Agency Updates (Slides)



35th Annual Meeting, Berlin, Thursday 4th July 2013

Member Updates

- Belgium MoFA- Yves Dricot
- Danida- Lasse Møller
- FAO- Eugenia Serova
- <u>Finland Ministry of Foreign Affairs- Mika</u>
 Vehnämäki
- IDRC- Lisa Burley and Ben Petrazinni
- IFC- Anita Bhatia and Reem Sweiss
- ITC- Jacky Charbonneau
- MasterCard Foundation- Steve Cumming and Lindsay Wallace
- UNDP- Casper Sonesson
- UNIDO- Juergen Reinhardt

Belgian Development Cooperation:

Recent developments

Private sector Development

June 2013

Minister and Law on Development Cooperation (1)

- Jean-Pascal Labille (17.01.2013)
- New law on Belgian Development Cooperation (March 2013)
- Objectives of Development Cooperation : Sustainable human development
 - > Eradication of poverty
 - > Reduction of inequalities
 - > Promotion of inclusive, fair and sustainable economic growth
- 2 transversal themes
 - > Gender equality
 - ➤ Protection of environment and natural resources + climate change
- Priority to 3 themes:
 - > Human rights, including children's rights
 - > Decent work
 - > Society building

New Law on Development Cooperation (2) Governmental cooperation

- 4 sectors:
 - ➤ Health, including reproductive health and HIV/AIDS
 - > Education and vocational training
 - ➤ Agriculture and food security
 - ➤ Basic infrastructure

18 partner countries

5 regional organisations

20 partner organisations (core contributions)

Belgian ODA

2007: 1.424 MEUR – 0,43%

2008: 1.655 MEUR – 0,48%

2009: 1.874 MEUR – 0,55%

2010: 2.269 MEUR – 0,64%

2011: 2.018 MEUR – 0,53%

2012: 1.792 MEUR – 0,47 % (Budget freeze in October)

Belgian ODA – 2012

DGD	1.031,2 MEUR	57,6 %
Rest Ministry FA, FT, DC	99,7 MEUR	5,6 %
Ministry Finance	233,4 MEUR	13,0 %
Debt cancellation Delcredere	211,0 MEUR	12,0 %
Flanders	51,5 MEUR	2,9 %
Wallonia + French Community	NYA	

Total 1.792 MEUR (tbc)

Expenses DGD 2012

 Multilateral 	413,8 MEUR	- 31,8 %
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Reform of Belgian Development Policy

- Basis: new law + peer reviews
- Bilateral: new management contract with BTC
- Non governmental: subsidy reform
- Multilateral: core contributions
- Humanitarian: new royal decree and strategy note
- Private sector support

List of Partner Countries (18)

DRC	Mali	Ecuador
Rwanda	Senegal	Bolivia
Burundi	Tanzania	Palestine
Morocco	Uganda	Mozambique
Algeria	South Africa	
Benin	Vietnam	
Niger	Peru	

New list of Partner organizations (20)

(12-06-2012)

UNDP + UNCDF	UNHCR	IOM
UNICEF	ОСНА	ICRC
UN Women	OHCHR	CGIAR
UNFPA	WFP	World Bank Group
UNEP	FAO	GPE
UNAIDS	WHO	Global Fund
UNRWA	ILO	

Belgian Coooperation and PSD

- New Unit (Inclusive growth, 2012)
- New Law March 2013
- BIO (Belgian bank for development)
- TDC Trade for development center
- Multilateral organisations (FAO, World Bank, ...)
- NGO's
- AGRICORD
- New strategy paper

PSD in the new Law

- 1. Business climate
- 2. SMEs, local SMEs
- 3. Sustainable and fair trade
- 4. Access to international trade

PSD – new strategy (1)

- Agriculture family farming/value chain
- Infrastructures for SMEs
- Green energy
- MIC: PSD and... exit strategy

PSD – new strategy (2)

- Social security cover for all
- Decent work
- Inclusive growth
- Gender
- Social economy

• ...

BIO

- 2013: new Law for BIO
- Simplified relation BIO- Belgian State
- Closer relation with DG D and CTB
- Focus on agriculture, infrastructures, green energy, social economy
- Less geographical objectives and upper MIC eligible
- VSMEs
- Technical assistance facility.

Trade for Development Center

- Financement DG D: 10 MEUROS/5 ans (2009-2013)
- Implementation: CTB
- Fair and sustainable trade
- Small producers organisations (agriculture)
- Financial Support and Capacity building
- Sensitization in BE (Fair Trade Week)
- Knowledge management
- 2014: closer cooperation with BIO (VSMEs)

DANIDA SUPPORT TO PSD

WHATS NEW?

DCED Annual Meeting, the Hague, July 2013

Danida Development Cooperation

Law and Strategy

- New Law on Development Cooperation (May 2012) => revised objective:
 - Poverty reduction + Human Rights
- New Strategy for Development Cooperation (May 2012)
 - Human Rights and Democracy
 - Green Growth
 - Social Progress
 - Stability and Protection

Danida support to PSD

- Strategic frameworks
- Strategic Framework for Growth and Employment (February 2011)
 - Market driven growth, youth employment, agriculture, value chains
- A Greener World for All Strategic framework for priority ares Natural Resources, Energy, and Climate Change (NEC) (autumn 2013)
 - Climate change, energy, sustainable management of natural resources, water and land, sustainable agriculture and food production

Human Rights Based Approach

- PANT principles
 - Participation, Accountability, Non-discrimination,
 Transparancy
- Human rights and business
 - UN Guiding Principles on Business and Human Rights (2011)
 - => Protect Respect Remedy framework

Responsible Business

- A case of Myanmar

- Compliance
 - UN Guiding Principles
 - UN Global Compact
- Contribution
 - Human rights, inclusive growth, job creation, etc.

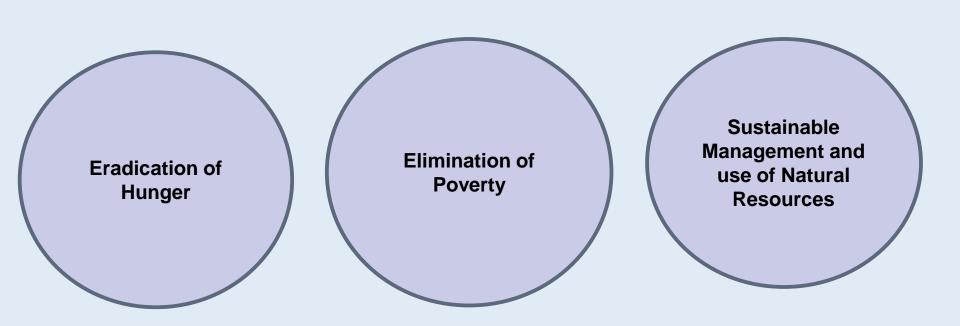


FAO Strategic Framework

DCED Annual Meeting 3-4 July 2013 The Hague, The Netherlands



FAO's Vision: A world free from hunger and malnutrition where food and agriculture contribute to improving the living standards of all, especially the poorest, in an economically, socially and environmentally sustainable manner



FAO Strategic Objectives

- 1.Contribute to eradication of hunger, food insecurity and malnutrition
- 2.Increase and improve provision of goods and services from agriculture, forestry and fisheries in a sustainable manner
- 3. Reduce rural poverty
- 4.Enable more inclusive and efficient agricultural and food systems at local, national and international levels
- 5.Increase the resilience of livelihoods to threats and crises
- 6.Ensure technical quality, knowledge and services
- 7.Gender and Governance mainstreamed across all objectives

SO4 - Enable more inclusive and efficient food and agricultural systems at local, national and international levels

- OO1 International agreements, mechanisms and standards that promote more efficient and inclusive trade and markets are formulated and implemented by countries
- OO2 Agribusiness and agri-food chains that are more inclusive and efficient are developed and implemented by the public and private sectors
- OO3 *Policies, financial instruments and investment* that improve the inclusiveness and efficiency of agri- food systems developed and implemented by public and private sectors

Why SO4?

- Revolutionary changes to agricultural and food systems
 - -Greater integration (supply chains; global markets)
 - More complexity, diversity and potentially greater risks
- Positive results, but...
 - Barriers to participation (smallholders/countries)
 - Trade-offs between greater efficiency and inclusiveness
- Requires action to strengthen agrifood systems in a way that allows greater participation

SO4: Key areas of work

- 1. Efficient and inclusive international agrifood trading systems
- 2. Standards for safe food and efficient markets
- 3. Agro-industry and agrifood chain development
- 4. Impact on finance and investment
- 5. Global initiative on food loss and waste reduction
- 6. Policy and market incentives for agrifood systems

Agro-industry and agri-food chain development

- 1. Enabling environment
- 2. Value chains development
- 3. SMEAs development
- 4. Green value chains

Thanks for your attention!

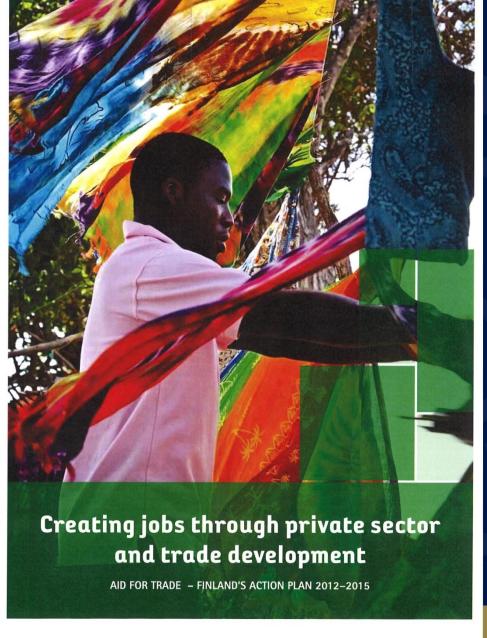
Finland's support to the private sector

2013

DCED Annual Meeting 4 July 2013, The Hague

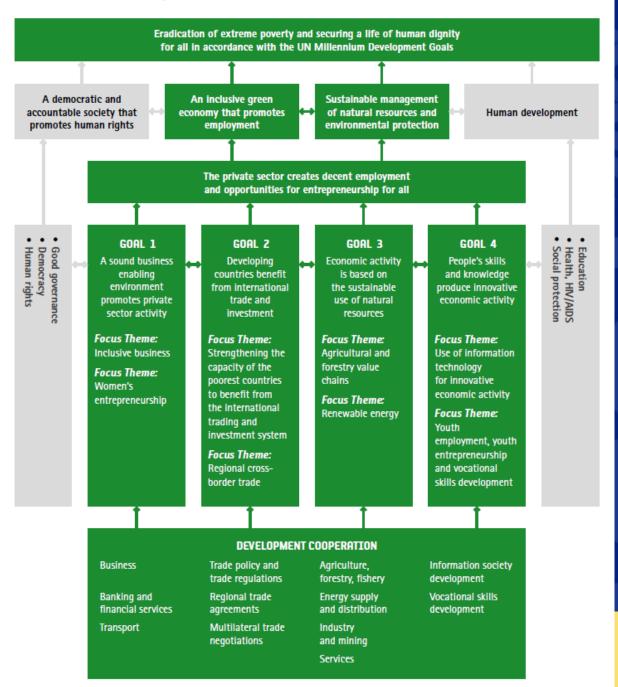


Mika Vehnämäki Senior Economic Adviser Department for Development Policy Ministry for Foreign Affairs of Finland Aid for Trade – Finland's Action Plan 2012–2015



MINISTRY FOR FOREIGN AFFAIRS OF FINLAND

Aid for Trade 2012–2015 – Results Framework



Finland's support to private sector

environment and institutions and trade opportunities sector development investment

Private sector development, investment and trade opportunities

Finnfund

Finnpartnership

Local Cooperation Fund (LCF)

<u>Information</u>

www.finnfund.fi

www.finnpartnership.fi

Embassy of Finland



Changes to Finnfund

- Finnfund is a Finnish development finance institution that supports economic and social development by offering longterm risk finance to commercially profitable and economically viable investments in developing countries and Russia
- Capital increased by 45 million euros during 2012–2015
- Special Risk Finance launched in 2012; SRF portfolio can amount to maximum 50 million euros
 - Allows more risk



Changes to Finnpartnership starting 2013

- Consortia can apply
- Pilot phases eligible all technologies and solutions
- Vocational and technical training eligible
- Additional requirements for UMICs
- Project-specific assessment De minimis criterion
- Maximum support 400 000 euros



Challenge funds... but within projects

- Many projects and programs (14) have funding arrangements for the private sector and other players (~ Challenge Funds)
- Esp. energy & environment, innovations ICT, agriculture & rural development, forestry, PSD/AFT/Growth corridor
- Arrangements vary: some are open for local players only, some to all (also Finnish), some only for multistakeholder partnerships
- 5 EEPs, IPP, SAIS, TANZICT, BIOFISA, LIMAS, PALWECO, Agro-BIG, Andean Forestry Partnership, Central Asia



Broad-based financing for development

PRIVATE "SECTOR":

Private individuals, enterprises

PUBLIC SECTOR

Government

THIRD SECTOR:

Civil society

Remittances, donations;

Trade, investments, corporate social responsibility, incl. projects by companies;

Innovative financing mechanisms;

Development cooperation, ODA;

Other sources. e.g. crisis management, loans, guarantees, financing for innovations, etc.

DEVELOPMENT





Team Finland: from a mere slogan to real action...

- Promotes Finland and its interests abroad:
 - Finland's external economic relations
 - the internationalization of Finnish businesses
 - the country's brand, and
 - inward investments.
- Brings all key authorities and organizations under one umbrella:
 - Ministry of Employment and the Economy, Ministry for Foreign Affairs, and Ministry of Education and Culture
 - Finnish diplomatic missions
 - Offices of Finpro and the Finnish Funding Agency for Technology and Innovation Tekes
 - National culture and science institutes
 - Other publicly funded bodies and Finnish offices abroad.
- Chaired by Prime Minister's Office
 - 72 teams set up globally





What could Team Finland bring to development cooperation and private sector's engagement ... potentially?

- ✓ More flexible cooperation / financing arrangements within MFA
- ✓ Closer cooperation in EPI / AFT / PS4D between MFA and MEE Group
- ✓ Closer cooperation in education exports cluster between MFA and MEE and MoEC
- ✓ Other clusters
- ✓ Joint mission(s) by Minister for International Development and Minister for European Affairs and Foreign Trade
- ✓ Task Force to develop innovations and business for development
- ✓ Private-sector-wide CSO











INTERNATIONAL DEVELOPMENT RESEARCH CENTRE
CENTRE DE RECHERCHES POUR LE DÉVELOPPEMENT INTERNATIONAL









Ideas. Innovation. Impact.
Idées. Innovation. Impact.

Canadä

IDRC - Canada's International Development Research Centre Strategic Changes

Presentation to DCED Annual Meeting

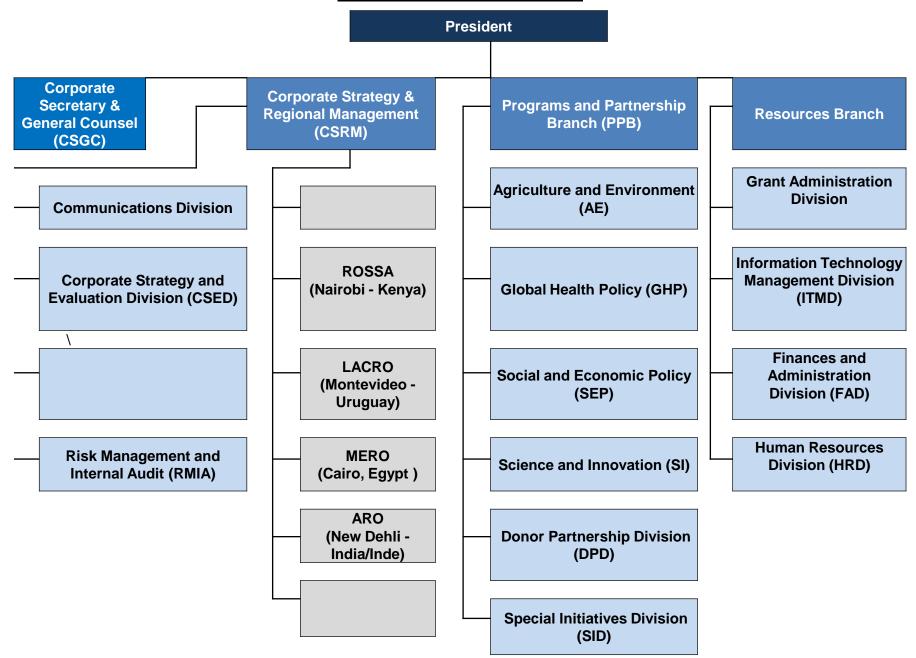
July 2013, The Hague

Ben Petrazinni and Lisa Burley

International Development Research Centre

- Established in 1970 by Parliament through the IDRC Act
- Arms length organization "crown corporation"
- IDRC is guided by an international Board of Governors, which is appointed by the Canadian government.

IDRC MANAGEMENT ORGANIZATIONAL CHART



Innovating for Development

- Research and innovation hold the keys to progress in developing countries.
- Working with some of the brightest minds in the world, we focus on achieving results.
- Our efforts lead to healthier people, higher incomes, cleaner environments, responsible governments.

Approach

IDRC fulfills its mandate by supporting

- applied research
- access to results and resources
- awards and fellowships
- networks of researchers
- partnerships among donors

Our programs respond to evolving priorities in a fast changing work by fostering science and innovation in:

- Agriculture and the Environment
- Global Health Policy
- Social and Economic Policy
- Science and Innovation

Agriculture and the Environment

- Agriculture and Food Security* (Canada CIDA)
- Climate Change and Water (Environmental Economics SIDA)
- Climate Adaptation and Research International Research Initiative* (DFID)
- Ecosystems and Human Health (Gates, AusAid)

Science and Innovation

- Information and Networks
- Challenge Fund (Canadian Research Councils)
- The Next Einstein Initiative AIMS African Institute for Mathematical Science*(DFID)

Global Health Policy

- Global Health Research Initiative* (Health Canada, Canadian Institutes of Health Research, CIDA, IDRC)
- Governance for Equity in Health Systems* (CIDA)
- Non-communicable Research Prevention (Gates)

Social and Economic Policy

- Think Tank Initiative (Gates, Hewlett, DFID, DGIS)
- Governance, Security and Justice
- Supporting Inclusive Growth
 DCED Working Groups
 WED*/ GGWG* / BEWG / PDS in Conflict Areas

Funding 2011-2012

\$287.8M CAD in revenue

- \$239.4M CAD from parliament
- \$46.4M CAD from donor partnerships
- \$2 M CAD Other revenue

4% of Canada's international assistance

Programming 2011-2012

\$142.3M CAD for new research activities

- 13 donor partners
- 879 research activities,
- 742 institutions supported
- 119 Awardees



An Introduction to IFC

Creating Opportunity
Where It's Needed Most

Annual Meeting of the Donor Committee for Enterprise Development

July 2013

New Leadership at the World Bank Group

Jim Yong Kim
World Bank Group President



Jin-Yong Cai

IFC EVP and CEO



"Everybody wants the private sector to be dynamic and growing and creating jobs, noting that countries are desperate for inclusive and green growth."

"It is time to bend the arc of history.

"Many of our clients are vulnerable, they need help. I can't think of any other platform as strong and capable in the world as ours to help them."

Who We Are, What We Do

- IFC is the largest global development institution focused exclusively on the private sector the global leader in private sector development finance
- We invest, advise, mobilize capital, and manage assets providing solutions for an inclusive and sustainable world





Our Vision

That people should have the opportunity to escape poverty and improve their lives

Our Purpose

- Promoting open and competitive markets in developing countries
- Supporting companies and other private sector partners where there is a gap
- Helping to generate productive jobs and deliver essential services to the underserved
- Catalyzing and mobilizing other sources of finance for private enterprise development



IFC's Three Businesses

Investment Services

Advisory Services

IFC Asset

Management

Company

- Loans
- Equity
- Trade finance
- Syndications
- Securitized finance
- Blended finance

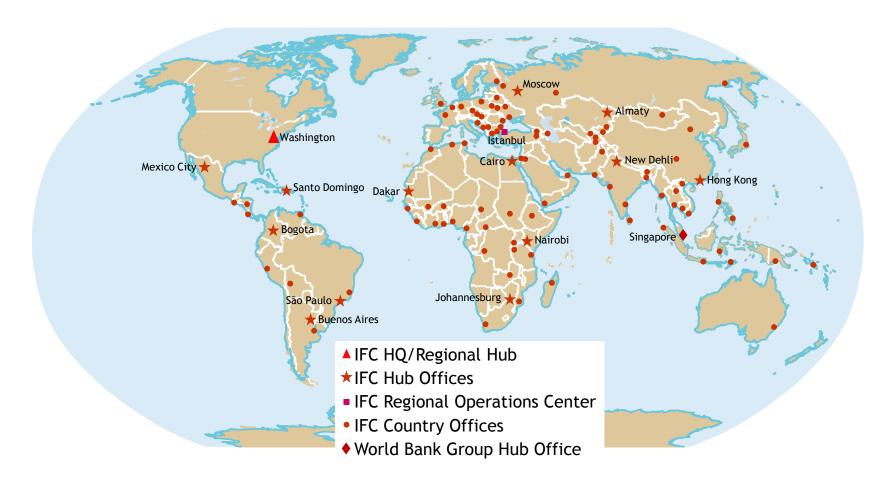
- Access to finance
- Sustainable Business
- Investment Climate
- Public-Private Partnerships

- Wholly owned subsidiary of IFC
- Private equity fund manager
- Invests third-party capital alongside IFC

\$56.5 b portfolio \$200 m per year \$4.5 b under mgmt

IFC's Global Reach

104 country and regional offices worldwide, 3,763 staff of which 56% are outside of Washington





The Reach of IFC's Projects

Last year our clients provided:

2.5 million jobs

\$200 billion in micro, small, and medium enterprise loans

12.2 million patients with health care treatment

34.3 million people with clean water

41.9 million people with power connections

900,000 million students with education



Fiscal Year 2012 Highlights

- Investments: 576 new projects in 103 countries
- Advisory services: Nearly \$200 million in program expenditures
- \$20.3 billion in financing: \$15.4 billion for IFC's own account, \$4.9 billion mobilized
- \$56.5 billion committed portfolio, representing investments in 1,825 firms
- IDA countries account for almost half of IFC projects overall:
 - \$2.7 billion invested in Sub-Saharan Africa



Four Advisory Services business lines work together to address IFC strategic priorities

Investment Climate

 Works with governments to create an enabling environment to enhance private sector growth and development

Access to Finance

 Works with financial intermediaries to expand access to financial services, complemented by work to improve financial market infrastructure

Sustainable Business

 Works at firm and sector level to develop inclusive, environmentally sustainable and efficient markets

Public Private Partnerships

 Works with governments to design and implement PPP transactions for infrastructure and other basic services



Emerging Priorities



Extractives

Improving enabling environment

- · Remove regulatory barriers
- Extend tax and incentives to suppliers
- Strengthen investor protection

Engaging communities

- Build inclusive and sustainable local supply chains
- Empower communities
- Increase access to finance to surrounding communities

Promoting environmental & social standards



Health & Education

Health — Growth with focus on Africa and S. Asia

- Continued growth in PPPs and policy and regulatory reforms
- Expansion of health insurance programs
- Piloting of innovative solutions (eg G2P health payments)

Education — Expansion through Education through empoyment MENA

- Proof of concept in 4 countries:
 - · policy and regulatory reforms
 - Industry standards
 - · Student loans



Inclusive Business

Leveraging Existing AS Products

 Strengthen/develop AS components to support IB deals, leveraging existing AS experience

Building & Refining AS Products

- Market research tools to understand the BOP segment
- Research tools to understand drivers of perception and loyalty in BOP
- BOP reach tools to measure income levels within companies' value chains

Focusing on Key Sectors

- Agribusiness
- Housing, health, and infrastructure
- Retail distribution and mobile platforms



Annex





Infrastructure

- More than 1.4B people lack access to electricity; over 800M lack access to clean water
- 39% o firms identify electricity as major constraint of doing business—SMEs disproportionately burdened
- Huge infra funding gap facing client governments—estimated at over \$460B pa

• Facilitating private sector entry to infrastructure markets

- PPP transaction advisory for governments
- Sector-level regulatory reforms
- PPP pipeline development through workshops, knowledge dissemination
- Focused firm-level support on business model development, market gap analysis
- Support to capital market development (bond and equity)

Improving private solution for infra service delivery

- Energy and water access
- Sustainable energy finance
- Training, dissemination of best practice through associations, capacity building
- Support for PPP contract management





Fragile Situations

- By 2025, over 80% of the poor will be living in FCS, mostly in Africa
- A civil conflict can cost a developing country around 30 years of GDP growth
- Lack of economic opportunities and unemployment are important causes of fragility

•Access to power: Major constraint for 56% of firms in FCS

- Open sector to private investment greater focus on off-grid and renewable energy
- Increase PPP advisory mandates

• MSME access to finance: Major constraint for 41% of firms

- Expand fin. infrastructure (credit bureaus, collateral registries, leasing regulation)
- Strengthen capacity of banks to increase working capital lending
- Build MSME capacity to strengthen credit-worthiness
- Create mobile service delivery platforms for financial services
- Continue development of enabling business environment

Access to markets

- Help rebuild companies affected by war/crisis (lost assets, workers, markets)
- Remove trade/tax disincentives to local sourcing; Strengthen value chain linkages to enhance competitiveness
- Enhance support for trade logistics, remove barriers to domestic/regional trade
- Improve critical infrastructure (roads, telecom, warehouses, ports)





Agribusiness/Food

- Food demand expected to increase up to 70% by 2050
- Additional investment of \$83Bn pa needed, mostly from private sector
- Supply under pressure from water scarcity, climate change and added demands on land
- •Farmers: Enhance farmer productivity & income
- Farmer capacity building (aggregation models, Agri-extension, PPPs, ICT solutions)
- Value chain finance models w/FIs or input suppliers
- Regulatory reform of input markets, competition policy, aggregation models
- •Resources & Environment: Produce more with fewer resources
- Energy & water efficiency, incl. financing models for efficient irrigation
- Standards formulation & application (commodity roundtables, ESMS toolkit, financing products)
- Traceability solutions for commodities





Climate Change

- Global economy on path to 4 C temperature increase raising threats to infrastructure and food security
- Developing countries the most vulnerable—exacerbating the poverty challenge and the need to adapt
- Need to reduce emissions by 10-12 Giga MT GHG per year by 2020

Mitigation

- Promote adoption and share risks of low-carbon technologies and practices by the private sector
- Improve enabling environment for low-carbon investments
- Build market capacity to deliver clean energy investments
- Pilot innovative technology, financial instruments, & business models

Adaptation

- Integrate climate risk assessment and planning into IFC projects and private sector investment decision-making
- Develop and pilot new products to support private sector to build climate resilience
- Pilot water & agricultural resilience projects in South Asia and Africa





SMEs

- Account for two-thirds of jobs in emerging markets, and generate over 80% of new jobs in developing countries
- Face major constraints to business growth and increased productivity, including access to finance, markets and infrastructure (eg, electricity), red tape and skills
- Total financing gap for formal and informal MSMEs in emerging markets estimated at over \$2 trillion

High-impact holistic solutions for SMEs

- Deepen IS-AS partnership with strategic partners focusing on holistic solutions for FIs (large scale financial and non-financial interventions) that meet SME needs
- Pilot new products (Customer Management, Agri, SEF), new market segments (women in business & informal SMEs), and new approaches (eg, AS for Equity)

Country-wide solutions & supporting research

- **SME Deep Dives**: understand sequencing of efforts AS/IS/WBG & strengthening integration in country (eg, Nigeria, Vietnam, Sri Lanka, Bangladesh, Cote d'Ivoire)
- Research to tailor IFC's strategies & interventions: informality, value chains, agrifinance, and women-owned SMEs; others: SME indicator & data harmonization, and loan proxies





Gender

- Women in the private sector are key drivers of economic growth opportunity to unlock further potential
- 30-40% of SMEs are women-owned often face higher barriers to doing business, or operate informally
- 40% of world's jobs are filled by women tend to work in lower paying and low margin sector

Expand opportunities for women *entrepreneurs* to grow their business

- Scale-up reforms based on Women Business & Law diagnostic
- Support increased lending to women-owned SMEs
- Develop new value-chain programs to support real sector

Improve opportunities & working conditions for women employees

- Codify and implement best practice (WINvest)
- Develop approaches to support MAS & INR clients
- Help develop corporate targets around women's employment

Improve firms' understanding of women's markets

Develop roadmap for consumers beyond financial sector

Increase women's voice as leaders' and stakeholders

- · Expand training for women directors on corporate boards
- •Support identification of high caliber women for IFC Director

Develop business & results measures for gender-focused activities





Introducing the ITC

Jacky Charbonneau

DCED July 4, 2013





What does ITC stand for?

Since 1968 ITC is the joint technical cooperation agency of the GATT/WTO (WTO) and the United Nations (UN) for business aspects of trade development



ITC is 100% Aid for Trade, focusing on the private sector



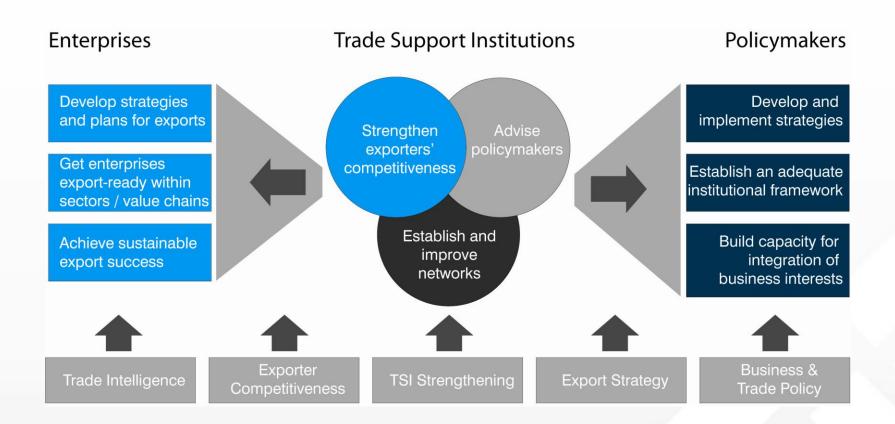
ITC's 5 Strategic Objectives



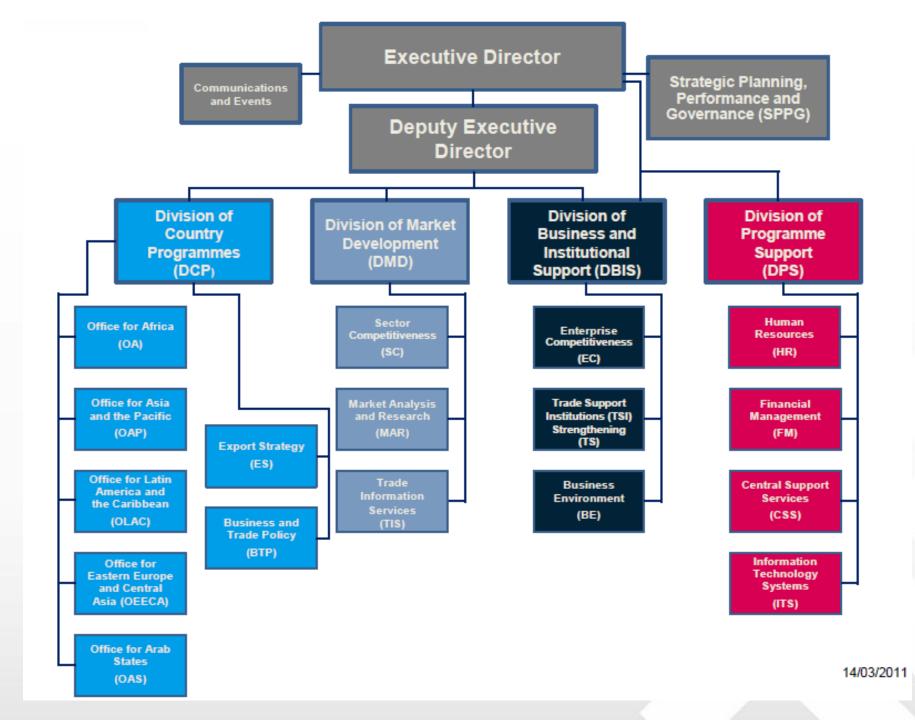


EXPORT IMPACT FOR GOOD

ITC's Areas of Work









Key Initiatives/Focus

LDCs/LLDCs Private sector Focus RBM Partnerships







ENTERPRISE COMPETITIVENESS





EC's Practice Areas and Services Offering

Cross-Cutting Programs

- ACCESS: Learning system aimed at enabling and developing the export-readiness of women-owned enterprises
- CTAP (Certified Trade Advisors Program): Program aimed at training individuals to become Trade Advisors supporting SMEs' export growth

Training

Supply Chain

 16-Module Learning System (Beginner-to-Advanced)

Quality (EQM)

- Improving Market Access
- TBT & SPS Agreements

Packaging

- Pack-It Series
- Tailored seminars
- Information support

Export Marketing & Branding

 6-Module Training: Research, Marketing Strategy, Market Entry, Branding Strategies

E-Solutions

- Online Marketing
- E-marketplaces
- E-Commerce
- · Music Online

Advisory Services

- Tailored projects aimed at optimizing supply chain functions such as sourcing and logistics (offering currently under development)
- Customized Quality Improvement Support
- ISO 9001 Implementation
- 22000-Food Safety Management System Implementation
- HACCP System Implementation

- Assessment Missions
- Packaging Standards Implementation Support
- Export Packaging Optimization Clinics
- Study Tours

- Market Opportunity Identification and Target Market Analysis
- Market Entry Strategy Design & Activation
- S- and E-level Export Promotion Support
- C-,S- and Product Branding Programs
- Online Marketing Strategies Implementation Support
- Mobile Solutions (market information platforms and implementation support)

Sample Tools

Partners

- Module Guidebooks
- ToT Packs
- Specialized global delivery network: SC institutes, B-Schools,
- EQM:A Guide for SMEs
- Technical papers
- Trainers/Consultants
 - ISO and other quality/ standard organizations
- Technical Guides: i.e. Packaging for Organic Foods
- Trainers/Consultants
- Packaging Institutes worldwide
- Guide Books
- Diagnostic Tools
- Trainers & consultants

- Implementation Guides
- Online Tools
- Trainers & consultants
- IT providers



FOR GOOD

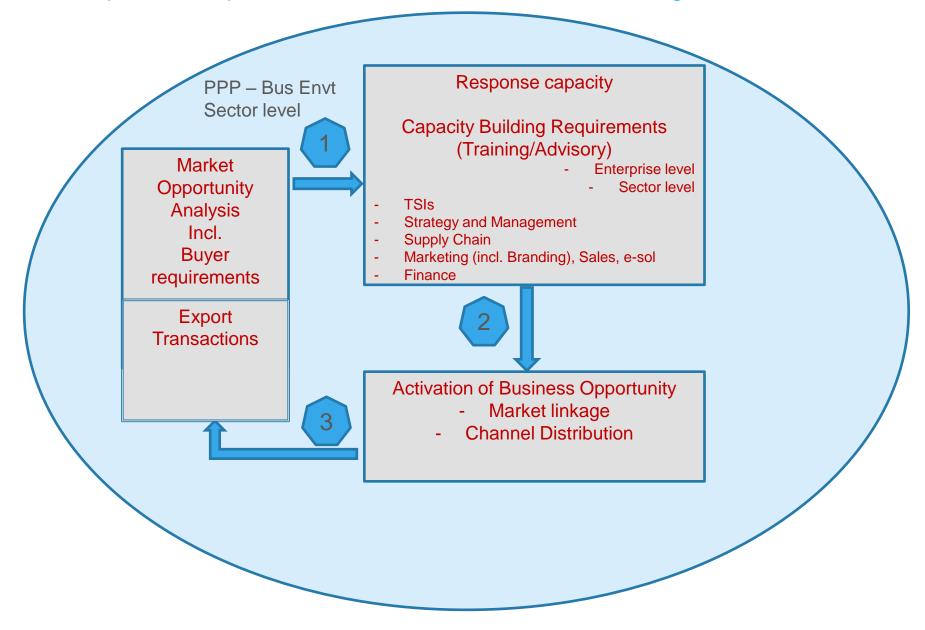
ITC's Expertise delivered through Training & Advisory Solutions at enterprise level

- Market Intelligence
- Export management
- Supply Chain Management
- Packaging
- Legal Aspects (IP)
- Quality Management
- Marketing and Branding
- Access to Finance
- E-Business Solutions
- Sector Competitiveness
- Cross-cutting: Gender & Youth





Exporter Competitiveness Market driven Intervention Logic







EXPORT IMPACT FOR GOOD

LDCs/LLDCs RBM Partnerships

Cross-cutting: Gender & Youth, Ethical Fashion, Trade & Envt...

Development model: Large programmes,





















The MasterCard Foundation

Presentation to the DCED

July 2013



A Global Foundation

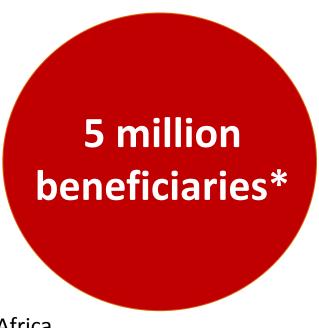
- Established in 2006 following the IPO of MasterCard Worldwide.
- Independent Board of Directors and management team.
- More than \$6.5 billion in assets.
- Registered and based in Toronto, Canada.
- Promote financial inclusion, scale access to secondary and postsecondary education, and advance economic opportunities for youth in Africa.



Program Milestones

As of June 2013

- Committed \$983M
- Disbursed \$345M.
- Average project is \$10M.
- 86 projects.
- 50 countries.
- Over 85% of our program commitments are in Africa.





Economic Opportunities for Youth (EOY)



Rationale and Context

- Increasingly, our work is demonstrating the intersection between building financial inclusion and the economic futures of young people.
- Moving away from project-driven work to take a holistic approach to Economic Opportunities for Youth (EOY) in Sub-Saharan Africa.
- The objective of this work is to develop a strategy that enables African youth to fulfill their personal and economic potential.



Definition and Scope

- Economic Opportunities for Youth improves the capacity of young men and women to access jobs or grow their businesses, access finance, and to expand the opportunities available to them. Their transition into the workforce is a critical step in building resilience as they progress along the continuum from vulnerable to more stable livelihoods.
- To date, the Foundation committed \$193 million to 25 projects that are currently benefitting more than 500,000 young people in Africa.
- The Foundation's projects prepare young people for entry-level employment or entrepreneurship in fields as diverse as outsourcing, farming and agribusinesses, health, hospitality, and various trades.
- Together, with a strong network of partners, the Foundation is poised to contribute learnings about effective programming.



Program Approach

Economic Opportunities for Youth strategy is based on:

- 1. Providing young people with comprehensive support based on market assessments.
- 2. Expanding employment opportunities in growth sectors in select countries.
- 3. Testing innovations to resolve persistent barriers (e.g. access to finance).
- 4. Applying a common measurement framework to all projects.
- 5. Convening and collaborating with other stakeholders.



Sectors of Focus

- Agriculture/agribusiness. The potential for African agricultural growth is immense. Improving the skills and livelihoods of those engaged in this sector is one of the most effective strategies for reducing poverty.
- Retail & Hospitality, Construction, and Manufacturing. McKinsey estimates that between 2010 and 2020, Africa's Retail & Hospitality sector will add 8.8 million stable jobs, Manufacturing will add 7.6 million jobs, and Construction will add another 5.1 million jobs.



What We've Learned

- Young people need to be part of program design, implementation, and evaluation — learning from the Youth Think Tank and Youth Think Tank Report.
- Financial service providers are looking for the business case when providing responsible and youth-friendly products.
- Young people are under-served by financial services and require a range of financial services, particularly savings.
- Mobile financial services and alternative delivery channels show promise for scale.
- Evidence-base is needed to inform scaling of youth employability work.
- Soft skills are a critical component of youth development.
- Youth economic opportunities are successful when they are embedded in a broader ecosystem of the public and private sector.

The MasterCard Foundation

Next Steps

- Refine strategy based on Board feedback.
- Assess and prioritize country and sector approach.
- Develop Learning Framework.
- Agree to funding mechanisms.
- Liaise with key stakeholders.



UNDP AND PRIVATE SECTOR

DCED Annual Meeting 2013



Strategies

- New UNDP Strategic Plan 2014-17: Select Outcomes will include "signature issues" and initiatives for engagement with the private sector (e.g. outcomes on inclusive and sustainable growth; conflict and natural disasters).
- New forward-looking UNDP Private Sector Strategy was endorsed in 2012. Key messages:
 - Engage with and support private sector to achieve key UNDP priorities (e.g. New Strategic Plan)
 - Engage in "transformative" multistakeholder partnerships for larger impact
 - Support inclusive markets and inclusive business solutions for long-term, sustainable results
- New Policy for Private Sector Engagement and Due Diligence 2013
 - Partnership principles and types
 - Screening criteria and procedures



Strategic Priorities & Initiatives

Extractive Industries for Development







United Nations Development Program

Green Commodities Facility

Environment & Energy > Green Commodities Facility







Green Commodities Facility

Extractive Industries Strategy Development

Strategic Priorities & Initiatives

- Goal: Strengthen competitiveness, inclusiveness and sustainability of agricultural commodity sectors – identify bottlenecks in value chain
- Strategy: National public-private platforms for dialogue and action
- Status: Inception phase
- Indonesia (palm oil) government-led, supported by IKEA, Kraft, Johnson & Johnson
- Ethiopia: (coffee) reinforces national coffee initiatives, supported by DK
- Ghana: (cocoa) with govt. COCOBOD, supported by Mondelez
- Costa Rica: (pineapples) established platform, full government buy-in, strong private sector commitment
- Goal: Enhancing sustainable development impact from extractive sectors
- <u>Strategy</u>: Global Program; regional program in Africa;
- One area of focus: Partnerships for local enterprise development
 - Research in Liberia on local content for extractive sector in the country.
 - Further research on public-private partnership approaches for small business.
 - Build on relevant past UNDP and other experiences, e.g. Mexico Supplier
 Development Program; UNDP Iraq Shell partnership for small business
 support & vocational training; UNDP Chevron partnership Angola;
 UNDP Total in Syria etc.







- <u>Goal:</u> Challenging companies to develop inclusive business models and advance field of inclusive business through measured results with support from AusAID, Dutch Ministry of Foreign Affairs, Sida, DFID, USAID, UNDP, UNGC, CGI, IBLF
- <u>Strategy:</u> Visibility / leadership; knowledge / learning; results measurement;
 - Novartis' "healthy family" programme empowers communities to make better healthcare decisions and expands access to education and affordable drugs
 - Unicharm Corporation pledged to bring affordable diapers and sanitary products to 36 million low-income women in the Middle East/North Africa and Asian regions



- Goal: Enhance energy access at BOP, efficiency improvements, increase RE-use
- <u>UNDP Strategy</u>: Support bottom-up energy solutions with a focus on innovative financing and business models for (off-grid) access to clean energy. National-level advocacy, policy dialogue, identify bottlenecks, investment priorities and facilitate enterprise solutions.



- Goal: enhance understanding of private sector's role in development and in UNDP work
- One stop shop service delivery center through research and knowledge development, policy advisory and advocacy, partnership facilitation, capacity development on Private Sector in Development and in support of UNDP Strategic Priorities
- Example: Launched Global Alliance for Sustainable Employment (GASTE) with Union of Chambers and Commodity Exchanges of Turkey (TOBB), fragile states, ETF, Columbia Research Center



Enterprise Development & Inclusive Business









- Private sector and enterprise development for early recovery and jobs in post conflict settings:
 - Examples: Sudan, Nepal, Sierra Leone, Sri Lanka
- Africa Facility for Inclusive Markets: Partnerships in support of sub-regional value chains e.g.
 - Sorghum Kenya, Tanzania
 - Dairy Kenya, Uganda
 - Onion Burkina, Ghana
 - Mango Burkina, Cote d'Ivoire, Mali, Ghana
- Malawi Private Sector Programme & Innovation Challenge Fund: support inclusive businesses with grant finance and technical assistance to strengthen agriculture and manufacturing value chains.
- Ethiopia new Entrepreneurship Development Programme.
 - Policy and capacity support to Government; Policy dialogue; Business advisory services

DCED Annual Meeting The Hague/Netherlands, 3-4 July 2013

MEMBER UPDATE 2012/13: STRATEGIC CHANGES/DEVELOPMENTS

- UNIDO -

Juergen Reinhardt, DCED Focal Point Business, Investment and Technology Services Branch, UNIDO J.Reinhardt@unido.org

BREAKING NEWS, 28 JUNE 2013

- UNIDO General Conference confirmed election by Industrial Development Board of Mr. Li Yong as Director-General
- First mainland Chinese to head a UN agency
- Since 2003, served as Vice Minister of Finance



Industrial development for poverty reduction, inclusive globalization and environmental sustainability

Two core functions:

As a **global forum**, UNIDO generates and disseminates knowledge related to industry and provides a platform to enhance cooperation, establish dialogue and develop partnerships

As a technical cooperation agency, UNIDO designs/ implements programmes to support its clients. It also offers tailor-made specialized programme development support

Three inter-related thematic priorities



Poverty reduction through productive activities

Includes

- Industrial policy
- Business & institutional environment
- Cluster/business linkages & technology diffusion
- Agro-processing & value chain development
- Rural & women's entrepreneurship
- Rural energy for productive use
- Sustainable production in poor communities



Trade capacity building

Includes

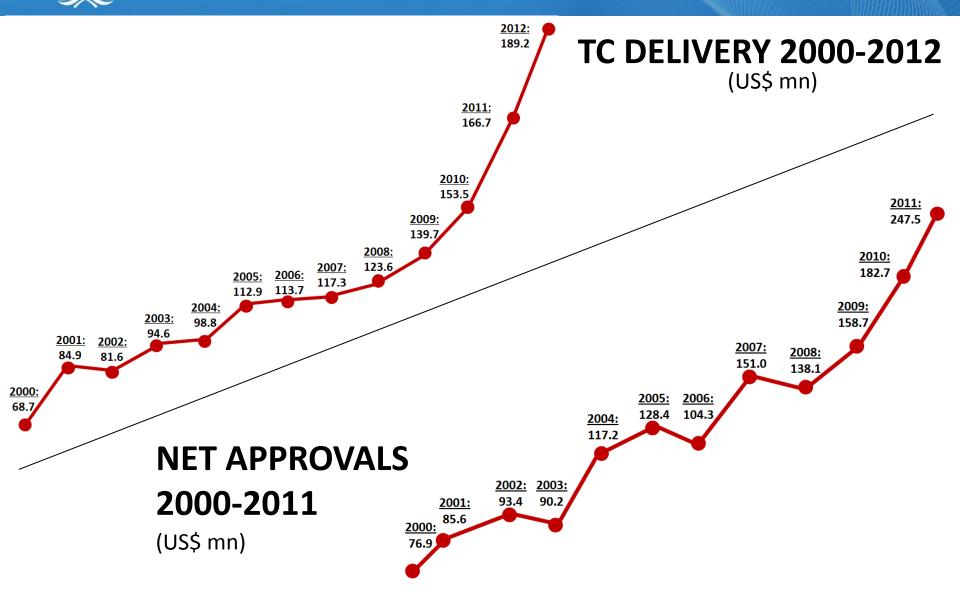
- Trade policy
- Technical barriers to trade
- Compliance with trade standards, metrology, testing and conformity
- Innovation systems, industrial modernization and upgrading



Energy and Environment

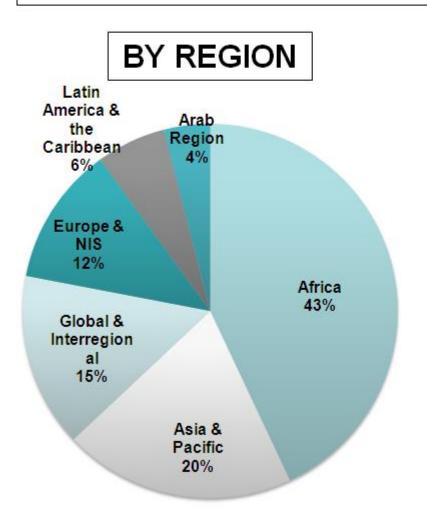
Includes

- Industrial energy efficiency & climate change
- Renewable energy & energy policy
- Cleaner and sustainable production
- Water management
- Green industry

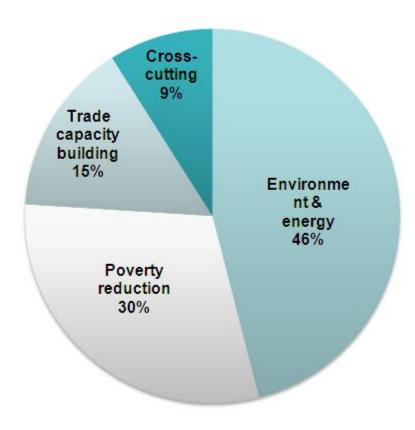




SHARE OF PROJECTS 2012 (in %)



BY THEMATIC AREA



SELECT DEVELOPMENTS

- Programme for Change and Organizational Renewal (PCOR) drawing to completion
- Further roll-out of new Enterprise Resource Planning (ERP) system (SAP)
 - → Portfolio & project management module, HR management, Finance
 - → Results-based budgeting at output level
 - → Almost all projects now with logframe, indicators, risk management strategies
 - → Fully functioning by end-2013
- Thematic evaluations
 - → Contribution to One UN mechanism
 - → Performance of field offices
 - → Global Forum functions
 - → Contribution to MDGs
 - → Enterprise upgrading initiatives, and other

SELECT DEVELOPMENTS (cont d)

- Release of "Effective Monitoring for Pro-poor Cluster Development. Guidelines for Practitioners"
 - → Support use of UNIDO Monitoring Framework for Cluster Development Initiatives by Project Managers
 - → Based on DCED Standard
- Productive work for youth
 - → Holistic approach (macro meso micro)
 - → Youth organizations invited to provide project ideas on how to best address youth unemployment in their community
 - → Post conflict situation: building support structures for young entrepreneurs
 - → Peer to peer approach: youth organizations are assisted in supporting youth to set up their businesses
- New: Competitiveness, Business Environment and Upgrading Unit

SELECT DEVELOPMENTS

- High level conference of middle-income countries: Networks for Prosperity, San Jose, Costa Rica, 12-14 June 2013 (www.iisd.ca/sd/unido/mics)
 - → "Challenges for sustainable development and international cooperation in middle-income countries: the role of networks for prosperity"
 - → Focus on post-2015 MDG development agenda
- UNIDO General Conference, to be held in Lima/Peru, Dec 2013
 - → Expected: new Lima Declaration on industrial development

→ GENDER: STEPPING UP

2010

- UNIDO's Policy on Gender Equality & Strategic Implementation Plan
- Creation of Gender Mainstreaming Steering Committee (GMSC)
- Gender training

2012

Organization-wide assistance gender mainstreaming project launched (October)

2013

- Decision UNIDO Executive Board
 - All Directors required to incorporate gender responsive goals in work plans
 - All Project Managers required to include gender analysis in new projects
 - Establishment of a position of a full time Gender Officer and Gender Unit in the 2014-2015 budget biennium

GENDER: ACHIEVEMENTS 2012/13

- > 75 one-to-one consultations with project managers in 6 of 7 technical branches
- 6 Gender Mainstreaming Workshops conducted (>120 project managers)
- 6 Gender Analysis Frameworks finalised & published for each technical branch
- Gender Appraisal Tool developed to ensure quality assurance of internal programme/project approval processes
- GMSC member appointed as the Gender Adviser to UNIDO's Appraisal Group (AG)
- Launch of an organization-wide Gender Mainstreaming Newsletter
- Organization of 1st Gender Side Event at Vienna Energy Forum: "Women Leadership on Energy Justice in Productive Centers"
- UN Women-UNIDO Guidance Note on: "Sustainable energy for all: the gender dimensions"
- Co-funding with UN Women of SEED (Initiative for entrepreneurship in sustainable development) Gender Equality Award



UNIDO BUSINESS PARTNERSHIPS 2012/13

New Business partnerships

New partnerships signed with Aeon, Carlsberg, Louis Dreyfus Commodities, Philips and Samsung

Internal structure & capacity development

- UNIDO Policy on Business Partnerships published (June 2013)
- Due diligence mechanism for partner screening & selection made mandatory;
 - → Environmental impact, social standards, governance conduct (UN Global Compact principles), exclusion criteria, contextual factors
- Internal capacity development on designing and implementing partnerships with private sector rolled out to the field

Communication

Promotional video (<u>www.unido.org/businesspartnerships.html</u>) showcasing UNIDO's approach to partnering with the private sector released



UNIDO POLICY ON BUSINESS PARTNERSHIPS, JUNE 2013

- May 2011: Strategic Framework for UNIDO Partnerships with Multinational Companies and Private Foundations
 - Informed by stocktaking of UNIDO business partnerships since 1999 & by mapping of best practice UN system
- Response to 2009 UN system-wide 'Guidelines on Cooperation between the United Nations and the private sector'
- Structure of policy document
 - Rationale of policy, scope, definition, modes of engagement
 - Guiding principles for partnerships and partner selection
 - UNIDO-internal arrangements (communication, focal point)
 - Implementation
- Building up on UN GA definition, "UNIDO views partnerships as non-commercial collaboration between UNIDO and private sector entities, which have the purpose of achieving common goals and objectives in the field of industrial development".

Categories of UNIDO Business Partnerships

CORE BUSINESS & VALUE CHAINS

- Developing or adapting products for rural/low income populations
- 2. Localizing the business value chain by using local suppliers and service providers or creating local distribution networks
- 3. Integrating practices that protect and preserve the environment by improving resource management

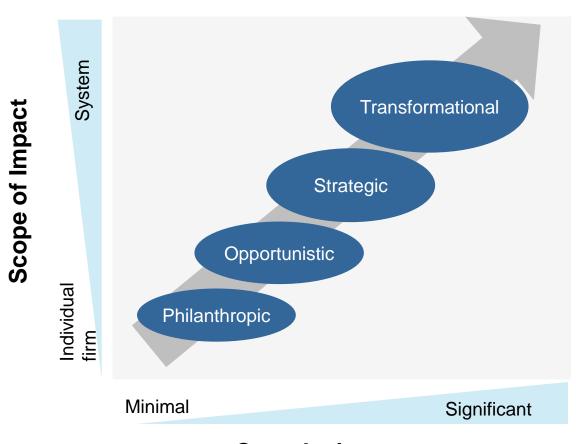
SOCIAL INVESTMENTS & PHILANTHROPY

- 1. Investing within the value chain through strategic financial and in-kind investments within the company's supply chain and/or broader operating context
- 2. Applying technology to enhance reach and access for current and new programs with social goals

MULTI-STAKEHOLDER & TRANSFORMATIONAL ALLIANCES

- 1. Addressing systemic issues by leveraging the core competencies of a broader range of actors from the public, private and non-profit sectors
- 2. Securing commitments and mobilize concrete action to develop innovative solutions and create new playing fields in industrial sectors

Multi-stakeholder & Transformational Partnerships





SUSTAINABLE

ENERGY FOR ALL

Complexity

UNIDO PARTNERSHIPS WITH THE PRIVATE SECTOR

AGRO-INDUSTRIES, BUSINESS INVESTMENT & TECHNOLOGY PARTNERSHIPS



ENVIRONMENTAL MANAGEMENT PARTNERSHIPS

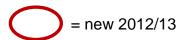


ENERGY & CLIMATE
CHANGE PARTNERSHIPS









Business Partnership Benefits

BENEFITS FOR BUSINESS

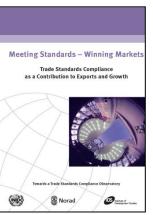
- Profound know-how in industrial development
- Global information network of UNIDO and the United Nations
- Worldwide pool of experts and trainers
- United Nations linkage and compliance with global development values
- Increased social responsibility combined with profitability

BENEFITS FOR UNIDO

- Insider knowledge of a specific industry sector
- Markets, technology and specialized information
- Cutting-edge industry experts
- Provision of better service and greater impact for recipient countries
- Profile raising and promotion of UNIDO projects in the business community

→ TRADE CAPACITY-BUILDING GLOBAL FORUM – NEW PUBLICATIONS

- Trade Standards Compliance Footprints
 - Country fact sheets & indicators
- Trade Standards Compliance Report, 2nd ed. (Q3/13)
 - Expansion of scope: EU, US, Japan and Australia
 - New: Buyer Confidence Survey
 - Identifies systemic weaknesses; VC analyses for targeted TC
- Trade Capacity-Building Resource Guide, 3rd ed. (unido.org/tcbresourceguide.org)
 - On behalf of UN CEB, now in coop. with OECD
 - New: focus on South-South cooperation
 - Coverage: 31 UN programmes, 36 bilateral agencies







COOPERATION WITH THE GLOBAL FOOD SAFETY INITIATIVE (GFSI)





- UNIDO training toolkit for the GFSI Basic/Intermediate Level (public good), English, Arabic and Russian language versions
- Pilot project Egypt, in cooperation with UNIDO/ETRACE (Egyptian Traceability Center for Agro-Industrial Exports), METRO tested GFSI Global Markets
 Protocol – Basic and Intermediate Level
- Based on the pilots, UNIDO provided concrete feedback to the partners/ Committee for improvements of the protocol

GREEN INDUSTRY INITIATIVE

Greening of Industries

Helping enterprises improve resource productivity and environmental performance

- Efficient use of materials, energy and water
- Reduction of wastes and emissions
- Safe and responsible management of chemicals, renewable raw materials
- Phasing out toxic substances
- Substituting fossil fuels with renewable energy sources
- Product and process redesign, Green Chemistry

Creating New Green **Industries**

Establishing new operations delivering environmental goods and services

- Reduce, reuse and recycle (3R) industries
- Pollution control technology and equipment
- Renewable and energy-efficient technologies
- Waste management and resource recovery
- Environmental advisory and analytical services

→ GREEN INDUSTRY PLATFORM (launched at Rio+20)







- High-level, multi-stakeholder, transformative partnership framework
- Businesses, governments, international and civil society organizations have joined by signing the "Statement of Support"
- Scales up and mainstreams Green Industry throughout global industry
 - Reduces the negative environmental impact of manufacturing
 - Increases social and economic benefits
- Only comprehensive, targeted and practical sector-based strategy

GREEN INDUSTRY PLATFORM: FUNCTIONS

Awareness	Profiles Green Industry objectives through events, engagement, actions at the	
Raising	enterprise, national and regional level	
Convening	Brings together members to discuss specific themes, approaches and issues	
	 Connects members to third parties on areas of mutual interest 	
Networking and Information Sharing	Shares contact information between signatories	
	 Provides a web portal to exchange information amongst signatories 	
	 Provides one-stop advisory services for signatories seeking specific information 	
	Provides an introductory and mediating role	
Partnering	 Provides a framework for members to explore possible partnerships between 	
	different sectors and stakeholder groups	
	 Identifies and encourages synergies and partnerships between members 	
	 Identifies possible partnerships with non-members such as in the supply chain 	
	context	
Researching	 Identifies strengths and weaknesses of current Green Industry approaches and 	
	commissions research on relevant topics	
Promotional	Provides a framework in which members' actions in pursuance of Green Industrial	
	policies and practices can be made public and promoted	

GREEN INDUSTRY PLATFORM: MEMBERS COMMIT TO...

- Improving Resource Efficiency
- Strengthening Waste Management
- Reducing and Eliminating Toxic Materials
- Pursuing Energy Efficiency and Using Renewable Energy
- Adopting a Lifetime Approach to Product Manufacture
- Making Finance Available to Green Industry
- Promoting Technology Transfer and Sharing Best Practices
- Greening Global Value Chains
- Supporting Green Industry Research and Innovation
- Fostering Green Industries and Jobs
- Setting Green Industry Targets

Green Industry Platform

Statement of Support

- 1. We, heads of governmental, business and o'vil society organizations from around the world, are proud to hereby declare or support for the Creen industly Platform (the Platform). The Platform is a voluntary multi-asserbider partnership established by UNIDO, UNEP and partner Unlest Nations organizations. It is designed to provide a framework for partnership individually or in groups, to take specific and measurable action to advance Orien industry individually or in groups, to take specific and measurable action to advance Orien industry individually or in groups. The specific individual provided in the specific provided in the specif
- 2. We do so at this important time in history because we share a common understanding that
 - a) Sustainable development is the principal objective of all countries, and that industrial development and innovation are critical prerequisities to reducing poverty, creating decent jobs, ensuring food, energy and water security, delivering sustainable goods and services worldwide, and reising living standards for all,
 - b) Our current systems of production and consumption are unsustainable and are causing rapid resource depletion, pollution, degradation of ecosystems and the threat of climate change, with potentially inversible and disastrous consequences, some of which are already being witnessed and are causing further hardship, in particular to poor communities in developing countries.
 - c) Meeting the requirements of the growing world population will further increase pressure on agricultural production and resource valiability. With his combined effects of employment gains and food, energy and water security, sustainable and efficient value chains in these areas can play a key role in reducing poverty while contributing to environmental protection the world over;
 - d) To reduce exposure to the potential policial, social, economic and environmental risks posed by the depletion of natural capital, all fusive including anyonism that developing countries are currently engaged in or embasting upon needs to be accompanied by enhanced efforts o increase the productive use of natural resources and reduce wastes, pollution and emissions if the benefits of development are to be widely shared and listing.
 - e) The only way to ensure sustained development is to decouple economic growth from resource use and polution, including through the progressively more efficient use of raw materials, energy, water and land, through such measures as improved design and technological and social knowation;
 - Achieving the necessary change will not be achieved through "business as usual" practices but will require concerted action on the part of government, business and ofvil society, working both individually and collectively.
- 3. We further recognize that while encouraging progress has been made in this area in some countries and sectors, one of the biggest challenges of our age is to achieve a situation where high resource productivity and high levels of social and human development are combined with low per capita resource contimiption.
- 4. We are convinced, however, that there is large untapped potential for providing the goods and services needed by humanished in ways that use raw materials and energy and water more efficiently, through Green Industry, a process that is both technologically and economically feasible and proven and can contribute significantly to sustainable development;

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FOR MORE, PLEASE VISIT:

UNIDO initiative	
Green Industry Platform	www.greenindustryplatform.org
Networks for Prosperity	www.networks4prosperity.org
Business partnerships	www.unido.org/businesspartnerships
Overall	www.unido.org