

2nd informal donor network on engaging the private sector for development

Summary

23rd of April 2013, Brussels

This note provides a summarised overview of the main discussions and points made at the 2nd informal donors meeting, arranged jointly by ECDPM and DCED in Brussels the 23rd of April 2013.

Key points

1. Mainstreaming PS4D across the agency and the delegation/mission offices

- In order to adequately mainstream private sector for development (PS4D) within the organisation, there is a need for:
 - ⇒ **high-level support**;
 - ⇒ staff to be **involved at an early stage** and provided with **sufficient technical support and training**, and;
 - ⇒ some **flexibility** in order not to overburden the mission offices.
- Need to **properly engage and support delegation/mission offices**
- Need to **involve the private partner early on**, instead of retro-fitting them later on.

2. DFIs

- Several participants had experiences difficulties **linking their mandates and activities** with those of the DFIs;
- One of the issues regard the **diverging perception of tied aid**, where generally the DFIs are understood as having a more pronounced national business and investment promoting approach.

3. Breaking down result and impact measurements

- **Who should do what part of the measurement process?** Some argued that it is better to let each part measure their expertise area, i.e. private partner measure business model while development agency measures development goals. Others argued that it is vital to include the private partner also in measuring the development goals since their engagement is not confined to the commercial aspects.
- **How to best measure results and impacts?** Use of global standards and indicators? Could sustainability reporting be a solution?
- **What to measure?** Are we mainly measuring the results or the partnership themselves? Are we using the same definitions with regard to concepts such as results, impact, monitoring, evaluation etc.?

- **When to measure?** There is a need to ensure some initial agreement of expected outcomes etc., but also to allow for sufficient flexibility to adopt accordingly to changing circumstances and lessons learnt along the life span of a project.

Going forward

Format

1. It was agreed that the meetings provided a very **useful forum** and **should be continued**; **Brussels** is a convenient location.
2. There is an interest in **inviting representatives from the private sector** as long as
 - it does not become a joint private – public platform, focus should remain on donor exchanges;
 - there need to be some preparatory work to ensure that the invited private representative is willing to also engage in an open dialogue addressing challenges and potential difficulties.
3. There is also an interest **to invite representatives from the country delegations** to ensure what is discussed at the platform is relevant also for the missions.
4. It was suggested that for each meeting **a working group presents a topic** in an area where they have special expertise.

Discussion topics

5. Focus a discussion on **one instrument only in order to be even more concrete and in-depth**. The discussion would then look to the range of issues related to that instrument, such as financing, partnerships, result measurements etc.
6. **Fragile states and PSD**. Discussion can address issues such as how to manage risk, how to ensure that no unexpected harm is being done, how to relate to local partners etc.
7. **Taxonomy of instruments**
 - Outline the existing taxonomy of different donor agencies
 - Partnerships and transactions
 - International convergence
 - What are we not talking about?
8. How to achieve **replicability and scale?**
9. **Governance of partnerships**
10. How **corporates perceive the donor agencies?**
11. **Business-CSO partnerships**
12. **Social enterprise business and social entrepreneurship**
13. **The softening of tied aid** – how will the changing development practices effect the relationship with the private sector
14. **Coordinating instruments and vocational skills promotion**

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