

Andrew Maclean,
Department for International Development,
22 Whitehall,
London,
SW1A 2EG

9 July 2013

Dear Andrew,

Multilateral Aid Review (MAR) Update

Thank you for your letter of 2 July 2013 and for the opportunity to review the full MAR update and summary assessments. Overall we believe that the review update is a fair reflection of the progress that the PIDG has made since MAR 2011 in the reform priorities identified.

There are a number of areas of detail where we have the following comments:

Paragraph 6 – Summary of overall progress:

- (i) The PIDG Results Monitoring Handbook has been publicly available since 2008. However this is updated from time to time as we continue to develop the results monitoring system.
- (ii) With regard to further actions on gender reporting, we have committed to updating the Female Beneficiary Estimation Tool (FBET), jointly developed with IFC to estimate numbers of female beneficiaries, to reflect annual changes to gender indices.

Paragraph 18 – with respect to fragile states targets for GuarantCo, we are in the process of further amending its investment policy to facilitate an increased fragile state target of 20% for 2014-17 (up from 15% in 2013).

Paragraph 21 – with respect to fragile states targets for Green Africa Power, the current GAP Log Frame 2013-17 does not currently have a Fragile State target but it is envisioned that once the fund manager is appointed and the pipeline better researched, a GAP specific Fragile State target for 2014-17 will be agreed with the GAP Board, in line with the other PIDG Facilities.

Paragraph 47 – we have taken steps further to improve information on the funding flows and structure of PIDG in the recently published PIDG 2013 PIDG Annual Report, and we are looking at ways in which this can be made more comprehensive, especially with regard to the information available on PIDG funding in the published PIDG Trust audited financial statements. With regard to engagement with the PIDG by local businesses and governments, due to the nature of PIDG operating through its different but separate product and sector focussed facilities, such engagement is often best taken forward at the Facility level.


The Programme Management Unit invites and handles a flow of enquiries and then directs such enquiries to the different Facilities and their Managers where relevant. The PIDG website also provides details on each of the PIDG component Facilities, links to the Facilities' own websites and contact information for each of them. We also encourage the Facilities and their Managers to continue to coordinate with the DFID country offices. At the same time we have, since the past year, been providing DFID offices with quarterly updates on PIDG activities in their regions in addition to the detailed and regular reporting that already takes place with DFID's Private Sector Department.

Paragraph 67 – Partnership behaviour. By way of update, and in addition to the partnership activities highlighted, PIDG is also now engaged with other development partners in a working group further to improve to IATI implementation with respect to development finance institutions. PIDG also continues to work closely with other relevant initiatives such as the Public Private Infrastructure Advisory Facility and the Global Partnership on Output Based Aid.

New Facilities – there are a number references to the potential establishment of new Facilities. PIDG is currently finalising scoping studies on the agri-infrastructure and water sectors: delivering such increased support may not necessarily involve the establishment of new separate PIDG facilities, but instead the development of ways in which existing PIDG Facilities could be made to increase support for these sectors. Targeting fragile states for these sectors will then benefit from the targeting process established for the existing Facilities.

We trust that these responses are helpful.

Yours sincerely



Edward Farquharson
Executive Director
The Private Infrastructure Development Group