

MOBILIST RESEARCH STRATEGY

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ABOUT MOBILIST

A flagship UK government programme, Mobilising Institutional Capital Through Listed Product Structures (MOBILIST) supports investment solutions that help deliver the Global Goals for Sustainable Development and climate transition. MOBILIST competitively sources and selects dedicated emerging and frontier market investment products. Our team supports these products to list on global and local public exchanges. By demonstrating products' commercial viability, we build momentum for developing country investment opportunities at scale.

MOBILIST identifies blockages impeding viable products from listing. We use equity capital, technical assistance and the UK government's backing to address barriers and create the environment needed for products to list on public markets and stock exchanges.

MOBILIST is guided by the core principles of scalability, replicability, commercial viability, additionality and feasibility. We look to bring products to market that are attractive to mainstream investors and that, at the same time, enable investors and investees to help tackle the pressing social, economic and environmental challenges facing our world.

We bring the development, investment and government communities together to unleash the potential of public markets. MOBILIST works with issuers, asset owners, asset managers and their intermediaries to act as a bridge: to each other, policymakers, new market participants and investors.

We don't just invest capital and expertise. We conduct original research to guide and validate our work as well as share lessons and experiences. Our market-driven data and research is publicly available and designed to inform the investment and policy communities.

This project is funded by the UK government; however, the views expressed do not necessarily reflect the UK government's official policies.

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MOBILIST is FCDO's first programme targeting public 'listed' markets to mobilise large-scale investment flows. Through MOBILIST, FCDO seeks to invest; on the same commercial terms basis as other investors, in products which meet the UN Sustainable Development Goals and, as a result, both catalyse the listing of these products on major exchanges as well as making a financial return for the FCDO and thus not sacrificing fiduciary responsibilities.

Although an advertised call for proposals was made, the competition was not intended to, and did not, result in the award of a public contract for the purposes of the Public Contracts Regulations 2015.

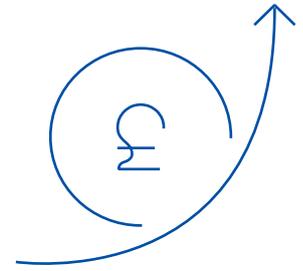
This research strategy is draft.



Foreign, Commonwealth
& Development Office



1. INTRODUCTION



Achieving the Sustainable Development Goals (SDGs) will require \$2.5 trillion in additional investment each year. Despite high-profile commitments by major asset managers and evidence of risk-return upside for diversified international portfolios, institutional investors remain underweight in emerging and, particularly, frontier markets.

One major driver is informational imperfections – without meaningful benchmarks and with specialised emerging and frontier economy research in retreat, a lack of information contributes to a negative cycle of underperformance and deteriorating perceptions of emerging and frontier markets.

Mobilising Institutional Capital Through Listed Products (MOBILIST) is a flagship UK government initiative designed to bridge the gap. The initiative seeks to transition from boardroom rhetoric to building viable investment strategies at the requisite scale to attract institutional investors. MOBILIST does this initially by filling a critical gap in the development finance toolkit: mobilising institutional capital through listed product structures that offer emerging and frontier economy exposure.

- By participating in pioneering SDG-aligned listings, UK government helps demonstrate viability and provides the market with demonstrations and critical benchmarks for other emerging and frontier market assets.
- By complementing catalytic investment with strategic research, policy and communications, UK government helps support product development and realisation of product concepts, enabling a more supportive environment for public market mobilisation.
- By surfacing new product ideas, providing assurance through a robust competitive process and ultimately investing on a non-concessional basis, MOBILIST helps build a coalition of like-minded actors, including new investors, who collectively can begin to address climate and SDG financing policy issues.

Ultimately, MOBILIST seeks to enhance capital flows into SDG-supportive assets in emerging and frontier markets in a manner that can be sustained beyond the programme's initial funding cycle.

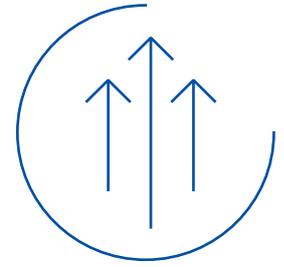
2. PURPOSE

MOBILIST's Research Strategy defines objectives and strategic priorities for MOBILIST's investment in evidence and knowledge generation, ensuring that the initiative delivers a quality programme of impactful research aligned fully with the mandate described above.

Given the dynamism of international financial markets and of emerging and frontier economies, the strategy presents principles, objectives, and delivery modalities rather than a detailed long-term research plan. MOBILIST's research pipeline will adapt with the market but remain aligned with the strategy presented below.



3. PRINCIPLES



MOBILIST's Research Strategy is anchored in the following six principles:

- **Product-market fit** – MOBILIST will only invest in research and analysis with demonstrable potential to correct, directly or indirectly, priority informational imperfections in the market.
- **Value for money** – With every penny of taxpayer money, MOBILIST research will be economic, efficient, effective and cost-effective, maximising MOBILIST's contribution to enhancing the flow of capital into emerging and frontier markets.
- **Transparency and impartiality** – MOBILIST will prioritise and publish research intended to fill priority knowledge gaps, not to move the market in one direction or another.
- **Rigour for the real world** – MOBILIST will prioritise methodologically rigorous research that generates timely, relevant insights to inform decisions in the market.
- **Collaboration** – MOBILIST will work with diverse partners to originate, prioritise, deliver and disseminate impactful research, including market practitioners, policymakers, and academics across developed, emerging and frontier economies. We recognise the work of other partners and strive for additionality and complementarity.
- **Longevity** – As MOBILIST cannot fix all or even many of the myriad informational asymmetries affecting emerging and frontier market allocations over a five-year funding cycle, it must trigger behaviour change amongst others to have sustained impact.

To ensure alignment with these principles, MOBILIST research will, at all times, apply the spirit of FCDO's Research Excellence Framework and relevant procurement legislation.

4. STRATEGIC OBJECTIVES



MOBILIST's Research Strategy will support the overarching programme objective of bringing five or more SDG-aligned investment products to listing and capitalising on those listings.

MOBILIST Research will achieve this aim by enhancing awareness and understanding of priority products and the potential of listed markets in achieving the SDGs. Central to this effort is our focus on quality research that affects behaviour change amongst market participants, policymakers and other key stakeholders.

To achieve this objective throughout MOBILIST's initial funding cycle, and to ensure a sustained contribution beyond, this Strategy defines three pillars with which all MOBILIST research will align:

- **Pillar 1 – Supporting MOBILIST’s ‘Source, Select and Support (S3)’ process.** MOBILIST will back a series of pioneering emerging and frontier market products through to listing. MOBILIST Research will generate data and analysis that helps identify a pool of products with the potential to list and perform over the long-term, prioritise amongst this pool, and progress to listing five or more such products. This includes research highlighting promising markets, sectors, asset classes, structures or partners; and research to generate public and private market benchmarks across priority asset classes, enabling accurate pricing at Initial Public Offering (IPO).
- **Pillar 2 – Enhancing market infrastructure and the enabling environment.** To ensure sustainability, MOBILIST will investigate barriers and opportunities in public market infrastructure (e.g. transparency, governance, cost, liquidity, regulation) that inhibit or enable listing of high-potential products and shape the performance of products once listed. Under this pillar, MOBILIST will:
 - Investigate policy and regulatory constraints in developed and emerging and frontier markets that work against mobilisation via listed products;
 - Analyse constraints on emerging and frontier market research coverage and potential solutions;
 - And identify viable and scalable strategies for reviewing, aggregating and curating secondary data and analysis.
- **Pillar 3 – Thought leadership.** MOBILIST Research will deliver a targeted programme of analysis to position the programme and its partners at the forefront of the global discussion on climate and SDG financing. This includes research to inform MOBILIST’s priorities and positions at major policy moments and research into MOBILIST’s value proposition, highlighting public markets and public market mobilisation as critical contributions to the development finance toolkit.

At all times, MOBILIST Research should pay attention to international policy commitments of the UK and its partners. It should focus on specific countries where policy content supports the UK and international objectives and achieves broad alignment with a particular country’s own policy commitments and ambition. MOBILIST’s role in strategic initiatives should inform and guide this work.

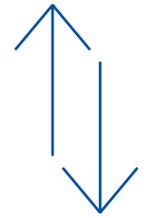
5. ORIGINATING & PRIORITISING RESEARCH TOPICS

The MOBILIST Research Team will identify specific research topics and scopes of work in consultation with FCDO on an ongoing basis.

Proposals for research products could be originated by the Research Team itself, through dialogue with experts across the MOBILIST initiative and with external partners, or through intentional market engagement and calls for proposal. Strategic fit will, in all instances, be assessed in terms of alignment with the principles and pillars described above. MOBILIST’s pipeline of research proposals will be overseen and prioritised in collaboration with an expert Research Advisory Panel, comprising academic, market, and policy practitioners.



6. DELIVERY MODALITIES



MOBILIST's Research Strategy will be delivered through a combination of direct delivery by the MOBILIST Research Team and delegated delivery by specialist research providers.

Our approach to selecting delivery modality and specific partners is underpinned by our pursuit of value for money, defined by UK Government as "the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought".

We will maximise value for money primarily through effective competition. This means agile direct delivery of priority short-form research by the competitively procured MOBILIST Research Team; and for all commissioned research, it will mean early, continuous, and comprehensive engagement with the market of potential research providers, rigorous specification of requirements while retaining latitude for the market to direct methodology, robust scrutiny of cost and technical proposals against predefined criteria, and effective contract management, including quality assurance of deliverables.



Chemonics International leads the implementation of the MOBILIST Research and Policy Platform in partnership with Lion's Head Global Partners.



MOBILIST has been endorsed as a Catalytic Initiative by the CEO Principals of the Glasgow Financial Alliance for Net Zero (GFANZ), the global coalition of leading financial institutions committed to accelerating the decarbonisation of the economy, chaired by Mark Carney, the UN Special Envoy on Climate Action and Finance and anchored in the UN's Race to Zero campaign.



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