



Global Indicator on Private Sector Engagement in public policies

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The Global Partnership for Effective Development Co-operation (GPEDC)

- Improving the effectiveness of development co-operation: Busan Partnership Agreement
- A voluntary and dynamic platform for dialogue on coherence of policy and practice
- An umbrella to broker and cultivate multiactor initiatives
- A platform to help sustain political focus on high-quality development partnerships





The Global Partnership Monitoring Framework

- Stems from Busan designed and agreed on in 2012
- Monitors progress in the implementation of the 4 Busan Principles through 10 indicators (selective, proxies)
- Focuses on the quality of partnerships

Country-led monitoring approaches

Data collection, validation grounded in national processes

Global snapshot of progress [Report]

Stimulate broad-based dialogue,
Spur actions on the ground,
Support Accountability

So far:

- 1st monitoring round Progress Report 2014
- Learning lessons and strengthening the monitoring framework
- Preparation for the 2nd monitoring round



Indicator 3 - Engagement and contribution of the private sector to development

Origins

Political agreement in 2012 that Indicator 3 will measure progress of members on paragraph 32b of the Busan Outcome Document:

"We recognise the central role of the private sector in advancing innovation, creating wealth, income and jobs, mobilising domestic resources and in turn contributing to poverty reduction. To this end, we will (...):

b) Enable the **participation** of the private sector in the design and implementation of development **policies and strategies** to foster sustainable growth and poverty reduction."



Objectives of the indicator

What does the indicator measure?

- Capture whether there is progress in private sector involvement in public policies, rather than in (1) the quality of the business environment itself and (2) the development impact of private sector operations
- Public-Private Dialogue = proxy

What will the indicator achieve?

- Snapshot, identify strengths and room for improvement, spark dialogue at country level
- Increase participation of the private sector in promoting an enabling environment
- Maximise private sector's contribution to sustainable growth and poverty reduction

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Proposed methodology: the PPD Country Profile

- Rather than a single indicator, a PPD profile
- For a given country, overview of the country-level context for PPD and assessment of an agreed upon dialogue platform, using three tools:
 - 1. Legal and regulatory context for PPD
 - 2. Country's readiness to host, create or sustain a dialogue process
 - 3. Organizational effectiveness of a given platform
- 3 scores associated to each tool → 1 Country summary score

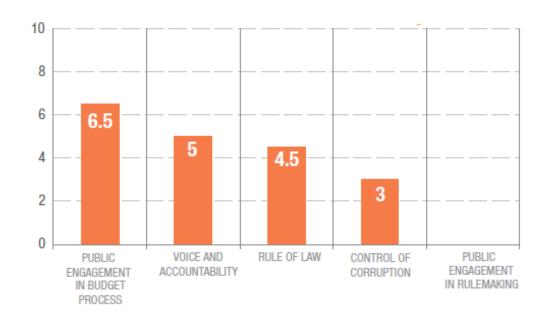


1. Legal and regulatory context for PPD

How do laws and regulations enable effective public-private dialogue?

A series of existing governance-related indicators:

- Public engagement in budget process (Source: Open Budget Survey)
- Voice and accountability (Source: WGI)
- Rule of Law (Source: WGI)
- Control of Corruption (Source: WGI)
- Public Engagement in Rulemaking (Source: World Bank Group)

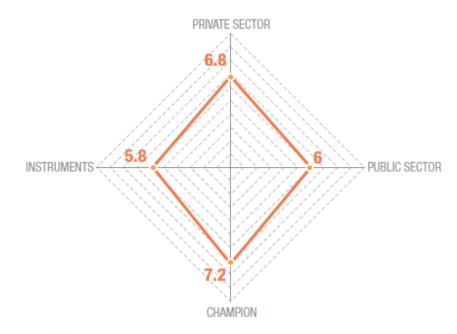


2. Country's readiness to host, create or sustain a dialogue process

The potential for dialogue: Are the required conditions fulfilled for a quality dialogue process to happen?

The "PPD Diamond":

- Readiness and willingness of the private sector to engage and interact
- Readiness and willingness of the government to engage and interact
- Championing of the dialogue process
- Availability of logistical, financing and capacity building instruments

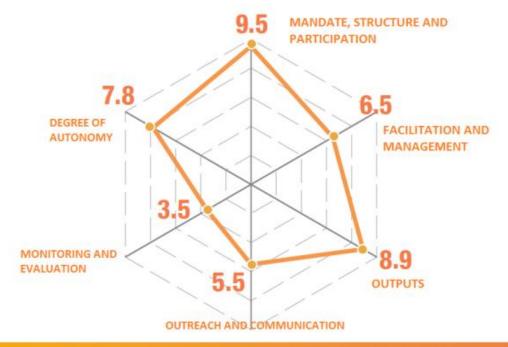


3. Organizational effectiveness of a given platform

How close is the PPD platform to reach its maximum potential?

Shortened "PPD evaluation wheel":

- Mandate, structure and participation
- Facilitation and management
- Outputs
- Outreach and communication
- Monitoring and evaluation
- Degree of autonomy



Process to develop the indicator

Main steps

- 2013-2014: draft methodology developed in close collaboration with World Bank, and refined on the basis of feedback received through:
 - a series of consultations, incl. the "7th international Workshop on Public-Private Dialogue" (Frankfurt, March 2014) and a review by the ODI
 - Piloting in 3 countries (Philippines, Ethiopia and Columbia)
- 1st semester 2015: finalising the approach and consulting with stakeholders to identify practical options for operationalization
- 2015-2016: rolling out through the 2nd Monitoring Round of the GPEDC



PPD Profiles: Questions and next steps

 Can this approach provide a helpful tool for governments in collaboration with private sector partners to review and strengthen public-private dialogue in your respective countries?

- What concrete recommendations can you make to operationalise the indicator into a sustainable tool that is useful to support dialogue and improvements at the country level and political snapshots at global level?
 - Gathering feedback from/and balancing various stakeholders
 - Providing background analysis on country context
 - Facilitating inclusive dialogue [outcomes and further action]

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