

Private Sector Engagement Working Group (PSE WG)

Online meeting 25 February 2025

Minutes

Participants

1. Tobias Zeller, GIZ (Co-Chair)
2. Gottfried Traxler, ADA
3. Mika Vehnmäki, Finland MoFA
4. Laura Catana, LuxDev
5. Sabine Sleijffers, Netherlands MoFA
6. Steven Geiger, SDC
7. Valérie Donzel, SECO
8. Irene Frei, SECO
9. Aizad Noor, Sida

Melina Heinrich-Fernandes, Ella Duffy
(DCED Secretariat)

Presenters:

Susanne Friedrich, AWE (German Agency
for Business and Economic Development)
Alexander Huppertz, GET.invest
Justin van Rhyn, Independent Consultant
Alex Kucharski, BII

Agenda Items

1. **Informal exchange on implications of recent shifts in the aid sector and agency responses**
2. **Thematic exchange on one-stop shops and agency experiences in streamlining their offer to businesses**
3. **Exchange of ideas for the next PSE WG work plan**
4. **Presentation and discussion of key findings of the report '[Building Bridges: Case studies on successful collaboration between donors and DFIs](#)'**

1. Informal exchange on implications of recent shifts in the aid sector and agency responses

Members reflected on the dismantling of USAID and the political and budgetary shifts that are affecting their own agencies. Most members noted that while they expected some cuts to ODA, PSE portfolios and work at the intersection of aid and trade remained largely unaffected or even increased in strategic importance (e.g., through mainstreaming across the agency as opposed to being housed in a single unit). Some members also spoke about an increased resource allocation to Ukraine, focusing on private sector investment and trade.

2. Thematic exchange on one-stop shops and agency experiences in streamlining their offer to businesses

This session was organised in response to member interest in how agencies are streamlining their PSE offer, making it more attractive and accessible for businesses (as included in the PSE WG's Work Plan for the current year). It focused on two initiatives to create one-stop platforms for businesses, including:

- the [German Agency for Business and Economic Development](#) (presented by Susanne Friedrich), which acts as a first point of contact for German companies interested in collaborating with German Development Cooperation and sustainable business models. The agency offers a range of services, including advisory services, networking, and digital tools. It also created an umbrella label for all German programmes cooperating with the private sector, called "Partners in Transformation", to make it easier for companies to get in touch with them.
- [GET.invest Home - GET.invest](#) (presented by Alexander Huppertz), a Team Europe initiative which acts as a single access point for information about, and facilitated access to, European support and financing instruments for projects and companies in the renewable energy sector in Africa. GET.invest has received over 1,800 applications since 2016, selected 540 for support, and has 221 active projects. They have successfully connected 210 projects with financiers, resulting in 105 financial closures and over 500 million euros in mobilized investments.

The discussion then touched on more details regarding the various services offered; it also touched on the framework set by EU State aid law and the importance of maintaining an independent role as an honest broker of support to all European companies in their business projects in partners countries.

Presentations will be shared with members alongside the meeting Minutes.

3. Exchange of ideas for the next PSE WG work plan

Members had been invited to submit work item ideas for the work plan for July 2025-June 2026 in the run-up to the meeting, but no suggestion had been received. Work planning guidance had been shared in advance, including a new budget ceiling for Trust Fund requests per Working Group per year. It was noted though that the PSE WG had so far never requested a budget close to the new ceiling, so it should not represent a constraint for the group.

Tobias Zeller suggested that the group continues to hold peer exchange sessions on topics of interest, in a flexible manner. One topic of interest to several members was navigating different tensions and trades-off for PSE in the light of an emerging development paradigm that is increasingly driven by domestic interest (e.g., with respect to state aid law, and reconciling the use partnerships with European businesses as levers for change with partner country sovereignty and local impact). Given the evolving changes in semantics around PSE, it may also be worth revisiting the PSE WG's operational framework.

In this context, several WG members expressed an interest not only in continuing to work and exchange on a global Theory of Change on PSE, but to broaden it to also consider domestic benefits for donor country companies and economies. This should include a discussion and definition of appropriate indicators, recognising the need to identify relevant indicators that don't rely on confidential business information.

Action items:

The Secretariat will work on a draft Theory of Change that considers both development impact and benefits for donor country businesses/ economies, and will include the continuation of this work in the work plan. In addition, continued peer exchange and a possible update to the PSE WG's operational framework will be

included in the work plan. No budget would be required for these work items. The work on appropriate indicators may also benefit from collaborating with interested members of the Results Measurement WG.

4. Presentation and discussion of BII's report 'Building Bridges: Case studies on successful collaboration between donors and DFIs'

This agenda item had been included at the request of the PSE WG task team on donor-DFI relationships, which is considering commissioning a report on how different donor agencies position themselves vis-à-vis DFIs in mobilising finance and the institutional factors and models that may facilitate or complicate a synergetic and collaborative way of working. Members of this task team were keen to learn more about the findings of the report '[Building Bridges: Case studies on successful collaboration between donors and DFIs](#)', to decide on whether to proceed with commissioning the study.

The report author, Justin van Rhyn, walked through the main findings of the report (slides will be shared with members alongside the meeting Minutes). He highlighted the importance of collaboration between DFIs and donor-funded programs to improve investment outcomes in developing countries, not least because DFIs are increasingly interested in moving into frontier markets and building the pipeline for investment through private sector development activities.

Through examples of successful collaboration, the research identified a number of success factor, including aligning strategic priorities, institutional support for formalising collaboration, and high-quality and timely support by PSD programs to address critical investment barriers. Alex Kucharski then shared examples of successful collaborations in Sierra Leone and Nepal, where partnerships between DFIs and donor programs have led to increased investments and regulatory changes. Overall, while progress has been made, there is still significant opportunity to enhance collaboration between DFIs and donor programmes.

The presenters then responded to questions from participants. Participants welcomed the insights from the presentation and would in principle welcome more case studies of successful collaboration in the future. There was, however, no immediate feedback as to whether they saw the need for a further exploration of the topic under the PSE WG. The presenters offered their support in helping to identify remaining research gaps that could usefully be addressed by the PSE WG, should members wish to proceed with the work item.

Alex Kucharski further shared the idea of developing a 101 course on finance for donors, which could be instrumental in building a shared understanding among DCED members on concepts, instruments, and ways of working. The Secretariat noted that this could indeed be helpful, given that DCED members generally had very different levels of understanding of, and involvement with, DFIs and other financial sector actors.

Action items:

Members were invited to share further reflections over email on the idea of supporting the development of a finance 101 course for donors, and on whether or how to proceed with the work item and draft ToR on donor-DFI relationships.