
# MOBILIZATION OF PRIVATE FINANCE

by Multilateral Development Banks and Development Finance Institutions

2023

JOINT REPORT
PUBLISHED FEBRUARY 2025

This report was prepared by a group of Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs), collectively known as the "MDB Task Force on Mobilization," composed of the African Development Bank (AfDB), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB), Corporación Andina de Fomento (CAF), the European Development Finance Institutions (EDFI), the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB Group), the Islamic Corporation for the Development of the Private Sector (ICD), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Inter-American Development Bank (IDB), IDB Invest, the International Finance Corporation (IFC), the Islamic Development Bank (IsDB), the International Islamic Trade Finance Corporation (ITFC), the Multilateral Investment Guarantee Agency (MIGA), and the World Bank (WB). The findings, interpretations, and conclusions expressed in this work do not necessarily reflect the official views of the MDBs'/DFIs' Boards of Executive Directors or the governments they represent.

## CONTENTS

Acronyms and Abbreviations .......... 2
**EXECUTIVE SUMMARY** .......... 4
**REPORTING 2023 MOBILIZATION** .......... 8
**THE RESULTS: ESTIMATES OF 2023 PRIVATE FINANCE MOBILIZED BY MDBs** .......... 12
2.1. Long-Term Finance .......... 14
2.2. Short-Term Finance .......... 15
2.3. Infrastructure Finance .......... 17
2.4. Mobilization by Sector .......... 17
**AN EVOLVING DEVELOPMENT FINANCE LANDSCAPE** .......... 18
Before the Project: Leveraging Initial Shareholder Contributions .......... 20
During the Project: Helping Fund Development Goals .......... 21
After the Project: Creating Long-Lasting Impact .......... 22
Putting it All Together .......... 22
“Vignettes” from Along the Evolving Landscape .......... 22
Conclusions .......... 22
**APPENDIX 1: VIGNETTES FROM AN EVOLVING DEVELOPMENT FINANCE LANDCAPE** .......... 24
A1.1. Outcome Bonds: Combining the Financing Power of an MDB and Private Investors .......... 26
A1.2. SRTs Two Ways, Part 1: SRT Securitizations for MDB Assets—Creating Space on an MDB Balance Sheet .......... 29
A1.3. SRTs Two Ways, Part 2: SRT Securitizations an MDB provides for a Client—Adding Leverage to a Client’s Balance Sheet .......... 31
A1.4. Advisory Services and Public-Private Partnerships in Ethiopia: Following the Impact of Multiple Flows from a Longer Engagement .......... 35
**APPENDIX 2: GUIDE TO THE METHODOLOGY AND DATA** .......... 38
A2.1. What Is Reported .......... 40
A2.2. About the Data .......... 40
A2.3. Significant Methodology and Reporting Changes .......... 42
**APPENDIX 3: DISAGGREGATED DATA** .......... 45
All Countries of Operation .......... 46
By Institution .......... 47
By Income Classification .......... 50
By Region .......... 58
By Sector .......... 63

Endnotes .......... 65

## ACRONYMS AND ABBREVIATIONS

| | |
|---|---|
| **ADB** | Asian Development Bank |
| **AfDB** | African Development Bank |
| **AIIB** | Asian Infrastructure Investment Bank |
| **BII** | British International Investment |
| **CAF** | Corporación Andina de Fomento |
| **EBRD** | European Bank for Reconstruction and Development |
| **EDFI** | European Development Finance Institutions |
| **EIB** | European Investment Bank |
| **EU** | European Union |
| **FCS** | fragile and conflict-affected situations |
| **FDI** | foreign direct investment |
| **FY** | fiscal year |
| **GNI** | gross national income |
| **HIC** | high-income country |
| **IBRD** | International Bank for Reconstruction and Development |
| **ICD** | Islamic Corporation for the Development of the Private Sector |
| **ICIEC** | Islamic Corporation for the Insurance of Investment and Export Credit |
| **IDA** | International Development Association |
| **IDB** | Inter-American Development Bank |
| **IDBG** | Inter-American Development Bank Group, composed of IDB and IDB Invest |
| **IDB Invest** | Inter-American Investment Corporation |
| **IFC** | International Finance Corporation |
| **IsDB** | Islamic Development Bank |
| **IsDBG** | Islamic Development Bank Group, composed of IsDB, ICD, ITFC and ICIEC |
| **ITFC** | International Islamic Trade Finance Corporation |
| **LDC** | least-developed country |
| **LIC** | low-income country |
| **MDBs** | multilateral development banks |
| **MIC** | middle-income country |
| **MIGA** | Multilateral Investment Guarantee Agency |
| **OA** | own account |
| **OECD** | Organisation for Economic Co-operation and Development |
| **PCE** | private capital enabled |
| **PCM** | private capital mobilization |
| **PDM** | private direct mobilization |
| **PIM** | private indirect mobilization |
| **PPP** | public-private partnership |
| **SDGs** | Sustainable Development Goals |
| **SMEs** | small and medium enterprises |
| **SOEs** | state-owned enterprises |
| **SRT** | significant risk transfer |
| **STF** | short-term finance |
| **TA** | technical assistance |
| **TPM** | total private mobilization |
| **UN** | United Nations |
| **UNICEF** | United Nations International Children’s Emergency Fund |
| **$** | United States dollar |
| **WB** | World Bank, composed of IBRD and IDA |
| **WBG** | World Bank Group, composed of WB, IFC, and MIGA |

Note that unless otherwise indicated, all currency is US dollars.

## PHOTO CREDITS

Cover: Julia Schmalz / IFC
3: François du Chatenet / IFC
4: Dominic Chavez / IFC
7: Julia Schmalz / IFC
8: Djenno Bacvic / IFC
11: Julia Schmalz / IFC
12: IFC
14: IFC
18: Julia Schmalz / IFC
21: Gevorg Grigoryan / IFC
23: Dominic Chavez /IFC
24: Djenno Bacvic / IFC
34: Djenno Bacvic / IFC
37: Dominic Chavez /IFC
38: Emil Khalilov / IFC
44: Julia Schmalz / IFC

# EXECUTIVE SUMMARY


MGI
MECCANICHE
CARPENTERIE
Tel. 0039 0827 66182

THE MULTILATERAL DEVELOPMENT BANKS AND DEVELOPment finance institutions (collectively referred to herein as MDBs) that make up the MDB Task Force on Mobilization[1] are reporting in this 2023 edition of the Joint Report a record year in total private finance mobilized by MDBs. For middle-income and low-income countries (MICs and LICs), total private mobilization (TPM) in 2023 was $87.9 billion, an increase of 24 percent from the previous year, the largest increase and the highest amount reported to date. Further, TPM for LICs also rose to its highest level ever, $10.2 billion, a 40 percent increase from 2022, again the largest annual increase. And for the third reporting cycle in a row, mobilization of private finance by MDBs outperformed foreign direct investment: while foreign direct investment to developing countries declined by 9 percent, MDB mobilization of private finance to a roughly similar group (MICs and LICs), rose 24 percent. These results are detailed in Section 2.

These exceptional numbers represent the impact of significant ongoing MDB efforts to mobilize more private finance to achieve the Sustainable Development Goals (SDGs). Such efforts include a continued focus on traditional product lines as well as on innovating and identifying new mobilization approaches and products. Based on figures from the top three mobilizing MDBs by volume, nearly half of mobilization in this year's report, which follows the current MDB joint methodology, comes from products introduced within the past seven years, showing that MDB product innovation is increasingly driving mobilization: in 2023, 46 percent of mobilization for all income groups was from new products, compared with 54 percent from traditional product lines, versus 38 percent and 62 percent, respectively, in 2022.[2]

The total impact of new products cannot be captured by the current methodology, however, nor can flows impacted by or resulting from certain activities MDBs have always undertaken and are now doing more often. Thus, in 2024 the Task Force began a review to expand the joint mobilization methodology. This expansion would seek to identify and quantify the growing variety of financing made available from private investors to high impact projects alongside MDBs, as well as that made available as a result of MDB projects after their completion. The Task Force is also examining ways to measure balance sheet funding activities that occur before the beginning of a development project, as new products have also been created to help make financing available to help fund MDB operations that are not captured in mobilization estimates. Finally, the Task Force review is looking to enhance disaggregation of data in MDB reporting. Some results of this methodology update and review, and reporting assessment, are previewed in this edition of the Joint Report. Note that this reporting only includes estimates of all flows that meet the current methodology.

This edition presents the details of the 2023 mobilization figures and includes more data disaggregation than any previous report: MDBs now report mobilization by sector, using the OECD sector definitions (these numbers are reported in aggregate in the appendix). In summary, MDBs had an excellent year for mobilizing private finance in 2023. Going forward, the Task Force will build on these results, and on updates to the new methodology, with more comprehensive reporting of the many efforts MDBs undertake that are geared toward meeting the SDGs.

MDBs mobilized

**$220.1B**

of private finance in all countries

and mobilized

**$87.9B**

of private finance in MICs/LICs

This includes

**$10.2B**

mobilized in LICs

LIC mobilization

**↑40%**

from 2022

# 1 REPORTING 2023 MOBILIZATION

**SINCE 2016 MDBs HAVE TAKEN A LEADERSHIP ROLE IN MOBI**lizing private investment in pursuit of the United Nations (UN) 2030 Sustainable Development Agenda and the Sustainable Development Goals (SDGs) that underpin it. The amount of financing crowded in to MDB development projects has become a major focus for donors and other stakeholders, who have called on MDBs to accelerate their progress as the 2030 deadline approaches. As the UN noted in its 2023 Financing for Sustainable Development Report, "SDG financing needs are growing, but development financing is not keeping pace." The UN also noted in its 2024 edition of that report that "mobilizing financial resources is crucial… for achieving the SDGs," and that at the most recent SDG Summit (2023), heads of state committed to unlocking $500 billion in additional financing and investment annually.[3]

G20 leaders have echoed the call for more development finance, stating in the 2023 G20 summit report (the New Delhi Leaders Declaration) that "greater, more accessible, timelier, and more impactful financing for development is needed."[4] How to increase finance for development has been an ongoing focus of G20 discussions, with the most recent G20 Roadmap emphasizing a need for MDBs to "undertake comprehensive efforts to evolve… so that they are better equipped to maximize their impact."[5] As part of this evolution, members of the MDB Task Force have begun to look at the joint methodology upon which this reporting is based.

The MDB joint methodology to track the progress of MDBs in achieving SDGs through mobilizing private finance was first developed in 2016. This was a breakthrough, as it enabled MDBs to use a common reporting framework for the first time and made it possible to measure private investment mobilized over time on a consistent basis, with common definitions. Using this methodology, members of the Task Force have reported mobilization figures in six editions of this report, detailing contributions to a range of development priorities, including climate change, education and health care, and infrastructure development.

The world has changed since 2016, however, and the development finance ecosystem has evolved. While the vast majority of private finance made available in support of MDB operations in the early years following the establishment of the Task Force was simple co-financing of MDB development projects, mobilization now takes many different forms and occurs at various points during the project lifecycle. Furthermore, MDBs have continued to innovate and work to expand the universe of investors they partner with, including insurers and reinsurers, capital markets solutions and impact-focused equity funds. And this is just within the context of an individual project. There is increasingly additional financing attributable to the MDBs that is made available both before and after an individual project is implemented.

While this 2023 edition continues to use the original methodology introduced in 2016, innovations have driven more and more of the mobilization results detailed in past reports, and this trend continued in 2023, with almost half of mobilization coming from new types of products for the largest reporting institutions. But there is more that can be captured that does not fit in the current joint methodology. Heeding the call of the G20, MDBs are now working to update and expand the joint methodology to appropriately capture the work and innovations taking place in the mobilization space, as noted in Box 1.1 below. Development finance happens now at many more points in time and takes many more forms than it originally did, and MDBs recognize the methodology is not fit-for-purpose to capture this multiplicity of financing. Section 3 expands on the constraints of the current methodology and presents vignettes that show how new developments are driving the need to capture more of the innovative financing that is occurring.

The 2023 results in this report use the existing methodology. As in all editions to date, the results herein are for TPM, which is divided into private direct mobilization (PDM) and private indirect mobilization (PIM), with direct transaction services included as part of PDM. An explanation of the estimates and analysis in this report can be found in "MDB Methodology for Private Investment Mobilization: Reference Guide."[6]

## BOX 1.1. MEASURING AS A SYSTEM: HARMONIZING MOBILIZATION METRICS AND REPORTING

The Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs) that authored this report, collectively known as the "MDB Task Force on Mobilization," (the "MDB Task Force"), comprise one of several dedicated working groups created to respond to the financing needs stemming from the 2030 Agenda. The work undertaken by the Task Force has been endorsed by the Heads of MDBs Group and, more recently, by other stakeholders including global governance fora such as the G20, which has called on MDBs to work more closely "as a system," following the recommendations of the 2018 Report of the G20 Eminent Persons Group on Global Financial Governance. In 2024, under the leadership of the Inter-American Development Bank (IDB), the Heads of MDBs Group embarked on a newly ambitious path toward intensified, systemic cooperation and collaboration, developing its first comprehensive action plan, the Viewpoint Note. Among the Note's 16 deliverables is the drive for common approaches toward harmonizing metrics and enhancing transparency in reporting private sector mobilization and measuring impact. The Task Force has proactively tackled these objectives through a series of technical workshops, case studies, benchmarking exercises, and literature reviews aimed at harmonizing measurement frameworks and updating methodological approaches for individual and joint reporting. This work was included in the G20's MDB Roadmap, underscoring the critical need for coordinated efforts to establish consistent metrics and robust reporting. Such efforts are critical to catalyze increased private financing and enhance development impact of MDB and DFI interventions, driving progress toward the ambitious SDG targets.

# 2 THE RESULTS

## ESTIMATES OF 2023 PRIVATE FINANCE MOBILIZED BY MDBs

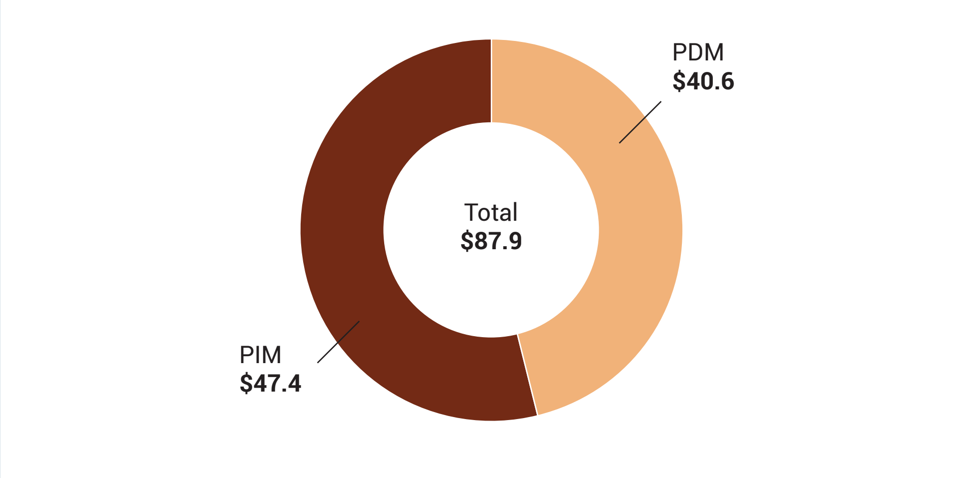
## 2.1. LONG-TERM FINANCE

The reported commitment data allows the MDB Task Force to estimate the total amount of long-term cofinancing and credit insurance mobilized from private investors, including institutional investors such as insurance companies, pension funds, and sovereign wealth funds, with maturities of one year or more. **For the Calendar Year (CY) 2023, TPM estimated for all country groups was $220.1 billion,** a 32 percent increase over 2022 ($166.6 billion TPM).

By convention, this report also includes as a primary focus mobilization estimates for MICs and LICs, which are the focus of most MDBs' operations. **For 2023, TPM in MICs and LICs was estimated to be $87.9 billion** (see Figure 2.1). This is a 24 percent increase over the $71.1 billion mobilized in 2022 and the highest TPM ever in MDB joint reporting, surpassing the previous benchmark from 2016 by 24 percent.[7] Of TPM, 46 percent was PDM and 54 percent was PIM.[8] PDM involves a transactional relationship between an MDB and a client or investor relating to financing an MDB-supported project or activity, and it measures the financial flows that directly result from that relationship. PIM estimates the private investment flows into that project that are not directly arranged by the MDB. (See the definitions, drawn from the "MDB Reference Guide," in Appendix 2, Table A2.1.[9] For regional totals, refer to Appendix 3, which contains a first-time ever disaggregation by both region and income.)

The 2023 figures include a large increase in TPM for MIC/LIC for the World Bank, from $4.5 billion in 2022 to $16.5 billion in 2023. This is a notable jump, representing about two-thirds of the total 2023 increase in MIC/LIC TPM. Details on the reasons behind the large increase are in Box A.2.1 in Appendix 2.

**FIGURE 2.1.** TPM, MICs and LICs, 2023, US$ billions




Source for all charts and graphs is MDB data for 2023 unless otherwise noted. Figures may not total in some cases due to rounding.

**TABLE 2.1.** Change in TPM by Income Level, 2023 versus 2022

| TPM at ... | All income levels | MICs & LICs | MICs only | LICs only |
|---|---|---|---|---|
| **Change from 2022 to 2023** | +32% | +24% | +22% | +40% |

Note: High-income countries (HICs) mobilization, not shown here, rose 38 percent from 2022 to 2023 (from $95.5 billion to 131.9 billion).

**In 2023, estimated mobilization of MDBs in LICs was $10.2 billion**, which is 40 percent higher than the $7.3 billion mobilized in 2022 for these countries and an all-time high for LIC mobilization. The reporting also measures mobilization in the UN category of Least Developed Countries (LDCs); LDCs are countries "facing severe structural impediments to sustainable development."[10] For these countries, an estimated $14.6 billion was mobilized in 2023, 55 percent higher than the $9.4 billion mobilized in 2022.[11]

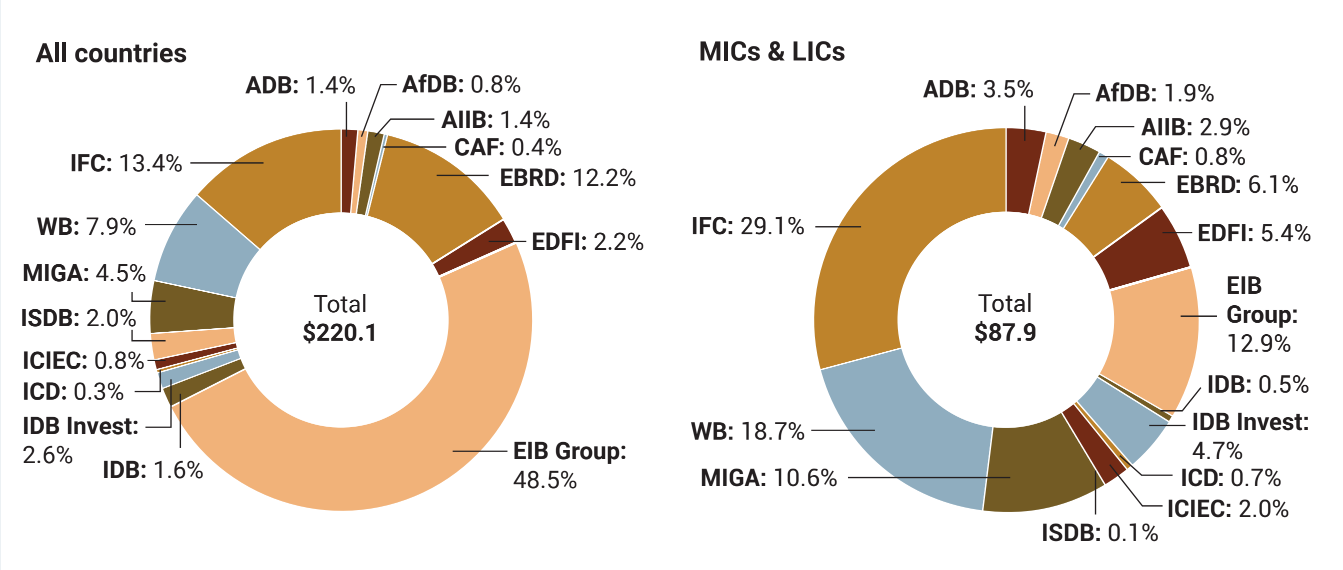
Table 2.1 summarizes the change in total private finance mobilization estimates for all income levels, for MICs and LICs, for only MICs, and for only LICs, from 2022 to 2023.

## 2.2. SHORT-TERM FINANCE

Total Short-term Finance (STF) mobilization decreased 18 percent for 2023, to $6 billion from $7.3 billion the previous year. STF mobilization includes such products as trade finance, commodity finance, letters of credit, and other products with maturities of less than one year. STF mobilization is measured for all country income groups combined, because data is not collected for this indicator by country income group.

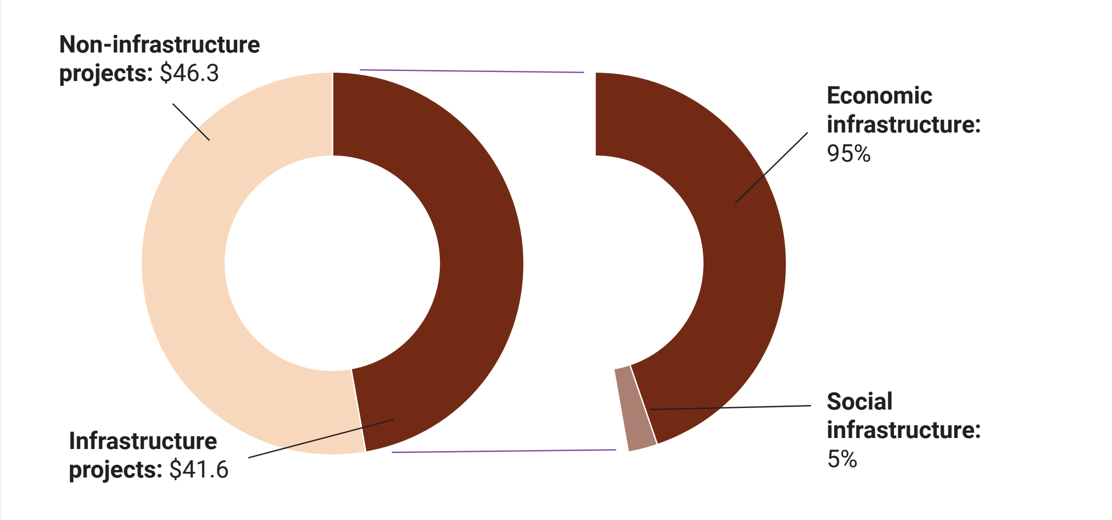
STF has increased in all but two reporting years, and this is the first decrease since 2021. Comparing the figures for STF across all reporting years, the 2023 figure represents a return to the normal range for this indicator: from 2016 to 2019, it varied but was generally around $5 to $6 billion each year. STF dramatically increased during the pandemic and immediate post-pandemic years, as supply chain challenges and consumer demand increased the need for facilitating finance in trade flows. As the global economy has sorted through these challenges, STF has reverted to pre-pandemic levels.

## FIGURE 2.2. TPM by Institution, 2023, US$ billions




See Abbreviations page for definitions of MDB acronyms. EDFI is the association of all DFIs in this Report; all other institutions are MDBs.

## FIGURE 2.3. TPM from Infrastructure Projects in MICs and LICs, 2023, US$ billions



## 2.3. INFRASTRUCTURE FINANCE

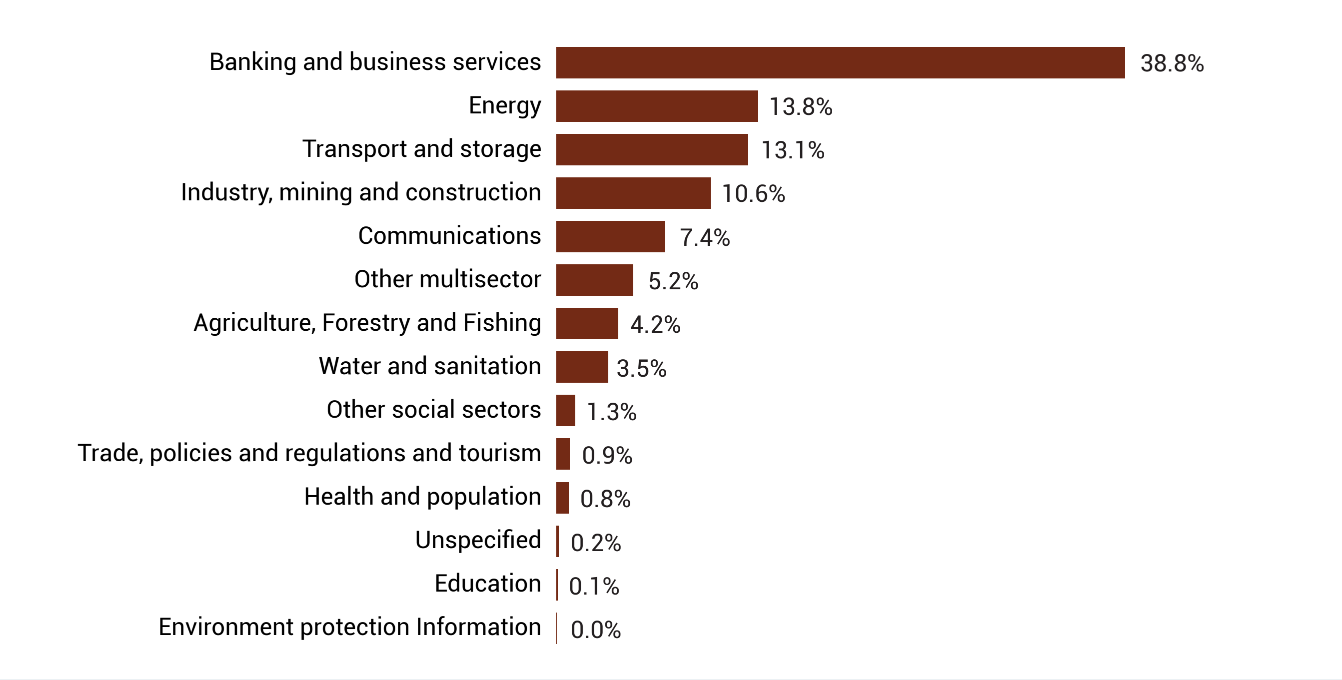
In 2023, TPM in MICs and LICs for infrastructure (including power, water, transportation, telecommunications, information technology, and social infrastructure such as schools and hospitals) was $41.6 billion, or 47 percent of TPM in MICs and LICs. This infrastructure-related TPM in MICs and LICs was a 23 percent increase compared to 2022, when $33.4 billion was mobilized. 2023 PDM in MICs and LICs for infrastructure amounted to $14.0 billion, an increase of 84% from 2022, amounting to 34 percent of TPM in MICs and LICs for infrastructure in 2023. PDM in MICs and LICs for infrastructure was $7.6 billion and accounted for 23 percent of the TPM in those countries for infrastructure.

In a reversal of the trend from the pandemic years, there was faster growth in 2023 in economic infrastructure mobilization (private finance made available to support projects such as power plants, transportation networks, and waste treatment facilities), relative to social infrastructure mobilization (private finance that supports projects building schools, hospitals, and other social support facilities). This meant that the share of social infrastructure in the total infrastructure-related TPM for MIC/LIC decreased: 5 percent of all infrastructure mobilization in 2023, versus 11 percent in 2022. Historically, social infrastructure projects in LICs have always had lower mobilization rates than those of economic infrastructure and have received a smaller share overall of total private spending on infrastructure; the average proportion of social infrastructure to total infrastructure from 2017 to 2019 was just 4.5 percent. This share grew during the pandemic healthcare needs skyrocketed, but shrank back in 2023 to a more typical share of total infrastructure mobilization.

## 2.4. MOBILIZATION BY SECTOR

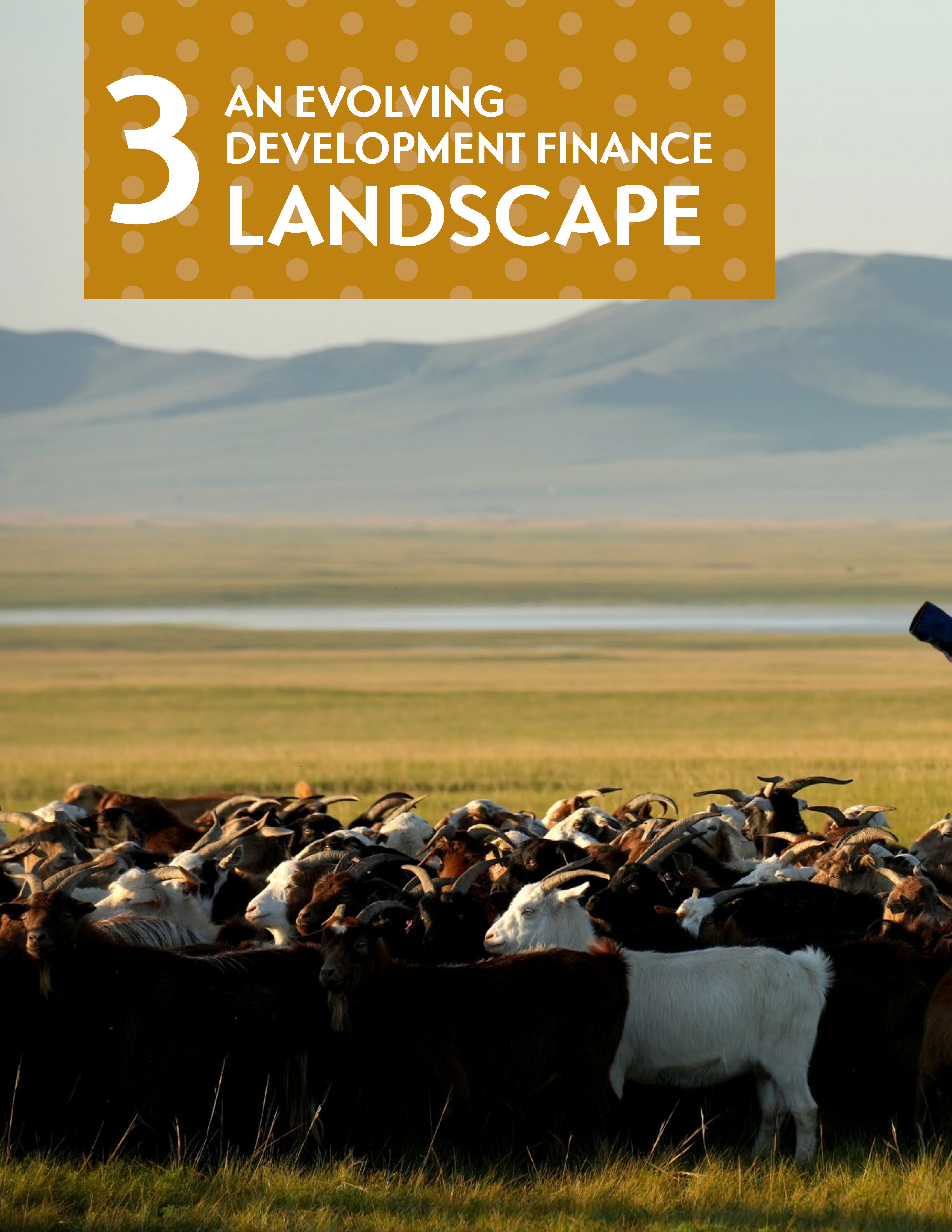
As a result of the collection of MDB disaggregated data, this year's report includes sector reporting for the first time, using OECD sector definitions.[12] The share of mobilization for banking and business services accounts for 39 percent of all TPM, followed by various infrastructure-related sectors including energy, transport and storage, and industry, mining and construction.

**FIGURE 2.4.** TPM by Sector, MICs and LICs, 2023




Note: Other social sectors include government and civil society and other social infrastructure and services.

# 3 AN EVOLVING DEVELOPMENT FINANCE LANDSCAPE



MUCH HAS CHANGED IN DEVELOPMENT FINANCE SINCE 2016 when the first edition of this Joint Report was published. The 2015 adoption of the UN's SDGs set a new bar for development, and the UN, the G20, and many organizations called on MDBs to help close the gap between the needs of developing countries and the finance available, with a renewed emphasis on tapping private sector financing. Since then, MDBs have made an extraordinary effort to answer the call, developing new products, expanding their investor bases, shortening the project cycle, building pipelines of new projects, and working to increase impact. Each edition of this report has shown the results of these efforts, with MDBs having mobilized over $500 billion in aggregate between 2016 and 2023.

From the outset, the goal of joint reporting has been to estimate consistently the impact of a wide range of activities by a varied group of institutions in terms of their collective progress in helping achieve the SDGs. As the 2030 SDG deadline approaches and MDB efforts have been intensifying, the number of MDB products and activities that attract private finance has grown, and private financing is being crowded in toward more development activities through more channels than ever before. MDB innovations that bring in private finance, while welcome, have started to yield products whose mobilization impact was not envisioned when the current framework was developed, and/or may have impact beyond the scope contemplated when the current methodology was created. As a result, what has been measured in this report since 2016 is no longer capturing the full breadth of what MDBs are currently doing to bring private capital into development.

Recognizing this and hearing calls from the G20 and others to revise the joint methodology,[13] in 2024 the Task Force launched a process to review and update this methodology and ensure that it captures all relevant efforts by MDBs to crowd in private finance to meet the SDGs. The update will involve expanding the methodology to capture the impact of these new activities, which will also help incentivize institutions to pursue them further.

Enhancements to the methodology are now under consideration by the MDB Task Force on Mobilization and will be detailed in the next Joint Report. Below is a preview of some ideas the Task Force is considering to reflect the results of the many ways MDBs help to make private financing available to achieve development objectives.

To be comprehensive, these new approaches will need to capture the entire breadth of what MDBs do with shareholder capital, using new concepts not directly related to mobilization to complement the current set of indicators (which the Task Force also seeks to expand and enhance).

Therefore, instead of a single indicator, additional indicators may be needed to show private financing enabled by MDB demonstration effects after project completion, as well as balance sheet funding activities that occur before a project is started. These new indicators will help incentivize more new product development in growing areas of MDB activity to help make more private finance available beyond the project. While private mobilization will remain central to the Task Force's work, such additional components, once collected and reported, should provide a more comprehensive picture of all MDB activities that attract private capital to emerging markets.

The objective would be to provide a clear view of the impact on private finance of a dollar of paid-in capital across a wide variety of channels and the various ways MDBs continue to attract private finance to development, from leveraging capital markets for financing before or at the start of projects, to helping mobilize funding to support the projects themselves, to the effects of those projects long after completion.

Examples of these different flows of financing that are made available at different times vis-a-vis a project are described below.

## BEFORE THE PROJECT: LEVERAGING INITIAL SHAREHOLDER CONTRIBUTIONS

MDBs encourage investors to make funds available for development through their balance sheet-backed bond issuances, turning these funds into capital for their own use. They also are now frequently generating additional balance sheet headroom through non-capital markets. These funds have become part of the conversation on development finance, and MDBs recognize the importance of measuring the impact that MDB balance sheet operations have on increasing the capital base available for development work. The current reporting does not capture these funds, so a way to measure and incorporate them is needed.[14]

## DURING THE PROJECT: HELPING FUND DEVELOPMENT GOALS

A key principle of mobilization to which MDBs recommitted during the review is that it is a "project-based" indicator, and as such it reflects the fact that the MDB business model is focused on structured interventions for a client, with a clear set of development objectives and on the MDB ability to attract or "mobilize" capital to help meet those objectives.

Given the centrality of project-based mobilization to the MDB development finance agenda, mobilization will remain a focus of future editions of this report and total private mobilization will continue to be reported. As MDBs continue to drive more product innovation, there are, however, more and more activities which deliver impact similar to that delivered through TPM—they attract or "crowd in" private finance for example—but they fall outside the scope of TPM as it is currently defined. The Task Force recognizes the need for an expansion of the methodology to incorporate such activities.

## AFTER THE PROJECT: CREATING LONG-LASTING IMPACT

In addition to helping bring in capital to finance a project (mobilization), in many cases MDBs also play a crucial role in creating the conditions needed for private capital to flow in ever greater volumes into low- and middle-income countries, often as a follow-on financial effect after the completion of a project or even some of the activities during a project.[15] The impact of the preparatory work MDBs do to enable private financing for country development priorities, as well as the downstream additional impact of investments and project operations MDBs conduct on the ground, is not captured in the current joint reporting.[16] A way to measure that follow-on impact is needed.

As early as the 2017 edition of this report, MDBs included examples of such "catalyzation" of private finance, and pledged to "continue to explore ways to measure and report on this broader private investment catalyzation."[17,18] In that spirit, and reflecting the increasing activity enabling this investment plus the growing emphasis on and attention paid to catalyzation by the broader community, MDBs have elected to work toward a methodology to capture these capital flows.[19]

## PUTTING IT ALL TOGETHER

The objective of all this is to provide a fuller picture of how capital flows into emerging and frontier markets as a result of the significant efforts of MDBs to make this happen. Task force members are carefully considering how to incorporate these new indicators into joint reporting.

## "VIGNETTES" FROM ALONG THE EVOLVING LANDSCAPE

To provide examples of how MDBs are already unlocking private capital for development goals across all stages of a project, the appendix section offers vignettes highlighting some of the innovative approaches members have used in recent years to make private financing available. A connecting principle across each approach is that the MDB methodology, as it stands today, does not capture some or all the financial impact from these activities.

## CONCLUSIONS

The development challenges of the next few years can appear daunting. MDBs represented in this report recognize the enormous task of closing the growing SDG financing gap by 2030. It has become all too clear that current financing is insufficient and MDBs must do more to encourage private finance to flow into emerging markets to compensate for the shortfall.

This report highlights two important aspects of the MDB mobilization efforts. First, the results show that MDBs are mobilizing more: the amount of private finance made available by MDBs to MICs and LICs increased 24 percent in 2023, though even more is necessary. Second, the report presents potential amendments the Task Force is considering for updating the current methodology to better reflect the wider range of activities MDBs are pursuing within and beyond mobilization. Updating this methodology would further demonstrate the entirety of the efforts MDBs are making.

**TABLE 3.1.** Vignettes from Along the Evolving Development Finance Landscape

| Section | Product | Author |
|---|---|---|
| A1.1 | Outcome Bonds | WB |
| A1.2 | Significant Risk Transfer (SRT) securitizations for asset on MDB balance sheets | IDB |
| A1.3 | SRTs from MDBs securitizing assets on client balance sheets | EBRD |
| A1.4 | Advisory + Public-Private Partnerships | IFC |


MAN

# APPENDIX 1: VIGNETTES
## FROM AN EVOLVING DEVELOPMENT FINANCE
# LANDCAPE

## A1.1. Outcome Bonds: Combining the Financing Power of an MDB and Private Investors

**By the World Bank**

MDB bonds generally support sustainable development projects on an aggregate basis. This means that funding raised in private markets through MDB bonds is used to support a wide range of MDB interventions across many geographies and economic sectors. These bonds generally are issued based on the creditworthiness of the issuer (the MDB), rather than the creditworthiness of a project sponsor,[20] who typically faces more difficulty raising funds and tougher terms, since it may have a lower-rated credit profile.

In some cases, however, there may be opportunities to create a direct connection between a particular bond issue and a specific project. Recently, the World Bank has begun to issue a new type of bond that directs finance to a specific project or activity and in turn makes a portion of the return on the bond contingent on the success of that project or activity. Because the return on these bonds is linked directly to a successful outcome, they are called "outcome bonds."

### OUTCOME BONDS AT THE WORLD BANK

The World Bank Treasury has structured and executed several outcome bond transactions that mobilize financing from private investors for projects in emerging markets and developing economies. These bonds transfer project performance risk to the investors, who are rewarded if the underlying activities are successful. The transactions are structured so IBRD is not exposed to any project risk and therefore they do not consume World Bank lending envelope.

The World Bank issued five outcome bonds between 2021 and 2024 (Table A1.1), and the potential for scale is

**TABLE A1.1.** World Bank issued Outcome bonds, as of October 2024

| Transaction name | Tenor, years | Issue year | Bond amount, US$ | Mobilized finance, US$ | Project location |
|---|---|---|---|---|---|
| Amazon Reforestation Linked Bond | 9 | 2024 | 225,000,000 | 36,000,000[a] | Brazil |
| Plastic Waste Reduction Linked Bond | 7 | 2024 | 100,000,000 | 13,877,772[a] | Ghana, Indonesia |
| Emissions Reduction Linked Bond | 5 | 2023 | 50,000,000 | 7,200,000[a] | Vietnam |
| Wildlife Conservation Bond | 5 | 2022 | 150,000,000 | 9,200,000 | South Africa |
| UNICEF Bond | 5 | 2021 | 100,000,000 | 50,000,000 | Global |
| **Total** | | | **625,000,000** | **116,277,772** | |

a maximum financing amount upon achievement of milestones/targeted outcomes substantial. Most of these bonds have been fully principal protected by the World Bank, allowing a large pool of high-grade fixed income investors to participate. A portion of the amount that would otherwise be paid as coupon is used to finance underlying project activities. Outcome bonds involve various forms of monitoring, verification, and reporting to provide a transparent basis for the outcome-linked coupon and also to provide project impact reporting to investors.

## EXAMPLE: THE WILDLIFE CONSERVATION BOND

The World Bank's 5-year, $150 million Wildlife Conservation Bond (WCB) is an outcome bond transaction that finances biodiversity conservation activities. The transaction mobilized $9.2 million of private capital to facilitate financing of black rhino conservation activities at two protected areas in South Africa, Addo Elephant National Park (AENP) and Great Fish River Nature Reserve (GFRNR). The objective of the WCB project is to secure and grow the black rhino population, support over 2,000 jobs for the local community and improve the management of a 153,000-hectare area. The Global Environment Facility (GEF) is the outcome payer; it will make a Conservation Success Payment that depends upon the rhino population growth rate as of 2026 (calculated and verified by independent parties, Conservation Alpha and the Zoological Society of London respectively).

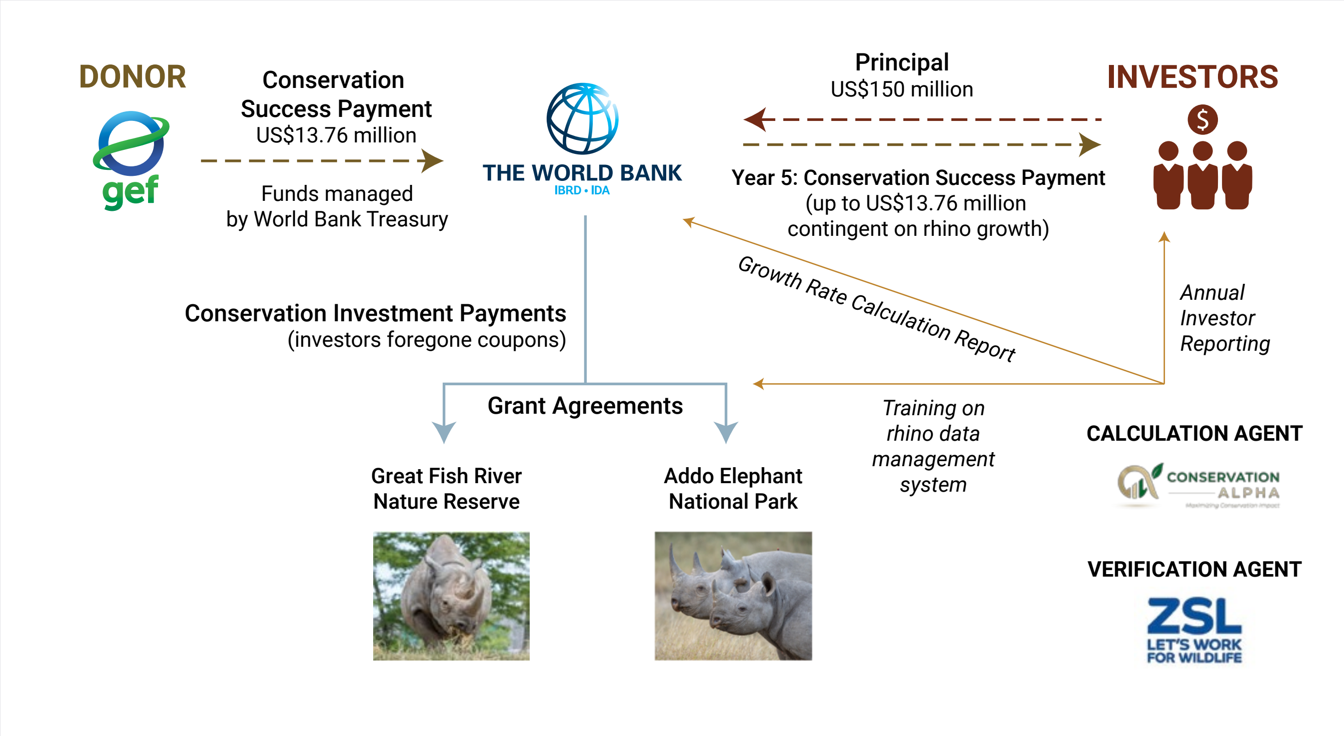
**World Bank's Role:** The World Bank is the issuer of the bond. World Bank's treasury led the structuring, documentation, marketing, and execution of the bond transaction, and coordinated the activities of the external service providers. This transaction benefited from the World Bank's institutional investor base and bond issuance infrastructure. The World Bank is the GEF's trustee and provides administrative services for its operation. The World Bank's Environment, Natural Resources, and Blue Economy Global Practice project team is an implementing agency of the GEF and is managing the WCB project, providing implementation support to the parks and monitoring and assessing project progress and results.

## MEASURING THE IMPACT

Outcome bonds are a novel financing instrument, and they present a situation that does not fit easily in its entirety into traditional mobilization measurement. One of the principles of mobilization estimation in the joint MDB methodology—reaffirmed in the current methodology review—is that mobilization is a project finance-focused measure and mobilized investors thus face project risk. The coupon varies from zero to a higher amount based on the client's performance, and is paid by the client only, so the coupon amount faces project risk, and the coupon flow should therefore be counted as mobilization.

The amount raised from investors that is deployed into the project, however, occupies a place in the financing plan usually reserved for own account investments—but it is coming directly from the private sector. Repayment goes from the client to the issuer—the World Bank, in this case—which will repay the investors even if the client has not paid, making it unlike traditional mobilization. The investors face MDB payment risk, a considerably lower level of risk than project risk. The principal amount is different than mobilized finance, which makes this a type of financing the Task Force is considering measuring through a new potential indicator that quantifies financing that takes place before or at the start of a project to fund balance sheets.

## FIGURE AI.1. Outcome Bonds Transaction Structure




## TABLE AI.2. Transaction Summary

| | |
|---|---|
| **Size (US$)** | $150 million |
| **Issue Price** | 94.84% |
| **Issue Date** | March 23, 2022 |
| **Maturity Date** | March 31, 2027 |
| **Conservation Investment Payment** | No payment of interest to investors in the bonds. Instead, IBRD will make conservation investment payments to the parks (subject to certain payment suspension events), totally ZAR 152 million over five years |
| **Redemption Payment** | Redemption at Par |
| **Conservation Success Payment** | A success payment may be paid to investors at maturity, determined as a function of the rhino population growth rate in AENP and GFRNR over the terms of the bonds, as calculated and verified by Conservation Alpha and the Zoological Society of London, respectively. The maximum conservation success payment is $13.76 million. |

## A1.2. SRTs Two Ways, Part 1: SRT Securitizations for MDB Assets—Creating Space on an MDB Balance Sheet

**By IDB Invest**

Significant Risk Transfer (SRT) securitizations have long been an integral part of balance sheet optimization strategies for commercial banks. However, MDBs have not historically been major users of SRTs. African Development Bank closed the Room2Run SRT transaction in 2018, and the structure had not been replicated for non-sovereign transactions in the MDB space until IDB Invest's Scaling 4 Impact transaction in September 2024.

In July 2022 the G20 issued an Independent Review of MDBs' Capital Adequacy Framework that encouraged MDBs to utilize innovative structures to optimize their balance sheets to increase lending capacity and to support their developmental goals. Following on the success of the two SRTs and the G20 Report recommendations, several MDBs are currently considering implementing securitization structures, including SRTs, to optimize their balance sheets and increase lending capacity.

For MDBs, issuing SRTs can be a powerful distribution and capital optimization tool. The benefits include increasing lending capacity and developmental impact; mobilizing new private investment into emerging markets; and supporting the growth of the development finance asset class. When synthetic structures are used, issuers can maintain ownership and remain as servicers of the underlying assets, providing for seamless client management.

### WHAT IS A SIGNIFICANT RISK TRANSFER?

SRTs allow financial institutions to free up capital through the transfer of credit default risk to investors. Institutions pool assets and create different layers of risks in the portfolio. The credit risk of a defined portfolio can then be transferred to investors in different formats to meet their risk/return profiles. Investors can take exposure to the underlying portfolio credit risk either through a cash/true sale structure or on a synthetic basis, by selling protection to the financial institutions holding these assets on their balance sheet.

Synthetic securitizations represent more than 80 percent of the SRT market and are mainly concentrated in Europe. The SRT market, active since the early 2000s, grew into its current form in the wake of the 2008 financial crisis, when European banks were looking for ways to deleverage their balance sheets. This led to the development of best-in-class standards by banking sector regulators applicable to these transactions. SRT and synthetic securitizations are highly adaptable products that can be tailored to match issuers' needs with investors bearing different risk/return profiles.

Typically, SRTs are divided into three tranches: a senior tranche retained by the issuer, a mezzanine tranche sold to investors, and a junior tranche which can be either held by the issuer or sold to a third party depending on the issuer's placement strategy. In the case of Scaling 4 Impact, the mezzanine tranche was further divided into senior and junior mezzanine tranches to appeal to different investor bases and optimize pricing.

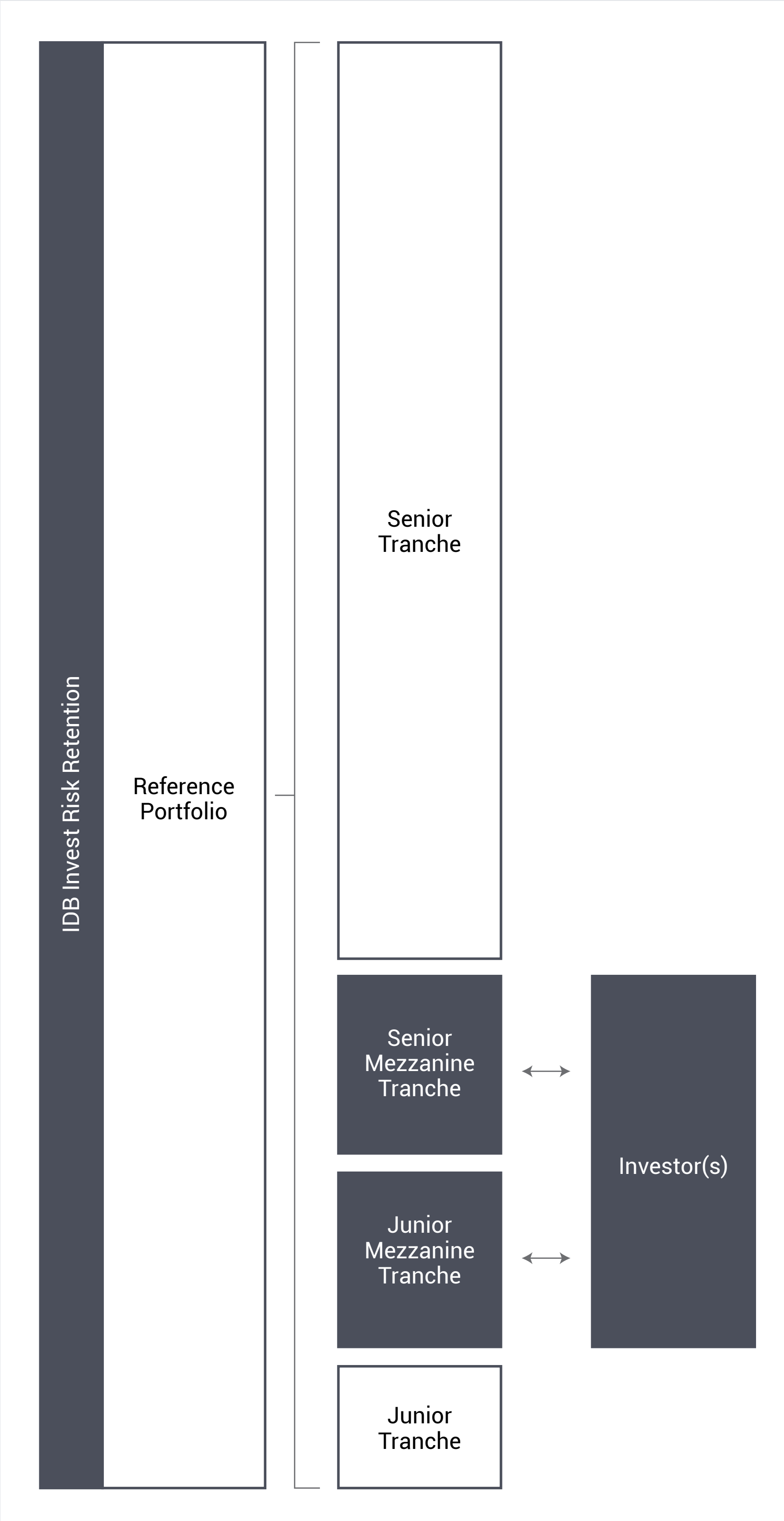
Claims are made on an individual loan basis. Losses under the structure are absorbed first by the junior tranche and then sequentially through the mezzanine tranche(s) as each tranche is depleted. Tranche holders are therefore exposed to a cumulative level of losses equal to the size of the tranche.

Throughout the life of the transaction, the issuer maintains operational control over the underlying assets as the portfolio assets stay on the MDB's balance sheet and are serviced in accordance with that institution's policies and procedures—i.e., the MDB always remains the lender of record. Further, upon default, investors have no control or subrogation rights, and the MDB is free to run its work-out process in line with its standard policies and procedures.

### INVESTOR BASE

Wider use of SRTs in the MDB space will expand the universe of investors that are investing in emerging market and development finance assets. Investors in the synthetic securitization space are highly sophisticated and are primarily made up of asset managers, structured product investors,

**FIGURE AI.2.** SRT Transaction Structure




private equity firms, and insurance companies. These investors mainly focus on investment-grade/prime assets in OECD countries and have limited knowledge of emerging markets and MDBs. Ongoing investor education and wider dissemination of the Global Emerging Markets (GEMs) database are necessary to grow the use of SRTs in the MDB space. Asset managers are generally unrated and, as a result, cash collateral tends to be required. Insurance companies are investment-grade entities and participate under insurance policies.

Many SRT investors view the diversification benefits of investing in transactions in new jurisdictions as highly desirable. Partnering in these jurisdictions with MDBs offers an obvious and prudent way of gaining the information needed to reach into new countries.

## A1.3. SRTs Two Ways, Part 2: SRT Securitizations an MDB provides for a Client—Adding Leverage to a Client's Balance Sheet

**By the EBRD**

Due to stricter capital requirements aimed at reducing systemic risk in the banking sector, banks around the world are expanding their capital management toolkits to sustain their lending activities.

Prominent in such toolkits are SRTs that help banks to reduce their risk-weighted assets, thus lowering the amount of capital that needs to be held against balance sheet loans to meet regulatory requirements. This, in turn, frees up resources for further lending. Critically, SRTs help banks to lend more while simultaneously strengthening their capital buffers—so increased credit for the real economy is facilitated in a way that does not undermine banking sector stability.

In SRTs, banks transfer to third-party investors exposure to either first or second losses that might be associated with a credit portfolio, in exchange for a credit-protection premium. Banks keep on their balance sheets the underlying assets benefitting from such credit protection provided by investors, preserving management and monitoring of the relevant assets and client relationships. The credit protection from investors reduces the risk-weighted asset and therefore also reduces the capital amount that needs to be allocated by a bank to the relevant asset portfolio.

SRTs already attract a diverse range of investors and are increasingly incorporating sustainability-oriented features—where a protection-buying bank agrees to deploy a risk-weighted asset (in this case, capital freed up by the SRT) to new sustainability-related lending. SRTs have become widely used in developed markets, underpinned by strong regulatory frameworks governing issuance and investment activities undertaken by protection-buying banks and investors, respectively. The asset class has seen double-digit annual growth in transaction volume and total assets in recent years, with US and European banks leading the way. At the end of 2023, the loan pools underlying SRTs reached \$215 billion globally.[21] Record levels of issuance of SRTs in recent years have been driven by growth in the US and Canada. Growth in EU markets was driven by the effectiveness of SRTs in meeting Basel III and Basel IV capital requirements,[22] as well as by the introduction of new transaction/reporting features (such as those enabled by the Simple, Transparent, and Standardized framework), which improve capital-efficiency for banks undertaking SRTs and increase the attractiveness of SRTs to certain investors. Strong investor demand and new participants have helped narrow SRT spreads, thereby reducing overall costs of risk-weighted asset/capital optimization they enable for banks.

SRTs are still a relatively nascent asset class in emerging markets. However, emerging market investment activity involving SRTs is growing, prompted by investment activities of MDBs like IFC and EBRD as well as supranational entities such as EIF.

SRTs offer institutional investors an innovative way to assume well-diversified, income-generating exposure to emerging market assets. They present a compelling opportunity for investors to achieve attractive risk-adjusted returns and for protection-buying banks to free up capacity for new sustainability-related lending.

Notably, MDB SRT investments often include engagements with banks to ensure that the relevant enhanced lending amounts are targeted to specific developmentally impactful areas. In the context of advisory engagements, MDBs work with banks to enhance their lending capabilities in pertinent business segments.

MDBs' ability to invest in geographies and/or asset classes that may not yet be covered by traditional SRT private investors introduces the versatile SRT capital optimization tool to banks that might otherwise not be able to undertake additional sustainability-related lending. MDB SRT investments thus play a demonstration and market deepening role for these geographies by paving the way for more private sector investment in the SRT space.

Increasingly, MDBs are working with private investors to facilitate their involvement in specific SRT transactions. There are various ways in which MDB involvement in such a fashion makes SRTs more financially efficient for both protection-buying banks and investors, beyond sustainability-related investment objectives which both might already have.

One such example is the ability of MDBs as 0 risk-weighted protection-sellers to front credit risk mitigation that might be offered to a bank, and then to participate out some of that exposure to investors (while not necessarily requiring 100 percent cash-collateralization of counterparty risk associated with the latter as a bank would need to do). This ability arises from the fact that while a bank would otherwise need full cash collateralization to preserve the capital optimization benefits of having undertaken an SRT with a private investor, MDBs would only need to price/mitigate counterparty risk when participating out the relevant exposure to an investor. And such an outcome, in turn, broadens the universe of investors who can participate in emerging market-related SRTs.

## EXAMPLES OF MDB SRT INVESTMENT ACTIVITY

**EBRD.** The EBRD has been an active provider of risk cover through SRT in its EU countries of operation, focusing on supporting the development of the market in a sustainable and prudent manner. It has provided unfunded guarantees on a bilateral basis and participated in funded credit-linked note structures alongside other investors, both at a vertical mezzanine level and higher in the capital structure. For example, the EBRD invested in the first-ever transaction in Croatia with a first-time issuer, provided protection for a leasing portfolio originated by the leasing subsidiary of one of the largest Polish banking groups, and invested in several SRT credit-linked note issuances in Greece.

Through its SRT investments, the EBRD aims to support its partner banks to efficiently manage their regulatory capital requirements, enhance their financial resilience and free up lending capacity, which is redeployed to the real economy during the life of the transaction. A multiple of the EBRD's

**TABLE A1.3.** SRT Issuance 2016-2023[a]

| Global (Euros, billions) | Years | Inception | Year end 2023 |
|---|---|---|---|
| Underlying pools of loans | 2016–2023 | 1,024 | 614 |
| | 2023 | 207 | 197 |
| Protected tranches | 2016–2023 | 82 (8.0%) | 55 (8.9%) |
| | 2023 | 18.5 (8.9%) | 18.2 (9.2%) |
| **EU (Euros, billions)** | **Years** | **Inception** | **Year end 2023** |
| Underlying pools of loans | 2016–2023 | 527 | 299 |
| | 2023 | 102 | 98 |
| Protected tranches | 2016–2023 | 42 (7.3%) | 55 (7.9%) |
| | 2023 | 7.5 (7.3%) | 7.3 (7.5%) |

a IACPM Synthetic Securitization Market Volume Survey 2016-2023. https://iacpm.org/wp-content/uploads/2024/06/IACPM-Balance-Sheet-Synthetic-Securitization-Survey-2016-2023-Select-Survey-Results36.pdf credit protection under its SRT investment is allocated specifically to finance underserved segments of the economy, such as SMEs, as well as new environmentally sustainable and green projects. Additionally, the EBRD's participation aims to promote higher transaction standards and enhanced transparency, including compliance with the Simple, Transparent and Standardized principles, where possible.

**IFC.** In FY24, IFC committed a total of $825 million of SRT and SRT-related exposures through 6 projects. These projects complemented a prior 10-year track record of growing IFC SRT investment activity, which has involved single country transactions with banks as well as risk-weighted asset optimization associated with banks' global emerging market-related business lines (such banks' emerging market trade finance operations). These investments spanned transactions from Europe (Poland and Romania) to Latin American (Brazil, Mexico, and Chile)—including first-time transactions as well as pioneering approaches (for example, Simple, Transparent and Standardized SRTs) for individual countries. Importantly, all projects had compelling development impact narratives—involving priority IFC (and increasingly private investor) objectives such as financing of renewable energy, water efficiency, clean transport lending, blue economy firms, women-owned SMEs, and mortgage lending to women.

**IDB Invest.** To facilitate and promote tourism, IDB Invest and the Government of Panama extended a risk mitigation facility to guarantee loan portfolios in the tourism sector. The facility will guarantee tourism loan portfolios of up to $300 million in total for eligible financial institutions in Panama. Tourism loan portfolios will be originated and serviced individually by each participating financial institution in Panama. Banistmo, the second-largest private bank in Panama, was the first beneficiary with a guarantee for up to $80 million. The guarantee will support the recovery of its existing tourism clients and provide new access to capital.

This risk mitigation facility is expected to contribute to the United Nations Sustainable Development Goal of Decent Work and Economic Growth (SDG 8). It also promotes the 2025 Vision of the IDB Group, which aims to achieve recovery and sustainable and inclusive growth in Latin America and the Caribbean.

## MEASURING IMPACT

SRTs are a new instrument. This has made accounting for them in MDB reporting challenging. This is partly due to the "leverage" that the SRT provides: the total amount of usable balance sheet "headroom" is greater than the amount of coverage provided by the SRT.

In the case of SRTs provided by MDBs for clients, usually financial institutions, the nominal amount of the coverage is like a guarantee, so some parts of the funds released and the additional amount may be countable as mobilization in an expanded definition. More to come on this product and where it fits in 2025.

In the case of SRTs that MDBs purchase for their own balance sheet, the funds from private investors can be considered mobilization. But additional capacity released from the MDB balance sheet could be measured multiple ways and thus is still a topic of MDB discussions. More to come on a potential methodology for these flows in 2025 as well.

## A1.4. Advisory Services and Public-Private Partnerships in Ethiopia: Following the Impact of Multiple Flows from a Longer Engagement

**By IFC**

The evolving development landscape illustrates the range of private sector funding made available through different types of MDB activities over time; some development interventions involve multiple, sequential stages of activities that cause funding from the private sector to be made available. The World Bank Group's telecom work in Ethiopia is an example of this and it illustrates the limitations of the existing indicators to capture financing occurring at different stages.

Ethiopia, with a population of 120 million, historically maintained a national monopoly on telecommunications, among several other sectors, resulting in limited competition and inadequate private sector investment. This situation contributed to the country being one of the least digitally connected nations globally, as it stifled innovation, restricted network expansion, and limited the scope of services available. However, in 2018, the government of Ethiopia announced a plan to open the telecom sector to competition as part of its Home-Grown Economic Reform Agenda, with the goal of attracting private investment and improving service quality. This was part of the government's broader reform agenda targeting key strategic sectors dominated by SOEs, with a focus on reforming the telecom, energy, aviation, and logistics industries.

The World Bank Group supported private capital flows into this project at multiple stages and points in time. First, the government committed to a series of policy measures to liberalize the telecom sector, supported by a World Bank "Development Policy Loan" (as its OA investment) of $1.2 billion, approved in 2018. The loan committed the government to complete a series of steps including:

a. Reform of the market structure by passage of a new law governing the communication sector and establishment of an independent sector regulator (Ethiopian Communications Authority (ECA));

b. Investment Proclamation enabling foreign participation in a broader set of economic sectors (shift from positive to negative list of sectors);

c. Implementation of a functional (accounting) separation of Ethio Telecom, the incumbent operator, into infrastructure and services arms, to better facilitate competitive market entry through transparent wholesale prices;

d. Partial privatization of Ethio Telecom, with the sale of up to 49 percent of the company to a strategic partner/investor; and

e. Market liberalization, with the entry of new full-service telecom operators, through a competitive award process. This was to be followed subsequently by other license awards, notably for specialist tower companies, wholesale fiber network providers, and data center operators.

Completing these steps was necessary to receive the loan disbursement, which was designed to support implementation. This is an example of an advisory project catalyzing private investment.

Crucially, IFC provided additional advisory support (not included with the DPL but as a separate project) on investment policy and legal reforms that helped to address legal and regulatory barriers to FDI participation in the telecom sector. The IFC advisory team helped the government expand the liberalization of markets to open twenty sectors, including healthcare, transport, cold chain logistics, education, and cement manufacturing.

IFC Advisory helped prepare the strategy and laid the groundwork for the government to engage the private sector in PPP transactions to build new and modernize existing infrastructure in the telecom sector. This involved developing the overall approach, identifying assets to modernize, identifying new infrastructure needs, and preparing materials for bidders. From this advisory work, IFC can estimate a catalytic impact by estimating the investment increase that will be caused by these reforms.

In 2020, at the request of the Ethiopian government, IFC provided further PPP transaction advisory support to the

Ministry of Finance and the Ethiopian Communications Authority to design and tender the nation's first full-service telecom licenses and associated spectrum. In May 2021, the Global Partnership for Ethiopia (GPE) consortium, now operating as Safaricom Telecommunications Ethiopia, was awarded the first competitively selected telecommunications license. The consortium paid an upfront license fee of $850 million and made plans to invest at least $8 billion in Ethiopia's telecom infrastructure, marking it as the largest single foreign direct investment in the country. This large investment was supported by an IFC investment of $350 million - $250 million in equity and $100 million in debt. MIGA provided 10-year guarantees of $1 billion to cover the equity investments of Safaricom Ethiopia's shareholders (Vodafone Group, Vodacom, Safaricom, and British International Investment). A portion of the MIGA guarantees, $76 million, comes from the MIGA Guarantee Facility, in the form of a first loss layer. This step involved an actual IFC investment, in addition to the private investment, so this accompanying investment was directly mobilized by IFC.

This World Bank Group activity aimed to provide mobile and internet access to millions, reduce prices, improve the quality of telecom services, foster economic growth, and meet citizens' demands for essential digital services. Furthermore, given the FCS context, IFC and MIGA worked with shareholders to support Safaricom to enhance responsible business practices through the Environmental and Social Action Plan, capacity building, and a focus on human rights and conflict sensitivity.

Since launching operations in October 2022, Safaricom has achieved the following as of December 2023:

- 9 million total customers
- Deployment of 2,242 base stations across 33 cities, achieving 33-percent population coverage
- Capital expenditure of $600 million, with an additional $400 million planned for FY25
- Launch of 2G, 3G, and 4G services.

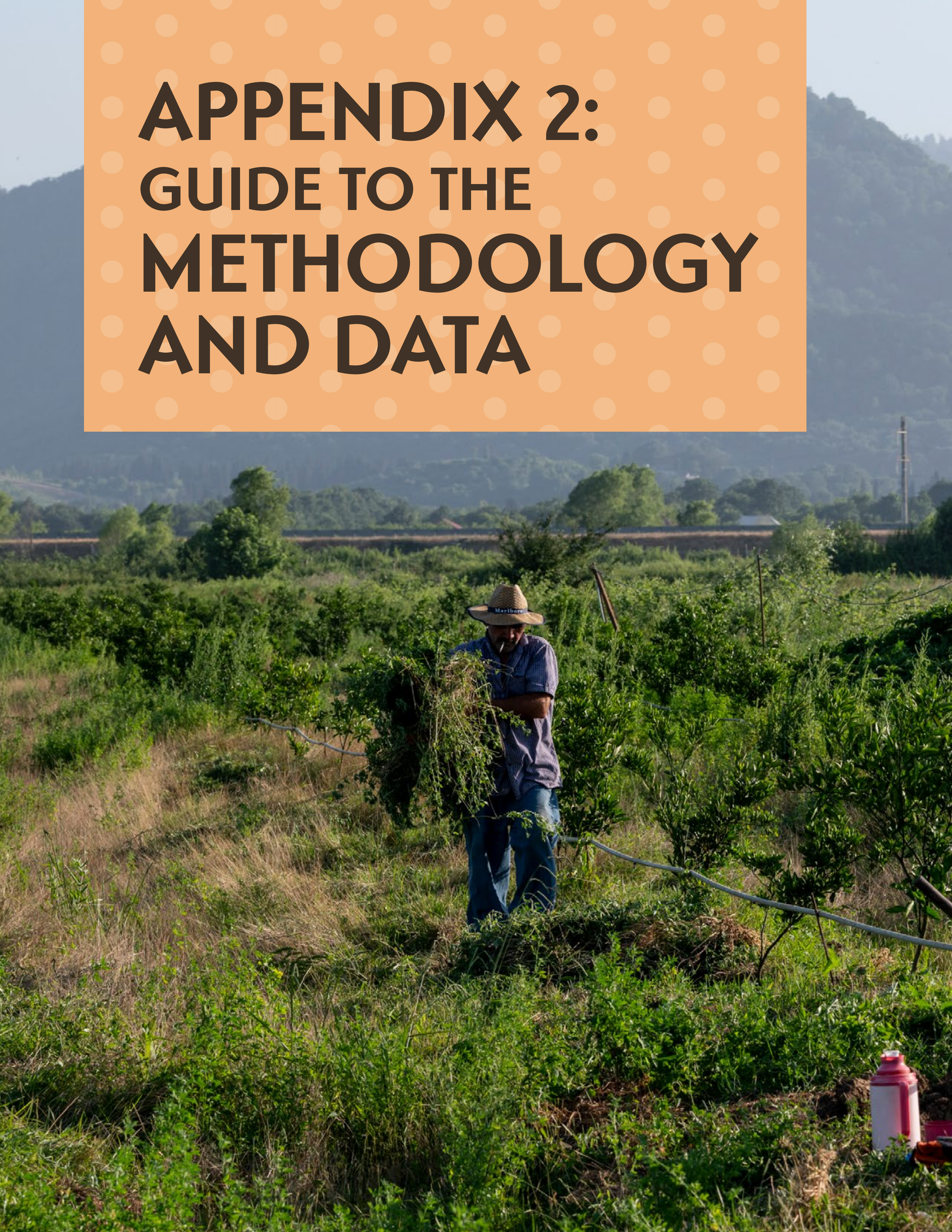
Furthermore, Safaricom's planned investment of at least $8 billion in Ethiopia's telecom network over the next decade has the potential to create 1.5 million high-quality jobs.

This set of development activities shows that a range of development financial flows can be generated through a set of related interventions in one country, sector, or even for one client. These flows can be captured through new measures for each activity at different points.

## MEASURING THE IMPACT

The private capital flows described above all occured after World Bank Group activities to restructure the telecom laws and privatize the sector in Ethiopia. Thus they are flows resulting from projects, and so would reflect funds that are not mobilized but instead catalyzed or enabled by MDB activities. The current joint reporting cannot accurately capture them. Again, more to come on this in 2025.

# APPENDIX 2: GUIDE TO THE METHODOLOGY AND DATA



## A2.1. WHAT IS REPORTED

THE REPORT CONTAINS THE RESULTS FOR PRIVATE INVESTMENT mobilized by MDBs and includes the results of direct transaction advisory services for the calendar year ending December 31, 2023.[23] Total private mobilization (TPM) is reported, split into private direct mobilization (PDM) and private indirect mobilization (PIM), per the harmonized definitions (see Table A2.1).

Direct transaction advisory services are the only technical assistance–related flows included; these services are part of PDM (Box A2.1).

For financial products, the report distinguishes between long-term finance, with tenors of one year or more, and short-term finance, which is typically offered through revolving facilities such as trade finance and working capital facilities. When the report presents estimates of mobilization, unless specifically noted otherwise, these are for long-term finance. Both types of finance are important to support economic growth, with long-term finance essential for financing fixed-capital investment in infrastructure and other sectors, and short-term finance important for supporting the expansion of trade and value chains. With the withdrawal of liquidity from many markets during the pandemic, for example, MDBs played a key role in providing short-term financing.

The report provides a disaggregation of the results by income level. This includes a distinction between low-income countries—with a gross national income (GNI) per capita below a threshold defined by the World Bank—and LDCs, which are low-income and middle-income countries confronting severe structural impediments to sustainable development.[24] The data are also disaggregated by region and by infrastructure type. All income group information is contained in the appendix.[25]

Table A2.2 contains the 2023 list of participating MDBs. As in previous years, all member institutions of the Task Force participated in the development of this report. Other DFIs not listed are always welcome to report under the joint methodology and have results included in this report.

### BOX A2.1. DIRECT TRANSACTION SUPPORT

Multilateral development banks and development finance institutions sometimes provide clients with advisory services and related assistance linked to the procurement of funds for a specific activity. Provision of such advisory services is counted as private direct mobilization.

## A2.2. ABOUT THE DATA

This report uses three primary indicators: PDM, PIM, and their total, TPM. PDM involves a transactional relationship between an MDB and a client or investor relating to financing an MDB-supported project or activity, and it measures the financial flows that result from that relationship. PIM estimates the private investment flows into that project that are not directly arranged by the MDB. See the definitions, drawn from the "MDB Reference Guide," in Table A2.1.[26]

The distinction between "direct" and "indirect" mobilization is important. Because direct mobilization is a result of the "active and direct" involvement of an MDB, the causality is much clearer for these flows; they are more obviously the result of the intervention of the mobilizing MDB. Indirect mobilization, however, counts the remainder of the private financing for a project, which typically flows in following the initial MDB investment and direct mobilization; the attribution to the MDB is made because the project design, de-risking, and initial financing are viewed as paving the way for this additional investment. This "first mover" attribution made in indirect mobilization is less concrete than the connection to MDB efforts for direct mobilization, so it is important to keep the distinction in mind when comparing these indicators.[27]

The report uses attribution rules proportional to MDB

## TABLE A2.1. Definitions

| Private Co-financing/Total Private Mobilization[a] | Private Direct Mobilization |
|---|---|
| The investment made by a private entity, which is defined as a legal entity that is<br>• Carrying out or established for business purposes and<br>• Financially and managerially autonomous from national or local government.<br>Some public entities that are organized with financial and managerial autonomy are counted as private entities. Other examples include registered commercial banks, insurance companies, sovereign wealth funds, and other institutional investors investing primarily on a commercial basis. | Financing from a private entity on commercial terms due to the active and direct involvement of an MDB leading to commitment. Evidence of active and direct involvement includes mandate letters, fees linked to financial commitment, or other validated or auditable evidence of an MDB's active and direct role leading to commitment of other private financiers. PDM does not include sponsor financing.<br>**Private Indirect Mobilization**<br>Financing from private entities provided in connection with a specific activity for which an MDB is providing financing, where no MDB is playing an active or direct role that leads to the commitment of the private entity's finance. PIM includes sponsor financing, if the sponsor qualifies as a private entity. |
| **Private Direct Mobilization + Private Indirect Mobilization = Private Co-financing/TPM** | |

a Within the WBG, this is known as Private Capital Mobilization (PCM).
*Source:* World Bank, "MDB Methodology for Private Investment Mobilization: Reference Guide" (World Bank, Washington, DC, 2018).
Note: MDBs = multilateral development banks and development finance institutions; PIM = private indirect mobilization.

commitments to a project to avoid double counting private mobilization where more than one MDB is involved in a transaction. The MDBs exchange information on mobilized projects to enable appropriate attribution and avoid such double counting, but limitations on data systems mean that some double counting may remain in the data. As in past years, the Task Force believes that any potential double counting amounts involved are not significant relative to the overall mobilization amounts.

Other measures of private finance mobilization by MDBs are in use in addition to the joint methodology, and some Task Force members report results to those entities that have developed them. One measure in wide use, also called private mobilization, was developed by the OECD, and most MDBs report to the OECD for this measure as well; refer to the "MDB Reference Guide" for areas of divergence and similarities between the two methodologies. MDBs also report mobilization numbers in their own reporting; these numbers may also diverge from the joint methodology, including by reporting period, because this report uses a calendar year approach, and some MDBs report on a fiscal year basis.

The report presents all numbers as reported by MDBs to the Task Force, so readers should be aware of imperfections

**TABLE A2.2.** Multilateral Development Banks and European Development Finance Institutions Participating in the Report

| Reporting Institutions | |
|---|---|
| African Development Bank (AfDB) | Islamic Corporation for the Development of the Private Sector (ICD) |
| Asian Development Bank (ADB) | Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) |
| Asian Infrastructure Investment Bank (AIIB) | Islamic Development Bank (IsDB) |
| Belgian Investment Company for Developing Countries (BIO) | International Islamic Trade Finance Corporation (ITFC) |
| British International Investment (BII) | Multilateral Investment Guarantee Agency (MIGA) |
| COFIDES | Netherlands Development Finance Company (FMO) |
| Corporación Andina de Fomento (CAF) | Norwegian Investment Fund for Developing Countries (Norfund) |
| Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG) | Oesterreichische Entwicklungsbank AG (OeEB) |
| European Bank for Reconstruction and Development (EBRD) | Proparco |
| European Investment Bank (EIB) Group | Sociedade para o Financiamento do Desenvolvimento (SOFID) |
| Finnish Fund for Industrial Cooperation Ltd (FINNFUND) | Società Italiana per le Imprese all'Estero (SIMEST) |
| Investeringsfonden for Udviklingslande (IFU) | Swedfund |
| Inter-American Development Bank (IDB) | Swiss Investment Fund for Emerging Markets (SIFEM) |
| Inter-American Investment Corporation (IDB Invest) | World Bank (WB) |
| International Finance Corporation (IFC) | |

in the comparability of year-to-year data due to factors such as increases in coverage and accuracy of data collection efforts. However, because reporting has become more consistent, the more recent year reports are more comparable to each other, and the trends more reliable.

The "MDB Reference Guide" is an invaluable companion to this report, because it details the joint methodology for measuring private finance mobilized by MDB operations under which this report is compiled.

## A2.3. SIGNIFICANT METHODOLOGY AND REPORTING CHANGES

For the first time since reporting began in 2017, the Task Force has begun to report **additional levels of disaggregation** of our mobilization estimate data. In the appendix, readers will find disaggregation by sector this year for the first time, following 27 sector definitions in use by the OECD. These additional levels of detail will be welcomed by shareholders and other readers of the report who have requested additional data, and also by those who use OECD reporting, as this will enable easier comparison between both sets of data. However, readers should note that the data is not complete for all MDBs, as private sector confidentiality concerns remain, and not all members could disclose at this level of disaggregation. The Task Force will continue to work through these issues.

The provision of direct transaction support, the only form of technical assistance counted by the joint methodology, increased in 2023 for several MDBs as it has in other recent reporting, but did so more substantially in 2023.[28] Growth of direct transaction support continues the trend of clients requesting **additional support of multiple types to improve chances to obtain project financing**—including bond advisory, ESG standards support, PPP preparation and other activities. Although the joint methodology at this point only counts mobilization from direct transaction support, the Task Force is currently reviewing how to count other forms of technical assistance as catalyzation, for potential inclusion in future editions.

This review is part of a **larger assessment of reporting** that is underway currently, as well as a review of the methodology in total, which is expected to be completed in 2025.

## BOX A2.1. MOBILIZATION AT THE WORLD BANK IN 2023

In CY 2023, the World Bank's total mobilization for MICs and LICs increased by 267 percent relative to CY22. This is a significantly larger increase than the World Bank's four-year average growth rate (CY19–22) of 24 percent and reflects a growing emphasis on the mobilization of private capital at the institution.[a] For example, the World Bank has incorporated Private Capital Mobilized (PCM) as an indicator in its new Corporate Scorecard, thus helping to gauge the success of frontline staff in mobilizing private capital to support development priorities.[b]

In addition to the greater emphasis on mobilization by the World Bank, other factors that enabled the World Bank's large increase in this indicator in CY23 include:

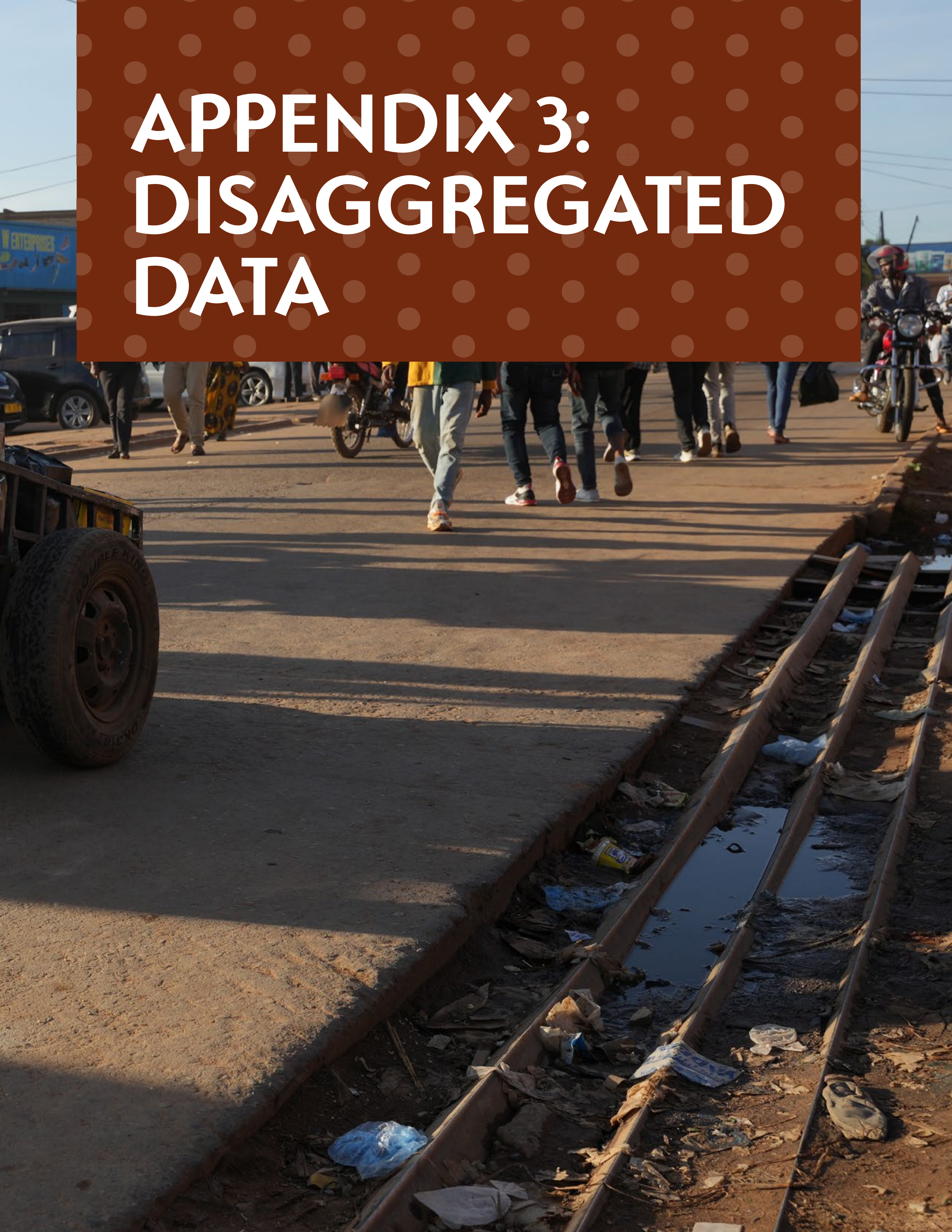
- Increased offering of transaction advisory services to clients, and greater options for bond offerings to finance development.
- Enhanced institutional capacity and support to advise operational teams and track mobilization at the World Bank project level, resulting in improved identification and reporting of projects that mobilize private capital, including through restructuring of existing lending operations to include private capital in their cost and component structures.
- Increased reporting on private capital mobilized through client bond advisory and IBRD intermediated bonds (that place capital at risk in emerging markets and developing economies).[c]
- Approval or restructuring of a few large lending projects with large mobilization components (e.g., Colombia, Egypt, Nigeria, and the Ukraine) and support to extraordinary bond transactions in Brazil and India in CY23, which together accounted for $11.6 billion (66.7 percent of total growth) in private capital mobilization.

Looking ahead, higher levels of mobilization can be expected at the World Bank Group, fueled by the new focus on mobilization, increased visibility from the fact that mobilization is now part of the Corporate Scorecard, strengthened support to operational teams, a focus on new products, and better-aligned incentive structures.

a The World Bank is comprised of the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA). They are members of the World Bank Group.
b The indicator follows the MDB Methodology for Private Investment Mobilization: Reference Guide (June 2018) as does the reporting in this report.
c Despite these being in line with the MDB Reference Guide, mobilization was not reported on these products in earlier years. For the WBG Corporate Scorecard reporting, the data on private capital mobilized was retrofitted for all reporting years. The retrofitting exercise demonstrated that a lack of reporting on these products in earlier years explains only a small proportion of the overall increase in CY23, given the substantially lower private capital mobilized from these products in MICs from CY18-23 at a little over $2 billion.


RADING
KADRI INVESTMENT
CHITENJE
BAOLIKE

# APPENDIX 3: DISAGGREGATED DATA



**THE DATA CONTAINED IN THIS APPENDIX DISAGGREGATE** MDBs' combined direct and indirect mobilization from private investors and other institutional investors (including insurance companies, pension funds, and sovereign wealth funds) on a consistent basis.

Please refer to the "Joint MDB Reporting on Private Investment Mobilization: Methodology Reference Guide" (www.worldbank.org/mdbmobguide) for further information and detailed methodologies.

The data are disaggregated by country income group (low-income countries, low-income countries and other least developed countries, middle-income countries, and high-income countries) and by institution, as well as by region. "Low-income countries," "middle-income countries," and "high-income countries" are defined using the World Bank Atlas method. "Least developed countries" are drawn from the list maintained by the United Nations Committee for Development. Unless noted, all figures are for long-term financing.

## ALL COUNTRIES OF OPERATION

### TABLE A3.1. All Countries of Operation — Long-Term Financing[a]

| *US$ billions* | Total | Of which is infrastructure |
|---|---|---|
| **Direct Mobilization** | 79.7 | 14.8 |
| **Indirect Mobilization** | 140.5 | 64.3 |
| **Total Private Mobilization = Co-financing** | 220.1 | 79.1 |

a One project, which spans countries ranging from LICs to HICs is included in the TPM of "All Countries Operation" section. However, it is excluded from TPM by each income level in the subsequent "By Income Classification" section.

### TABLE A3.2. All Countries of Operation — Short-Term Financing

| *US$ billions* | Total |
|---|---|
| **Direct Mobilization** | 6.0 |

## BY INSTITUTION

Note that the Inter-American Development Bank (IDB) Group includes IDB and IDB Invest. The Islamic Development Bank (IsDB) Group consists of IsDB, ICD, ITFC, and ICIEC. The organizations that constitute the World Bank are IBRD and IDA.

**TABLE A3.3.** All Countries of Operation — Long-Term Financing[29]

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 3,040.0 | 1,949.6 | 1,090.4 |
| **AfDB** | 1,709.6 | 1,413.0 | 296.6 |
| **AIIB** | 3,147.0 | 667.0 | 2,480.0 |
| **CAF** | 779.6 | 666.0 | 113.6 |
| **EBRD** | 26,923.9 | 1,621.4 | 25,302.5 |
| **EDFI** | 4,801.9 | 1,087.4 | 3,714.5 |
| **EIB** | 106,698.2 | 38,006.5 | 68,691.7 |
| **IDB Group** | 9,280.6 | 4,157.5 | 5,123.2 |
| **-IDB** | 3,521.0 | 770.0 | 2,751.0 |
| **-IDB Invest** | 5,759.6 | 3,387.5 | 2,372.2 |
| **IsDB Group** | 6,868.0 | 1,883.0 | 4,985.0 |
| **-ICD** | 599.0 | 52.0 | 547.0 |
| **-ICIEC** | 1,769.0 | 1,731.0 | 38.0 |
| **-IsDB** | 4,500.0 | 100.0 | 4,400.0 |
| **World Bank Group** | 56,885.4 | 28,220.5 | 28,665.0 |
| **-IFC** | 29,492.3 | 14,935.5 | 14,556.8 |
| **-MIGA** | 10,000.1 | 8,230.7 | 1,769.4 |
| **-WB** | 17,393.1 | 5,054.3 | 12,338.9 |
| **TOTAL** | **220,134.2** | **79,671.8** | **140,462.4** |

## TABLE A3.4. MICs and LICs — Long-Term Financing

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 3,040.0 | 1,949.6 | 1,090.4 |
| **AfDB** | 1,709.6 | 1,413.0 | 296.6 |
| **AIIB** | 2,539.5 | 571.6 | 1,967.9 |
| **CAF** | 729.6 | 616.0 | 113.6 |
| **EBRD** | 5,321.4 | 944.9 | 4,376.5 |
| **EDFI** | 4,764.4 | 1,087.4 | 3,677.0 |
| **EIB** | 11,375.8 | 5,332.2 | 6,043.6 |
| **IDB Group** | 4,567.8 | 1,899.5 | 2,668.3 |
| **-IDB** | 467.0 | 0.0 | 467.0 |
| **-IDB Invest** | 4,100.8 | 1,899.5 | 2,201.3 |
| **IsDB Group** | 2,468.0 | 1,883.0 | 585.0 |
| **-ICD** | 599.0 | 52.0 | 547.0 |
| **-ICIEC** | 1,769.0 | 1,731.0 | 38.0 |
| **-IsDB** | 100.0 | 100.0 | 0.0 |
| **World Bank Group** | 51,415.9 | 24,858.5 | 26,557.5 |
| **-IFC** | 25,604.1 | 12,873.9 | 12,730.2 |
| **-MIGA** | 9,329.7 | 7,560.3 | 1,769.4 |
| **-WB** | 16,482.1 | 4,424.3 | 12,057.9 |
| **TOTAL** | **87,932.0** | **40,555.7** | **47,376.3** |

**TABLE A3.5.** All Countries of Operation — Infrastructure Financing

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 2,277.1 | 1,366.7 | 910.4 |
| **AfDB** | 637.4 | 437.4 | 200.0 |
| **AIIB** | 3,147.0 | 667.0 | 2,480.0 |
| **CAF** | 690.1 | 595.0 | 95.1 |
| **EBRD** | 5,200.8 | 422.7 | 4,778.0 |
| **EDFI** | 310.1 | 16.2 | 293.9 |
| **EIB** | 32,398.0 | 419.0 | 31,979.0 |
| **IDB Group** | 3,103.6 | 775.5 | 2,328.1 |
| **-IDB** | 415.0 | 0.0 | 415.0 |
| **-IDB Invest** | 2,688.6 | 775.5 | 1,913.1 |
| **IsDB Group** | 6,515.0 | 1,538.0 | 4,977.0 |
| **-ICD** | 599.0 | 52.0 | 547.0 |
| **-ICIEC** | 1,416.0 | 1,386.0 | 30.0 |
| **-IsDB** | 4,500.0 | 100.0 | 4,400.0 |
| **World Bank Group** | 24,809.1 | 8,523.8 | 16,285.4 |
| **-IFC** | 8,974.3 | 4,476.4 | 4,497.8 |
| **-MIGA** | 5,683.3 | 4,008.4 | 1,674.9 |
| **-WB** | 10,151.6 | 39.0 | 10,112.6 |
| **TOTAL** | **79,088.2** | **14,761.3** | **64,326.9** |

## BY INCOME CLASSIFICATION

### TABLE A3.6. LICs — Long-Term Financing

| *US$ billions* | Total | Of which is infrastructure |
|---|---|---|
| **Direct Mobilization** | 2.1 | 1.3 |
| **Indirect Mobilization** | 8.1 | 5.7 |
| **Total Private Mobilization = Co-Financing** | 10.2 | 7.0 |

*Note:* Low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of $1,085 or less in 2022.

### TABLE A3.7. LICs — Long-Term Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AfDB** | 25.3 | 6.0 | 19.3 |
| **AIIB** | 22.5 | 0.0 | 22.5 |
| **EDFI** | 93.9 | 56.3 | 37.5 |
| **EIB** | 2,935.6 | 264.4 | 2,671.2 |
| **IsDB Group** | 84.0 | 84.0 | 0.0 |
| **-ICIEC** | 84.0 | 84.0 | 0.0 |
| **World Bank Group** | 7,079.6 | 1,685.0 | 5,394.6 |
| **-IFC** | 2,566.2 | 756.4 | 1,809.8 |
| **-MIGA** | 2,588.6 | 928.6 | 1,660.0 |
| **-WB** | 1,924.8 | 0.0 | 1924.8 |
| **TOTAL** | **10,240.8** | **2,095.7** | **8,145.1** |

**TABLE A3.8.** LICs — Infrastructure Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AIIB** | 22.5 | 0.0 | 22.5 |
| **EIB** | 1,487.9 | 0.0 | 1,487.9 |
| **IsDB Group** | 111.0 | 51.0 | 60.0 |
| **-ICD** | 60.0 | 0.0 | 60.0 |
| **-ICIEC** | 51.0 | 51.0 | 0.0 |
| **World Bank Group** | 5,403.1 | 1,263.5 | 4,139.6 |
| **-IFC** | 1,988.2 | 357.89 | 1,630.3 |
| **-MIGA** | 2,565.6 | 905.64 | 1,660.0 |
| **-WB** | 849.3 | 0.0 | 849.3 |
| **TOTAL** | **7,024.5** | **1,314.5** | **5,710.0** |

## TABLE A3.9. LDCs — Long-Term Financing

| *US$ billions* | Total | Of which is infrastructure |
|---|---|---|
| **Direct Mobilization** | 5.0 | 2.8 |
| **Indirect Mobilization** | 9.6 | 6.4 |
| **Total Private Mobilization = Co-Financing** | 14.6 | 9.2 |

*Note:* Least developed countries (LDCs) are low-income countries confronting severe structural impediments to sustainable development. They are highly vulnerable to economic and environmental shocks and have low levels of human assets. There are currently 45 countries on the list of LDCs, which is reviewed every three years by the United Nations Committee for Development.

## TABLE A3.10. LDCs — Long-Term Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AfDB** | 38.0 | 9.0 | 29.0 |
| **EDFI** | 290.9 | 69.5 | 221.4 |
| **EIB** | 3,498.9 | 473.7 | 3,025.2 |
| **IDB Group** | 4.7 | 0.0 | 4.7 |
| **-IDB Invest** | 4.7 | 0.0 | 4.7 |
| **IsDB Group** | 793.0 | 789.0 | 4.0 |
| **-ICIEC** | 793.0 | 789.0 | 4.0 |
| **World Bank Group** | 9,984.8 | 3,686.5 | 6,298.3 |
| **-IFC** | 4,193.2 | 2,092.7 | 2,100.5 |
| **-MIGA** | 3,253.8 | 1593.78 | 1,660.0 |
| **-WB** | 2,537.8 | 0.00 | 2,537.8 |
| **TOTAL** | **14,610.3** | **5,027.8** | **9,582.6** |

## TABLE A3.11. LDCs — Infrastructure Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **EDFI** | 78.2 | 0.0 | 78.2 |
| **EIB** | 1,782.0 | 3.8 | 1,778.2 |
| **IsDB Group** | 753.0 | 749.0 | 4.0 |
| **-ICIEC** | 753.0 | 749.0 | 4.0 |
| **World Bank Group** | 6,624.1 | 2,049.5 | 4,574.6 |
| **-IFC** | 2,233.6 | 501.3 | 1,732.3 |
| **-MIGA** | 3,208.2 | 1,548.2 | 1,660.0 |
| **-WB** | 1,182.3 | 0.0 | 1,182.3 |
| **TOTAL** | **9,237.2** | **2,802.2** | **6,435.0** |

## TABLE A3.12. MICs — Long-Term Financing

| *US$ billions* | Total | Of which is infrastructure |
|---|---|---|
| **Direct Mobilization** | 38.5 | 12.7 |
| **Indirect Mobilization** | 39.2 | 21.9 |
| **Total Private Mobilization = Co-Financing** | 77.7 | 34.6 |

*Note:* Middle-income economies are those with a GNI per capita, calculated using the World Bank Atlas method, between $1,086 and $13,205 in 2022

## TABLE A3.13. MICs — Long-Term Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 3,040.0 | 1,949.6 | 1,090.4 |
| **AfDB** | 1,684.3 | 1,407.0 | 277.2 |
| **AIIB** | 2,517.0 | 571.6 | 1,945.4 |
| **CAF** | 730.0 | 616.0 | 113.6 |
| **EBRD** | 5,321.4 | 944.9 | 4,376.5 |
| **EDFI** | 4,670.5 | 1,031.1 | 3,639.5 |
| **EIB** | 8,440.2 | 5,067.9 | 3,372.4 |
| **IDB Group** | 4,567.8 | 1,899.5 | 2,668.3 |
| **-IDB** | 467.0 | 0.0 | 467.0 |
| **-IDB Invest** | 4,100.8 | 1,899.5 | 2,201.3 |
| **IsDB Group** | 2,384.0 | 1,799.0 | 585.0 |
| **-ICD** | 599.0 | 52.0 | 547.0 |
| **-ICIEC** | 1,685.0 | 1,647.0 | 38.0 |
| **-IsDB** | 100.0 | 100.0 | 0.0 |
| **World Bank Group** | 44,336.4 | 23,173.5 | 21,162.9 |
| **-IFC** | 23,037.9 | 12,117.5 | 10,920.4 |
| **-MIGA** | 6,741.2 | 6,631.8 | 109.4 |
| **-WB** | 14,557.3 | 4,424.3 | 10,133.1 |
| **TOTAL** | **77,691.2** | **38,460.1** | **39,231.1** |

**TABLE A3.14.** MICs — Infrastructure Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 2,277.1 | 1,366.7 | 910.4 |
| **AfDB** | 637.4 | 437.4 | 200.0 |
| **AIIB** | 2,517.0 | 571.6 | 1,945.4 |
| **CAF** | 690.0 | 595.0 | 95.1 |
| **EBRD** | 2,574.1 | 422.7 | 2,151.4 |
| **EDFI** | 310.1 | 16.2 | 293.9 |
| **EIB** | 2,094.8 | 287.8 | 1,807.0 |
| **IDB Group** | 2,983.6 | 775.5 | 2,208.1 |
| **-IDB** | 415.0 | 0.0 | 415.0 |
| **-IDB Invest** | 2,568.6 | 775.5 | 1,793.1 |
| **IsDB Group** | 2,004.0 | 1,487.0 | 517.0 |
| **-ICD** | 539.0 | 52.0 | 487.0 |
| **-ICIEC** | 1,365.0 | 1,335.0 | 30.0 |
| **-IsDB** | 100.0 | 100.0 | 0.0 |
| **World Bank Group** | 18,519.1 | 6,729.8 | 11,789.3 |
| **-IFC** | 6,380.2 | 3,588.1 | 2,792.1 |
| **-MIGA** | 3,117.7 | 3,102.7 | 14.9 |
| **-WB** | 9,021.3 | 39.0 | 8,982.3 |
| **TOTAL** | **34,607.3** | **12,689.7** | **21,917.5** |

## TABLE A3.15. HICs — Long-Term Financing

| *US$ billions* | Total | Of which is infrastructure |
|---|---|---|
| **Direct Mobilization** | 38.8 | 0.8 |
| **Indirect Mobilization** | 93.1 | 36.7 |
| **Total Private Mobilization = Co-Financing** | 131.9 | 37.5 |

*Note:* High-income economies are those with a GNI per capita, calculated using the World Bank Atlas method, above $13,205 in 2022.

## TABLE A3.16. HICs — Long-Term Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AIIB** | 607.5 | 95.4 | 512.1 |
| **CAF** | 50.0 | 50.0 | 0.0 |
| **EBRD** | 21,602.5 | 676.5 | 20,926.0 |
| **EDFI** | 37.5 | 0.0 | 37.5 |
| **EIB** | 95,322.4 | 32,674.3 | 62,648.1 |
| **IDB Group** | 4,712.9 | 2,258.0 | 2,454.9 |
| **-IDB** | 3,054.0 | 770.0 | 2,284.0 |
| **-IDB Invest** | 1,658.9 | 1,488.0 | 170.9 |
| **IsDB Group** | 4,400.0 | 0.0 | 4,400.0 |
| **-IsDB** | 4,400.0 | 0.0 | 4,400.0 |
| **World Bank Group** | 5,124.8 | 3,017.2 | 2,107.5 |
| **-IFC** | 3,888.2 | 2,061.6 | 1,826.5 |
| **-MIGA** | 325.6 | 325.6 | 0.0 |
| **-WB** | 911.0 | 630.0 | 281.0 |
| **TOTAL** | **131,857.5** | **38,771.4** | **93,086.1** |

**TABLE A3.17.** HICs — Infrastructure Financing, by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AIIB** | 607.5 | 95.4 | 512.1 |
| **EBRD** | 2,626.7 | 0.0 | 2,626.7 |
| **EIB** | 28,815.3 | 131.2 | 28,684.1 |
| **IDB Group** | 120.0 | 0.0 | 120.0 |
| **-IDB Invest** | 120.0 | 0.0 | 120.0 |
| **IsDB Group** | 4,400.0 | 0.0 | 4,400.0 |
| **-IsDB** | 4,400.0 | 0.0 | 4,400.0 |
| **World Bank Group** | 886.9 | 530.4 | 356.5 |
| **-IFC** | 605.9 | 530.4 | 75.5 |
| **-WB** | 281.0 | 0.0 | 281.0 |
| **TOTAL** | **37,456.4** | **757.0** | **36,699.4** |

## BY REGION

Classification by region follows World Bank Group guidelines, and the definition from 2017 has been maintained to ensure consistency.[30]

### TABLE A3.18. Africa

| *US$ billions* | Total | HICs | MICs | LICs | LDCs |
|---|---|---|---|---|---|
| **Direct Mobilization**[a] | 7.2 | 0.0 | 4.7 | 2.1 | 4.8 |
| **Indirect Mobilization** | 13.1 | 0.0 | 5.0 | 8.1 | 9.3 |
| **Total Private Mobilization = Co-Financing** | 20.3 | 0.0 | 9.7 | 10.2 | 14.1 |

a One project, which spans countries ranging from LICs to HICs is included in the TPM. However, it is excluded from TPM by each income level in this table.

### TABLE A3.19. Africa — by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AfDB** | 952.2 | 655.6 | 296.6 |
| **AIIB** | 27.1 | 0.0 | 27.1 |
| **EDFI** | 1,269.1 | 254.3 | 1,014.9 |
| **EIB** | 3,701.2 | 545.1 | 3,156.1 |
| **IsDB Group** | 1,059.0 | 1,059.0 | 0.0 |
| **-ICIEC** | 1,059.0 | 1,059.0 | 0.0 |
| **World Bank Group** | 13,308.8 | 4,670.0 | 8,638.9 |
| **-IFC** | 5,923.7 | 2,583.4 | 3,340.3 |
| **-MIGA** | 3,761.1 | 2,086.5 | 1,674.5 |
| **-WB** | 3,624.0 | 0.0 | 3,624.0 |
| **TOTAL** | **20,317.4** | **7,183.9** | **13,133.5** |

## TABLE A3.20. Asia

| *US$ billions* | Total | HICs | MICs | LICs | LDCs |
|---|---|---|---|---|---|
| **Direct Mobilization** | 8.5 | 0.1 | 8.5 | 0.0 | 0.3 |
| **Indirect Mobilization** | 7.9 | 0.0 | 7.8 | 0.0 | 0.2 |
| **Total Private Mobilization = Co-Financing** | 16.4 | 0.1 | 16.3 | 0.0 | 0.5 |

## TABLE A3.21. Asia — by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 2,262.3 | 1,438.4 | 823.9 |
| **AIIB** | 1,157.3 | 390.6 | 766.7 |
| **EBRD** | 91.0 | 1.6 | 89.5 |
| **EDFI** | 1327.2 | 84.0 | 1,243.2 |
| **EIB** | 277.3 | 0.0 | 277.3 |
| **IsDB Group** | 417.0 | 327.0 | 90.0 |
| **-ICD** | 92.0 | 32.0 | 60.0 |
| **-ICIEC** | 225.0 | 195.0 | 30.0 |
| **-IsDB** | 100.0 | 100.0 | 0.0 |
| **World Bank Group** | 10,884.9 | 6,295.6 | 4,589.3 |
| **-IFC** | 6,376.6 | 2,423.5 | 3,953.2 |
| **-MIGA** | 609.7 | 609.7 | 0.0 |
| **-WB** | 3,898.6 | 3,262.5 | 636.1 |
| **TOTAL** | **16,417.0** | **8,537.2** | **7,879.9** |

## TABLE A3.22. Europe and Central Asia

| *US$ billions* | Total | HICs | MICs | LICs | LDCs |
|---|---|---|---|---|---|
| **Direct Mobilization** | 45.3 | 35.1 | 10.3 | 0.0 | 0.0 |
| **Indirect Mobilization** | 94.0 | 83.6 | 10.3 | 0.0 | 0.0 |
| **Total Private Mobilization = Co-Financing** | 139.3 | 118.7 | 20.6 | 0.0 | 0.0 |

## TABLE A3.23. Europe and Central Asia — by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **ADB** | 777.7 | 511.2 | 266.5 |
| **AIIB** | 1,011.2 | 32.5 | 978.7 |
| **EBRD** | 25,379.0 | 1,570.4 | 23,808.6 |
| **EDFI** | 447.7 | 153.8 | 293.9 |
| **EIB** | 98,441.5 | 36,311.1 | 62,130.4 |
| **IsDB Group** | 946.0 | 459.0 | 487.0 |
| **-ICD** | 487.0 | 0.0 | 487.0 |
| **-ICIEC** | 459.0 | 459.0 | 0.0 |
| **World Bank Group** | 12,298.8 | 6,310.8 | 5,988.1 |
| **-IFC** | 7,807.2 | 3,851.9 | 3,955.3 |
| **-MIGA** | 2,514.7 | 2,419.8 | 94.8 |
| **-WB** | 1,976.9 | 39.0 | 1,937.9 |
| **TOTAL** | **139,302.0** | **45,348.8** | **93,953.2** |

## TABLE A3.24. Latin America and Caribbean

| *US$ billions* | Total | HICs | MICs | LICs | LDCs |
|---|---|---|---|---|---|
| **Direct Mobilization** | 15.9 | 3.3 | 12.7 | 0.0 | 0.0 |
| **Indirect Mobilization** | 12.9 | 3.2 | 9.7 | 0.0 | 0.0 |
| **Total Private Mobilization = Co-Financing** | 28.9 | 6.5 | 22.4 | 0.0 | 0.0 |

## TABLE A3.25. Latin America and Caribbean — by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AIIB** | 112.7 | 30.5 | 82.2 |
| **CAF** | 780.0 | 666.0 | 113.6 |
| **EDFI** | 1,587.8 | 575.2 | 1,012.7 |
| **EIB** | 890.3 | 0.0 | 890.3 |
| **IDB Group** | 9,280.6 | 4,157.5 | 5,123.2 |
| **-IDB** | 3,521.0 | 770.0 | 2,751.0 |
| **-IDB Invest** | 5,759.6 | 3,387.5 | 2,372.2 |
| **World Bank Group** | 16,226.1 | 10,515.2 | 5,710.8 |
| **-IFC** | 8,854.7 | 5,850.8 | 3,003.8 |
| **-MIGA** | 2,911.6 | 2,911.6 | 0.0 |
| **-WB** | 4,459.8 | 1,752.8 | 2,707.0 |
| **TOTAL** | **28,877.1** | **15,944.3** | **12,932.8** |

## TABLE A3.26. Middle East and North Africa

| *US$ billions* | Total | HICs | MICs | LICs | LDCs |
|---|---|---|---|---|---|
| **Direct Mobilization** | 2.7 | 0.4 | 2.3 | 0.0 | 0.0 |
| **Indirect Mobilization** | 12.6 | 6.2 | 6.4 | 0.0 | 0.0 |
| **Total Private Mobilization = Co-Financing** | 15.2 | 6.5 | 8.7 | 0.0 | 0.0 |

## TABLE A3.27. Middle East and North Africa — by Institution

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **AfDB** | 757.4 | 757.4 | 0.0 |
| **AIIB** | 838.8 | 213.5 | 625.3 |
| **EBRD** | 1,453.9 | 49.4 | 1,404.5 |
| **EDFI** | 170.1 | 20.1 | 149.9 |
| **EIB** | 3,387.8 | 1,150.4 | 2,237.5 |
| **IsDB Group** | 4,448.0 | 40.0 | 4,408.0 |
| **-ICD** | 20.0 | 20.0 | 0.0 |
| **-ICIEC** | 28.0 | 20.0 | 8.0 |
| **-IsDB** | 4,400.0 | 0.0 | 4,400.0 |
| **World Bank Group** | 4,166.8 | 428.9 | 3,737.9 |
| **-IFC** | 530.0 | 225.9 | 304.1 |
| **-MIGA** | 203.0 | 203.0 | 0.0 |
| **-WB** | 3,433.8 | 0.0 | 3,433.8 |
| **TOTAL** | **15,222.8** | **2,659.7** | **12,563.1** |

## BY SECTOR

### TABLE A3.30. 2023 TPM — All Countries of Operation

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **Banking and business services** | 79,348.2 | 35,582.2 | 43,766.0 |
| **Industry, mining and construction** | 36,126.1 | 4,761.3 | 31,364.8 |
| **Other multisector** | 29,482.3 | 24,650.0 | 4,832.3 |
| **Energy** | 29,191.3 | 6,205.0 | 22,986.2 |
| **Transport and storage** | 17,192.2 | 4,562.4 | 12,629.8 |
| **Communications** | 9,178.1 | 2,077.3 | 7,100.9 |
| **Other social sectors** | 6,736.6 | 186.0 | 6,550.6 |
| **Water and sanitation** | 5,514.6 | 621.7 | 4,892.8 |
| **Agriculture, Forestry and Fishing** | 4,250.8 | 540.5 | 3,710.4 |
| **Health and population** | 1,557.6 | 118.0 | 1,439.7 |
| **Trade, policies and regulations and tourism** | 842.1 | 258.4 | 583.6 |
| **Education** | 555.5 | 11.0 | 544.5 |
| **Unspecified** | 143.4 | 100.0 | 43.4 |
| **Environment protection Information** | 17.4 | 0.0 | 17.4 |
| **Total** | **220,136.2** | **79,673.8** | **140,462.4** |

* Other social sectors include government and civil society and other social infrastructure and services.

## TABLE A3.31. 2023 TPM — MICs and LICs

| *US$ millions* | TPM | PDM | PIM |
|---|---|---|---|
| **Banking and business services** | 34,151.5 | 18,897.9 | 15,253.6 |
| **Energy** | 12,112.3 | 4,765.9 | 7,346.3 |
| **Transport and storage** | 11,518.0 | 4,471.4 | 7,046.6 |
| **Industry, mining and construction** | 9,279.2 | 4,368.2 | 4,911.0 |
| **Communications** | 6,546.1 | 2,051.4 | 4,494.7 |
| **Other multisector** | 4,606.3 | 4,220.7 | 385.5 |
| **Agriculture, Forestry and Fishing** | 3,718.9 | 525.9 | 3,193.0 |
| **Water and sanitation** | 3,114.8 | 621.7 | 2,493.1 |
| **Other social sectors** | 1,123.0 | 186.0 | 937.0 |
| **Trade, policies and regulations and tourism** | 803.3 | 219.6 | 583.6 |
| **Health and population** | 734.8 | 118.0 | 616.8 |
| **Unspecified** | 143.4 | 100.0 | 43.4 |
| **Education** | 65.4 | 11.0 | 54.4 |
| **Environment protection Information** | 17.1 | 0.0 | 17.1 |
| **Total** | **87,934.0** | **40,557.7** | **47,376.3** |

* Other social sectors include government and civil society and other social infrastructure and services.

# ENDNOTES

1. The MDB Task Force on Mobilization was formed in 2016 to develop the joint mobilization methodology. It maintains responsibility for interpretations of and updates to that methodology, and for producing this report annually. For membership, see table 2 of the Annex.
2. As the reporting MDBs do not yet track mobilization by product according to the joint methodology, this analysis relies on the three MDBs' own direct mobilization measures, which follow the joint methodology's definition of direct mobilization but may contain some public mobilization. Thus it will represent higher amounts yearly than what PDM is in these reports. New products however will mobilize little if any public funds.
3. New Delhi Declaration of the G20, 2023, as quoted in the G20 Roadmap, p. 45.
4. Ibid., p. 2.
5. Ibid., p. 3.
6. World Bank Group, "MDB Methodology for Private Investment Mobilized: A Reference Guide" (Washington, DC: 2018), p. 4 for a definition of these terms.
7. The 2022 numbers included $1 billion from CAF, making the apples-to-apples comparison to use for all previous reporting $70.1 billion for 2022 (not $71.1 billion). 2016's figure was $71.1 billion. For this edition going forward, we will no longer deduct CAF's contribution, so the 24 percent increase is correct both for comparison to 2022 and 2016.
8. Inter-American Development Bank and Islamic Development Bank data are based on approvals. All amounts are in US dollars.
9. World Bank Group, Ibid.
10. See un.org/development/desa/dpad for more details and the list of countries. The Task Force has traditionally included this additional disaggregation.
11. The UN defines LDCs through an annual review process, conducted by the UN Department of Social Affairs. It includes LIC status as one of three criteria; the others are human assets and economic vulnerability. There are 46 countries with least-developed country (LDC) status and 26 LICs. The LDC list is updated every three years and was updated in December 2020. In December 2023 it was updated to 45, and that list will be used for 2024 reporting.
12. These definitions and the entire list of private finance mobilized for 2023 by sector appear in the Appendix, in tables A2.30 to A2.31.
13. G20, Roadmap for MDBs, 2024, p. 6.
14. Currently in development, the Task Force is taking a broad approach to this indicator, looking to capture any activity MDBs conduct to fund project work using their own balance sheet or credit, and may include capital or other financial markets.
15. For the MDB methodology, the Task Force has defined a project as a time-bound set of activities with outcomes designed to meet development objectives, either accompanied by MDB funding—and thus an investment project—or without it—and thus an advisory project. So, the project that catalyzes impact "after" its completion can be an advisory project. More on this topic will be in the upcoming revised methodologies.
16. This preparatory work is frequently termed "upstream."
17. Mobilization Of Private Finance by Multilateral Development Banks for 2016 (MDB Task Force, 2016), p. 5.
18. For example, the OECD will this year consider estimating catalyzation in their methodology; Publish What You Fund also defined an indicator ("Private Capital Catalyzed") as part of their methodology and provided general guidelines for its measurement (See PYWF, Ibid., p. 21).
19. Within the World Bank Group, this is known as Private Capital Enabled (PCE).
20. A "project sponsor" is the client organization responsible for the project's goals, either a government or private sector entity that will either receive or administer the project's benefits.
21. IACPM Synthetic Securitization Market Volume Survey 2016-2023. https://iacpm.org/wp-content/uploads/2024/06/IACPM-Balance-Sheet-Synthetic-Securitization-Survey-2016-2023-Select-Survey-Results36.pdf
22. Synthetic risk transfers (SRTs) A growing opportunity in private debt. https://www.internationalinsurance.org/sites/default/files/2024-05/Synthetic%20risk%20transfers_A%20growing%20opportunity%20in%20private%20debt_STAMPED.pdf
23. This report does not measure public mobilization.
24. For the 2023 calendar year, low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of $1,135 or less in 2022; lower middle-income economies are those with a GNI per capita between $1,136 and $4,465; upper middle-income economies are those with a GNI per capita between $4,466 and $13,845; high-income economies are those with a GNI per capita of $13,846 or higher. See more information at "World Bank Country and Lending Groups," World Bank Data helpdesk, https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups. There are currently 47 countries on the list of LDCs that is reviewed every three years by the Committee for Development and, for 2018, 34 LICs, so LDC is a broader measure.
25. This focus is set by consensus of the MDBs on the Task Force, which recognized that although mobilization in higher-income countries may be part of the mandate of some member institutions, it is not for most of them and does not reflect the orientation of this report and MDBs overall toward maximizing impact in developing countries.
26. World Bank, "MDB Methodology."
27. Some projects begin owing to outreach from clients. These represent a small minority of MDB projects and, even in these cases, the MDBs consider that the value added from MDB participation is mobilizing in itself. However, clients can and often do count some amount of indirect mobilization ("sponsor financing"), and this figure is not included in the direct mobilization amounts recorded in this report.
28. IFC's transaction support increased 27 percent from 2022 to 2023.
29. The figures on mobilization may differ from those reported in each institution's annual report.
30. In 2018 the World Bank changed regional definitions, but the MDB Task Force elected to keep reporting with the 2017 definitions to ensure consistency among years. One project, which spans countries ranging from LICs to HICs is included in the TPM of "All Countries Operation" section. However, it is excluded from TPM by each income level in the subsequent "By Income Classification" section. The amounts will differ from the TPM in other tables.