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

Effectiveness
  o Ownership (results!)
  o Equity / inclusion
  o 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
PPD Transition Strategies

Lessons Learned by the PPD Global Product Team
Introduction

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

Process

Case studies

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

Levy, 2010
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.

Levy, 2010
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

Levy, 2010
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

Levy, 2010
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
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
Who does what? LBF example

Chair: MPI
Screen issues and mandate ministry engagement for strategic issues. Resolve issues or raise to Forum.

Chair: LNCCI Focal Point
WG Leaders screen and prioritize issues for IMT

Chair: WG Leader
Open to all P. Sector Leader elected
Raise and set out issues for sector and IMT

Chair: MPI Focal Point to co-ordinate effective Govt engagement

LNCCI Focal Point to oversee secretariat team

LBF Secretariat Administrative team to co-ordinate LBF process and report

IFC Advisory Support

Chair: MPI Senior LNCCI, IFC Oversight of LBF process, quality. Ensure transition is managed well

1. IMT-WG
2. LBF
3. Government
4. Donors
5. Business Groups
6. WG Leaders Mtg
7. MPI FP
8. LNCCI FP
9. Secretariat
10. IFC Advisory Support
11. Tourism PS WG
12. Services & Trade PS WG
13. Mining PS WG

LBF Secretariat Administrative team to co-ordinate LBF process and report

IFC Advisory Support

LBF Secretariat Administrative team to co-ordinate LBF process and report

IMT-WG

Chair: MPI Focal Point to co-ordinate effective Govt engagement

LNCCI Focal Point to oversee secretariat team

LBF Secretariat Administrative team to co-ordinate LBF process and report

IFC Advisory Support
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?

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<th>DIAGNOSTIC</th>
<th>SOLUTION DESIGN</th>
<th>ADVOCACY &amp; HANDOVER</th>
<th>LEGISLATIVE &amp; EXECUTIVE PROCESS</th>
<th>FOLLOW UP &amp; MONITORING</th>
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Levy, 2010
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

Levy, 2010
Lao Business Forum – Transition Strategy

Overview of strategy
Change management and ownership