

MEASURING UP

Measuring the results of IFC's work — and evaluating our effectiveness — is fundamental to our approach to development.

ASSESSING EXPECTED DEVELOPMENT IMPACT AND MEASURING RESULTS

IFC launched a new impact rating system: the Anticipated Impact Measurement and Monitoring (AIMM) system in 2017.¹ Potential projects are rated ex-ante and selected based on their expected development outcomes. This approach enables us to set ambitious yet achievable targets, identify projects with the greatest potential for development impact, and optimize project design.

To date, IFC has rated over 1,700 investment projects for their expected development impact. Notable updates in the AIMM framework's development for FY21 include:

- Building on feedback from FY20, IFC continued to expand the AIMM system's capacity to measure impact and better articulate the development results for its Advisory Services (AS) portfolio in FY21.
- IFC tested several approaches to assigning AIMM scores for platform investments, which involve the clustering of investment projects to address a systemic development challenge, such as the FIGE and RSE programs, and the Global Health and Base of the Pyramid programs, where IFC developed more streamlined rating approaches.
- IFC updated the way it assesses development gaps and project intensities to recognize the unique economic consequences arising from the COVID-19 pandemic. This work, which overlaps with the testing of platform ratings described above, also included further refinement of IFC's development impact assessments for debt restructurings and secondary share purchases.
- IFC is strengthening our capacity to better monitor our impact in creating markets with AIMM assessments. This multi-year effort involved collecting data to facilitate the evaluation of market claims made by IFC projects.

Estimated Job Creation: Based on a conservative estimate using IFC's economic impact estimation framework, IFC expects to contribute to the creation of 1.4 million to 1.6 million jobs globally over the lifetime of the projects it financed in FY21. These estimates include direct and indirect jobs created and are derived from projects accounting for about 60 percent of IFC's FY21 investment commitments.²

These latest estimates suggest that IFC's investments during FY21 will lead to a lower job creation effect than investments in previous years. This can be attributed to the global COVID-19 pandemic and economic crisis as the focus of investment partly shifted from creating new jobs to saving existing ones. More than 30 percent of the long-term investment

volume was channeled into projects geared at helping clients maintain their businesses rather than grow them. Specifically, the FIGE and RSE COVID-19 envelopes accounted for 1.2 billion and 0.7 billion of IFC's own account commitments, respectively.

IFC's contribution to global job creation is particularly noteworthy in the poorest and most vulnerable countries. Roughly 29 percent of IFC's total contribution to job creation through projects committed in FY21 is expected in IDA countries alone and about 11 percent will be created in FCS countries. The concessional finance that the IDA Private Sector Window (PSW) provides contributes substantially to these effects: around 9 percent of IFC's global job creation contribution is accounted for by projects that received IDA PSW funds.³

IFC Contribution to Climate change: IFC and the World Bank Group recognize climate change as an acute threat to global development that increases instability and contributes to poverty, fragility, and migration. Climate action is also an investment opportunity for the private sector. IFC has been in the climate business space since the 1980s, when it began supporting simple project finance of renewables, and has since diversified into green buildings, green finance, climate-smart agribusiness, and other sectors. In FY21, committed own account climate-related investment projects, totaling \$4 billion, are expected to help our clients reduce annual greenhouse gas emissions by 12 million tons of carbon dioxide equivalent.

IFC Contribution to SDGs: For the IFC 3.0 strategy, the AIMM system provides a line of sight from IFC's mandate, through intermediate corporate objectives, to the SDGs. It allows IFC to monitor results using project-level indicators, including the Harmonized Indicators for Private Sector Operations (HIPS), and aligns its reporting at the portfolio level to various SDGs. The AIMM framework also enables monitoring and reporting of the contribution of market-creation effects that support achievement of the SDGs.

IFC operations contribute to several Sustainable Development Goals (SDGs) through direct investments and advisory services. Integral to IFC's mandate and aligned with the World Bank Group's twin goals are SDGs 1 and 10: "No Poverty" and "Reduced Inequality." At the strategic sector level, IFC promotes projects in infrastructure, agriculture, financial inclusion, health, and education — aligned with SDGs 2, 3, 4, 6, 7, and 9. For example, IFC has been working with Kaebauk Investimentu no Finansas, S.A. in Timor-Leste on a holistic farming-to-financing approach that addresses financing gaps

1. Detailed introductions about the AIMM system can be found in FY18 and FY19 IFC annual reports: [ifc.org/AnnualReport](https://www.ifc.org/AnnualReport)

2. Employment estimates are computed for individual projects using IFC's economic impact estimation framework. The framework comprises sector-specific models and a variety of assumptions across countries and sectors. For financial intermediaries, the estimate includes on-lending of IFC funds only. Client banks' portfolios grow more than the IFC funding alone, partly because IFC's contribution catalyzes additional funding and partly because the growth is contractually agreed with IFC. This additional expansion, which is hard to attribute precisely, could represent the creation of several million jobs.

3. About 19% of the volume of IFC's long-term investments are committed in IDA countries, 7% in FCS countries, 20% in the Sub-Saharan Africa region, and about 5% in IDA PSW-supported projects.

in this critical sector. The project aims to improve productivity in agribusiness by developing a sufficient flow of bankable agribusiness financing opportunities.

Across sectors and regions, IFC seeks to promote employment creation and economic growth, gender equality, cities development, environmental and social sustainability, and climate-change adaptation and mitigation — aligned with SDGs 8, 5, 11, 12, and 13, respectively. IFC played an important role in sustaining livelihoods and preserving the private sector’s capacity to support the economic recovery from COVID-19. Furthermore, IFC actively partners with private investors to mobilize new sources of finance — aligned with SDG 17.

This past year, IFC, together with other Multilateral Development Banks (MDBs) and the International Monetary Fund, collaborated to produce a joint report on the SDGs — *Financing the Sustainable Development Goals: The Contributions of the Multilateral Development Banks*.⁴ The report highlights efforts to support countries in achieving the SDGs, by providing finance, technical assistance, policy support, and knowledge, especially in the wake of the unprecedented COVID-19 pandemic. MDBs acted fast to tailor their financing to help address critical needs, thereby developing a global response package of \$230 billion.

WHAT EX-ANTE AIMM SCORES SAY ABOUT IFC’S DEVELOPMENT IMPACT

At the start of FY21, IFC maintained the FY20 development impact targets for its projects: (1) an average ex-ante AIMM score of at least 50 across the portfolio of committed projects; and (2) at least 15 percent of committed projects rated “Very Strong” for market creation potential. This is the third year in which IFC has defined in quantitative terms our development impact ambitions for new projects at the start of a fiscal year.⁵

In FY21, IFC committed 262 projects that were AIMM-scored compared to 216⁶ projects in FY20. The average AIMM score for projects committed during FY21 was 53, versus 51 in FY20. Of the 262 projects, only 14 were rated “Very Strong” for market creation potential, corresponding to a 5 percent share of all AIMM-scored projects, well below the 15 percent target and the 8 percent share achieved in FY20. A contributing factor for this drop-off was the emergence of the COVID-19 crisis. COVID-19 prompted IFC to invest heavily in supporting existing clients’ operations and strongly affected its ability to commit longer-term, capital-intensive projects typically found in transformational interventions with “Very Strong” market creation potential. To “sustain” markets, IFC is offering loans to companies in need, and if necessary, will make equity investments. For example, IFC expects the RSE facility to provide \$2 billion to support existing clients in the infrastructure, manufacturing, agriculture, and services industries vulnerable to the pandemic, as well as companies in the healthcare sector that are seeing an increase in demand. As the crisis abates and Upstream activities take hold, IFC expects the re-emergence of a more robust pipeline of market creation projects.

Of the AIMM-scored projects committed in FY21, 203 (77 percent) received an AIMM rating of “Good” compared to 74 percent in FY20. Strong commitment performance for COVID-19 response projects throughout FY21 likely contributed to this increase in the share of projects rated “Good”.⁷ The rising share of “Good” projects also likely reflects improved understanding of the AIMM framework among IFC staff, prompting improved project design.

The tables below summarize key outcomes from the second year of implementing the AIMM system on an ex-ante basis.

Average AIMM Scores for Committed Projects in IDA/FCS Countries and for Blended Finance

DESCRIPTION	AVERAGE AIMM SCORE	
	FY21	FY20
Committed projects in FCS countries	64	55
Committed projects in FCS/LIC/IDA17 countries	59	57
Committed projects in IDA countries	56	54
Committed projects using blended finance	58	55

4. *Financing the Sustainable Development Goals: The Contributions of the Multilateral Development Banks*, <https://www.isdb.org/financing-the-sustainable-development-goals-the-contributions-of-the-multilateral-development-banks>.

5. IFC provides its Board with a strategy and business outlook every three years detailing the Corporation’s strategic direction. The FY21 corporate scorecard contains program targets for the current year (FY21) and two future years. Annual scorecard targets are revisited annually to confirm targets continue to enable staff to focus on prevailing priorities. The maintenance of a stable AIMM score target over the past three years reflects these considerations.

6. The FY20 Annual Report cited 215 projects. The difference is due to a post-publication correction to the number of projects committed and rated.

7. Projects under the FIGE and RSE COVID-19 response packages received a uniform AIMM score of 53 (Good).

Committed Projects: Ex-Ante AIMM Score by Region

BY REGION	FY21				FY20			
	NUMBER OF PROJECTS SCORED	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET		NUMBER OF PROJECTS SCORED	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET	
			3	5%			6	12%
Sub-Saharan Africa	55	54	3	5%	51	54	6	12%
Latin America and the Caribbean	56	53	2	4%	37	46	0	0%
East Asia and the Pacific	43	54	2	5%	36	52	2	6%
Middle East and North Africa	18	54	2	11%	17	54	2	12%
Europe and Central Asia	39	51	3	8%	32	44	3	9%
South Asia	38	53	1	3%	33	53	3	9%
Global	13	52	1	8%	10	54	2	20%
IFC	262	53	14	5%	216⁸	51	18	8%

Committed Projects: Ex-Ante AIMM Score by Industry

BY INDUSTRY	FY21				FY20			
	NUMBER OF PROJECTS SCORED	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET		NUMBER OF PROJECTS SCORED	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET	
			1	1%			7	8%
Manufacturing, Agribusiness and Services	94	52	1	1%	71	51	3	4%
Financial Institutions Group	101	54	3	3%	85	50	7	8%
Infrastructure and Natural Resources	40	55	5	13%	39	53	7	18%
Disruptive Technologies and Venture Capital	45	53	5	11%	30	48	2	7%
IFC⁹	280	53	14	5%	225¹⁰	51	19	8%

During FY21, a range of situations shaped the landscape in which IFC pursued its development impact ambitions. Most notably, and as outlined above, the pandemic prompted IFC to invest heavily in helping its clients sustain operations. Some clients played a key role in global health supply chains while others, including some new clients, offered opportunities for private investors to deploy capital at a time of heightened uncertainty in debt and equity markets. Several projects exemplify the prevailing impact rating circumstances that IFC faced in FY21:

- In **Africa**, COVID-19 has further tightened the ability of the private sector to access financing for growth. The COVID-19 pandemic has challenged businesses and increased their demand for capital. Yet at the same time, difficult economic conditions and amplified challenges have seen banks pull back from lending. IFC has been able to alleviate this shortfall by supporting alternate finance options such as private equity and private credit. However,

private equity and private credit activities across Africa remain limited, with both markets remaining highly under-developed. IFC is promoting development of these markets by supporting funds such as Ascent Fund II (providing private equity capital and value creation to SME companies in East Africa), Adiwale I (anchoring a first-time fund manager targeting SMEs launch in West Africa), and Vantage IV (supporting one of the only private credit funds operating across Africa).

- In **South Asia**, IFC is working with Biological E Limited (BioE), one of India's top vaccine manufacturers, with a \$30 million loan to support the company's expansion of low-priced, generic vaccines for routine immunization of children and the production of new vaccines, including future COVID-19 vaccines. IFC expects this to increase the availability of affordable, quality vaccines globally and promote greater stability in healthcare provision by providing needed supplies.

8. As noted above, the FY20 Annual Report cited 215 projects. The difference is due to a post-publication correction in the number of projects committed and rated.

9. The industry totals for FY20 and FY21 do not match regional totals because of joint ventures between industries. Each industry is allocated a full project count for each joint venture in which it participates.

10. Figure differs from FY20 Annual Report due to a post-publication correction in the number of projects committed and rated.

- In **East Asia**, IFC made its first direct debt investment into a renewable energy (RE) project in Vietnam. The proceeds will fund the construction of two wind power projects with a total capacity of 54.2 megawatts (MW). The project will increase RE capacity and help support the achievement of Vietnam's targets under the Paris Agreement through the critically important decarbonization of its power sector. The project is also expected to contribute to market competitiveness by expanding private sector investment in the sector and demonstrating the role of wind power in Vietnam's electricity generation mix.

In addition, IFC made important contributions to attenuating the negative effects from the COVID-19 pandemic. These contributions were reflected in the AIMM rating treatment of several programs:

- Projects under IFC's FIGE and RSE contributed to reducing the pandemic's negative effects on key stakeholders and market resilience. The challenges these projects addressed varied, ranging from helping existing clients in need sustain their payrolls, to covering payment risks of financial institutions so they can provide trade financing to companies that import and export goods, to funding emerging market banks that extend credit to help businesses shore up their working capital needs.

- Projects under the Global Health Platform and Base of the Pyramid facility supported the scaling of vaccines, medical supplies, and financial support to microenterprises. To facilitate the rapid deployment of these programs, IFC developed more streamlined impact rating approaches.
- Finally, IFC undertook selective secondary share repurchases and refinanced the debt of clients faced with potentially disruptive financing shortfalls due to the pandemic.

WHAT PORTFOLIO RESULTS SAY ABOUT IFC'S IMPACT DELIVERY

Portfolio AIMM score for Investment Projects: At the end of FY21, IFC had 884 active AIMM-rated investment projects in its portfolio.¹¹ The average portfolio AIMM score was 45. In comparison, the average ex-ante AIMM score assigned to these same projects was 46, suggesting that at the portfolio level, the development outcomes IFC expected to generate have been mostly delivered during project implementation. Between FY20 and FY21, the portfolio AIMM score average increased from 44 to 45. Projects committed in FY20 that entered the portfolio in FY21 contributed to this slight increase given the carryover of their higher ex-ante AIMM scores.¹²

Investment Services Portfolio AIMM Score by Region

BY REGION	FY21		FY20	
	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET
Sub-Saharan Africa	49	15%	47	16%
Latin America and the Caribbean	39	7%	37	8%
East Asia and the Pacific	46	7%	47	11%
Middle East and North Africa	45	19%	44	21%
Europe and Central Asia	42	9%	39	7%
South Asia	48	7%	47	7%
Global	48	15%	43	10%
IFC	45	10%	44	11%

Investment Services Portfolio AIMM Score by Industry

BY INDUSTRY	FY21		FY20	
	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET	AIMM SCORE AVERAGE	RATED VERY STRONG MARKET
Manufacturing, Agribusiness and Services	43	3%	41	3%
Financial Institutions Group	45	9%	44	9%
Infrastructure and Natural Resources	51	23%	49	23%
Disruptive Technologies and Venture Capital	46	15%	45	18%
IFC	45	10%	44	11%

11. Roughly half of IFC's active, AIMM-rated projects pre-date AIMM scoring. In 2020, IFC backfilled AIMM scores on this representative sample of IFC's investment portfolio.

12. Committed projects that were assigned an ex-ante AIMM score during FY20 enter the monitoring portfolio the following fiscal year. Because early operating maturity has not been reached and monitoring has not started for these projects, their ex-ante AIMM scores carry over and become portfolio AIMM scores in FY21.

It is too early to assess the effects of the COVID-19 pandemic on the development impact performance of IFC's portfolio. Most projects where clients claimed to be moderately or heavily affected by the pandemic showed modest changes in AIMM scores. Part of this may be explained by temporal factors, where the pandemic's effect on client performance may not be fully reflected in reporting data. The resilience may also be explained by the absence of data provided by clients undergoing particularly acute hardships; in such cases, IFC's practice was to maintain ratings at their current levels until assessment data becomes available. The full effect of the pandemic on IFC's development impact performance may not be fully reflected until next year.

Although no broad conclusions can be drawn from the data thus far, there were a few instances where impact ratings captured some of the challenges and opportunities IFC clients faced during the COVID-19 pandemic. For example, projects in consumer-driven sectors, such as higher education and tourism, saw declining portfolio AIMM scores, likely due to mobility constraints and shifting consumption patterns. Projects with financial intermediaries, including those involving non-bank financial institutions, also showed weakening performance, likely due to reduced operations, and challenges to credit origination and disbursement. In contrast, while the sample sizes are modest, projects in sectors such as digital infrastructure (including mobile and broadband networks) and integrated health services generally saw higher or no change in portfolio AIMM scores.

Other changes in portfolio AIMM scores reflected country-specific conditions that had a bearing on impact performance. For example, Myanmar's political crisis contributed to broad declines in portfolio AIMM scores across nearly all sectors. In Turkey, portfolio AIMM scores for projects in the financial sector started to decline as recent volatility of the lira and its effect on banking sector performance began to take hold.

Impact performance for some specific projects also reflected notably strong performance despite the pandemic and economic headwinds. Several stand-out cases from this year's portfolio monitoring review include:

- **DNP Water** — This is an IFC investment to support the implementation of privatization efforts in the Vietnamese water sector. After reaching operational maturity in FY21, the company, as one of the first private sector companies aiming to own and operate a portfolio of mainly urban water treatment and supply facilities in Vietnam, surpassed its water treatment target ahead of schedule.

- **CSquared Holdings** — This project entails the development and operation of wholesale-only, carrier neutral and open-access fiber networks in metropolitan areas of Uganda, Ghana, and Liberia. Despite the oligopolistic market structure, there is evidence that the broadband service coverage and affordability have improved during project implementation. The company's business model also appears to have been replicated in other countries.

- **Altum Capital** — This IFC client provides senior loans to mid-size SOFOMs (financial entities) in Mexico that mostly lend to microenterprises, small enterprises, and individuals. The project surpassed its targets of volume and number of SME loans disbursed ahead of schedule in FY21. The volume and number of cumulative microfinance loans disbursed is on-track and is likely to achieve its target before 2022.

Ratings of Advisory Projects: Development effectiveness of advisory projects is assessed at project completion. In FY21, 117 advisory projects qualified for ex-post evaluation were completed during the period and were self-assessed for development-effectiveness ratings. Seventy-one (71) percent of the projects were rated mostly successful or better, above the IFC target of 65 percent.

While the FY21 overall success rates for the advisory services portfolio have remained stable in comparison with FY20, it is too early to fully assess the effect of the COVID-19 pandemic on advisory projects, as a large portion of them are still ongoing. Several of these projects are being restructured to take into account COVID-19 impacts.

Advisory Services Development Effectiveness Score¹³ by Region

	FY21	FY20
Sub-Saharan Africa	55%	66%
South Asia	65%	86%
Middle East and North Africa	79%	88%
Latin America and the Caribbean	82%	75%
Europe and Central Asia	84%	75%
East Asia and the Pacific	76%	70%
Global ¹⁴	100%	67%
IFC	71%	73%

Advisory Services Development Effectiveness Score¹⁵ by Business Area

	FY21	FY20
Financial Institutions Group	69%	79%
Manufacturing Agribusiness and Services	64%	67%
Infrastructure and Natural Resources	0%	57%
Disruptive Technologies and Funds	100%	100%
Transaction Advisory	71%	69%
Other Advisory, including Environment Social and Governance	91%	63%
Creating Markets Regional Advisory	69%	77%
IFC	71%	73%

OPERATIONALIZING THE IMPACT PRINCIPLES FOR IMPACT INVESTING

In FY21, DFIs and the private sector impact investment community took a significant step toward harmonizing approaches to monitor and report on development impact. Clear impact metrics are essential to making the economic and social contributions of investments measurable, which allow investors to improve their transparency, effectiveness, and accountability. These benefits significantly increase when investors' impact metrics are adopted in common by different institutions, thereby reducing the reporting burden on clients and facilitating comparability and learning.

Beyond the earlier mentioned Joint Impact Indicators (JII), the Harmonized Indicators for Private Sector Operations (HIPSO) partnership continues to develop metrics at the sector and sub-sector levels that could be leveraged by the signatories to the

Operating Principles for Impact Management (OPIM) and the broader impact investing community. For example, the HIPSO partnership has recently revised metrics for infrastructure services and financial intermediation. The revision of metrics for information and communications technology, agribusiness, health and education is in progress.

By leveraging the HIPSO and the JII indicators, IFC is leading the development of a position paper, in coordination with the OPIM signatories, on a uniform set of standards, which provides guidance on the selection of impact metrics that would create a basis for accountability, comparability, and consistency. This effort will facilitate a roadmap for meaningful impact performance comparison, appropriate benchmarking, and better decision-making, which has so far been limited in the impact investing market.

13. DE Score is calculated as the percentage of projects rated mostly successful or better in total number of advisory projects rated in ex-post evaluation for a fiscal year.

14. The FY19, FY20, and FY21 DE Scores for Global are based on less than five rated projects.

15. The FY20 and FY21 DE for Disruptive Technologies and Funds are based on less than 5 rated projects. The FY21 DE for Infrastructure & Natural Resources is based on one rated project.

WHAT IFC LEARNED FROM ITS RESEARCH, ANALYTICS, AND SELF-EVALUATION PROGRAM

IFC uses a combination of research, data analytics, and self-evaluations to fill knowledge gaps and provide real-time solutions to clients and operational colleagues. These insights generate important lessons that inform new client engagements. In FY21, IFC expanded its research and analytical agenda to strengthen the implementation of the IFC 3.0 strategy and support IFC operations in addressing challenges arising from the COVID-19 pandemic.

IFC developed 28 separate COVID-specific analytical pieces since the outbreak of the pandemic, including two surveys of its portfolio clients in financial institutions and trade finance sectors. The analyses developed possible recovery scenarios for specific sectors or economies, identified the roles that selected sectors could play in supporting COVID-19 responses and changed the ways IFC assesses projects under the AIMM framework.

In the last three years, IFC has also undertaken in-depth research and analytics, including 33 ongoing studies and 15 completed ones that cover most sectors in which IFC operates. Some publications presented case studies of IFC engagements, while others used sector deep-dives, country or regional analyses, sector analysis, and empirical studies. IFC also conducted research with leading private sector players to analyze strategic priority themes such as the digital economy, capital market deepening, housing finance, etc. These products explored solutions for creating private sector markets, complementing IFC's sector knowledge.

Notable examples of such work are detailed below:

- The *Google-IFC e-Conomy Africa 2020* report sheds light on the size of Africa's digital economy. The report finds that Africa's digital economy has the potential to reach \$180 billion by 2025, accounting for 5.2 percent of the continent's gross domestic product. Driving this growth is a combination of increased access to faster and better-quality internet, a rapidly expanding urban population, a growing tech talent pool, a vibrant startup ecosystem, and a steady improvement in the regulatory framework of the digital economy. The findings from this report are being used to benchmark the size of the digital economy across IFC's countries of operations.
- At the outset of the COVID-19 crisis, IFC conducted a survey to assess the impact of the crisis on its portfolio clients with lending operations focusing on operations, strategic direction, funding, and lending. The survey found that even though there was no evidence of a liquidity problem in the early days of the crisis, credit risks were simmering under the mask of government mandated moratoriums. Digital technologies were also found to be critical for the resilience of financial institutions prompting many to increase their investments in this area. The results were disseminated in various ways including an interactive dashboard, presentations, survey report, and a special blog.

Self-valuations of mature or completed projects provide another important link in IFC's impact-assessment framework. Even as IFC expanded its research and analytical products, the evaluation agenda was focused on performance evaluations and rapid assessments. In all, IFC completed 13 evaluations in FY21. Outcomes from these evaluations helped IFC better understand the impact of our investments beyond individual projects and capture valuable lessons learned that inform industry strategies and operations.

Key findings of selected evaluations include the following:

• LAPO Agent Banking in Nigeria – Increased Reach, Client Diversity

IFC conducted an assessment of an Advisory Service project supporting Nigeria's Lift Above Poverty Organization (LAPO). The project aimed to increase access to financial services in Nigeria through the development of an agent banking network. Even though the network has not achieved the scale initially envisioned, LAPO built a network of 1,700 agents and mobilized more than \$3 million in savings over the three years of the project.

By surveying a sample of adults living near newly onboarded agents, the assessment found a significant increase (+24 percentage points) in the number of LAPO clients using transaction accounts in these areas. Agents were particularly successful in attracting new clients in previously underserved areas with few financial access points such as bank branches and agents. Customers in these areas were found to be more likely to be poor, illiterate, and lack previous banking experience. Overall, the assessment confirmed the agent network as a pillar of LAPO's growth and transformation beyond its foundational microlending business, and its contribution to financial inclusion in Nigeria.

• Assessment of IFC's Power Distribution Investments in Moldova, Uganda, and Georgia

The assessment of selected IFC investments in power distribution in these countries demonstrated the positive impacts on tax revenues, gross domestic product (GDP), and employment in all three countries. Microeconomic analysis findings indicate operational efficiency improvements and CO₂ emissions reduction in all three countries, because of reduced technical losses. In these countries, the reduction of losses ranged between 50 percent and 90 percent during the studied period. The study also showed that the successful privatization of a distribution company can transfer valuable knowledge to other companies in the sector. Strong and transparent regulatory framework, transparent tariff-setting methodology, effective utility data collection, Development Finance institution (DFI) involvement and investors with distribution business expertise in the region are identified as the key factors of success in the sector.