Annual report





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COVER: Kampala, Uganda.

1 Executive summary

In 2020, the COVID-19 pandemic has affected all aspects of the IGC. Our country teams have adapted to maintain their responsiveness to policymakers, our researchers have adapted to answer new urgent questions and work around travel restrictions, and our London staff have navigated the management of projects, events, comms and changing budgets while working remotely.

As the scale of the pandemic became clear in late March 2020, the IGC undertook a major strategic pivot, with the overriding priority of supporting developing country governments in their COVID-19 response, in our partner countries and more broadly. Despite the profound nature of this crisis, the IGC demonstrated its ability to respond swiftly and effectively, ensuring business continuity during uncertain times and continuing to undertake research-driven policy engagements through our country programmes and flexible engagements.

Thanks to support from FCDO and other funders, the IGC commissioned a significant amount of research across its four themes and recorded an impressive volume of activity and impact. A total of 175 'impact cases' were achieved – projects that have significantly impacted policy discussions and/or decisions. Among these projects, 37 resulted in substantive policy change.

National and global influencing

The IGC achieved a significant depth and breadth of policy influence and impact from national and global influencing in the 2019–20 financial year. This report provides an overview of the IGC's national and global influencing activities from 2019–20 and highlights examples that demonstrate the flexibility and diversity of the IGC model, and the corresponding forms of influence and impact it achieves.

Alongside research projects, the report offers an overview of key events delivered in 2019–20, highlighting the importance and variety of events as conduits to research uptake, stakeholder convening, and high-level policy agenda setting.

IGC's 10-year anniversary

In September 2019, the IGC launched a communications campaign to celebrate our 10-year anniversary. The IGC 10 campaign showcased our most transformational growth ideas and policy impact from the past decade, demonstrating the effectiveness of our model in generating



innovative solutions to achieve inclusive and sustainable economic growth. The report provides an overview of the campaign's key activities, events, publications, and outcomes.

Our year in numbers

In 2019-20

175

High-impact projects*

21%

Percentage of high-impact projects involving changes in policy or a policy decision

22

Countries where we had policy impact

616

Global media mentions

517,859



* High-impact projects have significantly impacted policy discussions or decisions, based on IGC's rigorous evaluation criteria and independently audited by external evaluators.

2 COVID-19 response

2.1 Strategic response

COVID-19 Advisory Group to DFID

The <u>DFID COVID-19 Economic Advisory Group</u> was established this year to bring together evidence and experts in response to issues that have been raised by DFID. The Advisory Group is co-chaired by Rachel Glennerster, DFID Chief Economist, and Jonathan Leape, IGC Executive Director, and consists of leading international experts convened by the IGC to provide a responsive forum for key emerging policy issues, with a focus on the economic implications of COVID-19. The first meeting of the advisory group was held in April 2020.

Special COVID-19 call for proposals

At the end of March 2020, the IGC launched a special COVID-19 call for proposals to ensure evidence is available for key policymaker counterparts. The call invited researchers to submit proposals to inform policy decisions around the economic crisis expected as a result of the COVID-19 pandemic.



Airport personnel screen passengers arriving on an international flight to detect signs of COVID-19 in Ethiopia.

Rapid and targeted response to policymaker demand

The IGC has been engaging with policymakers and researchers remotely since mid-March 2020, both to mitigate risk to staff and our partners and enable our continued responsiveness to requests from policymakers. The IGC has been able to draw on its strong, established relationships with policymakers in partner countries to ascertain where economic research and policy advice around COVID-19 was most needed and the most reliable ways to continue engaging with them remotely. Across our partner countries, the IGC has actively supported partner governments' responses to the crisis.

HIGH IMPACT COVID-19 ENGAGEMENTS

High-impact COVID-19 engagements from country teams include the following.

- **Bangladesh:** The IGC provided inputs on how to expand and adapt Bangladesh's current social protection programme in response to COVID-19, with a view towards shaping the government's Eighth Five Year Plan.
- **Ethiopia:** Quantitative modelling of the impact of COVID-19 and simulation models to understand the welfare impacts of the crisis have helped inform policymaker decision-making.
- Pakistan: Country Director Ijaz Nabi has been asked to join the Prime Minister's COVID-19 Response Committee to directly engage with senior policymakers, connecting them with IGC research, and co-generating ideas. Other members of IGC Pakistan's senior leadership have also been working closely with the provincial government of Punjab in various advisory capacities.
- **Uganda:** The IGC team has been supporting the Ministry of Finance's leadership with initial estimates on the impact of lockdown measures on urban poverty and inequality, and the fiscal cost of a universal transfer to compensate for losses in income. Upon direct request of the Permanent Secretary of the Ministry, the research team broadened the scope of the study to include macroeconomic impacts resulting from a global slowdown. The team worked closely with the Ministry of Finance to 'fine-tune' the model and recalibrate its underlying assumptions to ensure they are harmonised with the Ministry's own analytical work.

IGC-IPA COVID-19 DATA INITIATIVE

In April 2020, the IGC launched a joint data initiative with Innovations for Poverty Action (IPA), to provide robust and timely data on the economic impact of COVID-19. The initiative is a multi-country effort to understand COVID-19's impacts on businesses, self-employed individuals, workers, and farmers in developing countries. The data, collected through phone surveys by researchers who incorporate this questionnaire into their projects, will be publicly available on the joint website to provide evidence and contribute to research that will inform policy responses to the pandemic in the coming months.

2.2 Communications

The IGC has been working to support policymakers by increasing the supply of data and evidence, distilling relevant policy guidance through influential external publications, and virtual events.

At the beginning of the pandemic, IGC staff based in London and our partner countries produced blogs to rapidly provide analysis and information on the impacts of COVID-19 in our partner countries and other developing countries. Topics included the impact of initial national lockdowns on economic activity, the status of countries' health systems and social protection programmes, and important on-the-ground observations of policy responses.

The IGC is also quickly transitioning its in-person events programme to an online programme to provide a platform for discussion and debate on developing country responses to the COVID-19 crisis.

2.3 Cities that Work

- The team has been developing a COVID-19 policy toolkit around the theme of water and sanitation. Cities that Work (CtW) is working with IGC country teams to support their activities and the policymakers they engage with.
- CtW has been engaging with the City of Cape Town to understand and evaluate policy options for social distancing in informal settlements, as well as to understand how they are leveraging data to efficiently and effectively respond to the pandemic.
- CtW are developing a blog series on city-level responses to COVID-19
 in developing countries with the intention to cover a range of
 topics relative to cities, and plan to adapt the blogs for external
 media outlets.

3 National influencing

The IGC delivered another strong year of national policy influencing through its research and engagements – a total of 175 impact cases¹ were achieved, with 37 of these resulting in substantive policy change. This section provides select examples of the IGC's national influencing activities, outcomes, and impact during 2019–20.

3.1 Changes to policy

IGC research is purposefully focused, designed, implemented, and disseminated to provide policymakers with relevant and high-quality research to directly inform and support policymaking. As a consequence, 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 a policy.



View of the city of Freetown, Sierra Leone.

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¹ Projects that have significantly impacted policy discussions and/or decisions.

PROPERTY TAX IN FREETOWN

IGC Sierra Leone has been working closely with the Mayor of Freetown, Yvonne Aki-Sawyerr, to support her 'Transform Freetown' development plan which includes a city-wide reform of the property tax system. As part of a working group convened by the Mayor, the IGC alongside ICTD has been piloting a points-based system which uses satellite imagery to identify and measure every property in Freetown. In March 2020, the working group's valuation and tax rates were presented to the City Council's Budget and Finance Committee in a meeting which led to the Council adopting all recommendations and passing them into law the following week. The reform, which could quintuple tax revenue, has attracted significant media attention, including from the *Economist* and *African Arguments*.

3.2 National strategy influence

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

Housing policy in Rwanda. IGC Rwanda has developed a strong cluster of research relating to housing in the country's capital, Kigali, with the Rwanda Housing Authority (RHA) being a close, long-term partner. One project in particular directly supports the City of Kigali's Master Plan review process by providing one of three studies that underpin the review's data requirements, and builds on a former IGC project that provided projections on population and subsequent housing need in Kigali over the next 50 years. The population projections from the study are the primary ones used in the Kigali Master Plan – the formal strategy document used to guide housing policy. The study's projections of the quantity of houses and housing types that would be needed for each income category have fed directly into the quantities of housing zones in the Kigali Master Plan. While implementation of the Master Plan is yet to begin, the research input ensures that eventual policy will be driven by in-depth and rigorous data insight.

- research on Zambia's ASM sector, one of the most under-investigated and yet more dynamic ASM economies in sub-Saharan Africa, found that three types of mining arrangements have emerged in recent years: formalised (mine-owned), quasi-formal, and illegal ventures. The research team recommended that government interventions focus on providing incentives to formalised, mine-owner driven enterprises in the amethyst sector and fully implement the home-grown formalisation strategy, known as the 'Zambia model', in the gold sector. Findings were presented to the National Development Coordinating Committee, the highest policymaking organ responsible for providing strategic direction for the implementation of Zambia's 7th National Development Plan. The Committee has since adopted the recommendations from the study.
- Supporting Sierra Leone's National Trade and Investment Strategy. Following the signing of the African Continental Free Trade Area (ACFTA) agreement in 2018, several countries have embarked on policy reforms and strategies to better position themselves for implementation. Building on IGC's work on the Sierra Leone National African Growth and Opportunity Act (AGOA) response strategy and work on cross-border trade, the Ministry of Trade and Industry requested support in drafting specific sections of their first comprehensive National Trade and Investment Strategy (NATIS). A key recommendation from the technical working committee, which included an IGC Sierra Leone country economist, was to review the 2.5% levy on agricultural exports. The levy was considered to be very high and ambiguous by a number of stakeholders consulted as part of the strategy development. The recommendations from the working group have contributed to the government's decision to suspend the levy and a committee has been constituted to review the levy with the private sector.
- Agricultural value chain analysis in Mozambique. The latest project in a cluster of research on agricultural value chains investigates maize, the country's most important staple crop. The project was directly requested by the Ministry of Agriculture and Food Security (MASA) and the Mozambican Institute of Cereals (ICM), where senior officials have been long-term partners. The maize value chain has severe bottlenecks, and barriers exist to develop maize from a staple to a cash crop. The study found that maize can only become a profitable cash crop if planted in large farms, and for smallholders a much more attractive cash crop is soy. Project findings were shared directly with Dr Vala, Director of ICM, and with many government stakeholders at an event in the city



A worker uses a machine to seal a bag of maize seed at the Sementes Nzara Yapera Lda warehouse in Catandika, Mozambique.

of Dondo. Results from the study are reflected in ICM's Strategic Plan 2020–2029. Specifically, the Strategic Plan notes the intention to expand marketing of maize production to large industries to invest in maize cultivation, to leverage data to reduce information asymmetries, and to facilitate the development of markets in the value chain of cereals and legumes. These strategic elements are directly linked to several of the main study recommendations presented in Dondo.

- Economic Growth Forum and Steering Committee in Uganda. The IGC co-organised the Third Economic Growth Forum (EGF III) with the Ministry of Finance, Planning and Economic Development in August 2019. The annual Economic Growth Forum takes place at the beginning of Uganda's budget process and brings together the treasury and the individual line ministries, along with private sector representatives and academia. This year's Forum focused on six key themes: 1) agriculture and agro-industrialisation, 2) private and public investment, 3) tourism, 4) urban development, 5) import substitution and export promotion, and 6) education and skills. As a central outcome of each of the six sessions, representatives from line ministries presented policy recommendations for consideration in budget allocations in the closing session.
- Improved access to infrastructure and services in Myanmar. Since
 January 2013, the government of Myanmar has been implementing
 the National Community Driven Development Project (NCDDP) to
 enable poor rural communities to benefit from improved access

to and use of basic infrastructure and services. The government has requested IGC to undertake the first independent impact evaluation of NCDDP in line with the Development Assistance Coordination Unit (DACU)'s mandate to ensure the optimal allocation and effectiveness of development assistance to Myanmar. In October 2019, DACU approved the expansion of the NCDDP project into new townships on the condition that it follows IGC recommendations for the expansion process. The team have continued to work closely with DACU and the Department for Rural Development to ensure findings from the IGC township selection report as well as the broader NCDDP evaluation are feeding into the expansion process.

• Support for the Rwanda Social Security Board (RSSB). An IGC scoping visit responded to a request by the Director General of RSSB, a body deeply embedded in the Rwandan economy whose programmes are critical to protecting the welfare of citizens. The visit's recommendations identify immediate actions to provide the basis for a more sustainable system, and suggest key research areas that would inform future policy and decision-making. Based on this, RSSB agreed on a list of five research areas to pursue, expressly requesting IGC support for two of these areas, which the IGC is set to partner with RSSB to deliver. In follow-on work, the researcher has supported the RSSB in development of a five-year strategy, as well as supporting the improvement of RSSB beneficiary systems and databases to help inform decision-making around service delivery.

3.3 Agenda-setting

The IGC's network includes the world's top academics in their respective fields – a prospect that makes IGC attractive to governments setting out long-term visions for economic development. Agenda-setting will precede the formulation of broader strategies and distinct policies, and often takes place at the highest levels of government. We provide some examples of IGC's agenda-setting activities in 2019–20.

Policy paper on agro-industrialisation in Uganda. IGC Uganda co-authored a policy paper with Martin Fowler, Senior Agricultural Advisor at USAID, on opportunities and challenges for agro-industrialisation in the country. This paper has set the agenda for talking about the future of agro-industrialisation in Uganda. It was initially presented to the government at the Economic Growth Forum and has since been referenced extensively by government officials, Ugandan civil society, the private sector, and international stakeholders. Additionally, it was presented at

- a UNICEF speaker series; the Centre for Development Alternatives, a prominent Kampala-based think tank, wrote a follow-up blog to the paper; and the CEO of one of Uganda's largest growers gave positive feedback on the paper.
- Informing the Pakistan Economic Survey. In Pakistan, IGC researchers have worked closely with the Ministry of Energy to publish a chapter on energy for the Economic Survey in Pakistan, the Federal Government's annual sectoral document for official reporting. The survey was published by the Ministry of Finance in June 2019 and displays all economic indicators and how the Pakistan Tehreek-e-Insaf performed in its first year in office. The energy chapter highlights improvements in the sector over the year, noting the work that the Prime Minister's Task Force on Energy Reforms has been undertaking to provide indigenous, affordable, and sustainable energy for all, and outline key learnings from the last few decades. It also highlights the importance of the Ministry's Integrated Energy Plan, which will help in foreseeing the evolving energy mix as well as keeping the focus on indigenous resources and help avoid issues of circular debt and capacity payments for the future.

3.4 Technological/process changes

Supporting evidenced-based policymaking can 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. Though its broad spectrum of expert research and support, the IGC not only influences formal policy, but also directly supports the design and implementation of these mechanisms for evidence-based policy.

• Developing investor tracking technology in Rwanda. In 2018, the IGC developed an investor tracker system for the Rwanda Development Board (RDB), which has subsequently been used for internal investor analysis. In 2019, the RDB requested the IGC to update the tracker to include customs data to enable analysis of investor import and export activity, and to allow integration of the tracker into their new business Though its broad spectrum of expert research and support, the IGC not only influences formal policy, but also directly supports the design and implementation of these mechanisms for evidence-based policy.

BETTER MONITORING WORKER PRODUCTIVITY IN PAKISTAN

Improved monitoring of public sector workers and the use of explicit incentives are important components of Pakistan Government's public service modernisation agenda. In 2017, the World Bank and the Department of Agriculture in the Government of Punjab worked together to provide all field workers smart phones equipped with a monitoring system known as the 'Agri-Smart app'. It captures information on time use and distance travelled by field staff and also acts as a means of verification of their work. IGC researchers developed an integrated web-based dashboard to complement the AgriSmart app.

This digital platform allows supervisors to observe staff performance on key performance indicators of their tehsils/districts in real time, which act as an important aid for supervisors in the management of field staff and allows for better communication between the two groups. A key innovation has been the integration of several important departmental features within the dashboard including updates from HR; the ability of field staff to apply for leave through the system; and the ability to upload schedules for farmer training programmes to be conducted by field staff and accurately report whether activities were conducted or not. The Agriculture Department is taking measures to institutionalise the full AgriSmart system across the department.

collaboration with counterparts at the RDB, and the tracker is fully integrated with the RDB's internal business intelligence tool. This allows RDB to monitor investor performance against resources spent on investment incentives and facilitations, and is accessible to all registered government users. This project has therefore contributed to a powerful monitoring tool that will help the government effectively encourage and facilitate investment.

• Local tax capacity in Ghana. In Ghana, a long-term project on improving the revenue collection capacity of local authorities has had significant success. The IGC initially funded the deployment of an "Enhanced Revenue Management System" (ERMS) in response to large-scale national survey findings commissioned by the IGC that showed the low collection capacity of most of Ghana's local authorities. However, there were issues with the take-up of the ERMS across a significant number of local authorities. The researchers, including IGC Ghana country economists, reoriented the study so that the ERMS could be tested in one local authority. As a result, the local authority has formally adopted the technology and other authorities plan to adopt it based on the results.

• Land offices scorecards in Bangladesh. Researchers used data from an e-governance system to provide a monthly performance scorecard for junior civil servants working in local land registration offices. The scorecards summarised the data into easily understandable performance metrics and were sent to the junior civil servants as well as their superiors. The results from this experiment showed a positive effect for the scorecard. As a result, the Ministry of Land formally adopted the use of the scorecards for all for 485 land offices across Bangladesh.

3.5 Private sector and non-governmental engagement and impact

Policy landscapes can involve the intersection of an array of different actors, from government and civil society to the private sector and donors. Working in a variety of economic and policy environments requires a pragmatic and flexible approach to in-country engagement and research uptake. Often, convening multiple diverse stakeholders is required to come to appropriate sustainable and inclusive policy solutions. The below examples provide insight into ways in which the IGC engages non-governmental stakeholders across its programmes.

Improving worker retention in Ethiopian firms. A large body of IGC work in Ethiopia has focused on supporting the country's industrialisation and job creation strategy. One such project has been examining the determinants and implications of worker turnover at a large garment factory in Hawassa Industrial Park, where more than 40% of workers have left the company after only 12 weeks. The study tested the effects of a 'bonus retention scheme' intervention, finding that offering a retention bonus does not increase retention rates relative to an unconditional bonus payment. During the design and implementation stages of the project, researchers visited the park to meet with firm managers and to present the research to other firms at monthly HR forums. Upon revisits, the research team discovered that a few factories had already rolled out a retention bonus scheme based on the study's intervention. One firm has directly mimicked the study's intervention, applying it universally to all workers who stay with the firm for three months or more, noting that the scheme has been very successful in encouraging staff retention. With the project now completed, researchers have reported findings to Dr. Arkebe Ogubay, Special Advisor to the Prime Minister, and one of the key architects of the industrial parks policy of Ethiopia. The research

- team have indicated the potential for research findings to influence upcoming policy decisions, for example, an increase in the mandated floor wage within the industrial park.
- IMF macroeconomic model in Uganda. In Uganda, the IGC had previously funded a review by IGC researchers Christopher Adam and David Bevan of the IMF Country Office's macroeconomic model. In 2019, the IMF confirmed that the model had been augmented based on the suggestions in the IGC study, and that Professor Adam was working with the IMF to develop the model further. In October 2019, the model was the basis for framing discussions at a high-level workshop on the balance between infrastructure and human capital investment. This event was attended by the Executive Director of the National Planning Authority, the Deputy Governor of the Bank of Uganda, the Chairperson of Uganda Manufacturers Association, and the Executive Director of the Civil Society Budget Advocacy Group.
- Alleviating pressures of seasonal constraints on Zambian farmers. Research on seasonal migration in Zambia led by IGC Lead Academic Kelsey Jack showed that providing access to additional resources during the 'hungry season' can increase both farmer wellbeing and agricultural outputs. Last year the primary stakeholder for the research, private company Alliance Ginneries, decided to scale-up the identified intervention to over 5,000 farmers across all areas of its operation based on the pilot results. After further evaluation and positive preliminary results, Alliance Ginneries have decided to expand the programme to 15,000 farmers, constituting one-third of their network, as well as establishing weather index insurance to reduce risk. The research team has also developed a strong relationship with the Ministry of National Development Planning who are keen to see the final results of the study, which could potentially support government policy to adjust payments and taxes to alleviate the pressures of seasonal constraints on farmers.
- Overcoming social barriers to economic development in Mozambique. In Cabo Delgado, a Northern Province of Mozambique, an extensive site of natural gas has been recently discovered. Until now, however, the site has remained untapped due to a large rise in violence and unrest in the area, rooted in religious extremism and blocking what would be a significant contributor to the country's economy. IGC evaluated the efficacy of two different interventions aimed to tackle radicalisation. Given the sensitivity and complexity of the issue, IGC Mozambique adopted a multi-faceted approach to sharing project findings, engaging religious bodies and government

as primary stakeholders at both national and local (Cabo Delgado) levels. Resulting from engagements, the Christian Council and the Islamic Council agreed to hold a joint meeting to discuss and publicly show their concerted effort to push for non-violent alternatives to address radicalisation. Further to the workshop, discussions have taken place with government officials from the Ministry of Economy and Finance and Ministry of Defence. Officials have expressed their support of the study and the approach of working with religious organisations to find a solution to the economic and policy challenges faced.

EVALUATING A LARGE-SCALE ELECTRIFICATION PROGRAMME IN SIERRA LEONE

The Ministry of Energy in collaboration with the UN Office for Project Services (UNOPS), with funding from DFID, have embarked on an ambitious electrification project building 98 solar mini-grids in rural communities across the country. The research team, with co-funding from OPM and UNOPS, has been evaluating

the DFID-funded Rural Renewable Energy Project (RREP) and testing solutions that could harness the improved access to electricity in those locations to spur economic development. Preliminary results highlighted how electricity could be leveraged for processing raw materials and converting them into high value products, stimulating linkages between agriculture and agro-processing and the market. This 'value chain approach' would therefore support small and big businesses and overall private sector development. This approach has now been integrated by DFID and UNOPS into the overall RREP strategy.



Solar mini-grids in Sierra Leone.

Supporting female managers in Bangladeshi garment factories. In Bangladesh, a long-running stream of research led by Christopher Woodruff on worker wellbeing and female managers in garment factories has come to close. As a lasting impact of this research, Better Work Bangladesh, an initiative jointly funded by the International Labour Organisation and the International Finance Corporation, has decided to scale up its Gender Equality and Returns programme (GEAR). GEAR is a programme aimed at providing women in garment factories with training to progress to supervisory roles in the factories – it was originally piloted and evaluated through earlier research from Professor Woodruff. As a result of the latest IGC project, which showed the continued need to actively support career progression for women entering supervisory roles, Better Work Bangladesh has scaled-up its GEAR programme to 700 female operators in 70 different factories.

3.6 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 using research and evidence for decision-making. Below are select examples from 2019–20.

Public lecture series on evaluation methods in Sierra Leone. In June 2019, the IGC organised a public lecture on methods to evaluate public policy and programmes in Sierra Leone, in collaboration with the Ministry of Planning and Economic Development (MoPED). The primary objective was to train participants on new research methodologies, discuss the relevance of evidence in policymaking, and create an opportunity to improve the relationship between research institutions, ministries, departments, and agencies. The event included representatives from the Central Bank's Research Division, DFID, MoPED, Centre for Economic and Social Policy Analysis, Ministry of Finance, National Revenue Authority, and many others. Given the success of this event and requests from policymakers for similar sessions, the IGC has adopted an internal policy to leverage more researcher visits for public lectures. A proposal is also being developed in collaboration with the Centre for Public Authority and International Development to develop a six-month programme of public lectures around capacity-building in Sierra Leone based on demand from policymakers.

BUREAUCRACY LAB IN GHANA

In Ghana, the research team from the IGC Training for Productivity project shared their final findings with heads of Ministries and the Head of the Civil Service in a workshop in October 2019. At this workshop, the senior civil servants agreed to establish a Bureaucracy Lab in the Office of the Head of Civil Service. This 'lab' would act as a coordinating body for research into civil service performance across the Ghanaian Civil Service, undertaking its own analysis and bringing in external researchers. Institutionalising a data-driven approach to civil service reform in Ghana is a significant, lasting impact of the Training for Productivity project. The IGC will continue to play a role in this lab, with IGC country economists acting as the two non-governmental representatives on the lab's advisory board.

3.7 Flexible engagements

During 2019–20 and through the transition into Phase 3 of its FCDO funding, the IGC has continued to build its portfolio in countries with no resident country teams and which are experiencing more challenging policy environments. This portfolio forms part of the new IGC Responsive Policy Function. The engagements have been based primarily in five countries: Kenya, Tanzania, Lebanon, South Sudan, and a particular focus on Jordan.

Jordan

In late 2019, IGC researchers Ron Kanter and Enid Slack, with support from IGC's Jordan team and Cities that Work, provided a peer-review of the new Jordanian Local Administration Law. Findings were presented to the Prime Minister of Jordan, Deputy Prime Minister, and the Minister of Local Administration. The Prime Minister emphasised the importance of the evidence-based approach that the IGC brings to policymaking in Jordan and has endorsed several recommendations put forward.



A view of Amman, capital city of Jordan.

The same team also provided a peer review of the Amman Municipal Law to the committee responsible for drafting the legislation. The IGC cogenerated an action plan with Greater Amman Municipality (GAM) to amend the law in accordance with the recommendations and discussions. The draft law subsequently included several recommendations especially in relation to the rules around municipal borrowing, by-laws on user fees, and procedures for enhancing inter-municipal cooperation.

Lebanon

Against the backdrop of mass protests against economic stagnation and corruption, Prime Minister Saad Hariri resigned in October 2019 and former education minister Hassan Diab took office in January 2020. In the context of the COVID-19 pandemic and ensuring economic, financial and currency crises, IGC engagements in Lebanon have stalled to some extent.

In 2019, two research areas gained significant momentum: one stemming from a scoping visit relating to public private partnerships, with final outputs being presented to the High Council of Privatisation at the Prime Minister's office in Beirut, and the other building from a request by the Institute of Finance (IoF) to conduct a study on public procurement. The IoF indicated that study ideas informed part of IoF's Methodology for Assessing Procurement Systems (MAPS) project.

South Sudan

Engagements in South Sudan over the last year have remained focused on supporting efforts to secure the release of IGC South Sudan Senior Advisor Peter Biar Ajak, who was detained in July 2018 by the National Security Services in Juba, and later charged with treason. In April 2019, the treason charges were dropped, and on 1 January 2020, he was granted a presidential pardon and released from prison shortly after.

4 Policy initiatives

4.1 Cities that Work

Over 2019–20, the Cities that Work (CtW) team have represented the IGC on the global stage at many high-profile events. Their workshops, panels, and engagements, as well as generating direct policy impact, have attracted large audiences drawn from urban practitioners, policymakers, and the general public. Below are a number of highlights from CtW's global engagements in 2019–20.

- World Urban Forum. Cities that Work took part in four sessions at the UN's World Urban Forum, the foremost international gathering for exchanging views and experiences on sustainable urbanisation in all its ramifications. CtW were invited to facilitate the Researchers Roundtable, co-host an event on their recent work on urban finance instruments with the European Commission, speak at an event on resilience in sub-Saharan African cities, and host their own training event on data-driven innovation in city governance. Present at the training session were policymakers including representatives from cities including Kampala, Mbabane, Buenos Aires, Delhi, and London. Since the session, a number of city policymakers and international stakeholders have fed back positively on CtW's 'data for decision-making' framework, and as a result the team plan to develop this further.
- Challenges of Government Conference, Blavatnik School of Government. CtW worked with the Blavatnik School of Government to arrange two panels on cities at its annual Challenges of Government Conference, which brought together a global audience to discuss young change-makers and generational issues. The first panel, which looked at 'Youth in the City', had Jefferson Koijee Mayor of Monrovia (Africa's youngest capital city Mayor); Soledad Nunez Mendez (LAC's Youngest Housing Minister) and Marian Schreirer (Germany's Youngest Mayor). On the other panel, 'Kabul identity, legitimacy and governance', panellists included Shoaib Rahim (former Mayor of Kabul) and Freshta Karim (Director of Charmaghz).

- Enhancing the financial positions of cities at European Parliament.

 CtW Council Members Paul Collier, Jennifer Musisi, and Tony Venables led discussions on why sustainable urbanisation is critical for development, pitching cities as a key area for development partner assistance in the coming years. The discussion brought together members of the European Parliament and Commission, UN agencies, and other development partners, and formed part of the team's ongoing collaboration with the UN-Habitat Advisory Group. The Director General for International Cooperation and Development for the European Commission (DG DEVCO) strongly praised the discussions, and through this initiative, the points put forward have been used to motivate large-scale investment in sustainable urban development at other global forums.
- Enhancing the financial positions of cities workshop in Dakar. At a conference in Dakar, CtW took part in 'Africa Day' and delivered a well-attended workshop on their city case studies commissioned by UN-Habitat. At the European Investment Bank 'Africa Day', IGC's Astrid Haas was a panellist for 'Financing Projects and Development Programmes' alongside the Senegal Minister of Town Planning, Housing and Public Hygiene and the Director for Local Development Finance for the UN Capital Development Fund. The CtW workshop on 'Enhancing the financial and investment position of cities in developing countries' was attended by various mayors, municipal heads, and important global stakeholders. They included the Executive Director of UN-Habitat and Yvonne Aki Sawyer, Mayor of



Dakar Roofs, Mamelles Hills, in Dakar, Senegal.

Freetown. The case studies provided the basis for a lively debate between multiple city policymakers, the European Commission, and other international stakeholders.

- World Bank Urbanisation and Poverty Conference: In September, CtW co-hosted the World Bank Urbanisation and Poverty Conference in Washington, DC. This included designing a policyfocused workshop on using data to improve governance, service delivery and decision-making in cities. The workshop brought together academics and policymakers, facilitating an opportunity for collaboration between the two sectors and across countries. CtW invited policymakers and practitioners from Amman, Kampala, Cape Town, and Lagos, along with numerous researchers.
- Punjab property tax workshop: In August, CtW hosted a successful workshop focusing on tax policy in Punjab, with senior policymakers including Departmental Heads from finance, local government, and excise and taxation, along with other researchers and private sector representatives. Following this, a review of Pakistan's new taxation law was commissioned, and a policy note on property taxes was produced. The workshop led to CtW being invited to present at the two-day Pakistan National Tax Conference by the Federal Board of Revenue (FBR). The conference was held at the Directorate General of Training and Research and was focused on providing evidence and cross-country lessons to new recruits to the FBR's Inland Revenue Service.

4.2 Reducing State Fragilities

Building on the work from the LSE-Oxford Fragility Commission, IGC launched the Reducing State Fragility (RSF) initiative in 2019 with funding from DFID and The Rockefeller Foundation. RSF aims to work with national, regional, and international actors to catalyse new thinking, develop more effective approaches to addressing state fragility, and support collaborative efforts to take emerging consensus into practice. The initiative is led by IGC staff who are responsible for driving core initiative activities, working with policymakers, representatives from international organisations, researchers, and others. Academic leadership for the initiative is provided by Professors Paul Collier, Adnan Khan, and Tim Besley. Core activity during the first year of the initiative included the following.

• **Development finance institutions in fragile contexts.** The team has strengthened IGC's engagement with development finance institutions (DFIs) in driving and supporting the process for data

- collection and extracting lessons from ongoing DFI country pilots of collaboration models in different fragile contexts. A DFI Fragility Forum website is being developed as a document-sharing platform.
- Sudan economic reform. Economic reform is urgently needed in Sudan, where slow progress risks the collapse of the transitional government. Following a request from the Minister of Finance and DFID Sudan, IGC undertook its first scoping engagement in Sudan with RPF Advisor Nada Eissa in November 2019 to discuss potential areas of reform where IGC could provide further support. The scoping visit led to a request for a paper on macroeconomic policy reform options for Sudan looking at subsidy reform, inflation, and exchange rate management issues. This analysis was undertaken by Keith Jefferis and was shared with the Prime Minister's Office. It will be circulated as a technical paper ahead of the National Economic Conference (originally scheduled for March 2020 but postponed to November 2020 due to COVID-19). Further engagements are planned for 2020–21 with the Prime Minister's Office.

DFI FRAGILITY FORUM 2020

DFIs play a major part in financing and reducing the risks of private investment in developing counties. This is all the more important in fragile and conflict-affected environments.

On 11–12 February 2020, the IGC co-hosted the second DFI Fragility Forum in collaboration with the African Development Bank (AfDB), CDC Group, and International Finance Corporation (IFC). This is the only global forum which focuses on the role and challenges of DFIs in fragile contexts. Leaders from over 27 DFIs came together to share learnings and follow up on the commitments made at last year's inaugural forum, which included the creation of a series of pilot programmes to increase effective collaboration of DFIs in selected countries.

The group reflected on lessons learnt from these ongoing DFI collaboration pilots and discussed how to address the higher risks involved in operating in fragile environments. This included increased early-stage collaboration to create viable projects through upstream activities; ways to maximise the impact of donor-supported investment facilitation; and the impact of de-risking tools and approaches including the use of concessional capital blended with commercial capital. H.E. Ellen Johnson Sirleaf and Mo Ibrahim helped set the stage for the discussions in a fireside chat moderated by Professor Tim Besley. The governments of the UK and the Netherlands, as well as investors and businesses operating in fragile economies, also took part.

5 IGC 10-year anniversary

In September 2019, the IGC launched a communications campaign to celebrate our 10-year anniversary. The IGC 10 campaign showcased our most transformational growth ideas and policy impact from the past decade, demonstrating the effectiveness of our model in generating innovative solutions to achieve inclusive and sustainable economic growth.

The campaign took place over a period of 14 weeks implemented through multiple channels, including events, new synthesis publications, film, blogs, and the flagship publication the 'Little Book of Growth Ideas'. The publishing of the Little Book was delayed to July 2020 due to the COVID-19 pandemic and the physical closing of the IGC London office. These thematic weeks covered a range of research and policy areas from the role of energy access in supporting poverty reduction and growth, to the value of democracy and political accountability in promoting inclusive growth.

5.1 Events

IGC 10 was officially launched on 10 September 2019 at our research conference on 'Evidence for Inclusive Growth' in New Delhi, India. Frontier research produced during the first 10 years of the IGC under the India programmes was presented, with key themes related to access to electricity, social protection transfers, pollution and climate change, and labour market expansion, specifically with respect to female participation. The conference showcased IGC's collaborative model of academics working hand-in-hand with policymakers to address key growth challenges.

 To mark World Cities Day and the campaign week focused on Cities, CtW convened a panel of experts to explore the challenges and opportunities of <u>urbanisation and</u> <u>industrialisation in China versus Africa</u> and examine key policy lessons to be learned The campaign took place over a period of 14 weeks implemented through multiple channels, including events, new synthesis publications, film, blogs, and the flagship publication the 'Little Book of Growth Ideas'.



Kalyani Raghunathan, Robin Burgess, Dame Minouche Shafik, Ramesh Chand, and Himanshu in Delhi during the IGC conference in India on 10 September 2019.

from China's urbanisation experience, as well as how African countries might better harness economic ties to China to facilitate more liveable and productive cities.

• During trade and industrialisation week, CtW and Wits University brought together academic and policy experts in Johannesburg to discuss whether allocating spatially concentrated areas in our cities to Special Economic Zones (SEZs) can contribute meaningfully to the promotion of economic growth and creation of jobs. The panel explored whether SEZs can help address the lack of industrialisation in many African cities to date, and whether they can be a solution to addressing the spatial inequalities and corresponding social divides.

5.2 Publications

As part of the IGC 10 campaign, there was a distinct focus on synthesis and publications, leveraging the significant volume of evidence produced during Phase 1 and Phase 2 of IGC's FCDO funding.

Over the campaign period, seven sub-thematic summaries were published, authored by IGC staff, providing a summary on the research findings and any resulting policy decisions across an array of thematically organised projects. These covered: energy, taxation, private sector management practices, transport and infrastructure, civil service reform, female labour force participation, and trade. Seven growth briefs were produced covering social norms and energy access, innovation in the public sector, women in the workforce, urbanisation, Special Economic Zones, air pollution and economic growth, and information and electoral accountability.

A number of blogs and videos were also produced across the campaign, including a video series led by IGC Pakistan and its partner organisation, the Centre for Development Policy Research (CDPR), which showcased high impact research from the programme across a range of topics, from addressing challenges of women's mobility to using technology to build state capacity.

5.3 Engagement and outcomes

Key objectives of the IGC campaign included raising the profile of the IGC among global audiences. Our website users grew by 40% over the course of the campaign when compared to the same period last year, with the majority of new users being based in India, US, Pakistan, UK, and Kenya. Over the course of the campaign, 8 of the top 10 countries for website views were IGC partner countries. The cities week, scheduled around World Cities Day, proved to be the most popular week of the campaign in terms of website views.

The IGC 10 campaign also gained notable media traction, particularly in national outlets in India following the release of a study led by Robin Burgess and Michael Greenstone that looked at whether electricity should be considered a right. Content during cities week authored by IGC Policy Director Astrid Haas was also featured in The Conversation and reposted in CNBC Africa.

The IGC Communications team are currently undertaking an evaluation in collaboration with the monitoring, evaluation, and learning (MEL) team to reflect on the campaign and draw insights and learnings that can be leveraged for the new IGC Communications Strategy.

6 Forward look

As IGC celebrated its 10-year anniversary and entered into Phase 3 of its FCDO funding, it was an opportunity to reflect on the achievements of the organisation, learn from them, and develop a refreshed trajectory for our research and policy work. This year also brought unprecedented challenges in the form of a global pandemic – the effects of which will affect IGC's work and country engagements for the foreseeable future.

While no one can predict how the COVID-19 pandemic will evolve, initial findings show a potentially devastating impact on economic activity in the countries we work in, not to mention on the lives and health of the people living in them. The IGC commits to continuing to work with our policymaker partners to generate timely evidence that can inform their responses to the health and economic crises ahead by adapting with new modes of working and engaging.

While the overriding priority remains supporting our partner governments in their COVID-19 response, and in the early stages of the COVID-19 recovery, the IGC is also looking to strengthen its efforts to help governments tackle the challenge of climate change – through its research and policy work. The devastating effects of climate change will disproportionately affect low and lower-middle-income countries, where IGC primarily works. However, there is no escaping the need in developing countries to increase access to energy to generate the growth needed to reduce poverty and raise incomes. Identifying new pathways to achieving sustainable economic growth is therefore essential if these countries are to eliminate extreme poverty and address climate change.

7 Financials

FIGURE 1. IGC FUNDING SOURCES FY 2019-20

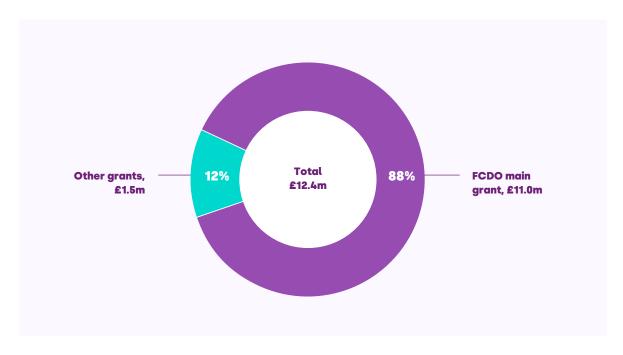


FIGURE 2. IGC EXPENDITURE FY 2019-20

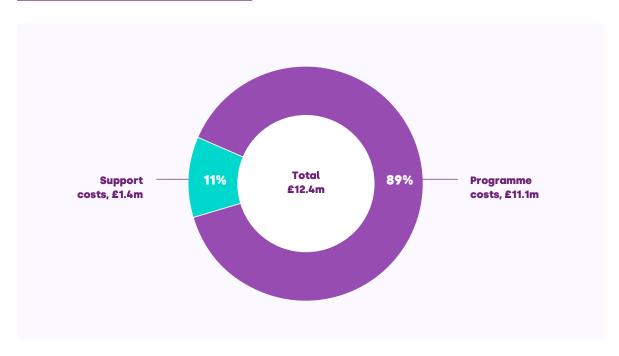


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The International Growth Centre (IGC) aims to promote sustainable growth in developing countries by providing demand-led policy advice based on frontier research.

The IGC directs a global network of world-leading researchers and in-country teams in Africa and South Asia and works closely with partner governments to generate high quality research and policy advice on key growth challenges.

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

