

INNOVATIVE FINANCE

The World Bank defines innovative finance as:

“the generation of additional resources by tapping into new funding sources that go beyond conventional mechanisms; or enhancing existing funding by making it more efficient and/or results-oriented”.



- Disaster Risk Insurance
- Debt-swaps
- Advance-financing mechanisms:
 - Internal Project Lending
 - Global Commodity Management Facility



- Outcome-based financing
- Blended finance
- Supply-chain financing schemes
- Revolving funds



Innovative Finance value contribution



Funding for multi-year programmes for sustainable humanitarian-development impact from new sources

Enhanced partnerships with governments, international financial institutions, development finance institutions and private sector

Innovation in programme design and delivery, centered on efficiency, effectiveness and outcomes/ results

Facilitation of risk sharing, scale and access to longer-term financing



Partnership with Islamic Development Bank

Collaboration with international financial institutions allows for:



Access to technical capacity in advisory, financial structuring and risk management



Access to range of financing instruments (bonds, loans, guarantees) to leverage donor grants



Links to regional and global financing mechanisms and access to financial investors



Learning and piloting of innovative financing solutions, within the parameters of WFP's existing governance structures

17 PARTNERSHIPS FOR THE GOALS

