



# Early-Stage Evaluation of International Finance Corporation Platforms Approach

Addressing Development Challenges at Scale, Fiscal Years 2017–22

The International Finance Corporation (IFC) defines platforms as thematic interventions at a regional, global, or sectoral level designed to address a specific development challenge. This early-stage evaluation assesses IFC's platforms approach through the lens of all seven platforms introduced between FY17 and FY22.

## Findings

### The platforms approach aligned with IFC's objectives.



IFC's objectives included (i) responding to crisis at scale, (ii) engaging with small and new clients, (iii) reaching clients in International Development Association (IDA) and fragile and conflict-affected situations (FCS) countries, and (iv) investing in new sectors.



Three features of platforms under IFC's approach enabled these achievements: (i) operational efficiency, including expedited approval streamlining, and standardization of internal processes; (ii) pooling of risk and mitigation of risk using blended finance; and (iii) focus on specific development challenges.

## Recommendations

### ▶ Build on the benefits of platforms:

- ▶ IFC can design platforms to facilitate small transactions, rapidly respond to crises, manage risk associated with new clients, engage in IDA and FCS countries, and focus on specific development priorities where there are gaps.
- ▶ Platform design may combine short- and longer-term financial instruments to prepare for future crises and to address longer-term development needs.
- ▶ Given the key role platforms are expected to play going forward, learning from and oversight of platforms should be supported through an agreement of IFC and the Board on reporting on platforms and individual projects within them, rooted in clear results framework.

### Despite significant evolution, challenges remain.



Challenges remain in aligning reporting with the expectations of the Board of Executive Directors, sharing an articulated logic on IFC's platforms approach, and establishing measurable indicators and targets as a basis for reporting and oversight.

### ▶ Facilitate oversight of platforms:

- ▶ IFC and the Board should reach agreement on the level, content, format, and frequency of reporting on platforms and individual projects within platforms, rooted in clear results frameworks.

## Methodology

This evaluation examines characteristics and uses of seven platforms IFC introduced in FY17–22 but could not evaluate development outcomes at this early stage. The team used mixed methods, including 114 interviews, portfolio analysis, benchmarking, seven platform-based case studies, a forward look scenario with three focus groups, and a synthesis of lessons from the European Bank for Reconstruction and Development with a comparable instrument.

## Context

### Evidence on responding to crisis at scale

Platforms provided a key vehicle for IFC to increase the scale of its crisis response during the COVID-19 pandemic, with responses from three platforms approved during the pandemic to address urgent needs:

- ▶ Fast-Track COVID-19 Facility efficiencies enabled rapid response at scale.
- ▶ Base of the Pyramid efficiencies enabled IFC to meet urgent client needs.
- ▶ The Global Health Platform enabled a strategic sectoral approach.

Seventy-five percent of IFC's COVID-19 pandemic response was channeled through these three platforms. Yet the responses of some of the platforms took time to materialize.

### Importance of robust reporting and clear results frameworks

IFC reported investment volumes with links to project data, platform use, and data related to climate and gender.

However, important gaps in reporting expectations remain, including reporting to the Board on additionality, development impact (Anticipated Impact Measurement and Monitoring), environmental and social and integrity risk ratings, risk-adjusted return on capital, and credit and equity risk ratings.




















The evaluation recommends defining results frameworks at platform launch with measurable indicators. This allows for the production of concise, accurate, and timely reports that promote accountability, crucial for long-term platform success.

## Highlights: Assessing Relevance and Effectiveness of Platforms

Early indications show that platforms provided a key vehicle for IFC to increase the scale of its crisis response during the height of the pandemic, yet the responses of some of the platforms took time to materialize. IFC used specific platforms to extend its reach to a higher percentage of small clients and new clients. Platforms enabled IFC to engage with clients in IDA countries and FCS, except for the Côte d'Ivoire Housing Program, because it did not meet its objectives. Platforms aiming to reach new sectors did so to some extent; however, the platform approach was not essential to Global Health Platform investments.

### Platforms Approach Metrics by Objective

 Was the objective met? 
  Was the platforms approach key to meeting the objective? 
  Project terminated

Objective	Was the objective met?	Was the platforms approach key to meeting the objective?	Project terminated	
Strongly	 	 	  	
Moderately		 		  
Weakly				
Terminated				
	Fast-Track COVID-19 Facility Global Health Platform Base of the Pyramid Responding to crisis at scale	Base of the Pyramid IFC Startup Catalyst Private Equity Co-Investment Engaging with small and new clients	Fast-Track COVID-19 Facility Base of the Pyramid Small Loan Guarantee Program Côte d'Ivoire Housing Program Engaging with IDA and FCS clients	Global Health Program IFC Startup Catalyst Base of the Pyramid Côte d'Ivoire Housing Program Engaging in new sectors

Source: Independent Evaluation Group.

Note: FCS = fragile and conflict-affected situations; IDA = International Development Association; IFC = International Finance Corporation.