

The Donor Committee for Enterprise Development BUSINESS ENVIRONMENT WORKING GROUP

Online Meeting Minutes

18 October 2023

PRESENT				
Moussa Traore (USAID, BEWG co-Chair)	Tania Ghossein (WBG)			
Tobias Leeg (GIZ)	Dipo Daramola (FCDO)			
Brigitte Bruhin (SECO)	Jim Tanburn (DCED Secretariat)			
Siobhan Kelly (FAO)	Simon White (Consultant to BEWG)			
APOLOGIES				
Sylvia Solf (WBG, BEWG co-Chair), Sandra Yu (ILO), Toru, Homma (JICA), and Toshiaki Sakamoto (JICA).				

1. Welcome, introductions and confirmation of the agenda

Moussa opened the meeting, welcoming all. He thanked the DCED Secretariat for organising the June 2023 meetings in Geneva. A special welcome was extended to the new BEWG members Tobias Leeg (GIZ) and Dipo Daramola (FCDO), who introduced themselves.

2. Matters Arising from the Minutes of the Last Meeting

The Minutes of the last Meeting on 20 June 2023 had been previously approved. There were no matters arising.

3 Updates on Outstanding 2022-23 Work Items

The following items were discussed. These items are included in the BEWG 2022-23 Work Plan and Budget.

3.1 Role of the business environment in global value chains

Tania Ghossein (WBG) provided an update on this item, which has now concluded. see <u>Roles of the</u> <u>Business Environment in Global Value Chains</u>.

3.2 BER and Investment Facilitation

Tania provided an update indicating that the final report has been completed. The DCED Secretariat is finalising the layout and production of the report. A webinar should be organised to share and discuss the findings of the report.

AGREEMENT

AGREED: Tania and Simon White will liaise to identify speakers and a date for the webinar.

TIME FRAME: It is likely the webinar will be held in November 2023.

3.3 Simplified Legal Status

Tania provided an update. This final consultant's report has been completed, and the DCED Secretariat is preparing it for publication. A draft policy note has been prepared, which Simon White will circulate to members for comment.

The webinar was held on 29 June 2023 and is available on the DCED YouTube channel.

The earlier report on informality is also available – see: <u>Dealing with Informality in Conflict and Fragile</u> <u>Settings</u> (April 2023). Also see <u>Dealing With Firm Informality</u> (November 2021).

AGREEMENT

AGREED: Simon to circulate the draft policy note for comments.

TIME FRAME: The draft will be circulated on 19 October 2023, providing ten days for comments.

3.4 BER in COVID-19 Context

Tania Ghossein (WBG) provided an update. After several draft reports from the consultant, the task team is unhappy with the current version. Thus, the task team will review the situation and determine the next steps. It does not appear that requesting another draft will help.

This has been a problem with other work items. It would be helpful for the BEWG to reconsider how it manages work items. Brigitte Bruhin (SECO) and Jim Tanburn (DCED Secretariat) suggested that it may sometimes be useful to organise a seminar, meeting or roundtable with leading experts, including experts from within DCED member agencies, leading to the production of a policy note.

The task team will consider this and the possibility of publishing a blog post on this topic, mainly if the report is unsuitable for publication.

AGREEMENT

AGREED:

- 1. It was agreed that the latest draft report will be circulated to BEWG members to provide an opportunity for comment and guidance.
- 2. BEWG to hold a thematic meeting to discuss content.
- 3. Host a webinar and publish a blog (summarising the main points of discussion and emerging themes from the webinar).

TIME FRAME:

- 1. Draft report to be circulated October 2023.
- 2. The issue of more thematic discussions will be addressed at a meeting in the first quarter of 2024 (see next meeting, below).

3.5 BER and Digital Transformation

Moussa provided an update indicating that the task team is unhappy with the work. Four versions of the draft report were reviewed, and the team is still unhappy with the product. There was not enough analysis of the impacts of digital transformation on the business environment. More work needs to be done on this, and the team is reviewing the options. It was agreed that the BEWG would host a webinar and publish a blog on this topic (summarising the main points of discussion and emerging themes from the webinar). The task team will then explore how and whether to commit further resources (time and potentially next year's funds) to finalising these work items.

Siobhan Kelly (FAO) offered to share with colleagues with expertise in digitalisation (but a review of the draft would depend on their availability).

AGREEMENT

AGREED:

- 1. Members will wait for advice from the task team on the next steps. It was agreed that the latest draft report will be circulated to BEWG members to provide an opportunity for comment and guidance.
- 2. Host a webinar and publish a blog (summarising the main points of discussion and emerging themes from the webinar).

TIME FRAME: October 2023.

4. Updates on new work items for 2023-24

The following items from the BEWG 2023-24 Work Plan and Budget were discussed.

4.1 BER and New Environment Regulations

Tania provided an update and spoke to the terms of reference. This new work item aims to prepare a technical report and policy guidance for donor and development agencies on how developing-country governments are affected by and can respond to regional and global environmental regulation.

The Task Team is comprised of: WBG (lead), FAO, USAID, BMZ/GIZ, JICA, and SECO.

The Green Growth Working Group has expressed an interest in participating in this work item, following the meeting between the BEWG and GGWG in June in Geneva.

The consultant TOR have been finalised and the assignment will be posted in the World Bank's consultant procurement portal in the coming days. Simon will circulate a link to the assignment to BEWG when this is available. Members are encouraged to share this link with their colleagues to assist in the search for a suitable consultant.

AGREEMENT		

AGREED:

- 1. Tania and Simon will circulate the link to the World Bank consultant procurement portal to BEWG members when the opportunity is published.
- 2. Simon to enquire with the DCED Secretariat and Sylvia on who in the GGWG might join the task team.

TIME FRAME: October 2023.

4.2 BER and Global Shocks

Tobias Leeg GIZ/BMZ provided an update on this work item, which aims to identify the business environment factors influencing firm- and economy-level resilience to global shocks and guides donor and development agency BER programming.

The Task Team is comprised of: BMZ/GIZ (lead), WBG and ILO.

The consultant TOR have been finalised and the assignment will be posted on the GIZ consultant procurement portal in the coming days. Simon will circulate a link to the assignment to BEWG when this is available. Members are encouraged to share this link with their colleagues to assist in the search for a suitable consultant.

AGREEMENT

AGREED: Tobias and Simon will circulate the link to the GIZ consultant procurement portal to BEWG members when the opportunity is published.

TIME FRAME: October 2023.

4.3 MSME Development and Formalisation

Siobhan Kelly (FAO) provided an update on the work item which aims to investigate good practices in how governments can support BER for micro, small and medium-sized enterprise (MSME) development through a more coordinated, joined-up approach spanning government MDAs. She indicated that the task team would meet soon to discuss the topic further and that the research will likely involve the preparation of case studies focused on one country that illustrated good practice and another that is currently applying a whole of government approach to MSME development and formalisation.

The Task Team is comprised of: ILO and FAO (co-leaders), WBG, BMZ/GIZ, and JICA.

There was some discussion as to whether this item intended to deal with formalisation. However, this has been subsequently confirmed.

The consultant TOR has been finalised and the assignment will be posted in the World Bank's consultant procurement portal in the coming days. Simon will circulate a link to the assignment to BEWG when this is available. Members are encouraged to share this link with their colleagues to assist in the search for a suitable consultant.

AGREEMENT

AGREED: Tania and Simon will circulate the link to the World Bank consultant procurement portal to BEWG members when the opportunity is published.

TIME FRAME: October 2023.

4.4 BER and Investment Facilitation

Tania provided an update and spoke to the terms of reference. This item builds on the work done in 2022-23 on the economic, environmental and social impacts of implementing the WTO Investment Facilitation for Development Agreement (IFDA) on donor and development agency support for business environment reform (BER).

The Task Team comprises WBG (lead), BMZ/GIZ, FAO, WBG, JICA, and SECO. Moussa requested that USAID be included in the team.

The task team will commission research on the economic, environmental and social benefits of implementing relevant reforms underlying the provisions of the IFD Agreement. This would consider the role of BER in increasing the benefits of the IFDA or regional investment facilitation agreements (e.g., AfCFTA) in developing and emerging economies. This should incorporate an analysis of the areas of alignment between the IFDA and BER approaches. This research is likely to entail a review of best practices in two to three cases on how the IFA is being used — or could be used — to support BER.

The consultant TOR has been finalised and the assignment will be posted in the World Bank's consultant procurement portal in the coming days. Simon will circulate a link to the assignment to BEWG when this is available. Members are encouraged to share this link with their colleagues to assist in the search for a suitable consultant.

AGREEMENT

AGREED: Tania and Simon will circulate the link to the World Bank consultant procurement portal to BEWG members when the opportunity is published.

TIME FRAME: October 2023.

Moussa extended his appreciation to Tania and the World Bank for their support on a number of the work items and for coordinating with the World Bank procurement portal for the advertising of consulting positions.

4.5 Donor Guidance Revisions

Moussa opened this topic by recapping the discussion in June in Geneva. Simon then provided a short outline of the proposed scope of work. This two-year activity will commence in 2023/24 to review and update the Donor Guidance on BER and its annexes. It will be a highly participatory approach in which BEWG members reflect on these documents and share experiences and insights, which would feed into a revised document that DCED members would be invited to approve before publication.

PART 1. MAPPING, SURVEYING AND CRITIQUE (2023/24 FY)

- 1. Surveying members. DCED Members will be surveyed to obtain their opinions on the Donor Guidance and its Annexes and the areas where improvement or updating is required. The survey would run for three months.
- 2. Mapping donor and development agency support for BER. DCED members will be asked to participate in a mapping of their support for BER in developing and emerging economies. This activity would likely involve 15-20 donor and development agencies. It would span about six months.
- **3. Platform for critiques.** The BEWG will create an online platform that allows interested thirdparty individuals and organisations to critique the 2008 Donor Guidance and its Annexures and Policy Notes. This activity would span about four months.
- **4. Meeting to consider review inputs.** Towards the end of the 2023/24 Financial Year, the BEWG will convene a meeting to consider the inputs from the above activities. This meeting could be held alongside the DCED Annual Meeting.

PART 2. STUDIES, DISCUSSION AND REVISION (2024/25 FY)

- **5. Commissioned studies or briefs.** The BEWG will commission 4-6 short studies into specific BER topics.
- **6. Call for papers.** The BEWG will call for papers to be prepared and presented at a BER seminar that the BEWG will organise in June 2025.
- **7. BER Seminar.** The BEWG will organise a two-day seminar in June 2025 at which key aspects of the BER guidance will be discussed.
- **8. Drafting and approval.** The BEWG will draft the revised donor guidance and circulate it to all BEWG members for endorsement.

The discussion on this topic included:

- Sufficient time should be given to applow for the mapping of donor and development agencies' support for BER. It will take time for agencies to collate this information and respond. There is also a need for a structured approach to mapping the support provided to BER.
- It would be useful to draw on support from the DCED Secretariat where possible.
- The BEWG should discuss how it can improve its engagement with members. The Guidance Review provides an opportunity for thematic discussions that would interest members and drive more engagement.
- Rather than forming a separate task team, this work item could be managed by the BEWG as a whole. However, it would be helpful if a member acted as a focal point to help with coordination.
- There was support for a conference on BER, as proposed in the activities described above, possibly alongside a DCED Annual Meeting.

AGREEMENT

AGREED: Sylvia and Moussa will discuss the implementation of this work with Simon and the DCED Secretariat based on the activities outlined in the scope of work.

TIME FRAME: October 2023.

Any other business

There was no other business.

Next meeting

AGREEMENT

AGREED: The next two meetings will be held in Q1 2024. One of these meetings will deal with the procedural matters associated with tracking the progress of work items. The other will deal with how to improve membership engagement, ensure quality across all reports, and improve communications.

TIME FRAME: Meeting dates and times to be determined.

PROPOSED DATES FOR NEXT MEETINGS

Wednesday, 17 January 2024, 14:00 CET: BEWG Meeting primarily focused on updating work items.

Wednesday, 14 February 2024, 14:00 CET: BEWG Meeting to discuss how to improve membership engagement, managing work items, quality assurance, and communications.

Close of Meeting

Moussa closed the meeting, thanking everyone for their support.

End of Meeting Minutes.