



## Innovating Partnerships with the Private Sector: How to Achieve Greater SDG Impact?

HLPF Side Event, Tuesday, 16<sup>th</sup> July 2019 | 11:30am-1pm | Dolores Huerta Room, Ford Foundation, New York

### Discussion Panel:

#### Opening Remarks:

- **Mr. Monowar Ahmed**, Permanent Secretary, Economic Relations Division, Ministry of Finance, Bangladesh

#### Introduction to the Kampala Principles:

- **Mr. Jorge Moreira da Silva**, Director, Development Co-operation Directorate, Organisation for Economic Co-operation and Development (OECD)

#### Panel Discussion:

- **Mr. Heerad Sabeti**, CEO, Fourth Sector Group
- **Mr. Marcos Neto**, Director, UNDP Finance Sector Hub
- **Ms. Cheryl Dorsey**, President, Echoing Green
- **Mr. Paulo Roberto Bellotti**, Founder and Executive Director, MOV Investimentos and Member of the GPEDC Business Leaders Caucus

#### Closing Remarks:

- **Mr. Udo Weber**, Deputy Head of Division, Effectiveness, Transparency and Quality Standards, Federal Ministry of Economic Cooperation and Development (BMZ), Germany

#### Moderator:

- **Ms. Rangita de Silva de Alwis**, Associate Dean of International Affairs, University of Pennsylvania Law School

### Key Takeaways

- Businesses are increasingly recognising the opportunities that addressing the Sustainable Development Goals can provide.
- The Kampala Principles provide an encouraging starting point and a common framework for more effective private sector engagement through development co-operation. The power, purpose, and promise of the principles will be in their operationalisation and implementation.
- Whilst there are strong grounds for optimism, all actors must be proactive in living the principles, recognising the needs and interests of all actors, as well as the challenges that lie ahead.

### Summary

Mr. Monowar Ahmed from Bangladesh began the event by reflecting on the extent and consequences of the greater role of the private sector within the global development agenda. He noted that the essential role of enhancing the effectiveness of private sector engagement (PSE) through development co-operation. Crucially, **there is a need to continue to gather country-level evidence in order to explore where greater efforts are needed to target those who are, or are at risk of, being left behind through partnerships with the private sector.** Furthermore, evidence from Bangladesh clearly suggests that there is a need for greater inclusive dialogue with public, private and civic actors in PSE projects.

Mr. Jorge Moreira da Silva from the OECD introduced the **Kampala Principles**, recently endorsed at the Global Partnership's Senior Level Meeting. The principles encompass *inclusive country ownership; results and targeted impact; inclusive partnerships; transparency and accountability;* and a *commitment to leaving no-one behind.* They respond to stakeholder concerns, informed by evidence from a global PSE mapping and studies in Bangladesh, Egypt, El Salvador and Uganda, as well as inclusive dialogue and consultations. The principles are based on the premise that the private sector is a genuine partner in development and not simply a 'cash machine or recipient'.



## Panel Discussion



### Key Messages:

- ☞ **The Kampala Principles provide an important normative framework** to collaborate effectively among public, private and civic actors and to harness development co-operation more effectively for a transition to a more sustainable economy, with benefit-driven businesses that avoid negative social and environmental externalities and maximise tangible benefits for those furthest behind. This transition is at the heart of the 2030 ambition and aligned with the emerging fourth sector of the economy, that consists of for-benefit organizations that advance societal and environmental benefit as their primary purpose (as non-profits) an generate income from business activities (as for-profits). A new generation of companies, including start-ups, require a new ecosystem for doing business in this way.
- ☞ The discussion showed that **good practices of benefit-driven enterprises and innovative partnerships exist**, including with social entrepreneurs, angel/impact investors, and new types of business networks. Matchmaking with development partners is essential to make such partnerships sustainable. Prospective partners need to identify and communicate the skills and capacity needs they have, as well as what comprises concrete joint objectives and opportunities to share risks to enter new markets or sectors.



- ☞ **Blended finance has potential, but must be scaled up, especially in LDCs and social sectors** to develop business models that reach the most vulnerable citizens at scale. Participants highlighted the importance of measuring the impact of blended finance for populations, especially those furthest behind, and to justify public expenditure. Development partners also highlighted the importance of learning from 'not so good examples'.
- ☞ **Trust is the backbone of good private sector partnerships.** For this, many ingredients are vital. A conducive environment for investors to scale up their investments in social sectors and risky markets, open and informed consultations with all actors at the table and greater transparency and safeguards, accountability and reporting lines across the web of actors engaged are at the top of this list.



- ☞ **All these aspects and others are embedded in the Kampala Principles.** Participants have singled out areas for future guidelines encapsulated in the Kampala Principles, and signalled their interest in helping to develop, pilot or operationalise them. The importance of human rights and social standards, an underlying framing condition for the principles, was highlighted by civil society representatives. Some also cautioned to ensure there are clear criteria for success for implementation of the principles.



- ☞ **The power, purpose and promise of the principles rest on their implementation.** Leadership by senior level officials from partner country governments is critical to facilitate informed and inclusive consultations and dialogue and develop action plans for effective private sector partnerships. Development partners can actively contribute to their implementation. The OECD and UNDP also indicated continued support to work with partners in developing practical guidelines and concrete actions to implement the Kampala Principles. In concluding, Mr. Udo Weber from the German Federal Ministry of Economic Cooperation and Development (BMZ) reiterated the importance of translating the Kampala Principles into action and disseminating them, adapted to different contexts, through relevant networks.



**Engage with us!**

For any questions and/or concrete proposal and commitments on how you/your organization will contribute to the implementation of the [Kampala Principles for Effective Private Sector Engagement through Development Co-operation](#), please contact the UNDP- OECD Joint Support Team of the Global Partnership for Effective Development (GPEDC) at [info@effectivecooperation.org](mailto:info@effectivecooperation.org).