How donors can make the transition to strategic private sector engagement:

Programming innovations and organisational change

DCED Briefing Note

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The Donor Committee for Enterprise Development

About the DCED and this briefing note

The Donor Committee for Enterprise Development (DCED) is the global forum for learning, from experience, about the most effective ways for creating economic opportunities for the poor by working with and through the private sector. The DCED's 22 member agencies have developed a substantial body of knowledge and evidence about effective approaches – as summarised on the DCED website.

Donors are now engaging directly with the private sector, as partners in development. This represents a major shift in mode of operation, relative to the more traditional, bilateral model. Complementing the broader work of the OECD's recent peer review on private sector engagement, the DCED provides practical support to its member agencies in making that shift.

As a basis for next steps, the DCED is currently reviewing specific themes selected by members. In addition to this briefing note, DCED research as explored

- what we can learn from results measurement work in the Impact Investing Community;
- how donors engage with business through multi-stakeholder platforms;
- how business structure influences social impact; and
- how to create an enabling environment for inclusive business.

Earlier DCED work on the topic private sector partnerships and engagement can be viewed at http://www.enterprise-development.org/implementing-psd/private-sector-engagement.

This briefing note is primarily based on the first-hand experiences of interviewees in donor agencies and international NGOs (see Annex 1 for a list of interviewees). A consultative draft of this document was presented at a DCED meeting of donor agencies in The Hague, 22-23 February 2017. The document also benefitted substantially from advice by Jim Tanburn and Donna Loveridge of the DCED Secretariat.

Note that additional information on the private sector engagement work of some agencies can be found in the country reports of the OECD peer review on private sector engagement, including:

- OECD peer learning country report: Germany
- OECD peer learning country report: Netherlands
- OECD peer learning country report: Sweden
- OECD peer learning country report: United States

Any comments or further inputs on the theme can be sent to heinrich@enterprise-development.org.

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Executive Summary

Development organisations are becoming increasingly systematic and strategic in engaging the private sector as an equal partner across their work, through a variety of formats. As such, private sector engagement represents a shift away from bilateral work with developing country governments, but also differs from traditional, transactional ways of working with business. This briefing note is about innovative programming and organisational changes that pioneering agencies are implementing, to facilitate this shift.

1. A number of organisations are in the process of changing their policies, procedures and programming/ funding frameworks as a basis for more effective private sector engagement.

- **Several agencies seek to make their engagement strategies more tailored to the needs and interests of different business:** Some agencies have opted to actively consult business to make their engagement strategies more demand-led**.** Others have developed more nuanced strategies to address the opportunities and constraints associated with different types of business – including those that have a demonstrated interest in sustainable development issues and others who don't.
- **To avoid reputational risk, organisations are becoming more sophisticated and systematic in their due diligence.** Customer relations management software is sometimes used to log information on all partners. Particularly in decentralised organisations however, maintaining a simple contacts list for the most strategic partners may be more realistic to set up and maintain. While agencies typically don't share due diligence procedures in public, some are interested in a confidential peer exchange. In parallel, donors are increasingly working with trusted and like-minded companies that they identify through joint platforms or have built long-term relationships with.
- **In developing partnerships with businesses, several organisations are now moving away from traditional partnership configurations, which tended to be donor-led, transactional and short-term in nature.** Among other changes, organisations are looking into ways to propel existing collaborations with business to a 'higher' level – e.g. by moving from contractual assignments or co-funding of social responsibility projects to core business collaborations. There is also a desire to go beyond 2- to 4-year project time frames, to develop longer-term relationships and a wider spectrum collaborations over time. This includes investing several months or even years in preparatory discussions with business – in other words, building relationships before forming partnerships.
- **Both donors and NGOs are exploring new funding procedures and vehicles to work with business**. A trend among donors is the use of flexible, centrally managed funds, which can be accessed by all technical colleagues to support strategic collaborations with business, outside existing programme frameworks. Separately, several organisations now use special innovation funds to support early-stage, high-risk ventures in particular. New funding mechanisms also tend to be open to a variety of stakeholders and sectors, and offer different types of financial support, including non-grant instruments. NGOs, for their part, have also set up mechanisms to diversify their funding income, and invest it in more flexible ways – such as for capacity-building and preparatory discussions with businesses, which currently take place outside the scope of donor grant agreements. They are also interested in dialogue with donors on how future funding arrangements could be adapted to facilitate strategic private sector engagement.

2. In order to facilitate the implementation of new private sector engagement approaches, several organisations are creating or adapting roles of staff as well as entire teams and units.

- **Pioneering organisations have recruited a new senior member of staff, often with significant corporate experience, to lead on private sector engagement.** This includes promoting organisational change internally and actively forging new strategic links with businesses. Some organisations also created a new focal point for in-house and external enquiries related to business engagement.

- **Different organisations are using different models to reach out to business** – but they are all based on an increasing appreciation of personal exchanges, networking and relationship-building as a basis for identifying strategic partnership opportunities. Some organisations now mandate all technical staff to develop partnerships, and allocate more time for participating in relevant networking events. One donor agency places dedicated outreach officers in national industry organisations.
- **Donors and others have appointed relationship managers as regular contact point for strategic corporate partners**. Key benefits include better knowledge retention about partners at agency headquarters, the formalisation of responsibilities for developing deeper and longer-term relationships, and a lower bureaucratic burden for business partners.
- **In addition to individual roles and responsibilities, the structure and functions of units and teams have also changed**. Private sector engagement units or 'competency centres' have been created or expanded. There is also a trend to work through cross-functional teams, as different units become involved in business engagement – for example, marketing and communications, fundraising and legal teams. There are also efforts to achieve a more formalised division of responsibilities between headquarters and field offices in private sector engagement. Some donor agencies have made particular progress in developing a coherent offer to the private sector through whole-of-government and one-stop shop approaches for business.

3. In order to facilitate the execution of new roles, several agencies are building staff skills and experience, brought in new expertise and promoted buy-in into new ways of working.

- **Organisations have developed a variety of mechanisms to build staff skills and experience, including:** new staff guidelines; staff training, including for specialised roles; introductory workshops; day-to-day mentorship and advice from senior staff; and secondments or other programmes to stimulate exchange between the employees of development organisations and major partner companies.
- **Several agencies have also changed recruitment strategies to bring in specialist expertise from businesses and different sectors of operation for leadership and technical roles.** In addition to technical departments, there is increasing demand for 'partnership expertise' in supporting roles – for example, in legal advisory teams. Beyond specific technical knowledge, private sector engagement requires people with critical thinking, the ability to network and communicate effectively, as well as the willingness and flexibility to experiment with new approaches and to take calculated risk.
- **Several other changes are critical,** including executive level support to change processes within the organisation, and active internal communication of results and lessons learnt. Bigger questions still remain on how to change prevailing incentive structures for staff. Several Corporate Engagement Directors actively encourage staff to experiment with riskier projects and to share lessons from failure. Private sector engagement training or successful partnership management could be considered as an important criterion for upward mobility of staff in the organisation. Traditional indicators of success will also need to be changed. For example, a short-term emphasis on the number of partnerships completed does not encourage staff to spend time building relationships with strategic partners.

4. Possible next steps

- **The DCED is keen to support its member agencies in assessing and developing options for making the transition to strategic private sector engagement.** This could include workshops on practical lessons and ways forward, additional research, communication materials or other initiatives on priority issues.
- **An initial DCED event with donors in 2017 revealed that a top priority is capacity building for private sector engagement**. The DCED will therefore make this a focus of future work.

- **Several other activities could be of interest** – such as support to DCED member agencies in reviewing 'organisational readiness' for private sector engagement, e.g. through additional supporting documentation. Box 6 summarises exploratory guiding questions to structure such reviews.

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Introduction: Agencies' ambition for strategic private sector engagement as a critical time for organisational change

'All new [aid] investments will explore innovative ways to engage the private sector in achieving development outcomes'... 'It is not so much about what we do but how we do it'. ...Central to this new way of working is 'the concept of shared value...: that business can deliver sustainable social impact ... while achieving commercial returns.' *Australia DFAT, 2015*

DCED member agencies have embarked on a significant shift: Many donors now clearly articulate an ambition to engage the private sector as a strategic partner across their work. Several ideas are central to this:[1]

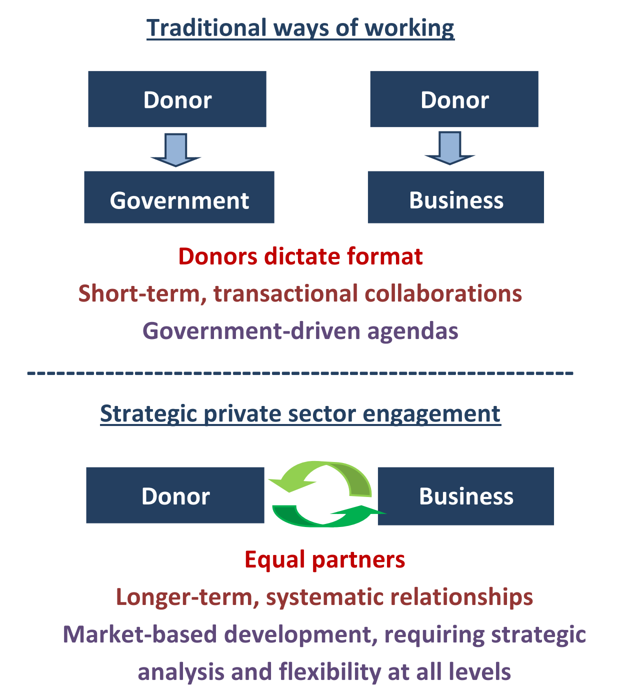
- moving from short-term, transactional projects to more systematic and long-term engagement; and
- an increased focus on partnerships that generate 'shared value' – measurable development and commercial benefits. This is facilitated by increased efforts to understand, catalyse and enhance business activities, rather than simply soliciting business proposals that align with donor priorities.

These ideas resonate with key concerns by companies about the prevailing model of public-private collaboration. A recent survey of USAID corporate partners revealed that while they value USAID's expertise, they are *"frustrated by small, one-off projects that don't contribute to a more strategic approach to development and market challenges. Mostly, they want a more equal relationship, with USAID engaging them earlier in strategic collaborations."*[2]

A new vision for public-private collaboration therefore requires a new way of working; yet, agencies' key processes, staff skills, organisational structures and culture have not fundamentally changed since bilateral funding of partner governments was the main mode of operating. As such, strategic engagement of the private sector takes donors into largely uncharted territory:

- Because of the substantial financial and human resources of large companies, donors are shifting from being a senior and controlling partner, to being an equal, or even junior, partner;
- As commercial interests come into play, different skill-sets are required of staff, such as the ability to manage risks, or to negotiate rights to intellectual property;
- Because private sector engagement aims to change market dynamics, far more flexibility and longer time horizons are required during implementation; and
- Because private sector partners come from a different culture and world view, donors must adapt their language and established 'ways of doing things', relative to traditional, government-to-government collaboration.

Figure 1: Traditional versus new ways of working



[1] See also, for example, the definition of private sector engagement by a UN body as a '*deliberate, systematic collaboration of the government and the private sector to move (...) [development] priorities forward, beyond individual interventions and programs. It is most beneficial when [there is] a clear added value for all parties.*' [UN Commission on Life-Saving Commodities (2014)](#).

[2] [Ingram, George, Anne Johnson and Helen Moser (2016): USAID's Public-Private Partnerships. A data picture and review of business engagement, Brookings](#).

In order to structure possible entry points for change, it is useful to look at the external and internal drivers listed in a widely-used model of organisational development,[3] including:

- new private sector engagement *strategies* through which agencies respond to a changing external environment for development cooperation (e.g. shrinking aid budgets, growing emphasis on sustainable and scalable development approaches, and growing private sector interest in developing countries);
- the presence of *senior staff championing organisational change* for private sector engagement;
- the evolution of *organisational cultures, values and conventions around 'how things should be done'* in a way that is conducive to private sector engagement;
- changes to *structures and responsibilities* as well as *policies and procedures* to become more fit for purpose; and
- an assessment of whether the organisation has the *right skills* for the tasks at hand; if they can be developed; or if there is a need to bring in new expertise.

While progress across these areas is being made in many development organisations, a few of them have pioneered more significant changes in recent years. In addition to some donor agencies, a few large international NGOs can also be considered as 'early innovators' in the private sector engagement space. While their roles differ from donors, they too seek to move from short-term transactions (as a recipient of private funds, service provider or contractor for project implementation) to more strategic relationships with the private sector – and they have transformed internal structures, processes and skill sets to achieve this.[4] The aim of this Paper is to explore both donor and NGO experiences in order to stimulate learning and inform ongoing change processes in DCED member agencies. Many of the changes implemented are remarkably similar across NGOs and donors, highlighting opportunities for learning and exchange.

Specifically, practical initiatives in three areas are documented in this Note:

1. Changing policy, programme and funding frameworks;
2. Creating or adapting roles, teams and responsibilities; and
3. Building staff skills, experience and buy-in.

According to the 2016 OECD peer learning report on private sector engagement, such institutional factors have so far received little attention in the literature and practical discussions on the theme.[5]

Insights are based on exchanges with representatives of five donor agencies as well as nine international NGOs active in a range of different thematic areas and sectors – including but not limited to private sector development.[6] It also incorporates additional reflections from a workshop with donor agencies in February 2017 which discussed a draft version of this report. As such, the note is explorative rather than exhaustive in nature. It aims to serve as a starting point for future activities by the DCED and its members.

[3] Adapted from Burke & Litwin (1992): A causal model of organisation performance and change; Journal of Management, Vol 18, No 3 (1002), pp 523-545.

[4] Interviews with Elaine Gibbons, Director of Corporate Engagement at PATH, 10 November 2015; Hannah Greig, Private Sector Advisor at WaterAid, 5 November 2015

[5] OECD DAC (2016): Private Sector Engagement for Sustainable Development: Lessons from the DAC.

[6] See the full list of interviewees in the acknowledgements above.

1. Changing policies, procedures and programming framework

'There ought to be a better way for creating shared value and uniting the strengths of different sectors than traditional aid instruments. Real partnerships are about co-creating something, not about one entity giving away money and another one implementing the work.' Cate O'Kane, PSI

Most development agencies have issued policy statements about the importance of strategic private sector engagement and genuine partnership; yet, many instruments for working with business are still top-down, supply-driven and transactional in nature – and therefore not yet aligned with general messaging of agencies towards business. A number of donors and NGOs interviewed are however exploring ways to engage business on a more equal footing and in more nimble way, while making sure that values align. This section highlights efforts in this area.

1.1. Developing more demand-based and tailored private sector engagement strategies

As a starting point, several agencies have translated their ambitions for private sector engagement into more concrete strategies – or are in the process of doing so. A common trend is that agencies are making their strategies more demand-led or tailored to different types of business partners. Indeed, the OECD DAC peer learning report on private sector engagement notes that it is "important [to ensure that] new policies and engagement tools factor in the needs and interests of potential partners."[7]

Australian DFAT, for example, has consulted both Australian business and NGOs in developing its new business engagement strategy. A similar consultative process has recently been held by Global Affairs Canada to shape its new development policy as a whole. Other aid agencies are planning to consult national industry bodies more systematically in future policy formulation in relevant thematic areas.

DFAT's consultation revealed a mismatch between the support offered by previous centrally managed partnership programmes and the kinds of assistance that businesses were looking for most. In particular, businesses stressed the importance of DFAT contributions other than financial resources, including its knowledge, networks and influence in the environments in which it works. As a result, DFAT's new flagship private sector engagement programme, the Business Partnerships Platform (BPP), actively advertises DFAT's convening and brokering function; it's deep knowledge of the political and regulatory environment in target countries; and support to broader policy reform together with business partners. While BPP still works through traditional calls for proposals and matching grants as the main form of support, DFAT sees it as an initial step towards more strategic and issue-driven engagement with business. According to DFAT staff, the participatory development of the private sector engagement strategy has also in itself led to a more mature interaction with businesses as mutual expectations are now clearer.

The Swedish International Development Agency (Sida) no longer has a specific strategy for private sector engagement – on the basis that it is a cross-sectoral and -regional approach which is used whenever the private sector is seen as the most effective partner in implementing development solutions. Like other agencies though, Sida emphasises dialogue with business and learning from experience to enhance the effectiveness of engagement. [8]

[7] OECD DAC (2016).

[8] OECD DAC (2016a): Peer learning country report: Sweden.

DFID has been exploring an alternative route to making engagement strategies more aligned with the needs, demands and risks associated with different private sector stakeholders. Its overarching objective is to work with companies in the responsible expansion of their core business in DFID focus countries in ways that contribute to the SDGs. In order to achieve this, DFID tailors its engagement approaches to the level of business interest in sustainable development issues, and distinguishes three categories:

- *'DFID*

Similarly, other agencies such as SDC now explicitly distinguish between a growing range public-private collaborations – in line with the support needs, contributions and interests of companies.

Most agencies, however, focus on shared value partnerships with like-minded, pioneering businesses in particular, and often have a special interest in working with multinational or large domestic companies. How organisations identify such like-minded partners and engage them strategic collaborations will be the focus of the following sub-sections.

1.2 Approaches and criteria for identifying like-minded business

There are two parallel trends in the approaches organisations use to minimise reputational and other risks in their work with business:

- 'Negative' approaches – through the development of more formalised and sophisticated criteria and supporting systems for screening companies;[9] and
- 'Positive' approaches – through increased efforts to identify like-minded business and working increasingly and more substantially with 'trusted' partners.

[9] See also the DCED's Synthesis on screening potential partners: DCED (2017):'Choosing who to partner with: Approaches to screening out companies with negative social and environmental impacts.'

In terms of the first trend, many organisations interviewed have developed or improved staff guidelines on due diligence. While the detailed contents of such guidelines are typically not public, several interviewees are interested in holding an informal, confidential peer exchange about current practices, including about:

- *What kinds of risks agencies assess*: Organisations distinguish between different types of risk and use them to structure the due diligence process. Pact, for example, distinguishes between reputational, financial and contextual risks. CARE International considers risks in the following sequence: impacts on their organisational mission (i.e. whether sectors and companies contradict CARE's programming priorities), reputational risk, financial risk, and risk of low returns on investment.
- *What kinds of data and reports are reviewed*: Different rating organisations and financial assessments such as The Risk Report or World Bank databases, among others, have been mentioned as useful information sources.
- *What external service providers and stakeholders organisations are involved in the process*: Some NGOs turn to more experienced NGOs for advice on specific companies if useful. Others have worked with specialised contractors who can provide a range of data gathering services.

While NGOs categorically exclude partnerships in ammunition, tobacco or gambling, some are becoming more opportunistic about engaging in sectors involving high reputational risk (e.g. pharmaceuticals or mining). For example, CARE International carefully assesses risks and opportunities of partnerships in the mining sector on a case-by-case basis, relying on the experience of staff at different levels of the organisation. CARE reviews whether basic conditions for partnership are in place, looks at how the company has invested positively in development initiatives and responded to negative incidents in the past, and whether long-term interests overlap with CARE's objectives. Findings are then consolidated using a scorecard approach.

Some organisations have central databases to log, and accessibly store, information on all partners. World Vision and USAID use customer relations management software for this purpose. Data management systems can however be difficult to maintain, in particular in decentralised agencies. There is also a sense among many agencies that staff incentives and capacity to update such databases are lacking, and it may be more realistic to maintain a simple contacts list for the most strategic business partners.

Due diligence is also about re-assuring companies that they are not putting their business model at risk by working with development partners. PSI, for example, always signs a non-disclosure agreement about commercially sensitive information before entering MoUs or contracts with companies; such safeguards for companies should however not preclude development partners from using critical lessons learnt for the purpose of other projects.

Several NGOs have streamlined their due diligence processes to speed up decision-making and maintain company interest. As outlined in section 1.3 below, there is however an increasing trend towards longer preparatory discussions on mutual interests before development organisations and businesses agree on a concrete partnership. This often allows for more extensive due diligence.

Among donors, the Netherlands Ministry of Foreign Affairs is one of several agencies which have made particular progress in integrating criteria of responsible business conduct into their operations. Following the institutional integration of foreign trade and development cooperation under one Minister in 2012, the Netherlands have made corporate social responsibility (CSR) a prerequisite of all forms of private sector engagement and trade-related activities. In particular, the integration of CSR standards[10] and tax compliance into selection criteria has proven to serve as an "effective means to attract and select the right kinds of partners" and manage reputational risk. [11]

Alongside more sophisticated due diligence for new partners, several organisations are putting increasing emphasis on identifying and engaging like-minded and trusted companies whose values align with their own.

- This often starts by seeking new relationships with businesses already engaged in *public-private platforms or business networks* with sustainable development objectives.[12] Sida, for example, has had positive experiences with the Swedish Leadership for Sustainable Development network: The network of 20 Swedish companies, expert organisations and a development finance institution is facilitated by Sida and has been instrumental in building trust and generating momentum around the implementation of sustainability standards and inclusive business approaches.[13]
- Another approach is to invest in *light-touch market analysis* in sectors and regions that agencies are working in. The key objective is to identify typically large or multinational companies whose strategic interests overlap with the organisation's mission.

[10] These include OECD guidelines, International Finance Corporation Environmental and Social Performance Standards, United Nations Guiding Principles on Business and Human Rights, and International Labour Organisation standards.
[11] OECD DAC (2016b): Peer Learning Country Report. The Netherlands.
[12] Note that the DCED has published another research piece on 'Engaging the private sector through multi-stakeholder platforms' (2017). According to interviewees, a key benefit of public-private platforms is that they provide an effective avenue for donors to identify like-minded partners.
[13] OECD (2016a).

- Donor agencies also increasingly draw on the *networks of other government agencies* (e.g. Ministries of Trade or Economic Affairs) to identify – or learn more about – potential partner companies.
- In addition, agencies are becoming much more intentional about *building longer-term relationships* with companies after successful collaboration – this is outlined further in Section 1.3 and 2.4.

There are also ongoing discussions in several organisations on whether the structure of businesses may matter for their social impact orientation; if so, businesses' legal form and governance could serve as criteria for selecting suitable partners. For example, might employee-owned businesses be more socially oriented than shareholder-owned businesses? Are legal forms such a benefit corporations conducive to the prioritisation of responsible and socially impactful business practices? In short, it seems that there is not sufficient evidence that business structure is more important than other factors in influencing the mission and behaviour of businesses. Some legal forms such as benefit corporations may however involve special reporting requirements, which may make it easier for donors to assess business impact and behaviour as a basis for selecting partners. A DCED/ Oxfam paper [14] explores some of these issues in more detail.

1.3 Engaging like-minded businesses: From transactional to transformational

Perhaps the most significant shift in programming approaches can be observed in the processes for developing collaborations with like-minded business. In fact, most organisations interviewed argue that traditional instruments for working with business are either insufficient or unsuitable for generating genuine and strategic partnerships. This is the case for several donor funds and facilities that invite applications from business:

- **In traditional donor funds and facilities that contract business directly or via an NGO, the process for entering collaborations has been top-down**: The overall parameters of collaboration used to be pre-defined by donors; for instance, support may be tied to certain types of businesses, activities, sectors and/or development objectives. In the traditional model of central partnership facilities, companies and/ or NGOs are invited to submit proposals in light of such criteria. Calls for proposals have often been dominated by 'development speak'. Gaining an understanding of companies' needs and priorities tended to be an afterthought, rather than the starting point of collaborations. While in-country programmes can often identify partners in a more collaborative way, procurement rules may not always be flexible enough to respond to emerging partnership opportunities with business.
- **In traditional models, working with business also tends to be transactional and one-off in nature**: Donors typically cost-share two-to-four year projects with companies, whereas NGOs may be contracted by governments or companies as implementers. [15] These roles don't always maximise partners' strengths and resources or are able to cater to diverse company needs and development objectives. Further, common measures of success, such as the amount of finance leveraged or number of joint projects supported, don't reflect the quality and outcomes of engagement.

Emerging practices among the organisations interviewed however illustrate how donors, NGOs and businesses can become strategic

[14] DCED and Oxfam (2016): Does business structure influence social impact? Early insights and practical implications for donor agencies.

[15] In addition, NGOs have been in purely transactional relationships with business as recipient of philanthropic corporate donations.

partners in co-creating sustainable development solutions. Specifically, five changes stand out:

1. **Organisations are increasingly investing in building relationships before agreeing on partnerships**. This approach represents one of the most crucial differences to traditional proposal-based systems for selecting partners. It involves initially non-committal discussions of anything between 2 months to 2-3 years before a development organisation and business may agree on an actual partnership. Often, this phase is also critical for gaining deeper insights into how a company operates and identifying the most appropriate internal counterparts. And even though dialogue does not always lead to a partnership, agencies appreciate that the exchange itself can lead to changes in corporate behaviour or important new insights for development agencies.

   For some NGOs, this approach has evolved out of necessity: In order to respond to donors' calls for proposals they had to find suitable businesses that they could team up with and start conversations about possible synergies and opportunities for collaboration. While such conversations often turned out to take much longer than the time frames of calls for proposals, they have resulted in critical lessons on how best to sequence discussions with potential partner businesses to identify joint interests. Some 'do's and don'ts' mentioned by NGOs like Pact, Path or TechnoServe, which are equally relevant for donor agencies, are summarised in Box 2.

Box 2: Practical tips on sequencing discussions for shared value partnerships

- **Listen rather than plan:**
  - Start conversations with a high-level strategic discussion around business objectives and strategy in new markets
  - Don't approach a company as a co-funder of a specific project idea; hold funding conversations later
- **Present your organisation in a way that is relevant to the business**:
  - Based on an understanding of the companies' needs, open up the discussion by explaining general assets of your organisation (e.g. independent broker role, deep in-country experience; technical expertise in specific markets)
- **Gradually drill down into specific geographic and technical areas of collaboration:**
  - Do your homework by developing a strategic vision of how business drivers in specific countries, sectors and/or technical themes line up with your work.
  - Hold a series of working group meetings to establish common ground and potential for collaboration
- **Stay flexible:**
  - Accept that there is no rulebook for structuring conversations with business and designing partnerships
- **Show professionalism:**
  - Propose clear timelines for follow-up conversations and decisions
  - Keep paperwork light and transparent

2. **Organisations are moving towards longer-term relationships and more flexible forms of collaboration with business**: Several agencies interviewed stressed that some of the best collaborations with business arise from regular and deep engagement with senior leaders in those companies. Such relationships may lead to a wide spectrum of possible partner roles and joint projects over time. For example, organisations may offer financial support to leverage, expand, or change the nature of investments; pay for, or provide, technical assistance to facilitate practical research, a new core business product or service or improved working conditions; engage in exchanges of knowledge and networks; and/or work with business through advocacy initiatives or policy dialogue with business. One example of more sophisticated relationships with companies is Oxfam's

'critical friend' approach in working with global companies: It includes both challenging the company and its suppliers as well as collaborating on a variety of solutions.

3. **As part of developing longer-term relationships with business, a common pattern among NGOs is that they are steadily pushing the frontiers of their engagement with business**. In many cases, initial contact with a company is through transactional work – such as consultancy assignments, implementation of a philanthropic project or even a philanthropic donation. Conversations may then take place on how to deepen collaboration around core business objectives or responsible core business practices. This will often require identifying relevant core business contacts, rather than relying on staff from Corporate Sustainability or Government Affairs departments. Pact, for example, has gradually expanded its engagement with the private sector – "first as recipients of corporate foundation dollars, then as a participant in corporate social responsibility activities, and most recently as a partner in embedding social impact objectives into core business strategy."[16] Similarly, some donor agencies think of partnerships as a gradual process: Many projects under USAID's Global Development Alliance started as co-funding arrangements in the philanthropic space (i.e. donations by corporate social responsibility departments) but are considered as a stepping stone for future collaborations around core business investments in a developing country.

4. **The quality of engagement is increasingly prioritised over the number of public-private projects as a measure of success.** Developing deeper links and more substantial collaboration with like-minded companies, and focusing on a smaller number of partners as needed to achieve this, seems to be common among both donor agencies and NGOs. For example, DFID's target is to forge five new large-scale shared value partnerships with pioneering multinational corporations over the next two of years. With this in mind, and as discussed further in section 2.4, DFID is focusing its engagement efforts on fewer, but more promising and strategically important partners. Several large NGOs also see advantages in focusing resources on developing a few flagship partnerships – partly for learning purposes and partly to build up a strong reputation in the private sector.

For both donor agencies and NGOs, the current aid system does however not always facilitate the development of deeper and longer-term links with business. For example, in the case of donors, it is unclear how strategic business engagement practices would relate to competition neutrality requirements as part of the EU State Aid Rules.

NGOs engaging with business are also facing difficult choices: Should they focus on responding to traditional calls for proposals from donors for short-term public-private partnership projects or on forging longer-term strategic relationships with business? How can they hold more preparatory discussions with potential partners without being able to access donor funds for such longer-term and often open-ended efforts? Several NGOs noted that they would be keen on a frank dialogue with donors on how funding arrangements could be adapted to enable such new forms of private sector engagement. One option could be for donors to tie funding to certain outcomes in a sector, rather than individual partnerships (see also section 1.4).

NGOs would also like to discuss options for involving donors at the more advanced stages of their discussions with business or early on in partnerships. Part of the problem is that tripartite

[16] Shared Value Initiative (2015): Pact - Innovating Organisational Structure to facilitate shared value partnerships. Case study.

conversations among business, donors and NGOs are still rare, and donors may not share information about their own relationships with corporates. This means that mutually beneficial collaborations are often missed out on. Many donors also still appreciate calls for proposals as a clear and controlled way of spending money on projects with the private sector and because they align with current systems and skills sets. While such approaches may still have a role to play in attracting new ideas for public-private collaboration, it seems clear that the tools for developing partnerships, and roles of different stakeholders in this, will need to be broadened.

1.4 New funding procedures and vehicles

Some donor agencies and NGOs are now exploring new funding procedures in order to implement their vision of strategic private sector engagement more effectively. Among donors, four features of new funding vehicles are worth highlighting:

- a focus on innovation, and often a higher level of risk, in particular through dedicated innovation funds;
- the use of different forms of finance to complement traditional grant-based support;
- openness of funding mechanisms to proposals businesses and other stakeholders from various sectors and countries; and
- the introduction of flexible, non-programmatic funds at central level, which can be used for a variety of collaborations with business.

Each of these innovations fill gaps in previous support mechanisms, as further outlined below.

Innovation funds are a particular format that combine various of these new features. These funds tailor the form and amount of financial support to different investment stages: this may include seed capital to highly innovative pilot investments as well as larger grants or loans in order to help bring proven innovations to scale. As such, innovation funds fill a gap in early-stage, high-risk funding, while being sufficiently resourced to support scaling up when needed. Both of these situations have often not been addressed by traditional challenge funds and allow donors to add clear value to other available forms of support. While innovation funds are still based on calls for proposals, their emphasis on testing and supporting innovations and greater acceptance of failure design resembles the design of Research & Development organisations. Innovation funds also tend to be open to applications from all sectors, countries and different stakeholders, including business, research organisations or NGOs working with business. This is in contrast to many of the tied donor facilities which are open to domestic businesses only. Innovation funds are also one example of donor's increased use of non-grant instruments such as loans, equity and guarantees to complement matching grants and respond to diverse private sector needs.

Another major novelty is donor agencies' growing interest in new central funds that can be used flexibly to support partnerships with business. In SDC and DFID, for example, there has been a growing realisation that programme-based frameworks and traditional challenge funds don't allow staff to flexibly respond to partnership opportunities with business. Creating a central fund that staff can access in a nimble way can also be seen as the logical consequence of changes in staff roles and responsibilities in private sector engagement: As outlined in Chapter 2, some organisations have mandated all staff to develop partnerships with business, or work through dedicated team members to forge deeper links with strategic partners and identify collaboration opportunities over time. These responsibilities should ideally be backed by access to financial resources. One alternative is for central units to simply refer companies to relevant field programmes for support, which may not always be feasible or offer good-fit solutions. Sida, for instance, acknowledges that "a dedicated [central] budget may be needed to test new ideas and innovative instruments".[17]

The most tangible progress towards setting up a flexible central fund has been made in DFID: Its Business Engagement Hub is in the process of setting up the so-called 'Business Partnerships Fund'. All private sector development advisors in DFID will be able to access the Fund for strategic collaborations with large companies. Like innovation funds, the fund will also be open to applications from a variety of stakeholders to support the development of new business ideas, pilot-testing, scaling-up, research into 'what works', and dissemination of best practice.

SDC is still in the initial stages of considering how such a fund might be set up and financed. In addition to new funding, one option would be to allow programmatic divisions to feed unspent resources into the fund. The fund itself could have a variety of uses, including to co-finance partnerships and to bring in external expertise for aspects such as partnership development, due diligence or legal advice as needed.

Interestingly, a trend towards flexible funding mechanisms can also be observed in NGOs. Specifically, several NGOs have used non-profit subsidiaries and investment funds to achieve the dual purpose of
a) diversifying NGO's own sources of finance, in particular by attracting corporate donations and achieving returns on investment; and
b) allowing NGOs to spend funds on various aspects and forms of private sector engagement outside the scope of donor grant agreements.

Two different examples are Mercy Corps' Social Ventures Fund and Pact Institute, see Box 3.

Box 3: New financial vehicles among NGOs

1. Pact Institute[18]

Pact Institute is a non-profit Pact subsidiary for attracting funding for its parent organisation. Originally geared towards government funding, its mandate was changed in 2010 to attract diverse funding from corporates and foundations and to deploy it more flexibly in innovative projects. Pact Institute also began to focus on more fixed-price contractual instruments with small margins (about 5%), which translate into unrestricted funds for Pact's investments into organisational capacity.

These changes supported Pact in making the shift towards strategic private sector engagement:

- They allowed Pact to invest in longer-term projects than typically possible under donor grant agreements.
- They gave Pact the flexibility to seek out smaller engagements which opened the door to new relationships with companies and had the potential to evolve into more substantial, shared value collaborations over time.
- Both the receipt of unrestricted donations as well as small annual margins made on fixed-price contracts enabled Pact to invest into its organisational capacity for innovation and private sector collaboration. This includes learning and knowledge management, as well as enhancing internal capacity-building and hiring new professionals. Some funds were also re-invested in social entrepreneurship explorations and in 2015 allowed back to establish Pact Ventures, a new business unit focused on establishing a portfolio of investments and products in partnership with social enterprises and impact investors.

2. Mercy Corps' Social Venture Fund

Mercy Corps' Social Venture Fund was launched in 2015 to provide risk-tolerant, early-stage financing to social business start-ups[19]. For Mercy Corps, the main motivation for establishing an investment fund was that the

[17] OECD DAC (2016a).

[18] Shared Value Initiative (2015): Pact - Innovating Organisational Structure to facilitate shared value partnerships. Case study.

[19] https://www.mercycorps.org/innovation

traditional grant-based model of international development (...) rarely promoted the flexibility and experimentation required to test new (business) models.[20] In addition, Mercy Corps recognised that few profit-oriented funds support the earliest stage of social enterprises, where risks are higher and rewards lower than pure for-profit ventures.

The fund was capitalised through corporate donations, complementing Mercy Corps' largely donor-financed core operations. While being centrally managed, it also benefited from Mercy Corps' expertise in field programmes: Based on Mercy Corps market systems programming approach, staff are constantly identifying, supporting and collaborating with innovative private sector actors. The Social Ventures team therefore collaborated with field offices to explore investment opportunities that align with local programming objectives.

Meanwhile, exploring more flexible funding arrangements with donor agencies remains an important priority for NGOs – in particular to enable them to build staff capacity for private sector engagement and to invest staff time into preparatory discussions with companies. Indeed, some donors such as Sida recognise that

> *"Many non-profit partners do not have budgets from which they can draw to participate in project development and thus require additional support (…) Like [donors], traditional partners will require resources and time to effectively develop their approaches to private sector engagement, particularly since they are increasingly asked to work with the private sector by funders."*[21]

A few donors already offer longer-term funding arrangements for NGOs with global reach and expertise that allow them to use funds more flexibly. In the experience of CARE International, for example, DFID's Programme Partnership Arrangements (PPAs) represents a useful model. DFAT offers similar annual grant arrangements to NGOs that pass an accreditation process. Several NGOs are interested discussions with donors about these and other formats that would increase their ability to drive forward the private sector engagement agenda.

[20] https://www.mercycorps.org/sites/default/files/2021-04/SVF-2017-Impact-Report_FINAL_Digital.pdf
[21] OECD DAC (2016a).

2. Creating or changing roles, teams and responsibilities

'When organizational strategy changes, structures, roles, and functions should be realigned with the new objectives.'[22]

In order to implement their new vision of private sector engagement, most of the organisations interviewed have changed the structure and roles of staff, teams and units. While the specific arrangements differ, two complementary types of changes are common across organisations:

- The creation of new leadership positions and responsibilities at headquarters; and
- A decision to leverage the skills, creativity and networks of staff at all levels and in different technical areas to enhance private sector engagement.

A. Individual roles and responsibilities

2.1 New senior position in charge of private sector engagement

The majority of large international NGOs interviewed have established a permanent senior role in charge of 'corporate' or 'private sector' engagement in the last 5 to 10 years. Prior to this, some NGOs worked with consultants to develop pathways for organisational change. World Vision International, for example, committed an internal strategy consultant to advise them on new team and personnel structures, as well as systems and procedures to enhance corporate engagement.

New senior positions can be found either at director and/or senior advisor level. An alternative model to hiring new staff has been to modify the responsibilities of existing senior members of staff, splitting their time between some of their traditional functions (e.g. technical advice on economic development or fundraising), and the promotion of private sector engagement across the organisation. Regardless of the specific model, staff in these senior private sector engagement positions typically have extensive recent experience in the corporate sector or at least in working in close collaboration with businesses.

Most senior roles for corporate engagement have outward- and inward-facing responsibilities, many of which will be explored further in the remainder of this Note. *Outward-facing responsibilities* refer to direct interaction with companies, such as:

- responding to requests for information or collaboration by companies;
- forging links with potential partner businesses, e.g. by participating in conferences and other relevant events, and getting back in touch with them when partnership opportunities arise;
- holding exploratory meetings with companies; and/ or
- leading or supporting the development of high-level strategic partnerships.

These exchanges also provide senior corporate engagement staff insights into companies' interests and concerns – which can in turn inform the implementation of *inward-facing responsibilities.* These typically involve leading on change management by assessing whether the right structures, processes and skills for private sector engagement are in place or need to be developed. Indeed, research on organisational change in central government agencies suggests that senior staff, especially when brought in from outside the organisation, can play a critical role in driving and sustaining change.[23]

[22] Gill Corkindale (2011): The Importance of Organisational Design and Structure. Harvard Business Review.

[23] UK National Audit Office (2006): Achieving Innovation in Central Government Organisations.

Specific internal tasks of private sector engagement directors in several NGOs interviewed include:

- Developing organisation-wide policies, guidelines and toolkits for private sector engagement – to provide operational frameworks for staff and enable consistent communication to businesses;
- Providing introductory presentations and organising staff training on private sector engagement;
- Mentoring and advising staff during partnership development and management, e.g. on how to structure conversations with companies;
- Linking different teams and strands of work to enable more strategic collaborations with business partners (e.g. combining supply chain partnerships with joint advocacy); and
- Serving as an 'internal helpline' on questions regarding private sector engagement.

2.2 New focal points for responding to private sector engagement enquiries

Some organisations have created a focal point for all internal and external enquiries related to private sector engagement – either as a new position or by dedicating time of existing staff to this role. Focal points may complement the work of a Corporate Engagement Director or cover some of their functions where such a senior role does not exist. Focal points however tend not to lead on organisational change and thus have more limited responsibilities than corporate engagement directors.

The German Federal Ministry for Economic Cooperation and Development (BMZ), for example, has established a Focal Point to handle enquiries from businesses and BMZ staff on options for public-private collaboration. In addition to providing general advice on instruments of the German Government, the Focal Point may act as a direct intermediary between companies and sectoral departments to clarify whether a specific business model is of interest and eligible for support. Given the high number of requests, BMZ is planning to expand the focal point service, which used to be managed by one full-time member of staff. Similar to senior roles for corporate engagement, recruiting someone with private sector experience has proven helpful to facilitate effective communication with business.

Contact information of the focal point is prominently advertised on the BMZ website alongside other key information, such as factsheets on relevant programmes of different Government institutions and implementing agencies. Similarly, other agencies have made efforts to clearly communicate their offer to business and make it easy for them to engage, such as through a clear online portal and government-wide coordination of engagement opportunities (see section 2.6).

2.3 Pro-active outreach roles at all levels of the organisation

Organisations have also adopted different pro-active outreach strategies to build better networks with the private sector. Several large NGOs have opted for a relatively organic yet intentional approach to seeking contacts and potential partners in the business world: In PSI and Pact, for example, Directors of Corporate Engagement are investing more of their time in attending events to actively 'work the room' and forge new connections. In addition, NGOs including Pact and TechnoServe actively encourage all members of staff to find partners and develop collaborations. In Pact, this is facilitated by 'corporate champions' – colleagues across the organisation which play a lead role promoting private-sector collaborations. Path has opted for a sectoral approach to identifying partners – with sector teams identifying strategic players (e.g. in nutrition or reproductive health) and then engaging them in a high-level discussion on business objectives in relevant markets, as a starting point for identifying collaboration opportunities. In some NGOs, units previously not engaged in private sector collaborations (e.g. communications or marketing departments) have started to support the outreach work of technical teams (see section 1. 6).

An outreach model that is specific to donor agencies and somewhat unique to countries with a highly organised private sector is implemented by German BMZ: The Ministry has recruited a number of 'Development Cooperation (DC) Scouts' that act as outreach officers and development policy advisors within Germany's industry organisations and trade associations. The DC Scouts' tasks include presentations about investment opportunities in developing countries in general; BMZ's business cooperation and support instruments; and advice to individual companies on options for collaboration with the German government or development bank.

In contrast to such pro-active, staff-driven approaches to partner identification, USAID's Feed the Future programme has experimented with a new six-step online questionnaire for companies as a possible tool to identify partners. Specifically, the so-called 'Opportunity Explorer' [24] was designed to achieve several goals: sending a message to the private sector that the programme is open to all business; reduce the number of unsolicited email requests to programme staff; and serving as a one-stop shop to help businesses figure out whether there may be partnership opportunities of mutual interest. As a final step, business can contact programme staff to express their interest in collaborating. While the Opportunity Explorer continues to be seen as a useful tool for informing companies about USAID's work and support options, it has not changed how the programme actually identifies its partners. No partnerships have been formed as a result of online enquiries. Instead, personal outreach and networking efforts by staff in headquarters and the field and relationship-building with business are still considered as the most effective ways of identifying partnership opportunities.

2.4 Relationship managers for major private sector partners

Given that relationship-building is now considered by many as a pre-requisite for developing shared value partnerships (see also Chapter 1), several organisations have made structural changes to support long-term linkages with business. As noted by the Division Chief on Private Sector Engagement at USAID's Feed the Future programme, short-term partnerships were traditionally 'run and owned' by implementing organisations. Relationships with partner companies therefore typically ended as soon as projects stopped, and there was no obvious way to keep in touch or to maintain institutional memory about the collaboration. A few donors have therefore started to designate staff as permanent 'relationship managers' for the most strategically important business partners. Interestingly, relationship managers have already been used in the past by some donors such as SDC to liaise with major non-governmental implementing organisations.

USAID was among the first agencies to appoint and train staff as relationship managers for corporate partners in 2012. There are now about 40 relationship managers, who dedicate about 5-10% of their time to acting as the main counterpart for typically 1-3 strategic business partners that have "significant engagement with

[24] https://www.feedthefuture.gov/article/could-your-business-benefit-from-collaborating-with-feed-the-future-find-out/

or high potential for engagement with USAID"[25]. Specific responsibilities are summarised in Box 1. While most USAID relationship managers are based at headquarters, the model is gaining traction in larger field missions, too.[26] All relationship managers are coordinated by a Senior Adviser in the Global Development Lab – USAID's central unit for private sector partnerships.

Box 1: Responsibilities of USAID Relationship Managers[27]

- Setting shared strategic priorities between USAID and the partners
- Broadening USAID's network of contacts and relationship in the partner organisation
- Identifying new engagement opportunities with the partner, and engaging the partners in new USAID initiatives as appropriate
- Assessing the results of existing joint activities
- Assisting USAID Missions that seek to engage the partner
- Managing joint communications opportunities

DFID is exploring ways to further develop its own system of corporate relationship managers to build deeper links with key partners. This system involves teaming up a member of staff from DFID's Private Sector Development Advisor Cadre with a single contact point in major partner companies. Relationship Managers are selected based on their thematic expertise in the company's sector of operation and are given Terms of Reference and general guidance for their role. At the minimum, counterparts serve as a mutual source of information about internal structures, programmes and priorities. In addition, the relationship management system is seen as an open conduit for developing more formal collaborations, where this is of mutual interest. An example of a project emerging from this system is TRANSFORM[28], a research partnership between Unilever and DFID.

DFAT and SDC are two other agencies which are actively thinking about how to keep a relationship with companies beyond specific partnership contracts. Comparable approaches can be observed among some NGOs. In PATH, for example, one relationship manager per sector is in charge of 4-5 strategic partnerships.

A number of early lessons are emerging: In the case of USAID, companies appreciate having a single counterpart in the organisation, as this significantly reduces transaction costs: While companies previously had to identify champions within USAID and 'sell' their value as a partner,[29] the relationship managements system helped them skip that step and gain credibility within the agency. Relationship managers also function to some extent as a 'one-stop-shop' that helps companies navigate the agency's bureaucracy and avoid uncoordinated requests. Some corporations have mirrored this approach by designating a single contact point for partnerships with USAID.[30]

In DFID, a critical lesson is that the system seems to work best if there is a clear demand from the corporate partner for a more institutionalised relationship with DFID. With this in mind, DFID now focuses on fewer but more promising relationships with strategic partners. While the system started with 25 relationship managers and companies, there are now only ten. Three of these relationships have so far been formalised through 'letters of intent'. Several agencies note that such MoUs may however not always be the most efficient way to move collaborations forward as they can take a

[25] Ingram et al. (2016).
[26] Ibid.
[27] https://www.devex.com/jobs/senior-partnerships-advisor-for-private-sector-engagement-397736
[28] https://foundry.unilever.com/brightfuture/transform
[29] Ibid.
[30] Ingram et al. (2016).

long time to be developed in order to suit the legal requirements and safeguards of all parties.

In both DFID and USAID, the exact roles of relationship managers are still evolving – and both organisations plan to hold periodic peer exchanges to consolidate feedback from partners and lessons learnt by managers.

<u>Summary table 1: Examples of new staff roles and responsibilities for PSE</u>

 **Leadership roles**	➢ New senior staff leading on PSE and internal changes
 **Technical roles & responsibilities at the interface between agencies and business**	➢ Staff working part-time as 'Relationship Managers' for strategic corporate partners ➢ Focal points for in-house and external enquiries on PSE ➢ Outreach staff in national business membership associations
 **Mainstreaming PSE tasks across the organisation**	➢ Mandating all technical staff to develop partnerships ➢ Allocating more staff time to networking etc ➢ 'Corporate Champions'/ PSE advisory staff across different thematic units

B. Teams and units

1.5 New team responsibilities and cross-functional collaborations

In many organisations interviewed, the structure and functions of entire units and teams have also been adapted to the requirements of private sector engagement. Dedicated units have been created and/or expanded, and have grown in organisation-wide influence. In Care International, for example, a new private sector engagement unit was built up from a small base to nine people in about eight years. USAID's Global Development Lab was created in 2014 with a mandate to build partnerships which leverage the combined skills, assets, technologies, and resources of the public, private, and non-profit sectors.[31] Its 'Center for Transformational Partnerships' also coordinates Relationship Managers (see section 1.4) and develops staff guidance and training.

Smaller, decentralised agencies, have put in place light-touch central units, or a new coordinating and leadership role supported by senior staff from technical units already experienced in working with the private sector. Sida, for example, has two central units supporting strategic partnerships of programming units and leading on the development of methods and tools.[32] SDC is currently developing an internal competency centre on private sector engagement led by a new member of staff who takes on the role of and an agency-wide private sector focal point and works with other senior staff on tools and guidelines as well as internal process development, among others.

In a related trend, technical and supporting units are now becoming increasingly involved in private sector engagement. Such intra-organisational collaborations are part of a growing trend towards '*cross-functional teams*': groups of people with different expertise and from a number of teams or departments that work together on business engagement.

The exact practical arrangements of cross-functional collaboration vary by organisation.

- World Vision's work with businesses jointly managed by colleagues from *programme, fundraising, and strategy units* – except for a few large-scale partnerships which are looked after by a global management team.

[31] https://2017-2020.usaid.gov/GlobalDevLab
[32] OECD DAC (2016a).

- *Communications departments* in several organisations support corporate engagement directors by taking on selected outreach and publicity work. This includes attending conferences of corporate partners and presenting partnerships at third-party events.
- In Pact, due diligence is managed by teams not involved in partnership development and management to avoid conflicts of interest. While Pact is still deciding on the best institutional home for due diligence, it is currently handled by the knowledge management unit, the *programme advancement team*.
- At Mercy Corps, the *economic and market development technical team* as well as the *social innovation, global partnerships* and *fundraising teams* look for strategic business partners to collaborate with, but closely coordinate their efforts in order to best match internal focus with partners' strategic interest. This 'division of labour' has evolved over time, in recognition of the differing types of corporate relationships and a recognition that they may shift over time from mere fundraising to more strategic collaborations, or start out as mix of the two.
- In NGOs and donor agencies, there are also growing demands on internal *legal teams* to provide advice on contractual arrangements and safeguards when working with business - even though specialist expertise is often still lacking (see also section 3.3).
- Another way to use the ideas and expertise of different staff is currently explored within USAID, which has launched a task team to discuss the organisation's future strategies for private sector engagement more broadly.

Interestingly, the use of cross-functional teams is often seen as originating from the business world, where they are used to promote innovation and problem-solving capacity.

1.6 Organisation- or government-wide coordination and specialisation

Strategic private sector engagement also poses new organisation- or government-wide challenges:

- Decentralised organisations in particular need to review how to effectively coordinate efforts, share knowledge and build capacity across the organisation, including headquarters and field-level.
- As more government institutions are becoming involved in private sector engagement, agencies need to coordinate responsibilities and ensure a coherent offer to the private sector.

In terms of internal coordination between Headquarters and field offices, some emerging arrangements include[33]:

- Global departments (or focal points) that lead on engagement strategies, staff guidance, training and advisory support on request; in some organisations, a single department also manages contracts and MoUs for all partnerships (e.g. in TechnoServe);
- A growing responsibility of headquarters for high-level strategic partnerships with international corporations, while field offices continue to lead on in-country partnerships (often with local businesses) that require local knowledge and networks (e.g. M4P approach);
- Referral of businesses to field offices by headquarters or vice-versa where possible and appropriate (e.g. in DFAT and DFID); and
- Attempts to encourage a notification structure, whereby field offices inform headquarters (e.g. relationship managers in USAID) about any partnerships with strategic global business partners. Organisations also

[33] Note that capacity-building measures will be discussed separately in Section 3.

recognize that field-driven business partnerships may be an entry point for more strategic relationship with a business later on. Mercy Corps, for example, supports incremental trust-building and relationship management at country-level, with the goal to develop partnerships beyond a specific program or geography in the longer term.

As outlined in Chapter 1, organisations are also developing more sophisticated systems and criteria for due diligence. These systems feature increasingly formalised roles and responsibilities of field offices, Headquarters, internal staff and external service providers. Examples of different arrangements include:

- **Global leadership:** PSI and Oxfam have set up a global department (PSI's corporate partnerships team) or group of people (Oxfam's ethical checking committee) in charge of due diligence for all major collaborations with business, with the possibility of ad-hoc technical inputs from technical or country staff if needed. In Path, an internal risk review group of executive team members reviews data gathered by external service providers and submits recommendations to a Board of Directors, which can then approve or reject the proposal, or request further analysis;
- **Joint HQ-field leadership**: In Care International, headquarters and field offices routinely collaborate in due diligence for major corporate partners; only if CARE is considering entering a new sector that it has not worked in before, extensive discussions are held at headquarters to agree on a global approach; or
- **Flexible levels of involvement of global, local external stakeholders** – depending on the risk level and scope of the partnership. In World Vision, for example, field staff can implement checks in low-risk partnerships with a veto possibility for the global team. The global team leads on due diligence for riskier partnerships or multinational partners, with support from external service providers as needed.

Among governments, several key issues and emerging practices for ensuring coherence and coordination across departments and institutions stand out:

- Chapter 1 described the increasing use of non-grant financial instruments by donor programmes. A key topic of ongoing discussion is therefore how to build on the substantial experience of *development finance institutions* (DFIs) in this context, and how to ensure complementarity between these and new donor programmes.[34]
- Sida and the Netherlands actively promote knowledge exchange as well as formal and informal *coordination mechanisms with other government institutions* working with business. They can also help each other by sharing information about potential partners (see also Section 1.2).
- To make it easier for the private sector to engage, the Netherlands has gone a step further and adopted a *one-stop shop approach* whereby most private sector engagement mechanisms are pooled in one single agency (RVO), housed under the Ministry of Economic Affairs. Private sector partners appreciate having a clear entry point for collaboration, "regardless of how opportunities are structured and managed internally by government." [35] The Netherlands also see value in government institutions working together to build private sector engagement portfolios. [36]

[34] See also OECD (2016).
[35] OECD DAC (2016b).
[36] Ibid.

Summary table 2: Examples of new team structures and agency or government-wide work arrangements for PSE[37]

 **Central private sector engagement units**	➢ Larger or new central units and teams leading on Private Sector Engagement
 **Cross-functional teams**	➢ Members of different units working together on private sector engagement (e.g. strategy, communications, knowledge management, sectoral programme and legal teams)
 **Agency-wide coordination and whole-of-government approaches**	➢ More formalised and systematic division of tasks and knowledge sharing between headquarters and field offices ➢ Greater cross-departmental and -institutional coordination and collaboration on private sector engagement by donor governments

[37] Image credits: Stuart Miles/ freedigitalphotos.net; Scott Maxwell/ flickr.com; jzcreationsz/ freedigitalphotos.net

3. Building staff skills, experience and buy-in

"Change at a higher level in the organisation will often require changes in the skills available in the team. Managing change requires an assessment whether: all the right skills are in place; if they can be developed; or, if they need to be brought in from outside... Organisational culture can be described as 'the way we do things around here'. It evolves over time as a result of many other changes in the organisation."[38]

Working in new ways with new partners requires different skill-sets; it also often requires staff to appreciate the contributions of business to development and have the right incentives for strategic engagement practices. This section outlines selected agency initiatives in these areas.

Figure 2 summarises key capacity-building initiatives that are now happening in several agencies. Sida, for example, has been making efforts across most of these areas, through "the recruitment of new staff with differentiated skill sets, secondments to embassies, creation of … knowledge hubs at headquarter level, regular trainings sessions, and the development of toolkits … on private sector engagement."[39]

Figure 2: Summary of key capacity-building initiatives for PSE

3.1 New staff guidelines and tools

Once new policy frameworks, systems and procedures are put in place, several organisations have developed detailed staff guidelines and toolkits for private sector engagement. These processes can also happen in parallel, with staff guidelines being refined on a continuing basis in light of evolving experiences and engagement frameworks. One example of comprehensive guidelines available in the public domain is Mercy Corps' Private Sector Engagement toolkit (2012), [40] which provides advice to staff on each step of the project cycle. It was developed when private sector engagement was becoming more central to Mercy Corps' operations but a significant share of field staff still lacked sufficient experience in working with business.

3.2 Staff training, mentorship and exposure

Training is considered essential in increasing internal capacity for private sector engagement all organisations interviewed. There are two major types of training:

1. **Training for particular roles that play strategic part in enhancing private sector engagement**: In USAID, for example, relationship managers receive an initial orientation and participate in peer learning events to share experiences. A recent review suggests that new relationship managers could receive even more in-depth preparation and mentorship from existing and former relationship managers.[41]

2. **General staff training and workshops, including in the field**

Several agencies have organised introductory workshops on technical and procedural aspects

[38] Exeter University (nd): [Summary of Burke & Litwin (1992)](): 'A Causal Model of Organisation Performance and Change' , Journal of Management, Vol 18, No 3 (1992), pp 523–545.

[39] OECD DAC (2016a).

[40] https://www.mercycorps.org/research-resources/private-sector-engagement-tool-kit

[41] Ingram et al. (2016).

as well as soft skills for partnering with business. In Pact, for instance, elements of introductory events include**:**

• showcasing different options for how to look for, and attract, potential partner businesses;
• explaining how to proactively engage with these businesses, by identifying a suitable counterpart and learning about their goals, interests and incentives: What part of the business are they in charge of advancing? What are their current activities? What gaps do they need to fill and what issues do they experience?
• raising awareness of the key elements of 'partnership diplomacy' – including developing personal relationships and trust, and identifying areas where interests align. As touched on section 1.3, this typically includes identifying business needs first; thinking of ways in which the organisation can be part of the solution to address them; and appreciating that the solution will usually imply more revenue for companies.

Several organisations interviewed are also implementing proper training courses for staff on business engagement, or are currently exploring options for doing so. Mercy Corps has already institutionalised a two-day in-house training course on market development and private sector engagement. In-country training on specific aspects can also be provided on demand, and the global senior advisor undertakes regular field visits for additional in-country advice. Other organisations such as World Vision and CARE bring in independent training providers and/or send selected staff to external courses on cross-sector partnerships. NGOs and donors alike often still see particular need for expanding support to in-country staff.

Among donors, USAID has contracted an external training provider to roll out training courses in private sector engagement across the organisation, where it is now considered a core competence for staff. Indeed, several organisations are now exploring the development of more formal staff qualifications in private sector engagement. In USAID, the training covers a broad mix of topics, such as partnership analysis, partner communications and outreach, co-creation of shared value projects, policy reform, impact investing and results measurement. Australian DFAT is also working with an external provider to develop agency-specific training material and deliver short courses to headquarter and field staff.

In particular, several agencies interviewed see a need for tailored in-house training in order to address staff knowledge needs more effectively than through standardised training packages. Training development approaches being considered include: active consultation with field and headquarter staff about their knowledge needs; 'co-creation' workshops with representatives from different departments and external facilitators to provide inputs to the curriculum development; and/or gathering feedback from existing private sector partners on training needs within the agency.

Going forward, interviewees noted that the shortage of specialised training providers was a limiting factor in rolling out training to field staff in particular. Further development of the training market for private sector engagement is therefore likely to be crucial to facilitate capacity-building within organisations.

Regardless of the specific training format, training on its own is not sufficient to promote private-sector oriented engagement approaches and to help staff gain credibility early on dealing with business. While this can be partly achieved through on-the-job-learning, some NGOs are more pro-active about broadening employees' cross-sector experience. An interesting model is used by PSI whereby staff at headquarters and field offices engage with employees from key partners such as Merck or Pfizer over a number of months to gain a better understanding of their ways of working. According to PSI's Director of Corporate Partnerships, this initiative has worked very well in reducing prejudice towards business and enhancing staff's ability to design mutually beneficial collaborations. Similarly, some donor agencies have made use of secondments to the private sector and from the private sector to build internal capacity.[42]

Several agencies also recognise the importance of day-to-day mentorship and advice by senior private sector engagement staff or technical specialists within the organisation. In Sida, for example, staff specialised in financial instruments regularly supported colleagues in implementing a new guarantee scheme.[43] Secondments to embassies and having a well-resourced contact point at headquarter level to enable embassy staff to ask for advice are some of the mechanisms in use to support the work of field staff.[44] In the Netherlands, the integration of the directorates-general of development cooperation and trade effectively broadened the pool of expertise available in-house.[45] While most agencies aim to engage the private sector across all thematic areas, the Netherlands also note that a sectoral focus can help in making effective use of limited staff resources and sectoral or geographic expertise. In the Netherlands, private sector engagement tends to occur in three main areas: food security, water and infrastructure.[46]

3.3 Changing staff recruitment strategies

In addition to enhancing staff skills and experiences, a number of organisations have recruited dedicated staff for specialist positions and adapted the selection criteria for new staff more broadly. While the specific division of tasks differs across organisations, this section looks at three types of staff positions in particular: leadership roles, technical private sector development and engagement roles, and functional supporting roles.

A particular focus on private sector expertise has been applied in recruiting for leadership roles: As noted in chapter 1, senior corporate engagement staff are often brought in from outside the organisation and have extensive experience working in strategic roles in (or with) the private sector, while also sharing an ambition to change market systems in favour of development objectives.

The specific added value of recruiting from the private sector for other technical roles will depend on specific needs of programmes and organisations. In DFID, for example, hiring from the financial sector has been instrumental in launching new financial instruments. Similarly, Oxfam's ethical investment work required financial sector expertise that existing staff did not have, while Mercy Corps' Social Venture Fund team comprises experts from business, finance, technology and product design fields to identify investment opportunities with a solid business case and potential for development impact.

Across organisations, recruiting a sub-set of staff from the private sector has also been driven by a broader motivation to promote a better understanding of business and ways to structure collaborations. For example, job adverts for DFID Private Sector Development Advisors are explicitly targeted at professionals from business and/or finance, as well as development backgrounds. DFID's PSD Advisor competency framework also now stipulates more comprehensive knowledge of commercial

[42] OECD DAC (2016).
[43] OECD DAC (2016a).
[44] OECD DAC (2016a) and (2016b).
[45] OECD DAC (2016b).
[46] Ibid.

operations and their development contributions (see Box 5 on the next page): Advisors need to be able to "exercise commercial judgment", "identify and assess business models" and "build relationships with firms", among other things.

Business knowledge is however not always the main asset that organisations are looking for in technical staff; more generally, the transition to private sector engagement requires people with critical thinking, the ability to network and communicate effectively, as well as the willingness and flexibility to experiment with new approaches and to take calculated risk.

Agencies also expressed an increased need for specialists in functional roles supporting partnership development and implementation. Examples of relevant areas include:

- Corporate due diligence;
- Legal advice on partnership agreements; and
- Results measurement and reporting in ways that are appropriate and relevant for businesses corporations;

Some organisations have brought in short-term external advice in the meantime or are actively seeking to expand internal knowledge and understanding of key issues. In results measurement, for example, Pact and others are in active conversations with business to explore their needs and interests. The DCED itself is currently planning research into the kinds of information that impact investors value and are interested in collecting, analysing and using in practice.

Organisations that have already identified and hired people with business or other specialist experience, have begun to focus increasingly on talent management and retention, too. Given that people with cross-sector experience are in high demand – and salaries in the private sector

Box 5: Selected excerpts from DFID's 2016 Technical Competency Framework – Private Sector Development, Section on 'Private Sector and Contributions to Development'	
Knowledge/Understanding of: • The characteristics and business models of firms in developing countries • International, domestic, large, small, micro, household and social enterprises; normally developed through working in or directly with the private sector • Potential strategies of firms for surviving / competing in markets and for overcoming commercial, political/governance constraints • Firm and sector level drivers of productivity • Technological developments, impact on productivity and access to goods and services for the poor • The different ways in which firms contribute to poverty reduction and development, including through core business, in partnership with the public sector and Corporate Social Responsibility • How the public and private sectors can partner to deliver development outcomes including different partnership models, considerations and risks • Corporate governance, its role in oversight and managing risk, and how it is structured including the roles of members, shareholders and boards • The roles of regulation, industry bodies, consumers and citizens voice for responsible business practice	*Enabling PSD Advisers to:* • Exercise commercial awareness and judgement; assess opportunities, risks and value for money of engaging with business • Build relationships with firms and private sectors representatives • Identify and advise on potential interventions to improve firm and sector competitiveness in local, regional and global markets • Identify productivity constraints to firms and sectors and advise on potential interventions • Identify and advise on the conditions for technology adoption • Identify and assess business models, including 'bottom of the pyramid' business models • Support DFID colleagues to engage with the private sector on wider development objectives • Identify and assess how policies and programmes can support partnerships between the public and private sectors which mobilise resources and share risks and returns • Assess the adequacy of corporate governance models and practices • Assess how different stakeholders can improve business standards and safeguards

are typically higher – some organisations are exploring how to provide more attractive support, rewards and ongoing learning opportunities for staff.

3.4 Promoting staff buy-in and cultural change

Despite new staff guidelines and training, it can be hard to change established 'ways of doing things' or even address deep-seated scepticism towards business among some staff. Several organisations interviewed have however made some progress in promoting more buy-in into private sector engagement – and the organisational changes needed to support it.

In terms of overall direction and leadership, Heads of organisations play a catalytic role in articulating an agency-wide vision and driving change in private sector engagement. Such leadership also lends authority and credibility to the work of senior staff promoting organisational change. In PATH, for example, executive-level support has been critical in backing up the change processes promoted by the Director of Corporate Engagement. In Mercy Corps' experience, a strong leadership vision about the integral role of the private sector in development created the foundation for staff buy-in and cultural change; this has been reinforced through regular internal communication and by prioritising private sector engagement in annual strategic plans. In the same way, top-level support within donor agencies (e.g. in Sida) or presidential directives (e.g. in the US), have created momentum for private sector engagement work.[47]

Senior private sector engagement staff can further facilitate changes in mind-sets by being responsive to their colleague's knowledge needs and concerns. In Pact, mentoring and advising individual members of staff in partnership development has been an important way to reduce their reservations and help them gain confidence in the process. Similarly, clearly defined due diligence processes and criteria (see chapter 1) can reassure sceptics. Organisations also noted the importance of regular field visits to enable personal exchanges with Heads of country offices and field staff.

Another common element in efforts to promote staff buy-in is a focus on disseminating positive examples of private sector engagement. According to Pact's Senior Director of Corporate Engagement, staff training is both about the 'how *and* the why' of private sector engagement, and is used to spread awareness of successful examples. USAID holds forums on private sector engagement every two years. DFAT is exploring organising one-day foundation courses for senior executive service officers, trade and diplomat colleagues to raise awareness of the importance of private sector engagement for development. Organisations also use other awareness-raising tools such as internal newsletters and in-depth case studies.

Ultimately, staff behaviour and organisational culture are however heavily influenced by the wider incentives promoted by team leaders, heads of departments, and even Ministers and Parliaments. Progress in this regard will take time, yet some NGOs and donors have already made initial changes in incentive structures:

In terms of wider operating frameworks, USAID has developed a new agency-wide policy on adaptive management. While not specifically related to private sector engagement, the operating principles outlined are highly relevant for facilitating work with business. For example, they encourage staff to design more flexible programmes that emphasise learning and adaptive management; and to promote

[47] OECD DAC (2016).

sustainability by responding to the priorities of local stakeholders, including business.

Changing the Terms of Reference for individual positions and/ or actively encouraging staff to build relationships with business can help to further clarify expectations for their work. In particular, giving staff the time and resources to invest in the preparatory stages of partnerships (as outline in chapter 1) seems critical. Flexible central funds such in DFID (see section 1.4) may in practice motivate staff to explore strategic partnerships outside existing programming frameworks. A number of NGOs such as TechnoServe are also making concerted efforts to reduce paperwork and bureaucracy to allow staff to react to partnership opportunities in a more nimble way.

Several NGO Corporate Engagement Directors actively encourage staff to experiment with riskier projects, and to share lessons from successes as well as failure. In Pact, for example, innovation has become increasingly central to how the organisation operates and senior staff actively encourages colleagues to test out new USAID, staff in most agencies are still asked to report on the number of partnerships completed, and amounts of funds leveraged.

Such metrics are not sufficient for the increasingly complex and diverse relationships and partnerships with business. Spending months or even years on preparatory discussions with a business to identify the most promising partnership opportunities, for example, is not something that is incentivised by pressure to increase the number of partnerships in the short term. What exactly new metrics should look like (if any) remains to be discussed within agencies, but they strongly influence what staff prioritise on a daily basis.

ways of working if they seem useful to address a problem. For some donors, Innovation Funds, offer an official window for supporting high-risk ventures with flexible forms of support. They also offer a space for learning, which may ultimately inform agencies' work outside such dedicated programmes as well.

A couple of agencies are also considering employee reward systems that are closely linked to their performance in private sector engagement. SDC is considering linking the successful management of business partnerships with a greater mandate to engage in internal discussions and decisions on working with business. USAID's private sector engagement training may become an important element of upward mobility in the organisation.

Finally, there is growing recognition among some donors that they need to change internal reporting metrics and targets to reflect the shift from transactional to strategic private sector engagement. As noted by interviewees from

<u>Summary table 2: Examples of efforts to promote cultural change and incentives for PSE</u>

<table>
<tr><th>Promoting buy-in of sceptics into new ways of working</th><th>Promoting general staff incentives for strategic PSE</th></tr>
<tr><td colspan="2">Heads of organisations promote PSE
• e.g. articulating an agency-wide vision in PSE; prioritising PSE in regular communications and annual plans; backing up change processes promoted by senior PSE staff</td></tr>
<tr><td>Senior staff is responsive to staff concerns and questions</td><td>Policy frameworks encourage flexible, adaptive ways of working</td></tr>
<tr><td>Developing and communicating due diligence criteria and processes to reassure sceptics</td><td>Staff ToR reflect PSE tasks</td></tr>
<tr><td rowspan="3">Communicating successful PSE examples
• E.g. through introductory workshops, case studies, newsletters, flagship conferences etc.</td><td>Systems (e.g. flexible central funds) and senior staff encourage key behaviours (e.g. taking time for relationship-building with business, risk-taking)</td></tr>
<tr><td>Successful ways of engaging the private sector and/or completing PSE training are rewarded (e.g. more influence over PSE strategy decisions, improved upward mobility in job positions)</td></tr>
<tr><td>Re-defining ‘success’ and how it is measured</td></tr>
</table>

Where to start: Conclusions on entry points for organisational change

"You can make a bit of progress quite quickly, but focused, dedicated long-term efforts are required to promote organisational change for private sector engagement" Elaine Gibbons, Path

This Briefing Note has shown that different development organisations are going through similar initial steps of internal change, to enable strategic private sector engagement. While the exact sequence and content of measures will depend on the specific organisational set-up and political context of agencies, these developments in pioneering organisations offer a number of practical entry points for leveraging change. Clearly though, making institutions "fit for purpose" will take time, and often require an "iterative process (…) of ongoing reflection on and review of institutional operations and capacities' in the area of private sector engagement".[48]

The DCED is keen to support its member agencies in reviewing and developing options for setting their own agendas to support their transition towards strategic private sector engagement. This could include technical workshops on practical lessons and ways forward, additional research, communication materials or other joint initiatives on priority issues.

An initial DCED event with donors in February 2017 revealed a top priority is capacity building for private sector engagement. The DCED will therefore make this a focus of future work. This may include, for example, exploring

- experiences of different agencies in organising secondments from and to companies;
- experiences of different agencies in organising training, awareness-raising events and on-the-job coaching; and
- how agencies could jointly develop a market for training on private sector engagement.

Several agencies are also interested in other activities under the umbrella of the DCED, possibly including:

- Developing short communication materials on the 'why' and the 'how' of private sector engagement for internal and external audiences, including examples of some of the most effective cases of private sector engagement from different agencies;
- Further research into how to achieve a coherent offer to the private sector, in the context of whole-of-government approaches, decentralisation and interest in different parts of the agency in private sector engagement; and
- Developing supporting documentation to review and communicate options for achieving 'organisational readiness' for private sector engagement, such as a short summary or guide based on this briefing note, checklists, or infographics. Box 6 below illustrates some of the guiding questions that could inform agency-specific reviews. The DCED Secretariat could also support members in other ways on request in reviewing options for organisational change.

[48] OECD DAC (2016).

Box 6: Examples of guiding questions to review 'organisational readiness' for private sector engagement

1. **Is there an appropriate leadership position on all aspects of private sector engagement in the agency, or can it be created?** Options include
   - Hiring new staff from outside the organisation with extensive experience in, or working with, the corporate sector, or, if not possible, changing responsibilities of existing staff
2. **What systems are in place to reach out to companies and respond to private sector engagement enquiries and can they be improved?** For example, is it possible
   - to allocate more time to attending networking events and initiating a dialogue with promising contacts?
   - to assign members of staff as relationship managers for strategic business partners?
   - to nominate a focal point and create a single webpage for initial contact, and for informing interested businesses (and agency staff) about options for collaboration?
3. **How do different teams, units and government departments share and divide responsibilities on private sector engagement? Are current configurations sufficient to promote private sector engagement across the donor organisation? Is a coherent offer to the private sector across government departments in place?** Specifically
   - is there a need to enhance the role and capacity of a central private sector engagement unit?
   - are there opportunities for enhancing cross-functional collaboration?
   - Can communication and coordination between donor headquarters and field offices, and donor headquarters and other government departments be optimised?
4. **Has the agency identified which of its *existing partners are most strategically important* for the achieving sustainable, large-scale development outcomes or could be in the future? How are relationships with these companies managed?** There may be opportunities
   - to review the existing portfolio of business collaborations in order to filter out the most strategic partners; and
   - to develop processes for building deeper relationships and developing more substantive, shared value collaborations over time.
5. **What programmes and processes are used to by the agency to *develop partnerships*?**
   - Specifically, are there opportunities to shift from transactional mechanisms to more collaborative processes for co-creating development solutions, directly with businesses or via/ together with NGOs?
   - Are flexible funding mechanisms in place to respond to collaboration opportunities in a nimble way or could they be created?
6. **Are formalised systems for *due diligence* already in place or do staff require more support, assessment and/or process guidelines?**
7. **Are *skill sets* in the private sector engagement team and/ or other relevant units (including legal advisory teams) appropriate for private sector engagement or do they need to be developed or brought into the organisation? What *skills development initiatives* (workshops, training, secondments, day-to-day mentorship etc) are in place and are they sufficient?** In addition to in-house capacity-building, could implementing partners be supported better (financially or technically) to lead discussions with business on behalf of the donor?
8. **What *processes to develop and refine organisational change priorities* are in place or could be created going forward?** Options include
   - An internal task-force to develop new ideas on how the organisation can engage the private sector more strategically and effectively.
   - Drawing on cross-functional task teams to hold regular brainstorming sessions or organise workshops with other development organisations to discuss options for adapting to new private sector engagement tasks.
   - Working with staff and implementing partners at all levels to learn from existing collaborations and solicit feedback from businesses on how the organisation can respond more effectively to their needs;
   - Independent advisors can be an important source of innovation and for identifying further pathways for organisational change.
9. **Is the *Development Minister* interested in championing organisational change for private sector engagement?**
   - Ministers can play a critical role in 'walking the talk' of strategic private sector engagement, by launching new, consultative strategy development processes if needed, actively encouraging relevant organisational changes, and distancing themselves from traditional output-based indicators of success.

Annex 1: List of interviewees

Peter Beez, Focal Point Employment & Income, SDC

Tim Bishop, Regional Private Sector Specialist, CARE International

Kerry Conway, Private Sector Development Advisor - Business Engagement Hub, DFID

Jim Downey, Private Sector Development Section/ Economic Engagement Branch, Australian DFAT

Blakey Emmett, Senior Director - Global Corporate Engagement, Pact

Pam Fessenden and Katie Garcia, Feed the Future, USAID

Elaine Gibbons, Executive Director of Global Corporate Engagement, PATH

Hannah Greig, Private Sector Advisor, WaterAid

Arjen Joosse, Senior Advisor - Strategy, Innovation & Partnerships, World Vision International

Peter Ludemann, Service Point for the Cooperation with the Private Sector, BMZ

Cate O'Kane, Director of Corporate Partnerships, Population Services International (PSI)

Erinch Sahan, Head of Private Sector Team (acting), Oxfam

Allyson Stollenwerck, TechnoServe

Ted Volchok, Deputy Director, Markets, Economic Recovery and Growth, Mercy Corps