Donor partnerships with business – to promote PSD:

Outcomes of DCED work and next steps

DCED Annual Meeting, 3 July 2013
Scope of DCED work: What partnerships have we been focusing on?

- Central element of sharing of costs and/or risk, including co-investment with companies to achieve commercial benefits and to create economic opportunities for the poor
- Main focus on models that involve grant support (rather than other forms of finance)

Knowledge base on DCED website: Outcomes of DCED work in the last 3 years:

- Links to major donor-funded partnership mechanisms and programmes;
- A directory for businesses to identify sources of support
- Key research and publications, including
  - Current practice
  - Case studies, and about 12 reviews and evaluations of 8 different partnership mechanisms
- Set of practical tools for partnership practitioners

A “Top Resource” on Donor Programmes that work with business

Caroline Ashley, DFID Business Innovation Facility
**DCED Review: What are we learning from experience? (March 2013)**

- **Detailed typology of partnership models** (drawing on DCED mapping, North-South Institute and others), e.g. different matching grant/challenge fund schemes, multi-stakeholder coalitions etc.
- **Evidence on results and ‘what works’ is still scarce**
  - Many reasons that could be avoided by donors, e.g. up-front publicity, little funding and capacity for results measurement
- **Little clarity on how to assess that businesses would not have invested anyway, without donor money** (additionality question)

**Launch event with ECDPM: Some further ‘take-aways’ from donor discussions**

- ‘Partnerships’ a generic term, need for defined focus in joint donor activities
- DCED focus to remain on PSD, but possibly relevant for other sectors (e.g. health)
- Different practices in due diligence assessments of partner companies
- Donors need to coordinate different financial instruments, e.g. matching grants and development finance
Future DCED Plans: *How to make partnerships for PSD more effective?*

Two initial entry points:

- (already triggered by previous Results Measurement WG work plans): Guidelines for *measuring results in challenge funds* (e.g. who measures what? Who pays for what? etc)

- (following in particular the Brussels workshop): Guidelines for *assessing ‘additionality’* before matching grants for PSD are granted

Other key considerations:

- **Ensuring complementary** with ongoing and emerging initiatives
  - e.g. Sec. to be involved in ANU working group on challenge fund design

- **A field-level workshop** could be organised to present draft guidelines, serve as peer learning forum for partnership practitioners on other practical issues

- **Raising awareness** of member agency staff about finalised guidance products and knowledge offer on website (e.g. 1-day workshops)
Supporting and shaping DCED future plans: How do members want to participate?

- Realisation and impact of planned activities will partly depend on the level of active member participation

- Perhaps an issue-driven task-force on partnerships that would
  - consist of key member representatives and (other) staff with operational responsibility for partnerships
  - provide input into, endorse and help disseminate DCED guidance products (starting with additionality and/or result measurement guidelines)
  - agree on possible needs for other joint activities

For discussion at the AM and beyond:
Who is interested in participating in a task-force?
Who can recommend other colleagues that should join?
Would anyone like to take the lead, with support from the Secretariat?
What are practical next steps? ....