

Annual report

IGC

2021–2022



DIRECTED BY



FUNDED BY



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COVER: Mr Tinkasimire, owner of an electric retail shop, who sells also photovoltaic modules. Photo by Rolf Schulten/
ullstein bild via Getty Images

1 Executive summary

This year, global economic and development challenges remained multidimensional and unabated. The implications of the COVID-19 pandemic continued to affect IGC programming and operations, but the challenges became less severe as the year progressed. While restrictions on in-person fieldwork, travel, and face-to-face stakeholder engagement lifted, opportunities were limited compared to pre-pandemic levels. Meanwhile, the world began to feel the economic shocks of the war in Ukraine, with developing countries facing rising energy and food prices, which threaten to exacerbate poverty and hunger in the countries where IGC engages.

In this context of complex and changing growth challenges, research can provide critical new ideas and evidence to inform pivotal policy choices, and support policymakers in taking policy solutions to scale. Leveraging our international network of researchers and embedded country teams to nurture this collaborative idea generation is more important than ever. To encourage new perspectives from developing countries, essential for path-breaking research, IGC launched its Early Career Researcher call for proposals, commissioning over 50 new projects, alongside a coaching and researcher matching programme. True to its ethos, the IGC has been rigorously evaluating what works and doesn't work in developing collaborations between researchers through this programme, with results forthcoming.

In a year marked by lasting COVID-19 pandemic impediments, subsequent aid budget cuts, and significant political-economy challenges in resident countries, the IGC has delivered considerable activity and impact across the 2021-22 financial year, with a total of 86 impact cases – projects that have significantly impacted policy discussion and/or decisions.

Recognising that it is developing countries that will be hit hardest by the global climate crisis in the years to come, IGC has been developing an organisational strategy for delivering the new evidence and ideas that will be needed to meet these evolving challenges. IGC projects this year have explored how climate resilience can be integrated into agriculture, urban infrastructure, firms, and jobs, and how countries can switch to low-carbon growth pathways without jeopardising economic development.

The IGC has continued to work with policymaker counterparts on their ongoing local, national, and regional policy priorities. IGC's thematic policy initiatives, Cities that Work and the State Fragility initiative, have worked collaboratively within the IGC and with external partners to produce a catalogue of influential global engagements and policy impact cases. A new upcoming IGC policy initiative – Tax for Growth – is taking shape, with research evaluating the potential for electronic fiscal devices done in close consultation with national revenue authorities.

Finally, the IGC is committed to the values of equity, diversity, and inclusion, and has been taking coordinated steps to embed these values across the organisation, including in research commissioning, public events, and support and resources for underrepresented researchers, especially those from developing countries.

Note: This report highlights work primarily funded by IGC's main FCDO grant. A selection of other donor-funded programmes is summarised in the seventh section.

Our year in numbers

In 2021–22

86



High-impact cases, of which 12 (14%) led to substantial policy change

51



New research projects

15



Countries where we had policy impact

450



Global media mentions

814,391



People visiting our website
www.theigc.org



2 Path-breaking research

IGC works in partnership with national policymakers, to generate relevant and robust research evidence to help tackle pressing policy challenges, and to create innovative growth ideas and policy solutions. IGC research can lead to transformational impact through policies that materially improve a country's growth prospects.

This year, IGC commissioned 51 new projects through its Early Career Researcher (ECR) call for proposals, with 85% of these focused on IGC partner countries. The newly commissioned projects address research gaps in the areas of international trade, urban employment, pollution, and inclusive growth.

Developing local research talent is an important component of building a long-lasting culture of evidence-based policy in the countries where IGC engages. In recognition of this, IGC this year launched a matching and coaching programme for researchers from developing countries, alongside the ECR call, so that they are better positioned to contribute their expertise and experience to research on sustainable growth in their home countries and beyond. Half the research projects commissioned through this call include at least one local researcher.

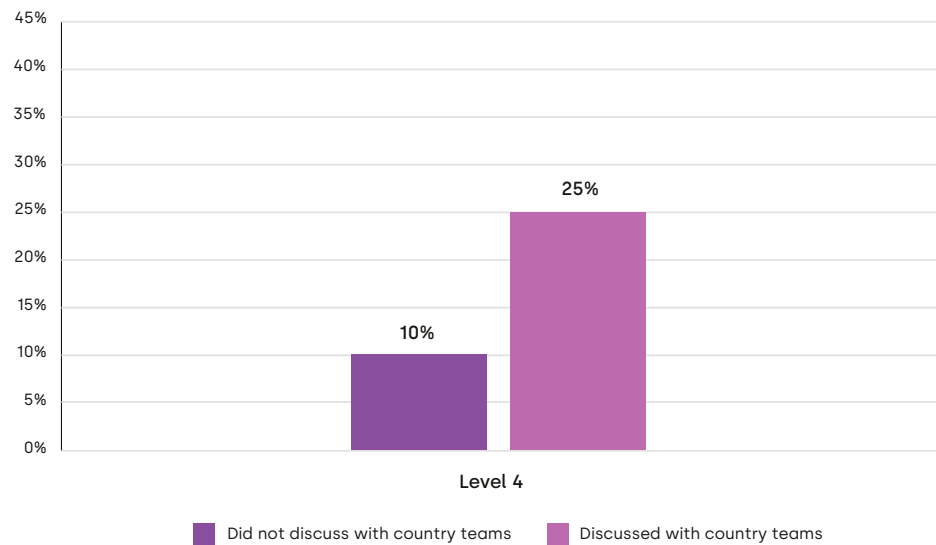
- **IGC and DevLab@Duke matching and coaching programme for early career researchers in developing countries.** An expression of interest survey of researchers in developing countries was conducted to better understand their academic and policy interests, and availability to conduct demand-driven research and engage with IGC country teams and policymakers. This survey received over 2,000 responses from the top academic institutions in over 30 developing countries. This roster of researchers helped form the basis for researcher matchmaking workshops, webinars, and outreach for the ECR call for proposals.

Following the expression of interest survey and recommendations from the IGC's Research Programme Review, IGC held a series of webinars in advance of the ECR call, to walk through the application process and answer frequently asked questions on what

constitutes a high-quality research project. Recordings have been made available on the IGC website, and will act as a resource for all future researchers requiring support on developing an IGC research proposal. This encouraged applicants to engage with country teams before submitting their proposals, with 87% of applicants receiving additional feedback from IGC country teams. This also improves chances of proposals having greater policy impact, as evidenced by outcomes of previous IGC calls for proposals.

The IGC and DevLab@Duke also worked together to create a virtual researcher matching and coaching programme to facilitate research collaborations. The initiative matched locally-based researchers with researchers based at international research universities to understand what works and does not work in building these collaborations. This is the first time IGC has built a randomised controlled trial (RCT) to understand the impact of the organisation’s work. This is particularly important as, recently, several developed country research funding organisations across the globe are implementing various interventions to integrate more locally-based researchers in their networks; these measures do not always work, and are often not evaluated for their effectiveness. Preliminary findings indicate the treatment group (the one that received coaching and matching) was approximately 60% more likely to apply for IGC funding than the control group. The IGC will share more findings on this study once the evaluation is completed.

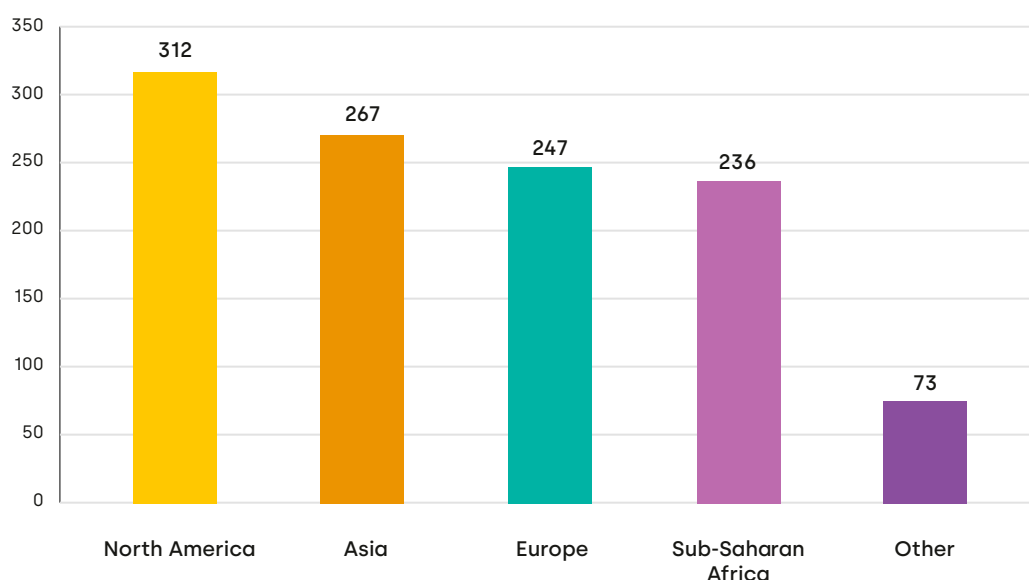
FIGURE 1: PERCENTAGE OF IGC RESEARCH PROJECTS WITH LEVEL 4 IMPACT



Note: Level 4 represents highest policy impact in the IGC impact scale. Data is from commissioning boards 1 to 7.

- **BREAD-IGC virtual PhD course.** From January-May 2022, the IGC collaborated with the Bureau for Research and Economic Analysis and Development (BREAD) to deliver a virtual PhD course, with the aim of increasing access to free, high-quality lectures from the world's top development economists for students and researchers from developing countries. This semester long course comprised 25 lectures on education; credit, insurance, and risk; and migration. Almost half (48%) the attendees were from developing countries, with India, Nigeria, Pakistan, and Kenya featuring in the top 10 countries with the most attendees. Course materials have been made available on the IGC website for everyone to access freely. The IGC will be collaborating again with BREAD in 2022-23 to deliver another semester-long course on additional development topics.

FIGURE 2: NUMBER OF ATTENDEES OF THE BREAD-IGC VIRTUAL PHD COURSE, JAN-MAY 2022



3 Promoting a sustainable future in developing countries

This year, the IGC has taken further steps to define and develop its approach to climate and sustainability, exploring ways in which it can best support developing countries in promoting inclusive, sustainable and resilient growth in the face of the increasing risks and challenges of climate change.

While developing their strategies, country teams have continued to focus on delivering research proposals related to climate and sustainability. Over the year, more than 25 such projects were commissioned.

Each country team works from its Climate Change Strategy to guide decision-making and programming. The strategy focuses on how the country can adapt growth-promoting policies to address its climate change vulnerabilities and to facilitate the transition to lower-carbon growth pathways.

Impact highlights

- **Finding Rwanda's place in the global carbon market.** Rwanda's Ministry of Infrastructure is working with the private sector to scale up electric mobility in Rwanda. An IGC policy paper was produced to address the ongoing policy discussion about the role of government in regulating carbon offsets, the potential benefits of doing so, and how Rwanda can take advantage of global carbon markets. The paper has been presented to senior officials at the Ministries of Infrastructure and Environment, as well as discussed with the Minister of Environment at the Conference of the Parties (COP) 26.
- **Reviewing Rwanda's green growth and climate resilience strategy.** The IGC is peer-reviewing Rwanda's new green growth strategy, being developed in collaboration with the consulting firm Pegasys.

IGC's comments have been incorporated into the draft strategy, which then went through further high-level review by a panel that included various ministries. The strategy is currently being considered by government ministries for finalisation and adoption.

- **Developing a powerful emissions rating programme in Pakistan.** Several countries have used emissions rating programmes, which incentivise industrial plants to reduce levels of pollution by using establishment-level emissions data. The IGC Pakistan team is collaborating with the Punjab Environmental Protection Department (PEPD) to pilot an emissions rating programme for selected industrial units in Punjab. By invitation of a key stakeholder, the team is also evaluating the effectiveness of the newly installed Lahore Environment Department's anti-smog towers.
- **Exploring roadmaps for clean energy in forced displacement settings.** IGC's State Fragility initiative (SFi) conducted a workshop on clean energy in forced displacement settings with G7+, the Global Platform for Action, and UNITAR. The workshop brought together policymakers from different countries to discuss energy transition in displacement settings and explore the development of country-level roadmaps. SFi is now following up with individual governments to set up targeted discussions.
- **Electricity access for productive use in Sierra Leone.** The Ministry of Energy, in collaboration with UN Office for Project Services (UNOPS) and with funding from FCDO, embarked on an ambitious electrification project building solar mini-grids in rural communities across Sierra Leone. An IGC research team, with co-funding from Oxford Policy Management and UNOPS, has been evaluating the Rural Renewable Energy Project (RREP) and testing solutions that could harness the improved access to electricity to spur economic development. The research team presented results and guidance for building a new programme to FCDO, UNOPS, and the European Union. FCDO is now considering an expansion of the project focused on improving the productive use of energy.

4 Contributing to an evidence-based recovery from COVID-19

Throughout 2021-22, IGC engagement in partner countries started to recover from pandemic restrictions. While restrictions on fieldwork lifted gradually in some situations, in-person data collection still required substitution with remote methods. Stakeholder engagement progressed to include some in-person meetings, but was limited compared to pre-COVID-19 levels. Vaccination rates in most partner countries remained very low, and government resources, stretched.

The IGC continued to leverage remote methods of engagement where necessary, which was effective in sustaining stakeholder relationships in the short-term, but hindered the development of new platforms for collaboration.

Despite these challenges, the IGC has continued to deliver responsive, policy-focused, and path-breaking research in collaboration with our partner countries. The nature of the support has evolved, from assisting governments with immediate COVID-19 mitigation actions and policies, to helping them build robust policy systems to monitor and protect against future similar shocks and develop frameworks for economic recovery.

Below is a list of IGC projects that have informed key policy decisions and supported governments in building capacity to make more evidenced-based policy decisions.

Informing key policy decisions

- **The value of relationships in informal economies in Uganda.** This study examined how informal relationships in Uganda's labour and rental market were affected by COVID-19. The project involved both the Ministry of Trade, Industry and Cooperatives (MTIC) and the Ministry of Finance, Planning and Economic Development's (MOFPED)

Private Sector Development Unit (PSDU). Its recommendations directly informed policies on credit relief, and were included in the yearly Budget Speech.

- **The impact of COVID-19 and flexible credit on SMEs in Uganda.** This study of a panel of small and medium-sized enterprises (SMEs) in Uganda focused on changes in trends following the pandemic and lockdowns. A key recommendation from this study fed into the Budget Speech, through a policy that further capitalises the Uganda Development Bank with an additional SHS 103 billion for lending to SMEs.

Supporting government decision-making with data and analysis

- **Informing Mozambique's vaccination campaign.** This project evaluated awareness, beliefs, and behaviours from a targeted information campaign about best practices to prevent and limit contagion of COVID-19. Findings have been discussed in-depth with Mozambique's National Director of Vaccination Campaign against COVID-19, and shared with the general population through live national TV broadcasts.



A man wearing a face mask and face shield walks in Maputo in 2021.

- **Creating an economic surveillance dashboard for the Rwandan Central Bank.** Real-time economic, administrative, and high-frequency data were combined into a dashboard to support the Government of Rwanda's COVID-19 response. A prototype has been constructed in collaboration with the data science department at the National Bank of Rwanda, with direct input from its Chief Economist. A final 'live' version will be launched in 2022-23, for actively guiding government decision-making.
- **Tracking economic consequences and response to COVID-19 in Sierra Leone.** IGC supported the Government of Sierra Leone in assessing how the private sector (SMEs) is affected by COVID-19, and provided evidence on the acceptability of the COVID-19 vaccine to inform a COVID-19 vaccination campaign. The Government has since decided to make the vaccine available at all Peripheral Health Units in the country, and an IGC Country Economist is now a permanent member of the Vaccine Technical Working Group.
- **Tracking price dynamics in Kenya and Uganda.** This project built an easily scalable data collection tool that provides timely, high-frequency data in a fast-changing environment with high uncertainty. A paper on the use and importance of this dataset was published on the Bank of Uganda website and is currently informing work with USAID.
- **Understanding the economic impact of COVID-19 on manufacturing firms in Zambia.** The study found low awareness of government policy measures intended to mitigate the impact of the pandemic on businesses. Findings were disseminated to policy stakeholders at a Zambia Institute for Policy Analysis and Research (ZIPAR) event.
- **Evaluating the effects of COVID-19 policies on health outcomes in Ghana.** This study, co-generated with the Deputy Director of the Ghana Health Service and his team, sought to understand the outcomes of policy actions and measures taken during the pandemic. Findings of this study were discussed with the Ghana Health Service. The results validated current health policies in Ghana.

5 Partnering with national policymakers for impact

This year's total of 86 impact cases – projects that have significantly impacted policy discussion and/or decisions – compares to an achievement of **116 cases in 2020-21, 175 cases in 2019-20, 174 in 2018-19, and 164 in 2017-18**. A lower impact achievement in 2021-22 compared to previous years was expected, due to significant challenges presented by the COVID-19 pandemic, which paused most fieldwork and limited interactions with policymakers, and subsequent budget cuts, alongside considerable political-economy impediments in resident countries. These challenges, especially the more limited access to policymakers during COVID-19, also resulted in a drop in the share of the highest category of impact, with 14% of all impact cases resulting in substantive policy change, compared to previous years' figures of 31% in 2020-21 and 21% in 2019-20.

This year presented challenges to our national engagements, not only because of COVID-19, but also through challenging socio-political and economic conditions.

The most notable disruption was in Myanmar, where a coup in February 2021 created deep fractures across the country's social and political landscape that have continued unabated throughout the year. Many of IGC's key political partners have been deposed by the regime. In response, IGC has ceased engaging with the incumbent government altogether, only engaging remotely with independent groups supporting those opposed to the coup on matters concerning the future of the country.

In addition, tensions and disruptions caused by conflicts and civil unrest in northern parts of Mozambique and Ghana have impacted and constrained IGC engagements with policymakers, but also led to fresh engagement efforts, with new stakeholders, that have been successful.

This section provides select examples of the IGC's national influencing activities, outcomes, and impact over 2021-22 that stemmed from the IGC's resident country teams and its wider initiatives.

Changes to policy

IGC research is purposefully identified, designed, implemented, and disseminated to provide policymakers with relevant and high-quality research to directly inform and support policymaking. Consequently, much of IGC's research results in direct policy impact – whether in the development of a new policy, the revision of an existing policy, or in the decision to stop or reverse implementation of an existing policy. The following example is an instance where the IGC has had direct impact on a specific policy.

- **Using evidence to reform property tax collection in Punjab.** The IGC reviewed the comparative potential of property tax valuation based on annual rental value and capital value for the cities of Lahore and Sargodha in Pakistan, upon request from the Revenue Mobilisation Committee, chaired by Punjab's Finance Minister. The IGC Pakistan team met with the ministers from every ministry in Punjab, including the Chief Minister, during a ministerial committee of the cabinet on resource mobilisation, and presented a comprehensive overview of the existing annual rental value, its implementation, features, and weaknesses. The team recommended adopting capital value which would better capture market value and allow tax policy harmonisation. The Committee endorsed the proposal to enact the reform in line with project findings and, in January 2022, confirmed the shift in system.

National strategy influence

IGC's engagements with stakeholders and subsequent support often comes prior to the design and implementation of formal policy. Governments frequently require robust research and evidenced-based insights to answer big economic questions, that shape national strategies and influence longer-term agenda-setting. Engagement at this stage in policymaking often opens multiple avenues for further engagement and research, embedding the IGC as a partner in broader strategy development. The following are examples of where the IGC has supported governments in their economic policy strategies and contributed to broader agenda-setting.

Strategy influence

- **Rwanda Labour Market Information Analysis Technical Working Group.** IGC Rwanda was invited to join the Labour Market Information Analysis Technical Working Group, established by the Rwanda Development Board to oversee the implementation of the National Skills

Development and Employment Promotion Strategy. An IGC Rwanda Country Economist has been participating actively in the working group, providing insight into survey design and implementation, Theory of Change development, and design of the operational work plan for the next two years of the strategy's implementation.

LARGE-SCALE INTERNSHIPS AND APPRENTICESHIPS IN ETHIOPIA

IGC Ethiopia assessed the existing internship and apprenticeship system to gauge how it could be improved, in order to smoothen the transition for young people from school to work. Project findings revealed that key constraints include coordination failures, compounded by the lack of capacity to anticipate skill gaps or facilitate social dialogue among education providers, the private sector, and government institutions. Backed by the State Minister of the Ministry of Work and Skills, these project findings are being used in the development of the new internship programme in collaboration with the Ministry of Science and Higher Education.

Agenda-setting

- **Uganda Economic Growth Forum V.** IGC Uganda hosted the fifth Economic Growth Forum in collaboration with the Ministry of Finance, Planning, and Economic Development of Uganda to facilitate the discussion of new growth ideas in January 2022. The main objective of this year's conference was to identify actionable policy interventions to support economic resilience and recovery after the pandemic shocks. The conference provided an opportunity to discuss immediate and medium-term growth challenges, learn from path-breaking research as well as policy experiences in other countries, and identify a course of actionable policies to promote and sustain inclusive growth in Uganda. The event was attended by more than 300 people, including high-level policymakers, and the discussions served as the basis to prepare the Budget Circular, an important pre-budget guiding document, for the following year.
- **Accelerating inclusive growth post-COVID-19 in Rwanda.** IGC Rwanda worked in partnership with the World Bank and the Rwandan government to organise invitation-only preparatory workshops for staff, to further inform the attendees of the high-level Accelerating Inclusive Growth post-COVID-19 cabinet retreat. IGC Rwanda

developed workshop concept notes, invitation lists, and a menu of discussion questions, which were approved by the Rwanda Development Board – directly informing the structure, content, and participation at the workshops. The workshop's discussions have been consolidated into an output to feed directly into the high-level ministerial retreat, set to take place in April 2022-23, where it will directly inform policy discussion, with high likelihood of directly informing future policies related to trade and regional integration and to enterprise development and productivity.



Kampala, Uganda.

SUPPORTING ZAMBIA'S CONSTITUENCY DEVELOPMENT FUND

In November 2021, the IGC Executive Director, Director (Oxford) and colleagues met with the President of Zambia, and a delegation including key advisors and the Foreign Minister, and agreed to establish a 'learning partnership' involving wide-reaching collaboration with the President's Office, various ministries, and senior departmental leadership. The IGC will generate new research-based evidence to strengthen the government's knowledge base and inform decisions to support economic development and promote prosperity in Zambia. A key focus is on supporting the President's decentralisation reforms, specifically the flagship Constituency Development Fund (CDF), for which short-, medium-, and long-term recommendations have been provided to and incorporated by the government, and a high-level roundtable conference organised to lay the foundations of the new learning partnership.

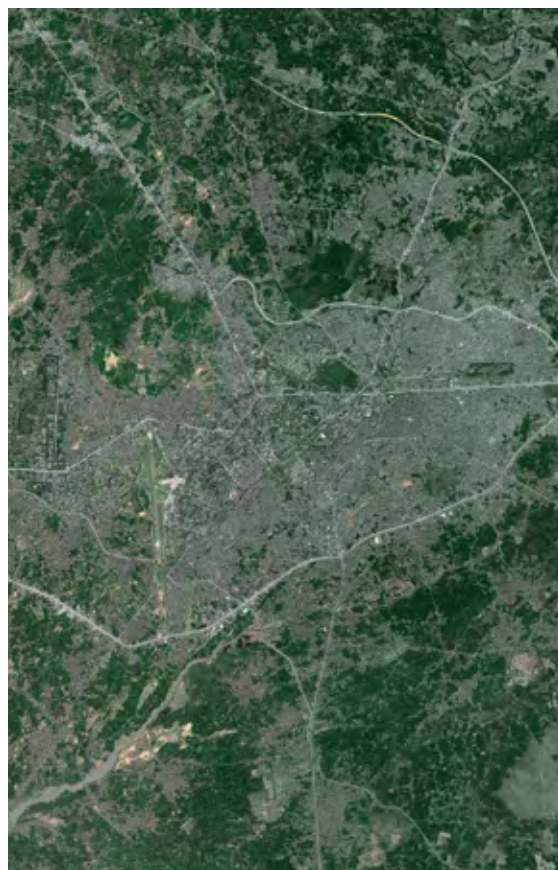
Technological innovation

Supporting evidenced-based policymaking can also come in the form of building systems, processes, and tools that facilitate the use of better data and information for day-to-day insight and decision-making. Through the broad spectrum of expert research and support, the IGC not only influences formal policy, but also directly supports the design and implementation of organisational structures, process, tools, and functions to improve policy implementation, service delivery, and day-to-day practice and decision-making.

- **Improving local tax mobilisation across all local governments in Ghana.** An IGC study in Ghana found that appropriately designed information technologies such as the Enhanced Revenue Mobilisation System can be a cost-effective measure to improve local tax mobilisation. An appropriate technology to manage the process of bill distribution, tax collection, and enforcement is an essential first step in a web of interdependent measures to increase local tax collection. Based on these results, the Government of Ghana, through the Vice President's Office, has put together a consortium of four companies, including Melchia (IGC's partner in this project), to put together a common platform for the management of property rate in the country. Subsequently, per the 2022 Annual Budget Statement and Economic Policy, all Ghana local governments are

to implement a unified common technology platform for property tax rate administration.

- **Using geographic information systems to boost tax revenue in Pakistan.** An IGC project conducted a change analysis via satellite imagery to highlight regions for physical survey; combined management information system data with public geographic information system data; built tools to process and analyse the data; and created a system to track taxation cases – increasing data accuracy and transparency and helping the Pakistan Government increase its tax revenue. The model and software have been adopted by the Excise, Taxation, and Narcotics Control Department, and helped in the identification of the current property landscape, changes in construction, inconsistencies in property assessment, and ways to make land surveys more efficient.



High-resolution satellite imagery of Peshawar, Pakistan.

- **Bringing property owners into the tax net in Senegal.** In developing countries, most local administrations experience substantial shortfalls in property tax revenues. An IGC project partnered with the Senegalese Tax Administration (DGID) and developed a property tax management system, including an intensive fiscal census and a new data collection and management application. The application allowed a new automated valuation method to be tested, which would address the impreciseness of the previous system. This tool was fully implemented and operationalised by the DGID and is now being utilised in Dakar and surrounding localities with significant results, and the findings presented at a webinar as part of the African Network Research Network Congress, including panellists from the Mozambique Revenue Authority, the Rwanda Revenue Authority, and the Kampala Capital City Authority.

Targeted capacity-building

IGC recognises that there can often be significant and sustainable capacity-building outcomes implicit within the research-to-policy process, irrespective of whether targeted and purposefully designed capacity-building activities have taken place. However, IGC also delivers explicit mechanisms for building capacity for designing, generating, analysing, and utilising research and evidence for decision-making. Below are select examples from 2021-22 activity.

COLLABORATION TO IMPROVE PERFORMANCE AND CAPACITY OF CIVIL SERVICE STAFF IN GHANA

An IGC project built on earlier work with the Ghanaian civil service on training programmes to improve public sector capacity by investing in bureaucrats' human capital. Through this specific project, IGC Ghana instigated and facilitated a collaboration between the World Bank Bureaucracy Lab and the Office of the Head of Civil Service (OHCS) to establish the OHCS Bureaucracy Lab, with the aim of offering expertise and implementation capacity for surveys of public officials, training on measurement in public administration, and innovations in measuring service performance. The Bureaucracy Lab has to date held 12 training sessions on different topics, including data visualisation, applications of analytics, data management, and analytics to policy, with the IGC Ghana team continuing to play a facilitating role in this growing collaboration.

- **Developing structures for greater disaster risk resilience in Mozambique.** In Quelimane Municipality, Mozambique, findings from an IGC project to understand the role of information in building resilience of urban households to disaster-related shocks informed local governance structures. The project assessed whether the source of information – local leaders or government spokespeople – has impact on the uptake of information and subsequent behaviour change. The project utilised a detailed geographic map of the municipality, developed through another IGC project related to rural-urban migration, that identified the many neighbourhoods lacking an elected local representative (chief). Since the project required neighbourhoods to have local leaders to play an integral role in information dissemination, the municipality took steps to find and appoint local chiefs in all unrepresented neighbourhoods. As a

result of the project, the municipality has set up local committees for natural disaster risk management to oversee and facilitate dissemination of disaster risk information. Both these changes will increase the municipality's capacity to mitigate and manage future risks.

- **Local revenue mobilisation workshop for mayors in Malawi.** IGC's Cities that Work team were requested by the Malawi Local Government Association (MALGA) to co-host a two-day workshop in February 2022, to induct recently-elected mayors to their roles and responsibilities, and to examine policy and technical considerations of local governance. In the workshop, key policy priorities were highlighted, with a deeper dive into key thematic areas to explore cross-country learning. Following the workshop, the Cities that Work team received feedback from the Executive Director of MALGA, thanking IGC for their contribution to the induction workshop and for the impactful presentations.



People walk in front of the main entrance of Malawi's Ombudsman (Public Protector), September 2019.

6 Responding to global challenges

By collaborating and engaging with influential global actors, IGC can help inform policy and action that directly translates to evidence-based decision-making at regional and national levels. This section provides an overview of our global influencing activities and highlights from 2021-22.

6.1 Events and communications

Although limited by restrictions in travel and in-person gatherings, the IGC continued to leverage a growing body of knowledge and insight, and build on its impressive catalogue of events and communications campaigns focused on sustainable growth and COVID-19 issues. Here are some of this year's highlights:

COVID-19 VACCINE ACCEPTANCE IN DEVELOPING COUNTRIES

The IGC Communications team led the dissemination campaign for a paper published in Nature Medicine featuring IGC research, coordinating media engagement and promotion activities for over 30 partner institutions. The paper was one of the first published examining the issue of COVID-19 vaccine hesitancy in developing countries. The campaign included a policy brief targeted at policymakers, and the findings have already helped inform a pilot study in Sierra Leone on last-mile vaccine distribution. The paper received coverage in 37 outlets around the world including SciTech Daily, Hindustan Times, FR24, SciDev, and World Economic Forum.

- **Renewing focus on sustainability in developing countries.** In this [webinar](#) on 28 April moderated by IGC Executive Director Jonathan Leape, policymakers and economists discussed the role of global and national leadership in generating and implementing solutions

for developing countries to achieve growth alongside social and environmental wellbeing. Speakers included Professor Nicholas Stern (LSE), Associate Professor Mar Reguant (Northwestern), and Beatrice Cyiza (Director General, Environment and Climate Change, Ministry of Environment, Rwanda).

- **The impact of COVID-19 in India and pathways to recovery.** The IGC and Asian Development Research Institute (ADRI), in collaboration with CORENET, organised a three-day [online conference](#) from 5-7 May 2021 to present new research and lessons for policy around three key thematic areas: labour markets, households, and health and wellbeing. Speakers included Professor Farzana Afridi (Indian Statistical Institute); Assistant Professor Swati Dhingra (LSE); N Vijaya Lakshmi (Principal Secretary, Government of Bihar); Harjot Kaur Bamhrah (Managing Director, Women Development Corporation, Government of Bihar), and Dipak Kumar Singh (Principal Secretary of Environment, Forest, and Climate Change Department, Government of Bihar).

IGC-WORLD BANK INFRASTRUCTURE FOR DEVELOPMENT CONFERENCE

Policymakers around the world are currently grappling with the immediate economic recovery from the pandemic, while at the same time trying to steer the global economy on to a more sustainable long-term development path. To support dialogue and action in this area, the IGC and the World Bank partnered for the third annual #Infra4Dev Conference, held online on 3-4 March 2022. The Infrastructure for Development Conference series (#Infra4Dev) is an initiative of the World Bank's Infrastructure Vice-Presidency, with the aim of promoting dialogue and exchange between leading-edge economic researchers and the wider community of policymakers and practitioners on leveraging infrastructure for development.

The conference attracted 670 attendees drawn from 92 countries. There was a diversity of speakers, with 26 from academia, 8 policymakers, and 24 from the World Bank. Working closely with the World Bank comms team, IGC also implemented a post-conference dissemination strategy with support from IGC Policy Economists, that were carried on both the World Bank and the IGC websites. A blog series and the videos from the conference are available [here](#).

6.2 Cities that Work (CtW)

Alongside providing direct support to national and local policymakers, and via collaboration with IGC country teams, Cities that Work (CtW) have continued to represent IGC on the global stage at many high-profile events.

Impact highlights

- **Call to action for sustainable urbanisation in the Commonwealth.**
In July 2021, CtW hosted the event “Building a strong evidence-base for policymaking and action in cities,” the first of three events in support of the Call to Action on sustainable urbanisation in the Commonwealth, developed jointly by the Association of Commonwealth Universities, the Commonwealth Association of Architects, the Commonwealth Association of Planners, and the Commonwealth Local Government Forum, with support from the Government of Rwanda and The Prince's Foundation. Presenters included Astrid Haas, Urban Economist, African Development Bank, Uganda; Omad Masud, CEO, The Urban Unit, Pakistan; and Matthew Adendorff, Data Lead, Open Cities Lab, South Africa. The event focused on the importance of a strong evidence base in tackling policymakers' priority challenges.
- **World Cities Day event.** To celebrate World Cities Day in October 2021, CtW hosted an online event that explored the key measures required to create more sustainable jobs in developing cities. The panellists included Sarah Colanbrander, Director of the ODI Climate and Sustainability Programme; Miles Sampa, Member of Parliament for Matero, Zambia; Kgomotso Kalamo, Programme Manager for Productive Cities, South African Cities Network; and Laura Naliakaalso, Trade Policy Fellow, United Nations Economics Commission for Africa. They discussed how to connect local incentives and global objectives for climate action, and reflected on key solutions to position developing cities on a green growth path.
- **Global Future Cities Programme.** During the second quarter of 2021, the CtW team were appointed as subject matter experts in the capacity building phase of the Global Future Cities Programme over a six-month period. The team's focus was on project finance, governance and collaboration, and the effective use of data for key reforms in transport, land use, and resilience in 18 cities, across nine countries. Capacity building events spanned city-to-city knowledge exchanges, country-specific workshops, and leadership workshops.

- **Mapping and characterising informal settlements in Zambia.** CtW collaborated with UN-Habitat, Ordinance Survey, researchers from NYU, and the Commonwealth Association of Architects to support Zambia's Ministry of Local Government in mapping and characterising Lusaka's informal settlements which can inform government's investments in critical infrastructure and services, and further assist in better planning for urban expansion. A closed-door policy roundtable was held to disseminate this work, focusing on understanding and upgrading informal settlements in Lusaka. Over 40 delegates from 20 organisations and departments were invited including from the Ministry of Local Government, the Ministry of Land and Natural Resources, Ministry of Housing and Infrastructure Development, the Lusaka City Council, People's Process on Housing and Poverty in Zambia, and the University of Zambia.

6.3 State Fragility initiative (SFi)

This year, the IGC's State Fragility initiative (SFi) undertook an impressive range of national and globally-focused activity, registering high-level policy impact. Two particularly relevant events significantly impacted SFi's engagement with some of its target countries. With the Sudan coup taking place in October 2021 and Myanmar's military junta becoming more entrenched, engagement and research in these countries have become challenging.

SFi also initiated thematic focus on taxation in fragile contexts. This new thematic area will add to existing thematic focus on energy access and private sector development in fragile contexts. SFi continued to ensure that all outputs are translated into Arabic/Burmese language and live interpretation provided for events and meetings.

YEMEN PEACE PROCESS

In Yemen, the peace process appears to be reaching a point of potential breakthrough, with consultations resuming and a clear mandate to negotiate ending the war. SFi's Global Engagement Lead, has been appointed to the economic team that forms part of this effort. Work with the Executive Bureau has continued to be effective, with support provided by IGC and capacity and expertise given by the embedded experts, who have worked on key projects to support the team over the last year.

Impact highlights

- **DFI Fragility Forum.** For the third consecutive year, SFi co-hosted the DFI Fragility Forum (this time virtually due to COVID-19). The event was attended by over 70 people from a wide range of development finance institutions (DFIs). Informed by the discussions at the forum, the G7 DFIs decided to launch a new initiative in December 2021, the Africa Resilient Investment Accelerator (ARIA), to increase collaboration amongst DFIs and scale up investments in fragile states in Africa. ARIA has already conducted an in-country mission in Sierra Leone and will be visiting Liberia and Burkina Faso in coming months.
- **Safer oil clear-up negotiations.** In Yemen, the FSO Safer (carrying over one million barrels of oil) is in a severe state of lack of maintenance, which presents an imminent risk of leaking, sinking, or exploding, creating an unparalleled humanitarian, environmental, and economic disaster. SFi convened a discussion with the Head of the Supervisory Committee to implement the FSO Safer inspection and maintenance agreement and the UN Resident Coordinator in Sana'a, Yemen. Following these conversations, the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Martin Griffiths, confirmed an in-principal agreement for a UN-coordinated proposal to shift the oil from the FSO Safer tanker to a new tanker.
- **Yemeni Executive Bureau.** The group of embedded experts in the Yemeni Executive Bureau (EB) developed the Economic Stabilisation Framework (ESF), in collaboration with the EB team and stakeholders of Central Bank of Yemen (CBY), Ministry of Finance (MoF), Ministry of Planning and International Cooperation (MoPIC), private sector, Yemeni experts, and researchers. The framework included urgent, short-term, and mid-term interventions that the government could implement to stabilise the economic situation and prevent the impending collapse, and was presented to the Prime Minister. Two decrees were made based on ESF's recommendations, specifically floating the customs exchange rate and reactivating the role of Ministry of Oil in importing fuel.
- **Restoring electricity in Yemen.** A report exploring avenues for energy reform in the midst of war was presented to the Prime Minister, in November 2021, by one of IGC's embedded experts in the Yemeni Executive Bureau. The report emphasised the high cost of Liquefied Natural Gas (LNG) to produce electricity and the importance of Combined Cycle Turbines in enhancing efficiency. In that meeting,

the Prime Minister and the attending ministers decided to not consider LNG as an option until the market becomes stable, and rather consider piped natural gas as a strategic solution.

- **New economic track in Yemen's peace process.** On 15 February, 2022, the UN Special Envoy in Yemen announced the inclusion of a specific economic track in the peace process. The Office of the Special Envoy will be using SFI's report as the basis for consultations.

6.4 Tax for Growth (T4G) Initiative

The IGC is working towards launching the Tax for Growth (T4G) initiative, which will support tax administrators and policymakers in developing effective approaches to make taxation work for development through research and data-driven solutions. The initiative will use a collaborative and demand-led approach to address policy partners' priorities and challenges. This year, T4G was in close consultation with the Tanzanian Revenue Authority, scoping out potential for a project to develop an electronic fiscal devices dashboard for the authority; the project is now underway.



A team of Yemeni women managed work at the Friends of the Environment Station, a solar panel station working since 2019 in the region of Abs, northwest of the capital Sanaa, on March 2021.

The T4G team is also part of an IGC project in Zambia, which aims to harness the power of electronic fiscal devices to increase VAT revenue, and to drive policy engagements, especially with the Zambia Revenue Authority on the effectiveness of consumer incentive schemes, directly informing policy decisions.



Skyline of Lusaka, Zambia.

7 Other donor-funded programmes

Beyond IGC's core grant from FCDO, the IGC receives generous funding from a range of other funding partners. Below is some of IGC's work with other partners.

FCDO Bangladesh: Transformative Economic Policy Programme (TEPP)

The TEPP programme in Bangladesh provides research to support the Government of Bangladesh in delivering an effective, inclusive, and environmentally sustainable response and recovery from the COVID-19 economic crisis.

Creating jobs, raising incomes, and reducing poverty must go hand-in-hand with efforts to increase resilience to climate shocks and ensuring sustainability, through decarbonisation of energy supply and production. The TEPP programme focuses on delivering research on green growth and recovery, inclusive and resilient job creation, domestic resource mobilisation, and strengthening COVID-19 economic support schemes.

Small and Growing Business Evidence Fund

The IGC partners with the Aspen Network of Development Entrepreneurs (ANDE) for the Small and Growing Business (SGB) Evidence Fund, geared towards supporting collaborations between researchers and practitioners to understand the most effective ways to support SGBs and the economic and social impact of SGB growth. The SGB evidence fund receives support from the Argidius Foundation, the International Development Research Centre, USAID, and FCDO.

Bill and Melinda Gates India Programme

The IGC's programme in India, funded by the Bill and Melinda Gates Foundation, concluded at the end of July 2021, bringing to a close the four-year, \$4.2 million grant. The programme produced a large body of policy-relevant research, culminating in 21 cases of policy impact.

The Rockefeller Foundation

The State Fragility initiative has a grant from the Rockefeller Foundation to develop a series of policy toolkits and case studies on critical policy considerations associated with scaling up renewable energy in fragile contexts, tailored to key decisions that policymakers face. Once completed, these outputs will be disseminated through topic-specific workshops with policymakers.

FCDO Yemen

The FCDO Yemen country office funds the State Fragility initiative to deliver a large portfolio of work in Yemen, working chiefly with the Executive Bureau in the Prime Minister's Office on electricity sector reform, telecommunications sector reform, and an institutional assessment of the Ministry of Agriculture and Fisheries.



A Yemeni woman checks electricity cables at a solar panel station.

8 Equity, diversity, and inclusion

The IGC is committed to driving forward improvements in equity, diversity, and inclusion (EDI). EDI issues are being internalised as a core objective across all IGC operations, including research commissioning, public events, and resources and support for underrepresented researchers, including those from developing countries.

EDI Taskforce

In September 2020, IGC set up an EDI Taskforce to provide a coordinated and structured approach to identifying and overcoming organisational inequities. The taskforce has membership from across the IGC, and is positioned to devise and instigate specific working groups, and to embed EDI considerations through practices and policies across the organisation.

Throughout 2021-22, the taskforce was successful in its objectives of holding a holistic view of EDI work across the organisation, acting as a coordinating and accountability function for various EDI-related initiatives, ensuring the IGC takes an intersectional approach to tackling EDI issues, and ensuring that the organisation institutionalises EDI considerations in strategic and operational decision-making.

The EDI Taskforce is now a well-embedded aspect of the organisation, and some of its core achievements in 2021-22 include developing IGC's EDI strategy and roadmap for implementation, increasing the gender balance and representation of developing countries in the organisation's Steering Group, developing and implementing the [EDI in public events policy](#), and addressing the organisational knowledge gaps on disability.

Local researcher collaboration and capacity building

The IGC defines 'local researchers' as both national researchers – researchers with nationality of the country where the research is being conducted – and locally-based researchers – researchers currently based in that country. Local researchers bring considerable value to IGC projects by providing a rich understanding of policy priorities and political context surrounding development interventions and programmes. They may also provide better access to local institutions, both government and academic.



Discussion of a students presentation at the geography lesson in the University of Namibia.

As a core component of IGC's EDI commitments, a Local Researcher Working Group was set up in 2020-21 to understand and unpack the IGC's relatively low level of engagement with local researchers, and to provide a set of workable solutions to improve this. The working group also forms part of a broader IGC objective to develop and promote an inclusive, diverse IGC research community, and contribute to cultivating diversity in academia and economics more broadly.

The working group aims to identify and engage local capacity, especially in IGC countries, through:

- building a roster and network of researchers with interest in IGC research themes,
- engaging with these researchers through thematic webinars and events,
- reaching out to local researchers who have shown interest in IGC work and identifying areas for potential collaboration, and

- facilitating and encouraging local researcher participation in IGC research commissioning, through training on proposal submission and developing proposal templates to guide local researchers.

Significant progress was made against these aims and objectives in 2021-22.

IGC and DevLab@Duke matching and coaching programme for early career researchers in developing countries. To support junior researchers, especially from developing countries, IGC launched the Early Career Researcher (ECR) call for proposals. As part of the call, a coaching and mentoring programme sought to share knowledge and insight from IGC researchers with applicants, through webinars and matchmaking workshops, to help them develop more competitive research proposals, as discussed above. Preliminary findings indicate that applicants who received additional coaching and were matched with international researchers were 60% more likely to apply for IGC funding than those who did not. The details of this programme have been described in the 'Path-breaking research' section of this report.

BREAD-IGC Virtual PhD course. A final element in IGC's portfolio of activities to support local researchers was the BREAD-IGC Virtual PhD course, which is also discussed above. This collaboration, which will continue into 2022-23, aims to ensure that local researchers have access to the highest quality graduate lectures drawing on the latest developments in the field.

9 Forward look

As we move into 2022-23, IGC is building on momentum gained in core areas of strategy and delivery, particularly as the organisation moves towards post-COVID-19 ways of working and expands and deepens expertise and evidence on sustainable growth and climate change.

As world economies are still reeling from the shocks of the war in Ukraine and the COVID-19 pandemic, budget constraints may continue to feature in the coming years. The IGC aims to leverage its comparative advantage further and focus its resources where there will be the largest research and policy impact. The organisation will restock its pipelines of path-breaking thematic research through a call for research proposals running over the summer and autumn. The IGC will be launching new programmes in Zambia and Jordan, responding to needs of policymakers in both countries, as well as launching a new Tax for Growth initiative. With the acute global supply shocks brought on by the war in Ukraine, IGC is also supporting and informing countries' policy responses in the short- and long-term.

Developing countries are the most at risk of climate change. As extreme weather events and rising sea levels become more prevalent, climate resilience becomes of acute, immediate importance. In the coming year, IGC intends to further develop its research and policy strategy on sustainability. Developing countries are now faced with the intertwined challenges of the climate crisis and extreme poverty. The challenge is to transition to sustainable growth trajectories, that begin by ushering in structural transformation across agriculture, infrastructure, and firms, and move towards more resilient and lower carbon growth pathways.

With the changing nature of global, regional, and national challenges, the IGC's commitment to sustained policymaker relationships is more important than ever. It ensures our path-breaking research provides relevant ideas and evidence to inform pivotal policy choices, while also promoting strong ownership of these ideas and policy solutions by policymakers, helping to build a lasting culture of evidence-based decision-making.

10 Financials

FIGURE 1. IGC FUNDING SOURCES FY 2020–21

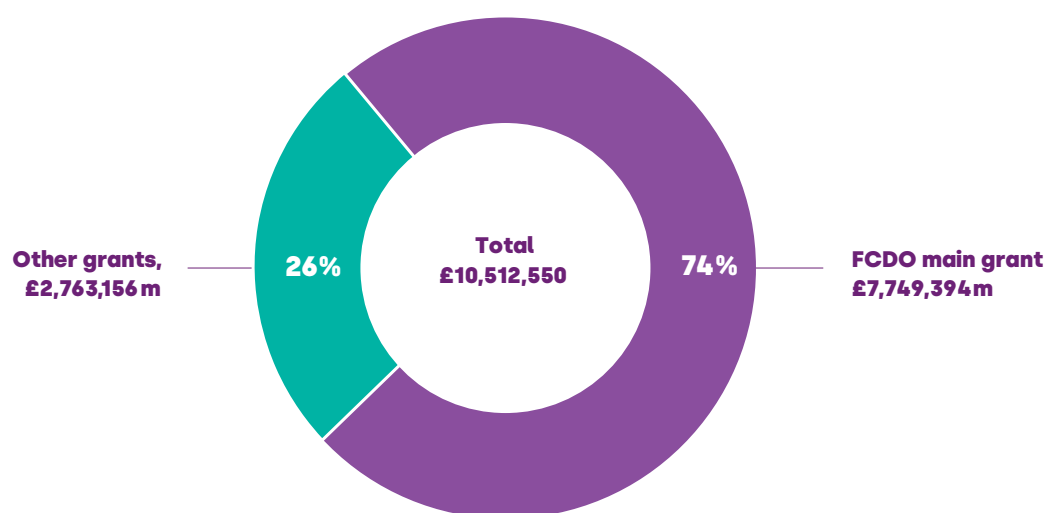


FIGURE 2. EXPENDITURE FY 2021-22

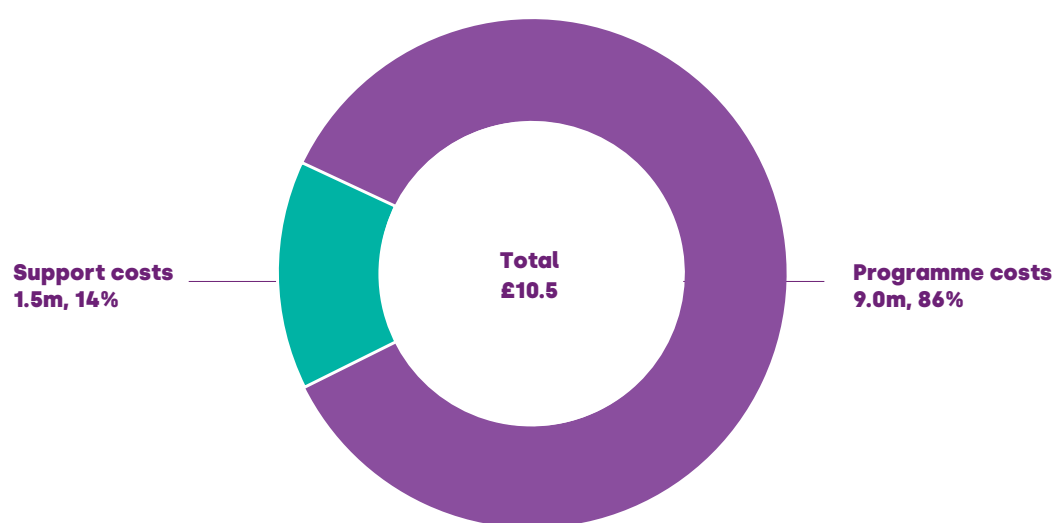


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The International Growth Centre (IGC) works with policymakers in developing countries to promote inclusive and sustainable growth through pathbreaking research. The IGC is a global research centre with a network of world-leading researchers and a set of country teams across Africa, South Asia, and the Middle East. Based at LSE and in partnership with the University of Oxford, the IGC is majority funded by the UK Foreign, Commonwealth and Development Office (FCDO).

www.theigc.org

