

EVALUATION OF MAGC, WHAT HAVE WE LEARNED?

Results from the evaluation of the [Market Accelerator for Green Construction](#) (MAGC), a UK Government (DESNZ)-IFC partnership. Running from 2018 to 2033, this multi-component programme aims to accelerate green building markets across 24 emerging economies.



INVESTMENT AND ADVISORY FOR GREEN CONSTRUCTION



HOW? By providing investment with technical advice, helping banks launch new green finance products (e.g. green mortgages, building loans).

Many banks are new to green construction and see it as high-risk

MAGC is showing that financial intervention is most impactful when integrated with advisory for financial intermediaries, building their expertise and confidence.

Wherever we are today in terms of green initiatives at our company, it is due to the advisory we have received from the IFC [through MAGC]. We wouldn't have obtained even a single certificate, and our teams would not have been trained towards it, if not for this advisory. **Financial intermediary, India**

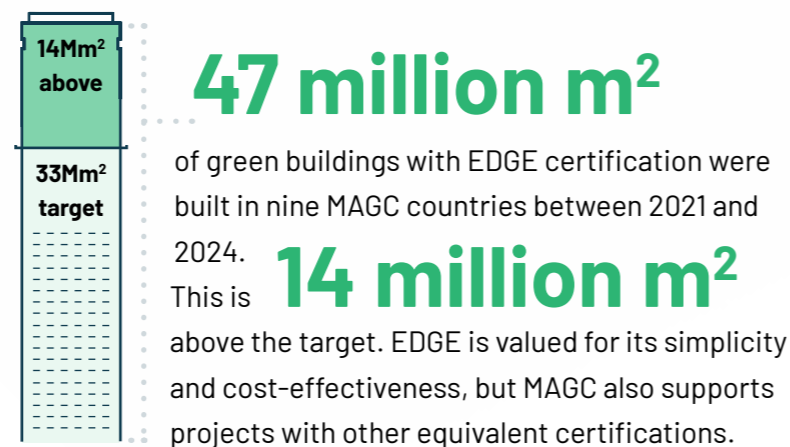
CAPACITY BUILDING

A lack of knowledge is a key barrier to green construction

MAGC workshops and events are building awareness and understanding of green buildings among project developers, financial intermediaries, and policymakers.

We treat every building like we are submitting it for **EDGE certification**. So, there's been a paradigm shift, really, in how we approach our work, after that training. **Policy stakeholder, Ghana**

EDGE GREEN BUILDING CERTIFICATION



EVIDENCE FROM THE CASE STUDY COUNTRIES

Colombia A leader in green buildings within Latin America and globally.

[MAGC] has served as a facilitator for launching specific financial products to encourage the construction of certified projects.

Financial intermediary

India MAGC advisory services improved financial intermediaries' understanding of green building investments and helped them to develop internal guidelines for green housing projects.

Kenya MAGC helped to increase the use of the EDGE certification, now the leading green certification standard in the country.

Vietnam MAGC improved developers and Financial intermediaries' knowledge and awareness of green construction, but key barriers remain on costs, lack of bottom-up demand, and few policy incentives.

South Africa By providing capacity building and green finance to leading banks, MAGC is incentivising developers to build green.

WHAT ARE THE RECOMMENDATIONS FOR THE PROGRAMME?

- 1. Investments**
Some market barriers remain (project costs, demand uncertainty). MAGC could try other financial instruments to address them, such as concessional equity and guarantees.
- 2. Public sector engagement**
Increase engagement with UK Embassies, target countries where the public sector is a key driver in the market, and coordinate with other ICF programmes.
- 3. EDGE**
Consider the future longer-term sustainability and funding of the EDGE platform.
- 4. Gender Equality, Disability and Social Inclusion**
MAGC has the potential to deliver wider social benefits (on affordable housing, accessibility, inclusive workforce) that should be included from the outset in future programme design.

