First TPSD Facility Annual Event: Launch of the SB4A Network

Brussels, Friday October 11th, 2019

TPSD/E Facility

October 2019

Version 0.1 25-10-19

International Cooperation and Development

About the TPSD/E Facility

The TPSD/E Facility is an advisory service of the European Commission (EC) managed by the Unit C4 in charge of Trade and Private Sector Development and Engagement within the Directorate General for International Cooperation and Development (DEVCO).

The TPSD Facility is implemented by DAI Europe.

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Launch of the SB4A network

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Antti Karhunen, Head of Unit DEVCO C4, officially launched the Sustainable Business for Africa (SB4A) network on Friday, October 11th in Brussels. Private sector engagement and the SB4A were the main topics of the TPSD Facility's first annual event. The meeting was characterized by the diversity and quality of contributions from participants, the openness of discussions that took place during the meeting, and the group emulation that resulted from convening the skills and experiences of nearly 50 practitioners.

The aim of the TPSD Facility Annual event was to gather EU staff working on private sector engagement and to give them an opportunity to share their progress, but also to debate and discuss about their common challenges on private sector development/engagement and trade.

With over 40 participants from 17 EU Delegations, 3 different DGs (DEVCO, GROW, TRADE) and EEAS, and 6 experts from the TPSD Facility, the event succeeded in creating a momentum among members of a growing community of practice now spreading across DEVCO HQ, EU Delegations, various DGs and EEAS.

The meeting started with an introductory speech from **Antti Karhunen**, who opened the first Annual event of the TPSD Facility by recognising the role played by this "successful mechanism" to help the Commission work better with the private sector and achieve the Development agenda. Antti Karhunen also acknowledged the progress made by the Sustainable Business for Africa (SB4A) in engaging the private sector at local level, and the promising consolidation of the SB4A network.

Laura Atienza, Policy Officer at DEVCO C4, then reminded the rationale and policy context of the creation of the Sustainable Business for Africa (SB4A) platform in the framework of the External Investment Plan. **François Kacen**, Private Sector Engagement Expert at the TPSD Facility, then presented the main findings of the SB4A state of play survey, highlighting the positive trend for the establishment of public-private dialogue mechanisms in African partner countries, yet underlining the disparities in terms of the effectiveness of inclusiveness of these PPDs.

Laura Atienza then opened the floor to the SB4A Practitioners' session, with 4 case studies presented by SB4A members, followed by discussions with the audience.

Alessandro Mariani, Advisor to the Managing Director, EEAS, shared his experience as the former Head of Cooperation of the EUD in Zambia, where the EU-Zambia Business Club was created in 2016.

Mr Mariani explained that the PPD mechanism supported by the EU Delegation in Zambia has a political dimension, an economic diplomacy dimension and a development dimension and that the EU has a unique offer to make.

He then stressed the role of the the EU-Zambia Business Club in feeding the political dialogue between the EUD and the Government and provided examples of topics that are discussed and progress that is being made through this PPD.

Alessandro Mariani insisted on the amount of work that is required to support such an initiative, and that it can't be a side activity for the EUD.

Roxana Torrán Villaroya presented the case of the "Investing together" project, which is a part of the Côte d'Ivoire EUD's programme to support business competitiveness.

The project created a general monitoring unit on business climate / investment climate and a sectoral unit, looking at energy, agribusiness and a third sector still to be determined. These monitoring units highlight the constraints identified by the private sector and propose solutions to improve the investment climate in Côte d'Ivoire.

Thematic "fact sheets" are produced, summarizing the barriers and concerns discussed during meetings and solutions proposed by the private sector.

The conclusions of these meetings and the "fact sheets" will serve as a basis for the discussions of the tripartite dialogue between the private sector, the Ivorian Government and the EU Delegation.

The meetings are organised by Eurocham with the participation of CGECI (Confé-dération Générale des Entreprises de Côte d'Ivoire) and UGECI (Union des Grands Entreprises Industrielles de Côte d'Ivoire), as well as the EU Delegation.

The objectives of the "Investing Together" project

(1) Contribute to the improvement of the investment climate and business environment,

(2) Develop competitiveness and promote sustainable investment and access to corporate finance,

(3) Bring young people closer to the job market and to businesses in the education sector.

Isaac Kodzo Nyuito presented the EUD Togo's actions to support the Government's Investment Climate Unit. The Unit was created to support the Government's National Development Plan for improved investment climate. It coordinates policy reforms and works on attracting private investment in Togo.

The enhanced dialogue between the Togolese Government and the EU Delegation led to the adoption, by the Togolese Government, of the New Investment Code which includes the concerns of European businesses in Togo.

Objectives of the EU-Togo Business Forum

(1) To strengthen the economic partnership between Togo and and the EU

(2) To attract domestic and European investment to finance the National Development Plan which is based on private sector development.

This increased dialogue also materialized with the first EU-Togo Business Forum, on June 13-14, 2019. The Forum was a huge success, with 1,200 European and Togolese businesses attending, 140 bankable projects identified and the launch of the European Chamber of Commerce in Togo.

Massimo Diomedi, Trade and PS Advisor at the EUD Uganda, presented the case of the EU-Uganda Road Map for improved investment climate. The process started after the President of Uganda consulted EU Ambassadors on how to attract more EU investments in the country.

The EUD then set up a consultative process, with the facilitation of regular business breakfasts with EU and Ugandan businesses. This process allowed to identify the main constraints to investments and to analyse them in order to propose remedial measures to the Government that could encourage economic reforms and attract more investment in Uganda.

The EUD then designed a Sustainable Business for Uganda (SB4U) platform to implement this roadmap and to continue assessing what can be done better to bring more investment to Uganda.

The main focus of the SB4A Road Map

Seven business breakfast organised over a period of 10 months allowed to identify three main constraints to investment in Uganda, which the SB4U platform will address through specific actions:

(1) Skills and attitudes –The EUD will formulate a standard programme of internship in private companies and engage with TVET to improve the quality of the education system.
(2) Access to Finance – The EUD will take some actions to ensure better and longer-term access to finance for businesses.
(3) Government and Corruption – The private sector will be directly involved by collecting evidence and demonstrating it can also help reduce the vicious cycle of corruption.

Emmanuel Moyart, Team leader of the TPSD Facility, then presented the Facility's scope of work and main achievements so far, insisting on the knowledge management aspect that remains at the heart of the Facility's mission. He then introduced a panel of 4 TPSD Facility experts and facilitated a discussion between them and the audience, on the common challenges encountered by EU Delegations when trying to implement the EU's new approach to development engaging with the private sector.

- Among the common issues that stood out was the lack of knowledge of investment facilitation and/or confidence of EU Delegations staff to talk to financial institutions. EU staff in delegations often express their need to receive guidelines and build their capacity.

- Another common challenge was mapping the private sector. TPSD Facility experts gave some feedback and best practice tips, and in particular insisted on the important role of the EU Delegation to establish a trust relation between the business that provides sometimes confidential data and the consultant recording or consolidating this data.
- The representatives of DG TRADE and DG GROW both insisted on the importance of joining forces instead of working in silo. DG GROW does a lot of support to European Chamber of Commerce and have produced many guidelines and tools on economic diplomacy. DG TRADE reminded that they have created an EPA community that has converging objectives with the SB4A.

The TPSD Facility's expert panel

- Ines Escudero, Trade and export development expert
- Julien Ayme, Private sector development in fragile states expert
- François Kacen, Private sector engagement expert
- Yves Speeckaert, Access to finance and investment facilitation expert.

Key take aways

(1) Private Sector Engagement is part of the EU's approach to development - *"Private sector engagement offers whole new avenues for development"* Antti Karhunen, DG DEVCO

(2) Building a private-public dialogue involves time and effort - *"It requires our EUD staff's prime time. It can't be conducted as a side activity"* - Alessandro Mariani, EEAS

(3) Breaking silos - *"We have to work together, with the same agenda and think of what we do as the European Union. We need to align our methodology, tools opportunities, and learn from each other."* Massimo De Luca, DG TRADE

(4) The TPSD Facility provides quality support to EU staff in the implementation of the 3rd pillar of the EIP - "The TPSD Facility was created with the aim to learn and develop this fast-moving area forward [private sector engagement] and to help us mobilise our internal capacity" Antti Karhunen, DG DEVCO.