

Facilitator Report on the
Regional Private-Public Partnership Workshop
November 17-18, 2005
Bangkok, Thailand

1. Introduction

The Tsunami Relief Network was set-up to facilitate the matching of the private sector's voluntary contributions with the needs of tsunami-affected communities; mobilize resources; and, facilitate accountability among the private sector donor community. The Workshop held on November 17th and 18th provided opportunities to learn about the progress of initiatives undertaken thus far. Moreover, the Workshop emphasized opportunities to share experiences about Private Sector Partnerships and Private-Public Partnerships (PPP) and to discuss the possibilities of mainstreaming this initiative in UNDP programme activities.

The Workshop Agenda focused on:

- Enhancing knowledge in private sector partnerships brokerage and management, strategic communication, and legal modalities – from the UNDP perspective and framework;
- Sharing experiences about engagement of the private sector (PS),
- Describing a vision on private-public partnerships; and
- Identifying objectives and strategies to move forward.

The Workshop Participants included representatives from Country Offices: Indonesia, Maldives, Sri Lanka, Thailand, India, Nepal, Vietnam, Cambodia and Pakistan, Regional Centre Bangkok (Management, SSC, PPP), and Headquarters (BRSP, BDP, RBAP).

The Workshop activities were a mixture of presentations and discussions with group work sessions and plenary review. Throughout the two days set aside for the Workshop, there were ongoing explanations about lessons learned and clarifications on the challenges encountered.

2. Presentations

The bringing together of staff from Country Offices, the Regional Centre and Headquarters contributed effectively to the Workshop objective to share knowledge. The participants often expressed their satisfaction with the topics of the respective presentations. They pointed out that the wealth of information about the various experiences is especially relevant for others in their respective offices.

The presentations were on the following topics:

- a) Tsunami Relief Network (historical overview, structure, roles and responsibilities, overall accomplishments) [BRSP - Ligia Elizondo]
- b) Case Studies
 - Examination of a successful Tsunami partnership [Indonesia/Alesandra Roccasalvo]
 - Examination of a country – specific experience with private sector partnerships [Maldives/Oren Schlein]
 - Examination of a country – specific experience with public-private partnerships [Nepal/Purusottam Man Shrestha]
- c) Agreements and Legal Modalities (Review of different types of contributions and corresponding agreements: in-kind contributions; cash contributions; contributions of pro-bono services; cost-sharing agreements) [BRSP/DBP – Casper Sonesson]
- d) Demonstration of new BDP interactive Tool Kit for private sector development strategies at CO level [BDP - Arun Kashyap]
- e) RBAP Strategy [RBAP - Alexandra Solovieva]
- f) UNDP Engagement Framework with Business [BRSP/DBP – Casper Sonesson]
- g) Private Sector Development Assistance Database overview [RCB – Jorg Nadoll and Elizabeth Leff]
- h) Communications (Media as an ally in promoting private sector partnerships; Press release process; Communication approaches) [RCB – Christelle Chapoy]

3. Results from Group Work Discussions and Plenary Reviews

There were three major questions answered during group work discussions:

- **What are our Strengths-Weaknesses-Opportunities-Threats?**
- **What do we call attention to in our Private-Public Partnership Vision? and**
- **What do Country Offices need in order to move forward?**

The documentation that follows summarizes the issues identified by the respective work groups and refined during the plenary sessions. The documentation stresses the key issues and is a reference to what was discussed.

3.1 What are our Strengths-Weaknesses-Opportunities-Threats (SWOT)

Strengths

- a) Part of the UN system, credibility cannot be challenged.
- b) Strong and deep involvement in governance issues.
- c) A history of engagement with private sector on environmental issues, which has led to branching out into community based solutions.
- d) Opportunity for private sector to tap into UNDP knowledge base.
- e) Experience of working with various tiers and kinds of government and NGOs.
- f) Access to key global stakeholders and networks.

- g) Expertise in formulation, management and M&E of programs and projects, including BoP.
- h) Focus on accountability and transparency in operations.

Weaknesses

- a) Lack of clear strategy and understanding on how to engage private sector *plus* to include private sector into development programs.
- b) Need checks and balances in working with the private sector, otherwise UNDP fears private sector.
- c) Lack of capacity and tools on PPPs leads to insecurity.
- d) PPP model does not easily translate into an UNDP project.
- e) Different set of skills is required to be a broker/facilitator.
- f) Lack of investment in the function of the *Private Sector Focal Point*.
- g) Role and capacity of the private sector in many developing countries is very weak – dominated by state.
- h) Private sector's image of the UN.
- i) Need to understand/acknowledge different private sector entities *plus* relations among them (can UNDP facilitate?) Big companies grow small businesses.
- j) UNDP lacks focus on the market for our projects (supply driven) – Assess economic viability of UNDP projects to ensure sustainability = profitability.

Opportunities

- a) Build partnerships with other UN agencies.
- b) Use private sector for advocacy and awareness.
- c) Leverage work of Global Compact Office.
- d) Use human resources from private sector.
- e) Use “Lessons Learned” to create a framework from which to move forward.
- f) Share and replicate BP, and UNDP's research and initiatives.
- g) Benefit from IT advancement for development use (e.g. Cisco, Microsoft).
- h) Leverage procurement for new partnerships.
- i) Link business partnerships with pursuit of MDGs.
- j) Capitalize on emerging thinking of private sector on business sustainability. UNDP can educate private sector.
- k) Provide an enabling environment for private sector growth.
- l) South – South cooperation.
- m) Generate and facilitate win-win opportunities between CSOs and private sector.
- n) Build capacity of stakeholders.
- o) Harness mutual interest!

Threats

- a) Negative image of company may affect UNDP.
- b) Risk of being marginalized or ignored by other actors.
- c) Fragmentation, inconsistency among different bureaus/units on strategy.
- d) Volatility of counterparts in national/local governments and private sector.
- e) Market distortion may happen following private sector involvement.
- f) Commercial advantage may be claimed as unfair by competitors (being taken for a ride).
- g) Partnership may overshadow original developmental objectives (commercial promotion) and not affect marginalized segment of society.
- h) "Supply driven"
- i) Labor intensive, occupying too much staff time.
- j) Unfavorable image on UN by companies → negative perception (speed, cost, flexibility, bureaucracy, complex procedure in agreement/contract) → They may go to other partners like NGOs.

3.2 What do we call attention to in our Private-Public Partnership Vision?

The discussions about the "vision" helped to bring out key elements that are essential for describing long-term expectations. The elements, listed below, are the desired qualities and deserve consideration in future efforts to formally prepare a vision statement.

- ◆ Business solutions thru partnerships for sustainable development.
- ◆ Knowledge management for sustainable development:
 - ⇒ Identify agenda for mutual learning in the region and collaborative action;
 - ⇒ Inventorise and document public sector approaches and practices; and
 - ⇒ South-South Cooperation and public policy advocacy.
- ◆ UNDP positioned and structured development partner of choice for the private sector to achieve MDGs in Asia.
 - ⇒ Partnerships to make business work for the poor;
 - ⇒ Finding more effective new/better ways of achieving MDGs by engaging private sector; and
 - ⇒ Achieving the MDGs by promoting business of, by and for the poor.

3.3 What do Country Offices need in order to move forward?

Overall, the group work discussions highlighted the need to have a structural framework, since there are different ways of working in the respective countries. During the discussions the participants considered the overview on the "*UNDP Engagement Framework with Business*" (See page 8). The Framework identifies four options as entry points for Private-Public Partnerships. The options are related to: advocacy/dialogue; partnership projects / MDGs; private sector development; and facilitate sustainable investments and private sector delivery of goods and services.

The Work Groups pointed out that a strategy and approach should aim to mainstream Private-Public Partnerships wherever possible. Moreover, a strategy should encourage inter/intra agency coordination.

On the other hand, the Country Offices require strengthening their internal resources and capacities. In particular, the role and responsibilities of Private Sector Focal Points is vital to success. Also, there is a necessity for senior management: commitment and buy-in. The efforts undertaken by Country Offices rely ultimately on the level of human and financial resources, both in terms of availability and accessibility.

The specific issues recommended by the workshop participants are as follows:

◆ **Strengthen the approach for establishing Private Sector Partnerships**

- 1) Build knowledge and skills for specific areas: legal, contracts, and policy (e.g. taxation, incentive frameworks, legislation, FOIs)
- 2) Knowledge Management
 - a) Build global network, tools and resources (e.g. SRI, BoP)
 - b) Information; Best Practices; Lessons Learned
 - c) Pool of knowledge resources within and outside UNDP
 - d) Improve knowledge/skill base on PS involvement at CO
 - e) Access to tools and instruments (including secondments) for mainstreaming PPP
- 3) Greater internal coherence among PS Focal Points: HQ, Regional and COs
 - a) Coherent PS strategy for UNDP: Structure; One Team - One Voice
 - b) Making PS a component of all possible activities (UNDP service lines) by the CO (well defined strategies and incentives)
 - c) Dedicated PS Advisor at CO (part of career development)
 - d) Access to PS expertise available at the Regional Center, HQ and other COs
 - e) Develop PPP (community level) financing modalities and relevant expertise
- 4) Facilitating regional cooperation
 - ASEAN
 - SARCC
 - BIMSTEC
 - WTO
- 5) Resources and Investments
 - a) Global (trust fund on PS?)
 - b) Regional Program: human resources; financial resources
 - c) Country Level: human resources; financial resources
 - d) Dedicated budget line for PS activities based on national priorities
 - e) Catalytic seed funds
 - f) Tapping into PS resources/funds (company foundations; development funds)
 - g) Identify and fast-track a couple of global partners/projects that COs can action

◆ **Capacity building at Country Office level**

- 1) Better understanding on new initiatives; themes on PS engagement/ corporate responsibility.
 - a) Bridge PS expertise with other development practices
 - b) Establish an interagency team at CO on PS/PPP
- 2) Build communication skills and tools of CO to engage with PS
 - a) Talk the same language
 - b) Ensure UNDP information packets/leave-behinds for PS outreach

◆ **Possibilities of support/help to Country Office level from the Regional Bureau/Centre and Headquarter levels**

- 1) Further attention to: Global Compact; Growing Sustainable Business Initiative; Follow-up on Unleashing Entrepreneurship report; and Partnership.
- 2) Consideration on career development issues related to Private Sector Focal Points of Country Offices.
- 3) Creation of a small network (based on interest) of Private Sector Focal Points.
- 4) Consideration on a regional framework for financial resource allocation.
- 5) Facilitation of the sharing of 'project ideas' for Private Sector engagement (innovation related, especially BoP).
- 6) South-South support (in selected countries) for *Technonet*.
- 7) Linking disaster recovery with ongoing South-South Cooperation initiatives.
- 8) Provision of more case studies (related to the "Engagement Framework with Business").

4. Workshop Conclusions

The closing comments focused attention on key cross-cutting issues, which were frequently voiced during the Workshop presentations and discussions.

- The appropriateness and effectiveness of communication is part of all work efforts. Accordingly, effective communication skills are essential for dialogue with the various stakeholders and partners. Equally important, meaningful communication is crucial to sharing and promoting the successes from initiatives.
- The significance of Private Sector and Public-Private Partnerships rely often on utilizing a combination of modalities and approaches. Isolation on only one modality/approach limits the potential for engagement and cooperation.
- Partnering is more than engagement with the Private Sector. There are necessities also for partnering with NGOs and other UN agencies. On the other hand, the Private Sector must know the value from partnering with the UNDP.
- As evidenced during the Workshop, it is vital to share knowledge among the Country Offices. Consequently, efforts should ensure access to effective mechanisms for knowledge management.

- Coherence is a critical factor. On the one side, there is necessity to have thematic coherence. There are different dimensions and topics related to Private-Public Partnerships. On the other side, there is a necessity to have structural coherence that brings together the different units/levels of the UNDP.

The conclusions called attention also to the initial purpose for the Workshop, which was to share experiences about tsunami related recovery initiatives. In particular, there are ongoing priorities before the conclusion to the year 2005. Also, there will be tsunami related work during the year 2006. Above all, current commitments should reach their conclusion. Finally, there is a potential for the continuation of private sector engagement in post-tsunami relief and recovery.

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UNDP Engagement Framework with Business

