WHAT I KNOW SO FAR
(BUT YOU COLLECTIVELY KNOW WAY MORE)

Benjamin Herzberg
& PPD Team
World Bank Group
Where can I get some funds to run my business?

Where do I get workers with the right skills?

How do I make sure I have enough electricity?

How do I reach the right export markets for my products?

What rules and regulations do I have to comply with?
How can we help banks give more SME loans?

How can I help ensure that our workforce is skilled?

What trade deals would most benefit my country?

What infrastructure should I build?

How can I best regulate the private sector and promote innovation?
Where can I get some funds to run my business?

Where do I get workers with the right skills?

What rules and regulations do I have to comply with?

How do I make sure I have enough electricity?

How do I reach the right export markets for my products?

How can we help banks give more SME loans?

How can I help ensure that our workforce is skilled?

How can I best regulate the private sector and promote innovation?

What infrastructure should I build?

What trade deals would most benefit my country?

What trade deals would most benefit my country?
Where can I get some funds to run my business?

Where do I get workers with the right skills?

What rules and regulations do I have to comply with?

How can we help banks give more SME loans?

How do I make sure I have enough electricity?

How can I best regulate the private sector and promote innovation?

What infrastructure should I build?

How do I reach the right export markets for my products?

How can I help ensure that our workforce is skilled?
## PPD COLLABORATIVE ACTION MATRIX

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regulatory and tax environment</td>
<td>Infrastructure</td>
<td>Access to finance</td>
<td>Skilled and trained labor</td>
<td>Access to technologies and R&amp;D</td>
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</table>
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)

Source: Herzberg, World Bank Group, Wright and Sisombat, 2006/2013
PPD CHARTER OF GOOD PRACTICE

PRINCIPLE I: CONTEXTUAL DESIGN
PRINCIPLE II: OPEN GOVERNANCE PROCESS
PRINCIPLE III: MANDATE AND INSTITUTIONAL ALIGNMENT
PRINCIPLE IV: STRUCTURE AND PARTICIPATION
PRINCIPLE V: FACILITATION
PRINCIPLE VI: CHAMPIONS
PRINCIPLE VII: OUTPUTS
PRINCIPLE VIII: OUTREACH AND COMMUNICATIONS
PRINCIPLE IX: MONITORING & EVALUATION
PRINCIPLE X: APPROPRIATE AREA AND SCOPE
PRINCIPLE XI: CRISIS AND CONFLICT RESPONSE
PRINCIPLE XII: DEVELOPMENT PARTNERS
PRINCIPLE XIII: SUSTAINABILITY
PRINCIPLE I: CONTEXTUAL DESIGN

PPD can take several forms and can take place at various levels within different timeframes.
Typology of PPDs: 7 interlocking types

National
Economy-wide
Permanent institution
Public-driven
3rd party brokerage/support
General orientations/ Many goals
Many actors
Local
Scope
Institutionalization
Leadership
Ownership
Focus
Participation
Sector-specific
Temporary initiative
Private-driven
Locally driven/sustained
Specific changes / Specific goal
Few actors

Herzberg, World bank Group, 2013
PPD TYPOLOGY

Herzberg, World bank Group, 2013
LOTS OF CONSULTATIONS!

Source: Private Sector For Good Governance Program, 2001-2013 Program
PRINCIPLE II: OPEN GOVERNANCE PROCESS

PPD needs to function under open, transparent and fair governance rules. PPDs will be more likely to succeed if their governance structures are designed to best take into account political economy factors.
**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)

Source: Herzberg, World Bank Group, 2005
### PPD Diamond

#### Private sector dimension

<table>
<thead>
<tr>
<th>Factor</th>
<th>Score from 0 (weak) to 5 (strong)</th>
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<tbody>
<tr>
<td>Sophistication level of the organization and legitimacy amongst private stakeholders (organization)</td>
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<tr>
<td>Capacity to coordinate and align different groups (coordination)</td>
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<tr>
<td>Level of power and leverage with respect to public stakeholders (leadership)</td>
<td>3</td>
</tr>
<tr>
<td>Willingness to invest time and money in conjunction with public partners (motivation)</td>
<td>3</td>
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<tr>
<td>Compliance to engage in more attractive business models</td>
<td>2</td>
</tr>
<tr>
<td>Quality of business leaders (understanding of private sector’s needs and strategic challenges, not only conducting a political role or rent seeking activities)</td>
<td>3</td>
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<tr>
<td>Motivation and leadership to conduct public-private projects</td>
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<tr>
<td><strong>Average score</strong></td>
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#### Champion dimension

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<th>Score from 0 (weak) to 5 (strong)</th>
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<tr>
<td>Capacity and legitimacy to break conventional wisdom</td>
<td>2</td>
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<tr>
<td>Understanding of private sector challenges and strategies to overstep them</td>
<td>3</td>
</tr>
<tr>
<td>Emergence of new champions (are there any new leaders stepping in?)</td>
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<tr>
<td>Complementarities and coordination of different champions</td>
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<td><strong>Average score</strong></td>
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#### Public sector dimension

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<td>Generalized trust and understanding of the private sector</td>
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<tr>
<td>Political will to engage with the private sector</td>
<td>5</td>
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<tr>
<td>Capacity to understand the private sector</td>
<td>2</td>
</tr>
<tr>
<td>Dedicated public sector leadership assigned to dialogue process</td>
<td>3</td>
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<tr>
<td>Capacity to effectively follow up public-private projects</td>
<td>4</td>
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<tr>
<td>Willingness to adapt institutions and public programs to the evolving needs of the private sector (reforms)</td>
<td>2</td>
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<tr>
<td>Quality of sector driven policies (looking for private actors engagement and fostering innovation)</td>
<td>2</td>
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<tr>
<td>Coordination at different public levels regarding specific private sector needs</td>
<td>2</td>
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<td><strong>Average score</strong></td>
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#### Instruments dimension

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<th>Factor</th>
<th>Score from 0 (weak) to 5 (strong)</th>
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<tr>
<td>Quality of programs and mechanisms to help private sector development</td>
<td>1</td>
</tr>
<tr>
<td>Sector specific instruments responding to private sector strategic needs</td>
<td>0</td>
</tr>
<tr>
<td>Capacity to support innovative projects used later on as success cases</td>
<td>9</td>
</tr>
<tr>
<td>Level of bureaucracy to have access to the instruments</td>
<td>2</td>
</tr>
<tr>
<td>Complementarities of available instruments to support different aspects of the same project or private sector strategy</td>
<td>5</td>
</tr>
<tr>
<td><strong>Average score</strong></td>
<td><strong>3.4</strong></td>
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</table>
The only reforms that really work and are truly sustainable
2. READINESS TO HOST, CREATE OR SUSTAIN A DIALOGUE PROCESS

 Are the required conditions fulfilled for a quality dialogue process to happen?

The second indicator component of the assessment looks at four key contextual factors, which are necessary to consider when appraising the potential for FFD in a given country:

- The readiness and willingness of the private sector and the government to engage and interact.
- The presence of a potential champion who can facilitate the dialogue process, activate political will and reduce the trust gap between public and private sector stakeholders.
- The availability of logistical, financing, and capacity building instruments which can help implement and monitor the dialogue process.

### The readiness and willingness of the private sector to engage and interact

<table>
<thead>
<tr>
<th>Score from 0 (weak) to 10 (strong)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supp ortiveness of the organization and legitimacy among private sector or organizations</td>
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<td>Capacity to coordinate and align different groups / stakeholders</td>
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<tr>
<td>Level of power and leverage with respect to public stakeholders (leadership)</td>
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<tr>
<td>Willingness to invest time and money in conjunction with public partners (motivation)</td>
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<tr>
<td>Compliance to engage in more attractive business models</td>
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<tr>
<td>Quality of business leaders (understanding of private sector’s needs and strategic challenges, not only conducting a political role or serving activities)</td>
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<tr>
<td>Motivation and willingness to conduct public-private projects</td>
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<tr>
<td><strong>AVERAGE SCORE</strong></td>
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</tbody>
</table>

### The presence of a potential champion to engage and interact

<table>
<thead>
<tr>
<th>Score from 0 (weak) to 10 (strong)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generalized trust and understanding of the private sector</td>
</tr>
<tr>
<td>Political will to engage with the private sector</td>
</tr>
<tr>
<td>Capacity to understand the private sector</td>
</tr>
<tr>
<td>Distributed public sector leadership assigned to dialogue process</td>
</tr>
<tr>
<td>Capacity to effectively follow up public-private projects</td>
</tr>
<tr>
<td>Willingness to adopt institutions and public programs to the working needs of the private sector</td>
</tr>
<tr>
<td>Quality of sector driven policies (looking for private sector engagement and fostering innovation)</td>
</tr>
<tr>
<td>Coordination and other public policies regarding specific private sector needs</td>
</tr>
<tr>
<td><strong>AVERAGE SCORE</strong></td>
</tr>
</tbody>
</table>

### The championing of the dialogue process

<table>
<thead>
<tr>
<th>Score from 0 (weak) to 10 (strong)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity and legitimacy to break conventional wisdom</td>
</tr>
<tr>
<td>Understandability of private sector’s challenges and strategies to resolve them</td>
</tr>
<tr>
<td>Emergence of new champions (or there any any leaders stepping in?)</td>
</tr>
<tr>
<td>Complementarities and coordination of other champions</td>
</tr>
<tr>
<td><strong>AVERAGE SCORE</strong></td>
</tr>
</tbody>
</table>

### The availability of logistical, financing, and capacity building instruments

<table>
<thead>
<tr>
<th>Score from 0 (weak) to 10 (strong)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of program and mechanisms to help private sector development</td>
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<td>Sector specific instruments responding to private sector strategic needs</td>
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<td>Capacity to support innovative projects used later on as success stories</td>
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<tr>
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<tr>
<td>Complementarities of available instruments to support different aspects of the same project or private sector strategy</td>
</tr>
<tr>
<td><strong>AVERAGE SCORE</strong></td>
</tr>
</tbody>
</table>

**SUMMARY SCORE: 6.45/10**
FILTERING PROCESS TO ENSURE TRANSPARENCY AND FAIRNESS

Specific reform proposals issued by individual, firm or entity

First filter: Working group which has competency over the topic/region/sector

- No: Proposal rejected
- Yes: Amendment requested

Proposal forwarded to secretariat for processing

Second filter: Secretariat consider feasibility of proposal in given timeframe and mandate of the PPD

- No: Proposal rejected
- Yes: Amendment requested

Proposal reinforced by Working Group team of lawyer + economist. Proposal formatted and includes cost/benefit analysis

Third filter: International experts/development partners certify compliance with best practice

- No: Proposal rejected
- Yes: Amendment requested

Proposal put forth for plenary discussion between all working group heads under auspices of secretariat

Fourth filter: Proposal put forward for vote by working group heads

- No: Proposal rejected
- Yes: Amendment requested

Proposal accepted and put forth through government executive and legislative process

Source: PPD Handbook
Collect & Manage Reform Proposals

Create custom indicators...

...or select standards from the organization’s library

Quick trend visualization

Define baselines, set targets and support capture data real-time

Capture information, not just data

Track reform proposal status
A statement of objective is helpful for clarity. A formal or legal mandate can be an important help in some political and economic contexts, but mandates are never sufficient to establish good PPD. Wherever hosted and whenever possible, PPD should be aligned with existing institutions to maximize the institutional potential and minimize friction.
INSTITUTIONAL COORDINATION (OR NOT)

Ministère Economie et Finances

Ministère Commerce Industrie et PME

Ministère du Développement

Primature

Ministère de l’Agriculture

Ministère Economie Maritime

Parlement

Conseil Eco. et Social

HCGC

ANPME

APEBEC / filières

Concertation “fiscalité”

Dispositif de Suivi

Relance Economique

Port de Cotonou

CPI

CCIB

CNPB

CIPB

APBEFB (Banques)

AFACEB (femmes)

Chambre Agriculture

Chambre des métiers

Filières

ADEX

Associations logistiques

Source: Benin Investor Council, Private Sector Engagement for Good Governance, World Bank, 2012
5 Water Issue Themes

- Legal and regulatory Issues clarifying the relationship between JVA and the WUAs
- Task transfer issues for the WUAs
- Agricultural skills, technology and innovation; Marketing, export, trade and access to finance
- Integrated water management infrastructure (O&M), water quantity and quality
- Adaptation to climate change impacts on the water sector

Hundreds of issues faced by Jordan Valley farmers

20 best proposals (5 from each Zone Committee)

10 best prioritized and selected by Steering Group

10 proposals presented to Government during the JVWF for enactment and implementation follow up

Steering Group

- 4 public representatives (from MoWI, JVA, and MoA)
- 4 private representatives (1 from each Zone Committee)

Presentation → Discussion → Agreement

Official Adoption → Implementation → Monitoring and Evaluation

Source: Mandell, Hijazi, Herzberg, World Bank Group, 2012
LINKING THE PPD TO OTHER REFORMS PROCESSES

SEZ

Value chain

Clustering

Reform Unit

Regulatory simplification

Open governance initiatives (e.g. open budgets)

RIA and regulation review process
## INSTITUTIONAL ALIGNMENT

<table>
<thead>
<tr>
<th>Possible host</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>President’s / Prime Minister’s Office</td>
<td>Top-level political backing and a remit that stretches across different government departments and agencies.</td>
<td>Risk of creating “turf war” antagonism with other government agencies. Risk of political over-reliance on the individual figure of the president or prime minister of the day. Risks being seen by private sector as a government mouthpiece rather than a genuinely neutral space for dialogue.</td>
</tr>
<tr>
<td>Ministry of Finance or Trade</td>
<td>Likely to offer the most direct access to relevant decision-makers.</td>
<td>Risks narrowness of view on activities that impinge on other departments or agencies. Risks being seen by private sector as a government mouthpiece rather than a genuinely neutral space for dialogue.</td>
</tr>
<tr>
<td>Investment promotion agency or similar agency</td>
<td>Offers possibility of secretariat being hosted in an agency which already has a track record of promoting business climate improvements.</td>
<td>Vulnerable to weaknesses in agency such as ineffectiveness, narrowness of remit or negative perceptions on the part of some important stakeholders.</td>
</tr>
<tr>
<td>Chamber of Commerce or other BMO</td>
<td>Can ensure that a wide range of member businesses are aware of and have easy access to the secretariat, and build the capacity of the Chamber or BMO in other respects.</td>
<td>If there are several Chamber/BMOs, to locate the secretariat in one risks alienating the other. Risk of being seen by government as more of a private sector mouthpiece than neutral space for dialogue.</td>
</tr>
<tr>
<td>International organization</td>
<td>Likely to have surest access to international best practice, trained personnel and funding. Can be perceived as a neutral, honest broker.</td>
<td>Risk of fostering dependence on external donors rather than local ownership of the dialogue process. Can be unhelpful for public image when donors and viewed negatively.</td>
</tr>
<tr>
<td>New and independent institution</td>
<td>Best chance of being perceived by all stakeholders as a disinterested, neutral facilitator.</td>
<td>Need to start from scratch with no existing institutional strengths to take advantage of.</td>
</tr>
</tbody>
</table>

*Source: PPD Handbook*
PRINCIPLE IV: STRUCTURE AND PARTICIPATION

PPD should have a solid structure and a representative participation. The structure should be manageable while flexible, enable participation to be both balanced and effective, reflect the local private sector context and stakeholders’ interests.
Public-Private Mandate

Coordinating secretariat

Working group 1
Working group 2
Working group 3
Working group 4
Working group 5

Private sector advocates, associations, government representatives, donors

Source: PPD Handbook, 2011
SECTOR-SPECIFIC

SALMON EXPORT FACILITY IN CHILE
Direction of influence are expressed in the following arrows:
Strong ➞ Weak ➞ Mutual collaboration
Direction of influence are expressed in the following arrows:
Strong ➔ Weak ➔ Mutual collaboration

2001-onwards
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 characterized 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.
PRINCIPLE V: FACILITATION

The PPD process gains to be facilitated professionally with dedicated people and resources so as to efficiently manage all aspects of the dialogue process with a view to deliver results.
Structured dialogue ✔ Workable Projects ✔ Projects that work

PPD contributes to all steps of project process

Source: Herzberg and Palmade, World Bank Group, 2006
GOOD PLANNING

Bulldozer Committee 1st Plenary Session Vetting 8 reforms
Bulldozer Committee 2nd Plenary Session Vetting 15 reforms
Bulldozer Committee 3rd Plenary Session Vetting 27 reforms
Bulldozer Committee 50 REFORMS PUBLISHED IN PRESS

BC presents 50 reforms to CoM, RS, FBiH in JOINT GOVERNMENT SESSION

BC presents 50 reforms to CoM, RS, FBiH in JOINT GOVERNMENT SESSION

HR Press Conf. To Present BC 50 reforms

3 Govts give their amendments package to PAs under "urgent procedure"

Source: Bosnia Herzegovina, Bulldozer Committee, 2011
## TRACKING SYSTEM FOR ACCOUNTABILITY

<table>
<thead>
<tr>
<th>Issue No.</th>
<th>Name of working group</th>
<th>Issue name</th>
<th>Primary institution responsible for follow-up</th>
<th>Primary person responsible</th>
<th>Presented to the working group for consideration</th>
<th>Proposal accepted by working group for design and preparation</th>
<th>Full proposal endorsed by working group and presented to the secretariat</th>
<th>Proposed reform presented to the Steering Committee</th>
<th>Reform enacted</th>
<th>Ministry or government agency internalizes the problem and prepares implementation</th>
<th>Reform implemented as verified by constituents</th>
<th>Date of Issue Closed</th>
<th>Benefits realized to private sector</th>
<th>Benefits realized to public sector</th>
<th>Comments on progress</th>
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**Country:** Armenia

**Name of initiative:** Armenia Council

**Action Plan timeframe:** July 2012 - December 2013

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### PPD Action Matrix

<table>
<thead>
<tr>
<th>Process Point</th>
<th>Activity</th>
<th>Action</th>
<th>Action Number</th>
<th>Start</th>
<th>Finish</th>
<th>People</th>
<th>Budget</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandate</td>
<td>Decree</td>
<td>Rewrite decree #312 to reflect fair representation of PS</td>
<td>1</td>
<td>April</td>
<td>1-Jun-08</td>
<td>WB + Council of Ministers</td>
<td>0</td>
<td>New Decree Issued</td>
</tr>
<tr>
<td></td>
<td>Legal Mandate</td>
<td>Have a legal mandate written by competent legal entity</td>
<td>2</td>
<td>1-May</td>
<td>1-Jun-08</td>
<td>Legal consultant</td>
<td>$2,000</td>
<td>Finalized legal mandate</td>
</tr>
</tbody>
</table>

**Structure & Participation:** Already in place

**Champions:**

<table>
<thead>
<tr>
<th>TDR</th>
<th>Develop TDR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact</td>
<td>Contact Champions</td>
</tr>
<tr>
<td>Assignment</td>
<td>Assign 2 Champions for assignment to the PPD</td>
</tr>
</tbody>
</table>

**Facilitator:**

<table>
<thead>
<tr>
<th>TDR</th>
<th>Develop TDR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secretariat</td>
<td>Assign duties as needed</td>
</tr>
<tr>
<td>Forms</td>
<td>Establish a single paper of web based guidelines for the production of quality secretariat output</td>
</tr>
<tr>
<td>Monitor output</td>
<td></td>
</tr>
<tr>
<td>PS</td>
<td>Maintain a pool of key beneficiary figures who have expertise in the needs of the PS to allow for the sharing of good practice and future planning</td>
</tr>
</tbody>
</table>

---

**Output**

**Outreach & Communication**

**Monitoring & Evaluation**

**Subnational**

**Sector Specific**

**Relationship to FDI**

**Crisis mitigation**

**Development Partners**

---

*Source: Herzberg, World Bank Group, 2011*
## PPD: BUDGET PREVISIONNEL ANNUEL

<table>
<thead>
<tr>
<th>Charges du Personnel</th>
<th>Euros</th>
<th>US $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaires</td>
<td>80,400,000</td>
<td>160,800</td>
</tr>
<tr>
<td>Frais Transport/Carburant</td>
<td>5,160,000</td>
<td>10,320</td>
</tr>
<tr>
<td>Frais de téléphone/communication</td>
<td>2,100,000</td>
<td>4,200</td>
</tr>
<tr>
<td>Sécurité sociale</td>
<td>12,381,600</td>
<td>24,763</td>
</tr>
<tr>
<td><strong>S/Total charges du personnel</strong></td>
<td><strong>100,041,600</strong></td>
<td><strong>200,883</strong></td>
</tr>
</tbody>
</table>

### Dépenses de Fonctionnement

<table>
<thead>
<tr>
<th>Dépenses de Fonctionnement</th>
<th>Euros</th>
<th>US $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administratif</td>
<td>2,400,000</td>
<td>4,800</td>
</tr>
<tr>
<td>Bureauistique</td>
<td>4,200,000</td>
<td>8,400</td>
</tr>
<tr>
<td>Marketing/Communication</td>
<td>3,600,000</td>
<td>7,200</td>
</tr>
<tr>
<td>Entretien équipements</td>
<td>1,800,000</td>
<td>3,600</td>
</tr>
<tr>
<td>Études et Recherches</td>
<td>15,000,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Réunions Forum</td>
<td>8,300,000</td>
<td>16,600</td>
</tr>
<tr>
<td>Frais déplacement</td>
<td>3,500,000</td>
<td>7,000</td>
</tr>
<tr>
<td>5% Imprévis</td>
<td>1,940,000</td>
<td>3,880</td>
</tr>
<tr>
<td><strong>S/Total fonctionnement</strong></td>
<td><strong>40,740,000</strong></td>
<td><strong>81,480</strong></td>
</tr>
</tbody>
</table>

| TOTAUX                               | **140,781,600** | **281,563** |

---

**Source:** Private Sector Engagement for Good governance Program, WB, 2011
PRINCIPLE VI: CHAMPIONS

Leadership from a set of individuals or organizations is often necessary to reduce the trust gap, to sustain the energy and keep pushing for involvement of the parties over the long run.
PRINCIPLE VII: OUTPUTS

Outputs can take the shape of structure and process outputs, analytical outputs, soft outputs or recommendations. While all should contribute to agreed private sector development outcomes, the PPD should aim for tangible, practical and measurable benefits.
SEVERAL TYPES OF OUTPUTS

Focusing on this will bring the others

Source: PPD Handbook
# NBF ADVOCACY EFFECTIVENESS

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Issues</th>
<th>Achieved</th>
<th>Pending Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export Promotion and Trade Facilitation</td>
<td>10</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>8</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>13%</td>
<td>88%</td>
</tr>
<tr>
<td>Financial Monetary and Insurance Affairs</td>
<td>14</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>29%</td>
<td>71%</td>
</tr>
<tr>
<td>Business Environment, Labor Relation and Industrial Security</td>
<td>12</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>25%</td>
<td>75%</td>
</tr>
<tr>
<td>Industrial Promotion</td>
<td>18</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>33%</td>
<td>67%</td>
</tr>
<tr>
<td>Women Entrepreneurs</td>
<td>12</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Tourism</td>
<td>?</td>
<td>?</td>
<td>?</td>
</tr>
</tbody>
</table>

Source: Howard 2012, extracted from Nepal Business Forum Record
NBF ADVOCACY EFFECTIVENESS = 22%

Ratio of Implemented to Recommended Reforms by WG

Source: Howard 2012, extracted from Nepal Business Forum Record
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

Extracted from WBG Independent Evaluations, 2011
PPD IMPACT ON ROAD REPAIR IN NOSY BE & FORT DAUPHIN

Source: Uy, 2011 (Madagascar Growth Pole project, FPD Africa, World Bank Group)
COMPETITIVENESS PAYOFFS - CAMBODIA GARMENT

• Two reductions of Export Management Fee has saved GMAC members USD 2.2 millions (2008)
• Reduction of bureaucracy and documentation required for import-export procedures;
• Certificate of Origin now issued within 48 hrs, with reduced cost and documentation (2 GMAC staff are positioned at MoC to assist factories in C/O applications);
• Introduction of the ASYCUDA system which has automated export documentation, saving time and money;
• Export procedures made transparent and communicated
• Reduced the employers’ contribution to the National Social Security Fund from 1.8% to 0.8%
• New Union Law established
• Decade-long Night Shift dispute resolved (night rate from 200% to 130%)

Source: Van Sou Leng, 2009
CAMBODIA’S GARMENT EXPORTS RESULTS

Development of Cambodian Garment Industry in terms of Exports, Number of Factories and Workers

- Export (US$ million, Left axis)
- Number of Factories (right axis)
- Number of workers (in thousand, right axis)

Source: Data compiled from Ministry of Economy and Finance for export and Ministry of Commerce for number of factories and workers, Graphic by Economics Today
PRINCIPLE VIII: OUTREACH AND COMMUNICATIONS

Enabling communication of a shared vision and understanding through the development of a common language is essential for building trust among stakeholders and keeping them engaged.
Bosnia Bulldozer initiative, “50 reforms in 150 days”

From the Protocols for Prosperity...
To the Prosperity Garden (Bosnia)

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

Georgia legal and judicial reform

Accountability gets specific in Bosnia (corporate governance reform)

Better Business Initiative
Partnering to improve the economic environment

Nigeria PPD

Source: PPD Handbook
Bangladesh Better Business Forum (BBBF)

Recommendation Implementation Status

<table>
<thead>
<tr>
<th>Implemented</th>
<th>Not Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>128</td>
</tr>
<tr>
<td>52</td>
<td>8</td>
</tr>
<tr>
<td>61</td>
<td></td>
</tr>
<tr>
<td>249</td>
<td></td>
</tr>
</tbody>
</table>

Approved (113) - Decision Pending (128)

About the BBBF

The Bangladesh Better Business Forum (BBBF), the Bangladesh public-private business forum in Bangladesh, began its journey in 2007 with the aim of improving the business environment in Bangladesh through interactions between the business community and government officials.

BBBF aims to create positive changes in the business environment that has been confronted with some setbacks in recent years. The forum looks into several dimensions of improving the business climate in Bangladesh, these are adoption of an action plan, regulatory reforms relating to both investments, developing skills of potential labor force, ensuring access to finance for businesses, starting up businesses and much more. More...

Key BBBF activities include:
- Promoting effective public-private dialogue to improve the business enabling environment.
- Removing barriers impacting business opportunities.
- Providing feedback on various government policies, taxes, and regulations affecting the private sector.
PRINCIPLE IX: MONITORING & EVALUATION

Monitoring and evaluation is an effective tool to manage the public private dialogue process and to demonstrate its purpose, performance and impact.
TOOLS AND TECHNIQUES FOR MONITORING + EVALUATION

SUMMARY TABLE

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Score</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandate and institutional alignment</td>
<td>7.00</td>
<td>1</td>
</tr>
<tr>
<td>Structure and participation</td>
<td>5.00</td>
<td>1</td>
</tr>
<tr>
<td>Champion(s) and leadership</td>
<td>5.25</td>
<td>1</td>
</tr>
<tr>
<td>Facilitation and management</td>
<td>5.63</td>
<td>1</td>
</tr>
<tr>
<td>Outputs</td>
<td>7.33</td>
<td>1</td>
</tr>
<tr>
<td>Outreach and communication</td>
<td>5.92</td>
<td>1</td>
</tr>
<tr>
<td>Monitoring and evaluation</td>
<td>4.17</td>
<td>1</td>
</tr>
<tr>
<td>Sub-national</td>
<td>3.50</td>
<td>1</td>
</tr>
<tr>
<td>Sector specific</td>
<td>6.00</td>
<td>1</td>
</tr>
<tr>
<td>Relevance to FDI</td>
<td>8.00</td>
<td>1</td>
</tr>
<tr>
<td>Post-conflict/disaster/crisis</td>
<td>5.50</td>
<td>1</td>
</tr>
<tr>
<td>Development Partners</td>
<td>4.67</td>
<td>1</td>
</tr>
<tr>
<td>Average score:</td>
<td>5.66</td>
<td></td>
</tr>
</tbody>
</table>
PPD COUNTRY PROFILE:
1- Legal and regulatory context for PPD
2- Country’s readiness to host, create or sustain a dialogue process
3- Organizational effectiveness of a given platform
PRINCIPLE X: APPROPRIATE AREA AND SCOPE

The dialogue process should be tailored to the set of issues to be addressed and consider the implications for sub-issues that are part of a larger agenda and smaller jurisdictions which can play a role in the change process. Local and sector specific public private dialogues have strong potential for focused results. National and economy-wide platforms and local and sector specific initiatives would gain in coordinating their agendas so as to best serve the interests of their constituencies.
Rose Farming in Ethiopia

Asparagus Farming in Peru

Call Centers in India
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

Source: Herzberg, Kassim, Majumdar, Sudan, Stanford University research team, Watson, Zeng, World Bank Group, 2011
WHAT ACTION ARE BEST FOR THE SECTOR?
For instance, is infrastructure important?

Source: Duch, Competitiveness LLC, 2011
SUSTAINABLE CLEVELAND 2019
2014 → CURRENT WORKING GROUPS

Energy Efficiency
- Green Building Coalition
- Cleveland 2030 District*

Local Foods
- Slow Money Cleveland NEO
- Community Kitchen Incubator*
- Tunnel Vision Hoops*

Advanced & Renewable Energy
- Upcycle Parts Shop*
- Zero Waste NEO

Waste

Water
- Drink Local Drink Tap*
- Cleveland Water Alliance*

Transportation
- Bike Cleveland*
- Sustainable Transportation Action Team

Vital Neighborhoods
- Cleveland Green Venues
- SOMO Leadership Labs
- Campus District*
- Youth/Next Generation
# RESULTS (AS OF 2014)

- 377 acres have been cleaned up since 2009
- 2,262 new clean economy jobs between 2010 and 2012
- Clevelanders with Clean Economy Jobs make 5.7% more
- 52 new certified “sustainable” businesses in Cleveland and Northeast Ohio since 2010
- 8.3% increase in GDP in Northeast Ohio since 2009
- 300 energy audits & 150 retrofits saving 37% on average through Energy$aver pilot
- 3000+ apartment & single family units have met the Cleveland Green Building Standard
- 65,000 homes & small businesses receiving 100% green energy & 21% cost savings
- 70 bins installed through the Downtown Recycling Pilot completed in August 2014
- 1,000 new trees to be planted through the Western Reserve Land Conservancy
- 12 green infrastructure projects started in Cleveland’s neighborhoods by the Sewer District
- 50 businesses publicly reporting their sustainability success

Source: “Sustainable Cleveland – Report from the Community”, May 2014
http://www.sustainablecleveland.org/resources/report-from-the-community/
IN VolVEmENt LEVeLS

at HOME

at WORK

in your COMMUNITY

EXPLORE CELEBRATION TOPICS

JOIN A WORKING GROUP

ATTEND AN UPCOMING ANNUAL SUMMIT
SC2019 CELEBRATION POINTS

2010
2011 ENERGY EFFICIENCY
2012 LOCAL FOODS
2013 ADVANCED AND RENEWABLE RESOURCES
2014 ZERO WASTE
2015 CLEAN WATER
2016 SUSTAINABLE MOBILITY
2017 VIBRANT GREEN SPACE
2018 VITAL NEIGHBORHOODS
2019 PEOPLE
2020
PRINCIPLE XI: CRISIS AND CONFLICT RESPONSE

Public-private dialogue is particularly valuable in crisis, conflict and fragile environment to mitigate entrenched interests, rebuild trust and accelerate inclusive and sustainable growth. PPD mechanisms can also work towards resolving disputes and reconciling views of different stakeholders on particular issues.
Greece during the economic crisis of 2007-09

Haiti unemployment rate rises from 70% pre-quake to 80% post-quake

Haiti unemployment rate rises from 70% pre-quake to 80% post-quake
Japan’s car production fell 60.1% after the March 2011 earthquake, a reduction of 439,828 (Source: Japan Car Manufacturers Association).
Dear tourists
Don’t leave
We’ll protect you.
Deadliest hurricane to hit Northeastern U.S. in 40 years
Second-costliest in the nation's history: $50 billion
Second after Hurricane Katrina ($108 billion)
More than 8 million customers lost power
More than 650,000 U.S. homes damaged or destroyed
Global natural disasters in 2012 combined to cause economic losses of $200 billion

Deadliest hurricane to hit Northeastern U.S. in 40 years
Second-costliest in the nation's history: $50 billion
Second after Hurricane Katrina ($108 billion)
More than 8 million customers lost power
More than 650,000 U.S. homes damaged or destroyed
Global natural disasters in 2012 combined to cause economic losses of $200 billion

Deadliest hurricane to hit Northeastern U.S. in 40 years
Second-costliest in the nation's history: $50 billion
Second after Hurricane Katrina ($108 billion)
More than 8 million customers lost power
More than 650,000 U.S. homes damaged or destroyed
Global natural disasters in 2012 combined to cause economic losses of $200 billion

Natural disasters *damage or destroy* productive physical assets like factories, stores, housing, and public infrastructure (the capital stock) and they *interrupt* economic activity
PRINCIPLE XII: DEVELOPMENT PARTNERS

Public-private dialogue initiatives can benefit from the input and support of donors (development partners) when their role is determined by the local context, demand driven, and based on partnership, coordination and additionality.
PRINCIPLE XIII: SUSTAINABILITY

“Sustainability” (or ‘Exit’) refers to the transfer of operations, management or financing of a PPD by a development partner to local institutions. Achieving sustainability is a challenge for PPDs and requires the commitment of all PPD actors.
Trust
Education
Discovering what works / What doesn’t
Setting up production process

Phase 1

Phase 2

Phase 3

Results

EARLY RESULTS

HIGH IMPACT RESULTS

More capacity
Better production
Better product
More conflict

1 to 3 years
1 to 3 years

Time

Trust
Education
Discovering what works / What doesn’t
Setting up production process

Institutions
BMOs
Permanent brokering
Ownership without capacity

Exit

Herzberg & Wright, 2006

Life and death of a PPD mechanism
PPD CHARTER OF GOOD PRACTICE

PRINCIPLE I: CONTEXTUAL DESIGN
PRINCIPLE II: OPEN GOVERNANCE PROCESS
PRINCIPLE III: MANDATE AND INSTITUTIONAL ALIGNMENT
PRINCIPLE IV: STRUCTURE AND PARTICIPATION
PRINCIPLE V: FACILITATION
PRINCIPLE VI: CHAMPIONS
PRINCIPLE VII: OUTPUTS
PRINCIPLE VIII: OUTREACH AND COMMUNICATIONS
PRINCIPLE IX: MONITORING & EVALUATION
PRINCIPLE X: APPROPRIATE AREA AND SCOPE
PRINCIPLE XI: CRISIS AND CONFLICT RESPONSE
PRINCIPLE XII: DEVELOPMENT PARTNERS
PRINCIPLE XIII: SUSTAINABILITY
Tools for change - making Public-Private Dialogue work

KM Website
- Charter of good practice
- Lessons learned papers
- Interactive PPD handbook
- 80 case studies
- E-Learning
- Templates
- M&E Tools
- Workshop materials

http://www.publicprivatedialogue.org
http://www.facebook.com/publicprivatedialogue
Twitter: @PPDialogue

Implementation guidelines

Diagnostic tool

M&E Tools for PPD secretariats
STILL A LOT TO LEARN

STILL A LOT TO FIGHT FOR

THANK YOU!

Benjamin Herzberg
World Bank Group
bherzberg@worldbank.org