



The EC Perspective on the role of the Private Sector

Intra-ACP funding opportunities for Private Sector

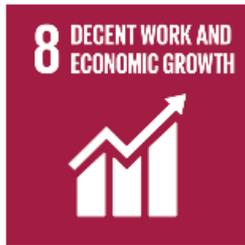
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EUEI - European Union Energy Initiative

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SUSTAINABLE DEVELOPMENT GOALS



Why private sector development in EU Cooperation ?

Opportunities

- Job creation: the private sector provides 90 % of jobs in developing countries
- Investments: Huge financing gap between ODA and real investment needs
- Innovation: Energy, agriculture, infrastructure, digitalisation, mobile solutions
- Growth: 4%-5% of GDP growth on average in developing countries and emerging economies

Addressing challenges

- Business and investment environment
- Access to finance mainly for SMEs
- Skills gap
- Information gap / Digital divide
- Risk mitigation



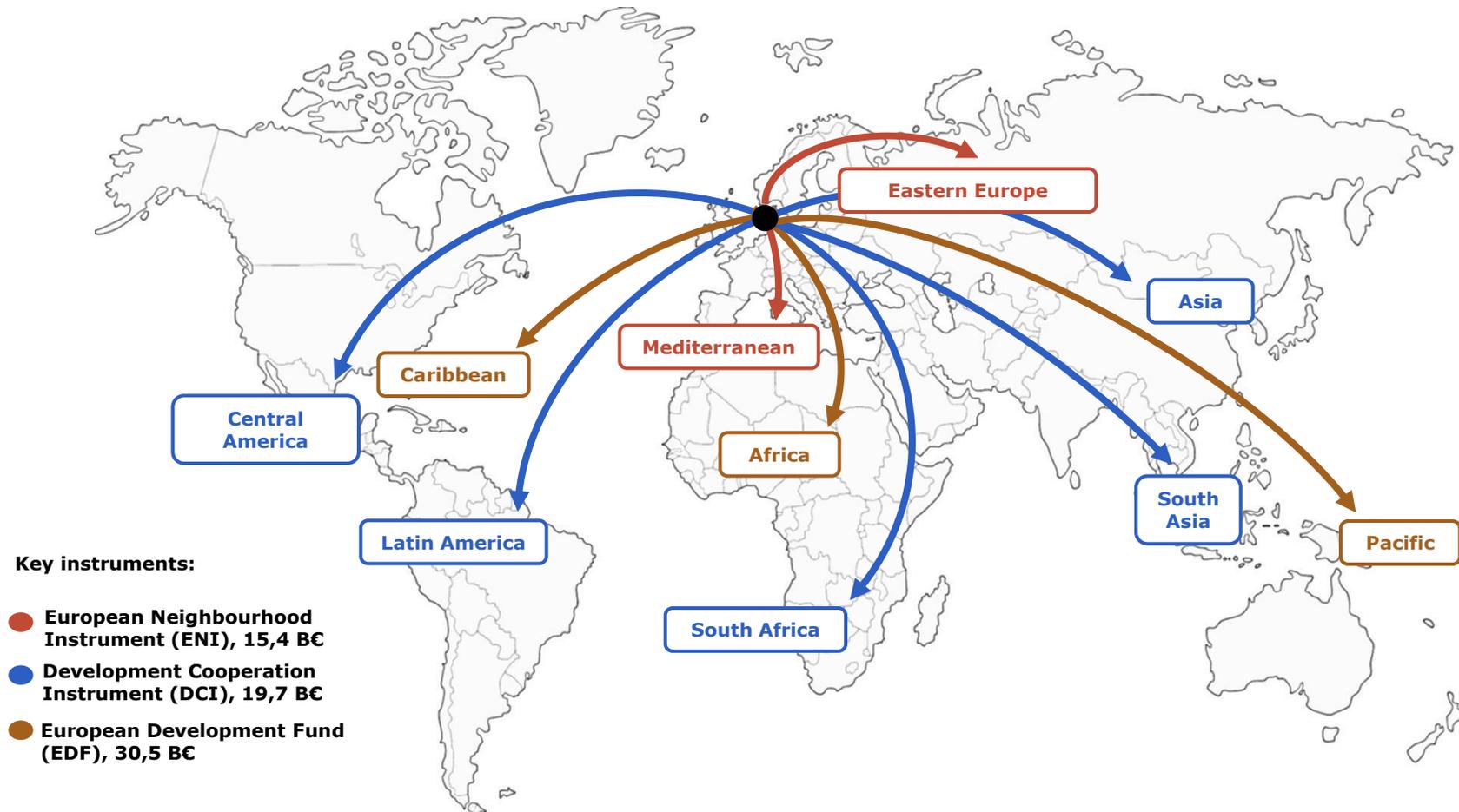
2014 EU Private Sector Policy

- EU strategy for **private sector development** in developing countries (business environment, access to finance, improving enterprise productivity & competitiveness...). Endorsed by EU Member States.
- **Engaging and partnering** with the private sector to achieve development impact.
- Focus on sectors such as **energy, agriculture and infrastructure**, as announced in the Agenda for Change, including through blending.
- **Dialogue** and joint action with business and civil society
- **Principles and criteria** guiding the EU's engagement with the private sector in development cooperation

EU policy: principles and criteria for supporting private sector actors

- *Market based solutions*
- *High development impact, in particular job creation, green growth and inclusiveness*
- *Additionality: without a partnership the business entity would not undertake that action, or would not do so on the same scale, at the same time, in the same location or to the same standard*
- *Avoid distortion of the market, not discourage regulatory reform efforts to overcome the causes of the market failures*
- *Shared risks and costs and mutual accountability*
- *Demonstration effect to catalyse market development by crowing in other businesses for replication and scaling-up*
- *Adhere to social, human rights, fiscal and environmental standards*

Key instruments 2014-2020



Funds reserved to private sector development in EU aid instruments – DG DEVCO indicative core allocations for 2014-2020			≈ M€
Country level (bilateral) (DCI, EDF)	National Indicative Programmes	21 countries	650
Regional level (DCI, EDF)	Regional Indicative Programmes	Africa, Asia, Caribbean, Latin America, Pacific	600
ACP level (EDF)	Intra-ACP Programme	Africa, Caribbean, Pacific	600
Thematic (DCI)	Global Public Goods and Challenges ...	Addressing innovative global initiatives	150

≈ 2000

+ PSD in neighbourhood countries of around 650 million euros for 2014-2017

Cooperation with ACP Countries

11th EDF INTRA ACP strategy



Intra-ACP 10th and 11th EDF on-going actions

Programme	EDF	M €	End of implementation (LMO)
TBT - Technical Barriers to Trade	10	15	2017
ACP-EU Development Minerals Programme	10	12	2017
CIIP - Competitive Industries and Innovation Program	10	20	2019
TRADECOM II	10	40	2020
COLEACP	11	20	2020

Past Intra-ACP achievements in bringing clean energy to the private sector

- foster private investment in renewable energies
- Create energy incubators for start-ups
- Creating new business models to provide access to energy and green technology products for households.
- Improving health conditions
- Saving on family income



Jami Okoa

PROTECT YOUR FAMILY FROM VISION, RESPIRATORY AND WATER BORNE DISEASES.

SAVE ON FAMILY INCOME.

1. JIKOKOA.

SAVES YOU UPTO KSH 80 DAILY IF YOU NORMALLY COOK WITH KEROSENSE!

2. WATER FILTER.

SAVES YOU UPTO KSH 40 DAILY IF YOU NORMALLY BOIL WATER FOR THE FAMILY TO DRINK!

3. Sun King Pro 2 (Solar Lantern)

SAVES YOU UPTO KSH 40 DAILY IF YOU NORMALLY USE KEROSENSE FOR LIGHTING!

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11th EDF Intra-ACP PSD Strategy paper and indicative programme

600 MEUR to foster the development of the Private Sector at Intra-ACP level

In November 2015 the 11th EDF Intra-ACP PSD strategy paper and indicative programme was approved outlining the following priorities:

- Support business-friendly and inclusive national and regional policies and strengthen productive capacities and value chains
- Increase Financial Inclusion
- Increase access to finance for SMEs and catalyse investments through blending operations (ElectriFI, AgriFI, SME finance)

EU-ACP platform for dialogue

the EU and ACP group jointly establishing an EU-ACP platform to improve the dialogue on PSD related matters aiming at:

- sharing lessons
- disseminating best practices
- building dialogue with the private sector across ACP Regions
- promoting peer-to-peer learning between ACP countries and regions (contact network, thematic workshops, studies, literature, annual conference, etc.)

Conclusion

- Overarching role of PS as reflected in SDGs
- INTRA-ACP is a key instrument to turn these challenges into concrete actions.
- Access to energy services in rural areas plays a huge role in fostering Private Development
- This benefits also EU companies
- We are ready to listen and do more!





Thank you!