

Approach and Outline for Country Case Studies

1. BACKGROUND

At the 14th Steering Committee of the GPEDC, it was agreed that the Global Partnership's new work stream on private sector engagement (PSE) in development co-operation facilitates **evidence-based and inclusive policy dialogue between stakeholders and the private sector on the drivers of effective PSE through development co-operation**. The work stream will result in a series of country level case studies and a final technical note with policy recommendations for stakeholders to adapt their policies and programmes to scale up PSE through development co-operation.

In line with the concept note¹, this work stream will explore how PSE through development co-operation can **deliver “shared value” for businesses and the people most in need** to contribute to ensuring that no one is left behind under the SDG framework. Depending on country context, it will address what is working in PSE through development co-operation and address specific issues, such as how small and medium-sized enterprises can benefit from PSE; how public-private contracts supported through development co-operation can meet transparency and accountability requirements; how to provide measurable results on the outcomes of PSE through development co-operation; how to ensure country ownership, alignment and capacity development for all key stakeholders; and how to contribute better to greater PSE on the SDGs.

It was also agreed that the PSE work stream would include **up to five country case studies** as one input into generating evidence, and to facilitate evidence-based and inclusive dialogues between stakeholders and the private sector. Bangladesh, Côte d'Ivoire, El Salvador, Egypt, and Uganda have been selected for the five country case studies (confirmation from Côte d'Ivoire, Egypt and El Salvador is pending). Three countries - Bangladesh, Uganda and El Salvador - are also country level implementation work stream countries.

The five country case studies will provide a **deep-dive analysis** on the issues raised in the concept note for the work stream. The objective of the case studies is to document country level experiences in PSE through development co-operation through an inclusive research process that considers the perspectives of all stakeholders. Based on this, **the work stream will deliver country-level evidence** on best practices that will **ultimately inform guidelines** on effective PSE in development co-operation. Findings from the work stream will be shared through the proposed knowledge sharing platform under the work stream on knowledge sharing.

The remainder of this document describes the proposed approach and the outline for the case studies.

2. APPROACH

The country case studies in each of the five countries will be informed by primary and secondary resources, interviews with local stakeholders and where possible, in up to three countries, a country-level multi-stakeholder workshop. Interviews, secondary resources and the project mapping will provide an indication of country specific issues that are worth further analysis in the country case studies by providing an indication of the key sectors and actors participating in PSE through development co-

¹ <http://effectivecooperation.org/event/14th-steering-committee-meeting-of-the-global-partnership>

operation at the country level. The project mapping will provide information against which to assess the main issue areas as identified in the concept note, such as the drivers of effective PSE, how PSE leaves no one behind, and how public-private contracts supported through development co-operation can meet transparency and accountability requirements. Interviews and secondary resources will be used to identify context specific issues that cannot be assessed through the project mapping. For example, in the Bangladesh context, important issues in PSE through development co-operation include local CSR and efforts to promote inclusive business, donor harmonisation and coordination, and PSE in climate change programming and disaster risk reduction.

2.1. LITERATURE REVIEW

A literature review will be conducted focusing on existing research and policy analysis on PSE through development co-operation at the country level. Resources from a wide variety of stakeholders will be collected and examined, including from government, parliament, the private sector, civil society, development partners and independent research institutions. All stakeholders will be encouraged to provide literature to the Secretariat in the initial scoping phase.

The literature review will provide the framing for the current status of PSE through development co-operation at country level, including with reference to the regulatory framework, private sector landscape, public-private dialogue, key sectors and the role of different non-state actors. This framing will inform the report and provide context of the interviews and country level workshop. Projects identified through the literature review will also be included in the project mapping, outlined below.

2.2. PROJECT MAPPING

Primary research will include an examination of ongoing PSE projects at country level that utilise financial and non-financial development co-operation. This project mapping will provide the **factual basis** for the analysis of the **current state of play** of PSE at the country level and for the paper as a whole (what is happening on PSE, by whom, where, etc.).

The mapping will address an important gap in the evidence base on PSE by focusing on **the country level**. While a number of other organisations look at how to strengthen co-operation and collaboration between the public and private sectors, they do not necessarily focus on development co-operation broadly. Moreover, existing research, such as research carried out by the Donor Committee for Enterprise Development, has focussed on ODA providers, particularly processes and programmes that are managed at the headquarter level. The mapping provides added value by **looking at specific partnerships and by focussing on individual countries**, complementing existing work that has looked at PSE programmes in development co-operation.

With this, the mapping aims to develop a comprehensive picture of PSE through development co-operation at country level. As outlined in the mapping framework (see Annex 1), it focuses on evidence-gathering related to key issues in PSE (e.g. availability of results, monitoring frameworks, type of private sector partner engagement, key sectors, etc.). The mapping will contribute to analysis of the level of private sector participation and contributions, how small and medium-sized enterprises benefit from PSE; examine the transparency and accountability of PSE supported through development co-operation; provide evidence of measurable results; and provide insights on country ownership in PSE, particularly in terms of the involvement of local stakeholders in projects and partnerships. Where information is available, the mapping will also contribute to an assessment of the extent to which PSE through development co-operation at country level is working to leave no one behind.

Each project will be situated in terms of the PSE modalities and programmes used. To limit scope of the work, projects will be drawn from the following:

- 1) Top **ODA providers** that account for 75-80% of ODA in country.

- 2) BRICS and other key **southern partners**, as identified by the country in question and through a review of secondary resources.
- 3) **Development Finance Institutions** that are active in the country, identified through a systematic examination of DFI websites.
- 4) **Philanthropic institutions** active in the country identified by OECD specialist and through secondary resources.
- 5) Projects already identified for the country in question from the **initial mapping** work.

Additional efforts may also be needed to identify major **civil society organizations** at country level partnering with the private sector, depending on the results from the initial review of development partners. CSOs play an important role as implementing partners and watch-dogs in PSE, and as such should be included in the mapping.

It should be noted that projects that focus on private sector development and do not include a private partner will be excluded – e.g. development partner to government support for the business enabling environment will be excluded (unless there is a private partner involved in the project). The criteria for project selection is sector agnostic – PSE projects from a wide variety of sectors will be included in the mapping, such health, education, private sector development, water and sanitation, etc. To ensure a wide scope of PSE projects and partnerships are captured by the mapping, the research team will examine projects that includes a development partner, are supported by development co-operation (ODA, ODA-like flows such as foundation financing, or South-South Co-operation) and include a private sector partner. This approach follows the definition of PSE through development co-operation as outlined in the 2016 OECD Peer Learning on PSE in Development Co-operation.² Projects will be identified through a desk-based search of the websites and databases of the key stakeholders outlined above. Though the approach to the project mapping aims to be as comprehensive as possible, invariably some development partners will not be included in the group of stakeholders as outlined above.

2.3. INTERVIEWS AND WORKSHOP

For each country, the GPEDC working group on PSE (a multi-stakeholder advisory group consisting of members of the Steering Committee), government and non-state partners will be invited to provide an initial list of interviewees for the study. Interviewees identified through the research process will be added to these. For each country, the approach will aim to include at least one interview with each of the following stakeholders: government representatives; parliamentarians; bilateral development partner (DAC and emerging economy); multilateral development partners; civil society; the private sector (large company, SME sector and business associations); trade unions; and independent research institutions. For countries in which no workshop will be held, we will aim to include at least two interviews per stakeholder group.

In the up to three countries that agree, a workshop of up to one and a half days will be held. The agenda of the workshop will focus on key issues as outlined in the concept note (see background) and specific issues that arise in the preparation of the draft country case study. The agenda will be determined by the findings from the primary and secondary research. Workshops will be used to obtain further information in areas where key gaps exist in the research, and to validate initial research findings. They will also provide an opportunity for different stakeholders at country level to come together and discuss key new

² PSE is defined as: An activity that aims to engage the private sector for development results, which involve the active participation of the private sector. The definition is deliberately broad in order to capture all modalities for engaging the private sector in development co-operation from informal collaborations to more formalised partnerships. Given that the term applies to how development co-operation occurs, private sector engagement can occur in any sector or area (e.g. health, education, private sector development, renewable energy, governance, etc.). Through private sector engagement, the private sector and other participants can benefit from each other's assets, connections, creativity or expertise to achieve mutually beneficial outcomes (Crishna Morgado et al., forthcoming; Di Bella et al., 2013). See <http://www.oecd.org/dac/peer-reviews/Inventory-1-Private-Sector-Engagement-Terminology-and-Typology.pdf>.

challenges and opportunities. Workshops could be structured in two segments – a caucus of private sector representatives only followed by multi-stakeholder setting for interactive dialogue.

3. DRAFT TEMPLATE OUTLINE OF A COUNTRY CASE STUDY

- Main report: Up to 20 pages max (excluding annex)
- Up to 5 page summary
- To include call outs and boxes that highlight lessons learned and best practice from different stakeholders where possible

Introduction

- Brief background on PSE + importance for country
- Report contents (including reference to annex that will provide an overview of information sources)

Current State of Play

- Overview of current state of the private sector in country and key regulatory frameworks impacting PSE through development co-operation
- Overview of PSE through development co-operation in the country – factual presentation of findings from the project mapping
 - Main actors (government, development partners, PS, CSO, trade unions, etc.)
 - Modalities (types of PSE modalities, instruments and programs- financial and non-financial)
 - Activities and sectors supported
 - Progress (results broadly from PSE [financial and non-financial] to date)

Opportunities and Challenges in PSE

- Section will draw on project mapping, interviews/workshop and secondary resources
- For each issue area, there will be two sub-sections
 - The first section will relate to what is working well, where the country appears to be advancing on PSE
 - The second section will outline what is working less well and where more efforts are needed to support effective PSE.
 - Both sections will be clustered around the Concept Note themes:
 - Leave no one behind
 - How small and medium-sized enterprises can benefit from PSE alongside other private sector stakeholders
 - Transparency and accountability for public-private contracts supported through development co-operation
 - Monitoring and measuring results on the outcomes of PSE through development co-operation;
 - Ensuring country ownership, alignment and capacity development for all key stakeholders
 - How to contribute to greater PSE on the SDGs
 - The section will place special emphasis on: incentives for private sector participation, impact of PSE on development goals, ability to scale PSE.

Other important issues in PSE: The National Perspective

- Section will draw on project mapping, interviews/workshop and secondary resources and include the key issues that are more country specific, such as formalisation, women's economic empowerment, procurement, social dialogue, etc.

Conclusions

- Options as identified by research and through stakeholder consultation to maximise opportunities and address challenges/other important issues

Annexes

- Evidence and research approach (i.e. indication of who we spoke to, how the project mapping was conducted, etc.)
- Country level PSE activities (i.e. findings from the mapping).

4. DRAFT OUTLINE OF A FINAL TECHNICAL NOTE

The final technical note will be a shorter document overall in comparison to the country studies, focusing on concise research findings. The main body is envisioned for 25-30 pages, with a 5 page summary and limited annexes. The report will aggregate the key findings from the country level studies. It will also be informed by global level activities in the work stream and research in the area of PSE through development co-operation, with a particular focus on the key issues as outlined in the Concept Note. It will have a strong focus on best practice and lessons learned throughout and will propose draft guidelines for effective PSE at the country level.

Technical Report Outline

- Main report: Up to 30 pages max
- Up to 5 page summary
- To include call outs and boxes that highlight lessons learned and best practice where possible

Introduction (1-1.5 pages)

- Brief background on GPEDC and PSE work stream, including findings from the mapping of PSE initiatives, the GPEDC's niche, and the contribution of the work stream vis-à-vis other research in this area
- Outline of the inclusive activities and resources informing report and report contents

PSE in Development Co-operation (2-3 pages)

- Will draw from the earlier versions of the concept note including in terms of:
 - Outlining the importance of PSE
 - Fundamental shift in development co-operation
 - Main actors and modalities of PSE
 - Implications for development and for development co-operation

Opportunities and Challenges in PSE (15-17 pages)

- This section will serve as the bulk of the report
- Section will be framed around the six issue areas as outlined in the concept note, with each serving as a sub-section
- For each issue area, there will be three sub-sections
 - Context and background on the issue in question (drawing largely from earlier CN versions and new literature where relevant)
 - Overview of what is working well, drawing on experience from country reports as well as secondary literature
 - What is working less well and where more efforts are needed to support effective PSE drawing on experience from country reports as well as secondary literature
 - Examples will be drawn from the country case studies, including through the use of text boxes
- Issues to be covered:
 - Leave no one behind

- How small and medium-sized enterprises can benefit from PSE alongside other private sector stakeholders
 - Transparency and accountability for public-private contracts supported through development co-operation
 - Monitoring and measuring results on the outcomes of PSE through development co-operation;
 - Ensuring country ownership, alignment and capacity development for all key stakeholders
 - How to contribute to greater PSE on the SDGs
- The report will also likely include other important issues that arise consistently across the reports- such as formalisation, women’s economic empowerment in PSE, corporate social responsibility and blended finance - through development co-operation. Once more country studies are conducted, we will have a better indication of what these additional emerging issues might be.

Conclusion: Towards guidelines for PSE through development co-operation (3 pages)

- This section will provide high level guidelines for PSE through development co-operation based on the evidence collected throughout the research process and discussions with stakeholders.
- For now, some of the key themes that are emerging include:
 - Application of development effectiveness principles
 - Ways to effectively support country ownership and capacity development
 - Inclusive partnerships
 - Transparency and accountability
 - Results
 - Effective support for SMEs
 - Balancing leverage and additionality to ensure that no one is left behind
 - Incentives for private sector participation; impact of PSE; and ability to scale PSE
 - What type of PSE to scale and how.
- We expect the research to also reveal insights with respect to how stakeholders can support the realisation of NOD. Key commitment areas for which the research is likely to reveal insights include those related to:
 - Social dialogue (Paragraph 42, section (g), Paragraph 65, section (a));
 - Business enabling environments (paragraph 64, section (a));
 - Promotion of decent work and women’s economic empowerment (Paragraph 64, section (c), Paragraph 87 and 88, section (d));
 - Aid untying and supporting local business, (Paragraph 43, section (g));
 - Harnessing core business, Paragraph 57, section (a), Paragraph 57, section (d), Paragraph 60, section (c);
 - Improving accountability, Paragraph 57, section (b), Paragraphs 65 (section c) and 80;
 - And adapting incentives, policies and procedures to increase PSE (paragraph 65, section (d)).
- It is expected that the work stream will also contribute to the refinement of the GPEDC monitoring framework indicators on public-private dialogue and de facto tied aid

Annex

- Evidence and research approach (i.e. indication of evidence and dialogues informing the report)
- Links to country case studies / executive summaries

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Annex 1: Mapping Framework: PSE projects

Category	Definition
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About	Overview description of the project and its main objectives. Use direct quote where possible.
Modality	Knowledge and information sharing; policy dialogue; technical assistance; capacity development; finance. List all that apply. See CN annex for full definition of each.
Instrument	Specific instruments supporting the project. These instruments are associated with formal private sector partnerships and create contractual obligations when used. Options include: grants, debt instruments, mezzanine finance instruments, equity and shares in collective investment vehicles, guarantees and other unfunded liabilities.
Programme type	Specific programme supporting the project. A subset of private sector instruments, refers to the specific mechanisms through which private sector partnerships are pursued. Includes: Blended finance, business support, business-to-business, capacity development, challenge funds, multi-stakeholder partnerships, non-profit private sector partnerships, output-based aid, PPPs, technical assistance, mezzanine finance, asset-backed securities, reimbursable grants, loans, bonds, credit lines, impact investing, equity finance, guarantees. List all that apply. See CN annex for full definition of each.
Programme name, project title	Name of the programme that supports the project and project title. Include acronym / abbreviation in brackets where relevant. E.g. Dutch Good Growth Fund (DGGF), Flowers in Ethiopia
Duration	Start and end date. If information missing, say 'no start date' or 'no end date'.
Budget	Total budget for the project. If available, include and indicate the private sector financing contribution. You may decide to make this a separate column for readability.
Sector	Be as specific as possible. If it is cocoa, say cocoa. If you only have agriculture listed, put that down.
Development partner(s)	List development partners providing finance to support the project.
Type of private sector partners engaged	List all that apply. Large domestic, SME domestic, large transnational, SME transnational
Private sector partners	List names of the partners. If more than 5, can provide link to this information.
Other development partners	List development partners that are involved in the project but may not be financing it. Includes international and local partners.
Role of partners	Description of what each partner involved is responsible for. Use direct quote where possible.
Monitoring	Overview of how project is monitored. Link to monitoring framework if available.
Results framework	Description of the results that are being monitored. Provide link if a full framework is available (e.g. if it just says they are looking at gender equality and increases to incomes, then just put those down. Only link to framework if there is truly a comprehensive one available.
Results	Headline figures that are available on the project. If a lengthy report is available, you can provide link.
Evaluation	Top level findings, particularly on development impact if available and link to report.
Additional notes	Please include any other information that may be relevant but is not captured by the framework.

