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**Kampala Principles Assessment Methodology**

Approach to Monitor the Implementation of the Kampala Principles at Country Level

*Second draft – August 2022*

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# Abbreviations and Acronyms

|  |  |
| --- | --- |
| **BLC** | Business Leaders Caucus [of the GPEDC] |
| **CSO** | Civil Society Organisation |
| **DFI** | Development Finance Institution |
| **DP** | Development Partner |
| **GPEDC** | Global Partnership for Effective Development Co-operation |
| **PCG** | Partner Country Government |
| **PS** | Private Sector |
| **PSE** | Private Sector Engagement |
| **SDG** | Sustainable Development Goals |
| **SME** | Small and Medium Enterprise |
| **TU** | Trade Union |

# Glossary

**ADDITIONALITY (DEVELOPMENT):** The development impacts that arise as a result of investment that otherwise would not have occurred. Impact is defined as the extent to which the intervention has generated or is expected to generate significant positive or negative, intended or unintended, higher level effects.

**ADDITIONALITY (FINANCIAL):** Financial additionality refers to situations where finance is mobilized and an investment is made that would not have materialized otherwise. An official transaction is financially additional if it is extended to an entity that cannot obtain finance from local or international private capital markets with similar terms or quantities without official support, or if it mobilizes investment from the private sector that would not have been invested otherwise**.**

**CIVIL SOCIETY ORGANISATIONS:** Civil society organisations (CSOs) are an organisational representation of civil society and include all not-for-profit, non-state, non-partisan, non-violent, and self-governing organisations outside of the family in which people come together to pursue shared needs, ideas, interests, values, faith and beliefs, including formal, legally registered organisations as well as informal associations without legal status but with a structure and activities.

**DEVELOPMENT CO-OPERATION:** Development co-operation is an activity that “aims explicitly to support national or international development priorities, is not driven by profit, discriminates in favour of developing countries and is based on co-operative relationships that seek to enhance developing country ownership”[[1]](#footnote-2). Official Development Assistance is one form of financing within a much broader palette of development co-operation approaches and instruments. These include non-concessional finance, South-South and triangular co-operation, climate finance, co-operation among governments on non-aid policies, and co-operation with and among non-governmental actors, such as businesses and civil society.

**DEVELOPMENT PARTNERS:** This refers to the range of national and international organisations that partner with countries receiving development co-operation to realise national sustainable development priorities and achieve the SDGs. They include governments that provide different types of development co-operation, multilateral organisations such as United Nations agencies and programmes, international financial institutions such as the World Bank, bilateral development finance institutions and philanthropic organisations. They may also include civil society organisations, trade unions and parliamentary organisations in their capacity as implementing partners.

**PARTNER COUNTRY GOVERNMENTS:** These are countries that go into partnerships with development partners in the pursuit of advancing on their national development priorities and achieving development outcomes. They mostly consist of low- and middle-income countries who face disproportionately higher development challenges. It is these contexts, where local policy processes an implementation of development co-operation programmes and projects take place.

**PRIVATE SECTOR:** The organisations that make up the private sector are those that engage in profit-seeking activities and have a majority private ownership (i.e., they are not owned or operated by a government). The term includes financial institutions, multinational companies, micro, small and medium- sized enterprises, co-operatives, individual entrepreneurs, and farmers who operate in the formal and informal sectors. The term excludes actors with a non-profit focus, such as civil society organisations.

**PRIVATE SECTOR ENGAGEMENT:** The aim of private sector engagement (PSE) through development co-operation is to leverage the private sector to achieve development objectives, while at the same time recognising the need for financial return for the private sector. In 2016, the Organisation for Economic Co-operation and Development defined PSE in development co-operation as “an activity that aims to engage the private sector for development results, which involves the active participation of the private sector.”1 The definition is broad and includes all modalities - such as finance, policy dialogue, capacity development, technical assistance, knowledge sharing and research. These efforts and actions range from informal collaboration to more formalised arrangements, encompassing many sectors (e.g., health, education, private sector development, etc.).

**TRADE UNIONS:** A trade union is defined as a workers’ organisation constituted for the purpose of furthering and defending the interests of workers.

**TIED AID:** Offering aid on the condition that it be used to procure goods or services from the provider of the aid.

# Why Develop an Assessment Methodology for the Kampala Principles

## Background

The [Outcome Document](https://www.effectivecooperation.org/content/nairobi-outcome-document) of the last High-level Meeting of the GPEDC in 2016 in Nairobi called for “unleashing the potential of development co-operation to attract inclusive private investment [by setting] clear effectiveness commitments as the development community engages in partnerships between governments, civil society and the business sector” – see Annex VI for a comprehensive overview of the commitments related to private sector engagement made in the Nairobi Outcome Document.

In response to Nairobi commitments and through an inclusive process under the leadership of Germany, a multi-stakeholder Working Group and the GPEDC Business Leaders Caucus (BLC) have developed the [Kampala Principles on Effective Private Sector Engagement in Development Co-operation](https://www.effectivecooperation.org/system/files/2019-07/Kampala%20Principles%20-%20final.pdf). These were launched at the GPEDC Senior Level Meeting in 2019 – see Annex VII for more details. These Principles were developed jointly by and for partner countries and their development partners, the business community, civil society, trade unions and parliamentarians. They have been specifically formulated to guide these stakeholders’ collective work on making private sector partnerships for development co-operation more effective.

It was also deemed important to include some measure of private sector-related activities in the [GPEDC’s flagship monitoring exercise](https://www.effectivecooperation.org/landing-page/gpedc-monitoring-methodology). As early as 2012, the Post Busan Interim Group (PBIG) agreed that the monitoring framework would include an indicator on the contribution of the private sector to development. This was eventually developed into Indicator 3, which measured the quality of public private dialogue. This indicator did not cover all aspects of the effective private sector engagement process in development co-operation. Also, the measurement of the indicator did not include all relevant stakeholders as identified in the Kampala Principles.

At its 21st meeting (July 2021), the GPEDC Steering Committee agreed to move forward with developing an approach to monitor the implementation of the Kampala Principles as part of the GPEDC’s flagship monitoring exercise, which is currently undergoing a comprehensive reform of both its framework (what it measures) and process (how the exercise takes place). As part of this reform process, it was decided that an assessment methodology for the Kampala Principles should be developed, effectively replacing and integrating Indicator 3 referred to above. Technical work on the Kampala Principles Assessment is being pursued in tandem and synergy with ongoing work by the PSE Working Group and the GPEDC’s BLC on a multi-stakeholder toolkit for the implementation of the Kampala Principles.

This report contains the draft methodology to assess the Kampala Principles. This methodology is informed by a literature review of comparable existing methodologies and by inputs received through stakeholder consultation. Chapter 1 presents the findings. Four key metrics were developed to assess the Kampala Principles. Chapter 2 will describe what these key metrics entail and how they can inform Action Dialogues at the national level. Chapter 2 also contains a Theory of Change for the Kampala Principles to frame the assessment process. Chapter 3 will describe the process for conducting the Kampala Principles Assessment at the national level. Annexes 1 - 5 contain the questionnaires addressed to five stakeholders: partner countries, development partners, civil society organisations, private sector representatives and trade unions.

The revised monitoring exercise, inclusive of the new Kampala Principles Assessment, will be launched at the 2022 Effective Development Co-operation Summit (the 3rd GPEDC High-level Meeting) in December 2022, with the 4th GPEDC monitoring round beginning in 2023.

## The Kampala Principles

The Kampala Principles reflect the five building blocks for effective Private Sector Engagement in development co-operation. These are:

1. **inclusive country ownership**, resulting in
2. **results and targeted** (inclusive) **impact**, generated through
3. **inclusive partnership,** strengthened by
4. **transparency and accountability**, and driven by a firm commitment to
5. **leave no one behind**.

The Kampala Principles provide a new blueprint for making private sector partnerships that involve international public resources in partner countries more effective. This in turn maximizes impact for sustainable development and the SDGs. Table 1 below provides an overview of the Kampala Principles and the ‘areas for guidelines’ under each.

The five Principles are inter-woven and fully multi-stakeholder in nature. They do not apply to the private sector alone, but to all the stakeholders engaged in private sector partnerships including partner country governments, development partners, private sector representatives, trade unions and civil society organizations. They are deliberately wide in scope, covering the quality of different development co-operation partnerships with the private sector at policy, programme and project level, including and beyond financial co-operation such as blended finance.

Table 1 The Kampala Principles and their ‘areas for guidelines’

|  |  |
| --- | --- |
| **KAMPALA PRINCIPLE 1: INCLUSIVE COUNTRY OWNERSHIP** - Strengthening co-ordination, alignment and capacity building at the country level | |
|  | 1.A Define national PSE goals through an inclusive process |
|  | 1.B Align and co-ordinate PSE through development co-operation with national priorities  and strategies |
|  | 1.C Invest in capacities for PSE through development co-operation |
| **KAMPALA PRINCIPLE 2: RESULTS AND TARGETED IMPACT** - Realising sustainable development outcomes through mutual benefits | |
|  | 2.A Focus on maximising sustainable development results |
|  | 2.B Ensure sustainable results by aligning core business and development interests |
|  | 2.C Engage in partnerships according to agreed international standards |
| **KAMPALA PRINCIPLE 3: INCLUSIVE PARTNERSHIP** - Fostering trust through inclusive dialogue and consultation | |
|  | 3.A Support and participate in inclusive dialogue and consultation |
|  | 3.B Promote inclusive, bottom-up and innovative partnerships and raise awareness of engagement opportunities |
|  | 3.C Make partnerships more accessible |
| **KAMPALA PRINCIPLE 4:** **TRANSPARENCY AND ACCOUNTABILITY** - Measuring and disseminating sustainable development results for learning and scaling up of successes | |
|  | 4.A Measure results |
|  | 4.B Disseminate results |
|  | 4.C Ensure accountability |
| **KAMPALA PRINCIPLE 5: LEAVE NO ONE BEHIND** - Recognising, sharing and mitigating risks for all partners | |
|  | 5.A Ensure that a private sector solution is the most appropriate way to reach those furthest  behind |
|  | 5.B Target specific locations, markets, value chains and investor types that are most likely  to have a positive impact on those furthest behind |
|  | 5.C Share risks proportionately to incentivise private sector contributions to leaving  no one behind |
|  | 5.D Establish provisions to mitigate and manage risks |

#### From Indicator 3 to the Kampala Principles Assessment

The strength of Indicator 3 was that it helped capture the voice of the governments, the private sector (SMEs and large firms) and trade unions. It also encouraged dialogue among these actors as part of the data collection process. Any discrepancies between the viewpoints of these different actors, captured by the indicator, would immediately point to issues that required further discussion/exploration at the partner country level.

However, the measurement of Indicator 3 also had some notable shortcomings:

* The indicator defined public-private dialogue very broadly and not necessarily as public-private dialogue *on development co-operation* or as dialogue around issues of sustainable development.
* The indicator did not cover all aspects related to the effectiveness of private sector engagement in development co-operation.
* Some stakeholders that are important in the context of the Kampala Principles were not included in the indicator assessment (most notably civil society organizations and development partners).
* The indicator was mostly perception-based/qualitative in nature, which poses challenges to data validity and comparability across countries.
* National government co-ordinators [of the monitoring exercise] reported difficulties to mobilize the private sector and trade unions for participation in data collection for this indicator.
* Limited up-take and follow up discussions on the indicator results (at least with regard to the results that have come to the attention of the GPEDC).

Due to reasons listed above, Indicator 3 will no longer be assessed in the revised GPEDC monitoring exercise. **However, some of its elements on dialogue will be preserved as part of the assessment of Kampala Principle 3** on fostering trust through inclusive dialogue (see below).

With this change the monitoring framework will move from measuring the quality of public-private dialogue (often beyond the context of development co-operation[[2]](#footnote-3)) towards assessing the **effectiveness of private sector engagement in development co-operation** (through policies, dialogue, and making the process of engaging in private sector partnerships easier).

**The Kampala Principles Assessment (KPA) will focus on the GPEDC niche of effective development co-operation and the essence of the five interconnected Kampala Principles, namely to stimulate more inclusive private sector engagement**. This will also encourage greater focus on promoting regular and ongoing dialogue that builds trust around specific partnerships and programmes at partner country level that involve the private sector together with other development co-operation actors.

## Process to develop the Kampala Principles Assessment

#### Building on the GPEDC monitoring reform and PSE workstream

Since the beginning of the reform of the GPEDC’s flagship monitoring exercise in 2020, GPEDC stakeholders have in multiple consultations stressed the importance of better reflecting the role of the private sector in development co-operation. In addition to these monitoring consultations, regular check-in’s with the GPEDC PSE Working Group and the GPEDC Business Leader Caucus guaranteed the relevance of the assessment, as well as its consistency with other activities of the PSE workstream.

Consultations carried out ahead of the 21st meeting of the GPEDC Steering Committee (July 2021) also suggested that the multi-stakeholder nature of the Kampala Principles is their main value added; with voluntary commitments from development partners, partner country governments, diverse private sector actors, civil society and trade unions.

Following the 21st Steering Committee meeting, the main elements for the Kampala Principles were included in a dedicated section of the [draft monitoring proposal](https://www.effectivecooperation.org/system/files/2021-11/EN_Monitoring%20Proposal%20draft%20for%20consultation%20%283%29.pdf) and its [Annex I](https://www.effectivecooperation.org/system/files/2021-12/Monitoring%20Annexes%20%28ENG%29_0.pdf), which was tested in the open stakeholder consultation (November 2021). They also featured in more detail in a [standalone technical paper](https://docs.google.com/document/d/1Y8ZwbutRIR38-gfF_hLt9QPUR1pETjWP/edit) which was also made available to stakeholders for comment.

With the approval of the Steering Committee at its 22nd meeting (July 2022), further consultations were held with key stakeholders with relevant experience in private sector engagement. Key findings include:

* In line with previous findings, stakeholders emphasized **the importance of capturing the multi-stakeholder nature of private sector engagement** in the Kampala Principles Assessment.
* Related to the point above, stakeholders also emphasized **the importance of managing the burden of data collection** across stakeholders. Thus, it is important to ensure that the assessment methodology provides clear guidance on the selection of stakeholders.
* Given that the Kampala Principles were only launched in 2019, the consultations also suggested that there is a need to **increase the understanding of how the implementation of the Kampala Principles may lead to increased effectiveness of private sector engagement in development co-operation**. As such, it was discussed whether articulating a theory of change could help to increase the understanding – and align thinking – on how the implementation of the Kampala Principles can support the attainment of national and global sustainable development priorities through private sector engagement.
* Finally stakeholders emphasized **the importance of ensuring that the Kampala Principles Assessment helps generate learning** on how they can be applied and identifies good practice examples that can be shared among stakeholder groups.

A dedicated [Annex](https://www.effectivecooperation.org/system/files/2022-06/Annexes_Revised%20Proposal_New%20GPEDC%20Monitoring%20Framework_EN%20_0.pdf) on the Kampala Principles Assessment was included in the [revised monitoring proposal](https://www.effectivecooperation.org/system/files/2022-05/Revised_Proposal_New_GPEDC_Monitoring_Framework_EN_1.pdf) (May 2022). This **first draft** was circulated widely for feedback on the Knowledge Sharing Platform; members of the PSE Working Group and the GPEDC’s Business Leader Caucus were particularly encouraged to provide feedback. A multi-stakeholder technical workshop was organized in Benin in June 2022 as part of the reform of the monitoring exercise, where GPEDC Co-Chairs brought together key stakeholders for an in-person meeting to work towards the technical validation of the reformed Global Partnership monitoring framework and process. The Benin workshop featured a dedicated session on the KPA.

Key takeaways on the Kampala Principles Assessment (KPA) from the Benin workshop:

* The KPA can provide an important entry point for highlighting key issues of PSE in development co-operation at the partner country-level, and for bringing actors including the private sector itself around the table to discuss.
* In terms of the key metrics, wide support could be observed for the elements in the metrics which focus on the policy framework, accountability/transparency, existence/characteristics of dialogue and other institutional mechanisms.
* Technical work to develop the Kampala Principles Assessment should be mindful of the reporting burden and will be done in a consultative manner.
* The success of the Kampala Principles Assessment will be highly dependent also on the monitoring process, and in particular whether the right private sector stakeholders, in a given country context, are identified and engaged right from the inception phase; this is particularly relevant for the private sector itself, also ensuring representation from informal and smaller private sector actors.

Building on outcomes of the Benin workshop, at their 23rd Meeting, Steering Committee Members reiterated their support for the inclusion of the Kampala Principles Assessment (KPA) and called to further streamline its draft metrics in an inclusive manner – leading to this **second draft.**

#### Findings from literature review of existing frameworks, measurements and studies

A literature review was conducted to check for complementarities with existing frameworks, measurements and studies on private sector engagement in development co-operation, such as the UN Global Compact and World Bank efforts – see Annex IV for the list of all documents that have been reviewed. Key findings are:

* Monitoring the effectiveness of private sector engagement in development co-operation and the Kampala Principles **is new territory and has not been attempted at comparable level of scope and ambition**. While the Kampala Principles are often compared to the UN Global Compact and other principles and frameworks (e.g. UN Principles on Business and Human Rights, International Labour Organisation’s Declarations and OECD Guidelines of the on Multinational Enterprises), they are distinct to these other principles and frameworks (but also referenced in the Kampala Principle 2C). For example, the [ten principles of the UN Global Compact](https://www.unglobalcompact.org/what-is-gc/mission/principles) are corporate principles that are inward looking and concerned with companies’ responsible business practices. They focus more on assessing individual companies’ contributions to sustainable development. Conversely, the Kampala Principles provide a unique framework and guidance for partnerships with the private sector in the specific context of aid/development co-operation. They are outward looking and, address the question about howactors can partner more effectively, in this case with the private sector (not an individual company).
* The Kampala Principles Assessment also **complements, rather than duplicates, other data collection processes and will link to existing instruments, principles and indicators** where/as appropriate.
  + For example, the [Development Co-operation Forum (DCF) Survey](https://www.un.org/development/desa/financing/what-we-do/ECOSOC/development-cooperation-forum/DCF-survey) on effectiveness, quality and impact in development co-operation (2021/2022 survey was launched in October 2021) – conducted by the United Nations Department of Economic and Social Affairs (UNDESA) – touches upon the role of the private sector in development co-operation. However, the survey does not assess the effectiveness of private sector engagement in great detail, as this Kampala Principles Assessment methodology envisages to do. There is thus good potential for Kampala Principles monitoring to complement the DCF survey results and provide participating countries and partners with the opportunity to undertake a more comprehensive and nuanced analysis of the effectiveness of private sector engagement in development co-operation, from a broader multi-stakeholder perspective.
  + In a similar vein, the **United States Agency for International Development’s (USAID) private sector engagement evidence and learning plan** **focuses on three learning questions[[3]](#footnote-4)** that would collect information from the private sector to help contribute to the private sector engagement evidence base. One of these questions aims to understand the context-specific factors that drive effective engagement with the private sector. This is where the Kampala Principles Assessment can contribute significantly to USAID’s learning exercise by producing comparative country-level and multistakeholder data on the key conditions that make private sector engagement for development co-operation more effective.
  + The Kampala Principles Assessment can also provide evidence on the *quality* of PSE in development co-operation partnerships, effectively complementing existing data on the *quantity* (volume) of PSE-related flows, **such as is captured in the Total Official Support for Sustainable Development (TOSSD) or when reporting on Sustainable Development Goal 17.17**.[[4]](#footnote-5) This is also consistent with the overall approach of the GPEDC monitoring exercise, which focusses on *behaviour* related to the effectiveness principles/commitments (“how”) rather than on volumes of development co-operation (“how much”).
  + Finally there is also potential to link the Kampala Principles Assessment to more micro-level assessments such as [Business Call to Action’s SDG tracker](https://www.businesscalltoaction.org/sdg-corporate-tracker) or [The Partnering Initiative’s Business Partnership Action](https://thepartneringinitiative.org/global-impact/business-partnership-action/) which help assess the business and development impact of individual projects/businesses. The Kampala Principles assessment can bring a greater understanding of progress and challenges on private sector engagement at the policy-making and country-level.
* The Kampala Principles assessment **has the potential to contribute to a gap in global SDG reporting**. The KPA could provide countries and their partners with an opportunity to shed further light on the effectiveness angle of PSE in development co-operation and multi-stakeholder partnerships, thus bringing an effectiveness focus to some of the SDG framework’s more quantitative indicators.[[5]](#footnote-6)

## Designing the Kampala Principles Assessment methodology

The findings from the stakeholder consultation and literature review have been used to design the Kampala Principles Assessment to measure the effectiveness of private sector engagement in development co-operation, through several key steps:

**Step 1) Articulating the Kampala Principles theory of change**. As a first step in designing the methodology, a theory of change has been developed. This theory of change helps to visualize the expected cause-and-effect pathway from applying the Kampala Principles, to improving the effectiveness of private sector partnerships in development co-operation, to contributing towards achieving the SDG targets. Clarifying the different levels of change helps to inform what to measure at each step, to assess how change occurs.

The theory of change identifies the following levels:

* **Outputs:** The efforts by the GPEDC and other stakeholders to create awareness of the key conditions for effective private sector engagement in development co-operation.
* **Outcomes:** The resultant process of how PSE stakeholders are aware and engaged in development co-operation at the partner country level, with a focus on the characteristics of this process, i.e., the implementation of the Kampala Principles (implicitly or explicitly).
* **Purpose:** As a result, the private sector is enabled to be a more important and effective partner in development co-operation in partner countries.
* **Goal:** As a result, national development results increase, and SDGs are attained, including the pledge to *leave no one behind*.

**The Kampala Principles Assessment methodology focuses on measuring change at the outcome level and collects available information to assess changes at purpose level.**

The theory of change is explained in more detail in Chapter 2.

**Step 2) Defining key metrics to assess the implementation of the Kampala Principles.** In the next step, a small number of key metrics have been identified which specify what to measure to assess changes at the outcome and purpose level. Four key metrics help assess the implementation of the five Kampala Principles at the partner country level and their immediate results.

Key metrics were defined based on:

* What is considered most relevant.
* What is not tracked elsewhere (to avoid duplications).
* Whether information is available to measure them (to reduce reporting burden).
* Whether they measure the ‘essence’ of the five interconnected and mutually reinforcing Kampala Principles.
* Whether they can be checked against different stakeholder groups to triangulate the information.

The key metrics are described in more detail in Chapter 2.

**Step 3) Developing a process to collect information against the key metrics.** Finally, a data collection process has been developed in which all relevant stakeholders – partner countries, development partners, civil society organisations, private sector representatives and trade unions – will be engaged. This would help reinforce the multi-stakeholder nature of the Kampala Principles and inclusiveness of these actors (including those who may risk being unrepresented) in private sector partnerships in development co-operation; and retain the spirit of multistakeholder dialogue enshrined in the Indicator 3 in the previous monitoring exercise.

Chapter 3 explains this process in detail; the annexes contain stakeholder questionnaires.

# Defining What to Measure Through the Kampala Principles Assessment

## Articulating the Kampala Principles Theory of Change

A theory of change helps visualize how outputs, via different types and levels of outcomes, support the intended goal. This in turn helps design a coherent assessment effort, but also helps to develop a common understanding about how the Kampala Principles can contribute towards increased effectiveness of private sector engagement in development co-operation.

Figure 1 below a theory of change of the Kampala Principles has been articulated.

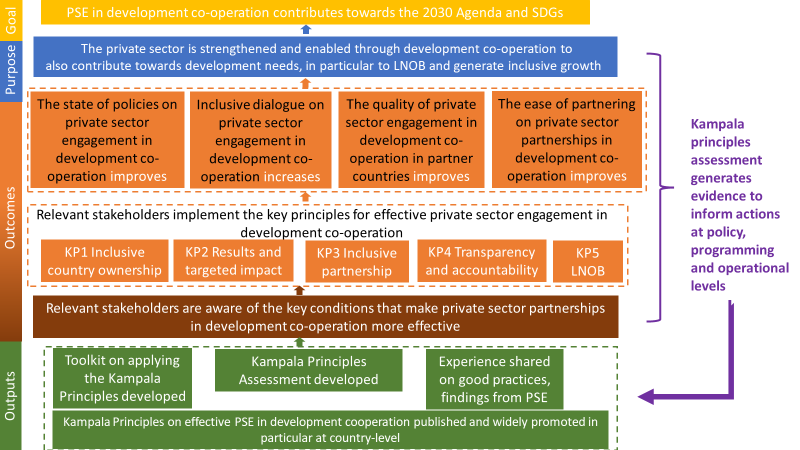


Figure Kampala Principles theory of change

The theory of change is organized as follows (bottom up):

**Outputs:** The green boxes at the bottom show the outputs - the results of efforts by the GPEDC and other stakeholders to create awareness of the key conditions for effective private sector engagement in development co-operation. They show the work done by GPEDC to develop best practice guidance and disseminate those across relevant stakeholder groups to make private sector partnerships for development co-operation more effective. This includes:

* developing the Kampala Principles,
* developing supporting guidance on how to apply and assess its implementation (the Kampala Principles toolkits and assessment methodology), as well as
* experience sharing on good practices.

**Outcomes:** The brown and orange boxes show the outcomes - the results of all these efforts. They capture the country-level behavior related to creating the key conditions that make private sector engagement for development co-operation more effective, i.e. the implementation of the Kampala Principles (implicitly or explicitly) – see boxes:

* The first (important) step in brown shows that all relevant stakeholders in partner countries are aware of the key conditions that make private sector engagement through development co-operation more effective.
* The first row of boxes in orange (from bottom up) show implementation of the key principles for effective private sector engagement through development co-operation (i.e. the Kampala Principles). The boxes inside the dotted orange line reflects a virtuous cycle in which implementation of one Kampala Principle likely leads to implementing another.
* The second row of orange boxes show how related changes in outlook and behavior stemming from the implementation of the Kampala Principles:
  + Improvement of the state of policies on private sector engagement in development co-operation;
  + Increase of inclusive dialogue on private sector engagement in development co-operation;
  + Improvement in the quality of private sector engagement for development co-operation in partner countries:
  + Improvement in the ease of partnering in private sector partnerships through development co-operation

At all levels concerted efforts are made to ensure that the process and its results are inclusive in nature. This is achieved by building institutional capacities, particularly of those who are commonly excluded or hard to reach; by actively and innovatively including the most vulnerable in dialogue, and, by actively designing private sector partnerships which specifically aim to benefit those who are furthest behind.

In each country, the process of constructive, inclusive dialogue and action for more effective private sector engagement in development co-operation will take a different form, with some areas of action being more articulated, others less.

**Purpose:** The blue box shows how, as a result of the diverse, inclusive process in the partner country, these outcomes strengthen and enable the private sector to be a more important and effective partner in development co-operation at the country level.

**Goals:** The yellow box on top shows how, as a result, more effective private sector engagement in development co-operation contributes towards the 2030 Agenda and the SDGs.

**Feedback loop:** The focus in this theory of change is on a cyclical process (a ‘learning loop’ shown in purple in the theory of change), in which evidence collected on how stakeholders are applying good principles for effective private sector engagement in development co-operation in partner country will be collected by the Kampala Principles Assessment through GPEDC monitoring exercise. This, in turn, would help generate more awareness of what is required to make private sector partnerships in development co-operation more effective in partner countries and enable stakeholders to act upon identified gaps or good practice. The toolkit can be used in support of this.

## Define key metrics to monitor the implementation of the Kampala Principles and their immediate results

Following the development of the theory of change, key metrics are developed as a next step to monitor the implementation of the Kampala Principles.

The overall objective of the Kampala Principles Assessment is to gather information at country level on whether the ‘building blocks’ are in place for effective engagement of the private sector in development co-operation. The information generated should be useful to stimulate inclusive, multi-stakeholder Action Dialogues. This, in turn, should inform actions at policy, programming and operational levels for effective private sector partnerships supported by development co-operation.

The assessment has the following key characteristics and objectives:

1. **Assess the implementation of key aspects of the five Kampala Principles and their immediate results in partner countries through four key metrics :**

The first key metric tracks **the state of policies on private sector engagement in development co-operation.** This metric assesses the state of private sector engagement policies in partner countries. This includes whether the policy framework recognizes and/or defines the role of private sector engagement and partnerships in development co-operation. This includes whether the framework sets clear expectations regarding priorities and objectives for private sector engagement with regard to specific sectors, geographies, and the inclusion of vulnerable groups. It further includes whether any framework was developed through inclusive consultation with all relevant national stakeholders (through national development co-operation forums, etc.). Finally, it is important that at the national level, policies identify the relevant private sector to be included in development co-operation.

The second key metric tracks whether **inclusive dialogue on private sector engagement in development co-operation is taking place** at the policy and programme level in countries. In the latter case, it is important to assess whether stakeholders were sufficiently consulted during programme design and whether they continue to be involved throughout the programme life cycle.

The third key metric tracks **the quality of private sector engagement for development co-operation in partner countries**. The quality of private sector engagement in partner countries relates to whether private sector partnerships are justified, inclusive, honour international standards, are transparent and trigger learning, adaptive management and scaling of good practices.

The fourth key metric tracks **the ease of partnering in private sector partnerships through development co-operation**. This metric is chosen to assess the opportunities and challenges perceived by different stakeholders to engage in private sector partnerships for development co-operation.

Finally, all metrics assess whether sufficient investments were made and actions taken to make the consultative processes and private sector partnership development **inclusive and geared towards reaching those who are furthest behind.**

1. **Engage all relevant stakeholders in the process of assessing the implementation of the Kampala Principles.**

The multi-stakeholder nature of the Kampala Principles emphasises the importance of including all relevant stakeholders (in particular also those who are furthest behind) to effectively engage the private sector in development co-operation. This helps ensure that PSE partnerships yield results for relevant target groups, including those most left behind. In this assessment it is important to bring in the perspectives of all relevant stakeholders to be able to triangulate the information collected.

The different stakeholders who will be engaged, at country level, in this assessment are:

**Partner Country Government (PCG) representatives:** This includes relevant ministries, e.g., Ministry of Finance, Ministry of Foreign Affairs, Ministry of Planning etc. that work on private sector projects, programmes and policies with the private sector involving development co-operation.

1. **Development Partners (DPs):** This includes country offices of foreign and development ministries, agencies, DFIs, governmental business promotion agencies and of business associations;
2. **Private Sector (PS) representatives:** This includes consulting one voice for large firms including those who are export oriented and multinational companies operating in the country; one voice for SMEs with particular emphasis on micro-,small- and medium-sized enterprises (MSMEs) and related business networks and associations or cooperatives including from the informal sector. Representatives would be from business associations or other umbrella groups (depending on the country context) who can consult/consolidate answers with their wider constituency group);
3. **Trade Union representatives**: This could include representatives of national trade unions or networks other relevant actors such as local ILO representatives (depending on the country context)
4. **CSO representatives** (from a CSO or network with specific experience on PSE).

**c) Collate quantitative and qualitative data available at the country level that combined provides sufficient detail and insight to inform country results briefs[[6]](#footnote-7) and Action Dialogues in each partner country.** The briefs can provide a substantive basis for the Action Dialogues. This allows all stakeholders to understand the results collected and come prepared to discuss them at the Action Dialogue.

Table 2 below provides a more detailed overview of the key metrics. It shows what each specific metric measures. It lists the sub-elements which articulate the main data that will be collected through specific questions under each metric. **It shows sub-elements that will specifically generate evidence related to the pledge to ‘leave no one behind’ in blue.** Finally, it shows how the data generated through the metrics can be used for Action Dialogues and learning in partner countries.

Table 2 Key Metrics to monitor the implementation of the Kampala Principles

|  |
| --- |
| **Key Metric 1: The state of policies on private sector engagement in development co-operation** |
| **What it measures:** This metric will assess the following elements for the different stakeholder groups:  Partner country government: Whether a partner country government has a development co-operation policy or strategy that articulates how the private sector should contribute towards sustainable development in the country; whether a partner country government also has a specific strategy for working with the private sector in development co-operation.  Development partner: Whether a development partner has a well-defined global private sector engagement policy in development co-operation; and also a more country- specific private sector engagement policy aligned with partner country’s development priorities.  Private sector, trade unions and CSO representatives: Whether they are aware of the partner country government and/or development partners’ private sector engagement policies or strategies. |
| **Sub-elements:**   |  |  | | --- | --- | | Partner country government | * Existence of a development co-operation policy or strategy that articulates how the private sector should contribute towards sustainable development * Existence of a specific strategy for working with the private sector in development co-operation. Whether the strategy or policy provides guidance related to: * Why work with the private sector * Priority sectors, regions and target groups * Targets to reach vulnerable and poor populations * Roles and responsibilities of different stakeholders * Commitment to inclusive dialogues and consultation with different stakeholders * National standards that should be adhered to * Results framework for PSE | | Development partner | * Existence of a global strategy or policy that articulates how to implement partnerships with the private sector in development co-operation. Whether the strategy or policy provides guidance related to: * Why to work with the private sector * Adherence to national strategies in country of operation * Commitment to inclusive dialogues and consultation with local stakeholders * Issues or risks related to tied aid * Capacity development of local private sector * Value for money * Additionality * Targets to reach vulnerable and poor populations * Risk assessment * Business case and exit strategy in PSE * Due diligence * Conformance to national and international standards * Existence of a country specific private sector engagement policy or strategy that is aligned to partner country government’s priorities and strategies and whether it is developed in consultation with the partner country government | | Private sector, Trade union and CSOs | * Awareness of partner country government’s policy or strategy on working with the private sector in development co-operation. * Awareness of development partners’ policy or strategy on working with the private sector in development co-operation. | |
| **How it can be used:** This information collected from this metric can help stakeholders identify if their policy for working with the private sector in development co-operation is holistic and specific in its objectives. This can help trigger action on how to make the policy environment for PSE better-defined and responding to country-specific needs. |
| **Key Metric 2: Inclusive dialogue on private sector engagement in development co-operation** |
| **What it measures:** This metric will assess the following elements for the different stakeholder groups (building on previous monitoring Indicator 3 on the quality of public-private dialogue):  Partner country government: Whether a partner country government conducts dialogue on private sector engagement in development co-operation, the relevance or usefulness of such dialogues and consultation; whether the partner country government is also engaged in dialogue organized by development partners.  Development partner: Whether a partner country government conducts dialogue on private sector engagement in development co-operation; whether they are also engaged in dialogue organized by the partner country government and the relevance or usefulness of such dialogues.  Private sector, trade unions and CSO representatives: Whether they have been included in dialogue by the partner country government and development partners; the relevance or usefulness of dialogue organized by the partner country government. |
| **Sub-elements:**   |  |  | | --- | --- | | Partner country government and development partner | * Existence of multistakeholder dialogues and consultations organized by the partner country government and development partners. Key features of these: * Which stakeholder are invited to participate (especially if there is representation of those most left behind) * Institutionalization of such dialogues   + Whether partner country government is included in dialogues organized by development partners related to the design of private sector engagement policies, country-specific strategies and specific projects or initiatives.   + Whether development partners are included in dialogues organized by partner country on private sector engagement policy and projects.   + The quality of dialogues on private sector engagement in development co-operation organized by the partner country government in the last three years.   It checks for the following features to assess relevance or usefulness:   * Inclusion of different stakeholders * Representation of those most left behind * Whether issues of concern are addressed in these * Alignment with national development priorities and the SDGs * Whether it results in collaboration between different stakeholders | | Private sector, Trade union and CSOs | * Whether they are included in dialogues or consultations organized by the partner country government and/or development partners * The quality of dialogues on private sector engagement in development co-operation organized by the partner country government in the last three years. It checks for the following features to assess relevance or usefulness: * Inclusion of different stakeholders * Representation of those most left behind * Whether issues of concern are addressed in these * Alignment with the national development priorities and the SDGs * Whether it results in joint collaboration between different stakeholders | |
| **How it can be used:** The information collected from this metric can help stakeholders to identify if different dialogues and consultations are multistakeholder and inclusive in nature and relevant and useful for different stakeholders. This can help trigger action to increase representation and usefulness of such dialogues and consultations. |
| **Key Metric 3: The quality of private sector engagement in development co-operation in partner countries** |
| **What it measures:** This metric will assess key features of private sector engagement initiatives in a country to assess if private sector engagement is justified, honouring national and international standards, tracking and sharing results transparently and promoting learning and adaptive management, |
| **Sub-elements:**   |  |  | | --- | --- | | Partner country government, development partners, Private sector, Trade unions and CSOs | * Whether private sector engagement is actually delivering the results that are most needed * Whether private sector engagement is geared towards building the capacity of local private sector * Whether private sector engagement is leading to development outcomes, that would not happen otherwise (financial and development additionality) * Whether private sector engagement is aligned to relevant national standards (ESG standards) and international standards (such as International Labour Organisation, UN Principles on Business and Human Rights, OECD Guidelines for multination-al enterprises, as well as the Kampala Principles, which also covers the above standards under principle 2C) * Whether due diligence is conducted for private sector engagement by development partners * Whether the results of private sector engagement is tracked separately and shared with different stakeholders * Whether there is an adequate process or mechanism in place to reflect on the progress, results realised and/or grievances received resulting in the adaptive management of private sector engagement partnerships in development co-operation * Good case examples of PSE in development cooperation | |
|  |
| The information collected from this metric can help stakeholders identify the key characteristics and quality of private sector engagement in a country. This can help trigger action on what is needed to improve the effectiveness of private sector engagement. |
| **Key Metric 4: The ease of partnering in private sector partnerships through development co-operation** |
| **What it measures:** This metric will assess the perception of all the different stakeholders on the ease of partnering in private sector partnerships through development co-operation and factors that could help make partnerships more accessible. |
| **Sub-elements:**   |  |  | | --- | --- | | Partner country government, development partners, Private sector, Trade unions and CSOs | * Perception on the ease of partnering in private sector partnerships through development co-operation (including awareness of the existence of PSE opportunities) * Challenges that hinder partners from engaging in private sector partnerships in development co-operation * Factors that could help make private sector engagement opportunities more accessible | |
| The information collected from this metric can help stakeholders understand what different stakeholders perceive as key **impediments** or opportunities to scale up private sector engagement through development co-operation. This can help trigger action on how to address relevant constraints and harness new opportunities. |

# Conducting the Kampala Principles Assessment

## Introduction to the overall Kampala Principles Assessment process

This chapter describes how to conduct the Kampala Principles Assessment. The process described below intends to establish an adequately wide and representative outreach to the constituencies relevant for the Kampala Principles Assessment. At the same time, it intends to collect data in a manner that requires limited investigation and no further analysis by respondents in order to answer them. Overall, it intends to minimize the demands on all stakeholders in participating countries by emphasizing the importance of an inclusive process. **The benefit derived from this is a process that generates twenty data points that can inform policy, dialogue, learning and action for effective private sector engagement in development co-operation.**

**The Kampala Principles Assessment will be an integral part of the GPEDC monitoring exercise. Thus, the Kampala Principles Assessment will follow the same staged approach as other elements of the monitoring exercise**, wherebydata collection, analysis, reflection, dialogue, and action are preceded by an inception phase to establish the process.

Figure 2 shows the different stages of the Kampala Principles Assessment – which aligns with the process and steps for other elements of the monitoring exercise - to generate a wide and representative outreach to the relevant constituencies and generate evidence-based country results briefs for policy, dialogue and action.



Figure 2: Kampala Principles Assessment stakeholder engagement process

One national co-ordinator will lead and coordinate both the main GPEDC monitoring exercise and the Kampala Principles Assessment. The national coordinator is nominated by the Partner Country Government and is usually an official sitting at the Ministry of Finance, Planning or Foreign Affairs, or equivalent, with the responsibility for overseeing the management of development co-operation. In addition to leading and coordinating the overall process, the national coordinator will consult with relevant government stakeholders to respond to questions addressed to the partner country government.

Initially the Kampala Principles Assessment will undergo a soft roll out in a limited number of countries volunteering to test the feasibility of the process and reporting areas. Based on this experience, these can be fine-tuned.

## An inception phase to establish a mechanism for the Kampala Principles Assessment process

The Inception Phase should be an inclusive process geared towards supporting the national co-ordinator in his/her role. During this phase, relevant private sector actors should be identified and sensitized to the Kampala Principles and the assessment process. This includes in particular also (representatives of) small domestic companies and the informal sector. The same applies to identifying relevant development partners, CSO and trade union representatives with expertise in PSE in development co-operation.

*All* development stakeholders – development partners, Partner Country Governments (including through local government bodies), CSOs and trade unions – have a role to play to help reach out to a wide and representative group of private sector entities and representatives. The national co-ordinator [and their institution] plays a leadership and coordinating role.

During the inception phase the following actions can be undertaken to establish a mechanism for the Kampala Principles Assessment that supports a wide and representative outreach:

1. In support of the national co-ordinator, a small secretariat and/or working group can be formed to further facilitate a wide and representative outreach. This could take the form of a development partner offering to take on a secretariat role. This could be further supported by representatives from relevant constituencies forming an informal group working to advance the process of target group identification and sensitization.
2. Supported by this, the national co-ordinator identifies focal points for the relevant constituencies identified above, some of whom could also be focal points engaged in the main GPEDC monitoring exercise;

* a focal point to engage the Partner Country Government (including local bodies) – depending on country context, the national co-ordinator could play this role or a separate government focal point [in a different ministry /government business promotion agency etc.] could be identified;
* a focal point to engage export-oriented firms and multinational companies;
* a focal point to engage SMEs (with particular emphasis on micro and small enterprises and related networks and associations, including from the informal sector, or cooperative networks, etc.).

Focal points for export-oriented firms, multinational companies and domestic small and micro enterprises may be identified in representative chambers and associations (this may vary between countries).

* a focal point to engage trade unions: the International Trade Union Confederation (ITUC) can identify potential focal points for their constituencies, for consideration by the national coordinator. and
* a focal point to engage CSOs: the CSO Partnership for Development Effectiveness (CPDE) can identify potential focal points for their constituencies, for consideration by the national coordinator.

In the case of **development partners,** in line with the process for their reporting on elements of the main monitoring exercise, the national coordinator will reach out to the individual focal points of each development partner (recognising that not every development partner may be engaged in PSE programmes/projects). The development partner at country-level will in turn need to coordinate with their headquarters to get inputs from relevant ministries/agencies, including development and relevant line ministries active in PSE in the respective partner country, the governmental business promotion agencies and possibly the DFI).

1. When identified, focal points will help identify and sensitize the target group for the monitoring exercise within their constituency. Focal points are ideally ‘movers and shakers’ with strong networks, a strong interest in private sector engagement in development cooperation and good understanding of who within their constituency is interested in contributing to the Kampala Principles Assessment and why. Those targeted within the respective constituencies ideally should share similar traits and interests.

By the end of the Inception Phase, target groups within each constituency should have been identified and sensitized and focal points, perhaps support by a secretariat and/or or an informal working group, are in place, so that the National Coordinator has a mechanism at his/her disposal to lead and coordinate the Kampala Principles Assessment process.

## Collect data against the four key metrics for the Kampala Principles Assessment

Once the target groups in each constituency have been identified and the mechanism for data collection is in place, the Kampala Principles Assessment process can proceed. The data collection process consists of the following elements and steps:

1. **Data collection tools:** Five questionnaires – one for each constituency/target group – have been designed to collect information on the four key metrics of the Kampala Principles Assessment. To manage the burden of data collection, the metrics have been streamlined to reduce reporting burden and ensure relevance and focus. Also, to manage the burden of data collection, the questionnaires mainly contain close ended questions. These are complemented with a small set of necessary open-ended questions to include additional information and to upload supportive documents. The questions are designed to assess the present state of conditions that make private sector engagement in development co-operation more effective.
2. **Data collection:** Focal points will reach out to the target groups within their respective constituencies:

* **Partner Country Government:** The national coordinator or other focal point identified will consult relevant ministries such as the Prime Minister’s office, Ministry of Finance, Ministry of Foreign Affairs, Ministry of Planning, *et cetera*, that work on development co-operation projects, programmes and policies involving the private sector, in order to respond to the questionnaire for the Partner Country Government.
* **Development partners:** The national coordinator will share the questionnaire with the development partners already engaged in reporting on other elements of the monitoring exercise.
* **Private sector:** The two focal points identified should respectively identify at least 2 and up to 10 large export-oriented and multinational firms (or representatives of these) and ten small and micro-enterprises (or representatives of these). Ideally, these have experience with development cooperation projects. The focal points will consult with them how to respond to the private sector questionnaire in order to represent their group.
* **Trade unions:** The focal point identified will engage at least 2 and up to 10 trade union representatives to respond to the questionnaire for trade unions.
* **Civil Society Organizations:** The focal point identified will engage at least 2 and up to 10 local and international civil society organizations with exposure to private sector engagement in development co-operation in the country to respond to the questionnaire for CSOs.

Focal points for these three constituencies – private sector, trade unions and Civil Society Organisations - **are encouraged to hold a stakeholder-specific dialogue** in order to inform the Kampala Principles Assessment (if feasible). Alternatively, focal points may wish to circulate the questionnaire to targets within their constituency. **It is not suggested however** thatthe national coordinator or any other stakeholder should organise a *multistakeholder* dialogue to answer the questionnaire.

1. **Data collating:** Following the stakeholder dialogue, or upon receiving the filled-out questionnaires, each focal point will submit **one aggregate questionnaire** on behalf of their stakeholder groupto the national co-ordinator (within 5-6 months), who will enter the data into the online reporting tool (used for the overall monitoring exercise).

## Data review, validation and dissemination of results

When the datasets are collated, several steps will follow in order to arrive at evidence-based country results briefs that can form the basis for policy, learning and action at the country on (more) effective private sector engagement in development cooperation, namely:

* National coordinator receives and reviews data received from focal points and follows up with focal points on any inconsistencies or requests for clarification.
* National coordinator shares validated dataset with JST through the online reporting tool, which checks the data received for accuracy and comprehensiveness; and communicates with national coordinator to arrive at final dataset.
* JST to share the final dataset with the national coordinator; develops country results briefs (inclusive of the results of the KPA and of the broader monitoring exercise), which are included in a global dashboard.

## Evidence-based reflection, dialogue and action

The qualitative and quantitative information collected through the Kampala Principles Assessment can be used to inform multi-stakeholder Action Dialogues on how to improve effectiveness of private sector engagement in development co-operation.

Table 3 below summaries the twenty data points that will be generated against the four key metrics for the Kampala Principles as assessment, using the questionnaires outlined in Annex 1 to 5. **The data points that generate specific information related to leaving no one behind are shown in blue.**

Table 3 Data points to inform country results briefs

|  |
| --- |
| **Key Metric 1: The state of policies on private sector engagement in development co-operation** |
| 1. Existence of policies or strategies for partner country government that articulates how the private sector should contribute towards sustainable development 2. Existence of policies or strategies for partner country government and development partner that articulates how the private sector should be engaged in development co-operation 3. Key characteristics of such policies or strategies (specifically if it aims to leave no one behind) 4. Whether such policies or strategies have been developed through an inclusive process 5. Knowledge of such policies and strategies across different stakeholder groups |
| **Key Metric 2: Inclusive dialogue on private sector engagement in development co-operation** |
| 1. Whether multistakeholder dialogues and consultations are held by partner country governments and development partners 2. Who participates in such dialogues and consultations (specifically if there is representation of other most left behind) 3. Whether dialogues are institutionalized 4. The relevance or usefulness of such dialogues as observed by different stakeholder groups (including those who are less represented) |
| **Key Metric 3: The quality of private sector engagement in development co-operation in partner countries** |
| 1. Whether private sector engagement is delivering the results that are most needed 2. Whether private sector engagement is building the capacity of local private sector 3. Whether private sector engagement is leading to development outcomes, that would not happen otherwise (financial and development additionality) 4. Whether private sector engagement is aligned to relevant national standards (ESG standards) and international standards (such as International Labour Organization, UN Principles on Business and Human Rights, OECD Guidelines for multination-al enterprises and Kampala Principles) 5. Whether due-diligence is conducted for private sector engagement by development partners 6. Whether the results of private sector engagement is tracked separately and shared with different stakeholders 7. Whether there is an adequate process or mechanism in place to reflect on the progress, results realized and/or grievances received resulting in the adaptive management of private sector engagement partnerships in development co-operation 8. (Good case examples of private sector engagement) |
| **Key Metric 4: The ease of partnering in private sector partnerships through development co-operation** |
| 1. Different stakeholders’ perception on the ease of partnering in private sector partnerships through development co-operation 2. Different stakeholders’ perception on challenges that hinder partners from engaging in private sector partnerships in development co-operation 3. Different stakeholder’ perception on factors that could help make private sector engagement opportunities more accessible |

These data points will inform the country results briefs, together with regional and global comparisons to contextualise the monitoring results to a particular country.

# Annex 1: Questionnaire for Partner Country Government

|  |
| --- |
| 1. **The state of policies on private sector engagement in development co-operation (Key Metric 1)** |
| 1.1 Do you have a national development co-operation policy or national development strategy that articulates how the private sector should contribute towards sustainable development in your country? (Yes/No). *If yes, continue to 1.2.2, otherwise go to 1.3.*   1. Hyperlink to the document or upload a copy:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. Does this document explicitly refer to priority sectors? (Yes/No) |
| 1.2 Do you have a national development co-operation policy or national development strategy that articulates how the private sector should be engaged in development co-operation? (Yes/No) *If yes, continue to 1.2.1, otherwise go to 1.3*  1.2.1 Hyperlink to the document or upload a copy: \_\_\_\_\_\_\_\_\_\_\_\_  1.2.2 Is there another document that articulates the same? (Yes/No) If yes, hyperlink to the document or upload a copy: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   * + 1. Is this document made publicly available? (Yes/No)   1.2.4 Do the documents identified in 1.2.1 or 1.2.2 explicitly include the following (multiple answers possible):   1. Rationale on why work with the private sector in development co-operation 2. Priority sectors that are important for private sector engagement 3. Priority regions that are important for private sector engagement 4. Priority target groups 5. Targets for reaching vulnerable and poor populations 6. Clear roles and responsibilities of different stakeholders in private sector engagement in development co-operation. Specify which groups:  * Government departments * Local government * Development partners * Private sector, specify: * Multinational companies * Large domestic companies * SMEs * Micro enterprises * Associations * CSOs * Trade unions * Others:\_\_\_\_\_\_\_\_\_\_\_\_  1. A commitment to in-depth, inclusive and systematic consultations and dialogues with specific stakeholder groups? Specify with which stakeholder groups:  * Government departments * Local governments * Development partners * Private sector, specify: * Multinational companies * Large domestic companies * SMEs * Micro enterprises * Associations * CSOs * Trade Unions * Others: \_\_\_\_\_\_\_\_\_\_  1. A reference to specific national standards to be used in projects with the private sector? (such as ESG standards, labour rights)? (Yes/no) If yes, specify which:\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. A reference to specific international standards to be used in projects with the private sector? (Yes/no) If yes, specify which:\_\_\_\_\_\_\_\_\_\_\_\_\_ 3. An overarching results framework that can be used by stakeholders at the project level? (Yes/No) |
| * 1. To what extent was your government involved/consulted in development partners’ decisions to work with the national or international private sector in their development co-operation for your country?  1. Very involved through dialogue on the design of their strategy 2. Somewhat involved through some dialogue on the design of their strategy 3. Not involved at all |
| 1. **Inclusive dialogue on PSE in development co-operation (Key metric 2)** |
| 1. Does your government initiate country-level dialogues on PSE in development co-operation (Yes/No*). If yes, continue to 2.1.1, otherwise go to 2.2.* 2. Which stakeholders are included to participate in such dialogues on PSE in development co-operation (multiple answers possible):  * Different government departments * Local government * Development partner * Private sector, specify:   + - * + Multinational companies         + Large domestic companies         + SMEs         + Micro enterprises         + Associations * CSOs * Trade unions * Others:\_\_\_\_\_\_\_\_\_\_\_\_  1. Do you use any innovative engagement modality to increase inclusion of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector? (Yes/No) If yes, what innovative mechanism do you use? 2. Use of online meeting platforms to reach remote locations 3. Use of local contact personnel 4. Others, specify: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 5. What is the purpose of conducting such dialogue on PSE in development co-operation (multiple answers possible): 6. Reaching agreements on priorities for PSE policy or strategy 7. Communicating PSE policy or strategy 8. Building trust with different stakeholder groups who may be affected by PSE policy and project 9. Identifying needs of different stakeholders groups who may be affected by PSE policy and project 10. Addressing concerns of different stakeholder group who may be affected by PSE policy and strategy 11. Designing PSE projects 12. Maintaining communication on existing PSE projects 13. Are such dialogues organized to take place in a recurring order? (Yes/No). 14. Are there systems or mechanisms in place to follow up and uptake on recommendations of such dialogue? (Yes/No) |
| 1. Did development partners consult your government on PSE in development co-operation? (Yes/No) *If yes, continue to 2.2.1, otherwise go to 2.3:* 2. What portions of development partners do this? 3. All development partners 4. Most development partners 5. Some development partners 6. No development partners 7. What topics have such consultations been focused on? 8. Getting your government’s input on development partners’ in country PSE policy or strategy design. 9. Communication development partners’ country PSE policy or strategy 10. Design of PSE projects 11. Ongoing consultation on existing PSE projects (reporting results) 12. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Do development partners support your government through capacity building to engage in dialogue on PSE in development co-operation? (Yes/No) |
| 1. Based on dialogues on PSE in development co-operation organised by your government in the past three years, answer the following questions on quality of such dialogues: 2. Who participated in such dialogues? Which topics were discussed under each? (Multiple answers possible):  |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | PSE policy or strategy design | PSE project design | PSE project results | | i) | Different government departments |  |  |  | | ii) | Local government |  |  |  | | iii) | Development partners |  |  |  | | iv) | Private sector, specify:   * Multinational companies * Large domestic companies * SMEs * Microenterprises * Associations |  |  |  | | v) | CSOs |  |  |  | | vi) | Trade unions |  |  |  | | vii) | Others:\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |  |  1. Was participation inclusive, particularly of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector? 2. Participation in recent dialogues is very limited and selective, normally some high-profile actors, associations or large firms 3. Participation in recent dialogues is broader but still unbalanced, with broader representation of some stakeholders and more limited to others 4. Participation typically includes most relevant stakeholders from different constituencies, although their influence in the dialogue in uneven. 5. Participation typically includes most relevant stakeholders, will similar role and influence in the dialogue 6. To what extent do such dialogues address issues of concern of different stakeholders? 7. Different stakeholders focus on opposing issues of concern, resulting on further conflict, and limited substantive dialogue or action 8. Existing dialogues address a mix of concerns from different stakeholders, although one or more stakeholder group(s) have more leverage in setting the agenda(s) 9. Existing dialogues address a balanced mix of concerns from different stakeholders, although some stakeholder group(s) have more leverage in setting the agenda(s) 10. Existing dialogues address a balanced mix of concerns from different stakeholders, including from smaller and more unrepresented actors, ensuring that most relevant issues are part of the agenda. 11. To what extent were such dialogues discussing topics aligned with your national development priorities and the SDGs?     1. Dialogues are very well aligned with national development priorities     2. Dialogues are somewhat aligned with national development priorities     3. Dialogues are not well aligned with national development priorities 12. Have such dialogues resulted in increasing joint collaboration between different stakeholders: 13. In general, little joint action is produced as a result of such dialogue initiatives 14. In general, joint action resulting from dialogue initiatives is limited - although there are some incipient examples of collaboration 15. Joint action resulting from dialogue initiatives in mixed – several dialogue initiatives that are driving joint collaboration, while many still are not as effective. 16. Joint action is progressively increasing, driven by dialogue initiatives in the country. |
| 1. **Quality of private sector engagement in development co-operation in partner countries (Key metric 3)** |
| 1. Is private sector engagement for development co-operation delivering the results that are most needed? (Yes/No). If no, why: 2. Not geared towards priority sectors 3. Not geared towards priority regions 4. Not geared towards priority target groups 5. Not geared towards the most poor and vulnerable 6. Other reasons:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Is private sector engagement in development co-operation building the capacity of local private sector? (Yes/No). If yes, specify (multiple responses possible): 2. Large companies 3. SMEs 4. Microenterprises |
| 1. Is private sector engagement in development co-operation leading to development outcomes, that would not happen otherwise? (Yes/No) If yes, why would it not happen otherwise: 2. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes (Yes/No) If yes,  * Can the private sector obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes, particularly for the most poor and vulnerable. (Yes/No) If yes,  * Can the private sector partner obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes. (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes, particularly for the most poor and vulnerable (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector is unwilling to implement the proposed project because of a perceived balance of costs/risks and benefits |
| 1. Is private sector engagement in development co-operation aligned with:    1. relevant national standards such as ESG standards, Labour standards? (Yes/No/Not applicable as there are no such standards)    2. Yes to international standards; specify:       * + 1. International Labour Organisation           2. UN Principles on Business and Human Rights           3. OECD Guidelines for multinational enterprises           4. Kampala Principles for Effective Private Sector Engagement in Development Co-operation    3. Others, specify:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Does your national country results framework distinguish results of private sector engagement for development outcome? (Yes/No) *If yes, go to 3.5.1 and skip 3.5.2. If no, go to 3.5.2.* 2. Respond to the following questions on the country results framework: 3. Please link to the document: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 4. Is this document made available to development partners? (Yes/No) 5. Do development partners need to report against these? (Yes/No) 6. Do you make the results collected publicly available? (Yes/No) *If yes, Link: \_\_\_\_* 7. Do Development Partners share results of PSE in development co-operation with you? |
| 1. Is there an adequate process or mechanism in place to reflect on the progress, results realised and/or grievances received resulting in the adaptative management (changes in planning or implementation) of private sector engagement partnerships in development co-operation? 2. i) There is no such process or mechanism 3. ii) There is such a process or mechanism to share the progress and results but no mechanism for grievance sharing 4. iii) There is such a process or mechanism to share the progress and results and limited space for grievance sharing which is dominated by bigger or more represented groups 5. iv) There is such a process or mechanism to share the progress and results and adequate space for different stakeholders (including more smaller and unrepresented groups) for grievance sharing |
| 1. Please share an example of a good case of private sector engagement in development co-operation in your country that took place in the last three years:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| |  | | --- | | 1. **The ease of partnering in private sector partnerships through development co-operation (Key metric 4)** | | 1. How would you rate the ease for different stakeholders (private sector, trade unions and CSOs) to engage in private sector partnerships through development co-operation? 2. Very easy 3. Easy 4. Somewhat easy 5. Difficult 6. Very difficult | | 1. What are the main challenges for different stakeholders to engage in PSE partnerships? 2. Lack of funding opportunities 3. Lack of mutual trust 4. Lack of staff with expertise who can coordinate on your side 5. Lengthy and burdensome application process 6. Long list paperwork required by funders for due diligence 7. High investment required as a partner (regardless of their size or status) 8. Speed of project delivery 9. Lack of business case in the project 10. Donor does not understand business 11. Processes and systems not harmonized across different donors 12. Complying with high donor standards 13. Heavy reporting burden 14. Payment cycles and terms do not consider partners’ liquidity concerns 15. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | 1. How could PSE partnership opportunities be made more accessible? 2. Clear communication and dialogue on what opportunities are available 3. More funding opportunities 4. Easier procedures to apply 5. Less investment required by partner (based on size) 6. More support in application making 7. More capacity building on how to report 8. Faster responses 9. Clear information on how a PSE project can also be commercially successful 10. Longer time given for project delivery 11. Flexible payment cycles 12. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |

# Annex 2: Questionnaire for Development Partners

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| **Contextual questions**   1. Do you engage the PS in your DC in this country (i.e. at least one private sector entity is directly part of development co-operation projects/programmes)? (Yes/No) *If yes, continue with the remaining questions.* 2. How many PSE projects do you have under your current portfolio? 3. What portion of your projects in development co-operation comprise of private sector engagement? 4. What private sector engagement modalities do you use? (Multiple answers possible) 5. Financial mechanism: 6. Grants 7. Loans 8. Guarantees 9. Equities 10. Development bonds 11. Insurance 12. Others, specify \_\_\_\_\_\_\_\_\_\_\_\_ 13. Non-financial mechanism 14. Policy dialogue 15. Knowledge sharing 16. Technical Assistance 17. Capacity development 18. Others, specify \_\_\_\_\_\_\_\_\_\_\_\_\_\_ 19. What type of PS is involved in these projects? (Multiple answers possible) 20. Multinational companies from your own country 21. Multinational companies from other countries 22. Large domestic companies (Locally owned) 23. SMEs 24. Micro enterprises |
| 1. **The state of of policies on private sector engagement in development co-operation (Key Metric 1)** |
| 1.1 Do you have a global strategy, policy or similar overarching guidance(s) that articulates how to implement partnerships with the private sector in your development co-operation programmes and projects? (Yes/No) If yes, continue to 1.1.2; if no, continue to 1.2.   1. Can you provide a link to the document(s):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. Does this document explicitly include the following (multiple answers possible):    * + 1. Rationale on why and under which circumstances to work with the private sector        2. Adhering to national strategies in the country of operation        3. Engaging local stakeholders, such as local government authorities, local CSOs and domestic companies and SMEs in the country of operation        4. Issues or risks related to tied aid by working with international companies from donor countries        5. Building the capacity of the local private sector        6. Ensuring value for money        7. Checking additionality to identify whether private sector solutions are the most appropriate to solve specific development challenge        8. Setting targets for reaching the most vulnerable/marginalized populations based on country context        9. Conducting risk assessment to ensure that PSE projects do not adversely affect any stakeholder group        10. Assessing the business case in PSE projects        11. Designing exit-strategy in PSE projects        12. Conducting due diligence process examine whether and how a proposed private sector partner’s core business aligns with and contributes to development objectives        13. Requiring conformance to national standards, such as ESG or labour        14. Requiring conformance to international standards. Please specify:  * International Labour Organisation * UN Principles on Business and Human Rights * OECD Guidelines for multinational enterprises * Kampala Principles for Effective Private Sector Engagement in Development Co-operation * Others, specify:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  1. Does this document help you to design and implement PSE projects at country level? (Yes/No) If no, explain what additional guidance would be useful:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1.2 Do you have a country level PSE policy or strategy (as a standalone document or part of an overall country strategy) that articulates how to implement partnerships with the private sector in your development co-operation programmes and projects? (Yes/No) *If yes, continue to 1.2.1, if no go to 2*   * + 1. Does it exist as a standalone document? (Yes/No). If yes, please link: \_\_\_\_\_\_\_\_\_\_\_\_\_  1. If not, does it exist as a section on PSE in the country strategy or co-operation programme for a partner country (Yes/No) If yes, please link:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   1.2.2 Did you involve/consult the partner country government in the design of this country level PSE policy or strategy?   * Very involved through dialogue on the design of the strategy * Somewhat involved through some consultations on the design of their strategy * Not involved at all   + 1. Is it aligned to the national development co-operation policy or national development strategy of the country in which you operate? (Yes/No) If no, why not: * There is no such policy or guidance * The partner country’s national development co-operation policy does not specify sectors, geographies or populations * Your global PSE policy has different interest * Others, specify:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   + 1. Does the document set PSE priorities based on a country context? (Yes/No) If yes,   Does it set priorities for:   * Sectors * Regions * Target groups * Targets for reaching the most vulnerable/marginalized population  1. How are these priorities set?  * Based on own research * Based on national statistics or national government research findings * Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **Inclusive dialogue on PSE in development co-operation** |
| 1. Does the development partner you represent consult or engage in dialogue with different stakeholders regarding PSE in development co-operation (Yes/No). If yes, continue to 2.1.1, otherwise go to 2.3. 2. Which stakeholders are included to participate in such consultations or dialogue on PSE in development co-operation (multiple answers possible):    * 1. Different government departments      2. Local government      3. Other Development partners      4. Private sector, specify: 3. - Multinational companies 4. - Large domestic companies 5. - SMEs 6. - Microenterprises 7. - Associations    * 1. CSOs      2. Trade unions      3. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 8. Do you use any innovative engagement modality to increase inclusion of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector? (Yes/No) If yes, what innovative mechanism do you use?    1. Use of online meeting platforms to reach remote locations    2. Use of local contact personnel    3. Others, specify: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 9. What is the purpose of conducting such consultations or dialogue on PSE in development co-operation (multiple answers possible): 10. Collect input or feedback on your PSE policy or strategy 11. Communicating your PSE policy or strategy 12. Building trust with different stakeholder groups who may be affected by your PSE projects 13. Identifying needs of different stakeholders groups who may be affected by your PSE projects 14. Addressing concerns of different stakeholder groups who may be affected by your PSE projects 15. Designing PSE projects 16. Maintaining communication on existing PSE projects 17. Are such dialogues organized to take place in a recurring order? (Yes/No) 18. Are there systems or mechanisms in place to follow up and uptake on recommendations of such dialogue? (Yes/No) |
| 1. Does the national government engage you in dialogue on PSE in development co-operation? (Yes/No) If yes, continue to 2.2.1, otherwise go to 2.4: 2. What topics have such dialogues or consultation been focused on?    * 1. Getting your input on partner country government’s PSE policy or strategy design.      2. Design of PSE projects      3. Brokering dialogue with other stakeholders      4. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Based on dialogues on PSE in development co-operation organised by partner country government in the past three years, answer the following questions on quality of such dialogues: 2. Who participated in such dialogues? Check the topics discussed under each? (Multiple answers possible):  |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | PSE policy or strategy design | PSE project design | PSE project results | | i) | Different government departments |  |  |  | | ii) | Local government |  |  |  | | iii) | Development partners |  |  |  | | iv) | Private sector, specify:   * Multinational companies * Large domestic companies * SMEs * Microenterprises * Associations |  |  |  | | v) | CSOs |  |  |  | | vi) | Trade unions |  |  |  | | vii) | Others:\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |  |  1. Was participation inclusive, particularly of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector? 2. Participation in recent dialogues is very limited and selective, normally some high-profile actors, associations or large firms 3. Participation in recent dialogues is broader but still unbalanced, with broader representation of some stakeholders and more limited to others 4. Participation typically includes most relevant stakeholders from different constituencies, although their influence in the dialogue in uneven. 5. Participation typically includes most relevant stakeholders, with similar role and influence in the dialogue 6. To what extent does such dialogues address issues of concern of different stakeholders?    1. Different stakeholders focus on opposing issues of concern, resulting in further conflict, and limited substantive dialogue or action    2. Existing dialogues address a mix of concerns from different stakeholders, although one or more stakeholder group(s) have more leverage in setting the agenda    3. Existing dialogues address a balanced mix of concerns from different stakeholders, although some stakeholder group(s) have more leverage in setting the agenda    4. Existing dialogues address a balanced mix of concerns from different stakeholders, including from smaller and more unrepresented actors, ensuring that most relevant issues are part of the agenda. 7. To what extent do such dialogues discuss topics in line with your partner country’s national development priorities and the SDGs?    1. Dialogues are very well aligned with national development priorities and the SDGs    2. Dialogues are somewhat aligned with national development priorities and the SDGs    3. Dialogues are not well aligned with national development priorities and the SDGs 8. Have such dialogues resulted in increasing joint collaboration between different stakeholders: 9. In general, little joint action is produced as a result of such dialogue initiatives 10. In general, joint action resulting from dialogue initiatives is limited - although there are some examples of collaboration 11. Joint action resulting from dialogue initiatives is mixed – several dialogue initiatives are driving joint collaboration, while many still are not as effective 12. Joint action is substantial, driven by dialogue initiatives in the country. |
| 1. Do you support partner country government through capacity building to engage in dialogue on PSE in development co-operation? (Yes/No) |
| 1. **Quality of private sector engagement in development co-operation in partner countries (Key metric 3)** |
| 1. Is your private sector engagement portfolio in development co-operation delivering the results that are most needed? (Yes/No). If no, why: 2. Not geared towards priority sectors 3. Not geared towards priority regions 4. Not geared towards priority target groups 5. Not geared towards the most poor and vulnerable 6. Other reasons:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Is private sector engagement in development co-operation building the capacity of local private sector? (Yes/No). *If yes, specify (multiple responses possible):* 2. Large companies 3. SMEs 4. Microenterprises |
| 1. Is your private sector engagement portfolio in development co-operation leading to development outcomes, that would not happen otherwise? (Yes/No) If yes, why would it not happen otherwise: 2. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes (Yes/No) *If yes,*  * Can the private sector obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes, particularly for the most poor and vulnerable. (Yes/No) *If yes,*  * Can the private sector partner obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes. (Yes/No*) If yes,*  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes, particularly for the most poor and vulnerable (Yes/No) *If yes,*  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector is unwilling to implement the proposed project because of a perceived balance of costs/risks and benefits |
| 1. Do you conduct due diligence checks of all partners before engaging in private sector partnerships in development co-operation? (Yes/No) |
| 1. Is private sector engagement in development co-operation aligned with relevant national and international standards? (Multiple responses possible) 2. No 3. Yes, to national standards, specify:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 4. Yes to international standards; specify:  * International Labour Organisation * UN Principles on Business and Human Rights * OECD Guidelines for multinational enterprises * Kampala Principles for Effective Private Sector Engagement in Development Co-operation * Others, specify:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3.6 Do you use a results framework to distinguish the results of private sector engagement for development outcome? (Yes/No) If yes, respond to the following questions on the results framework:   * + 1. Please link to the document: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_     2. Are the indicators aligned with partner country government’s national country results framework for results of private sector engagement in development co-operation? (Yes/No)     3. Are results collected on development outcome? (Yes/No)     4. Are results collected on business outcome? (Yes/No)     5. Are private sector partners involved in data collection (Yes/No)     6. Do you share the results collected using this framework with partner country government (Yes/No)     7. Do you make the results collected publicly available? (Yes/No) If yes, Link:\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3.7 Is there an adequate process or mechanism in place to reflect on the progress, results realised and/or grievances received resulting in the adaptative management (changes in planning or implementation) of your private sector engagement portfolio in development co-operation?   1. There is no such process or mechanism 2. There is such a process or mechanism to share the progress and results but no mechanism for grievance sharing 3. There is such a process or mechanism to share the progress and results and limited space for grievance sharing which is dominated by bigger or more represented groups 4. There is such a process or mechanism to share the progress and results and adequate space for different stakeholders (including more smaller and unrepresented groups) for grievance sharing |
| * 1. Please share an example of a good case of private sector engagement in development co-operation that you funded in the last three years:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| |  | | --- | | 1. **The ease of partnering in private sector partnerships through development co-operation (Key metric 4)** | | * 1. How would you rate the ease for different stakeholders (private sector, trade unions and CSOs) to engage in your PSE opportunities in development co-operation?  1. Very easy 2. Easy 3. Somewhat easy 4. Difficult 5. Very difficult | | * 1. What makes your PSE opportunities accessible for different stakeholder groups?  1. Multiple funding opportunities 2. Reputation as a trustworthy partner 3. Clear communication and dialogue about PSE opportunities 4. Easy application process 5. Support in application making 6. Easy paperwork requirements for due diligence 7. Investment required by partner adjusted depending on partner portfolio 8. Speed of project delivery 9. Strong understanding of private sector businesses 10. Fast response to partner queries and demands 11. Easy reporting burden 12. Capacity building support provided in reporting 13. Flexible payment cycles 14. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |

# Annex 3: Questionnaire for Private Sector Representatives

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| **Contextual Questions**  Has the group that you are representing been engaged with development partners/donors/the international community in development co-operation? (Yes/No) If yes, in what role (multiple answers possible)?   1. In Project/programme consultations 2. As implementing partners 3. As beneficiary (e.g., recipient of microfinance loans or participant in capacity development programmes), 4. As funding partner |
| 1. **The state of of policies on private sector engagement in development co-operation (Key Metric 3)** |
| * 1. Are you aware of any policy framework or other document in which the government outlines your groups’ (private sector) role in working with and/or receiving funding support from international donors? (Yes/No). *If yes, can you specify where this can be found:*\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Are you aware of any policy or strategy documents by international donors in which they specify your groups’ (private sector) role in working with and/or receiving funding support from them? (Yes/No). *If yes, can you specify which donors*:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Has the group that you are representing have themselves developed any guidelines on how to engage in private sector engagement in development co-operations? (Yes/No) |
| 1. **Inclusive dialogue on PSE in development co-operation (Key Metric 3)** |
| 2.1 Have any international donors or development agencies who are active in your country asked for your group’s input in designing their strategy where the private sector can play a role? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Have any international donors or development agencies who are active in your country asked for your group’s input in designing projects where the private sector can play a role? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Has your group been invited by the government on any dialogue or consultation on what should be the role of the private sector in development co-operation? (Yes/No). *If yes, continue to 2.3.1, otherwise go to 3.*  1. Do such dialogues take place in a recurring order (at least once every year)? (Yes/No). 2. Are you aware if the government follows up and uptakes on recommendations of such dialogue? (Yes/No) |
| 1. Based on your experience in attending such dialogues or consultations organized by the government in the past three years, answer the following questions on the quality of such dialogues: 2. Who participated in these dialogues; which topics were discussed? (Multiple answers possible):  |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | PSE policy or strategy design | PSE project design | PSE project results | | i) | Different government departments |  |  |  | | ii) | Local government |  |  |  | | iii) | Development partners |  |  |  | | iv) | Private sector, specify:   * Multinational companies * Large domestic companies * SMEs * Microenterprises * Associations |  |  |  | | v) | CSOs |  |  |  | | vi) | Trade unions |  |  |  | | vii) | Others:\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |  |  1. Was participation inclusive, particularly of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector? 2. Participation in recent dialogues is very limited and selective, normally some high-profile actors, associations or large firms 3. Participation in recent dialogues is broader but still unbalanced, with broader representation of some stakeholders and more limited to others 4. Participation typically includes most relevant stakeholders from different constituencies, although their influence in the dialogue in uneven. 5. Participation typically includes most relevant stakeholders, will similar role and influence in the dialogue 6. To what extent does such dialogues address issues of concern of different stakeholders? 7. Different stakeholders focus on opposing issues of concern, resulting on further conflict, and limited substantive dialogue or action 8. Existing dialogues address a mix of concerns from different stakeholders, although one or more stakeholder group(s) have more leverage in setting the agenda(s) 9. Existing dialogues address a balanced mix of concerns from different stakeholders, although some stakeholder group(s) have more leverage in setting the agenda(s) 10. Existing dialogues address a balanced mix of concerns from different stakeholders, including from smaller and more unrepresented actors, ensuring that most relevant issues are part of the agenda. 11. To what extent were such dialogues discussing topics aligned with your partner country’s national development priorities and the SDGs? 12. Dialogues are very well aligned with national development priorities and the SDGs 13. Dialogues are somewhat aligned with national development priorities and the SDGs 14. Dialogues are not well aligned with national development priorities and the SDGs 15. Have such dialogues resulted in increasing joint collaboration between different stakeholders: 16. In general, little joint action is produced as a result of such dialogue initiatives 17. In general, joint action resulting from dialogue initiatives is limited - although there are some incipient examples of collaboration 18. Joint action resulting from dialogue initiatives in mixed – several dialogue initiatives that are driving joint collaboration, while many still are not as effective 19. Joint action is progressively increasing, driven by dialogue initiatives in the country. |
| 1. **Quality of private sector engagement in development co-operation (Key metric 3):** (*Answer only if one or more members of the group that you are representing has been involved in PSE as a project implementer or funder)* |
| * 1. Do private sector engagement projects funded by international donors help in building the capacity of the local private sector? (Yes/No). If yes, specify (multiple responses possible):  1. Large companies 2. SMEs 3. Microenterprises |
| * 1. In the absence of donor funding for private sector engagement initiatives, would the same private sector actors deliver similar results? (Yes/No) If not, why would it not happen otherwise:  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes (Yes/No) If yes,  * Can the private sector obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes, particularly for the most poor and vulnerable. (Yes/No) If yes,  * Can the private sector partner obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes. (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes, particularly for the most poor and vulnerable (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector is unwilling to implement the proposed project because of a perceived balance of costs/risks and benefits |
| * 1. Do donors share guidance on measuring and reporting results with the private sector partner? (Yes/No) If yes, respond to the following questions on the results framework:  1. Guidance on how to measure impact at the beneficiary level? (Yes/No) 2. Guidance on how to measure impact for the private sector business(es) involved in the engagement (such as whether the initiative in profitable, forecasting future revenues) (Yes/No) 3. Was the private sector partner involved in the results measurement? (Yes/No 4. Were the results of the project shared with the private sector partner? (Yes/No) |
| * 1. Is there any process or mechanism in place to reflect on the progress, results realised and/or grievances received in private sector partnerships funded by donors? (Yes/No) |
| * 1. Can you share an example of a good case where the private sector received funding support from an international donor(s): Yes/No If yes, share the example:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **The ease of partnering in private sector partnerships through development co-operation (Key Metric 4)** |
| *Answer only if the group that you are representing has been involved in one or more PSE projects as a project implementer or funder:*   * 1. If you have engaged/partnered with development partners/donors in development co-operation projects that involve public funds/ODA, how would you rate the ease/effectiveness of partnering with them?  1. N/A 2. Very easy 3. Easy 4. Somewhat easy 5. Difficult 6. Very difficult |
| * 1. From your groups’ experience, what are the main challenges to engaging in PSE partnerships?  1. Lack of clear communication and dialogue on what opportunities are available 2. Lack of funding opportunities 3. Lack of mutual trust 4. Lack of staff with expertise who can coordinate on your side 5. Lengthy and burdensome application process 6. Long list paperwork required by funders for due diligence 7. High investment required as a partner (regardless of their size or status) 8. Speed of project delivery 9. Lack of business case in the project 10. Donor does not understand business 11. Processes and systems not harmonized across different donors 12. Complying with high donor standards 13. Heavy reporting burden 14. Payment cycles and terms do not consider partners’ liquidity concerns 15. Others:\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. How could PSE partnership opportunities be made more accessible to your group?  1. Clear communication and dialogue on what opportunities are available 2. More funding opportunities 3. Easier procedures to apply 4. Less investment required by partner (based on size) 5. More support in application making 6. More capacity building on how to report 7. Faster responses 8. Clear information on how a PSE project can also be commercially successful 9. Longer time given for project delivery 10. Flexible payment cycles 11. Others:\_\_\_\_\_\_ |

# Annex 4: Questionnaire for Trade Unions

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| **Contextual Questions**  Has the group that you are representing been engaged with development partners/donors/the international community in PSE in development co-operation? (Yes/No). If yes, in what role (multiple answers possible)?   1. In Project/programme consultations (Yes/No) 2. As implementing partners (Yes/no) 3. As beneficiary (e.g., trade union members have been involved in a skills development programme) (Yes/No) 4. As observer/watchdog (Yes/No) |
| 1. **The state of of policies on private sector engagement in development co-operation (Key Metric 1)** |
| * 1. Are you aware of any policy framework or other document in which the government outlines trade union’s role in national development co-operation? (Yes/No). If yes, can you specify where this can be found:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. 1.2 Are you aware of any policy or strategy documents by international donors in which they specify the private sector’s role in working with and/or receiving funding support from them? (Yes/No). If yes, can you specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **Inclusive dialogue on PSE in development co-operation (Key Metric 2)** |
| 1. Have any international donors or development agencies who are active in your country asked for input from trade unions in designing their strategy where the private sector can play a role? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Have any international donors or development agencies who are active in your country asked for input from trade unions in designing projects where the private sector can play a role? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Have trade unions been invited by the government on any dialogue or consultation on what should be the role of the private sector in development co-operation? (Yes/No). *If yes, continue to 2.3.1, Otherwise go to 3.* 2. Do such dialogues take place in a recurring order (at least once every year)? (Yes/No). 3. Are you aware if the government follows up and uptakes on recommendations of such dialogue? (Yes/No) |
| 1. Based on your experience in attending such dialogues or consultations organized by the government in the past three years, answer the following questions on quality of such dialogues:   2.4.1 Who participated in such dialogues? Which topics were discussed? (Multiple answers possible):   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | PSE policy or strategy design | PSE project design | PSE project results | | i) | Different government departments |  |  |  | | ii) | Local government |  |  |  | | iii) | Development partners |  |  |  | | iv) | Private sector, specify:   * Multinational companies * Large domestic companies * SMEs * Microenterprises * Associations |  |  |  | | v) | CSOs |  |  |  | | vi) | Trade unions |  |  |  | | vii) | Others:\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |  |  * + 1. Was participation inclusive, particularly of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector?  1. Participation in recent dialogues is very limited and selective, normally some high-profile actors, associations or large firms 2. Participation in recent dialogues is broader but still unbalanced, with broader representation of some stakeholders and more limited to others 3. Participation typically includes most relevant stakeholders from different constituencies, although their influence in the dialogue in uneven. 4. Participation typically includes most relevant stakeholders, will similar role and influence in the dialogue    * 1. To what extent does such dialogues address issues of concern of different stakeholders? 5. Different stakeholders focus on opposing issues of concern, resulting on further conflict, and limited substantive dialogue or action 6. Existing dialogues address a mix of concerns from different stakeholders, although one or more stakeholder group(s) have more leverage in setting the agenda(s) 7. Existing dialogues address a balanced mix of concerns from different stakeholders, although some stakeholder group(s) have more leverage in setting the agenda(s) 8. Existing dialogues address a balanced mix of concerns from different stakeholders, including from smaller and more unrepresented actors, ensuring that most relevant issues are part of the agenda.   2.4.4 To what extent were such dialogues discussing topics aligned with national development priorities and the SDGs?   1. Dialogues are very well aligned with national development priorities and the SDGs 2. Dialogues are somewhat aligned with national development priorities and the SDGs 3. Dialogues are not well aligned with national development priorities and the SDGs   2.4.5 Have such dialogues resulted in increasing joint collaboration between different stakeholders:   1. In general, little joint action is produced as a result of such dialogue initiatives 2. In general, joint action resulting from dialogue initiatives is limited - although there are some incipient examples of collaboration 3. Joint action resulting from dialogue initiatives in mixed – several dialogue initiatives that are driving joint collaboration, while many still are not as effective 4. Joint action is progressively increasing, driven by dialogue initiatives in the country. |
| 1. **Quality of private sector engagement in development co-operation (Key metric 3)** *(Answer only if one or more member of the group that you are representing has observed or been involved in Private Sector Engagement initiatives)* |
| 1. Is private sector engagement in your country delivering the results that are most needed? (Yes/No). If no, why: 2. Not geared towards priority sectors 3. Not geared towards priority regions 4. Not geared towards priority target groups 5. Not geared towards the most poor and vulnerable 6. Other reasons:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. Is private sector engagement in development co-operation helping to build the capacity of local private sector? (Yes/No). If yes, specify (multiple responses possible): 2. Large companies 3. SMEs 4. Microenterprises |
| 1. In the absence of donor funding for private sector engagement initiatives, would the same private sector actors deliver similar results? (Yes/No) If not, why would it not happen otherwise: 2. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes (Yes/No) If yes,  * Can the private sector obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes, particularly for the most poor and vulnerable. (Yes/No) If yes,  * Can the private sector partner obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes. (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes, particularly for the most poor and vulnerable (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector is unwilling to implement the proposed project because of a perceived balance of costs/risks and benefits |
| 1. Are the results of private sector engagement in development co-operation made publicly available? (Yes/No) If yes, respond to the following questions on the results framework: 2. The results are shared by the government (Yes/No) If yes, can you link the document:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 3. The results are shared by some international donors (Yes/No) If yes, can you specify which:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 4. The results are shared by specific PSE initiatives (Yes/No) If yes, can you share a link:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 5. Please link to the document: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3.5 Is there an adequate process or mechanism in place to reflect on the progress, results realised and/or grievances received resulting in the adaptative management (changes in planning or implementation) of private sector engagement initiatives?   1. There is no such process or mechanism 2. There is such a process or mechanism to share the progress and results but no mechanism for grievance sharing 3. There is such a process or mechanism to share the progress and results and limited space for grievance sharing which is dominated by bigger or more represented groups 4. There is such a process or mechanism to share the progress and results and adequate space for different stakeholders (including more smaller and unrepresented groups) for grievance sharing |
| * 1. Can you share an example of a good case of private sector engagement in development co-operation: Yes/No If yes, share the example:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **The ease of partnering in private sector partnerships through development co-operation (Key metric 4)** |
| *Answer only if the group that you are representing has been involved in one or more PSE projects as a project implementer or funder:*   * 1. If you have engaged/partnered with development partners/donors in development co-operation projects that involve public funds/ODA, how would you rate the ease/effectiveness of partnering with them?  1. N/A 2. Very easy 3. Easy 4. Somewhat easy 5. Difficult 6. Very difficult |
| * 1. From your groups’ experience, what are the main challenges to engaging in PSE partnerships?  1. Lack of funding opportunities 2. Lack of mutual trust 3. Lack of staff with expertise who can coordinate on your side 4. Lengthy and burdensome application process 5. Long list paperwork required by funders for due diligence 6. High investment required as a partner (regardless of their size or status) 7. Speed of project delivery 8. Lack of business case in the project 9. Donor does not understand business 10. Processes and systems not harmonized across different donors 11. Complying with high donor standards 12. Heavy reporting burden 13. Payment cycles and terms do not consider partners’ liquidity concerns 14. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. How could PSE partnership opportunities be made more accessible to the group you represent?  1. Clear communication and dialogue on what opportunities are available 2. More funding opportunities 3. Easier procedures to apply 4. Less investment required by partner (based on size) 5. More support in application making 6. More capacity building on how to report 7. Faster responses 8. Clear information on how a PSE project can also be commercially successful 9. Longer time given for project delivery 10. Flexible payment cycles 11. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

# Annex 5: Questionnaire for CSOs

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| **Contextual Questions**  Has the group that you are representing been engaged with development partners/donors/the international community for PSE in development co-operation? (Yes/No) If yes, in what role (multiple answers possible)?   1. Project/programme consultations (Yes/No) 2. As implementer (Yes/No) 3. As observer/watchdog (Yes/No), |
| 1. **The state of policies on private sector engagement in development co-operation (Key Metric 1)** |
| * 1. Are you aware of any policy framework or other document in which the government outlines CSOs’ role(s) in national development co-operation? (Yes/No). If yes, can you specify where this can be found:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Are you aware of any policy or strategy documents by international donors in which they specify how to implement partnerships with the private sector in your development co-operation programmes and projects in this country? (Yes/No). If yes, can you specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **Inclusive dialogue on PSE in development co-operation (Key Metric 2)** |
| * 1. Have any international donors or development agencies who are active in your country asked for input from CSOs in designing their strategy for PSE in development co-operation? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Have any international donors or development agencies who are active in your country asked for input from CSOs in designing PSE projects? (Yes/No) If yes, specify which donors:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. Have CSOs been invited by the government on any dialogue or consultation on PSE in development co-operation? (Yes/No). If yes, continue to 2.3.1, Otherwise go to 3.  1. Do such dialogues take place in a recurring order (at least once every year)? (Yes/No). 2. Are you aware if the government follows up and uptakes on recommendations of such dialogue? (Yes/No) |
| * 1. Based on your experience in attending such dialogues or consultations organized by the government in the past three years, answer the following questions on quality of such dialogues:      1. Who participated in such dialogues? Which topics were discussed? (Multiple answers possible):  |  |  |  |  |  | | --- | --- | --- | --- | --- | |  |  | PSE policy or strategy design | PSE project design | PSE project results | | i) | Different government departments |  |  |  | | ii) | Local government |  |  |  | | iii) | Development partners |  |  |  | | iv) | Private sector, specify:   * Multinational companies * Large domestic companies * SMEs * Microenterprises * Associations |  |  |  | | v) | CSOs |  |  |  | | vi) | Trade unions |  |  |  | | vii) | Others:\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |  |  * + 1. Was participation inclusive, particularly of private sector entities with less capacity such as micro, small, and medium-sized enterprises or the informal sector?  1. Participation in recent dialogues is very limited and selective, normally some high-profile actors, associations or large firms 2. Participation in recent dialogues is broader but still unbalanced, with broader representation of some stakeholders and more limited to others 3. Participation typically includes most relevant stakeholders from different constituencies, although their influence in the dialogue in uneven. 4. Participation typically includes most relevant stakeholders, will similar role and influence in the dialogue    * 1. To what extent does such dialogues address issues of concern of different stakeholders? 5. Different stakeholders focus on opposing issues of concern, resulting on further conflict, and limited substantive dialogue or action 6. Existing dialogues address a mix of concerns from different stakeholders, although one or more stakeholder group(s) have more leverage in setting the agenda(s) 7. Existing dialogues address a balanced mix of concerns from different stakeholders, although some stakeholder group(s) have more leverage in setting the agenda(s) 8. Existing dialogues address a balanced mix of concerns from different stakeholders, including from smaller and more unrepresented actors, ensuring that most relevant issues are part of the agenda.   2.4.4 To what extent were such dialogues discussing topics aligned with your partner country’s national development priorities and the SDGs?   1. Dialogues are very well aligned with national development priorities and the SDGs 2. Dialogues are somewhat aligned with national development priorities and the SDGs 3. Dialogues are not well aligned with national development priorities and the SDGs    * 1. Have such dialogues resulted in increasing joint collaboration between different stakeholders: 4. In general, little joint action is produced as a result of such dialogue initiatives 5. In general, joint action resulting from dialogue initiatives is limited - although there are some incipient examples of collaboration 6. Joint action resulting from dialogue initiatives in mixed – several dialogue initiatives that are driving joint collaboration, while many still are not as effective 7. Joint action is progressively increasing, driven by dialogue initiatives in the country. |
| 1. **Quality of private sector engagement in development co-operation (Key metric 3)** *(Answer only if one or more member of the group that you are representing has observed or been involved in Private Sector Engagement initiatives)* |
| 3.1 Is private sector engagement in your country delivering the results that are most needed? (Yes/No). If no, why:   1. Not geared towards priority sectors 2. Not geared towards priority regions 3. Not geared towards priority target groups 4. Not geared towards the most poor and vulnerable 5. Other reasons:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3.2 Is private sector engagement in development co-operation helping to build the capacity of local private sector? (Yes/No). If yes, specify (multiple responses possible):   1. Large companies 2. SMEs 3. Microenterprises |
| 3.3 In the absence of donor funding for private sector engagement initiatives, would the same private sector actors deliver similar results? (Yes/No) If not, why would it not happen otherwise:   1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes (Yes/No) If yes,  * Can the private sector obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector has insufficient funds to make/deliver products and/or services (within a reasonable time frame) relevant for development outcomes, particularly for the most poor and vulnerable. (Yes/No) If yes,  * Can the private sector partner obtain finance from local or international private capital markets with similar terms or quantities? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes. (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector lacks the skill or expertise to make/deliver products and/or services for development outcomes, particularly for the most poor and vulnerable (Yes/No) If yes,  * Can the private sector obtain advisory service of similar quality on a commercial basis? (Yes/No)  1. The private sector is unwilling to implement the proposed project because of a perceived balance of costs/risks and benefits |
| 3.4 Are the results of private sector engagement in development co-operation made publicly available? (Yes/No) If yes, respond to the following questions on the results framework:   1. The results are shared by the government (Yes/No) If yes, can you link the document:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2. The results are shared by some international donors (Yes/No) If yes, can you specify which:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 3. The results are shared by specific PSE initiatives (Yes/No) If yes, can you share a link:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 3.5 Is there an adequate process or mechanism in place to reflect on the progress, results realised and/or grievances received resulting in the adaptative management (changes in planning or implementation) of private sector engagement initiatives?   1. There is no such process or mechanism 2. There is such a process or mechanism to share the progress and results but no mechanism for grievance sharing 3. There is such a process or mechanism to share the progress and results and limited space for grievance sharing which is dominated by bigger or more represented groups 4. There is such a process or mechanism to share the progress and results and adequate space for different stakeholders (including more smaller and unrepresented groups) for grievance sharing |
| 3.6 Can you share an example of a good case of private sector engagement in development co-operation: Yes/No If yes, share the example:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| 1. **The ease of partnering in private sector partnerships through development co-operation (Key metric 4)** |
| *Answer only if the group that you are representing has been involved in one or more PSE projects as a project implementer or funder:*   * 1. If you have engaged/partnered with development partners/donors in development co-operation projects that involve public funds/ODA, how would you rate the ease/effectiveness of partnering with them?  1. N/A 2. Very easy 3. Easy 4. Somewhat easy 5. Difficult 6. Very difficult |
| * 1. From your groups’ experience, what are the main challenges to engaging in PSE partnerships?  1. Lack of funding opportunities 2. Lack of mutual trust 3. Lack of staff with expertise who can coordinate on your side 4. Lengthy and burdensome application process 5. Long list paperwork required by funders for due diligence 6. High investment required as a partner (regardless of their size or status) 7. Speed of project delivery 8. Lack of business case in the project 9. Donor does not understand business 10. Processes and systems not harmonized across different donors 11. Complying with high donor standards 12. Heavy reporting burden 13. Payment cycles and terms do not consider partners’ liquidity concerns 14. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| * 1. How could PSE partnership opportunities be made more accessible to your group?  1. Clear communication and dialogue on what opportunities are available 2. More funding opportunities 3. Easier procedures to apply 4. Less investment required by partner (based on size) 5. More support in application making 6. More capacity building on how to report 7. Faster responses 8. Clear information on how a PSE project can also be commercially successful 9. Longer time given for project delivery 10. Flexible payment cycles 11. Others:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

# Annex 6: Overview of private sector engagement related commitments in the GPEDC Nairobi Outcome Document (NOD)

The Kampala Principles (KPs) were developed in response to the Global Partnership’s [2016 Nairobi Outcome Document (NOD)](https://www.effectivecooperation.org/content/nairobi-outcome-document) which called for “unleashing the potential of development co-operation to attract inclusive private investment [by setting] clear effectiveness commitments as the development community engages in partnerships between governments, civil society and the business sector”. The NOD furthermore included the below commitments with regards to the role and co-operation of/with the private sector.

**Overall commitments:**

1. To attach high importance to the pursuit of sustainable development through the business sector.
2. To promote inclusive development partnerships by ensuring an enabling environment for all partners, including the business sector, and support country-level platforms for collaboration.
3. To foster enabling policy environments for the business sector to support responsible, inclusive and sustainable business practices, and support structured dialogue and partnership to promote these approaches.
4. To strengthen transparency and accountability through supporting the business sector to adopt transparent and accountable management systems of public and private funds, and to account for the social, environmental and economic impacts of its value chain.
5. View the challenge to leave no-one behind as an opportunity for private capital to increase prosperity and raise public revenue, drive down the cost of access to goods and services, and promote sustained, inclusive and sustainable economic growth, including through the digital economy.
6. Promote the dialogue and partnership between government and the business sector, and acknowledge the importance of collaboration to create an enabling environment for the formal and informal business sectors in all countries.
7. To unlock additional finance through blended or pooled financing and risk mitigation, notably for infrastructure and other investments that support private sector development.

**Specific commitments under the four overarching Global Partnership** [**effectiveness principles**](https://www.effectivecooperation.org/landing-page/effectiveness-principles)**:**

Principle 1: **Country Ownership**

* Partner countries receiving support commit to engage in social dialogue with the business sector and trade unions to increase their role in sustainable development.
* Local governments to strengthen the relationship between citizens and government, the business sector and other stakeholders, and ensuring the localisation of the SDGs and the 2030 Agenda.
* The business sector and philanthropy work together to align their engagement to national development strategies and plans of partner countries receiving support, and to the 2030 Agenda to maximise business and societal value.

Principle 2: **Focus on Results**

The business sector commits to:

* Bring core business competencies to sustainable development, for instance through supply chain management, customer engagement and product design and delivery.
* Set up reporting and accountability systems on the environmental, economic and social impacts of their efforts, in particular on the generation of full and productive employment and decent work for all.
* Collaborate with national counterparts to innovate in areas such as service delivery, for example through the digitalisation of service delivery infrastructure and products aimed at untapped market segments.
* Contribute to industry awareness of the commercial and societal benefits of socially inclusive and environmentally sustainable business models and practices.

Principle 3: Inclusive Partnerships

Partner countries receiving support commit to:

* Foster enabling policy environments for and with businesses, especially small- and medium-scale domestic businesses; and work to improve the fairness, transparency, efficiency and effectiveness of our tax systems.
* Promote public-private partnerships for decent work for women, migrants, people living with disabilities and other vulnerable groups working in the informal sector.
* Recognise the importance of social dialogue in building trust that leads to ‘social license,’ and its utility for informing business strategy within the overarching framework of national SDG objectives.

Development partners providing support commit to:

1. Engage with the business sector through social dialogue and partnerships with labor to support socially-inclusive and environmentally-sustainable business practices, including and extending beyond corporate social responsibility and the economic empowerment of women.
2. Contribute to trust building, for instance through disclosure practices and transparency by multinational companies in both source and destination countries, and in accordance with national and international law.
3. Encourage all companies, including multinational companies, to pay taxes to the governments of countries where economic activity occurs and value is created, in accordance with national and international laws and policies.
4. Continue to modify institutional incentives, policies and procedures to intensify engagement with the business sector.

**Principle 4: Transparency and Accountability**

The business sector will work to:

1. Support effective development co-operation principles and commitments.
2. Become increasingly transparent and responsive to all sections of society within their countries of operation in accordance with International Labour Organisation labour standards, United Nations Principles on Business and Human Rights and the OECD guidelines for multinational enterprises.
3. Perform due diligence in its entire value chain, becoming increasingly transparent about its operations, giving respect to freedom of association and collective bargaining and engaging in social dialogue.
4. Invest further in accounting for the social, environmental and economic impacts of its value chains, including for parliament, regulators, local government, labour, civil society, consumers and shareholders.

Collaborate on transparent and accountable management systems for public and private funds used in public-private arrangements.

# Annex 7: The development of the Kampala Principles

The aim of [private sector engagement (PSE) through development co-operation](https://www.oecd.org/dac/peer-reviews/Inventory-1-Private-Sector-Engagement-Terminology-and-Typology.pdf) is to leverage the innovation potential of, and additional finance from, the private sector. It aims to achieve development objectives while simultaneously recognising the need for financial return for the private sector.

Different partners have highlighted a number of challenges with private sector engagement through development co-operation. These include a potential lack of safeguards on the use of public resources; insufficient attention to concrete results and outcomes (particularly for the benefit of those furthest behind); and limited transparency, accountability and evaluation of PSE projects (for more detailed information see PSE issue paper [here](https://www.effectivecooperation.org/content/effective-private-sector-engagement-through-development-co-operation-1-issues-paper)).

In a response to all of the above and through an inclusive process that started at the country level (with case studies in [Bangladesh](https://www.effectivecooperation.org/content/private-sector-engagement-through-development-co-operation-bangladesh), [Egypt](https://www.effectivecooperation.org/content/private-sector-engagement-through-development-co-operation-egypt), [Uganda](https://www.effectivecooperation.org/content/private-sector-engagement-through-development-co-operation-uganda) and [El Salvador](https://www.effectivecooperation.org/content/los-principios-de-kampala-version-en-espanol)) the GPEDC membership and its Business Leaders Caucus (BLC), under the leadership of Germany, have developed the [Kampala Principles on Effective Private Sector Engagement in Development Co-operation](https://www.effectivecooperation.org/system/files/2019-07/Kampala%20Principles%20-%20final.pdf). These five Principles, launched in 2019, help to adapt development co-operation practices and instruments and to guide collective work to make private sector partnerships at country level more effective. They were developed jointly by and for partner countries and their development partners, the business community, trade unions and civil society.

The Kampala Principles (KPs) apply to the policy, programme and project levels with a focus on partnerships and co-operation with the private sector at the country level, wherever those *directly* involve at least one actor of the private sector (e.g. a development partner co-operating with a partner country on improving the overall enabling environment for the private sector to flourish, without directly involving private sector actors would be out of scope). The Principles can be applied to different modalities of private sector engagement such as knowledge and information sharing, policy dialogue (with this modality being the one currently assessed by Indicator 3, see annex III), technical assistance, capacity development, finance (see table 1 on page 6 [here](http://www.oecd.org/dac/peer-reviews/Inventory-1-Private-Sector-Engagement-Terminology-and-Typology.pdf) for more details on each one of these).

A more detailed description of each one of these is found in the Kampala Principles document [here](https://www.effectivecooperation.org/system/files/2019-07/Kampala%20Principles%20-%20final.pdf)

# Annex 8: Documents reviewed

Attridge, S and Engen, Lars, (2019), Blended Finance in the poorest countries

Bangladesh National Policy on Development Co-operation (draft 2017)

Business Call to Action SDG Corporate Tracker

Carter, P, (2015), ODI, Why subsidize the private sector? What donors are trying to achieve and what success looks like

Cohen, M, Godfrey, C, Jeune, H, and Kindornay, S, (2021), “Flash blending” development finance: how to make aid donor–private sector partnerships help meet the SDGs

Demonstrating Additionality in Private Sector Development Initiatives: A practical exploration of good practice, DCED, 2014

Development Cooperation Forum (DCF) Survey

Engaging the private sector through multi-stakeholder platforms, DCED, 2017

Impact investing: Measurement valued by businesses, DCED, 2017

Strategic Guidance for Private Sector Engagement, Swiss Development Co-operation

SDG Impact Standards and Indicators, UNDP

SDG Partnership Guidebook, The Partnering Initiative

Taggart, J, The Irony of Choice in the ‘New Development Financing Landscape’

The Ten Principles of the UN Global Compact

Tomlinson, B, (2012), Aid and Private Sector, Catalyzing Poverty Reduction and Development

United Nations, Development Cooperation Forum Survey

USAID Private Sector Engagement Evidence and Learning Plan

1. https://www.un.org/en/ecosoc/newfunct/pdf15/2016\_dcf\_policy\_brief\_no.1.pdf [↑](#footnote-ref-2)
2. Indicator 3 did not focus on the narrower development co-operation niche as the Kampala Principles were not yet developed. [↑](#footnote-ref-3)
3. The three learning questions are: 1) How and to what extent does PSE improve development and humanitarian outcomes?; 2) What context-specific factors drive effective engagement with the private sector?; 3) What PSE relationship qualities influence results? [↑](#footnote-ref-4)
4. SDG Goal 17.17 Encourage and promote effective public, private and civil society partnerships, building on the experience and resourcing strategies of partnerships; and the corresponding indicator that measures this goal/target however lacks a focus on the effectiveness element SDG indicator: 17.17.1 Amount in United States dollars committed to public-private partnerships for infrastructure. [↑](#footnote-ref-5)
5. The global indicator framework for the SDGs and targets of the 2030 Agenda for Sustainable Development include the following goal/target on multi-stakeholder partnerships that makes explicit reference to effectiveness:

   SDG Goal 17.17 Encourage and promote effective public, private and civil society partnerships, building on the experience and resourcing strategies of partnerships; and the corresponding indicator that measures this goal/target however lacks a focus on the effectiveness element SDG indicator: 17.17.1 Amount in United States dollars committed to public-private partnerships for infrastructure. Evidence from Kampala Principles assessment could thus be of particular use for Voluntary National Review (VNR) reporting and the related follow-up and review mechanisms at country level, especially where linked directly to SDG Goal 17.17. While data from a KPs assessment could indeed provide value for SDG-related follow up and processes at country level, having the KP assessment become a formal source of data for a new SDG indicator which focuses on effectiveness could be challenging and thus expectations should be managed in this regard. Additional detail and analysis on linkages between GPEDC monitoring and SDG-related processes can be found in [this paper](https://www.effectivecooperation.org/system/files/2021-06/Monitoring_SDG%20linkages_EN.pdf). [↑](#footnote-ref-6)
6. A country results brief for each participating partner country will be made available approximately three months after the country submits its final monitoring data. The brief will provide a more detailed account of the country’s results *across the entire monitoring exercise* (therefore including, but not limited to, the Kampala Principles Assessment). This brief can serve as the basis for countries to understand and disseminate their results, and jointly plan and take action with stakeholders, including through the ensuring Action Dialogues. [↑](#footnote-ref-7)