



Global SDC Face-to-Face 2019

impact@scale

Employment and Income Network & the Competence Center for Engagement with the Private Sector



e+i Network members can access all documents on the [e+i shareweb](#)

Opening day impact@scale (Day 1)

Opening speech by Thomas Gass: Importance of Inclusive Economic Development



Thomas Gass (head of SDC's south cooperation) highlighted in his opening speech the importance of PSD, FSD and VSD as instruments to enable people to improve their own lives. When engaging with the private sector, such solutions can be scaled, and systems transformed. He also mentioned the draft of the new dispatch for Switzerland's development cooperation, published just last week. **In all areas of this new strategy, working with the private sector and the work of the new cluster Inclusive Economic Development are of great importance.** Thomas Gass also mentioned the complexity of today's development challenges and their interconnectedness. For sustainable development it's neither sufficient to give someone a fish nor to teach him/her fishing, we have to apply a systemic approach, take into account the complex environment, look at power relations and make sure that no one is left behind.

Introduction and conceptualisation by Guido Beltrani [\[slides\]](#)



Guido Beltrani then introduced the topic impact@scale and explained that we as SDC are responsible for impact and should go the extra-mile to really define the impacts we aim for. Pathways to achieve scale should be designed from the beginning of an intervention. **Achieving scale asks for trial and error approaches - without any errors it will be difficult to achieve scale.** Two conceptual frameworks for impact@scale were presented briefly (they can both be found in the [introduction paper](#)). Guido Beltrani encouraged the participants to be over-ambitious, open, willing to learn from good practices and mistakes, and enthusiastic!

Impact@scale: Approaches & strategies by Rochus Mommartz [\[slides\]](#)

Rochus Mommartz (CEO of responsAbility) focused in his presentation on the question how investors can contribute to development. Mommartz explained that as a private sector investor, their focus is not 'impact first' but investments with an impact on six impact themes, related to the SDGs. Creating markets is a key objective. responsAbility's financing is all along the value chain from smallholder farmers and cooperatives to the traders and retailers. Examples from Timor Leste, India and Ivory Coast show the business model of responsAbility (see presentation). 85% of their funding are from private (retail) and institutional investors, 15% from



the public sector, e.g. SDC. SDC for example co-finances a technical assistance facility. Mommartz also explained that in many sectors (outside of the financial sector, energy and agriculture) and contexts, the costs for investments are just too high to design a product that creates revenues for investors, as long as there is no guarantee (from the public sector) to cover the involved risks.

Panel discussion: The way forward to reach impact@scale

In the panel discussion, Alexandra Boëtius (Impact Hub Geneva), Ameena Chowdhury (SDC Bangladesh), Simon Zbinden (SDC Global Program Food Security) and Rochus Mommartz discussed the roles of the private and public sector in achieving impact@scale. **Technical assistance is often needed to complement private investment. Additionality (to public sector financing) is a key concept in these approaches, preventing unnecessary subsidization of the private sector and market distortion.** Sometimes (as in the Bangladesh project with the garment industry), the SDC's role can also be to create a demonstration effect which is necessary to bring the businesses on board.



Wishes of the panel to make private-public cooperation more effective included:

- pragmatism, pragmatism, pragmatism. Find feasible solutions. Do not over complicate things and act quickly, otherwise the private sector will be out.
- Be over-ambitious. Impact investments are still a very small share of overall equity investments in Switzerland and worldwide
- Subsidy and procurement laws are very strict (for the public sector). Sometimes more flexible approaches would be needed, putting development outcomes first.
- Create a culture for more intrapreneurs in institutions like SDC, but also in companies, willing to step out of the comfort zone and to find new solutions.
- Encourage learning from failures (and celebrating successes)
- Incentivizing the private sector by making sure the enabling environment is here and by speaking the same language.
- Foster impact measurement.

Market stalls: Learning exchange [posters]



After the lunch break, a large number of market stalls enabled a learning exchange between participants, showcasing lessons learned from ongoing programs and impact@scale experiences by network members. The market stalls represented all thematic areas to the Focal Point e+i and CEP and a diverse mix of approaches. During the discussions at the market stalls, the focus was not only on success factors but also on failure factors since a culture of constructive criticism is crucial for an overall improvement of the project portfolio performance.

Engaging with the Private Sector: Conceptualisation and overview by Lars Stein [slides]

The last session of this first day was on collaboration with the private sector. Lars Stein (SDC EPS team) introduced the modality Engaging with the private sector (EPS), which is about working jointly with the private sector in their core businesses, not just in Corporate Social Responsibility (CSR). Core attributes of EPS are the facts that most projects are co-initiated, co-steered and co-financed with the private sector. Fair play in EPS means shared risks, shared costs and shared benefits. This includes clarified mutual expectations and a formal partnership agreement between the public and private sector partners, complementary strengths, resources and skills as well as a shared set of values and thus a shared project vision.



Closing speech by Manuel Sager



Last but not least, Ambassador Manuel Sager (SDC director general) welcomed all the participants to Switzerland and shared some insights on the development of the new dispatch on international cooperation which is now being consulted with the public. According to Manuel Sager, the first responses from political parties and media have been quite positive including three recurring questions: 1) what's the contribution of international cooperation to the question of migration? 2) what about the cooperation with the private sector? 3) what is the impact of international cooperation? Employment and income as a topic is of key importance for all these three areas: From building perspectives for refugees, creating socially, ecologically and economically sustainable jobs, up to measuring the results of our interventions - and also openly talking about our failures.

Before opening the apéro, Manuel Sager announced the two winners of the impact@scale awards. Joseph Nkandu from NUCAFE Uganda was the winner of the price for reaching impact@scale. The second price for the best learning out of mistakes was awarded to Fauna Ibramogy and Bill Grant of the InovAgro M4P project in Mozambique.

Field Visits (Day 2)

During Tuesday morning, one group visited a public school for Vocational Education and Training [\[slides\]](#) and afterwards a company providing work-based training places for apprentices [\[slides\]](#). The other group visited the Innovation Park of the École polytechnique fédérale de Lausanne (EPFL). After a general introduction to EPFL's start up program [\[slides\]](#), two case studies of successful start-ups were presented [\[slides Pix4D\]](#) [\[slides PRISTEM\]](#). Since both start-ups aim to commercialize technological inventions, they were asked what hinders the diffusion of new technologies in developing countries. As main challenges they mentioned the lack of awareness that these technologies exist and what they can do, that the legislation in many countries is either non-existent (for example with regard to drones) or restrictive and only changing very slowly, and that the social acceptance of new technologies is often low.

For the afternoon, the two groups reunited. After lunch, they had the opportunity to learn more about EPFL's work on Learning through Technology [\[slides\]](#). EPFL is a world leading institution in this field. Key messages of the presentations were that learning gains depend on the learner's activity and not the degree of digitalization of the teaching. Therefore, the question is not how to digitalize teaching but how to improve digital teaching.

Dinner was in the beautiful vineyards of the Lavaux region with a breath-taking view over Lac Lemman.



Learning & Capacity Building (Days 3 & 4)

Financing for Development by Semya Ayoubi [slides]

Wednesday was opened by a key note from Semya Ayoubi (SDC chief economist). During her speech she highlighted the importance of the Addis Ababa Action Agenda and its seven action areas. The Addis Ababa Action Agenda supports the implementation of the 2030 Agenda for Sustainable Development. Precisely, it provides a new global framework for financing sustainable development by aligning all financing flows and policies with economic, social and environmental priorities. Further on, Semya Ayoubi explained how the areas of the Addis Ababa Action Agenda are interconnected. A focus was put on the public sector's duties from an investors perspective, but she also emphasized the opportunities of an investment in a developing country.



Focus sessions

After the key note, the participants were given the free choice to take part in different workshops. For each session, we collected all relevant documents.

Session	Documents
Agricultural insurance for smallholder farmers	Link
Cost-benefit analysis / cost effectiveness part 1: Tools	Link
Cost-benefit analysis / cost effectiveness part 2: Examples and discussion	Link
EPS methods sessions	Link
Leave no one behind in e+i	Link
Local Economic Development	Link
Market Systems Development and EPS	Link
Research for Development	Link
Social Accounting	Link
Social and blended finance	Link
VSD and Migration	Link
VSD through EPS	Link
VSD update	Link
Women's Economic Empowerment	Link

Education F2F in Zurich

In close coordination with the F2F in Solothurn, the SDC Education Network organised a second F2F in Zurich [[visit event page](#)] during the same week. Since Basic Education and Vocational Skills Development are strongly linked, some of the sessions in Zurich were co-organised by the SDC Vocational Skills Development Team of the e+i Network. All documents from the sessions relevant for Vocational Skills Development practitioners are available on the shareweb of the Education Network.

Session	Documents
Benefitting from digitalisation and new technologies in education and training	Link
Dual VET in development cooperation: Implementation challenges of dual VET in partner countries	Link
EDU - Approaches and instruments for skills and positive change in fragile contexts	Link
Education for protection	Link
Education for violence prevention and peace	Link
Education system and labour market governance	Link
Effective approaches in education and training for addressing equity, social inclusion and youth employment in a complex world	Link
Future of work and required skills: Building relevant skills from basic education to initial vocational training and lifelong learning	Link
Impact orientation and measurement in Vocational Skills Development	Link
Learning for life and work in a changing world: Reflection on SDC's approaches	Link
Leaving no child behind - contributing to no lost generation	Link
Social and economic inclusion of youth	Link

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