



**IFC**

**International  
Finance Corporation**  
World Bank Group

# Aggregation Results from Development Outcome Tracking System for Advisory Services

**IFC-Japan Donor Relationship**

**October 2007**

# Japan's Contribution to IFC

Contribution to AS Facility as of July 31, 2007	US\$ Million
Technical Assistance Trust Fund (TATF)	37.99
Foreign Investment Advisory Services (FIAS)	3.56
Grassroots Business Initiative (GBI)	1.19
PEP-Africa (former APDF)	6.00
Mekong Private Sector Development Facility (MPDF)	2.53
PEP-Pacific (former PEDF)	7.64
Program for Eastern Indonesia SME Assistance (PENSA)	2.00
PEP-MENA	10.00
Iraq Small Business Finance Facility (ISBFF)	10.00
Closed: BAS, PBAS, ESSA	1.25
<b>Totals:</b>	<b>82.16</b>

# IFC-Japan Donor Relationship at a Glance (July 2004 - Jun. 2007)

25 projects<sup>1</sup> , implemented in 5 regions and 14 countries<sup>2</sup> (11 frontier Countries and 3 non-Frontier)

Total Approved Project Funding \$45,141,000<sup>3</sup>

## By Business Lines

Businessline	Number of projects	Total approved funding \$
Access To Finance	13	19,600,000
Business Enabling Environment	2	3,071,000
Infrastructure	4	9,690,000
Value Addition to Firms	6	12,780,000
Total	25	45,141,000

1. The analysis included all projects which have completed Project Supervision Reports during the period of July 2006 and June 2007. **This list does not include some projects that are financed through pooled donor funding.**
2. Philippines, Vietnam, Papua New Guinea, Indonesia, Thailand, Cambodia, Mongolia, Iraq, India, Bangladesh, Congo, Mozambique, Rwanda, Zambia, EAP, MENA, South Asia, SECA, Sub-Saharan Africa and World region.
3. The project funding includes all funding sources, Japan and other sources.

# Results Highlights (July 2004 - June 2007)



## Outputs

- Approx 2,000 people trained or consulted in Mongolia, Philippines and World regions
- 4,322 advisory service hours provided to a variety of clients in Cambodia, India, Mongolia and Vietnam
- 120 reports (diagnostic studies, assessments, feasibility, surveys etc) produced by 7 projects implemented in Iraq, Mozambique, Mongolia, Vietnam and World region
- 55 laws/regulations to which improvements have been recommended or drafted in Mongolia and Thailand

# Results (cont.) (July 2004 - June 2007)



## Outcomes

- 17 action plans, processes and procedures implemented through projects implemented in Cambodia, Philippines and Vietnam
- 10 new financial products developed and introduced into market in Iraq, Philippines and Thailand
- 200 active participants in relevant financial markets in Philippines and Thailand
- 59,825 outstanding loans, value of \$2.6B in Cambodia, Philippines and Vietnam



## Impacts

- \$9M financing/investment mobilized/realized through the projects in Mongolia and World region
- 16 active lessors providing leasing services with 23,220 leases written per year, worth \$ 11M leasing transactions in Mongolia
- 178 hectares of land in production areas protected in the East Asia and Pacific Region

# POOLED FUNDING

## Mekong Project Development Facility

### Access To Finance (inception to FY07)

#### Highlights:

In Vietnam, MPDF assisted the Ministry of Justice to revise Decree 163/2006 in Secured transaction which allows businesses to use movable assets – present and future, tangible and intangible as collateral. The enactment of this regulation has improved the strength in legal right index for borrowers and lenders by 2 points, from 4 in 2006 to 6 in 2007 (Doing Business).

The Mekong Bank Advisory Project MPDF has rolled out to 2 banks in Vietnam, 2 in Cambodia and 1 in Lao PDR.

In Lao PDR, MPDF assisted Lao Government to draft the Law on Commercial Banks. This Law was passed in January 2007 and MPDF is currently working on drafting the implementing decree. The enactment of this new law has paved the way for IFC's first-ever equity investment of \$2.1 million into the Lao's leading private sector bank – Vientiane Commercial Bank. MPDF also provided advisory to amend the presidential decree on the management of the foreign exchange and precious metals.

In Vietnam, MPDF helped create the first Private Credit Bureau. Eleven banks that represents 70% of commercial lending has signed in a Shareholder Agreement to set up a holding company that will invest in the first private credit bureau under MPDF's facilitation and advocacy efforts. MPDF also works with the State Bank of Vietnam on Decree on Credit Reporting and Code of Conduct to establish the legal framework for the Private Credit Bureau to operate.

The Program has enabled a total of \$89.6 million in investments for IFC.

<b>Outputs</b>	
Number of banks/financial institutions assisted	21
Number of training courses/workshops/seminars provided to the bank and FIs	428
Number of trained participants from banks/FIs	10,394
Number of new laws/regulations and amendments to laws/regulations drafted or contributed to the drafting	14
<b>Outcomes</b>	
Number of new or amended laws/regulations enacted and enforced	6
Private Credit Bureau is established	1
Improvement in legal rights index for borrowers and lenders	from 4 to 6 out of 10
<b>Impacts</b>	
Investment/financing enabled (US\$ million)	89.6
of which by IFC	89.6
Number of borrowers impacted (through Microfinance Project in Cambodia)	189,400

# Mekong Project Development Facility Value Addition To Firms

## Value Addition to Firms

The program includes:

- Business Edge
- Bamboo Value Chain
- Wood Cluster Development
- Supervisory Skills Training for Cambodia Garment Sector
- Vietnam International Garment Training Center
- Sustainable Tourism

<b>Outputs</b>	
Number of companies/Business Edge agents/hotels & guesthouses assisted	1,797
Number of farmers assisted	1,070
Number of training courses/workshops/seminars provided	1,100
Number of SMEs trained	18,867
Number of BE workbooks sold	245,331
Value of workbooks sales (US\$)	305,114
<b>Outcomes</b>	
Total value of SME contracts signed with large firm (US\$)	852,000
% of Business Edge agents having increased revenue	72%
<b>Impacts</b>	
Number of jobs created from Bamboo Project	420
% of increase in income for assisted farmers in Bamboo Project	25%

# Mekong Project Development Facility Business Enabling Environment

## Major highlights include:

**MPDF contributed to the drafting process of 4 laws/regulations in Vietnam, Cambodia and Lao PDR. These are Vietnam Enterprise Law, Vietnam Investment Law, Investment Law Implementing Decree, Lao Business Law.**

**MPDF provided assistance in simplifying business entry procedures for 2 provinces in Vietnam, resulting in 1,739 new registrations in one province after 6 months from the pilot. The project is being replicated in Cambodia and Lao PDR.**

**Business For a have resulted in economic impacts of US\$73 million for Vietnam, US\$59 million for Cambodia, and US\$2.4 for Lao PDR.**

<b>Outputs</b>	
Number of new laws/regulations and amendments to laws/regulations drafted or contributed to the drafting	4
Number of provinces assisted	3
Number of government officials participated in training	62
Number of media reports	89
<b>Outcomes</b>	
Number of laws/regulation passed	4
Number of procedures simplified	73
Number of days by which registration time is reduced	18
<b>Impacts</b>	
Number of new businesses registered	1,739
Economic impacts from Business Fora (million \$)	134.4

# Highlights on Indonesia Advisory Services (PENSA) Activities (July, 2004 June 30, 07)

## Outputs

- **38939 participants in TA/capacity building initiatives**
- **345 media hits (Press, TV, and other coverages)**
- **1,442 unique organizations/companies receiving services from IFC**

## Outcomes

- **30% reduction in number of steps to acquire 3 trade licenses/building construction permits**
- **50% reduction in number of days to process 3 licenses/permits**
- **75% reduction in cost to process small size trading licenses**
- **28 MFIs rated using MF rating tools by PENSA**

## Impacts

- **US\$ 1.6 million worth of Investment facilitated by IFC**
- **US\$ 8.2 million worth of sales facilitated by IFC**
- **US\$ 12.2 million in loans facilitated by IFC**

## **Highlights on AFRICA Advisory Services (PEP-Africa) Activities (July, 2004 June 30, 07)**

- **Infrastructure**
  - **2,270,000 people with access to improved water services**
  - **US\$1,700,000 increase of financing access by SMEs**
  - **100 targeted schools increased enrolment**
- **Value Addition to Firms**
  - **1,229 job created, of which 389 are for women**
  - **US\$1,544,000 increase in SME revenue, of which US\$543,000 for the majority women owned business**
  - **US\$4,702,400 increase in access to finance for SMEs**
- **Access to Finance**
  - **US\$3,000,000 private sector investments enabled**
  - **US\$1,000,000 IFC investments enabled**

## PEP MENA INFRASTRUCTURE-PPP (FY 06 - FY 07)

### Outputs

- 4 bids conducted in 4 countries
- 4 strategic options reports completed

### Outcomes

- 4 agreements (concession, etc.) signed
- 4 (100%) strategic options reports accepted by client
- 4 successful bids (100% conducted bids)
- 1 regulatory structure implemented

### Impacts

- US\$ 1286 million Investment/financing enabled
- US\$ 991 million in government receipts (upfront fee, concession fees, etc.)
- US\$ 416 million in avoided government subsidies

# PEP MENA CORPORATE GOVERNANCE (FY 05 – FY 07)

## Outputs

- Reached 1115 companies, 462 banks and 3157 individuals through awareness raising activities
- Assisted (trained/consulted) 418 organizations (companies/ banks)
- 617 individuals trained

## Outcomes

- 3 laws passed and 8 CG codes adopted<sup>1</sup>
- 1 bank/company improved CG practices

## Impacts

- 5 banks/companies reported having attracted investment/partners/joint ventures as a result of improved CG
- US\$ 15 million in investment/financing enabled as a result of improved Corporate Governance

## PEP MENA BEE – Business Regulatory/ Policy Reforms (FY 06 - FY 07)

### Outputs

- 21 recommendations made
- 5 new laws/regulations drafted/amended or contributed to drafting/amending
- 158 substantive media appearances
- 123 judges/mediators/lawyers trained

### Outcomes

- 4 laws/regulations enacted/enforced
- 16 procedures eliminated/streamlined
- Number of steps to complete specific procedures reduced from 18 to 2 in 1 year
- 20 cases went through ADR centers, average of 10 days per case
- 1 new mediation center created

### Impacts

- US\$ 1.5 million worth of funds released through mediation

# PEP MENA: Banking Advisory and Microfinance (FY 05 - FY 07)



## Outputs

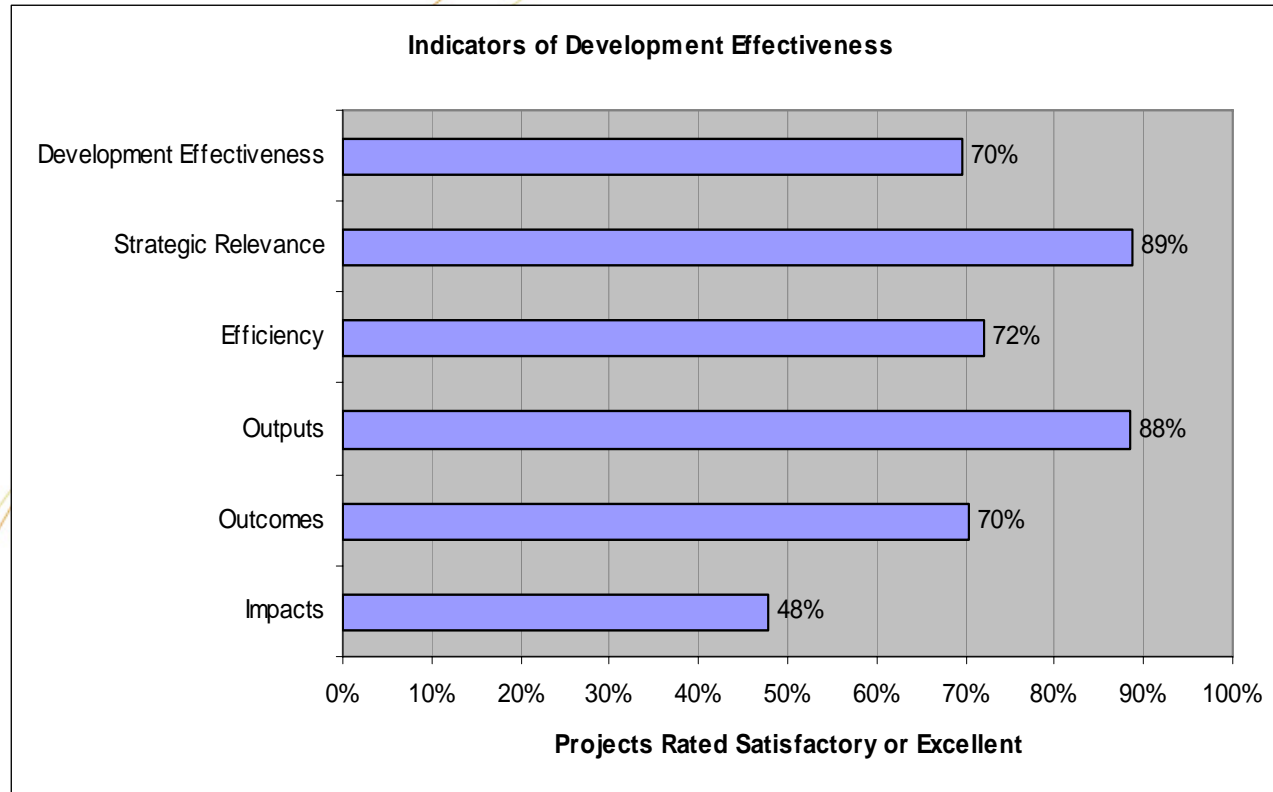
- 51 new products developed/upgraded
- 24 supervision procedures/manuals/scoring tools developed
- 287 FIs assisted
- 15 new institutions/depts.. created and/or branch operations expanded
- 1161 individuals trained



## Outcomes

- 40804 outstanding loans worth US\$ 47 million
- 10073 active microfinance women borrowers, 219 active women depositors
- Disbursed 100000 loans worth US\$ 437 million
- 1895 new deposit accounts, value US\$ 151 million
- Disbursed 855 leasing loans worth US\$ 111 million
  
- Disbursed 9456 housing finance loans worth US\$ 174.1 million

# Project Completion (IFC)



**Notes:**

This analysis is based on 300 project completion documents, with ratings validated by the Independent Evaluation Group.

Development Effectiveness is a synthesis rating of outputs, outcomes, impacts, efficiency and strategic relevance

The rating on impacts is lower primarily because these are most often not observed at project completion