MOBILIZATION OF PRIVATE FINANCE

by Multilateral Development Banks and Development Finance Institutions

2022 JOINT REPORT
PUBLISHED APRIL 2024

AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE DE DÉVELOPPEMENT

AIIB

ADB

British International Investment

BIO
Investing in a Sustainable Future

CAF
DEVELOPMENT BANK OF LATIN AMERICA AND THE CARIBBEAN

cdp development finance | simest gruppo cdp

COFIDES
Investment and development

finnfund

FMO
Entrepreneurial Development Bank

EDFI

European Bank for Reconstruction and Development

European Investment Bank

ICD
Islamic Corporation for the Development of the Private Sector

IDB

IDB | Invest

INVESTMENT FUND FOR DEVELOPING COUNTRIES

IsDB
مجموعة البنك الإسلامي للتنمية
Islamic Development Bank Group

KFW DEG

Norfund

OeEB
Development Bank of Austria

PROPARCO
GROUPE AFD

SIFEM
SWISS INVESTMENT FUND FOR EMERGING MARKETS

SOFID
Financiamos a Internacionalização

Swedfund

WORLD BANK GROUP
THE WORLD BANK IBRD • IDA
IFC International Finance Corporation
MIGA Multilateral Investment Guarantee Agency

CONTENTS

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 Inter-American Development Bank (IDB), IDB Invest, the International Finance Corporation (IFC), the Islamic Development Bank (IsDB), 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.

ACRONYMS AND ABBREVIATIONS

AAAA	Addis Ababa Action Agenda
ABS	asset-backed securities
ADB	Asian Development Bank
AfDB	African Development Bank
AIIB	Asian Infrastructure Investment Bank
AIIM	Anticipated Impact Measurement and Monitoring
BIC	Bayfront Infrastructure Capital
BII	British International Investment
CAF	Corporación Andina de Fomento, The Development Bank for Latin America and the Caribbean
CLO	collateralized loan obligation
CSP	Climate Syndication Platform
DFIs	development finance institutions
EBRD	European Bank for Reconstruction and Development
EDFI	European Development Finance Institutions
EFSD+	European Fund for Sustainable Development Plus
EIB	European Investment Bank
EMDE	emerging markets and developing economies
ESG	environmental, social, and governance
EU	European Union
€	euro
FDI	foreign direct investment
FY	fiscal year
GNI	gross national income
HIC	high-income country
HKMC	Hong Kong Mortgage Corporation
ICD	Islamic Corporation for the Development of the Private Sector
ICIEC	Islamic Corporation for the Insurance of Investment and Export Credit
IDB	Inter-American Development Bank
IDBG	Inter-American Development Bank Group, composed of the IDB, IDB Lab, and IDB Invest
IDB Invest	the private sector arm of the IDBG
IDB Lab	the innovation laboratory of the IDBG
IDFC	International Development Finance Club
IEG	Independent Expert Group
IFC	International Finance Corporation
IsDBG	Islamic Development Bank Group, composed of IsDB, ICD, ITFC and ICIEC
IsDB	Islamic Development Bank
ITFC	International Islamic Trade Finance Corporation
LDC	least-developed country
LIC	low-income country
LMIC	lower middle-income country
LNG	liquefied natural gas
MCPP	Managed Co-Lending Portfolio Program
MDB	multilateral development banks
MIC	middle-income country
MIGA	Multilateral Investment Guarantee Agency
MSME	micro, small and medium enterprises
OA	own account
OECD	Organisation for Economic Co-operation and Development
PDM	private direct mobilization
PIM	private indirect mobilization
PPE	personal protective equipment
SDG	Sustainable Development Goals
SME	small and medium enterprises
STF	short-term finance
TA	technical assistance
TPM	total private mobilization
TSCFP	Trade and Supply Chain Finance Program
UMIC	upper middle-income country
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
UNCTAD	United Nations Conference on Trade and Development
URT	unfunded risk transfer
$	United States dollar
WB	World Bank, composed of the International Bank for Reconstruction and Development, and the International Development Association

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

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EXECUTIVE SUMMARY

THE MULTILATERAL DEVELOPMENT BANKS AND DEVELOPment finance institutions (collectively referred to herein as MDBs) that make up the MDB Task Force on Mobilization[1] and contributed to this report have seen their role take on greater importance as the world nears the 2030 deadline for meeting the United Nations Sustainable Development Goals (SDGs).

Given the gap in financing available to meet the SDGs, the G20 nations in their most recent gathering in Delhi, India, called for a "big push on investments" to meet these international development obligations and for a greater focus on "leveraging the expertise of MDBs to mobilize investments."[2]

In addition to the tools MDBs have relied on for years to crowd in private sector investment, many task force members have accelerated innovation and expansion of their product lines with new instruments. They have also enhanced existing products in ways designed to appeal to more private investors and to mobilize more capital. One focus of this report will be to highlight this work.

Collectively, these product innovations and other factors contributed to make 2022 a banner year in total private finance mobilized by MDBs. For middle-income and low-income countries (MICs and LICs), total private capital mobilized was $71.1 billion, up 12 percent from the previous year and the second highest ever reported.[3] Even more notable, LIC mobilization rose to its highest level ever, $7.3 billion, a 41 percent increase from 2021. Results are detailed in section 2.

This edition of the report contains the first new disaggregation of data since 2017, with additional reporting on private climate finance mobilized and a combination of reporting by region and income levels. These numbers are in the appendix.

This edition also presents the details of the 2022 mobilization figures, and includes contributions from individual members, in section 3, outlining the impact MDB product innovation has had on these numbers. The report draws the following conclusions:

- As was the case during the pandemic, MDB mobilization trends were more positive than those in overall foreign direct investment (FDI) as reported by the United Nations. Data showed only a 4 percent increase in FDI for developing countries, versus a 12 percent increase in MIC/LIC mobilization; and a 16 percent decrease in least-developed country (LDC) FDI, versus an increase of 9 percent for LDC mobilization (LDC is a broader country grouping that includes all LICs and other countries facing economic or security vulnerabilities). Thus, MDB mobilization outpaced FDI in most countries of MDB operations, and was countercyclical in the poorest countries.
- MDBs' product innovations are helping drive growth in mobilization: as noted in section 3, for the largest mobilizing MDBs, the amount of finance mobilized by innovative products now represents a nearly equal share of private direct mobilization by dollar amount to that mobilized by legacy product lines. The growth rate of mobilization from newer products since 2016 has been nearly 4 times that of the older products.
- It is now possible to calculate the contribution of climate mobilization to the overall estimate of private finance mobilized: in 2022, climate mobilization for MIC/LIC amounted to 32 percent of total private MIC/LIC mobilization.
- It is also now possible to view region-by-income, a disaggregation that highlights that most LIC mobilization (99.8 percent) is projected for projects in Africa, which also gets the most MDB funding overall, while most MIC mobilization is for projects in Latin America.

In summary, MDBs continued the trends seen during the pandemic by innovating with new products, adding flexibility to existing products, and heeding the call from the G20 and others to increase options for investors and mobilize new sources of funding. MDBs recognize that mobilization is

MDBs mobilized

$71.1B

of private finance in middle- and low-income countries

This includes

$7.3B

mobilized in low-income countries

LIC mobilization

↑41%

from 2021

core to the development agenda and remain committed to finding new ways to scale-up private capital mobilization. This dedication is shown in the significant improvement in MIC and LIC mobilization for 2022.

2023 mobilization estimates will be included in a subsequent edition of this report, expected to be released in late 2024.

1 REPORTING 2022 MOBILIZATION


90.1 FM
ATA NAYECHE FM RADIO
A Wave of Peace – Wimbi la Amani !

SINCE 2015, THE INTERNATIONAL COMMUNITY OF MDBs HAS taken on a leadership role to help attract or "mobilize" private investment to support development projects around the world. This role was established as an extension of the United Nations' 2030 Sustainable Development Agenda and the Sustainable Development Goals (SDGs) that underpin it, and as a response to commitments made by major donors at the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in 2015. More recently, in 2017 and again in 2023, the G20 nations called on MDBs to accelerate their work toward meeting the SDGs, with the Independent Expert Group (IEG) of the G20 stating that the current moment "requires the MDBs to be at center stage … to support … transformative development," and that MDBs should do this in part by aiming to "quintuple mobilization and catalyzation."[4]

MDBs have responded to this challenge by launching initiatives designed to promote private investment at scale. These initiatives include efforts that (a) support reforms to encourage private sector activities and investments; (b) help client governments and the private sector evaluate and structure more bankable investment projects; (c) use blended concessional finance to mitigate real and perceived risks associated with investments that have a positive development impact; (d) actively engage with traditional investors as well as new sources of commercial financing for development, including insurance companies and other sources of risk sharing; and (e) develop innovative financial products to mobilize new investor classes. This report presents details on some of those efforts.

In 2022, MDBs continued to play a crucial role in mobilizing private funds to meet the SDGs. 2022 is almost the halfway point between 2015, when the SDGs were created, and the deadline for meeting the SDGs in 2030, so the global community recently took stock of progress made. In the report from the September 2023 Financing for Development conference, the United Nations (UN) noted that "while progress has been made across all action areas of the Addis Ababa Action Agenda (AAAA), many of its commitments have yet to be met."[5] The UN further pointed out that, "the rapidly shifting global economic and financing landscape created new challenges …for financing the SDGs."[6]

Despite these challenges, MDBs have continued to scale up their mobilization to meet the goals set out originally in the AAAA. As detailed elsewhere in this report, MDBs collectively were estimated to have mobilized $71.1 billion for MICs and LICs in 2022, which is 12 percent higher than 2021 levels, and $7.3 billion for LICs, the highest this number has been in MDB annual reporting.

The reporting methodology used in this report, adopted in 2016,[7] makes it possible to measure private investment mobilized over time on a consistent basis using common definitions. It also enables MDBs to report more fully on contributions to a range of development priorities, including climate change and infrastructure development.[8] The results in this report are for total private mobilization (TPM), split into private direct mobilization (PDM) and private indirect mobilization (PIM). Direct transaction advisory services are the only technical assistance-related flows included (as part of PDM).

Note that this year's reporting includes the first new task force member since 2018, the Development Bank for Latin America and the Caribbean, known as CAF. This addition reflects the growing interest among the broader MDB community in participating in standardized reporting.[9]

An explanation of the estimates and analysis in this report can be found in the "MDB Methodology for Private Investment Mobilization: Reference Guide." A summary of definitions and terms and of proposed changes to the methodology and reporting in this edition can be found in Appendix 1.[10]

2 THE RESULTS

ESTIMATES OF 2022 PRIVATE FINANCE MOBILIZED BY MDBs

2.1. LONG-TERM FINANCE

The reported commitment data allows the 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). **For 2022, total private mobilization (TPM) in all LICs and MICs was estimated to be $71.1 billion (figure 2.1)**. This is 12 percent greater than the $63.3 billion mobilized in 2021. Of this amount, 32 percent was private direct mobilization (PDM) and 68 percent was private indirect mobilization (PIM).[11] 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 A1.1. For regional totals, please refer to Appendix 2, which also contains a first-time ever disaggregation by both region and income.

In 2022 the estimated mobilization of private finance by MDBs in LICs was $7.3 billion; this is 41 percent greater than the $5.2 billion mobilized in 2021 for these countries. The reporting also measures mobilization in LDCs; for these countries, an estimated $9.4 billion was mobilized in 2022. This is 9 percent greater than the $8.6 billion mobilized in 2021.[12]

By convention, the report focuses on mobilization estimates for MICs and LICs, which are the focus of most MDBs' operations. For comparison, in 2022 the TPM estimate for all country income groups including high-income countries was $166.6 billion.[13]

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 2021 to 2022.

See figure 2.2 for the breakdown of TPM by institution.

2.2. SHORT-TERM FINANCE

The year 2022 showed growth in and emphasized the continued importance of short-term finance (STF) mobilization in meeting the goals expressed in the AAAA. In 2022, STF for all income levels increased 17 percent, to $7.4 billion from $6.3 billion the previous year. These figures represent trade finance, small and medium enterprise finance, and other instruments with terms generally less than one year. Note that STF mobilization is measured for all country income groups because data is not collected for this indicator by income group.

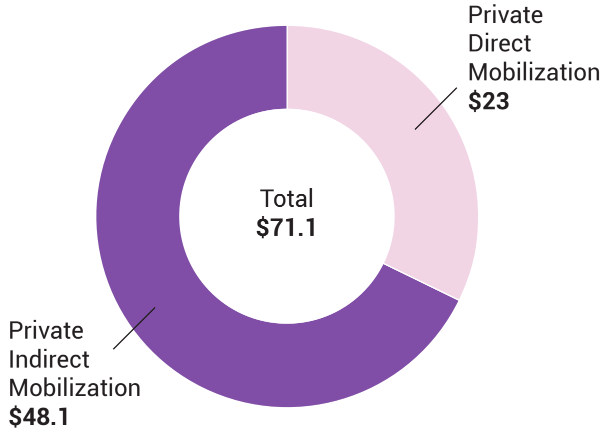
The numbers for 2022 make it four out of the past six years—since reporting began—that STF has shown an increase for the reporting MDBs.

2.3. INFRASTRUCTURE FINANCE

In 2022, total private mobilization for infrastructure (including power, water, transportation, telecommunications, information technology, and social infrastructure such as schools and hospitals) in LICs and MICs was $33.5 billion, or 47 percent of all MIC/LIC private mobilization. This total infrastructure mobilization was an 84 percent increase compared to 2021, when $18.2 billion was mobilized. PDM for infrastructure amounted to $7.6 billion or 23 percent of MIC/LIC mobilization for infrastructure in 2022. In 2021 PDM of $7.7 billion was slightly higher than in 2022, and was a significantly higher portion of the total at 42 percent. Note that a "pandemic backlog" of larger projects with longer phases likely drove both the large increase in infrastructure finance from 2021 to 2022 and the smaller share of PDM; larger and longer projects on average have more PIM as future financing needs are harder to predict. See figure 2.3.

In a continuation of a trend from the pandemic years, there was yet again faster growth in social infrastructure mobilization relative to economic infrastructure in 2022 so that the share of social increased; 11 percent of all infrastructure mobilization in 2022 was related to social projects, versus 9 percent in 2021. Historically, projects in social infrastructure in LICs have lower mobilization rates than those in economic infrastructure and have received a smaller share overall of total private spending on infrastructure; the average from 2017 to 2019 was that 4.5 percent of all infrastructure went to social projects. This share grew in the pandemic as social needs grew at a faster rate than economic infrastructure needs, but it has persevered into the post-pandemic years as well.

FIGURE 2.1. Total Private Mobilization, Middle-Income Countries and Low-Income Countries, 2022, US$ billions



Source for all charts and graphs is MDB data for 2022 or 2021 unless otherwise noted.

TABLE 2.1. Change in Total Mobilization by Income Level, 2022 versus 2021

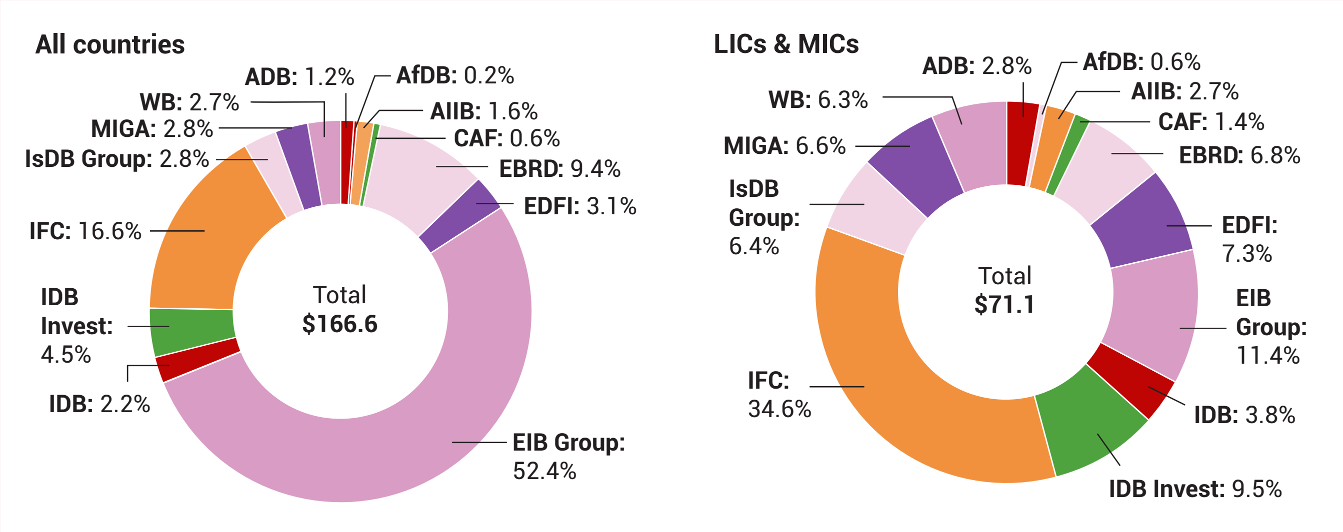
TPM at ...	All income levels	MIC + LIC	MIC only	LIC only
Change from 2021	–32%	+12%	+10%	+41%

2.4. CLIMATE FINANCE

In a first for this report, the task force is providing the amount of private finance mobilized for climate-related projects. The amount for all income groups was $64.2 billion, with $2.7 billion for adaptation, $53.2 billion for mitigation, and $8.3 billion for both. The amount for MIC/LIC was $22.4 billion, with $2.1 billion for adaptation, $16.8 billion for mitigation, and $3.5 billion for both.

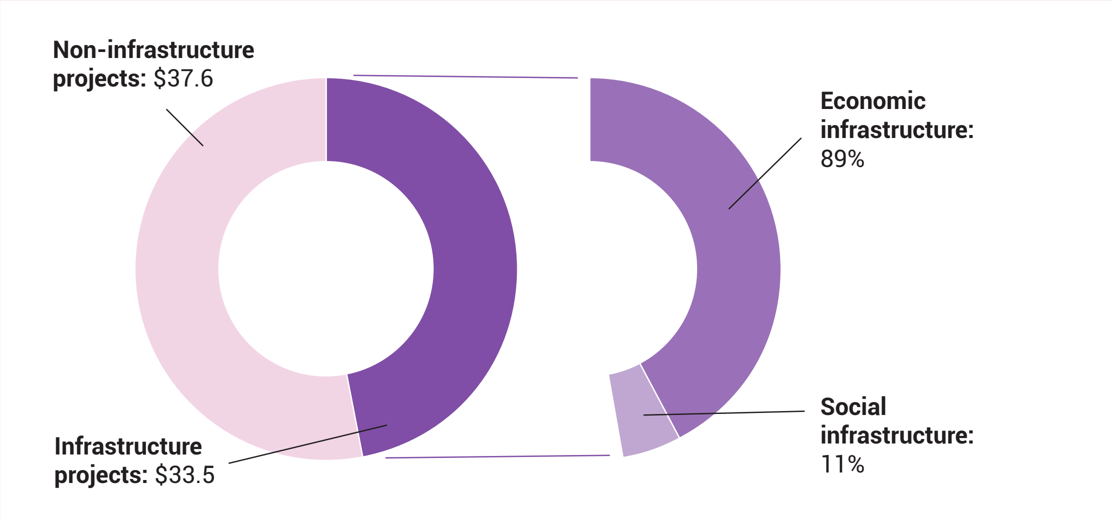
The figures contained in the companion report *Mobilization of Climate Finance* by the MDBs are complementary to the figures contained in this report. This report reflects purely private mobilized amounts, as they are reported under the joint methodology. Comparing the two reports allows readers to see both the total (in the climate report) and the private (in this report) finance mobilized towards meeting climate commitments. Other differences between the two methodologies are described in the 2020/21 edition of this report, page 34, box 4.3, "Measuring Climate Finance."

FIGURE 2.2. TPM by Institution Type, 2022, 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. Mobilization from Infrastructure Projects, 2022, US$ billions



3 PRODUCT INNOVATION AND MOBILIZATION


АВРОРА
МУЛЬТИМАРКЕТ
Coffee
2
ПОВЕРХ
АКЦІЯ
27
АКЦІЯ
14

IN THEIR REPORT TO THE G20 IN SEPTEMBER 2023, THE Independent Expert Group declared that "after eighty years of status-quo, it is time to introduce new instruments and new investors to the MDB capital stack."[14] This remark echoes similar calls from think tanks, shareholders and other stakeholders for MDBs to increase innovation to mobilize more funds and diversify the investor base to meet the SDGs.

This section looks at how MDBs have been heeding these calls through product innovation, defined as where MDBs create and introduce new products, new variations on products, improvements in existing products, or new combinations of products to provide more value and options to new or existing customers or investors.[15] As figure 3.1 shows, new product development has been ongoing among MDBs, and the pace has picked up. The pandemic proved to be a catalyst, as MDBs experimented with new ideas to try to get more funds for clients and move funds more quickly to clients. MDBs sought to add flexiblility, expand to new investor classes, and create new product features and new instruments. This effort reinforced a trend that had already been present for a few years: see figure 3.1 for data on the expansion of product lines since 2016 among the largest reporting MDBs by dollar amount of MIC/LIC mobilization.

MDB product development has evolved along two lines: (a) creating opportunities for new investors to participate through new instruments and (b) adding instruments for existing investors that better align with risk preferences, portfolio mix, and other investment criteria. Traditional MDB products consist of syndicated loans, parallel loans, guarantees, and straight equity, usually offered to commercial banks and in some cases to institutional investors. MDBs have branched out from these core products by offering different ways to participate in these products (such as platforms like the Managed Co-Lending Portfolio Program [MCPP]), instruments targeting novel markets (such as capital markets), and new instruments for new investors (such as funds, risk transfers/securitizations). As those products mature, MDBs have begun to tailor such products for more niche investor classes, offering new variations on existing instruments with diffferent risk-return profiles, and creating new instruments for the development finance market.

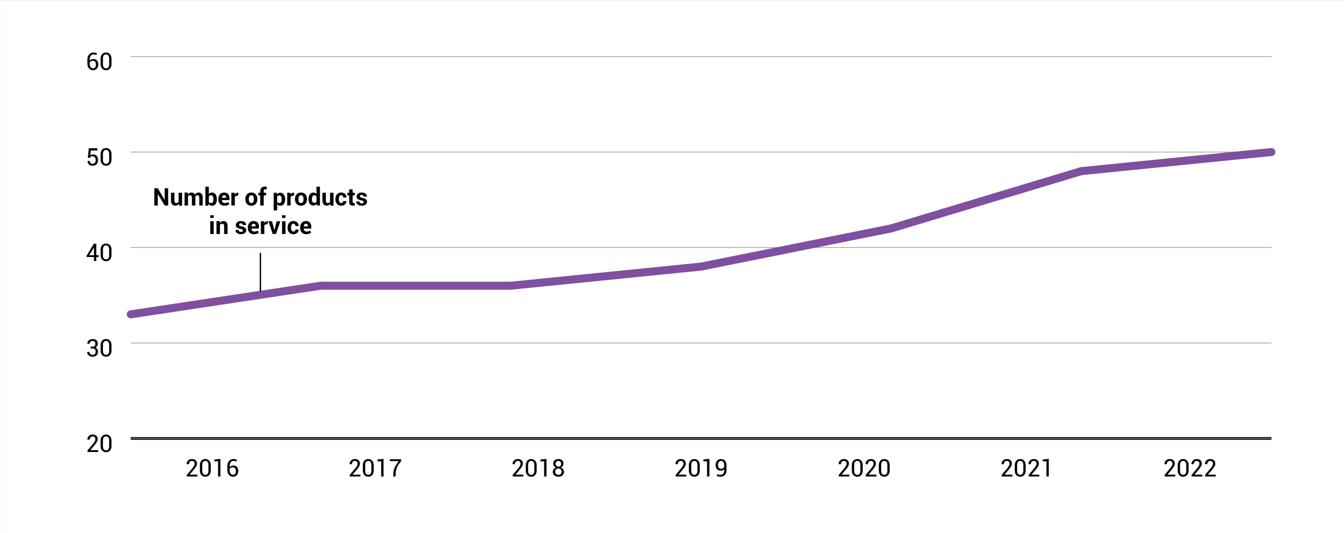
Below, four task force members discuss the new product innovations they have implemented. Each product innovation addresses a key objective, listed in table 3.1.

The product innovations discussed are consistent with requests from shareholders and partners to expand MDB product lines. For instance, the IEG called for MDBs to "tap into large pools of reinsurers" and the Asian Infrastructure Investment Bank (AIIB) looks at one way to do that. They also call for "simplified financing mechanisms to allow impact and institutional investors to participate alongside official investors" as the IFC has done, described in section 3.3.[16]

The number of different new attributes or approaches offered shows how even within existing products and markets, MDBs have innovated broadly. Looking again at the largest MDBs, these new products and product variations have had an impact on mobilization, as shown in figure 3.2: mobilization from new products and new variations on existing products has grown at four times the growth rate of mobilization from traditional products in the selected MDBs' portfolios since reporting began.[17] Traditional products have grown just 8 percent since 2016, while new products have increased, in terms of share of estimates of private finance mobilized, from 15 to 38 percent, a growth rate of 353 percent.

The changes MDBs have made to product lines and the new product variations they have introduced in the past two to three years have accelerated MDB progress toward meeting the SDGs, but MDBs may just be scratching the surface. How much farther could they go? Section 3.5 draws conclusions from this early stage of innovation and looks at some of the MDB product development groups that may have even bigger ideas for the future.

FIGURE 3.1. Product Line Growth 2016–2022, Selected Larger MDBs

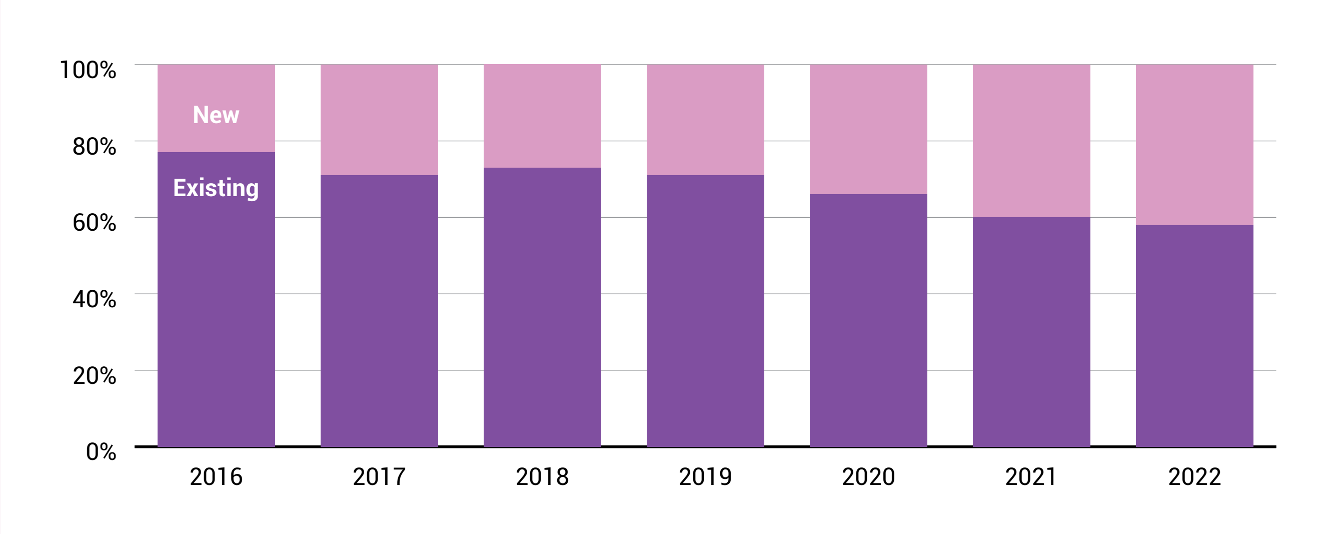


Source: IFC, IDB Invest and EBRD data; these MDBs represented 55 percent of MIC/LIC mobilization in 2022.
Note: For this product growth analysis, the task force considered the three largest MDBs by mobilization dollar amount, to show an example of innovation and growth in mobilization. Figures 3.1 and 3.2 contain data for those three MDBs listed.

TABLE 3.1. Product Innovation Discussions

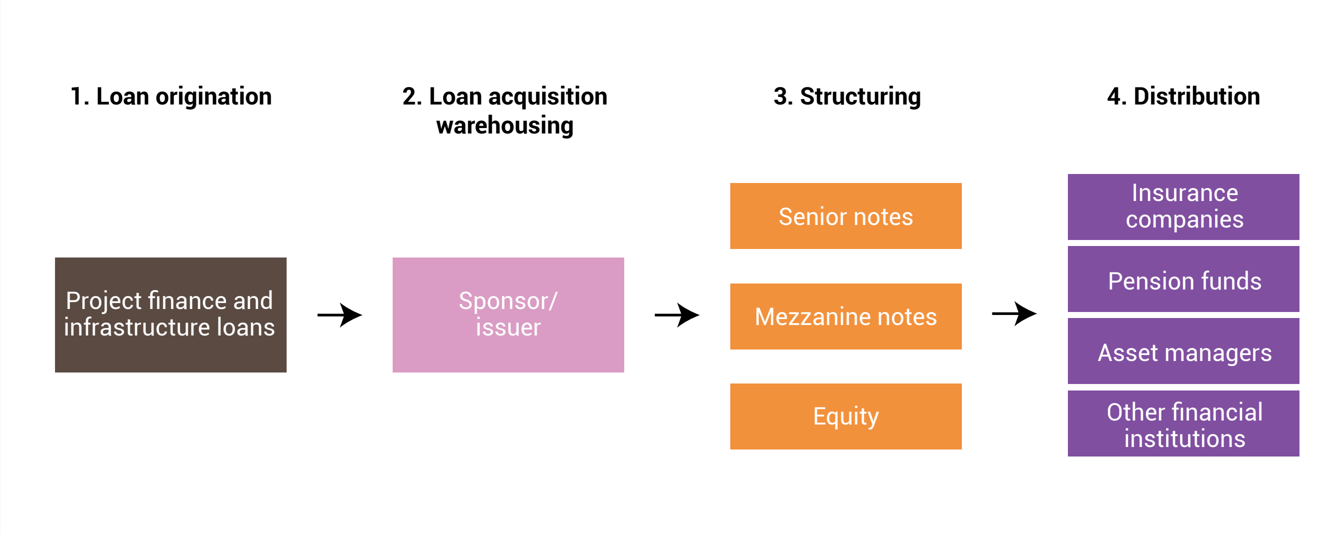
Section	Innovation	Objective	Author
3.1	Infrastructure asset-backed securities (IABS)	Attract new investors	AIIB
3.2	Use of blended concessional finance to support mobilization	Improve risk/return profile	EBRD
3.3	Climate-focused multi-investor platform	Meet appetite for green assets	IFC
3.4	Extended tenor bonds	Improve risk/return profile, attract new investors	IDB Invest

FIGURE 3.2. Growth in Share of Direct Mobilization from New (Introduced in 2016 or Later) vs. Existing Product Lines, Largest MDBs, US$ billions



Source: IFC, IDB Invest and EBRD data; these MDBs represented 55 percent of MIC/LIC mobilization in 2022.

FIGURE 3.3. Infrastructure Collateralized Loan Obligation Process



Source: AIIB

3.1. Creating a New Asset Class: Infrastructure Collateralized Loan Obligations

By the AIIB

ASIA INFRASTRUCTURE FINANCING

Infrastructure financing lies at the heart of economic growth and social and sustainable development, and global infrastructure investment needs are significant, especially in developing economies. To date, infrastructure financing in Asia has been dominated by governments, followed by commercial banks and MDBs; however, the scale of the investment need in Asia is beyond the funding capabilities of these entities alone. This is especially true in the context of shrinking public-sector budgets and reduced long-term lending from banks due to increased capital and liquidity requirements for long-term lending under Basel III, a set of international banking regulations introduced to improve the financial sector's resilience.[18]

Capital markets can play an important role as a channel for liquid and long-term financing. The long maturity of infrastructure financing is a natural match with the long-term liabilities of many institutional investors, including pension funds, endowments, and insurance companies. However, many are restricted in their capacity to invest in infrastructure assets due to regulatory or commercial requirements within their investment mandates. Many investors also have limited appetite for direct investments in the sector due to the high upfront costs, lengthy due diligence, the need to commit significant time and human resources, and limited secondary market liquidity of a typical infrastructure financing loan.

THE ROLE OF INFRASTRUCTURE CLO

Collateralized loan obligations (CLO) are a class of asset-backed securities (ABS) collateralized by an underlying pool of loan assets. Most traditional CLOs are actively managed cash-flow instruments that package high-yield corporate loans, which are structurally enhanced (through, for example, securitization tranching, performance tests, and sponsor first-loss risk retention) into rated securities for distribution to institutional investors. The cash flows from the underlying loan portfolio are then used to service the CLO notes. CLOs have proved to be a viable securitized product, having performed better than other ABS classes through recessionary periods due to sound structural features, relatively low realized defaults for bank loans, and active management by the CLO manager.[19] The global CLO market is now over $1 trillion in assets under management but is concentrated in the developed markets of the United States and Europe.[20]

Infrastructure CLOs are an attractive asset class because the underlying loans consist of infrastructure and project finance loans, which feature better credit metrics and historical performance (both in terms of default and recoveries) than traditional CLOs that are backed by high-yield corporate debt (figure 3.3). However, because of the bespoke, heterogenous, and lumpy nature of project finance debt, such issuances are infrequently brought to market and even less so for EMDE assets.

Despite the challenges, CLOs are a viable structure to bridge Asia's infrastructure financing gap by transferring risk from originating banks' balance sheets to institutional investors. Asia has pioneered the market for EMDE infrastructure CLOs. There are two CLO managers in Asia: Bayfront Infrastructure Management (Bayfront) based in Singapore and the Hong Kong Mortgage Corporation's (HKMC) Infrastructure Financing and Securitization Division based in Hong Kong SAR, China. To date, five issuances with Asia-centric project finance collateral have been successfully brought to market (table 3.2), attracting a diverse and global range of institutional investors. This includes, for the past four issuances, the inclusion of a dedicated sustainability tranche within the securitization structure—an innovation in the securitization market which provides a further avenue for dedicated environmental, social, and governance (ESG) institutional capital to access sustainable EMDE infrastructure assets.

TABLE 3.2. Infrastructure CLO Issuances in Asia

Issuance	Sponsor	Issue date	Issue size (US$ millions)
BIC	Clifford Capital[a]	July 2018	458.0
BIC II	Bayfront	June 2021	401.2
BIC III	Bayfront	September 2022	402.7
Bauhinia 1	HKMC	May 2023	404.8
BIC IV	Bayfront	September 2023	410.3
Total			2,077.0

Source: Bayfront Infrastructure Management, Hong Kong Mortgage Corporation
Note: BIC = Bayfront Infrastructure Capital; HKMC = Hong Kong Mortgage Corporation.
a. Clifford Capital is a predecessor and sister company of Bayfront

INVESTOR RECEPTION AND UPTAKE

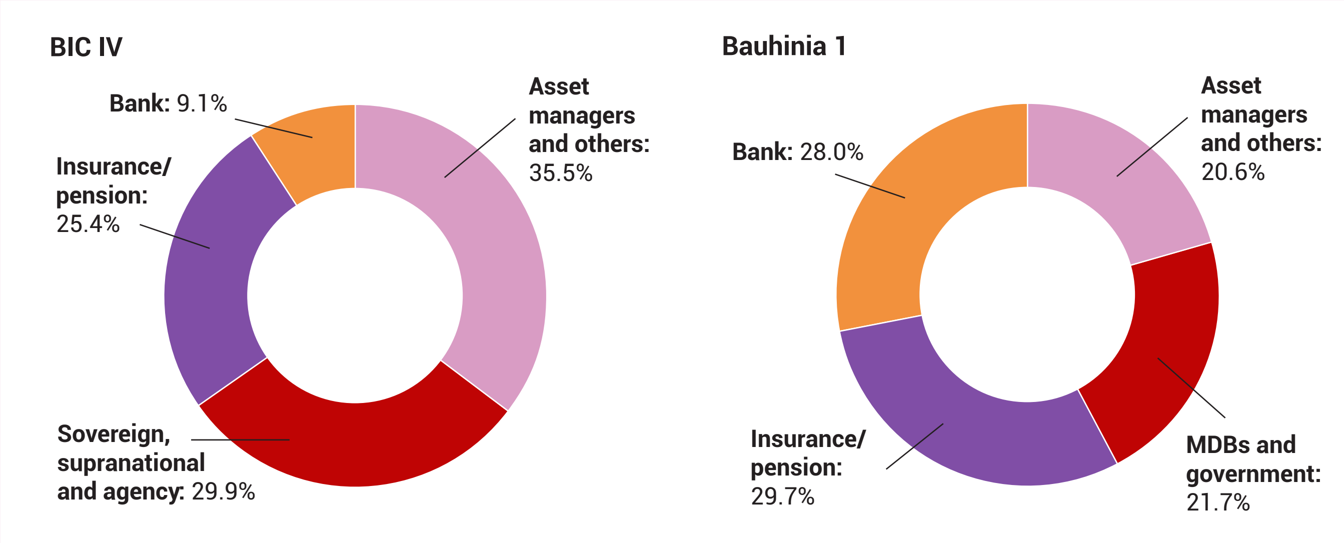
The infrastructure CLO market in Asia remains nascent with only five completed issuances and two active managers. Despite this, there are positive trends in investor interest and uptake, from repeat investors as well as first-time investors, as the issuance and performance track record of the asset class grows. Secondary market liquidity has also been growing, through the issuance of new transactions and call or redemption of older vintages (for example, with BIC in July 2022 after the expiration of its four-year non-call period). This has generated some trading velocity, and the amortization of the most senior classes of these issuances has created opportunity or need for some investors to top up their positions. AIIB estimates that $1.4 billion of third-party institutional capital has been mobilized across the four issuances that AIIB has anchored since 2021 (BIC II onward).

LOOKING AHEAD

AIIB has been supporting the development of EMDE infrastructure CLOs as an asset class since 2019, as a 30 percent shareholder of Bayfront and as an anchor investor into Bayfront and HKMC's issuance programs. The continued growth and uptake of this asset class will contribute to the Asian infrastructure capital markets and mobilize institutional capital by setting consistent and crucial market benchmarks for future primary issuances, which is a vital step in asset class creation, and encourages the entry of further participants, including investors and managers, into this nascent market. In the future, the catalytic impact of the project finance CLO asset class can be expanded to cover broader themes, including in the sustainable finance space, and broader geographies.

As infrastructure CLO transitions into a more mainstream asset class within not just securitization but also as a fixed-income product, more institutional capital will obtain exposure to EMDE infrastructure and bank originators can free up lending capacity for new lending. As climate and ESG criteria feature more prominently in institutional investors' mandates, CLOs with sustainable collateral portfolios or dedicated sustainability tranches can also mobilize capital into sectors contributing to the carbon transition. MDBs are well positioned to play an important role in supporting the infrastructure CLO asset class, through anchor investments (in senior, mezzanine, or equity tranches) and credit enhancement products such as guarantees. Mobilizing private capital for EMDE infrastructure is core to the MDB mandate and a deep securitization market that is accessible to both developed and emerging market assets will contribute to a more liquid and robust infrastructure financing market.

FIGURE 3.4. BIC IV and Bauhinia 1 Investor Distribution



Source: Bayfront Infrastructure Management, Hong Kong Mortgage Corporation.
Note: BIC = Bayfront Infrastructure Capital; MDB = multilateral development banks and development finance institutions

BOX 3.1. DFI PRINCIPLES OF BLENDED CONCESSIONAL FINANCE

Rationale for Blended Concessional Finance
Contribution that is beyond what is available, otherwise absent from the market, and should not crowd out the private sector.

Crowding-in and Minimum Concessionality
Contribute to catalyzing market development and mobilization of private sector resources, with concessionality not greater than necessary.

Commercial Sustainability
Impact achieved by each operation should aim to be sustainable and contribute towards commercial viability.

Reinforcing Markets
Addresses market failures effectively and efficiently minimizes the risk of market distortion or crowding out private finance.

Promoting High Standards
Promote adherence to high standards, including in areas of corporate governance, environmental impact, integrity, transparency, and disclosure.

3.2. Blended Finance: Private Capital Mobilization and the Smart Use of Donor Support for Blending

By the EBRD

Leveraging concessional donor funds to structure blended finance instruments is becoming an increasingly important tool in upscaling private capital mobilization in EMDEs. The smart, effective, and efficient use of concessional funds can improve a project's risk profile and allow commercial cofinancing partners, especially institutional investors, to access projects that may otherwise not suit their risk appetite.

Together with other MDBs and DFIs, EBRD adheres to the DFI Enhanced Blended Concessional Finance Principles for Private Sector Operations (see box 3.1) which, among other points, states that concessional funds must be additional, used at the minimum level of concessionality needed to make a project viable and no more, and serve to crowd in—not out—the private sector.

The EBRD has signed two donor agreements that will benefit EBRD's cofinancing partners in a smart and enabling way: the Climate Syndication Platform (CSP) and the European Fund for Sustainable Development Plus (EFSD+) Guarantee Program. Having obtained recent internal approvals, 2024 will bring the operationalization of both programs.

The CSP is a partnership between EBRD and the German Federal Ministry for Economic Affairs and Climate Action (BMWK) through its International Climate Initiative (IKI). The CSP will provide €30 million in limited first-loss risk cover guarantees to EBRD B lenders and technical assistance to EBRD clients. It is expected to mobilize up to €225 million of climate cofinancing from new institutional investors over the next eight years for climate mitigation and adaptation projects.

The EFSD+ Guarantee Program provides first-loss risk cover guarantees to both EBRD and its B lenders via the European Commission. The guarantees will bolster the financing available for sustainable development, particularly in climate-smart solutions, digital transformation, and financial inclusion. Using the guarantees for EBRD cofinancing partners is novel in the context of the EFSD+ Guarantee

BOX 3.2. ASIAN DEVELOPMENT BANK'S MONSOON PROJECT

The 600-megawatt cross-border Monsoon wind power project is the largest wind power facility in Southeast Asia and the first in Asia to supply wind-generated power across borders through a 22-kilometer transmission line. To make the $700 million debt requirement of the project bankable, risk mitigation had to be built into the structure of the financing.

The Asian Development Bank (ADB) introduced a targeted blended financing structure, which included a provision of a concessional financing package of $60 million to address curtailment risk and extend the repayment profile. These measures enabled the project to overcome hurdles to entry for commercial lenders. On the back of these subordinated facilities, ADB mobilized $150 million in a syndicated B loan to top up a $100 million A loan from its own ordinary capital resources. ADB further mobilized $382.55 million in parallel loans. The concessional finance of $60 million consisted of loans of $20 million from Leading Asia's Private Infrastructure Fund and $30 million from the Canadian Climate Fund for the Private Sector in Asia (CFPS and CFPS II), and a $10 million grant from ADB's Asian Development Fund 13 Private Sector Window.

The Monsoon wind power project demonstrates the ability to catalyze both concessional and commercial capital and to put together a financing structure that addresses viability concerns for a large-scale renewable energy project in a challenging jurisdiction. It also highlights the advantages of well-structured blended financing products as an effective mechanism for crowding in private capital and bringing projects to market that would otherwise not proceed in the absence of concessional support.

Source: ADB.

Program that was used until now solely for the benefit of EBRD. Mobilizing private sector capital is a shared objective with the European Union (EU).

These two initiatives are great examples of instrument and program innovation that targets the involvement of institutional investors via the A/B loan product in projects that would otherwise not benefit from private sector participation. Such blended finance instruments can help bridge the gap between institutional investors and EMDEs and pave the way for greater private capital mobilization. Another, similar example of using concessional finance to drive mobilization is from member ADB in box 3.2.

3.3. Managed Co-Lending Portfolio Program: Scaling Up IFC's Portfolio Syndications Platform for Institutional Investors

By the IFC

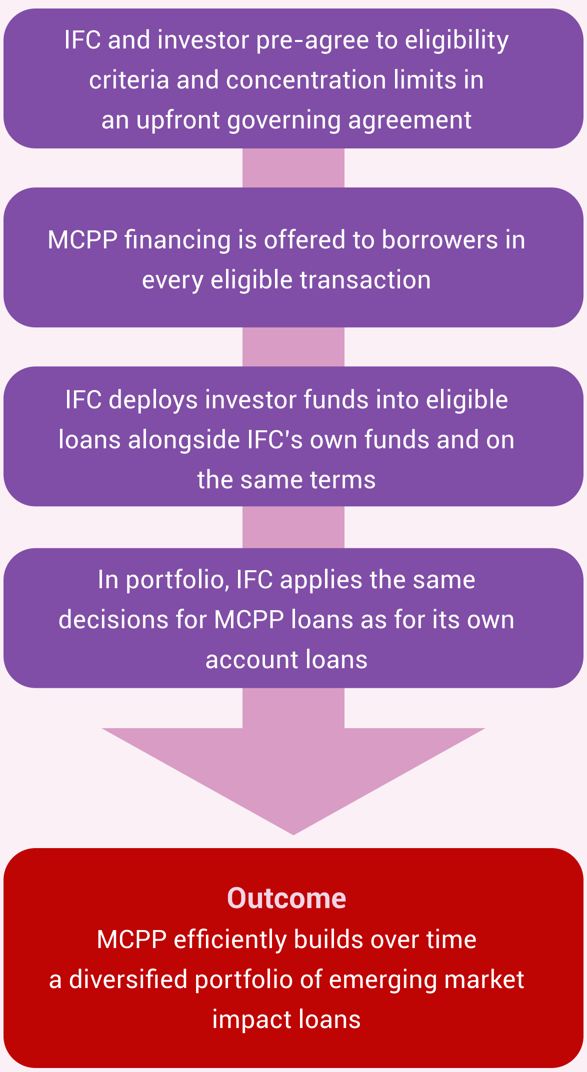
BACKGROUND

Efforts across the World Bank Group help facilitate greater flows of private capital into EMDEs. These include system- and industry-wide policy and regulatory reforms that open doors for more capital, capital market development programs, as well as upstream, advisory and investment support for specific projects across both the public and private sectors. With a private-sector mandate and a broad investor network, IFC can structure and mobilize at the project level through standardized products, like B loans and B bonds, credit insurance policies, anchor investments and funds, as well as scalable mobilization platforms that help

BOX 3.3. HOW DOES THE MCPP PROCESS WORK?

MCPP provides an efficient way for institutional investors to make one large allocation of capital, and then receive priority access to IFC's pipeline, passively co-lending alongside IFC in every eligible project. Over time, investors receive a globally diversified pool of new senior loans across all sectors on the same terms as IFC.

MCPP uses a "blind pool" approach, with investors committing to take exposure for a set of future IFC loans.



unlock new capital and deliver impact. These new products and programs contributed to a growth in mobilization for products introduced after 2016 for IFC of 450%, leading to record results for the institution in 2022.

IFC's strategy to mobilize aims to build on its extensive platform development experience. IFC has a long track record of developing successful mobilization platforms that unlock new investors and create a demonstration effect. A prime example is the MCPP, IFC's portfolio syndications platform targeting institutional investors. Leveraging IFC's over six-decade track record of investing in emerging markets, cofinancing platforms like MCPP present huge opportunities for institutional investors to coinvest in pioneering and high-impact projects in those regions.

Institutional assets are extremely limited in ways to maximize opportunities in EMDEs by providing direct lending. While they hold trillions in assets, these funds are heavily concentrated in developed markets. Innovative financial structures like MCPP are thus necessary to bridge the gap between global investors and businesses in need and scale up the share of global institutional capital allocated to impact-driven, climate-resilient projects.

The MCPP creates opportunities for institutional investors to invest alongside IFC on commercial terms in globally diversified loan portfolios that mimic IFC's own portfolio — similar to an index fund. Investors set loan eligibility criteria and portfolio concentration limits in an upfront agreement with IFC. Investors then pledge capital and, as IFC identifies eligible new transactions, financing from investors is allocated alongside IFC's own loans. Project appraisal, approval, commitment, and supervision are delegated to IFC, limiting origination and portfolio management costs for participating investors.

Since MCPP's first investor in 2013, IFC has raised over $16 billion from 17 institutional investors and global credit insurance companies. Of these, $2.5 billion was raised in 2022 through IFC's MCPP One Planet.

MCPP ONE PLANET: NEW FUNDING FOR PARIS-ALIGNED ASSETS

MCPP One Planet was announced at the UN Climate Change Conference in Glasgow (COP26) in November 2021 and operationalized in September 2022. The facility includes a first loss provided by IFC and its partner Swedish International Development Cooperation Agency (SIDA) to enhance the portfolio to an investment grade. To date, IFC has raised $2.5 billion from investors.

MCPP One Planet builds on MCPP's track record of success and leverages IFC's investment experience and leadership in emerging markets to create the world's first portfolio of EMDE loans aligned with the Paris Agreement. The facility creates portfolios of new IFC loans that align with Paris criteria, thereby enabling institutional investors to contribute to a liveable planet and diversify their portfolio to include emerging markets. In line with the WBG Climate Change Action Plan 2021–2025, IFC is on track to align all new financial commitments to the Paris Agreement starting July 1, 2025.

An IFC investment is considered Paris-aligned when it satisfies both climate mitigation and climate adaptation and resilience checklists.[21] For climate mitigation, the project is expected to actively contribute to decarbonization paths or support activities that do no harm. For climate adaptation and resilience, the project sponsor effectively manages physical climate change risks with measures such as setting up early-warning systems or drought-resistant crops. The checklists are in line with the joint MDB methodological principles for assessing the Paris alignment.[22] Under the MBD's Paris alignment framework, a project or investment is Paris-aligned when it satisfies both mitigation goals and adaptation and resilience goals. Compliance of a project or an investment to mitigation goals is examined based on the country's Nationally Determined Contribution (NDC), low greenhouse gas (GHG) development pathways and strategies. Adaption and resilience goals are assessed through the lens of physical climate risk and climate resilience.

IFC investment decisions go beyond financial returns and risks to incorporate development impact. IFC uses its Anticipated Impact Measurement and Monitoring system to define, measure, and monitor the impact-related outcomes of all investments. Thus, all investments are screened through the lens of impact and mapped to the SDGs. Investors that participate in MCPP One Planet are provided with enhanced impact and ESG-risk related reporting that allows them to monitor and tangibly demonstrate the development impact of their portfolios and highlight their contribution to the SDGs. MCPP projects currently map to 15 out of the 17 goals, and more than one-third of projects in the current MCPP portfolio are mapped to SDG 13 (climate action), SDG 8 (decent work and economic growth), and SDG 10 (reduced inequalities). ESG-risk reporting on all underlying investments enables investors to comply with do-no-harm disclosure requirements by some regulators including the EU Sustainable Finance Disclosure Regulation.

The combination of Paris alignment and SDG mapping provides investors with a diversified pool of impactful projects that are limited under the stricter green finance or climate finance framework. Also, Paris-aligned investments are important in ensuring continuous support for new investments in some sectors such as construction materials, cement, and steel that are critical for short- and medium-term economic growth but harder to abate. Since all investments under MCPP One Planet align with the Paris agreement, the financing ensures sustained economic growth while creating incentives for decarbonization and the uptake of climate resilience measures in harder-to-abate sectors.

MCPP One Planet comes with an added advantage to investors, as it enables them to demonstrate the development impact of their portfolios and align their investments to the Paris Agreement while satisfying new regulatory requirements. Other investors, both public and private, are replicating the MCPP model to attract private capital from institutional investors into EMDEs. The MCPP is one of the most successful efforts to date to connect institutional investors with impact-driven opportunities that support global development priorities, especially in International Development Association–eligible countries and fragile and conflict-affected situations. This creates opportunities for institutional investors to diversify the geographical composition of their investment portfolios and increase development impact by closing financing gaps in those countries.

3.4. Capturing Capital Markets Investors: The B Bond Program

By IDB Invest

IDB Invest, the private sector arm of the Inter-American Development Bank Group, reported mobilization based on a number of operations that increased from 56 to 74 deals year-over-year and included eight new investors, expanding the investor base to 181 active partners with an emphasis on those who prioritize green, gender, and diversity and inclusion impacts. This accomplishment happened through the use of a range of products: A loan participations, A loan assignments, B loans, B bonds, cofinancing, debt securities, unfunded credit protection (credit insurance), and unfunded risk protection. Figure 3.6 illustrates how IDB Invest has significantly expanded its mobilization product offering to match investors' needs.

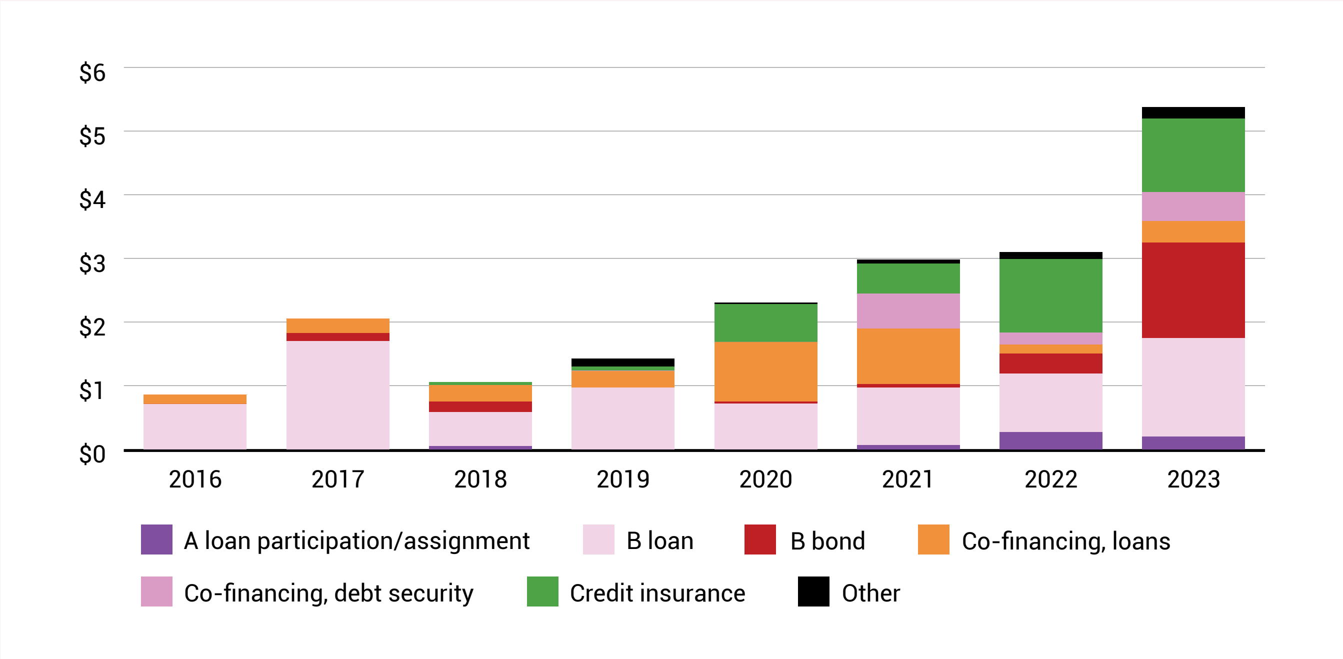
As IDB Invest seeks to innovate new products that serve the needs of investors, its B bond product has grown in importance. The B bond is a finance instrument with which IDB Invest can reach a broader investor base by including firms that can invest only in securities, rather than regular loans. The B bond instrument provides several benefits as it grants access to a more diverse investor class, such as institutional investors or qualified institutional buyers that can provide longer-term financing, and notes may obtain an improved risk profile because of IDB Invest's preferred creditor status. For this product, IDB Invest shares the project risk with investors and the notes are not guaranteed by IDB Invest. The loan agreement with the borrower is structured similarly to a standard A/B loan, with IDB Invest as lender of record, administering the entire loan. In this case though, the B loan participant is a special purpose vehicle that funds itself by issuing securities through international capital market issuances under rule 144A/Regulation S and Section 4(a)(2) private placement formats, as described in the US Securities Act. This structure enables participants to benefit from IDB Invest's sectoral and country expertise, preferred creditor status, and track record as a multilateral lender of record.

Figure 3.7 shows the B bond structure. B bonds have been especially successful in developing Uruguay's renewable energy sector. Starting in 2005, the country initiated a transformative shift in its energy strategy, moving away from petroleum-based electricity generation to renewable sources. In 2013, the government of Uruguay launched a 200-megawatt tender program to attract private sector participation in the development of solar photovoltaic power plants and increase the share of renewable energy in its energy matrix.[23] In 2017, IDB Invest provided its umbrella for the structuring of the first project bond (via a B bond) for a Uruguayan wind farm for the 70-megawatt Campo Palomas project, where it mobilized $129.0 million. The B bond also received a green bond certification from DNV-GL, an advisor and standard-setting society for the maritime industry, and Baa3 international rating from Moody's. Since then, the B bond product has been used multiple times to enable the advancement of the country's renewable energy sector.

Following the success of Campo Palomas, IDB Invest financed the 64.8-megawatt La Jacinta Solar Farm in 2018, marking the first cross-border solar project bond in Latin America, where it mobilized $62 million. At the time of this issuance, the market capitalization of long-term debt and equity capital markets in Uruguay stood at just 0.4 percent of gross domestic product, compared to 48 percent in Latin America and 86 percent in Organisation for Economic Co-operation and Development (OECD) countries.[24] Months later, IDB Invest successfully mobilized $102.9 million for a dual-tiered (senior and subordinated) B bond for the 50-megawatt El Naranjal and 17-megawatt Del Litoral solar photovoltaic plants project in Uruguay. Acquired by a consortium of institutional investors, the B bond was another facet of the growing track record for institutional investor appetite for investment-grade instruments in the Uruguayan solar market. In 2020, IDB Invest mobilized a fourth bond to finance renewable energy in Uruguay for the 19-megawatt Natelu and Yarnel project, mobilizing $25.3 million. The latest B bond in the Uruguayan energy sector was the Cardal-Punta del Tigre-Salto T-Line launched in 2021, mobilizing $55.5 million from institutional investors.

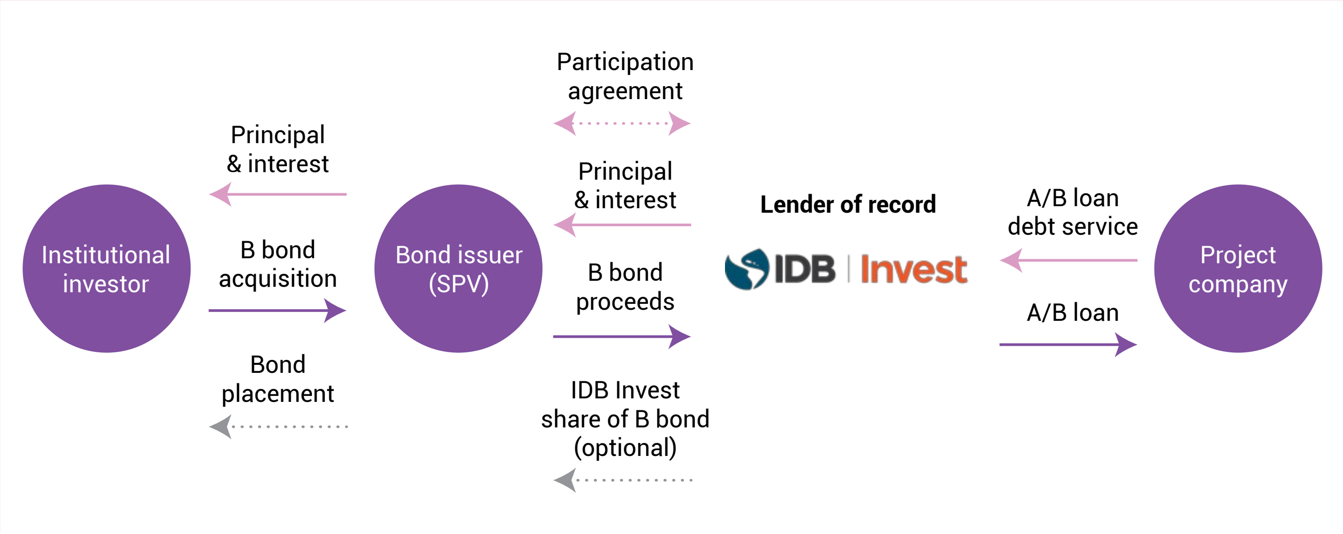
Currently, Uruguay generates over 98 percent of all electricity from renewable sources, mainly wind and hydropower, and is globally recognized for its achievements in renewable energy development.[25] Moreover, according to the World Resources Institute, the country receives over $1 billion a year

FIGURE 3.6. Public and Private Core Mobilization by Product Type, 2016–23, US$ billions



Source: IDB Invest

FIGURE 3.7. B Bond Structure at IDB Invest



Source: IDB Invest

in investment for clean energy.[26] The innovative structure of the B bond product was able to systematically unlock capital held by large institutional investors, highlighting the key role IDB Invest played in facilitating the expansion of institutional investors into Uruguay's renewable energy market.

Looking ahead, IDB Invest will continue to develop innovative solutions to crowd in third-party financing to the Latin American and Caribbean region. In 2022, IDB Invest mobilized $315 million through the B bond product. This number more than quadrupled in 2023 with $1.5 billion in direct third-party financing through the incorporation of 144A B bonds.

Prior to 2023, the B bonds were issued under Section 4(a)(2) private placement format (US Private Placement), which tends to focus on investment-grade transactions with low transferability rates and has a more limited pool of investors. The 144A/Regulation S market, on the other hand, has a much broader pool of investors, which allows for greater liquidity and trading than the traditional US Private Placement market. In order to facilitate its clients' access a broader swath of investors, including those investors with appetite for noninvestment grade risk, IDB Invest further expanded the B bond product to make it suitable for the 144A/Regulation S market. In 2023, IDB Invest structured its first financing with the mobilization of a B bond issued under Rule 144A/Regulation S for Liberty Costa Rica in the telecom sector, mobilizing $400 million from a single issuance. Later in the year, IDB Invest structured financing for Electricity Tariff Stabilization II in the Chilean energy sector that was funded via a second Rule 144A B bond issuance for $784 million and $322 million B bond in the 4(a)(2) market.

Mobilizing funds through B bonds supports IDB Invest's mandate to broaden and deepen the underdeveloped local and international capital markets in the region and diversify funding sources for clients. The creation of investable assets like the B bond to appeal to the appropriate investor class for long-term financing places MDBs in an essential role as deal originators and market-enablers.

3.5. Conclusions: Product Development at MDBs Going Forward

The previous sections have shown that MDBs have innovated across their product suites, developing new product options and features in response to investor needs. The range of innovation has included:

- Experimenting with securitization through CLOs and other forms of asset-backed securities.
- Expanding use of improved risk-mitigation tools and approaches such as blended concessional finance.
- Developing a new MCPP One Planet platform to meet the demand for more green investments, driven by the growing number of green-focused funds.
- Developing a new ultralong tenor "B bond" offering for investors preferring longer tenors on fixed-income instruments.

These types of innovations drove growth of overall mobilization. By contributing around 14 percent of total MIC/LIC mobilization in 2022 compared to under 2 percent in 2016, innovation was clearly a factor that helped MDBs reach the second-highest levels of MIC/LIC mobilization ever in 2022.[27]

LOOKING FORWARD WITH PRODUCT DEVELOPMENT

MDBs have pushed the envelope by increasing the number of products they offer and driving more mobilization from product innovation, thereby helping scale total mobilization and reach new levels of growth. But task force members are aware that more needs to be done and that MDBs have more room to innovate. MDB innovation labs—such as the IDB Lab and World Bank Private Sector Investment Lab—are on the task, and future reports will cover more product development and innovation, along transformational lines. This may include product options that target as-yet untapped investor classes, use new technology to deliver MDB financing, or fast track MDBs on the path towards scalable originate-to-distribute approaches.

Now that MDBs are on a path to accelerate innovation, product development will only gain more traction. Look for updates in future editions of this *Joint Report*.

APPENDIX 1: GUIDE TO THE METHODOLOGY AND DATA

A1.1. WHAT IS REPORTED

THIS 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, 2022.[28] Total private mobilization (TPM) is reported, split into private direct mobilization (PDM) and private indirect mobilization (PIM), per the harmonized definitions (see box A1.1). Direct transaction advisory services are the only technical assistance-related flows included; these services are part of PDM (box A1.1).

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, 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 least-developed countries (LDCs), which are low-income and middle-income countries confronting severe structural impediments to sustainable development.[29] The data are also disaggregated by region and by infrastructure type. All income group information is contained in the appendix.[30]

Table A1.2 cotains the 2022 list of participanting 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. This year contains the first contribution from Corporació Andia de Fomento or CAF, so the results may not be directly comparable to previous years.

BOX A1.1. 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.

A1.2. 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 A1.1.[31]

The distinction between "direct" and "indirect" mobilization is important, and readers should understand the level of accuracy represented by each indicator. 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"

TABLE A1.1. Definitions

Private Cofinancing/Total Private Mobilization	Private Direct Mobilization
The investment made by a private entity, which is defined as a legal entity that is • Carrying out or established for business purposes and • Financially and managerially autonomous from national or local government. 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. **Private Indirect Mobilization** 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 Cofinancing/TPM	

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.

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.[32]

The report uses attribution rules proportional to MDB 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

TABLE A1.2. Participation by Multilateral Development Banks and European Development Finance Institutions in the *Joint Report*

Reporting Institutions	
African Development Bank (AfDB)	Inter-American Investment Corporation (IDB Invest)
Asian Development Bank (ADB)	International Finance Corporation (IFC)
Asian Infrastructure Investment Bank (AIIB)	Islamic Corporation for the Development of the Private Sector (ICD)
Belgian Investment Company for Developing Countries (BIO)	Islamic Development Bank (IsDB)
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)
	World Bank (WB)

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 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.

A1.3. SIGNIFICANT METHODOLOGY AND REPORTING CHANGES

For the first time since reporting began in 2016, the task force has begun to collect and report **additional levels of disaggregation** of our mobilization estimate data. In the appendix, readers will find disaggregation by climate marker—adaptation, mitigation, or both—and mobilization estimates by region and income. These additional levels of detail will be welcomed by shareholders and other readers of the report who have requested additional data. However, readers should note that the data is not complete for all MDBs, as some issues of confidentiality remain, and not all members could disclose at this level of disaggregation. The task force will continue to work through these issues.

The amount of direct transaction support provided, the only form of technical assistance counted by the joint methodology, increased in 2022 for several MDBs as it has in other recent reporting.[33] Growth in direct transaction support continues a pandemic trend of clients requesting additional support to improve project financing. Although the joint methodology at this point only counts mobilization from direct transaction support, the task force is considering how to expand technical assistance–enabled financial flows, to align with the new OECD methodology extension and respond to shareholder demand to measure more TA.

This effort to report on technical assistance-enabled financial flows is part of a broader engagement among task force members **looking at how to create an estimate for catalyzation**. This type of estimate occurs outside the boundary of this report, as it is not currently included in the joint methodology, and thus there is no joint MDB measure of the impact of catalytic activities. Table A1.3 summarizes the the distinction between "mobilization" and "catalyzation." The task force is also considering refining the mobilization definition and guidelines to capture more activities and products members are creating, focusing on leveraging their balance sheets in later stages of a de-risked project.

Look for the results of these developments in reporting, mobilization and catalyzation to begin impacting this report in the 2023 and later editions.

TABLE A1.3. Mobilization versus Catalyzation

	Mobilization	Catalyzation
Definition	Private sector financing provided *in connection* with a specific activity of an MDB.	Private sector financing *that results from* an activity or multiple activities of an MDB. It includes investments made because of an operation up to three years after completion.
Included in MDB joint methodology?	Yes	No
MDB safeguards affect private financial flows?	Yes	Maybe
Included in OECD methodology?	Yes	No

Source: World Bank, "MDB Methodology for Private Investment Mobilization: Reference Guide" (World Bank, Washington, DC, 2018) (mobilization definition); G20 International Financial Architecture Working Group (catalyzation definition).
Note: OECD = Organisation for Economic Co-operation and Development

APPENDIX 2: 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 A2.1. All Countries of Operation — Long-Term Financing

US$ billions	Total	Of which is infrastructure
Direct Mobilization	52.3	9.5
Indirect Mobilization	114.3	49.6
Total Private Mobilization = Co-financing	166.6	59.1

TABLE A2.2. All Countries of Operation — Short-Term Financing

US$ billions	Total
Direct Mobilization	7.3

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 the International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA).

TABLE A2.3. All Countries of Operation — Long-Term Financing

US$ millions	TPM	PDM	PIM
ADB	2,007.1	986.5	1,020.6
AfDB	410.0	261.0	149.0
AIIB	2,609.1	0.0	2,609.1
CAF	985.0	315.6	669.4
EBRD	15,591.5	857.0	14,734.5
EDFI	5,164.4	1,201.6	3,962.8
EIB Group	87,377.0	27,879.9	59,487.2
IDB Group	11,116.3	4,813.7	6,302.6
-IDB	3,682.7	1,893.0	1,789.7
-IDB Invest	7,433.6	2,920.7	4,512.9
IsDB Group	4,598.0	160.0	4,438.0
World Bank Group	36,755.0	15,811.6	20,943.4
-IFC	27,579.1	11,359.1	16,220.1
-MIGA	4,701.3	4,452.5	248.8
-WB	4,474.6	0.0	4,474.6
TOTAL	**166,612.8**	**52,286.8**	**114,326.1**

TABLE A2.4. LIC and MIC — Long-Term Financing

US$ millions	TPM	PDM	PIM
ADB	2,007.1	986.5	1,020.6
AfDB	404.0	255.0	149.0
AIIB	1,915.8	0.0	1,915.8
CAF	965.7	298.0	667.7
EBRD	4,847.0	652.8	4,194.2
EDFI	5,155.7	1,192.9	3,962.8
EIB Group	8,076.5	2,420.8	5,655.6
IDB Group	9,435.3	3,263.7	6,171.6
-IDB	2,674.7	950.0	1,724.7
-IDB Invest	6,760.6	2,313.7	4,446.9
IsDB Group	4,538.0	100.0	4,438.0
World Bank Group	33,736.4	13,843.4	19,893.0
-IFC	24,560.8	9,391.1	15,169.7
-MIGA	4,701.1	4,452.3	248.8
-WB	4,474.6	0.0	4,474.6
TOTAL	**71,080.9**	**23,013.2**	**48,067.7**

TABLE A2.5. All Countries of Operation — Infrastructure Financing

US$ millions	TPM	PDM	PIM
ADB	721.6	156.4	565.2
AfDB	61.0	61.0	0.0
AIIB	2,609.1	0.0	2,609.1
CAF	977.4	315.6	661.8
EBRD	5,047.2	243.1	4,804.1
EDFI	2,034.2	142.1	1,892.1
EIB Group	24,064.3	180.6	23,883.8
IDB Group	5,215.1	1,357.8	3,857.3
-IDB	0.0	0.0	0.0
-IDB Invest	5,215.1	1,357.8	3,857.3
IsDB Group	4,528.0	160.0	4,368.0
World Bank Group	13,784.5	6,835.7	6,948.8
-IFC	10,558.6	4,857.1	5,701.5
-MIGA	2211.5	1,978.6	232.9
-WB	1014.5	0.0	1014.5
TOTAL	**59,042.4**	**9,452.2**	**49,590.2**

BY INCOME CLASSIFICATION

TABLE A2.6. Low-Income Countries — Long-Term Financing

US$ billions	Total	Of which is infrastructure
Direct Mobilization	1.4	0.5
Indirect Mobilization	6.0	4.7
Total Private Mobilization = Co-financing	7.3	5.2

Note: Low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of $1,045 or less in 2021.

TABLE A2.7. Low-Income Countries — By Institution

US$ millions	TPM	PDM	PIM
ADB	0.0	0.0	0.0
AfDB	84.0	84.0	0.0
AIIB	0.0	0.0	0.0
CAF	0.0	0.0	0.0
EBRD	N/A	N/A	N/A
EDFI	114.8	14.8	100.0
EIB Group	2,051.3	402.3	1,649.0
IDB Group	N/A	N/A	N/A
-IDB	N/A	N/A	N/A
-IDB Invest	N/A	N/A	N/A
IsDB Group	3,250.0	0.0	3,250.0
World Bank Group	1,837.9	873.1	964.9
-IFC	1,039.7	498.8	541.0
-MIGA	382.3	374.3	8.0
-WB	415.9	0.0	415.9
TOTAL	**7,338.0**	**1,374.2**	**5,963.9**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.8. Low-Income Countries — By Institution, Infrastructure Only

US$ millions	TPM	PDM	PIM
ADB	4.0	0.0	4.0
AfDB	0.0	0.0	0.0
AIIB	0.0	0.0	0.0
CAF	0.0	0.0	0.0
EBRD	N/A	N/A	N/A
EDFI	7.0	0.0	7.0
EIB Group	663.4	0.0	663.4
IDB Group	N/A	N/A	N/A
-IDB	0.0	0.0	0.0
-IDB Invest	N/A	N/A	N/A
IsDB Group	3,250.0	0.0	3,250.0
World Bank Group	1,219.1	488.5	730.5
-IFC	635.9	291.3	344.6
-MIGA	205.2	197.2	8.0
-WB	377.9	0.0	377.9
TOTAL	**5,143.5**	**488.5**	**4,655.0**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.9. Low-Income and Least Developed Countries — Long-Term Financing

US$ billions	Total	Of which is infrastructure
Direct Mobilization	2.8	1.1
Indirect Mobilization	6.6	4.9
Total Private Mobilization = Co-financing	9.4	6.0

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 46 countries on the list of LDCs, which is reviewed every three years by the United Nations Committee for Development.

TABLE A2.10. Low-Income and Least Developed Countries — Long-Term Financing By Institution

US$ millions	TPM	PDM	PIM
ADB	37.7	25.0	12.7
AfDB	171.0	130.0	41.0
AIIB	0.0	0.0	0.0
CAF	0.0	0.0	0.0
EBRD	N/A	N/A	N/A
EDFI	210.3	107.4	103.0
EIB Group	2,067.2	402.3	1,664.9
IDB Group	4.6	0.0	4.6
-IDB	0.0	0.0	0.0
-IDB Invest	4.6	0.0	4.6
IsDB Group	3,250.0	0.0	3,250.0
World Bank Group	3,692.4	2,142.5	1,549.9
-IFC	1,943.3	1,142.4	800.9
-MIGA	1,008.1	1,000.11	8.0
-WB	741.0	0.00	741.0
TOTAL	**9,433.2**	**2,807.2**	**6,626.0**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.11. Low-Income and Least Developed Countries — By Institution, Infrastructure

US$ millions	TPM	PDM	PIM
ADB	23.0	15.0	8.0
AfDB	67.0	26.0	41.0
AIIB	0.0	0.0	0.0
CAF	0.0	0.0	0.0
EBRD	N/A	N/A	N/A
EDFI	18.2	0.0	18.2
EIB Group	732.4	53.1	679.3
IDB Group	0.0	0.0	0.0
-IDB	0.0	0.0	0.0
-IDB Invest	0.0	0.0	0.0
IsDB Group	3,250.0	0.0	3,250.0
World Bank Group	1,917.0	1,030.8	886.1
-IFC	931.7	523.6	408.1
-MIGA	515.2	507.2	8.0
-WB	470.0	0.0	470.0
TOTAL	**6,007.6**	**1,124.9**	**4,882.6**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.12. Middle-Income Countries — Long-Term Financing

US$ billions	Total	Of which is infrastructure
Direct Mobilization	21.6	7.1
Indirect Mobilization	42.1	21.2
Total Private Mobilization = Co-financing	63.7	28.3

Note: Middle-income economies are those with a GNI per capita, calculated using the World Bank Atlas method, between $1,046 and $12,695 in 2021

TABLE A.13. Middle-Income Countries — By Institution

US$ millions	TPM	PDM	PIM
ADB	2,007.1	986.5	1,020.6
AfDB	320.0	171.0	149.0
AIIB	1,915.8	0.0	1,915.8
CAF	965.7	298.0	667.7
EBRD	4,847.0	652.8	4,194.2
EDFI	5,040.9	1,178.1	3,862.8
EIB Group	6,025.1	2,018.5	4,006.6
IDB Group	9,435.3	3,263.7	6,171.6
-IDB	2,674.7	950.0	1,724.7
-IDB Invest	6,760.6	2,313.7	4,446.9
IsDB Group	1,288.0	100.0	1,188.0
World Bank Group	31,898.5	12,970.3	18,928.2
-IFC	23,521.0	8,892.3	14,628.7
-MIGA	4,318.7	4,078.0	240.8
-WB	4,058.7	0.0	4,058.7
TOTAL	**63,742.9**	**21,639.0**	**42,103.9**

TABLE A2.14. Middle-Income Countries — By Institution, Infrastructure

US$ millions	TPM	PDM	PIM
ADB	717.6	156.4	561.2
AfDB	147.0	61.0	86.0
AIIB	1,915.8	0.0	1,915.8
CAF	959.0	298.0	661.0
EBRD	2,584.8	117.3	2,467.5
EDFI	2,027.2	142.1	1,885.1
EIB Group	2,521.5	0.0	2,521.5
IDB Group	4,940.8	1,139.8	3,833.0
-IDB	32.0	32.0	0.0
-IDB Invest	4,940.8	1,107.8	3,833.0
IsDB Group	1,218.0	100.0	1,118.0
World Bank Group	11,247.3	5,130.4	6,117.0
-IFC	8,604.5	3,349.0	5,255.6
-MIGA	2,006.3	1,781.4	224.9
-WB	636.6	0.0	636.6
TOTAL	**28,311.0**	**7,145.0**	**21,166.1**

TABLE A2.15. High-Income Countries — Long-Term Financing

US$ billions	Total	Of which is infrastructure
Direct Mobilization	29.3	1.9
Indirect Mobilization	66.3	23.9
Total Private Mobilization = Co-financing	95.5	25.7

Note: High-income economies are those with a GNI per capita, calculated using the World Bank Atlas method, above $12,055 in 2017.

TABLE A2.16. High-Income Countries — By Institution

US$ millions	TPM	PDM	PIM
ADB	N/A	N/A	N/A
AfDB	6.0	6.0	0.0
AIIB	693.3	0.0	693.3
CAF	19.3	17.6	1.7
EBRD	10,744.5	204.1	10,540.3
EDFI	8.7	8.7	0.0
EIB Group	79,300.6	25,459.0	53,841.6
IDB Group	1,681.0	1,550.0	131.1
-IDB	1,008.0	943.0	65.0
-IDB Invest	673.0	607.0	66.1
IsDB Group	60.0	60.0	0.0
World Bank Group	3,018.6	1,968.2	1,050.4
-IFC	3,018.4	1,968.0	1,050.4
-MIGA	0.2	0.2	0.0
-WB	N/A	N/A	N/A
TOTAL	**95,532.0**	**29,273.6**	**66,258.4**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.17. High-Income Countries — By Institution, Infrastructure

US$ millions	TPM	PDM	PIM
ADB	N/A	N/A	N/A
AfDB	N/A	N/A	N/A
AIIB	693.3	0.0	693.3
CAF	18.4	17.6	0.8
EBRD	2,462.4	125.8	2,336.6
EDFI	N/A	N/A	N/A
EIB Group	20,879.4	180.6	20,698.9
IDB Group	274.2	250.0	24.2
-IDB	N/A	N/A	N/A
-IDB Invest	274.2	250.0	24.2
IsDB Group	60.0	60.0	0.0
World Bank Group	1,318.1	1,216.8	101.3
-IFC	1,318.1	1,216.8	101.3
-MIGA	N/A	N/A	N/A
-WB	N/A	N/A	N/A
TOTAL	**25,705.9**	**1,850.7**	**23,855.1**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

BY REGION

Classification by region follows World Bank Group guidelines, and the definition from 2017 has been maintained to ensure consistency.[34]

TABLE A2.18. Africa

US$ billions	Total	HIC	MIC	LIC	LDC
Direct Mobilization	3.8	0.0	2.3	1.4	1.2
Indirect Mobilization	10.5	0.0	4.5	5.9	1.3
Total Private Mobilization = Co-financing	14.2	0.0	6.9	7.3	2.5

TABLE A2.19. Africa — By Institution

US$ millions	TPM	PDM	PIM
ADB	N/A	N/A	N/A
AfDB	378.0	229.0	149.0
AIIB	N/A	N/A	N/A
CAF	N/A	N/A	N/A
EBRD	N/A	N/A	N/A
EDFI	2,125.6	406.0	1,719.6
EIB Group	2,422.4	428.9	1,993.6
IDB Group	N/A	N/A	N/A
-IDB	N/A	N/A	N/A
-IDB Invest	N/A	N/A	N/A
IsDB Group	3,700.0	100.0	3,600.0
World Bank Group	5,584.7	2,592.7	2,992.1
-IFC	4,464.3	2,074.9	2,389.4
-MIGA	553.4	517.7	35.6
-WB	567.1	0.0	567.1
TOTAL	**14,210.7**	**3,756.5**	**10,454.2**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.20. Asia

US$ billions	Total	HIC	MIC	LIC	LDC
Direct Mobilization	3.3	0.0	3.3	0.0	0.7
Indirect Mobilization	11.6	0.7	11.0	0.0	0.4
Total Private Mobilization = Co-financing	15.0	0.7	14.3	0.0	1.1

TABLE A2.21. Asia — By Institution

US$ millions	TPM	PDM	PIM
ADB	1,692.1	909.4	782.7
AfDB	N/A	N/A	N/A
AIIB	2,202.0	0.0	2,202.0
CAF	N/A	N/A	N/A
EBRD	22.3	4.4	17.9
EDFI	1045.8	95.9	949.9
EIB Group	557.4	0.0	557.4
IDB Group	N/A	N/A	N/A
-IDB	N/A	N/A	N/A
-IDB Invest	N/A	N/A	N/A
IsDB Group	838.0	0.0	838.0
World Bank Group	8,604.4	2,313.4	6,291.0
-IFC	6,345.2	1,687.6	4,657.6
-MIGA	625.8	625.8	0.0
-WB	1,633.5	0.0	1,633.5
TOTAL	**14,962.1**	**3,323.1**	**11,639.0**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.22. Europe and Central Asia

US$ billions	Total	HIC	MIC	LIC	LDC
Direct Mobilization	28.9	25.0	3.9	0.0	0.0
Indirect Mobilization	68.9	64.7	4.2	0.0	0.0
Total Private Mobilization = Co-financing	97.7	89.6	8.1	0.0	0.0

TABLE A2.23. Europe and Central Asia — By Institution

US$ millions	TPM	PDM	PIM
ADB	315.0	77.1	237.9
AfDB	N/A	N/A	N/A
AIIB	93.8	0.0	93.8
CAF	0.8	0.0	0.8
EBRD	13,792.8	791.4	13,001.4
EDFI	366.3	184.7	181.6
EIB Group	79,290.0	25,699.9	53,590.1
IDB Group	N/A	N/A	N/A
-IDB	N/A	N/A	N/A
-IDB Invest	N/A	N/A	N/A
IsDB Group	N/A	N/A	N/A
World Bank Group	3,883.5	2,122.7	1,760.9
-IFC	2,492.1	836.2	1,655.9
-MIGA	1,286.4	1,286.4	0.0
-WB	105.0	0.0	105.0
TOTAL	**97,742.3**	**28,875.7**	**68,866.5**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.24. Latin America and Caribbean

US$ billions	Total	HIC	MIC	LIC	LDC
Direct Mobilization	11.9	2.0	9.8	0.2	0.0
Indirect Mobilization	18.0	0.6	17.4	0.0	0.0
Total Private Mobilization = Co-financing	29.9	2.6	27..1	0.2	0.0

TABLE A2.25. Latin America and Caribbean — By Institution

US$ millions	TPM	PDM	PIM
ADB	N/A	N/A	N/A
AfDB	N/A	N/A	N/A
AIIB	313.3	0.0	313.3
CAF	984.0	315.6	668.6
EBRD	N/A	N/A	N/A
EDFI	567.6	393.6	174.0
EIB Group	1,425.3	10.6	1,414.7
IDB Group	11,116.3	4,813.7	6,302.6
-IDB	3,682.7	1,893.0	1,789.7
-IDB Invest	7,433.6	2,920.7	4,512.9
IsDB Group	N/A	N/A	N/A
World Bank Group	15,526.9	6,376.4	9,150.5
-IFC	12,058.8	4,987.5	7,071.4
-MIGA	1,476.3	1,388.9	87.4
-WB	1,991.7	0.0	1,991.7
TOTAL	**29,933.6**	**11,909.9**	**18,023.7**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

TABLE A2.26. Middle East and North Africa

US$ billions	Total	HIC	MIC	LIC	LDC
Direct Mobilization	4.3	2.3	2.1	0.0	0.0
Indirect Mobilization	4.5	0.3	4.2	0.0	0.1
Total Private Mobilization = Co-financing	8.8	2.6	6.3	0.0	0.1

TABLE A2.27. Middle East and North Africa — By Institution

US$ millions	TPM	PDM	PIM
ADB	N/A	N/A	N/A
AfDB	32.0	32.0	0.0
AIIB	N/A	N/A	N/A
CAF	N/A	N/A	N/A
EBRD	1,776.5	61.2	1,715.2
EDFI	135.1	40.3	94.8
EIB Group	3,678.3	1,740.5	1,937.8
IDB Group	N/A	N/A	N/A
-IDB	N/A	N/A	N/A
-IDB Invest	N/A	N/A	N/A
IsDB Group	60.0	60.0	0.0
World Bank Group	3,155.4	2,406.4	749.0
-IFC	2,218.7	1,772.8	445.9
-MIGA	759.4	633.6	125.7
-WB	177.4	0.0	177.4
TOTAL	**8,837.3**	**4,340.4**	**4,496.9**

N/A = Not Applicable. Implies the indicator is not applicable to the institution, e.g. is out of its mandate. This is distinct from a zero entry.

BY CLIMATE

TABLE A2.28. All Countries of Operation

US$ billions	Total	Of which is adaptation	Of which is mitigation	Both adaptation and mitigation
Direct Mobilization	11.9	1.0	8.4	2.4
Indirect Mobilization	52.3	1.7	44.7	5.8
Total Private Mobilization = Co-financing	64.2	2.7	53.2	8.3

TABLE A2.29. Middle-Income and Low-Income Countries

US$ billions	MIC/LIC Total	Of which is adaptation	Of which is mitigation	Both adaptation and mitigation
Direct Mobilization	7.1	1.0	4.7	1.4
Indirect Mobilization	15.3	1.1	12.1	2.1
Total Private Mobilization = Co-financing	22.4	2.1	16.8	3.5

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 A1.2 of Appendix 1.
2. "G20 New Delhi Leaders' Declaration," New Delhi, India, 9–10 September, 2023, 3, https://www.g20.in/content/dam/gtwenty/gtwenty_new/document/G20-New-Delhi-Leaders-Declaration.pdf. Declaration of the G20, Delhi, India, September 23, 2023, p. 20,4.
3. The totals in this edition of the report include a new member, Corporación Andina de Fomento (CAF), which has added approximately $1 billion, all in MIC/LIC financing, to the estimates for 2022.
4. IEG, "Triple Agenda," vol. 2, 11 and 55.
5. United Nations, *Financing for Development*, https://www.un.org/sustainabledevelopment/financing-for-development/
6. United Nations, *Financing for Development*.]
7. See World Bank Group, "MDB Methodology for Private Investment Mobilization: Reference Guide" (World Bank, Washington, DC, 2018), and table A1.1 of this report for definitions of these terms.
8. See *2022 Joint Report on Multilateral Development Banks' Climate Finance* (Luxembourg: European Investment Bank, 2023), for reporting on climate-related mobilization specifically.
9. Note the totals for CAF on p. 43 of the appendix.
10. World Bank Group, "MDB Methodology."
11. Inter-American Development Bank and Islamic Development Bank data are based on approvals. All amounts are in US dollars.
12. The UN defines less-developed countries 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 47 countries with least-developed country (LDC) status and 34 LICs. Note that the African Development Bank did not allocate any of this large transaction to LDC reporting.
13. See *Mobilization of Private Finance by the MDBs and DFIs*, 2020/21 edition, p. 14.
14. IEG, "The Triple Agenda," vol. 2, 47.
15. This section draws from Catherine Cote, "Product Innovation," *Harvard Business Review*, March 22, 2022.
16. IEG, "The Triple Agenda, Vol 2," 55.
17. 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.
18. Basel III is an internationally agreed set of measures developed by the Basel Committee on Banking Supervision in response to the financial crisis of 2007–09. The measures aim to strengthen the regulation, supervision and risk management of banks. https://www.bis.org/bcbs/publ/d424_hlsummary.pdf
19. S&P Global Ratings' Credit ResearchS&P, "Twenty Years Strong: A Look Back at US CLO Ratings Performance from 1994 through 2013." (Alacra Store, January 23, 2014).
20. Citi Research as of April 30, 2023
21. IFC, "Paris Alignment at IFC," https://www.ifc.org/en/what-we-do/sector-expertise/climate-business/paris-alignment-at-ifc
22. World Bank, "Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment", https://www.worldbank.org/en/publication/paris-alignment/joint-mdb-paris-alignment-approach
23. Convergence, C2F, and IDB Invest, "Developing the Solar Market in Uruguay," Case Study, May 2022,. https://idbinvest.org/en/publications/developing-solar-market-uruguay-case-study; Crédit Agricole, "Project Bonds in Latin America," Project Bond Focus: January 2021. https://www.ca-cib.com/sites/default/files/2021-04/Project-Bond-Focus-Latin-America-2021.pdf.
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27. These percentages represent the direct mobilization amounts used in this analysis drawn from the three MDBs' own reporting, divided into the total private mobilization for MIC/LIC. These bilateral measures may contain some public money as well as some HIC mobilization, so the actual percentage of MIC/LIC PDM over MIC/LIC TPM would be lower.
28. This report does not measure public mobilization.
29. For the current (2022) fiscal year, 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 2021; lower middle-income economies are those with a GNI per capita between $1,085 and $4,255; upper middle-income economies are those with a GNI per capita between $4,256 and $13,205; high-income economies are those with a GNI per capita of $13,205 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.
30. 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.
31. World Bank, "MDB Methodology."
32. 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.
33. IFC's transaction support increased 147 percent from 2019 to 2020 and an additional 13 percent in 2021; other members reported similar increases.
34. 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. Note that EDFI has some investments that are multi-region totaling $924 million; these are not included in the regional totals, so amounts will differ from the totals in other tables. For these investments, PDM is $81 million and PIM is $843 million.


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