



The Donor Committee for Enterprise Development

BUSINESS ENVIRONMENT WORKING GROUP MEETING

Teleconference: 23 October 2012

(Minutes approved by email on 31 October 2012)

Participants

Farid Hegazy, ILO Geneva (Chairperson)	Marc Banzet, CIDA Ottawa
Lasse Møller, Danida Copenhagen	Birgit Seibel, GIZ Eschborn
Andrei Mikhnev, World Bank Group, Washington DC	Dag Larsson, NORAD
Juergen Reinhardt, UNIDO Vienna	Jim Tanburn, DCED Secretariat, Cambridge
Miguel Laric, DFID London	Susan Joekes, DCED Secretariat, Cambridge
John Primrose, DFID London	Simon White, Consultant

Apologies

Mirjam Hansen and Kim Tran, Netherlands

1. Meeting opened

Farid Hegazy opened the meeting and invited participants to introduce themselves. The new members, Birgit Seibel (GIZ) and John Primrose (DFID) were especially welcomed. The agenda for the meeting was then confirmed.

2. Work Plan for 2012-13

The group reviewed the Work Plan and Budget 2012-2013 for the DCED as a whole, as approved at the DCED's Annual Meeting in July. This document, and the one-page Budget Overview circulated to members 4th October, had both been based on the assumption that the BEWG would first draw down the remaining balance in the Child Trust Fund for its work, before using funds from the General Trust Fund. Dag Larsson indicated that Norad has approved in principle an additional amount of USD 20,000 for DCED that can be paid and earmarked for BEWG if required. Jim Tanburn stressed that the DCED ExCo was also happy to consider specific requests for additional funds from the General Trust Fund (above those already in the approved Work Plan and Budget), if required by any working group. The final agreements on the work item and budget were made at the end of the meeting and are summarised later in these Minutes (see item 8, below).

[Note: Following the meeting, Jim Tanburn and Dag Larsson clarified that unless the need for additional funds could be specified now, the Norad funds would be allocated based on an overall assessment of the broader DCED budget. If required later in the financial year, the BEWG could still approach the DCED ExCo for additional funds.]

3. Measuring BER Results

Lasse Møller reported that he had been unsuccessful in raising the additional funds required for this item within Danida. However, he reiterated the importance of this work item and the meeting confirmed this. As a result, it was agreed that the activities outlined in the last meeting minutes should be undertaken. A sum of \$16,000 would be found and allocated for this work. Members

agreed that the work should extend into 2013 and additional funds should be mobilised for this purpose.

Miguel Laric reported on the work being done by the World Bank Group, indicating that a series of literature reviews had been prepared. The focus of the World Bank's work, which DFID has partly funded, is to produce practical tools. Terms of reference have been prepared for a steering committee and a DCED representative is invited to participate in this committee.

The World Bank is hosting an Impact Evaluation Workshop in Paris, 12-16 November and members of the BEWG are invited to attend. ILO, GIZ/BMZ, CIDA and Danida expressed an interest in attending and will check possibilities and get back to Miguel and Simon as soon as possible. It was agreed that Miguel Laric would coordinate the involvement of members at this meeting and facilitate a joint World Bank-BEWG meeting at which the issue of shared work planning and involvement in the steering committee would be discussed.

4. BER and structural competitiveness

Juergen Reinhardt provided an update on this work item, indicating that a second draft had been circulated for comments. The discussion that followed considered the possibly contentious nature of some of the recommendations that might stem from the report. The original plan for this work was confirmed: a technical document would be produced (the draft in progress), as well as a guidance brief, which the DCED would produce providing agreed advice to donor agencies and identifying contentious issues. It was agreed that a half-day would be set aside around the next BEWG meeting to discuss the substance of the donor brief.

It was agreed that members send Juergen Reinhardt their comments on the second draft report before 10 November 2012. Following this, a final draft of the technical report was expected mid-December 2012. The Task Team will give consideration to what would next be done toward producing the donor brief, which would be discussed around the next BEWG meeting.

5. Guidance on using BE diagnostic tools

Miguel Laric and John Primrose reported on the progress made with this item. DFID has assigned funds and a terms of reference has been produced and shared among BEWG members for comment. While the TOR refers to fragile states, Miguel and John indicated that this was not a limiting factor since the criteria for fragile country was very broad (e.g., includes Kenya). It was agreed that the outcomes of the work should be of value to those working beyond fragile states. The focus is on the diagnostic tools that private investors would find useful when making investment decisions rather than public donor agencies. However, the review of tools should also be relevant for public donor agencies. Birgit Seibel (GIZ) will join Miguel and John on the Task Team that will oversee this work.

The \$5,000 originally allocated by DCED (BEWG Budget) will not be required. Thus, this will be reallocated. See point 7, below.

A consultant is currently being assigned to this work and it is expected that a report will be ready for consideration at the next BEWG meeting.

6. Quality Infrastructure

Andrei Mikhnev reported on this work, indicating that SECO and UNIDO had jointly agreed to contribute a combined sum of \$50,000 for this work. Terms of reference had been finalised and two consultants were in the process of being contracted. While the timeframes have slipped a little, Andrei indicated he hoped that a report would be ready for the BEWG to consider at its next meeting. Special thanks was paid to Andrei for the participatory manner in which he has led the task team in the process of agreeing on terms of reference and appointing the consultants.

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The \$5,000 originally allocated by DCED (BEWG Budget) will not be required. Thus, this will be reallocated. See point 7, below.

7. Other business

Work Item on Green Growth was cited in the work plan as a possible activity. However, further discussions on this have not occurred as yet. Lasse Møller explained he has been unable to meet with the Green Growth Working Group yet, but will participate in the next meeting at end of October and report back at the next meeting. The BEWG has allocated \$5,000 to this item and decided to keep this provision.

8. Agreements on work plan and budget

It was agreed that the DCED funds originally allocated to the Quality Infrastructure and BE Diagnostic Tools work items that were no longer required would be allocated to the Measuring BER Results. See revised budget attached (Annex 2). Andrei checked the balance of the BEWG Child Fund and reported a current balance of \$34,000. For the time being there is no need to ask for any additional funds, requiring ExCom approval.

9. Next Meeting

It was agreed that the next meeting would be in Geneva in the beginning of February. This would be a one-day meeting, with an additional half-day to discuss the guidance brief on BER and Structural Competitiveness. It was agreed that the meeting would be a substantive one to ensure it would be worth the time and expense incurred for those required to travel some distance. Farid Hegazy and Simon White would prepare a draft agenda. It was further agreed that members would check their availability and other travel commitments and propose suitable dates by 6 November 2012.

Annex 1: Summary of Action Points Agreed

What	Who	When
1. Comments on second draft BER and Structural Competitiveness report to be sent to Juergen Reinhardt	All members	10 November 2012
2. Preferred dates for next BEWG Meeting in Geneva to be emailed to Farid and Simon	All members	6 November 2012

Annex 2: Revised BEWG Budget: 1 July 2012 to 30 June 2013

Based on decisions made at BEWG Meeting on 23 October 2012

Item	Members' Contribution	Trust Fund	Total US\$
Measuring BER Results Initiative	0	16,000	16,000
Donor Guidance on Industrial Policy & BER (BMZ/UNIDO) Printing	12,000	0	12,000
Scan of BE Diagnostic Tools (DFID)	TBD	0	TBD
BER and Green Growth	0	5,000	5,000
Quality Infrastructure (SECO/UNIDO)	50,000	0	50,000
BEWG Coordination and Support	0	20,000	20,000
Total		41,000	