



The Donor Committee for Enterprise Development

Business Environment Working Group Meeting

Minutes of Meeting (Teleconference)

Tuesday, 15 March 2016

[Approved by email comment/consent: 31 March 2016]

Present:

Farid Hegazy (ILO) Chair

Juergen Reinhardt (UNIDO)

Stefanie Springorum (GIZ)

Wade Channell (USAID)

Liliana de Sa Kirchknopf (SECO)

Alexander Widmer (SDC)

Jan Meijer (Netherlands)

Tim Green (DFID)

Gayle Barnett (Global Affairs Canada)

Zissimos Vergos (European Commission)

Peter Kusek (World Bank Group)

Katherine S Miles (Gender Consultant)

Simon White (Consultant, BEWG Coordination)

Apologies:

Jim Tanburn and Melina Heinrich-Fernandes (DCED Secretariat)

Welcome and Introductions

Farid Hegazy (ILO) welcomed everyone to the meeting and asked all participants to introduce themselves.

Minutes of Last Meeting (13 November 2015): Matters Arising

There was no business arising from the last minutes.

Work Item Updates

BER and Gender: update

Stefanie Springorum (GIZ) updated everyone on the progress made with this work. The task team has appointed a consultant, Katherine S Miles, to undertake this work. Katherine began work in February and is consulting with various members. It is anticipated she will conclude her research and consultation in April 2016, with the first draft report being submitted by the end of April 2016. Based on the comments she receives, the report will be revised and submitted in June 2016. Katherine will present the report by Skype at the next BEWG meeting in June 2016 in Sweden.

Katherine does not have all the information yet, so is interested in receiving information, such as program logframes, soon. It would be appreciated if members could liaise with Katherine and submit the required information as soon as possible.

The project is categorising BER programs as:

- Gender aware

- Gender mainstreaming
- Women targeted
- Gender neutral

The definition of BER for this project should be broadly interpreted: i.e., the DCED definition as well as investment climate reforms. However, this should not be as broad as PSD.

There was also a view shared on the need to examine gender perspectives on subnational and regional levels. In addition, the group considered the possibility of focusing on specific sectors. The project would also like to collect information from research partners (i.e., technical experts, program managers in the field).

Among the high-level questions this project should address are the issues concerning informality (e.g., customary law) and formalisation.

AGREED — the following was agreed:

- ***All members to send program logframes and other information by 24 March 2016.***
- ***Follow up emails on the above questions.***

BER for Green Growth: update

Kees van der Ree (ILO) was unavailable, so Stefanie provided an update on this project. Consultants have been engaged; Phase 1 concluded end-2015 developing a policy measures database with fact-sheets and indicators. It has been decided to move into a second phase, which will include a practical guide for BER practitioners working to promote reforms toward green growth. This will include a collection of detailed case studies. The inception phase of the second phase is underway.

On 17 March there is a meeting of a Mentor Group (i.e., steering committee) in which a few members of the BEWG and GGWG are participating. Farid forwarded the report and it was circulated to BEWG members.

AGREED: It was agreed that Simon White circulates the consultants' report following the meeting.

Sector BER update: update

Juergen Reinhardt (UNIDO) provided an update on the Sector BER work item: during the last BEWG meeting it was agreed that final comments on the draft report would be provided and an executive summary drafted. This has been completed in the final version, which was circulated for the meeting. Juergen described a process where an Annex to the Donor Guidance could be prepared, based on the executive summary of the technical report.

There was appreciation expressed for the quality of the document, and a request for a more digestible summary — indeed, this is the purpose of the proposed Annex.

AGREED — the following was agreed:

- ***Provide the document to the DCED Secretariat for final edit, formatting and uploading***
- ***It was agreed that the project should proceed to produce an Annex to the Donor Guidance.***

Beyond National BER — subnational and regional business environment reform

Zissimos Vergos (EC) provided an update on this work. He acknowledged that members have requested this work item and a mapping of donor interventions is a useful start. Simon White (Consultant) provided an update on the report and the findings from the first phase.

The following recommendations for Phase 2 were proposed:

1. Further mapping of donor support for BER in functional and related areas to deepen the understanding of what agencies are doing in this area;
2. Literature and programme documentation review;
3. Further consultations with a selection of agencies on lessons learned; and
4. Further, more intense consultations with a selection of agencies with a strong involvement in regional and local reforms.

Some questions and issues raised:

- Will further mapping produce much more information? It would simply fill gaps. Members agreed it would be useful to ensure the mapping is more complete.
- Should we try to get a business perspective on local and regional reforms? We may not have the resources for this kind of assessment.
- Concerns regarding the practical and lesson-learning application of this kind of work. Case studies and best practices should be captured where possible.

AGREED — the following was agreed:

- ***Move to second phase.***
- ***Draft of two-phase project report to be presented at the BEWG meeting in Sweden in June.***

Business Environments for Inclusive Business: update

Gayle Barnett (Canada) spoke to the draft report (Section 1) that was circulated for the meeting. The final document will be ready for presentation at the BEWG meeting in Sweden in June.

Comments:

- Appreciation for the work done so far — including thanks to Melina Heinrich for work on this;
- First section of the report is a little too long;
- Needs a short analysis why more is not being done in inclusive business reform;
- Requires a description on how BER would help;
- Can a distinction be made between BER for inclusive business in low and middle-income countries—scale is found to be more difficult in low-income countries, why is this so;
- EC, GIZ/BMZ and Netherlands are supporting inclusive business action network;
- Going forward with this report, it will be useful to be more “operational” or practical;
- Could be useful to apply an incremental approach to reform to help businesses to access larger markets;
- Who can represent the BOP in policy reform and advocacy?
- World Bank Group is conducting some research that could feed into this and Peter Kusek has committed to sharing this information with Melina;
- World Bank Group is launching a G20 Global (policy) Platform on inclusive business; and
- Work of CGAP and the role of financial services in the formalisation of informal firms.

AGREED: It was agreed that members with any other comments would submit these by 24 March 2016.

Any other business

Work Planning

Farid explained the requirement for a work plan for the forthcoming financial year. There will be some items that extend beyond this financial year. Since time is running out, it was proposed that Farid and Simon will circulate an email asking for inputs to be able to comply with the time lines requested by the DCED Secretariat and ExCo.

AGREED: It was agreed that Farid and Simon will contact members regarding items for next financial year's work plan.

Engagement with other BER programmes

Jan raised the idea of linking up more closely with agencies that are doing BER in the field. How can BER engage with these agencies and programmes more closely? He specifically referred to the following organisations:

- Construction Sector Transparency Initiative: CoST is an initiative centered around improving transparency of and accountability for public expenditures on infrastructure and construction. In each country CoST is directed by a multi-stakeholder group that comprises representatives of government, the private sector, and civil society. The initiative is global in its scope, which means it includes countries of various income groups (such as Malawi, Thailand, Ethiopia, Ukraine, UK). The Netherlands (along with the UK) supports CoST since a few years and see great potential for the future, especially as procurement capacity building and public accountability is an emerging terrain that is growing in relevance.
- African Center for Economic Transformation: the ACET advises African governments on economic policy and institutional design – which transcends but includes BER and contributes to the enabling environment of African economies. ACET possess valuable expertise and a network in Africa, which increases the ownership and effectiveness of economic policy design. The Netherlands have funded ACET for many years now, and has been happy with the cooperation and the products they deliver. We think ACET would be an interesting partner for many of the countries in the BEWG who work on the enabling environment, and would like to introduce our colleagues to this organization.

AGREED: There is a need for further discussion on how the BEWG links up or shares information with these and other BER-support agencies and programmes. This could be put on the agenda for the next BEWG meeting.

Next meeting

The next meeting will be held on the afternoon before the DCED Annual Meeting in Sweden.

1:00 to 5:00PM, Tuesday, 14 June 2016, Härnösand, Sweden

Close of meeting

Farid Hegazy closed the meeting at 4:50PM CET thanking everyone for their participation.