

The Donor Committee for Enterprise Development

## **Business Environment Working Group**

Meeting (Teleconference): Tuesday, 9 April 2024

### **Minutes of Meeting**

[Approved 16 April 2024 by email]

#### **PRESENT**

Moussa Traore (USAID, BEWG co-Chair)
Sylvia Solf (WBG, BEWG co-Chair)

Sandra Yu (ILO)

Tobias Leeg (GIZ)

Siobhan Kelly (FAO) Karolina Zurek (Sida)

Christian Brandli (Seco)

Ryo Miyamoto (JICA)

Toru Homma (JICA)

Megumi Hirano (JICA)

Yuge Yashuhiko (JICA)

Melina Heinrich-Fernandes (DCED Secretariat)

Ella Duffy (DCED Secretariat)

Harald Bekkers (DCED Secretariat)

Simon White (Consultant to BEWG)

#### **APOLOGIES**

Tania Ghossein (WBG)

# Welcome, introductions and confirmation of the agenda.

Moussa Traore (USAID, BEWG co-Chair) opened the meeting at 14:00 CET and welcomed everyone. He then invited participants to introduce themselves briefly.

## Matters arising from the pause and reflect session on 14 February 2024

Moussa described the Pause and Reflect session held in February 2024 to identify ways the BEWG can reinvigorate and engage with members. A PowerPoint summary of this has been previously shared; further comments have yet to be received.

Moussa briefly reviewed the issues and ideas raised in this session. He welcomed any further comments members may wish to submit and indicated this topic would be revisited at the Washington, DC, meeting on 3 June 2024.

## Agency update: Swedish International Development Agency.

As a start to a new approach to BEWG meetings in which member agencies will provide short updates on their work in BER, Karolina Zurek (Sida) agreed to provide a brief update on Sida's approach to BER.

## Update on current work items.

Simon White provided an update on the current work items, summarised in the illustration below.

WORK ITEM	STATUS
Implications of New Environmental Regulations	Current and on-track
Whole-of-Government Approaches to MSME Development and Formalisation	Current with some concerns
BER to Improve Economic Resilience to Global Shocks	Current and on track
BER and Investment Facilitation	Current with some concerns
Revisions to Donor Guidance	No action (on hold)

### **Work Item: Implications of New Environmental Regulations**

- Consultant appointed and inception meeting held.
- The timeframe has been extended overall to September 2024
- The first deliverable is due at the end of April 2024
  - Part 1 Overview of the new environmental regulations

### Work Item: Whole-of-Government Approaches to MSME Development and Formalisation

- Consultant appointed and inception meeting held.
- Draft annotated report outline provided.
- There are some concerns regarding the consultant's interpretation of the assignment. More guidance has been given.
- Two country cases selected:
  - Albania
  - o Cambodia
- First deliverable: Draft Technical Report
  - o Due now

### Work Item: BER to Improve Economic Resilience to Global Shocks

- The consultant has been appointed, and an inception meeting was held.
- Making good progress.
  - $\circ\quad$  The task team clarified the focus of the study with the consultant.
  - Case selection finalised.
  - Desk research is well advanced.
- Next steps:
  - o The consultant will send out interview requests.
  - Task team will support finding suitable interviewees in the selected case study countries.

#### Work Item: BER and Investment Facilitation

- Consultant appointed and inception meeting held.
- Draft annotated report outline provided.

- There are some concerns regarding the consultant's interpretation of the assignment. More guidance has been given.
- First deliverable: Draft Technical Report. Due now.

# Work planning and budgeting for 2024/25.

Simon White provided an overview of the past work planning and budgeting process, and improvements were discussed and agreed upon.

- 1. Brainstorming. Call for members to propose ideas for a work item or a question that needs to be answered. This produces a long list.
- 2. Short-listing. Members are asked to comment on and vote on items in the longlist, indicating:
  - Which items they are prepared to join a task team.
  - Any items they can contribute to financially.
  - The DCED Secretariat will review the proposals and challenge where required.
- 3. Finalisation. The final list of items is reviewed and agreed on. Draft the work plan and budget submitted them to DCED ExCo.
- 4. Final approval. BEWG will adopt the Work Plan and Budget in June 2024, and then the DCED ExCo will formally adopt the DCED Budget in June (which includes all working group budgets).

There was a brief discussion on possible topics for inclusion in the work plan:

- Youth employment and BER in the context of migration.
- Industrial policy a number of possible themes were discussed, and Sandra Yu (ILO) suggested an agency meeting on this topic might be helpful as the work plan is developed.
- SME development and the role of the green transition.

The Green Growth Working Group (GGWG) has some plans for 2024/25, which may involve the BEWG: (1) environmental regulations and (2) BE for Circular Economy. The DCED Secretariat will facilitate this exchange to ensure coordination.

#### **AGREEMENT**

Simon will distribute the form for Brainstorming today. **Deadline for submissions: Tuesday 16 April 2024.** 

Simon will compile and distribute the outcomes of the brainstorming for shortlisting (prioritisation). **Deadline for shortlisting: 22 April 2024** 

Simon will prepare a draft work plan and budget and distribute to BEWG members for comment.

Deadline for comments on the draft work plan and budget: 24 April 2024

BEWG submits draft work plan and budget to the DCED Secretariat: 26 April 2024.

### Preparing for the BEWG Meeting in Washington DC, 3 June 2024.

USAID and WBG are co-hosting the DCED Annual Meeting, Thematic Day, and Working Group Meetings. The BEWG plans to conduct a full-day meeting at USAID on 3 June 2024 if enough members can attend in person. Otherwise, a half-day hybrid meeting will be considered.

Members were invited to share their ideas on what issues could be discussed at this meeting. There was some interest in the new World Bank's Business Ready (B-READY) benchmarking report on the business environment and investment climate in most economies worldwide. It was noted that the BEWG had received a brief on this topic in early 2023. However, Sylvia indicated that this option would be explored, including other BE-related assessment tools.

Other options include (but are not limited to):

- Member agency updates.
- Expert presentation from one or more agencies on an issue in BER
- Donor Guidance Review— a fuller discussion of contemporary topics and debates that could feed into possible areas for revision of the DCED Donor Guidance (2008)

JICA has proposed a session on **Using Evidence to Inform Innovative Programs for SME Growth: Frontiers, Partners, and Scaling**. This would be a joint session with the Results Measurement Working Group. JICA partners with the Abdul Latif Jameel Poverty Action Lab (J-PAL) to discuss using evidence to inform program design and implementation in this area. The session will provide an overview of JICA's private sector development strategy. Next, it will take stock of evidence from randomised evaluations on business training and market access and then discuss case studies from evaluation projects on JICA's <u>Africa Kaizen Initiative</u> to conclude with emerging lessons.

# Summary and closure.

Sylvia summarised the meeting before thanking everyone for their participation and closing the meeting.