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how blended finance reaches the poorest people

theory and practice

discussion paper

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Executive summary

Momentum continues to increase in the blended finance market. Donors are placing increasing focus on directly engaging private sector actors as part of their international development strategies and the portfolios of bilateral development finance institutions (DFIs) and multilateral development banks (MDBs) are growing. Yet, little evidence is available on how using official development assistance (ODA) to blend aligns with its comparative advantage in the wider international financing landscape, namely its ability to directly and primarily target poverty reduction when grants and concessional finance are necessary for poverty reduction impact. Such finance is needed where governments do not have fiscal space or borrowing capacity to fund programmes, or where the private sector is unable or unwilling to undertake an activity that reaches poor people because it is not commercially viable without a subsidy or sharing of risk.

Examining the rationale for using ODA to blend, including the theories of change outlined by 12 key blended finance actors, the first part of the paper finds that the prevailing narrative is not grounded in robust consideration of the impact that such investments will have on poverty and on the people most at risk of being left behind. Relevant pathways to impact are not adequately articulated, highlighting important gaps in logic which if addressed would help clarify whether and why investing ODA in blending may be an effective use of scarce concessional public finance.

Assessing available evidence on impact both at the portfolio and project levels across 56 donor agencies, bilateral DFIs and MDBs engaged in blending, the second part of the paper shows how existing data falls short of providing sufficient insight into who benefits and who does not and consequently what the contribution of blended finance investments is in relation to poverty reduction and leaving no one behind. While the intent to strengthen transparency and granularity in relation to impact data is clear across a number of actors, it is the operationalisation of such intent that is lagging behind. Major gaps in both quantitative and qualitative information include the quality of investments, who the direct and ultimate beneficiaries are, the relationship between poverty reduction and the more systemic effects of blending, indicator baselines and targets, and impact timeframes.

Against a backdrop of increasing momentum toward blended finance allocations on the one hand, and weak evidence on impact on the other, the paper sets out two main principles for improving poverty impact data and three sets of questions to guide more inclusive, better poverty-focused decision-making on the allocation of ODA toward blending but also more broadly across all its purposes.

The two principles are:

1. Focus on a small number of fundamental indicators that are able to reflect progress of the poorest people and can be used across sectors and by the range of different actors.
2. Make the most of existing reporting standards, without attempting to reinvent the wheel and risking an excessive increase of reporting burden for implementing agencies.

The three sets of questions, which build on existing impact measurement systems and standards and are articulated in the figure below, focus on the intended and unintended consequences for the poorest and most marginalised people. By grounding investment decisions on considerations around **who** is set to benefit from each investment, **how** and **when**, the questions can be used to ensure that progress of those people furthest behind remains at the core of ODA allocation decisions. The implication is not that all blended finance investments have to directly target the poorest and most marginalised people or have immediate effects on them, but that when ODA is involved these questions can ensure that its particular role within the wider financing landscape is not diluted.

Key considerations for more inclusive, better poverty-focused decision-making on ODA allocation



WHO

Who will benefit from the investment?

- Does this group include the poorest and most marginalised people?
 - Which poor and marginalised populations will be reached and which will not?
- Are target populations involved in investment decisions (e.g. design)?



HOW

What is the intended impact on access, inclusiveness and affordability?

- How will the investment benefit the poorest and most marginalised people?
- Could the investment have unintended adverse impacts for these people?
- How does it compare with alternative uses of the same ODA?



WHEN

Over what timeframe will such impact be achieved?

- How direct/indirect will the impact on the poorest and most marginalised people be?
- Is it in line with timelines needed to achieve nationally identified development priorities?
- How does the investment fit within a broader donor strategy that can target and benefit the poorest and most marginalised people first?

As we use this research to contribute to ongoing relevant debates at the UN and Organisation for Economic Co-operation and Development, as well as in bilateral engagements with blended finance players, we welcome feedback and comments – especially around what acceptable minimum standards for answering the questions look like; whether any key elements have been omitted; what the major challenges and barriers are in operationalising the use of the questions as criteria for ODA allocation decisions; and what the role of existing reporting standards may be in improving collection and reporting of the necessary data needed to answer them.

Introduction

Any government, any business, any civil society organisation that claims to be contributing to inclusive progress should be required to measure impact. No data should increasingly mean no credibility. (Development Initiatives, *Investments to End Poverty 2018*¹)

As the income and access gap between the poorest people and places and the rest continues to widen,² there is an urgent need to refocus resources to achieve the ambitions set out in the 2030 Agenda for Sustainable Development (Agenda 2030) underpinned by the principle of leaving no one behind. A lot of emphasis is being placed on the need to increase overall volumes of financing to meet current financing gaps, with little attention being given to the types and sources of finance at play, the areas where they are being invested and the people who are benefitting. It is no question that more Sustainable Development Goal (SDG)-focused financing is needed to meet Agenda 2030 but closing the gap between the poorest people and the rest will require more than just scaling up total resources.

Official development assistance (ODA) plays a unique role: it is the only source of international finance that can directly and primarily target reducing poverty when grants or concessional finance are necessary for poverty reduction impact. While other flows and resources including domestic ones also contribute to this objective, ODA is the only international financial flow that can be directly and primarily targeted at poverty reduction when governments do not have the fiscal space or borrowing capacity to fund programmes or when the private sector will not undertake an activity that reaches poor people because it is not commercially viable.

However, recent trends in narrative and practice risk jeopardising this role in the global financing landscape. The focus on overall volumes of development finance inputs, which is at the core of global narratives such as the ‘billions to trillions’ and individual organisations’ strategies such as the International Finance Corporation (IFC)’s strategy and business outlook update,³ has failed to recognise the inherent differences between public and private sources of finance and has detracted attention away from desired outcomes for people. This has resulted in an upsurge in interest in financing mechanisms, such as blended finance, which can mobilise additional amounts of finance (especially from the private sector) but that have unproven impact on poverty.⁴

Alongside this, some worrying trends are emerging in the allocation of aid. In practice, total ODA volumes have been stagnating and actually fell in 2018.⁵ As a share of the total, less ODA is being allocated to individual developing countries (65% in 2017 compared with 69% five years before).⁶ Growth in aid that is allocated directly to countries has favoured wealthier countries over the last decade. For example, ODA to

low income countries (LICs) increased by 1% between 2010 and 2017, while ODA to upper middle income countries increased by 39%. Similarly, crucial human capital sectors are seeing decreasing or slower growth in allocations compared with others.⁷ Substantial volumes are being directed toward supporting private finance mobilisation (including via the creation of new, and the recapitalisation of existing, development finance institutions (DFIs)). This has raised concerns that ODA risks shifting away from the places most in need of concessional assistance and from interventions with proven positive impact on poverty for which the potential of other sources of financing to provide urgent necessary investments is limited, ultimately exacerbating trends of growing inequity in aid allocations already highlighted.⁸

Using ODA to directly mobilise private capital for development via blended finance⁹ structures such as subordinated loan arrangements, guarantees or junior equity investments may be a legitimate use of scarce ODA resources, with potential effects on private sector development and strengthened economic growth and development more broadly. However, better evidence on the impact that this type of investments can have on poverty and inclusion is needed to ensure that in the run-up to 2030 ODA is deployed according to its comparative advantage and its unique role in the wider financing landscape is not diluted.¹⁰ Acknowledging the complexities around measuring the impact on poverty of any investment, let alone complex ones such as blended financing, this discussion paper seeks to provide an evidence-based, pragmatic case for more inclusive, better poverty-focused decision-making criteria for the allocation of ODA.

The theory

The model of mobilizing private investment must become a more prominent development tool [...] because the needs in the developing world are too great for government resources to meet alone (USAID and OPIC: Coordination Report¹¹)

What's the rationale for using ODA to blend?

ODA that is transferred out of donor countries serves four key purposes: direct programming, strengthening institutions and enabling environments, leveraging additional resources for development, and supporting global public goods. Using ODA to directly mobilise private capital, as is done through blended finance structures, falls within the third of these purposes. The dominant logic for increasing allocations toward this particular use of ODA stems from widespread recognition that public finance alone will not be enough to meet the financing needs in developing countries between now and 2030 – and that mobilising additional finance from the private sector should thus be a priority for development actors.¹²

Donors can take various approaches to engage private capital in developing countries, including more systemic, longer-term interventions such as those aimed at strengthening the enabling environment for private sector development.¹³ Yet blended finance has the advantage of providing more immediate results in terms of mobilisation because it takes place at the deal level. This means that it allows development finance actors, including ODA providers, to proactively engage private capital on particular projects, creating concrete, immediate investment opportunities in settings where it would otherwise be unlikely for private capital to flow (financial additionality). Investing at the deal level also creates demonstration effects, which can be used to narrow the gap between perceived and real risks and thus encourage private sector actors to ultimately invest in developing countries without public support.¹⁴ However, in the first instance, when the track record of successful investments has not yet been created, financing sources that can absorb first loss are necessary to attract the additional private capital.¹⁵

Another element of the rationale for using ODA to blend, beyond direct mobilisation, financial additionality and broader demonstration effects, relates to development impact. Given the profit-seeking nature of private capital, ODA is necessary to ensure that private finance is mobilised in such a way that it can create positive social and environmental outcomes at the scale and within the timeframe required to meaningfully contribute to the SDGs (development additionality).¹⁶ This includes strengthened environmental, social and governance (ESG) and human rights compliance, as well as deeper business model considerations.

Last, though certainly not least given the current political climate in many key donor countries, using ODA for private sector engagement via blending also aligns with the increasing tendency by bilateral donors to link their own national (commercial and security) interests with their broader development policy and “moral obligation to the world’s poorest” people.¹⁷

A key question that needs to be addressed is how this rationale – based on direct mobilisation, additionality and the ability to align national interest and development policy – translates into practice and, more specifically, into impact on the poorest people, who should remain the core beneficiaries of any ODA intervention.

How does it translate into impact on the poorest people?

Translating investments into impact on poverty reduction is an issue not only in the blended finance field but across ODA interventions. However, the current momentum in the blended finance market¹⁸ warrants particularly close scrutiny. Firstly, stagnating overall volumes of ODA make considerations around how to most effectively allocate it across different purposes critical. The accelerating uptake of ODA allocations toward blending should be accompanied by evidence that this type of investment works to accelerate progress of the poorest people and does not represent a diversion of resources away from other effective uses. Secondly, close scrutiny in this area would benefit both blended finance proponents and sceptics, providing additional, crucial evidence on which to base resource allocation decisions. Thirdly, close scrutiny on the impact that blended finance has on poverty is warranted by the particularly weak existing literature and evidence¹⁹ compared with that on the links between poverty eradication and other, more ‘traditional’ uses of ODA (such as direct programming in the social sectors).²⁰

A review of 12 major blended finance players²¹ (listed in Table 1) shows that poverty and the concept of leaving no one behind are addressed to various degrees by different actors, with poverty reduction commonly considered the ultimate goal of these organisations. In all cases except two (both DFIs), poverty reduction features within the mandate of the organisation’s blended finance operations – either explicitly or in principle (e.g. by requiring consistency with the mandates of overall ODA programmes which in turn have poverty reduction among their goals). The remaining cases focus on more generally supporting growth and development as well as businesses from both donor and recipient countries.

Table 1. Blended finance actors reviewed

Donors	Canada, EU, World Bank/IDA, Sweden, UK, US
DFIs	CDC Group, DEG, FinDev, IFC, Norfund, PIDG

Even when made explicit, the desired ultimate impact on poverty is in most cases largely assumed and not thoroughly examined. That is to say, the various steps in between investing ODA in blended finance structures and benefits reaching the poorest and most vulnerable people are not fully set out, especially as they relate to ‘trickle-down’ effects and other assumptions. This is not surprising given the indirect relationship and long time lags between private sector investments and poverty reduction. It is also in line with the overarching rationale for blending set out in the section, What’s the rationale for using ODA to blend? (page 7). In this, poverty reduction features only tangentially as a general moral imperative for all international development interventions and implicitly in development additionality considerations. Yet if ODA is involved, the impact on the poorest and most vulnerable people cannot simply be assumed.

Figure 1 distils the common steps in the theories of change of blended finance actors. In brief, the theory goes that as ODA is used to mitigate risk for private capital, additional sustainable development-related investments will take place. This then means that more and better projects (or firms) can be financed, which will lead to more jobs (including more entrepreneurs), increased access to goods and services (through, for example, improved infrastructure), new or more developed local markets and value chains, increased tax revenue for domestic governments, more growth (often termed ‘inclusive’ but without an explicit definition of the term²²) and stronger action on climate change. All of these in turn are expected to contribute to poverty reduction. Across the board, job creation in particular is emphasised as the key link between blended finance investments and poverty.

Figure 1. The impact of blending on poverty is generally assumed



Source: Development Initiatives based on references listed in Annex 1.

Three fundamental assumptions are made:

- Firstly, it is assumed that spending ODA to blend will not divert it from other purposes. For example, structural barriers to poverty reduction and the role of public finance in overcoming them are overlooked. Blended finance proponents are increasingly speaking out about the need for blending to be complemented by other ODA interventions that can tackle such upstream barriers.²³ Yet the opportunity cost of allocating ODA to blended finance is not widely acknowledged, less examined. Against a backdrop of stagnating global ODA volumes this is a key omission.
- Secondly, it is assumed that spending ODA to blend will not widen the gap between the very poorest people and the rest. It is unclear what the definition of poverty is across actors (e.g. absolute or relative, income-based or multidimensional). Nor is it clear whether blended finance structures can be expected to reach highly marginalised people or whether they are more likely to bypass these people and focus on lifting as many people as possible above a given threshold, given both the scale and cost implications of reaching those furthest behind.
- Thirdly, the theory of change assumes that poverty reduction will not be in competition with other objectives (or have unintended adverse impacts). Yet in fact there may be trade-offs between, for example, foreign and national interests, achieving scale and expanding access for the poorest and hardest-to-reach populations, and seeking profit maximisation and high ESG standards.

More specific assumptions and gaps in logic exist at each level of the theory of change. The fact that an adequate pipeline of projects and firms is available underpins the first step in the model, although this may not be realistic to expect, especially in the poorest countries and those most at risk of being left behind.²⁴ The nature or type of projects and firms being financed is another gap in logic. Depending on the desired outcomes, private finance may or may not be the appropriate source of finance (for example, private investments in healthcare could ultimately increase service costs instead of improving access). Similarly, investing in a donor country-based business or a domestic one, a multinational corporation or a small or medium-sized enterprise (SME), can have different repercussions on the type of growth and private sector development that is supported via the investment, including potential crowding out of local private sector actors and/or small-scale producers.²⁵

Moving further down the chain there are additional gaps related to who will actually benefit from increased economic opportunities, access to services and growth, and whether the poorest people are likely to be reached at all. In terms of job creation, for example, some actors specify that it is 'decent' jobs they seek to create, thus underlining the importance of considering the quality in addition to the quantity of jobs. However, even if all the jobs created as a result of blended investments were decent and fairly distributed across men and women, the question remains of whether the poorest and most marginalised people would be able to access them in the timescale of the SDGs or indeed at all, as little or no consideration is given to the multiple compounding issues such as education, health, geography, competing responsibilities at home, language barriers and social stigma which create upstream barriers for extremely poor and highly marginalised people to access opportunities.

Similarly, it is unclear that the risks associated with stronger value chains and market inclusion are considered; for example, could integration in global value chains be associated with a deterioration of labour rights if such integration is achieved through a loosening of relevant regulation? Could strengthening agricultural value chains result in weakened local food security because farmland is taken over by export crops? Or could vertical integration in value-added activities end up increasing dependency on large companies and buyers, precluding small holder farmers and producers from accessing better opportunities?²⁶ Equally, what are the conditions under which these scenarios would not materialise and thus planned investments would be more likely to have a positive impact on the lives of the poorest people?

On tax generation, considerations need to be weighed up and articulated around whether, for example, the revenue generated may be lost or reduced via tax incentives that developing country governments provide to attract investment or tax havens, or whether government spending of such revenue will be pro-poor or regressive, and consequently what particular actions can be taken to maximise the poverty impact of planned investments.

In summary, the pathways to impact presented by blended finance players do not adequately articulate how investments can contribute to reducing poverty, both in terms of the possible risks but also the conditions that need to be in place to ensure that the logic between steps holds. The prevailing narrative is characterised by several assumptions which if addressed would help clarify what investing ODA in blending can 'buy' in terms of poverty impact and leaving no one behind, and why it should be prioritised over other uses of aid.

The data

There is a significant lack of data on the question of whether blending can actually help reducing poverty and inequality (Oxfam, *No Blind Trust in Blending*²⁷)

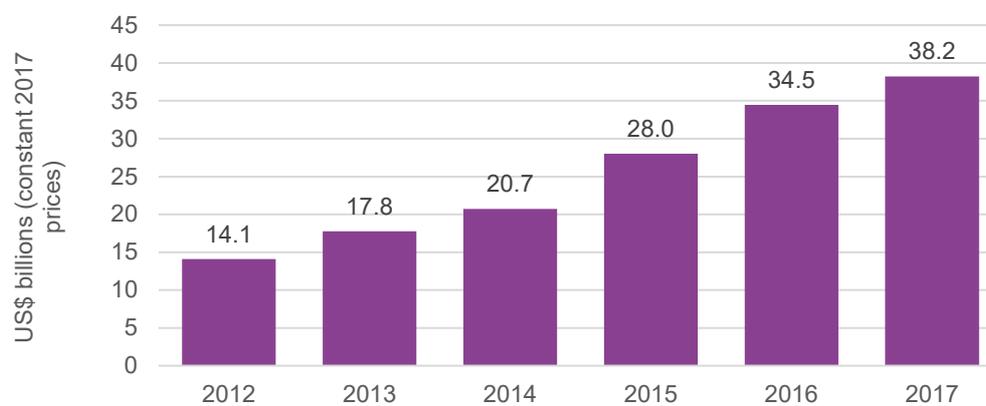
Are the poorest people and places reached by blended investments?

The quality of data on blended finance remains poor,²⁸ although increasing efforts are being made by multiple actors to improve it. (These include private sector instruments (PSIs) by the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC), the DFIs Working Group on concessional blended finance, and updates to the OECD ‘Amounts mobilised from the private sector by development finance interventions’ and ‘Blended finance funds and facilities’ surveys.) Analysis in this section is based on data collected and shared with Development Initiatives by the OECD. It refers to amounts of finance mobilised from the private sector by development finance interventions and is used to proxy trends and distribution of blended finance investments to date.

Where does it go?

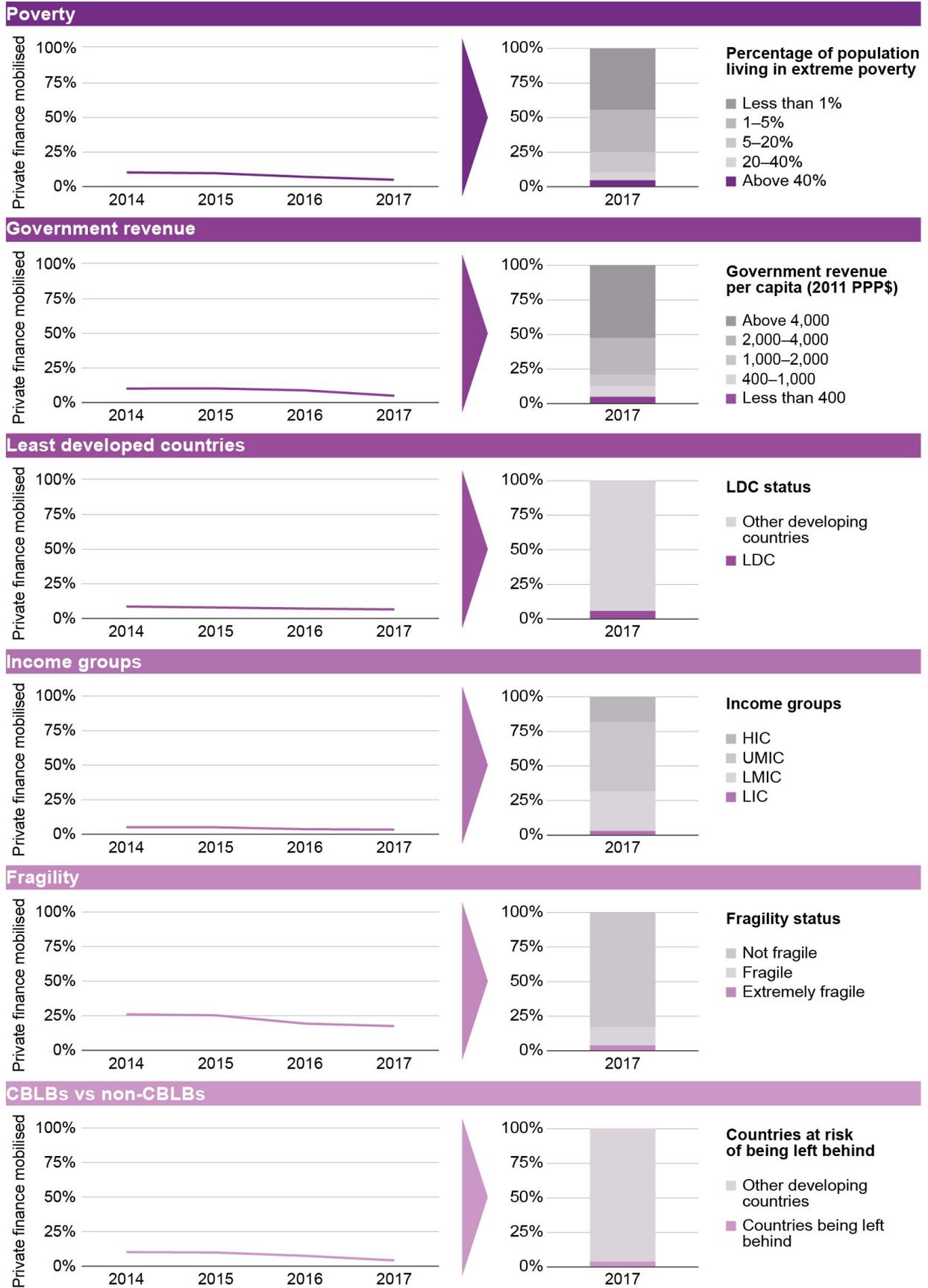
While amounts of private finance mobilised via blending have been growing year on year (Figure 2), their geographic distribution has remained essentially unchanged – with better-off countries benefitting the most. As others including the UN, OECD, the DFIs Working Group, Convergence and the Overseas Development Institute have also shown,²⁹ blended finance remains low in the poorest and most vulnerable countries such as LICs and least developed countries (LDCs). Figure 3 complements such findings with additional country groupings, highlighting the extent to which blended finance bypasses the countries most at risk of being left behind, those in fragile situations or facing protracted crises, where poverty is highest and likely to persist, and where domestic government resources are lowest. This is not surprising given the nature of blended finance investments on the one hand and the relatively weaker investment climates and higher perceived risk that characterise these country settings on the other. It is, however, concerning because of the global aid context in which the planned scale-up in ODA allocations to blending is taking place.

Figure 2. Blended finance investments almost tripled between 2012 and 2017



Source: OECD DAC Statistics (database accessed on 10 July 2019).

Figure 3. Blended finance investments bypass the poorest and most vulnerable countries

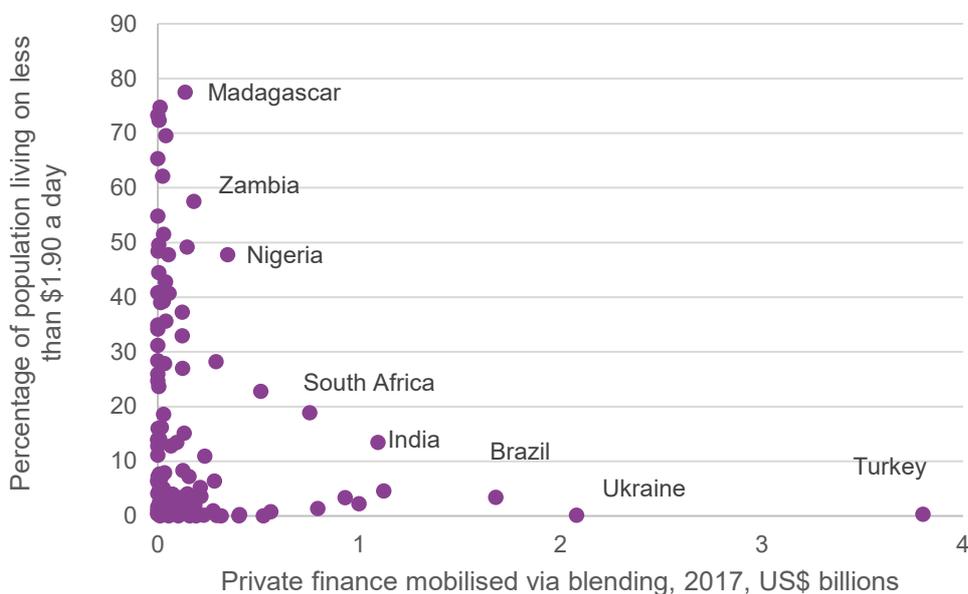


Source: OECD DAC Statistics (database accessed on 10 July 2019) for amounts of private finance mobilised, UN for list of LDCs, Development Initiatives for list of countries being left behind,³⁰ World Bank PovcalNet for poverty data, International Monetary Fund (IMF) World Economic Outlook database, IMF Article IV staff and programme review reports for government revenue data, World Bank for income groups classification and OECD State of Fragility 2018 for fragility classification.

Notes: Extreme poverty is defined by the \$1.90 a day international poverty line (2011 PPP\$: purchasing power parity) and is based on most recent data available. Poverty and government revenue bands were identified to contain an even-as-possible number of countries in each. Disaggregated data on private finance mobilised from IFC is not available for 2017 (US\$5.7 billion) and is not included in the chart.

In 2017, 11% of private finance mobilised via blending was in countries where over a fifth of the population lives in extreme poverty, with just 5% going to countries where extreme poverty levels are above 40%. In contrast, three quarters of all blended finance investments were in countries where less than 5% of the population lives in extreme poverty and of this, over half was in countries with extreme poverty levels below 1%. In fact, of the ten countries where the largest amounts of private finance was mobilised via blending in 2017, eight have extreme poverty levels below 5% and in four of these only 1% or less of the population lives below the international extreme poverty line (Figure 4).³¹ This underlines that the tendency of this type of financing to prioritise countries with low levels of poverty is reflected both at the country grouping level and at the individual country level.

Figure 4. In 8 of the largest 10 recipients of private finance mobilised via blending, less than 5% of the population lives in extreme poverty



Source: OECD DAC Statistics (database accessed on 10 July 2019) and World Bank PovcalNet.

Notes: Countries for which no poverty data is available have been excluded. Extreme poverty is defined by the \$1.90 a day international poverty line (2011 PPP\$: purchasing power parity) and is based on the most recent data available. Disaggregated data on private finance mobilised from IFC is not available for 2017 (US\$5.7 billion) and is not included in the chart.

Similarly, the majority of blended finance investments (53%) targeted countries where government revenue per person was above \$4,000 (21 countries in total). This compares with 5% of private finance mobilised that reached countries where government revenue per person was less than \$400 (27 countries in total). As shown in the section, What's the impact of blended finance on poor people? (page 19), government revenue generation is a common indicator of impact used by actors involved in private sector interventions, including blended finance. There is thus scope to strengthen targeting of such interventions to countries where revenues are currently low and arguable need for additional generation is relatively higher.

LDCs, LICs and countries facing fragile and extremely fragile situations all benefitted from far smaller shares of blending compared with other, better-off developing countries – 6%, 3%, 13% and 4% respectively. Blended finance also bypasses countries where poverty is projected to be highest by 2030 and which are at risk of being left behind based on various human development and fragility indicators as well as their ability to raise domestic and international financing (countries being left behind). These countries account for 4% of private finance mobilised.

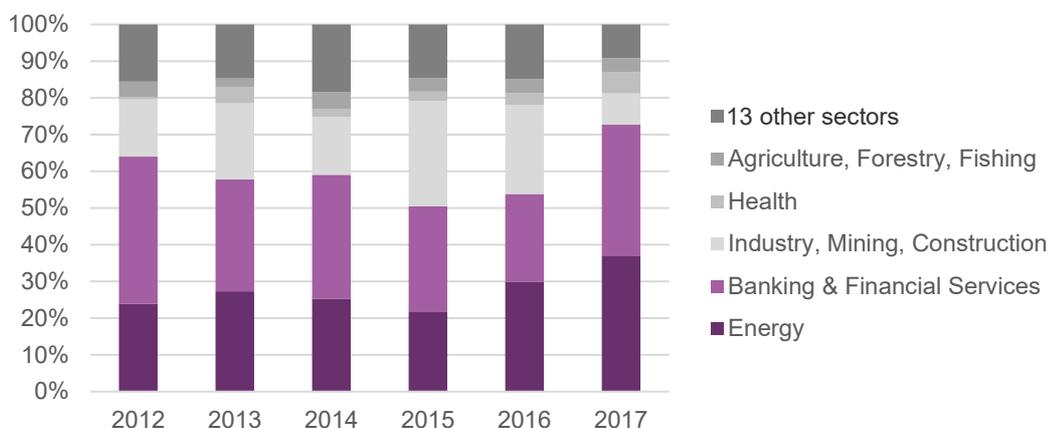
Latest year findings are compounded by historical trends analysis, which shows that over time allocations have not shifted in favour of the poorest and most vulnerable countries, in fact in all instances they have fallen (Figure 3). Against a backdrop of increasing total volumes, the share of blended finance investments going to countries where poverty is highest (i.e. where over 40% of the population lives in extreme poverty) has decreased from 10% in 2014 to 5% in 2017; equally the same decline has been experienced by countries where domestic government revenue levels are lowest (i.e. where government revenue per person is below \$400). Similarly, LDCs, LICs, countries facing fragile situations and those most at risk of being left behind saw declining shares of blending (between 2 and 8 percentage points) over the same timeframe.

To achieve the SDGs and fulfil the underpinning principle of Agenda 2030 to leave no one behind, increasing volumes and shares of ODA should be targeted at the poorest countries and those most at risk of being left behind, where need is arguably highest. Trends in geographical distribution of blended finance show that allocating increasing amounts of ODA to blending risks exacerbating global aid trends that show total volumes stagnating and allocations to the poorest and most vulnerable countries growing the least.³² Donors must consider how to create balanced aid portfolios that can ensure the needs of those most at risk of being left behind are prioritised.

What is it spent on?

Infrastructure (particularly energy) and financial services dominate by far the sectoral allocation of blended finance – in 2017 they accounted respectively for 37% and 36% of sector-allocable investments. This has not changed substantially over time (Figure 5) and is consistent with findings of others, such as the DFIs Working Group on blended concessional finance for private sector projects. In its 2018 joint report, the group found these two sectors particularly represented across its blending activities,³³ as did findings reported by Convergence.³⁴

Figure 5. Infrastructure (energy) and financial services dominate the sectoral allocation of blended finance



Source: OECD DAC Statistics (database accessed on 10 July 2019).

Notes: 13 other sectors are: transport and storage, communications, water supply and sanitation, general environment protection, other social infrastructure and services, education, government and civil society, other multisector, tourism, business and other services, trade policies and regulations, humanitarian, other commodity assistance. Chart excludes private finance mobilised which has gone to sectors not specified.

Investments in energy are predominantly in renewable energy, with a focus on solar (22% in 2017) and hydro-electric power plants (16% in 2017). Investments in banking and financial services mainly support formal financial sector intermediaries, compared with informal and semi-formal intermediaries, such as microcredit institutions. Other sectors targeted by blended finance include more general industrial development support (mainly related to SMEs), agriculture and health. In 2017 these three sectors accounted respectively for 9%, 4% and 6% of sector-allocable blended finance investments. The 6% accounted for by health is driven by private finance mobilised in Turkey alone, for basic health infrastructure and medical services (89% of the total, or US\$1.6 billion of US\$1.8 billion).³⁵

The sectoral distribution does not change significantly across countries with different levels of poverty. This reflects that, whatever the context, blended finance investments by design and as a result of direct private sector participation must seek profitable projects and therefore tend toward economic infrastructure and services or productive sectors. Investment in these sectors may have a range of positive impacts, including to benefitting poor people, but they may also result in regressive outcomes around poverty eradication, human development and addressing social needs.

Without more evidence on the distributional effects of blended finance and on who benefits (and therefore by implication who is left out) it is impossible to assess whether blended finance investments, in whichever country or sector, are serving to close the gap between the poorest people and the rest or whether, instead, they are supporting the exacerbation of inequalities both between and within countries.³⁶

What's the impact of blended finance on poor people?

Evidence on the alignment of blended finance transactions to specific SDGs is being increasingly presented by various blended finance stakeholders – including the OECD, Convergence and individual MDBs and DFIs – with SDG1 (end poverty) consistently ranking among the top focus SDGs across studies. However, much less emphasis is being placed on what such alignment looks like in practice.

To begin to fill this gap we reviewed impact data and information across 56 key blended finance actors. Organisations were selected based on whether they report to the OECD 'Amounts mobilised from the private sector by development finance interventions' survey. This captures data on private finance mobilised using official development finance and thus represents a good reference for identifying organisations that engage in blended finance activities as part of their operations. These include bilateral and multilateral organisations, development agencies and MDBs/DFIs. The review process involved desk research of publicly available information on results and impact at both the portfolio and project level for each organisation, starting from web pages and including sustainability and annual reports as well as activity-level data published to the OECD DAC Creditor Reporting System (CRS).

Table 2. Quality of impact data across 56 blended finance actors

Numbers represent the number of organisations (of 56 scoped) that satisfy the criteria listed on the left:

Above 40
 31-40
 21-30
 11-20
 10 or less

		Portfolio level	Project level
Availability	Is any information on impact available (e.g. descriptive)?		
	Is quantitative data on ex-ante impact available?		
	Is quantitative data on ex-post impact available?		
Accessibility	Is data on impact easy to locate?		
Comprehensiveness	Is data on impact available for all investments?		
Usability	Is data on impact easy to use for analytical purposes?		
Timeliness	Is data on impact at least as recent as latest data on volumes?		

Source: Organisations' websites, sustainability reports, annual reports and selected project documents.

Notes: Findings at the project level mostly refer to selected projects, since only two organisations provide impact information and data for all projects. See Annex 2 for a more detailed summary of findings.

At the portfolio level, most organisations that report to have mobilised private finance via blending provide some level of information about their impact, including specific indicators (some report both anticipated and actual impact, most just actual). There is a core set of common indicators used across organisations (especially the 34 DFIs/MDBs included in

the scoping exercise) though definitions and methodologies are not always available and when they are they may differ, making comparisons and aggregations challenging. For example, it is not always possible to discern what type of jobs are being included in reported figures on job creation (direct/indirect/induced). When it is possible, figures may be derived in different ways, for example, modelled or estimated such as by IFC and Private Infrastructure Development Group (PIDG), or directly reported by fund managers such as for GEEREF.³⁷ In some (limited) cases data on selected indicators is available for more than one year including baseline and targets, meaning that progress can be contextualised and better assessed.

At the project level, information on impact (both anticipated and actual) is more scarce. When it exists, it is most commonly provided within wider project descriptions, and not usually reported consistently across all projects. This is true both for data reported in the OECD DAC CRS (which provides activity-level data for all ODA transactions) and for individual organisations' websites and publications (which this scoping exercise focused on most). Some organisations report selected project impacts in their annual reports. Occasionally, project documents are available for view or download on individual organisation websites. These provide more detailed information on single projects, including targets and results, though it remains difficult to aggregate them. In just a few cases, project-level data including results data is available to download in machine-readable format from organisations' websites, enabling more granular analysis.

What does available impact data show?

At the portfolio level, it is possible to distil quantitative evidence on impact across the five common indicators mentioned earlier: 1) jobs created, 2) number of people with new or improved access to services, 3) government revenue generated, 4) electricity generated from renewable sources, and 5) CO₂ emissions reduced or avoided. As main blended finance implementers, DFIs and MDBs in particular present data on these indicators, which relate to the theories of change presented in the section, The theory (page 7) and which can thus be used to test some of the links in logic and assess impact of their investments. Due to the difficulties around comparability and aggregation mentioned above, the analysis in this section aims to illustrate the type of insight that can be gathered from existing impact data, not a precise quantification of impact.

Notably, of the five commonly used indicators, two relate to climate change – this is in line with the renewable energy focus that many blended finance players have. However, it is important to note that data reported against these indicators relates to clean projects only, meaning it remains impossible to ascertain the climate impact of organisations' total portfolios. This is because, for example, CO₂ emissions produced by other investments such as those in fossil fuels which continue to be made by a number of DFIs and MDBs could outweigh the CO₂ emissions reduced or avoided by renewable energy projects.

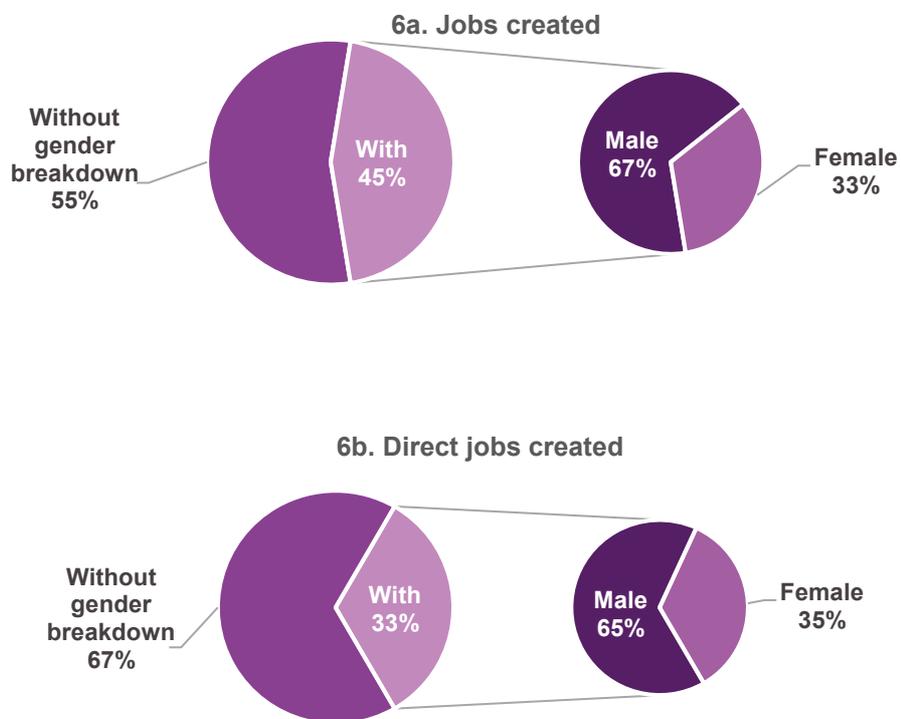
Government revenue generation underlines the expected potential of DFIs' and MDBs' investments, including blended deals, to contribute to increasing domestic revenue mobilisation in developing countries. This is a welcome focus considering that this is an important link in the theory of change of many players. The common definition for this indicator is corporate tax paid by portfolio companies, though in some instances it also

includes fees and other payments (without the possibility of differentiating between the various components).

Lastly, two people-focused indicators are also used: the number of jobs created and the number of people with new or improved access to services (in most cases, referring to access to infrastructure or finance). Again, these are in line with theory of change links presented in the section, The theory (page 7), though as shown below, they fall short of providing enough information to be able to answer fundamental questions around who actually benefits from investments and thus of enabling a thorough assessment of poverty impact.

For example, according to publicly available data, DFIs and MDBs included in our scoping exercise created around 8.3 million jobs in the latest year for which data is available (mostly 2017).³⁸ However, in most cases, no demographic breakdowns are available, meaning that little insight can be gained on which populations are actually benefitting from such job creating investments. Figure 6a illustrates findings for all available data on job creation. It shows that less than half of reporters provide data disaggregated at least by gender and for those that do, results show one third of total jobs going to women, and two thirds to men. Figure 6b looks at direct job creation alone (which is seen as more reliable in terms of data quality than indirect and induced jobs, which are likely included in total job creation figures³⁹); the picture changes little.

Figure 6. Most jobs created go to men

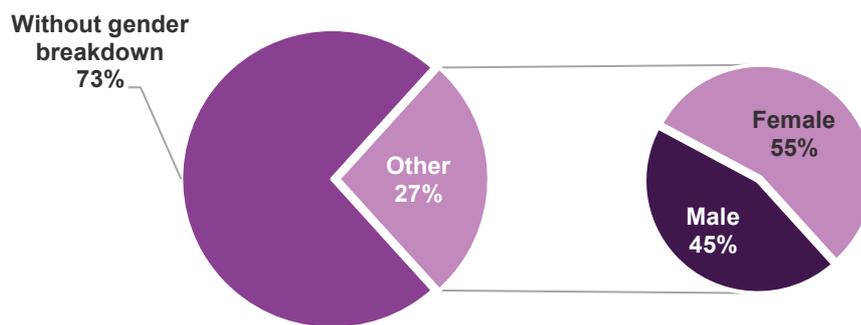


Source: Development Initiatives based on data reported by individual organisations.

Notes: Data is based on reporting by 18 DFIs/MDBs.

Similar insight can be gained from data on new or improved access to services. Similarly to job creation data, organisations – both bilateral and multilateral – tend not to provide much disaggregation based on demographics. Gender breakdowns are included for a quarter of all available data related to access. Based on this, findings show that most beneficiaries are women (Figure 7).

Figure 7. Women benefit from new or improved access to goods and services more than men



Source: Development Initiatives based on data reported by individual organisations.

Notes: Data is based on reporting by 15 DFIs/MDBs.

Turning to government revenue generation, data is not mapped against countries where interventions occurred, but can still provide some useful insight into the extent to which aggregate DFIs' and MDBs' operations, including blended finance investments, contribute to domestic revenue mobilisation in their countries of operation. For the latest year for which data is available, additional revenue generated by companies in the portfolios of reporting organisations totalled US\$27.8 billion. This is equivalent to US\$4.50 per person in developing countries (considering 2017 population data). Or in relation to need, it is equivalent to 1.1% of the additional annual spending needed for what the International Monetary Fund terms 'meaningful progress' across key SDG areas in developing countries – namely health, education, roads, electricity and water and sanitation (which is estimated at US\$2.6 trillion⁴⁰).

Lastly, data available on the two, climate change-related impact indicators shows that in the latest year for which data is available, electricity generated from renewable energy sources as a result of DFIs' and MDBs' investments totalled 156,221 gigawatt hours across countries of interventions, equivalent to total renewable energy production (excluding hydro) by the UK and Japan combined.⁴¹ Total CO₂ emissions reduced or avoided as a result of DFIs' and MDBs' renewable energy investments was 55.9 million metric tons/year, equivalent to actual CO₂ emissions of one developed country (Austria).⁴² Though, as already mentioned, this represents only a partial assessment of the total environmental impact of their investments.

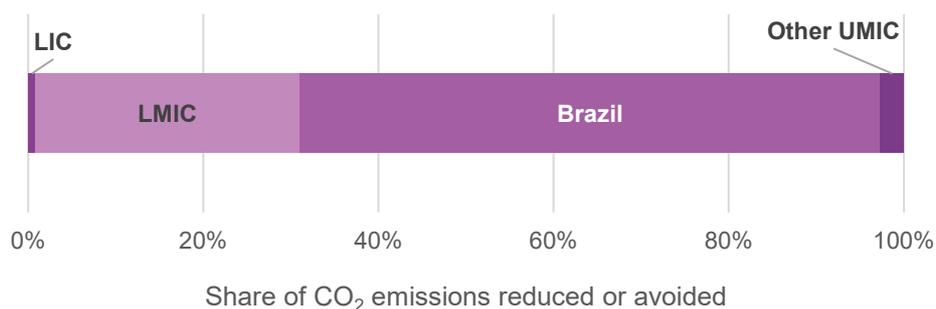
Going beyond portfolio-level impact

While portfolio-level data is useful for assessing aggregate trends and top-line results, it can mask differences among countries and contexts. Looking at more granular data, including at the project level, allows for such differences to emerge, thus making the resulting analysis more relevant for resource allocation decision-making.

USAID's Dollars to Results website provides a snapshot of the agency's work in terms of disbursements and results. Different results indicators are used to report on achievements in different sectors, and the data (which can be downloaded in machine-readable format) is further disaggregated by country and fiscal year.⁴³ While not comprehensive⁴⁴ and thus inadequate to draw conclusions on distributional effects of USAID's activities and results, the website provides an additional level of granularity that should be encouraged among a larger number of agencies involved in blending.

Figure 8 illustrates the kind of disaggregation possible, using data on indicators related to CO₂ emissions. As already seen, the respective portfolio-level data only provides aggregate global figures. The USAID results data allows investigation of whether the aggregate results are consistent across different country groupings and individual countries. Looking at 2017 data across all the projects included in the dataset for which results data on jobs is reported, Brazil appears to account for 66% of USAID's achievements in greenhouse gas emissions, followed by Viet Nam and Ghana. Overall, excluding Brazil, LMICs appear to have been targeted the most by projects aimed at reducing or avoiding CO₂ emissions.

Figure 8. Excluding Brazil, most of the selected USAID projects included in the Dollars to Results database, and aimed at reducing or avoiding CO₂ emissions, targeted LMICs



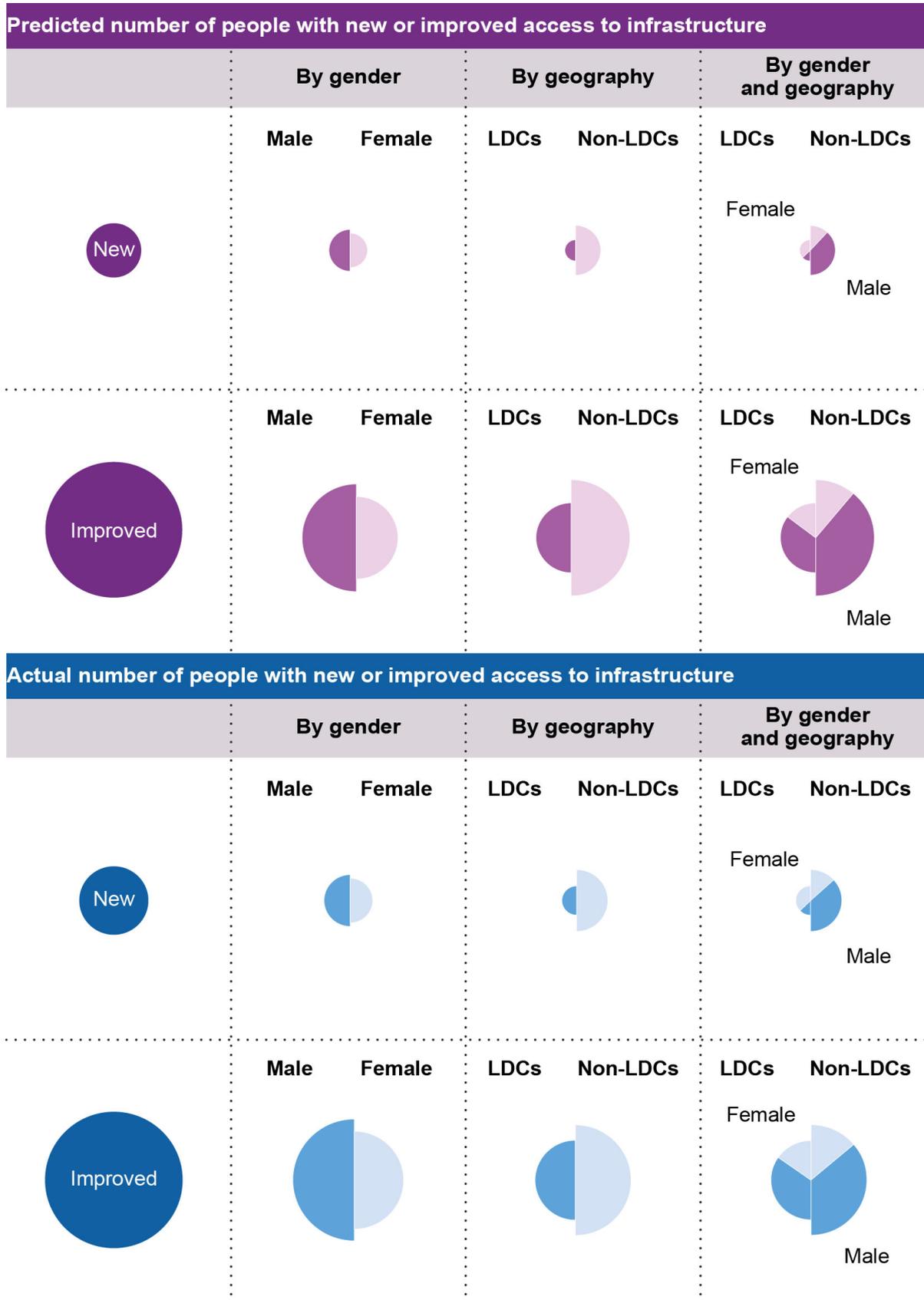
Source: USAID Dollars to Results (accessed on 12 August 2019).

Notes: Data is for 2017. Data is not comprehensive of all USAID's investments and achievements. Data comprises that reported under the following results indicators: greenhouse gas emissions, measured in metric tons of CO₂ equivalent reduced or sequestered; greenhouse gas emissions, measured in metric tons of CO₂ equivalent reduced or sequestered, or avoided through clean energy activities; greenhouse gas emissions, measured in metric tons of CO₂ equivalent reduced or sequestered, or avoided through sustainable landscapes activities.

While the USAID Dollars to Results website clearly reflects an intent on behalf of the agency to provide additional layers of transparency, the findings of any analysis undertaken using its data cannot be considered conclusive given that only a sub-set of projects is included in the dataset. Therefore, while efforts such as these are to be encouraged across more actors, a preferable option would be to require reporting impact data for all projects, mindful of any legal restrictions that may limit the amount of publicly available information for certain projects.

The PIDG Results Monitoring Database allows for project-level data to be downloaded and analysed at a relatively high level of disaggregation, providing both financial and impact data for all projects implemented by PIDG Companies. Since all PIDG projects are in the infrastructure sector, results indicators are the same across all projects and include: long- and short-term jobs created, additional people with access to infrastructure, people with improved access to infrastructure, and a number of fiscal impact indicators including taxes paid. Two types of results are included in the database, predicted values (which are reported when projects reach financial close) and actual values (which are reported when projects become operational).⁴⁵ Taking access data as an example, Figure 9 illustrates the additional insight using the results database can give.

Figure 9. The gender breakdown of new and improved access to infrastructure varies across countries facing different levels of vulnerability (PIDG results data)



Source: PIDG Results Monitoring Database (accessed on 5 August 2019).

Notes: It includes data on projects by a selection of PIDG Companies (Emerging Africa Infrastructure Fund (EAIF), GuarantCo and Infrastructure Crisis Facility – Debt Pool (ICF-DP)) that have reached financial close between 2012 and 2017 and have undergone post-completion monitoring (meaning that as well as predicted impact data, actual impact data is also available). The size of each bubble is scaled according to the total number of people with new or improved access to infrastructure according to each of the two respective measures (predicted and actual) it belongs to.

The ability to disaggregate impact data not only by gender but by geography is certainly something to be applauded and further encouraged. However, especially in cases where ODA is involved, there is scope across all organisations reviewed to expand reporting to dimensions that relate directly to assessments of progress against SDG1 and the broader leave no one behind imperative.

What's missing and why does it matter?

As stated by a key blended finance actor, measuring development impact “is integral to its ability to achieve its purpose”.⁴⁶ To adequately assess if and how the poorest and most marginalised people benefit from blended finance interventions, additional information (both quantitative and qualitative) is needed to complement the data that is publicly available now.

Major gaps include:

- **Quality of investments** – to know not just the scale of impact but the nature of it too. For example, as well as data on the number of jobs created, information on the type of jobs created (e.g. decent or not/able to create additional income for employees or not).
- **Who benefits** – to know whose progress investments are contributing toward, both in terms of ultimate beneficiaries (which populations are at risk of being left behind) and in terms of immediate recipients of funding. For example, while some insight exists on the female/male split of beneficiaries, not much can be said about whether people with new or improved access to services live in urban or rural areas or whether access is being improved for all populations or selected ones, if targeted beneficiaries live with disabilities or not, and if they were previously employed or if the jobs being created are enabling them to find stable sources of income to sustainably escape extreme poverty situations. Basic information such as age, ethnicity, sexual orientation and gender identity is also lacking. Similarly, while some organisations provide information on the immediate recipients of their investments (such as their jurisdiction), it is not possible to robustly assess what type of businesses (e.g. domestic/international, SMEs/multinational corporations) are most likely to be on the receiving end of blended finance investments. While quantitatively this may be difficult to assess, better qualitative information could go a long way in providing useful additional evidence for both ex-ante and ex-post assessments.
- **Systemic effects** – to know what long-term development effects blending could have in developing countries and how these could further support or hinder progress of the poorest and most marginalised people. While proponents and implementers of

blending point to a variety of its non-financial additionality effects such as capital market development, knowledge transfer and innovation, there is scope to better understand how they actually play out in practice, including in different country settings, and what their impact on poverty reduction is.

- **Baselines and targets for selected impact indicators** – to contextualise annually reported figures against both organisational goals and national-level development targets. In fact, even in instances in which baselines and targets are reported for impact indicators, these do not make explicit reference to national development plans and targets, which would instead be useful to both ensure alignment with nationally identified priorities and to enable an effective division of labour among actors in the countries of interventions.
- **Impact timeframe** – to assess whether progress is going to be made in a timely manner, especially for people at risk of being left behind. While it may be difficult to calculate precisely, estimating how long it will take before target beneficiary populations are reached and can concretely benefit from investments is key to being able to prioritise activities that respond to need and align with local development priorities.

In addition to these and for better data on impact to be truly meaningful, outstanding gaps in evidence on volumes and channels of delivery for finance being spent via blending need to be filled. In 2016, Development Initiatives proposed a list of minimum requirements which remains relevant today and which includes among other things, volumes of finance provided by each actor involved and the terms of each investment, including how much of the public input is reported as ODA.⁴⁷

How can impact data be improved?

Organisations involved in blending are clearly aiming to improve their impact reporting, including on the distributional and poverty impact of their investments. The IFC for example is developing sector-specific impact measuring and monitoring tools, based on its global AIMM tool, to better assess development impact theses across sectors and thus enable more effective investment choices based on expected development impact.⁴⁸ CDC Group has been investing in its impact team, expanding it and recruiting specialists to drive its impact measurement and monitoring practice forward.⁴⁹ The expanded American DFI (US Development Finance Corporation) has been set up with maximising development impact as its core principle.⁵⁰ It is the operationalisation of such intent that is lagging behind.

Part of the reason for this is the tension between perfection and pragmatism in impact measurement discussions. When it comes to blending, key implementing agencies such as DFIs and MDBs lack basic tools for lesson learning and impact assessment, especially when it comes to poverty impact.⁵¹ Expecting and recommending they follow academically rigorous, globally harmonised methodologies that can yield consistent multi-year results is jumping the gun. If leaving no one behind is the aim, impact measurement discussions should focus on which relevant indicators can directly assess leave no one behind progress, and what minimum requirements look like in terms of reporting. In terms of ODA allocation decisions this means identifying and focusing on (the few) key

questions that have the progress of the poorest people at their core and encouraging data collection and reporting in line with what is needed to answer them.

As the momentum in the blended finance industry continues to pick up, existing standards already being used by many players in the field can and should be used by all to facilitate adequate reporting in a timely and comparable manner. The International Aid Transparency Initiative (IATI) is just one example, allowing for reporting not only on volumes of finance, channels of delivery, sectors and instruments, but also on location and, importantly, results. In addition to what it is that needs to be reported, focusing impact discussions on the practicalities of what is hindering players from reporting to relevant existing standards would go a long way towards improving available evidence.

Conclusion

If the ultimate goal of aid is to reduce or end poverty, aid needs to disproportionately benefit the poor and reduce inequality (World Bank: Aid is good for the poor⁵²)

The theory section (page 7) illustrates that the rationale for using ODA to blend is not grounded in robust consideration of the impact that such investments will have on poverty reduction and on those people most at risk of being left behind. It could be argued that this is because directly impacting poverty reduction is not the role of private finance nor of DFIs. However, this argument cannot hold when ODA is involved: the role of ODA in directly and primarily serving the needs of the poorest and most marginalised people is what lies at the core of its comparative advantage within the wider development financing landscape. Operationalising, not diluting, this role should be a matter of priority for achieving the SDGs, particularly SDGs 1 and 10 as stipulated by Agenda 2030.

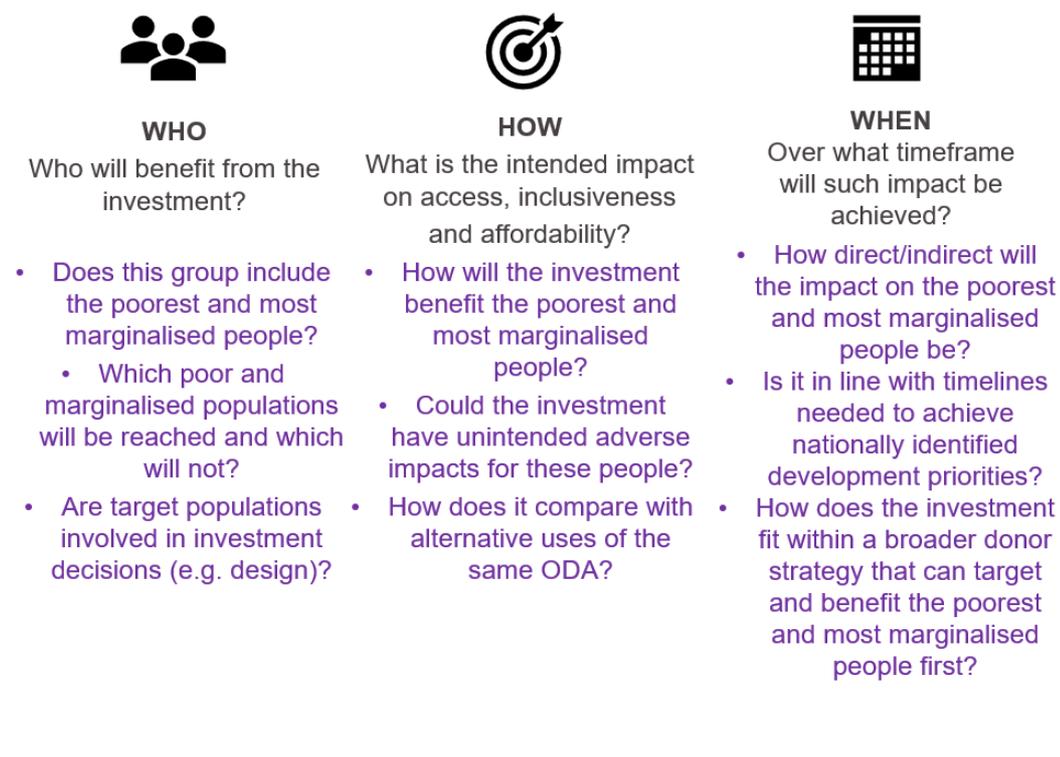
The data section (page 13) shows that available data does not provide adequate insight into the anticipated or actual impact on poverty that blended finance transactions have. A number of organisations are clearly aiming to provide good impact data and improve reporting. Yet crucial gaps remain especially relating to comprehensiveness, comparability, granularity and complementary qualitative considerations around who benefits from investments.

Blended finance can be a valuable addition to the financing toolbox of development actors. In fact the Addis Ababa Action Agenda highlights its potential especially in relation to SME financing and infrastructure, and more broadly as a catalyst for additional resources that can support private sector development in developing countries.⁵³ The issue is thus not whether blending is or is not a good use of development finance. Rather it is the opportunity cost that spending ODA to blend has and the need to prioritise ODA allocations to interventions that can accelerate progress of the poorest people first. Without better evidence on the impact that blended finance has on poverty and unless total ODA volumes are increased, spending more ODA on blending means spending less on other interventions with proven poverty impact.

Therefore, mindful of ODA's comparative advantage and unique potential in the global development financing landscape, additional blended finance investments should be guided by answers to three key questions: who will benefit, how and when? (Figure 10). While in line with key dimensions of impact highlighted by existing impact fora and systems such as the Impact Management Project and IRIS+,⁵⁴ these questions focus on the intended and unintended impact on the poorest and most marginalised people – ensuring that their progress in particular remains at the core of ODA allocation decisions. Another key benefit of the questions as formulated in Figure 10 is that they apply across

investment sectors and can therefore be used by all actors, meaning they would enable reporting of comparable, poverty-relevant data across actors and sectors.

Figure 10. Key considerations for more inclusive, better poverty-focused decision-making on ODA allocation



Answering these questions would go a long way towards filling the gaps in logic around the use of ODA to blend (illustrated in the section, How does it translate into impact on the poorest people?, page 8). They would enable more inclusive and better poverty-focused ex-ante and ex-post impact considerations, by placing the focus on the people most at risk of being left behind. While it would be desirable for all private sector engagement interventions to be guided by them, it is particularly those in which ODA is involved that should not be taken forward without incorporating these questions in allocation and investment decisions. This is because while Agenda 2030 calls on all actors to contribute to leaving no one behind, ODA will continue to have a particular role to play in serving the needs of the poorest and most marginalised people compared with other sources of international finance.

Taking the impact conversation forward

Following on from *Investments to End Poverty 2018*, the objective of this paper is to provide an evidence-based, pragmatic case for more inclusive, better poverty-focused decision-making on the allocation of ODA, especially in relation to blended finance. Development Initiatives will be using this research to feed into relevant debates at both the UN and OECD levels – such as the work being taken forward by the Tri Hita Karana

working groups on blended finance – and in bilateral engagements with blended finance players.

Specific questions which remain to be explored further, and on which we would welcome further external feedback and comments are:

- What would acceptable minimum standards for answering these questions look like? Do the sub-questions cover all key priority aspects?
- What are the challenges in operationalising the use of these questions as criteria for ODA allocation decisions? Do DFIs and donor agencies face different ones?
- What are the barriers to collecting and reporting data that is in line with agreed minimum standards? What is holding practitioners back from collecting such data more systematically?
- How can existing standards such as IATI help with this?

To provide feedback please contact Cecilia Caio, Senior Analyst, cecilia.caio@devinit.org.

In addition, research for this paper also raised questions beyond its scope, which would complement the suggestions made here and further strengthen the ability of ODA providers to implement more inclusive, better poverty-focused development programmes. These include:

- When should allocating ODA to blended finance be prioritised over other purposes of ODA? Are there contextual characteristics – such as economic, social, regulatory – that can enhance the likelihood of blended finance investments having beneficial impacts on the poorest and most marginalised people?
- Should ODA be used to address the root causes of the need for blending rather than for blending itself? Is this true in some country contexts or sectors more than others?
- What does a balanced ODA portfolio look like from a recipient and donor perspective?
- How can more traditional ODA interventions best complement blended finance operations in different country settings? And how can donors and DFIs/MDBs work more closely together?
- Are there broader division of labour considerations that need to be explored between governments, DFIs, private sector companies and investors, and philanthropists to ensure resources are allocated and invested according to their comparative advantage, and that the most possible impact on the poorest people can be made in the run-up to 2030?

Annexes

Annex 1. References used for review of theories of change of key blended finance actors

Donors	Websites	Legal documents	Policy/strategy/guidance documents	Other
Canada	✓		<p>Canada's feminist international assistance policy #hervoicetherchoice. Available at: www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/priorities-priorites/policy-politique.aspx?lang=eng</p>	<p>OECD DAC Peer Review of Canada 2018. Available at: www.oecd.org/dac/peer-reviews/Memorandum-of-Canada-2018.pdf</p> <p>Report to Parliament on the Government of Canada's Official Development Assistance 2017-2018. Available at: www.international.gc.ca/gac-amc/assets/pdfs/publications/odaaa-17-18-eng.pdf</p>

EU	✓	<p>Communication from the commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: a stronger role of the private sector in achieving inclusive and sustainable growth in developing countries. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX%3A52014DC0263&qid=1400681732387&from=EN</p> <p>Proposal for a Regulation of the European Parliament and of the Council: establishing the Neighbourhood, Development and International Cooperation Instrument. Available at: www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2018/0460/COM_COM(2018)0460_EN.pdf</p>	<p>The new European consensus on development: our world, our dignity, our future. Available at: https://ec.europa.eu/europeaid/sites/devco/files/european-consensus-on-development-final-20170626_en.pdf</p> <p>External Investment Plan 2018 Operational Report. Available at: https://ec.europa.eu/commission/sites/beta-political/files/eip_operational_report.pdf</p>	<p>Evaluation of Blending Final Report. Available at: https://ec.europa.eu/europeaid/sites/devco/files/evaluation-blending-volume1_en.pdf</p> <p>European resolution of 13 November 2018 on EU development assistance in the field of education. Available at: www.europarl.europa.eu/doceo/document/TA-8-2018-0441_EN.html</p>
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WB/IDA	✓ (including Blended Finance Facility page https://ida.worldbank.org/replenishments/ida18-replenishment/ida18-private-sector-window/blended-finance-facility-bff)		<p>Additions to IDA resources: eighteenth replenishment. Towards 2030: investing in growth, resilience and opportunity. Available at: http://documents.worldbank.org/curated/en/348661486654455091/pdf/112728-correct-file-PUBLIC-Rpt-from-EDs-Additions-to-IDA-Resources-2-9-17-For-Disclosure.pdf</p> <p>Further details on the proposed IFC-MIGA Private Sector Window in IDA18. Available at: http://documents.worldbank.org/curated/en/947651474898912390/pdf/IDA18-IFC-MIGA-Private-Sector-Window-FINAL-09232016.pdf</p>	<p>IDA18 IFC-MIGA private sector window (PSW): IDA18 mid-term review. Available at: http://documents.worldbank.org/curated/en/157801542813052758/pdf/psw-mtr-version-final-published-10252018-636762750312547314.pdf</p>
Sweden	✓		<p>Strategy for Sweden's global development cooperation in sustainable economic development 2018-2022. Available at: www.government.se/4940d6/contentassets/2636cd52742a4a29827b936e118a5331/strategy-for-swedens-global-development-cooperation-in-sustainable-economic-development-2018-2022.pdf</p> <p>A human rights based approach in private sector collaboration. Available at: www.sida.se/globalassets/sida/eng/partners/human-</p>	<p>Sida guarantee portfolio. Available at: www.sida.se/contentassets/95cc74d7ae78433db642fbe82a552138/10201165_guarantee_portfolios_2017_webb.pdf</p> <p>OECD development cooperation peer reviews: Sweden 2019. Available at: www.oecd.org/dac/oecd-development-co-operation-peer-reviews-sweden-2019-9f83244b-en.htm</p>

			<p>rights-based-approach/thematic-briefs/human-rights-based-approach-private-sector.pdf</p> <p>Contribution management: poverty toolbox. Available at: www.sida.se/contentassets/4ecfd42348644d32abffdccbed6f15c0/mdpa_contribution_management.pdf</p> <p>MDPA menu of indicators: poverty toolbox. Available at: www.sida.se/contentassets/4ecfd42348644d32abffdccbed6f15c0/mdpa_menu_of_indicators.pdf</p>	
UK	✓		<p>Economic development strategy: prosperity, poverty and meeting global challenges. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/587374/DFID-Economic-Development-Strategy-2017.pdf</p> <p>UK aid: tackling global challenges in the national interest. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/478834/ODA_strategy_final_web_0905.pdf</p>	

US	✓	<p>BUILD Act of 2018. Available at: www.opic.gov/sites/default/files/files/BILLS-115hr302_BUILDAct2018.pdf</p> <p>MCC Congressional budget justification, FY2020. Available at: www.mcc.gov/resources/doc/cbj-fy2020</p>	<p>Private sector engagement policy. Available at: www.usaid.gov/sites/default/files/documents/1865/usaids_psepolicy_final.pdf</p>	<p>OECD Development Co-Operation Peer Reviews: United States 2016. Available at: www.oecd.org/dac/oecd-development-co-operation-peer-reviews-united-states-2016-9789264266971-en.htm</p>
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DFIs/MDBs	Websites	Legal documents	Policy/strategy/guidance documents	Other
CDC Group (UK)	✓		<p>Investing to transform lives: Strategic framework 2017-2021. Available at: https://assets.cdcgroup.com/wp-content/uploads/2017/06/25150902/Strategic-Framework-2017-2021.pdf</p> <p>Advancing women’s economic empowerment: gender equality position statement. Available at: https://assets.cdcgroup.com/wp-</p>	<p>House of Commons library briefing on CDC. Available at: http://researchbriefings.files.parliament.uk/documents/SN01869/SN01869.pdf</p> <p>Business Case Summary Sheet: Capital increase to CDC. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/651848/2017_to</p>

			content/uploads/2018/07/11143751/Gender-Position-Statement.pdf	<p>2021 CDC capital increase business case publication 1038.pdf</p> <p>CDC Group and DFID Response to the Independent Commission for Aid Impact's recommendations on CDC's investments in low-income and fragile states, March 2019. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/799977/CDC-investments-low-income-fragile-states-March2019.pdf</p>
DEG (Germany)	✓		<p>Development Effectiveness Rating (DERa): Brief description. Available at: www.deginvest.de/DEG-Documents-in-English/About-us/What-is-our-impact/Policy-brief_EN.pdf</p>	<p>Factsheet: DEG (Germany) and private finance for development. Available at: https://eurodad.org/files/pdf/53be75764add2.pdf</p> <p>Responsible business – adding value. How DEG customers contribute to the global Sustainable Development Goals. Available at: www.deginvest.de/DEG-Documents-in-English/About-us/What-is-our-impact/DevelopmentReport2018.pdf</p>

FinDev (Canada)	✓	<p>Export Development Act. Available at: www.findevcanada.ca/sites/default/files/2018-02/exportdevelopmentact_may2017.pdf</p> <p>Building a strong middle class #Budget2017. Available at: www.budget.gc.ca/2017/docs/plan/budget-2017-en.pdf</p>	<p>Corporate Plan 2018-2022. Available at: www.findevcanada.ca/sites/default/files/2018-10/corporateplan_findevcanada.pdf</p> <p>Development Impact Framework. Available at: www.findevcanada.ca/sites/default/files/2018-10/development_impact_framework_en_-_final_092018.pdf</p>	<p>Financial solutions for the private sector in developing markets. Available at: www.findevcanada.ca/sites/default/files/2018-10/enonepager_inv.pdf</p>
IFC	✓		<p>Strategy and business outlook update FY20-FY22: gearing up to deliver IFC 3.0 at scale. Available at: www.ifc.org/wps/wcm/connect/78684d22-f9bb-4218-beac-181a0d30e753/201905-IFC-SBO-FY20-FY22-Gearing-up-to-Deliver-IFC-3-0-at-Scale.pdf?MOD=AJPERES&CVID=mF-.FRI</p> <p>How IFC measures the development impact of its interventions. Available at: www.ifc.org/wps/wcm/connect/af1377f3-4792-4bb0-ba83-a0664dda0e55/201806_IFC-AIMM-Brochure.pdf?MOD=AJPERES&CVID=mfbcmgf</p>	<p>IFC's contribution to the Sustainable Development Goals. Available at: www.ifc.org/wps/wcm/connect/1433afde-d252-42f2-bbd9-839e30a69947/201803_IFCs-contribution-to-the-SDGs_v1.pdf?MOD=AJPERES&CVID=m9zP1Y-</p> <p>Sector-specific development impact thesis. Available at: www.ifc.org/wps/wcm/connect/topics_e</p>

			<p>AIMM general guidance note: project assessment and scoring guidance note. Available at: www.ifc.org/wps/wcm/connect/45565802-1b1c-4697-a4cf-45d675dd5640/AIMM-General-Guidance-Note-Consultation.pdf?MOD=AJPERES&CVID=mDqGygA</p>	<p>xt content/ifc external corporate site/development+impact/areas+of+work/s a aimm/consultation</p> <p>Creating markets to leverage the private sector for sustainable development and growth: an evaluation of the World Bank Group's Experience through 16 case studies. Available at: http://documents.worldbank.org/curated/en/899271556314372090/Creating-Markets-to-Leverage-the-Private-Sector-for-Sustainable-Development-and-Growth-An-Evaluation-of-the-World-Bank-Group-s-Experience-Through-16-Case-Studies</p>
Norfund (Norway)	✓		<p>Strategy 2019-2022. Available at: www.norfund.no/getfile.php/139711-1562571496/Dokumenter/Norfund%20strategy_external%20pres_ENG%202.pdf</p> <p>Norfund's Gender Strategy 2016-2020. Available at: www.norfund.no/getfile.php/134990-1495531419/Bilder/Publications/Norfund%20Gender%20Strategy%20%28ID%2018495%29.pdf</p>	<p>OECD Development Cooperation Peer Reviews: Norway 2019. Available at: www.oecd.org/dac/oecd-development-co-operation-peer-reviews-norway-2019-75084277-en.htm</p> <p>Investing for development. Available at: https://issuu.com/norfund/docs/investin</p>

			<p>Theory of change methodology. Available at: www.norfund.no/getfile.php/139454-1560237914/Bilder/nye%20bilder/Norfund%27s%20Theories%20of%20Change%20for%20web%20%28ID%20287008%29.pdf</p>	<p>g for development repro id?e=2591654/37808975</p>
PIDG	✓		<p>PIDG Development Impact: www.pidg.org/ar2017/wp-content/uploads/sites/2/2018/12/PIDG_Development_impact.pdf</p> <p>Results Monitoring Handbook. Available at: http://data.pidg.org/ugc-1/1/1/0/rm_handbook_jan_19.pdf</p>	

Annex 2. Quality of impact data summary evidence

Numbers represent the number of organisations (of 56 scoped) which satisfy the criteria listed in the first column.

	Portfolio level	Project level
Results/impact information available (including descriptive)	31	46 (though not for all projects)
Results/impact information accessible	<p>17 provide at least top-line information on website</p> <p>6 provide information only in annual reports</p> <p>8 provide information in other publications</p>	<p>8 provide information in downloadable Excel files (2 of which single out specific results/impact indicators consistently)</p> <p>33 provide information on project webpages (normally within project descriptions and for a relatively small proportion of projects)</p> <p>5 provide information within project documentation attached to a project webpage such as a PDF or Word document</p>

	including sustainability reports	
Results/impact information articulated using specific indicators	28	36 (though not for all projects)
Data on specific results/impact indicators available: ex-ante/anticipated	4 (of which 2 provide ex-post too)	32 (though not for all projects)
Data on specific results/impact indicators available: ex-post/actual	26 (of which 2 provide ex-ante too)	21 (though not for all projects)
Data on specific results/impact indicators accessible	17 report at least top-line data on website (2 downloadable in	8 provide data in downloadable Excel files (2 of which single out specific results/impact indicators consistently)

	<p>machine-readable format)</p> <p>5 report data in annual reports</p> <p>6 report data in other publications including sustainability reports</p>	<p>23 provide data on project webpages (normally within project descriptions and for a relatively small proportion of projects)</p> <p>5 provide data within project documentation attached to a project webpage such as a PDF or Word document</p>
Baselines and targets available for each indicator	<p>1 has both</p> <p>4 has targets only</p>	14 (though not for all projects)
Results/impact data covers full portfolio/all projects	28	2

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Notes

¹ Development Initiatives, 2018. Investments To End Poverty 2018: Meeting the financing challenge to leave no one behind. Available at: <http://devinit.org/post/investments-to-end-poverty-2018>

² Development Initiatives, 2018. Investments To End Poverty 2018: Meeting the financing challenge to leave no one behind. Available at: <http://devinit.org/post/investments-to-end-poverty-2018>; Development Initiatives, 2019. Closing the gap: priorities for the high-level political forum 2019. Available at: <http://devinit.org/post/closing-gap-priorities-high-level-political-forum-2019/#>

³ IFC, 2019. Strategy and business outlook update FY20-FY22: Gearing up to deliver IFC 3.0 at scale. Available at: www.ifc.org/wps/wcm/connect/78684d22-f9bb-4218-beac-181a0d30e753/201905-IFC-SBO-FY20-FY22-Gearing-up-to-Deliver-IFC-3-0-at-Scale.pdf?MOD=AJPERES&CVID=mF-.FRI

⁴ On the difficulty of measuring and evaluating the development impact of such mechanisms see OECD, 2018. Making Blended Finance Work for the Sustainable Development Goals and OECD, 2019. Blended Finance Evaluation: Governance and Methodological Challenges. Available at: https://read.oecd-ilibrary.org/development/making-blended-finance-work-for-the-sustainable-development-goals_9789264288768-en#page1 and [www.oecd-ilibrary.org/docserver/4c1fc76e-en.pdf?expires=1560343819&id=id&accname=guest&checksum=24841CA13D16E8AB082D473FB8327DC3](http://www.oecd-ilibrary.org/docserver/4c1fc76e-en.pdf?expires=1560343819&id=id&accname=guest&checksum=24841CA13D16E8AB082D473FB8327DC3;); and the Overseas Development Institute (ODI), 2019. The impact of development finance institutions: rapid evidence assessment. Available at: www.odi.org/publications/11389-impact-development-finance-institutions-rapid-evidence-assessment. Additional recent research by ODI has also shed light on claims around the mobilisation potential of such mechanisms, particularly blended finance. See ODI, 2019. Blended finance in the poorest countries: the need for a better approach. Available at: www.odi.org/sites/odi.org.uk/files/resource-documents/12666.pdf

⁵ Depending on which ODA measure is used, ODA decreased by either US\$4.1 billion in 2018 (old net ODA measure) or by US\$2.5 billion (new grant equivalent measure). See Development Initiatives, 2019. Preliminary ODA data 2018 – total falls for second consecutive year. Available at: <http://devinit.org/post/final-oda-data-2018-message>

⁶ Development Initiatives, 2018. Final ODA data for 2017 – persistent trends raise concerns. Available at: <http://devinit.org/post/2017-oda-data>

⁷ Development Initiatives, 2019. Six ways to refocus ODA to end poverty and meet the SDGs. Available at: <http://devinit.org/post/refocus-oda-end-poverty-meet-sdgs>

⁸ Development Initiatives, 2018. Investments to End Poverty 2018: Meeting the financing challenge to leave no one behind, Figure 3.14. Available at: <http://devinit.org/post/investments-to-end-poverty-2018>

⁹ There are multiple definitions of 'blended finance'. For the purposes of this paper we limit our definition of blending to the use of international concessional public resources (ODA) to mobilise private capital for development – in line with the UN definition, as expressed in the Addis Ababa Action Agenda, and more recently in thematic reports such as UNCDF's Blended Finance in LDCs in 2019.

¹⁰ The need for better evidence on impact is also highlighted in the 2018 Development Cooperation Report, which includes a call to increase accountability on the use of ODA to tackle poverty and inequality (see page 50 in OECD, 2018. Development Cooperation Report 2018: Joining Forces to Leave No One Behind. Available at: https://read.oecd-ilibrary.org/development/development-co-operation-report-2018_dcr-2018-en#page50 and, more recently, in the UN Secretary General's Roadmap for Financing the 2030 Agenda for Sustainable Development 2019-2021 (which includes the promotion of impact measurement as a priority area). Available at: www.un.org/sustainabledevelopment/wp-content/uploads/2019/07/UN-SG-Roadmap-Financing-the-SDGs-July-2019.pdf. Individual organisations' evaluation reports have also highlighted the importance of better understanding poverty impact in particular, such as the April 2019 World Bank's evaluation on creating markets to leverage the private sector for sustainable development and growth. Available at: <http://documents.worldbank.org/curated/en/899271556314372090/Creating-Markets-to-Leverage-the-Private-Sector-for-Sustainable-Development-and-Growth-An-Evaluation-of-the-World-Bank-Group-s-Experience-Through-16-Case-Studies>

¹¹ USAID and OPIC, 2019. Coordination Report. Available at: https://www.opic.gov/sites/default/files/files/CoordinationReport_Shelby_7_31_19.pdf

¹² World Bank and International Monetary Fund Development Committee, 2015. From billions to trillions: transforming development finance. Available at: <http://pubdocs.worldbank.org/en/622841485963735448/DC2015-0002-E-FinancingforDevelopment.pdf>; OECD, 2018. Making blended finance work for the Sustainable Development Goals. Available at: https://read.oecd-ilibrary.org/development/making-blended-finance-work-for-the-sustainable-development-goals_9789264288768-en#page43

¹³ Development Initiatives, 2018. The enabling environment for private sector development: donor spending and links to other catalytic uses of aid. Available at: <http://devinit.org/post/enabling-environment-private-sector-development>

¹⁴ Blended finance investments have also been associated with broader capital market development and improvements in the enabling environment, though the risk of blending actually delaying important reforms by facilitating deals notwithstanding enabling environment challenges needs to be carefully considered. For more on this see UNCDF, 2018. Blended Finance in the Least Developed Countries. Available at: www.uncdf.org/download/file/127/7544/041118-blended-finance-report-part-01.pdf. On demonstration effects see the April 2019 World Bank's evaluation on creating markets to leverage the private sector for sustainable development and growth. Available at: <http://documents.worldbank.org/curated/en/899271556314372090/Creating-Markets-to-Leverage-the-Private-Sector-for-Sustainable-Development-and-Growth-An-Evaluation-of-the-World-Bank-Group-s-Experience-Through-16-Case-Studies>

¹⁵ Convergence, 2019. To solve the world's problems, the global development community turns towards the private sector. Available at: www.convergence.finance/news-and-events/news/7vQmz62G2OhPjwDGyxd3jj/view?utm_source=Mailchimp&utm_medium=Email&utm_campaign=Member%20newsletter&utm_content=July_Roundup; Overseas Development Institute, 2015. Why subsidise the private sector? What donors are trying to achieve and what success looks like. Available at: www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9948.pdf; USAID, 2019. Greater than the sum of its parts: blended finance roadmap for global health. Available at: <https://issuu.com/usaidgh/docs/blended-finance-roadmap-508>

¹⁶ UNCDF, 2018. Blended Finance in the Least Developed Countries. Available at: www.uncdf.org/download/file/127/7544/041118-blended-finance-report-part-01.pdf; DANIDA, 2016. Private capital for sustainable development: concepts, issues and options for engagement in impact investing and innovative finance. Available at: <http://um.dk/~media/UM/Danish-site/Documents/Danida/Resultater/Eval/201602StudyPrivateCapital.pdf?la=en>

¹⁷ For example for the UK see: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/478834/ODA_strategy_final_web_0905.pdf (page 9) and: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/587374/DFID-Economic-Development-Strategy-2017.pdf (pages 5, 7 and 9); for Spain see: www.cofides.es/sites/default/files/adjuntos/2018-10/sustainability-report-cofides-2017-english_0.pdf (page 12); for the EU see: [www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2018/0460/COM_CO M\(2018\)0460_EN.pdf](http://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2018/0460/COM_CO M(2018)0460_EN.pdf) (pages 18, 27); for the US see: www.usaid.gov/sites/default/files/documents/1865/usaid_psepolicy_final.pdf (pages 4, 20) and: www.opic.gov/sites/default/files/files/BILLS-115hr302_BUILDAct2018.pdf (section 1451).

¹⁸ Illustrated by the creation of new DFIs (such as FinDev), the recapitalisation and expansion of existing DFIs (such as CDC and the US Development Finance Corporation (DFC) respectively) as well as narratives – both global and organisation-specific – that emphasise the need to spend more to leverage private finance for development. For example, see Blended Finance Taskforce, 2018. Better Finance Better World. Available at: http://s3.amazonaws.com/aws-bsdc/BFT_BetterFinance_final_01192018.pdf; OECD, 2018. Making Blended Finance Work for the Sustainable Development Goals. Available at: https://read.oecd-ilibrary.org/development/making-blended-finance-work-for-the-sustainable-development-goals_9789264288768-en#page1; Convergence, 2018. The State of Blended Finance. Available at: www.convergence.finance/resource/7LEqTu0YeceaQuqSWaSKSk/view; USAID and OPIC, 2019. Coordination Report. Available at: www.opic.gov/sites/default/files/files/CoordinationReport_Shelby_7_31_19.pdf

¹⁹ DFID, 2019. The impact of development finance institutions: a rapid evidence assessment. Available at: https://assets.publishing.service.gov.uk/media/5d1232bee5274a066ad2cf79/DFI_Impacts_REA_Report_June_2019.pdf

²⁰ See for example OECD, 2019. Can Social Protection Be an Engine for Inclusive Growth? Available at: https://read.oecd-ilibrary.org/development/can-social-protection-be-an-engine-for-inclusive-growth_9d95b5d0-en#page5 and World Bank Annual Report 2018 on the economic benefits and proven poverty impact of social protection and social safety net benefits, available at: www.worldbank.org/en/about/annual-report; OECD and WHO, 2003. Poverty and Health, available at: www.who.int/tobacco/research/economics/publications/oecd_dac_pov_health.pdf on the centrality of health to overall human development and the reduction of poverty; UNESCO: Sustainable development begins with education, available at: <https://en.unesco.org/news/unesco-sustainable-development-begins-education> on education being the basis for progress in any society and a catalyst for all SDGs.

²¹ The actors selected reflect the wide range of approaches to blending that donors and DFIs/MDBs adopt. Donors represent major players in the aid industry generally and in the blended finance industry more specifically, including those that have reported the largest volumes of private finance mobilised via blending to the OECD DAC amounts mobilised survey, have recently allocated substantial amounts of concessional public finance toward the recapitalisation or creation of new or expanded DFIs, or more generally those whose rhetoric on development has been increasingly focused on private sector engagement. Similarly, selected DFIs represent major players in the blended finance market, with varying mandates and approaches to impact measurement and monitoring. FinDev has been included in the review although it was only established in 2017 because of its particular focus on impact from the offset.

²² Forthcoming research by Development Initiatives will explore this further.

²³ See for example a recent blogpost by Convergence: www.convergence.finance/news-and-events/news/7vQmz62G2OhPjwDGyxd3jj/view

²⁴ Development Initiatives, 2018. The enabling environment for private sector development: donor spending and links to other catalytic uses of aid. Available at: <http://devinit.org/post/enabling-environment-private-sector-development/>

²⁵ CGD, 2019. Trends in private capital flows to low income countries: good and not-so-good news. Available at: www.cgdev.org/sites/default/files/trends-private-capital-flows-low-income-countries-good-and-not-so-good-news.pdf; Development Initiatives, 2018. Will blended finance lead to private sector growth in developing countries? Available at: <http://devinit.org/post/will-blended-finance-lead-private-sector-growth-developing-countries>

²⁶ Thorpe J., Mathie A., Ghore Y., 2019. A typology of market-based approaches to include the most marginalised. Available at: www.ids.ac.uk/publications/a-typology-of-market-based-approaches-to-include-the-most-marginalised

²⁷ Oxfam, 2019. No blind trust in blending. Available at: <https://oxfameu.blogactiv.eu/2019/07/12/no-blind-trust-in-blending>

²⁸ Development Initiatives, 2016. Blended finance: Understanding its potential for Agenda 2030 (page 31). Available at: <http://devinit.org/post/blended-finance-understanding-its-potential>

²⁹ For example, see UN, 2019. Financing for Sustainable Development Report 2019. Available at: www.un.org/development/desa/publications/financing-for-sustainable-development-report-2019.html; UNCDF and OECD, 2019. Blended Finance in LDCs in 2019. Available at: www.uncdf.org/bf/dcs/home; DFI Working Group on Blended Concessional Finance for Private Sector Projects Joint Report, October 2018 Update. Available at: www.ifc.org/wps/wcm/connect/3aaf1c1a-11a8-4f21-bf26-e76e1a6bc912/201810_DFI-Blended-Finance-Report.pdf?MOD=AJPERES&CVID=mpvbN7c; Convergence, 2018. The State of Blended Finance 2018. Available at: www.convergence.finance/resource/7LEqTu0YeceaQugSWaSKSk/view; ODI, 2019. Blended Finance in the poorest countries: the need for a better approach. Available at: www.odi.org/publications/11303-blended-finance-poorest-countries-need-better-approach

³⁰ Development Initiatives, 2018. Countries being left behind. Available at: <http://devinit.org/post/countries-left-behind>

³¹ Note the picture shown in Figure 4 does not change substantially if the absolute number of people in extreme poverty is considered instead of percentage headcount.

³² Development Initiatives, 2019. Six ways to refocus ODA to end poverty and meet the SDGs. Available at: <http://devinit.org/post/refocus-oda-end-poverty-meet-sdgs>

³³ Figure 5 in DFI Working Group on Blended Concessional Finance for Private Sector Projects, Joint Report, October 2018 Update. Available at: www.ifc.org/wps/wcm/connect/3aaf1c1a-11a8-4f21-bf26-e76e1a6bc912/201810_DFI-Blended-Finance-Report.pdf?MOD=AJPERES&CVID=mpvbN7c

³⁴ Live updates of blended finance analysis based on Convergence's deal database is available at: www.convergence.finance/blended-finance

³⁵ Private finance mobilised in Turkey accounts for almost a third or over a third of health sector investments in each year from 2013 to 2017.

³⁶ For example, making services 'affordable' for quite poor people may still not result in expanding access for the poorest and most vulnerable (which is what ODA should arguably be focused on); similarly, strengthening local markets and value chains may result in 'adverse inclusion' (on the latter see Thorpe J., Mathie A., Ghore Y., 2019. A typology of market-based approaches to include the most marginalised (page 34). Available at: www.ids.ac.uk/publications/a-typology-of-market-based-approaches-to-include-the-most-marginalised/).

³⁷ For more on harmonisation see Chapter 18 in EDFI and ODI, 2019. Impact of development finance institutions on sustainable development. Available at: www.odi.org/publications/11431-impact-development-finance-institutions-sustainable-development

³⁸ The data presented in this section relates to all DFIs and MDBs investments, not just blended finance transactions as it remains impossible to single these out based on publicly available data.

³⁹ European Development Finance Institutions (EDFI) and ODI, 2019. Impacts of private investment on sustainable development in developing countries: Session note on Jobs – direct and indirect impacts on job creation and decent work. Available at: www.edfi.eu/wp/wp-content/uploads/2019/06/EDFI-Impact-Conference-Session-note-on-jobs.pdf

⁴⁰ IMF, 2019. Fiscal policy and development: human, social and physical investment for the SDGs (page 5 and Annex Table 1.3). Available at: www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2019/01/18/Fiscal-Policy-and-Development-Human-Social-and-Physical-Investments-for-the-SDGs-46444

⁴¹ Source: World Bank World Development Indicators; indicator name: Electricity production from renewable sources, excluding hydroelectric (kWh).

⁴² Source: World Bank World Development Indicators; indicator name: CO₂ emissions (metric tons per capita).

⁴³ USAID, Why our work matters. Available at: <https://results.usaid.gov/results>

⁴⁴ USAID, Notes for Dollars to Results website. Available at: <https://explorer.usaid.gov/NotesforDataUser.pdf>

⁴⁵ PIDG, 2019. Results Management Handbook: Guidance on identifying, recording and reporting PIDG's development impact. Available at: www.pidg.org/wp-content/uploads/2019/04/RM-Handbook-April-2019-final.pdf

⁴⁶ PIDG Annual Review 2019, page 59. Available at: www.pidg.org/wp-content/uploads/2019/06/PIDG_2018_Annual_Review_MAY2019_Final_Digital-3.pdf

⁴⁷ Development Initiatives, 2016. Blended finance: Understanding its potential for Agenda 2030, pages 26 and 27. Available at: <http://devinit.org/post/blended-finance-understanding-its-potential/>.

⁴⁸ IFC, 2019. AIMM Sector Frameworks Consultation. Available at: www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/development+impact/areas+of+work/sa_aimm/consultation

⁴⁹ CDC Group and Department for International Development, 2019. CDC Group and DFID Response to the Independent Commission for Aid Impact's recommendations on CDC's investments in low-income and fragile states. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/799977/CDC-investments-low-income-fragile-states-March2019.pdf

⁵⁰ USAID and Overseas Private Investment Corporation (OPIC), 2019. Coordination Report. Available at: www.opic.gov/sites/default/files/files/CoordinationReport_Shelby_7_31_19.pdf

⁵¹ Economic and Private Sector (EPS) Professional Evidence and Applied Knowledge Services (PEAKS), 2015. The development impact of DFIs: what are their impacts and how are they measured? (page 21). Available at: <https://assets.publishing.service.gov.uk/media/57a08992e5274a27b200014f/Development-Impact-of-DFIs.pdf>

⁵² World Bank, 2014. Aid is good for the poor. Available at: <http://documents.worldbank.org/curated/en/346561468331901142/pdf/WPS6998.pdf>

⁵³ UN, 2015. Addis Ababa Action Agenda, paragraphs 43, 48 and 54. Available at: www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

⁵⁴ IRIS+ and the five dimensions of impact. Available at: https://s3.amazonaws.com/giin-web-assets/iris/assets/files/guidance/IRIS_IMPAlignment_20190510.pdf

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Contact:
Cecilia Caio
Senior Analyst
Cecilia.Caio@devinit.org

To find out more about our work visit:
www.devinit.org
Twitter: @devinitorg
Email: info@devinit.org

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UK OFFICE

Development Initiatives
North Quay House
Quay Side, Temple Back
Bristol, BS1 6FL, UK
+44 (0) 1179 272 505

KENYA OFFICE

Development Initiatives
Shelter Afrique Building
4th Floor, Mamlaka Road
Nairobi, Kenya
PO Box 102802-00101
+254 (0) 20 272 5346

UGANDA OFFICE

Innovation Village
Block C, 3rd floor
Ntinda Complex
Plot 31 Ntinda- Kisaasi Road
P.O Box 25760
Kampala, Uganda
Tel +256 39 324 1297

US OFFICE

Development Initiatives
1110 Vermont Ave NW,
Suite 500, Washington DC
20005, US