

# Impact Report



**Left:** IMF Managing Director Christine Lagarde



"[CGD is an] incredible think tank ... which is more than just think—which is also stimulate, which is also bring together, which is also about action." Christine Lagarde, Managing Director, International Monetary Fund

Above: Former African Development Bank President and CGD Distinguished Visiting Fellow Donald Kaberuka Below: Former President of Malawi and former CGD Distinguished Visiting Fellow Joyce Banda Right: CGD Board Chair and former US Treasury Secretary Lawrence Summers Bottom right: Former World Bank President Jim Kim





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#### Letter from the President



### Today's realities present opportunities to influence a world at the crossroads

We, the Center for Global Development, are a group of nonpartisan researchers and policy analysts with a passion for finding better ways to reduce global poverty and improve lives in developing countries. We use independent, evidence-based research to devise practical policy solutions to pressing development problems.

There has been more progress in improving the human condition over the past 50 years than ever before. Billions of people are living longer, better, and healthier lives. This is mainly due to their own efforts and the actions of developing country governments, business, and civil society, but also the support provided by the rest of the world—rich countries, a rules-based and open global economy, multilateral institutions promoting development in different ways, researchers and advocates searching for better ways to improve lives.

Still, the challenges ahead are daunting. Extreme poverty impacts millions, children die every year from curable disease and many more cannot realize their full potential because they lack access to education, nutrition, or physical security. Problems like climate change and pandemics need to be dealt with through multilateral rules and institutions at a time when politics in many countries is pushing for a retreat behind national borders. New technology can be an accelerator for change but also a source of disruption and social upheaval.

The world has signed up to a set of development goals for 2030 and to moving to a low-carbon economy that will preserve our planet. Reaching these objectives requires a commitment to smart policies that maximize the returns on scarce resources and draw on evidence to amplify impact. In CGD's 17-year history, we have been heartened when our work has led to measurable policy impacts—some examples are presented in these pages. But we have also learned that the link between good research and policy impact is sometimes long and difficult, and perseverance or creative networking can be as crucial as the initial idea itself.

We also recognize that impact can take many forms—shaping the academic consensus on the economics of migration is very different from promoting the creation of a full-service development finance corporation, but both are important. Sometimes, realizing the full potential of a good idea means letting it flower elsewhere. We take pride in our role as an incubator of initiatives that take root at CGD and then flourish beyond.

We are funded by a diverse group of foundations, corporations, governments, and individuals who care about development and value rigorous and independent research, and we have an active and committed Board that empowers us and holds us accountable. We do not accept funds that could constrain our ability to follow the evidence and call it like it is. And it's because of this independence that we are so successful at changing global development policy for the better. We look forward to engaging with you.

Masood Ahmed President

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# Our Work

The Center for Global Development works to reduce global poverty and improve lives through innovative economic research that drives better policy and practice by the world's top decision makers.

We generate new ideas, actionable policy proposals, and independent research, and spark critical global development conversations.

We focus on the intersection of developing countries and the governments, institutions, and corporations that can help them deliver the greatest progress.



#### **Global Health**

With more countries rising out of poverty, global health progress faces new challenges. Our research helps policymakers build sustainable health systems that respond to these shifting realities, deliver value for money, and address treatment inequalities between developed and developing countries.



#### Sustainable Development Finance

To meet the Sustainable Development Goals, development finance must increase from billions to trillions. Low-income countries face special challenges in financing their development needs. Our work focuses on unlocking more finance more effectively from existing and emerging sources, and on allocating those funds to maximize development impact.

## 

#### Technology and Development

Technology is a driver for development, but policy choices determine who benefits. Will automation bring new jobs or no jobs? How should we manage growth in biometric ID and governance? How can digital payments be safely scaled up? Focusing on innovation, growth, and inequality, our research helps policymakers keep pace with a changing world.

### **!**!

#### Migration, Displacement, and Humanitarian Assistance

Whether pursuing opportunity or fleeing to safety, migrants and refugees can fuel economic growth in the countries they live in and leave behind. Today's displacement crisis calls for more than short-term humanitarian aid: it requires far-sighted development solutions. CGD brings evidence to these contentious issues and devises policy solutions so migrants, refugees, and their hosts can all thrive.



#### Education

Worldwide, millions of children are at risk of never learning how to read or do basic arithmetic. This limits opportunities for individuals, communities, and nations. We are tackling the global learning crisis with policy-relevant research that identifies the biggest obstacles to delivering high-quality basic education in low- and middle-income countries and develops the most promising reform ideas.



#### Governments and Development Policy

Development is about more than aid, and the policies of countries around the world wield enormous influence on global progress. With constructive commentary and nonpartisan, evidence-based proposals, CGD's Washington team seeks to strengthen US foreign assistance tools, while CGD's Europe team aims to help the UK craft development-friendly policies post-Brexit and to improve EU development policy and practice.

Our scholars conduct rigorous, impartial analysis, informed by evidence and experts from around the world.

Women's economic empowerment, financial inclusion, and better data are other areas where we work to influence development progress.

"CGD analyzes the right trends, forces people to think out of the box, and critically provides some pathways or platforms for us and for governments, which is badly needed." *Paul Polman, Former CEO, Unilever* 

# Our Inpact

#### Increasing the Number of Women Peacekeepers

In 2015, women made up just 4 percent of UN peacekeepers. When CGD analysis showed that more women in peacekeeping operations is associated with more sustainable peace and dramatically lower rates of sexual misconduct by peacekeepers, we proposed a multilateral trust fund to offer supplementary payments to troop-contributing countries for each woman peacekeeper provided. In 2017, Canada responded with the Elsie Initiative, providing training, support, and financial incentives to increase the proportion of women UN peacekeepers.

#### Maximizing the Benefits of Migration

With Africa's labor force projected to grow by 800 million by 2050, and Europe's continuing to shrink, migration pressures will intensify. That's why we developed the Global Skill Partnership (GSP)-a proposal to regulate skilled migration in a way that benefits origin and destination countries, and migrants. In a GSP, a destination country provides training for potential migrants before they migrate—at a cost savings—ensuring they are equipped to fill labor gaps in the destination. Non-migrants in the origin country also receive training, increasing the country's human capital. The GSP was the only specific policy proposal included in the Global Compact on Migration and is now being put into practice by Germany and Turkey.

#### **ID for Development**

Without formal identification, people can't exercise their rights or access services, yet some 1.1 billion people in developing countries still lack proof of identity. CGD was among the first to take an integrated look at the frontier area of biometrics and development. We helped produce a set of principles for digital identification that UN entities, multilateral development banks, and major foundations have now adopted.

#### Modernizing US Development Financing

CGD has long argued that the US needs a full-service, self-sustaining agency to promote market solutions to reducing poverty. Starting in 2011, we built a practical case for a new US development finance institution that would boost development, expand US commercial opportunities, and promote efficiency. Our persistence paid off in 2018 when the Better Utilization of Investments Leading to Development (BUILD) Act became law, establishing the US International Development Finance Corporation and making this CGD proposal a reality.

#### Changing the Conversation on China's Development Debt

Through its Belt and Road Initiative (BRI), China plans to deliver trillions in infrastructure financing to countries in Asia, Europe, and Africa. In 2018, CGD research revealed that without improved standards for debt management, the BRI could leave eight countries at serious risk of debt distress. CGD identified actions to minimize these risks-which have since been advocated by the IMF. China's senior officials have also responded to the report and signaled they are working to address the BRI's debt issues. To date, CGD's BRI report has received over 15,000 online views and been cited in more than 500 news stories, including in the Wall Street Journal, Bloomberg, and Financial Times.

#### **Incubating New Initiatives**

Developing countries chronically lack electric power, leading them to fall farther behind in the global economy. CGD's years of work on energy led to the 2019 launch of the Energy for Growth Hub, a network connecting policymakers with research and insights for building high-energy systems. The hub is just one of several successful initiatives incubated at CGD. The Global Innovation Fund, a nonprofit that invests in developing, testing, and scaling innovations to improve lives in developing countries, started at CGD, as did Global Forest Watch, a real-time deforestation alert system, and iDSI, an institution dedicated to better-informed healthcare decisions.

## Our Funding

#### Revenue (funds available for 2018) Total \$18,293,420

#### 2018 Expenditure Total \$16,900,165



#### Foundations 68%

- Governments (non-US) 9%
- Corporations/Corp. Foundations 8%
- Individuals/Family Foundations 8%
- Nonprofits/ NGOs/Other 7%



- Research and Programs 85%
- Management and Administration 10%
- Fundraising 5%

#### Our Funders<sup>\*</sup>

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- International Development

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- Lakeshore Foundation
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- Dina Powell
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- Sheryl Sandberg
- Edward W. Scott Jr. Belinda Stronach

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Imperial College London

Institute of Labor Economics

International Growth Centre

International Initiative for

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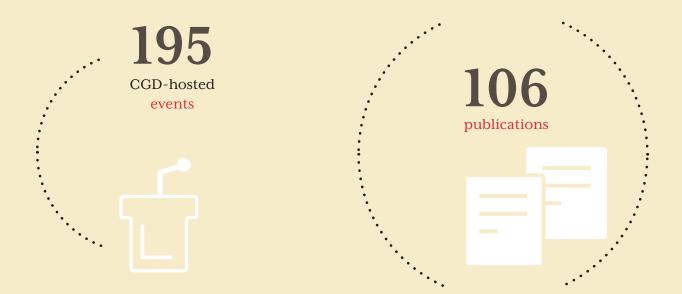
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## 2018 in Numbers







**U** 12%

increase in average number of downloads per podcast



## Our People

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#### Experts

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\*Distinguished Visiting Fellow

Right: Senior Fellow Liliana Rojas-Suarez with Mauricio Cárdenas, CGD Distinguished Visiting Fellow and former Minister of Finance and Public Credit, Colombia; Luis Andres Caputo, Minister of Finance, Argentina; Lea Giménez Duarte, Minister of Finance, Paraguay; José Antonio González Anaya, Secretary of Finance and Public Credit, México; and Felipe Larraín Bascuñán, Minister of Finance, Chile





**Above:** CGD Europe roundtable on innovations for results in public finance

Below: Former Finance Minister of Nigeria and CGD Distinguished Visiting Fellow Ngozi Okonjo-Iweala with CGD President Masood Ahmed and Brookings Institution Global Economy and Development Program Director Homi Kharas Right: CGD Chief Operating Officer and Senior Fellow Amanda Glassman with NY Times columnist Nicholas Kristof **Below right:** CGD Senior Fellow Michael Clemens with Louise Arbour, UN Special Representative for International Migration; David McKenzie, Lead Economist, Development Research Group, World Bank; and the Honorable Ratna Omidvar, Senate of Canada and Co-Chair, World Economic Forum's Global Future Council on Migration "If there's another global debt distress like we all faced a decade ago, what should we do? We'll be looking to CGD for your research and analysis to guide us." Ellen Johnson Sirleaf, Former President, Republic of Liberia









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