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”.

WFP’s Experience

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

New Areas

- 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