



New Communication on the Role of the Private Sector in Development

Donor Committee for Enterprise Development (DCED)
Annual Meeting
9 July 2014

Unit C4 -Private Sector Development, Trade and Regional Integration
European Commission DG DEVCO - EuropeAid

New Communication on Private Sector in Development

Table of contents

- 1** POLICY CONTEXT AND PURPOSE
- 2** STAKEHOLDER CONSULTATIONS
- 3** STRUCTURE AND CONTENTS:
Principles, Actions, Tools
- 4** THE WAY FORWARD

Global policy context of the new Communication: *"A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries"*

■ Agenda for Change:

- ⇒ Calls for making the private sector a main partner in development
- ⇒ Aims for greater use of blending to mobilise private capital
- ⇒ Strengthening private-public collaboration in other sectors (e.g. energy, agriculture, infrastructure)

■ Busan HLF on Aid Effectiveness:

- ⇒ Recognizes central role of the private sector in development and encourages closer private-public engagement for development.

■ Post-2015 global agenda and Rio+20 (SDGs):

- ⇒ Private sector as main partner in developing and implementing post-2015 agenda.
- ⇒ Role of private sector in transition to a green economy.

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Table of contents

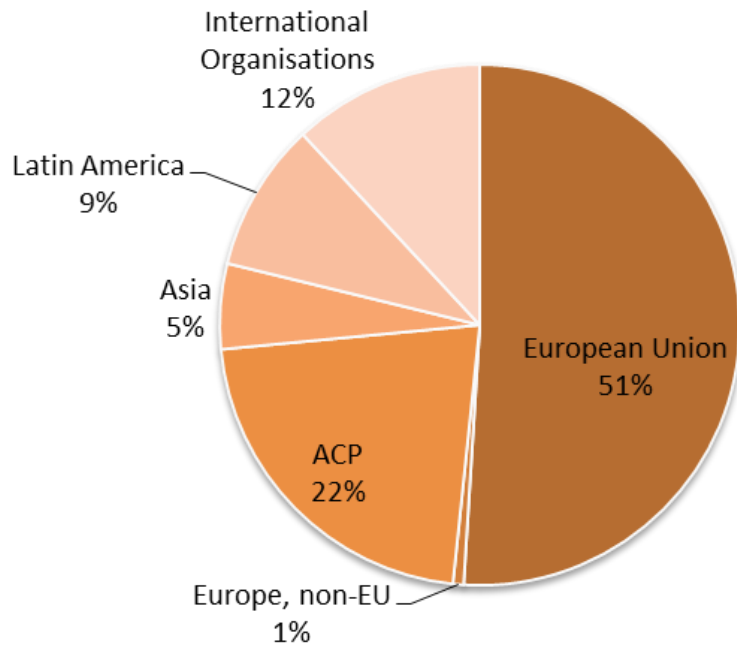
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Stakeholder consultations (Oct. 2013 – March 2014)

- **EU Member States:**
EU Expert Group meetings; national events; CODEV meetings
- **European Private Sector:**
General and sectoral dialogue; meetings with associations, companies
- **Civil Society / NGOs:**
EESC Exploratory Opinion; Policy Forum with CSOs and LAs;
consultation meeting with CSOs and private sector; EDD side event
- **Partner countries:**
Regional consultation events in Uganda, Cameroon, South Africa;
28 national consultations at EU Delegations in Africa, Asia, Latin America.
- **Approx. 200 written contributions**
from Member States, International Organisations, private sector, NGOs,
individual experts, partner countries and EU Delegations.

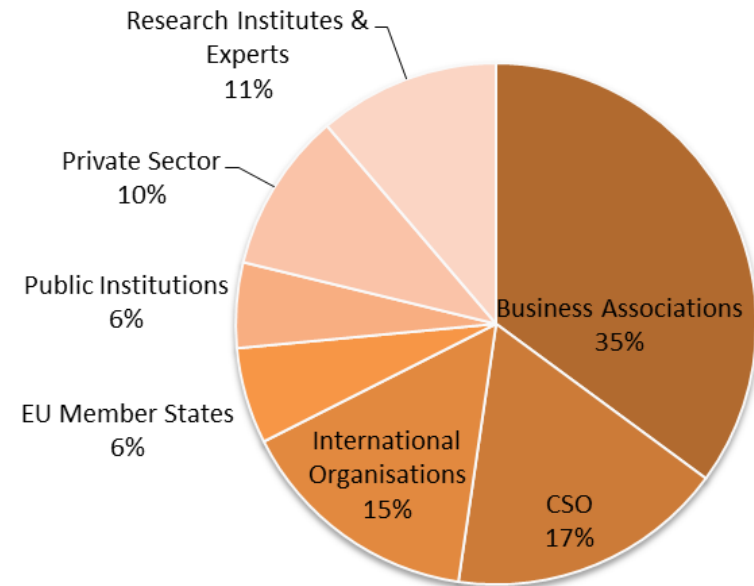
① Consultations report available at http://ec.europa.eu/europeaid/what/economic-support/private-sector/documents/psd-consultation-report-may-2014_en.pdf

Stakeholder consultations – written contributions



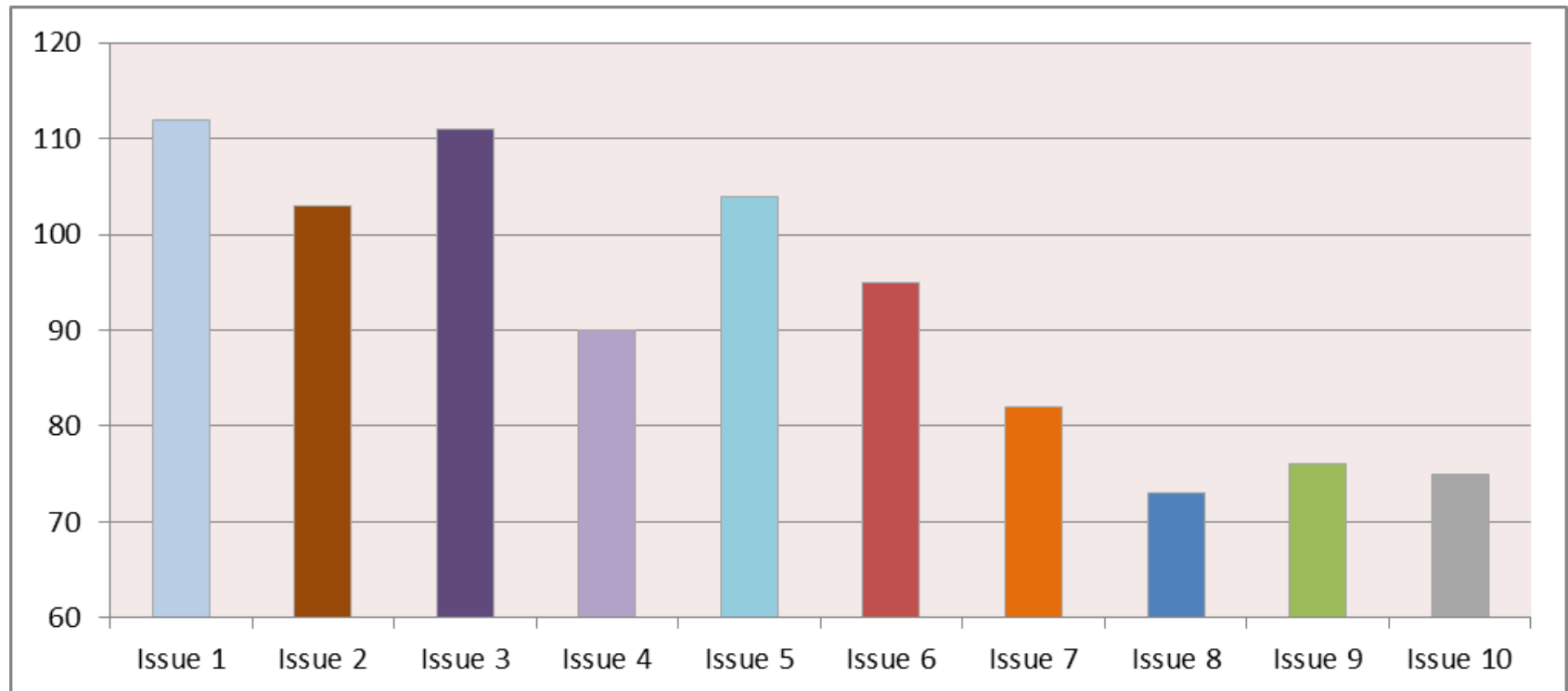
By geographical area

Repartition by stakeholder group



Stakeholder consultations – written contributions

Most popular Issues by number of answers

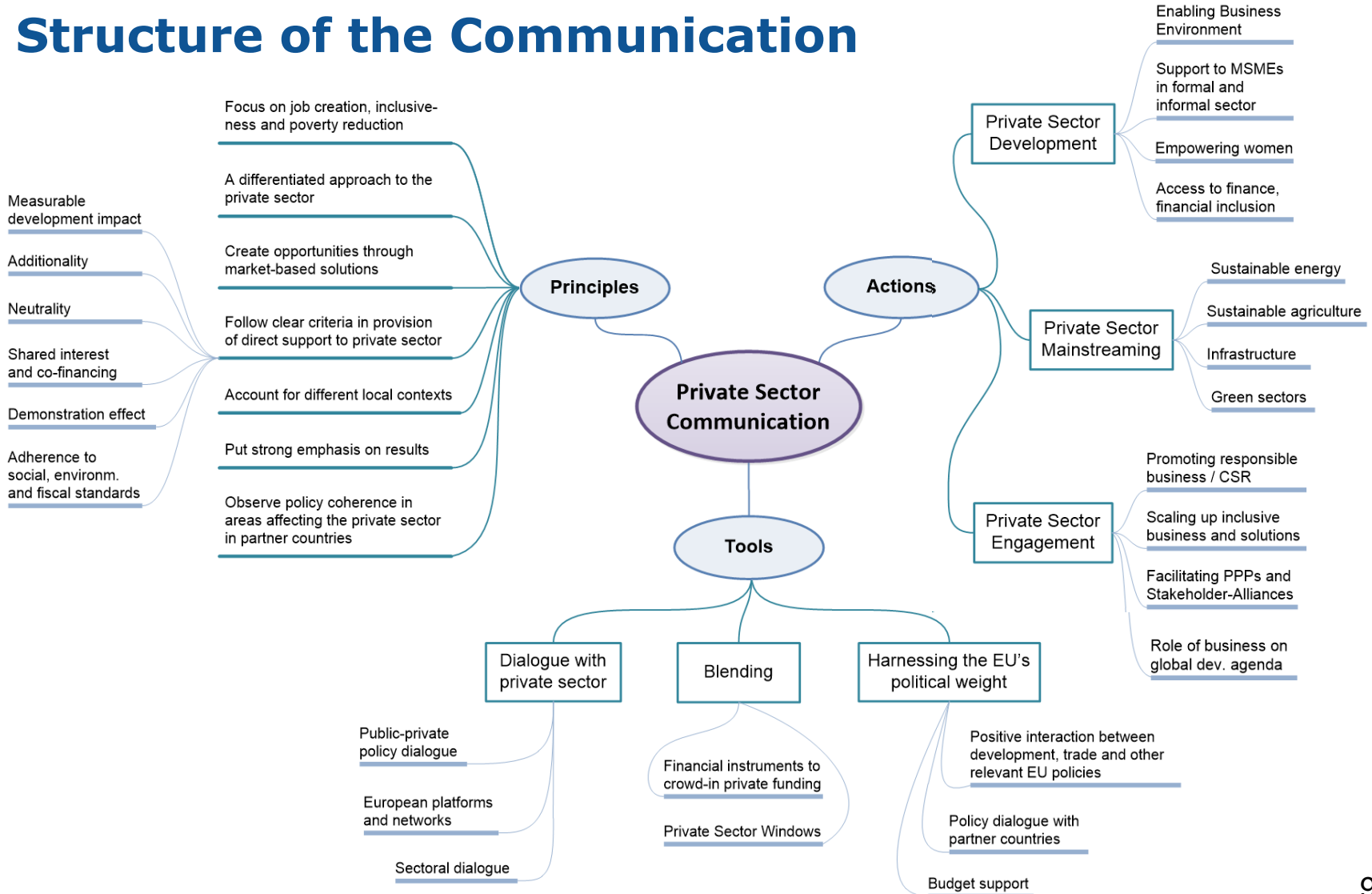


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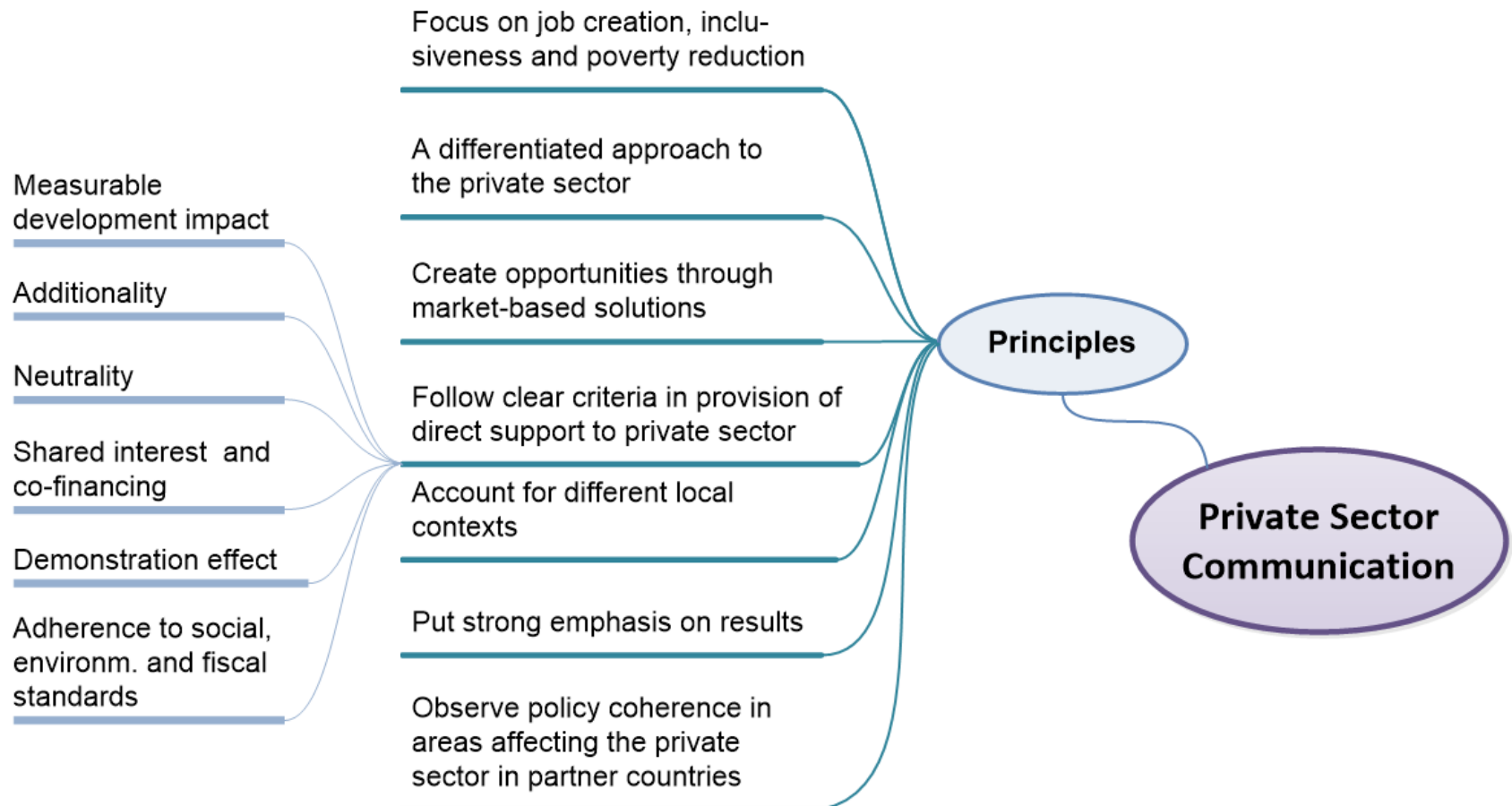
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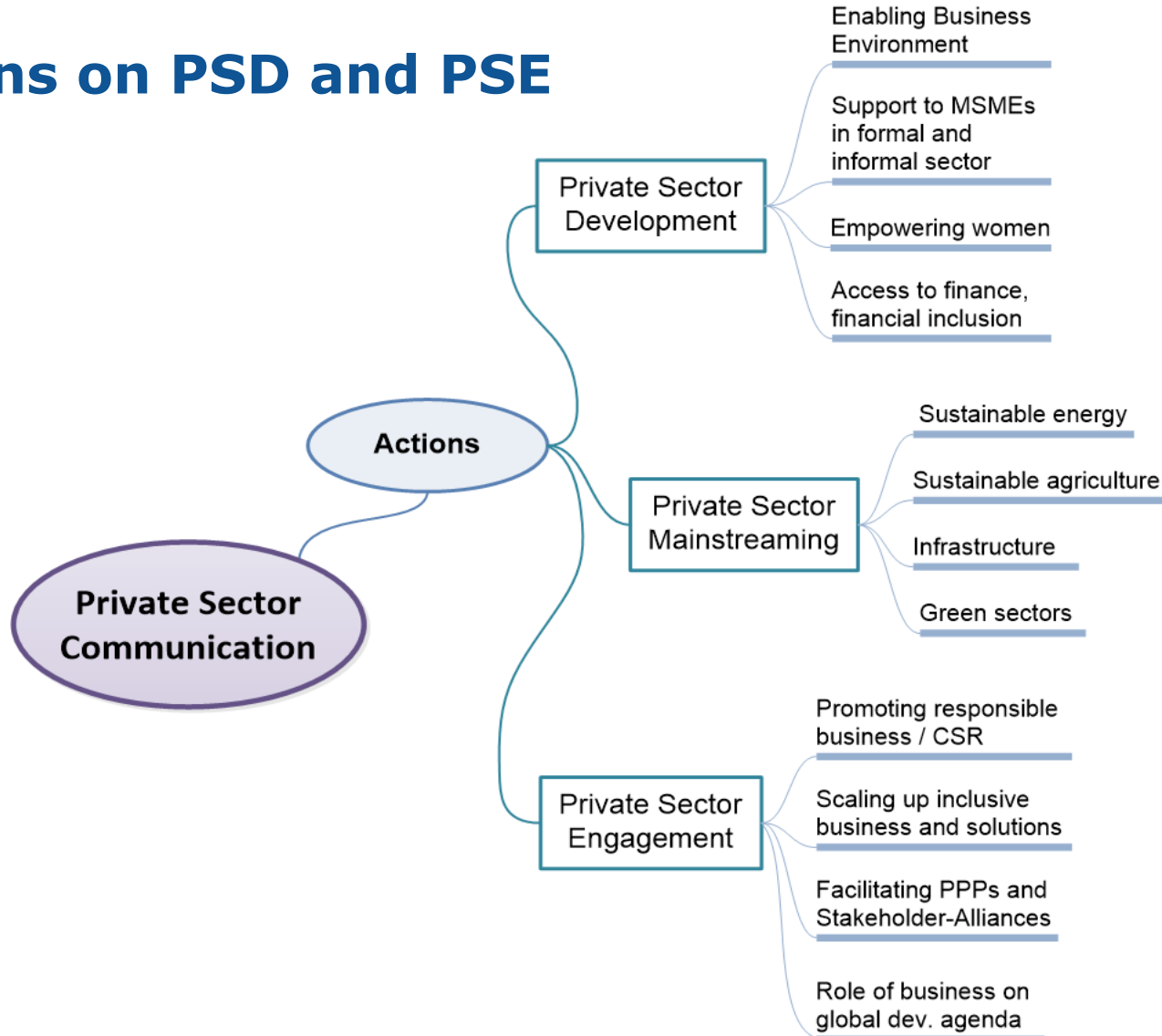
Structure of the Communication



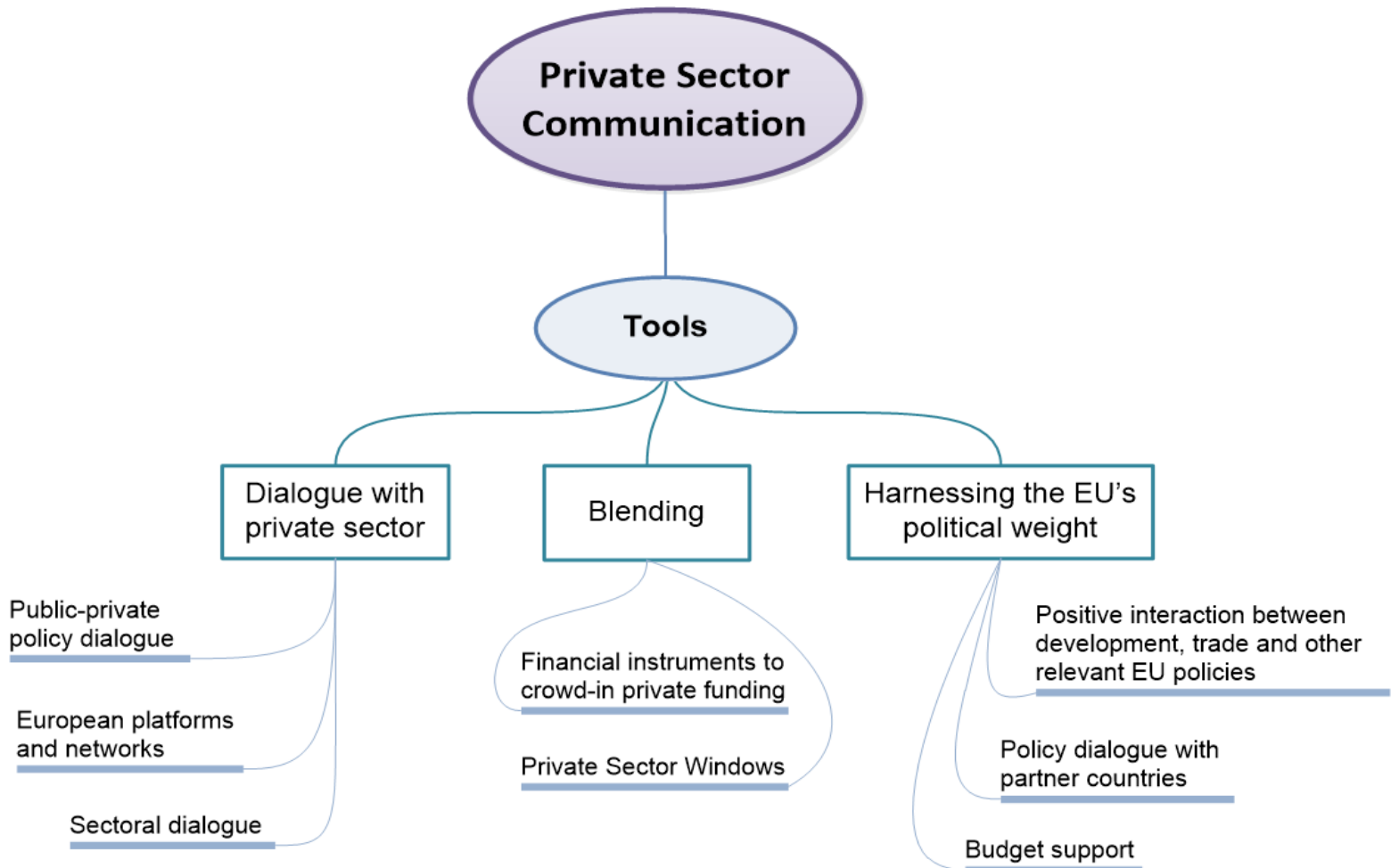
Proposed principles for strengthening the role of the private sector in EU development cooperation



Actions on PSD and PSE



Tools for implementation





European
Commission

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Table of contents

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The way forward

■ **Council Conclusions**

⇒ Discussion of Communication by Member States in European Council.

■ **EU framework of principles**

⇒ Work with Member States on common framework of principles for private sector development support and partnerships.

■ **Implementation of actions**

⇒ Private sector development support objectives and priorities integrated EU programmes of period 2014-2020.

⇒ Actions and private sector dialogue in field of sustainable energy, agriculture, infrastructure and green sectors implemented jointly with respective thematic units.

⇒ Further work with Financing Institutions and Member States on development of EU blending facilities.



Thank you!

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Communication on Role of the Private Sector in Development

■ **Purpose of Communication:**

- ⇒ Outline the future direction of EU policy and support to private sector development (incl. new tools like blending, private-public dialogue):
- ⇒ introduce private sector engagement as a new dimension into EU development cooperation (incl. principles for engaging with PS).

■ **Private sector development actions on:**

- ⇒ Business environment reforms;
- ⇒ support to MSMEs in formal and informal sector (incl. VET, women);
- ⇒ Access to finance / financial inclusion (incl. through use of blending)

■ **Private sector engagement dimension:**

- ⇒ Private sector as implementing and financing partner in EU DC;
- ⇒ Mainstreaming of PSD objectives and partnerships with private sector in other sectors (such as energy, agriculture, infrastructure);
- ⇒ Actions to encourage the private sector to increase development impact as part of their core business strategies.