



Austrian Development Agency Private Sector and Development

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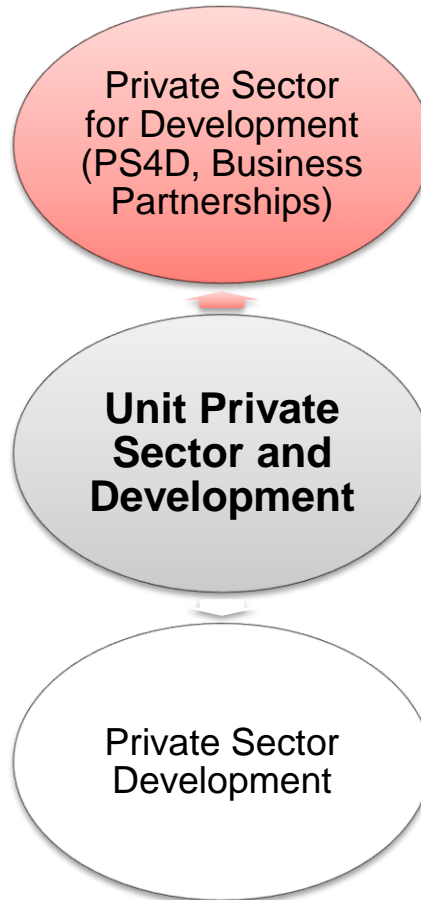
Susanne Thiard-Laforet
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DCED Annual Meeting 2023



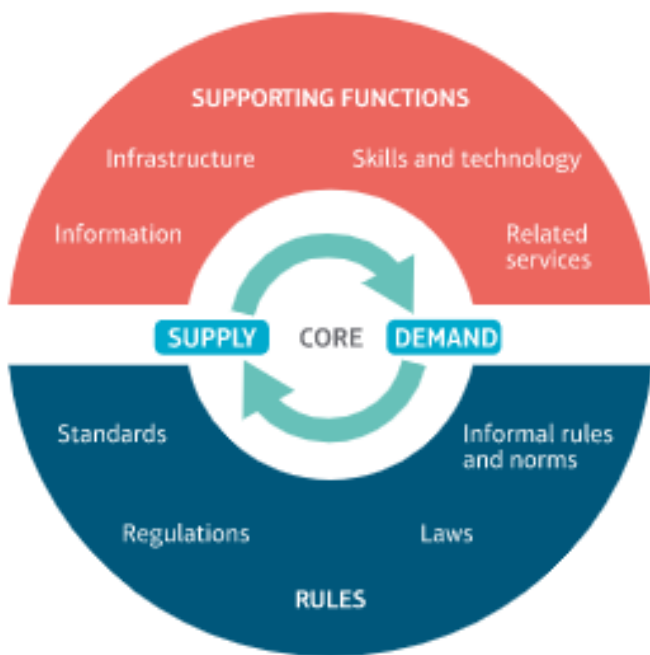
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What we do



Private Sector Development

Focus on Inclusive Market System Development



Source: M4P Operational Guide (2015)



ADC Country and Regional Programs



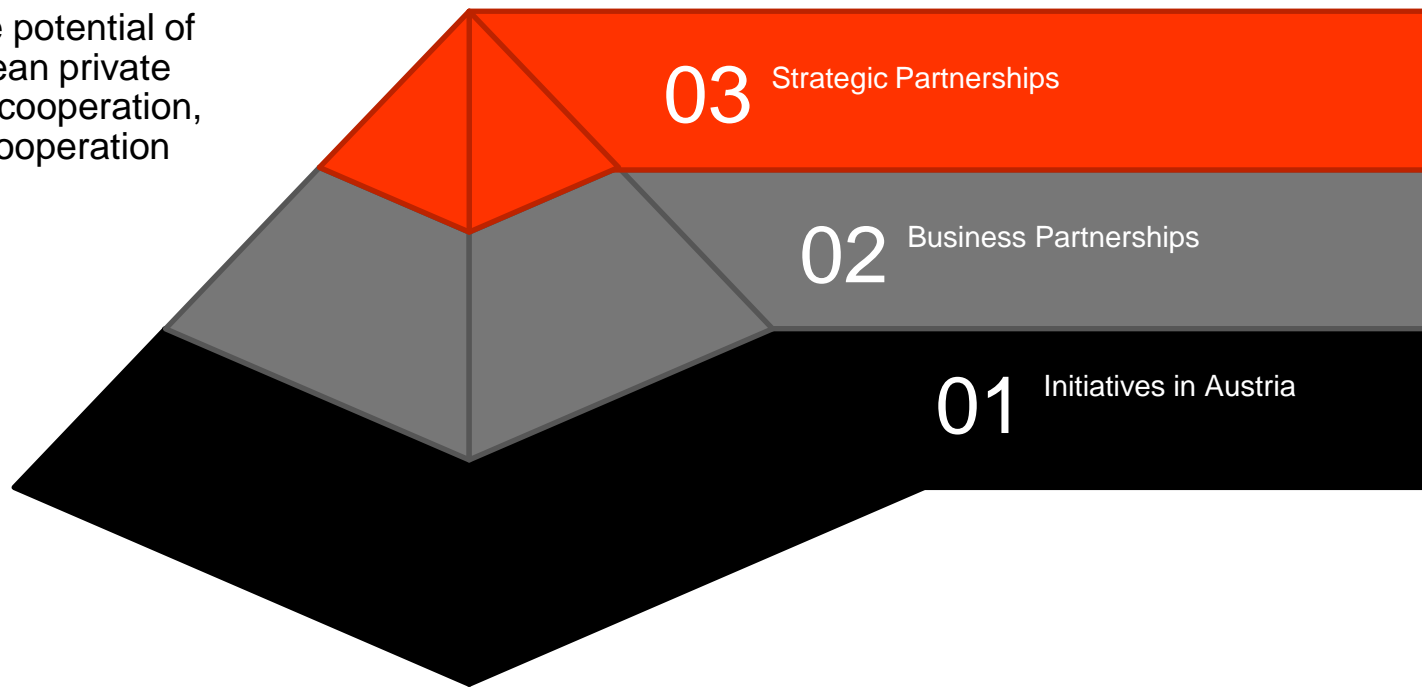
EU funded projects implemented by ADC



NGO Cooperation and Humanitarian Aid

Private Sector for Development

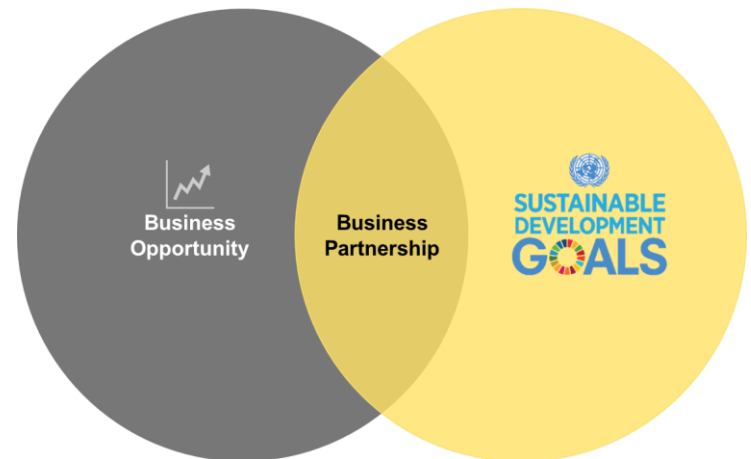
To make best use of the potential of the Austrian and European private sector for development cooperation, ADA relies on various cooperation instruments:



Business Partnerships

The Austrian Development Agency supports and funds sustainable projects of enterprises from the European Economic Area (EEA) or Switzerland. Cooperation instruments are:

- **Feasibility Studies**
(grant of up to EUR 20,000.00)
- **Business Partnerships**
(grant of up to EUR 200,000.00)
- **Strategic Alliances**
(grant of up to EUR 500,000.00)



Funding criteria

(1) Developmental impacts

- Distinct developmental impact
- Compliance with environmental, and social standards
- Consistency with development goals of respective country
- Implementation in a recipient country of ODA (OECD)

NO: armaments or hazardous goods

(2) Own contributions

Substantial, financeable contribution (at least 50% of total project costs)

(3) Commercial viability

Direct, operational or long-term, strategic benefit for the applicant

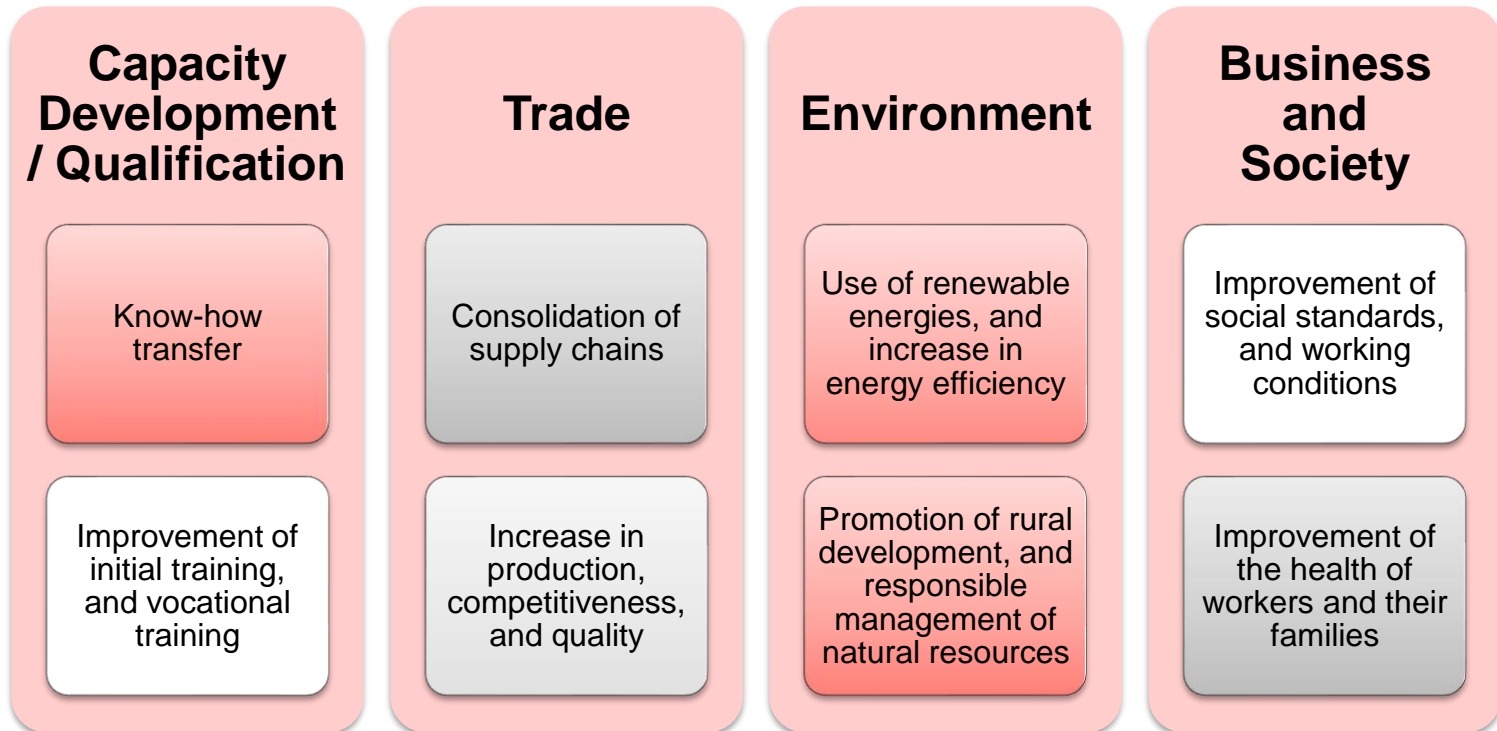
(4) Sustainability

Long-term engagement of the company in the developing country beyond the end of the project
NO: exports of goods, and services

(5) Additionality

Addition of value that would not be generated without assistance
NO: retroactive funding or funding of activities for the sole purpose of meeting legal obligations

Key areas of engagement



Expected results

For the partner country

Improved living conditions for a substantial number of people:

- New jobs / new income possibilities
- Education and training / introduction of new technologies
- Strengthening of public and/or private institutions
- Environmental protection
- Additional funds for development activities

For private companies

Sustainable economic success:

- Access to new markets
- Reduced investment risk in emerging markets
- Improved framework for business operations

ARGE - Dual VET (2016-2027)

- **Project volume:** EUR 6,354,211.00 (of which EUR 2,092,985.00 ADA funding)
- **Project goal:** Development of the national dual vocational education and training model in Serbia
- **Expected results:** double the proportion of students taught in the dual mode from 5.3% to 10.9%, i.e., from around 8,000 to around 16,500 students; increase of the number of accredited companies from 350 to 600; training of 1,000 additional apprenticeship trainers
- **How?**
 - Capacity building
 - Establishment of training alliances consisting of several companies
 - Adaption of the methodology for the creation of new dual vocational profiles
 - Extensive public relations measures

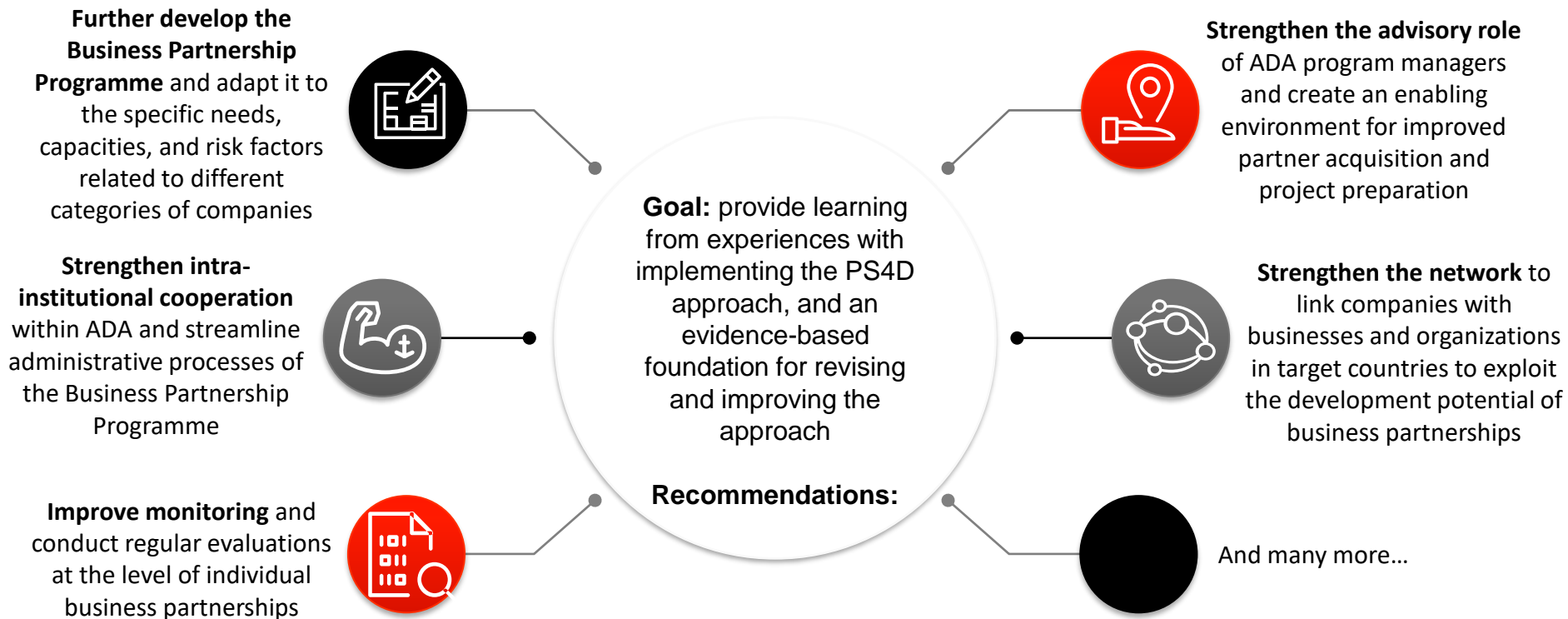


Strategic Partnership – Med-EL (2018-2025)

- **Project volume:** EUR 3,897,000.00 (of which EUR 1,948,500.00 ADA funding)
- **Project goal:** sustainable improvement of the living conditions of people with hearing disabilities in 14 countries in three different world regions
- **Expected results:** 92 local businesses/institutions that directly benefit; 82,800 people who have a direct benefit (70,000 children); 15 new jobs; 14 national hearing health strategies; hearing screening programs in 36 health centers
- **How?**
 - Institutional capacity development and know-how transfer
 - Newborn screening and diagnosis
 - Qualification of medical hearing specialists
 - Gender equity and scientific monitoring



Strategic evaluation of ADC cooperation with the Austrian and European private sector, in particular business partnerships, 2015-2020



Take aways (so far)

We need to reform our Business Partnership Programme by:

Calls for Proposals:

more competition among the applicants, transparent procedures
- reaching out to more companies
offering higher grants (up to 500.000 EUR) for bigger projects with more impact

Risk analysis:

ADA prefers avoiding or mitigating risks instead of taking higher risks.
As many risks are related to the business conduct of the companies, close cooperation with institutions representing the private sector (e.g., chamber of commerce) is necessary

Networking and match making:

supporting the local private sector in ADC priority countries may help to attract more Austrian companies and mitigates risks



Austrian Development Agency

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