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Blended Concessional Finance and COVID-19

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Blended concessional finance—the combination of commercial funds from development finance institutions (DFIs) and the private sector with concessional finance from public institutions, foundations, or other contributors—has become much more prominent in recent years as an effective method of spurring innovative private sector projects and programs in emerging markets. These concessional funds are being used in high-risk countries and for pioneering, innovative investments that can lead to dynamic growth and job creation and help meet the United Nations' Sustainable Development Goals. In the wake of the COVID-19 pandemic, governments, development institutions, and private companies are trying to find mechanisms to prevent the loss of essential economic activity under difficult and uncertain market conditions. In this context, blended concessional finance deployed by DFIs is already playing an even greater role than in the recent past, as it can help bridge critical financing gaps by placing important projects within the risk tolerance of private sector investors and DFIs, despite great market and financial uncertainty. Blended concessional finance will play a critical role to ensure that the response to the pandemic remains focused on the most difficult markets and, as efforts to rebuild are put in motion, the rebuilding is done in an inclusive and climate and gender-smart manner.

IFC and other development finance institutions are ramping up their efforts to deploy blended concessional finance solutions in response to the COVID-19 pandemic. This note examines those efforts, including which projects and types of finance are the near-term focus, what precautions need to be taken in this context to use the concessional funds wisely, and what the longer-term use for this type of finance might entail.

Impact of COVID-19 on the Private Sector in Emerging Markets

The private sector in emerging markets is enduring significant stress as a result of the global pandemic. Some countries such as Brazil, India, and South Africa have had significant levels of COVID-19 cases while others, including many in Sub-Saharan Africa, have so far experienced less-severe health impacts.[1] Nevertheless, in all cases, private companies have been significantly impacted by changes to market conditions, including deteriorating global demand, flight of finance (including foreign direct investment—FDI—and portfolio equity), supply chain disruptions, reduced trade, and declines in commodity prices. In addition, government responses within developing countries, such as lockdowns and travel restrictions, have led to additional private sector distress via local demand shocks, market restrictions, and travel bans.

The World Bank estimates that GDP in emerging and developing economies contracted in 2020 (the estimate

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for emerging markets excluding China is -5.0 percent GDP), with particularly negative impacts on employment and the livelihoods of the most vulnerable.[2] Global trade is projected to have declined by nearly 10 percent in 2020,[3] while FDI in developing countries in the first half of 2020 was down 16 percent, and down 28 percent in Africa.[4] Multiple sectors are being affected, including tourism, banking, agriculture, energy, logistics, retail, and manufacturing. Micro, small, and medium enterprises (MSMEs) are at particular risk because they are less resilient to demand and financial shocks. And countries are being affected differently; for example, commodity impacts, trade impacts, tourism impacts affect countries in greatly different ways.

There are also pockets of opportunity. Some private firms in the health supply and services sector are playing an expanded role in fighting the pandemic. Private firms may also have a re-purposed and/or expanded role in certain sectors with higher demand, such as delivery, information technology services, or retailers of nonperishable goods. In addition, private firms are innovating to cope with the current circumstances, for instance by moving more credit operations to digital alternatives.

The outlook for developing countries remains highly uncertain, depending upon the pace of vaccine deployment and economic revival, the composition and structure of future local and global economic activity, and the extent of local pandemic outbreaks and government actions.

IFC and other DFI responses

Governments in developing countries have implemented numerous financial programs such as tax holidays and credit lines to help address the near-term economic consequences of the pandemic.[5] DFIs have an important role, which is to support the preservation of private sector firms and jobs and help lay the groundwork for an eventual return to the growth critical to meet the Sustainable Development Goals (SDGs).

It is critical to prioritize systemically important companies (for example, those involved in value chains and logistics) that underpin and support large swaths of the economy, as well as MSMEs, which face limited options and employ large numbers of people.[6] In addition, special attention is needed to ensure that the most vulnerable are helped (e.g., credit lines for women entrepreneurs and attention to gender-based violence issues.)

DFIs can support companies directly or through financial institutions to channel financing to sustain operations. Financial institutions, when provided with adequate support or risk mitigation, can help in filling the finance gap that resulted from COVID-19 by ensuring that lines of credit are made available. This is particularly important in lower income and fragile countries.

Several DFIs, including IFC, have instituted emergency support programs for the private sector. These have generally focused initially on near-term liquidity issues such as trade finance and working capital, supporting SMEs and corporate clients, and in many cases working through local financial intermediaries. The goal is to stabilize companies and preserve jobs and the productive sector, with an expectation that if a company can be preserved in the near term, it can become financially sustainable again post COVID-19. DFIs have also developed advisory programs to help clients cope with COVID-19-related business issues, and are working to help local private companies support health systems and the health supply chain response to the crisis.

Based on lessons of experience with previous crises, one key aspect of the near-term programs is speed of processing and using established financing platforms, and several DFIs have worked to streamline processes under COVID-19. DFIs have also been working on cooperation platforms to support the COVID-19 response, such as the European Financing Partners program and the DFI Alliance.

In the medium term, certain sectors (tourism, for example) may face significant and long-lasting changes that will require restructuring to survive. There will also need to be significant market development in both existing and emerging sectors to create the industries that will lead countries back to sustained growth. These issues will thus need to become part of DFI programs over time.

IFC COVID-19 Response

The World Bank Group[7] is working toward a comprehensive $160 billion COVID-19 response over 15 months ending in June 2021. Major components of the program include support for health systems and public health services, social protection, livelihoods, and essential activity related to food security, clean water, and education. Special attention is given to targeting the most vulnerable populations.

IFC is a major participant in this program, with a targeted $47 billion of investments in both specialized COVID-19 platforms as well as individual projects that address pandemic issues. IFC's efforts will cover three stages of the crisis[8] 1) relief—maintaining the foundations of the private sector in the near term; 2) restructuring—providing solutions to help restore private sector viability and rebuild markets as the immediate impacts of the crisis subside, supporting businesses to sustain jobs, repairing balance sheets, and paving the way for a return to growth; and 3) recovery—creating new markets for sustainable, resilient private sector activity.

IFC's near-term activity as part of this overall response is an $8 billion investment program for sustaining the private sector and critical jobs and outputs. IFC, given its network and relationships with financial institutions and its portfolio of real sector companies, is well positioned to counter the negative effect of deteriorating consumer and business confidence and a tightening credit environment for portfolio companies, and to provide immediate relief to clients.

IFC's investment program includes $6 billion of private sector support through financial intermediaries, including trade finance guarantees via IFC's Global Trade Finance Program (GTFP), and working capital finance under a new IFC Working Capital Solutions (WCS) Program. In addition, $2 billion is available to preserve important real sector companies under a new Real Sector Crisis Response (RSE) Facility, covering companies in the infrastructure, manufacturing, agribusiness, and services sectors.

This emergency program can also support companies that are directly responding to the pandemic, such as those in medical services and supplies. The program addresses firms in the most difficult country situations by requiring that a significant share of commitments be in IDA-eligible and fragile and conflict-affected (FCS) countries.

The IFC program is structured to increase the speed of commitments, which is critical in a crisis response, via a number of mechanisms: 1) initial support is targeted toward existing clients that are known to IFC and have already demonstrated their ability to meet environment, social, and governance standards; 2) approval authority is delegated from IFC's Board of Executive Directors to IFC management when projects meet clear parameters, such as being run by existing clients in good standing; and 3) streamlined procedures are used throughout the project cycle, such as combining process steps through approval and simplified documentation.

This program was launched in March 2020. In addition, IFC is now also looking at a COVID-19 response for new clients through normal investment processes or additional programs—for which there is high demand. However, engaging with new clients requires additional time for due diligence, including reviews of environmental and social standards and investor integrity, which for the most part now need to be conducted virtually.

Another important part of the IFC crisis response is advisory support to help companies adjust to the changing market and financial situation. This includes, for example, advice to financial institutions on risk management during the crisis, advice to apparel manufacturers to help them transition to production of medical personal protective equipment (PPE), and advice to the tourism industry on finding ways to navigate the decline in global travel.

IFC is also working with governments and the private sector on the best strategies to save/restructure and/or grow different businesses. There are many policy choices regarding specific instruments and programs that will best preserve and grow the private sector, and IFC with the World Bank is helping to identify the most promising approaches that will save jobs and create forward momentum for a private sector revival.

Moving to a Second Phase of COVID-19 Response

IFC is also launching a "Phase II" COVID-19 response, which is focused on restructuring and reviving the private sector in developing countries over the medium-to-longer term. This requires a partnership with governments, DFIs, and the private sector to provide a full range of resources and a supporting environment to revive the economy. IFC will also help develop good bankable projects with its new upstream program,[9] which will be especially important following the crisis, as companies will likely be postponing project development and reducing the extensive upfront feasibility work needed to launch new projects.

The first program under IFC's Phase II COVID-19 response is the medical supply program launched in late July of 2020. The $4 billion Global Health Platform will help address the severe shortage of medical supplies in developing countries by providing financing to manufacturers of healthcare products, suppliers of critical raw materials, and healthcare service providers, to help them expand capacity for products and services for developing countries.

Also, in February 2021, IFC extended the original $8 billion COVID-19 investment program with a new initiative to help financial institutions support small businesses, informal enterprises, and low-income households that have been hit hardest by the lockdowns and economic slowdown caused by the pandemic. This "Base of the Pyramid" program adds $400 million in financing for microfinance institutions, non-bank financial institutions, and banks that are focused on MSMEs, and is available to new and existing IFC clients.[10]

In support of the Restructuring and Recovery Stages, IFC will also help viable companies refinance their debt and restructure their balance sheets to ensure survival, despite the crisis, and preserve jobs, know-how and capital while laying the foundation for renewed growth. This will involve expanded use of IFC's existing tools in debt refinancing and restructuring using equity capital.

In addition to the above initiatives, other programs and approaches are under development as part of the Phase II response, such as those to support corporates in hard-hit sectors such as transport, energy, telecoms, water, textiles and tourism.

The Role of Blended Concessional Finance

In many cases, COVID-19 projects supported by IFC and other DFIs will have a high-risk profile because of significant uncertainty in the economic outlook. This is particularly acute in lower-income and fragile countries where risks are exacerbated by low government and company capacity, political uncertainty, and conflict risks. In these higher risk situations, the level of investment risks can exceed the risk-bearing capacity of both private sector investors and DFIs. Blended concessional finance can therefore be very important to bring the risk-return profile to a range that can attract other investors, facilitate additional projects with important development impacts, and allow a significant portion of the pandemic response to be directed to lower-income and fragile countries. Blended concessional finance can also help ensure that, as firms are stabilized and renewed but remain exposed to significant financial and operational risks, projects can still address critical issues of inclusion, gender equality, and climate sustainability.

However, as with all blended concessional finance projects, the selection of projects and the structuring of the financing must be done carefully to ensure a maximum benefit for the scarce public resources deployed. In the context of COVID-19 response, key issues include appropriate burden sharing between governments, the private sector, and providers of concessional finance; and maintaining a focus on development impact. In the context of the pandemic, development impact means striving to sustain markets and jobs.

IFC Blended Concessional Finance Programs for COVID-19

The initial IFC blended concessional finance COVID-19 program has been structured to ensure IFC's COVID-19 crisis response (described above) will be able to include a significant level of financing to the higher-risk and most vulnerable countries and populations. Blended concessional finance is also likely to be an important tool in the Phase

Box 1. IFC Phase I Blended Concessional Finance for COVID-19 Using the IDA IFC Private Sector Window (PSW) and Other Facilities

- Up to $80 million in first-loss guarantees on a project-by-project basis to the **IFC COVID-19 real sector (RSE) program**, with the intent to support IFC investments in IDA PSW-eligible (IDA and FCS)* countries and increase the share of the $2 billion RSE program's commitments in these countries. The funds are available for new IFC senior loan, subordinated loan, or guarantee products to existing clients.
- Up to $250 million guarantees to partially de-risk the **IFC COVID-19 trade finance (GTFP) program** and support at least $1 billion of additional GTFP commitment in IDA and FCS countries. This includes an unfunded, pooled first loss of up to $50 million to cover losses on an eligible trade guaranteed by IFC, and revolving exposure limit enhancement of up to $200 million (where IFC has reached its obligor exposure limit). The IDA PSW pooled first-loss guarantee will support all GTFP transactions in IDA PSW-eligible countries with existing GTFP clients.
- Support working capital loans in IDA PSW-eligible countries under the **Working Capital Solutions (WCS) Facility** with a pooled first-loss guarantee of up to $215 million. The project will support existing IFC financial intermediary clients in good standing. The program will provide significant support for access to finance and liquidity for emerging market banks, traders, MSMEs, and other real sector borrowers.
- **Expanding gender impacts.** IFC as an implementing entity of the Global SME Facility (GSMEF), the Women Entrepreneurs Opportunity Facility (WEOF) and/or the Women Entrepreneurs Finance Initiative (We-Fi) is offering performance-based incentives (PBI) of up to $2.4 million (in aggregate for the WCS Facility) to support on-lending to women-owned and women-led enterprises.

**Specifically, IDA-only (excluding IDA blend) countries and IDA-eligible fragile and conflict-affected states. See IDA PSW website.*

II recovery response in these countries to ensure that the rebuilding is climate-smart, gender-focused, and inclusive.

For the initial blended concessional finance response, concessional funds from the IDA Private Sector Window (IDA PSW) and other facilities are being deployed under four main instruments (Box 1). Each one is targeted to extend the range of support of IFC's initial COVID-19 response to lower-income and fragile countries and excluded groups, to a much larger extent than would otherwise be possible.

The first program provides first-loss guarantees for individual projects under the IFC RSE facility in IDA PSW-eligible countries (lower-income and fragile and conflict-affected states[11]), to help increase the share of commitments from the RSE facility in these countries.

The second program extends trade finance by providing a pooled first-loss guarantee in IDA PSW-eligible countries for the IFC COVID-19 trade finance program (GTFP), and also by extending IFC's capacity to support trade finance in IDA PSW-eligible countries where IFC has reached its obligor exposure limit.

The third program provides a pooled first loss for investments under the IFC working capital solutions program in IDA PSW-eligible countries. The last program provides financial incentives through the Women Entrepreneurs Finance Initiative (We-Fi), Women Entrepreneurs Opportunity Facility, and the Global SME Finance Facility for banks to support on-lending of working capital loans to women-owned and women-led enterprises.

In the real sector, trade, and working capital programs, the case for blended concessional finance is that, given the high risks in the IDA PSW-eligible country markets, private capital and normal DFI capital would not be able to make investments at sufficient scale without this support.

Over time, as markets return to normal, the concessional finance should no longer be needed for similar projects. For the gender program, the concessional finance is needed to ensure that IFC financial intermediaries' COVID-19 responses have a gender-focus at a time when the health and economic crisis posed by the pandemic is expected to disproportionately impact women.

To meet the requirements of the main IFC COVID-19 response, the processing of these blended concessional finance projects is streamlined in ways that match the streamlined response of the IFC financing, such as by using reduced process stages and providing delegated approvals from IFC's Board of Executive Directors.

IFC has already developed a strong pipeline of individual projects that are being supported by the blended concessional finance from the above facilities, including, for example, requests to support SMEs and women-owned SMES. In addition to the blended concessional finance COVID-19 response using the IDA PSW and gender/SME-focused facilities as described above, IFC is exploring ways to refocus other blended concessional finance programs to support COVID-19 related activities.

The IDA PSW is also being used to support the new IFC "Base of the Pyramid" facility when projects are in low-income countries. Up to $80 million will be made available through a pooled first-loss guarantee to de-risk credit exposure, and resources from the IDA-PSW Local Currency Facility may also be allocated to de-risk local currency exposure.[12]

Implementing the DFI Blended Concessional Finance Principles for COVID-19 Programs

The *DFI Blended Concessional Finance Enhanced Principles* were developed by a working group of major multilateral and bilateral development institutions that work in the private sector. The principles provide guidance on how to use concessional funds most effectively and efficiently to support private sector development, and to avoid potential pitfalls, such as undermining the development of markets.[13] These are the five DFI Principles:

1. **Rationale for blended concessional finance/ additionality.** Concessional finance should support projects that have strong development impact (for example, creating jobs, providing improved goods and services, creating markets), additionality (special contribution from the DFI), and value-added beyond what is available from the market or DFIs on a commercial basis.
2. **Minimum concessionality and crowding-in.** Only the minimum amount of concessional funds should be used that are necessary to make a project viable, and private capital should be mobilized as much as possible.
3. **Commercial sustainability.** Projects should lead to commercially sustainable enterprises over time and should not lead to industries dependent on permanent subsidies
4. **Reinforcing markets.** Projects should be structured to contribute to market development, including through regulatory reform, advisory services, and project incentives that help develop long-term sustainable enterprises.
5. **High standards.** Projects should exhibit high environmental, social, and governance standards.

DFI Enhanced Principle	Special Considerations in the Context of COVID-19 Response
1. Rationale for Blended Concessional Finance/ Additionality	While in normal circumstances, blended concessional finance is used to create or enhance impact, now the focus will also be on protecting some of the gains achieved from existing projects, such as through inclusive workforce retention and retraining, maintaining a gender focus, continuing support of climate benefits, addressing food security and drivers of fragility, and providing for affordability and resilience in infrastructure.
2. Minimum Concessionality and Crowding-in	• Existing benchmarks on levels of concessionality and rates of return in a sector and/or region, which are often used to assess minimum concessionality, may be less applicable during the COVID-19 crisis. In this case, best estimates of reasonable return levels for sponsors and lenders/investors may be considered. Transparency and disclosure will be more relevant than ever, including disclosure of estimated subsidy levels. • Crowding-in other investors may become more challenging and require instruments with higher embedded concessionality now that private capital is withdrawing from emerging markets. Crowding-in can occur over time.
3. Commercial Sustainability	• Investing in businesses with strong fundamentals continues to be paramount. If a project was commercially sustainable pre crisis, this can give some comfort that the project will return to sustainability once the economy has recovered. Co-investment by IFC or other DFIs using the normal commercial requirements is also important to ensure that the project has long-term prospects. • When possible, structures should be time-bound and/or linked to the crisis response of the DFI.
4. Reinforcing Markets	Fostering long-term market development, e.g. through working on regulations and providing advisory services, may not be a first consideration during the initial phase of the pandemic response. However, market building remains critical in the medium term, once there is better visibility on the depth and length of the crisis and recovery path.
5. High Standards	Alignment to streamlined project processes and timelines for rapid response will be needed, but high standards for environmental and social issues, governance, and transparency continue to apply.

TABLE 1 Special Considerations for Employing the DFI Enhanced Principles for COVID-19 Response

Source: IFC

Experience has shown that the need for strong governance processes is even greater during a crisis than in normal times, to avoid rent seeking, ensure appropriate burden sharing between public and private entities, and plan for a clear exit strategy for public support. However, projects responding to the COVID-19 crisis also present difficult issues related to the appropriate implementation of the DFI Enhanced Principles, such as how to ensure minimum concessionality without good data for financial and market benchmarks.

Reflecting on these issues, IFC has developed special considerations for each of the five DFI principles when applied in the context of a COVID-19 response, as shown in Table 1.

Three points are particularly important:

Development impact. Unlike most DFI projects during normal times, many projects during the COVID-19 crisis will not be investments in new operations, but rather may provide temporary liquidity to keep existing operations going until markets recover. The development impact can be viewed in this case not as, for example, new jobs and markets, but as the preservation of jobs and economic activity that is critical both to sustaining livelihoods during a crisis and preserving the networks, skills, and programs that will be fundamental to any sustainable rebuilding effort.

Minimum concessionality. Identifying the right level of concessionality can be quite difficult during a global economic crisis, as historic concessionality and return benchmarks won't necessarily be applicable, and company financial projections will have high levels of uncertainty. DFIs will have to use the best benchmarks available, including expected company returns, expected DFI returns, and estimated levels of concessionality, all benchmarked relative to the best available historic norms. Transparency will be important to provide assurance to contributors and the public that funds are being used appropriately. When possible, blended concessional finance structures should allow for an adjustment of concessional support if and when it is no longer needed.

Commercial sustainability. Identifying firms that can survive the crisis can be difficult. Some may be able to temporarily continue with liquidity support, but ultimately will have to be fundamentally restructured. Indications of potential viability could include a strong business before the COVID-19 crisis, and the willingness of other investors to put new money into a company.

The response of concessional finance contributors and other partners

Governments and donors have been working on programs for a COVID-19 response in developing countries, and blended concessional finance has been part of these discussions. Economic focus areas have included programs similar to those promoted by the DFIs, including support for SMEs, working capital, trade finance, supply chains, local currency finance, and the provision of additional equity; protection of the most vulnerable; and rebuilding better than before, for example by supporting clean energy. Part of this support will be channeled through existing partners, multilateral development banks, and DFIs, and coordinated with international agencies. For example, the European Fund for Sustainable Development, which provides guarantees and blended finance utilized by a number of MDBs and DFIs, refocused its financing in 2020 to support more COVID-19-related investments.

IFC is working with development partners to expand blended concessional finance programs and resources. For example, certain donors are looking to expand concessional funding for projects that are COVID-19-related, and there are also discussions about expanding the country eligibility of concessional funds to reflect the greater needs for blended finance under COVID-19. For example, the list of countries eligible for funding under the IDA PSW has been expanded for two years to reflect special needs during the COVID-19 crisis.[14] In certain cases, there may also be a need for allowance of greater concessionality from donors.

The Road Forward

With the "Phase II" recovery programs from IFC and others, the initial emergency phase of economic support for liquidity will be followed by additional work on restructuring and reviving markets. Blended concessional finance will likely be a central part of this restructuring and rebuilding agenda, as even in the medium term, risks in many countries will likely remain high. There are three important ideas to consider as this process unfolds:

1. Blended concessional finance programs will have to be flexible and innovative to help find the best solutions in each country and sector. Updated country strategy programs and platforms will be essential to ensuring the most effective use of resources.
2. The process is likely to require new resources. There could be an extended time of restructuring and rebuilding, and initial solutions will have to be followed by additional programs.
3. While some extended support may be necessary, exit mechanisms for the use of concessional funds will need to be carefully considered to allow industries to become strong and dynamic on their own. This will also allow concessional resources to shift toward other sectors and vulnerable firms and populations that show longer-lasting effects from the COVID-19 crisis.

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Please see the following additional reports and EM Compass Notes about responses to COVID-19 and about reaching unserved and underserved populations in emerging markets:

Artificial Intelligence in Emerging Markets—Opportunities, Trends, and Emerging Business Models (report, September 2020); *Reinventing Business Through Disruptive Technologies—Sector Trends and Investment Opportunities for Firms in Emerging Markets* (report, March 2019); *How the Tourism Sector in Emerging Markets is Recovering from COVID-19* (Note 95, December 2020); *Impacts of COVID-19 on the Private Sector in Fragile and Conflict-Affected Situations* (Note 93, November 2020); *Lessons for Electric Utilities from COVID-19 Responses in Emerging Markets* (Note 90, September 2020); *Social Bonds Can Help Mitigate the Economic and Social Effects of the COVID-19 Crisis* (Note 89, August 2020); Leveraging Inclusive Businesses Models to Support the Base of the Pyramid during COVID-19 (Note 84, May 2020); *What COVID-19 Means for Digital Infrastructure in Emerging Markets* (Note 83, May 2020).

[1] Based on reported cases.

[2] See World Bank, Global Economic Prospects, January 2021; World Bank, Africa's Pulse, No. 22, October 2020: An Analysis of Issues Shaping Africa's Economic Future.

[3] World Bank, Global Economic Prospects, January 2021, p. 4.

[4] UNCTAD, Global Investment Trends Monitor, October 2020.

[5] For a summary of responses in each country, see IMF, Policy Responses to COVID-19, https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19

[6] See "Protecting People and Economies: Integrated Policy Responses to COVID-19," World Bank, 2020.

[7] Including the International Finance Corporation (IFC), the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), and the Multilateral Investment Guarantee Agency (MIGA).

[8] World Bank. 2020. "World Bank Group COVID-19 Crisis Response Approach Paper." June 2020, p. 12; and IFC. 2020. "IFC FY21 Budget. Aligning Strategy and Resources." p. i.

[9] IFC's current strategy (IFC 3.0) focuses on developing projects by identifying promising market opportunities, working with governments and the private sector to create an appropriate regulatory and investment environment that can support private sector projects in these areas, and working "upstream" on project feasibility and project development to bring viable private sector projects to market.

[10] IFC. 2021. "IFC Initiative to Help Financial Institutions Support Small Businesses Disrupted by Pandemic." Feb 9, 2021 (press release). https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=26184.

[11] Specifically, IDA-only (excluding IDA blend) countries and IDA-eligible fragile and conflict-affected states. See PSW website for eligible countries. https://ida.worldbank.org/sites/default/files/pdfs/psw-eligible-countries.pdf

[12] IFC. 2021.

[13] For more details, see the report of the DFI Working Group on Blended Concessional Finance, October 2017.

[14] See List of IDA PSW-Eligible Countries and Sub-National Regions as of September 1, 2020.

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