

Mid-Term Review of the Business Call to Action Phase III Project

Tom Harrison, 16th December 2019

Table of Contents

1	Introduction	3
1.1	BCTA current status	3
1.2	Mid-term review purpose and methodology	3
1.3	Structure of the report	4
2	Performance against the strategy	5
2.1	Summary of progress	5
	Output 1: Increased number of high-performing commitments	6
	Output 2: Improved impact measurement and reporting practices	9
	Output 3: Documented evidence and analysis on how IB can be leveraged for the SDGs	10
	Output 4: Country-level mobilisation of commitments towards SDG contributions	11
2.2	The Impact Lab.....	13
2.3	Team and organisation	14
2.4	Gender	16
3	Opportunities and challenges in a changing environment	16
3.1	Key trends in inclusive business	16
3.2	Emerging business models enabled by technology	18
3.3	UNDP and the new Private Sector Strategy.....	20
4	Recommendations	22
4.1	For the final months of this strategy	23
4.2	For a new strategy	24
5	Lessons learnt and conclusions	26
	Annex 1: Results framework	27
	Annex 2: Technical note on the results framework indicators	37
	Annex 3: Documents reviewed	38
	Annex 4: Semi-structured interview scripts	39
	Semi-structured interview questions for company representatives.....	39
	Semi-structured interview questions for staff.....	40
	Interview topic list for donors.....	41
	Interview topic list for UNDP staff	41
	Annex 5: Comments on project risk	42

1 Introduction

1.1 BCtA's current status

Business Call to Action (BCtA) is a multilateral alliance between key donor governments, including the Dutch Ministry of Foreign Affairs, the Swedish International Development Cooperation Agency (SIDA) and the Swiss Agency for Development and Cooperation (SDC). BCtA aims to accelerate progress towards the Sustainable Development Goals (SDGs) by challenging and supporting companies to develop inclusive business (IB) models that offer the potential for both commercial success and development impact. BCtA aims to enhance the visibility, credibility, scale and effectiveness of IBs as market-based solutions to contribute to the achievement of the SDGs and benefit those at the Base of the Pyramid (BoP).

Two hundred and forty-five companies, which range from multinationals to social enterprises and operate in 70 countries, have committed to improving the lives and livelihoods of millions of people in developing countries through access to markets, financial services, affordable healthcare, water and sanitation, education and other critical services.

Following Phase I and Phase II, BCtA's Phase III started in July 2017 and will continue until December 2020 (following a six-month no-cost extension agreed in principle by the Donor Steering Committee (DSC) on 17th October 2019).

1.2 Mid-term review purpose and methodology

BCtA has commissioned Tom Harrison to undertake an independent Mid-Term Review (MTR), which will provide BCtA's DSC and the BCtA team with an opportunity for joint reflection on progress made against the strategy agreed in the programme document (ProDoc) at the beginning of Phase III, suggest how BCtA may adjust its activities in the final year of Phase III in response to changes in the external environment, and produce lessons learnt that can be incorporated into future planning and implementation.

The terms of reference for the MTR were to:

- Take stock of lessons and experiences so far;
- Analyse BCtA's performance against key indicators in the logical framework, with an emphasis on the programme's developmental impact to date and the extent to which the programme's approach and strategy design guarantees impact;
- Identify areas for improvement;
- Reflect on BCtA's relevance and competitive landscape, and identify opportunities going forward as a leading IB platform; and
- Assess BCtA's impact at the local level in its focus countries.

These are expanded in the ToR into a comprehensive review framework.

The methodology comprised of:

1. A review of secondary data as supplied by BCtA (see Annex 3)
2. Review of *BCtA Mid-Year Report* logframe indicators
3. Semi-structured interviews with selected stakeholders

This methodology was selected because semi-structured interviews provide the best way to get in-depth insights from respondents with a range of open questions. In consultation with the BCtA team, it was decided that a survey of BCtA members would not provide sufficient value. Therefore, secondary data from 2018 was used to get a sense of BCtA members' views on key topics, including those that were not interviewed. This provided additional breadth to the material.

Assessment of BCtA's progress against the current strategy was undertaken by reviewing secondary sources and logframe indicators. This enabled triangulation between the reported progress and the different perspectives of BCtA stakeholders. All the information was then analysed and synthesised in this report.

Semi-structured interviews were carried out with:

- Representatives from 11 member companies. Interviewees were selected and interviews were arranged by BCtA from their portfolio of active and engaged members. Interviews with five non-active members were also sought by BCtA but only one of these companies made a representative available for interview, even though requests were sent multiple times by BCtA;¹
- Six BCtA staff members;
- Five donor representatives from the DSC and in Colombia;
- The Chair of the DSC/Head of the UNDP Finance Hub;
- The UNDP Deputy Res. Rep. and other stakeholders in Colombia; and
- The Director of Business Fights Poverty, who represented the wider IB ecosystem.

The semi-structured interview questions used are presented in Annex 4.

1.3 Structure of the report

The report has three sections, which capture key learnings and recommendations from the MTR for the donor group, UNDP and BCtA. The sections contain the following:

Section 2: Performance against the strategy. This summarises the review's findings for the four targeted outputs in BCtA's Phase III. It also explains considerations arising from the review concerning the Impact Lab, the BCtA team and its organisation, and BCtA's performance against its gender commitment.

¹ Efforts to speak to non-active members delayed the finalisation of the MTR. Eventually, in consultation with BCtA, it was decided to complete the MTR without extensive input from non-active members.

Section 3: Opportunities and challenges from a changing environment. This section includes a short review of key trends in IB that are relevant to BCtA, highlights some emerging technology-enabled business models that are of particular significance to BCtA and surveys BCtA in the context of the new UNDP Private Sector Policy.

Section 4: Recommendations. These fall into two areas: the immediate future and proposals for the next phase of BCtA.

There are also two **Annexes** for readers who require a comprehensive version of the MTR. **Annex 1** provides notes on each of the questions asked in the comprehensive review framework. These signpost where questions are addressed in the three sections of the main report and provide additional material where the main report does not fully address these questions. **Annex 2** is a technical note on the results framework indicators. **Annex 3** lists the documents reviewed. **Annex 4** specifies the interview questions. **Annex 5** comments upon the project risk.

2 Performance against the strategy

2.1 Summary of progress

The key findings from this review are that:

- BCtA is performing well. It is achieving the targets set for Phase III in all respects excepting the number of focus countries, which is under the target set by one country because of a delay in funding;
- BCtA's core proposition remains strong. Active members reflect that both the process of becoming a member, and then the support they from the BCtA team as members, is highly appreciated and providing value to their IB activities. BCtA's value proposition is good for a wide range of business types and sizes, except for very small social enterprises which may need a different approach;
- Impact measurement remains central to BCtA's offer. The Impact Lab is a high-quality tool, but requires more hands-on support than envisaged in the strategy. BCtA should consider adjusting the level of support it provides to Impact Champions over the remainder of this phase. Other tools are valued but to a lesser extent;
- BCtA has a high-performing team but needs to ensure that its country-level resources focus on BCtA activities;
- BCtA has increased its focus on gender and has made progress in engaging members which are women-headed or support women's empowerment in other ways;
- BCtA will continue to have a role in the wider ecosystem of support to IBs as long as it maintains the strength of its core proposition and tools. There are opportunities to further its leadership role in IB models, by, for example, researching tech-enabled business models and attracting new members operating in this space;
- BCtA should have a higher profile within UNDP, and this is possible to achieve in the context of a new private sector strategy. BCtA should become the 'go-to' team within UNDP for expertise on IB models; and

- In a future phase, BCtA can aspire to universal coverage of all types of IB models by pursuing variety among its members, thereby providing examples of all business models that contribute to the achievement of the SDGs by engaging and benefiting the BoP.

Output 1: Increased number of high-performing commitments

The numbers:

BCtA is ahead of its target, with 235 members compared to its revised target of 215, 254 commitments compared to 180 at the start of the phase, and a healthy pipeline of potential member companies. It has met or exceeded its other targets under this output framework, such as playing relevant roles at critical regional and global events, and maintaining effective global media and event partnerships. It has achieved the following relative to the indicators set out in the logframe:

- Co-host at least 3 events (achieved 4)
- Establish and implement strategic partnerships (with global media organisations and key events) (achieved 2).

*Note that in this and subsequent sections, ‘numbers’ refer to selected output indicators in the results framework as outlined in the ProDoc, which BCtA reports against on a half-yearly basis. See also the technical note on the results framework indicators in Annex 2.

What the members say:

At the time of this review, BCtA had 243 member companies with a total of 253 commitments. Member companies are operating in a total of 71 countries. Some of these members have time-limited commitments that have now expired, whereas others have ongoing commitments. Companies with ongoing commitments that continue to report against these annually are referred to as ‘active members’, of which there were 135 at the time of the review. Non-active members proved difficult to reach when producing this MTR, as many did not respond when contacted. However, it has been possible to add some perspectives from this section of the membership.

Representatives of active BCtA members which were interviewed for this report continue to state that they receive significant value from both the process of becoming a BCtA member and the services and support that they then receive.²

The core process of becoming a BCtA member

Most companies interviewed for this report found the process of becoming a member more challenging and time consuming than they first expected, but reflected that it was generally

² From semi-structured interviews with Turkcell, Crepes y Waffles, Mountain Hazelnuts, BIVE, BLUETOWN, Banka BioLoo, Sanofi, Supracafé, Click Medix, Bancalimentos, Constructora Bolivar, Access Afya and discussions with a range of others in the fringes of the UNGA event and a business breakfast meeting in Colombia.

helpful, since it induced them to think about their impact in a structured and concrete manner. Only companies that were proficient in developing donor proposals and reporting found the process straightforward. The support received from the BCtA team was almost universally recognised as helpful.

One company representative reflected that the application process could be partly characterised as a negotiation, with the company wanting to avoid extensive reporting in the future but with BCtA pushing for more ambitious commitments and more key performance indicators (KPIs).

One company that had an application rejected revised their approach and were accepted upon their second application. They reflected that the level of rigour is appropriate for a company making a serious commitment and that this ensures credibility within the process and in their commitment. However, the lack of access to application materials in languages other than English makes the process very difficult for some companies to navigate, and results in BCtA providing extensive support for these applications.

The usefulness of BCtA's support to members

GlobeScan and BCtA undertook a 'State of Inclusive Business' survey in August 2018, in which 51% of respondents were BCtA members (46 companies). Some questions were asked about the value of BCtA's services and the results of this survey are validated by the semi-structured interviews that have been undertaken.

For example, when asked 'which of BCtA's services or activities have you participated in?' the top three answers were: (1) raising the visibility of your commitments/IB initiative, (2) raising the visibility of your commitments/IB initiative, and (3) being featured in a knowledge product as a successful example. Companies were almost twice as likely to have participated in these aspects than they were to have used the maturity tool, developed linkages with other members or engaged in a policy debate. The rate of impact measurement guidance and the use of BCtA's Impact Lab was also low.³

The semi-structured interviews provide concrete examples. Generally, companies value the media coverage that BCtA can provide – with the Guardian articles a particular highlight – even though interviewees found it difficult to identify any specific benefits that this provides to the company. Companies that are already strongly positioned as a 'purpose driven', and have the profile and support they need, find the media coverage less useful.

Companies enjoy being used as case examples by BCtA, but few stated that they look to BCtA to find information and read reports on other member companies. Only a few companies report that the sharing of learnings is the most useful service provided by BCtA. One exception to this were companies operating in Colombia, which noted that sharing knowledge between BCtA

³ For more on this topic, see Output 2 and Section 2.2.

members was helpful and recommended that BCtA bring this to life through other communication tools, such as videos (since, by these channels, the questions asked can be very insightful and inspiring).

However, when the question ‘How useful was each of the following BCtA services or activities to you or your inclusive business initiative?’ was posed the impression of BCtA was much more positive (albeit from a much smaller number of respondents). Active participation, being featured in knowledge products and raising the visibility of commitments were highly rated, which reflects well on BCtA. The BCtA tools for assessing maturity and impact measurement are highly valued, as are linkages with other BCtA companies.

This largely reflects the views of individuals interviewed for this review. Those using the Impact Lab greatly appreciate the tool and the help they receive from the BCtA team, as detailed further in Output 2. However, other tools and services were viewed less positively. A common view, as expressed by one company representative, was that *‘I am too busy. I have to run the business.’*

In general, the quality of BCtA services is recognised. The GlobeScan survey reported that 61% of BCtA members rate the general quality of services provided by BCtA 4 or 5 on a 5-point scale where 5 is ‘very high quality’. Only 4 % adopted the opposing view and rated services as poor (1 or 2) and 11% selected ‘don’t know’. Again, these results were reflected in interviews, with representatives generally praising the quality of the support they are receiving.

These largely positive findings do not mean that active BCtA members don’t have views on where further support could be offered and some members even express a degree of frustration with BCtA’s services. In particular, a small but significant proportion felt that BCtA could be doing a lot more to actively link members to each other and to share learnings. A director of one BCtA member company did not feel that they were benefitting from membership as they had applied for membership precisely to access in-depth learning from other members and this was not being delivered. This company is an outlier in many ways, and clearly expects a particular service which is not reflected in the demands of most other member companies. However, it is noted for complete disclosure that there is at least one – and maybe more – members that did not respond as positively as those examined in the GlobeScan survey or other member companies that have been interviewed for this report.

One very small social enterprise shared the view that BCtA struggles to deliver value for very small social enterprises, as the current value proposition of BCtA is more oriented to bigger companies. This member – who is not active for this reason – noted that:

- They became a member because BCtA were offering impact measurement support – both practical (free phones for data collection and a one-year phone subscription) and in technical assistance for impact measurement (this was BIMs in 2015);
- The practical assistance was very welcome for a small start-up, but the theory of change-based methodology was too complicated for a very small social enterprise to implement, meaning that they didn’t take it forward;

- They never reported against their BCtA commitment. They didn't see what value they would get for reporting to BCtA and had very limited time and resources;
- They joined a panel discussion at the UNGA. This was great exposure for a small social enterprise but didn't deliver any lasting value; and
- BCtA developed a case study piece and shared their profile but they felt that the benefits derived from this were minimal as none of their stakeholders needed convincing of their strong social purpose and ability to achieve impact.

Performance against the strategy:

BCtA continues to be successful at providing 'a unique platform for actors including multinational companies, large national companies, SMEs, international and national social enterprises'.⁴ It reflects well on BCtA in this phase that they have been able to increase the number of active members considerably while maintaining the integrity of the process and providing a significant majority of active members with support, which they value. In terms of the gaps in support noted above, and the services in which participation is lower, this is not a concern in terms of performance against the strategy but can provide useful learning opportunities for BCtA when designing its future strategy in terms of what should be continued and strengthened and what might be given a lower priority (see Section 4.2).

BCtA is exceeding its target for membership despite the fact that in recent months there has been an issue with getting clearance for some companies to be accepted as members following a change in UNDP's risk management policy. This has resulted in a backlog of applicants. The country manager in Colombia has stopped looking for new members, but the main team continues to build the pipeline. Management is aware that this issue needs to be resolved.

One activity that has not yet been implemented as planned is the introduction of a 'high performer' differentiation structure, as mentioned in the ProDoc. However, now that there is a new tool in place which assesses IB management practices, this can be achieved. BCtA may also want to reconsider its value proposition for very small social enterprises.

Output 2: Improved impact measurement and reporting practices

The numbers:

BCtA is ahead of schedule in the development of its interactive impact measurement toolkit (4 modules developed compared to 3 planned), and 111 companies have benefited from online or offline capacity building on impact measurement using BCtA's toolkit compared to a target of 80. BCtA is also exceeding its target of 60% of member companies who share their annual progress report (currently at 67%) and is on-track with its other output indicators in this area.

⁴ As taken from the ProDoc. Note that, in the remainder of this section, similar cited text, is not referenced in order to avoid cluttering the report.

What the members say:

Many of the representatives from impact champions interviewed for this report feel honoured that their company was selected to be impact champions. They reflect that the tool is very well structured and comprehensive. They like the fact that it builds up step by step and is very clear and visual. However hands-on support is almost universally needed and thought by many to be crucial in terms of them completing all of the tool modules. The implications of this are explored further in Section 2.2

For some Impact Champions, access to impact measurement was a key reason for becoming a BCtA member. Other reasons reported for becoming an Impact Champion include:

- Measuring impact as a significant capability gap for the company;
- Being able to demonstrate impact to partners (e.g. funders) or attract new impact investors;
- Recognition for their contribution to measuring impact; and
- Helping the company address reputational issues and/or developing a case study that will help with PR.

The benefits they are experiencing, or believe they will receive, include:

- Technical support and external perspectives (with the selection of KPIs, in particular) which goes deeper than the tools they currently have available;
- The use of an UN-validated tool;
- Helping the company to either develop a deep focus into one aspect of their business or pulling together the impact of their whole operation, and/or helping to make systems more efficient;
- Saving time and effort by having curated content and options researched and clearly laid out; and
- Developing and embedding measurement skills into the company.

Performance against the strategy:

As noted in the 'numbers' section, in terms of the level of engagement, there are no performance issues. However, as detailed in Section 2.2, the strategy for supporting impact measurement has been implemented differently from its planned roll-out, which should be reflecting on at this point of the phase by management and the DSC. These issues are therefore explored in more detail below.

Output 3: Documented evidence and analysis on how IB can be leveraged for the SDGs

The numbers:

BCtA has exceeded the output targets with two in-depth reports (against an 'in-depth' report and a 'flagship' report) and 17 case studies (against a target of 5), and 123 media contributions on IB (compared to a target of 120).

What the members say:

As noted above, evidence is lacking that members routinely access or use reports, but they do access and value the tools which are based on some of these reports. Workshops and other events that use the reports are also popular with members. In terms of the detailed activities set out in the ProDoc, BCtA is implementing most targets satisfactorily, including the production of thought-leadership publications, as captured in the 'numbers' but also through webinars, speaker slots and dissemination in mass-media.

Performance against the strategy:

As noted in the 'numbers' section, in terms of the level of engagement, there are no performance issues against this component of the strategy.

One element that is not progressing as well as hoped is the collection and aggregation of IB-related indicators across all members. This is partly because the impact measurement tool is not well-equipped for data collection (see section 2.2) but also because this appears to be an ambitious goal, given that most members don't collect or share large amounts of data beyond reporting on the extent to which they have progressed against their commitments. This does generate a very impressive high-level narrative in terms of the number of people who are reached as customers, suppliers, employees or as some other beneficiary of a member's activities, but it should be noted that this is not evidenced by rigorous data or attribution studies.

Output 4: Country-level mobilisation of commitments towards SDG contributions

The numbers:

It is the only output target that has not been met, with only two current country-level engagements (Colombia and Bangladesh), against a target of three, and 7 new member commitments as a result of BCtA country-level engagements in 2019, compared to a target of 12.

What the members say:

The members in Colombia value BCtA in the same way as other members, as reflected in Output 1. They particularly enjoy the chance to meet and get to know other members, even though there is a very wide range of members, from small social enterprises to country-level operating units of very large multi-national companies. They are highly appreciative of the support that they receive from the country manager.

Members in Colombia provide some good examples of how BCtA can contribute directly to companies increasing their impact. For example:

- **Crepes y Waffles:** Support in their impact measurement has help them reconsider their entire value chain, working out how they impact different people in a very systematic

manner. This has had a particular impact on how they want to increase their positive impact on producers, and also how they understand and value the environment. They have also recognised the importance of having a greater gender focus in their value chain by understanding their present impact and how they could further increase women's social and economic empowerment.

- **Sanofi:** The Sanofi team first heard of the term 'inclusive business' from BCtA and BCtA membership has helped to promote IB as a concept within Sanofi. This has then increased their reach within the BoP. The Impact Lab has helped them to develop data on how working with the subsidised regime in Colombia is a profitable business model, and how they can increase the efficiency of their offering, whilst improving public health through the early identification and treatment of BoP clients that are prone to diabetes.
- **BIVE:** Whilst they found the support on impact measurement useful, BCtA membership has offered new opportunities for BIVE to enable poor people to access better health services. These opportunities have arisen from new partnerships: BIVE is working with Sanofi as a result of them both being BCtA members, and has also had discussions with another Colombian member, Supracafé.

Performance against the strategy:

The underperformance noted in the 'numbers' section is a direct result of the funding to engage in Tunisia being delayed.

Having country-level management in place enables a particularly strong personal relationship to develop between BCtA and its members, as is evident in Colombia. However, this is very time consuming for the members of the BCtA team involved, and provides additional strain on an already wide range of duties, as detailed in Section 2.3.

In Colombia, there has also been a significant effort, in collaboration with other stakeholders, to contribute to the wider alignment of private sector contributions to the SDGs, which accords with the ProDoc's planned activities in support of 'country-level dialogues around recognition and accounting for IB's contribution to SDGs' and to 'capture and disseminate knowledge to establish an explicit link between IB solutions and their contribution to the SDGs'. For example, Corpocampo is engaged in a peacebuilding project and Bancalimentos has benefited from initiatives on the digitalisation of payment services. Note that country member selection is not more aligned to the SDGs than for any other company commitment, which are identified in the usual way. This seems pragmatic even though one of the activities in the ProDoc in this regard was to 'seek to catalyse and build a cluster of commitments from existing or new members to address specific SDGs'.

2.2 The Impact Lab

The strategy for achieving Output 2 was to build on the lessons learnt from the BIMs initiative, which showed that there was an appetite for support on impact measurement through a systematic but tailored approach.⁵ BCtA had proved that there was an appetite for impact measurement but was hands-on in designing the impact measurement strategy and collecting data alongside companies.⁶ The focus in the current phase of BCtA is to develop a tool that could become largely self-managed by companies, and therefore where BCtA capacity would not limit the number of companies using the approach.

The following is extracted from various parts of the ProDoc to show BCtA's intent:

'BCtA will develop an interactive tool that provides self-guided modules to BCtA members to guide their impact measurement practice, which will be made public. The toolkit model will allow BCtA to offer BIMs impact measurement support to a greater number of members using fewer resources and using standardised formats and guidelines [...] through online or in-person group training to members. [It will provide] some level of technological and technical support on a limited basis, allowing BCtA to access their social impact data [...] and publish results to demonstrate the use of such data. [It will allow the] aggregation and analysis of IB related indicators across all members on IB contribution to SDGs [and also] identify a select number of service providers who could provide further technical/technological support to members.'

Both BCtA staff and the companies that are using the tool agree that this strategy has not worked out as hoped, despite the quality of the tool (as noted in Output 2 of Section 2).

BCtA developed the concept of the 'Impact Champions' in order to provide a substantial amount of support and encourage enough companies to test the tool. This was a valid and creative response to the fact that not as many companies as hoped were getting beyond the first module of the tool into the detail of developing results chains and identifying indicators.

Most of the company representatives interviewed from the Impact Champions programme for this review raise related issues. They greatly appreciate the tool and the help they get from the BCtA team, and note that the tool is well structured and comprehensive. They like its step-by-step approach and the fact that it is very clear and visual. However, hands-on support is almost universally needed and thought by many to be crucial in terms of them completing Modules 2 to 4. Only a few companies stated they could have completed the tool on their own, but imagine

⁵ 'UNDP; BCtA. Impact measurement and practices report: A cross-sectional meta-analysis of case studies', Judge Business School, BCtA

⁶ 'With each participating BCtA member, BIMS develops an impact measurement framework and supports the company's data collection. With its emphasis on a client-centric service model, BIMS takes a highly customised approach in creating the survey tools.' BCtA Impact Measurement Services Project Background, Strategy & Implementation Review 2015, updated 2016

that it would have been much slower and more resource intensive (especially in terms of the time required to be set aside by senior executives). Most feel that they had too many questions that needed answering to progress through the tool alone.

Data collection is also an issue for some Impact Champions and may mean that the goal of aggregating and publishing data (under Module 4 of the tool) cannot be done on any meaningful scale. Most companies have progressed to Module 4 but may not use the closed-loop data collection. Crepes y Waffles were using it in October, but may have to borrow tablets from BCtA even though paper-based data collection would have been better. BLUETOWN will 'definitely use it', perhaps because it represents a good fit with the way that they operate, and BIVE noted that they are looking forward to being able to see all the impact data analytics on the platform.

Reasons why companies interviewed will not use the service provided in Module 4 include:

- A preference for a paper-based system, which they feel is more appropriate to their context;
- The need to translate material into the local language;
- The company already has a lot of data, so they require processes for organising data, not collecting new data; and
- They already have data and can easily replicate the analytics.

The need for hands-on support has meant that three members of the BCtA team have had to spend a considerable time in one-to-one calls or reviewing material submitted by Impact Champions (two staff members in Istanbul and one in Colombia). While these roles were intended to cover Impact Lab activities, a large amount of time invested in the Impact Champions represents an opportunity cost to BCtA in that it reduces the time that these team members have available for more value-added work, such as further developing or refining BCtA's tools. Furthermore, it is unclear whether a public good from the Impact Champions will be produced in terms of data and knowledge outcomes. It could also be questioned whether this highly subsidised offering is crowding-out other impact measurement providers. However, there is no evidence of this at present.

It is recommended that BCtA reviews the way that the Impact Champions initiative is being run in the last year of this phase, with the aim of reducing the staff time being allocated to this. This will enable BCtA to more actively explore new ways of delivering services to members through local providers and/or partner organisations (see Section 4.1).

2.3 Team and organisation

Global team

The BCtA team is comprised of high quality and committed individuals. Stakeholders from across UNDP and the membership speak very highly of these team members.

The team has been well led and possesses a good foundation in terms of organisational culture, the role of BCtA and how tasks are being implemented. When concerns arise, these are always constructively expressed with a genuine desire to improve BCtA. Some team coherence may have been lost in the recent period with an interim head, who knows BCtA extremely well but was only able to work part time as a result of other commitments, in charge of the team. With the recent appointment of a new head, such issues will be resolved, such that each team member will be able to contribute individually within a joined-up approach, and also feel that they represent an important part of a well-coordinated team.

The quality and commitment of the team is high but there is not a significant depth of experience across the team in terms of seasoned professionals, and the team is over-performing considering its aggregate experience. It would therefore be helpful for the current team to stay intact as much as possible in the remainder of this phase.

There was also a feeling among team members that BCtA has sometimes lacked status within UNDP because of the level and profile of its leadership. It is difficult to assess this from an external perspective, but the interim arrangements did not seem deficient in this regard. The appointment of a new head who has led well-recognised initiatives within the UNDP Country Office in Brazil should also help to ease this concern.

A related issue is the concern that the team are sometimes drawn into activities to support UNDP, which fall outside of BCtA's strategy. While these are felt to be valuable and interesting, they could become a distraction to the team in their delivery of the strategy. This issue is even more evident at the country level, as explained in the next section.

Country level

The BCtA country manager in Colombia is completely funded by BCtA but reports to a senior manager in the country. However, there is a lack of other available expertise in private sector development in the wider UNDP team, or even a private sector strategy, as described in Section 3.3. The BCtA manager has therefore been tasked with managing a number of initiatives that don't contribute to her BCtA responsibilities. She has also been proactive in participating in some projects that do have significant strategic interests for BCtA, such as the SDG Corporate Tracker. However, the net result, when factoring the significant amount of work required to bring new members on board, support the Impact Champions and promote learning between the members, is that she has an unfeasibly high workload.

Therefore, there is a need for the BCtA country manager to be able to focus on: (1) activities that directly help to develop BCtA in Colombia and the wider region, including an 'exit strategy' for Colombia as a focus country, and (2) add value to country-level activities that make the best use of BCtA's strengths in promoting IB as a contributor to local priorities. A country-level private sector strategy will assist in the achievement of this goal, but a new arrangement between BCtA and the UNDP Country Office in Colombia is also needed. Adjustments are already being discussed.

2.4 Gender

In this phase, there is not a specific output related to gender, as this was treated as a cross-cutting issue that had applications within all of the outputs.

The gender commitment in the ProDoc is captured by the following:

In order to promote gender equality and women's empowerment, BCtA will:

1. Seek to attract more IB initiatives that are advancing the empowerment of poor women as entrepreneurs, producers, and consumers;
2. Ensure that BCtA's due diligence and selection processes integrate and uphold principles of gender equality and women's empowerment;
3. Ensure that a gender perspective is integrated in BCtA's knowledge creation and advocacy efforts;
4. Work with companies to track and disaggregate development results by gender; and
5. Collaborate with relevant organisations on advocacy and evidence identification for IB's contribution to women's empowerment and gender equality.

Performance against the gender commitment:

There are no performance issues to note against this commitment. BCtA has undertaken a range of activities that focus on women's economic empowerment, including producing a report, *Women's economic empowerment and inclusive business: Opportunities for growth and impact* (2018), a webinar series, contributions to relevant events and blogs.⁷ Twenty-nine of BCtA's 135 active companies are women-led, owned and founded by a women or have at least half of all senior management positions occupied by women, 29 of 57 companies reported progress on their gender equality contributions, 26 companies integrate the BoP into their value chains, and 10 deliver products and services to BoP women.⁸

3 Opportunities and challenges from a changing environment

3.1 Key trends in inclusive business

In a 2017 report by Endeava and Ashley Insights for USAID, *More than money: Mapping the landscape of advisory support for inclusive businesses*,⁹ a taxonomy of support for developing IB that is available to companies was divided into that coming from incubators, accelerators, impact

⁷ BCtA's Narrative report 2019

⁸ DSC report 2019

⁹ http://www.endeava.org/wp-content/uploads/2017/09/acclr-landscape-report_08242017.pdf

investors, and consultancies. This is broadly similar to the typology in Chapter 4 of the report, *Private Sector Engagement for Sustainable Development Lessons from the DAC*.¹⁰

The following considers each of these in turn:

Incubators and accelerators: Various donor projects have supported incubators and accelerators during this phase of BCtA. Typically, these have a development theme, such as the SPRING accelerator funded by DFAT, DFID and USAID, which ‘identifies companies with products and services that can improve the lives of girls, and provides expertise in business growth, investment readiness, human-centred design, innovation, and marketing to help drive their businesses further’.¹¹ The sector as a whole is flourishing, with players such as The Impact Hub, which is a BCtA partner, growing rapidly and conducting activities in this space. There is also a growing ecosystem; for example, Afri-Labs is an African network of technology and innovation hubs with over 130 members across 36 countries.¹²

Impact investors: There has been a rise in investment in IB, including venture capitalists and specialist impact investors, albeit from a low base. Donor grants and blended finance also continue to be a feature of this ecosystem. While some MNCs are still active in IB, there continue to be a range of internal and external constraints that prevent actors from scaling IB initiatives, as Hystra note in the 2019 report: *The journey of multinational corporations to inclusive business*.¹³

There is also a growing ecosystem of networks that aim to help social entrepreneurs access finance. Some of these are also impact investors, such as Acumen and Intellectap, while others are simply acting as a showcase for potential investees. The Global Innovation Exchange (GIE),¹⁴ for example, describes itself as ‘a global development technology platform for innovations, funding and insights’, focusing on investment. The Million Lives Club is a new initiative being promoted by GIE.¹⁵ It shares some characteristics with BCtA in that it aims to showcase the most impactful social enterprises, however it does not possess BCtA’s breadth of membership or equivalent rigour in its selection process.

Consultancies: The consultancy side of the ecosystem is not as extensive, with few specialist consultancies. These include BOP Inc., Endeava, Hystra, Intellectap and Volans, as well as a group of individual consultancies, such as TIL Ventures and some academic actors. There has not been any significant expansion of consultancies supporting IB during this phase of BCtA.

¹⁰ https://read.oecd-ilibrary.org/development/private-sector-engagement-for-sustainable-development_9789264266889-en#page45

¹¹ <http://www.springaccelerator.org>

¹² <https://www.afrilabs.com>

¹³ <https://www.hystra.com/journey-multinationals-inclusive-business-2019>

¹⁴ <https://www.globalinnovationexchange.org/about>

¹⁵ <https://millionlivesclub.org>

BCtA straddles these typologies, and offers something different, as noted by the UK's Independent Commission for Aid Effectiveness (ICAI) in their 2015 report on DFID, which was complimentary of BCtA's approach.¹⁶

Another comparator for BCtA is other **business networks** that engage directly with companies and encourage or support IB. In this regard, the UN Global Compact still largely focuses on responsible business and not IB, but they do sometimes produce material that overlaps with BCtA's focus on IB business models, for example the recent *Framework for breakthrough impact on the SDGs through innovation*.¹⁷ However, they are less action oriented and solution focused than BCtA. Other large players are also continuing to grow, such as WEF, which is adept at attracting MNCs and developing country-level platforms.

For this review I spoke to the Head of Business Fights Poverty (BFP), a network that is also effective in working with MNCs and developing case material on IB. His view is that there is still a clear and distinctive role for BCtA. He highlighted BCtA's unique role showcasing IB and supporting small social enterprises, noting that he views BCtA as useful collaborator and not as a competitor of BFP. There are also a number of other networks that could represent useful partnerships for BCtA. This is explored further in Section 4.1.

3.2 Emerging technology-enabled business models

GSMA's *Mobile for Development* initiative is celebrating its 10th birthday. During its period of operation, the pace of change in technology has only become more rapid. Even since BCtA's current strategy was launched, new forms and uses for technology, such as artificial intelligence, big data, the internet of things, drones, biotechnology, remote sensing, extended reality and blockchain technology have emerged. There are multiple new *Tech4Good* initiatives being developed by companies and platforms. This section therefore asks: how can BCtA best adjust its strategy to take this changing environment into account?

There are two areas where BCtA appears ideally placed to add value:

1. Highlighting the positive contribution of business models that are enabled by technology and are already impacting low-income people at scale; and
2. Helping to understand the potential negative impact of technology and setting standards for the responsible use of technology in business models.

The following considers each of these in turn:

Business models that are enabled by technology and are operating at scale

Accenture Development Partnerships (ADP) have recently published a report entitled *Inclusive business reimaged: How multinational companies are finding purposeful and pro table new*

¹⁶ <https://icai.independent.gov.uk/?s=business>

¹⁷ <https://www.unglobalcompact.org/library/5723>

ways to engage the four billion people living on less than \$8 a day as customers, suppliers and employees.¹⁸ This report highlights new waves of technology and how these technologies – or sometimes combinations of technologies – are enabling new kinds of business models across a wide range of sectors.

What is striking about some of these business models, and in particular those that use technology to create a platform or network, is that they are already operating on a large scale in developing and emerging countries. For example, platforms such as Jumia, an e-commerce platform (4 million people), Gojek, a gig economy platform (25 m), Ruang Guru, a mobile education platform (7m), Babylon Health, a mobile health platform (2m), and Twiga Foods, a supply chain platform (1m). Networks are even bigger in terms of reach but possess a lower degree of impact per participant. Examples include Reliance Jio, a mobile network using IoT (330m), and TenCent (700m). Commercially, some of these companies are already Unicorns (start-ups valued at more than £1 billion).

However, no one is yet sure of the impact that these business models have on people on low incomes. BCtA, with its offer of showcasing positive commitments and impact measurement tools, could lead the way in working with some of these companies to understand their positive role and crowd-in other companies.

BCtA could consider conducting studies on some of these business models for companies that do not (yet) characterise their activities as ‘inclusive business’ or for which all of their business might be deemed to be ‘inclusive’ with no particular initiative highlighted. This would fit well within BCtA’s definition of organisations that are eligible for membership.¹⁹ However, this approach might require BCtA to review elements of its eligibility criteria to promote such companies as ‘members’.²⁰ Alternatively, BCtA could find another way to showcase these companies, for example through case studies.

Understanding the potential negative impact of technology and setting standards

The ADP report also outlines some of the potential negative consequences of new business models enabled by technology, as do many other reports on corporate innovation. Another team in Accenture surveyed business leaders in 2018 and found that 52% of respondents think that technology is meaningfully changing what it means to be a responsible business, of which 62%

¹⁸ <https://www.accenture.com/us-en/about/accenture-development-partnerships/inclusive-business>

¹⁹ ‘Given BCtA’s focus on supporting innovative business models that generate profit while creating development impact, all forms of institutions, whether state-owned, not-for-profit, SMEs or multinationals would be considered for membership ‘as long as they could be shown to engage and benefit the BoP as defined by BCtA as those that live on less than \$8 per day in purchasing power parity (PPP)’ Quoted from *BCtA key definitions*.

²⁰ In particular: ‘the company demonstrates strong commitment to sustainable business practices, especially related to gender equity, human rights, labor, community well-being, environment, and good governance and management’ and ‘the inclusive business commitment the company applies with represents a new approach to doing business for the company, enabling it to access and serve markets in ways that were not previously possible’.

said that the first priority is to undertake innovation for the business without inflicting unfair side-effects on its stakeholders.²¹

Accenture is also a good example of how responsible companies are starting to address these issues, with a *Fairness Tool*, developed in conjunction with researchers at the Turing Institute, and with their clients of a Global Innovation Hub in Dublin.

BCtA could contribute to these individual efforts by researching examples of responsible practices in using technology-enabled business models and highlighting good practice. This could help to develop standards for the responsible use of technology, which would be extremely timely and would set up BCtA well for future engagement in this space.

3.3 UNDP and the new Private Sector Strategy

UNDP's new Private Sector Strategy has been prepared and internally approved in the time that the current BCtA strategy was being designed and implemented. As explained by the Director of the Finance Sector Hub (the department that has been created to house the strategy) at the recent meeting of the DSC, BCtA is well placed in this strategy, and 'spearheads' the components of the strategy that involve working directly with companies.

How the new strategy places BCtA

The new Private Sector Strategy aims to 'make markets work for the SDGs with an emphasis on the inclusion of poor and marginalised communities'. The key areas in which BCtA will contribute appear to be within the strategic priority of 'aligning business strategies and operations with the SDGs' and may include:

- Helping investors to understand what it means to invest in alignment with the SDGs, from the business model perspective and, in particular, to contribute to the development of unifying standards, tools and services through the use of BCtA's Impact Lab (e.g. the SDG Impact initiative);²²
- An SDG certification that will provide the market with a universal assurance mechanism. This service offer will build on successful initiatives including the BCtA Impact Lab, the SDG Assessment Tool and the UNSIF Impact Management for Everyone. This initiative has developed an 'SDG Alignment toolkit for Incubators and Accelerators [...] based on [...] inputs from BCtA, IMP and UNDP impact accelerators. [...] the main recommendations for the further steps are: to extend [the] functionality of BCtA methodology at [the]

²¹ <https://www.accenture.com/us-en/blogs/blogs-rebooting-responsibility>

²² <https://sdgimpact.undp.org>. This includes three product offerings: "the online training program: the creation of an online course in impact measurement and management to convey the standards and to guide investors in developing the type of governance, data collection and management, and reporting practices needed to make investments that are authentically 'SDG-enabling.' This modular online training course is seen as a significant development for the industry and the first step, in a three-step process, that also includes the SDG Impact Seal and a corresponding certification training program."

enterprise level by adding an ‘impact scaling’ component [and] to build functionality within BCtA methodology for portfolio-level tools specifically for accelerators’;²³

- Service offerings, including:
 - Developing and implementing multi-stakeholder partnerships with the private sector; and
 - Development services instruments (for which a fee is charged), including market intelligence, impact measurement, management services, training and business advice to companies.

The strategy mentions in its validation assessment that:

“The DFID Independent Commission on Aid Effectiveness specifically highlighted UNDP’s work with Business Call to Action, noting that its ‘real impact is on developing the evidence base. It collates case studies of member initiatives and helps them to understand their impact on the poor.’”²⁴

BCtA and the new strategy in practice

However, the following observations from what various stakeholders have said about the current relationship between BCtA and UNDP may be useful when implementing the new Private Sector Strategy:

- Some internal stakeholders feel that UNDP has not used BCtA effectively, whereas BCtA has benefitted from being part of UNDP, and having access to its extensive country-level presence in particular. Both sentiments are valid to some extent, but it is also a frustration for others that BCtA is not well known within UNDP and that there is little practical leverage when it comes to, for example, attracting and approaching new potential members. A better arrangement could be found by clarifying positions and focuses within UNDP as the primary source of expertise on IB and developing an internal communications strategy;
- BCtA is the only UNDP programme working systematically with companies and developing relationships with a small, but interesting and committed, set of companies, which is a significant asset for UNDP. Questions around how BCtA be more effective at influencing other parts of UNDP remain, which is also an area of interest for donors; and
- BCtA’s tools are an obvious asset for UNDP, and are being utilised by UNDP (see note above on the SDG Alignment Toolkit, support to four country offices and social impact accelerators supported by country offices,²⁵ and the discussion around this at the recent SDC meeting). This needs to be implemented in a way that also achieves other strategic objectives for BCtA, such as growing its membership and promoting IB.

²³ Email to Sahba cc’d from Artak Melkonyan, Chief Operating Officer, UNDP SDG Innovative Finance (UNSIF)

²⁴ Independent Commission for Aid Impact. (2015). Business in development. Retrieved from: <https://icai.independent.gov.uk/wp-content/uploads/ICAI-Business-in-Development-FINAL.pdf>.

²⁵ BCtA mid-year narrative report. 2019.

It is not clear how BCtA's role in delivering this strategy will work at the country level. There will be country- and region-specific opportunities, but these are likely to depend on opportunities that arise from country-level strategies rather than the global strategy.

As the new Private Sector Strategy suggests, during the period of the current BCtA strategy, UNDP renewed its interest in the role of the private sector in development after several years. In the last 18 months in particular, the new Finance Hub has started to have an impact, benefiting also from direct connections to New York. Presently, a private sector engagement movement from the core of UNDP is gaining momentum. This is still largely a centralised initiative and is often disconnected from country offices. In-country support to the private sector can be rather ad hoc as a result, and initiatives often suffer from a lack of expertise.

In Colombia, for example, there are many connections with the private sector, including the provision of support for micro-enterprise development, developing 'inclusive market' connections by linking small farmers to formal supply chains, advising bigger companies on sustainable resource usage, implementing livelihood programmes for ex-combatants and promoting dialogues around natural resources and local communities. However, there no common theme or guiding strategy, which should now become the priority. BCtA can help to address this, by offering the use of its tools and piloting initiatives with companies, as well as by sharing learnings from other counties in a systematic way (for example, through a private sector advisory board of which leading BCtA members can be a part). BCtA is also a key player in local initiatives that suggest further ways for leveraging BCtA at a country level, such as the SDG Corporate Tracker (with GRI, UNDP Country Office Colombia, the Government of Colombia and the SDG Project) and the Multi-Partner Trust Fund Office (MPTF), which employs a multi-donor framework to implement peace accords and is experimenting with blended finance to support private sector investment and innovation. MPTF has granted two member companies (Supracafé and Corpocampo) a \$300,000 grant to scale their IBs in selected peacebuilding territories. The Fund will use the BCtA Impact Lab as a tool to measure their portfolio's impact.

The experience from Colombia also suggests that to be successful in any country office, BCtA will need to:

- Overcome the 'not invented here' syndrome that applies to any global initiative in a country office and the lack of knowledge about how to use the tools;
- Have local IB enthusiasts within the office, coupled with senior support;
- Demonstrate that BCtA complements, and does not replicate, local initiatives; and
- Be part of a local private sector strategy, as noted above.

Once these are in place, BCtA can also further leverage the donor's networks, but in Colombia this has proved difficult without having the right senior support.

4 Recommendations

4.1 For the final months of this strategy

BCtA can prepare for a future funding phase in the following ways:

1. Undertake an audit and typology of the portfolio of business models that are utilised by its current members, and start to reach out to companies that are using new and different business models, for example technology-enabled platforms and networks as described in Section 3.2. In 2014, BCtA published a flagship report on its portfolio: *Breaking through: Inclusive business and the Business Call to Action today*. This analysed the portfolio primarily by company sector and size, and highlighted in particular the rise of smaller emerging and maturing companies as major players in the ecosystem. Undertaking a new analysis of the portfolio by business model would help BCtA position to itself for the future and identify gaps where new members can be found.²⁶ Other new lenses, such as gender, can also be applied.
2. The new focus country, Tunisia, should be developed in order to give BCtA an enhanced presence in a region which will continue to be of great economic and political importance for European countries that support BCtA. Meanwhile, BCtA should explore transitioning from a country focus to a regional one, by actively engaging with the opportunities that are arising in Latin America around the Colombia cluster. This can be used also to explore how BCtA can raise its profile within UNDP country offices by demand-led activities that showcase BCtA's expertise in IB models and the suite of tools that BCtA has developed.
3. BCtA should identify opportunities to use its tools in different forms. This will require stepping back from providing direct support to companies in some cases (see Section 2.2) in order to release staff time for more strategic work. It will be valuable to explore what new partnering models for using these tools could look like, from identifying service providers who could provide further technical or technological support to members, as per the current strategy, to networks and platforms that are interested in creating mutually beneficial partnerships with BCtA. Some features of these potential partnerships may include: (1) interest in providing high-quality tools to companies alongside their core offering (i.e. not directly 'competing' with BCtA) and (2) significant reach into the private sector from a similar resource base to BCtA (i.e. not organisations which are significantly larger than BCtA such that they do not devote resources to the partnership).
4. BCtA should increase its focus on gender and ensure that the BCtA team's proposals at the recent DSC are endorsed in order to increase the support provided to women-led businesses, advocate for BoP women's economic empowerment and IB practices on gender, (particularly with respect to business models that promote positive roles for women),²⁷ proactively attract companies that encourage BoP women's participation in underrepresented areas, and encourage BoP women's professional advancement,

²⁶ https://www.businesscalltoaction.org/sites/default/files/resources/BCtAImpactReport_BreakingThrough_0.pdf

²⁷ See Recommendation 1.

especially into managerial positions. Gender-focused and women-led companies will be easier to identify if a gender lens is applied to the business model typology as recommended above.

5. Commission a report on different revenue models that other networks and platforms use and the strengths and weaknesses of each model, especially with regard to creative ways of earning revenue from its tools. Models that could work for BCtA may be one of, or a blend of, the following:
 - a. A consultancy model for certain BCtA activities, including support for tools and commissioned work, such as reports (which could include internal charges for other units within UNDP that use BCtA services);
 - b. A franchise model for small-scale providers to support companies using BCtA tools;
 - c. Charging for membership;
 - d. A 'pay-to-play' or freemium model in which basic services are provided to members for free but where there are enhanced versions of tools and/or access to special projects for companies that pay; and
 - e. Charging for access to its members, which could include earning income from events and workshops that feature case examples of members.

4.2 For a new strategy

BCtA needs to increase the scale of its influence without damaging its core asset, which is the strength of its relationship with its active members. This is centred on member's commitment to a business model that delivers sustainable impact to disadvantaged people and works effectively at the enterprise level. This strength is based the rigour of the process of becoming a member, and the value of the range of services that engage and add value to companies with IB initiatives.

Achieving scale through a substantial increase in the number of member companies is not recommended, as this would carry a very significant risk that the primary BCtA asset becomes diluted to the extent that BCtA has very little value to share with partners. It is also not clear that a larger membership would significantly increase BCtA's ability to crowd-in new companies that currently do not engage in IB. In this context, the following questions would need to be asked: (1) how big would BCtA have to be to achieve this? (2) would a membership of a 1,000 achieve this, or would it have to be 100,000?

BCtA could instead aspire to universal coverage of all types of IB models by possessing enough variety among its members to provide examples of all business models that engage and benefit the BoP, thereby contributing to the achievement of the SDGs. The audit and typology recommended in Section 4.1 would be the starting point. Building on the recommendations in Section 3.2, for example, BCtA could identify a typology of technology-enabled business models and then seek out members that commit to using these business models in a responsible way in order to reach disadvantaged people. Combining this with the Impact Champions approach

would ensure that BCtA also knows how these business models generate impact, who is impacted and the extent of this impact.

BCtA will therefore have exclusive access to a cadre of companies that are at the cutting-edge of IB, which are willing to engage and share lessons with each other and with BCtA partners, whilst also providing examples for BCtA knowledge resources and tool development.

Meanwhile, BCtA can also build a wider range of strategic partners, both externally and within UNDP. These partners should be willing to use BCtA's tools but also continue to engage with BCtA to ensure they are used well and that learnings (and where appropriate, revenue) from using the tools are provided to BCtA. BCtA should also make sure that its expertise in impactful business models is acknowledged. This is as important within UNDP as with external partners, since BCtA will be able to be far more effective as a centre of learning if it is widely acknowledged as the 'go-to' programme for impactful business models and for accessing companies with expertise in implementing these models.

BCtA can also explore the development of new income streams from its offerings, building on the survey recommended in Section 4.2. BCtA should differentiate between entities that add value to BCtA through access to information or in showcasing BCtA's work against those that are net beneficiaries of BCtA's tools. The latter can be expected to contribute financially, and this income can cross-subsidise its work and leverage its donor funding.

The recommendation from this review is therefore that BCtA **deepens its focus on impactful business models that contribute to the SDGs while leveraging internal and external partnerships to achieve scale.**

BCtA should become known for:

- Being an authority on IB models, how they work within enterprises and how they achieve impact;
- Having a unique set of members that showcase different types of IB models, with strong country and regional clusters in the Global South;
- Finding and showcasing cutting-edge impactful business models, whether they are being utilised by members that are small social enterprises or large multi-national companies;
- Developing and supporting the best tools to help companies develop, improve and understand the impact of IB models, and making these widely available through strategic partnerships;
- Being the 'go-to' partner for any programme within the UN that wants to support the private sector in the development of impactful business models; and
- Delivering high-quality IB knowledge products and tools that enhance the offerings that strategic partners can make to their members and networks within the private sector at scale.

5 Lessons learnt and conclusions

The following summarises the learning and conclusions from the MTR:

Learning: BCtA is performing well, achieving the targets set for this phase.

Conclusion: No major change in direction is needed over the remainder of this phase, but useful work can be undertaken to inform a future strategy.

Learning: BCtA's core proposition remains strong for businesses of most types and sizes.

Conclusion: The model of a company making a commitment to IB and becoming a member of BCtA through a rigorous application process should continue to be BCtA's future foundation.

Learning: Impact measurement remains central to BCtA's offer.

Conclusion: This should be a central part of the BCtA offer moving forward but BCtA needs to find a way to use this to reach a larger number of companies without imposing a net cost on BCtA.

Learning: BCtA has a high performing team.

Conclusion: This strength must be maintained and used more strategically in future.

Learning: BCtA has increased its focus on gender.

Conclusion: This focus should be further developed in the future.

Learning: BCtA continues to play a role in providing support to IBs.

Conclusion: BCtA should continue to occupy its current niche and explore opportunities to be recognised as a leader in IB models for development.

Learning: BCtA should have a higher profile within UNDP.

Conclusion: BCtA should become the 'go-to' team within UNDP for expertise on IB models.

Annex 1: Results framework

Mid-Term Review Framework Item	Section Reference	Additional Material
i. Strategic Programming		
To what extent is BCtA contributing to the implementation of the UNDP Strategic Plan and ultimately to the 2030 Agenda? Why is BCtA's approach the most appropriate to drive the IB agenda?	3.2	
How robust are the assumptions that underpin BCtA's theory of change? (BCtA's theory of change and results framework are provided in the Annex, which is available at https://www.dropbox.com/s/nahkhp572acz3ge/Annex.docx?dl=0).	2.1, 2.2	The assumptions around a gap in the market for impact measurement were correct but the hope that companies could self-manage using a remote tool was not (2.2) It is still not clear what is the correct assumption over the right scale of interaction with companies. The current model is good for in-depth learning, but it is hard to assess the extent to which this learning influences the wider market. A lighter touch/higher volume approach might result in more direct crowding-in of companies adopting new IB practices, but this assumption is untested.
To what extent are BCtA's strategy and operations capable of adapting to new opportunities and changes in the development context?	2.3, 3.1, 4.1	The BCtA approach still has a valuable role to play in the IB ecosystem. This is supported by an adaptable team.
ii. Relevance of the Project		
The extent to which the objectives and design of the project serve the SDGs, encourage and support IB initiatives and are in line with the mandates of donors. Is the project relevant to the BoP? To what extent does it potentially change their lives?	2.1, 3.3	Donor mandates: Donors are interested in BCtA's role of demonstrating the private sector's potential contribution to the SDGs, from large to small enterprises, and beyond the 'usual suspects' (in particular, as a driver of IB at the individual company level); BCtA contributes to development through country-level policy engagement and in BCtA's ability to influence UNDP, specifically in how it will contribute in the Private Sector Strategy. The main report shows how BCtA is performing across this mandate within the current strategic priorities. BoP impact: There is anecdotal evidence that BCtA can have some direct impacts on the BoP (see, for example, the Colombia country examples in the main report). In terms of quantitative results beyond the limited amount of data that is coming from the Impact Lab, the commitments that companies are making to become members is a proxy for the impact (and depth of impact) they are having on the BoP. BCtA's model suggests that additionality will be low for this impact, but given the

		very high numbers of potential beneficiaries, and the unknown additional impact from BCtA's role as an influencer, it is highly plausible that BCtA's impact on the BoP is both real and extensive.
How meaningful are the assumptions that underpin BCtA's theory of change?	2.1, 2.2	Same as in Row 2 ('How robust are the assumptions that underpin BCtA's theory of change?')
How do members perceive BCtA and its services? What are member companies' key demands and how can BCtA best assist them? Does the Impact Lab provide enough value to those using it?	2.1	In addition to the material provided in the main report, representatives of the members interviewed for this report say that they value BCtA for (in no particular order): <ul style="list-style-type: none"> • Taking companies beyond 'purpose washing' – helping stakeholders to appreciate the companies that are taking purpose seriously; • Providing recognition by a 'UN' organisation; • Positioning companies credibly with respect to donors and providing a license to operate with the public sector; • Focusing on small and medium businesses and providing support and services appropriate for a small social enterprise as well as a large company; • Providing internal credibility for an operating unit within a large company that is pioneering IB; and • Providing access to support from international development experts (both in terms of the quality of support and the fact that BCtA shares ownership for outcomes when it comes to understanding impact).
If BCtA's value proposition should evolve to meet company demands and IB trends (and if so, how). Are the focus countries chosen the right ones?	2.1 (Output 4), 3.1, 4.1	Focus countries: Evidence from Colombia confirms that this was a good choice, whereas it has been more difficult for BCtA to develop any synergies or momentum in Bangladesh. The review scope did not allow for research or ranking of non-focus countries.
How do the UNDP country offices benefit from BCtA's expertise? How could this knowledge transfer be improved so that UNDP country offices strengthen their capacities to engage with the private sector?	2.1 (Output 4), 3.3, 4.2	
How could cooperation between BCtA and their member companies and the members of the DSC be strengthened on the ground?	2.1 (Output 4)	Interviews with two donor representatives in Colombia suggest that there is both an opportunity and a desire for linking BCtA to other donor initiatives in countries but that this is practically challenging. Some factors discussed in this regard include BCtA's lack of visibility in relevant coordinating mechanisms, difficulties in overcoming siloed working and, at times, a lack of mechanisms for enabling effective interaction between central and country initiatives (on the donor and UNDP side).

iii. Principled Programming		
Assessment of whether the project was designed in a way that contributes to gender equality and the empowerment of women. In terms of results, to what extent has the project promoted positive changes in gender equality and has the project caused any unintended consequences for gender equality?	2.4	The current strategy does not have an output-level indicator that focuses specifically on gender, which is why there is not a section in the main report devoted to this. The ProDoc committed BCtA to avoiding discrimination by gender and to promoting gender equality, seeking to attract more IB initiatives that are advancing the empowerment of poor women, and ensuring that a gender perspective is integrated in knowledge creation and advocacy efforts.
In which ways does the project guarantee that the core principles of human rights and 'leaving no one behind' are being followed? What is BCtA's distinctive contribution to social and environmental sustainability?	2.1 (Output 1)	BCtA has carefully crafted criteria and membership principles for membership that address human rights. These are applied with rigor in the application process, including appropriate due diligence. These appear fit for purpose but of course do not provide a guarantee. It was useful that BCtA organised Human Rights master classes in association with BSR. In addition, one member company won a prize for human rights promotion. With regard to social and environmental sustainability, the commitments that members make will contribute to social stability through reducing inequality and giving the BoP greater income security and a stake in society, which contributes to social sustainability, depending on how this is defined. BCtA does not make a distinctive contribution to environmental sustainability but this does not represent a performance issue against the current strategy.
What are the project's potential drawbacks to people and the environment? Which strategies can be put into place to avoid or mitigate these drawbacks?	3.2	See comments above on the rigour of the application process and the current lack of focus on the environment. There are currently no high risk areas for negative impacts on people because: (1) the nature of member commitments and (2) the low inherent additionality of the BCtA approach. Refer to Section 3.2 for the potential for technology-enabled business models to have negative consequences on the BoP and the potential for BCtA to help identify these.
How aligned is BCtA with UNDP's Social and Environmental Standards?		The ProDoc states that 'social and environmental sustainability will be enhanced through the application of the UNDP Social and Environmental Standards' and is captured as a B4 risk: poor environmental, social or governance (ESG) conduct by BCtA member companies and/or consequent negative impacts. Mitigation of this risk includes careful screening of companies in the application stage, which is being implemented. Other mitigation activities – ongoing media screening, webinar training or clear criteria for companies to maintain membership – have not been noted in this review. Management states that BCtA members are screened against UNDP risk assessment tools, which considers

		reporting and alignment to ESG standards. To be cleared, the company must comply with ESG standards.
iv. Management and Monitoring		
Is the project’s results framework used effectively as a management tool?	2.1 (Technical note on the results framework indicators)	This is an area that can improved. Staff should own this collectively rather than just one team member, as is the current situation. Better indicators and a proper process to develop targets would also be needed.
Are BCTA’s outcomes and outputs clearly defined and following a SMART framework that is consistent with its Theory of Change?	As above	As above – not the best indicators.
Are plans in place and being implemented to support evidence-based management, monitoring and evaluation?	2.1 (Output 2)	BCTA supports its members with high-quality impact measurement tools but the programme would not benefit from significant investment in evidence-based management.
Is the governance of the programme defined with clear roles and responsibilities? Does it provide active and regular oversight to inform decision-making?	2.3, 3.3	The governance systems are well thought through and appear to be effective at the global level, with the DSC meeting regularly to provide strategic oversight. Some issues emerged at the country level in Colombia, where the country manager was reporting to a manager in the UNDP office who is not accountable for BCTA performance, and BCTA were not involved in her performance management or able to set her work priorities.
Is there quality collaboration with stakeholders?		If stakeholders includes members then the answer to this question is ‘yes, for that part of the BCTA operation’. Other partnerships, such as with other impact management initiatives, appear to be more ad hoc without always having consistent follow up. For example, the ProDoc mentions ‘continued partnership and collaboration with key players such as Acumen Fund’s newly launched 60Decibels initiative, the Impact Management Project and UNDP’s SDG Impact’ but not all of these have been maintained over this phase. BCTA remains an effective collaborator, however, with the <i>Mid-Year Report</i> highlighting a number of new collaborations such as with The Impact Hub, Korea Social Enterprise Promotion Agency (KoSEA) and the Unreasonable Group.
Should the BCTA Secretariat make any adjustments to its ongoing monitoring approaches in order to better support evaluation needs?		Yes – see above response to ‘Is the project’s results framework used effectively as a management tool?’

Which external factors can affect the Project? How can BCtA leverage opportunities and mitigate threats?	3	
v. Efficiency of the Project		
Has BCtA performed efficiency and effectively in respect to its key metrics?	2	Yes – as noted in the outputs sections, BCtA is not under-performing against the targets set; this is also reflected at the outcome level. The team is hardworking and generally undertaking activities that deliver these outputs and outcomes.
The overall efficiency of the management (including financial management) of the project in achieving results expected by the project.		As above on the efficiency question. In addition, no concerns have been registered around financial management.
Is BCtA’s approach to promoting IB an efficient one relative to other approaches to mainstreaming IB? Has BCtA succeeded in spurring a movement for IB that the SDGs can be turned into business opportunities and brought to scale?	3.1	With regard to ‘relative efficiency’, as above, BCtA is efficient. The model also remains very similar to the approach that was praised by ICAI, as noted in Section 3.2 Informed external observers also suggest that BCtA has a useful role to play and adds value to what other actors are doing. While there are concerns about the resources expended on the Impact Lab (see Section 2.2), if BCtA resolves this issue and retains a clear focus on promoting good practice around the IB model then it will remain an efficient mechanism. There is also a lot of business with the SDGs, although, as noted in a recent report by PwC, ‘it appears that while the majority of companies are keen to talk about the SDGs they have yet to get specific about how they’re embedding them into strategies and actions’. ²⁸ It is not possible to assess BCtA’s contribution to this interest in the SDGs, but the gap in real action noted by PwC (and others) reinforces the point that BCtA’s focus on business models is still highly relevant.
Is BCtA’s strategy resource efficient (i.e. provides good value for money for donors)?		As all the responses in Section V show, BCtA is efficient in terms of translating its inputs into agreed outputs and outcomes. There are also no concerns that there is any unnecessary spending by BCtA or that its input in terms of staff costs or procurement processes are leading to over-priced inputs.
vi. Effectiveness of the Project		

²⁸ <https://www.pwc.com/gx/en/sustainability/SDG/sdg-reporting-2018.pdf>

<p>To what extent has the planned outcome been achieved and has progress been made towards its achievement?</p>	<p>2</p>	
<p>What are the main factors (positive and negative) that have/are affecting the achievement of the outcome? How have these factors limited or facilitated progress towards the outcome?</p>	<p>2</p>	
<p>How can BCtA best optimise its resources going forward in terms of value and cost-effectiveness for donors and members?</p>	<p>4</p>	
<p>To what extent has the UN been able to form and maintain partnerships with other development actors including bilateral and multilateral organisations, civil society organisations and the private sector to leverage results?</p>		<p>This is beyond the scope of this review.</p>
<p>What has been the contribution of partners and other organisations to outcomes, and how effective have UNDP partnerships been in contributing to the achievement of the outcome?</p>		<p>See response to 'Is there quality collaboration with stakeholders?'</p>
<p>To what extent did the outcome achieved benefit women and men equally?</p>		<p>This is assumed to refer to the impact of BCtA's work on the BoP, not the outcomes of BCtA in the results framework. See comments on 'Assessment of whether the project was designed in a way to contribute to gender equality and empowerment of women' and 'Is the project relevant to the BoP? To what extent does it potentially change their lives?'. While some companies report on their gender equality contributions the potential impact of their commitments is only gender disaggregated where this makes sense. For example, the commitment made by Banka BioLoo is: 'By 2020, Banka BioLoo will provide accessible, affordable and sustainable sanitation solutions for 300,000 BoP people across India. By 2020, Banka BioLoo will reach 3,000 schools to provide access to adequate sanitation for 120,000 girls from low-income families</p>

		<p>across India through private-public partnerships (PPP). By 2020 Banka BioLoo will create 94,000 local temporary jobs for BoP communities.’ It is reasonable to assume that, in addition to the 120,000 girls that will benefit, many other women and girls will also benefit from the non-disaggregated sanitation and livelihoods commitments, but this is impossible to assess.</p>
<p>To what extent do poor, indigenous groups, women, and other disadvantaged and marginalised groups benefit?</p>		<p>As above, this is only possible to estimate where there are relevant commitments, making BCtA additionality a further factor for consideration.</p> <p>The members in Colombia provide examples of commitments that will meet these criteria through benefits to marginalised communities and women that have been affected by conflict, including Corpocampo, Supracafé and Crepes y Waffles.</p>
<p>vii. Progress towards Results</p>		
<p>The extent to which the objectives of the project have been achieved or are expected to be achieved. This includes reviewing the logframe indicators against progress made towards the end-of-project targets and making recommendations for the areas ‘not on target’.</p>	<p>2</p>	
<p>How has BCtA contributed to the development impacts outlined in the logframe (e.g. job creation, improved access to goods and services, and enhanced capacity)?</p>		<p>See comments on ‘Is the project relevant to the BoP? To what extent does it potentially change their lives?’.</p>
<p>Has BCtA substantively contributed to new companies adopting IB practices?</p>		<p>It would be helpful to have a definition of ‘substantively’, but taking this to mean (1) evidence of companies that are not currently doing IB having changed their practices in a way that means they now have IB initiatives, and (2) BCtA’s additionality to this change, then the answer is that there no evidence that this has happened. However given the many high-quality activities of BCtA that would plausibly lead to this happening, the likelihood is that in reality the answer is ‘yes’. This likelihood also derives from evidence that BCtA has substantively contributed to existing members adopting IB practices more widely. For example, among the companies interviewed for this review, two MNCs (Sanofi and Turkcell) provided compelling evidence that making a commitment and becoming a BCtA member had led to a wider interest in IB in other parts of the company.</p>

Has BCtA contributed to the scaling-up and an increased effectiveness of IB programs?	2.1	Yes. Among the companies interviewed for this review, there were examples that either (1) making the commitment required for membership, or (2) the use of one of the tools (and the Impact Lab in particular) had contributed to the company being either more effective or ambitious in scale, or both.
Has BCtA increased awareness and the adoption of IB within local governments and development actors?		From the review visit to Colombia visit, some examples of this emerged, but BCtA can do more in this regard by being strategic in terms of where there is a local government interest in IB that can be met by BCtA and building internal demand in UNDP.
Which are the key BCtA activities that have contributed to BCtA’s mission (e.g. testing BCtA’s performance and relevance in the provision of recognition, impact management and convening, etc.)?	2.1	See sections on ‘What the members say’.
viii. Sustainability and National Ownership		
What is the likelihood that the benefits that resulted from the activities of BCtA will continue? Are there scale-up plans in place?		Some evidence from a study done on companies that participated in the BIMs initiative indicate that the benefits of this are embedded, but in other sense it is difficult to assess. A number of members which no longer have active commitments were contacted, but none made themselves available for interview.
The extent of any social or political risks that may jeopardise the effective progress of the project and the risk of a decline in any key stakeholder interest.		Individual commitments may have specific risks but these are not systematically assessed (nor do they need to be). A strength of the IB approach is that it is highly flexible and contextual, such that companies will quickly adapt the way they are doing business to meet changes in the social or political environment.
What might be potential solutions to strengthening the financial sustainability of the programme? Is there any room for offering certain services for money?	4	
How does BCtA align with the new Private Sector Strategy of UNDP?	3.3	
In which ways is BCtA contributing towards strengthening the capacity and sustainability of national institutions, particularly in human rights and gender equality issues?		This is not a role that BCtA is designed to undertake.

To what extent are policy and regulatory frameworks in place that will support the continuation of benefits? How strong is the level of ownership of the results by the relevant governments and other stakeholders?		Very few countries have any policy or regulatory frameworks to support IB, although some countries do have tax incentives for making investments in disadvantaged regions or models that bring certain social benefits. However, in general, the BCtA model works where individual companies take action without the need for government support or ownership, and this should continue.
What is the level of capacity and commitment from governments and the broader development community to ensure the sustainability of the results achieved?		As above, the BCtA model works where individual companies take action without the need for government capacity or commitment, and sustainability comes from the commercial success of an initiative or its contribution to an ongoing company priority, not from an external source.
To what extent have relevant stakeholders and governments been included in the programme design, and the implementation and policy advocacy processes?	2.3, 3.3	
ix. Impact for Development		
Assessment of the impact of IB initiatives of BCtA members on key development aspects, such as employment and gender equality, as well as the commercial viability of the IB model.	2.1	Also see comments on ‘Assessment of whether the project was designed in a way to contribute to gender equality and the empowerment of women’.
What are the key lessons learnt about implementing and/or encouraging the adoption of IB?	2,3,4	
Is the IB approach an effective development tool? Is the IB approach delivering positive development impacts for low income people? Is it delivering substantial business value for companies?	2, 3.1	Also see comments above on ‘How robust are the assumptions that underpin BCtA’s theory of change?’.
Is there evidence that IB is delivering development impact?	2	Also see comments above on ‘The extent to which the objectives and design of the project serve the achievement of the SDGs’.

Annex 2: Technical note on the results framework indicators

Some indicators are not well drafted (e.g. Output 1, Indicator 2 uses the words 'new BCTA companies', but the word 'new' is superfluous and confusing). There are also some process indicators which aren't very helpful for understanding performance.

A number of indicators do not define the quality and depth of the output or outcome, so while the numbers have been achieved it is hard to assess performance against expectations. It may be that the DSC could have a different expectation as to the impact that BCTA is having. For example, for '[the] number of participating companies that adopt better impact measurement practices through BCTA tools and guidance' (Outcome B Indicator) the target for 2019 is 80 (cumulative), while BCTA achieved 91 through BIMS (historic) (21) and 70 companies that have reached at least Module 3 of the Impact Lab. This is a reasonable approach, but it depends on definitions of 'adopting practices', the additionality of BCTA in this 'adoption' and what 'better' means.

Similarly 'online and offline capacity building on impact measurement using the BCTA toolkit' (Output 1 Indicator) targeted 80 companies, but achieved 111 through a combination of 28 Impact Champions and 93 offline workshop attendees. The indicator is too broad and the numbers are also potentially not consistent with the outcomes because of the lack of a definition.

It would be helpful in a future logframe to agree up front on how each indicator is to be measured and what 'qualifies' BCTA for having achieved these targets.

Annex 3: Documents reviewed

BCtA BIMS Report FINAL
BCtA Strategy Background 2016
BCtA Year 3 Budget
BIMS Project Background Strategy Implementation Review 2016
DSC Presentation October 2019 Final
ProDoc BCtA Phase III 2017-2019 with annexes
State of IB Survey 2018
UNDP Social and Environmental Standards
2nd Draft Private Sector Strategy 24-10-19
2nd Draft Private Sector Strategy Annexes I-VI
2nd Draft Private Sector Strategy: Annex VII Catalogue of Service Offers
2017 BCtA Annual Narrative Report
2018 BCtA Mid-Year Narrative Report
2018 BCtA Annual Report
2019 BCtA Mid-Year Annual Report

Annex 4: Semi-structured interview scripts

Semi-structured interview questions for company representatives

- What components of inclusive business are more/less important to your company *(improving livelihoods of low income customers, producers, workers? Being known as a responsible company? Level of financial return)?*
- Is your inclusive business part of core business or seen as distinct? *(Essential to long term strategy or a valuable addition but not central to our future)*
- To what extent has BCTA influenced how you view inclusive business?
- What elements of BCTA's activities have been most influential in this regard *(website; case studies; thought leadership/articles/publications, events; meetings with BCTA staff)*
- What shaped your decision to seek membership of BCTA? *(website; case studies; events; meetings with BCTA staff; referral by UN or others; referrals from other companies)*
- How demanding was the process for becoming a BCTA member? Did this process also add value to the company and if so, how?
- Do you think BCTA should provide accreditation or validation for your inclusive business impact? If yes, why is BCTA well placed to provide this? What could validation lead to for you?
- What is most valuable about being a BCTA member? *(UN brand, global visibility of commitment, access to knowledge/skills, ability to improve inclusive business management practices, access to evidence to support the inclusive business proposition, BCTA thought leadership in inclusive business, support to public/private dialogue and influencing policy, access to information about SDGs, linkages and referrals between members and/or other ecosystem players)*
- What elements of BCTA have you accessed? *(commitment, M&E technical support and training, tools, workshops, reports, case studies, webinars or other)*
- How has each element influenced the business?
- Who in your company is (1) aware of BCTA membership (2) actively involved in making and/or managing the commitment?
- What roles/individuals are impacted and how? *(C-suite, corporate affairs, inclusive business project teams, intrapreneurs, HR, strategy units, the Board, etc.)*

- Do you use the BCtA Impact Lab ? If yes, in what ways does this help the business?
- Which modules haven't been most useful and why? And least useful?
- Where have you got to in the Impact Lab process? If you have, or intend to, only use part of the process, where did you/will you stop and why?
- Will you continue to use the methodology after the BCtA team stops supporting you? If not, why not?
- To what extent has being a member of BCtA increased :
 - o Your inclusive business activity? How do you make this assessment (evidence)?
 - o Your inclusive business impact? How do you make this assessment (evidence)?
 - o Your awareness and impact on gender issues? How do you make this assessment (evidence)?
- To what extent do you learn from BCtA as a member outside of specific technical support and tools?
- What is the most effective way for you to learn from BCtA? (*events, tools, reports or meetings*)
- What other BCtA activities are you aware of beyond its direct collaborations with member companies?
- What is the value of BCtA's public policy activities and support to a public/private dialogue? How does that impact on the business (if it does)?

Semi-structured interview questions for staff

- Check understanding of the review purpose
- Outline role
- Understand nature and proportion of main activities (wagon wheel exercise)
- What are BCtA's significant achievements in this phase? How have these been achieved and measured (SMART objective/logframe indicators)?
- What are one or two things that are not going so well? What are the constraints that are causing these?
- What are BCtA's key partnerships and collaborations in your area?

- What do you think BCtA could be doing differently now?

Interview topic list for donors

Country focus - role in selection/funding

Which roles of BCtA most of interest:

- Promote and leverage private sector contribution to the SDGs
- Build evidence to support IB
- Scale-up IB
- Act as convenor of donors
- Help domestic companies achieve global reach

Interview topic list for UNDP staff

High level question: To what extent is BCtA contributing to the implementation processes of UNDP?

Strategic plan and ultimately to the 2030 Agenda? Why is BCtA's approach the most appropriate to drive the inclusive business agenda?

How aligned is BCtA with UNDP's Social and Environmental Standards? (from framework)

What is UNDP's Private Sector Strategy?

How does BCtA align with the new Private Sector Strategy of UNDP?

Should (could?) BCtA do more at the country level and if so, what and how?

In which ways is BCtA contributing towards strengthening the capacity and sustainability of national institutions, particularly in human rights and gender equality issues?

Is BCtA a UNDP initiative or an initiative that happens to be managed by UNDP? Is this the best home? Are opportunities created by this being adequately exploited?

Annex 5: Comments on project risk

The ProDoc identifies several risks for this phase of BCtA. Comments arising from the review are in the second column.

Risk	Comment
A. General	
Risk A1. Inclusive business field receives negative press and/or suffers damage to reputation	No issues noted.
Risk A2. Donors shift away from using and encouraging inclusive business as a viable approach to achieving development impact	This is still a risk, but the trends observed in some of the major donors who do not support BCtA is that their interest in collaborating with the private sector is growing and they are continuing to support IB in various ways (e.g. GIZ, DFID and USAID).
Risk A3. Companies do not follow through on their commitments to BCtA	No issues noted, and the annual reporting rate is above target.
Risk A4. Companies do not take into account risk from natural hazards and climate change and results are not sustainable.	No issues noted.
B. Reputational	
Risk B1. BCtA's interaction with member companies is perceived as uncoordinated	No major issues. Access to the tools on the website could be more integrated (which is already under consideration by management). The BCtA team is good at communications.
Risk B2. BCtA is viewed as providing low value additions	No issues noted, as the report shows active members value the support they get from BCtA.
Risk B3. BCtA is seen as a corporate lobby group and loses legitimacy towards key stakeholders including governments, CSOs, and the general public.	No issues noted.
Risk B4. Poor environmental, social or governance (ESG) conduct by BCtA member companies and/or consequent negative impacts	No issues noted.
C. Operational	
Risk C1. Companies do not measure and/or report on progress	No significant issues noted. The annual reporting rate is above target and the Impact Champions approach is working well (but may not be sustainable in its current form) (see main report).
Risk C2. Insufficient engagement by donors (i.e. those on the DSC)	No issues noted. Donors fully engaged in the review.
Risk C3. High BCtA staff turnover leads to lost or weakened relationships with member companies	Possible issue in the future. This was not an issue that was noted in the review period but the team should not be eroded further if possible (see main report).
Risk C4. BCtA over-expands or over-commits without sufficient resources	No issue noted.
Risk C5. Complexity of change at UNDP delays BCtA	Issue noted around due diligence (see main report). This issue needs to be managed before it harms BCtA reputation.

Secretariat's delivery on planned activities	
Risk C6. Delays in reaching new member targets due to rigorous acceptance process	No issue noted aside from the one noted under C5 which is not related to rigour but is a delivery issue.