

Annual Report

2022-2023

IGC



DIRECTED BY



FUNDED BY



Contents

Executive summary	3
IGC's year in numbers	5
Pushing knowledge frontiers for a sustainable future	6
Partnering with national policymakers for impact	9
Responding to global changes	14
Equity, Diversity, and Inclusion	20
Funding	22
Forward look	24

Cover photo: Desha-Kalyanu Chowdhury via Getty Images



Executive summary

Political unrest, climate change, and the prolonged impacts of COVID-19 continued to disrupt lives and economies in low- and middle-income countries this year. Instability affected our work in Sierra Leone, Ethiopia, Pakistan, and Bangladesh and forced the closure of our Myanmar country office.

Responding strategically to these challenges and providing governments with robust evidence on new approaches to sustainable and inclusive growth, was more important than ever. To achieve this, our country offices shifted to agenda-setting portfolios, providing advice to support transitions, or launching projects tailored to election scenarios.

We have continued to influence national agendas, provide policy recommendations, foster innovations in governance, and catalyse conversations between decision-makers and academics. This has included providing advice on macroeconomic reform in Ethiopia; supporting the Government of Uganda to respond to inflation while protecting vulnerable populations; improving local tax capacity through technology in Ghana

and Sierra Leone; and supporting the Government of Zambia in identifying interventions to increase the effectiveness of its decentralisation reform.

Our country programme in Zambia also launched this year, with a portfolio addressing growth issues including the low rate of revenue mobilisation amidst high debt, decentralisation, and mining sector reform. We have also begun plans to open a country office in Jordan and to launch our Tax for Growth and Firms Initiatives.

Mainstreaming our climate change and sustainable growth agenda has been an increasing focus over the past 12 months. Through our Commissioning Board, the first since 2020, we received a record number of research proposals with 65% of those approved linking to climate change and/or sustainable growth. We also made progress in developing our white paper, "Innovation, growth, and the environment", which will act as a framework for the IGC's thinking on sustainable growth.

Global changes provided us with opportunities in support of our strategic priorities too. With lockdown restrictions easing, we had more opportunities to meet policymakers. Through our global initiatives and events, we increased our footprint and enhanced the visibility of frontier and innovative research agendas in the academic and policy debates. This included launching the inaugural, co-hosted LSE Environment Week, which offered an opportunity to encourage economists to work on environmental issues and connect this to policy change; co-organising the Urbanisation and Poverty Reduction Conference, attracting academics, practitioners, and policymakers from around the world to discuss questions relating to climate change and sustainable cities; and convening 25 international development finance institutions (DFIs) for the DFI Fragility Forum, which improved understanding of investing in fragile states and the steps needed to do this.

To further our efforts in capacity-building and training for researchers and PhD students in low- and middle-income countries, we introduced a small grant window for pilots and exploratory research. This has helped to diversify our research portfolio and incentivise work on less explored topics. We commissioned a record number of projects with researchers based in developing countries as part of the research teams.

Our vision is to deliver a step change in the sustainable growth agenda, by generating new ideas, and evidence to enable governments across the world to face climate change. In the coming year, we will continue to support research that delivers transformational ideas across Energy as well as our other themes, Firms, Cities, and State. Alongside this, we will work to deliver strong policy impact in the countries we work in and in ongoing global debates.

IGC's year in numbers

2022-23

500+

active projects



217

projects commissioned



101

projects achieved high policy impact*

COMMISSIONING BOARD 8

425

research proposals received



43%

of proposals approved from local researchers



65%

of approved proposals are linked to climate change and sustainable growth

ACADEMIC IMPACT



27

published journal articles



5

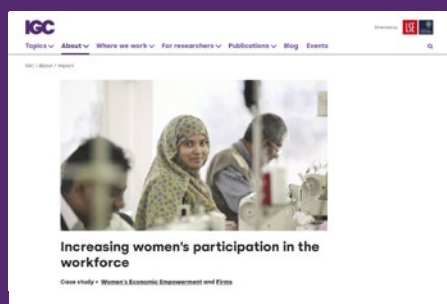
publications in top 5 journals



3

journal articles have 50+ citations each

COMMUNICATIONS



1 million +

webpage views

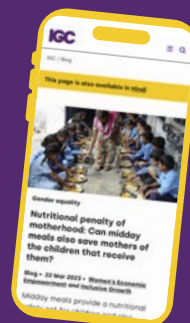


550,000

website visitors

62

blogs published



*High policy impact means that a project has significantly impacted policy discussions or decisions. It is determined by IGC's rigorous evaluation criteria.

Pushing knowledge frontiers for a sustainable future

Climate change poses immense risks to lives and livelihoods. As the world becomes increasingly exposed to global warming and climate-driven shocks, developing countries are trying to find ways to adapt.

To support governments as they face this challenge, our primary goal over the next three years is to mainstream our sustainable growth agenda across our strategy and programmes. In the process, we aim to generate new evidence and ideas to enable governments to better protect vulnerable populations against the negative effects of climate change and transition to low-carbon growth pathways.

This year, we aimed to consolidate our research, commissioning, and programmatic engagement to reflect this new strategic approach.

Promoting research on climate change and sustainable growth

IGC's priority for this year's Commissioning Board was to increase research on responses to climate shocks and the decarbonisation of energy supply and production. We also prioritised responding to knowledge gaps identified within the Energy and Environment portfolio, including the political economy of energy supply, diffusion of green technologies, and local externalities and pollution.

We received a record number of proposals on Energy and Environment and identified emerging research clusters reflecting our shift towards sustainability. This included research projects on adaptation to climate-related disasters that involved, for example, the study of migration and extreme weather events in Mozambique and Pakistan; the effect of weather shocks on production in Uganda; and job displacement insurance and refugee work permits in Ethiopia.

Strategy development

We are developing a white paper on sustainable growth, which will serve as a framework for our thinking on climate change. The paper emphasises the need to focus on productivity, innovation, and adaptation, as well as on continued efforts to build effective states and well-functioning markets, if countries are to realise their full development potential without further endangering the environment. It sets out economic approaches, policies, and outcomes of sustainable growth interventions, highlighting the need to address negative environmental externalities, to enhance resilience, and identify opportunities for synergy between structural transformation, adaptation, and future low-emissions transformations.

The white paper will be the first in a series of documents outlining the IGC's approach to sustainable growth and will provide an evidence base for IGC's thematic areas.

Programmes

Our programme teams also directed their commissioning efforts towards sustainability and climate change. The agendas emerging from this include sustainable agriculture, natural resource management, and energy access in Zambia; a project focused on agenda-setting for a climate change programme commissioned by the Pakistan team; the Mozambique team focusing on how the public sector, communities, and businesses (mainly agriculture sector) can reduce the adverse impacts of climate change and enhance their resilience capacity to cope with the country's high vulnerability to extreme events and hydrological stress; and the Ethiopia team developing a portfolio of projects related to farms and agro-value-chains managing climate variability.

Informing the global debate

LSE Environment Week

With other departments across LSE, we organised the first LSE Environment Week (E-Week) in September 2022. This event encouraged economists across different fields to work on environmental issues, including damages, ecosystems, and innovation, with a direct link to policy change.

We organised sessions, roundtables, and networking and matchmaking opportunities for policymakers and researchers to hear about IGC's research on sustainable growth and climate change and discuss priority areas for policy and research.



Mar Reguant, ICREA Researcher at CSIC-IAE and Professor at Northwestern University.



Attendees of LSE Environment Week 2022.



Asad Rehman Gilani, Principal Secretary to the Prime Minister of Pakistan.

This event helped us to promote IGC's focus and commitment to research on sustainable growth and strengthen IGC's research-policy community. This has helped inform our research agenda, by attracting high-quality research proposals focused on Energy and the Environment ahead of our main call for proposals, fundraising efforts, and policy engagements.

Over 230 people registered to participate in the sessions, with an average of 70 people in the room from a range of countries, for the duration of Environment Week. On one day, there were registered participants from 25 different countries.

We published five blogs alongside E-Week, which received 779 views, as well as 52 posts across Twitter, Facebook, and LinkedIn, which received over 57,000 impressions, 1,232 engagements, and 338 link clicks.



Egas Daniel, Senior Country Economist at IGC Mozambique.



Oriana Bandiera, LSE Professor of Economics, STICERD Director, and IGC Steering Group.



Yakama Jones (Ministry of Finance, Sierra Leone) **reflects on the role of international actors** in helping developing countries finance their transition to greener growth paths, LSE Environment Week 2022.

Partnering with national policymakers for impact

We believe that evidence is most effective when it responds to local needs, and that research is most likely to transform when it is co-generated with local partners. The IGC engages with policy-stakeholders through the following pathways to influence policy based on knowledge:

1. feeding into broader economic policy strategies and high-level agenda setting;
2. informing decisions on changes to a specific existing policy or on the development of a new policy;
3. supporting the development of better systems, processes, and tools that facilitate the use of data in decision-making;
4. building capacity through research-policy partnerships; and
5. catalysing conversations between key decision-makers and academics in high-level settings, mainly events, to stimulate new ways of thinking.

Influencing national strategy and agenda-setting

Reviewing the New Industrial Policy and National Regional Development Framework in Ethiopia. At the request of the Ministry of Industry of Ethiopia, IGC Ethiopia helped draft the New Industrial Policy, offering feedback on financial sector reforms, and alignment with recent industry reforms. Additionally, IGC supported the Planning and Development Commission to put together a National Regional Development Framework for an integrated, priority-based approach to regional development. Our team evaluated the framework, offering input on organisation, content, data, methodology, and policy suggestions. As the government's primary reviewer for some of the policy, IGC's comments were well received and incorporated into the framework.

Constituency Development Fund (CDF) reform in Zambia. The dramatic expansion of Zambia's CDF is the flagship reform of the current President. The Fund, which provides grants from the central government to local authorities, has undergone structural reforms informed by the results of a diagnostic survey conducted by IGC Zambia with the Ministry of Local Government and Rural Development. The survey identified bottlenecks and the findings informed changes to the CDF Act of 2022. The project led to the creation of a learning partnership between the government and the IGC, with the aim of producing evidence to inform its implementation and improve public-service delivery, as well as the establishment of a Presidential Delivery Unit. The policy advisor to the President of Zambia has acknowledged the delegation of project approval to local authorities because of the survey.

Informing policy

Enhancing anti-poverty interventions in Pakistan. Conducted with, and at the request of, the Pakistan Poverty Alleviation Fund (PPAF), this project aims to improve the design of social protection programmes in low-income settings by examining whether cash transfers of equivalent value are more effective than providing livestock to beneficiaries. PPAF has affirmed their commitment to the study's incorporation into future policy design. The study's results informed the development of the Graduation Approach, a key component of the government's Ehsaas strategy, and the design of initiatives such as the National Poverty Graduation Programme, which has helped attract donor investments and connect them with private sector partners.

COVID-19 communication campaign in Mozambique. In response to the World Bank's COVID-19 Strategic Preparation and Response Project, the government of Mozambique implemented a communication plan around the pandemic. IGC's study on beliefs and behaviours surrounding COVID-19 in Mozambique revealed that reminders of successful past immunisation campaigns can boost vaccine uptake and perceptions of effectiveness, while emphasising the need to control false information. The study's findings have informed the government's national communications strategy and evidence-based implementation plan for pandemic management.

Promoting direct taxation in Bangladesh. The research team, supported by IGC Bangladesh, championed the idea of strengthening the direct tax system to grow government revenue while tackling rising inequality, through events and policy dialogues. Their study proposes a roadmap and policy actions to achieve the target of collecting 70% of tax revenue from direct taxes to reduce income disparity. The team shared a policy memo with the Ministry of Finance and National Board of Revenue (NBR), to input into the 2022-23 Budget. This resulted in the NBR setting a new aspirational target for direct taxation of 70%, and NBR has requested the researcher's input into the medium- and long-term revenue strategy.

Technological innovation

Measuring economic performance through satellite and big data in Pakistan. This project involved developing a machine learning system to forecast gross national income (GNI), by combining satellite and administrative data on power. Historically, Pakistan has produced annual statistical aggregates at the national level using provincial accounts data. This programme generates monthly projections at the *tehsil* level (administrative division), enabling monitoring of the local economy at this level, almost in real-time. The State Bank of Pakistan, a co-author of this study, plans to implement the method for monthly-*tehsil* GNI predictions as a new policy tool. The State Bank has also assisted with data collection by establishing a network of partnerships with other administrative bodies.

Innovations in marketing for smallholder farmers through Nano Commodity Exchanges in Ghana. A series of IGC studies on agricultural markets in Ghana led to a pilot of a Nano Commodity Exchange model in a warehouse. These are local markets, with small numbers of traders and farmers congregated in a central location in their villages, who engage in structured, intermediated trade of maize, cassava, and plantain. The initial results indicated strong interest in the exchange, and it has been well-received amongst traders and farmers. Executives of the Ghana Commodities Exchange and the Ministry of Food and Agriculture support the project. World Food Programme officials from Togo visited the warehouse and plan to introduce the model in Togo.

Addressing constraints in maize and poultry value chains in Sierra Leone. This project focused on designing and implementing a strategy to create income opportunities for maize and poultry producers, diversifying employment associated with local feed and poultry processing, and improving nutritional outcomes for consumers. The project also promoted sustainable production and savings in emissions by using renewable energy. The project team partnered with a private sector impact investment agency and farmer organisations to enhance data-driven insights for the agricultural sector. So far, the results have informed the impact fund's design of a credit product for maize farmers and have improved contracting with farmers.

Targeted capacity-building

Improving property valuation predictions in Rwanda. This project aimed to create an index tracking changes to commercial and residential property prices in Rwanda's urban areas during the COVID-19 pandemic with the National Bank of Rwanda (BNR). A study from the project described the index's applications and a way for it to be integrated into BNR's economic indicator dashboard. The findings were presented to the Financial Stability Directorate of the BNR, Ministry of Finance and Economic Planning, and the Chief Urban Planner of the City of Kigali. The Chief Economist of BNR stated that the index can help monitor property price movements in the short-term and improve property valuation predictions in the long-term, and BNR has since started to train staff using the project's methodology.

Economic surveillance dashboard for the National Bank of Rwanda. This project created an interactive tool for the National Bank of Rwanda (BNR) to monitor the economy in real- or near-real-time and track economic indicators for pandemic policy. Researchers worked with BNR's Data Science Department to build the prototype, and regular meetings helped resolve analytical and technical challenges. The live beta dashboard will be hosted on BNR servers and have technical input from BNR Data Science. BNR analysts will provide feedback to this prototype. The BNR confirmed they are using the dashboard and their plan is to make it "scalable and flexible and accommodate more indicators."

Catalysing conversations

Sixth Economic Growth Forum (EGF) in Uganda. This year's Uganda EGF focused on "Building a Self-Sustaining Economy to Weather Future Shocks." Four sessions were chaired by contributors, including the Secretary to the Treasury, UNDP's team leader, and the Minister of State for General Duties. The closing statement was given by the Prime Minister. The team produced an Economic Policy Statement following the event to guide the Ministry of Finance's strategy in the upcoming budget cycle.

Inaugural Economic Growth Forum in Zambia. IGC Zambia collaborated with the Ministry of Finance and National Planning to establish and co-host the inaugural EGF that brought 40 high-level policymakers and government officials together and was chaired by the President. Follow-up meetings were held with government officials, including through an online IGC workshop. The Ministry of Mines and Mineral Development invited the IGC to assist in drafting the strategy to increase minerals production and to attend the Manganese Mining Indaba Conference. Since then, our projects, requested by the Zambian government, are underway, studying local participation in the mining value chain and unlocking Zambia's potential for regional agri-food exports.

First Ashok Kotwal Memorial Lecture in India. IGC's Ideas for India team hosted a lecture on the Future of Development, and a panel discussion on the post-COVID-19 economic landscape featuring eminent policymakers (Yamini Aiyar, President, Centre for Policy Research; Viral Acharya, Former Deputy Governor, Reserve Bank of India; and Pronab Sen, Chairman, Standing Committee on Economic Statistics). Government representatives from the Ministry of Women and Child Development and Niti Aayog, as well as policy influencers from UNESCO, and other academic and research institutions attended the event that had over 230 participants.



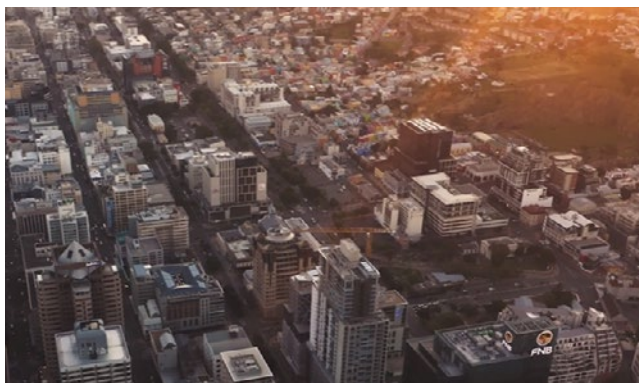
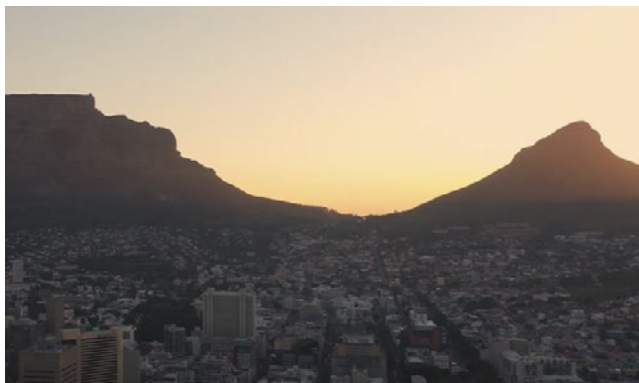
Hon. Matia Kasaija (Minister of Finance, Planning and Economic Development, Uganda) removes his mask to address the audience of the Sixth Economic Growth Forum (EGF) in Uganda.

Responding to global changes

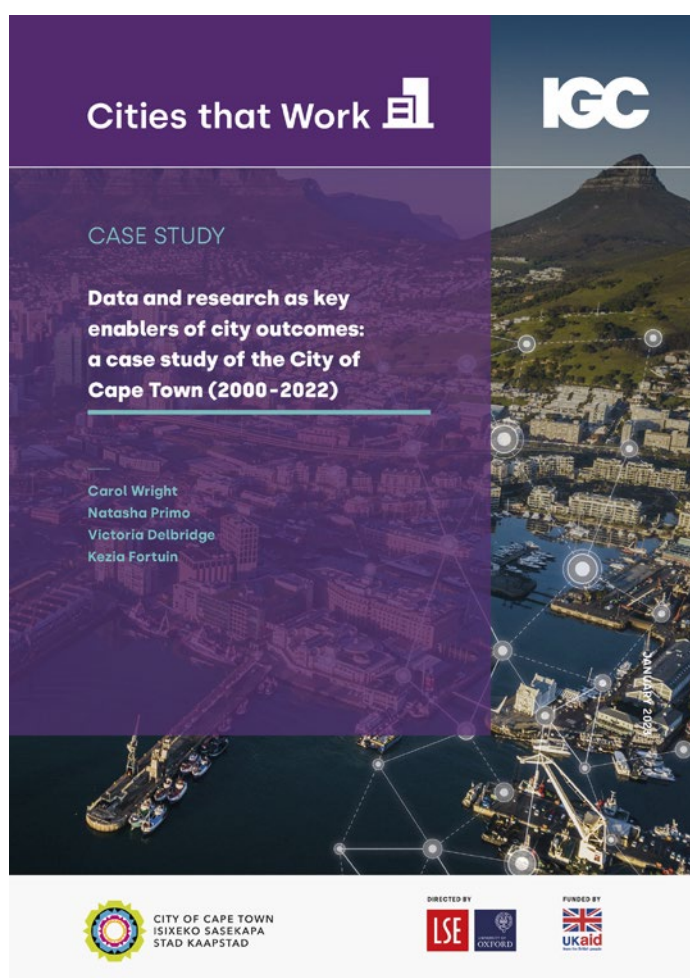
We use our communication capabilities and thematic initiatives to help shape growth debates in national and global forums. Through events and communications campaigns, we share key messages and ideas at the frontier of knowledge to broader audiences, while our initiatives enable us to expand our footprint to other countries.

Cities that Work

Urbanisation and Poverty Reduction Conference (World Bank and George Washington University). This event focused on climate change and sustainable urbanisation, bringing together policymakers and academics from around the world. A total of 150 individuals attended in-person. The event increased the profile of IGC's research amongst donors and large international organisations. The conference also created opportunities for us to engage with early-career researchers, expanding our network of emerging PhD scholars.



Mehboob Foflonker and Carol Wright of the City of Cape Town [explore the evolution of using data and research](#), enabled by technology, to improve outcomes in Cape Town, South Africa. This was part of an IGC case study conducted in partnership with the City of Cape Town.



Data and research as key enablers for city outcomes. This project was developed with the City of Cape Town, to document the use of data and evidence in policymaking over the past 20 years. The analysis included the evolution of the city's strategies, infrastructure and tools, and the development of capabilities around data and research. This responded to a broader demand for how to use data and research to improve the efficiency and efficacy of infrastructure investment and service delivery. The results will be used to promote cross-city learning and contribute to stronger use of evidence to guide planning, decisions, and implementation in Cape Town in future.

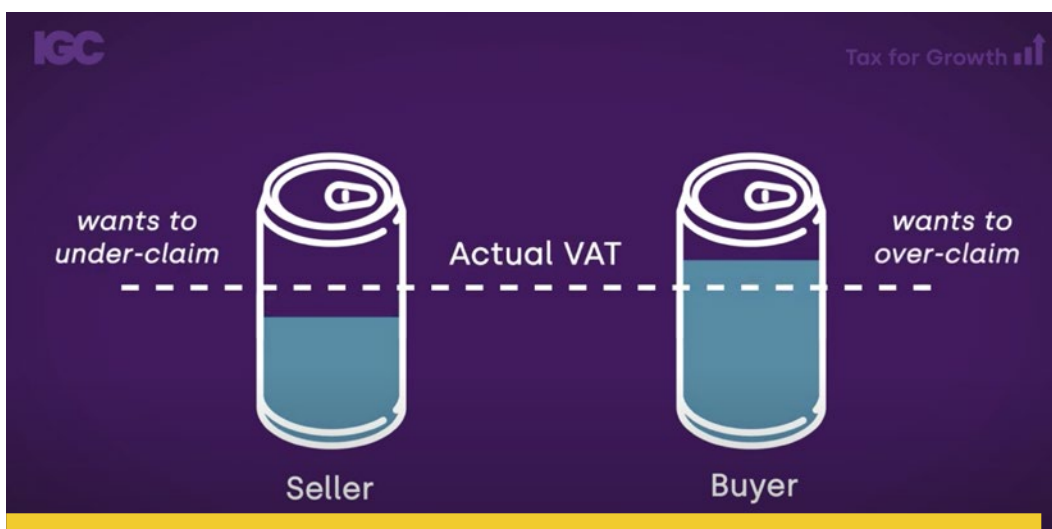
Managing solid waste for a sustainable Accra. This project aimed to provide empirical evidence to policymakers and others to understand waste generation trends, challenges, and opportunities within Accra's waste industry. The inclusion of officials from the Accra Metropolitan Assembly and the Ministry of Sanitation and Water Resources ensured engagement with policy stakeholders throughout the project. The study recommends that waste policy development be integrated as part of a sustainable national green growth strategy. There is a strong indication of future activity resulting from this research, based on the Minister's commitment to hire staff to recognise the informal sector in this process.

State Fragility initiative

Development Finance Institutions (DFI) Fragility Forum. The fourth annual DFI Fragility Forum was co-hosted with the Blavatnik School of Government, University of Oxford, the International Finance Corporation, British International Investment, and the African Development Bank. Participants from 25 DFIs discussed the incentives and constraints of DFI investment in fragile states.

Scaling investments in frontier markets through humanitarian-DFI partnerships. SFi supported the Humanitarian and Resilience Investing initiative by co-organising an event with the Directorate-General for European Civil Protection and Humanitarian Aid Operations and the International Committee of the Red Cross (ICRC). More than 40 participants attended, including 15 policy influencers from DFIs and humanitarian organisations, including UNCDF, FMO, OECD, ICRC, and the Danish Red Cross. It led to an evidence-based discussion of DFI-humanitarian partnership, highlighting practitioners' experiences of the challenges preventing the scaling or replication of these partnerships, along with potential solutions.

Collaborating on several initiatives in Yemen. Projects in Yemen this year included the Yemen Electricity Sector Reforms project, which aimed to improve electricity access through private sector involvement in distribution. The initiative has also helped set up embedded experts in the Yemeni Executive Bureau, who have contributed to policy and planning initiatives in various ministries. We also extended support to the Ministry of Agriculture and Fisheries in Yemen by developing a strategy for capacity development funding allocation, improving resource usage, and service delivery. The IGC has also continued work on adjusting Yemen's exchange rate, with a recommendation to shift to a floating exchange rate.



Stills from *"Five lessons for raising tax revenue"* (Econ films), featuring Anders Jensen, Associate Professor at the Kennedy School at Harvard University and IGC Research Programme Director.

Tax for Growth

We prepared to launch our new Tax for Growth (T4G) initiative this year. T4G will support tax administrators and policymakers in generating approaches to make taxation work for development. Through co-generating tax projects and drawing on economics literature, our upcoming initiative aims to provide policymakers with recommendations that are tailored, actionable, and accessible.

Electronic fiscal devices in Tanzania. This project was developed with the Tanzania Revenue Authority (TRA) to improve tax administration and compliance. It seeks to enhance an interactive dashboard to consolidate and visualise Electronic Fiscal Device data, along with other tax-related data, to assess tax collection performance. The team has updated key stakeholders on our progress and has discussed ideas with TRA Managers from Research and Planning, Statistics and Business Intelligence, and System Development.



Images from the IGC project "Achieving scale collectively: Firms and technology adoption in low-income countries" by Vittorio Bassi, Raffaella Muio, Tommaso Porzio, Ritwika Sen, and Esau Tugume, in partnership with BRAC and the Ugandan Ministry of Trade, Industry and Cooperatives.

Firms Initiative

IGC's forthcoming Firms initiative aims to stimulate the growth of firms in low- and middle-income countries and encourage practitioners and policymakers to use evidence to enhance firm and business growth. The initiative already has collaborations with key actors in private sector development, and projects in South America, sub-Saharan Africa, and South Asia.

Private sector development seminar series. With the Private Sector Development Research Network, the initiative organised a seminar series. Top researchers led 15 seminars attended by participants from Development Finance Institutions (DFI) and research institutions. The Firms initiative organised four of these seminars and IGC projects were discussed in five seminars. The series was a useful tool to encourage DFIs to learn more about recent research and use evidence in their decisions.

Firms, Trade, and Development annual conference. In collaboration with the King Centre for Global Development at Stanford University and Private Enterprise Development in Low-Income Countries, the IGC hosted the annual Firms, Trade, and Development conference. The conference brought together researchers, policymakers, and industry experts to discuss technological innovation, industrial upgrading, and access to global markets for small- and medium-sized enterprises (SMEs). The keynote was delivered by Stefan Dercon. We also held a policymaker session on 'the role of the private sector in climate mitigation, resilience, and adaption' with speakers from Technoserve, the World Bank, and Mozambique.

Agri-SME Evidence Building Initiative. In partnership with the Council for Smallholder Agricultural Finance (CSAF), our Firms initiative mapped practitioner and academic evidence on lending to agricultural SMEs in developing countries and identified research and learning priorities. The project aimed to understand if and how concessional capital flows through the ecosystem, to provide jobs, improve livelihoods, and have a positive environmental impact. CSAF members shared over 200 practitioner impact documents for review. The Firms initiative then conducted an academic literature review to collate evidence on agri-SMEs and used loan data provided by CSAF members to analyse their lending behaviour patterns.

Equity, Diversity, and Inclusion

Our Equity, Diversity, and Inclusion (EDI) taskforce focused on finalising its overarching strategy and making changes to practices and policies across the organisation this year. This included decentralising EDI ownership and embedding equity considerations into all areas of IGC's work, reviewing recruitment best practice, and developing safeguarding policies and procedures.

We also organised an EDI Town Hall, inviting an external EDI specialist to share a framework for us to utilise in identifying and responding to various EDI issues. The taskforce is currently developing a proposal for an EDI Governance Board.

Improving the diversity of IGC's research network

This year, we aimed to bring more local researchers into our network. We strengthened our capacity-building practices by adopting new approaches to commissioning research, offering virtual training, and providing feedback to 50 promising research proposals submitted by local researchers. We also encouraged researchers to work in IGC partner countries and leverage IGC's collaborations with local partners, access to data, and well-connected teams.

Why is women's empowerment key to fighting climate change?

IGC

ONLINE EVENT
TUESDAY, 8 MARCH
13:00–14:15 GMT

Mary Robinson
Patricia Espinosa
Susan Chomba
Linda Yueh

#Women for Climate Action

IGC International Women's Day event, exploring solutions to address women's and girl's vulnerabilities to climate change and policy measures to support them to lead sustainable development efforts as agents of change.

Of the 425 proposals received in this year's Commissioning Board, 66% involved country teams. Of the 67 approved proposals, 50 (80%) had engagement with country teams.

The IGC is also collaborating with the Bureau for Research and Economic Analysis of Development (BREAD) to offer a yearly, free virtual PhD non-credit course on economic development and growth. The course is open to all and aimed particularly at students from developing countries. Some of the world's leading experts in the field, including the 2021 winners of the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, Esther Duflo and Abhijit Banerjee, have delivered modules on topics including education, credit, insurance, and risk. More than 2,000 researchers attended the first course, with more than half from developing countries.

Some proposals received in this year's Commissioning Board had been incubated in a hub-led virtual matching programme in previous years, during which participants were randomly paired into teams of local and international researchers.

IGC country teams have also been finding ways to involve more local researchers in commissioning activities:

- IGC Uganda and IGC Rwanda launched Local Preparation Facilities, which provide feedback on research applications.
- IGC Rwanda is incorporating researchers from the National Bank of Rwanda in research initiatives and is encouraging researchers based at the University of Rwanda to submit proposals focused on trade.
- At IGC Ghana, country economists engaged local researchers through two seminars, focusing on methodology and the application of randomised controlled trials, with lead academic participation contributing to the successful commissioning of 18 new projects in 2022-23, 10 of which involved local researchers as principal investigators or co-investigators.

These activities have highlighted the need for us to further invest in capacity-building to support more local researchers in receiving funding from the IGC for their research, and to continue diversifying potential funding mechanisms to strengthen unsuccessful yet high-potential proposals and sustain interest in collaborating with the IGC.

Funding

The IGC is principally funded by the UK Government's Foreign, Commonwealth and Development Office (FCDO). Our main FCDO grant funds our country teams, research commissioning, and staff based at LSE. In 2022-23, our work was also supported by other FCDO in-country grants that respond to local needs, including from FCDO Bangladesh, Yemen, Sierra Leone, and Tanzania. In addition, we also receive generous funding from UK Research and Innovation (UKRI), the International Development Research Centre (IDRC), USAID, United Nations, the Rockefeller Foundation, Aceli Africa, the Argidius Foundation, Council on Smallholder Agricultural Finance (CSAF), British International Investment (BII), and Royal Institute of British Architects.

Figure 1. IGC funding sources FY 2022-23.

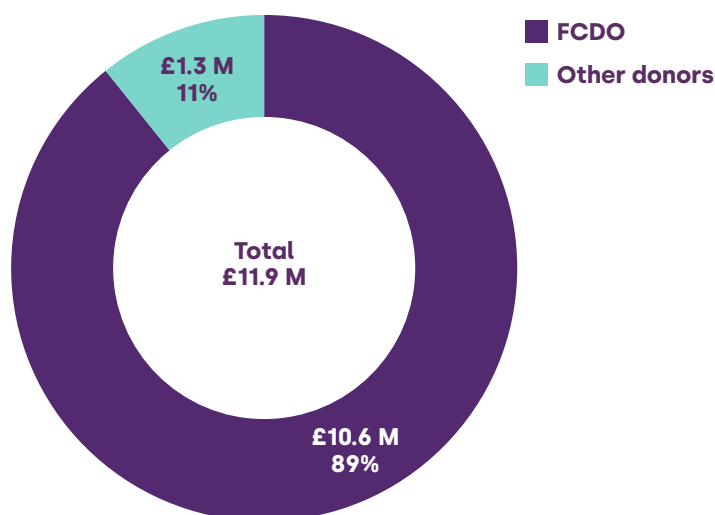
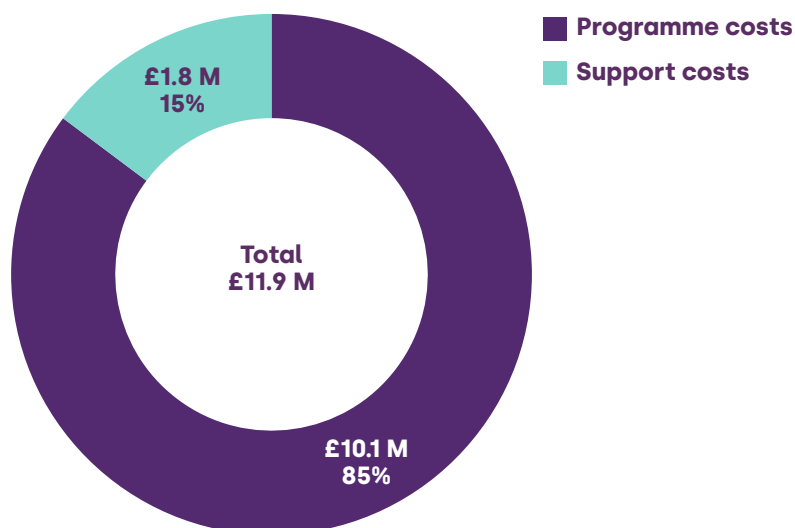


Figure 2. IGC expenditure FY 2022-23.



- **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.
- **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.

Forward look

Deliver a step change in the sustainable growth agenda: In 2023-24, we will consolidate our transition to a sustainable growth-focused research strategy by publishing our white paper, "Innovation, growth, and the environment". In parallel, we will further mainstream sustainable growth across all our areas of expertise and will launch research clusters focused on high-priority sustainable growth issues with clear response strategies to policy demands.

Strengthen the commissioning pipeline: We will build on the research momentum gained in this year's Commissioning Board to continue supporting transformational ideas. Through our full range of commissioning, including the Small Project Facility and in-house projects, we will provide rapid, low-budget responses to policy needs, and enhance our project generation capacity through scoping studies, pilot studies, and matchmaking.

Strengthen IGC's academic and policy impact: We will continue introducing strategic changes to better target and support projects with the highest potential for achieving both policy and academic impact. This will include prioritising strategies to diversify our research network and to further strengthen collaborations between international and local researchers as well as collaborations of researchers with country teams.

Build the next phase of our support for sustainable growth: The IGC looks forward to engaging with our funders to define the best way to continue supporting its mission while securing a smooth transition into IGC's next phase. In the challenging circumstances of today's world, working with developing countries to promote inclusive and sustainable growth through pathbreaking research is more important than ever. In the years to come, IGC will set out a new agenda for inclusive and sustainable growth in the face of climate change and work with our partner countries to identify new growth paths that reduce poverty and deliver prosperity while addressing the climate challenges.



Shiraz Mohammed via Getty Images

theigc.org

IGC