

Mobilization

The MDB Joint Methodologies



A Reference Guide by
The MDB Task Force on Mobilization



This reference guide 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), CAF—Development Bank of Latin America and the Caribbean, 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), the Inter-American Investment Corporation (IDB Invest), the International Finance Corporation (IFC), the International Islamic Trade Finance Corporation (ITFC), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Islamic Corporation for the Development of the Private Sector (ICD), 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.

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Glossary

The terms in this section are as used within the scope of this *Mobilization Reference Guide*.

Anchor Investor: An investor that commits financing as the first in a transaction or issuance to signal credibility, reduce perceived risk, and help attract additional investors.

Book Value: The carrying value of an asset as recorded on an institution's balance sheet in accordance with its accounting standards, prior to any risk transfer, sale, or revaluation.

Capital Adequacy Ratio (CAR): A regulatory or economic measure expressing the ratio of an institution's capital to its riskweighted assets, used to assess financial soundness and loss absorbing capacity. In this *Mobilization Reference Guide*, the CAR may be referenced as a parameter in assessing transaction economics or capital impact of risk transfer instruments.

Captive Infrastructure: Infrastructure assets or facilities developed primarily for the exclusive or nearexclusive use of a single firm or project sponsor, rather than providing services to the broader public or market. Captive infrastructure is excluded from the infrastructure classifications for MDB reporting purposes.

Client: The entity that receives MDB financing, guarantees, hedging, or advisory services for an MDB Project. Depending on context, a client may be a government entity, public authority, corporate entity, financial institution, fund manager, project company, or other such entity.

Collateralized Loan Obligations (CLOs): A form of securitization in which a portfolio of loans is pooled and placed into securities with different risk and return profiles that are sold to investors. In this *Mobilization Reference Guide*, CLOs are treated as risk transfer or securitization structures and are assessed under applicable risk mitigation and portfolio mobilization rules, and the loans are loans for use on an MDB Project.

Commercial Terms: Financing provided at market-based pricing and conditions, does not include financing on concessional or grant terms.

Corporate Finance: Financing provided directly to a corporate entity rather than to a standalone project or special purpose vehicle.

Environmental and Social (E&S) or Environmental, Social, and Governance (ESG) Standards: The policies, requirements, and procedures applied by MDBs (or equivalent applicable frameworks) to identify, assess, manage, and monitor environmental and social risks and impacts associated with projects. All mobilized finance in MDB Projects must follow MDB or similar applicable standards, if applicable, in addition to having use of proceeds requirements.

Equity Platform: Equity platforms are where MDBs establish and/or hold majority equity stakes in a platform, for the explicit purpose of providing debt or sponsor-like equity capital to a series of underlying projects or sub-entities. “Establish” in this context means that the MDB has brought this consortium or platform together. Even if the MDB does not set out to hold a majority stake in a platform, it must continue to have a controlling stake in platform operations by holding a board seat, having veto powers, or similar means.

Expected Loss (EL): An actuarial estimate of potential loss, the average amount a lender or investor anticipates losing on a loan or investment over a specific period. Compare to **Unexpected Loss**.

Financial Intermediary: An entity, such as a bank, fund, insurance company, or other financial institution, that receives MDB support and deploys financing to underlying activities or projects.

Financing Plan: A detailed breakdown of how the total Project Cost of an MDB Project will be funded, showing all sources of financing and their respective amounts, typically presented in a structured table or document format. See also **Project Cost**.

Financial Sector Projects: An MDB Project where the activity is a transaction involving a financial instrument or structure, which will then be obligated (through **Use of Proceeds** requirements) to be used for development activities; compare to a **Real Sector Project** where the activity itself is development related.

The financial instrument can be equity, debt (either a loan or a structured finance instrument), guarantee, or a combination, or it can be a financing structure such as a fund. The client may be a financial sector or real sector institution; the characteristic that matters is whether there is real sector activity directly financed or as a result of the financing provided (by the MDB and mobilized financiers).

First Financing of Record: The financing first committed to a project’s financing plan (see below). Estimates of transactional private direct mobilization, private indirect mobilization, and public direct mobilization are all part of this first recorded financing. Compare to **Second Financing of Record**.

General Partner (GP): The entity responsible for managing a fund’s investment strategy and daytoday operations.

Guarantee Platform: Guarantee platforms are where MDBs establish and/or hold majority equity stakes in a platform to issue guarantees to debt securities such as bonds. In this context, “establish” means that the MDB has brought this platform together. Even if the MDB does not set out to hold a majority stake in a

platform, it must continue to have significant control over platform operations by holding a board seat, having veto powers, or similar means.

Investor: An investor can include any financier of a project—such as a lender, guarantor, public partner or developer.

Limited Partner (LP): An investor in a fund with limited liability and no responsibility for daytoday management.

Loss Given Default (LGD): An estimate of the proportion of an exposure expected to be lost if a counterparty defaults, expressed as a percentage of exposure at default. LGD may be used as a modeling input in risk transfer methodologies.

Mandated Lead Arranger and Bookrunner (MLAB): An institution formally appointed to structure, arrange, syndicate, and distribute a financing transaction.

Market Value: An estimate of the current economic value of a financial exposure or risk transfer, reflecting prevailing market conditions and transaction economics at the time of the transaction.

MDB Risk: The risk that an MDB does not repay its obligations. This risk is inherent in any financing instrument or other investment opportunity offered by an MDB, where the MDB is the counterparty, and the investor making finance available is investing or lending with the understanding that its investment will be made whole by the MDB. MDB Risk involves exposure to emerging markets and development projects, since the MDB's business model is dependent on those projects, but the ultimate repayment of the instrument remains at the discretion of the MDB, which generally has a better-financed balance sheet and higher credit rating than counterparties investors face when they invest in MDB Projects. The finance made available for MDB risk is considered generation by the MDB Task Force. See the *Generation Reference Guide*.

Nominal Value: The stated face value or principal amount of a financial instrument or exposure, without adjustment for market pricing, discounting, or accounting valuation.

Parallel Loans: Loans provided by multiple lenders to the same borrower for the same project under separate but coordinated loan agreements.

Project Cost: The total anticipated cost of an MDB Project. The project's **Financing Plan** will provide sources of funding to finance the Project Cost.

Project Risk: The performance risk involved in an MDB Project. Project risk results from multiple factors inherent to participation in an emerging markets development project, such as nonpayment risk from the client, performance risk from vendors or contractors, civil unrest, market failures unique to emerging markets, and similar risks. Project risk is a defining feature of mobilized finance in the MDB joint mobilization methodology.

Public Private Partnership (PPP): A contract between a private party and a government entity to provide an asset or service, in which the private party secures financing for the asset, bears significant risk and management responsibility, and remuneration is linked to performance.

Qualifying Activities: Specific, auditable activities that demonstrate an MDB's active and direct role in helping make financing available. These are required

for direct mobilization qualification under the updated MDB joint mobilization methodology.

Real Sector Projects: An MDB Project where the activity or activities create infrastructure or similar physical outputs that have development impact, following **ESG Standards** and **Use of Proceeds** restrictions. The characteristic defining a real sector MDB Project is that the financing directly finances physical output. The client or sponsor is a company or government, not a financial institution.

Renewable Energy Auction: A competitive procurement mechanism through which public authorities award renewable energy projects to private developers based on predefined criteria.

Second Financing of Record: Financing for an MDB Project that is provided after the Project Cost is fully financed. Such financing is provided either to replace the first financing of record, through risk transfers, sales, reinsurance, or similar mechanisms, or potentially as supplemental to it if the value of the first financing of record has increased. See **First Financing of Record**.

Special Purpose Vehicle (SPV): A legally distinct entity created solely to finance, own, and/or operate a specific project, with ringfenced assets and liabilities.

Sponsor: An entity that develops, owns, and/or promotes a project and contributes equity or other financing. A sponsor may be the client or may act alongside the client.

Syndicated Loans: A financing arrangement in which a group of lenders (the syndicate) collectively provide credit to a single borrower under the same or similar terms and conditions, typically structured and administered by one or more MLABs; each lender commits a portion of the total facility and shares the associated credit risk and returns, enabling the borrower to access large-scale funding that would exceed the capacity or risk appetite of any individual lender.

Unexpected Loss: The potential deviation from or volatility of actual losses around the expected loss - risk that losses are worse than the average the market anticipated. Also known as the “tail risk” or downside beyond what a well-informed investor would normally expect. Prudent financial management implies, and regulatory bodies may dictate, an institution facing such risks set aside additional capital to safeguard against losses based on it.

Use of Proceeds: Contractual restrictions in MDB Projects that specify how borrowed, guaranteed, or invested funds must be spent, ensuring that capital is deployed for the intended development purposes rather than for general corporate or other use. Also used to prevent, even within intended uses, negative behavior such as use of child labor. The restrictions may either be provided specifically for the MDB Project, or inherent in the project documentation itself to which the MDB and mobilizing financiers are signatories. All MDB mobilized finance must at a minimum have these restrictions.

ρ (Rho): A correlation parameter used in credit risk and capital models to reflect systematic risk, applied as a modeling input in certain risk transfer transactions.

Introduction

Multilateral development banks (MDBs) and development finance institutions (DFIs) play a vital role in mobilizing private finance into emerging markets.¹ Since 2016, the MDB Task Force on Mobilization (the “Task Force”) has used a harmonized methodology and a common measurement framework to track the results of MDB efforts to mobilize private capital.² This is known as the MDB Joint Methodology for Mobilization, also referred to as the MDB “joint mobilization methodology.” The Task Force also published the first *Mobilization Reference Guide* to help users understand and interpret this methodology.

Using this methodology, the Task Force also publishes annual mobilization figures in the report *Mobilization of Private Finance by Multilateral Development Banks and Development Finance Institutions*. For brevity, in this guide this report is referred to as the *MDB Joint Report*.³

In 2026, following a two-year review, the MDB joint mobilization methodology was updated to reflect changes in how development finance is mobilized, including financing innovations that enable MDBs to provide even more private finance to help tackle the world’s most pressing development challenges. This new edition of the *Mobilization Reference Guide* incorporates the results of this review and refinement and includes the following updates:

- A new set of core principles, more clearly defined eligibility criteria, and a clearer demarcation of the boundaries of mobilization;
- Expanded and more detailed attribution rules to better allocate contributions multiple MDBs make to mobilize finance;
- Additional indicators to estimate public mobilization, as well as mobilization from portfolio-based “originate to distribute” activities, including refinancing and transferring assets or risk from an MDB’s portfolio to private financiers;

1. For brevity, in this publication, “MDBs” refers to both MDBs and DFIs.

2. Task Force member institutions are listed in Annex 1.

3. Reported mobilization figures should be interpreted as estimates, as they are recorded at the point of financial commitment rather than disbursement.

- New guidance with expanded detail on mobilization qualification for all MDB products, including many that were not covered in the previous edition of this *Mobilization Reference Guide*;
- Improved and more consistent guidance for advisory services, with clearer demarcation between catalytic and mobilizing advisory activity;
- Clear and distinct reporting rules for all flows within mobilization.

This new edition of the *Mobilization Reference Guide* aims to help MDBs and other stakeholders more effectively and efficiently estimate mobilization and support strengthening efforts to scale investment in emerging economies.

Fundamentals of the Indicator

1.1 Mobilization Definition

Mobilization estimates the financing made available for an MDB Project for which the MDB also provides financing or guarantees, or for which it provides qualifying advisory or transaction support activities.⁴

1.2 Core Principles of Mobilization

The fundamental principles or “building blocks” of the MDB joint mobilization methodology are listed below. Financing and financed activities reported through *MDB Joint Report* must adhere to these principles to qualify as mobilization.⁵

1. **Project-based:** Originally the Task Force defined mobilization as financing for an “activity or set of activities”—commonly referred to as a “project”—and this principle was reconfirmed and reinforced in this revision. In this *Mobilization Reference Guide*, Project also now has a specific meaning, which is provided in *Section 1.8*. Mobilization is financing made available specifically for an MDB Project and excludes financing for activities outside that Project’s parameters, activities that are for more general purposes, or those that are connected to a Project but not included within it.
2. **Development-focused:** Mobilized financing must go towards, and help achieve, development-focused outcomes. The Project must have defined development objectives and achieving those must be part of the understanding of the mobilized investors. This is reflected in the definition of a Project.
3. **Commercial Terms:** Mobilized financing must be offered on commercial terms, in line with market pricing. Financing provided on concessional terms, such as donor grants, does not qualify as mobilization.

4. “Project” is as defined in *Section 1.8* Defining the MDB Project. When capitalized this is what we refer to.

5. Individual MDBs may still report differently bilaterally.

4. **MDB Participation:** Mobilization is a shared endeavor, where the MDB is participating in a Project and encouraging, in part through such participation, the investment of others in that same Project. In most cases, it requires financial participation, with only advisory services qualifying for mobilization without an MDB's own investment. In addition, mobilization is only considered for financing made available for the same Project the MDB is financing or for which it provides advisory services.

1.3 Total Activity Financing

Mobilization is part of the financing for a Project. The total financing is comprised of the types of financing described in this section. However, only some of these components are included in the *MDB Joint Report*.

Total Activity Financing (TAF): TAF is the total financing provided for the Project from all public and private sources, including the MDB's own financing. It is composed of the following types of financing:

- MDB own account (OA) commitments.
- Mobilization.
- Other financing on commercial terms.
- Other financing on non-commercial terms.

MDB OA Commitment: This is the sum of new MDB financial participation annually, and includes loans, equity, guarantees, and other financial instruments. MDB commitments for guarantees, or other unfunded instruments, consist of the covered or guaranteed portion of the underlying instrument.

TAF and MDB OA commitments are **not reported** in the *MDB Joint Report*.

1.4 Types of Mobilization

When an MDB makes an OA commitment to a Project, the remainder of the financing plan made available on commercial terms becomes mobilization, subject to the core principles in *Section 1.2*.

Indirect Mobilization: If the MDB makes an OA commitment to help finance a Project, and performs no additional activities, the remaining financing for the Project made available on commercial terms is considered indirect mobilization, subject to the core principles in *Section 1.2*.

Direct Mobilization: In addition to its OA commitment, an MDB may perform qualifying activities to help make financing available. The minimum set of such activities are listed in Table 1. When the MDB performs these activities, to the extent they are offered to and needed by the client, the financing made available because of them becomes direct mobilization. The MDB may perform these activities by themselves or alongside financing instruments that also help make financing available. When instruments are also offered, this may modify the activities required. Auditable evidence should be available to support this additional role. Specific qualifying criteria for each MDB activity that leads to direct mobilization, including specific activities that would override the list in Table 1.1, are detailed in *Section 3*.

Table 1.1. Qualifying Activities for Direct Mobilization

1. Identifying and connecting a client to potential investors for a specific transaction or Project, including preparing a funding strategy, providing Project information to potential investors, developing a thorough market analysis and potential investor profile, or similar activities involving detailed and substantive work in market sounding.
2. Developing investor presentations and marketing materials for a fully finalized Project or transaction for use at roadshows, conferences, or similar interactions with investors.
3. Developing and assessing funding proposals for the Project, including preparing bids, reviewing bids, developing assessment criteria, and helping to select preferred bidders.
4. Addressing investor concerns on Project conditions, including recommending changes in site selection, asset composition, up to and including deal restructuring.
5. Negotiating terms and conditions and supporting any final steps for investor acceptance, including environmental and social (E&S) coordination work.
6. Providing recommendations of financial structuring solutions to derisk or otherwise increase the attractiveness of the transaction/Project/deal in line with investor requirements.

Unless activities from other product-specific lists are performed as defined in *Section 3*, or specific product guidance in that section overrides or supersedes this list, this is a minimum set of activities and is to be used if no other guidance exists to qualify as direct mobilization. Unless accompanied by a financing instrument listed in *Sections 2 and 3*, an MDB seeking mobilization recognition without other guidance must offer as many of these to a client as possible through offering all of them and allowing the client to select as many as needed. This is a minimum set of activities; MDBs may offer others in addition without affecting mobilization qualification.

The criteria in *Section 3* are the definitive criteria for each instrument listed. In the absence of coverage in *Section 3*—that is, for a situation where there is no other guidance—Table 1.1 is definitive.

Direct mobilization can be either transactional or portfolio-based. These two types of mobilization are defined based on the order of the commitment of the mobilized finance. Certain products may qualify for either transactional or portfolio mobilization, while some qualify for both. See *Section 3* for more details of this distinction.

1.4.1 Private Mobilization

Private Mobilization is mobilized finance made available by a *private entity*. See *Section 1.7* for the definition of public and private entities.

Transactional Private Direct Mobilization (TPDM): TPDM is private direct mobilization that is made available as part of the *first financing of record* of the Project, generally provided at the financial close of the Project (though may be committed before) or soon thereafter, up to the point the Project is fully financed.

Portfolio Private Direct Mobilization (PPDM): PPDM is private direct mobilization that is made available as part of the *second financing of record* (or later) of the Project. It is in place of, or assumes all or part of the risk of, financing made available as a part of the first recorded financing.

Private Indirect Mobilization (PIM): PIM is private financing made available to the Project, but in this case the MDB does not complete any activities that represent an active and direct role in making the financing available. PIM can include other financing within the Project made available with no active and direct involvement from the MDB at all, such as sponsor financing. PIM is the remainder of private financing for the Project that meets all core principles in *Section 1.2*, is offered at commercial terms, and is not TPDM. PIM is part of the *first financing of record* of a Project.

TPDM, PPDM, and PIM are reported in the *MDB Joint Report*.

1.4.2 Public Direct Mobilization

Public Direct Mobilization (PbDM): Financing directly mobilized from public entities – where MDBs provide additional qualifying services and potentially products to help mobilize finance from these entities – follows the same guidelines as private direct mobilization but is reported as public direct mobilization (PbDM). PbDM is reported in the *MDB Joint Report* to show the entirety of financing made available through MDB efforts to finance the Project, even though the focus of MDB reporting is to show private finance mobilized for development. Because of that focus, public portfolio mobilization is not reported.⁶ All guidance for TPDM also applies to PbDM.

PbDM is reported in the *MDB Joint Report*.

1.5 Other Financing on Commercial Terms

Other financing made available for the remainder of TAF can include financing from private or public entities that are not mobilized by the MDBs. From public entities, such financing also may be termed “other public financing” or “public co-finance.” While other public financing forms part of TAF, it falls outside the scope of this *Mobilization Reference Guide*. Some public financing may be available for refinancing. Additionally, there may be some other private financing on commercial terms, i.e. private financing that is part of TAF but is not mobilized.⁷

Other financing on commercial terms is **not reported** in the *MDB Joint Report*.

1.6 Other Financing on Non-commercial Terms

Other financing on non-commercial terms can include concessional or blended finance, grant funding, or funding-in-kind (such as real property) offered to the

6. Public Portfolio Mobilization may exist, but it would be part of “other public financing” in this current scheme.

7. Private financing made available on a secondary basis to refinance part of the financing plan, where no MDB is directly involved, would be considered “other financing on commercial terms.” This is the only private financing on commercial terms that is not considered mobilization, since it may involve financing provided after the Project completion, through funded asset transfers, or through other means that would not meet the criteria for mobilization.

sponsor in exchange for repayment later. While this financing is part of TAF, these flows fall outside of the scope of this *Mobilization Reference Guide*.

Other financing on non-commercial terms is **not reported** in the *MDB Joint Report*.

1.7 Private Versus Public Entities

The classification of private and public entities is determined by three criteria: *ownership*, *funding*, and *purpose*. Definitions for each are shown below. An entity is classified as public if it meets at least two of the three public criteria below, and vice versa for private entities.

1. Ownership

- Ownership is considered public if the entity is owned by a national, state, or local government.
- Ownership is considered private if the entity is owned by private individuals or groups.

For example, an organization in which a government or government body holds a majority stake of over 50 percent of the voting shares would typically be classified as a public entity. Conversely, a company that is majority-owned by private investors or owners would generally be classified as a private entity.

2. Funding

- Funding is considered public if the entity's primary funding is from government and/or public sources. These include:
 - Government budget appropriations/direct financing from a government.
 - Guaranteed debt (explicit)/bonds or loans backed by government credit.
 - Sovereign capital contributions/government-provided equity or funding injections.
- Funding is considered private if the entity's primary funding is from private sources. These include:
 - Private capital markets/raising equity or issuing bonds without government backing.
 - Commercial revenue and profits/self-sustained operations funded by earnings.
 - Private shareholder contributions/investment from individuals, institutional investors, or venture capital.
 - Customer deposits.

For example, a development agency that relies primarily on government budget appropriations to finance its operations and project loans would be classified as public. On the other hand, a tech startup that raises most of its capital through venture capital investments and generates income from product sales is considered private.

3. Purpose

- If an entity's primary purpose is to benefit or promote a specific national or public interest, it is considered a public purpose.
- If an entity's primary purpose is commercial in nature and aims to generate market-based returns, it is considered a private purpose.

For example, a national agency whose core mandate is to promote infrastructure development, financial inclusion, or strategic sectors in line with government policy objectives, rather than to generate profits, would be considered to have a public purpose. In contrast, a commercial bank or investment company whose primary objective is to maximize shareholder value through lending, investment, or trading activities would be considered to have a private purpose, even if its activities contribute indirectly to economic development.

1.8 Defining an MDB Project

An MDB Project is an activity or series of activities designed to meet development objectives over a defined timeframe. Helping finance development projects lies at the core of both the MDB mission and mobilization. For this *Mobilization Reference Guide*, the definition of a project varies between the real and financial sectors⁸.

A real sector project is an activity or set of activities financed or guaranteed all or in part by an MDB, advised by an MDB, or developed through its own investing or qualifying activities with specific steps designed to meet development outcomes. The Project must have a defined timeline and scope, with defined results measured by the MDB. It must adhere to the MDB's environmental and social standards or other similar applicable standards tracked and managed by the MDB.⁹

A financial sector project is an activity or set of activities where an MDB finances or guarantees all or part of a financial instrument or supports the development of a financial instrument through advisory services, and this instrument is used or will be used to meet development outcomes. The Project is the specific instrument or transaction in which the MDB participates, for example, a fundraising round, bond issuance, or on-lending contract. The MDB should require "use of proceeds" restrictions be in place to ensure the fund manager or financial institution uses the financing made available solely for development outcomes. This applies to both the MDB's own financing and any mobilized finance.

Common required characteristics of an MDB Project are:

- A defined timeline and scope.¹⁰
- Measurable results that track progress towards development goals.

8. Definitions of real sector projects and financial sector projects are provided in the Glossary.

9. For advisory services mobilization only, i.e. where no MDB is making an OA commitment, the client or sponsor must agree to use MDB's environmental and social standards or other similar applicable standards on the underlying Project by incorporating in relevant project agreements.

10. For any Project, the MDB's timeline and scope cannot exceed the requirements listed for any specific product guidance provided in this *Mobilization Reference Guide*.

- A set project plan or transaction roadmap with a defined project cost or indicative size of transaction.

It should be noted that this definition of a Project is for the purposes of this methodology and for measuring or estimating mobilization using it, and does not purport to be a definition for any other context.

Guidance for Estimating Mobilization by Instrument

2.1 Estimating Mobilization: General Guidance

MDBs mobilize via a wide range of instruments. The availability of a breadth of instruments is essential to address the vast and varied needs of MDB clients and markets, and to work with as many different private co-financing partners as possible. This section details the mobilization treatment of different categories of instruments offered by the MDBs, after first detailing how the principles and definitions in *Section 1* apply to all instruments and services.

2.1.1 Applying the Principles: All Mobilization

The definition of mobilization, based on the original definition developed by the Task Force for the first edition of this *Mobilization Reference Guide*, states that this indicator estimates “financing provided in connection with a specific activity.” This updated *Mobilization Reference Guide* builds on that long-standing definition by defining and codifying the term “Project” on which mobilization is based.¹¹

An implication of that definition and the related principles in *Section 1* is that any financing defined as mobilization must be made available for use for a Project and its specific set of development goals. Financing that is not directly connected to development does not qualify as mobilized, and mobilization reported by MDBs cannot be made available for the general use of companies, sovereigns, or other clients/sponsors where those goals are not well defined.¹² Therefore, MDBs must ensure that any reported mobilization amounts are associated with a well-defined Project.

11. This was also done because there were some very loosely defined “activities” for which MDBs could claim mobilization.

12. For brevity, in this publication, “clients” refers to both clients and sponsors depending on the type of Project.

This means that for any mobilized amounts, MDBs should ensure they have or know:

- The Project scope.
- The Project’s development goals.
- A timeline for meeting these goals.
- Agreements ensuring that the Project adheres to MDB standards or similar applicable standards.¹³

This applies to all Projects, whether real or financial sector.

2.1.2 Applying the Principles: Direct Mobilization

To qualify for direct mobilization, MDBs must perform specific activities and/or provide specific products or instruments that demonstrate an active and direct role in helping make this financing available, as outlined in Table 1.1 with additional or modified qualifying criteria per instrument detailed in *Section 3*.

For the instrument categories defined below, it is assumed that the MDB performs qualifying activities in providing the instrument to the client or investor. Additional or different qualifying criteria may apply per instrument, and these details are provided in *Section 3*. All directly mobilized finance must also adhere to the general mobilization conditions outlined, regardless of the type of product or advisory service, unless other guidance is provided in *Section 3*.

2.1.3 Applying the Principles: Methodologies to Estimate Mobilization

The methodologies MDBs may use to estimate mobilization depend on the type of mobilized finance.

In general, MDBs should first seek to use recipient data to estimate mobilized finance. This means MDBs should obtain from the Project sponsor the “Project Cost,” or the estimated cost of the activities to be completed in the Project, and use this as the basis for mobilization, since mobilization is provided for a Project.¹⁴

MDBs should deduct from the Project Cost their OA contributions. Then, the remainder can be used to estimate mobilization amounts as follows:

- Any amount for which the MDB may claim TPDM is deducted, with the TPDM amounts estimated either from the commitment agreements of the investors, or the entire remaining Project Cost for an advisory-based claim (netting any other MDB claims).
- The remainder of Project Cost made available by private investors will be PIM, subject to the core principles in *Section 1.2*.

13. For financial sector Projects or financing out of MDB transaction-supported instruments, use of proceeds requirements must ensure that funds are used to support development objectives, although the use of such funds beyond Projects does not need to follow an explicit timeline or be tracked.

14. Project Cost may also be known as the cost elements of a “project financing plan.”

MDBs may use the Project Cost as well to calculate the amount of TPDM.

PPDM amounts may require different forms of calculation. Because PPDM is finance made available in exchange for or to cover the risk of amounts already made available, after a Project has commenced, these amounts may be different from the financing plan amounts used for estimating the TPDM or PIM amounts to be placed with new investors: the Project value may have changed, or the amounts for which finance is made available may be aggregated Project amounts in a larger pool of Projects. PPDM is thus based on:

- A “market value:” the amount the new investor is willing to make available in exchange for the original amounts; or
- A calculation of the risk transferred, insured, provisioned for, or otherwise accepted by the new investor making the finance available; or
- A combination of both.

Any risk covered or accepted by the new investor is, in line with Principle 4 of the MDB joint mobilization methodology, the performance risk of the underlying MDB Project, or “project risk.” All investors in fact accept project risk as a corollary of co-investing with MDBs in a development Project per Principle 4; but for TPDM and PIM the amount of such risk is axiomatically 100 percent.¹⁵

2.2 Estimating Mobilization: Treatment of Mobilizing Instruments

Long-term instruments have tenors of one or more years and typically do not automatically roll over. This section presents broad categories of instruments and details the types of long-term instruments covered in this updated *Mobilization Reference Guide* and reported in the *MDB Joint Report*. See *Section 3* for more detailed guidance for specific instrument types under each category.

Short-term finance (STF) includes short-term instruments or those with tenors of less than one year, and is usually part of programs such as trade finance, supply chain finance, and other programmatic support for the real sector. STF will be reported as “Short-term Mobilization.”

2.2.1 Advisory Services and Direct Transaction Support

MDBs may participate in a Project by providing advisory services and other forms of non-financial support—this is known as direct transaction support (DTS). The MDB may or may not also provide financing for the financing from these services to qualify as **TPDM**.

Nevertheless, mobilization from advisory services must qualify in a similar manner to mobilization from any other product – in other words, it must involve an

15. Except in the case of hedging services and MDB-issued guarantees; see *Section 3*.

MDB performing the qualifying activities in Table 1.1 and *Section 3*. This *Mobilization Reference Guide* continues to require as in the first edition that directly mobilized funds result from the “active and direct participation” of an MDB—but the Task Force has now explicitly defined what this means. MDBs will qualify all direct mobilization the same way, regardless of whether the MDB is making an investment with its OA or not, or providing a product or an advisory service. Lists of qualifying advisory activities qualification, analogous to Table 1.1, are provided in *Section 3.1*.

2.2.2 Debt

MDBs provide debt financing through long-term loans or other lending instruments such as bonds. Additional finance made available qualifies as **TPDM** or **PIM**. If these debt instruments are refinanced, sold, or otherwise transferred on a funded basis, the finance made available would qualify as **PPDM** subject to additional considerations discussed in *Section 3*.

MDBs may provide lending products directly to a Project with the counterparty as a special purpose vehicle (SPV) or the sponsor of the Project, or to a company or sovereign, or to a financial institution. If MDBs provide debt directly to an institution, certain rules apply to ensure additional financing is of a similar nature to that provided to a Project. See *Section 3* for more details.

2.2.3 Equity Investing

MDBs may invest in equity in companies or funds, either directly on their own or as part of a round of equity sales or fundraising. This equity investing helps make other financing available from third parties, which qualifies as **TPDM** or **PIM**.

MDBs may also divest their equity participations. These qualify as **PPDM**.

2.2.4 Guarantees

Guarantees are financial instruments issued by MDBs to mitigate risk and encourage private sector investment in an MDB Project. An MDB’s guarantee is a promise to cover specific risks in a Project or cover non-payment, so that a third party will make financing available to use for the Project. With a guarantee, the risk is not formally assumed by an MDB. Instead, the MDB promises to secure the payment for or compensate the client or the investor in the event the covered outcome occurs.

The total amount of that finance made available, for example the loan or equity being guaranteed by the MDB, qualifies as **TPDM**. Hedging services, including interest cover if any, are considered a guarantee as the currency risk is not assumed by the hedging party. Finance made available under the hedge cover that is no longer subject to currency risk qualifies as **TPDM**, subject to additional guidance in *Section 3*.

2.2.5 Intermediated Mobilization

MDBs may make financing available to financial institutions or other entities for facilities or platforms that in turn make those funds available for other activities,

which may be defined as MDB Projects. The entity acts as an “intermediary” and the additional financing made available for those activities, if they are definable as MDB Projects, can qualify as mobilization, as can the financing made available to the platform or facility itself.

To qualify as mobilized, financing made available for the intermediary or from the intermediary to end Projects, as is the case for any mobilization, must follow all MDB mobilization guidelines and principles. In other words, the financed activities must be equivalent to MDB Projects. Most importantly, financing must be made available for these MDB Projects only. The intermediating instrument or structure must have been set up with the purpose of financing Projects using MDB financing.

2.2.6 Risk Mitigation Products

MDBs may use a variety of instruments to help mitigate risk, or to share or transfer risk to or from investors. For example, many instruments transfer credit risk associated with loans or bonds from an MDB to a third-party, such as an insurance company or a commercial bank. These may be unfunded (without upfront payment), or funded.

Risk transfers also include securitization structures, such as collateralized loan obligations (CLOs) or significant risk transfers (SRTs), where the MDB transfers a portion of the credit risk from a portfolio of Projects to or from a third party. Risk transfers qualify as either **TPDM** or **PPDM** as they are a transfer of project risk from the first financing provided for an MDB Project, depending on whether the third-party transfer happens at the financial close or after. It is important to note that these products and instruments involve a transfer of all or part of the risk of a specific portfolio of Projects in which an MDB has also invested – that is, they follow all rules for a Project. These have distinct rules per product on how to qualify flows and these are listed in *Section 3*.

2.2.7 Programmatic Approaches

MDBs may offer collections of instruments as “programs” tailored for particular investors. The instruments in these programs may have additional features designed for those investors, or titling that reflects the way they are used in certain regions, or they may have differences in tenor or other features compared to the instruments MDBs generally offer. The rules for instruments within these programs or thematic offerings are the same as rules for products offered on a standalone basis.

2.2.7.1 Trade Finance

A trade finance or facilitation program (TFP) is designed to support cross-border trade flows. It can include a range of financial products with a tenor greater than one year, such as guarantees, guarantees on letters of credit (L/C), or other similar trade finance instruments as well as trade loans.

The applicable mobilization classification (**TPDM**, **PPDM**, or **PIM**) depends on the specific financial product used under the trade finance program. Refer to the

corresponding product-specific guidance in *Sections 2 and 3* for detailed eligibility and treatment.

Generally, in the case of trade finance products, the full principal amount of the underlying instrument funded or guaranteed by a financial institution or confirming bank qualifies as TPDM or PIM, depending on whether the MDB has performed an active and direct role, such as providing a guarantee, to help make the finance available.

2.2.7.2 *Islamic Finance*

Islamic finance is a system based on the principles of Islamic law, which emphasizes justice, ethics, and a close link to the real economy. There are some key differences with non-Islamic products. For example, where MDBs provide interest-based loans, Islamic financial instruments avoid interest entirely and use asset-based and asset-backed financial products instead. Islamic finance follows the following key principles:

- **No *riba* or interest:** Money is not a commodity; it is a medium of exchange. Charging for the “rent” of money is prohibited. Moreover, gold, silver or currencies cannot be traded on a deferred basis;
- **No *gharar* or uncertainty or unnecessary risks:** Contracts must be transparent. Gambling on future uncertainty or overly complex derivatives is forbidden;
- **Risk-sharing:** Instead of a lender and a borrower, the relationship is based on asset-based products whereby if a Project fails, all partners share the loss, or on the sale of specific goods and services for deferred payment or through lease arrangements;
- **Ethical investing:** Financing cannot go toward industries with great harm to humanity like alcohol, gambling, pork or tobacco, pornography, weapons of mass destruction, interest-based lending and borrowing, human trafficking, trading in human organs and prostitution.

With some adjustments and apart from point 1 on interest, MDB product coverage and mobilization principles generally comply with the characteristics of Islamic finance noted above. However, it should be noted that this *Mobilization Reference Guide* does not include interest payments in **TPDM**.¹⁶ See Table 2.1 for more information.

2.3 Estimating Mobilization: Treatment of Mobilizing and Generating Instruments

Some products or instruments have characteristics that may cause financing to be made available in part as mobilization, and in part as generation. Products and

16. Although interest is not included as TPDM, it can be counted in reinsured amounts of the loan itself under PPDM.

Table 2.1. Selected Islamic Finance Products and the MDB Joint Mobilization Methodology

Islamic Term	Conventional Equivalent	Where to Find Additional Information
Musharaka	Equity/Joint Venture	See <i>Section 2.2.3</i> and <i>Section 3.3</i>. Musharaka has similarities with Mudaraba below with the difference being that in the former both partners participate in the management and the provision of capital and share in the profit and loss. Profits are distributed between the partners in accordance with the ratios initially set, whereas loss is distributed in proportion to each one's share in the capital.
Mudaraba	Fund/Venture Capital	See <i>Section 2.2.3</i> and <i>Section 3.3</i>. Mudaraba; A contract between two parties; capital owner(s) or financiers (called <i>rabb al-mal</i>) and an investment manager (called <i>mudarib</i>). Profit is distributed between the two parties in accordance with the ratio upon which they agree at the time of the contract. Financial loss is borne only by the financier(s). The entrepreneur's loss lies in not receiving any reward for his services.
Sukuk	Bonds	See <i>Section 2.2.2</i> and <i>Section 3.2</i>. Sukuk certificates of equal value representing undivided shares in ownership of tangible assets, usufructs and services, or the assets of particular Projects or special investment activities.
Murabaha	Loan	See <i>Section 2.2.2</i> and <i>Section 3.2</i>. Murabaha a sale agreement whereby the seller purchases the goods desired by the buyer and sells them at an agreed marked-up price, the payment being settled within an agreed time frame, either in installments or in a lump sum. The seller bears the risk for the goods until they have been delivered to the buyer.

instruments that have these characterizations needed additional time beyond this revision for guidance development. The Task Force needs to develop a methodology for calculating the financing made available that meets the principles of mobilization, and that amount meeting the principles of generation.¹⁷ This guidance will be issued in future iterations of the *Mobilization Reference Guide* and the *Generation Reference Guide*.

17. One such product is hybrid capital. For this product, the Task Force agreed that some amount would qualify as PPDM based on a methodology calculating the exact mobilization amounts tied to project risk (and other mobilization requirements). The remainder will qualify as generation. This methodology is still to be developed.

Mobilizing Products and Services

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Below are the currently covered products and services MDBs use to make third party finance available for a Project. Unless otherwise noted, all guidance for **TPDM** applies equally for **PbDM**.

3.1 Advisory Services

3.1.1 Advisory Services – General Guidance

General Guidance

MDBs provide “advisory” or similarly titled support services for clients to assist them in the procurement of funds for development activities. As there are a range of advisory-type services provided by MDBs, this guidance clarifies that only those that are connected to securing investors for a Project align with the qualification criteria for all direct mobilization activities in this *Mobilization Reference Guide* as provided in Table 1.1, and so only financing made available because of these types of advisory or support activities qualifies as **TPDM**. As these services are offered without additional financing instruments, the entirety of guidance is provided in this *Section 3.1*.

To provide specific guidance as to what types of advisory work may be considered aligned with all other mobilization-eligible products and thus eligible for mobilization credit for specific types of advisory services, this subsection provides lists of qualifying activities that are eligible to claim mobilization, with separate lists by type of service. General guidelines covering all advisory services are included in this subsection, as well as some additional guidelines and specific activities per type of service. All specific advisory services products must align with the general conditions; if there are any contradictory conditions, the conditions under specific advisory services shall prevail.

For advisory services in general to be eligible for mobilization:

- For real sector projects, activities from the lists must be performed when a Project is ready for funding. This means the Project must be publicly announced, funding-ready, and no longer in preparation. There is no retroactive credit for activities performed while a Project is in preparation, prior to actively seeking funding.
- For financial sector projects, activities must be performed when a transaction is “live”—either on the market or announced publicly as going or intended to go imminently to the market, or already listed for placement, or open for investment, or ready to list, or ready for investment. No retroactive credit for activities performed before the transaction is live, i.e. activities prior to active fundraising.
- MDBs must make a significant contribution through their advisory services to helping make financing available for the Project, through performing as many of the activities on the relevant lists as possible, unless the client explicitly confirms these are not needed. “Not needed by the client” means the client/sponsor/the general partner (GP) is offered, but does not accept, services/

activities from the MDB.¹⁸ MDBs must if legally permissible, or otherwise consistent with the regulatory status of the MDB, stay involved with the client/sponsor through the end of the period of time allotted to fund the Project.¹⁹

- Activities MDBs perform must be permissible for MDBs in the jurisdiction.
- Financing must be made available for a project fitting MDB Project criteria: development-focused, timebound, with project cost estimated by the client (not the MDB), and (for real sector activities) MDB standards or similar applied.
- Similar activities meaningfully aligned definitionally with the listed qualifying activities may be performed in lieu of those listed. Those activities cannot be further upstream than any on the list.
- Auditable evidence is required to support MDB claims and may include mandate letters, proof of fees paid or compensation, etc.
- The Secretariat of the Task Force may ask for lists of activities performed and the rationale behind qualification for selected activities which is at an MDB's discretion to provide.

Alignment of all advisory services:

- All services without product-specific lists use the Direct Transaction Support (DTS) list.
- All product-specific lists and alternative, definitionally aligned activities substituted must meaningfully align with the downstream/transaction-oriented focus of this guidance.
- Product variations imply differences in wording and terms of art but cannot change the focus: all activities are downstream or focused on bringing in financing for a Project.
- Upstream, midstream, or preparatory and preparation activities are not qualifying activities for mobilization.

Except for E&S coordination and early-stage direct equity in *Section 3.1*, MDB OA investment is not required for advisory services.

Financing made available due to advisory/transaction support does not qualify as **PPDM** or **PIM**.

Timing for Measurement

To be considered mobilized, TPDM from all advisory services should be measured on the commitment date of the funds, if available. Otherwise, for Public-Private Partnerships (PPPs) and/or similar advisory services, the commitment date will be understood as the finalization of all agreements that create a legally binding and contractually enforceable obligation to invest in, and secure funds from the private sector for, the implementation of the Project. Additionally, no substantial

18. "Needed by the client" does not mean, for any product, that all activities must be agreed up front.

19. If legally permissible and needed by the client. If the client does not need the remaining services at a particular time but does request them of the MDB later, the MDB must be ready to provide them.

conditions for contract effectiveness must exist and all precedent conditions for such enforceability need to be completed.

3.1.2 Bond Advisory

Product Description

Bond advisory is a service MDBs provide to clients—such as sovereigns, sub-sovereigns, financial institutions, or corporates—to assist them in obtaining finance through debt securities issued in domestic or international capital markets or via private placement.

Mobilization Qualification

TPDM

To qualify as **TPDM**, advisory products or services in this category must do more than support preparation of a bond offering for a corporate, financial institution, sovereign, or sub-sovereign client.

- MDBs must perform as many activities for the issuer as possible through the listing period (except those the issuer does not request or those that are not legally permissible or otherwise not consistent with the regulatory status of the MDB, for MDBs in the jurisdiction). All funds made available by private entities to subscribe to the issue are then TPDM.
- MDBs must perform these activities for a “live offering.” This means that the issuance of the bond must be either announced publicly, already listed for placement, open for investment, or ready to list, and/or the issuer must be ready to go to the underwriter if one will be used. Support provided by MDBs should still be credited in accordance with this *Mobilization Reference Guide*, even if a “live offering” has been delayed, for example due to market conditions.
- For all activities, the “issuer” is the institution seeking to issue the bond, “investors” means any financier of the issue and “underwriter” refers to any investment bank, bookrunner, or other supporting financial institution contracted to facilitate investment into the issuance. They must be duly licensed for such activity in the relevant market.
- Activities may be performed directly by the MDB or by a third party under the direction of the MDB.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Help develop and/or execute a fundraising strategy, performing activities such as identifying and providing an in-depth analysis of potential investors, and/or profiling past, similar issue funding successes and investors used; support must be comprehensive and thorough.

2. Support the technical and strategic evaluation of offers from financial institutions to underwrite the issue, such as assessing which investor types and geographic regions the issuer plans to target, determining whether the underwriter strategy aligns with the client's as determined in Activity 1, and other substantive involvement in the evaluation.
3. Advise and support in the development and/or preparation of investor outreach documents and/or roadshows, e.g. help prepare marketing materials, roadshow presentations, press releases, and/or FAQs to build investor confidence and generate sufficient demand to ensure a successful transaction.
4. Support investor due diligence through providing expert advice and support, including advising on, supporting and/or facilitating preparation of external review/second party opinion (SPO) of issuer's green/social/sustainable bond framework, revising the green/social/sustainable bond framework to incorporate SPO feedback based on investor expectations, modeling or projecting expected price/coupon variations, and similar activities.
5. Support the issuer with steps required during an issuance to close investments as directed by underwriter, such as providing documentation confirming that all regulatory requirements and international best market practices are met, recommending governance improvements to address investor concerns, or verifying issue information on any investor request, including validating pool of green assets, developing impact report or similar information.

3.1.3 Carbon Credit Market Advisory

Product Description

Carbon credit market advisory is a service where MDBs provide advice to clients on designing and engaging with carbon credit markets and facilitate the monetization of carbon outcomes through support with finding buyers and other activities.

Mobilization Qualification

TPDM

To receive **TPDM** credit for the total monetization of carbon outcomes, MDBs must meet the following criteria:

- MDBs must substantively perform Activity 1 listed in qualifying activities and at least one of the carbon monetization activities numbered 2 to 4 from the list.
- An MDB can perform other activities meaningfully aligned with those listed.

The value of the carbon credit monetization transaction will be TPDM.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Support client with carbon credit market project development, structuring, independent auditing, validation, verification, and qualification under eligible carbon standards to enable carbon credit issuance.
2. Support client with outreach to potential buyers, such as corporates, governments or non-governmental organizations (NGOs) with offsetting commitments or mandates to purchase carbon credits, through providing content for marketing materials, developing strategies for identifying buyers, profiling successful outreach strategies, or other significant work in marketing support.
3. Facilitate carbon offtake arrangements, such as negotiating memoranda of understanding and/or purchase agreements, such as advance, streaming, forward, or spot agreements, with buying governments, corporates or NGOs, and support negotiations on carbon transaction documentation and any other tasks deemed relevant to close the offtake agreement.
4. Support due diligence for buyers, and draft final purchase terms and conditions or other documentation.

3.1.4 Direct Equity Advisory

Product Description

Direct equity investing is when a client offers shares of its own equity through either a publicly announced or private placement to several potential investors, not just the MDB. Direct equity advisory is where an MDB performs the activities below at the request of the client in addition to, or without, investing.

Mobilization Qualification

TPDM

If an MDB substantively performs Activity 1 listed in qualifying activities and at least one of the activities numbered 2 to 3 at the request of the client in addition to or without investing, any additional investment in the 24 months following performance of all required activities qualifies as **TPDM**.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Help conduct or provide support for or inputs to investor roadshows and presentations along with the fund manager or company for that round.
2. Match company with one or more potential investors.
3. Structure financing packages to support finalizing an investment, including providing first-loss guarantee, or other financing.

3.1.5 Direct Transaction Support

Product Description

Direct Transaction Support (DTS) refers to all types of advisory services and related assistance to a client, that can be linked to the procurement of funds for a specific activity. Outside of the specific advisory types defined in this *Mobilization Reference Guide*, DTS serves as a general category covering all other advisory services without product-specific lists that can qualify for MDB mobilization credit.

DTS may also be used to qualify financing made available for an MDB Project as TPDM due to an MDB providing some or all of the qualifying DTS activities on an ad hoc basis. Providing such services in this case would not be part of a formal product offering but done as an adjunct to an investment, investment product, or on a standalone basis to address a specific client need through products other than those specifically listed in *Section 3.1*.

Mobilization Qualification

TPDM

- MDBs must make a significant contribution to helping make finance available for the Project, through performing as many of the activities on the list below as possible, unless the client explicitly confirms these are not needed. “Not needed by the client” means the client/sponsor/the GP is offered, but does not accept, services/activities from the MDB.²⁰ MDBs must, if legally permissible or otherwise consistent with the regulatory status of the MDBs, stay involved with the client/sponsor through the end of the period of time allotted to finance the Project.²¹
- Activities must be permissible for MDBs in the jurisdiction of the Project.
- Financing made available by third party entities for the Project is considered “procured funds” and qualifies as **TPDM** or **PbDM** depending on the entity providing such financing.
- MDBs must perform these activities for a publicly announced, funding-ready, or live Project.
- This list applies to any activity for which MDBs seek mobilization credit that is otherwise not covered by a custom list in this *Mobilization Reference Guide*.
- All Projects for which MDBs receive TPDM credit must be treated as MDB Projects and so must fit MDB Project criteria or similar. Use of proceeds requirements also apply.

Auditable evidence is required, such as a mandate letter and proof of fees or compensation where applicable.

20. “Needed by the client” does not mean, for any product, that all activities must be agreed up front.

21. If legally permissible and needed by the client. If the client does not need the remaining services at a particular time but does request them of the MDB later, the MDB must be ready to provide them.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Identify and connect the client to potential investors for a specific transaction or Project, including preparing a funding strategy, identifying investors, developing a thorough market analysis with potential investor profiles, or similar activities involving substantive work in market sounding to help develop a target set of potential investors.
2. Support initial investor outreach by developing presentations and marketing materials for roadshows, conferences or similar investor interactions, and/or leading or substantially contributing to consultations on the Project with investors, lenders, or partners deemed likely to do the deal.
3. Support bidding or negotiate investment terms with top investors by developing and assessing funding proposals, preparing bids, reviewing bids, developing assessment criteria for bids, and helping select preferred bidders.
4. Address concerns for investors selected during bidding, including questions on Project conditions, recommending changes in site selection, asset composition, and other changes, up to and including deal restructuring. These should be seen as critical for the potential investor's acceptance of the deal.²²
5. Negotiate final terms and conditions and supporting steps to ensure investors participate including E&S coordination work, documentation of site certification, or other steps required by an investor whose bid has been accepted.
6. Recommend financial structuring solutions to derisk or otherwise increase the attractiveness of the transaction in line with requirements for a selected investor ready to participate.

3.1.6 Early-stage Direct Equity Advisory

Product Description

In early stage and venture capital financing, investors provide equity or convertible capital to high-growth, early-stage startups and companies prior to and including Series C funding.

Mobilization Qualification

TPDM

MDBs must perform all qualifying activities to receive **TPDM** credit but can perform other activities meaningfully aligned with them. For this service, MDBs must

22. The right opportunity for performing these activities is when a client has selected a preferred investment partner, and that partner is ready to do the deal if key issues are addressed. This activity is not performed in response to feedback from initial queries of potential investors or types of investors that could be considered later for funding, as a step in preparing a deal for investment.

make an accompanying OA investment in the first round for subsequent financing rounds to qualify as TPDM.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Negotiate and set terms for the funding round, such as valuation, deal structure, and governance. These terms will apply to the subsequent investors.
2. Coordinate fund entry with other investors and address their questions, including support with due diligence, where possible.

3.1.7 E&S Coordination

Product Description

A service where an MDB, in addition to investing, performs E&S standards qualification coordination for some or all of the remaining financing provided for an MDB Project. This is a service MDBs provide along with their OA commitment.

Mobilization Qualification

TPDM

- **OA Commitment:** MDBs must make an OA investment in the transaction and undertake qualifying activities.
- **Fee Structure:** MDBs must receive a meaningful and distinct fee for their role in providing these services, in addition to any standard lending-related or upfront fees.
- **Auditable Documentation:** There must be auditable evidence of the MDB's role and activities, such as a mandate letter confirming the role, or the MDB must be formally appointed as the coordinator for thematic compliance in signed client documentation, with a clear outline of its role, responsibilities, and associated fees.
- **Qualifying Activities:** The MDB must offer all the services to the client and complete as many activities as requested by the client to qualify financing which is made available as mobilization.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Scope, harmonize, and specify environmental, social, and sustainability requirements:

- Advise sponsors, issuers, and borrowers on harmonizing and drafting the E&S due diligence scope of the underlying transaction and its requirements based on the investor's policies and requirements (i.e., the applicable reference frameworks).
 - Assist the client and other investors in reaching an agreed specification of the sustainability-linked terms of the prospective facility.
 - Help identify relevant green or social Projects to be financed under the facility.
2. Engage with independent advisors:
 - Draft terms of reference for the independent lenders' E&S advisor in coordination with lenders' E&S compliance teams and/or support the engagement process of the advisor to reflect the applicable reference frameworks.
 - Support the client in obtaining SPOs from a provider selected and appointed by the borrower. These SPOs should confirm the alignment of the proposed loan with internationally recognized standards.
 3. Conduct environmental, social, and sustainability due diligence and formulate key performance indicators (KPIs):
 - Lead E&S due diligence workstreams to ensure the findings and any action plans prepared by the sponsor or borrower's E&S team and the lender's E&S advisor are comprehensive and aligned not only with the MDB's own policies and requirements but also each lender's applicable reference framework.
 - Assist the client and coordinate with other lenders to formulate and agree on one or more sustainability KPIs for the prospective facility. Calibrate sustainability performance targets for each KPI.
 4. Document and negotiate:
 - On behalf of the lenders, negotiate with borrowers to include E&S requirements in the transaction based on the due diligence results and lead the E&S aspect of documentation to ensure all E&S issues are addressed to the reasonable satisfaction of lenders and with due regard to the E&S due diligence undertaken. Ensure action plans are properly drafted and recorded in the finance documents.
 5. Coordinate, communicate, and disclose:
 - Assist the client and coordinate with other lenders to respond to questions from potential lenders regarding the proposed sustainability-linked, green, or social terms of the facility.
 - Facilitate the sharing of sustainability information requested by potential lenders.

Attribution

Where no MDB is an MLAB for the entire debt, then the entire amount of financing made available because of these services will be attributed to the MDB that provides the E&S coordination service.

- The MDB may only claim **TPDM** for the portion of financing for which it provides these coordination services. There is no **PIM** attribution to the MDB that provides the coordination service.
- Where an MDB is an MLAB, then the entire amount of TPDM will be attributed to that MDB rather than the MDB that provides the services.

3.1.8 Equity/Other Fund Advisory

Product Description

Equity/other fund advisory is a service where MDBs provide guidance to clients seeking to attract additional investment into their equity or debt funds. These services qualify for mobilization credit in general or for direct mobilization credit if the MDB is investing also in the fund. In cases where the MDB itself acts as the GP, please refer to the mobilization qualification described in *Section 3.3* on fund investments.

Mobilization Qualification

TPDM

- If the MDB is a limited partner (LP), other investments in the fund committed between the MDB's public announcement of its investment or its financial close—whichever comes first—and up to 24 months afterwards can be qualified as **TPDM**, only if the MDB performs as many activities for the fund manager/credit company as possible during the fundraising qualification period of 24 months, except those the manager/company does not request or are not legally permissible or otherwise not consistent with the regulatory status of the MDB, in the jurisdiction.²³
- These activities would need to be repeated for each amount of TPDM credit requested, in other words for each fundraising round or event, beyond the qualification period to qualify for direct mobilization.
- If the MDB does not participate in the fund, but the MDB performs as many activities as possible during the fundraising qualification period, except those the client does not request or are not legally permissible or otherwise not consistent with the regulatory status of the MDB, for MDBs in the jurisdiction, all funds invested qualify as TPDM.
- Legally permissible auditable evidence of the MDB's role is required.

PPDM: N/A

PIM: N/A

23. A public announcement may include posts on the MDB's website of the investment committee's final approval of the MDB's investment in a fund.

Qualifying Activities

1. Develop or provide feedback on marketing materials, fund information, or other investor information targeting prospective investors.
2. Help conduct or provide support for and /or inputs to investor roadshows and presentations, along with the fund manager.
3. Match fund manager with one or more potential investors.
4. Facilitate due diligence processes for investors and provide additional information on the manager/company as needed.
5. Structure financing packages to support finalizing an investment where possible, including providing first-loss guarantees, or concessional capital in addition to GP or LP commitment.

3.1.9 PPP Advisory

Product Description

“PPP Advisory” refers to specialized advisory and transaction support services provided to public sector authorities to support the a) design, b) structure, c) procurement, and d) implementation of public-private partnership (or similar) projects that require private financing. A “public-private partnership” or PPP is a contract between a private party and a government entity, for providing an infrastructure asset or service, in which the private party secures financing for the asset, bears project risk and management responsibility, and whose remuneration is linked to performance. Renewable Energy Auction (RES Auctions) advisory is also considered within this approach.

For this *Mobilization Reference Guide*, these services encompass activities that are both catalytic and mobilizing. Mobilizing activities must be connected to the procurement of funds, i.e. have to be downstream enough that there are identifiable private investors in the picture, so begin from step (c) above. Specific activities that qualify are listed in qualifying activities.

Mobilization Qualification

TPDM

For financing made available to a PPP project for which an MDB is providing PPP advisory services to qualify as **TPDM**, these conditions must hold:

- MDBs must make significant contribution to helping make financing available for the client Project, through performing as many of the activities on the list as possible, unless explicitly not needed from them by the client, to close the transaction (“not needed by the client” means the services are available and offered to the client at the appropriate time, but the client/sponsor does not request the services/activities specifically from the MDB) and must stay involved or be available to work with the client/sponsor through the end of the procurement of financing period.

- Activities must be permissible for MDBs in the jurisdiction of the Project.
- All financing made available for the Project requiring funds are considered “procured funds” and qualify as **TPDM** or **PbDM** depending on the entity providing such financing.
- MDBs must perform these activities for a publicly announced, funding-ready or live Project.
- All Projects for which MDBs receive TPDM credit must be treated as MDB Projects. Financing must be made available for a Project meeting MDB Project criteria (such as development-focused, MDB or similar/applicable standards applied, tracked)
- Use of proceeds requirements apply.
- Activities for PPP are qualifiable for the initial scope for which they are conducted. Additional phases added that are not part of the original financing plan do not automatically qualify, even with the same sponsor; activities must be repeated.

Auditable evidence required, such as mandate letter and fee/compensation where applicable.

PPDM: N/A

PIM: N/A

Qualifying Activities

1. Identifying and connecting the client to potential investors for a specific transaction or Project, including developing a thorough market analysis and potential investor profile, providing PPP Project information to potential investors, or similar activities involving substantive work in market sounding.
2. Developing investor presentations and market materials for roadshows and conferences or similar investor interactions, for a transaction which is being considered for funding for a fully prepared PPP Project with fully developed contracts.
3. Developing tender documentation including creating Request for Proposals (RFPs), helping in or reviewing bids, developing assessment criteria and helping select preferred bidders (inclusive of RES auctions).
4. Structuring the transaction, including such activities as addressing investor/client concerns on Project conditions, recommending changes in site selection, asset composition, risk allocation, etc. (up to and including the final accepted structure solution) to increase attractiveness of the transaction/Project/deal in line with investor requirements.²⁴
5. Developing procurement documents, project agreements, and/or other collateral documents supporting finalization of the agreement.

24. This step is only done for a PPP Project which is already prepared in response to specific requests/queries from sponsors/investors interested in doing the deal, not as a preparatory activity.

6. Negotiating terms and conditions and supporting required steps for investor/client acceptance for funding and monitoring of transaction.

3.2 Debt

3.2.1 Bond Investing

Product Description

Bond investing refers to a transaction in which an MDB purchases bonds issued by a client. The MDB may act as an anchor investor, committing to purchase a portion of the issuance to help signal credibility, facilitate market access, or attract additional investors. The MDB may also help make financing available by supporting bringing private investors into the bond issuance, while complying with legal requirements. Use of proceeds restrictions and requirements apply.

Mobilization Qualification

TPDM

Acting solely as an anchor investor is not sufficient to qualify as **TPDM**. The MDB must perform an active and direct role by performing qualifying activities as described in *Section 3.1*.

PPDM

The sale of bonds held by an MDB qualifies as **PPDM**, subject to the conditions set out in *Section 3.6* on portfolio sales.

PIM

When an MDB purchases bonds but does not perform any active and direct role for the issue, the remainder of the issuance is classified as **PIM**.

3.2.2 Long-term Loans including Syndicated Loans, Parallel Loans, Corporate Finance, Islamic Finance

Product Description

Long-term loans are fixed-amount debt instruments provided by an MDB either directly to a client, or to a special purpose vehicle (SPV) established by a client.

For additional financing made available to the client to qualify as mobilization, it must be made available for an MDB Project as defined in this *Mobilization Reference Guide*.

Mobilization Qualification

TPDM

When an MDB provides a long-term loan to a client, other financing also made available for the same Project for which the loan is used qualifies as **TPDM** when an MDB demonstrates an active and direct role in helping make the additional financing available. This may include loan syndications or similar where the MDB acts in a capacity similar to an MLAB, or provides lending products such as parallel loans, B- or C-loans, or underwrites the loan to distribute to investors.

Auditable or validated evidence may include, but is not limited to, mandate letters, documentation of performing an active and direct role, or the collection of fees or compensation linked to the financial commitment.²⁵ As a rule, for loan syndications, fees or compensation are expected to be charged except in exceptional circumstances.

PPDM

The sale or distribution of a loan, or a portion of a loan, originated by an MDB qualifies as **PPDM**, subject to the conditions set out in *Section 3.6* on portfolio sales.

PIM

If other financing is provided to the borrower by a third party for the same Project for which an MDB also provides financing, without the MDB performing qualifying activities in helping make that financing available, that loan amount qualifies as **PIM**.

Sponsor financing also qualifies as PIM, if the sponsor is classified as a private entity.

3.2.3 Refinancing

Product Description

Refinancing is where an MDB assists a client in replacing an existing debt obligation with a new financing arrangement. The refinancing must be of an obligation for an activity for which the MDB is also making or made financing available, and all conditions must hold for the investors (standards, use of proceeds etc).

Mobilization Qualification

TPDM: N/A

PPDM

The total amount refinanced qualifies as **PPDM** if the transaction replaces amounts in the original financing plan (i.e., are TPDM) and the MDB performs qualifying activities to help make the financing available. Any new lender/s must

25. Fees/compensation charged by MLAB should be above those charged by other lenders in the transaction to reflect the more material role, if fees/compensation are charged.

obtain new credit approval, and there must be new terms and conditions for each new lender.

The refinanced amount, the market value of the obligation on the refinancing date, as indicated in the new terms of financing, qualifies as PPDM.

PIM: N/A

3.2.4 Revolvers

Product Description

A revolver is a multi-use line of credit established with a financial institution, where the financial institution or end beneficiaries can draw down and repay amounts on an ongoing basis.

Mobilization Qualification

TPDM

When an MDB funds a revolver or provides a credit guarantee to establish one and performs qualifying activities in setting up this instrument, the total amount of credit the financial institution extends over that MDB amount to the revolver qualifies as **TPDM**. The financial institution must also adhere to use of proceeds requirements that ensure the funds are used for development purposes, including specific development goals.

Each time the facility is repaid, the MDB may consider the revolved amounts as new TPDM if the financial institution and beneficiary demonstrate that the original goals were achieved and then define new goals. In other words, they must create similar conditions to a new MDB Project.

In case the tenor also extends, then tenor extension or renewal is at the co-lender's discretion as per the previous agreement.

PPDM: N/A

PIM: N/A

3.3 Equity

3.3.1 Direct Equity Investing

Product Description

Direct equity investing is an MDB product where that MDB invests in equity shares, either of a company or a Project.

If direct equity investing is done in a company, the investment may either be in existing or new shares.

Mobilization Qualification

Pre-condition for Mobilization

For existing or new shares offered by public or private placement, if the equity used by the client company is deployed in an activity where a) that activity has a specified set of development-oriented objectives; b) is conducted on a fixed timeline with milestones; c) is performed under environmental, social, and governance standards as developed by the MDB financing the intermediary, with the MDB tracking adherence to these standards, then other financing made available for that activity is considered mobilization.

For public issues of new or existing shares, the equity shares must be advertised for sale and offered over a fixed timeframe.

TPDM

Any additional financing made available beyond the MDB contribution for use in the same activities in the manner specified above qualifies as **TPDM**. However, acting solely as a lead or anchor investor is not sufficient to qualify as TPDM. The MDB must perform an active and direct role by performing qualifying activities as described in *Section 3.1*.

PPDM

The sale of an MDB's equity shares in a company qualifies as **PPDM**, subject to the conditions set out in *Section 3.6* on portfolio sales.

PIM

Any additional financing made available up to 24 months beyond the MDB contribution for either type of transaction that is not TPDM is **PIM**.

For private placement, PIM is calculated as the remaining amount of the financing plan for the activity being financed that is not TPDM. For public offerings, PIM includes any private financing made available within 24 months that is not TPDM.

3.3.2 Fund Investments

Product Description

A fund investment is a capital commitment to a third-party managed collective investment vehicle (the fund), typically alongside other investors known as LPs. An MDB may assume a GP role that includes oversight of the fund's investment and divestment decisions or an LP role.

These funds will in turn deploy capital raised into underlying equity, mezzanine, or debt investments, according to their stated strategy. All capital raised must be used for the fund.

Mobilization Qualification

TPDM

- If the MDB is a GP, other investments in the fund committed between the MDB's public announcement of its investment or its financial close, whichever comes first, and up to 24 months afterwards qualify as **TPDM**.
- If the MDB is an LP, other investments in the fund committed between the MDB's public announcement of its investment or its financial close, whichever comes first, and up to 24 months afterwards qualify as TPDM if the MDB performs an active and direct role by performing qualifying activities as described in *Section 3.1* on equity/other fund advisory.

PPDM

The sale of the MDB's fund participation qualifies as **PPDM**, subject to the conditions set out in *Section 3.6* on portfolio sales.

PIM

If an MDB is an LP, other private investments in the fund committed between the MDB's public announcement of its investment or its financial close, whichever comes first, and up to 24 months afterwards qualifies as **PIM**, if the MDB has no active and direct role in bringing in the other LPs.

3.4 Guarantees

3.4.1 Guarantees

Product Description

A guarantee is a contractual offer from an MDB to repay the holder in case of the occurrence of non-payment due to specific risks. A guarantee is not the same as a risk transfer, in that the risks are borne by the guarantor, the MDB, rather than transferred by the MDB to a third party, as with a risk transfer.

Trade facilitation activities (as described in *Section 2.2.7.1*) also qualify under guarantees.

Mobilization Qualification

TPDM

The total amount of any financing for which the MDB guarantee is provided, without deduction for the guaranteed amount, for guarantees covering any type of Project risk, qualifies as **TPDM**.²⁶

26. The 2026 *MDB Joint Report*, reflecting the updated MDB joint mobilization methodology, will include a footnote clarifying that the reported guarantee mobilization amount also encompasses the OA portion.

PPDM

Any reinsurance of the guarantee, other than a sovereign counter indemnity, qualifies as **PPDM**. See *Section 3.6* on reinsurance.

PIM: N/A

3.4.2 Guarantees on Letters of Credit

Product Description

A guarantee on a Project's Letters of Credit ("L/C"), with a tenor greater than one year, is a guarantee issued by an MDB on the repayment of any funds covered under the L/C issued by a commercial bank or another MDB. The L/C covers a portion of a revenue stream of the Project (such as revenues under a power purchase agreement or infrastructure service payments) or a portion of Project financing (such as an equity investment). This product is not applicable for trade finance.

Mobilization Qualification

TPDM

The principal amount of the L/C being guaranteed or issued by the guarantor MDB qualifies as **TPDM**.

PPDM

Any reinsurance of the L/C Guarantee, other than a sovereign counter indemnity, qualifies as **PPDM**. See *Section 3.6* on reinsurance.

PIM: N/A

3.4.3 Hedging

Product Description

Hedging refers to an MDB providing a currency hedge to the client or sponsor of a Project covering all or part of the currency risk of an investor's financing for the Project.

Mobilization Qualification

TPDM

When an MDB provides a hedge for external financing made available to a Project the MDB calculates the Expected Loss (EL) on the financing that would occur due to currency changes without the hedge. The amount of financing less the EL is the remaining project risk, and this qualifies as **TPDM**. No other financing from the hedging MDB for the Project is required.

If another MDB (or several MDBs) have a claim on the hedged amount, the TPDM for the hedge provider will be the EL of the hedge. The other MDB(s) will net this EL value from the face value of the loan or other financing for which the

currency cover is provided and claim this remainder as TPDM. If the participating, non-hedging MDB has only a partial claim on the hedged amount, the TPDM claim for the hedging MDB will be the EL of the hedge, plus any residual value after the TPDM claim of the participating MDB is taken.

Hedges must be from an MDB to a client to qualify for mobilization.

PPDM: N/A

PIM

If an MDB both provides a hedge and makes an OA investment in the Project, that MDB may receive **PIM** credit for any financing provided to the Project using the normal PIM allocation approach. However, the amount of capital set aside, which for example could be represented by the EL associated with the hedge, does not count as MDB commitment for PIM qualification purposes, nor is it to be used for allocation of PIM, only for TPDM.

Methodology

To be determined.

3.5 Intermediated Mobilization

3.5.1 Intermediated Mobilization

Product Description

This product involves long-term debt, equity, and guarantee investments made via intermediation instruments/structures such as lines of credit, bond or guarantee platforms, or equity platforms.^{27,28} These are created at least in part by MDBs, and designed to be used for further investing in Projects undertaken by final beneficiary companies, or directly to companies or SPVs managing Projects to use on MDB Projects or equivalent.

Intermediaries are those who manage the intermediation instruments on behalf of the MDBs and act in their stead. These may include financial institutions, fund or equity platform managers, or framework administrators. An intermediation instrument or structure must be established with the goal of investing MDB financing in MDB Projects.

27. Guarantee platforms are where MDBs establish and/or hold majority equity stakes in a platform to issue guarantees to debt securities such as bonds. In this context, “establish” means that the MDB has brought this platform together. Even if the MDB does not set out to hold a majority stake in a platform, it must continue to have significant control over platform operations by holding a board seat, having veto powers, or similar means.

28. Equity platform investments are where MDBs establish and/or hold majority equity stakes in a platform, for the explicit purpose of providing debt or sponsor-like equity capital to a series of underlying Projects or sub-entities. “Establish” in this context means that the MDB has brought this consortium or platform together. Even if the MDB doesn’t set out to hold a majority stake in a platform, it must continue to have a controlling stake in platform operations by holding a board seat, having veto powers, or similar means.

Financial institutions using lines of credit may use them once, or subscribing beneficiaries may use them once, and then must repay that amount, and reapply for a new line or new disbursement from the line before additional uses of the line are made. For credit lines where borrowers may repay and draw down continuously, see *Section 3.2* on revolvers. Equity platforms further investing equity or debt in new Projects, or issuing guarantees in support of Projects, may count additional finance provided for the same activities under the same conditions. For guarantee platforms, guarantees issued by the intermediary may be counted toward mobilization using qualification criteria of guarantees. For other structures e.g. holding companies, the investment can be debt or equity and must follow mobilization rules for those instruments.

Mobilization Qualification

TPDM

At the intermediary facility level: Additional financing made available via an intermediary facility by the financial institution, equity shareholder, or any other participating entity, as governed by the credit line or bond framework/equity participation agreement with the MDB, qualifies as **TPDM**. Platform participants must legally covenant to make a specific contribution to the facility as an ex-ante requirement. If the MDB otherwise takes an active, direct role in securing any financial institution contribution, the resulting funding contribution qualifies as TPDM.

At final beneficiary Project level: Financing made available for an activity via the intermediating platform/instrument that meets MDB Project criteria, including that the activity: a) has a specified set of development-oriented objectives; b) is conducted on a fixed timeline with milestones and has a pre-determined financing plan; and c) is performed under environmental, social, and governance standards developed by the MDB financing the intermediary, with the MDB tracking adherence to these standards qualifies for mobilization as follows:²⁹

- If the intermediary covers part of any Project cost for an activity to complement MDB lending and if the amount of the financial institution's contribution is an ex-ante prerequisite for the original financing agreement signed with the MDB, such financing qualifies as TPDM (amounts must exceed any pro rata amount contributed by the intermediary to the platform).
- Additional third-party financing made available to the activity also qualifies as TPDM if the MDB or platform has performed an active and direct role in helping make such financing available.

Activities must be presented to the MDB for pre-approval prior to intermediary investment, either in bulk or individually.

The additional mobilized contribution must be estimated ex-ante, tracked, and reported by using a Project cost estimate as any MDB Project.

29. If the MDB covenants in the funding agreement that the intermediary's ESG department must apply the MDB standards on all Projects in its stead, and track them as would the MDB, reporting any exceptions, the funding qualification condition (c) holds.

PPDM

At exit from the platform, the sale of shares by the MDBs at the platform level or the reinsurance or reissuance of a guarantee provided within a platform is considered **PPDM**. The entire value of the sale proceeds received by the MDB, or the reinsured principal amount of a guarantee issued by a guarantee platform, is considered mobilization.

PIM

At the facility level: If the financial institution adds additional funds to the facility after an MDB-covenanted investment within 24 months from the announcement of the facility's operation these funds qualify as **PIM**.

At final beneficiary Project level:

- Additional financing provided by the FI for the same activity in which the facility invests, if the activity meets the criteria listed under the TPDM section, qualifies as PIM.
- Additional third-party financing, including sponsor equity, made available to that same activity qualifies as PIM if the activity meets the criteria listed under the TPDM section and the MDB has no active and direct role in helping make it available. Per usual MDB policy PIM follows a pro rata allocation if multiple MDBs participate in this Project.

3.6 Risk Mitigation Products

3.6.1 Portfolio Sales (Funded Risk Transfer)

Product Description

MDBs can sell participation in a lending portfolio through transferring part of or all of the risk to a third party.

Mobilization Qualification

TPDM: N/A

PPDM

Total principal amount of the sale or risk transferred qualifies as **PPDM**. It is recorded as actual/sale value at the time of the transfer or sale of the portfolio.

PIM: N/A

3.6.2 Reinsurance

Product Description

Reinsurance is a risk management mechanism in which an MDB cedes a portion of its guarantee exposure, including trade to third-party insurers or reinsurers. This enables the MDB to manage its risk profile and expand its capacity to underwrite

guarantees beyond its internal limits. This can be done for a specific set of assets or at the portfolio level.

Mobilization Qualification

TPDM: N/A

PPDM

When an MDB insures or reinsures its portion of a guarantee with a third-party reinsurer, the full amount reinsured qualifies as **PPDM**.

PIM: N/A

3.6.3 Unfunded Risk Transfers

Product Description

A risk transfer is a financial arrangement whereby an MDB transfers a specified portion of credit risk associated with loans, bonds or other instruments to a third-party counterparty, commonly an insurer. This is done without transferring funds or ownership of the underlying assets.

For funded risk transfers, refer to *Section 3.6* on portfolio sales.

Mobilization Qualification

TPDM

An unfunded transfer of credit risk associated with loans, bonds, or other instruments from an MDB to third parties, such as insurance companies, qualifies as **TPDM** if the commitment of the third-party insurer occurs at the same financial close as the commitment of the amount transferred.

PPDM

An unfunded transfer of credit risk associated with loans, bonds, or other instruments from an MDB to third parties, such as insurance companies, qualifies as **PPDM** if the commitment of the third-party insurer is the second financing of record, made available after the financial close.

Please refer to *Section 3.6* on reinsurance for the treatment of reinsured transfers.

PIM: N/A

3.6.4 Significant Risk Transfers (SRTs)

Product Description

A significant risk transfer (SRT) is a transaction in which an entity transfers part of the credit risk, and becomes the “protection buyer,” of a portfolio of assets to another party, known as the “protection seller.” By transferring the risk, often the mezzanine layer, the protection buyer can achieve capital relief.

Mobilization Qualification

General

For this instrument, MDBs may calculate an implied market value, as confirmed by a third party to estimate the mobilization amounts.³⁰ This assumed value represents the risk transferred to/from the private investor to achieve the capital relief. Whenever there is no third-party valuation, the ‘book value’ or nominal value of the risk transfer may be used.³¹

TPDM

When an MDB invests in an SRT entered into by an entity such as a financial institution, i.e. acts as the protection seller, the total assumed “market value” or nominal value based on the conditions listed above, of the risk transfer qualifies as **TPDM**.³²

All new lending supported by the capital relief must fulfill use of proceeds requirements by the MDB. If not, the amount that is designated for other, non-development purposes must be deducted from the TPDM amount. For calculation of the TPDM amount, see the methodology below.

PPDM

When an MDB issues an SRT with assets from its own balance sheet, i.e. is the protection buyer, the total assumed market value or nominal value made available by a private entity for the assets in the reference portfolio qualifies as **PPDM**.³³ For calculation of this PPDM amount, see the methodology below.

PIM

If the SRT issued by the client acts as intermediary finance for further investing in Projects undertaken by final beneficiary companies, the MDB’s investment may be considered as OA for any **PIM** allocation credit in any Projects in which the intermediary invests. All rules for intermediated mobilization must be followed.

Methodology

MDBs must calculate the assumed “market value” of either TPDM or PPDM using a formula where the regulatory metrics and other variables, such as capital ratio, ρ , or Loss Given Default, are developed in consultation with a third-party risk analytics firm, or the provider (such as the credit rating agency), or the third-party firm determines the valuation using its own methodology and regulatory metrics.

Preferably, the private party to the transaction provides this valuation from procuring their own third-party risk analysis. If not available, the MDB may acquire and use their own third-party assessment of the “market value” of the transaction.

30. The estimated current market value of the transferred exposure, reflecting prevailing market conditions and pricing assumptions at the time of transaction.

31. The carrying value of the exposure on the originating institution’s balance sheet prior to risk transfer, as recorded for accounting purposes.

32. The face value of a financial instrument, representing the stated principal amount on which interest or returns are calculated, without adjustment for market price, discounting, or accounting valuation.

33. Or for the relevant tranche, if the SRT applies only to that tranche. In this case, the MDB must net out the risk-weighted assets of any other tranches.

Attributing Mobilization Estimates

4.1 For Investment-based Mobilization Claims

For Projects in which more than one MDB is making an investment, each MDB differentiates, at the Project level, (i) its own **TPDM**; (ii) its own **PbDM**; (iii) the **TPDM** of other MDBs; and (iv) **PIM** that is neither (i) nor (iii).

To avoid double-counting and assign attribution properly, each MDB reports 100 percent of (i) and (ii), zero percent of (iii), and a prorated share of (iv). Any flows classified as the TPDM of another MDB are excluded from an MDB's own reporting of TPDM.

For PIM, each MDB calculates the ratio of its OA commitments to total MDB OA commitments for the Project. This ratio is then applied to the total PIM amount to determine its attributed PIM share. This approach ensures that PIM is fairly apportioned across MDBs based on the amount of Project risk taken on.

For TPDM claims involving two or more MDBs where there is no designated lead arranger, or where there is no MDB that has an undisputed basis for a claim for the TPDM credit, then any TPDM credit allocated between those two MDBs may be done based on the PIM allocation above, applied to the potential TPDM credit in question.³⁴

34. Generally, TPDM credit assignment will be clear even without a “lead arranger” designation, as generally only one MDB is performing all the qualifying activities in Table 1. If this MDB brings in another MDB, for example as a guarantor on the loan the first MDB is syndicating, the guaranteeing MDB will not need to perform any of those activities and thus will have no basis for the TPDM claim.

4.2 For Advisory-based Mobilization Claims

4.2.1 Mobilization from Advisory and Investment in One Project

The MDB allocation methodology is consistent across all indicators: claims of mobilization arising from MDB OA commitments are considered first, followed by advisory-based claims.

Each MDB reporting mobilization should thus differentiate between investment-based and advisory-based claims. When there are both investment and advisory-based claims for mobilization, investment-based mobilization should be considered before allocation for advisory-based mobilization.

For investment-based claims, the reporting MDB may claim all of its own **TPDM**, as well as **PIM** credit for a portion of the remaining project cost, calculated as the total project cost divided by the total share of financing provided from the MDB's OA. The remaining project cost is the TPDM of the MDB with the advisory-based claim.³⁵ See the worked examples in Box 1.

4.2.2 Mobilization from Two or More Advisory Claims

If two or more MDBs have advisory-based claims for the same Project, the applicable **TPDM** is allocated equally among them.

4.3 For Hedging-based Mobilization Claims

If an MDB provides a hedge for a loan syndicated by another MDB, or for any other MDB-arranged financing, the expected loss (EL) at financial close is used to allocate the share of the loan eligible for **TPDM** credit for the hedge-providing MDB. The full loan or equity amount is multiplied by the EL, and this amount is credited to the hedge provider. The remaining amount of the syndicated loan or other hedged financing continues to qualify as TPDM for the MDB acting as lead arranger. When qualifying for TPDM, no further MDB commitment is required from the hedge provider. Detailed EL calculation to be determined.

35. For PPP Advisory Services and Auction Advisory, mobilization should be attributed as follows: (1) sponsor equity is fully attributed to the advising MDB as TPDM; (2) arranged debt is attributed to the investing MDB acting as mandated arranger as TPDM; (3) the investing MDB's OA financing (not arranged by other MDBs) is attributed to the advising MDB as PbDM; (4) any additional financing is allocated as PIM among the investing MDBs, based on each MDB's OA financing as a share of total project cost, with the PIM amount distributed proportionally among these MDBs; and (5) any remaining portion of the additional financing, after the PIM allocation among investing MDBs, is attributed to the advising MDB as TPDM

Box 4.1. Examples of Advisory-based Mobilization Claims

Example 1: An Investing MDB and an Advising MDB

Two MDBs intervene to support a \$200 million infrastructure Project. MDB-A invests \$20 million from its OA and helps to arrange a loan for another \$40 million. MDB-B provides qualifying advisory services for the entire Project, including market sounding through to reviewing bids and helping the remaining lenders finalize terms and conditions.

After deducting \$60 million for its MDB-A's OA and TPDM credit, the two MDBs work to allocate the remaining \$140 million. MDB-A may take the \$20 million contribution and divide that into the \$200 million total activity cost, for a 10 percent contribution factor. It can then apply this to the remaining balance of \$140 million for a \$14 million PIM credit. The remaining \$126 million is the TPDM credit for the advising MDB.

Example 2: Two Investing MDBs and One RES Auction/PPP Advising MDB

Three MDBs intervene to support a \$200 million infrastructure Project. MDB-A invests \$28 million and helps arrange a loan for another \$70 million. MDB-B invests \$14 million without arranging additional financing. MDB-C provides qualifying RES auction/PPP advisory services for the entire Project, including market sounding through to reviewing bids and helping the remaining lenders finalize terms and conditions. The remaining financing consists of \$28 million in debt from other investors and \$60 million in sponsor equity. The mobilization attribution for the three MDBs is as follows:

MDB-A:

- The \$70 million arranged loan is attributed as MDB-A's TPDM.
- \$4 million of the \$28 million in remaining debt is attributed as MDB-A's PIM. This is calculated based on MDB-A's share of total project cost ($28/200 = 14$ percent). Applying this share to the \$28 million results in approximately \$4 million.

MDB-B:

- \$2 million of the \$28 million in remaining third-party debt is attributed as MDB-B's PIM. This is calculated based on MDB-B's share of total project cost ($14/200 = 7$ percent). Applying this share to the \$28 million results in approximately \$2 million.

MDB-C:

- MDB-A and MDB-B's combined \$42 million in OA investments is attributed as MDB-C's PbDM.
- The \$60 million in sponsor equity is attributed as MDB-C's TPDM.
- The remaining \$22 million of remaining debt (\$28 million minus the portions attributed to MDB-A and MDB-B as PIM) is attributed as MDB-C's TPDM.

Reporting Mobilization

5.1 Scope of the MDB Joint Report

The *MDB Joint Report*, as a mobilization-based report, will report **TPDM**, **PPDM**, **PbDM** and **PIM**.

Private Direct Mobilization (PDM) is presented as a supplementary indicator, comprising TPDM and PPDM.

Total Private Mobilization (TPM) sums direct and indirect private mobilization and is defined as the sum of TPDM, PPDM, and PIM. It also will be presented as a supplemental indicator.

TPDM, PIM, and PbDM represent estimates of primary financing provided for an activity, the “first financing of record” for it. PPDM represents the estimates of the second or later recorded financing, including portfolio financing; this may overlap with MDB OA commitments, and there may also be some additional overlap with amounts that MDBs refinance in their syndications or through other refinancing where these amounts were recorded in TPDM.³⁶ This is why both PDM and TPM are recorded only supplementally.

5.2 When to Estimate Mobilization

Estimate **TPDM**, **PPDM**, and **PbDM** at the commitment date of the mobilized financing or on the date when financing agreements are signed. If the commitment date for it is available, do the same for **PIM**. If not, PIM should be estimated and reported on the date of the MDB’s TPDM commitment for the same Project. If not available, use the MDB’s OA commitment date.

When the MDB’s OA commitment is made in several tranches over more than one calendar year, and a commitment date is not available, mobilization is to

36. Theoretically, there can be non-MDB-mediated forms of portfolio financing, such as a client or sponsor refinancing its own contributions to an activity’s financing. As MDBs are not involved, this is not considered mobilization and these portfolio amounts will be included in the indicator, “Other Financing on Commercial Terms,” which is not reported.

be measured on a pro rata basis. This is done by using the ratio of the MDB's OA commitment in each year to the total amount approved by the MDB for the Project.

5.3 How to Report Mobilization

Mobilization is reported by calendar year in the *MDB Joint Report*. All mobilization is reported in US Dollars, using the spot rate on the day of financial close of financing in other currencies, if available. If not, convert all amounts using the end-of-year rate listed on the International Monetary Fund website.

Mobilization figures reported should be interpreted as estimates, as they are recorded at the point of financial commitment rather than disbursement. Refer to *Section 2.1.3* for the methodologies and sources to use in developing these mobilization estimates.

5.4 Cross-regional Reporting

For Projects that span more than one region, the mobilization amounts of **TPDM**, **PPDM**, **PbDM**, and **PIM** should, as default, be attributed to each region on a pro-rated basis. Where reliable information is available on the country-level allocation of mobilization amounts, a more specific allocation percentage may be applied to more accurately reflect where the financing is deployed.

The default attribution method is calculated based on a given region's share of the total number of countries covered by the Project, as shown in the formula below:

Proration formula:

$$\frac{\text{Number of countries in the region}}{\text{Total number of countries across all regions involved in the Project}} = \text{Percentage of mobilization attributed to the region}$$

If this calculation cannot be applied due to data limitations, the reporting institution is encouraged to work with the relevant team to reasonably estimate the regional distribution of mobilization.

The regional classification defined by the World Bank's [Country and Lending Groups](#) is applied for the *MDB Joint Report*.³⁷

5.5 Cross-income Group Reporting

For Projects involving countries from more than one income group, mobilization amounts of **TPDM**, **PPDM**, **PbDM**, and **PIM** should, as default, be attributed on a prorated basis, according to the share of countries in each income group. Where reliable information is available on the country-level allocation of mobilization amounts, a more specific allocation percentage may be applied to more accurately reflect where the financing is deployed.

The default attribution method is calculated based on a given income group's

37. <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

share of the total number of countries covered by the Project, as shown in the formula below:

Proration formulas:

Low-income countries (LIC):

Number of LICs in the Project / Total number of countries in the Project =
LIC share of mobilization

Middle-income countries (MIC):

Number of MICs in the Project / Total number of countries in the Project =
MIC share of mobilization

High-income countries (HIC):

Number of HICs in the Project / Total number of countries in the Project =
HIC share of mobilization

If this calculation cannot be applied due to data limitations, the reporting institution is encouraged to work with the relevant team to reasonably estimate the income group distribution of mobilization.

The income group classification defined by the World Bank's [Country and Lending Groups](#) is applied for the *MDB Joint Report*.³⁸

5.6 Infrastructure Reporting

The Task Force uses a common definition to qualify transactions as infrastructure projects. Infrastructure is defined as the underlying physical foundation or civil works, including integral and/or dedicated equipment, that support economic and social development. The following sectors are automatically classified as infrastructure:

- Energy, including electricity generation, transmission, and distribution.
- Water and waste management, including water and sanitation, solid waste, irrigation, and flood control.
- Transport such as roads, ports, airports, urban transport, railways, and fluvial and maritime transport.
- Telecommunications.
- Information technology within infrastructure sectors.
- Social infrastructure such as schools and hospitals.

Captive infrastructure, reserved for the sole use of a firm, is excluded.

5.7 Sector Reporting

The Task Force applies the sector classification defined by the purpose code lists of the Organization for Economic Co-operation and Development (OECD) [Creditor](#)

38. <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>

[Reporting System](#).³⁹ The *MDB Joint Report* follows this classification based on the applicable reporting year. The following are the final sectors to be presented in the *MDB Joint Report*:

- Agriculture, forestry, and fishing.
- Banking and business services.
- Communications.
- Education.
- Energy.
- Environmental protection.
- Health and population.
- Industry, mining, and construction.
- Other multisector.
- Other social sectors.
- Trade, policies and regulations and tourism.
- Transport and storage.
- Water and sanitation.

5.8 Financial Instrument Reporting

The Task Force applies the financial instrument classification defined in this *Mobilization Reference Guide*. The following are the final instruments to be presented in the *MDB Joint Report*:⁴⁰

- Advisory.
- Debt.
- Equity.
- Guarantees.
- Intermediated mobilization.
- Risk mitigation.
- Programmatic approaches.
- Others.

39. <https://www.oecd.org/en/data/insights/data-explainers/2024/10/resources-for-reporting-development-finance-statistics.html>

40. Intermediated mobilization, risk mitigation, and programmatic approaches were not included in the 2024 *MDB Joint Report*. Following approval of this 2026 *Mobilization Reference Guide*, future *MDB Joint Reports* may include these categories, as applicable.

Other Mobilization Methodologies

Various institutions are using or developing other mobilization and investment-mobilization frameworks. This *Mobilization Reference Guide* does not explore these other methodologies in detail, but further information is available from the sources below:

- OECD: [Handbook on Measuring and Reporting on Mobilised Private Finance in OECD DAC Statistics](#)
- European Union: [InvestEU Methodology](#)

While all methodologies aim to capture efforts to crowd in investors and measure economic investment, certain differences are notable. For example, the European Union measures **total investment mobilized**—a broad metric capturing all financing triggered by the supported operations—rather than the narrower concept of **private finance mobilized** used in the MDB joint mobilization methodology.⁴¹ This reflects the European Union’s emphasis on the full economic impact of its interventions, while still recognizing the central role of mobilizing private investors to address market gaps.

The MDB community and partner institutions regularly exchange information and lessons learned on these approaches, supporting greater transparency, understanding, and convergence where appropriate.

41. The EU introduced a structured approach to investment mobilization with the launch of the European Fund for Strategic Investments (EFSI) in 2015. EFSI and its successor program InvestEU used an EU budget guarantee to enable the European Investment Bank Group to finance higher risk projects and thereby mobilize additional investment, including significant participation from private investors, across infrastructure, innovation, and small and medium enterprise financing.

Members of MDB Task Force on Mobilization

As of October 2026, the Task Force was composed of the following MDBs and DFIs:

- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Asian Infrastructure Investment Bank (AIIB)
- CAF—Development Bank of Latin America and the Caribbean
- European Bank for Reconstruction and Development (EBRD)
- European Development Finance Institutions (EDFI)⁴²
- European Investment Bank (EIB Group)
- Inter-American Development Bank (IDB)
- Inter-American Investment Corporation (IDB Invest)
- International Finance Corporation (IFC)
- International Islamic Trade Finance Corporation (ITFC)
- Islamic Corporation for Insurance of Investments and Export Credits (ICIEC)
- Islamic Corporation for the Development of the Private Sector (ICD)
- Islamic Development Bank (IsDB)
- Multilateral Investment Guarantee Agency (MIGA)
- World Bank (WB)

The list of Task Force member institutions will be updated to reflect new members that join and participate in joint reporting. The updated membership list will be published in the *MDB Joint Report*.

42. EDFI membership consists of BII (United Kingdom), BIO (Belgium), Cofides (Spain), DEG (Germany), Finnfund (Finland), FMO (The Netherlands), Impact Fund Denmark (Denmark), Norfund (Norway), OeEB (Austria), Proparco (France), SIFEM (Switzerland), Simest and CDP Development Finance (Italy), SOFID (Portugal), and Swedfund (Sweden).

