Private Sector Cooperation

International Survey

Cooperation with the Private Sector – Promotion Programmes

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

On behalf of

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Forword

Development cooperation objectives cannot be achieved without the involvement of the private sector. Attaining the Millennium Development Goals (MDGs) by 2015 will take more than just public resources. In many fields, including environmental protection, education, health, agriculture, water and energy, key areas of development policy coincide with private business activity. Private and public partners both benefit when they come together to help shape economic, political, legal, and social frameworks in developing countries.

The German Government has been working with the private sector for over ten years to achieve development objectives more quickly and efficiently.

The development partnerships with the private sector initiated by the German Federal Ministry for Economic Cooperation and Development (BMZ) in the develoPPP.de programme[1] bring together common interests and draw on the partners' respective strengths. Businesses can benefit from the many years of development cooperation experience to secure their local investments, access emerging markets, and build up viable structures. Development cooperation profits from private sector operations that help to attain development policy objectives in partner countries in a sustainable and cost-effective manner. BMZ accompanies its partner countries on the path to reaching these goals. Here, the develoPPP.de programme takes a three-pronged approach. To begin with, targeted support is offered to private engagement in sectors that require special attention but also offer good opportunities. This is the purpose of the new category, develoPPP.topic. The category develoPPP.innovation is not limited to one sector; it is open to particularly promising and innovative private sector approaches across the board. The third programme category, develoPPP.alliance, concentrates on larger joint projects. Such 'strategic alliances', which usually involve several firms, are often transnational and have a broad and substantial impact. The programme is primarily financed from a special BMZ fund and covers a wide spectrum of potential opportunities for cooperation between the private sector and development policy.

Private sector cooperation is also an integral part of development policy in the international donor community. The following **International Survey on Support Programmes for Private Sector Cooperation** was designed to provide an overview of comparable programmes within international cooperation.

[1] For detailed information, see www.develoPPP.de

Denmark:

DANIDA – Danish development cooperation

Danida Business Partnerships

(since 8 August 2011 successor programme to the Innovative Partnerships for Development (IPD) and Business-to-Business for Development (B2B) programmes)

Danida Business Partnerships	Up to DKK 5 million (€ 670.000), respectively up to 50–75% of the total costs depending on the project phase
Total volume	DKK 255 million per year (€ 34 Mio.)
Size of the programme	No data so far; Programme will continue to administrate approximately 300 B2B projects and 30 IPD projects
Contact	DB Partnership Secretariat at the Ministry of Foreign Affairs Email: dbpartnerships@um.dk, Tel.: +45 33 92 02 55
Website	http://um.dk/en/danida-en/activities/business/partnerships/

Programme objective: The objective of Danida Business Partnerships is to contribute towards sustainable development and poverty reduction in the countries covered by the Danida programme[2]. The main emphasis is on the transfer of knowledge and technology from Danish companies to local partners, increasing the competitiveness of local businesses and improving the living and working conditions of the employees, their families and the society as a whole.

Partnership concept: A partnership must comprise at least one Danish company and one local partner (local business, NGO, research institute, professional association, government institution, etc.). If necessary, either party may involve additional partners.

Application criteria: Danida Business Partnerships supports long-term partnerships with a commercial focus that are related to the partners' core business activity. It is essential that these partnerships help to create employment and generate benefits for the local community (e.g. in the areas of labour rights, corruption and health). All partners must submit evidence that they have the necessary financial and human resources to maintain the partnership.

Funding process: Applications for support can be submitted throughout the year directly to the Danish embassy in the partner country concerned. For each project, Danida Business Partnerships distinguishes between two different phases. Depending on how far the project has advanced, companies may request funding for the preparatory or implementation phase. Funding may be available to cover both phases.

Support phase	Preparatory phase	Implementation phase
Maximum funding %	Max. 75%	Max. 50%
Maximum total funding	Max. DKK 750,000 (€ 110,000)	Max. DKK 5 million (€ 670,000) In exceptional cases DKK 10 million
Activities eligible for funding	• Identification of partners • Study trip • 'Get to know your partner' workshop • Preliminary meetings of partners • Project study • Testing and installation of products/production equipment	• Technical advice and training • Transaction costs in connection with formation and registration of partnership • BoP approaches • Innovative methods • Environmental protection measures

[2] Afghanistan, Bangladesh, Benin, Bhutan, Bolivia, Burkina Faso, Cambodia, Ethiopia, Ghana, Indonesia, Kenya, Mali, Mozambique, Myanmar, Nepal, Nicaragua, Niger, Pakistan, Palestine, Somalia, South Sudan, Tanzania, Uganda, Vietnam, Zambia, Zimbabwe

Finnland

Finnish Fund for Industrial Cooperation Ltd.

Finnpartnership

Business Partnership Support Facility (BPSF)	Up to € 200,000, 30–70%, depending on the size of the firm and DAC assessment of the partner country
Identification of business partners (matchmaking)	Through the data bank financed by Finnpartnership
Advising on planning and financing	Services provided free of charge
Total volume	€ 4.2 million (2009)
Size of the programme	77 projects (2009)
Contact	Siv Ahlberg, Programme Director, Tel.: +358 9 3484 3329 Email: siv.ahlberg@finnpartnership.fi
Website	http://www.finnpartnership.fi/www/en/index.php

Programme objective. Finnfund advises Finnish firms free of charge regarding all economic activities in developing countries. It also assumes a part of the costs for the establishment of partnerships between Finnish firms and companies in developing countries (feasibility studies, development, and implementation). The programme aims to strengthen economic cooperation between Finland and developing countries. An additional focus lies on partnerships that pilot Finnish environmental technology projects.

Partnership concept. Finnfund promotes long-term business partnerships, beginning with assistance in identifying appropriate partners by way of a comprehensive data bank. The concept is broad based, thus includes the development of joint ventures or branches in developing countries, long-term business relationships involving supplier, maintenance, franchising, and licensing contracts, and import activities from developing countries to Finland with added value for development policy (i.e. with the aim of strengthening the production structure of the partner country, increasing product quality, or diversifying regional production).

Application criteria. The programme is open to Finnish companies or firms with substantial ties to Finland (e.g. significant Finnish ownership share). In addition, Finnish research institutions, associations, and clubs can also apply. The submitted project proposals are evaluated for economic, environmental, and social sustainability according to the Standards on Social & Environmental Sustainability of the International Finance Corporation (IFC).

Funding process. Firms can apply to Finnfund any time during the year. The application must include an application form, a project description, budgeted project expenses, and a completed development impact questionnaire, as well as audited financial statements. The support is limited to €200,000 over three years in the form of de-minimis aid. Depending on the size of the firm and the DAC assessment of the partner country, 30-70% of actually incurred expenses will be reimbursed, as soon as the firm has submitted a final report. In addition, a progress report must be prepared for each of the two subsequent years.

Great Britain

DFID – UK Department for International Development

Business Innovation Facility (BIF)

Feasibility studies	£ 1 million total (€ 1.2 million) over 3 years
Development/implementation of inclusive business models	Up to £ 100,000 (€ 123,000)
Establishment of partnerships with NGOs and firms in developing countries	No information
Total volume	£ 3 million (€ 3.7 million) for the 3.5-year pilot phase, £ 1 million (€ 1.2 million) for technical support
Size of the programme	At least 30 projects and at least 80 partnership interventions planned
Contact	Jack Newnham, Project Director Sekretariat: enquiries@businessinnovationfacility.org
Website	http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/Business/Business-innovation-facility/

Programme objective. After the launching event on 10 May 2010, the Business Innovation Facility will enter a three-year pilot phase starting in 2011. The aim of the programme is to strengthen partnerships between DFID and the private sector and to improve access to potential markets in developing countries. The target group of the partnerships are poor people as consumers, employees, and producers.

Partnership concept. In general, BIF supports inclusive business models, not only, but especially, those in the areas of value chains, base of the pyramid, and climate protection.

Application criteria. The focus countries for applications in the pilot phase are Bangladesh, India, Nigeria, Malawi, and Zambia. Successful project proposals must demonstrate that the planned partnerships are profitable and can also be replicated on a larger scale.

Funding process. The plan is to support at least 30 company-led initiatives. BIF assumes part of the costs for feasibility studies and planning for implementation of inclusive business models. Furthermore, BIF acts as an intermediary, helping companies establish cooperation with local firms and entrepreneurs, governments, NGOs, and other development cooperation organisations. The implementation experiences will be immediately evaluated and made transparent.

Great Britain

DFID – UK Department for International Development

Responsible and Accountable Garment Sector Challenge Fund (RAGS)

CSR projects	£ 25,000–250,000 (€ 30,500–305,000) per project
Total volume	£ 3 million (€ 3.7 million) for the period 2010-2013
Size of the programme	10–15 projects (planned)
Contact	Dave Runganaikaloo, RAGS Fund Manager Tel.: +44 207 251 0147 Email: drunganaikaloo@maxwellstamp.com
Website	http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/Business/Responsible-and-Accountable-Garment-Sector-RAGS-Challenge-Fund-/

Programme objective. In the framework of the Sustainable Clothing Action Plan, RAGS supports projects that improve the living and working conditions of employees in the readymade garment industry in developing countries. Here the focus lies on workers in selected low-income countries in Asia and sub-Saharan Africa that supply the UK textile market.

Partnership concept. RAGS supports projects of individual applicants, but also explicitly welcomes applications from joint projects. The programme is limited to financial support and final evaluation of the projects.

Application criteria. RAGS is open not only to firms, but also to labour unions and Fair Trade organisations. The decisive criteria for a successful project proposal are innovation (the project must go beyond existing practice) and scalability (the project must be suitable for implementation on a larger scale). Furthermore, the proposed project term should not exceed 2.5 years.

Funding process. The funding process has two stages: Initially a project concept note will be individually evaluated. In the second stage, only the selected firms then submit a full project proposal. The companies are expected to contribute in-kind or financial inputs to the project that match the financial support of RAGS. The contribution of not-for-profit organisations should correspond to 30% of the funding provided by RAGS.

Great Britain

DFID – UK Department for International Development

Food Retail Industry Challenge Fund (FRICH)

Promoting the food industry	Up to £ 250,000 (€ 305,000), payment upon achievement of intermediate objectives
Total volume	£ 2 million (€ 2.5 million)
Size of the programme	No information
Contact	Mark Thomas, FRICH Project Director Tel.: +44 (0) 844 8800 981 Email: mthomas@emergingmarkets.co.uk
Website	http://www.frich.co.uk

Programme objective. FRICH supports the development and testing of innovative business models in the food industry. Up to now, the supply of foodstuffs to Great Britain has been concentrated in the hands of a limited number of traders in a few African countries, given that especially small farmers have difficulty meeting the required environmental, labour, and food safety standards. The goal of the programme is thus, on the one hand, to include small farmers in the supply chain from Africa to Great Britain. On the other hand, focused marketing aims to correct the reigning view that food transported over long distances is not sustainable.

Partnership concept. FRICH awards financing to British supermarkets and their suppliers, whereby the forms of public-private partnerships eligible for support range from the introduction of new technologies and the establishment of new trade routes to the design of new marketing strategies that aim to increase the demand for sustainably grown food from Africa.

Application criteria. Projects that are eligible for funding should, in cooperation with partners along the value chain, either produce greater amounts of food or supply food from countries that did not previously export to Great Britain. Only profitable projects with an implementation period of less than two years will be supported.

Funding process. The financing process has two stages: initially, project concept notes are individually evaluated (this is currently in the third round of tenders). In the second stage, only the selected firms then submit full project proposals. The maximum grant available is £250,000 (firms must contribute at least the same amount to the project) and will be paid out in parts upon achievement of previously agreed milestones.

Canada

DFAIT – Department of Foreign Affairs and International Trade Canada

Investment Cooperation Program (INC)

Productive sector	Up to C$ 575,000 (€ 431,000), max. 75%
Raw materials industry	Up to C$ 275,000 (€ 206,000), max. 75%
Business services	Up to C$ 275,000 (€ 206,000), max. 75%
PPP infrastructure projects	Up to C$ 955,000 (€ 716,000), max. 75%
Total volume	No up-to-date information; 2006/07: C$ 20 million (€ 15.5 million)
Size of the programme	No up-to-date information; 2006/07: 74 projects
Contact	Dave Murphy, Director Email: dave.murphy@international.gc.ca
Website	http://www.tradecommissioner.gc.ca/eng/funding/investment-cooperation-program/home.jsp

Programme objective. With the transfer of the Canadian International Development Agency to the Department of Foreign Affairs and International Trade (DFAIT) on 4 January 2010, the Investment Cooperation Program (INC) was completely restructured in order to accelerate the application process and increase the scope of the programme (to include China, Mexico, Malaysia, and Thailand, among others). INC aims to support responsible direct investment by Canadian firms in developing countries that serves development policy objectives of sustainable growth and poverty reduction.

Partnership concept. INC supports Canadian companies in various phases of investment in developing countries. Concretely, this means the partial financing of feasibility studies, demonstration and adaptation of technology, planning of the economic, social, and environmental sustainability of the project, and the implementation of these sustainability components. The investments themselves are not supported.

Application criteria. Potential applicants must register online through the Virtual Trade Commissioner by submitting proof that they are financially sound. In addition, firms must consistently comply with international corporate social responsibility (CSR) and environmental standards – information about this can be obtained from an external CSR Centre of Excellence. Only investments of C$500,000 (€390,000) or more are eligible for funding; in preparation, initial contact with one or more partners firms must have already been established and at least one visit to the partner country must have been undertaken.

Funding process. After the online registration, firms submit a detailed application, which includes a business plan and also documents the expected impacts of the investment on Canada and the partner country (only for the project phase for which support is being sought). A peer review process is used to ensure consistent evaluation of these proposals. If an evaluation committee composed of DFAIT employees ultimately approves the application, INC and the applicant sign a contribution agreement that specifies payment arrangements for the funding (for larger projects by way of interim payments upon achievement of previously agreed milestones). A monitoring visit, audits, evaluations, and reporting are requirements of the funding.

Multi-donor Programme

The Africa Enterprise Challenge Fund (AECF)

Participating organisations	• Australian Government (AusAID) • Consultative Group to Assist the Poor (CGAP) • UK Department for International Development (DFID) • International Fund for Agricultural Development (IFAD) • Netherlands Ministry of Foreign Affairs (NMFA)
Company projects for rural development in Africa	US$ 250,000–1.5 million (€ 204,000–1.2 million), of which, per project, 49% is a grant and 51% is a repayable grant
Total volume	US$ 31.7 million (€ 24.5 million) to date
Size of the programme	39 projects (7 tenders since 2008)
Contact	Hugh Scott, AECF Director Email: hugh.scott@aecfafrica.org
Website	http://www.aecfafrica.org/

Programme objective. AECF is a partnership initiative of the Alliance for a Green Revolution in Africa (AGRA), jointly created by the Rockefeller Foundation and the Bill & Melinda Gates Foundation. The programme, which is supported by many international donors, offers strategic, administrative, and logistical support to initiatives that make a contribution to rural development in Africa and to the acceleration of pro-poor growth.

Partnership concept. AECF supports innovative corporate initiatives in one or more African countries, whereby the programme only awards grants that must be partially (51%) repaid.

Application criteria. The criteria for successful projects depends on the various funding windows that hold funding competitions in selected sectors (e.g. agribusiness, renewable energies), selected countries, or so-called development corridors involving several countries. The last special tender, held on the basis of adapted minimum criteria, targeted projects in fragile states.

In general, project proposals must be related to value chains that link rural regions with local or international markets and, at the same time, guarantee innovation and sustainability. Project proposals that demonstrate potential for systemic change are given preferential treatment.

Funding process. An average of two tender rounds are held per funding window per year, whereby the funding window remains open for at least 60 days and the programme is designed initially for a total term of six years. Applicants first announce their interest in the form of an online registration (3,124 in the last seven competitions) and then submit a project proposal (1,440 to date). In line with a predetermined set of criteria, the Fund Manager awards points and forwards the resulting ranking of recommended proposals to the independent Investment Committee (232 to date). Proposals that are confirmed by the Investment Committee are then developed into detailed business plans (105 to date), from which the final winners are chosen (39 to date). There are no set rules for the number of applications that are pursued in each step of the process.

Netherlands

NL Agency – Ministry of Economic Affairs

Private Sector Investment Programme (PSI)

PSI Regular	Up to € 750,000, max. 50%, total budget: € 1.5 million
PSI Plus (focus on Afghanistan, Burundi, Sierra Leone, southern Sudan, and the Palestinian Territories)	Up to € 900,000, max. 60%, total budget: € 1.5 million
Total volume	€ 70 million
Size of the programme	Around 500 projects (2000–2010)
Contact	Trix van Hoof, Ministry of Foreign Affairs Tel.: +31 70 348 52 56, Email: trix-van.hoof@minbuza.nl
Website	http://www.agentschapnl.nl/en/programmas-regelingen/private-sector-investment-programme-psi

Programme objective. This funding programme of the Dutch Ministry of Foreign Affairs aims to stimulate sustainable economic growth through the financial support of innovative pilot investments in developing and emerging countries. The objective is to help reduce poverty through increased economic activity, employment, and income. Projects must contribute to long-term cooperation between the participating firms, so that they continue to invest even after completion of the project and thus generate additional growth in sales and jobs.

PSI consists of two programmes, PSI Regular und PSI Plus. PSI Regular applies to 43 countries in Africa,[3] Asia,[4] Central and Eastern Europe,[5] and Latin America,[6] while PSI Plus offers more flexible conditions for projects in Afghanistan, Burundi, the Democratic Republic of the Congo, Pakistan, the Palestinian Authority, Sierra Leone, and southern Sudan. The Agency NL, NL EVD International, and the Agency of the Ministry of Economic Affairs, as well as the Government Organisation for International Business and Cooperation are responsible for the implementation of PSI.

Partnership concept. PSI projects are investment projects implemented by a Dutch (in exceptional cases, also non-Dutch) company in cooperation with a local firm in one of the developing/emerging countries eligible for the PSI programme. The investment must represent an innovation for the country in question; the innovation may be based on a new product, new production methods, or new technologies, thereby contributing to the growth of underdeveloped markets. The private contribution for a project must consist of in-kind benefits and technical support required in the production process.

Application criteria.

- The participating firm and the local partner must be able to demonstrate experience and relevant expertise in and for the respective market and must enter into a long-term collaboration.
- Companies must have been established for at least two years and must be registered with a chamber of commerce or an equivalent entity. The local partner must be an officially registered company in the country where the project will be implemented.
- The company should not have the financial means to carry out the planned project alone and it should not be possible to implement the business plan solely through the support of a bank.

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3 Benin, Burkina Faso, Cape Verde, Egypt, Ethiopia, Gambia, Ghana, Kenya, Madagascar, Malawi, Mali, Morocco, Mozambique, Namibia, Rwanda, Senegal, South Africa, Sudan, Tanzania, Uganda, Zambia
4 Bangladesh, Indonesia, Mongolia, Nepal, Philippines, Thailand, Viet Nam, Yemen
5 Albania, Armenia, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldavia
6 Bolivia, Brazil, Colombia, Guatemala, Nicaragua, Peru, Suriname

- The project proposal must be commercially viable and have a positive effect on the local economy in terms of an improved employment situation, the transfer of know-how and new technologies, improved living conditions, the strengthening of small and medium-sized enterprises (SMEs), improved environmental conditions, etc.
- Together, the company and the local partner must have sufficient means to be able to finance 50% of the project budget.
- The project must lead to additional investment and increased turnover after finalisation of the PSI phase.

CSR: In the application process, great importance is attached to the aspect of corporate social responsibility (CSR). PSI projects are expected to play a pioneering role with respect to CSR in the respective countries and sectors. For this reason, certifications are important for participating companies. CSR is fully integrated into the evaluation of the applications. Applicants should have an impeccable reputation in the field of CSR, which can be demonstrated by way of already established CSR policies in their own company. If this is not the case, the implementation of CSR policies must be part of the first project results.

Funding process. Applications for PSI funding compete with each other twice a year (PSI Plus three times a year) in an open tender procedure. The funding process proceeds in five steps:

Step 1 › discussion of the project idea:
Interested firms who already have local partners can approach PSI with project proposals by way of an online intake form. If these proposals are positively evaluated, a PSI project officer then provides free advice and detailed information about the possibilities for funding a project idea. In addition, PSI regularly offers workshops to prepare for the application process.

Step 2 › application:
PSI projects are results based, so that financial payments are only made upon achievement of previously laid out objectives. In the application form, the project must be divided into a maximum of five clearly defined results to be achieved during the project term.

Step 3 › evaluation:
The evaluation of project applications which have been shortlisted is carried out by NL EVD International and takes about 19 weeks. In addition to a sufficient number of points in the three main categories (partner, project, impact), the criteria must also be met in the following subcategories: financial situation of the partner; innovative character of the project; potential for growth after project completion; results chains; environmental impact; and position of women.

Step 4 › implementation and administration:
Payments are made by PSI in phases, upon achievement of previously stipulated results. Each result must be documented by a progress report. PSI has different payment schedules for technical support and hardware. Financing of hardware is paid out in three phases (30% after confirmation of the order by the supplier, 50% after presentation of the invoice and bill of lading, 20% upon achievement of the previously agreed production goals). All PSI payments are handled as provisional payments. They only become final payments after termination of the project and a final verification by a PSI project officer or staff member of the local Dutch embassy.

Step 5 › conclusion:
After verification of the project, payment for achievement of the final result is made. Two years after termination of the project, PSI requires a project spin-off report. This report must contain, among other things, information on sales, employment trends, and follow-up investments.

Austria

ADA – Austrian Development Agency

ADA Business Partnership Programme (WiPa)

Business partnerships	Up to € 200,000, max. 50%, max. 3 year duration
Strategic alliances	Minimum volume € 750,000; up to € 500,000, max. 50%
Fact finding missions	Lump sum € 1,800
Feasibility studies	Up to € 20,000, max. 50%
Total volume	€ 8.7 million (2005-2009)
Size of the programme	50 business partnerships, 31 feasibility studies, and 85 travel grants
Contact	Hans-Jörg Hummer, Tel.: +43 1 90399 2579 Email: hans-joerg.hummer@ada.gv.at Sandra Spatzierer, Tel.: +43 1 90399 2572 Email: sandra.spatzierer@ada.gv.at
Website	http://www.entwicklung.at/foerderungen_und_ausschreibungen/wirtschaftspartnerschaften/

Programme objective. With its Business Partnership Programme (WiPa), the Austrian Development Agency (ADA) supports private-sector projects of Austrian and European Union firms that reflect both the commercial interest of the participating companies and the development policy interests of the host country and the target groups of development cooperation. Particular emphasis is placed on the promotion of small and medium-sized firms.

Partnership concept. Through the programme, ADA supports business partnerships and strategic alliances as well as preparatory fact finding missions and feasibility studies. The concept of partnership projects corresponds to the model of German development cooperation. The aim of the fact finding missions and feasibility studies is, above all, to concretise a business partnership (which may or may not be subsequently supported) or to analyse the prerequisites for its implementation. Thus, the subject of the study must be closely tied to the planned business partnership.

Application criteria. Precedence is given to supporting projects in priority countries of Austrian Development Cooperation.[7] Fundamentally, projects must generate a clear development policy benefit and be in line with the development objectives of the respective country. Furthermore, only projects that are profitable and create benefits that would not have arisen without the support are eligible for funding. The generated benefits must be fairly shared between the European and local partners.

Funding process. The ADA Business Partnerships Office advises firms throughout the entire application process from presentation of a short concept to preparation of a detailed grant request. For approved business partnerships, firms may contribute up to 50% of the project costs in the form of money, in-kind benefits, or services.

[7] Albania, Ethiopia, Bhutan, Bosnia and Herzegovina, Burkina Faso, Cape Verde, Kosovo, Macedonia, Moldavia, Montenegro, Mozambique, Nicaragua, Palestinian Territories, Serbia, and Uganda

Sweden

SIDA – Swedish International Development Agency

Business for Development (B4D)

Business for Development	Criteria and modalities have not yet been defined, but will be developed during implementation, an "active learning approach"
Total volume	€ 5.5 million, increase to about € 38 million by 2013 planned
Size of the programme	No information
Contact	Johan Åkerblom, Tel.: +46 (0) 8-698 55 45 Email: johan.akerblom@sida.se Maria Stridsman, Tel.: +46 (0) 8-698 50 69 Email: maria.stridsman@sida.se
Website	http://www.sida.se/English/Partners/Private-sector/Business-for-Development-B4D/

Programme objective. B4D is understood as a proactive approach to intensifying and systematising SIDA's cooperation with the private sector. The first three years, up to 2013, are viewed as a learning phase, during which the various forms of cooperation are to be tested and further developed. In the long term, B4D is to become an integral part of SIDA's range of methods. The thematic focus is on the areas of education, health, trade and private sector promotion, infrastructure, climate/environmental protection, human security, and human rights.

Partnership concept. The so-called B4D Tool Box contains forms of cooperation in which firms directly pursue their own interests (in contrast, for example, to the dialogue platforms initiated by B4D). Here various models in the areas of corporate sustainability (CS, previously CSR), challenge funds (e.g. DemoEnvironment with 15 pilot projects in 2009), SIDA's Public Private Partnership Programme (SPPP), innovative financing methods, market transformation, poverty reduction innovations, social entrepreneurship, establishment of clusters, and organisational support will be tested.

Application criteria. B4D is aimed primarily at large companies, which are expected to have a greater impact, but also offers possibilities for small and medium-sized enterprises (SMEs) that may offer innovative approaches. Furthermore, the programme is also open to non-Swedish companies.

Funding process. Various corporate initiatives are being supported on a trial basis in 2010, in order to develop a general, larger scale model for the future funding process. At the same time, possibilities of cooperation with other donors in this area are being investigated. For example, biannual tenders are to be held for the programme component Innovations Against Poverty, in which firms can apply for a maximum of €200,000 of support over three years as a 50% subsidy of total project costs. SIDA supports the selected projects not only financially, but also through flanking advisory services.

Switzerland

SDC – Swiss Agency for Development and Cooperation

Public-Private Development Partnerships (PPDP)

Contractually agreed cooperation	Conditions are agreed on a case-by-case basis; a general funding process is still being developed
Total volume	No information
Size of the programme	No information
Contact	David Keller, Employment and Income Section Email: david.keller@deza.admin.ch
Website	No information

Programme objective. The aim of SDC's Public-Private Development Partnerships (PPDP) is to stimulate new, inclusive business models and facilitate the access of disadvantaged social groups to production, distribution, and consumer markets. These are not goals per se, but are used only when a partnership is the best method with which to achieve the respective development goal.

Partnership concept. PPDPs are partnerships that serve both development and the interests of the private sector. They must demonstrate an explicit pro-poor orientation and be directed at the core business of the company. The concept is broadly designed, thus includes multi-stakeholder partnerships with civil society actors.

Basically, four different types of partnerships are distinguished, depending on the objective:
- Service partnerships: provision of services and infrastructure for development objectives
- Resource/funding partnerships: provision of resources for development objectives
- Standards-setting partnerships: creation of sustainability standards, in order to influence the behaviour of market actors
- Advocacy partnerships: communication and promotion of development cooperation agendas and policies.

Application criteria. The programme is open not only to Swiss companies, partnerships can also be formed with multinational and local firms. The added value for poor population groups should be the central concern of the projects. Furthermore, great importance is attached to the positive impact of PPDP on local markets and public structures and the sustainable impacts that unfold also after termination of cooperation.

Funding process. The funding process should be developed in the following stages:
1) identifying needs, opportunities, and the portfolio;
2) sounding out future partner firms;
3) establishing PPDP structures;
4) PPDP management and implementation;
5) project conclusion and sustainability.

UN

UNIDO – United Nations Industrial Development Organization

Business Partnership Programme (BPP)

Business Partnership Programme (BPP)	The partnership design depends on the resources available in the specific sector.
Total volume	No information
Size of the programme	8 projects
Contact	Giovanna Ceglie, Email: G.Ceglie@unido.org
Website	http://www.unido.org/index.php?id=o4364

Programme objective. The UNIDO Business Partnership Programme (BPP) supports cooperation between multinational companies and local small and medium-sized enterprises (SMEs) in developing and emerging countries. Through the exchange of expertise, know-how, and resources, SMEs increase their international competitiveness and become attractive partners for global players. BPP is designed as a systemic, multi-stakeholder approach in order to close the gap between local SMEs and multinational corporations and thus to develop specifically designated industrial sectors in selected countries.

Partnership concept. UNIDO builds large-scale, often cross-regional partnerships with some of the largest corporations (e.g. UNIDO-Microsoft cooperation) in order to achieve significant development results for the SMEs of the target group in the respective industrial sector. Costs, risks, and benefits of the partnership are shared.

Application criteria. The services developed in the partnerships (e.g. BASF's easy-to-use eco-efficiency analysis) are made available to firms against payment. In the course of product development, enquiries are made to determine for which SMEs the product might be useful and whether they actually demand it to the intended extent (see funding process, points 4 and 5).

Funding process. BPP's funding process is organised as follows:

1) selection of an industrial sector and appropriate multinational and local partner companies;
2) determination of possible programme scope;
3) development of programme services in cooperation with national and/or international partner firms;
4) development of a quantitative and comprehensive selection and monitoring system for SMEs in the designated sector;
5) provision of services for SMEs that allow partner institutions to generate income through commercial services and to operate independently within three to five years.

Using the same method, UNIDO is implementing a CSR capacity building initiative.

UN

UNDP – United Nations Development Programme

Growing Inclusive Markets (GIM)

Knowledge and research tools	Provided by the programme
Capacity building and localisation	Provided by the programme
Total volume	No financial support
Size of the programme	No financial support
Contact	Sahba Sobhani, Programme Manager Email: sahba.sobhani@undp.org
Website	http://www.growinginclusivemarkets.org

Programme objective. The approach of Growing Inclusive Markets (GIM) seeks to demonstrate how business can significantly contribute to development goals by including the lowest income groups in value chains as consumers, producers, business owners, or employees (inclusive business).

Partnership concept. GIM has a networked, multi-sector approach to bring together many partners who are leaders in their sectors, but have not previously cooperated because of their different backgrounds. In this spirit, the information, analysis, and tools generated by the initiative will all be published online and made accessible to interested parties.

Application criteria. GIM promotes business models of companies that provide products and services for the poorest groups or outsource their production to them. GIM does not consider activities that are purely philanthropic.

Funding process. The programme offers knowledge management and research tools, as well as capacity building support and adaptation to local conditions. Thus, for example, a comprehensive databank with information on low income markets has been made available on the internet and the flagship report Creating Value for All: Strategies for Doing Business with the Poor was published in six languages.

In addition, GIM supports a South-South knowledge network, which works together with leading private sector representatives, national decision-makers, and civil society to stimulate joint, innovative local poverty reduction processes. Against this background, sector-specific multi-stakeholder dialogues are being held at the national level and exchange programmes between experts and companies from various countries are being implemented, among other things.

USA

USAID – US Agency for International Development

Cooperative Development Program (CDP), 2004–2010

Cooperative Development Program	Supporting state enterprises in developing countries
Total volume	No information
Size of the programme	No information
Contact	Tom Carter, Technical Advisor, Email: thcarter@usaid.gov
Website	www.usaid.gov/gda

Programme objective. The aim of the programme that began in 2004 and ends in 2010 is to strengthen the development of cooperatives[8] outside of North America. The programme concentrates on the development, implementation, and expansion of workable solutions to important challenges such as:
- Restrictive laws and regulations
- Policy-based governance
- Raising member financial participation as a major element in self-reliance
- Achieving scale consistent with quality
- Reducing the dependency that can result from external assistance.

Current programmes focus on credit, housing, agribusiness, technology transfer, democratic institutions, rural telecommunications and electrification, private enterprise development, and insurance protection.

Partnership concept. USAID supports cooperatives in partnership with US cooperative development organisations (CDOs). The development of cooperative systems is to be promoted by, among others, the following measures:
- Promoting the growth of cooperative systems in developing and emerging countries
- Enhancing performance through technical assistance, training, and advisory services
- Encouraging the establishment of long-term partnerships between U.S. CDOs and local partners
- Expanding support for the international activities of U.S. cooperatives.

Application criteria. No information.

Funding process. The Cooperative Development Program is a competitive grant programme that supports cooperatives and other member-owned businesses in host countries by utilising the expertise and resources of long-established U.S. cooperative organisations, their members, and volunteers.

[8] Cooperatives (co-ops) are member-owned, democratically-governed enterprises. They allow members to direct and control their own development while directing increased returns to them.

USA

USAID – US Agency for International Development

Global Development Alliance (GDA)

Development Alliances	Amount of support on a case-by-case basis, max. 50%; so far US$ 50,000–10 million (€ 41,000–8.1 million)
Total volume	Around US$ 9.6 billion since 2001 (€ 7.8 billion)
Size of the programme	Around 900 projects with 1,700 partners (since 2001)
Contact	Scott Schirmer, Senior Coordinator Email: sschirmer@usaid.gov
Website	www.usaid.gov/gda

Programme objective. The programme was created in 2001 to promote strategic partnerships between USAID and the private sector. Development Alliance aims to utilise new kinds of resources, ideas, technologies, and/or partners in order to promote development in USAID partner countries. It particularly focuses on innovative partnerships in which resources of partners who have not previously worked together in the area of development cooperation are employed in new types of approaches that are transferrable, sustainable, and measurably effective.

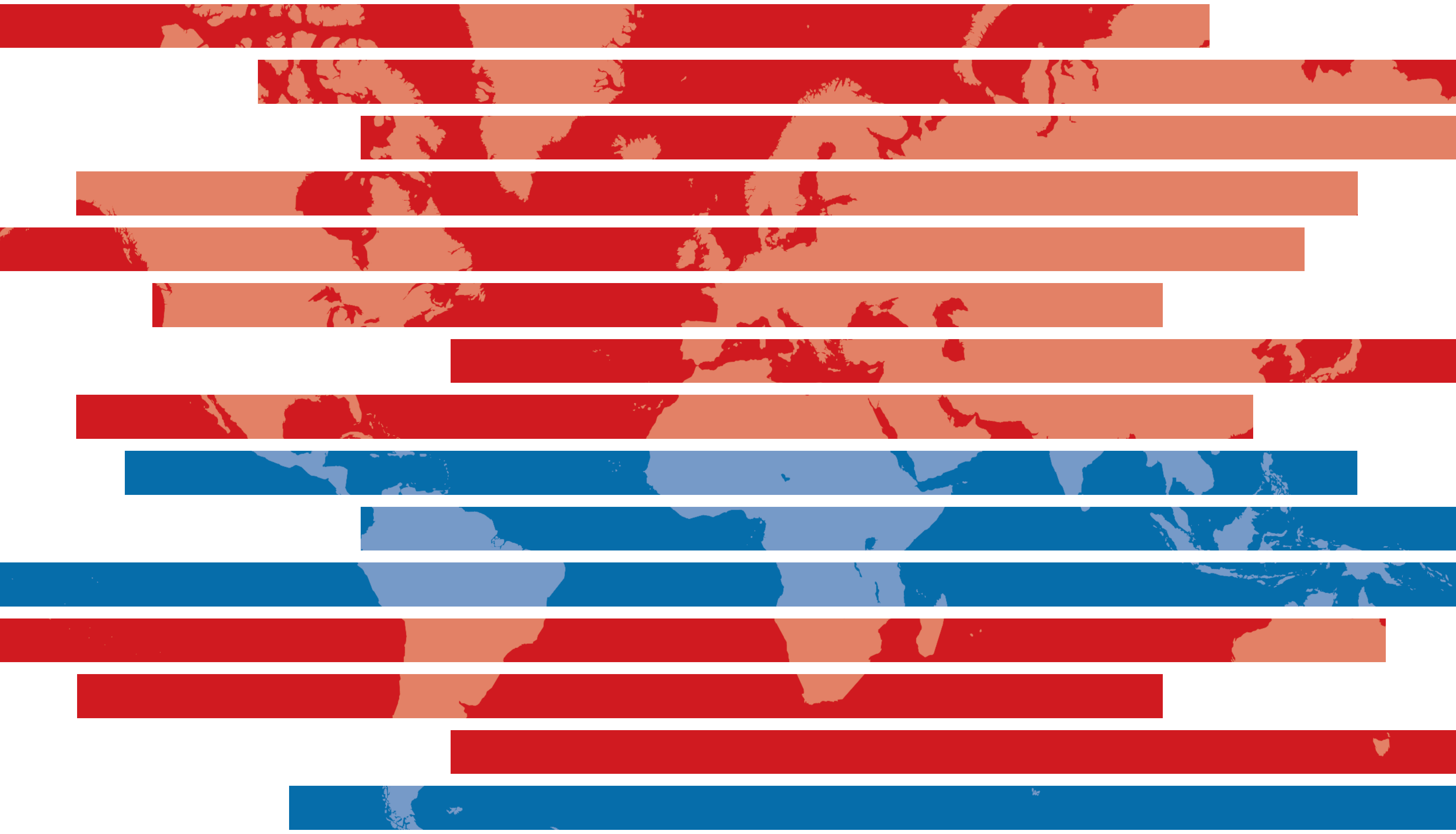
Application criteria. The programme is open to both business companies and non-profit organisations. In principal, there is no minimum or maximum number of partners.

Partnership concept and funding process. Companies must contribute at least 50% of the required resources to the project (of that, at least 25% in financial resources). In addition to monetary payments, in-kind contributions can also be made. USAID's support is awarded directly by the respective country and regional representatives. The supported projects are often carried out by implementers,[9] who can submit applications for support or project proposals to USAID in the framework of RFA/RFP.[10] RFA and RFP are strictly aligned with the strategy of the respective USAID representation. The funds required to implement the planned project are made available at the very outset.

USAID distinguishes five partnership forms and respective funding processes, according to the features of the partnership:

- Integration in an existing USAID programme – Private sector support of an existing USAID programme through financial or in-kind contributions. Interested companies can directly contact local offices to obtain information on current programmes and funding possibilities.
- Gift Authority – Financial donations to USAID by the private sector that are used according to previously set conditions (with respect to the country of deployment and purpose, etc.).
- Application by way of the Annual Program Statement (APS) – Implementers or private-sector donors apply for support directly to a USAID office. Usually, there is a parallel funding structure, within which USAID and the firm jointly support the implementer.
- Joint Solicitation through RFA/RFP – USAID and business firms prepare a joint application on the basis of common goals. The firm participates fully in the application process. Parallel financing structure (see above).
- Collaboration Agreement – USAID funds companies to do development work.

[9] This refers to firms that receive funds from USAID and its (business) partners in order to implement projects within the framework of the alliance.
[10] Request for Application/Request for Proposals



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