



private sector | development

PPD Workshop

Vienna, 2011

International workshop on

# Public-Private Dialogue

## PPD Transition Checklist

# Transition Acid Test

**Sustainable / transitioned  
PPD**



**Ownership and stewardship**



**Tangible results**

# Key Guidelines

- **Plan and prepare your transition**
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# Checklist PPD Transition

- **Operational**
  - People
    - *Facilitation*
    - *BMO*
  - PPD infrastructure
    - *Sound governance structure*
    - *Written operating guidelines*
    - *Databases etc.*
  - Communication
    - *Participants understand the transition process, timing , commitments*

# Checklist PPD Transition

## Financial

- Financial contributions
  - *BMO dues*
  - *Sponsoring*
  - *Donors/Government*
- Other services?

## Effectiveness

- Ownership (results!)
- Equity / inclusion
- Meaningful process
  - Reform table pre-requisites*

# Checklist PPD sustainability

- **Operational**
  - People
    - *Facilitation*
    - *BMO*
  - Infrastructure
    - *Processes*
    - *Databases etc.*
- **Financial**
  - Financial contributors
  - Services
- **Effectiveness**
  - Equity / inclusion
  - Meaningful process
    - *Reform table pre-requisites*



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## PPD Transition Strategies

*Lessons Learned by the PPD Global Product Team*

# Agenda

## Introduction

## Process

## Case studies

We have been supporting this PPD for 5 years, it's about time we get out of it. Especially that with the upcoming elections, things are getting political.

**Senior Donor Agency Representative**

Dialogue has been working, why do they want to stop the sponsoring it when they're just starting to get results?

**Private Sector Representative**



# Introduction

- **Limited body of knowledge thus far (too few PPD exited with sufficient time horizon)**
- **No optimal strategy has yet emerged**
- **We are beginning to identify best practices in terms of process**
- **The presentation is purely work in progress**
- **Your input is most valued**
- **Your input + presentation = new chapter in PPD handbook**

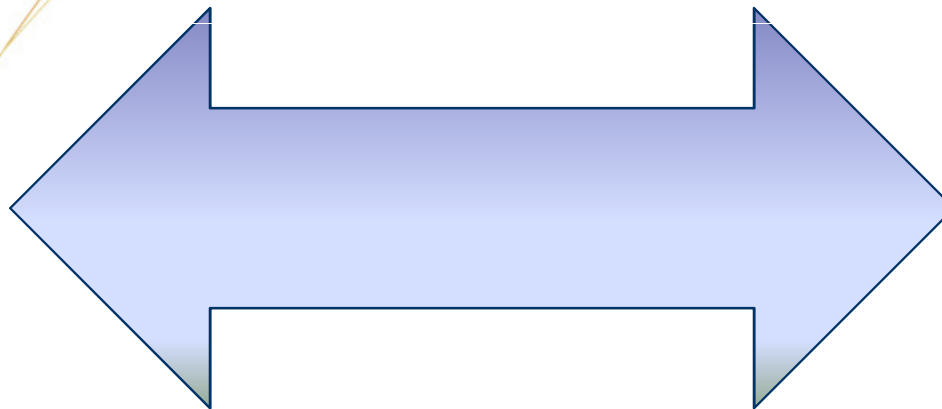
# Donor Transition Strategy: Definition

- **Strategy through which the donor agencies remove themselves from direct support to the PPD in a way that allows the PPD to function sustainably.**
- **Sustainability refers to**
  - Operational sustainability, i.e. reliance on the PPD internal capacities and/or services purchased at market costs;
  - Financial sustainability, i.e. generation of sufficient cash from services to cover cost of operations;
  - Sustained mandate and effectiveness, i.e. continued provision of a channel for dialogue between the private and public sector to fulfill the PPD mandate.

# Exiting a PPD is about transitioning out

**There is in fact a continuum with regards to how structured is a PPD**

- Structured
- Planned
- Supported
- Externally financed
- Formalized
- Supply driven
- ...



- Demand driven
- Integrated
- Independent
- Organic
- Cultural
- Internalized

# Transition strategy options

The PPD mandate, the political & economical environments dictate the best exit strategy.

1. PPD institutionalized within existing institutions (e.g. institution the PPD was aligned with)
2. PPD institutionalized as a new and independent institution
3. PPD functions are decentralized and WG take life of their own
4. Partnership initiative ends
5. PPD mechanism ends but the concept of stakeholder dialogue is internalized and integrated to the political culture and practice

# Agenda

Introduction

**Process**

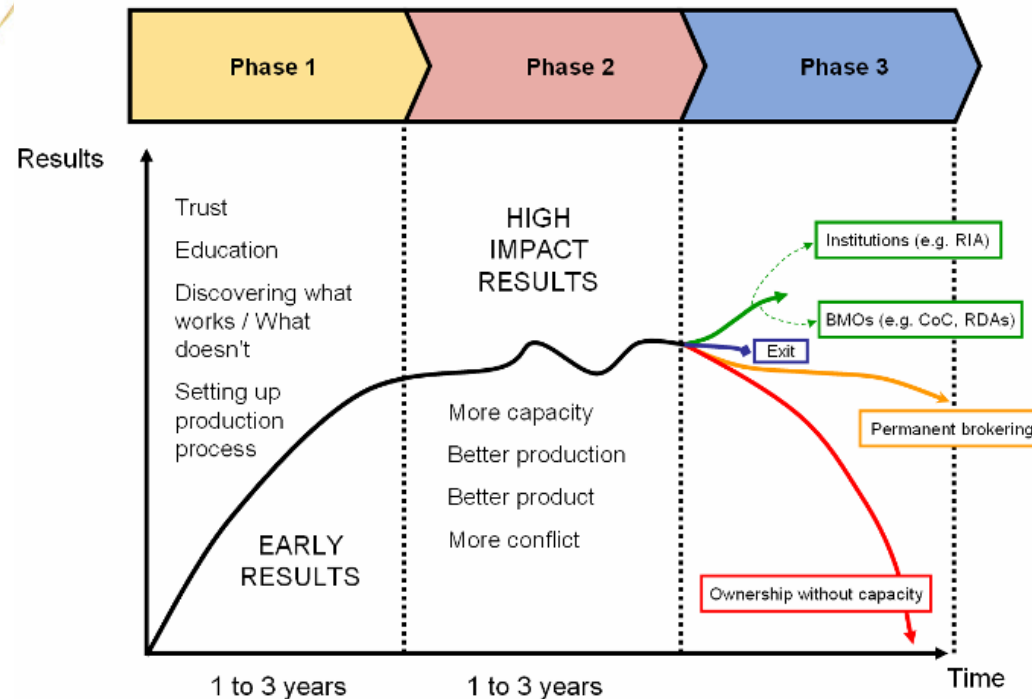
Case studies

Levy, 2010

# Transition as part of the PPD life cycle

Transition would ideally be built into the early PPD design and be consistent with the PPD mandate.

- Difficult to achieve in practice as practitioners are concerned with so many short-term challenges
- At minima, the PPD design should provide a broad exit timeframe communicated to stakeholders



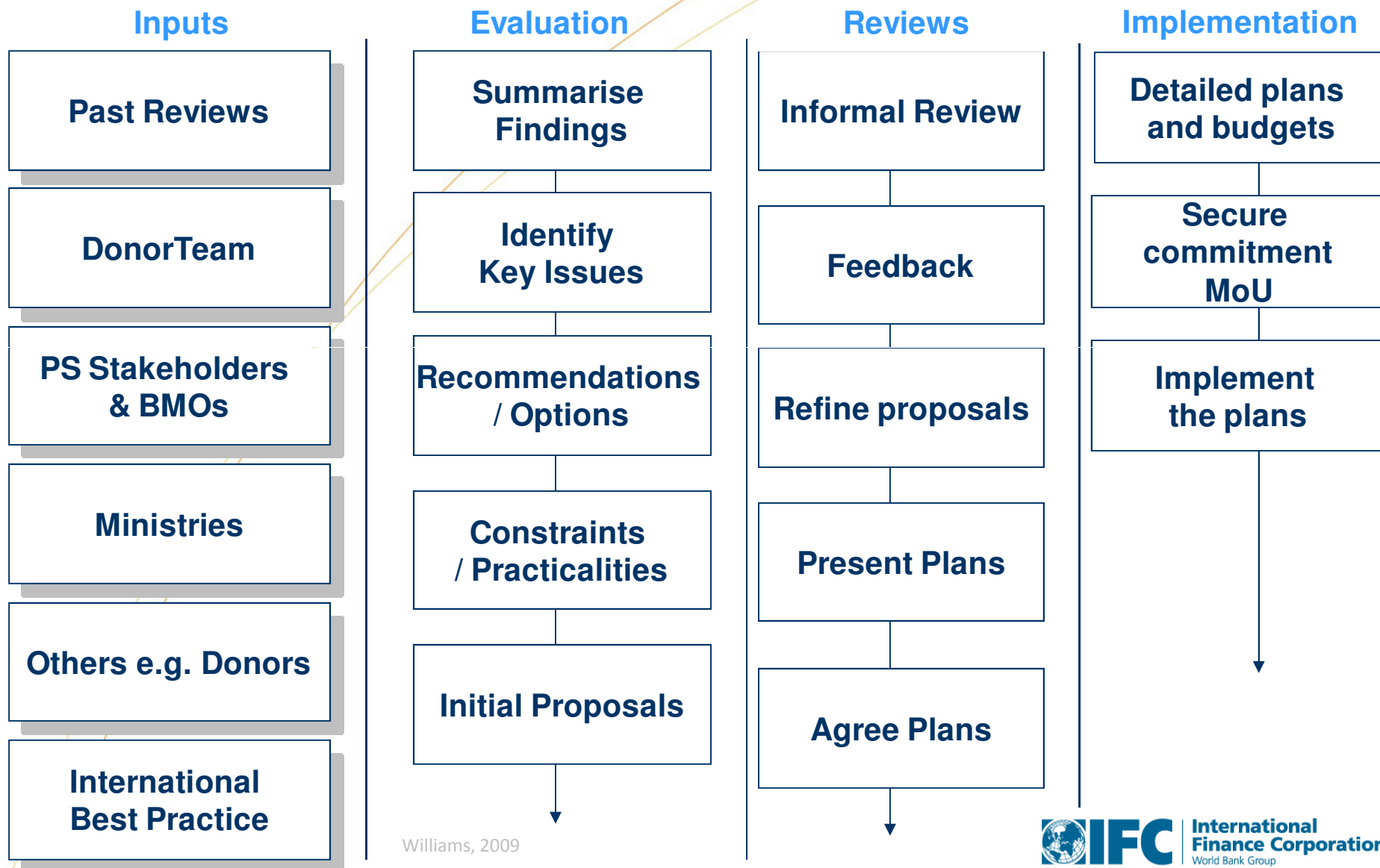
Herzberg and Levy, 2010

# Transition strategy process

**A successful transition strategy is a change management exercise that requires careful planning**

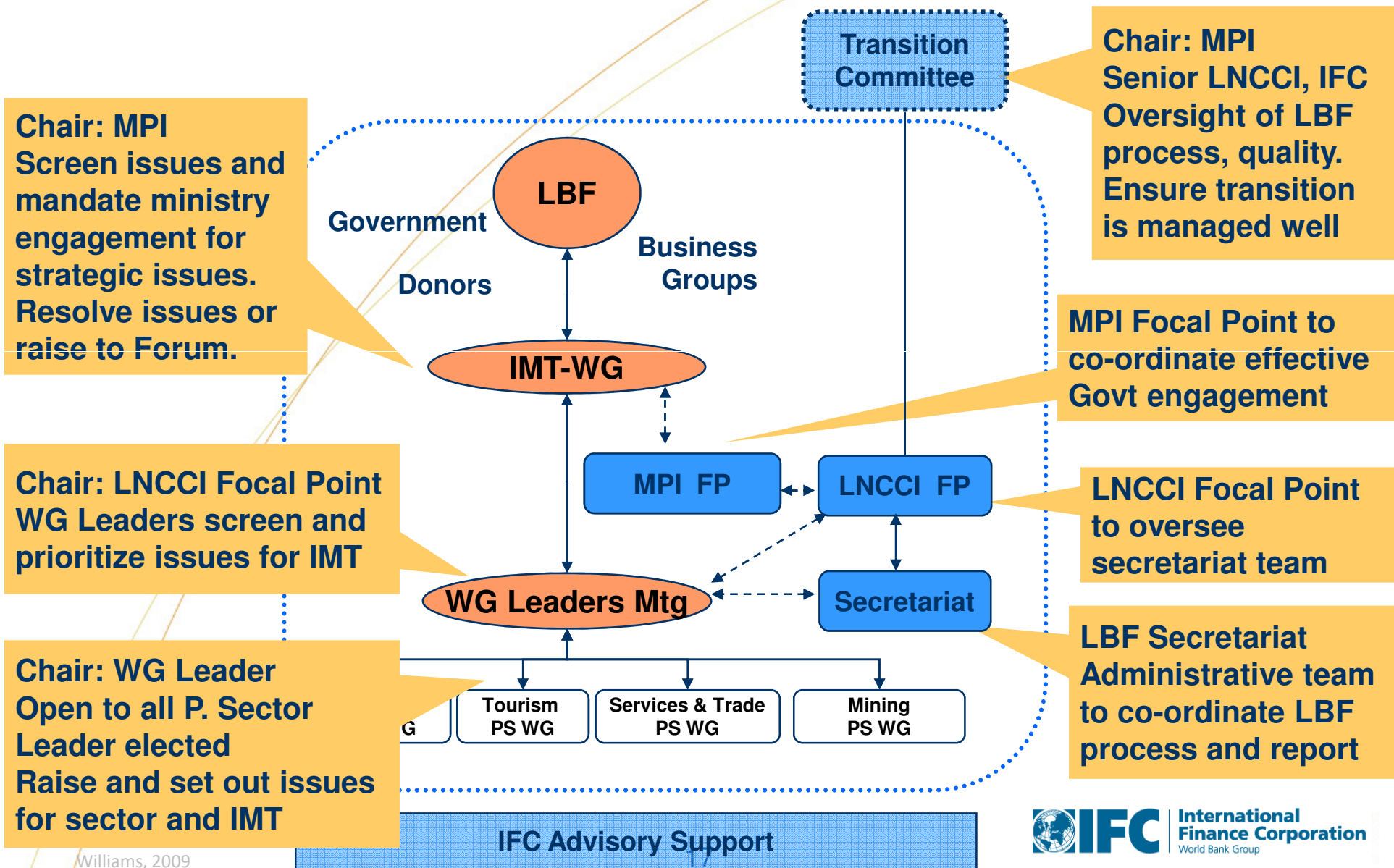
- Begins with the PPD mandate
- Wide consultation to collect stakeholders' view, while recognition the local political sensitivities and vested interests
- Clarification of who does what - Secretariat, Governing body/Steering committee, WGs (often the ideal primary actor) , etc.
- Clear timeline, including deadlines for stakeholders' inputs
- Ensuring technical and financial capacities
- Consensus building among stakeholders

# Planning the Secretariat Transition (LBF 2009)





# Who does what? LBF example



# Acid tests

Timing: Have we increased the PPD impact **by 1 point on the reform process tool?**

Strategy soundness: Does the strategy fills the gaps left by donors?

	DIAGNOSTIC	SOLUTION DESIGN	ADVOCACY & HANDOVER	LEGISLATIVE & EXECUTIVE PROCESS	FOLLOW UP & MONITORING
Capacity					
Confidence					
Opportunity					

# Addressing reform process pre-conditions

## Capacity to move the reform to the next step

- Technical capacity: transitioning from implementer to enabler;  
*WG / BMO / Gov capacity building; rotating secretariat function, ...*
- Financial capacities: Resource mobilization plan; Contributions by donors as client of the PPD; Contribution to a research fund with clear and transparent access guidelines

## • PS Confidence to move reforms to the next step

Extending IFC “umbrella” beyond the exit, sponsoring the main event, vetting research and position papers, raising PPD profile with Government

## • PS and Government Opportunity

PS “internal” access through adequate structures and organizations

# Agenda

Introduction

Process

**Case studies**

Levy, 2010

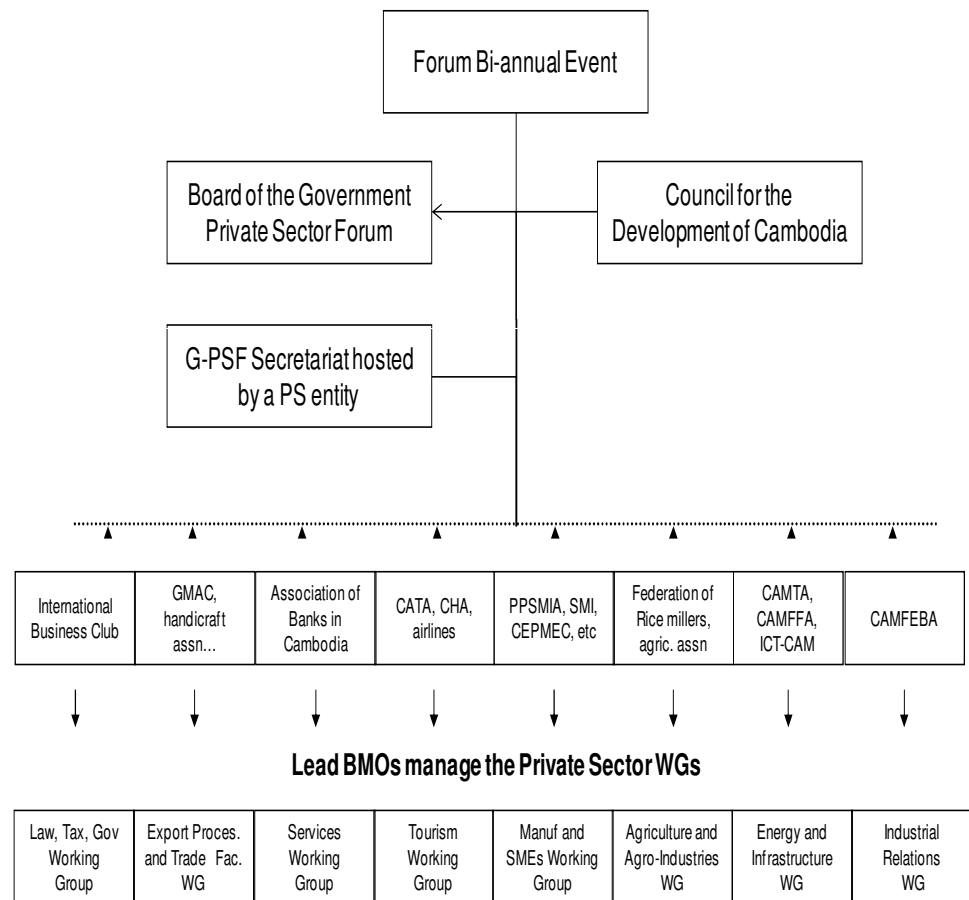
# Cambodian G-PSF Transition Strategy

## • Overview of strategy

- Transfer of the G-PSF management and coordination functions to the private sector
- Transfer of the WG functions to specific BMOs and Gov body
- Continued capacity building to BMOs

## • Change management and ownership

- Secretariat hosting by CC
- Controversy about ownership



# Lao Business Forum – Transition Strategy

**Overview of strategy**

**Change management and ownership**

Levy, 2010