

DONOR ASSISTANCE FOR INVESTMENT CLIMATE REFORMS AND FOR DIRECT SUPPORT TO FIRMS

An overview of available data

FINAL REPORT

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The authors accept sole responsibility for this paper. It does not necessarily reflect the views of the World Bank, which funded its preparation.

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Introduction

The investment climate consists of the location specific factors that shape the opportunities and incentives for firms to investing productively, create jobs and expand. Government policies and behaviors play a critical role by affecting the costs, risks and barriers to competition faced by firms. Government policies and behaviors cover a broad domain. They include:

- the security of property, from title to land and contract enforcement to crime and expropriation;
- regulation and taxation both at and within a country's borders;
- provision of infrastructure such as electricity, telecommunications and roads;
- functioning of markets for finance and for labor; and
- broader features of governance including corruption.¹

While improving the investment climates of their societies involves many challenges for developing countries, the international community has assisted by providing development assistance to help design and implement these improvements. In particular, bilateral donors and multilateral agencies have assisted investment climate reforms through policy-based support, technical assistance and investment in infrastructure and have supported firms and transactions through development assistance and other forms of support.

This paper presents data on support provided between 1998-2002 for investment climate reforms and support to firms and transactions by donors, development finance institutions (DFIs) and Export Credit Agencies (ECAs).

Data Sources

There is currently no single source of information on support to investment climate reforms and the private sector. The data presented in this paper have been, hence, derived from three main sources:

1. OECD Development Assistance Committee (DAC) database;
2. OECD Credit Reporting System (CRS) database^{2 3}; and
3. IFC's database on private sector financing activities of international financial institutions⁴.

¹ The definition is drawn from the World Development Report 2005 for which this report is a background paper.

² The Creditor Reporting System was established in 1967 with the aim of supplying "participants with a regular flow of data on indebtedness and capital flows". The CRS is an information system comprising data on official development assistance and other lending by, or supported by, the official sector. It is sponsored jointly by the OECD and the World Bank, and operated by the OECD. A subset of the CRS consists of individual grant and loan commitments to developing countries and CEECs/NIS (between 6 000 - 32 000 transactions a year) submitted by Members of the DAC1 and multilateral institutions. Reporters supply detailed information on each commitment on an ongoing basis.

³ Data from the first two sources was also cross-checked with the World Bank's Lending Operations database which provided a greater level of detail for World Bank operations (see [Annex B](#) for details).

⁴ Data on activities by ECAs for 2001 and 2002 were not available as IFC has discontinued coverage of ECAs in its database. The 2001 and 2002 data on ECA activities included in our tables are

The first two databases have been used for data concerning support to investment climate reforms by donors and multilateral organizations and partially for data relating to support to firms and transactions. The third database includes data relating to support to firms and transactions which have been gathered from the major DFIs and ECAs.

The meaning of donor assistance in this paper is identical to the concept of Official Development Finance used by OECD DAC.⁵ Official development finance comprises official development assistance, official aid and other official flows. We considered only official development finance to:

- developing countries included in Part I of the DAC list that are recipients of Official Development Assistance (ODA); and
- countries in transition of Central and Eastern Europe and the Former Soviet Union that are recipients of Official Aid and included in Part II of the DAC list.

Definitions

Given that there is no commonly accepted definition of donor support for investment climate, the investment climate definition discussed earlier was utilized to define three main categories of donor support for investment climate improvements:

- *Policy-based support* including quick disbursing operations such as structural adjustment, balance of payments and general and sectoral programmatic assistance.⁶
- *Technical assistance* including projects providing technical assistance, training, and other capacity building assistance for legal reform, privatization, research and scientific institutions, and employment policy and administration; finance and banking; trade and tourism; industry; export promotion; mining and construction; and infrastructure policy, administration and regulation
- *Infrastructure* including energy, telecommunications and transport.

Similarly, as there is no commonly available definition of donor support to firms and transactions, data was constructed from existing information on relevant activities from the DAC/CRS database and the IFC database to include:

- Development assistance provided directly and indirectly to private firms including financial (such as lines of credit) and non-financial support (such as business development services or support to smaller firms);
- Other support including non-concessional loans and guarantees provided by international development finance institutions and export credit agencies.

Data Compilation Issues

There were two major challenges. First, to ensure consistency in the information across the three databases. To avoid double counting, original data from the IFC database have

therefore estimates based on available information from ECA Annual Reports as well as the Bern Union Yearbook.

⁵ Cross-reference to definitions in the latest Development Cooperation Report.

⁶ Policies supported under such operations normally span several sectors.

been limited to DFIs and ECAs and we excluded regional IFIs already included in the CRS database (i.e., AfDB, ADB, and IDB). EBRD or EIB were not excluded as their activities are not part of the CRS database. Similarly, we excluded from the CRS dataset all flows from DFIs included in IFC's list. This approach may lead to a slight understatement in the level of activity, as according to IFC, its data coverage for DFIs and ECAs is limited to about 80% of all DFI/ECA activities in this field.

Second, as the data was not originally compiled under an investment climate definition, it was necessary to select particular activities under the CRS detailed codification structure as best approximating the investment climate definition indicated at the start of this paper.

Sub-sector	CRS purpose code
Policy-Based Support	
Balance-of-payments support	53010
Budget support	53020
Structural adjustment	51010
Infrastructure	
Biomass	23070
Coal-fired power plants	23063
Electrical transmission/distribution	23040
Gas distribution	23050
Gas-fired power plants	23062
Geothermal energy	23066
Hydro-electric power plants	23065
Nuclear power plants	23064
Ocean power	23069
Oil-fired power plants	23061
Power generat./non-renewable sources	23020
Power generation/renewable sources	23030
Road transport	21020
Wind power	23068
Solar energy	23067
Telecommunications	22020
Water transport	21040
Technical Assistance	
Agricultural policy and administrative management	31110
Construction policy and admin. Mgmt	32310
Educ./trng in transport & storage	21081
Education/trng in banking & fin. Services	24081
Employment policy and admin. mgmt.	16110
Export promotion/Regional Trade Agreements	33130
Financial Policy & Admin. Management	24010
Industrial development	32120
Industrial policy & admin. mgmt	32110
Legal and judicial development	15030
Mineral prospection and exploration	32220
Mineral/mining policy & admin. mgmt	32210
Monetary institutions	24020
Multilateral Trade Negotiations	33140
Privatisation	25020
Research/scientific institutions	16381
Technological research & development	32181
Tourism policy and admin. management	33210
Trade Education/Training	33181

Trade policy and admin. management	33110
Transport policy & admin. management	21010
Communications policy & admin. Mgmt	22010
Energy education/training	23081
Energy policy and admin. Management	23010
Energy research	23082

Direct Support to Firms

Formal sector Finance. Intermediaries	24030
Informal/semi-formal fin. Intermed.	24040
	32130
Sme development	
Wholesale/retail trade /Trade Facilitation	33120
Business support services and institutions	25010

Governance-related expenditures could not be included as they are included in several purpose codes relating to support to government and cannot be singled out.

Our approach was the only viable, but has also several pitfalls:

1. Projects coded as pertaining to particular sub-sectors may include activities that have little relation with investment climate issues. We have analyzed all detailed commitments beyond US\$ 10 million (2001 prices) to determine, on the basis of their project documents (if available online), whether they were in fact policy based support, technical support, direct support or infrastructure operations. This exercise led to the re-classification of about 32% of the CRS data in value terms among different types of support (see table below for details).
2. CRS guidelines do not allow the attribution of a commitment to more than one sub-sector, and several project/program components outside the chosen sub-sector are therefore included ⁷.
3. The CRS database, which is the most detailed database available, is also not complete, as it does not include data from 3 (i.e., Greece, Luxembourg and New Zealand) out of 23 DAC members and has incomplete coverage for another 3 (EC with about 50% of aid reported to CRS plus Japan and France with a coverage of 80-90%). These deficiencies limit the significance of the CRS database that represents between 90% and 95% of total ODA for investment climate reforms depending on the sub-sector (see [Annex C](#) for details) and may underestimate ODA/OA flows by about 10% equivalent to US\$ 10 billion over the period 1998-2002.

⁷ Commitments can nevertheless be split and assigned to different subsectors but this is seldom done by DAC members in practice. When a commitment is split a letter (a,b,c, etc.) is added at the end of its reference number. Out of 24,000 commitments included in our dataset, none was split.

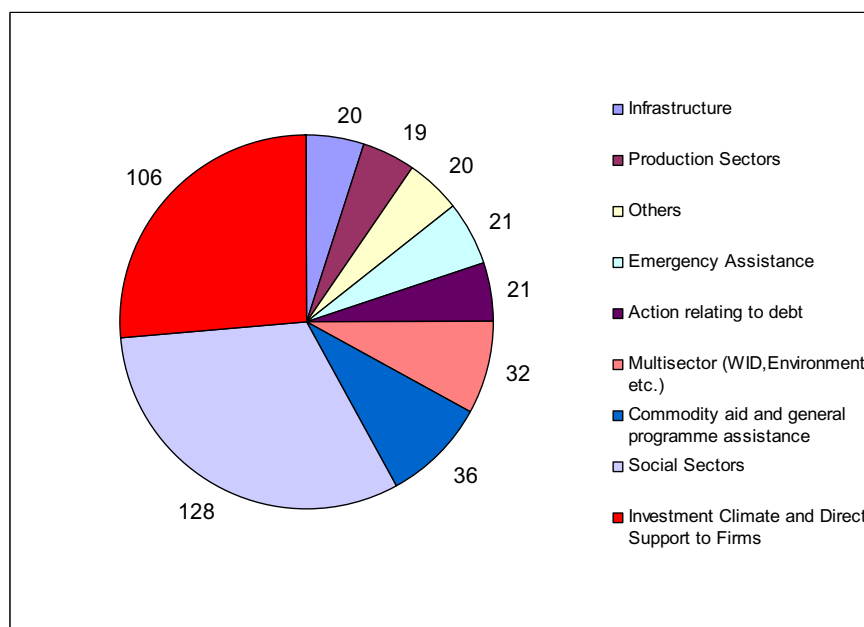
Reclassification of CRS data - changes made			
From	To	No.	Value
Infrastructure	Technical Assistance (Infrastructure)	23	328
Technical Assistance or Direct Support to Firms (non Financial)	Direct Support (Financial)	26	6,249
Technical Assistance	Direct Support to Firms (non Financial)	6	173
Technical Assistance	Infrastructure	92	7,309
Technical Assistance	Policy-Based Support	71	15,434
Direct Support (Financial)	Policy-Based Support	1	4,000
Total		219	33,493
% change		1.0%	31.7%

Donor Assistance for Investment Climate Improvements⁸

Overall, assistance provided for investment climate improvements constituted 26% of all expenditures for development assistance between 1998-2002 for a total of \$106 billion (in 2001 dollars) or an average of \$21.2 billion per annum.

Table 1: Share of IC in official development finance (developing countries only)

Sector	1998	1999	2000	2001	2002	Total	of which IC related
Social Sectors	26,804	24,319	25,424	27,067	28,426	132,039	3,832
Infrastructure	20,128	18,570	15,506	22,814	19,629	96,648	77,037
Production Sectors	6,861	9,237	7,498	7,604	5,509	36,710	17,970
Multisector (WID, Environment etc.)	6,612	6,383	6,463	5,805	7,122	32,385	
Commodity aid and general programme assistance	9,901	7,868	7,109	7,747	10,013	42,638	6,861
Action relating to debt	3,493	2,788	3,661	4,654	6,955	21,552	
Emergency Assistance	3,651	6,115	3,680	3,959	4,022	21,427	
Others	1,945	4,132	3,933	5,333	4,403	19,746	
Total	79,395	79,413	73,276	84,982	86,079	403,145	105,700
IC	21,938	16,605	18,739	24,280	24,138	105,700	
Share IC/total Official Development Finance	27.6%	20.9%	25.6%	28.6%	28.2%	26.2%	



⁸ The following tables relate only to ODA/OA/OOF commitments from the CRS database, as IFC data on ECAs and DFIs do not allow any further disaggregation.

With regard to the three main types of assistance, there are two aspects worth noting in the Table below.

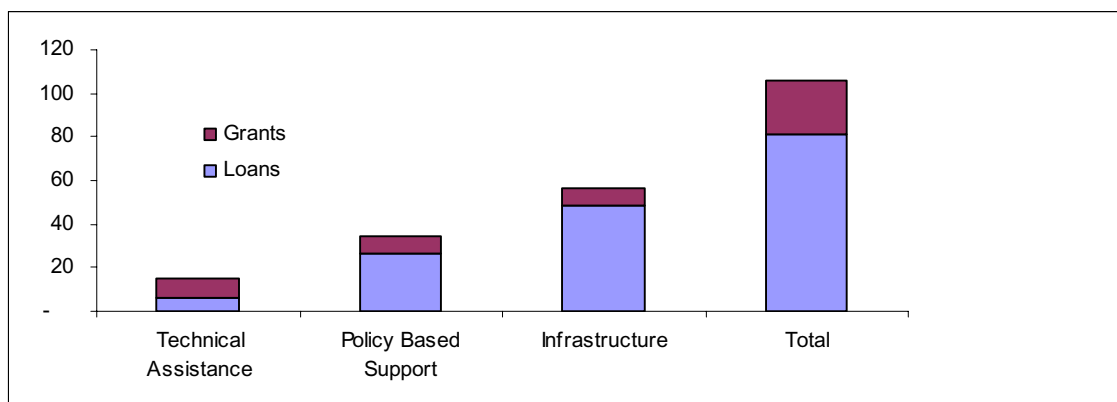
Table 2: Development Assistance for investment climate reforms

Type of Support	1998	1999	2000	2001	2002	Total
A. Physical Infrastructure	12,481	10,223	9,389	13,001	11,911	57,005
B1. - loans	11,082	8,335	7,726	11,445	10,050	48,638
B2. - grants	1,399	1,888	1,663	1,556	1,861	8,367
B3. - guarantees						-
B. Policy Support for Investment Climate Reforms	9,457	6,382	9,351	11,278	12,227	48,695
C1. Policy Support	7,731	4,189	5,471	8,895	8,891	35,177
C1.1 - loans	6,612	3,524	3,259	7,238	7,046	27,679
C1.2 - grants	1,119	665	2,212	1,657	1,846	7,498
C2. Technical Assistance	1,726	2,193	3,879	2,383	3,336	13,517
C2.1 - loans	587	893	979	1,062	1,394	4,915
C2.2 - grants	1,140	1,300	2,900	1,321	1,941	8,602
C. Total	21,938	16,605	18,739	24,279	24,138	105,700

First, the bulk of the assistance (54 percent) went to infrastructure development, followed by policy-based support (32 percent), and technical assistance (14 percent).

Second, most ODA/OA for IC reforms (an average of 77% in the period 1998-2002) is given in the form of concessional loans. This is higher than the overall ratio of loans to grants in development assistance – reflecting that multilateral agencies provide more than half the assistance in this area. It also reflects the significance of infrastructure, which some bilateral donors support with loans because of the potential for cost-recovery. However, this average masked substantial regional variations; in Africa loans constituted only 40 percent of assistance whereas in LAC and East Asia, loans constituted 92 percent.

The overall grant element of this ODA/OA has been 50%. Grants are relatively more important in Technical Assistance where they account for about 60% of total ODA/OA.



Within each type of support, further details are provided in the tables below:

Table 3: Infrastructure - Breakdown by Type and Year (US\$ million, 2001 prices)

Type	1998	1999	2000	2001	2002	Total
Energy	5,045	3,054	3,422	4,768	4,699	20,987
Transport	7,000	6,824	5,830	7,666	6,984	34,305
Communications	436	345	137	567	228	1,713
Total	12,481	10,223	9,389	13,001	11,911	57,005

The trends showed in Table 3 are consistent with the overall decline of public investment in telecommunications and its continuation in energy and transport.

Table 4: Policy Based Support – Breakdown by Type and Year (US\$ million, 2001 prices)

Type	1998	1999	2000	2001	2002	Total
Balance of Payments Support	1,596	1,065	1,400	938	323	5,322
Structural Adjustment	770	992	2,136	3,182	3,714	10,794
Budget Support	147	70	334	380	607	1,539
Sector Support	5,218	2,062	1,601	4,395	4,247	17,523
Finance and Banking	4,189	1,364	979	3,296	2,533	12,361
Industry, Mining and Construction	37	277	193	84	289	880
Trade and Tourism	-	-	-	386	-	386
Government ^{1/}	-	46	-	629	843	1,518
Infrastructure-Transport and Communications	261	-	21	-	-	282
Infrastructure-Energy	731	375	409	-	582	2,096
Total	7,731	4,189	5,471	8,895	8,891	35,177

The composition of policy based support was clearly influenced by the East Asian financial crisis of 1997-1998 and the subsequent crises in Russia, Argentina and Turkey.

Table 5: Technical Assistance - Breakdown by Type and Year (US\$ million, 2001 prices)

Type	1998	1999	2000	2001	2002	Total
Production and Services	587	763	539	671	1,700	4,260
Finance and Banking	273	250	121	198	596	1,438
Trade and Tourism	184	249	149	292	824	1,698
Industry, Mining and Construction	130	264	269	180	280	1,124
Government^{1/}	526	766	2,609	1,040	870	5,812
Infrastructure	613	664	731	672	765	3,445
Energy	459	333	331	259	700	2,081
Transport	106	247	278	230	1	862
Communications	48	84	123	183	64	502
Total	1,726	2,193	3,879	2,383	3,336	13,517

^{1/} "Government" includes the following sub-sectors: Employment Policy, Privatisation, Legal Reform, Research/Scientific Institutions.

There have been wide fluctuations in all categories of technical assistance. If "peaks" are not considered (i.e., 2002 for production and services, 2000 for TA to government), the three sub-sectors received similar amounts of TA.

Table 6 shows the geographical distribution of donor assistance. The most important type of assistance in the case of official development finance is infrastructure, followed by policy support, while stand-alone technical assistance plays only a very minor role at about 13% of total official development finance for IC improvements. Policy support was the most important form of assistance in Sub-Saharan Africa and LAC, while infrastructure dominated in Asia and, to a smaller extent, in Europe and Central Asia and MENA.

There is a pattern of specialization among the various players in this field. Bilateral donors tend to specialize geographically and by sector, while multilateral institutions cover a broader spectrum of activities and regions.

Donor/IFIs	Sector Focus	Geographic Focus
World Bank	Leader in Policy Support and a significant player in infrastructure after Japan	Top 2 players everywhere except MENA
Regional Banks (ADB, IDB, AfDB)	Second only to WB on Policy support and strong elsewhere. They lead in financial direct support to firms.	Leaders in their regions, except SSA
USA	Technical Assistance	MENA + ECA
Japan	Infrastructure	East Asia
EU Members and European Commission ⁹	Significant in all sectors. Strong on technical assistance.	“Near abroad” (MENA and Europe) and SSA

Table 7 presents the distribution of donor assistance for investment climate improvements among income groups. Policy support is the predominant form of support for low income countries and for upper middle income countries (e.g., Brazil, Mexico, and Turkey). Financing of physical infrastructure is the main form of support for low middle income countries and high income countries.

⁹ It is important to note again that CRS data do not include ODA/OA/OOF from the EC budget and therefore cover only about half of all EC official development finance in this field.

Table 6: Distribution of Official Development Finance for investment climate reforms by region and type (1998-2002,

Type of Support		Sub-Saharan Africa	Latin America & Caribbean	East Asia & Pacific	South Asia	Europe & Central Asia	Middle East & North Africa
A.	Physical Infrastructure	7,297	8,963	19,756	9,660	6,127	3,10
	B1. - loans	3,684	8,465	18,681	8,746	4,966	2,89
	B2. - grants	3,613	497	1,076	914	1,160	21
	B3. - guarantees						
B.	Policy Support for Investment Climate	10,046	11,476	8,523	6,003	7,341	2,90
	C1. <i>Quick disbursing</i>	7,272	9,350	7,497	4,965	4,444	1,09
	C1.1 - loans	2,307	8,935	6,896	4,079	4,039	99
	C1.2 - grants	4,965	415	600	885	405	9
	C2. <i>Capacity Building</i>	2,773	2,126	1,026	1,039	2,897	1,81
	C2.1 - loans	905	1,474	426	445	931	50
	C2.2 - grants	1,868	652	600	593	1,966	1,31
C.	Total	17,343	20,438	28,279	15,664	13,468	6,01

Source: OECD CRS database.

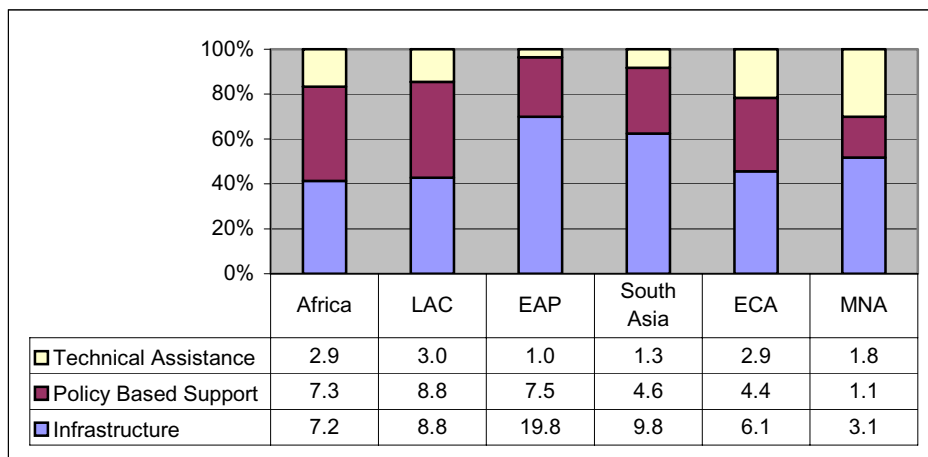
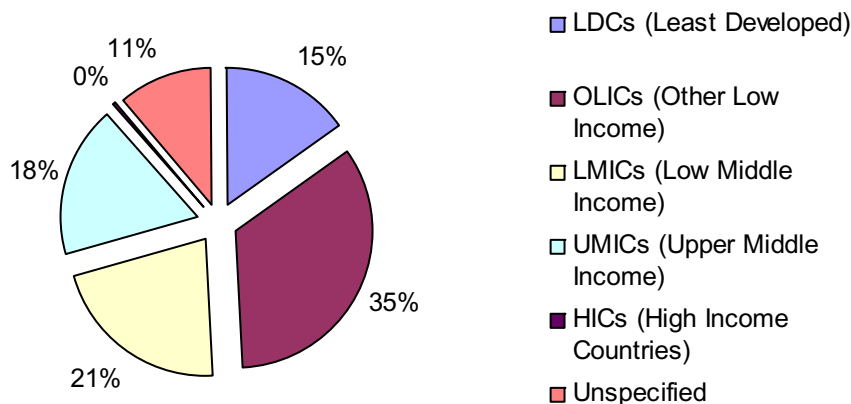


Table 7: Distribution of Official Development Finance for investment climate reforms by type and income group (1998-20

Type of Support	LDCs (Least Developed)	OLICs (Other Low Income)	LMICs (Low Middle Income)	UMICs (Upper Middle Income)	HICs (High Income Countries)	U
Physical Infrastructure	7,840	23,624	12,057	7,678	175	
Policy Support for Investment Climate Reforms	8,239	12,438	10,424	11,382	7	
Policy Support	5,924	10,320	6,020	10,051	-	
Technical Assistance	2,315	2,118	4,404	1,330	7	
Total	16,079	36,062	22,481	19,060	182	

Source: OECD CRS database.

PERCENTAGES OF OFFICIAL DEV FINANCE FOR IC REFORMS



Group
Low Income (LDCs and OLICs)
Low Middle Income
Upper Middle Income
High Income

Least Developed Countries are 49 countries that do not meet the current criteria are: low national income per capita, low human development index, low health, nutrition and education indicators. The criteria are based on a composite index based on indicators of low income, low human development, exports, inadequate diversification. The criteria are used for addition to the list of LDCs. A country qualifies for addition to the list if it meets three criteria, and if its population does not exceed 85 million.

Direct Support to Firms and Transactions

Direct support to firms is provided both as development assistance and as other support provided by DFIs and ECAs. Figures on development assistance were extracted from the CRS database and figures on other support provided by DFIs and ECAs from the IFC database.

Development Assistance. Around \$15.3 billion of support was provided as loans and grants to support firms in developing countries. As shown in Table 8 below, \$8.9 billion was provided as financial support and \$6.4 billion as non-financial support. While financial support was predominantly provided as loans (91%), the opposite was true for non-financial support which was provided largely as grants (70%).

Table 8: Development Assistance for direct support to firms

Type of Support		1998	1999	2000	2001	2002	Total
A.	Direct Support to Firms	1,430	6,516	1,293	3,033	3,078	15,349
A1.	Financial	433	4,054	764	1,939	1,717	8,906
A1.1	- loans	349	3,929	620	1,713	1,544	8,155
A1.2	- grants	84	125	144	226	173	751
A1.3	- guarantees						-
A2.	Non-financial	996	2,462	529	1,094	1,361	6,443
A2.1	- loans	248	559	93	464	522	1,886
A2.2	- grants	748	1,903	436	630	839	4,557

Other Support provided by DFIs and ECAs. This support – which was provided predominantly as financial support to transactions in developing countries – substantially exceeded development assistance provided as direct support to firms. **Table 9** shows all direct assistance to firms and infrastructure financing by DFIs and ECAs over a five-year period (1998-2002) and indicates that support was provided as a mix of nonconcessional loans (\$83 billion) and guarantees (\$49 billion). While there are difficulties comparing the value of grants, concessional loans, nonconcessional loans and guarantees, the nominal value of this support was almost one and a half times the level of support provided for investment climate improvements.

Table 10 shows that most assistance goes to Latin America (34%), Europe and Central Asia (27%) and South and East Asia (23%), while Sub Saharan Africa accounts for just 6% of total commitments¹⁰. A major difference among regions relates also to the fact that Sub-Saharan Africa and South and East Asia have seen a predominance of donors, while the opposite is true for all other regions.

¹⁰ The regional groupings for this table are different from the more detailed ones presented later in this document due to the different classification used in the IFC database on ECA and DFI activities.

Table 9: Distribution of assistance for direct support to firms and infrastructure investments from DFIs and ECAs by type (1998-2002)

Type of Support		1998	1999	2000	2001	2002	Grand Total
A.	Direct Support to Firms	22,963	18,631	17,302	20,586	21,379	
A1.	<i>Financial</i>	22,963	18,631	17,302	20,586	21,379	
A1.1	- loans	16,656	12,305	11,029	13,299	13,807	
A1.2	- grants	-	-	-	-	-	
A1.3	- guarantees	6,308	6,326	6,273	7,287	7,572	
A2.	<i>Non-financial</i>	-	-	-	-	-	
A2.1	- loans					-	
A2.2	- grants					-	
B.	Physical Infrastructure	5,077	4,801	8,452	6,555	6,581	
B1.	- loans	2,798	3,008	4,096	3,372	2,748	
B2.	- grants	-	-	-	-	-	
B3.	- guarantees	2,279	1,793	4,356	3,183	3,833	
C.	Total	28,041	23,432	25,754	27,140	27,959	

Source: IFC Database. Annual Reports for ECAs in 2001 and 2002. Data on Non Financial Direct Support to Firms for DFIs is not available.

Table 10: Distribution of assistance for direct support to firms and infrastructure investments from DFIs and ECAs by region (1998-2002)

Type of Support	Sub Saharan Africa	South and East Asia	Europe and Central Asia	LAC	MENA
A. DFIs	5,384	7,557	22,515	13,273	3,119
B. ECAs	2,906	23,135	12,605	32,197	4,867
C. Total	8,289	30,692	35,120	45,471	7,987

Source: IFC Database. Annual Reports for ECAs in 2001 and 2002. Data on Non Financial Direct Support to Firms for DFIs is not available.

Annex A – Additional Statistics

Multilateral vs. Bilateral Composition of Development Assistance

Official Development Finance

Type	1998	1999	2000	2001	2002	Total
Multilateral						
Direct Support (Financial)	270,047	3,601,849	532,427	1,668,655	1,411,500	7,484,478
Direct Support (non Financial)	145,609	297,538	155,629	349,529	521,500	1,469,805
Infrastructure	7,190,395	6,131,292	5,590,569	8,974,666	7,613,805	35,500,727
Technical Assistance	573,674	979,198	1,036,285	1,054,973	1,581,425	5,225,555
Policy Support	5,565,290	2,751,210	3,550,803	7,494,492	7,345,489	26,707,284
Bilateral						
Direct Support (Financial)	163,390	452,074	231,235	269,894	305,037	1,421,630
Direct Support (non Financial)	850,811	2,164,474	373,789	744,565	839,688	4,973,327
Infrastructure	5,290,488	4,091,779	3,798,210	4,026,661	4,297,243	21,504,381
Technical Assistance	1,152,788	1,213,823	2,842,989	1,327,896	1,754,369	8,291,865
Policy Support	2,165,467	1,437,719	1,920,613	1,400,607	1,545,792	8,470,198
Total						
Direct Support (Financial)	433,437	4,053,923	763,662	1,938,549	1,716,537	8,906,108
Direct Support (non Financial)	996,420	2,462,012	529,418	1,094,094	1,361,188	6,443,132
Infrastructure	12,480,883	10,223,071	9,388,779	13,001,327	11,911,048	57,005,108
Technical Assistance	1,726,462	2,193,021	3,879,274	2,382,869	3,335,794	13,517,420
Policy Support	7,730,757	4,188,929	5,471,416	8,895,099	8,891,281	35,177,482
Grand total	23,367,959	23,120,956	20,032,549	27,311,938	27,215,848	121,049,250
% Multilateral						
Direct Support (Financial)	62%	89%	70%	86%	82%	84%
Direct Support (non Financial)	15%	12%	29%	32%	38%	23%
Infrastructure	58%	60%	60%	69%	64%	62%
Technical Assistance	33%	45%	27%	44%	47%	39%
Policy Support	72%	66%	65%	84%	83%	76%

Multilateral and Bilateral Composition of Support provided by DFIIECAs

Type	1998	1999	2000	2001	2002	Total
Multilateral						
Direct Support (Financial)	7,427	6,056	6,614	6,782	8,360	35,239
Direct Support (non Financial)						-
Bilateral						
Direct Support (Financial)	15,536	12,576	10,688	13,804	13,019	65,622
Direct Support (non Financial)						-
Total						
Direct Support (Financial)	22,963	18,631	17,302	20,586	21,379	100,861
Direct Support (non Financial)	-	-	-	-	-	-
Multilateral/total	32%	33%	38%	33%	39%	35%

Multilateral						
Infrastructure	1,416	1,697	2,161	1,924	2,096	9,294
Bilateral						
Infrastructure	3,662	3,103	6,291	4,631	4,485	22,171
Total						
Infrastructure	5,077	4,801	8,452	6,555	6,581	31,465
Multilateral/total	28%	35%	26%	29%	32%	30%

Distribution of ECA activities between guarantees and loans (1998-2002, constant prices)

ECAs	1998	1999	2000	2001	2002	Total
Guarantees	8,587	8,119	10,629	10,470	11,405	49,210
Loans	8,238	5,501	4,349	5,884	4,412	28,384
Total	16,825	13,620	14,978	16,354	15,817	77,594

These are estimates obtained by splitting IFC numbers on the basis of the last two Annual Reports of each ECA. [only for the last two years ?]

Distribution of ECA and DFI activities among sectors and types (1998-2002)

ECA/DFI	Infrastructure	Financial Markets	Other	Unallocated	Total
ECA					
Guarantees	31%	6%	36%	26%	100%
Loans	21%	1%	57%	21%	100%
DFI					
Loans	21%	39%	40%	0%	100%
B-Loans	0%	0%	0%	100%	100%
Total	24%	16%	40%	21%	100%

B-loans: In a typical loan syndication structure, the DFI: (i) extends a loan to a borrower; (ii) keeps part of the loan for its own portfolio (the "A-loan"); and (iii) syndicates the remainder of the loan to private sector lenders (B-loans).

Annex B – Comparison with Other Sources

Our estimates have been conservative and broadly consistent with other sources.

Data differ when the weighted value of Investment Climate components rather than the total project value is used, a methodology that is possible only for World Bank projects as the CRS database does not provide the necessary information. **Data from the World Bank’s OPCS database cannot therefore be compared with our data as they have been compiled in a totally different way.** The overall amounts calculated through our system and the Bank’s OPCS are nevertheless broadly consistent (+/- 10%) when themes and purpose codes are matched as described in the table below.

Thematic Definition of the Investment Climate in World Bank Operations and CRS purpose codes

Code	Theme	CRS Purpose Codes
Core Themes		
32	Judicial and other dispute resolution mechanisms	Legal and Judicial Development
34	Legal institutions for a market economy	
36	Personal and property rights	
38	Corporate governance	
40	Regulation and competition policy	Industrial Policy & Admin. Mgmt
Related Themes		
39	Infrastructure services for PSD	Electrical Transmission/Distribution Energy Policy and Admin. Management Gas Distribution Hydro-Electric Power Plants Power Generat./Non-Renewable Sources Road Transport Solar Energy Storage Telecommunications Transport Policy & Admin. Management Water Transport
41	Small and medium enterprise support	Industrial Development SME Development Wholesale/Retail Trade
45	Export development and competitiveness	Export Promotion
75	Rural markets	None

Annex C - Criteria Used in Data Collection

Query Structure

Years : 1998 , 1999 , 2000 , 2001 , 2002

Flows(ODA/OA) : ODA /OA Grants , ODA/OA Grant Like , ODA/OA Loans ,
OOF(Multilateral only), Equity Investment¹¹

Select CRS Purpose Codes - 5 digits level
- OR ... => : Legal and judicial development , Employment policy and admin. mgmt. ,
Statistical capacity building , Research/scientific institutions , Road
transport , Transport policy & admin. management, Water transport ,
Educ./trng in transport & storage , Communications policy & admin.
mgmt , Telecommunications , Energy policy and admin. management ,
Power generat./non-renewable sources , Power generation/renewable
sources , Electrical transmission/distribution , Gas distribution , Oil-fired
power plants , Gas-fired power plants , Coal-fired power plants , Nuclear
power plants , Hydro-electric power plants , Geothermal energy , Solar
energy , Wind power , Ocean power , Energy education/training ,
Energy research , Biomass , Monetary institutions , Formal sec financial
intermediaries, Multilateral Trade Negotiations, Trade Education/
Training

Part (DAC List) : 1 : Part I - Developing Countries and Part II (only CEEC and NIS)

CRS COVERAGE BY SECTOR (DAC5 CODES)

Sectors - DAC5 Codes	1998	1999	2000	2001	2002
I.6.a) Employment	90	100	100	100	100
II.1 Transport & Storage	100	100	100	100	100
II.2 Communications	86	80	74	74	100
II.3 Energy	100	98	96	100	100
II.4 Banking & Financial Services	100	100	90	100	100
II.5 Business & Other Services	100	100	100	100	100
III.2.a) Industry	100	100	100	96	88
III.2.b) Mining	94	100	100	60	82
III.2.c) Construction	58	100	16	64	12
III.3.a) Trade	100	100	100	100	83
III.3.b) Tourism	100	79	55	72	100
VI.1 Structural Adjustment (with IBRD/IMF)	100	100	100	100	100
VI.3 Other General Programme & Commodity Ass.	100	72	100	97	100
Average	94	95	87	89	90

¹¹ Equity investment in Official Development Finance has been considered equivalent to grants for our purposes.

CRS COVERAGE BY COUNTRY

<i>DAC members</i>	2000	2001	2002					
Australia	99	100	100					Complete or virtually complete coverage (90-100%)
Austria	98	100	100					
Belgium	100	99	100					Partial coverage (45-89%)
Canada	100	98	100					
Denmark	100	91	65*					Nil or virtually nil coverage (0-15%)
Finland	89	100	95					
France	79	86	88					
Germany	100	100	100					
Greece	<i>no CRS reporting</i>		100					
Ireland	88	99	90					
Italy	100	100	20*					
Japan	84	83	80					
Luxembourg	<i>no CRS reporting</i>							
Netherlands	89	100	100					
New Zealand	<i>no CRS reporting</i>							
Norway	100	100	100					
Portugal	100	100	100					
Spain	100	97	100					
Sweden	89	89	85					
Switzerland	95	90	96					
United Kingdom	90	90	90					
United States	100	100	100					
Total bilateral coverage	96	92	92					
EC	47	53	50					
* Reporting issues to be solved, coverage should reach 2001 level.								

Source: DAC