



Australian Government

Department of Foreign Affairs and Trade

Australia's Aid Program

**Engaging with the Private Sector:
A Shared Value Approach**



New Aid Policy and the Global Context

- Addis Ababa Commitments
- Financing for Development
- 2030 Agenda
- Sustainable Development Goals

Invest ahead For people and planet

The financial resources exist. But we must direct them towards sustainable solutions. Business as usual won't work.

\$90 trillion

Money the world will invest in rural and urban infrastructure over the next 15 years

\$400 billion

Amount needed by developing countries per year to shift to low carbon emissions and become climate resilient.

It's time for governments to make smart investments.

#FFD3 • #Action2015
un.org/FFD3 • un.org/action2015





Value proposition (DFAT and Business)

WE OFFER BUSINESSES

- The ability to convene, broker and influence
- Deep knowledge of the business, political and regulatory environment in developing countries
- Support in creating a more attractive business operating environment
- Catalytic funding

INVESTMENT PRIORITIES

The aid program invests across these priority areas:



Agriculture, fisheries and water



Building resilience: humanitarian assistance, disaster risk reduction and social protection



Education and health



Effective governance: policies, institutions and functioning economies



Gender equality and empowering women and girls



Infrastructure, trade facilitation and international competitiveness

BUSINESS OFFERS

- Knowledge
- Ideas
- Capabilities
- Resources



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Two core principles underpin how Australia's aid program works with business

1. Shared Value

business can deliver sustainable social impact in developing countries while achieving robust commercial returns. We will focus on support to commercially sustainable solutions to development challenges where possible.

2. Problem first, partner second

partnerships will be focused on Australia's aid priorities and be partner agnostic. We will pursue best value for money solutions without preconceptions or bias.





Business Partnerships Platform

Mechanism that enables businesses to partner with DFAT on investments that deliver social and financial return (shared value). Has the following objectives:

- **Development:** Advance DFAT's development objectives through partnerships with business
- **Partnering:** Increase the number of businesses partnering with the aid program
- **Advance business interests:** Partners' commercial interests and social impact advanced

Round One:

- 9 partnerships have commenced in Vietnam, Myanmar, Nepal, Pakistan, Indonesia, PNG, Kenya.
- every \$1 invested from DFAT is leveraging approx. \$2.70 from the private sector.



**BUSINESS
PARTNERSHIPS
PLATFORM**

Better • Together



Partnership from Round 1

Business Partnerships Platform

BPP Round 2 shortlist selected

[What is the Business Partnerships Platform?](#)

Round 1 partnerships



[How to apply](#)

Linking ethical fashion enterprises in Myanmar to global markets

This partnership targets women's economic empowerment and access to services by working with women in rural Myanmar. The partnership works with women producing textiles and accessories to: strengthen their products and link them to markets; and build their knowledge of rights, access to services and improved opportunities within value chains.

The partnership builds on work supported by ActionAid Myanmar through the [Livelihoods and Food Security Trust](#) (LIFT) program since 2013. It supports women from ethnic minorities whose capacity to produce traditional textiles is limited by isolation and lack of capital for inputs, storage and transportation, as well as limited capacity to negotiate and achieve fair prices.

act:onaid





Partnership from Round 1

Business Partnerships Platform

BPP Round 2 shortlist selected

What is the Business Partnerships Platform?

Round 1 partnerships



How to apply

Connecting communities to clean energy and the digital economy in PNG

This partnership aims to provide access to affordable and reliable solar energy solutions to off-grid households and small businesses in PNG. The initiative will release a range of reliable solar products into the market, from entry-level phone charging/lanterns to large home and business kits capable of powering TVs and other appliances. These products will be brought to market by leveraging Digicel's extensive distribution and organisational capabilities across PNG. This will provide a range of sustainable, cost effective and environmentally friendly alternatives to current costly and inferior energy sources, and enable better access to, and connection with, the digital economy.

Digicel

 [Download fact sheet \[PDF\]](#)



A happy customer!





Lessons Learnt:

1. It's not about the money
2. Timeframes
3. Language
4. Importance of grant funding
5. Be open to working with new partners
6. How to define value
7. Be the best version of ourselves
8. Create the space for collaboration
9. Challenges in embedding shared value in DFAT





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Thank you.

Any questions?

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I'm late to realizing that it's you guys, it's the private sector, it's commerce that's going to take the majority of people out of extreme poverty and, as an activist, I almost found that hard to say,"

Bono, Musician and Activist, at 2015 UN Private Sector Forum