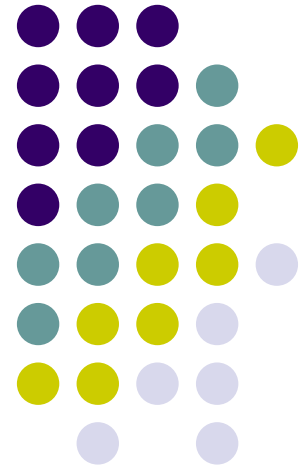




RBAP Private Sector Strategy 2005

PPP workshop
17-18 November 2005
Bangkok



Overall goals



- Leverage contributions of the private sector to MDGs through job and income creation
- Implement recommendations of the Commission on the Private Sector and Development
- Mobilize private sector contributions and partnerships to fulfill the needs of the Tsunami-affected countries

Work to-date



- Held Unleashing Entrepreneurship workshops in South Asia (7 countries), East Asia (13 countries) and the Pacific (14 countries)
- Two BOP pilots ongoing; one being developed
- Private sector partnerships in response to the Tsunami
- UNDP-UNIDO partnership framework agreement on private sector development (joint programmes in India and Laos)
- COs' various initiatives on SL 1.5

Model UER launch/workshop



- Participants come from the National Chambers of Commerce, private sector large and small, UNDP private sector focal points, ADB, IFC, UNIDO etc.
- A Commission Member to present Report recommendations
- Panel discussions on successful practices: enabling environment, SME development, financial services, ICT, energy services etc.
- Group work
- RBAP support pre-investment feasibility studies



“Bottom of the Pyramid” approach



- Missing markets or missing opportunities?
- Promote PPPs that help convert missing markets into functioning markets by helping to offset high risks for the private sector
- Encourage private sector engagement in profitable delivery or products & services that the poor can buy
- Target win-win scenarios for the poor and for the private companies that lead to new and improved products & services with expanded outreach

BOP examples



CEMEX, one of the largest manufacturers of cement in the world started in Mexico as a scheme to allow BOP customers to add on to their homes – a kitchen, a bathroom, or a bedroom – one room at a time. CEMEX organizes BOP customers, typically women, into groups of three. The group can start saving every week towards payment for the addition of their choice. This is a variation of credit and risk management at the BOP. CEMEX delivers high-quality materials, advice and technical help in the construction.

ITC, the food processing firm in India, decided to provide the village with a PC and training for the lead farmer to operate it. This enabled farmers to check prices at various markets and decide when and how much to sell, while achieving better prices for their crop. E-Choupals (village information centers) connect subsistence farmers with large firms, agricultural research, and global markets. The network can also accommodate other farm inputs such as financing, insurance, equipment etc.



RBAP strategy



1. Leverage recommendations of the Unleashing Entrepreneurship Report by bringing partners together to develop concrete follow-up actions
2. Encourage innovative private sector-led initiatives with the BOP approach at the core
3. Mainstream private sector work in individual CPs and under the various SLs

RBAP strategy (cont'd)



4. Use UN system-wide approaches and explore joint programming
5. Promote the integration of private sector development/market recovery into the post-Tsunami reconstruction efforts (menu of quick-impact projects to which the private sector can contribute)
6. South-South cooperation driver for private sector development



Key actors & partners

- UNDP COs
- Regional Centres
- RBAP HQ
- Private sector including non-profit
- National governments
- UN agencies and IFIs
- HQ Bureaux: BRSP, BDP, Special Unit on South-South Cooperation, RBx
- UNCDF



Action plan for 2005



- Two sub-regional UER launches/workshops held for East Asia and the Pacific (one in 2004)
- Implemented several pre-investment feasibility studies on BOP pilots
- Supported implementation of UNDP-UNIDO agreement on joint programming in the area of private sector development
- Devised a menu of needs based projects in the Tsunami-affected countries, towards which the private sector contributions can be sought

Thank you!

