

APPLIED DEVELOPMENT FINANCE

Assessing the impact of private sector investments in African, Caribbean and Pacific countries

About the Program

The Global Development Network and the European Investment Bank have been piloting a program of impact studies of private sector impact investments in African, Caribbean and Pacific (ACP) countries. The purpose of the program is to explore how academic research can document the impacts of private sector impact investing at all stages of implementation and to mobilize qualified young researchers, from developing countries, to do so. These researchers are thus provided with a practical opportunity to hone their impact assessment skills, by working on real-world projects funded by one of the world's leading financial institutions, under the guidance of top international experts in evaluation and impact assessment.

The program refines the understanding of the development impact of private sector investments and strengthens skills and capacities for impact assessment in the ACP region. It focuses on topics as diverse as mobile banking, maternal health or microfinance, each assessed through so-called 'deep dive' studies. The program thus directly contributes to development by producing knowledge that informs large public investment decision-making and advances the impact measurement agenda.

The studies have been carried out by competitively selected Fellows from developing countries, with knowledge of the local context and direct access to the companies funded and their beneficiaries. They evaluate, over a period of one year, the economic, social and associated impact of selected projects funded under the EIB's Impact Financing Envelope (IFE).

Every year, upon induction, the researchers attend a capacity building workshop at the EIB headquarters in Luxembourg, where they receive intensive training in evaluation methodologies and analytical techniques, and are familiarized with the EIB and its operations. The Fellows are also paired up with globally renowned experts as impact advisors. These experts ensure that the studies are carried out with maximum rigour and using the latest methods, adjusting to data constraints in each case. Their stamp of approval ensures that the results are a reliable basis for decision-making to enhance development impacts by the European Investment Bank and their clients.

These 'deep dives' deepen our understanding of the impacts of these projects, going beyond the standard results measurement framework of the European Investment Bank, by collecting data directly from the people who benefit on the ground, in real time, while the project was being implemented.

Advisors

- ✓ Francois Bourguignon, Emeritus Professor, Paris School of Economics, and Former Chief Economist, The World Bank
- ✓ Shahrokh Fardoust, Research Professor, ITPIR, College of William and Mary
- ✓ Emmanuel Jimenez, Executive Director, International Initiative for Impact Evaluation (3ie)
- ✓ Arianna Legovini, Head, Development Impact Evaluation (DIME), The World Bank
- ✓ Alexandros Sarris, Emeritus Professor, University of Athens

Program

EIB-GDN Program in
Applied Development
Finance

Funding

2.1 million from the
European Investment Bank

Location

African, Caribbean
and Pacific (ACP)
Countries

Duration

Dec. 2016 - Mar. 2021

Publications

Research studies were completed in two cycles, the results of which have now been published.

Cycle I Studies

- ✓ M-BIRR: Mobile banking in Ethiopia
- ✓ poal Internet: Community internet in low-income areas of Kenya
- ✓ Première Agence de Microfinance: Promoting financial inclusion in Côte d'Ivoire
- ✓ Irrigation technology adoption and microfinance in rural Benin: RENACA's agricultural loan programme

Download all studies from Cycle I here:

http://www.gdn.int/sites/default/files/u116/the_impact_of_private_sector_projects_in_africa_en.pdf

Cycle II Studies

- ✓ Understanding the sustained impact of SOKO on artisans in Kenya: Empirical evidence from Kibera, Kenya
- ✓ Provision of Quality and Affordable Maternal Health Care in Developing Countries: A Case Study of Nest in Senegal
- ✓ Microfinance Loans, Women's Economic Empowerment, and Poverty: A Case Study of Baobab Microfinance Company
- ✓ The Impact of Customer Relationship Management Software on Firm Performance in Kenya
- ✓ Access to Finance and Growth-Oriented Investments in Ethiopia's Manufacturing Sector

Download all the studies from Cycle II here:

<https://www.eib.org/en/publications/the-impact-of-private-sector-projects-in-africa-cycle-2>

www.gdn.int/applied-development-finance