

Social Bonds Factsheet

Financing Projects for Positive Social Outcomes

IFC's Social Bonds: Promoting Inclusive and Equitable Impact

IFC's social bonds offer investors an opportunity to support projects that promote meaningful improvements in lives and livelihoods in emerging markets. Social bonds are an integral part of our borrowing strategy. IFC social bonds are issued as senior unsecured debt, consistent with the overall funding program.

IFC collaborates with the private sector to create impactful investment opportunities focused on critical areas, such as access to affordable basic infrastructure, affordable housing, essential services, employment generation, food security and sustainable food systems, and socioeconomic advancement and empowerment. Our social bonds finance projects that directly benefit underserved populations, contributing to the achievement of the UN Sustainable Development Goals.

IFC's Social Bond Program was launched in 2017 with the issuance of its first- ever global U.S. dollar benchmark social bond. Since then, IFC has been a frequent issuer of social bonds in public and private markets, across various currencies and tenors.

In January 2025, IFC updated its [Social Bond Framework](#) and, for the first time, obtained a [second-party opinion](#). The updated framework received an 'excellent' rating from Sustainable Fitch, confirming its full alignment with the [Social Bond Principles](#) (SBP) published by the International Capital Market Association (ICMA).

The revised framework expands eligible project categories to include sectors such as food and nutrition security, essential services, affordable infrastructure and housing, and socioeconomic advancement. It also enhances transparency in IFC's rigorous project selection process, as well as the management and tracking of proceeds, ensuring that funds are effectively utilized in alignment with IFC's sustainability commitments.

BETWEEN FY17 AND FY25,
IFC RAISED **\$12.6 BILLION**

THROUGH **102** SOCIAL BONDS

IN **16** CURRENCIES

Use of Social Bond Proceeds

The proceeds from social bonds are exclusively used to finance projects that address critical social challenges, particularly for underserved and vulnerable populations. Eligible project categories include:



Affordable Basic Infrastructure: Projects that provide access to clean drinking water, sanitation, transport, telecommunications, or energy.



Access to Essential Services: Projects that provide access to education and vocational training, health, financing, and other financial services.



Affordable Housing: Projects that provide housing finance, and support construction, renovation, and/or other activities to expand access to affordable housing, such as housing microfinance or Global Rent-to-Own programs.

About IFC

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2025, IFC committed a record \$71.7 billion to private companies and financial institutions in developing countries, leveraging private sector solutions, and mobilizing private capital to create a world free of poverty on a livable planet. For more information, visit www.ifc.org.

IN FY25, IFC raised
\$21.3 billion in funding,
including



\$4.2
Billion from



5
Social Bonds
across



4
Currencies



Employment Generation: Projects that promote job creation, including SME financing, microfinance and programs designed to address unemployment.



Food Security and Sustainable Food Systems: Projects that provide access to safe, nutritious, and sufficient food, resilient agricultural practices, reduce food loss and waste, and improve productivity for small-scale producers.



Socioeconomic Advancement and Empowerment: Projects that promote equitable access to and control over assets, services, resources, and opportunities; reduce income inequality; and foster equitable participation and integration into markets and society.

Transparency, Disclosure and Reporting

IFC publishes an annual list of projects that are eligible for funding through its social bond proceeds, as a part of the [Green and Social Bond Impact Report](#). The list includes a description of each project, the amount committed, expected social impact reported as aggregate figures at the portfolio level, and links to relevant public project documents.

Our Value Proposition

- IFC's mission as part of the World Bank Group is to end extreme poverty and boost shared prosperity on a livable planet.
- We promote sustainable growth through investments in the private sector of developing countries.
- IFC has more than six decades of experience mobilizing resources in capital markets to support economic growth and development in emerging markets.
- IFC plays a countercyclical role during times of economic and financial uncertainty.
- We provide advisory services across a wide range of sectors, including renewable energy, agriculture, health, education, and financial markets, to developing economies.

AAA Rating Considerations

- Owned by 186 member countries, with over 50% of capital owned by AAA/AA sovereigns.
- Strong capital position primarily raised through retained earnings from steady profits since 1956.
- Substantial liquidity buffer with highly conservative liquidity coverage ratio (LCR) and leverage ratios.
- Diverse investor base with reliable access to the deepest global capital markets.
- Highly diversified debt and equity portfolio with exposure spanning 135 countries and over 2,100 companies.
- Consistently rated AAA/Aaa by S&P and Moody's since its first assessment in 1989.
- Assigned a 0% risk weighting under the Basel Framework.



We consider transactions under IFC's social bond framework to be aligned with the International Capital Market Association's Social bond Principles 2023. Our view is that the framework's alignment with these principles is 'Excellent'.

IFC SOCIAL BOND SECOND OPINION,
[Sustainable Fitch, January 2025](#)



This document does not constitute an offer or recommendation to purchase any notes issued by IFC.

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