



Public-Private Dialogue

PROMOTING ECONOMIC DEVELOPMENT AND GOOD GOVERNANCE THROUGH PUBLIC-PRIVATE DIALOGUE

Benjamin Herzberg

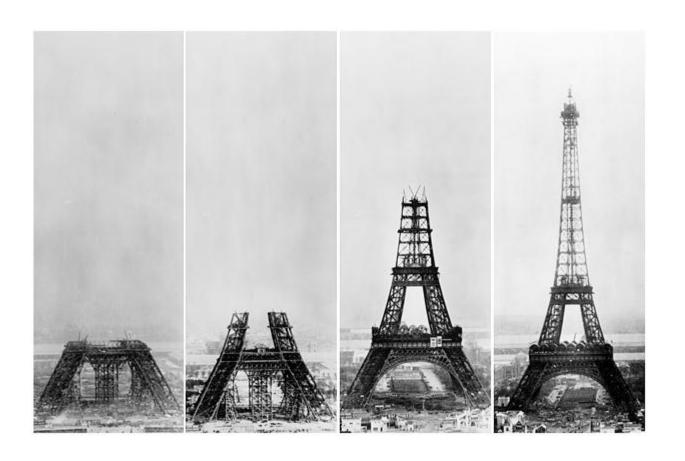
World Bank Institute

Program Lead,
Private Sector Engagement for
Good Governance
(PSGG)

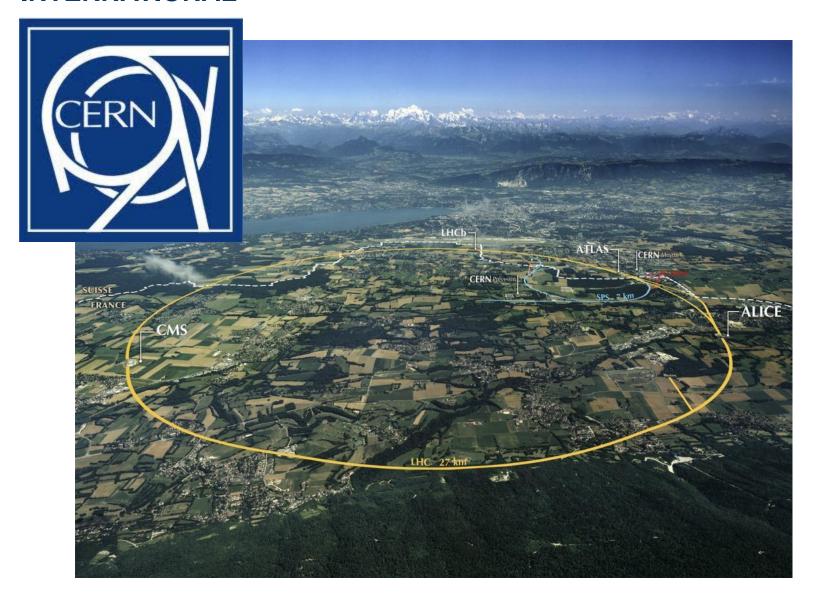


A WIDE RANGE OF DIALOGUE PROCESSES

PPD HAS ALWAYS BEEN AROUND



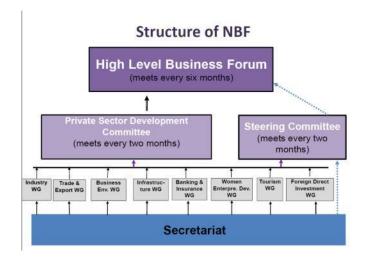
INTERNATIONAL



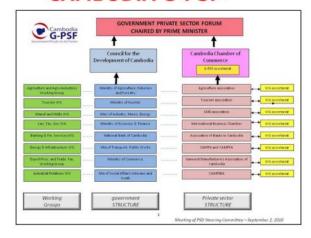
NATIONAL







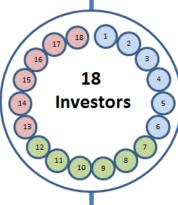
CAMBODIA G-PSF



NATIONAL



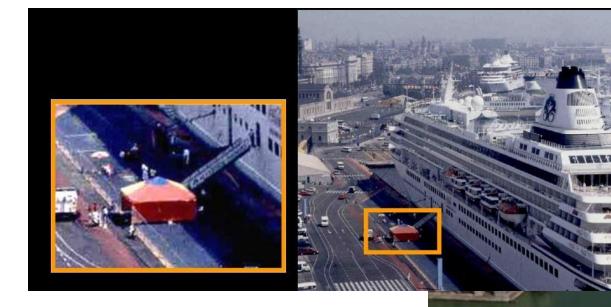
President



Permanent Secretariat

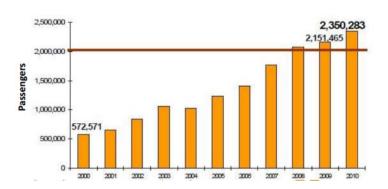
Implementation Workgroup

Administrative coordination
Technicians
Regular meetings and reporting
Reporting to Head of Permanent Secretariat



Between 80,000 and 100,000 jobs

• €7,500 millions per year

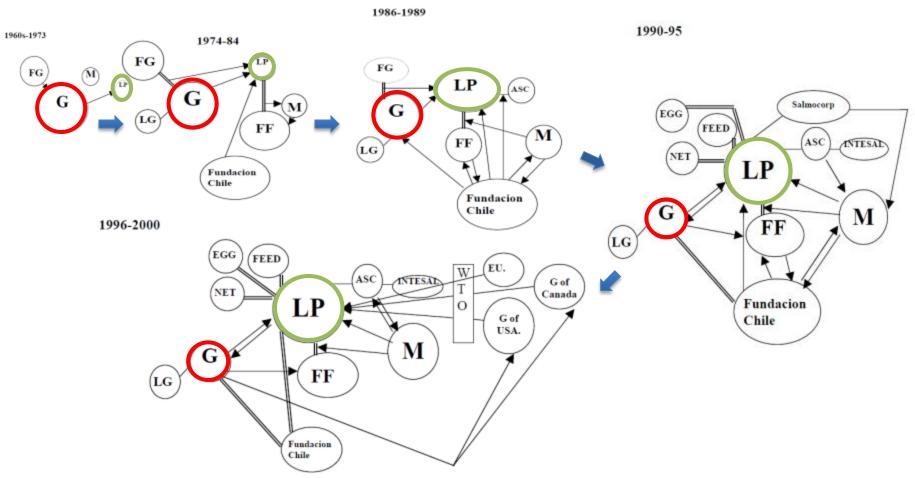


SECTOR-SPECIFIC



SALMON EXPORT FACILITY IN CHILE

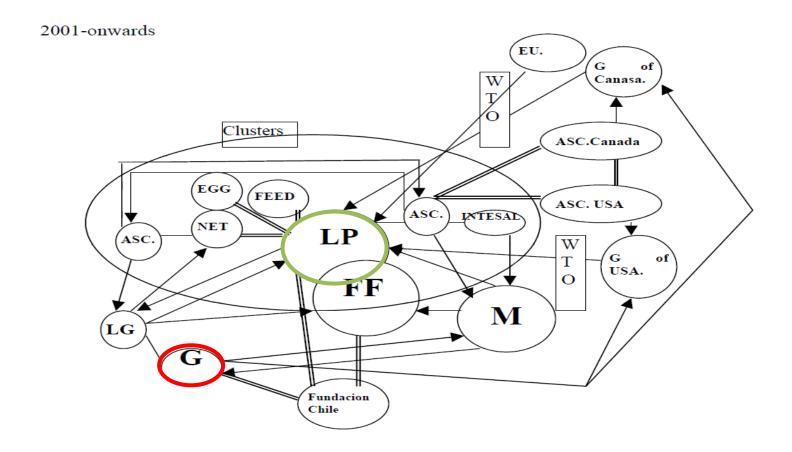
SECTOR-SPECIFIC



Note: LP: Local Producers, FF: Foreign Firms, FG: cooperation from Foreign Government, M: Market, G: government, LG: Local Government, ASC: Industrial Association.,
Direction of influence are expessed in the following arrows:

Strong Weak Mutual collaboration

SECTOR-SPECIFIC



Note: LP: Local Producers, FF: Foreign Firms, FG: cooperation from Foreign Government, M: Market, G: government, LG: Local Government, ASC: Industrial Association.,
Direction of influence are expessed in the following arrows:

Strong Weak Mutual collaboration

COMMUNITY-SPECIFIC

Caraga is an administrative region of the Philippines, on the northeastern portion of the island of Mindanao. Rich in natural resources, it has great potential for development. It is characterised by a wood-based economy, extensive water resources and rich mineral deposits, such as iron, gold, silver, nickel, chromite, manganese and copper.





Multi-stakeholder dialogues, participatory land use planning, strengthening of community-based "wardens", watershed protection in marginalized communities, reduction of violent conflicts on the use of these resources.

CITIZEN ENGAGEMENT



Liberia Papua New Guinea Egypt Kenya Nigeria Nepal **Afghanistan** Rwanda **Uganda Ethiopia** Lao Pakistan Austria Bangladesh **Rwanda** Kyrgyz Republic Mozambique **West Bank Gaza Burkina Faso Belarus** Macedonia Ghana Albania Yemen **Bosnia-Herzegovina** Senegal Guinea Cameroon Iraq Malawi Switzerland **Denmark Germany** Kenya Namibia Tajikistan **Morocco Thailand**

Q



Public-Private Dialogue

Home Videos Playlists Discussion About Q

All activities +





Ethiopian Public Private Consultative Forum (EPPCF)

3 days ago * 25 views

The Ethiopian Public Private Consultative Forum (EPPCF) is mandated by a Memorandum of Understanding (MoU) signed in July 2010 between the then Ministry of Trade and Industry a.

Public-Private Dialogue uploaded a video



Private Sector Coordination Council (PSCC) - West Bank/Gaza

The Private Sector Coordination Council (PSCC) includes within its membership the major institutions, which represent most of the Palestinian private sector. These institutions provid...

Public-Private Dialogue uploaded a video



Business Initiative Leading Development (BUILD) in Bangladesh

The Business Initiative Leading Development (BUILD) was established in October 2011 motivated by a need for a common sustainable platform to coordinate, advocate and foster b.

Public-Private Dialogue uploaded a video



GUINEA - Public-Private Dialogue

4 days ago * 10 views

Public-Private Dialogue uploaded a video



Business Development and Investments Council - Kyrgyz Republic

5 days ago * 15 views

Established in 2007 with the support of the European Bank for Reconstruction and Development and the Government of the Kyrgyz Republic, the Investment Council is an effect...

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Rwanda Public Private Dialogue (RPPD)

The Rwanda Public Private Dialogue (RPPD) was initiated by the Government of Rwanda in October 2012. The initiative is designed to have an impact on economic development by enab...

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Liberia Better Business Forum - LBBF





Liberia Better Business Forum - LBBF

5 days ago - 29 views.

The Liberia Better Business Forum was launched in July 2007 and was officially endorsed by Liberia's government and the private sector as a new mechanism to facilitate dialogue on inv.

Public-Private Dialogue uploaded a video



National Entrepreneurship and Competitiveness Council - Macedonia

The National Entrepreneurship and Competitiveness Council (NECC) was established in 2012. following a longer period of preparations and consultations of all stakeholders from the priva.

Public-Private Dialogue uploaded a video



Health in Kenya

5 days ago . 8 views

Health in Kenya is a national initiative, designed with the aim of improving patient safety standards in Kenya through a reformed inspections process. In January 2010, Health in Afric...

Public-Private Dialogue uploaded a video



Private Sector Development Center (PSDC) - Iraq

5 days ago • 6 views

The Private Sector Development Center (PSDC) is an umbrella NGO bringing in four business membership organizations and led by six prominent lead business representatives, including

Public-Private Dialogue uploaded a video



Private Sector Development Public Private Dialogue for SMEs - Senegal

5 days ago + 7 views

The Senegalese Government, with the support of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), has established a program whose main objective is to promote and st...

Public-Private Dialogue uploaded a video



National Committee for Business Environment (CNEA) - Morocco

5 days ago - 5 views

The National Committee for Business Environment (CNEA) was established in 2009 under the National Pact for Industrial Emergence signed in 2009 between the Moroccan government an...

Public-Private Dialogue uploaded a video



Government/Private Sector Meeting - Burkina Faso

6 days ago • 7 views

The goal of the annual meeting is to create a lasting climate of partnership and dialogue on major issues concerning the development of the private sector, with the participation of the p...

Public-Private Dialogue uploaded a video



Tajikistan Consultative Councils on Improvement of the Investment Climate and Business Environment

6 days ago • 6 views

In 2010, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) initiated technical support for the establishment of the Consultative Councils on Improvement of the Investment ...

Public-Private Dialogue uploaded a video



CREDO (Competitive Regional Economic Development) Boards - Bosnia and Herzegovina

6 days ago . 7 views

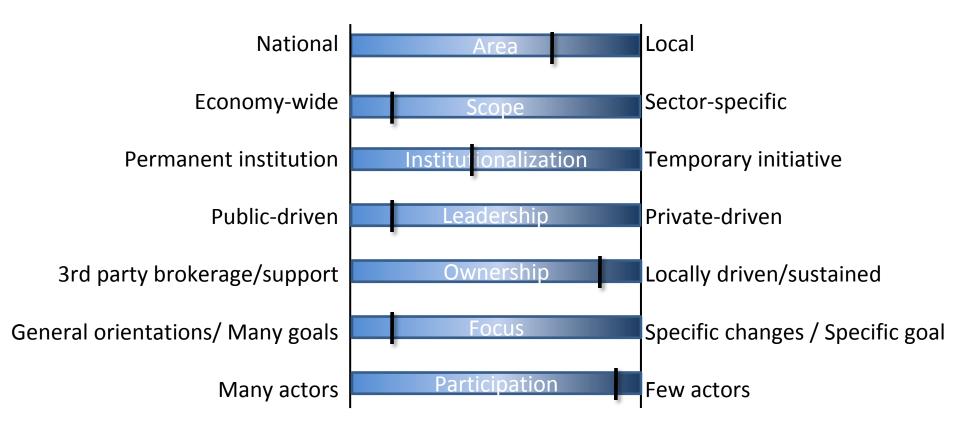
CREDO Boards are established in the framework of CREDO (Competitive Regional Economic Development) Krajina project, being implemented in the North-West area of Bosnia and Herz...

CLASSIFICATION

PPD TYPOLOGY



PPD TYPOLOGY



DEFINITION

PPDs are structured mechanisms, anchored at the highest practical level, coordinated by a light secretariat, and aimed at facilitating the discovery process by involving a balanced range of public and private sector actors in identifying, filtering, accelerating, implementing, and measuring actions and reforms that tend to improve issues of matter to the stakeholders.

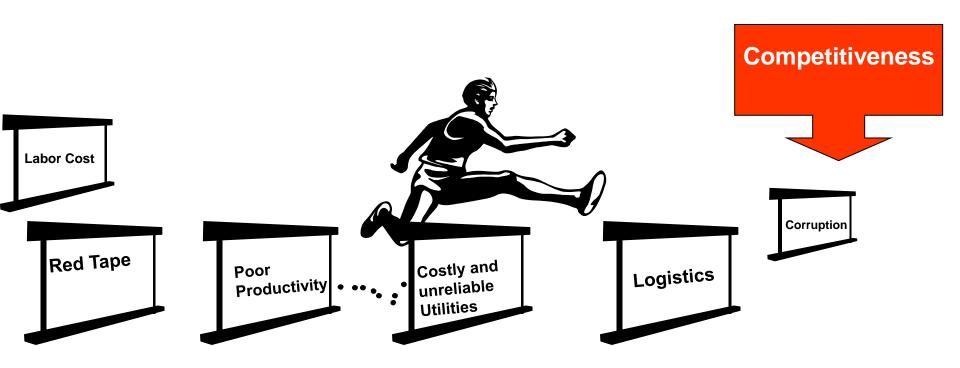
WHEN TO USE IT

- 1- As a growth discovery mechanism (whether at economy wide or industry level, whether at national or local level)
- 2- As a crisis detection mechanism (to capture early warning signals and take defensive actions)
- 3- As a post-crisis resolution platform (to quickly set up and implement mitigation strategies)
- 4- As a governance mechanism to ensure inclusion, fairness, transparency and accountability



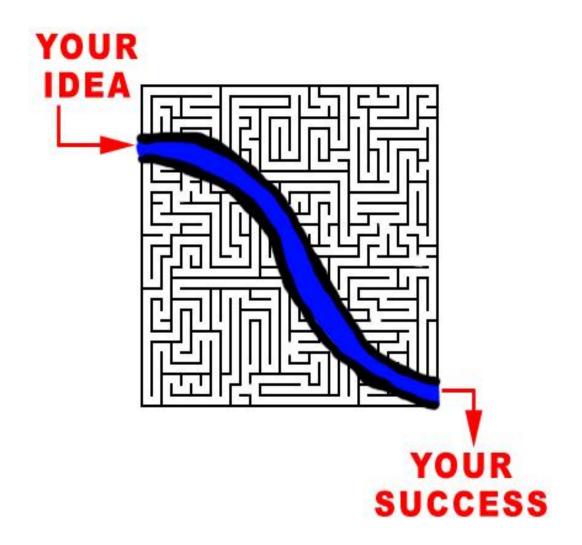
WHAT'S IN IT FOR ME?

1- GOVERNMENT CAN PRIORITIZE



Source: Subramanian, 2006

2- ENTREPRENEURS INCREASE COMPETITIVENESS



3- REGULATORY PAYOFFS

National Committee for Business Environment (CNEA) - Morocco

http://www.youtube.com/watch?v=myupfhnxFNY#t=3m11s



4- A WAY TO BE OPEN AND COLLABORATIVE

Education Skills Development **FROM**

<u>TO</u>

Mitigating risk by solving a few issues

Sponsoring a discovery process for solving the underlying factors to issues faced by stakeholders

Innovations Technology Entrepreneurship

Regulations Taxes Land

Trade

Politics

Policies

Focus on few public officials and on private sector supply & Multi-stakeholder chain

Dialogue engagement

Public-Private

Access to finance

Infrastructure

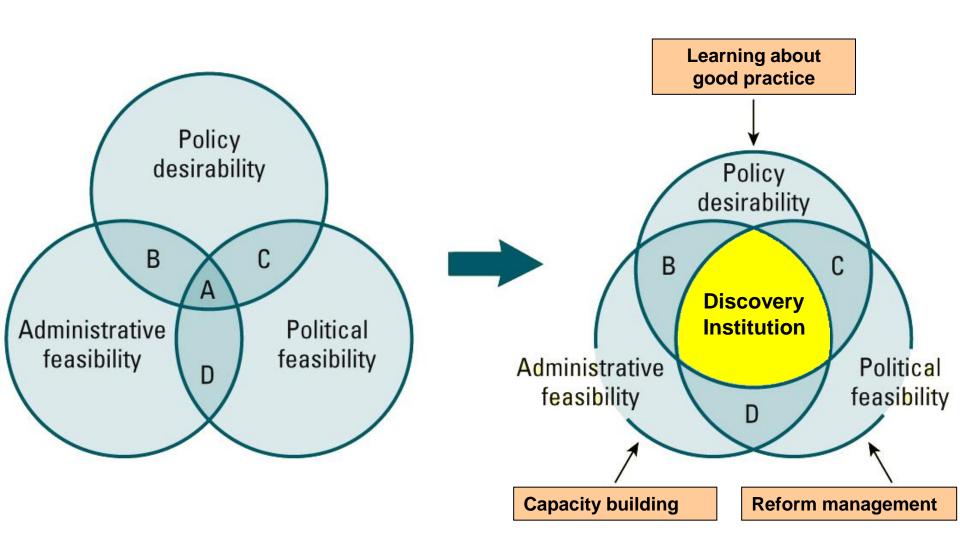
Rwanda Public Private Dialogue (RPPD)

http://www.youtube.com/watch?v=Zxw0FhBlgqQ#t=35s



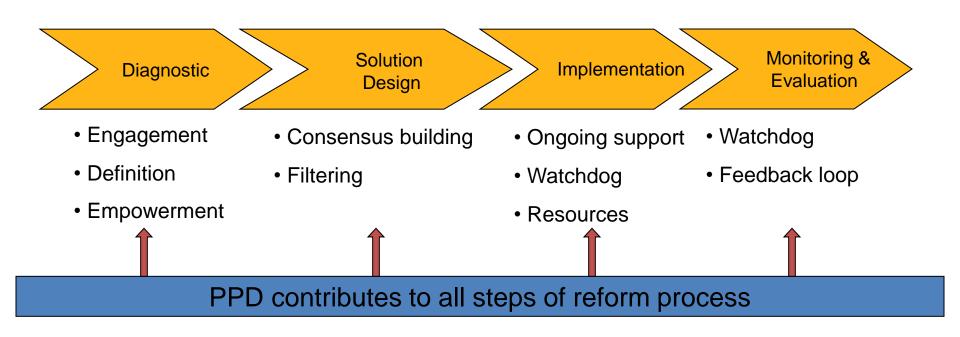
From Lobbying to Structured Advocacy

5- EXPAND THE SPACE FOR VIABLE REFORMS



5- EXPAND THE SPACE FOR VIABLE REFORMS

Structured dialogue → Workable reforms → Reforms that work



6- LEVERAGE SECTOR IMPROVEMENTS FOR GOVERNANCE GAINS

Sector fundamentals: Governance fundamentals: Coordination **Inclusiveness** Regulations Fairness **Transactions** Accountability Information Transparency Sector Open **Growth/Sustainability** governance **Inclusive and** Sustainable Growth

WHAT IS THE IMPACT OF PPDs?

EVIDENCE OF DEVELOPMENT EFFECTIVENESS

2005:

Independent evaluation of 5 Investors Advisory Councils in

Africa

2007:

Independent evaluation of 3 Business Forums in Mekong

2009:

Independent evaluation of 30 WBG-sponsored PPD

2011:

Impact assessment of 4 IC country programs (Rwanda, Liberia, Sierra Leone, Burkina Faso)

2012:

IFC internal evaluation of IC programs and their development effectiveness

2012:

impact of IC programs in Fragile and Conflict Affected States

Over 400 reforms achieved in over 50 distinct areas

Economic impact (private sector savings)

Conservative estimate: \$500 millions

Cost effectiveness

Start-up investment of 100k-200k







Aceh	2008
Albania	2008
Bangladesh	2007
Belarus	2007
Cambodia	1999
Chad	2008
Cameroun	2008
CAR	2007
Ethiopia	2008
_aos	2005
Liberia	2007
Nepal	2008
Pakistan	2008
Sierra Leone	2007
Romania	2006
Senegal	2002
North Sudan	2007
South Sudan	2007
Tanzania	2002
Γimor Leste	2008
Tonga	2005
Jganda	2004
√anuatu	2008
√ietnam	1997
Zambia	2007
Benin	N/A
Ghana	2002
Mali	2004

PPD IMPACT ON ROAD REPAIR IN NOSY BE & FORT DAUPHIN

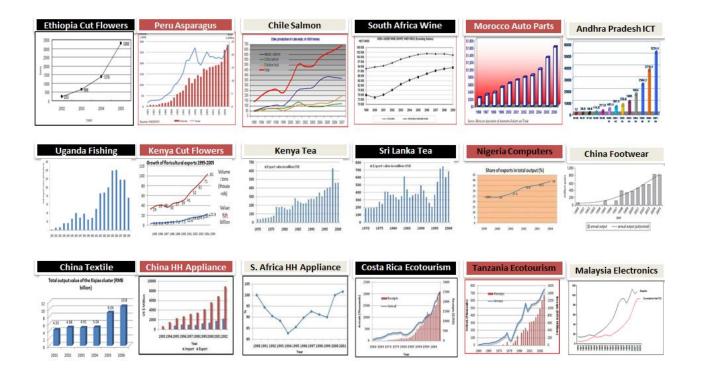


Source: Uy, 2011 (Madagascar Growth Pole project, FPD Africa, World Bank Group)

Ranomafana

Nosy Be

SECTOR GROWTH THROUGH PPD





Comparison of 2 sectors in 5 countries (Egypt, Lebanon, Malta, Spain and Turkey) + Comparison of 10 different PPD case studies in one region of Spain - Catalonia

Health in Kenya Initiative

http://www.youtube.com/watch?v=mMz-3auPhTA



Sector Focus

HOW TO IMPLEMENT PPDs?

PREREQUISITES

Consider 4 dimensions to start it

Public Authorities:

Engagement means sufficient capacity, political will and leadership.

Business community:

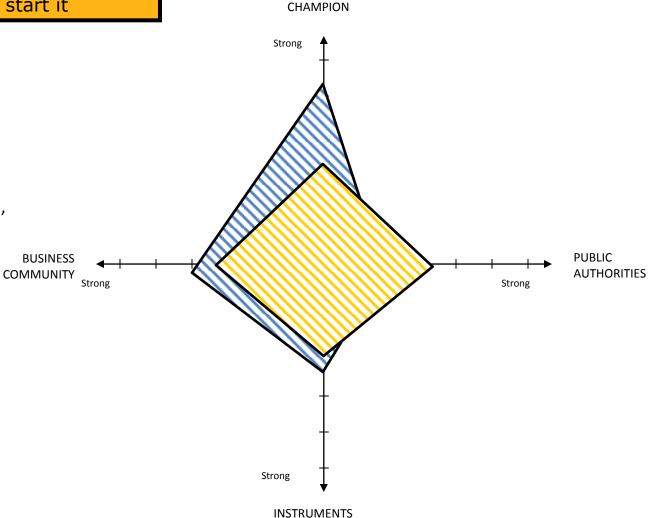
Needs to be somehow organized, led and feel a basic sense of security.

Champion:

Needs credibility, expertise and the ability to get media attention

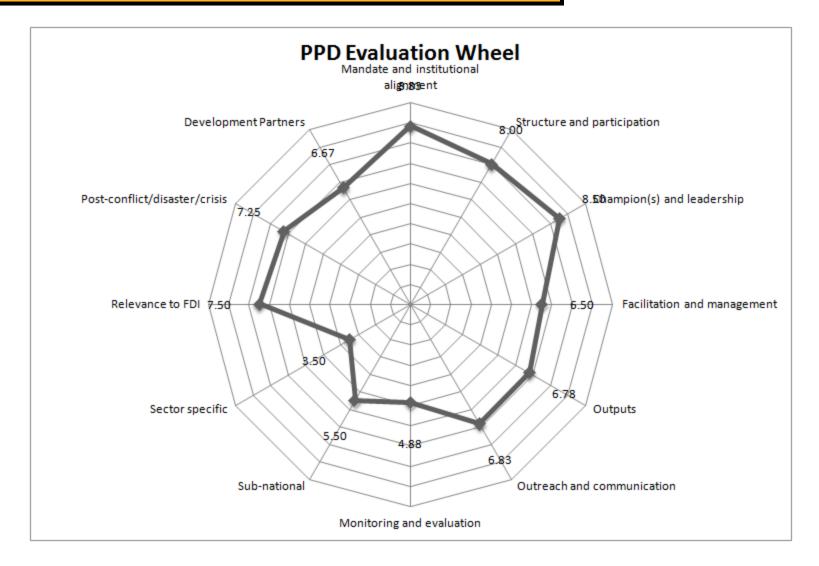
Instruments:

Need logistical facilities, seed funds (may also supplement champion in QA)



IMPLEMENTATION

Consider 12 dimensions to sustain it over the long run



IMPLEMENTATION FRAMEWORK: 12 KEY PROCESSES

- 1. Mandate and Institutional Alignment
- 2. Structure and participation
- 3. Champions
- 4. Facilitator
- 5. Outputs
- 6. Outreach and communications
- 7. Monitoring and evaluation
- 8. Sub national relevance
- 9. Sector-specificity
- 10. Relevance to FDI
- 11. Post-conflict/disaster, crisis response
- 12. Development partners

A number of options to choose from

A number of good and bad practice to learn from

A number of decisions to implement

PRACTICAL IMPLEMENTATION TIPS TO GET RESULTS

-1A LOT OF WORK
Huge coordination and mediation business



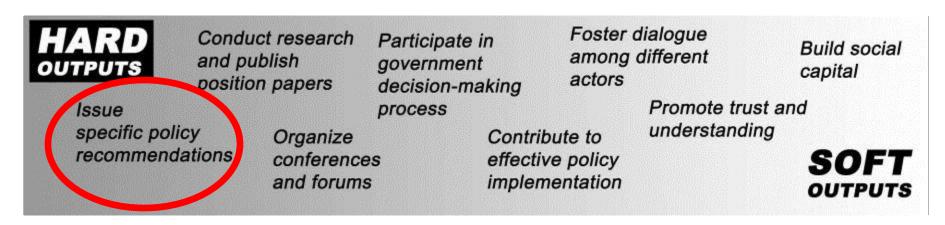
Project brief Sector constraints(Existing benchmarks and surveys) Stakeholder investigation(Field interviews and focus groups) Development Intermediaries Public authorities Civil Society Private sector partners Most significant reforms (Field interviews and focus groups) Stakeholder analysis Report composition -Design recommendations







-3-STRONG FOCUS ON TARGETED, MEASURBLE REFORMS



Focusing on this will bring the others

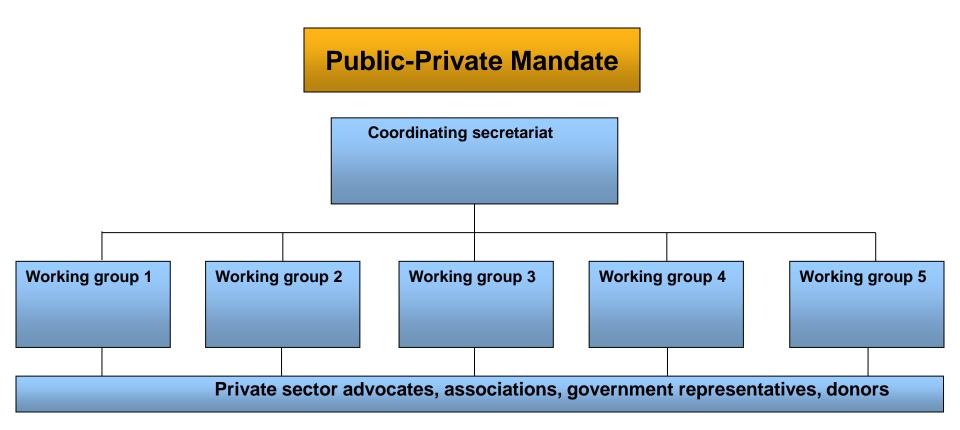
The Ethiopian Public Private Consultative Forum (EPPCF)

http://www.youtube.com/watch?v=VRM1nQ8e4Eo#t=2m4s



Objectives

-4SIMPLE, EXPLICIT ORGANIZATION



Source: PPD Handbook, 2011

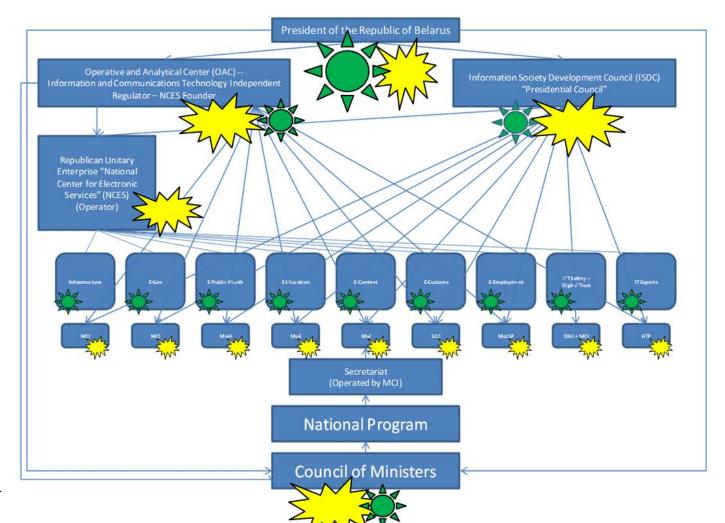
Business Initiative Leading Development (BUILD) in Bangladesh http://www.youtube.com/watch?v=5frLlFPCZ2c#t=1m12s



Structure

BELARUS INSTITUTIONAL SUPPORT FOR ICT SECTOR DEVELOPMENT

Overlap in coordination and abundance of bodies with policy-making decision power can scare investors away, as it creates lack of predictability and uncertainty

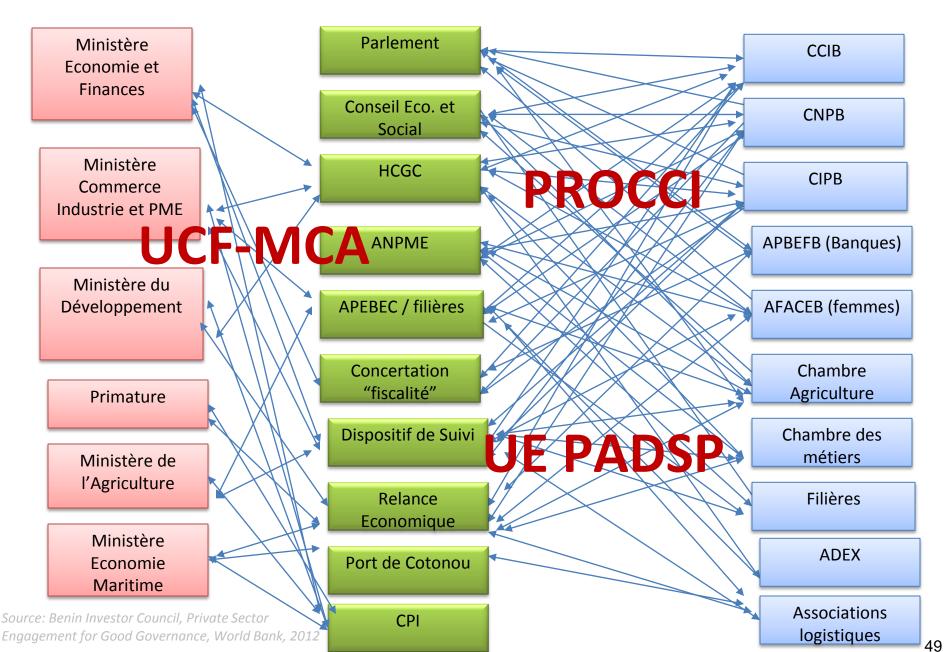




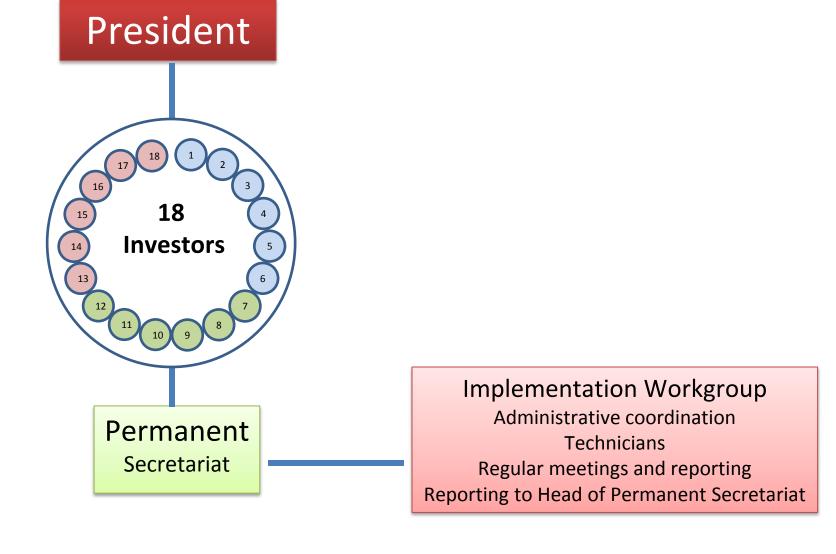
Policy making

Source: Belarus ICT Governance Environment Assessment Report, Private Sector Engagement for Good Governance, World Bank, 2012

INSTITUTIONAL COORDINATION (OR NOT)



PRESIDENTIAL INVESTOR COUNCIL



TAJIKISTAN KHATLON REGIONAL CONSULTATIVE COUNCIL (RCC)

Meetings of the Regional Consultative Council (RCC) to improve the business environment and investment climate of the Chairman of Khatlon region



Decision-making level



Secretariat of the Regional Consultative Council



Coordination of activities of working groups



Working Groups

WG on attracting investment for development of enterprises engaged in harvesting and processing of agricultural products WG on facilitation of tax payments, especially for farmer households

WG on water security of farmer households and timely payment for water supply services

Level of analysis and project development solutions

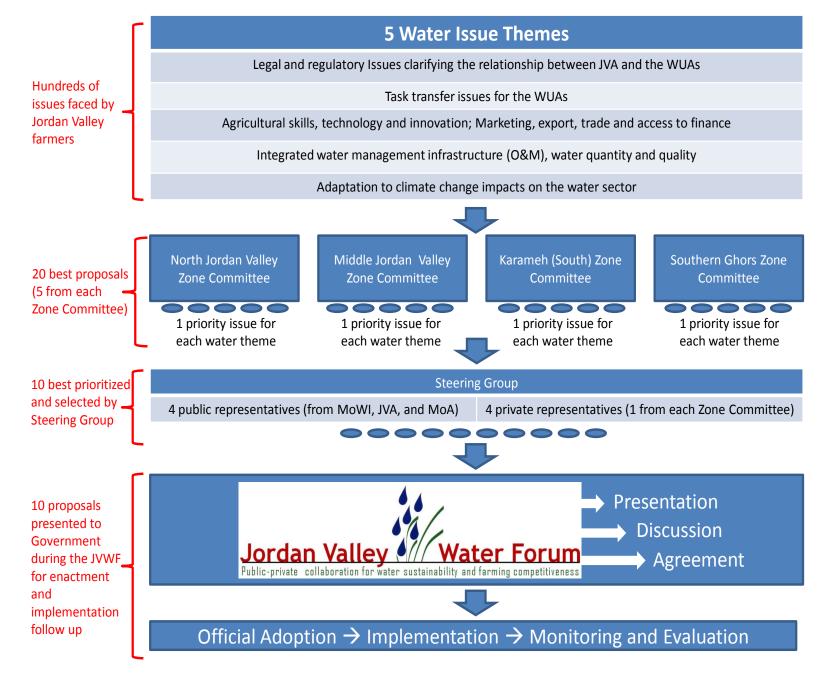


Roundtables (expanded private sector participation)



Level to identify problems and proposals

Source: Sultanova, Rahmonov, 2011

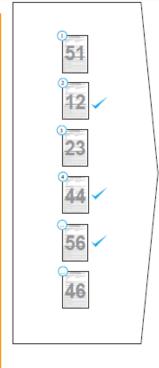


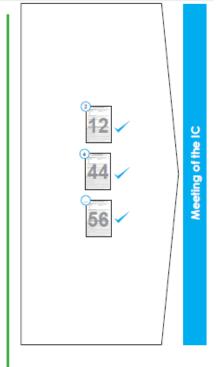
-5-A TEMPLATED, OPEN AND DISCIPLINED WAY TO COLLECT AND VET REFORM PROPOSALS

Issue Number/Title Issue No.: Title of Iss	ue
Contact information of submitter (optional):	
Specific target of the proposal	
Indicator which the reform will improve	Projected impact that the reform will have
(current, projected)	(investment generation / infrastructure development / skills
	development / access to financing / job creation / etc.;)
Projected cost of the proposal	
Cost to private sector	Cost to public sector
(current, projected)	(current, projected)
Projected benefit of the proposal	
Benefit to private sector	Benefit to public sector
(private sector savings, other)	(fiscal revenues, other)
Cost/Repolit satis the assessed	
Cost/Benefit ratio the proposal	
5	
Does the proposal meet the 1:4 cost benefit in (if no, explain why)	atio (yes/no)
(If no, explain why)	
Implementation feasibility	
Projected enactment date of the proposal	Projected date at which implementation of the proposal
	will be fully completed
Does the proposal meet the 6 month impleme	
(if no, explain why)	entation diteria (yes/no)
to no, ogran way	
How does the proposal align with developme	nt objectives as spelled out in national plans?
now does the proposal align with developme	na objectives as spelied out in national plans.
	osal aims to solve? Why is the current situation a
problem? (Quantify problems as much as possible)	
Committee of the commit	
What is the proposed solution?	
The proposition of the propositi	
What steps would be required for this solution	n to hangen?
	Responsible body Designated person
 	
If the solution requires new as modified as a	edure/law/text, include current and proposed text below
If the solution requires new or modified proce	coure/low/text, include current and proposed text below
Proposed text(s):	

FILTERING PROCESS TO ENSURE TRANSPARENCY AND FAIRNESS







IC Secretariat staff evaluates issues based on:

- · Is it clear what the problem is and the harm it is causing?
- · Is the proposal consistent with the Government policy and reform agenda?
- Will the proposal improve the environment for doing business and generate meaningful net benefits for the economy?
- · Will the proposal positively affect competition in the market?
- · Is the proposal clear in what it is recommending?
- Can the proposal be implemented within a reasonable period of time?

Secretariat scores the remaining issues based on feasibility and cost

- All issues scoring above a certain threshold are passed to second filter
- · Issues scoring below this threshold are removed and the sponsors notified with a standard letter

The coordinator returns the list to the Secretariat at which point it is submitted to donors

- Donors review the list (potentially to discuss in DCC meeting) and indicate which items they would have resources to support analytical work and/or help support a working group
- Donors review all issues and do not cut any

Second Filter

- · The issues having passed the first filter are sent electronically to a listserve of business associations and other private sector representatives
- . This group is given 10 days to (i) prioritize their top 5 issues from those on the list (ii) submit any comments or proposed revisions on the issues
- The prioritization and comments are submitted to participating private sector representative bodies and compiled.
- Secretariat meets with participating private sector representative bodies and agrees on a final draft agenda through consensus.
- Anvissue which doesn't appear on the top 5 prioritization list of at least 2 associations is out and the sponsor is notified
- Issues that are cut from the second filter will be stored in the database for review in subsequen

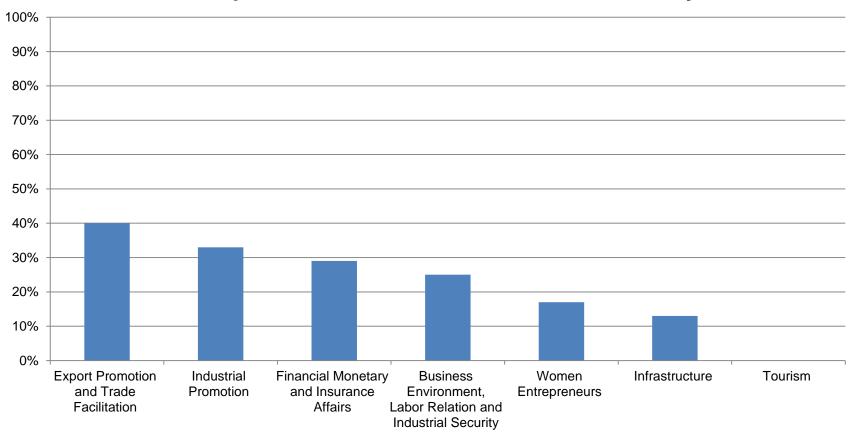
Fourth Filter

- Final list goes to Secretariat and GosKomInvest showing prioritization of each issue by the private sector and availability of donor support.
- Based on this information, Secretariat/GKI make final selection of issues to be put on the agenda of the Investment Council
- Working groups for these issues are established as needed
- · For issues not included on the agenda, sponsors receive notification
- · Issues out in this fourth filter are put into database for consideration in subsequent rounds of consideration

NBF ADVOCACY EFFECTIVENESS = 22%



Ratio of Implemented to Recommended Reforms by WG



-6-STRONG CONVINCING POWER



Bosnia Bulldozer initiative, "50 reforms in 150 days"







Georgia legal and judicial reform









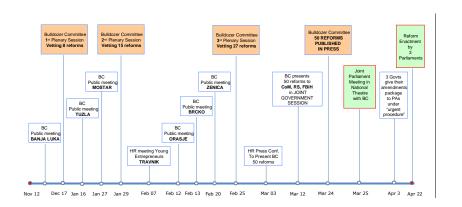
Cambodia SME credit reform – TV shows on location (SMEs) + Experts



Accountability gets specific in (corporate governance reform)

Source: PPD Handbook

-7-GOOD PLANNING

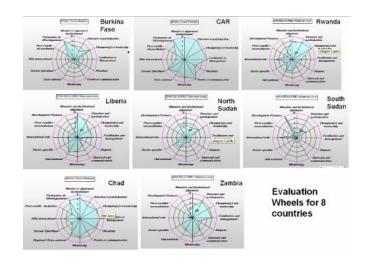


PPD Action Matrix														
Process Point	Activity	Action	Action Number	Start	Finish	Peop	*	Budget	Indicator					
Mondate	Decree	Rewrite decree #312 to reflect for representation of PS	er 1	April	1-3um-98	WS + Causol	of Ministers	0	New Decree Insu	ed				
	legal Mandate	Have a legal mandate written by competent legal entity	2	5-May	1-340-09	Legel carealts	nt	\$2,000	Finalized legal m	andate				
Structure & Participation		Already in place												
Champions	Educatly Y-QR Contact Assignment	Cented Champions Na	untry: me of init tion Plan		me	Armeni Council July 20		cembe	er 201 3					
facilator	ascretariat	Assign duties as needed Follow up on MOFHE star assignment to the PPD					-	PD Acti	on Hatrix					
	Forms	Establish a single compe of rivels based guidelines production of quality sec		ss Point		Activity	Action	Acti	on Humber	Start	Finish	People	Budget	Indic
		Monitor eutput	put			_								
	rs	Maintain a peol of key to figures who have expect needs of the PS to allow of good practice and full	reach & Co	mmunical	tion									
		No	nitoring & E	valuation										
		Sul	rational											
		Sec	tor Specific											
		Rel	ationship to	FDI										
		Cris	is-mitigatio	n										

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	tx change \$:		500	
	Total	US \$		
Charges du Personnel	00 400 000		400.000	
Salaires	80,400,000	\$	160,800	
Frais Transport/Carburant	5,160,000	\$	10,320	
Frais de téléphone/communication	2,100,000	\$	4,200	
Sécurité sociale	12,381,600	\$	24,763	
S/Total charges du personnel	100,041,600	\$	200,083	
Dépenses de Fonctionnement				
Administratif	2,400,000	\$	4,800	
Bureautique	4,200,000	\$	8,400	
Marketing/Communication	3,600,000	\$	7,200	
Entretien equipements	1,800,000	\$	3,600	
Etudes et Recherches	15,000,000	\$	30,000	
Réunions Forum	8,300,000	\$	16,600	
Frais deplacement	3,500,000	\$	7,000	
5% Imprévus	1,940,000	\$	3,880	
S/Total fonctionnement	40,740,000	\$	81,480	
TOTAUX	140,781,600	S	281.563	

-8-MONITORING PROCESS AND

EVALUATING IMPACTS



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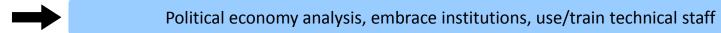
Fact 1 : Evaluation of Organizational Fromass and Effectiveness

SUMMARY TABLE	SCORE	Weight
Mandate and institutional alignment	7.00	1
Structure and participation	5.00	1
Champion(s) and leadership	5.25	1
Facilitation and management	5.63	1
Outputs	7.33	1
Outreach and communication	5.92	1
Monitoring and evaluation	4.17	1
Sub-national	3.50	1
Sector specific	6.00	1
Relevance to FDI	8.00	1
Post-conflict/disaster/crisis	5.50	1
Development Partners	4.67	1
Average score:	5.66	

-9-UNDERSTAND THE RISKS

PPDS ARE RISKY BUSINESS

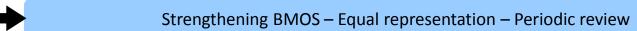
1- Political Economy, Institutional misalignments (e.g. Uganda NF, Benin)



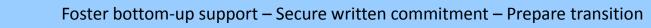
2 - Reinforcing vested interest (e.g. Mongolia, Belarus)



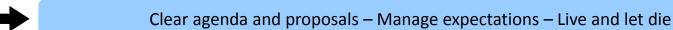
3 - Over and under representation (e.g. Tanzania, 18%, Benin 6/6/6)



4 - One man shows (e.g. Botswana)



5 - Sustainability issues (e.g. Bolivia, Cameroon, Liberia)



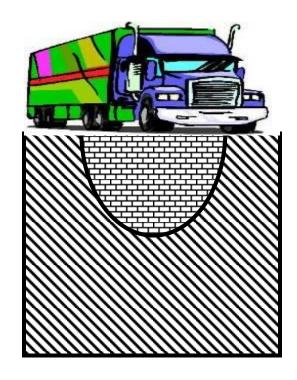
6 - Political risks (e.g. Bosnia, Bangladesh)

Depoliticize through outreach – Woo parliamentarians – Go local

-10-AS YOU ENTER, THINK ABOUT: WHAT'S NEXT?

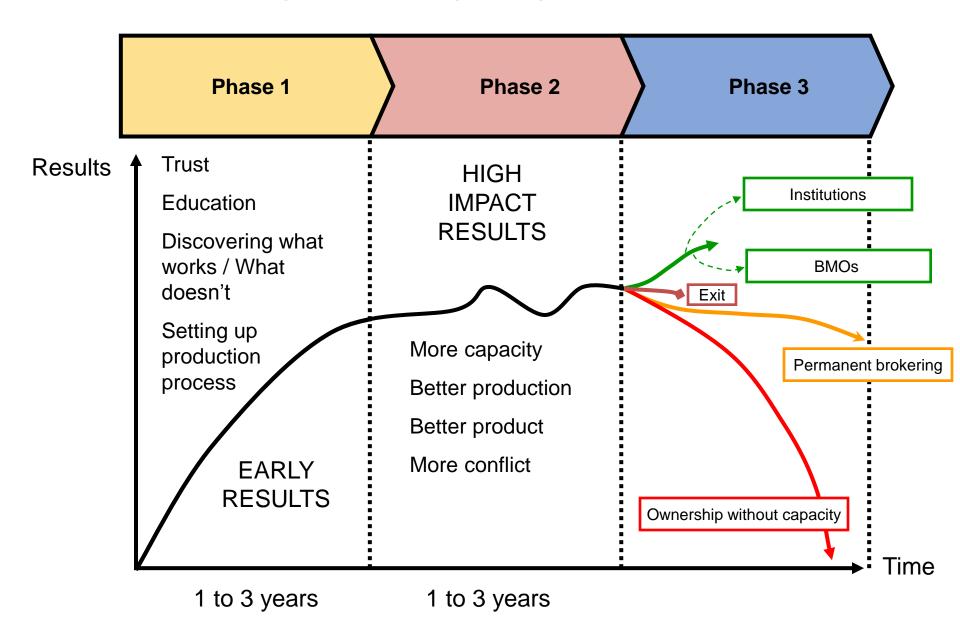
INITIATIVE OR INSTITUTION?

Public authorities



Private sector

LIFE AND DEATH OF A PPD MECHANISM

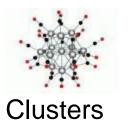


Source: PPD Handbook

LINKING THE PPD TO OTHER REFORMS PROCESSES



SEZ

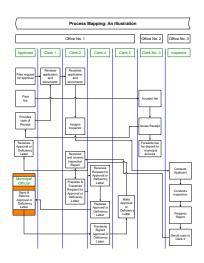


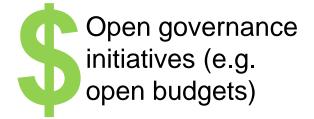


AARRA

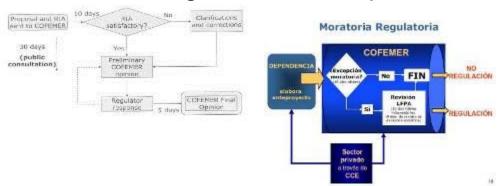
Value Reform Unit chain

Regulatory simplification





RIA and regulation review process



HOW TO SHARE EXPERIENCES, GET GOOD PRACTICE MATERIAL, TOOLS?

www.publicprivatedialogue.org

COMMUNITY OF PRACTICE

KM Website

Charter of good practice

Lessons learned papers

Interactive PPD handbook

50 case studies

Operational documents

Templates

M&e Tools

Workshop materials



Workshops

2006 PPD Workshop

(Paris, 30 countries represented)

2007 PPD Workshop

(Douala, 7 countries represented)

2008 PPD Workshop

(Dakar, 8 countries represented)

2009 PPD Workshop

(Vienna, 20 countries represented)

2010 PPD Workshop

(Vienna, 23 countries represented)

2011 PPD Workshop

(Vienna, 20 countries represented)

Donor partnerships

OECD

(on implementation guidelines)

DFID

(co-funding of KM and projects)

GTZ

(co-implementation of PPD projects)

EBRD

(co-implementation of PPD projects)

USAID

(our PPD training to their PSD staff)

Catalonia ACC10

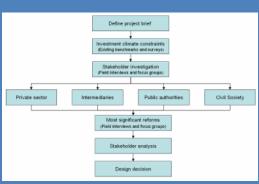
(research partnership)

TOOLS

Implementation guidelines

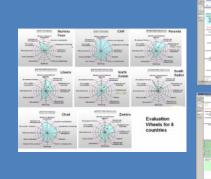


Diagnostic tool



M&E Tools for PPD secretariats





http://www.facebook.com/publicprivatedialogue

Twitter: #PPDialogue @PPDialogue



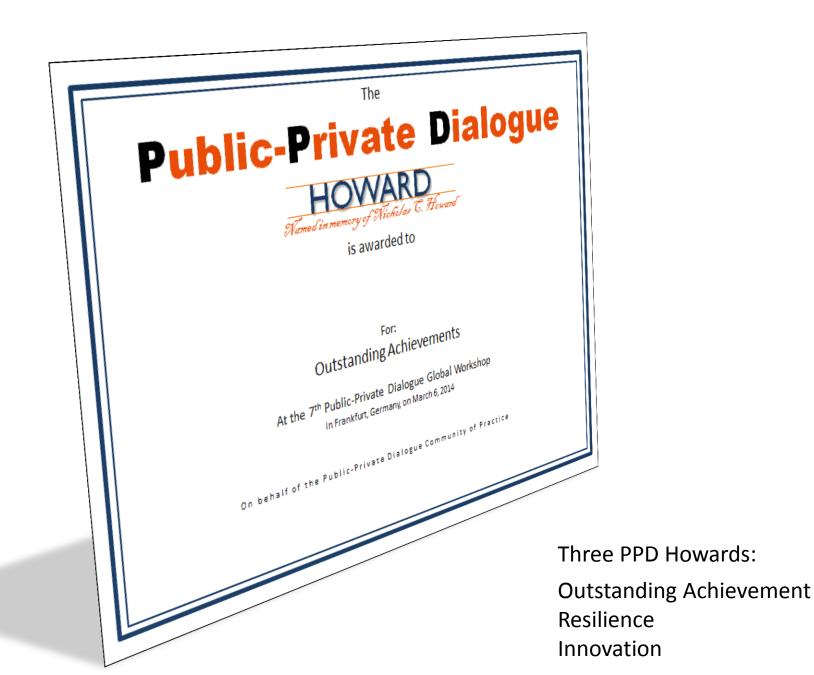
RECOGNIZING PPD EFFORTS

The

Public-Private Dialogue







THANK YOU!

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