as indicated in the graph below, and shows a 13 percent increase over FY18 lending which totaled $3.6 billion. **CDD lending for FY19 amounted to 9 percent of Bankwide lending** which was $45 billion (increasing steadily by a percentage point each year since FY15 when it was 4 percent of Bankwide lending—the lowest since FY10—-to 9 percent in FY19). IDA/IBRD financing for CDD has increased by 128 percent since FY15 when measured by value (from $1.8bn in FY15 to $4.1bn in FY19) and by 150 percent when measured by the number of projects (from 24 projects in FY15 to 60 projects in FY19). **FY19 lending included 31 FCV Projects in 18 countries** (including 12 Additional Financing projects), totaling **$1.2 billion**, the majority in AFR, followed by SAR, MNA and ECA.

![The World Bank's CDD Portfolio (New Lending) FY10-19](image)

- **Other Borrower and donor financing** (consisting of Bank-administered trust funds and Recipient-executed trust funds as well as government co-financing) for **CDD projects approved in FY19 totaled $693 million over the life of the project** ($280 million from Borrowers, and $413 million from donors, of which $82 million was for Recipient-executed activities).\(^1\)

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\(^1\) Note that these are indicative figures taken from the PADs on project approval, and do not account for any changes or variations in Borrower or Donor financing that occur during implementation over the life of the project.
**Active Project Portfolio**

- As of end-June 2019, there were 222 active projects (excluding 61 Additional Financing projects) in 79 countries (57 of which were IDA countries, with 32 in AFR). **Total active project lending** comes to $21.7 billion in Bank funding (69 percent of which is IDA). **An additional $12.1 billion** was provided by borrowers and other donors, of which more than half was from the Indonesian government, and $1.8 billion from other donors.

- **Regional CDD lending** volumes and project numbers for the active portfolio are shown below. **AFR** ($8.1 billion) continues to grow (from $5.8 billion in FY17 and $6.8 billion in FY18) and has the largest lending volume, followed by **SAR** ($6.7 billion), then **EAP** ($4 billion). CDD lending in other regions remains relatively smaller as reflected in **LCR** ($1.5 billion), **MNA** ($0.7 billion) and **ECA** ($0.6 billion), although MNA and ECA have seen slight increases over the past year, while LCR has declined.

In terms of both Bank lending volume and number of projects, **AFR has the largest active portfolio** ($8.3 billion with 101 projects in 33 countries). About a quarter of the active CDD projects are over $100 million, with most projects having smaller lending amounts. For projects approved in FY19, Africa accounted for 44 percent of the Bankwide CDD lending volume, with more than a third coming from two Ethiopian Projects (the Lowlands Livelihood Resilience Project for $350 million, and the Climate Action through Landscape Management P4R for $500 million, of which $335 million was CDD-related).

- **SAR is next** ($6.7 billion with 46 projects in 7 countries, half of which are in India). Although SAR has fewer projects than AFR, project sizes are generally large, with many projects ranging from $100 - $500 million in CDD lending. In FY19, Bangladesh had four projects approved which accounted for 58 percent of the SAR FY19 lending volume, including the $500 million Livestock and Dairy Project and the $175 million Sustainable
Forests and Livelihoods Project. India and Pakistan each had a project over $100 million approved, while smaller projects were approved in Afghanistan and Sri Lanka.

- **EAP** ($4 billion with 30 projects in 11 countries). About 30 percent of EAP’s CDD Bank lending volume comes from Indonesia which has six ongoing projects, including the FY13 Village Innovation Project ($650 million); FY13 Rural Water Supply and Sanitation Project ($536 million with two AF projects) and the FY18 Indonesia Nutrition project ($480 million). Myanmar has two ongoing CDD projects (National CDD Project, and Flood and Landslide Emergency Recovery Project) which together total over $550 million in Bank CDD lending, while the Philippines has two ongoing projects including the National CDD Project with almost $480 million in Bank CDD lending. Other projects are found in China, Mongolia and Vietnam, along with Cambodia and Lao PDR which have several ongoing projects, most under $30 million.

- **LCR** ($1.5 billion from 23 projects in 14 countries). The majority of active projects in LCR tend to be under $100 million, with the exception of three Agricultural projects in Brazil and one in Mexico. Three new projects were approved in FY19 (in Dominican Republic, Honduras and Peru, the latter being recipient-executed).

- **MNA** ($0.7 billion from 11 projects--five of which are recipient-executed--in 6 countries), with 84 percent of the funds allocated to two projects in Iraq (approved in FY18) and additional financing to the Emergency Crisis Project in Yemen (approved in FY19).

- **ECA** ($0.6 billion from 11 projects in 8 countries). ECA had three projects approved in FY19, the largest of which is the Uzbekistan Ferghana Valley Rural Enterprise project ($185 million towards CDD), with two smaller projects in Tajikistan. The Azerbaijan IDP and Rural Investment Projects are still ongoing, along with smaller projects in Armenia, Kosovo, Kyrgyz Republic, North Macedonia and Romania.

- **Sectoral Lending:** The largest Bank-funded CDD portfolios continue to be in Agriculture ($7.6 billion) and **Social, Urban and Rural** ($6.5 billion), followed by **Social Protection** ($3.1 billion), **Water** ($2.8 billion); **Environment** ($1.2 billion) and **Other** (Education, Governance, Health and Nutrition, and Transport – $ 0.7 billion). Borrower/Donor CDD funding ($6.5 billion) is significant in the Social, Urban and Rural active portfolio, mainly in Indonesian projects (where borrower contributions are high, as noted earlier), and Afghanistan which has a major multi-donor trust fund.
Agriculture ($7.6 billion from 76 projects, 10 of which are recipient-executed) has two-thirds of its lending portfolio (51 projects) in the AFR and SAR regions. However, in terms of CDD lending amounts, these two regions account for over three-quarters of the AGR portfolio, with over $3.4 billion (45 percent) of CDD lending in SAR, followed by AFR with $2.4 billion (32 percent). The balance is distributed between LCR with $1.1 billion (14 percent) and other ongoing projects in EAP, ECA and MNA. 30 percent of agriculture projects have Bank CDD lending amounts over $100 million, including four FY18 approved projects in India and five FY19 approved projects in AFR, ECA and SAR.

Social, Urban and Rural ($6.5 billion from 56 projects, 11 of which are recipient-executed). EAP continues to have the largest URS CDD active lending portfolio with $2.9 billion (45 percent, with significant lending in Indonesia, Philippines and Myanmar). AFR is $1.8 billion (28 percent); and SAR is $1.4 billion (22 percent). Other projects are also ongoing in ECA, MNA and LCR. In FY19, 16 URS projects were approved, 10 of which were in Africa, with the rest in ECA, EAP, MNA, and SAR. Only two of the approved projects were over $100 million (Indonesia Institutional Strengthening for Improved Village Service Delivery for $300 million, and Uganda Development Response to Displacement Impacts for $150 million).

Social Development accounts for two-thirds of the $6.3 billion URS CDD portfolio above (with $4 billion from 46 projects, including 13 Additional Financing). Nine projects were approved in FY19 (6 in AFR, 2 in ECA and 1 in EAP), totaling $718 million. EAP accounts for two-thirds of the active Social Development portfolio, with $2.6 billion from 15 projects (including 3 projects in Indonesia totaling $1.35 billion). SAR has $257 million from 5 projects; AFR has $940 million from 17 projects; ECA has $208 million from 7 projects; LCR has one project for $80 million; while MNA has a recipient-executed project with a $10 million grant.
o **Social Protection** ($3.1 billion from 30 projects, 2 of which are recipient-executed). AFR has almost three-quarters of the SPL CDD active portfolio with $2.3 billion (74 percent), with several large projects in Nigeria and East Africa. Other activities are ongoing in ECA, MNA and SAR. In FY19, 9 projects were approved in AFR, EAP and MNA.

o **Water** ($2.8 billion from 20 projects). The active CDD portfolio in Water has declined slightly over the past year as earlier projects have closed. SAR has the largest water portfolio with $1.3 billion of CDD Bank lending (46 percent, the majority going to projects in India). AFR has $0.8 billion (29 percent, including two large FY18 WSS projects in Tanzania and Burkina Faso). Other activities are ongoing in EAP ($0.6 billion) and there are individual projects in ECA (Kyrgyz Republic), MNA (Tunisia) and LCR (Nicaragua). In FY19, one project in Lao PDR for $25 million was approved.

o **Other sectors include Environment** ($1.2 billion from 24 projects, 7 of which are recipient-executed), which has grown over the past year, with 7 new projects approved in FY19, totalling $647 million. The **Education, Governance, Health and Nutrition, and Transport Sectors**, all combine to lend $0.7 billion to 16 ongoing CDD projects. These include 8 new projects approved in FY19 in Education, Health, and Transport, totalling $308 million in CDD lending. The largest of these projects is the DRC Multinutrition and Health Project with $172 million in CDD lending.

**CDD in Situations of Fragility, Conflict and Violence (FCV)**

FCV projects include those in countries on the annual Harmonized List of Fragile Situations and others with projects targeted at IDP, refugee or conflict zones. More recently, these designations are indicated in the Project Appraisal Document by a checkmark in either the ‘Fragile State’ or ‘Conflict’ boxes listed under the Financing and Implementation Modalities. **As of end-June 2019, the global active CDD-FCV portfolio** covered 21 of the 36 countries (58 percent) on the FY19 Harmonized List of Fragile Situations, as well as 14 other countries which were either on earlier harmonized lists of fragile situations when projects began (e.g. Nepal, Guinea) or are countries where projects are targeted at IDPs, refugees, or conflict zones (e.g., Azerbaijan, Bangladesh, Burkina Faso, Cameroon, Kenya, Nigeria, the Kyrgyz Republic, Papua New Guinea, Pakistan, Sierra Leone, Tajikistan, Uganda).

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<th>Active CDD-FCV Projects as of end-June 2019</th>
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<td>Borrower/Other Donors CDD Lending ($m)</td>
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<td>IDA/BRD CDD Lending ($m)</td>
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- **As of end-June 2019**, the CDD-FCV portfolio had 61 active projects covering 36 countries (excluding 33 Additional Financing projects) with Bank lending of **$4.5 billion** (21 percent of the active CDD Portfolio, of which IDA financing is $3.76 billion and IBRD financing is $735 million), along with an additional **$1.3 billion** provided by borrowers and other donors.

- **The active CDD-FCV portfolio has increased since FY15** - both in volume of CDD lending and in number of projects. CDD-FCV lending increased 40 percent from FY15 to FY19 - as of end-FY15 there were 37 active CDD FCV projects in 26 countries (excluding AF) totaling $3.2 billion, as compared with FY19 (59 active projects totaling $4.5 billion in 35 countries). The number of projects increased mainly in the AFR and MNA regions, with slight increases in EAP, ECA and SAR.

- **AFR**, as of end-FY19, had projects in 19 of the 35 FCV countries with a CDD project, and more than half of the ongoing CDD projects in FCV countries, with **$2.2 billion** in Bank CDD-FCV lending (49 percent of the total volume of Bank CDD-FCV lending). 19 FCV projects were approved in FY19 (including 7 AF projects).

- **SAR** is next with **$851 million**, with 35 percent of the funds going towards projects in Afghanistan, along with other projects in Bangladesh, Nepal and Pakistan. All four countries had a new project approved in FY19, totaling $299 million in CDD-FCV lending for the fiscal year.

- **MNA** follows with **$651 million** with over 70 percent of the funds going towards two FY18 projects in Iraq, and the balance towards projects in Yemen and Djibouti (both of which had projects approved in FY19).

- **EAP** is next with **$601 million** (with 90 percent of the funds going towards projects in Myanmar), and other smaller projects in Papua New Guinea, the Philippines and Solomon Islands.

- **ECA** funding (**$166 million**) goes towards projects in Azerbaijan, Kosovo, Kyrgyz Republic, and Tajikistan (the latter recently approved in FY19), while **LCR funding of $18.2 million** goes towards two ongoing projects in Haiti.