









Public Development Banks (PDBs) and Development Financing Institutions government-sponsored financial institutions with explicit official missions to policy objectives and potent policy instruments for fixing market failures, incubating coordinating public policies with stakeholders, and promoting economic structural transform an equitable and sustainable manner. PDBs and DFIs are experiencing a renaissance as their usefulness is increasingly recognized by both academics and policymak academic research examining their roles, operations, and effectiveness are limited.

In an effort to fill this gap, the Institute of New Structural Economics at Pe (INSE), sponsored by the Agence Française de Développement (AFD), Ford Fou International Development Finance Club (IDFC), has launched the Interna Initiative on PDBs and DFIs.







## **Objectives**

- To create a global community of academia and practitioners in the field of PDBs & DFIs;
- To foster rigorous academic research and propose concrete policy recommendations;
- To unleash the full potential of PDBs & DFIs for achieving the Sustainable Development Goals (SDGs) and facilitating global structural transformation.

## **Actions**

To originate a series of comprehensive and rigorous thematic research on PDBs & DFIs by bringing together the global researchers and experts in this field.

Database
Building

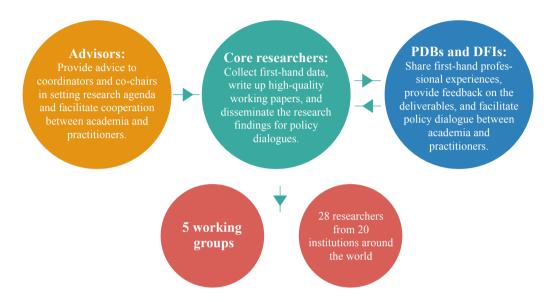
Academic
Research

Policy
Dialogue

To create the first comprehensive database on PDBs & DFIs worldwide for rigorous academic research.

To share the results of the policy-oriented academic researches with all the stakeholders for improving the effectiveness of PDBs & DFIs in achieving their mandates.

## **Organization**



**Working Group on Characterization of SDG-Compatible Investments:** to review the existing efforts in measuring SDG-compatible development impacts, analyse pros and cons of alternative approaches, and explore the feasibility of PDBs & DFIs to screen their portfolios and decision-making process to make SDG-compatible investments.

**Working Group on Business Models:** to examine the appropriate financial instruments, business models and strategies of PDBs in meeting diverse development needs at different development stages.

**Working Group on Governance:** to examine the governance structure, the determinants of good governance, and the relationship between governance and performance of PDBs & DFIs.

**Working Group on Financial Regulation:** to examine the impacts of financial regulation on financing amounts and patterns, explore the measures of financial regulation that do not constrain PDBs & DFIs' role of supporting structural transformation in a sustainable and equitable manner, while ensuring financial stability and soundness.

**Working Group on Global Development Finance Architecture:** to address the fundamental question of why PDBs & DFIs are essential actors in the global finance architecture, with focus on justification of government action in financial systems, comparative advantages of PDBs & DFIs over other governmental intervention, and adjustments of the role of PDBs & DFIs in different development stages.

## Governance

#### **Coordinators**



**Stephany Griffith-Jones**Financial Markets Director,
Initiative for Policy Dialogue,
Columbia University



**Régis Marodon**Special Adviser on Sustainable
Finance, Agence Française de
Développement (AFD)



Jiajun Xu Executive Deputy Dean, Institute of New Structural Economics, Peking University

#### **Co-chairs**



Kevin Gallagher
Professor of global
development policy, Frederick
S. Pardee School of Global
Studies, Boston University



**Ricardo Gottschalk** Economic Affairs Officer, United Nations Conference on Trade and Development



**Ulrich Hege**Vice-President, Toulouse
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José Antonio Ocampo Professor of Professional Practice in International and Public Affairs, School of International and Public Affairs, Columbia University



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Shari Spiegel
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## **Current Achievements**

# 3 Database Reports

Mapping Development Finance Institutions Worldwide:

Definitions, Rationales, and Varieties

Identifying and Classifying Public Development Banks and Development Financing Institutions Funding Sources of National Development Banks

# 13 Research Papers

Scaling up Public Development Banks' Transformative Alignment with the 2030 Agenda for Sustainable Development

- Piloting and Scaling Up Clean Energy Transitions: The Role of Development Financial Institutions
- Climate Change and Development Bank Project Cycles
- Financial Regulation of National Development Banks NDBs
- Carbon Policies and Climate Financial Regulation
  - Effective Development Banking: Loans or Guarantees?
- Matching Risks with Instruments in Development Banks
- The Allocation of Resources of National Development Banks: Does it Fit Development Goals?
- Checks and balance, Political Leadership, and Bureaucratic Autonomy: Evidence from National Development Banks
- Financial Performance and Corporate Governance: Evidence from National Development Banks in Africa
- The Global Development Bank's Architecture
- Exchange Rate and Balance of Payment Risks in the Global Development Finance Architecture
- From Global to Local: Subnational Development Banks in the Era of Sustainable Development Goals

### For more information of the research program/initiative:

INSE's website: Research → Development Financing https://www.nse.pku.edu.cn/en/research/df/oaa/index.htm

#### AFD's website:

https://www.afd.fr/en/carte-des-projets/realizing-potential-public-development-banks-achieving-sustainable-development-goals