

Terms of Reference

Case studies on assessing the results of green private sector development

26/11/2025

Introduction to the DCED, the Results Measurement Working Group (RMWG) and Green Growth Working Group (GGWG)

DCED is a forum for bilateral donor agencies, foundations and UN organisations working to promote economic opportunities through Private Sector Development (PSD). Member organisations come together to share experience, identify innovations, and formulate guidance on effective practice.

Practical exchange of experience largely happens in seven thematic Working Groups, namely Market Systems Development (MSD), Results Measurement (RM), Mobilising Finance, Private Sector Engagement (PSE), Green Growth (GG), Women's Economic Empowerment (WEE) and Business Environment Reform (BER). The Working Groups develop annual work plans with work items of common interest, for example by commissioning research papers.

The Results Measurement Working Group (RMWG) was established in 2008 as members identified high quality results measurement and evaluation as pivotal elements of effective PSD. One key product of the RMWG is the popular and widely adopted DCED Standard for Results Measurement, which provides PSD programmes with a practical framework for monitoring their activities and direct and indirect results. Furthermore, the RMWG explores other results measurement topics relevant to its members and develops guidance on effective practice.

The Green Growth Working Group (GGWG) was established with an objective to mainstream environmental and climate-related considerations in PSD programming, and to advance experience sharing and documentation of effective practice in green and inclusive PSD.

The RMWG intends to collaborate with the GGWG for the purpose of this assignment.

Background to this assignment

DCED member agencies increasingly incorporate environmental and climate-related, or, 'green' considerations and objectives in their private sector development (PSD) programmes. Green PSD is defined here as the promotion of inclusive economic development in ways that reduce adverse or enhance positive effects on the environment or climate, and/or enable economic actors to adapt to and become more resilient to climate change or environmental risks.

As such, green PSD includes a broad spectrum of programmes with different green objectives ranging from 'Do No Harm' to programmes explicitly prioritising green outcomes alongside economic goals. Defining and measuring green PSD results is therefore a broad and complex field of activity. Indeed, the DCED Secretariat observed a common pattern in conversation with different programmes: Most of these programmes were experimenting with different ways of measuring green outcomes but were unsure of how best to do so. For example, some programmes working to reduce adverse effects on the environment or climate came up with

their own systems for measuring green outputs, such as the number of farmers adopting green technologies; however, they were less clear on what types of environmental outcomes and impacts to capture as a result of these, and how. In a similar vein, programmes working to improve climate resilience are looking for more guidance on how to define and measure increased resilience in a pragmatic manner.

Given that the focus on green outcomes is relatively new in PSD and that there is a wide range of programmes working towards different outcomes, the RMWG seeks to explore what types of green results they measure and how; at the same time, the RMWG seeks to support these programmes in their efforts to identify appropriate outputs, outcomes and impacts, and associated indicators and measurement tools.

Prior to designing these TOR, the DCED Secretariat has drafted an operational framework on green PSD for DCED member agencies. This framework is designed as an overarching Theory of Change to capture, in a simplified manner, the most common approaches used to work towards green and economic results (see Annex A). This Theory of Change was developed as a basis for defining more specific categories of green results and for signposting example indicators or learning questions at different levels. Ultimately, this could provide green PSD programmes with pointers on what to measure, monitor, and report against.

Objective

The objective of this specific assignment is to provide support to two to three selected PSD programmes with green PSD objectives (as defined above) and to develop case studies on the measurement of green results in PSD on that basis. Given that much of the learning on how to measure the results of green PSD programmes is still emerging, this assignment will take a learning-by-doing approach to first seek diverse examples of how the results of different green PSD programmes can be measured; this may eventually inform the development of preliminary guidance on the measurement of green results in a possible follow-up assignment (phase two).

Proposed Approach

A two-stage approach is proposed so that this assignment can be informed by practice:

Phase One (as specified in these ToR): A consultant or team of consultants will work closely with RMWG and GGWG members to identify PSD programmes in their portfolio that are explicitly prioritising green results in their work. In parallel, the DCED Secretariat will also make use of its LinkedIn presence and website to issue an open call for programme applications. The objective of this reach-out will be to identify diverse examples of programmes that are working to create green results. For example, this may include sectors and activity areas such as energy efficient construction, climate smart agriculture, and waste reduction.

The consultant will then work with the RMWG and GGWG to select a small number of programmes, whom they would review and guide in terms of their measurement of green results (articulating their detailed results chains that flesh out green results, identifying qualitative and quantitative indicators that are linked to the results chains and the programme can measure, guiding the measurement and research process). The exact number of programmes will be determined through a discussion between the consultant and DCED Secretariat, based on the diversity of cases and level of support that may be required. When guiding the measurement and research process, the consultant will draw on knowledge and experience from different

communities working to create climate and environmental impact (also outside of PSD) to see if they can inform measurement practice in PSD programming.

In the final step, the consultant(s) will develop individual case studies (approximately 4 pages each) for the different programmes that they have supported to share what the programme had set out to achieve in terms of green results, how they measured (or could measure) this and what resources were required in support of measurement.

Phase Two (to be agreed on after Phase One): The RMWG will explore whether the lessons from Phase One would allow for the development of concrete guidance on how PSD programmes can measure green outcomes. Alternatively, additional case studies may be sought first.

The scope of these ToR is limited to Phase One of this assignment. Phase One will guide the design of Phase Two.

The consultant(s) for Phase 1 is/are expected to work closely with the DCED Secretariat in this exercise.

Outputs

The assignment has four outputs:

Output 1: A (non-exhaustive) list of PSD programmes that are explicitly prioritising green results alongside economic goals with a short description or link to project documents. This will be based on the consultations with WG members, and an open call for applications to green PSD programmes, as outlined above (Excel sheet).

Output 2: Remote support to two or three programmes from the list on what types of green outcomes to measure and how

Output 3: Case studies on how the above programmes define and measure their green results. The case studies should be written in an accessible style and make use of appropriate presentation and communication tools for busy readers (e.g., bullet points, results chains, tables and infographics).

Output 4: Provide feedback to the DCED Secretariat on the validity and relevance of the categorisation of approaches and their intended results summarised in the DCED's green PSD Theory of change, in light of the approaches and objectives of the programmes supported.

The total expected level of effort is approximately 30 person days. If more than one expert is proposed for the task, the total number of expert days cannot be increased; it must be divided among the consultants. Note that it is anticipated that all work can be done remotely, and there is no travel required for this assignment.

Selection criteria and contracting procedure

This opportunity is open to individual consultants or firms. If a single consultant does not possess all the specific skills listed above, they are expected to form a team that can address the different requirements.

The consultant(s) should meet the following criteria:

- Master's degree in a relevant topic (e.g. economics, social science, climate and environment studies)

- At least 10 years' experience in results measurement in PSD
- Experience with the DCED Standard is considered as an advantage
- Background and experience in climate change and environment-related work
- Knowledge and experience in measurement of green results
- Experience working with donor agencies and multilaterals
- Strong track record in producing accessibly written case studies.

Proposals should be sent to admin@enterprise-development.org by 22 December 2025.

This assignment will be contracted on behalf of the DCED by the International Finance Corporation. If you have a World Bank vendor ID, please include it in your proposal.

Annex A: Operational Framework on Green PSD for DCED member agencies (Working document)

Overview

DCED member agencies increasingly incorporate environmental and climate-related ('green') considerations and objectives in their private sector development (PSD) programmes. This is also reflected in the activities of DCED Working Groups (WGs): Complementing the work of the Green Growth WG, most other WGs have recently discussed, or produced knowledge on, green PSD in the context of the issues or approaches that they work on (e.g., Market Systems Development, Business Environment Reform, Women's Economic Empowerment).

In an effort to strategically connect these initiatives, this operational framework offers an overarching Theory of Change on green PSD. It illustrates, in a very simplified way, the logical steps by which common PSD approaches seek to promote different green and economic outcomes.

As such, a key objective of this Operational Framework is to enable a coherent vision and common language for DCED WGs on green PSD. In addition, its vision is to also serve as a basis and helpful orientation for individual agencies and their programmes

- to situate their work in the broader portfolio of green PSD activities;
- to define more specific categories of 'green results', alongside example indicators and measurement advice (based on work commissioned by the Results Measurement Working Group); and
- to develop more detailed theories of change as a basis for monitoring and programme management.

Green PSD – A definition

Green private sector development is defined here as the promotion of inclusive economic development in ways that reduce adverse or enhance positive effects on the environment or climate, and/or enable economic actors to adapt to and become more resilient to climate change or environmental risks.

Important considerations when using this framework

- *Recognising the overall scope and limitations of this framework:* This framework does not aim to capture the extensive possibilities of green PSD approaches and outcomes or their interlinkages in an exhaustive manner. The focus is instead on providing a practical basis for exchange among DCED members. As a working document, it may evolve over time in light of changing practices and emerging experiences among DCED members.
- *Being mindful of trade-offs in Green PSD:* Inclusive Private Sector Development often involves managing trade-offs between diverging priorities, near- and long-term goals. This may be particularly true for Green PSD. For example, the creation of jobs in green industries may lead to the displacement of other jobs; or regulations mandating certain green practices may make it too costly for some enterprises to continue operating. For programmes articulating a positive theory of change of their interventions, it is therefore important to be mindful of possible negative impacts at each step, to monitor them and to consider designing mitigating or compensating measures.
- *Gender and social inclusion considerations* have not been articulated explicitly at each level of this results chain, but are integral to inclusive green private sector development. Programmes can make this more explicit at all levels when developing more specific results chains for their interventions inspired by this framework. There is a wealth of resources available providing guidance on how to incorporate such considerations (e.g. on the DCED and BEAM Exchange websites).
- *Spectrum of green ambition:* The degree to which PSD programmes incorporate green objectives differs, ranging on a spectrum from 'Do No Harm' to programmes explicitly prioritizing green outcomes alongside economic goals. For example, recent guidance from the BEAM Exchange sets out a Greening Spectrum for MSD. This framework is designed for green PSD programmes that wish to intentionally promote positive green outcomes (including the pro-active reduction of negative impacts). It does not cover do no harm approaches.
- *National, regional and global context:* Green PSD is taking place within a dynamic context, including international agreements on climate change and biodiversity, rapidly evolving regulatory and industry frameworks to encourage more responsible behaviours by companies to reduce carbon emissions and protect the environment, and growing efforts to integrate climate and environment considerations into bilateral and multilateral trade agreements. Political economy should also be kept in mind, particularly considering country dependence on, and governments' relationships with, non-green sectors. These important contextual factors are likely to influence programmes' green PSD efforts.

The figure below captures the current version of the **DCED's overarching Theory of Change on green PSD**.

