Approach Paper

International Finance Corporation Platforms Approach: Addressing Development Challenges at Scale

An Independent Evaluation

July 28, 2023

1. Background and Context

1.1 Recurring development challenges and new compounding crises affecting client countries and firms constrain the ambition of the International Finance Corporation (IFC) to contribute to attainment of the Sustainable Development Goals (SDGs) by 2030. The recurring challenges, including insufficient private sector participation in development financing,[1] continue to affect emerging markets and developing economies and the firms within them. They jeopardize several SDGs. Interrelated and compounding crises (such as COVID-19, the energy crisis, and the food crisis) make private sector participation in economic development and achieving the SDGs even more challenging.

1.2 Two related initiatives—the IFC capital increase and the IFC 3.0 strategy—underpin IFC's goal to contribute to the SDGs by 2030. As part of its US$5.5 billion capital increase package commitments (World Bank Group 2018a, 2018b), IFC is expected to double its own-account lending, triple its lending in poor countries and the most fragile and conflict-affected countries, and grow its investments in International Development Association (IDA) countries by fivefold. IFC's capital increase package was based on the IFC 3.0 strategy, which requires creating new markets through advisory and upstream services and mobilizing private capital from new sources and through new approaches (IFC 2017, 2018, 2020a). The two initiatives require IFC actions that can triple the number of investment services projects by 2030 (from approximately 300 projects per year to an estimated 900 projects per year) without increasing IFC's real budget.

1.3 IFC has introduced a platforms approach to scale up its interventions in accordance with IFC 3.0 and the capital increase objectives. IFC defines platforms as thematic interventions—at a regional, global, or sectoral level—designed to address a specific development challenge (IFC 2022b). Subprojects under each platform have clearly defined eligibility criteria and may use a range of IFC products (for example, loans, equity, and advisory services) to tackle these thematic interventions. Platforms may benefit from delegation of authority in full or in part, or they may have no delegation of authority from the Board. The platforms approach is intended to help achieve IFC's capital increase targets and address development challenges at scale by applying its resources more efficiently while maintaining an effective risk-return profile and reporting structure. At the time of this Approach Paper, IFC has created and is managing seven active platforms that were approved between fiscal year (FY)17 and FY22 (the evaluation period):[2]

- FY17—IFC Startup Catalyst (ISC) and Private Equity Co-Investment programs
- FY18—Small Loan Guarantee Program
- FY19—Côte d'Ivoire Housing Program[3]
- FY20—Fast-Track COVID-19 Facility
- FY21—Global Health Platform (GHP) and the Base of the Pyramid (BOP) Program

1.4 The platforms approach has four key features: (i) delegated authority from the Board to IFC management, (ii) project approvals on an absence of objection basis (AOB), (iii) IFC monitoring and reporting to the Board, and (iv) self-evaluation and independent evaluation. One or more of these features may apply to each platform, but they do not all have to be present. The first feature, delegated authority,[4] involves the Board delegating to IFC management the ability to approve projects that would otherwise be within the Board's purview, expediting the approval process. Platforms initiated during the COVID-19 crisis (2020–22) tend to have delegated authority for groups of projects under a common umbrella, such as country (for example, Côte d'Ivoire), sector (for example, health or financial institutions), or theme (for example, digital technologies). Second, the platforms approach may allow IFC management to submit individual projects to the Board on an AOB using a short-form Board paper. This applies, for example, to the GHP. Third, monitoring and reporting, for example through IFC Operations Reports to the Board, is an important feature to allow the Board to track progress on platforms' implementation, particularly when delegated authority and project approval on an AOB apply. Finally, independent evaluations of platforms by the Independent Evaluation Group (IEG) and Group Internal Audit (GIA) are important to assess compliance and support learning by IFC management and operations teams.

1.5 IFC needs to take into account the Board's and clients' expectations when designing platforms. The Board, representing IFC's shareholders, expects to maintain oversight and governance over IFC platforms (for example, through high-quality and systematic reporting). The Board also expects IFC to use platforms to take adequate risks to enter new and riskier markets to support private firms. Clients expect IFC to conduct business and make decisions faster while increasing access to finance and exploring new avenues to channel finance (such as digital financial intermediaries, early-stage investing, and venture capital).

2. Purpose, Objectives, and Audience of the Evaluation

2.1 The main purpose of the evaluation is to assess whether the platforms approach offers IFC a means to achieve its capital increase and IFC 3.0 objectives while meeting the Board's and clients' expectations. We will assess IFC's platforms approach by focusing on its four key features: delegated authority, approvals on an AOB, monitoring and reporting, and self-evaluations and independent evaluations. We focus on platforms as an approach rather than focusing on the relevance or effectiveness of individual IFC platforms or whether they are achieving their intended outcomes.[5]

2.2 The main audience for the evaluation includes the Board and IFC management. The Board and IFC management highlighted the relevance of evaluating IFC's platforms approach during IEG work program consultations in 2021 and 2022. During the IFC management update on the platforms approach to the Executive Directors on March 11, 2022, the Executive Directors variously called for an IEG study to be completed before endorsing the management's proposal and for IEG and GIA to validate platforms annually. In this meeting, IFC management agreed with several Executive Directors that IEG and GIA's programmed work would be a useful reference on how best to structure and manage platforms and to inform decisions about reporting and measuring corporate effectiveness. In June 2022, the Board approved a paper on using IFC platforms to enable new business development at scale (IFC 2022a). The main purpose of that paper was to systematize IFC's approach to platforms because IFC already had several platforms in place. The Board approved that paper on a pilot basis with the understanding that IFC would commit to (i) engaging with the Board regarding each platform, (ii) developing robust and regular reporting to the Board on its platforms and their underlying projects, and (iii) facilitating periodic GIA and IEG evaluation of platforms. This evaluation will assist IFC in fulfilling its commitments and the Board in understanding the implications, characteristics, and uses of platforms.

3. Evaluation Questions and Scope of the Evaluation

3.1 The evaluation will assess IFC's platforms approach for platforms approved by the Board from FY17 to FY22. The evaluation period is from July 2017 (beginning of FY17) to June 2022 (end of FY22). We will cover active IFC platforms developed before and during the COVID-19 pandemic. In response to the request from several Executive Directors, we will also include subprojects approved in FY23 for the seven active platforms mentioned in para 1.3 for both efficiency and risk analysis.

3.2 This evaluation seeks to answer three evaluation questions:

1. To what extent does IFC platforms approach enable IFC to address development challenges at scale, both by scaling up and by engaging with clients in IDA and fragile and conflict-affected situations, by engaging with new clients or by engaging in new markets, as envisioned by the IFC 3.0 strategy and the capital increase targets?[6] We will also analyze whether there are synergies among the platforms approach and uses of blended finance in helping IFC enter poorer and fragile and conflict-affected economies. Since IEG has a parallel evaluation on the IDA Private Sector Window, the two evaluation teams will collaborate closely.

2. To what extent does IFC platforms approach meet the Board's and clients' expectations on oversight, reporting, and efficiency gains while balancing risks and benefits to enhance trust over time?

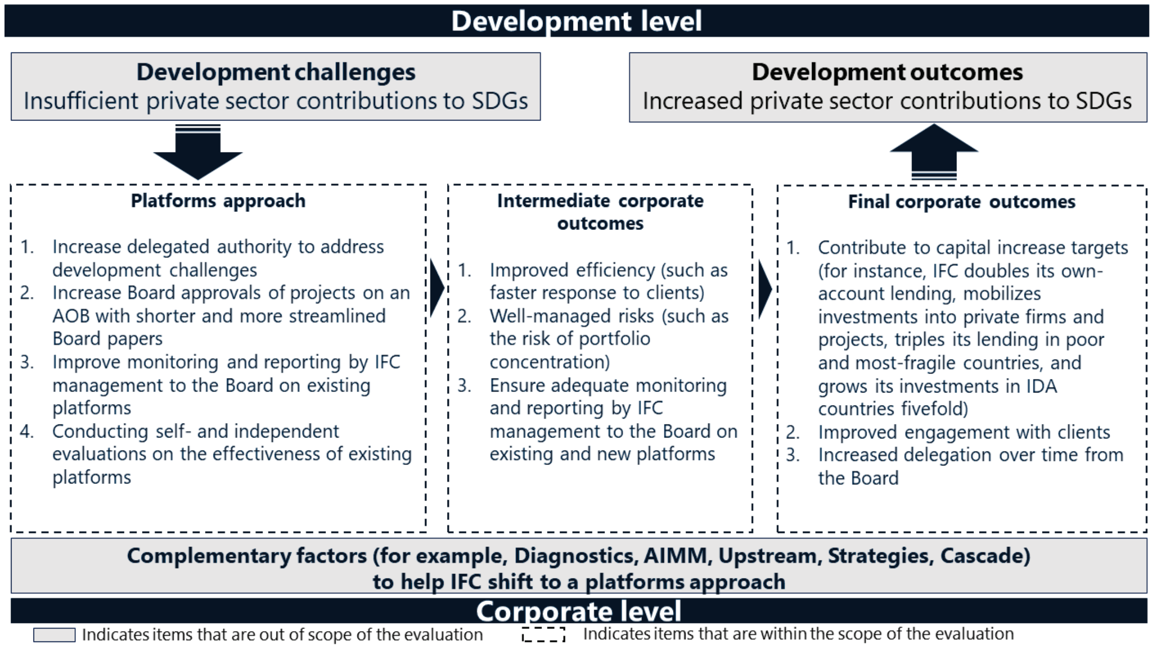
3. How can gaps and opportunities identified in assessing evaluation questions 1 and 2 help IFC shape its platforms approach in the future? On the basis of the evidence from evaluation questions 1 and 2, we will use a forward look approach to develop options that can help IFC shape its platforms approach in the future. In addition, we will identify principles for self-evaluations and independent evaluations to help IFC and IEG assess individual platforms in the future.

4. Evaluation Design and Evaluability Assessment

Evaluation Framework

4.1 The evaluation framework offers an explanation of how the platforms approach could allow IFC to achieve its strategic objectives while meeting the Board's and clients' expectations. The evaluation framework diagram (figure 4.1) depicts the connections among development challenges, IFC's platforms approach, and its internal consequences (which we call "intermediate corporate outcomes"), and the effects of those intermediate outcomes (which we call "final corporate outcomes"). Both development challenges and development outcomes are outside the scope of the evaluation, as we cannot yet measure the impact of the platforms approach, which IFC has launched relatively recently, on development.

Figure 4.1. Evaluation Framework Diagram



Source: Independent Evaluation Group.
Note: AIMM = Anticipated Impact Measurement and Monitoring; AOB = absence of objection basis; IDA = International Development Association; IFC = International Finance Corporation; SDG = Sustainable Development Goal.

4.2 The evaluation will focus on the four key features of IFC's platforms approach. First, the platforms approach may involve a *delegated authority* in which the first two projects undergo a full Board discussion. For subsequent projects, the Board delegates the approving authority to IFC management if eligible. Second, the platforms approach may involve *approving projects on an AOB* using a short-form Board paper for projects involving new clients or existing clients with high environmental and social risks or other criteria in the Board paper of individual platforms. Third, the platforms approach may also *involve systematic reporting from IFC management to the Board* through the IFC Operations Report to the Board. Fourth, *independent evaluations by IEG and GIA on the compliance and effectiveness of platforms* are an important complement to ensure ongoing learning. In its FY21 audit of IFC's Fast Track COVID-19 Facility,[7] GIA assessed the design and operating effectiveness of the Early Look process developed for operationalizing the facility.[8] GIA focused its review on the information technology change management controls introduced to support the Early Look. Our evaluation will complement GIA's work by gathering evidence from evaluation methods not used by GIA, including innovative benchmarking and a forward look exercise. In addition, our evaluation questions will have a broader focus than that of the GIA review, which is more compliance oriented. We have initiated and will maintain consultation with GIA to ensure complementarities on the assessment of the fourth feature of the platforms approach.

4.3 Complementary factors (shown at the bottom of figure 4.1) facilitate the platforms approach. In its efforts to achieve its 2030 capital increase targets, IFC has already developed several complementary tools or initiatives to create the conditions for success of the platforms approach. These include, for example, Expedited Processing for Existing Clients Operational Procedure, Country Private Sector Diagnostics, the Anticipated Impact Measurement and Monitoring framework, IFC's Upstream approach, IFC Sector Deep Dives, IFC Country Strategies, and the Cascade approach. These complementary initiatives are outside the scope of this evaluation. Some of them (Country Private Sector Diagnostics, Country Strategies, the Cascade approach, and Anticipated Impact Measurement and Monitoring) are the subjects of parallel IEG work.

4.4 It is expected that appropriate design and implementation of the four key features of the platforms approach would result in important intermediate corporate outcomes. The platforms approach could contribute to improved efficiency (for example, faster response to clients), adequate monitoring and reporting by IFC management to the Board on existing and new platforms, and well-managed risks (for example, the risk of portfolio concentration).

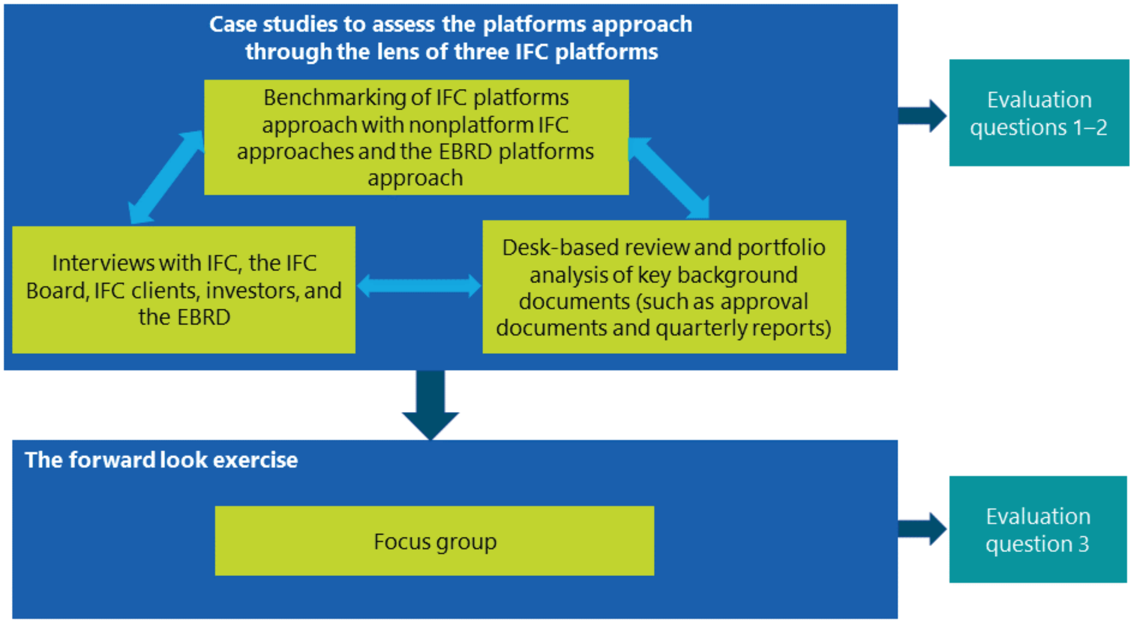
4.5 From a corporate outcome perspective, increased efficiency, adequate monitoring and reporting, and well-managed risks are hypothesized to help achieve the capital increase targets and increase trust with clients, partners, and the IFC Board. These intermediate corporate outcomes could contribute to IFC achieving its capital increase targets by ramping up its operations on several fronts. In addition, they would enhance trust with clients (in terms of improved client engagement, particularly repeat clients), partners (in terms of increased cofinancing and risk sharing), and the IFC Board (in terms of increased delegation over time).

4.6 IFC's platforms approach, together with the consequent intermediate and final corporate outcomes, would contribute to important development outcomes. Collectively, IFC's platforms approach, including their intermediate corporate outcomes and their final corporate outcomes, would provide effective and cost-efficient mechanisms to increase private sector contributions to the SDGs.

Evaluation Methods

4.7 This evaluation will use qualitative approaches, including case studies, interviews, and a forward look, to answer the three evaluation questions (figure 4.2).

Figure 4.2. Evaluation Design



Source: Independent Evaluation Group.
Note: EBRD = European Bank for Reconstruction and Development; IFC = International Finance Corporation.

4.8 The evidence for evaluation questions 1 and 2 will be based on case studies, which will, in turn, be based on the triangulation of evidence from desk-based review, benchmarking, and interviews with internal and external stakeholders. We will conduct in-depth case studies of platforms developed in the past six FYs (FY17–22). The methods for case study selection and analysis (desk-based review, benchmarking, and internal and external interviews) are described in this section; appendix B contains the design matrix for this evaluation.

- **Case study selection.** We will assess the platforms approach through the lens of three IFC platforms (case studies) that were approved by the Board during the period FY17–22: the GHP, the BOP platform, and the ISC Facility (see the description of these three platforms in box 4.1). The three platforms were identified based on three criteria:[9]

    a. **Timing of platform approvals.** For example, selecting platforms over the six-year period (FY17–22) allows the evaluation to assess both crisis and noncrisis response platforms.

b. **Intensity of coverage of priority themes.** For example, the platform selection criteria included platforms targeting micro, small, and medium enterprises or early start-up companies, enterprises focusing on digital technologies, and enterprises contributing to health-care products or services in response to the COVID-19 pandemic.

c. **Ease of grouping subprojects within a theme** for alignment with the definition of platforms in the IFC paper discussed by the Board in June 2022 and IFC's follow-up clarification to the Board in December 2022 (IFC 2022b). For example, the selection criteria included platforms with subprojects addressing a similar development objective of tackling health-care supply gaps in developing countries.

- **Consultations with IFC.** The three selected platforms were discussed and agreed on with IFC management through consultations. The combined size of the GHP, BOP, and ISC platforms is 53 approved subprojects and US$1.6 billion in investment services commitments. They represent 23 percent of the approved projects and 19 percent of the commitments of all IFC platforms approved between FY17 and FY22 involving only loans or equity instruments (seven platforms, 233 approved subprojects,[10] and US$8.5 billion in commitments as of June 30, 2022; appendix D). At the time of the evaluation, we will update table D.1 in appendix D to include subprojects approved in FY23 for the seven active platforms mentioned in para 1.3.

Box 4.1. Case Studies Selected for This Evaluation

The International Finance Corporation (IFC) Startup Catalyst Facility was approved by the Board on August 25, 2016, for an IFC investment of up to US$30 million. The Board of Executive Directors approved an additional US$30 million on June 1, 2020. (Of the US$30 million approved, US$24 million was from IFC's own accounts and US$6 million was from the 18th Replenishment of the International Development Association's Private Sector Window Blended Finance Facility.) The Board approved an additional US$48 million on December 5, 2022. The IFC Startup Catalyst Facility involves IFC investments in a portfolio of incubators, accelerators, seed funds, and similar vehicles and structures (collectively referred to as seed-stage funding mechanisms) through equity and quasi-equity instruments. The aims of the IFC Startup Catalyst Facility are to support entrepreneurs and their early-stage companies and facilitate the development of technology ecosystems to address the digital divide.

The IFC Base of the Pyramid (BOP) Program—an extension of the IFC Fast-Track COVID-19 Facility—was approved by the Board on February 4, 2021, for an IFC investment of up to US$400 million. The BOP Program focuses on financial service providers serving the BOP population in emerging markets, with an emphasis on International Development Association countries and those in fragile and conflict-affected situations. As part of an overall IFC Fast-Track COVID-19 Facility expansion approved by the Board in March 2022, the BOP Program envelope was increased to US$600 million. These providers include microfinance institutions, nonbank financial institutions, and micro, small, and medium enterprise–focused banks (collectively, BOP financial service providers).

The Global Health Platform was approved by the Board on July 22, 2020, for an investment of up to US$4 billion (of which US$2 billion was from IFC's own account and US$2 billion was from the Managed Co-Lending Portfolio Program, the Managed Co-Lending Portfolio Program trust loans, and other trust loans). The Global Health Platform supports health-care resilience, pandemic preparedness, and access to crucial health-care products in developing countries.

Source: International Finance Corporation project approval documents.

- **Representativeness of the selected case studies.** The platforms approach that characterizes the three selected case study platforms is comparable to the approaches of the four platforms not covered by the case studies. Examples of similarities include the following:

  a. In the ISC, projects are approved on a delegation of authority from the Board to IFC management, similar to IFC's Fast-Track COVID-19 Facility and Côte d'Ivoire Housing Program platforms.

  b. In the GHP, the first two projects are submitted for full Board discussion, and subsequent projects are submitted on an AOB, similar to the Private Equity Co-Investment.[11]

c. In the BOP Program, investments in existing clients that meet certain criteria are made by delegation, and investments in new clients are made on an AOB, similar to investments of the Small Loan Guarantee Program.

- **Desk-based review and portfolio analysis.** We will conduct a desk-based review and portfolio analysis of each case study platform's background documents (such as approval documents and quarterly reports) to understand the purpose, structure, efficiency, oversight, reporting, and risks of each platform (table 4.1).

Table 4.1. Metrics for Measuring Oversight Risk from International Finance Corporation Platforms Approach

Key Measures of IFC Platforms Approach	Indicators
Efficiency	• Faster response to global and regional IFC project sponsors (for example, average processing times to approval and to disbursement). • IFC operational efficiency (for example, average preparation cost). • Improved IFC originating capacity of quality deals (preselected clients). • Improved client engagement (for example, repeat clients). • IFC resource efficiency (for example, team size, experience, and skills mix). • Efficiency gains from IFC platforms in middle-income countries compared with IDA FCV countries. • Mix of repeat and new clients.
Financial risks to IFC corporate from IFC platforms	• Oversight risk (for example, limited oversight from the Board). • Change in portfolio diversification. • Changes in risk profile (for example, riskiness as measured by credit risk ratings). • Assessment of the extent to which IDA Private Sector Window first-loss guarantee and IDA local currency are mitigating IFC's risk and enabling it to enter IDA and FCS markets. • Legal risks from intermediary jurisdictions (for example, number of projects with intermediary jurisdiction feature with payment delays, restructurings, write-offs, and so on).
Oversight and reporting	• Assessment of whether reporting standards are meeting Board expectations based on a review of legal documents; weekly, monthly, quarterly, and annual reporting from IFC management. • Ex ante AIMM score for IFC platforms.

Source: Independent Evaluation Group.
Note: Refer to appendix E for more details on financial risks to IFC corporate from IFC platforms. AIMM = Anticipated Impact Measurement and Monitoring; IDA = International Development Association; IFC = International Finance Corporation; FCS = fragile and conflict-affected situation; FCV = fragility, conflict, and violence.

- **Benchmarking.** We will conduct a comparative analysis of the corporate outputs from IFC's platforms approach related to oversight, reporting, risk, and efficiency measures against two comparators. One comparator will be the nonplatform IFC approach (stand-alone investment services projects, irrespective of their approval process). The second comparator will be the platforms approach of the European Bank for Reconstruction and Development (EBRD).[12] EBRD serves as a useful benchmark because, although it focuses on upper- and middle-income countries, it is more advanced than other multilateral development banks (MDBs) in designing and implementing the platforms approach. During consultations, IFC has agreed with IEG that EBRD provides the best comparator to IFC platforms approach for the purposes of this evaluation and learning for the future. Such benchmarking is relatively rare and innovative for IEG. This is because very few IEG evaluations in recent years have used other MDBs as comparators for IFC. The recently completed *International Finance Corporation Additionality in Middle-Income Countries* evaluation (World Bank 2022a) will serve as a reference in this respect. Such benchmarking will enable IFC to understand and learn from the approaches used by another MDB.

- **Selection of the nonplatform sample for the benchmarking.** For the GHP, BOP and ISC platforms, the nonplatform IFC projects selected for benchmarking included all the nonplatform IFC investments in the health sector (25 projects) for GHP, all the nonplatform IFC investments in financial service providers for the BOP (91 projects), and all the nonplatform IFC investments in venture capital, private equity, and growth funds for ISC (22 projects). Appendix G describes the process for qualitative benchmarking based on one-to-one matching.

- **Interviews with IFC staff, management, and the Board.** We will conduct interviews with staff (investment officers, industry specialists, credit and risk officers, environment and social specialists, blended finance officers, and AIMM specialists) who contributed to the design and implementation of the projects within the three case study platforms. We will also conduct interviews with the Executive Directors of the IFC Board to understand their views and get input on the oversight, reporting, and risk management measures.

- **Structured interviews with IFC staff of four platforms not covered by the case studies.** Based on the initial findings from the three case study platforms, we will conduct additional, structured interviews with IFC staff leading the four platforms (Fast-Track COVID-19 Facility, Côte d'Ivoire Housing Program, Private Equity Co-Investment, and Small Loan Guarantee Program) outside of the three cases to identify common issues and lessons on the platforms approach. This will help us to draw inferences about the platforms approach and indicators (such as efficiency gains, oversight, reporting, and risk) to the universe of IFC platforms approved between FY17 and FY22.

- **Interviews with clients, cofinanciers, investors, project sponsors, and EBRD.** To understand how IFC's platforms approach has contributed to efficiency, risk management, and other benefits to platform participants, we will conduct interviews with stakeholders involved in the three case studies and the EBRD platforms. We will conduct virtual missions to interview all IFC clients of the 53 projects in the three case study platforms, except Genomma Lab II (project number 43815), where we will use an ongoing IEG Project Performance Assessment Report as the basis for our learning. For example, we will interview clients that received funding from IFC under both platform and nonplatform approaches to study the efficiency gains from the platforms approach based on the clients' perspective.

4.9 We will answer evaluation question 3 through a forward look exercise, using evidence from questions 1 and 2, and a focus group discussion with IFC management and Executive Directors.

- **Forward look exercise.** This innovative method is intended to help IFC incorporate evidence and learning from questions 1 and 2 into its consideration on whether or how to use platforms in likely future states of the world. A similar exercise was conducted in the context of the recently completed evaluation on demand-side energy efficiency (World Bank 2023b), which will serve as a reference. Our first step will be identifying external and internal factors that may vary in important ways that influence the future context for and utility of IFC platforms. External factors focus on uncertainties about the future state of geopolitics (from harmony to conflict), energy and food availability (from abundance to scarcity), climate (from under control to crisis), or other factors. These external factors may influence the circumstances under which IFC seeks Board authorization to develop new platforms. Internal conditions within IFC can also be accounted for, including its priorities in areas such as climate, IDA, fragility, conflict, violence, or inclusion. Based on the findings and lessons from the three case study platforms, our second step will be to develop a forward look by considering the likely future states of these internal and external conditions. Our final step will be to build an understanding of the potential role and contribution of platforms to corporate results and to meet Boards' and clients' expectations. We will also identify principles for self-evaluations and independent evaluations of individual platforms.
- **Focus group.** Once we have identified a forward look, we will conduct a series of focus group meetings. The purpose of the focus group meetings will be to gather inputs on the way forward, inform consideration of future IFC platforms, and identify ways to evaluate them. The focus groups will include IFC management,

including managers and directors in the approval structure of the three case study platforms. They will also include Board members (particularly the Advisors Thematic Group on IFC, where most active chairs are typically present) to solicit Board members' views.

4.10 This evaluation could be limited by data availability, limits to IEG access to confidential or strictly confidential IFC data, lack of comparable benchmarks, and lack of consistency in IFC's definition of platforms over time. The first two constraints may arise from potential limitations, including the availability of and access to (i) minutes of senior management meetings on IFC platforms, (ii) deliberation meetings with the Executive Directors on IFC platforms, and (iii) human resource data to analyze efficiency gains from IFC platforms. We will mitigate the above risks by relying on focus groups, client interviews, and staff interviews to capture the substance of internal deliberations that influenced IFC's platforms approach. A third limitation to this evaluation could be the availability of comparable data for benchmarking from other development finance institutions, such as EBRD. Mitigation measures include finding the second-best options for benchmarking efficiency gains and comparing with other organizations, such as the Inter-American Development Bank or the Asian Development Bank. A fourth limitation is that IFC has used the term "platforms" to refer to different instruments over the years, including programs, facilities, and products. Instruments referred to as "platforms" have thus been heterogeneous in terms of focus, objectives, scope, and design. IFC's paper to the Board in June 2022 defined platforms more narrowly and precisely (IFC 2022a). The three case study platforms selected for this evaluation use a conforming definition. We will analyze IFC approaches conforming to its new definition of platforms, which may only partially capture the experience of earlier platforms (for example, those dating from before FY17).

5. Quality Assurance Process

5.1 The Approach Paper and evaluation will undergo IEG's quality assurance processes, including internal reviews and external peer review. The following experts on development effectiveness, governance, financial sector, and private sector development issues will peer review this evaluation:

- Rashad Kaldany, chief investment officer of Blue Like an Orange Sustainable Capital, which focuses on investing in private debt products in the Latin America region. Rashad was also the executive vice president of growth markets for Caisse de Depot et Placement du Quebec, an institutional investor that manages public and para-public pension plans and insurance programs in the province of Quebec.

- Alison Harwood, senior fellow, international, with the Milken Institute. Previously, Alison was global head of capital markets for the World Bank Group, where she oversaw an international portfolio of advisory operations to help build local markets in all emerging market regions.
- Sabine Schlorke, investment professional with almost 30 years of experience, most of it in emerging markets. Previously, Sabine led investment deals and teams at IFC in manufacturing across value chains, focusing more on the development impact of the sector.

5.2 Marialisa Motta, manager, Finance, Private Sector, Infrastructure, and Sustainable Development, and Carmen Nonay, director, Finance, Private Sector, Infrastructure, and Sustainable Development, will provide guidance and departmental quality assurance.

6. Expected Outputs, Outreach, and Tracking

6.1 The final output will be a report to the Board's Committee on Development Effectiveness. In addition to the evaluation report, an outreach plan may be developed in close collaboration with the IEG communications team. Key internal audiences and stakeholders include the Committee on Development Effectiveness and IFC management. We plan on disseminating the evaluation findings, lessons, and recommendations to other MDBs, such as the Asian Development Bank and the Inter-American Development Bank, which are also using platforms approaches.

7. Resources

7.1 This evaluation will be conducted by a team made up of evaluation, governance, financial sector, private sector development, health sector, corporate finance, risk, and data science experts. The estimated budget for the preparation of the evaluation is US$849,823. This evaluation will be co-task managed by Melvin Vaz, senior evaluation officer, and Andrew Stone, lead evaluation officer. In addition to managing the evaluation team, the co-task managers will be responsible for case study questionnaires, portfolio analysis, structured interviews, efficiency analysis, governance assessment, risk analysis, the forward look exercise, and focus group meetings with IFC management and the Board. This evaluation will be sent to the IFC management for review and submitted to the Committee on Development Effectiveness in the third quarter of FY24. The evaluation team includes Maria Elena Pinglo (senior evaluation officer), Jenny Gold (senior evaluation officer), Hiroaki Kambe (evaluation officer), Sanittawan Tan (extended-term consultant), Ariya Hagh (extended-term consultant), Nana Sika Ahiabor (consultant), Tao Tao (consultant), William Haworth (senior consultant), Alpona Banerji (senior consultant), Konstantin Panov (senior consultant), Georg Inderst (senior consultant), Arun Sharma (senior consultant), Rama Seth (senior consultant), Aarre

Laakso (senior consultant), Romayne Pereira (program assistant), and Emelda Cudilla (temporary). The evaluation will benefit from input from Estelle Raimondo (senior evaluation officer) and Joz Vaessen (IEG methods adviser).

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[1] The United Nations Conference on Trade and Development's *World Investment Report 2014: Investing in the SDGs—An Action Plan* estimated an annual investment gap of US$2.5 trillion in key sustainable development sectors in developing countries (UNCTAD 2014). According to this report, private sector contributions—through both good governance in business practices and investment in sustainable development—will be critical to the realization of the Sustainable Development Goals.

[2] The International Finance Corporation (IFC) continued creating new platforms in fiscal year (FY)23. For example, an Africa, Middle East, Central Asia, and Pakistan venture capital platform in the amount of up to US$225 million for IFC's own account is expected to be deployed over three years, with up to US$150 million targeted for Africa and US$75 million targeted for the Middle East, Central Asia, and Pakistan (IFC/R2022-0310, submitted to the Board on October 24, 2022, approved by the Board on November 3, 2022).

[3] The Côte d'Ivoire Housing Program was dropped in July 2022. The platform had three projects in the pipeline for approval and one project that was approved but not committed as of July 2022.

[4] Delegation in its broadest sense is the process by which an authority shifts some of its responsibilities onto another entity with the aim of achieving the best performance in terms of its stated aims and purposes. Examples include the delegation of decision-making power from a Board of Directors to a management team in a public or private organization, the decentralization of political power to local governments, and the delegation of day-to-day decision-making power to subordinates within a company. (See appendix A for a literature review on delegation theory.)

[5] Assessing the achievement of outcomes would not be possible because several platforms in the portfolio are relatively new.

[6] The capital increase indicator targets are defined until FY30; however, we will analyze the trends in the actual values of these indicators between FY17 and quarter 1 of FY24. Contributions from IFC's platforms approach to the increase or decrease in trends across indicators will be analyzed by using the evaluation methods outlined in figure 4.2.

[7] As of March 2023, Group Internal Audit has audited four individual IFC platforms: the Global Trade Finance Program (in FY10), the Managed Co-Lending Portfolio Program (in FY17), the IFC Fast-Track COVID-19 Facility (in FY21), and the Global Trade Supply Finance Program and the Global Trade Finance Program (in FY22). The Global Trade Finance Program was audited twice: once in FY10 and again in FY22. On the basis of IFC's follow-up clarification to the Board in December 2022 (IFC 2022b), IFC considers the Global Trade Finance Program and the Global Trade Supply Finance Program as programs and not platforms.

[8] The term "Early Look" is used to denote: (i) an approval process, (ii) a decision point on whether the project should proceed under the Fast-Track COVID-19 Facility, and (iii) a project document that is intended to be brief, concise, and fast-tracked to serve the Fast-Track COVID-19 Facility's purpose of rapid deployment during a crisis.

[9] Note: In these three case study platforms, there is no partnership with investors in terms of governance or financing; however, there is collaboration with external players. These include the World Health Organization and the Global Alliance for Vaccines and Immunization for the Global Health Platform. The definition of partnerships in this evaluation pertains primarily to companies that co-invest with IFC, depending on the availability of evidence.

[10] Figures to be confirmed after discussions with IFC colleagues.

[11] In Private Equity Co-Investment, IFC uses the principles-based approach specified in the 2013 Board paper "Engaging with the Board on Results: IFC and MIGA [Multilateral Investment Guarantee Agency]" to determine whether a project will be discussed by the Board or considered on an absence of objection basis.

[12] The European Bank for Reconstruction and Development conducted a study on delegation authority within its platforms approach in 2019. The study analyzed (i) changes in the European Bank for Reconstruction and Development's approval structure, (ii) quality of information provided to the Board on subprojects approved by delegation, (iii) quality of reporting on framework and subproject performance, (iv) extent of savings stemming from delegation, (v) experience of other international financial institutions, (vi) impact the increased threshold might have had on projects in smaller countries, and (vii) a comparison of the performance of a sample of delegated authority projects with that of Board-approved projects.

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Appendix A. Literature Review on Delegated Authority Introduction

We conducted a literature review on delegation of authority, which is one of the core principles of management. The *Oxford Dictionary of Organizational Behaviour* defines "delegation" as follows:

> The act of assigning a task, responsibility, or authority to another person. This is usually given to someone immediately subordinate to the delegator and can be seen as an act of empowerment for the recipient of the task. The person who delegates the activity should remain accountable for any decisions or outcome, as they are vicariously responsible. Delegation can help a manager cope with their workload and can also provide motivation and training and support succession-planning. To be successful, it also requires the subordinate to have the appropriate levels of competence, understanding of the task, and interest. Delegation can also be used to unfairly redistribute tasks to lessen a workload (see *coordinator*), although some managers find it difficult to delegate, as they experience this as a loss of control. (Jeanes 2019)

Delegation occurs in various settings; for example, the delegation of decision-making power from the board of directors to the management team in public or private organizations, the decentralization of political power to local governments, and the delegation of day-to-day decision-making power to subordinates within a company. In this literature review, we were interested in the delegation of decision-making power from the Board of to the management in both public and private organizations.

Our goal in this literature review was to gain a better understanding of delegated authority and answer the following questions:

1. What are the key lessons on delegated authority?
2. What are the conditions for effective delegation?
3. What is the relationship between delegation of authority and firm performance?

Methodology

The literature review involved the following steps. First, we identified a set of keywords ("corporate governance," "delegation," "delegated authority," and "delegation of authority"). Second, we used these keywords to search and collect relevant literature from Business Source Ultimate—a comprehensive database for business, economics, and finance subjects—and Google Scholar. Finally, we restricted the cohort to the period (2010–22) to review the more recent literature. In addition, we limited the language to

English and peer-reviewed articles for academic work. Using the above steps, we identified a cohort of 26 items in the literature.

In addition to a keyword search, we triangulated literature from two other sources. First, we used references from two articles—Useem and Zelleke (2006) and Van den Berghe and Baelden (2005)—that were the most relevant to the board-management delegation issue of interest. We also used literature that cited these two articles. Second, we used the identified keywords to gather additional literature from the *Corporate Governance: An International Review* journal. Overall, our methodology identified a cohort of 35 pieces of literature for review.

Although the literature on delegated authority was rich, we found few academic articles that studied board-management delegation. In addition, most academic works that studied the relationship between firm performance and corporate governance tended to focus on the board of directors' composition, size, quality, and variety rather than how delegation to management affected a company's performance.

Key Lessons on Delegated Authority

A large amount of literature on delegated authority relied on the concept of agency theory. The theory posits that when a principal engages an agent to perform some service on their behalf that involves delegating some decision-making power to the agent, it is unlikely that the agent will act in the best interests of the principal. This is because the theory assumes that both agents and principals will maximize their own benefits. However, there is no guarantee that agents' and principals' interests will align (Tabassum and Singh 2020). This line of thought leads to a corporate governance design whereby the Board plays an oversight role to ensure that management maximizes shareholders' benefits. The Board will be the main instrument to control agency costs arising when management pursues its own interests.

Based on interviews with executives and nonexecutives from 31 major American financial and nonfinancial companies, Useem and Zelleke (2006) found that directors retained decision-making authority over regulatory matters but delegated other top decisions to management. For those decisions delegated to management, the Board played an oversight role by using two formal devices. Annual calendaring was the most popular tool for the Board to keep track of major decisions that the Board delegated to executives. Useem and Zelleke also found that two-thirds of the companies in their sample put in place decision protocols to formalize delegated authority between the Board and management. However, they noted a wide variation in the scope and the level of details of such protocols. Our literature review did not uncover studies that tested a variety of the decision protocol characteristics against the firm performance.

Van den Berghe and Baelden (2005) also provided a quick rule that boards should only monitor tasks that they have delegated to management. If boards have delegated more responsibilities and authorities, the scope of the monitoring role should correspondingly be broader. Van den Berghe and Baelden nevertheless cautioned against a one-size-fits-all monitoring approach. They proposed that "every board should develop a monitoring role adapted to its situation and needs." They further expressed that "monitoring means that you regularly evaluate a situation and act on this evaluation to get reasonable assurance that you are in control of the situation. This does not mean that one controls in the meaning of having dominance over, but neither does it mean that one controls only in the sense of checking and verifying."

Conditions for Effective Delegation

According to Gur and Bjørnskov (2017), even though decision protocols were potential remedies for delegated authority, these were likely to be incomplete. They proposed that another important element to make delegated authority work was trust. In their study of the Executive Opinion Survey of the Global Competitiveness Report, they found a positive correlation between trust and delegated authority effectiveness. In other words, in a higher trust environment, delegated authority tended to be more effective.

Besides annual calendaring and decision protocols, two other studies underscored the conditions that enabled effective delegation. In his survey of bank employees and managers in Nigeria, Ugoani (2020) revealed that delegation became effective when it was accompanied by effective leadership. When important decisions were delegated, employees felt empowered to take responsibility, leading to better results. Ugoani (2020) did, however, caution that it was crucial for leaders or managers to maintain an oversight role through monitoring and evaluation. Having a standard monitoring process can also improve delegation. Deimen and Szalay's proposed theoretical model (2019) showed that another key to effective delegation was keeping close communication between principals and agents.

Delegation of Authority and Firm Performance

Although we did not come across studies that directly assessed the effect of board-management delegation on firm performance, two studies in our review offered some useful insights from different settings. Liu, Ji, and Wang (2021) found that delegation of authority in the form of decentralization from central to local governments led to an increase in firm innovation. Using data from manufacturing firms in China, the authors showed that export companies in China generated more patents, a proxy for a firm's innovation, after the central government delegated the power to approve export tax rebates to local governments.

Tran and Turkiela (2020) studied the relationship between the concentration of boards and a firm's performance variability. They found that firms with boards that had a higher concentration of power were associated with higher performance variability. In other words, highly concentrated boards tended to lead to extreme corporate strategies related to decisions such as investment spending and financial leverage. This, in turn, led to more volatile outcomes of firm performance.

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Appendix B. Evaluation Design Matrix

Table B.1 indicates the key questions, sources, data collection, and analysis methods and the strengths and limitations associated with them.

Table B.1. Evaluation Design Matrix

Key Questions and Scope	Data Collection and Analysis Methods	Data Sources
EQ1. To what extent does IFC platforms approach enable IFC to address development challenges at scale, including by engaging with clients in IDA and fragile and conflict-affected situations, as envisioned by the IFC 3.0 strategy and the capital increase targets? EQ2. To what extent does IFC platforms approach meet the Board's and clients' expectations on oversight, reporting, and efficiency gains while balancing risks and benefits to enhance trust over time?	• Desk reviews of available literature and IFC documents • Benchmarking IFC platforms against nonplatform IFC approach and EBRD platforms through desk reviews and interviews • Key informant interviews • Benchmarking (i) efficiency, (ii) reporting to the Board and delegation authority structure within IFC, and (iii) risk and benefits	• Approval and supervision documents (ISC, BOP, and GHP) • Sample of nonplatform IFC Board-approved, stand-alone investment services projects • Similar EBRD platforms studied by EBRD (EBRD 2019) • Interviews with IFC staff, industry group managers, platform leads, and executive directors • Interviews with clients, partners, cofinanciers, investors, and EBRD staff
EQ3. How can gaps and opportunities identified in assessing evaluation questions 1 and 2 help IFC shape its platforms approach in the future?	• Builds on the data and analysis related to evaluation questions 1 and 2 • Forward look exercise • Focus group meetings • Key informant interviews	• Interviews with IFC senior management and executive directors • XPSR and EvNotes templates and indicators • AIMM framework • Interview responses

Source: Independent Evaluation Group.
Note: AIMM = Anticipated Impact Measurement and Monitoring; BOP = Base of the Pyramid; EBRD = European Bank for Reconstruction and Development; GHP = Global Health Platform; IDA = International Development Association; IFC = International Finance Corporation; ISC = IFC Startup Catalyst; XPSR = Expanded Project Supervision Report.

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Appendix C. International Finance Corporation Platforms and Corporate Effectiveness Indicators

Table C.1. Indicators and Descriptions

Indicators	Descriptions
Cost of doing business	• Average cost per number of subprojects within a platform
Benefits from IFC platforms	• IFC resource efficiency—team size, experience, and skills mix • IFC operational efficiency—average preparation cost and average supervision cost • Improved IFC originating capacity of quality deals • Faster response and benefits to global and regional IFC project sponsors—average processing times • Improved client engagement—repeat client business • Efficiency gains from IFC platforms in middle-income countries compared with IDA FCV countries
Risks to IFC corporate from IFC platforms	• Oversight risk from delegated authority—limited and uneven oversight from the Board • Change in portfolio diversification • Client selection bias—repeat client business • Changes in risk profile—riskiness of IFC platforms as measured by credit risk ratings • Assessment of the extent to which IDA Private Sector Window first-loss guarantee and IDA local currency are mitigating IFC's risk and enabling it to enter IDA and FCS markets • Legal risks from various intermediary jurisdictions include (i) share of subprojects with intermediary jurisdictions element within the platform portfolio, (ii) share of subprojects with intermediary jurisdictions element within the platform portfolio versus relevant ratio of projects with intermediary jurisdictions element within total IFC portfolio, and (iii) number of subprojects with intermediary jurisdictions feature within the platform portfolio that ran into problems (payment delays, restructurings, and write-offs)
Quality and transparency on systematic reporting to the Board	• Qualitative analysis involving review of legal documents
Performance of IFC platforms	• IEG development effectiveness ratings to subprojects in microevaluations • Ex ante AIMM score for IFC platforms: (i) individualized AIMM scores for each subproject within a platform and (ii) platformwide AIMM umbrella score

Source: Independent Evaluation Group.
Note: AIMM = Anticipated Impact Measurement and Monitoring; FCS = fragile and conflict-affected situation; FCV = fragility, conflict, and violence; IDA = International Development Association; IEG = Independent Evaluation Group; IFC = International Finance Corporation.

Appendix D. International Finance Corporation Platforms Approved between Fiscal Years 2017 and 2022

The platforms approved between fiscal years 2017 and 2022 were the following:

- International Finance Corporation (IFC) Startup Catalyst—Aims to provide seed-stage funding mechanisms through equity and quasi-equity instruments; targets entrepreneurs (including women) and their early-stage companies.
- Private Equity Co-Investment—Aims to use co-investment envelopes in private equity funds to target growth equity funds, venture capital funds, small and medium enterprise (SME) ventures, and sector funds.
- Small Loan Guarantee Program—Aims to reach SMEs in International Development Association Private Sector Window countries, including fragile and conflict-affected situations, using risk-sharing facilities; targets SMEs, very small enterprises, female-led SMEs, early-stage SMEs, SMEs involved in climate activities and agriculture, and high-growth SMEs.
- Côte d'Ivoire Housing Program—Aims to support affordable housing in Côte d'Ivoire using developer and mortgage financing with participating banks; targets selected developers and homebuyers.
- Fast-Track COVID-19 Facility—Aims to support private sector companies in response to the COVID-19 pandemic using Working Capital Solutions, the Real Sector Envelope, and the Global Trade Liquidity Program; targets existing IFC clients across sectors and countries dealing with the spread of COVID-19.
- Global Health Platform—Aims to increase the supply of health-care products and services in developing countries using investments through IFC's own account and mobilization from commercial banks and development finance institutions; targets manufacturers, suppliers, and service providers.
- Base of the Pyramid—Aims to support certain IFC clients in good standing—microfinance institutions, nonbank financial institutions, and micro, small, and medium enterprise–focused banks with sound fundamentals—using investments in micro, small, and medium enterprise–focused financial service providers; targets micro, small, and medium enterprises.

Table D.1 provides additional details about these platforms.

Table D.1. Characteristics of the International Finance Corporation Platforms Approved between Fiscal Years 2017 and 2022 (amount based on International Finance Corporation's Own-Account Commitment as of June 30, 2022)

						Data as of June 30, 2022							
Platform	Description	Board Approval	Approved Projects (no.)	Committed Projects[a] (no.)	Share of the Platform (number of committed projects) over the Total	Commitment Amount (US$, billions)[b]	Share of the Platform (% total committed amount) over the Total	Approvals by Delegated Authority	Approvals on an AOB	Instrument	Beneficiaries Targeted	Ex Ante AIMM Scoring	Supplemented by IDA PSW Blended Finance Facility
IFC Startup Catalyst	Seed-stage funding mechanisms through equity and quasi-equity instruments	FY17	19	19	8	0.1	1	X		Investments in venture capital and through private equity	Entrepreneurs (including women) and their early-stage companies	Platform level	Yes
Small Loan Guarantee Program	Reaching SMEs in IDA PSW countries including FCS	FY18	8	8	4	0.1	1	X		Risk-sharing facilities	SMEs, very small enterprises, women SMEs, early-stage SMEs, SMEs involved in climate activities and agriculture, and high-growth SMEs	Project level	Yes
Private Equity Co-Investment[c]	Using co-investment envelopes alongside private equity funds	FY17	83	82	36	1.2	14	X	X	IFC co-investments in private equity funds	Growth equity funds, VC funds, SME ventures, and sector funds	Project level	No

						Data as of June 30, 2022							
IFC’s Fast-Track COVID-19 Facility	Support to private sector companies in response to the COVID-19 pandemic									WCS, RSE, and GTLP	Existing IFC clients across sectors and countries dealing with the spread of COVID-19	Platform level changed to project level with extension approval (March 2022)	
COVID-19: WCS		FY20	38	38	17	1.7	20	X					Yes
COVID-19: RSE		FY20	42	42	18	1.5	18	X					Yes
COVID-19: GTLP		FY20	5	5	2	2.4	28	X					No
Global Health Platform	Close the massive supply gaps across the health value chain in developing economies	FY21	15	15	7	1.1	13		X	Investments through IFC own-account and mobilization from commercial banks and DFIs	Manufacturers, suppliers, and service providers to increase supply of health-care products and services in developing countries	Project level	No
BOP	Support the following IFC clients in good standing: microfinance institutions, nonbank financial									Investments in MSME-focused financial service providers	MSMEs	Project level	Yes

			Data as of June 30, 2022										
	institutions, and MSME-focused banks with sound fundamentals												
COVID-19: BOP Delegated		FY21	9	9	4	0.2	2	X					
COVID-19: BOP Board		FY21	10	10	4	0.2	2		X				
Côte d'Ivoire Housing Program[d]	Supporting affordable housing in Côte d'Ivoire	FY19	4	0	0			X		Developer and mortgage financing to participating banks	Selected developers and homebuyers	Platform level	Yes
Total			233[c]	228	100	8.5	100						

Source: International Finance Corporation management information system database.
Note: t the time of the evaluation, the team will update this table to also include subprojects approved in FY23 for the seven active platforms mentioned in para 1.3 of the main document. The shading denotes the three case study platforms. AIMM = Anticipated Impact Measurement and Monitoring; AOB = absence of objection basis; BOP = Base of the Pyramid; DFI = development finance institution; FCS = fragile and conflict-affected situations; FY= fiscal year; GTLP = Global Trade Liquidity Program; IDA = International Development Association; IFC = International Finance Corporation; MSME = micro, small, and medium enterprise; PSW = Private Sector Window; RSE = Real Sector Envelope; SME = small and medium enterprise; VC = venture capital; WCS = Working Capital Solutions.
Although COVID-19 Global Trade Finance Program is US$2 billion in size, it has been excluded from the table because the evaluation will focus on projects and not short-term trade finance transactions.
a. This number includes only projects that were committed as of June 30, 2022.
b. IFC's own-account commitment as of June 30, 2022, based on the data from IFC Program and Pipeline Extract Business Intelligence Report.
c. Figures to be confirmed after discussions with IFC colleagues.
d. Côte d'Ivoire Housing Program subprojects were approved but never committed; hence, no commitment amount is available.

Appendix E. Financial Risk from International Finance Corporation Platforms to International Finance Corporation Corporate

The analysis of financial risk from International Finance Corporation (IFC) platforms to IFC corporate will be based on the following key risks:

1. **Change in portfolio diversification.** IFC platforms have a general minimum single-country limit of 20 percent of the total platform size and a single-client limit of 10 percent of the total platform size. We will assess how the platform-based exposure limits and thresholds allow for diversification across regions, countries, sectors, and clients and how the platform structure maintains the targeted equity or debt split on a portfolio basis.

2. **Changes in risk profile.** Riskiness of IFC platforms as measured by credit risk ratings.

3. **Assessment of the extent to which International Development Association (IDA) Private Sector Window first-loss guarantee and IDA local currency are mitigating IFC's risk and enabling it to enter IDA and fragile and conflict-affected situation markets.** We will review the IFC and IDA process for assessing client and transaction risks in the probability of default and loss given default processes and look at the way that IFC and IDA calculate the risk coverage, the IFC client pricing, and IFC expected returns and assess the effects this has had on IFC's ability to do transactions and clients' willingness to use IDA Private Sector Window–supported facilities. This will use a combination of utilization analysis and interviews with IFC staff.

4. **Legal risks from various intermediary jurisdictions.** We will assess legal risks by analyzing (i) the share of subprojects with an intermediary jurisdictions element within the platform portfolio, (ii) the share of subprojects with an intermediary jurisdictions element within the platform portfolio versus the relevant ratio of projects with an intermediary jurisdictions element within the total IFC portfolio or the rest of the IFC portfolio, and (iii) the number of subprojects with an intermediary jurisdictions feature within the platform portfolio that ran into problems (payment delays, restructurings, write-offs, and so on).

Appendix F. Characteristics of Projects Approved within a Platform Compared with Traditional Board-Approved Projects

Characteristics of Subprojects Approved under a Platform (*N* = 53)

For internal consistency, we classified any projects approved on or after April 1, 2020, as "post-COVID-19" projects.

Table F.1. Base of the Pyramid Platform (*N* = 19)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19							
		Post-COVID-19	1	4			3		8
	Non-IDA	Pre-COVID-19							
		Post-COVID-19	1	1	1	2	1	1	7
FCV	IDA	Pre-COVID-19							
		Post-COVID-19	1				3		4
	Non-IDA	Pre-COVID-19							
		Post-COVID-19							
Total									19

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

Table F.2. Global Health Platform (country-level projects only *n* = 14; *N* = 15)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19							
		Post-COVID-19						2	2
	Non-IDA	Pre-COVID-19							
		Post-COVID-19	3		4		2	1	10
FCV	IDA	Pre-COVID-19							
		Post-COVID-19						2	2
	Non-IDA	Pre-COVID-19							
		Post-COVID-19							
Total									14

Source: Independent Evaluation Group.
Note: For ease of reporting purpose, the table excludes one project at the Regional level. EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

Table F.3. International Finance Corporation Startup Catalyst Platform (country-level projects only n = 12; N = 19)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19					1		1
		Post-COVID-19						2	2
	Non-IDA	Pre-COVID-19				2	1		3
		Post-COVID-19	1	1		2			4
FCV	IDA	Pre-COVID-19							
		Post-COVID-19							
	Non-IDA	Pre-COVID-19				1			1
		Post-COVID-19				1			1
Total									12

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

For ease of reporting, table F.3 excludes seven projects (table F.4) at the Regional and global levels because they cannot be categorized into fragility, conflict, and violence or non–fragility, conflict, and violence classification.

Table F.4. International Finance Corporation Startup Catalyst Platform (Regional- and Global-level projects)

Project Level	Projects (no.)
Regional	
EAP	1
LAC	3
SSA	1
Global	2
Total	7

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; LAC = Latin America and the Caribbean; SSA = Sub-Saharan Africa.

Comparable Nonplatform Board-Approved Projects (N = 138)

For internal consistency, we classified any projects approved on or after April 1, 2020, as "post-COVID-19" projects.

Table F.5. Comparable Projects for Comparison with Projects under the Base of the Pyramid Platform (*N* = 91)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19	3	4	1		1	2	11
		Post-COVID-19	2	2				2	6
	Non-IDA	Pre-COVID-19	5	7	11	1	11		35
		Post-COVID-19	5		5	1			11
FCV	IDA	Pre-COVID-19	3	7				6	16
		Post-COVID-19	4	4				1	9
	Non-IDA	Pre-COVID-19				3			3
		Post-COVID-19							
Total									91

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

Table F.6. Comparable Projects for Comparison with Projects under the Global Health Platform (*N* = 25)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19					1	1	2
		Post-COVID-19						1	1
	Non-IDA	Pre-COVID-19	2	4	2	3	3		14
		Post-COVID-19	2			3			5
FCV	IDA	Pre-COVID-19						1	1
		Post-COVID-19						1	1
	Non-IDA	Pre-COVID-19							
		Post-COVID-19				1			1
Total									25

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

Table F.7. Comparable Projects for Comparison with Projects under the International Finance Corporation Startup Catalyst Platform (country-level projects only *n* = 9; *N* = 22)

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
Non-FCV	IDA	Pre-COVID-19							
		Post-COVID-19							
	Non-IDA	Pre-COVID-19	2		2		2		6

Category and Region			EAP	ECA	LAC	MENA	SAR	SSA	Total
		Post-COVID-19	1		1				2
FCV	IDA	Pre-COVID-19							
		Post-COVID-19						1	1
	Non-IDA	Pre-COVID-19							
		Post-COVID-19							
Total									9

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; ECA = Europe and Central Asia; FCV = fragility, conflict, and violence; IDA = International Development Association; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SAR = South Asia; SSA = Sub-Saharan Africa.

For ease of reporting, table F.7 excludes 13 projects (table F.8) at the Regional and global levels because they cannot be categorized into fragility, conflict, and violence or non–fragility, conflict, and violence classification.

Table F.8. Regional and Global Projects

Project Level	Projects (no.)
Region	
EAP	4
LAC	2
MENA	2
SSA	1
Global	4
Total	13

Source: Independent Evaluation Group.
Note: EAP = East Asia and Pacific; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; SSA = Sub-Saharan Africa.

Appendix G. Qualitative Analysis of Benchmarking Based on a One-to-One Matching Process

The Independent Evaluation Group will conduct a qualitative analysis by benchmarking International Finance Corporation (IFC) platform subprojects compared with similar IFC nonplatform projects identified using a one-to-one matching process. The process will be based on several criteria, including pre- and post-COVID-19, fragile and conflict-affected situation status, International Development Association status, Region, country, project objectives, targets, Anticipated Impact Measurement and Monitoring scores, and financing instruments. For the one-to-one matching process only, we selected a random sample of 43 projects from the universe of 91 Base of the Pyramid nonplatform projects based on a confidence interval of 90 percent and a margin of error of +/-10 percent. For the one-to-one matching process, the sample for the Global Health Platform and IFC Startup Catalyst nonplatform projects for benchmarking remained at 25 projects and 22 projects, respectively. The smaller sample is because there is a smaller universe of fewer than 30 Global Health Platform and IFC Startup Catalyst benchmarking projects. The quantitative analysis in the evaluation report will include all 91 Base of the Pyramid nonplatform projects for benchmarking and not just the random sample of 43 projects.