FONDATION POUR LES ÉTUDES ET RECHERCHES SUR LE DÉVELOPPEMENT INTERNATIONAL

Report
June 2025

Mapping Financial Support from Major Multilateral Development Banks (MDBs) to Public Development Banks (PDBs)

This report is the product of a team from FERDI and AFD, coordinated by:

Florian Léon, FERDI

with the participation of:

Juliette Cappicot (FERDI), Djeneba Dramé (FERDI), Marilou Vincent (AFD), Sitraka Rabary (FERDI) and Dougouye Sanogo (AFD).

The research was financially supported by IDFC. The authors would like to thank the FiCS secretariat, in particular Arthur Pataud, Nicolas Picchiottino and Capucine Etienne, for their support and comments. The authors would also like to thank the institutions and individuals who responded to their request, in particular Juan Martinez Alvarez (IADB), Peter Kalotai (EBRD), Pierre Le Chapelain (CEB), Qingwei Meng (NDB), Zhe Fu (AIIB).

If you have any questions or comments, please contact Florian Léon: florian.leon1@ferdi.fr.

LA FERDI EST UNE FONDATION RECONNUE D'UTILITÉ PUBLIQUE.
CETTE PUBLICATION A BÉNÉFICIÉ D'UNE AIDE DE L'ÉTAT FRANÇAIS AU TITRE
DU PLAN D'INVESTISSEMENT FRANCE 2030 PORTANT LA RÉFÉRENCE ANR-16-IDEX-0001.

Finance in Common

idfc International Development Finance Club

1. Introduction

Achieving the Sustainable Development Goals (SDGs) by 2030 will require an unprecedented financial commitment. Although estimates vary widely, the global investment required to achieve all the SDGs is in the order of trillions of dollars per year (Kulkarni et al., 2022). These figures underscore the critical role of development banks in mobilising and channelling private and public financial resources to support sustainable development initiatives worldwide.

National development banks (NDBs) are strategically positioned to identify and implement projects that address local needs and challenges (Griffith-Jones and Ocampo, 2018). However, these banks often face significant financial constraints, particularly in securing the long-term funding required for large-scale and transformative initiatives (Léon and Opoku-Bosman, 2024). This is where multilateral development banks (MDBs) play a crucial role. By providing financial support, expertise and technical assistance, **MDBs can help NDBs overcome resource constraints and effectively mobilise funds for sustainable development projects.** Unlike NDBs, MDBs are not always well placed to develop projects directly due to their lack of local knowledge and the high cost of implementation. By supporting NDBs, MDBs can be more effective in achieving the SDGs and advancing the global climate agenda.

There is a notable lack of knowledge about the support provided by MDBs to other development banks. This study aims to fill this gap by mapping and analysing the financial support provided by major MDBs to public development banks (PDBs). Focusing on the period 2014-2024, the study uses a comprehensive methodology that combines automated data extraction, manual validation and direct engagement with MDBs. By examining project-level data, the study identifies key funding relationships and support mechanisms, analyses how these relationships address resource constraints, and enhances the capacity of smaller banks to mobilise finance for sustainable development.

It is important to note that the data collected is relatively conservative due to the selection criteria. First, we consider only a limited number of MDBs, although NDBs may be supported by other MDBs not included in this survey. Second, we restrict the list of recipients to public development banks as identified in the PDB & DFI Database (Xu et al., 2021). We have been particularly careful to include only projects that involve support from one MDB to another development bank, which minimises false positives but may lead to the exclusion of some

projects (false negatives). This approach may underestimate the full extent of MDB support, but ensures a high degree of accuracy and reliability in our analysis.

Key findings of the study show that a total of 644 projects were financed by 9 MDBs, amounting to USD 108 billion over the decade. We identify 163 beneficiaries out of a total of just over 500 public development banks operating worldwide.

The data show **a significant increase since the COVID-19 crisis** in both the number of projects and the amount of funding.

Geographically, **Latin America and Europe are prominent recipients of MDB support**, with Europe leading in terms of cumulative amounts. However, the picture becomes more nuanced when the impact of this support on the recipients is considered. In particular, more than half of the development banks operating in Latin America have received support from MDBs. Meanwhile, **the size of projects relative to the total assets of development banks is particularly significant in Africa**. On average, African development banks received support equivalent to 17% of their total assets, underlining the substantial relative impact of MDB funding in the region.

The thematic analysis shows a **dominance of projects targeting micro, small and medium-sized enterprises (MSMEs), followed by energy, infrastructure and environmental initiatives**. We document a rapid increase in the latter in recent years. While priorities are generally similar around the world, there are some regional differences. For example, the number of environmental projects is slightly lower in Africa, but the continent benefits from more projects focused on agriculture and rural development, in line with its specific development needs.

In addition, the analysis at the level of the lenders **reveals different strategies among the multilateral development banks (MDBs)**: European MDBs (EIB, CEB) and the World Bank (WB) focus on large projects and beneficiaries, aiming at high-impact initiatives. In contrast, Latin American MDBs (IADB, CAF) are involved in many smaller projects, reflecting a broader distribution of support. The African Development Bank (AfDB) also manages a large number of projects, covering a wide range of themes that reflect the specific needs of the continent. These patterns highlight how MDBs tailor their approaches to effectively address regional development priorities.

The final section of this report provides a granular analysis of the 163 beneficiaries of MDB financing, revealing significant disparities in the distribution and impact of these funds across

regions and institutions. **The findings highlight that a substantial proportion of PDBs receive limited support, with 40% of all PDBs having received only one project over the decade.** Conversely, a small number of PDBs, particularly in Europe and Asia, receive a disproportionate share of the total financing, **indicating a concentration of resources among larger, more established institutions**.

The analysis also sheds light on the dynamics of MDB support expansion. **On average, 20% of projects are allocated to PDBs that have never received previous support**, indicating a mix of intensive (supporting existing beneficiaries) and extensive (expanding to new beneficiaries) strategies. However, the data shows a notable increase in the number of new PDBs supported in 2020, likely due to the COVID-19 pandemic, suggesting that MDBs adapted their strategies to provide targeted support during the crisis.

In addition to providing a detailed mapping of financial flows, the study offers actionable insights for strengthening financial linkages to better achieve the Sustainable Development Goals (SDGs). By understanding these financial dynamics, policymakers and development actors can devise strategies to optimise resource allocation and enhance the impact of development finance.

After presenting the methodology in the following section, we present the key findings that emerged from the pool of projects (Section 3). We then exploit the granular dimension of the database to provide relevant fact about who receive supports from MDBs (Section 4).

2. Methodology

The methodology for this study is designed to comprehensively map the financial supports provided by multilateral development banks (MDBs) to other public development banks (PDBs) from 2014 to 2024.

2.1. Data Collection

Data are primarily obtained from MDB project databases, supplemented by manual searches and direct contact with MDBs for non-public information. **The data cover all projects provided by major MDBs to other PDBs for the period 2014-2024**. We consider the following 11 MDBs:

- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Asian Infrastructure Investment Bank (AIIB)
- Council of Europe Bank (CEB)
- Development Bank of Latin America and the Caribbean (CAF)
- European Bank for Reconstruction and Development (EBRD)
- European Investment Bank (EIB)
- Inter-American Development Bank (IADB)
- Islamic Development Bank (IDB)
- New Development Bank (NDB)
- World Bank (WB)

To be eligible, a project should involve a financial flow from the MDB to another PDB, regardless of the instrument considered (loan, grant, technical assistance, etc.). The list of PDBs has been extracted from the PDB & DFI database (Xu et al., 2021).[1]

To collect the list of projects provided by MDBs to other PDBs, we combine three complementary approaches:

[1] We adjust the list at the margin by considering four institutions that are not in the list but meet the criteria to be classified as PDBs. These institutions are *Bank of Agriculture* (Nigeria), *Istituto per il credito sportive e culturale* (Italy), *Housing Fund of the Republic of Slovenia* (Slovenia), and the *Credit Guarantee Fund Trust for Micro and Small Enterprises* (India). The latter is not included in the analysis as the project identified with this institution was cancelled.

- Request project-level financial records directly from MDBs;
- Extract the list of projects from the MDB websites in a usable format (where available) and run an automation code (using Python) to identify projects allocated to PDBs;
- Scroll through the various projects presented on the MDB website and select the projects that meet our criteria. In particular, this step is crucial to drop the false positive after the automatic extraction.

Before using the project data, we cross-validated the collected projects. On the one hand, we manually checked whether the projects identified by the automated extraction met the criteria to be included in the analysis. On the other hand, we asked the MDBs to confirm the list of projects we had identified. These procedures allow us to exclude false positives.

The following table shows the source of data for each MDB considered. For four MDBs, the data are obtained directly from the MDB, for four MDBs an automatic extraction is used. In addition, we perform a manual check for all MDBs. In the annex, we provide a discussion of the data collection for each MDB covered in the study.

Table 1 – Source of data for each MDB

MDBs	Provided by MDBs	Extraction	
		Automatic	Manual
AfDB		✓	✓
ADB	✓	✓	✓
AIIB	✓		✓
CEB	✓		✓
CAF			✓
EBRD	✓		✓
EIB			✓
IADB		✓	✓
IDB			
NDB	✓		✓
WB		✓	✓

2.2. Data extraction and harmonization

From the list of projects identified, we extracted the following information on the project and the beneficiary.

1. **Project information**:
    - Commitment date,
    - Total amount (in LCU),
    - project status (e.g., approved, completed),
    - Financial instrument (e.g., loan, grant)
    - Title of the project,
    - Description (if available).

2. **Beneficiary details**:
    - Name(s) of the recipient development bank(s),
    - Country of the beneficiary.

Based on these variables, we harmonize the data into a common format. First, we convert the local currency amounts into current dollars using the exchange rates provided by the IMF (or by the institutions concerned, such as the African Development Bank, which has its own currency). Second, we harmonize the names of beneficiaries across projects and code them all (using the code provided in the FiCS database). Third, we identified the country and continent of the beneficiary.

Project labelling: In addition, we use the information provided in the title and description to label projects in different themes. The labelling is done by research assistants after reading the description of the project. We consider the following labels in 18 categories: climate/environment, water, infrastructure, MSME, EXIM, services, rural/agriculture, urban, housing, women, energy, refugees, technology, health, public sector, education, and employment. The labels are not exclusive. In other words, a project can be classified under more than one label. For example, consider the description of a project: " *The loan will finance small to medium sized investments in Turkey in the fields of renewable energy, energy efficiency and investments that lead to gains in resource efficiency as well as those with significant positive environmental impact.*". The project is labelled "Environment", "MSME" and "Energy".

2.3. Final database(s)

We are able to extract data from 9 of the 11 MDBs listed above. The two exceptions are the European Bank for Reconstruction and Development (EBRD) and the Islamic Development Bank (IDB). For the former, the lack of data simply reflects the absence of a project dedicated to PDBs (this was confirmed through direct engagement with EBRD staff and our own research). For the latter, we were unable to extract data on their projects from the IDB website. In addition, despite several attempts, we were unable to obtain a response from IDB staff.

The final database is a list of projects (the unit of observation is the project). For each project, the following information is provided: lender, unique project identifier, beneficiary information (name, country), year of signature, amount committed (in current USD), instrument and project title. The sample consists of 659 projects financed by 9 MDBs. For the remainder of the analysis, we exclude 14 cancelled projects and one project that is only proposed at this stage. **The final sample for project analysis therefore consists of 644 projects from 9 MDBs**.

In the final part of the analysis (borrower perspective), we slightly transform the database to identify each project/borrower pair. The unit of observation is therefore the project-borrower. In other words, after applying the same filters as before, we identify projects with more than one borrower. For these projects, we divide the project by the number of borrowers. If a distribution rule is given, we apply that rule (e.g., PDB 'A' receives 60% of the funds and PDB 'B' receives the remaining 40%). However, in the majority of projects we do not have such a rule. We therefore assume that each borrower receives an equal share of the total amount. We identify 19 projects with more than one beneficiary (12 with two borrowers, 6 with 3 borrowers and one with 6 borrowers). Meanwhile, we identify 17 projects without a clear borrower (all provided by the IADB). Thus, after excluding cancelled projects and retaining only those with a clearly known beneficiary, the **final sample for borrower analysis consists of 651 project-borrower units and 163 beneficiaries (PDBs) supported by 9 MDBs.**

2.4. Limitations of the database

The database presented in this study is a novel contribution, as there is no similar comprehensive resource available to date. However, it is important to acknowledge its limitations.

The first limitation pertains to the scope of the institutions considered. On the lender side, our analysis is limited to a handful of major multilateral development banks (MDBs). For a

more complete analysis, the list of lenders should be expanded to include other MDBs, as well as national development banks with an international mandate, such as the Agence Française de Développement. On the recipient side, the list of potential recipients is limited to public development banks identified in the PDB & DFI Database (Xu et al., 2021). It should be noted that we have included additional institutions not reported in the FiCS database, as they appear to function as PDBs. Consequently, the figures presented should be considered as a lower-bound estimate. Our methodology allows us to be fairly certain of avoiding false positives; however, we may exclude many projects because they are provided by other lenders or are dedicated to institutions not identified as PDBs.

Second, regarding the information reported, we rely solely on data provided by the consulted MDBs. Each project is linked to its respective page, but we cannot be held responsible for any errors that may be present on these pages. We extract freely available information, such as the amount committed or the year of signature. However, these data do not necessarily reflect the amount disbursed, and there may be delays in implementation. Additionally, we would like to extract additional information, such as the currency of the support, but unfortunately, these details are not available.

Finally, the labeling of projects is based on their descriptions, which may not fully reflect the actual use of funds or the significance of each label. These considerations underscore the need for cautious interpretation of the data while recognizing its value as a foundational resource for understanding MDB support to PDBs.

3. Project level analysis

We exploit the database of 644 projects collected to provide basic facts about the support of MDBs to other PDBs.

3.1. Total amount and evolution over time

We start by analysing the total amount of financial support provided by MDBs to PDBs over the period 2014-2024, as well as its evolution over time in Table 2.

The analysis reveals that a total of 644 projects were financed by MDBs between 2014 and 2024, after excluding 14 cancelled projects and one project that was only proposed. These projects amount to a **global total of USD 108.5 billion**, underscoring the critical role of

multilateral financing in supporting sustainable development initiatives worldwide. Out of the 536 PDBs reported in the FiCS database, 163 benefited from these funds, a figure that will be explored in detail below. This represents a significant share of PDBs receiving support, though it also highlights the potential for further expansion of MDB financing to reach a broader range of institutions.

The evolution of these financial flows shows **a significant increase over time, particularly since the COVID-19 crisis**. For instance, the average number of projects financed per year rose from 55 projects totaling USD 8.3 billion in the first five years to 61 projects totaling USD 11.5 billion per year in the last five years. This acceleration reflects the growing commitment of MDBs to support PDBs in a context of heightened global economic challenges. The COVID-19 pandemic has exacerbated the need for financial support, as many countries and development banks faced unprecedented fiscal and operational constraints. MDBs have responded by scaling up their operations, providing not only financial resources but also technical assistance and policy support to help PDBs navigate the crisis and continue their development mandates.

Table 2 – Description statistics of project database by year

Year	# projects	Amount*	# MDBs	# Benef
2014	45	8 757	7	32
2015	39	7 647	7	34
2016	68	8 338	7	51
2017	68	10 227	6	47
2018	57	7 151	9	52
2019	57	8 517	8	46
2020	65	13 965	7	42
2021	67	11 594	8	44
2022	55	8 859	9	37
2023	55	12 425	9	40
2024	68	11 015	7	37
TOTAL	**644**	**108 495**	**9**	**163**

The table shows the total number of projects ("# Projects" column), the cumulative amount in USD millions ("Amount" column), the number of lenders ("# MDBs" column) and the number of beneficiaries ("# Benef" column). The last row shows the total number of projects, cumulative amount, number of MDBs and number of beneficiaries over the whole period (2014-24).

In the following sections, we will delve deeper into the geographical and thematic distribution of these projects. This detailed analysis will provide valuable insights into how financial support from MDBs can be optimized to maximize its impact on sustainable development.

3.2. Geographical distribution of projects

We now turn our attention to the geographical distribution of projects financed by MDBs. For this analysis, we focus on the location of the beneficiary PDBs**.** For multinational development banks, we look at their continent where possible (e.g., BOAD is in Africa).

Table 3 reveals a **significant concentration of projects in Latin America and Europe**. Latin America attracts 38% of all projects, making it the leading region in terms of the number of initiatives supported. Europe follows closely, accounting for 32% of the total projects. However, when examining the cumulative amount of financing, Europe emerges as the dominant recipient, securing 47% of the total funds. In contrast, Latin America accounts for less than 20% of the cumulative amount, a figure comparable to that of Asia. This discrepancy highlights the regional differences in the scale and scope of projects supported by MDBs.

The distribution of the number of beneficiaries is more balanced across regions. Europe accounts for approximately one-third of all beneficiaries, while Latin America represents 28%. This suggests that while Europe receives a larger share of the total financing, the support is spread across a diverse range of PDBs in both regions. Africa, on the other hand, presents a unique profile. Despite receiving a non-negligible number of projects and beneficiaries, the cumulative amount of financing for the region remains limited. This indicates that the projects in Africa are generally smaller in scale compared to those in other regions. Asia exhibits an inverse trend, with a relatively low number of projects (14%) but a higher cumulative amount of financing (almost 20%). This suggests that the projects in Asia are larger and more capital-intensive.

The differences in the size of projects across regions can be attributed to various factors, including the specific development needs and priorities of each region, as well as the strategies employed by MDBs to address these needs. For instance, the Inter-American Development Bank (IADB) plays a significant role in supporting many small PDBs in Latin America, contributing to the higher number of projects but smaller average size.

Table 3 – Distribution of projects by continent

	Projects		Amount		Beneficiaries		Average by	
	Nb	**%**	**Nb**	**%**	**Nb**	**%**	Projects	Benef.
Africa	102	15.8	13 911	12.8	34	20.9	136	409
Asia	89	13.8	20 811	19.2	28	17.2	234	743
Europe	203	31.5	50 969	47.0	52	31.9	251	980
Latin America and Car.	246	38.2	21 123	19.5	45	27.6	86	469
Rest of the world	4	0.6	1 681	1.5	4	2.5	420	420
TOTAL	**644**	**100**	**108 495**	**100**	**163**	**100**	**225**	**604**

The table shows the number of projects ("Projects" columns), the cumulative amount in USD millions ("Amount"), the number of beneficiaries ("Beneficiaries") and the average amount by project and by beneficiary in the last two columns. Nb refers to the absolute number and % to the share of the total.

3.3. Distribution by topics

Next, we examine the thematic distribution of projects financed by MDBs, based on the labels assigned by our team according to project titles and descriptions.

The analysis identifies 18 possible thematic labels, with each project potentially being assigned multiple labels, reflecting the multifaceted nature of many development initiatives. Focusing on the top 10 labels, the data reveals a clear dominance of projects dedicated to micro, small, and medium-sized enterprises (MSMEs). These projects account for 36% of the total number of initiatives and 40% of the cumulative amount of financing. This emphasis on MSMEs underscores their critical role in driving economic growth, job creation, and innovation, particularly in developing economies.

Following MSMEs, a group of three themes emerges as significant: energy, infrastructure, and environment. Each of these themes accounts for approximately 20% of the total projects and cumulative financing. The prominence of these sectors highlights their importance in addressing key development challenges, such as access to reliable energy, robust infrastructure, and environmental sustainability.

A third group of themes, comprising housing and rural/agricultural development, accounts for nearly 10% of the total projects and financing. These sectors are crucial for addressing basic human needs, such as adequate shelter and food security, and are particularly relevant in regions with significant rural populations.

The remaining themes, while less dominant, are still important and account for 5% or less of the total number of projects and cumulative financing. These include sectors such as water, health, education, and technology, among others. Although their share is smaller, these themes address specific development needs and contribute to a more comprehensive and inclusive approach to sustainable development.

The thematic distribution of projects reflects the priorities and strategies of MDBs in addressing global development challenges. By focusing on MSMEs, energy, infrastructure, and the environment, MDBs aim to support initiatives that have a broad and transformative impact. At the same time, the inclusion of housing, rural/agricultural development, and other sectors ensures that development efforts are holistic and responsive to the diverse needs of different regions and communities.

Table 4 – Distribution of projects by topics (top 10)

By number of project				By cumulative amount			
Topic	Number	%	Rank	**Topic**	Number	%	Rank
MSME	229	35.6	1	**MSME**	42819	39.5	1
Energy	134	20.8	2	**Infrastructure**	27955	25.8	2
Infrastructure	131	20.3	3	**Energy**	23649	21.8	3
Environment	120	18.6	4	**Environment**	17605	16.2	4
Rural & agri	66	10.2	5	**Housing**	12372	11.4	5
Housing	55	8.5	6	**Rural & agri**	8203	7.6	6
Employment	36	5.6	7	**Water**	6217	5.7	7
EXIM	35	5.4	8	**EXIM**	4876	4.5	8
Water	29	4.5	10	**Public sector**	4427	4.1	9
Public sector	27	4.2	9	**Employment**	4301	4.0	10

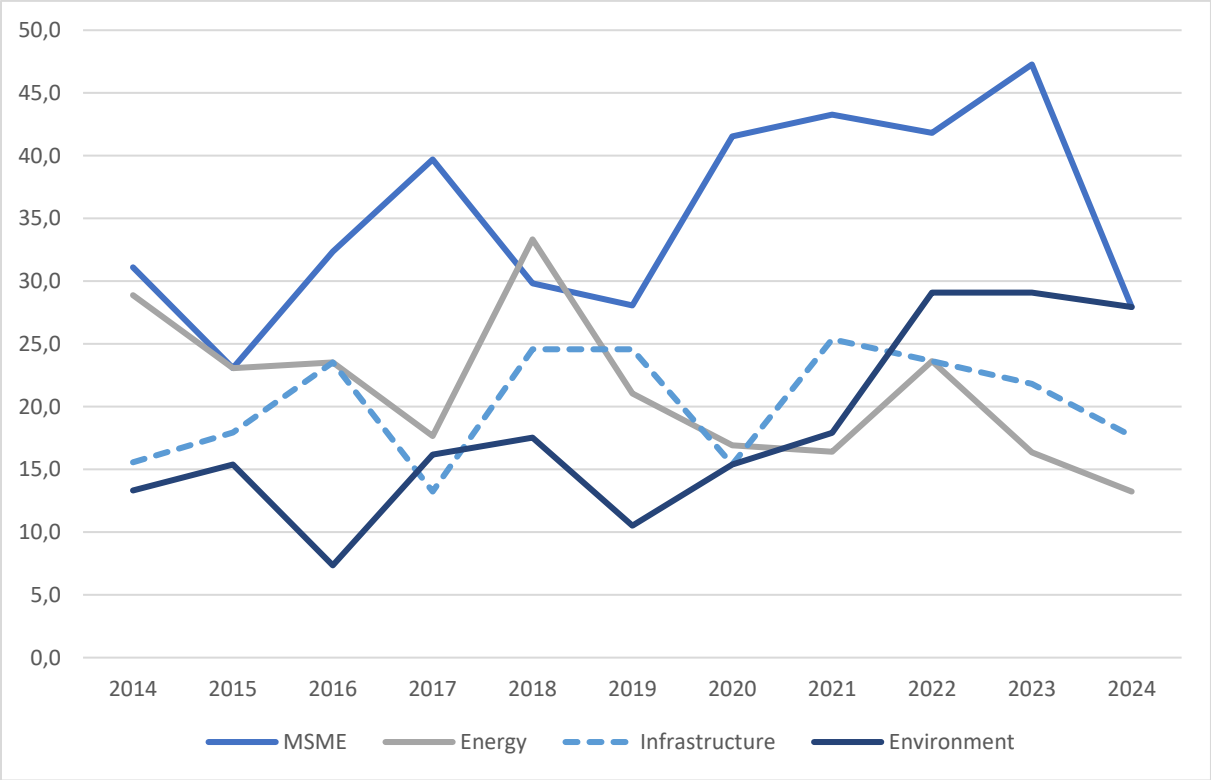
The table displays the top 10 topics by the number of projects (panel A) and cumulative amount (panel B). Number refers to absolute number and % the percentage of total. Rank is the rank of the topic.

The temporal and regional dynamics of thematic focus provide additional insights into the evolving priorities of MDBs and the specific needs of different continents.

An examination of the trends over time reveals **a significant increase in the share of environmental projects since 2019**. The proportion of projects dedicated to environmental themes has risen from 10% to 30%, as illustrated in Figure 1. This trend reflects a growing commitment among MDBs to address climate change and environmental sustainability, aligning with the urgency of global climate goals. Interestingly, this increase does not appear

to have altered the dynamics of other thematic areas, suggesting that MDBs have successfully integrated environmental considerations into their broader portfolios without compromising support for other critical sectors. Whether this trend will continue in the future remains an open question, but it highlights a promising shift towards more sustainable development practices.

Figure 1 – Share of projects allocated to MSME, Energy, Infrastructure and Environment



The figures show the share of projects out of all projects by year for the four most common themes: MSME (blue), energy (orange), infrastructure (grey) and environment (yellow).

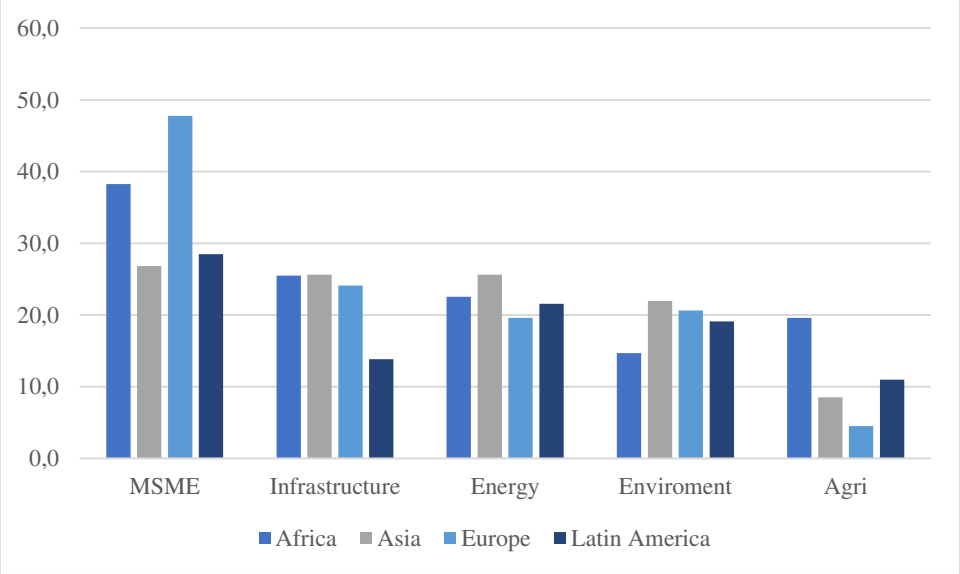
When analyzing the regional distribution of thematic focus, the three major themes—MSMEs, energy, and infrastructure—remain the most frequent across different continents. However, their relative importance and **the share of projects dedicated to environment and agriculture/rural development vary significantly between regions**. For instance, MSME-related projects are particularly prominent in Europe, accounting for nearly half of all projects, and in Africa, where they represent 38% of the total. This emphasis on MSMEs in these regions underscores their role in fostering economic growth and job creation, especially in contexts where small and medium-sized enterprises are key drivers of development.

Infrastructure projects account for approximately one-quarter of the total in most regions, with the notable exception of Latin America, where they represent only 14%. This regional variation may reflect differences in development priorities, with Latin America potentially focusing more on other sectors such as energy or MSMEs. Energy projects, on the other hand, maintain a consistent share of around 20% across all four continents, highlighting the universal importance of access to reliable and sustainable energy sources.

Environmental projects account for roughly 20% of the total in most regions, except in Africa, where they represent 15%. This lower share in Africa may be attributed to the continent's greater focus on agriculture and rural development, which account for 20% of projects—a significantly higher proportion than in other regions. Agriculture is also notable in Latin America, where it represents 11% of projects, reflecting the region's efforts to support rural economies and food security.

These regional variations in thematic focus underscore the importance of tailoring development strategies to the specific needs and contexts of different continents. By adapting their support to address regional priorities, MDBs can ensure that their interventions are both relevant and impactful. For example, the emphasis on agriculture in Africa aligns with the continent's need to enhance food security and support rural livelihoods, while the focus on MSMEs in Europe and Africa reflects the critical role of small businesses in driving economic growth.

Figure 2 – Share of projects allocated to MSME, Energy, Infrastructure, Environment and Agriculture by continents



The figures show the share of projects out of all projects by continents for the five most common themes: MSME, infrastructure, energy, environment, and agriculture/rural development.

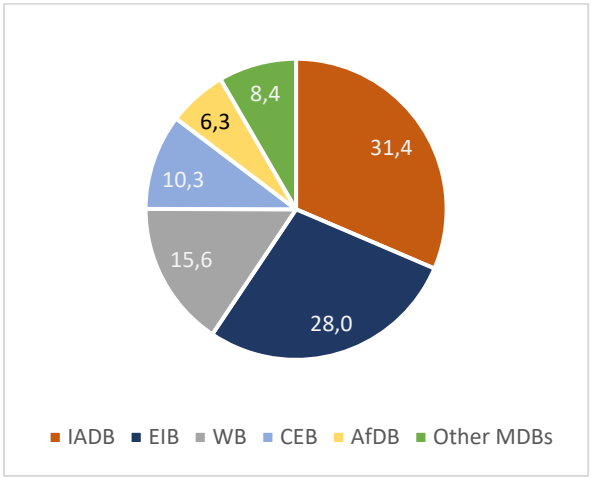
3.4. Distribution by MDBs

The distribution of projects and cumulative amounts by MDBs reveals significant variations in their strategies and regional focus, with two distinct models emerging among the most important institutions.

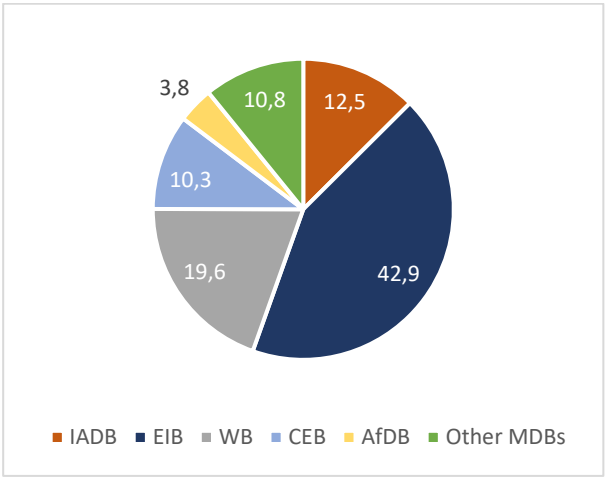
An analysis of the number of projects financed by MDBs shows a clear dominance of two institutions: the Inter-American Development Bank (IADB) and the European Investment Bank (EIB), followed by the World Bank (WB), as illustrated in panel (a) of Figure 3. However, the distribution by cumulative amount presents a starkly different picture, as shown in panel (b) of the same figure. The EIB alone accounts for nearly half of the total funds disbursed, highlighting its role as a major financier of development projects. In contrast, the IADB, which is responsible for 31% of the projects, accounts for only 12% of the cumulative amount. This discrepancy underscores the differing scales and scopes of projects supported by these MDBs, with the EIB typically involved in larger, more capital-intensive initiatives.

Figure 3 – Distribution of projects and cumulative amount by MDBs

Panel a) number of projects



Panel b) cumulative amount



The figure displays the distribution of the total number of projects (panel a) and cumulative amount (panel b) by MDBs. We keep only the 5 largest MDBs.

This **analysis reveals two distinct models among the most important MDBs.** On one hand, **European MDBs (EIB and CEB) and the World Bank tend to focus on large projects and beneficiaries**, aiming for high-impact initiatives that can drive significant development outcomes. On the other hand, **Latin American MDBs, such as the IADB and the**

Development Bank of Latin America and the Caribbean (CAF), are involved in a larger number of smaller-scale projects. This approach reflects a broader distribution of support, tailored to the specific needs and capacities of smaller beneficiaries in the region. The African Development Bank (AfDB) also manages a large number of projects, covering a wide range of themes that align with the continent's diverse needs, such as infrastructure and agriculture (Table 5).

Unsurprisingly, regional MDBs tend to focus primarily on their respective continents. For instance, the IADB's projects are concentrated in Latin America and the Caribbean, while the EIB and the CEB direct most of their support toward European countries. The World Bank, however, displays a more global reach, with a significant presence in Asia and Africa but less activity in Europe and Latin America. This distribution may reflect the presence of active regional banks in Europe and Latin America, which could reduce the need for World Bank interventions in these regions.

The thematic distribution of projects by MDBs largely aligns with the global overview presented in Table 4, with a dominance of MSME-related initiatives, followed by infrastructure, energy, and environmental projects. However, there are notable specificities, particularly for the AfDB. The AfDB places a strong emphasis on infrastructure and agriculture, reflecting the continent's critical needs in these areas. This focus is consistent with Africa's development priorities, where investments in infrastructure and agriculture are essential for economic growth, food security, and rural development.

Furthermore, the activities of the two European MDBs—the EIB and the CEB—appear to be complementary. The CEB focuses primarily on housing and infrastructure, addressing key social and economic needs in Europe. In contrast, the EIB places greater emphasis on energy and environmental projects, aligning with Europe's commitment to sustainable development and the transition to a low-carbon economy. This complementarity allows the two institutions to address a broad range of development challenges in the region, leveraging their respective strengths and expertise.

These findings highlight the strategic approaches adopted by different MDBs to support development in their respective regions. By tailoring their interventions to address specific regional needs and priorities, MDBs can maximize the impact of their financing and contribute more effectively to achieving the Sustainable Development Goals (SDGs). The size of the beneficiaries also plays a significant role in shaping these strategies. In Europe, beneficiaries tend to be larger and more established, enabling MDBs to focus on high-impact, large-scale

projects. In contrast, beneficiaries in Latin America and Africa are often smaller, requiring a more distributed approach with numerous smaller projects to ensure inclusive development.

Table 5 – Portfolio composition of the five MDBs with the largest number of projects

	Geography			Main topic		
	1st	2nd	3rd	1st	2nd	3rd
IADB	LAC (100%)	-	-	MSME (30%)	Energy (19%)	Envir (17%)
EIB	Europe (72%)	Africa (12%)	LAC (10%)	MSME (53%)	Envir (25%)	Energy (23%)
WB	Asia (40%)	Africa (38%)	LAC (15%)	MSME (29%)	Energy (29%)	Infra (18%)
CEB	Europe (100%)	-	-	MSME (41%)	Infra (29%)	Housing (29%)
AfDB	Africa (100%)	-	-	Infra (35%)	Agri (35%)	MSME (30%)

The table shows the share of the first three continents and themes for the five MDBs with the largest number of projects. The figures are calculated on the basis of the number of projects.

4. Beneficiary level analysis

The primary objective of this section is to identify who benefit from the supports of MDBs. We aim to characterize the profile of the beneficiaries and their regional distribution. Additionally, we seek to determine whether the observed increase in the supports of MDBs to other PDBs (Table 2) is driven by an expansion of support to previously unsupported beneficiaries (extensive margin) or by increased financing for PDBs that have already been supported by MDBs in the past (intensive margin).

To achieve this, **our analysis is conducted at the beneficiary level.** The methodology used to identify these beneficiaries is detailed in Section 2. The final sample includes **163 beneficiaries and 651 project-beneficiary units**. This granular approach allows us to capture the nuances of MDB support and its impact on individual PDBs. To assess the importance of MDB-financed projects for the beneficiaries, we merge our database with external information on the total assets of PDBs and DFIs. This additional data, provided by the AFD, PKU, and FERDI team, includes information on the total assets of PDBs as of 2022, expressed in USD millions. By integrating this data, we can contextualize the MDB financing within the broader financial position of the beneficiaries.

4.1. Geographical distribution of beneficiaries

This subsection focuses on the geographical distribution of beneficiaries, highlighting significant regional variations in the proportion of PDBs receiving support from MDBs and the characteristics of these beneficiaries.

The **percentage of PDBs receiving support from MDBs varies widely across continents** as indicated in Table 6. In Latin America and the Caribbean, 51% of PDBs have received financing from MDBs, the highest share among all regions. This reflects the strong presence and engagement of regional MDBs, such as the Inter-American Development Bank (IADB), in supporting development initiatives across the region. In Europe, 38% of PDBs are beneficiaries of MDB financing, indicating a substantial level of support, though slightly lower than in Latin America. Africa follows, with 32% of its PDBs receiving support, while Asia has the lowest share, with only 14% of its PDBs benefiting from MDB financing. These regional disparities underscore the varying degrees of engagement between MDBs and PDBs across different continents.

Table 6 – Who are the beneficiaries among PDBs

	Beneficiaries		Other PDBs		Comparison	
	Nb (1)	Total assets (2)	Nb (3)	Total assets (4)	% (1)/[(1)+(3)]	TA ratio (2)/(4)
Africa	32	3 864	68	4 906	32.0	0.8
Asia	21	121 250	133	61 265	13.6	2.0
Europe	50	63 387	82	26 994	37.9	2.3
LAC	45	11 323	44	10 588	50.6	1.1

The table shows the number and total assets (in current USD millions) of beneficiaries in the first two columns, and of other PDBs in the next two columns, by continent. The penultimate column shows the percentage of beneficiaries among the total number of PDBs. The last column shows the ratio of total assets of beneficiaries to non-beneficiaries. The data are obtained from the database collected to identify beneficiaries. Data on the number and total assets of PDBs are extracted from the PDB&DFI database collected by the team of AFD, PKU and FERDI. We use data on total assets of PDBs in 2022 (in USD millions). Three PDBs included in our analysis are not reported in the PDB & DFI Database.

An analysis of the size of supported PDBs reveals further insights into these regional dynamics. **In Asia and Europe, supported PDBs tend to be significantly larger than their unsupported counterparts**. Specifically, the total assets of supported PDBs in these regions are more than double those of PDBs that have not received MDB financing. This suggests that MDBs in Asia and Europe may prioritize larger, more established PDBs, which have the capacity to absorb and effectively utilize larger amounts of financing. This focus on larger

beneficiaries could be driven by the potential for high-impact initiatives and the need to leverage existing capacities to maximize development outcomes.

In contrast, the size of supported PDBs in Latin America is similar to that of unsupported PDBs, indicating a more balanced distribution of support across PDBs of different sizes. This approach may reflect the region's focus on inclusive development, where MDBs aim to support a broader range of institutions, regardless of their size. **In Africa, supported PDBs are even smaller than their unsupported counterparts.** This finding suggests that MDBs in Africa may prioritize smaller PDBs, potentially to address specific development needs in underserved areas or to support institutions with limited access to other sources of financing.

The analysis of the relative size of MDB-financed projects in relation to the total assets of beneficiary PDBs reveals significant regional disparities, with particularly striking findings for Africa, which complement the conclusions from previous sections.

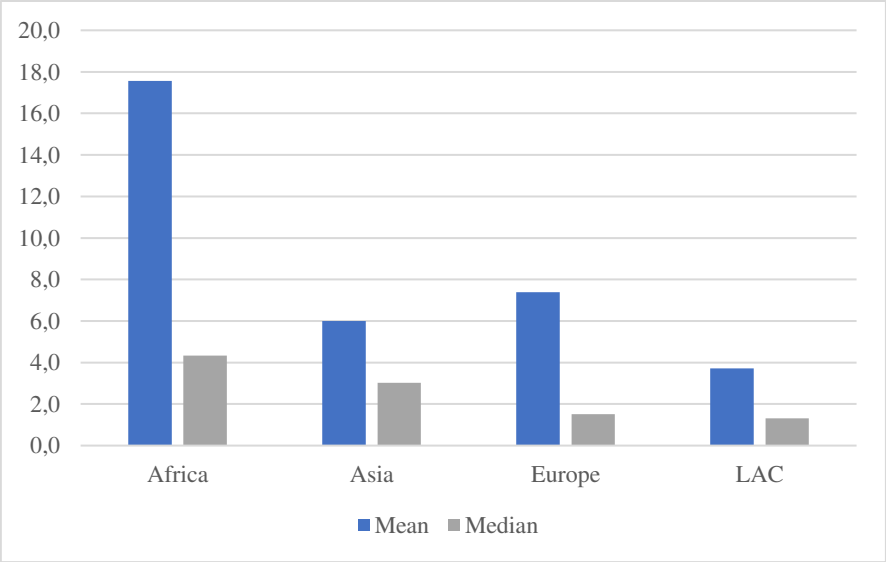
As indicated in Figure 4, **in Africa, the size of MDB-financed supports is especially significant when compared to the total assets of the beneficiary PDBs**. On average, a single project represents 17% of the total assets of an African PDB. This high proportion underscores the critical importance of MDB financing for African PDBs, many of which may have limited access to other sources of funding. This finding aligns with the earlier observation that supported PDBs in Africa tend to be smaller than their unsupported counterparts, suggesting that MDBs play a crucial role in providing financial support to institutions that might otherwise struggle to secure funding. The substantial relative size of these projects also highlights the transformative potential of MDB support in Africa, where even a single project can have a significant impact on a PDB's overall activities and development outcomes.

In contrast, the relative size of MDB-financed supports is considerably lower in other regions. In Europe, a project represents, on average, 7% of the total assets of the beneficiary PDB. This figure drops to 6% in Asia and 4% in Latin America and the Caribbean. These lower proportions may reflect the larger size and greater financial capacity of PDBs in these regions, as well as the presence of other financing sources. This observation is consistent with the earlier finding that supported PDBs in Asia and Europe tend to be larger than their unsupported counterparts, indicating that MDBs in these regions may focus on high-impact, large-scale projects that leverage the existing capacities of well-established PDBs.

However, it is important to note the **strong heterogeneity among projects and supported PDBs, particularly in Africa**. While the average project size is 17% of total assets, the median project size is significantly lower, at around 4%. This discrepancy highlights the presence of a small number of very large projects that significantly influence the average, while the majority of projects are much smaller. This heterogeneity suggests that MDBs in Africa may adopt a dual approach, supporting both large-scale, transformative initiatives and smaller, more targeted interventions. This nuanced strategy allows MDBs to address the diverse needs of African PDBs, from major infrastructure projects to localized development efforts.

The conclusions remain consistent when using liabilities instead of total assets as a proxy for the size of PDBs, due to the strong correlation between these two metrics. Additionally, the findings are similar when considering the cumulative amount of projects rather than individual projects. This consistency reinforces the robustness of the analysis and the significance of the observed regional disparities.

Figure 4 – Proportion of support received by PDBs, by continent



The figure shows the average percentage of a project's total assets (blue bar) and the median individual support as a percentage of the total assets of the supported PDBs (grey bar). Data on MDB support are combined with the PDB & DFI database.

The findings from Table 6 and Figure 5 provide a more nuanced picture of the impact of MDB support across regions, challenging the initial impressions drawn from a simple description of projects by continent (as presented in Table 3). This deeper analysis reveals distinct regional dynamics in how MDB financing is distributed and its relative importance for beneficiary PDBs.

In Africa, the "footprint" of MDB support is particularly noticeable, despite the continent representing a limited number of projects in the global portfolio. Many African PDBs are targeted by MDB financing, and these projects are relatively large in size compared to the total assets of the beneficiaries. This finding underscores the critical role of MDBs in supporting African PDBs, many of which face significant financial constraints. The substantial relative size of these projects suggests that MDB financing is essential for enabling African PDBs to implement large-scale initiatives that might otherwise be unattainable. This aligns with the earlier observation that MDB-financed projects in Africa represent, on average, 17% of the total assets of beneficiary PDBs, highlighting their transformative potential in the region.

In Latin America, the picture is somewhat different. While many PDBs are targeted by MDB financing, the level of support they receive is relatively limited. This reflects the broader distribution of MDB support in the region, particularly the Inter-American Development Bank, where a larger number of smaller projects are financed. This approach may be driven by the need to support a diverse range of PDBs, including smaller institutions that play a crucial role in local development. However, the limited size of individual projects suggests that MDB financing in Latin America is more incremental, focusing on targeted interventions rather than large-scale initiatives. This aligns with the earlier finding that supported PDBs in Latin America are similar in size to their unsupported counterparts, indicating a more inclusive approach to development financing.

In Europe, a non-negligible share of PDBs receives MDB support, with approximately one-third of PDBs being beneficiaries. However, these supported PDBs are among the largest in relative terms, both in terms of total assets and the size of the projects they receive. This finding suggests that MDBs in Europe focus on high-impact, large-scale projects that leverage the existing capacities of well-established PDBs. This approach is consistent with the earlier observation that supported PDBs in Europe are significantly larger than their unsupported counterparts, indicating a focus on institutions with the financial and operational capacity to absorb and effectively utilize large amounts of financing.

In Asia, the distribution of MDB support is more concentrated. A very limited number of very large PDBs receive a non-negligible amount of support. This finding reflects the regional focus on high-impact, capital-intensive projects that align with the development priorities of the continent. The concentration of support among a small number of large PDBs suggests that MDBs in Asia prioritize institutions with the capacity to implement major initiatives, such as infrastructure or energy projects. This aligns with the earlier observation that

supported PDBs in Asia are significantly larger than their unsupported counterparts, indicating a focus on leveraging existing capacities to maximize development outcomes.

These findings highlight the importance of considering the relative size and distribution of MDB support when assessing its impact on beneficiary PDBs. While a simple description of projects by continent may provide a broad overview, a more granular analysis reveals the nuanced ways in which MDB financing is tailored to the specific needs and contexts of different regions. By understanding these dynamics, MDBs can better allocate resources and design interventions that maximize the impact of development finance, whether through large-scale initiatives in regions like Africa and Asia or more distributed support in regions like Latin America and Europe.

4.2. Beneficiary-level concentration of projects

This sub-section explores another key finding that emerges from Figure 4: the wide disparity among PDBs in terms of the support they receive from MDBs. By leveraging the granularity of our data, **we shed light on the concentration of MDB financing at the beneficiary level, revealing significant inequalities in the distribution of support**.

An analysis of the data presented in Table 7 highlights a stark contrast in the number of supports received by PDBs over the period from 2014 to 2024. **Almost half of all PDBs—40%—received only one support during this decade.** This finding suggests that a significant proportion of PDBs have limited interaction with MDBs, potentially due to their smaller size, limited capacity to absorb additional financing, or other constraints. **At the opposite end of the spectrum, a small number of PDBs receive more than 10 supports over the same period**. This concentration of support among a select group of beneficiaries indicates that MDBs may prioritize certain PDBs, possibly due to their strategic importance, larger scale, or alignment with MDB priorities.

The disparity becomes even more pronounced when examining the distribution of the total amount disbursed by MDBs. PDBs that receive multiple supports account for a disproportionate share of the total financing. **For instance, just 20 PDBs—representing less than 10% of all supported PDBs and less than 5% of all NDBs operating worldwide — according to the PDB & DFI Database — receive 50% of the total amount disbursed by MDBs.** This finding underscores the highly concentrated nature of MDB financing, where a small number of beneficiaries capture a significant share of the resources. This concentration may reflect a strategic decision by MDBs to focus on high-impact, large-scale projects that can drive significant development outcomes.

In contrast, the majority of beneficiaries receive relatively limited support. Approximately 50% of PDBs receive only one or two supports, and these beneficiaries account for less than 15% of the total amount disbursed by MDBs. This finding highlights the unequal distribution of MDB financing, where a large number of PDBs receive modest levels of support, while a small group of beneficiaries captures the lion's share of the resources. This disparity raises important questions about the inclusivity of MDB financing and whether smaller or less strategically aligned PDBs are receiving adequate support to fulfill their development mandates.

These findings have significant implications for the allocation of development finance. While concentrating resources on a small number of strategically important PDBs may maximize short-term impact, **it could also risk excluding smaller or less established PDBs that play critical roles in local development**. By understanding these dynamics, MDBs can better balance the need for high-impact initiatives with the importance of supporting a diverse range of beneficiaries. This could involve reevaluating their criteria for allocating support, expanding their engagement with smaller PDBs, or designing targeted interventions to address the specific needs of under-supported beneficiaries.

Table 7– Distribution of beneficiaries according to the number of projects received over the period 2014-2024

Number of	Number of supported PDBs			Total amount per beneficiary		
Projects	Number	% of PDBs	Cumul %	Amount	% of total	Cumul %
1	65	39.9	39.9	8 217	7.6	7.6
2	23	14.1	54.0	5 926	5.5	13.0
3	18	11.0	65.0	6 140	5.7	18.7
4	10	6.1	71.2	6 137	5.7	24.4
5	7	4.3	75.5	4 989	4.6	29.0
6	4	2.5	77.9	2 780	2.6	31.5
7	8	4.9	82.8	8 210	7.6	39.1
8	6	3.7	86.5	8 075	7.4	46.5
9	2	1.2	87.7	3 504	3.2	49.8
10	6	3.7	91.4	7 237	6.7	56.4
11	3	1.8	93.3	5 804	5.4	61.8
12	2	1.2	94.5	4 815	4.4	66.2
13	3	1.8	96.3	19 042	17.6	83.8
15	1	0.6	96.9	3 760	3.5	87.3
16	1	0.6	97.5	7 463	6.9	94.1
17	2	1.2	98.8	2 210	2.0	96.2
22	2	1.2	100.0	4 154	3.8	100.0
TOTAL	**163**	**100**		**108 462**	**100**	

The figure shows the number of PDBs (left part) and the total amount of projects (right part) according to the number of projects received over the period.
Lecture (first row): 65 PDBs (40% of all supported PDBs) receive only one project, and the cumulative amount of support for all these 65 PDBs is USD 8 217 million, representing 7.6% of the total amount disbursed by MDBs during the period.

The analysis of the top beneficiaries of MDB financing, as presented in Table 8, reveals important insights into the concentration and diversification of support.

First, the list of top beneficiaries differs significantly depending on whether the ranking is based on the number of projects or the cumulative amount of financing. This discrepancy highlights that some PDBs receive many smaller projects, while others benefit from fewer, high-value initiatives.

Second, the geographical distribution of top beneficiaries is more diverse when measured by the number of projects than by cumulative amount. This suggests that while many PDBs across regions receive support in the form of multiple projects, the concentration of financing is more pronounced among a smaller group of beneficiaries.

Third, despite the large number of projects financed by MDBs, the number of lenders involved is relatively limited. An unreported analysis shows that **95 out of 163 PDBs (60%) have only one lender, 45 PDBs (28%) have two lenders, 16 PDBs (10%) have three lenders, and only 5 PDBs (3%) have four lenders**. This lack of diversification raises questions about the ability of PDBs to attract additional lenders after securing an initial contract with an MDB. It may also indicate that MDBs play a dominant role in the financing landscape for many PDBs, potentially limiting the diversity of funding sources.

Table 8 – Top 5 beneficiaries per number of projects and cumulative amount

Panel A: Top 5 in the number of projects				
Name	Country	# Projects	Total amount	# Lenders
Caribbean Development Bank	Multi	22	6700.8	2
Nacional Financiera (NAFIN)	Mexico	22	3483.7	3
Development Bank of Rwanda	Rwanda	17	1785.8	4
Colombian Bank of Foreign Trade	Colombia	17	423.9	1
Cassa Depositi e Prestiti	Italy	16	7462.2	2
Panel B: Top 5 in the cumulative amount				
Name		# Projects	Total amount	# Lenders
Caisses des Dépôts et Consignations	France	13	9052.1	2
Cassa Depositi e Prestiti	Italy	16	7462.2	2
Instituto de Credito Oficial	Spain	13	5542.8	2
Il Bank	Turkey	13	4684.2	3
Turkiye Kalkinma ve Yatirim Bankasi	Turkey	13	4446.4	3

The table reports the Top 5 recipient PDBs by the number of projects (panel A) and the cumulative amount (panel B).

4.3. Is increase of MDBs support due to extensive or intensive margin?

The final step in the analysis is to determine **whether the observed increase in the total amount of MDB financing, documented in Table 2, is driven by increased support for already supported PDBs (intensive margin) or by an expansion in the number of PDBs receiving support (extensive margin).** To address this question, we calculate the share of projects and total amount allocated to PDBs that had never received support in the previous year, using our hand-collected dataset.

While this approach is imperfect—as we cannot be certain that a PDB did not receive support before 2014—we restrict the analysis to the period from 2017 to 2024. This allows us to assume that PDBs supported during this period had not been supported in the previous year, as the data shows a stabilization of shares beginning in 2017.

The findings, presented in Table 9, reveal that, **on average, 20% of projects and 16% of the total amount are allocated to PDBs that have never received previous support (extensive margin).** This indicates that a significant portion of the increase in MDB financing is due to the expansion of support to new beneficiaries. The difference between the number of projects and the cumulative amount allocated to new PDBs may be explained by the fact that MDBs tend to allocate smaller amounts to new beneficiaries compared to those they have supported previously.

Additionally, we observe **a notable increase in the number of new PDBs supported in 2020, likely due to the COVID-19 pandemic.** During this year, the cumulative amount allocated to new PDBs decreased, suggesting that MDBs may have focused on supporting smaller projects or PDBs in response to the crisis.

Table 9 – Percent of projects and cumulative amount allocated to new PDBs (extensive margin) and already supported PDBs (intensive margin)

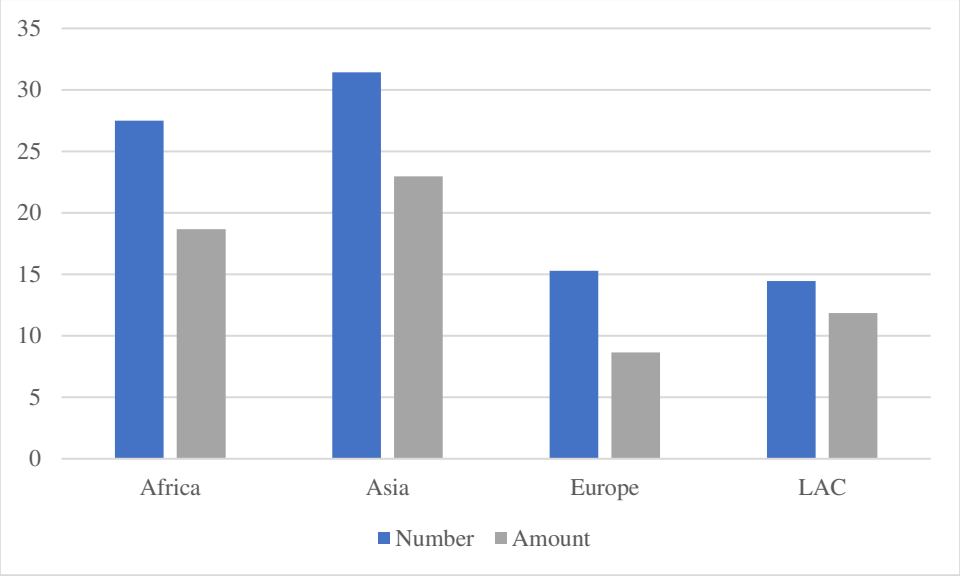
	Number of projects		Amount	
	Intensive	Extensive	Intensive	Extensive
2014		100.0		100.0
2015	36.6	63.4	24.5	75.5
2016	50.7	49.3	58.5	41.5
2017	68.1	31.9	80.4	19.6
2018	66.7	33.3	80.6	19.4
2019	82.5	17.5	85.3	14.7
2020	73.4	26.6	87.6	12.4
2021	82.8	17.2	80.0	20.0
2022	83.9	16.1	81.2	18.8
2023	92.7	7.3	84.4	15.6
2024	93.3	6.7	95.6	4.4
Average (2017-2024)	**80.4**	**19.6**	**84.4**	**15.6**

The table shows the share of new projects (left side) and their cumulative amount allocated to PDBs that previously received at least one project (intensive margin) and to PDBs that received their first project this year (extensive margin). The last row is the average of each share over the period 2017-2024.

Figure 5 further breaks down the percentage of extensive margin PDBs by continent over the period from 2017 to 2024. The data shows that **Africa and Asia have the highest shares of new PDBs supported**, with more than one-quarter of PDBs in Africa and over 30% in Asia having never been supported before. In contrast, the shares are lower in Latin America and Europe, indicating a greater focus on supporting existing beneficiaries in these regions.

These findings highlight the importance of both the intensive and extensive margins in the allocation of MDB financing. While MDBs continue to provide significant support to existing beneficiaries, they also play a crucial role in expanding their reach to new PDBs, particularly in regions like Africa and Asia. This dual approach allows MDBs to balance the need for high-impact initiatives with the importance of supporting a diverse range of beneficiaries, ultimately contributing to more inclusive and sustainable development outcomes.

Figure 5 – Share of extensive margin projects by continent



The figure displays the percentage of projects (blue bar) and cumulative amount (grey bar) allocated to PDBs that have never received a previous support. The analysis is done on the period 2017-2024.

5. Conclusion

This report maps and analyzes the financial support provided by major multilateral development banks (MDBs) to public development banks (PDBs) over the period 2014-2024. Specifically, it sought to understand who the beneficiaries of these funds are, the importance of these projects for their activities, and whether the observed increase in financing is due to increased support for already supported PDBs (intensive margin) or an expansion to new PDBs (extensive margin).

The key findings can be summarized as follows.

The data collection documents that **between 2014 and 2024, USD 108 billion will be disbursed by MDBs in support of other PDBs, with the volume increasing in recent years**. Geographically, MDB financing is **heavily concentrated in Latin America and Europe**, with a strong focus on projects related to micro, small, and medium-sized enterprises (MSMEs), energy, infrastructure, and the environment. Notably, **there has been a significant increase in environmental projects since 2019**, reflecting a growing commitment to sustainability and climate goals. However, the impact of these funds varies significantly across regions. In Africa, for instance, while the number of projects is smaller, they represent a substantial share of the total assets of PDBs, highlighting the relatively greater impact of MDB financing in this region.

This disparity underscores the need for tailored approaches that address the specific challenges and priorities of different regions.

The differences between continents are particularly striking when examining the beneficiaries of MDB financing. In Latin America, a large number of PDBs receive support, but the projects tend to be smaller in scale, reflecting the region's focus on inclusive development and the role of smaller institutions in driving local economic growth. In Europe, supported PDBs are often larger and more established, enabling MDBs to focus on high-impact, large-scale projects. In Africa, supported PDBs are generally smaller and face significant financial constraints, making MDB financing crucial for implementing transformative initiatives. Asia, on the other hand, sees a concentration of support among a limited number of large PDBs, with a focus on capital-intensive projects that align with the region's development priorities.

Another notable finding is the concentration of financing among a small number of PDBs. Only one third of PDBs identified in the world benefit from a direct support by a major MDB. In addition, just 20 PDBs (3% of all PDBs in the world) receive 50% of the total financing, indicating a significant disparity in the distribution of funds. This concentration raises important questions about the inclusivity of MDB financing and whether smaller or less strategically aligned PDBs are receiving adequate support to fulfill their development mandates. The analysis also shows that the increase in MDB financing is primarily driven by increased support for already supported PDBs (intensive margin), though the expansion to new PDBs (extensive margin) plays a role, particularly in regions like Africa and Asia.

These findings open several avenues for reflection.

1) *Expand the network of PDBs financed by MDBs*

To enhance inclusivity in financing, MDBs should ensure that smaller or less strategically aligned PDBs receive adequate support to achieve their development goals. This involves exploring ways to better balance support between large-scale projects and smaller, yet equally critical, initiatives.

A crucial first step is **identifying these small PDBs** and gaining a better understanding of their operations and field activities. **International forums, particularly the Finance in Common Summit, play a vital role in this effort**. Organizers can facilitate the participation of smaller PDBs by offering financial support or dedicated spaces within the forum to meet with MDBs.

However, merely identifying small PDBs is insufficient to establish a relationship with MDBs; MDBs must also become more familiar with these PDBs. **A promising approach to building long-term relationships is adopting a gradual strategy**. MDBs could initially provide small support to a new PDB or co-finance a modest project. This approach involves minimal cost for the MDB and allows it to better understand the PDB. As confidence grows, the level of commitment and complexity of arrangements can increase. This gradual approach also supports the capacity building of PDBs, as discussed further below.

Small PDBs may be reluctant to engage with MDBs due to the stringent requirements involved. They are more likely to engage if they anticipate future returns that outweigh the initial costs, particularly in terms of human resource mobilization, and if they can cover these initial expenses. Several strategies can help reduce these initial costs. First, **simplifying administrative procedures for smaller and newer projects**, possibly through fast-track processes, can lower barriers to entry. Financing straightforward projects with limited procedural requirements can make it easier for small PDBs to participate. Additionally, **adapting financial instruments to absorb initial costs**, such as through grants and concessional loans, can provide the necessary support.

One potential method to implement these principles is **establishing a dedicated structure financed by multiple MDBs to finance small and new PDBs**. This structure could receive not only funds but also staff from MDBs to better identify PDBs worthy of future financing. Furthermore, this structure could assist in building the capacity of PDBs, ensuring they are well-equipped to manage and benefit from MDB support.

2) Assist small PDBs in absorbing funds provided by MDBs

There is **a clear need to strengthen the capacities of PDBs**, particularly in regions like Africa and Asia, to enable them to effectively absorb and utilize financing from multilateral development banks (MDBs). Capacity building can be achieved through various strategies.

- **Developing technical assistance programs** helps PDBs develop the necessary skills and knowledge to manage projects effectively.
- **Facilitating collaboration and knowledge sharing** among PDBs through regional networks, online platforms, and regular forums can also promote the exchange of best practices and lessons learned.

- **Stabilizing the staff** responsible for managing relationships with MDBs can enhance continuity and expertise, further strengthening these institutions.
- **Encouraging personal exchanges between MDB and PDB staff** can foster mutual understanding, helping staff of small PDBs become more familiar with how MDBs operate and vice versa. A gradual approach to capacity building is also beneficial, as starting with basic, easier-to-implement projects allows PDBs to incrementally build their capacity to handle more complex initiatives.

3) Extending financial support beyond MDBs

To enhance financial resilience and reduce dependency on MDBs, it is crucial to encourage PDBs, notably NDBs, to diversify their financing sources. This diversification can be effectively achieved through partnerships with private sector entities, impact investors, and other financial institutions, thereby broadening the financial base and reducing reliance on any single source of funding.

MDBs can significantly support this initiative by developing platforms or forums designed to bring together these diverse financial structures. Such platforms can serve as hubs for networking, collaboration, and the exchange of best practices, ultimately enhancing the overall financial ecosystem and fostering a more integrated approach to development financing.

Moreover, **MDBs can facilitate the creation of co-financing arrangements that incorporate both PDBs and other investors**. These arrangements can promote better collaboration and mutual understanding among all parties involved, leading to more integrated and effective financial support systems. By actively promoting these partnerships and platforms, MDBs can help PDBs build a more resilient and diversified financial foundation, which is essential for achieving sustainable development goals.

By addressing these considerations, MDBs and other stakeholders can work towards a more equitable and effective allocation of development finance, ultimately contributing to the achievement of the Sustainable Development Goals (SDGs) and fostering inclusive and sustainable development worldwide.

6. References

Griffith-Jones S., Ocampo J. A. (2018) *The Futre of National Development Banks*, Oxford University Press, Oxford, UK.

Kulkarni S., Hof A., Ambrosio G., Edelenbosch O., Köberle A. C., van Rijn J., van Vuuren D. (2022) "Investment needs to achieve SDGs: An overview", *PLOS Sustainability and Transformation*, vol. 1 (issue 7), e0000020.

Léon F., Opoku-Bossman M. (2024) "How public development banks mobilize their resources to finance transitions?", AFD *Research Paper*, 320.

Xu J., Marodon R., Ru X., Ren X., Wu X. (2021) "What are public development banks and development financing institutions? Qualification criteria, stylized facts and development trends", *China Economic Quarterly International*, vol. 1 (issue 4), pp. 271-294.

7. Appendix A: Details about data collection

In the Appendix A, we describe in detail data collection process for each institution.

7.1. African Development Bank (AfDB)

The data collection process combined automated extraction with manual validation. The AfDB project list, which contains rich information, is originally available in XML format. To facilitate data processing, it is converted into Excel format.

1. Automated extraction

   The automated extraction initially identified 103 projects. After filtering out 64 false-positive projects, 39 projects remained.

2. Manual extraction

   To ensure completeness, a manual review was conducted, examining project descriptions, beneficiaries, and other details for the 2014–2024 period. This process identified one additional project that had not been captured by the automated extraction.

   → Total number of projects: 40 (39 from automatic extraction + 1 for manual extraction)

*

***

7.2. Asian Development Bank (ADB)

The data collection process for the Asian Development Bank (ADB) involved a three-step approach. First, we automatically extract project from their website. Second, we completed the extraction by using a manual one. Third, we asked ADB staff to give us their feedback on the list and to add additional projects if necessary.

1. Automated extraction

   The ADB provides a list of sovereign projects that can be downloaded from its website. We therefore extracted the list of sovereign projects and ran a Python code to identify projects allocated to PDBs.

   We extracted 7,333 government projects and the code identified 58 projects. We dropped 47 projects because 19 were provided before 2014 and 27 were false positives. We therefore only kept 11 projects from automatic extraction.

2. Manual extraction

   The automatic extraction was complemented by a manual extraction, which consisted of looking at all projects (sovereign and non-sovereign) listed on the ADB website. We identified 4 new projects.

3. Direct engagement with ADB staff
   The ADB staff first confirm the relevance of the 15 projects identified. The ADB staff identified 28 additional transactions. 17 of them have been excluded mainly because the borrower is not a PDB (16 projects) and one project is excluded because it is a double-counting.

→ Total number of projects: 26 (11 from automatic extraction + 4 for manual extraction + 11 from ADB staff)

*

***

7.3. Asian Infrastructure Investment Bank (AIIB)

The data collection process for the Asian Infrastructure Investment Bank (AIIB) consisted in looking individually at all projects listed on the bank's website to manually extract the relevant ones. Of the 356 projects available in the bank's projects database, 13 were identified as being allocated to PDBs in the 2014-2024 time period.

→ Total number of projects: 13

*

***

7.4. Council of Europe Bank (CEB)

The data collection process for the Council of Europe Development Bank (CEB) involved direct engagement with the bank's staff to obtain a comprehensive list of projects, ensuring accurate coverage of financial assistance provided to other public development banks (PDBs) from 2014 to 2024. CEB staff provided a list of projects financed by the Bank. This list contained detailed information on the projects allocated to the PDBs. The data were reviewed and validated to ensure accuracy and relevance. This collection was complemented by a manual extraction for projects allocated to PDBs that were not directly identified by the CEB staff, mainly sub-national PDBs. 13 additional projects were identified.

→ Total number of projects: 65 (42 from the list provided by the CEB + 13 additional projects identified through hand-collection)

*

***

7.5. Development Bank of Latin America and Caribbean (CAF)

The data collection process for the Development Bank of Latin America and Caribbean (CAF) consisted of going through all the projects listed on the Bank's website to manually extract the relevant projects. We identified 9 projects allocated to PDBs.

→ Total number of projects: 9

*

***

7.6. European Bank for Reconstruction and Development (EBRD)

The data collection process for the European Bank for Reconstruction and Development (EBRD) involved direct engagement with the bank's staff to obtain a comprehensive list of projects. EBRD staff declared that they do not support public development banks. We check their list of projects on EBRD website and confirmed it.

→ Total number of projects: 0

*

***

7.7. European Investment Bank (EIB)

The data collection process for the European Investment Bank (EIB) consisted in looking individually at all projects listed on the bank's website to manually extract the relevant ones. Of the 16567 projects available in the bank's projects database, 177 were identified as being allocated to PDBs in the 2014-2024 time period.

→ Total number of projects: 177

*

***

7.8. Inter-American Development Bank (IADB)

The data collection process for the Inter-American Development Bank (IADB) involved a combination of automated extraction and manual validation to ensure comprehensive and accurate coverage of financial assistance provided to other public development banks (PDBs) from 2014 to 2024.

1. Automated extraction

   The IADB provides a list of projects that can be downloaded from its website. We therefore extracted the list of projects and ran a Python code to identify projects allocated to PDBs.

We extracted 27453 projects and the code identified 1247 projects. We dropped 1055 projects because 747 were provided before 2014, 40 were duplicates and 268 were false positives. We therefore only kept 192 projects from automatic extraction.

2. Manual extraction

The automatic extraction was complemented by a manual extraction, which consisted of looking at all projects listed on the IADB website. We identified 7 new projects.

→ Total number of projects: 199 (192 from automatic extraction + 7 from manual extraction)

*

***

7.9. Islamic Development Bank (IDB)

The Islamic Development Bank (IDB) does not provide a public list of their projects. Only some case studies are available on their website and none of them are projects allocated to PDBs. Thus, we have not been able to identify any projects for the IDB.

→ Total number of projects: 0

*

***

7.10. New Development Bank (NDB)

The data collection for the New Development Bank (NDB) consisted of two steps. First, we extracted projects from their website. Second, we asked NDB staff to give us their feedback on the list and to add additional projects if necessary.

1. Manual extraction

The data collection process for the New Development Bank (NDB) consisted of going through all the projects listed on the bank's website and manually extracting the relevant ones. Of the 138 projects available in the Bank's project database, 13 were identified as being allocated to PDBs in the 2014-2024 period.

2. Direct engagement with NDB staff

We shared the list of projects with NDB staff. They corrected a limited number of errors. Secondly, they added 4 projects to the list.

→ Total number of projects: 17 (13 for manual extraction + 4 from NDB staff)

*

***

7.11. World Bank (WB)

Data collection involved both automated extraction and manual compilation. The project list can be downloaded from the World Bank website. Between 2014 and 2024, there were 6,110 World Bank projects.

1. Automated extraction

   The automated extraction identified 149 projects, of which 59 were false positives. The remaining 90 viable projects were categorized into four groups:

a. **Borrower and Implementing Agency: NDB** – This category includes 40 projects where both the borrower and the implementing agency are National Development Banks (NDBs).
b. **Borrower: Official (Country or Minister) | Implementing Agency: NDB** – This group consists of 20 projects where the borrower is a government entity, such as a country or minister, while the implementing agency is a NDB.
c. **Borrower: Official | Multiple Implementing Agencies (Including NDBs)** – In this category, the borrower is a government entity, but there are multiple implementing agencies. These agencies include either only NDBs or a mix of NDBs and non-NDBs. A total of 26 projects falls into this group.
d. **NDB as a Borrower and Implementing Agency** – This category includes three projects where an NDB is both a borrower and an implementing agency.

   Additionally, there is one uncategorized project with no borrower name but with an NDB as the implementing agency.

   Out of the 90 viable projects, 10 were dropped, leaving a total of **80 closed and ongoing projects** identified through automated extraction.

2. Manual extraction

   After the automated extraction, a manual collection process was conducted to ensure no projects were overlooked. This manual review identified 25 additional projects, of which 4 were dropped.

   → Total number of projects: 101 (80 from automatic extraction + 21 for manual extraction)

"Sur quoi la fondera-t-il l'économie du monde qu'il veut gouverner ? Sera-ce sur le caprice de chaque particulier ? Quelle confusion ! Sera-ce sur la justice ? Il l'ignore."

Pascal

FERDI

Créée en 2003, la **Fondation pour les études et recherches sur le développement international** vise à favoriser la compréhension du développement économique international et des politiques qui l'influencent.

Contact
www.ferdi.fr
contact@ferdi.fr
+33 (0)4 43 97 64 60