The World Bank

The World Bank is not a "bank" in the common sense. It is one of the United Nations' specialized agencies, and is made up of 184 member countries. These countries are jointly responsible for how the institution is financed and how its money is spent. Along with the rest of the development community, the World Bank centers its efforts on the reaching the Millennium Development Goals, agreed to by UN members in 2000 and aimed at sustainable poverty reduction.

The "World Bank" consists of the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA).

Together these organizations provide low-interest loans, interest-free credit, and grants to developing countries.

The World Bank Group. In addition to IBRD and IDA, three other organizations make up the World Bank Group. The International Finance Corporation (IFC) promotes private sector investment by supporting high-risk sectors and countries. The Multilateral Investment Guarantee Agency (MIGA) provides political risk insurance (guarantees) to investors in and lenders to developing countries. And the International Centre for Settlement of Investment Disputes (ICSID) settles investment disputes between foreign investors and their host countries.

WTO

The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments.

The goal is to help producers of goods and services, exporters, and importers conduct their business.

The result is assurance. Consumers and producers know that they can enjoy secure supplies and greater choice of the finished products, components, raw materials and services that they use. Producers and exporters know that foreign markets will remain open to them.

The result is also a more prosperous, peaceful and accountable economic world. Virtually all decisions in the WTO are taken by consensus among all member countries and they are ratified by members' parliaments. Trade friction is channelled into the WTO's dispute settlement process where the focus is on interpreting agreements and commitments, and how to ensure that countries' trade policies conform with them. That way, the risk of disputes spilling over into political or military conflict is reduced.

By lowering trade barriers, the WTO's system also breaks down other barriers between peoples and nations.

At the heart of the system - known as the multilateral trading system - are the WTO's agreements, negotiated and signed by a large majority of the world's trading nations, and ratified in their parliaments. These agreements are the legal ground-rules for international commerce. Essentially, they are contracts, guaranteeing member countries important trade rights. They also bind governments to keep their trade policies within agreed limits to everybody's benefit.