



# Overview of the Business Environment Working Group

serving as a platform for professional peers to share information and knowledge on donor-supported business environment reform in developing countries and to identify, promote and support good practices in this field.

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**Härnösand, 16.6.2016**

## Mission and Vision

- **Mission & Vision:** remain unchanged
- **Strategic Fit:** is to be adapted to include reference to SDGs and specifically a reference to the potential contribution of the BEWG work specifically on Goal 8 on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all .

## Active Members

- Foreign Affairs, Trade and Development Canada
- UK Department for International Development
- European Commission
- Danish Ministry of Foreign Affairs
- Food and Agriculture Organization
- German Federal Ministry for Economic Coop. and Dev. (BMZ) & German Development Cooperation (GIZ)
- International Development Research Centre
- International Labour Organization
- International Trade Center
- Netherlands Ministry of Foreign Affairs
- Swiss State Secretariat for Economic Affairs
- Swiss Agency for Development Cooperation
- United Nations Conference on Trade and Development
- United Nations Industrial Development Organisation
- World Bank Group
- Japan International Cooperation
- United Nations Development Programme
- Norwegian Agency for Development Cooperation

**Collectively for sure  
more than just a  
century of experience**

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## Main Achievements in the reporting period

- **Business Environments for Inclusive Business:** the working group has commissioned an expansive study into this topic and the experiences of agencies. Further activities are planned for the coming financial year, but given the nature of the work (an expert exchange and conference), it was decided to move this item to the DCED Secretariat's work plan.
- **Sector-Specific BER:** a detailed study of agency approaches to supporting vertical or sector-specific BER was undertaken, focusing on the Horticulture, Renewable Energy, Pharmaceuticals, and Mining sectors. The technical report was finalized and an Annex to the 2008 Donor Guidance has been produced and submitted for adoption by the BEWG at its meeting in Sweden in June 2016. No further activities are planned for the coming financial year.

## Main Achievements cont.

- **Beyond National BER:** A technical report on subnational (local) and regional BER has been prepared and presented. Further activities are planned for the coming financial year (see below).
- **Gender and BER:** the WEEWG commissioned a consultant to examine the issues surrounding BER and gender. This has resulted in a technical report. The study comprises a literature review and stocktaking of donor programming including interviews. It also comprises lessons learned and suggests future areas of work and interest. Gender-sensitive sample indicators and an annex to the Practical Guidance are work still in progress. Further activities are planned for the coming financial year (see below).



## Main Achievements cont.

**BER for Green Growth:** The BEWG cooperated with the Green Growth Working Group to undertake further work on the role of BER in promoting green growth. This has resulted in a detailed technical report, as well as in an ongoing Phase II case studies. A mentor group, comprising members of the GGWG and BEWG has been formed to advise this work.

## Future Plans / Work Plan

### **Beyond National BER**

Complementary to the work done in 2015/2016 and the completion of the technical report on subnational (local) and regional BER, the BEWG will consider the next steps for this work item.

In 2016/2017 the BEWG will distil the findings of the technical report in form of a short synthesis paper on principles, methods and lessons learned in supporting subnational and regional BER (i.e. Annex to the Donor Guidance)

## Future Plans / Work Plan

### **Gender and BER**

Complementary to the work done in 2015/2016 and the completion of the technical report, the BEWG will consider the next steps for this work item.

In 2016/2017 the BEW will commission a series of case studies to deepen our understanding of some more issues:

- Research on examples of public procurement policies to encourage procurement from women-owned or managed
- Differential implications of tax policy on women-owned or managed enterprises;
- Informality
- The impact financial inclusion policies that support access to credit for women's SMEs (e.g. financial infrastructure, movable assets as collateral for women and the impact of collateral or credit registries) on women's access to credit



## Future Plans / Work Plan

### **BER and Labour Productivity**

An important issue for many donor and development agencies is how business environment reform can be used to promote skills development and labour productivity.

- What is the importance of the availability of a highly qualified and productive workforce for enterprise development?
- What do donors do in this regard, what are the experiences, what the constraints, what the success factors?

In 2016/17, the BEWG will try to better understand the ways BER can contribute to improvements in labour productivity and Identify new and emerging (best) practices and policies in this field.

## Future Plans / Work Plan

### **Public Procurement for SMEs**

Many countries have procurement regulations and rules that provide preferential treatment for SMEs in public procurement. However, there is very little information on the impact such policies and regulations have had on the development and growth of companies, as well as any adverse impacts this may have had.

- In 2016/17, the BEWG will analyze the various models of preferential treatment of SMEs in public procurement, and evaluate the impact that such policies have had on SME development.



# DCED

The Donor Committee for Enterprise Development

# Thank you for your attention and endorsement

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