



## **P4P work plan and input document for the GPEDC planning workshop, Brussels 21-22 January, 2015**

**Partnerships for Prosperity (P4P)** is a platform to convene initiatives, programs and ideas, as well as sharing knowledge and showcasing initiatives with business as a partner in development. P4P begins from the premise that the private sector is the engine of growth and is therefore an indispensable actor and partner in achieving sustainable development impact and poverty reduction.

- P4P acts as an **honest broker in the development dialogue between the private, public and other sectors** (e.g. CSOs, philanthropy, international organizations) to navigate sometimes complex multi-stakeholder collaboration.
- P4P aims at **boosting synergy effects among sectors and stakeholders** through showcasing that business (profits) and development impact (purpose) are not contradictory but necessary for sustainability.
- P4P **links development partners** (international organizations, CSOs, donors and partner country governments, foundations) to collectively engage the private sector as a partner in development cooperation.
- P4P **members initiate, execute and fund collaborations** within agreed work streams.
- P4P members focus on **delivery and concrete action at the country-level**.

P4P engages with its members and key actors where development partners meet with business, to build trust and accountability between development partners and the private sector. The following work streams are in line with and set the standard for working along the public-private sector cooperation continuum, and reflect comparative advantages of P4P members.

## **2. P4P work streams – Outlook**

### **a. Building evidence**

Many companies are nowadays working in and with developing countries, the activities and motivation for engagement are hereby as diverse as the private sector itself. In the last years, there have been extensive discussions about business as a partner in development; it is now without question that the private sector has an important role to play in the achievement of development goals. However, systematic evidence as to what extent the private sector is already making a contribution is not available. Clear and mutually agreed upon mechanisms/instruments to measure the value-add of business do not really exist yet apart from some exceptions, notably the DCDED standard for results measurement.<sup>i</sup> Without assessing the status quo, it is impossible to discuss and agree upon a clear commitment by the private sector, for instance within the new post-2015 development framework.



Possible key working areas include:

- Private Sector Impact Assessment

Getting an understanding of impact assessment schemes of the private sector is the first step towards evaluating the actual contribution of the private sector and subsequently discussing potential steps to increase and/or improve it.

Necessary areas of analysis include the mapping of **a)** tools for impact assessment and **b)** best practices of businesses that already assess their impact. It also has to be clear that business and development partners define impact differently; whereas the latter look for the developmental impact of business, the business rationale is commercial and any approaches rest firmly on solid commercial and operational principles (i.e. market share, services and goods delivery to the poor, etc.), while achieving simultaneous social/developmental benefits.

- Operationalization of M&E in PPPs<sup>ii</sup>

Many donors and companies have in the last years engaged in public private partnerships. With the study "[Proving and Improving the Impact of Development Partnerships](#)", the "Building Evidence" work stream has already provided a basic document aimed at engaging both public and private partners in a discussion about measuring the impact of their partnerships. As a next step, it is important to facilitate the discussion and to translate it into action by actively supporting measurement (and related activities) in partnerships. This helps to identify and showcase good examples and can convince others to follow.

- Shared responsibility of the public and private sectors for development results

More and more businesses are recognizing that targeting and measuring social and environmental impact can positively influence their business activities. Accordingly, the public and the private sector can often have a common interest/stake in measurement. Due to the large heterogeneity of existing partnership schemes, it is a challenge to come up with concrete suggestions to align both perspectives. At the same time, it is still critical to engage in a discussion with both the private sector and local public sector in partner countries to facilitate shared learning. The work stream can hereby act as a facilitator for discussion.

Additionally, there is a lot of information available concerning result measurement in development cooperation and a plethora of lessons learnt from public private partnerships has been collected. Some (smaller) organizations also already deal with particular aspects of measurement of partnerships. In this context, the work stream can also play an important role as a knowledge broker and dialogue facilitator.

## **b. Country-level Action: Roadmap and Platforms**



With platforms running in Colombia, Zambia and Mozambique, over the next two years BPDF (Business Partners for Development Facility) aims to develop and support, interconnect and learn from 8-10 new and existing platforms. In so doing, it will drive action on the ground, while prototyping, improving and codifying what will become a critical, scalable approach towards mainstreaming country-level public-private collaboration towards the post-2015 SDGs. In particular, indicative activities would include:

#### Supporting the network of business partnerships for development platforms

- Develop new partnership Hubs in countries where there is considerable interest from business, government and donors;
- Support capacity development of new and existing partnership platforms;
- Creation of an active community of practice of partnership platforms around the world; facilitating exchange of learning, knowledge and experience;
- Development and dissemination of tools, guidelines, standards for effective collaboration;
- Create shared material to be adapted to the country context (e.g. a simple, illustrated guide to cross-sector partnerships to build understanding);
- M&E of the platforms to draw out learning and support best practice (in association with the P4P M&E stream);
- Develop online and in-person partnership training courses and train organizations to deliver the courses in-country.

#### Support for Roadmap implementation

- Work with the GPEDC to develop the indicator for the engagement of business as a partner in development;
- Support governments and other development actors to analyze where a country sits in its journey towards 'full' engagement of business in development and help to develop plans of actions;
- Help to build the structures and develop the capacity required to implement the plans of action.

#### **c. Voice of the private sector to shape Global Processes**

Global processes serve a multitude of purposes when it comes to furthering P4Ps mission: (i) they advance discussions at the highest ministerial and corporate levels, (ii) promote a shared understanding of parties whose objectives do otherwise not align and (iii) can produce tangible outcomes that serve as commitment devices for all partners involved. In many previous fora, the voice of the private sector has not been fully taken into account, leading to a mismatch in terms of common goals, accountability and language. This is slowly changing as the need for private sector know-how, resources and collaboration increases to be able to solve challenges in a multi-stakeholder, more effective, approach.



Future multilateral global processes will continue to cover the multiplicity of topics relevant for the international development community. However, there are a few areas on which both the public and the private sector will focus in particular:

(i) **Innovative finance** defines approaches to development finance that take increasing scarcities in public sector finance into account and try to maximize development impact by attracting new sources of private finance, thereby leveraging each dollar spent by the public sector to de-risk private investment flows. Largely untapped financial resources rest e.g. with institutional investors, interested in mechanisms to mitigate risk (political, social, environmental, first-loss, etc.) that public capital/ODA can deliver. There is also a fast-growing class of international investors, known as impact investors, which support private business that seek to address social and environmental problems while also turning a profit. Global processes need to bring together open-minded government and business representatives for the exchange of expertise that to date lies only with individual organizations, and which amongst others will be crucial for the Finance for Development process and the implementation of the SDGs post 2015.

Other initiatives in this sphere include the RDFI – Redesigning Development Finance Initiative, which is a joint WEF and OECD project, in collaboration with DFATD, Canada; Sida, Sweden; AMC, IFC. This work will become more important as we approach the FFD Addis conference and the announcement of the SDGs next year and the mobilizing of resources for development, in addition to using aid smarter become increasingly important.

(ii) **Shared prosperity (in FCS)** addresses the increasing need to focus on the future priority markets for all stakeholders involved in sustainable development. FCS particularly pose a considerable challenge for private sector engagement that can only be overcome through partnerships with the public sector. Global processes can put the spotlight on the country-level and contextualize approaches for investment along e.g. the local/global value chain.

#### **d. Inclusive Business**

This is a newly proposed work stream by a few P4P members and no activities and goals have been identified. A discussion needs to happen on the value-add of IB to be part of P4Ps work streams and more importantly an agreement reached on a joint definition for IB, as there are several existing.

## **2. P4P work streams – Achievements to date**

### **a. Building evidence**

Despite the obvious need and rising demand for measurement of results of partnerships, reality lags behind. The omnipresent key issue for the private sector is that measurement needs a business case with a clear positive outcome. The work stream therefore aims at improving



results measurements in partnerships by prioritizing what to measure and by harmonizing terminologies between the private and public sector. A [study that provides practical solutions for these challenges](#) has been conducted and was finished in January 2014. It was officially launched at the GPEDC High-Level Meeting in Mexico.

### **b. Country-level Action: Roadmap and Platforms**

At the request of the GPEDC Steering Committee, a 'Roadmap' to systematically scale up the use of effective cross-sectoral or public-private collaboration at the country level was created and launched at the High Level Meeting in Mexico in April 2014 (UK, TPI). The Roadmap sets out a series of five action areas to be undertaken by all sectors to build up the level of public-private engagement and collaboration, leading to the ultimate goal of business as a 'full partner' in delivering the post-2015 development agenda.

The Business Partners for Development Facility (BPDF – Netherlands, UK, Sweden, TPI, others welcome!) has been set up to build the essential 'infrastructure' both to drive the collaboration necessary to achieve the post-2015 development agenda, and to deliver on the Busan Commitments at country-level. The focus is on driving partnership action on the ground to simultaneously deliver development goals and value to business. BPDF supports the creation of locally-owned and run country-level platforms or hubs that systematically bring together government, business, donors, the UN and NGOs to build trust and understanding; demonstrate their intrinsic alignment of interests and the complementarity of the resources they bring to the table; facilitate innovation and directly support 'win-win' partnerships to achieve sustainable development priorities. In essence, these partnerships take the resources that are available on the ground and combine them in innovative ways to achieve greater value for all.

### **c. Voice of the private sector to shape Global Processes**

Together with its members and championed by DFID, P4P has conceptualized and delivered the Plenary Session "Business as a partner in development" (with business representatives from Africa, South America, Asia, Europe, and international organizations, DFIs and Justine Greening) and the following Focus Sessions for the First High-Level Meeting in Mexico City in April 2014:

- "Partnering with Private Investors for Development Impact" (with representatives from Citigroup, CGD, Istiglio, Lions Head Global Partners, Intergovernmental Committee of Experts on Sustainable Development Financing, World Bank, Canada, Abraaj Group, GAVI Alliance, OECD DAC, IFC AMC and IADB)
- "Partnering for Shared Prosperity in Conflict-Affected Countries" (with representatives from UNGC, Batipro (a local company from Guinea), IFC, DRC, Shell Foundation, Task Force Development BIAC, Netherlands, De Beers Group, UK and Pan-African Chamber of Commerce and Industry)



- “Unleashing the Power of Business” (with representatives from Netherlands, TPI, National Business Association of Colombia, UNGC, ILO, Unilever, International Organization of Employers and Sweden)
- “Proving Prosperity in Public Private Sector Cooperation” (with representatives from IADB, Germany, DCED, PriceWaterhouseCoopers, Task Force Development BIAC, VINTE Viviendas Integrales, EuropeAid, Mali and Sarona Asset Management)

In addition a few P4P members worked closely with the WEF on conceptualizing the “Development-Linked Events” in Davos, in January 2014. These were “Breaking Silos in Development: What actors, networks and partnerships will define and drive progress in development?” and addressed a changing development era and innovative/next generation public private partnerships. The other session addressed “New Models of Development Finance: What political, market and technological changes are reshaping development finance?”

#### **d. Public-Private Sector Cooperation Mapping**

This work stream has delivered a report in 2012 and further work is not being undertaken.

### **Impartiality of P4P**

Partnerships for Prosperity emerged as a follow-up to the former Busan High-Level Forum Building Block on Public-Private Cooperation. Since its re-launch in August 2013, it has both worked towards the Mexico High-Level Meeting and other private sector focused events not solely affiliated with the GPEDC. It is an independent platform, hosted by IFC, whose goals and deliverables are defined and shaped by its members.

Wherever possible and applicable, P4P will link with other Building Blocks and Voluntary Initiatives associated with the GPEDC (e.g. International Dialogue on Peacebuilding and Statebuilding (IDPS) and the Global Network of Foundations Working for Development (netFWD)).

<sup>i</sup> The DCED Standard for Results Measurement is a framework that helps practitioners in the PSD field, ranging from value chain development to challenge funds, to business environment reform to monitor achievement of certain indicators set at the onset of a program to deliver better informed results.

<sup>ii</sup> Donor led public private partnerships have to be distinguished in their definition and aim from the more traditional, contractual PPP arrangements between a Government entity and private firms for procurement, delivery and management purposes of mostly utilities, or big infrastructure projects.