



Project Summary Information

Date of Document Preparation: Jun 10, 2023		
Project Name	Multi-country – Guarantee Facility of International Bank for Reconstruction and Development Loans	
Document Code	P000777	
Country	Multi-country	
Sector/Subsector	Multisector	
Status	Proposed	
Project Description	<p>The proposed Project responds to a recommendation made in November 2022 by the G20 Capital Adequacy Frameworks (CAF) working group for multilateral development banks (MDBs) to expand the use of financial innovation to provide additional lending headroom.</p> <p>This Project would enable the Asian Infrastructure Investment Bank (AIIB) to deploy some of its capital surplus to provide a Guarantee facility to the International Bank for Reconstruction and Development (IBRD), thereby diversifying AIIB's sovereign-backed lending exposure and enhancing AIIB's lending capacity to members with lower credit ratings¹, as well as alleviating existing constraints on IBRD's capital adequacy limits on providing financing.</p> <p>This Project will comprise a series of Guarantees in the maximum aggregate amount of one billion USD covering IBRD loans previously approved to various members of AIIB.</p>	
Objective	To improve AIIB's balance sheet structure and provide greater lending capacity to both AIIB and IBRD.	
Expected Results	This Project would allow both MDBs to use the respective capital bases more efficiently, providing greater support to our respective members and addressing the G20 CAF working group's recommendations.	
Cost and Financing Plan (USD million)	The aggregate amount of Guarantee coverage is one billion USD.	
Implementation Organization	IBRD	
Estimated date of loan closing	Q3/2031	
Contact Points:	AIIB	IBRD
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Title	Senior Investment Operations Specialist	Head of Portfolio Risk Management & Reporting Adviser to the Group Chief Credit Officer

¹ Members with lower credit ratings are those rated between 8 (B+) to 10 (B-), and are categorized as high risk as per AIIB's internal rating classification as disclosed within [AIIB's financial statement](#).

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Date of Concept Decision	May 24, 2023		
Estimated Date of Appraisal Decision	Q2/2023		
Estimated Date of Financing Approval	Q3/2023		