

# The World Bank Group

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## The History of the World Bank

The World Bank is established in 1944 during the Conference in Bretonwood, the same time when International Monetary Foundation, and both these organizations often are called Bretonwood organizations. Today the World Bank group consists of five closely related organizations:

- International Bank for Reconstruction and Development,
- International Development Association,
- International Finance Corporation,
- Multilateral Investment Guarantee Agency,
- The International Center for Settlement of Investment Disputes.

The Board of Directors is the main supervision institution of the bank. A representative from each member state participates in this institution. Currently the commissioner of Latvia in the Board is Minister for Finance Oskars Spurdzins. The Board of Directors comes together annually and during the meeting it receives the report from Executive directors on the financial rates of the bank as well as other important issues. The meeting is known as the Annual Meeting of the World Bank.

The Executive Board of World Bank is an institution that supervises the activities of the bank. It consists of 24 Executive directors. They examine all projects submitted by the president of bank, thus the Executive board has authority to approve or reject the projects (loans). Each of the five largest donor countries (the USA, Japan, Germany, France, the United Kingdom) elects its executive director. The rest 176 countries on voluntary basis form 19 separate groups of states and each of them elects its own executive director. Nevertheless, Peoples Republic of China, Russian Federation and Saudi Arabia are represented individually in groups. Latvia operates together with Denmark, Sweden, Finland, Norway, Island, Lithuania and Estonia.

The president of World Bank is being elected into office by 24 executive directors for five years term. The current president Mr J. Wolferson was elected into office on June 1, 1995.

## Latvia and the World Bank

The World Bank is one of the major international financial institutions in Latvia. Latvia joined the World Bank in August 1992.

The Bank's current program aims at helping Latvia design and implement an integrated program for sustained growth, macroeconomic and financial stability, structural reform, and poverty reduction. In this light, the Bank's lending program in the country seeks to enhance private sector development, improve public sector management, build sub-national Government capacity, finance human development, and develop a more efficient social welfare system.

The World Bank has supported 19 projects in Latvia whose total value estimates at 394 million US dollars. There are supported projects in fields of education, welfare, infrastructure and services of local governments, agriculture and rural development, heating, solid waste management, strengthening of taxation system and structural adjustment.

The World Bank in cooperation with responsible Latvian institutions in the 2nd half of year 2001 began to elaborate the new Strategy of World Bank for Latvia ([Latvia Country Assistance Strategy](#)) for the next three years period.

Pointing out the deep involvement of the Government in cooperation with the World Bank, the drafts of the strategy has been discussed in the Cabinet of Ministers in late 2001, as well as in the meeting of the Cabinet of Ministers and director of Baltic states and Poland in World Bank Mr. M. Carter.

Latvia Country Assistance Strategy for years 2002 - 2005 is being discussed and approved in the meeting of Executive Board in April 25, 2002.

The main objective of strategy for the next three years period is as follows:

- (i) establish a policy framework that could provide macroeconomic stability in order to further development, formation of new enterprises and working places;
- (ii) implement significant reforms in public sector in order to provide efficient performance of government;
- (iii) further balanced and long-term development in the territory outside Riga, provide the elimination of poverty;
- (iv) provide efficient and high quality social programme and access of services in the whole territory of the state.

[Latvia Country Assistance Strategy](#)

[Additional information on the projects supported by the World Bank](#)

<https://www.fm.gov.lv/en/world-bank-group>