



PERU'S ACTION DIALOGUE FOR EFFECTIVE DEVELOPMENT CO-OPERATION

The role of Multi-stakeholder Partnerships in international co-operation and sustainable recovery: analysis and cases from Peru



Outcome document: **Reflections and Recommendations**

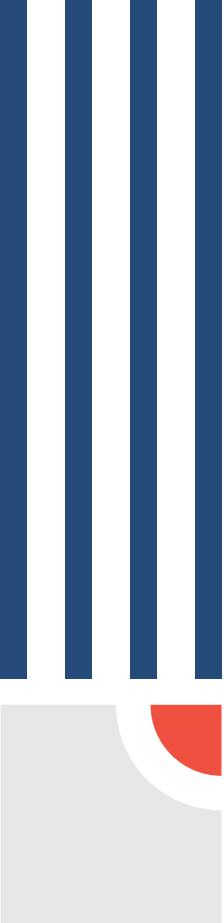


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I. Context

The Action Dialogues for Effective Development Co-operation, promoted under the framework of the Global Partnership for Effective Development Co-operation (GPEDC), aim to encourage debate among multiple stakeholders with the purpose of strengthening efforts and actions to enhance the effectiveness of co-operation at the country level, in order to contribute to advance the national development priorities and to support the efforts towards fulfilling the 2030 Agenda. In this sense, the Action Dialogues are designed to strengthen development co-operation partnerships at the national level, based on the four effectiveness principles agreed in 2011 during the High-Level Forum on Aid Effectiveness held in Busan, these are: national ownership, focus on results, inclusive partnerships, and transparency and mutual accountability.

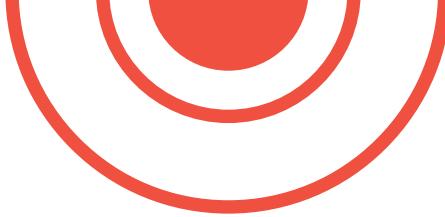
In the case of Peru, the scope and focus of the Action Dialogue was oriented towards the challenges for international co-operation according to the current context of the country. As a result, the dialogue was entitled "The role of Multi-stakeholder Partnerships in international co-operation and sustainable recovery: analysis and cases from Peru". The objective was to reflect and exchange experiences on the role of multi-stakeholder partnerships, particularly on the role of the private sector, in the context of the country's sustainable recovery from the COVID-19 pandemic and in coherence with the commitments of the 2030 Agenda and the effectiveness principles.

The Dialogue included welcoming remarks by the Peruvian International Cooperation Agency (APCI, by its Spanish acronym) and the Swiss Agency for Development and Cooperation, Co-chair of the GPEDC. The closing remarks were in charge of the Ministry of Foreign Affairs (MRE, by its Spanish acronym) of Peru. The session held as its central axis the composition of two thematic panels.



During the discussions in Panel 1 "***The role of multi-stakeholder partnerships in international co-operation: challenges and opportunities for a sustainable post-pandemic recovery in Peru***" participants reflected on the concepts, actions and experiences regarding the role of multi-stakeholder partnerships in international co-operation, in particular on the effective participation of the private sector, as well as the main challenges and opportunities in the current context of post-pandemic recovery. Representatives from the United Nations Development Program (UNDP), the Spanish Agency for International Development Cooperation (AECID, by its Spanish acronym), the Regional Government of Piura and the network Perú Sostenible intervened in the session.

During the interventions in Panel 2 "***Initiatives from the private sector within in the framework of multi-stakeholder partnerships: lessons learned and reflections for an effective development co-operation***", five international development co-operation initiatives were presented in which the private sector had a key role. Panelists highlighted the main lessons learnt to promote inclusive and effective multi-stakeholder partnerships with the private sector. Representatives from Telefónica del Perú, University of Piura, Centros Comerciales Sudamericanos (CENCOSUD), Asociación de Bancos del Perú (ASBANC) and MOV Investimentos actively participated in it. Peru's Action Dialogue was held virtually on June 9, 2022, under the organization and leadership of APCI with the support of the GPEDC and UNDP.



II. Reflections and recommendations to strengthen multi-stakeholder partnerships

In a context heavily affected by the magnitude and severity of the crisis derived from COVID-19, it was reaffirmed the conviction that it's imperative to enable a sustainable development based on innovation, the strengthening of democratic institutions and a greater participation of key actors in development such as civil society, academia, the private sector, as well as the promotion of schemes and initiatives that contribute to the development of the most disadvantaged sectors of our peoples.

In this context, actors with greater capacity and influence on development are also emerging, recognizing that the contribution of stakeholders from different sectors, in particular the private sector, is essential for the socioeconomic development of the country. Hence, it is recognized as urgent to build and strengthen multi-stakeholder partnerships enhancing public and private efforts for the benefit of sustainable development.

Accordingly, Peru's Action Dialogue has been an important space where development actors shared their experiences after engaging with the private sector in multi-stakeholder partnerships. Participants identified common challenges to promote the effective articulation among partners and reflected on recommendations to strengthen the effectiveness of co-operation and multi-stakeholder partnerships in the country, which are presented below.

2.1. The 2030 Agenda as a common reference framework among development actors

In a post-2015 context, the 2030 Agenda for Sustainable Development has been established as a global framework to make progress transversally across the three dimensions

of sustainable development. The 2030 Agenda, together with the Addis Ababa Action Agenda among other international agreements, expresses the commitment to uphold ambitious actions towards achieving sustainable and inclusive development while providing a common guide to orient global initiatives that have an impact on development co-operation.

Thus, the Action Dialogue highlighted the importance of aligning and coordinating multi-stakeholder partnerships with national development priorities and strategies and the 2030 Agenda goals and targets. It was also argued that the importance of this agenda in the context of multi-stakeholder partnerships lies in the fact that it constitutes a framework of reference that provides a common goal and language for the various development actors.

The Spanish Agency for International Development Co-operation (AECID) stated that: ***"It is the first time that all co-operation agencies, governments, states, companies and civil society have the same reference framework and it is something that we have not yet fully exploited."*** Based on AECID's experience in building the public-private partnership for the integral development of Acobamba, it was recognized that the 2030 Agenda is an incomparable framework that allows actors from different sectors to work together with a common language and objectives, therefore, enabling greater effectiveness in the creation of multi-stakeholder partnerships.

Similarly, for the network Perú Sostenible, the 2030 Agenda provides the compass and a link to a globally recognized framework which gives them the legitimacy to mobilize the private sector considering the complex situation and uncertainty in the country. These bridges of collaboration result in the SDG Programme presented by Perú Sostenible, which has three components: i) the platform "Peru for the SDGs", ii) a dedicated website, and iii) the SDG Action Panels.

Of equal relevance to international co-operation is the Effectiveness Agenda and its four agreed principles¹ for effective development co-operation. Promoted by the GPEDC, the principles marked a turning point in the effectiveness approach, moving from traditional aid to the recognition of a greater diversity of development actors² aiming at contributing to national development.

In Peru, International Technical Co-operation is also guided by these global development agendas, the 2030 Agenda and the Effectiveness Agenda. Together, they emphasize the need to integrate a broader set of social actors in development co-operation initiatives, including the private sector.

As a result, APCI is committed to strengthening the effectiveness of international co-operation in the country through the preparation of strategic and guiding documents for the management of development co-operation, as well as the promotion of multi-stakeholder co-operation schemes, which correspond to Peru's commitment to the GPEDC and its active participation in the initiatives promoted by the Global Partnership. Regarding the latter, it is important to highlight the Kampala Principles for the effective participation of the private sector in development co-operation, intended to guide collective work to make partnerships with the private sector more effective³ (see Annex 1).

Consequently, it can be affirmed that the link with these global agendas not only implies benefits and challenges for international co-operation, but also important challenges for public and private institutions, which must design mechanisms that clearly recognize the relevance of multi-stakeholder partnerships. These efforts should be made with

¹ The four effectiveness principles agreed in 2011 at the Busan High-Level Forum on Aid Effectiveness are: i) national ownership, ii) focus on results, iii) inclusive partnerships, and iv) transparency and mutual accountability.

² The GPEDC was constituted in 2011 as the primary multi-stakeholder vehicle for driving development effectiveness, to maximize the effectiveness of all forms of co-operation for development for the shared benefits of people, planet, prosperity and peace. It brings together governments, bilateral and multilateral organizations, civil society, the private sector and representatives from parliaments and trade unions among others, who are committed to strengthening the effectiveness of their partnerships for development.

³ The Kampala Principles promote an effective private sector engagement (PSE) through development co-operation by partner countries and contribute to ensure the alignment of PSE projects and programmes with national sustainable development priorities.

the view to promoting inclusive and effective partnerships and in accordance with the principle of "leaving no one behind" which is at the heart of the 2030 Agenda.

2.2. The multi-stakeholder approach and the importance of strengthening coordination and inclusive dialogues between development actors

The relevance of a global development framework, in particular the 2030 Agenda and the Effectiveness Agenda, implies greater dynamism among development actors to strengthen the effectiveness of co-operation from a perspective of sustainable development and inclusive multi-stakeholder partnerships. Given this scenario, international co-operation provides opportunities to include the private sector as strategic partners, through multi-stakeholder partnerships, enhancing the impact of initiatives and contributing to advance progress on the SDGs.

In Peru, the work with development actors across different sectors is established in the Declaration of International Technical Co-operation Policy of the Ministry of Foreign Affairs of 2019 and in the draft National Policy for International Technical Co-operation (PNCTI, by its Spanish acronym) under process of approval. These guiding documents for international technical co-operation aim to facilitate the implementation of multi-stakeholder schemes, with the purpose of contributing to attain national development priorities and the 2030 Agenda.

Following this approach, APCI has promoted the Multi-stakeholder Partnerships scheme⁴ and, progressively, has been identifying initiatives executed under this scheme. Thus, in 2020, 30 international co-operation initiatives that followed the multi-stakeholder scheme were identified, with a total execution of USD 7.3 million. The contribution of private companies marked USD 3.4 million, equivalent to 47% of the total.

⁴ In 2017, APCI published the document: [Conceptual Framework for Multi-stakeholder Partnerships for International Co-operation for Sustainable Development](#). Likewise, there is a [Brochure on Multi-stakeholder Alliances](#) and an document on [APCI's role in Multi-stakeholder Partnerships](#) for promotion and dissemination purposes.

In this context, by understanding the greater diversification of actors in international development co-operation, APCI places as a priority the strengthening of the Decentralized National System of International Technical Co-operation as a mechanism of articulation to promote synergies with the different development actors, public and private, national and subnational.

Along these lines, it is also noteworthy the important role of international development co-operation agencies in the country to facilitate the link between private sector and State entities to participate in multi-stakeholder initiatives. For example, the Visions Forum (Foro Visiones)⁵ promoted by AECID together with the Spanish Chamber of Commerce stands out. In some cases, there are also initiatives led by the private sector such as the SDG Action Panels promoted by Perú Sostenible.

Although, in both cases, international co-operation agencies contribute to the dialogue and articulation between development actors from different sectors, on the other hand it is also observed the lack of knowledge about the potential of multi-stakeholder partnerships that include the participation of the private sector. For instance, during the Action Dialogue it was pointed out that ***“the private sector may be interested in participating, but they do not know how to cooperate with the public sector, therefore, the role of co-operation agencies to integrate them and effectively engage the private sector into multi-stakeholder schemes is very important”***⁶.

Under the framework of multi-stakeholder partnerships, these efforts allow for a greater degree of articulation between the various development actors, however, it is necessary to continue reinforcing the dialogues and mechanisms to promote multi-stakeholder partnerships. The bet is to have strategic partners to support the construction of development co-operation partnerships, such as co-operation agencies, public institutions, civil society, and private companies. It is

⁵ The Visions Forum is held annually to put the focus on development co-operation issues in triangular co-operation activities, inclusive of the State and CSOs.

⁶ Closing remarks by Ambassador María Eugenia Herrera, General Director for Economic Affairs of the Ministry of Foreign Affairs of Peru.

of equal importance to expand the scope and call to include other actors such as the academia and local or subnational actors, as well as to decentralize the spaces for coordination.

2.3. More inclusive partnerships with an emphasis on vulnerable populations

International co-operation is constituted as a fundamental instrument of multi-stakeholder, multi-sectoral and multi-level action. It has a prominent role as it has the quality of linking development actors who have the capacities, knowledge and resources necessary to contribute to the reduction of socioeconomic and institutional gaps, accentuated by the pandemic. Within the wide range of development actors, the active and significant participation of local entities has a strategic role in the implementation of the SDGs across subnational territories, becoming highly relevant in multi-stakeholder partnerships.

Several of the initiatives presented during the Action Dialogue emphasized the importance of strengthening the capacities of local actors in order to improve the quality of life of vulnerable populations, particularly through multi-stakeholder partnerships with the participation of the private sector. The recognition of the relevance of local actors, not only involves including them as beneficiaries, but also ensuring that they can participate assertively and effectively as active members in multi-stakeholder partnerships for sustainable development.

In line with this reflection, UNDP Peru pointed out that, despite the challenges, the current crisis offers the opportunity to reimagine and rebuild a future that is safer, more sustainable and based on human rights, placing people at the center. Meanwhile, the Swiss Agency for Development and Co-operation highlighted the added value contributed by small and medium-sized local companies that operate in sustainable value chains and are committed to responsible business models focused on sustainable solutions to face

the development challenges and priorities of the country.

In this context, panelists highlighted initiatives such as “Paga Seguro”, “the value chain of granulated panela” and the “Terranova Project”, presented by ASBANC, Piura University and MOV Investimentos correspondingly. These initiatives had in common the participation of communities in conditions of vulnerability, while associated with shops, businesses and other local agents to converge and multiply the benefits, contributing to generate social and economic value to these communities where there is a deficient provision of goods and services by the State.

Consequently, although these initiatives with the participation of the private sector under the multi-stakeholder approach contributed to address social and economic development challenges faced by the most vulnerable communities, it is especially important that the conditions be created so that the smallest and local actors can participate in an informed and meaningful way in multi-stakeholder partnerships. This also implies designing strategies to carry out consultations with local actors in order to identify their needs and capacities, allowing the generation of opportunities for effective multi-stakeholder partnerships.

Finally, understanding the needs and vulnerabilities of peoples as well as the potentialities and risks inherent to the territorial context, allows for the optimization and more effective use of resources, which in addition contributes to better differentiate public and private responsibilities.

2.4. Maximizing results and leveraging on the added value through multi-stakeholder partnerships

The multi-stakeholder approach requires an effort to generate and articulate complementarity between the public and private sectors to promote the consolidation of inclusive partnerships. This implies recognizing the

contribution of each partner, in particular that of the private sector as an active enabler of solutions to the challenges of sustainable development.

In this line, UNDP Peru mentioned that, in addition to innovation and digitalization, the private sector can propose and implement innovative and disruptive solutions to current complex challenges and move towards new forms of businesses, such as green employment, circular economy and low carbon economy, as it contributes to protecting the environment while generating prosperity.

From this perspective, beyond providing or increasing the resources for development initiatives, the private sector can also provide technical management or technological capabilities, which adds value and enriches multi-stakeholder initiatives. This is how private sector makes a distinctive contribution along its value chain in an integrated and collaborative manner.

Highlighting some outstanding initiatives, the case of the "Public-private partnership for the integral development of Acobamba" presented by AECID, in which Telefónica contributed through the use of technologies (ICT), Santillana in education and BBVA bank in increasing access to microcredits, as well as the Program "You are not alone" presented by CENCOSUD, in which companies offered their facilities and communication channels at the national level to raise awareness about violence against women and to bring the government services and solutions closer to citizens.

Regarding maximizing results for all development actors, it was pointed out that the confluence of the economic interests of private sector must be compatible with the objectives of international co-operation agencies to contribute to the country's sustainable development. On this point, it was stressed that private sector are looking for tools that enable them to identify needs, make specific investments and evaluate their impact. Thus, for example,

UNDP Peru referred to the SDG Investment Map, a tool that identifies investment opportunities based on development needs, national priorities and financial returns.

In this context, in order to achieve multi-stakeholder partnerships with the effective participation of the private sector and to maximize results for all stakeholders, the Spanish Co-operation Agency (AECID) proposed the following criteria: (i) actions must be aligned with the SDGs of the 2030 Agenda and national priorities; (ii) there must be an additionality of resources where private sector's assets and resources are effectively promoted; (iii) interventions must comply with basic social, environmental and human rights standards, especially in line with the United Nations standards and guiding principles on business and human rights.

Thus, in line with achieving effective multi-stakeholder partnerships to maximize results, emphasis was also placed on the importance of developing evaluation mechanisms to ensure that the participation of the private sector meets the desired results and contributes to addressing the challenges of sustainable development. This, without forgetting that the added value of this actor also contributes to closing development gaps that mostly affect people in conditions of greater vulnerability.

2.5. Measurement of results and contributions in multi-stakeholder partnerships

The need to continue advancing in promoting multi-stakeholder partnerships, strengthening the role of the various development actors, public and private, requires for initiatives to be results-oriented and focused on bringing evidence of their efforts towards tangible achievements, as well as account for lessons learnt and good practices to improve future interventions. The results-based approach follows this premise, consistent with the effectiveness principles and with a clear vision of

contributing to achieve the SDGs.

In this context, UNDP Peru argued that one of the fundamental pillars of multi-stakeholder initiatives is the generation of evidence that contributes to share information and increase visibility on the different advances and actions that have been carried out. This would allow decision-making processes to be more effective and aligned with the priorities of the different partners involved in multi-stakeholder partnerships.

Accordingly, UNDP Peru has been promoting the SDG Corporate Tracker in order to measure the contribution of private companies to the achievement of the SDGs. Similarly, Perú Sostenible through its initiative “Perú por los ODS” (Peru for the SDGs) makes it possible to increase visibility, recognition and to connect projects of companies and NGOs that are contributing to the country's sustainability, however, it was acknowledged that it still requires measuring the contribution of private sector to the closure of gaps with better metrics and data. In the case of “Mujeres en Red”, Telefónica developed a baseline and proposed a goal that is constantly monitored, instead, the initiative “Paga Seguro” included the participation of research centers or universities to measure the impact of their intervention.

Although it is considered an important advancement that these experiences include practices to measure the impact of initiatives, several participants agreed that measuring the contribution of development actors is a big challenge for the country. Similarly, it was critically noted that there is still a long way to go to generate accurate and quality data that facilitate partnerships and joint actions with common objectives.

Therefore, the convergence between the 2030 Agenda and the Effectiveness Agenda implies measuring results in terms

of sustainable development goals, but also monitoring those generated by multi-stakeholder partnerships, with the aim of providing a transparent and mutual understanding of all development actors' contributions, this being an essential requirement for the success of such initiatives.

2.6. A renewed way to coordinate and work together with all development actors

As a final point of reflection, multi-stakeholder partnerships require building trust and a renewed form of working together between public and private actors. Given the complexity of the multi-stakeholder approach, moving forward and achieving consensus is not an easy task. Therefore, it is important that members of the partnerships achieve a certain capacity for dialogue and agreement of interests and objectives so that these initiatives can have a strategic role.

Indeed, one of the lessons learnt from the initiatives presented was the importance of understanding the different perspectives of each actor, since the objectives and agendas are diverse and different, but equally relevant. In the same logic, a significant challenge is to sustain participation and achieve consensus in practice.

In short, in the process of moving towards a multi-stakeholder approach, in addition to promoting the participation and convergence of the different development actors in the coordination spaces, it is important to consider the previous work carried out, share experiences from each institution, as well as define the contribution of the parties involved to carry out the initiatives. Finally, the willingness to work together is a key factor for effective partnerships, making it necessary to adapt a culture of inter-institutional collaborative work.



III. Conclusions

This reflection on multi-stakeholder partnerships shows that in the context of the current development agendas, in particular the 2030 Agenda for Sustainable Development and the Effectiveness Agenda, it is necessary to better articulate the efforts between the wide range of development actors, particularly with the participation of the private sector. Undoubtedly, coordination and dialogue spaces constitute an appropriate and ideal way to implement initiatives that strengthen multi-stakeholder partnerships, as well as to reinforce strategic partnerships and build consensus and agreements between the development actors across different sectors.

Based on the above, the Multi-stakeholder Partnership scheme promoted by APCI represents a valuable opportunity to promote strategic partnerships between the various development actors aimed at addressing the development challenges that the country is facing. However, it must also be taken into account that other actors such as co-operation agencies, multilateral organizations and the private sector are promoting other multi-stakeholder frameworks, as they seek to have a positive impact on society through initiatives that add social and economic value in a sustainable way.

In any case, it is especially necessary to continue promoting multi-stakeholder partnerships between public and private institutions, based on an inclusive and social approach to move coherently towards attaining sustainable development and leaving no one behind.





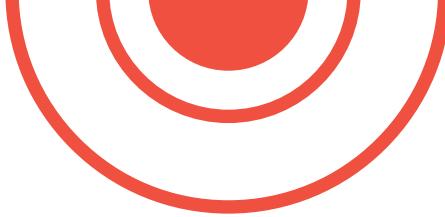
IV. Recommendations

In this context, the following recommendations are identified to continue promoting multi-stakeholder partnerships between actors from different sectors within international development co-operation, in accordance with the principles and commitments to uphold the 2030 Agenda and the Effectiveness Agenda.

- 1.** Generate policies or improve regulatory and conceptual frameworks that promote multi-stakeholder partnerships in Peru and also within other international co-operation modalities, such as South-South Co-operation (SSC) and Triangular Co-operation (TC).
- 2.** Improve dialogue, articulation and consensus processes between the public and private sectors in order to find common interests, generate synergies and implement joint actions.
- 3.** Promote the possibility of incorporating the multi-stakeholder approach across programmes, projects and activities of partner countries in Peru.
- 4.** Develop management tools and documents such as guidelines, operating manuals, protocols, and other resources to further promote the participation, articulation, and synergies among development actors from different sectors.
- 5.** Promote the generation of data, systematization, and dissemination of multi-stakeholder initiatives, in order to enhance visibility and acknowledge their contribution to

national development priorities, the 2030 Agenda, and the Effectiveness Agenda, with emphasis on developing tools to identify, collect, analyze and systematize good practices, experiences and knowledge on multi-stakeholder development partnerships.

- 6.** Promote the implementation of the Kampala Principles for the effective participation of the private sector in development co-operation, within the framework of Peru's commitments to the Effectiveness Agenda and the GPEDC.



ANNEX 1:

Kampala Principles for the Effective Participation of the Private Sector in Development Co-operation

What are the Kampala Principles?

The Global Partnership for Effective Development Co-operation (GPEDC) developed a set of principles to guide collective work on making partnerships for development co-operation with the private sector more effective. The Principles were endorsed by the Steering Committee of the Global Partnership in Kampala, Uganda in March 2019.

The Kampala Principles are designed to be considered and implemented on a voluntary basis by all stakeholders, including governments, domestic and international businesses, business associations, micro, small and medium enterprises (MSMEs), development partners, trade unions, civil society, research institutions, and foundations. They have been structured to apply to private sector partnerships supported by development co-operation, such as MSMEs testing an innovative good or service that contributes to sustainable development or delivering key infrastructure or services. The principles are purposely broad to ensure their applicability at policy and operational levels in acknowledgement of the fact that PSE through development co-operation involves many approaches with different objectives and stakeholders. In this context, the principles apply to all forms of PSE through development co-operation and recognize the need for additional guidance for specific modalities and groups of stakeholders.

The Kampala Principles, which are mutually reinforcing, are:

Principle 1.

INCLUSIVE COUNTRY OWNERSHIP

Strengthen coordination, alignment and capacity building at the country level.

Principle 2.

RESULTS AND TARGETED IMPACT

Realizing sustainable development outcomes through mutual benefits.

Principle 3.

INCLUSIVE PARTNERSHIPS

Fostering trust through inclusive dialogue and consultation.

Principle 4.

TRANSPARENCY AND ACCOUNTABILITY

Measuring and disseminating sustainable development results for learning and scaling up of successes.

Principle 5.

LEAVE NO ONE BEHIND

Recognizing, sharing, and mitigating risks for all partners.