



Session 4 - Effective Private Sector Engagement for Sustainable Development

Session Objective: This session will focus on priorities, modalities and expectations to further partnerships with the private sector to better achieve the SDGs, while at the same time recognising the need for financial return for the private sector. While modalities for private sector engagement (PSE) through development co-operation have more generally focussed on financing, it is increasingly critical to engage the diverse private sector as a development partner holistically: not only for resources, but also for its ingenuity and reach. As such, focus will be brought to the Kampala Principles (i.e., inclusive country ownership, results and targeted impact, inclusive partnership, transparency and accountability, and leave no one behind) that provide a new normative framework for making private sector partnerships for development co-operation more effective, and how to apply these locally.

The scope and ambition of the transformative 2030 Agenda cannot be met solely through the efforts of the public sector. It requires a collective effort to step-up all forms of resource mobilisation and innovative partnerships and solutions to achieve the SDGs. Beyond its investment in areas and sectors that have a positive impact on the lives of citizens, many private sector actors are increasingly adopting approaches and business models that focus on profitable solutions to sustainable development challenges. They achieve this by leveraging their innovative power and targeting new markets and customers, while aiming to create positive outcomes for the communities in which they work. This is particularly evident in the case of purpose-driven multinational companies and local small and medium-sized enterprises (SMEs) that operate in sustainable value chains and are committed to responsible business models that go beyond traditional ideas of Corporate Social Responsibility (CSR).

Against this backdrop, the development co-operation community is scaling up its engagement with the private sector to leverage additional finance and expertise, create and strengthen partnerships, and help build inclusive markets and value chains across key sectors.

Different partners have highlighted a number of challenges with private sector engagement through development cooperation. These include lack of safeguards on the use of public resources; insufficient attention to concrete results and outcomes (particularly for the benefit of those furthest behind); and limited transparency, accountability and evaluation of PSE projects. Following extensive and inclusive consultations, the Global Partnership developed a set of principles to guide collective work on making private sector partnerships for development co-operation more effective. These Kampala Principles for effective PSE through development co-operation serve as a basis for inclusive dialogue and more effective partnerships. In addition, the Kampala Principles Assessment, as an integral part of the Partnership's flagship monitoring exercise, provides an instrument at the country level to measure progress and challenges on these partnerships.

This session will explore the expectations of country actors looking to better engage with the private sector in development cooperation. Different actors will share their experiences in using the Kampala Principles as an accelerator for advocacy and outreach, learning and action at the country level.

Guiding questions:

- What are the main challenges for engaging the private sector in development cooperation, and how can the different stakeholders help overcome them?
- Which promising examples and pathways have you identified to improve people's lives through private sector engagement in development cooperation?
- How can development co-operation help to strengthen trust, leadership and action between public, private and civil society actors, especially in high risk or hard-to-reach communities?