DAC Network on Poverty Reduction

SUMMARY RECORD OF THE POVNET PRIVATE SECTOR DEVELOPMENT TASK TEAM MEETING

held on 20-21 June 2005, OECD, Paris

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I. Adoption of the agenda

1. The agenda was adopted.

II. Consideration of draft Hot Topic papers

2. After discussion of each draft Hot Topic paper, the following decisions were taken:

- **Removing barriers to formalisation**: On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agency (USAID), the paper will be revised by the lead agency and considered endorsed by the Task Team. The lead agency will send the revised text to the Secretariat by 29 July 2005 so that it can be released on OLIS as a “working paper”, with an indication that comments will be welcome.¹

- **Enhancing women’s market access**: On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agency (USAID), the paper will be revised by the lead agency and considered endorsed by the Task Team. The lead agency will send the revised text to the Secretariat by 29 July 2005 so that it can be released on OLIS as a “working paper”, with an indication that comments will be welcome.²

- **Promoting the supply-side response: Business development services and financial assistance for pro-poor growth** (tentative title): On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agencies (Sida and GTZ), the paper will be revised by the lead agencies and considered endorsed by the Task Team. The lead agencies will send the revised text to the Secretariat by 8 August 2005 so that it can be released on OLIS as a “working paper”, with an indication that comments will be welcome.

- **Competition policy in developing countries**: On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agency (DFID), the paper will be revised by the lead agency and distributed electronically within the Task Team for endorsement via written procedure. The lead agency will endeavour to circulate the revised version by 15 July 2005 and members of the Task Team should indicate their readiness to endorse the revised version by 31 August 2005. Once endorsed, the paper can be released on OLIS as a “working paper”, with an indication that comments will be welcome.

- **The financial sector’s contribution to pro-poor growth**: On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agency (AFD), the paper will be revised by the lead agency and distributed electronically within the Task Team by 29 July 2005 for endorsement via written procedure. Members of the Task Team should indicate their readiness to endorse the revised version by 31 August 2005. Once endorsed, the paper can be released on OLIS as a “working paper”, with an indication that comments will be welcome.

- **Institutions and public-private dialogue**: On the basis of comments made at the meeting and written comments sent by 28 June 2005 to the lead agency (Dutch MFA), the paper will be revised by the lead agency and distributed electronically for comments within the Task Team by 15 July 2005. Comments from Task Team members should be provided by 31 August 2005.

III. Publication of Hot Topic papers

3. The Task Team proposes that a compendium of its Hot Topic papers be published in the DAC Guidelines and Reference Series. The Hot Topic papers would be preceded by an Executive Summary (2 pages) and an overview (maximum 10 pages). As per the DAC Chair’s request [see: DCD/DAC/POVNET/RD(2005)4/RD5], the publication could also include a short checklist that can be used during the preparation of DAC peer reviews.

4. The overview should bring out the main messages from the analytical framework “Accelerating Pro-poor Growth through Support for Private Sector Development” and the highlights from each Hot Topic paper. It should link the Hot Topic papers to the analytical framework and explain why the former are important. It should also include a small number of examples/case studies of the market-based approach to supporting development of the private sector (e.g. commercial radio in Uganda).

5. Options for producing a draft of the overview were discussed including a proposal by the Secretariat, which received general support, that it engage a consultant to undertake this task (the Secretariat will fund this consultancy from POVNET voluntary contributions). It was recognised that a first draft of the overview should be reviewed by the Task Team at a meeting in mid September 2005 so that a preliminary version can be presented at the next POVNET plenary meeting on 27-28 October 2005.

IV. Main messages for the POVNET overarching framework paper

6. Mikael Söderbäck (Sweden) presented an initial set of main messages from the Task Team’s work that could be fed into preparation of the POVNET’s overarching paper. In general, members of the Task Team found that these captured many of the key elements of the group’s work. To help revise and improve on this initial set of main messages, lead agencies will provide the Secretariat by 28 June 2005 with two or three key messages from each of their Hot Topic papers.

V. Synergies with other POVNET work streams

7. The Private Sector Development Task Team discussed synergies with the POVNET cross-cutting group on Risk and Vulnerability. To help achieve the POVNET’s mandate, Task Team members suggested that the Risk and Vulnerability group address issues of risk taking and entrepreneurship and that they focus in particular on insurance products. It was recognised that members of the Private Sector Development Task Team could also provide comments on the work on risk and vulnerability (such as on the draft Hot Topic paper on “Cash transfers” which had already been circulated).

8. The Secretariat advised the Private Sector Development Task Team that the Infrastructure Task Team should be circulating its “Guiding Principles on Infrastructure for Poverty Reduction” by 30 June 2005 with an invitation to comment on the policy recommendations. One area where the Private Sector Development Task Team could make a contribution is on how to involve the private sector more in the financing, provision and maintenance of infrastructure and so could look at what has been written on public-private partnerships in this connection.

9. The Secretariat briefed the Task Team on work in the POVNET group on Poverty Impact Assessment.

VI. Consultations with stakeholders

10. To help facilitate preparation of virtual consultations on the Task Team’s outputs with practitioners in the field, members of the group were reminded of the request to provide information on groups in developing countries focussed on private sector development. It was also requested that each
Task Team member identify 3 or 4 developing countries where their agency has had a significant involvement with promoting the private sector, with a view to identifying in which countries several of the Task Team members are active and where some form of consultations on the Task Team’s products could more easily be arranged.

11. It was agreed that the Secretariat would contact the secretariats of the Business and Industry Advisory Committee (BIAC) to the OECD and the Trade Union Advisory Committee (TUAC) to the OECD to invite their comments on Hot Topic papers released on OLIS.

VII. Taking the Task Team’s work further forward

12. Possible agenda items for the Task Team’s next meeting could include:

- Discussion of any Hot Topic papers that had not yet been endorsed.
- Discussion of the overview for the compendium of Hot Topic papers.
- Discussion of the Task Team’s main messages to be included in the POVNET overarching paper.
- Dissemination, communication and implementation of the Task Team’s outputs.
- Preparations for the POVNET plenary meeting on 27-28 October 2005.
- Possible future role and activities of the Task Team beyond 2005 (it was reconfirmed at this meeting that the Task Team would continue in its present form and constellation until the end of 2005).

13. The next meeting of the Task Team could take place early in the week starting 12 September 2005 and offers to host this meeting are welcome. The exact date and location of the next meeting will be confirmed in early August 2005.³

14. Cerstin Sander (United Kingdom) was elected leader of the Task Team, replacing Albena Melin (Sweden) who had led the Task Team since its inception in 2003.

³. It was subsequently decided to hold the Task Team’s next meeting on 12 and 13 September 2005. GTZ offered to host this meeting at its offices in Berlin.
FINAL PARTICIPANTS LIST FOR POVNET
PRIVATE SECTOR DEVELOPMENT TASK TEAM

20 June 2005 - 21 June 2005

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