

Private Sector Engagement Working Group (PSE WG) Teleconference, 19 October 2023 Minutes

20 November 2023

Participants

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| 1. Katie Garcia, USAID (Co-Chair) | DCED Secretariat |
| 2. Tobias Zeller, GIZ (Co-Chair) | Melina Heinrich-Fernandes, Ella Duffy, Jim |
| 3. Gottfried Traxler, ADA (for part of the time) | Tanburn, Holger Grundel, DCED Secretariat |
| 4. Tomislav Ivancic, FAO | Invited speakers |
| 5. Mika Vehnamaki, Finland MoFA | Daniella Maor, DAI |
| 6. Sabrina Ramzi, Global Affairs Canada | Julie Dugard, BSR |
| 7. Brian McDonald, IDRC | |
| 8. Miho Ishida, JICA | Apologies |
| 9. Naoki Nakayama, JICA | Nirosha Gaminiratne, FCDO |
| 10. Luc Poveromo, Luxembourg MoFA | Urkaly Isaev, IFC |
| 11. Pascal Fabing, LuxDev | Annie van Klaveren, ILO |
| 12. Luca Etter, SDC | Zoe Rouwhorst, Netherland MoFA |
| 13. Irene Frei, SECO | Alexander Otgaar, Netherlands MoFA |
| 14. Andrea Lilja, Sida | Rens Twijnstra, Netherlands MoFA |
| 15. Christian Lien, Sida | Stefan Brantschen, SECO |
| 16. Emmi Ylinen, UNIDO | Keith Dokho, USAID |
| 17. Lara Vecchio, UNHRC | |

Welcome

Katie welcomed participants to the meeting, inviting new participants to briefly introduce themselves.

Presentation and peer exchange on engaging the private sector in climate adaptation

In introducing the session, Katie briefly summarised the [WG's definition of PSE](#) and highlighted that the 2022 WG member survey revealed growing interest by members in how to achieve green objectives through PSE programming. In addition, the PSE WG's current work plan highlights member interest in continued exchange on PSE as a means to promote Responsible Business Conduct (RBC), including environmental and social dimensions.

Daniella Maor and Julie Dugard then introduced the new partnership guide on [PSE to advance climate adaptation and resilience](#) which has been produced with USAID funding. The guide outlines the rationale for involving the private sector more in climate adaptation efforts and specific actions that donors can take to encourage greater private sector investment in adaptation. It also includes a *strategic opportunity identification tool* for climate adaptation partnerships and practical examples.

During the Q&A, WG members discussed a range of issues, including key challenges to effectively engaging the private sector in adaptation and how to address them, promising opportunities are for donor engagement; opportunities for coordinated donor action, e.g. in the insurance sector; the role of the Task Force on Climate-related Financial Disclosure (TCFD); and how the guide can be most relevant for SMEs and producer organisations in developing countries.

Agreement on ToR for synthesis of recent PSE portfolio evaluations and reviews

During the DECD AGM in June, the WG had agreed to commission a short synthesis of key findings from recent PSE evaluations carried out by DCED members. Draft ToR had been circulated ahead of the teleconference on 22 September. No written comments had been received. Members were invited to provide feedback on the ToR and suggest suitable consultants.

Members endorsed the ToR and strongly agreed with a focus on practical lessons for PSE evaluations as a basis for future exchanges amongst members on effective PSE strategy. With regards to point 3.f in the methodology section of the ToR, it was further agreed to ask the consultant to include important open questions or knowledge gaps in the conclusions of the synthesis.

The Secretariat will finalise the ToR and – once published – share the link with members for them to promote the opportunity to potential consultants. Members also agreed to share names and contact details for potential consultants with the Secretariat. A draft synthesis report should be finalised by early 2024 in time for a presentation at the next in-person meeting of the PSE WG.

Any other important member updates and plans for the next (in-person) WG meeting

USAID

Katie highlighted interest from some of her USAID colleagues to exchange with PSE WG members on how donors can use environmental, social and governance (ESG) data, evolving disclosure requirements, and public commitments from companies to explore more impactful collaborations with businesses and industries. In particular, they would welcome discussions with WG members on how they are looking at new EU standards for sustainability reporting to drive action with businesses. USAID colleagues would also be happy to report on the results of pilots to validate the value of ESG data analysis in developing new collaboration ideas and speak to businesses in a commercially-resonant manner. There may therefore be opportunities for meeting within a sub-group of interested member agencies to discuss these issues. WG members are encouraged to communicate their interest in such a discussion to the Secretariat.

BMZ/GIZ

Tobias confirmed that BMZ is interested in principle to host the next in-person meeting of the PSE WG in Berlin, most probably in February 2024. Further details will follow. He also highlighted the [Sustainability Conference](#) the German government will be hosting in Hamburg in June 2024. This will include a strong focus on PSE and be part of Germany's preparations for the UN Summit of the Future to mark the mid-point of the implementation of the 2030 Agenda in September next year.

MoFA Finland

As part of its efforts to promote Finnish businesses around the world, including developing countries, the government of Finland is working to further align development cooperation, trade and international commercial objectives. A government-level paper on this agenda for the guidance of the work of Finland is being prepared and should be available for circulation in April 2024. It was noted that the current PSE WG work plan also foresees a possible discussion on PSE implications of the integration of aid and trade priorities. WG members will be invited to communicate their interest in this topic in a follow-up email to this meeting.

FAO

FAO and the OECD have recently published a handbook on [Deforestation and Due Diligence in Agricultural Supply Chains](#) with funding from BMZ. Members are invited to a [launch event](#) on 16 November.