

# **Can (and should) the DCED Standard be applied to Business Environment Reform programming**

Lessons and challenges from the ENABLE  
programme in Nigeria

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# Presentation Outline

- Overview of the ENABLE programme
- Application of the DCED Standard to BER:  
lessons and challenges
  - Articulating results chains
  - Defining indicators, measuring change, and estimating attributable changes
- Conclusion



# ENABLE Overview

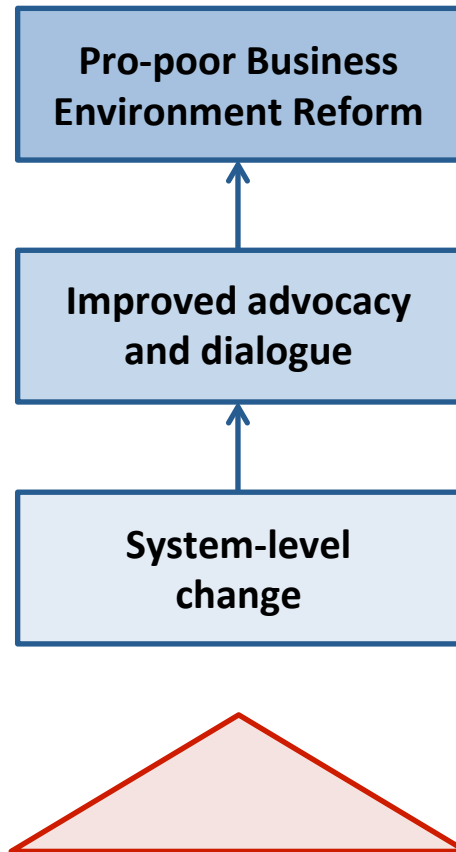
- 5 year, £12mn DFID-funded business advocacy programme implemented by Adam Smith International and The Springfield Centre
- One of the first donor programmes to apply M4P and systems thinking to BER
  - Aim to catalyse wide-spread, lasting change in the quantity and quality of advocacy and dialogue on BE issues, leading to pro-poor BER
- M&E system based on DCED Standard (but no audit)

# ENABLE Overview

1. Support **Business Membership Organisations (BMOs)** to engage in more effective advocacy on behalf of the private sector
2. Build the ability and willingness of **Ministries, Departments and Agencies (MDAs)** to dialogue with the private sector
3. Strengthen **media** as a driver and supporter of reform, a channel for information, and a platform for debate and discussion
4. Improve access to, and supply of, **research and information** and other services that serve to stimulate and inform dialogue



# ENABLE Strategic Framework



ENABLE Interventions

- Better business environment for poor men and women
- Increase in incomes for poor men and women
- Sustained increase in quality and quantity of advocacy/dialogue
- Improved voice & accountability for poor men and women on BE issues
- Sustainable improvement in capacity of actors to dialogue/advocate
- Increase in resources devoted to advocacy/dialogue by system actors
- More inclusive practices (poor, gender)
- Copying and crowding-in by system actors
- Changing rules and norms around advocacy/dialogue

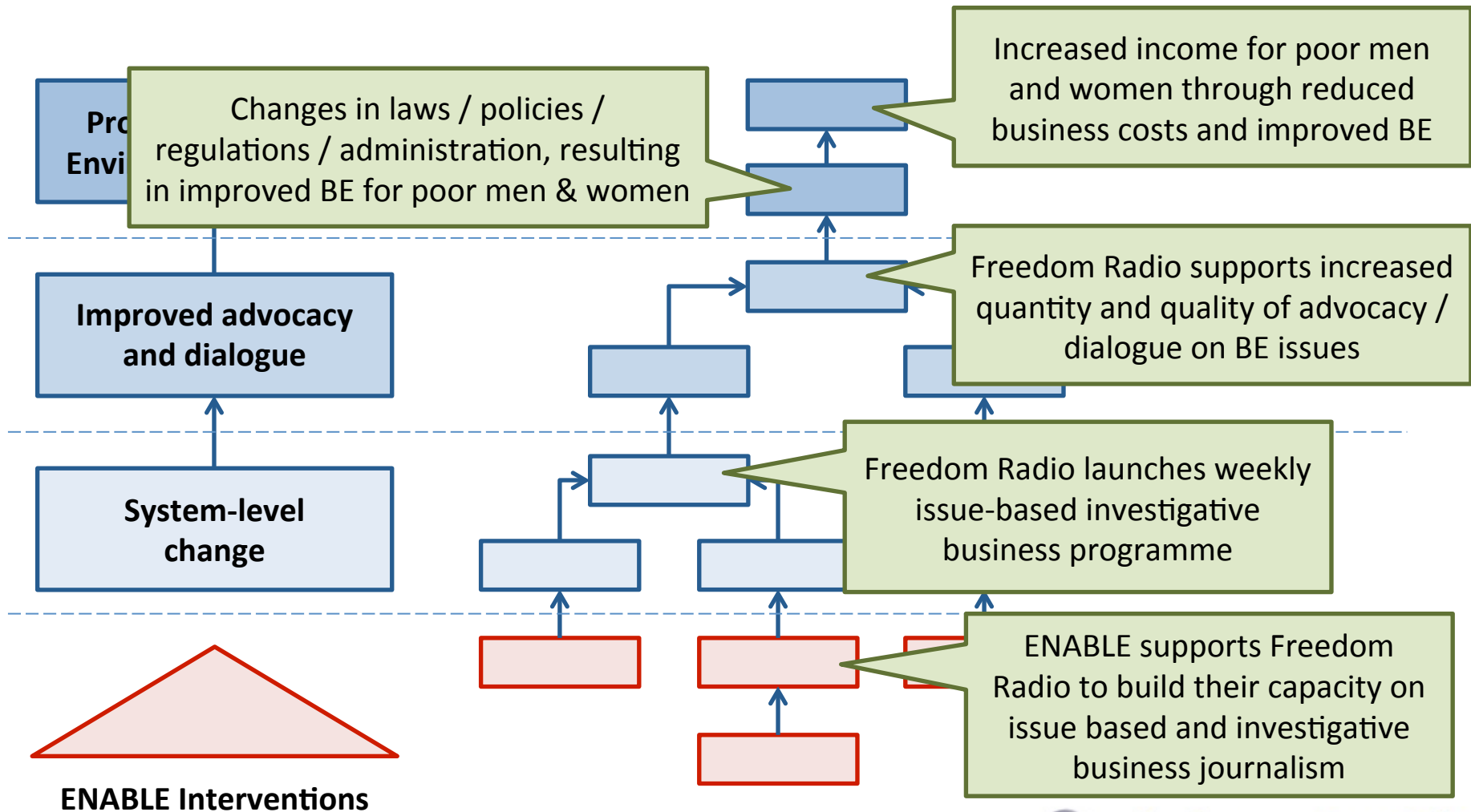


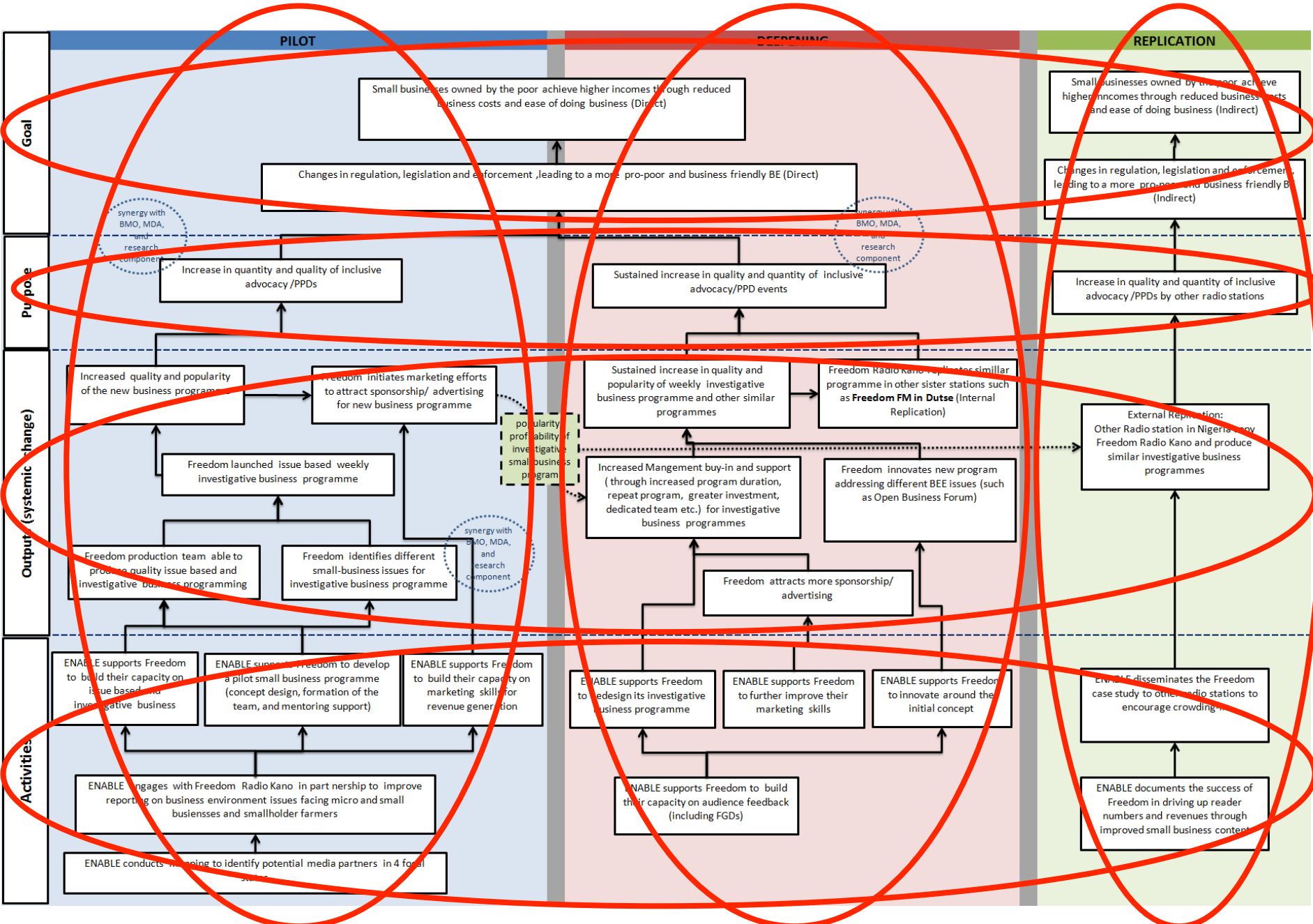
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# Results Chains

- DCED control points:
  1. An appropriate, sufficiently detailed and logical results chain is articulated explicitly for each intervention (Must)
  2. The results chain include the results of broader systemic change at key levels (Rec)

# Results Chains







# Results Chains: Challenges

- Articulating sufficiently detailed Results Chains at the impact level
  - Successive annual reviews recommended greater clarity in articulating the link between reforms, the impact on business, and the impact on the poor
  - But, impossible to do ex-ante, and can become complex ex-post, for partners that can end up addressing a myriad of different BE issues (e.g. Chambers of Commerce, media houses)
  - Solution(?): develop separate ex-post issue-specific results chains at the impact level

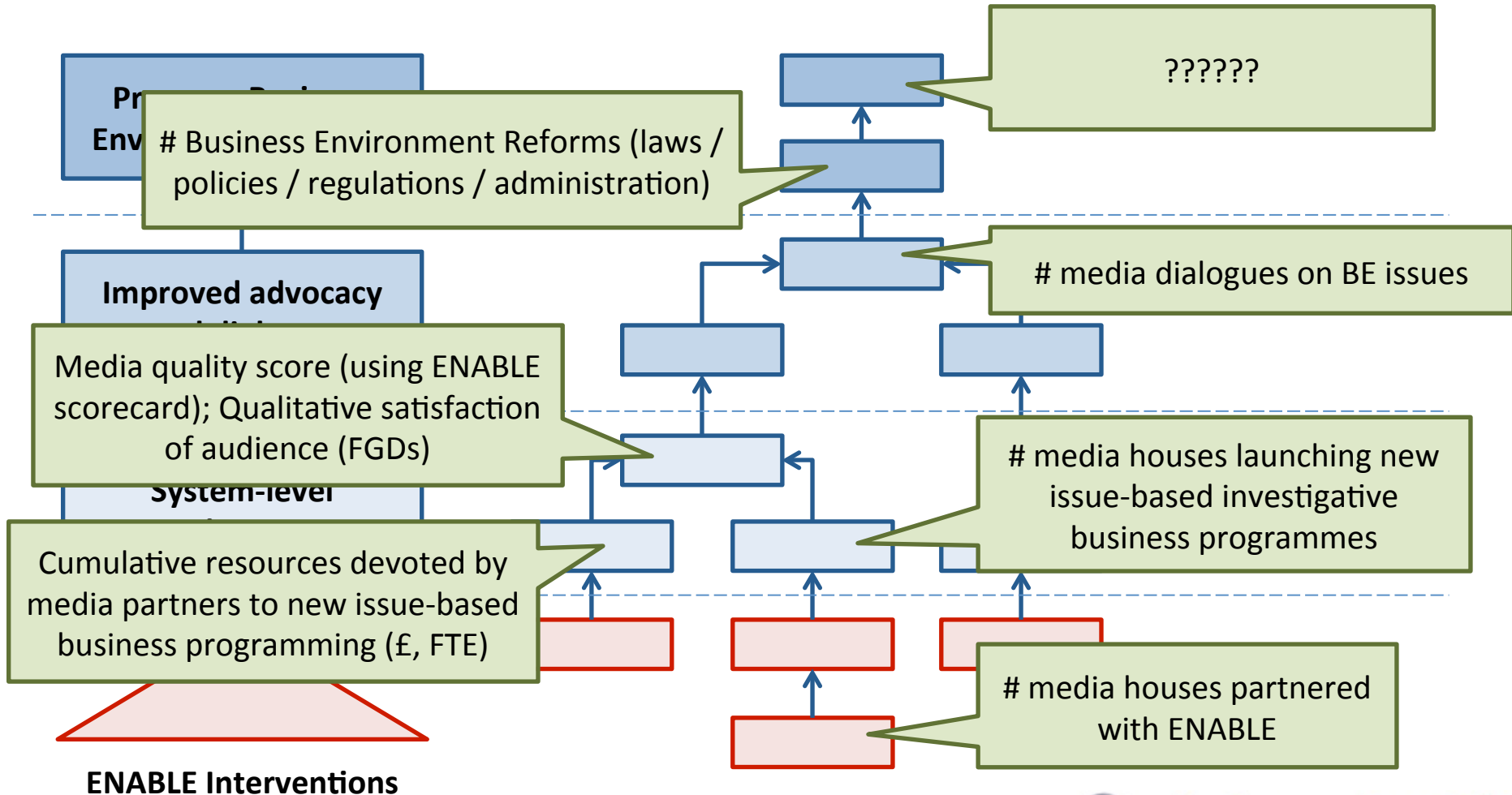


# Indicators, Measurement, Attribution

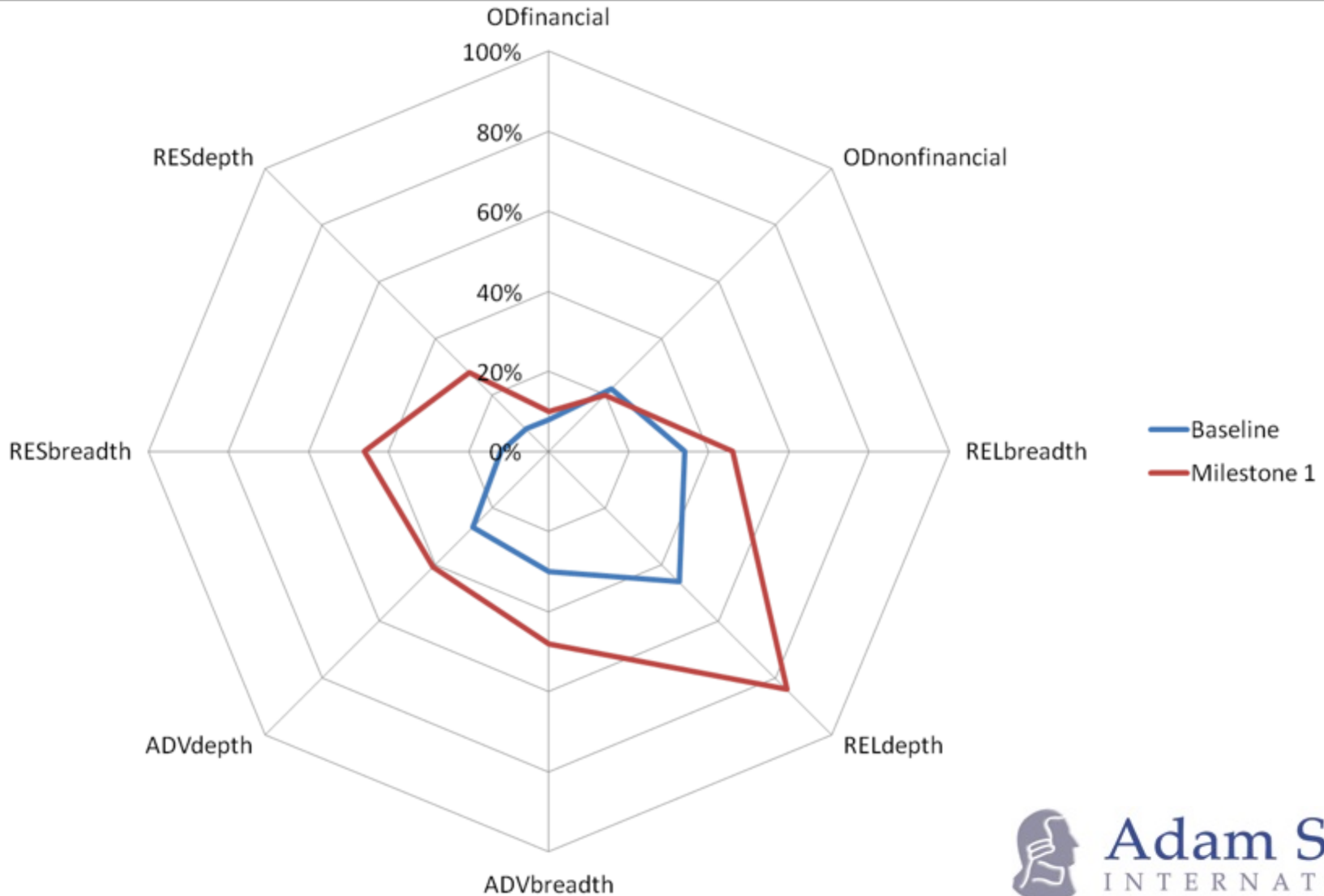
- DCED control points:
  1. There is at least one relevant indicator associated with each change described in the results chain
  2. The universal impact indicators are included in each relevant results chain (scale, net income, net jobs)
  3. There are specific indicators that enable the assessment of sustainability of results
  4. Attributable changes in all key indicators in the results chains are estimated using methods that conform to established good practice



# Indicators of Change



# Indicators of Change



# Impact Level Indicators

- Started with two impact indicators:
  - Number of Business Environment Reforms
  - Nigeria Doing Business Ranking
  - But, DB Ranking not a good programme indicator
- Added two more, based on DCED Standard Indicators; calculated for each major reform to which ENABLE partners have contributed:
  - Cumulative number of micro-enterprises benefiting from an improved business environment (scale / outreach)
  - Cumulative net income change of micro-enterprises resulting from business environment reforms

# Measurement Challenges

- Measuring sustainability of organisational change
  - Easier in media: monitor quantity and quality of output (daily/weekly) post ENABLE support; commercial returns
  - Harder in MDAs: consult infrequently, high staff turnover
  - Solution: look for signs of institutionalisation (e.g. budgeting, guidelines, written commitments)
  - Hard to assess sustainability in “copycats” using formal diagnostic tools



# Measurement Challenges

- Informality of Business Environment in Nigeria
  - Gap between reforms-on-paper and reform-in-practice
  - Solution: expand definition of BE Reform; track implementation and monitor changes on the ground
- Measuring standard indicators and capturing full impact of reforms
  - Ex-post Economic Impact Assessments, but can be expensive and complex, hard to quantify impact on jobs or investment
  - Establishing the degree of attribution (multiple voices in the room; policy-makers unwilling to credit outside influences)
  - Solution: contribution scale



# Measurement Challenges

## Proposed Cashless Policy Charges

10% withdrawal/deposits over N150k  
(individual accounts)  
20% withdrawal/deposits over N1mn  
(corporate accounts)



**Advocacy by ENABLE-partners  
(E-PPAN, LCCI, IoD, Daily Trust,  
Wazobia Lagos)**

## Actual Cashless Policy Charges

3% withdrawal, 2% deposits over N500k  
(individual accounts)  
5% withdrawal, 3% deposits over N3mn  
(corporate accounts)

## Impact on micro-enterprises of a move from proposed (counterfactual) to actual charges?

Depends on:

Cash transaction patterns of enterprises;  
Response of enterprises to change in charges (substitution, avoidance);  
Cost of substitution/avoidance behaviour

Conducted contingent valuation survey to estimate cost of proposed vs actual charges

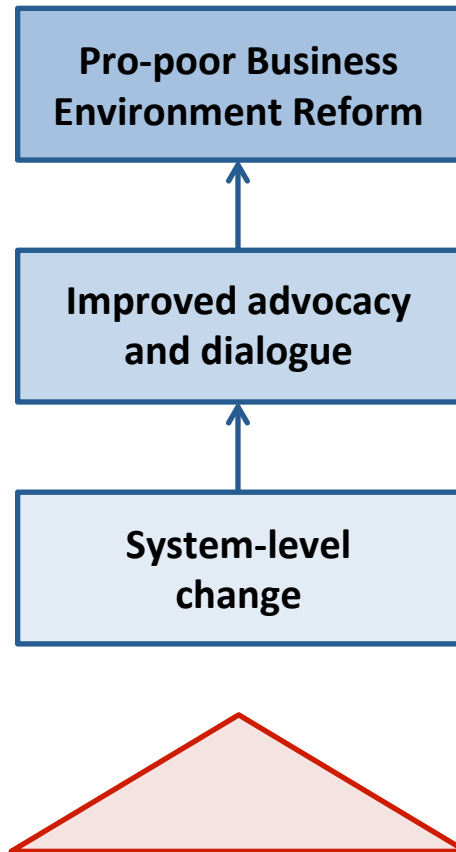
Also, interviews with key informants to establish degree of contribution



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# ENABLE Results



ENABLE Interventions

- Contributed to 13 cases of Business Environment Reform
- Contributed to improved BE for 2.04 million micro-enterprises (30% female owned), leading to an increase in net incomes of £131mn
- 82 cases of additional or improved public-private dialogue
- 12 PPD Platform launched (plus 2 copycats)
- 19 BMOs introduced new/improved advocacy practices
- 11 MHs launched new/improved BE media products (plus 3 copycats)
- 7 MDAs introduced new/improved consultation practices
- 7 RIs launched new/improved BE research products

# Conclusion

- Can the DCED Standard be applied to Business Environment Reform?
  - Yes, but challenges (and cost) in measuring standard indicators (outreach, income, jobs), determining attribution at impact-level
- Should the DCED Standard be applied to Business Environment Reform?
  - Yes (if applied pragmatically) – provides clear and structured approach to results measurement



# Questions

