

Project Completion Review - Top Sheet

Review Date:	12 June 2016
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Title: Business Call to Action		
Programme Code: 114267	Start Date January 2011	End Date: March 2016

Summary of Programme Performance

Year	Jan 12	Mar 13	Mar 14	Mar 15	Jun 16			
Programme Score	80%	A	A	A	A			
Risk Rating	Low	Low	Low	Low	Minor			

Financial Position

Original Programme Value	March 2008 (£320,362.10)
Extensions/ amendments	January 2009 (£920,000.00)
	June 2010 (£1,627,379.88)
	December 2011 (£4,189,689.95)
Log-frame revisions (with dates)	June 2010 (2889059)
	January 2012 (3340042)
	March 2015 (5475317)
Total programme spend	£3,739,689.94

Summary and overall learning

It is not enough for Governments to simply ask the private sector to commit to take action on a particular development issue. Unless there is active follow up, these pledges are too easily lost or forgotten. The Business Call to Action (BCtA) has been more effective and longer lasting than many “business pledging requests” because it tapped into the concept of inclusive business, profit making business activity which also improves livelihood opportunities for poor people or expands their access to affordable goods and services. Companies saw that this was more than philanthropy; these were real win/win commercial opportunities.

BCtA has created a community of inclusive business practice, showcasing new and innovative company initiatives, and drawing out and sharing the lessons from the experiences of corporate partners. Part of the reason for this success is the dedicated BCtA Secretariat, based within UNDP, which maintained an active interest in the progress of company initiatives and encouraged further companies to join the programme with their own inclusive businesses.

Company reporting is another key element of the programme. The BCtA Secretariat encourages regular reporting back on the progress initiatives have made and clearly articulating the contribution they are making to the Millennium Development Goals, and more recently to the new Sustainable Development Goals. Furthermore, the new BCtA Impact Measurement System (BIMS), which provides technical

expertise and tools to design and implement survey-based field data collection, is helping member companies measure the social impact of their inclusive business along with the financial and operational performance. Through BIMS, BCtA companies gain access to critical market information to improve their product or service and assess new business opportunities, while for development actors the data creates a rich evidence base around the contribution of inclusive business to the Global Goals (see Section C, Output 3 for further details).

Follow up actions required following closure

DFID should maintain contact with the BCtA Secretariat as an influential global inclusive business programme, a model for donor coordination and sharing of best practice around the responsible business agenda, and a Business Network with good links to both corporates and other organisations in the inclusive business space. Where priorities align DFID might explore further cooperation with, or support for, specific BCtA activities.

PCR note

While the DFID core support for the Business Call to Action (BCtA) has come to an end, the programme will continue until at least December 2016 with support from UNDP and other bilateral donors. The DFID project completion date (set at 31 March 2016) which signalled the end of DFID support is a somewhat artificial end point as no specific targets were identified in the logical framework for this date. This PCR is therefore reporting against targets for December 2015, with some additional information on activities over the lifetime of the project and in Q1 of 2016.

A. Introduction and Context

DevTracker Link to Business Case:	Project approved pre-business case
DevTracker Link to Log frame:	http://iati.dfid.gov.uk/iati_documents/3340042.odt

Outline of programme and what it has achieved

From its genesis in 2008, the BCtA sought to demonstrate that profitable business activities can achieve development results (e.g. improved livelihood opportunities for poor people and expanded access to affordable goods and services) and inspire other companies to develop their own inclusive business initiatives. BCtA also supports knowledge exchange on inclusive business at the international level through knowledge exchange events, publications and other international activities. BCtA is now helping companies to directly measure the social results of their activities on the ground through a mobile enabled impact data collection programme.

BCtA is a multi-donor global business leadership platform. In addition to DFID, BCtA is supported by the Dutch Ministry of Foreign Affairs (FMO), the Swedish International Development Cooperation Agency (SIDA), the US Agency for International Development (USAID), the Government of Finland and the United Nations Development Programme (UNDP).

The programme has promoted and expanded the impact of inclusive business (a sustainable business that benefits the poor as employees, producers, suppliers, distributors or consumers of products or basic services) by showcasing and measuring the results of successful company initiatives. These initiatives, while keeping their 'for-profit' nature, contribute to achieving the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs) through the inclusion of low-income communities in their value chains.

The BCtA programme has made a contribution to transforming the way business is done in developing countries. Though the UN system and links into other bilateral and multilateral actors the BCtA has provided DFID an opportunity to reach out to a much broader audience on business and development than it could achieve alone. Other donors interviewed for this PCR confirmed that this was a successful element of the programme.

Over its lifetime BCtA:

- Has attracted 141 company initiatives (see Output 1). Notable successes from the portfolio of company initiatives include:
 - The Coca Cola Company who joined BCtA with their Manual Distribution Centers (MDC) model, originally seeking to open at least 1,300 new distribution centers providing jobs for 5,300 people by mid-2010. Currentlyⁱ there are over 2,500 MDCs in Africa, employing over 12,000 people and they generate over \$500 million in annual revenue. Furthermore, through this model Coke reported increased employee retention and improved customer service training. As Coke expands the MDC model their goal is for 50 per cent of new MDCs to be owned by women.
 - The technology company Sproxil joined BCtA in 2010 with an initiative which would equip patients and consumers in developing nations with the ability to detect counterfeit medication using cell phone text messages. Acumen reported in October 2015ⁱⁱ that Sproxil had provided over 19 million verifications in Africa and Asia.
- Delivered a comprehensive series of events and produced a wide-ranging set of information products to promote, expand and deepen inclusive business experience (see Output 4). These 'global public good' resources are freely available on the [BCtA website](#)ⁱⁱⁱ.
- Is helping to prove that inclusive business creates a positive impact on the BoP by the delivering rigorous results for the impact of 23 companies on the BoP (for details see Output 2).

B: PERFORMANCE AND CONCLUSIONS

Overall Outcome Assessment

While the DFID core support for the Business Call to Action has come to an end, the programme will continue until at least December 2016 with support from UNDP and other bilateral donors. The DFID project completion date (set at 31 March 2016) which signalled the end of DFID support is a somewhat artificial end point as no specific targets were identified in the logical framework for this date. This PCR is therefore reporting against targets for December 2015, with some additional information on activities over the lifetime of the project and in Q1 of 2016.

Despite a number of operational challenges (e.g. the programme Secretariat moving from New York to Istanbul and losing key staff) the BCtA is achieving its overall outcome. The recent rapid growth of the number of corporates coming forward with company initiatives indicates that inclusive business is starting to gain real traction beyond its small origins. While a number of donor and other organisations promote inclusive business, BCtA has played a significant part in deepening understanding and replication of this type of business activity.

Gender Summary

Gender is a key theme within BCtA - through MDG 3 (Promote gender equality and empower women) and SDG 5 (Achieve gender equality and empower all women and girls). BCtA company initiatives aim to create increased productivity and revenue generating activities for at least 10 million women by 2025. The programme uses case studies, events and other learning products to promote a better understanding of gender issues, the empowerment opportunities offered by inclusive business and seeks to strengthen linkages in this area (e.g. by working with groups such as UN women). BCtA has also sought to attract more initiatives from companies run by women.

Output Score and Description

A	Outputs met expectation
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Lessons and how these have been shared

Sharing information and lesson learning are key elements of the BCtA programme. It has a workstream (see Output 4) dedicated to collecting and sharing inclusive business experience through digital media, as well providing companies with opportunities to come together at themed events to be inspired by successful company initiatives, discuss best practices, make linkages and explore challenges.

In May 2015 the UK Independent Commission for Aid Impact (ICAI) published a report on [Business in Development^{iv}](#) which assessed how well DFID was working with and through businesses to achieve a range of development objectives that benefit the poor. The review focusses on DFID's engagement with British and overseas businesses that are themselves contributing as partners in development, not as contractors. ICAI assessed the BCtA as part of this review and made several comments which were shared widely within DFID, with the BCtA Secretariat, donor partners and relevant partner organisations.

ICAI Report on Business in Development published May 2015

Some of DFID's business in development programmes are not intended to have a direct impact on the poor but are designed to build the evidence base for what works in reducing poverty or to co-ordinate better donor, government and private sector activity. Business Call to Action (BCtA) has 85 company initiatives worldwide, which – according to BCtA – collectively 'secure employment for 1.8 million people in 12 middle and low-income countries, improve healthcare outcomes of 12 million people, provide vocational training and capacity building opportunities to 3 million people, serve 2.5 million people with access to financial services, improve the nutritional outcomes of 1.2 million people, and assist 40 thousand farmers to improve their agricultural yields.'

In our view, these aggregated numbers miss the point. BCtA's contribution, contrary to what its name might suggest, is not in maximising the numbers of people who benefit from its company initiatives, most of which would probably have gone ahead in any event (although BCtA does provide support to prospective members, for example in identifying the right partners for initiatives). BCtA's 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. Its contribution towards changing perspectives and policy debates is impossible to measure but useful in understanding the developmental impact of businesses.

It was not clear to us, however, that DFID was taking full advantage of the opportunities to learn through the networks it supports. In our view, such networks may offer greater opportunities for DFID to understand the wider business perspective than the individual relationships DFID is currently fostering through its CRM system.

One example of such a business network which offers good opportunities for learning is the BCtA. We believe that publicising sustainable business models and ways of working (such as partnering with local NGOs) is a valuable contribution to knowledge sharing. BCtA is also developing a tool to help businesses to understand the impact that they are having on the people working in their supply chain and their customers. There has been a high level of demand from its members.

Business networks also create a forum where businesses can learn from one another. The BCtA is specifically designed to develop a portfolio of case studies which other businesses can refer to when looking to understand how to establish inclusive business models in developing countries. One of DFID's strengths is its convening power. Its support for business networks draws on this strength, meaning that DFID's support allows the networks to be more effective than they would otherwise be. Given the relatively low levels of funding DFID provides to these networks, we believe that its support for networks is justified. For example, the BCtA focusses on collecting success stories, whilst in the case of the New Alliance DFID, as well as its partners, should be ready to embrace and learn from failure.

These extracts provide an insight into the broader value of BCtA (and similar business networking initiatives) and efforts have been made within Private Sector Department and DFID more widely to make better links to and use of these networks (for example, DFID Country Offices participating in BCtA events and workshops, or linking company initiatives to DFID funded programmes that might be able to provide them with additional advice or support). See also Recommendations under Output 1.

C: DETAILED OUTPUT SCORING

Output Title	<i>Increase number of companies with inclusive business commitments</i>		
Output number per LF	<i>Output 1</i>	Output Score	A+
Risk:	<i>Minor</i>	Impact weighting (%):	35
Risk revised since last AR?	<i>No</i>	Impact weighting % revised since last AR?	<i>No</i>

Indicator(s)	Milestones	Progress
1.1 Number of high potential prospective member companies that BCtA has encouraged to consider IB annually	130	141
1.2 Number of IB workshops	2	2

Key Points

BCtA recruited 37 new member companies in 2015, increasing the portfolio of members to 141. Collectively, BCtA member companies have expressly committed to at least 10 of the 17 Sustainable Development Goals (SDGs). These include commitments to SDG 2, to help 6.2 million farmers experience better agricultural yields; SDG 3, to ensure health and promote well-being for 113 million people; SDG 5, to achieve gender equity and empowerment for 10 million women through increased productivity and revenue generating activities; SDG 8, by creating 6.3 million full-time jobs plus a range of other commitments up until 2025.

In 2012, Zoono, a low-cost mobile payments system provider in Zambia, joined BCtA with the goal of enabling financial inclusion for the poor and unbanked (including money transfers, consumer bill payments, mobile wallet cash deposits and withdrawals). Today, the company works through a network of 1,000 agents (70 percent of whom are women) in over 1,500 communities in Zambia and Malawi. The company has surpassed its initiative targets by serving 1 million unique consumers every 60 days. Building on their success in Zambia, the company expanded its operations to Malawi in 2014 and is planning to launch in Mozambique in 2016 and other African markets before 2020.

In May 2014, Phillips Healthcare Services Ltd. (PHSL) joined the Business Call to Action with a commitment to provide micronutrient powder (MNP) to children aged 6–59 months in Kenya. Micronutrient deficiencies are prevalent among children in Kenya: iron deficiency anaemia affects 69 percent of children under 5 and vitamin A deficiency affects 84 percent of these children. To date, the initiative has reached approximately 23,500 children aged 6–59 months through the sale of almost 40 million units of MNP. The children’s parents and teachers have noted that they are ill less often and more alert in class. The model is also reaching financial viability; the initiative has generated US\$ 325,000 in revenue for PHSL.

“One of the greatest success factors for this project was getting government partners around the table and helping everyone to understand and appreciate the concept. There was also significant dissemination of information through round-table meetings, which touched almost 700 people.” Parit Mehta, Business Development & Social Marketing Director, Phillips Healthcare Services Limited (PHSL)

On 3 June 2015, BCtA and UNDP Kenya, in collaboration with the Global Compact Network Kenya, hosted *Scaling Up! – Inclusive Business in East Africa* Event to discuss the success, challenges and way forward of inclusive business in Kenya and East Africa. The event gathered 100 participants representing Business Call to Action member companies in East Africa, private sector actors including Global Compact Member companies, government, bilateral donors, civil society and the United Nations. The event increased awareness on inclusive business amongst a wide variety of stakeholders including Kenyan private sector, business associations, government and civil society. The event also included two well-attended training events: one on impact measurement for companies active on inclusive business, and one general

workshop with the African Management Initiative for companies interested in, but not yet undertaking, inclusive business activities. ([Summary report of the event](#)).

Summary of responses to issues raised in previous annual reviews

The Secretariat has recruited staff and dedicated resources to outreach management and evaluation.

Recommendations for future programmes

It is important that any future 'calls to action' or business 'pledging sessions' learn lessons from BCtA. Business pledges mean little in themselves if there is no longer-term mechanism to monitor and learn from them. Dedicated resources/systems - either from business or the donor community - need to be put in place to proactively share the lessons (both positive and negative) gained by the companies undertaking them. Linked to this, it is important to produce a detailed strategy for continued engagement with member companies. This feeds back into operationalising of business pledges, with more systematised engagement and lesson sharing building momentum and keeping companies more thoroughly engaged.

Output Title	<i>Increased linkages between inclusive businesses, funders, and other resources</i>		
Output number per LF	<i>Output 2</i>	Output Score	A
Risk:	<i>Minor</i>	Impact weighting (%):	15%
Risk revised since last AR?	<i>No</i>	Impact weighting % revised since last AR?	No

Indicator(s)	Milestones	Progress
2.1 Percent of BCtA member companies consulted	25% of members	27% of member companies responded to the 2015 Annual Membership Survey.
2.2 Percent of BCtA members benefiting from referrals made (based on member needs/requests)	Refer at least 25% of members to resources	The system of linkages and referrals will be completed in the first half of 2016 with the launch of the database in the new website.
2.3 Number of linkages leading to: Business to business partnerships; Joint donor and business programs; Financing for members; and/or Technical assistance for businesses	2 members partnered with another party as a result of BCtA referral	4 partnerships developed: CEMEX-Endeva CEMEX-UNDP Mexico/AMEXCID Novo Nordisk-salaUno Ignitia-Mondelez

Key Points

The BCtA Secretariat conducts an Annual Membership Survey, asking a selection of members for updated results of their initiatives to better understand progress made on these initiatives. 39 companies responded to the 2015 Survey (27% of the total membership).

BCtA also undertakes a results reporting exercise. 69 out of 104 BCtA members (with membership over 1 year) were requested to report on results in 2015 based on their BCtA commitments. 67% (46 companies) have submitted their results - a significant improvement from last year's reporting rate of 41%.

In 2015, the Barefoot Power initiative, providing affordable, safe and clean energy through independent solar power kits, reported that it had so far impacted the lives of more than 2 million households in over 20 countries through the sale of over 300,000 solar lighting kits. It had also proved the scalability and commercial viability of its business model. In Kenya, for example, they report that an average household saves more than US\$ 80 per year on kerosene expenses and more than US\$ 5 and 2 hours per week to charge their phones when they switch to solar.

IKEA's sustainable cotton sourcing initiative reported that over 110,000 cotton farmers in China, India, Pakistan and Turkey had adopted improved crop management practices, resulting in reduced use of water,

chemical fertilizers (by about 30%) and pesticides (by about 50%), while also increasing profit margins. The initiative has shown that it is possible to produce cotton at a lower cost, thus improving the gross margin for the farmers. In the beginning of 2015, IKEA was sourcing 74 percent of the cotton it uses from sustainable sources with a strong projection to meet its goal of reaching 100 percent by the end of the fiscal year.

In 2015, BCtA linked its member companies Ignitia and Mondelez based, at Ignitia's request. The Swedish-based high tech company provides critical weather intelligence for smallholder farmers in West Africa, helping to achieve food security and reduce disaster risk in the wake of the climate and weather pattern changes. Ignitia's forecast is critical to farmers in every stage of the crop cycle and it has proven to increase smallholder farmer incomes by up to 80% and improve their decision making. A representative from Ignitia was connected with a representative from Mondelez to learn more about their cocoa sustainability and smallholder farmer support initiative in Ghana, Nigeria, Senegal and other African countries and discuss opportunities to increase productivity and incomes of cocoa farmers.

Recommendations for future programmes

Linkages and partnerships can be difficult and time consuming to develop. The Secretariat has relied on organic partnerships developing from linkages made at events and informal introductions. BCtA do not have the resources to undertake a dedicated partnership development process, and there are other organisations and consultancies better placed to provide this specialised role. However, there may be value in BCtA proactively liaising more with other global initiatives (e.g. UNGC) which can draw on BCtA membership and its lesson sharing platform to explore the facilitation of partnerships. This would also serve to draw together the work of the various initiatives engaged with businesses.

Output Title	<i>Improved tools and methods for measurement of inclusive business impact</i>		
Output number per LF	Output 3	Output Score	A
Risk:	<i>Minor</i>	Impact weighting (%):	20
Risk revised since last AR?	<i>No</i>	Impact weighting % revised since last AR?	<i>No</i>

Indicator(s)	Milestones	Progress
3.1 Number of companies receiving any BCtA services in impact measurement assistance	13	19
3.2 Percentage of members reporting results from IB initiatives	50+%	64%
3.3 Roll out of new mobile-based impact measurement tool	Yes	Of the 19 companies that have signed up, 9 have completed the field training and 6 have started to collect data.
3.4 Creation of new impact measurement framework	N/A	New results reporting process for BCtA is currently being developed and will be completed in 2016.

Key Points

BCtA is now actively implementing the BCtA Impact Measurement Services (BIMS) with 19 companies. Implementation with these 19 companies are at varying stages: 9 companies have completed training of their field staff and 6 of them have already started collecting data; and 10 companies are now creating customized survey questions. In addition, BCtA will select the final batch (4 companies) of BIMS participants in 2016.

An example of early insights from BIMS is the work with Empower Pragati, a vocational training company in India, working to implement the National Vocational Education Qualification Framework programme in

six states. BIMS helped Empower Pragati develop an analytical framework with indicators to gain insights from customers and other stakeholders to improve the business and social impact of their service. The 2,033 completed surveys in Himachal Pradesh have provided data which helped Empower to better understand gender-specific requirements of students, and develop tailored programs and policies that promote greater women's participation in line with their aspirations.

The Global Reporting Initiative (GRI) has been working with BCtA to help improve its sustainability indicators. GRI are keen to better understand how impact indicators can be assured, and BIMS has been able to give them a practical insight into how company activities and impacts can be measured on the ground. For example, this has helped inform GRI's work with Pearson plc who have been looking for bespoke indicators for their sustainability reporting.

In connection to BIMS, BCtA organised a public webinar on impact measurement in March 2016, which featured insights from both the BIMS implementing provider and one participating company, sharing their experience on using the impact assessment tools, training field staff, and rolling out data collection. The webinar drew attention from 36 countries with 152 registered participants.

Recommendations for future programmes

Developing a clear evidence base to support the benefits and impact of inclusive business is an area where DFID is looking to do further work. Where priorities align, DFID might wish to explore further cooperation with, or support for, specific BCtA activities.

From an influencing perspective, BCtA should be encouraged to examine the viability of a cost sharing model to support companies capture the development impact of their work without the platform becoming a service unit for these companies. This would effectively balance any desire to develop a more detailed impact evidence base than is currently planned, with the need to streamline internal resources in BCtA. This would also serve to begin mainstreaming the capturing of impacts into companies' core operations, empowering them to more effectively highlight to commercial benefits of inclusive business.

Output Title	<i>Creation and dissemination of more robust evidence on inclusive business</i>		
Output number per LF	<i>Output 4</i>	Output Score	B
Risk:	<i>Minor</i>	Impact weighting (%):	20
Risk revised since last AR?	<i>No</i>	Impact weighting % revised since last AR?	No

Indicator(s)	Milestones	Progress
4.1 Number of knowledge products (case studies, sector reports, flagship reports) published	15 case studies and 2 member sector reports	Staff shortages meant this target was missed, however 35 case studies are expected to be delivered in 2016
4.2 Number of webinars and knowledge / sectoral events	5 webinars; 5 events	5 webinars; 7 events
4.3 New Content Pieces Generated by BCtA (articles, blogs, videos)	60	Over 60
4.4 Number of Flagship BCtA events (NY UNGA Annual and other UN Events; Donor Joint Events)	1 UNGA Event ,1 Commission on the Status of Women Event, 1 Donor Joint events	1 UNGA Event and 2 Donor Joint events
4.5 Number of media mentions and publications featuring BCtA	100 mentions	Over 100 mentions
4.6 Webpage views; social media followers	10% growth in webpage views 2,500 online followers	9,000+ website views per month (12% increase on 2014)

Key Points

Helping businesses become more inclusive and maximise the positive social impact of their business operations is an important part of BCtA's role. The Secretariat hosts a series of awareness-raising, advocacy, knowledge-exchange and networking events throughout the year, bringing together the private sector, civil society, governments, donor agencies and other stakeholders (e.g. UN Women) to share lessons learned and best practices, as well as explore challenges in the area of inclusive business. In 2015, BCtA has co-created seven events, two workshops on inclusive business and the post-2015 development agenda, and held five online discussions with the aim to support businesses across a range of sectors in scaling and replicating their inclusive business models.

The B score for this Output due to the failure to deliver the case studies outlined in Indicator 4.1. We understand that staff resources are now in place and this workstream is being accelerated in 2016. DFID would particularly point to the potential value which can be obtained through sector specific case studies which draw together the work and lessons of several companies in a single sector.

Indeed, a more sector-focused peer-to-peer learning and knowledge sharing approach in 2015 meant BCtA was able to reach not only businesses looking to implement, replicate or scale inclusive business practices, but also practitioners in the field who support them. An additional impact of this was a growing audience in sectors previously unfamiliar with the concept of inclusive business and the SDGs (e.g. education, nutrition).

Highlights of the 2015 programme included:

The Guardian Sustainable Business partnership continued to build and cultivate a relevant audience for BCtA in 2015 of both private sector and development practitioners. Since the launch of the partnership in 2014, the microsite consisting of the Role of Business in Development Hub and BCtA Partner Zone has seen over 525,000 unique visitors, totalling in almost 700,000 page views. BCtA content received an average of 36,354 headline impressions per piece, with an average conversion rate of 12.6% (compared to 2% benchmark rate), with articles being viewed in over four countries per piece.

In June, BCtA hosted a webinar discussion "What does it take for large companies to succeed in inclusive business?" examining what successful companies are doing to ensure their inclusive business is commercially viable and scalable, while also delivering social impact. The panellists explored implications for corporates seeking to set up successful inclusive business ventures and address the external and internal challenges that exist while doing so.

In September, BCtA (in partnership with The Partnering Initiative and Accenture Development Partnerships, and support from Business Fights Poverty) held its Sixth Annual Forum in New York City in conjunction with the United Nations General Assembly and the Sustainable Development Summit 2015.

The event brought together over 250 participants from BCtA member companies, development and civil society partners, and bilateral donors and explored the role of inclusive business as a means of achieving the Global Goals.

Summary of responses to issues raised in previous annual reviews (where relevant)

The BCtA Secretariat has made efforts to improve the evaluation of its events and have sought to ensure that its lines of communication are targeting and influencing the right audience. This work is ongoing and we hope that the Secretariat continue to make progress in this area.

Recommendations for future programmes

The ICAI Business in Development report (mentioned above) noted that BCtA was one of a number of “effective tools for disseminating knowledge between businesses about how to establish sustainable and inclusive core business models in developing countries. We consider that DFID would benefit from closer involvement in these networks in order to learn more from their work.”

In future, DFID will look for specific advocacy activities with BCtA which promote mutual priorities and use these to promote better linkages with DFID country offices and DFID projects.

Output Title	<i>Support for country-level mobilization around specific development issues</i>		
Output number per LF	<i>Output 5</i>	Output Score	A
Risk:	<i>Minor</i>	Impact weighting (%):	10
Risk revised since last AR?	<i>No</i>	Impact weighting % revised since last AR?	<i>No</i>

Indicator(s)	Milestones	Progress
5.1: Number of country-level engagements	2 countries	Engagement in Kenya was continued in 2015, whereas engagement in the Philippines could not be taken forward.
5.2 Number of opportunity assessments conducted on country-level issues	2	BCtA organised two events in Kenya.
5.3 Number of convenings organized for country-level issues	2	BCtA finalised one report in Kenya in 2015, and two additional reports were finalised and launched in Q1 of 2016.
5.4 Number of new commitments as a result of BCtA country-level activities (new versus existing members)	5	BCtA outreach activities led to the recruitment of 9 new company commitments in Kenya in 2015.

Key Points

In its 2014-2016 workplan, BCtA set out to play a more active role in convening, conducting research and identifying linkages among companies in selected countries (Kenya and Philippines). These activities would drive new commitments, promote business to business collaboration and provide inputs into policy processes. Country level work was led by the UNDP Country Offices in collaboration with a range of local stakeholders (including Philippine Business for Social Progress (PBSP) in the Philippines, and Global Compact Local Network and the DFID-supported Private Sector Innovation Programme for Health (PSP4H) in Kenya).

BCtA and UNDP in Kenya took forward their partnership to develop the inclusive business ecosystem and activate national companies. In 2015 this collaboration was formulated with increased focus on knowledge products and linkages through thematic events through the following workstreams i) health, ii) agribusiness, iii) youth employment and skills building, and iv) outreach.

The “Mobiles for health” forum co-hosted by BCtA and PSP4H was held on 5th April 2016 in Nairobi. Over 100 participants representing public, private, and civil society sectors took part in the event. The event showed both the potential and the challenges of leveraging mobile technology and mobile money for advancing access to healthcare at the BoP, including how mobile money-based payments have substantially reduced the time needed for processing healthcare payments.

“In one of the tests with the Mobile Health Wallet [that] we have done, we have seen that we can reduce the time between a patient being treated and the clinic being paid from 56 to 2 days.”

– Michiel Slootweg, CEO, CarePay Ltd.

It was disappointing that BCtA was unable to take forward activities in the Philippines; this was due to delays in signing a joint MOU (between the Government of the Philippines, PBSP and UNDP). The Secretariat expects to sign the MOU and commence partnership activities in 2016.

Summary of responses to issues raised in previous annual reviews

DFID has actively engaged in the decision process for selecting a new focus country.

Recommendations for future programmes

Country level sectoral support activities were a priority area of work for DFID. It is a relatively new workstream for BCtA, but one which is well suited to their areas of expertise, developing clusters of good practise to promote the sharing of knowledge and creating a network that could jointly tackle market constraints. We will continue to monitor these activities and look to link into DFID country office priorities.

D: VALUE FOR MONEY & FINANCIAL PERFORMANCE

Key cost drivers and performance

BCtA was designed before the new Business Case format was introduced and does not have specific VFM measures to be evaluated in this PCR. The following assessment of economy, efficiency and effectiveness enable us to consider these issues.

Economy

The majority of BCtA expenditure is on staff, consultants and events. The BCtA Secretariat has operated on a lean staffing model - currently a small core team is supported by consultants and a secondee (from the Japanese UNDP Junior Professional Officer programme). The Secretariat has made every effort to reduce costs and conserve resources. The move from New York to Istanbul in the last quarter of 2014 reduced overall operational costs, which meant that donor commitments went further than originally planned.

Efficiency

BCtA seeks to attract and work with skilled and high performing personnel, consultants and programme partners who can deliver high quality outputs (at an appropriate cost) as set out in the logframe and workplan. The BCtA Donor Steering Committee has approved, by consensus, the terms of agreement with clear lines of approval, consultation and reporting - representing a high level of donor scrutiny for each item. Donors, Multilateral Organisations (e.g. IFC, the IADB) and Non-Governmental Organisations (e.g. Global Reporting Initiative, World Business Council for Sustainable Development) also engage directly with a range of BCtA activities representing added value in terms of partnership and global reach.

Effectiveness

Effectiveness refers to how well BCtA outputs achieve the desired outcomes. Through the logframe, BCtA has a clear idea of how sustained impact has been generated (through an increasing number of companies committed to inclusive business principles and measuring their impact in doing so). Clear targets have been set and the current implementation plan promises a robust delivery arrangement through both leveraging a multi donor steering committee and working with strong implementation partners. The data from the BIMS is also expected to provide clearer evidence on the private sector contribution to the SDGs.

VfM performance compared to the original VfM proposition in the business case

As mentioned above, the BCtA was designed before the DFID business case requirement for a VFM proposition was introduced. The project has delivered on its initial level of ambition.

Assessment of whether the programme represented value for money

Over its lifetime the project represented good value for money. Stakeholder feedback notes that participation in the BCtA platform has enabled DFID and other donors to engage in and coordinate inclusive business thinking with counterparts from donor agencies, UNDP and other multilaterals, a range of corporates and Business Networks. BCtA has also made significant contributions to global forums such as the G20 and the post-2015 agenda.

While the company initiatives are an important part of the BCtA offering, there is far more to the programme than these activities and the development results they achieve. BCtA has successfully promoted inclusive business as a concept to corporates, governments, multilateral organisations, non-governmental organisations, and the wider public through its influencing and media channels. It has facilitated uptake and replication of inclusive business activities in developing countries through shared learning, innovations, and opportunities for wider replication by the private sector.

ICAI also recognised the value of this, noting that “Several of the strongest delivery models that we saw use networks, alliances and partnerships. These can include jointly-funded delivery mechanisms and enable DFID to achieve more than it would otherwise have been able to do.”

Quality of financial management during programme

The quality of financial management has improved over the lifetime of the project. Accurate financial planning, forecasting, monitoring and spending will be important in future, if DFID moves to supporting specific BCtA activities rather than providing a core contribution.

Date of last narrative financial report	31 December 2015
Date of last audited annual statement	N/A

E: RISK

Quality of risk management over the life of the programme

Risk levels are appropriate. At output level milestone targets have largely been met over the lifetime of the programme.

A key risk was that companies lose interest in their specific company initiatives or in inclusive business as a means of engaging in bottom of the pyramid (BoP) markets (either through staff moves or other changes in priorities). Inclusive business as a means of engaging the private sector in development activity appears to be gaining greater traction making BCtA's activities and learning an extremely valuable source of experience from which to draw. The increasing interest from other major donors (e.g. GIZ and the G20), international processes (in the context of the post-2015 SDGs) and companies themselves suggest that this is not the case. The opportunity for member companies to renew their commitments in the coming years will provide stronger evidence of this.

The risk that funds were not used as intended was minimal, and no fraud was reported during the lifetime of the programme. BCtA does consider reputational risk by association with the companies undertaking initiatives. However, the strengthened due diligence and risk assessment processes adopted in 2013 (based on UNDP procedures) have worked well to mitigate this. These processes also took account of companies' concerns about BCtA and donor partners having access to commercially sensitive material.

F: COMMERCIAL CONSIDERATIONS

Delivery against planned timeframe

The pace of programme delivery increased 2015 as the Secretariat recruited more staff at its new Headquarters in Istanbul. The loss of another programme manager (for personal reasons) did have an impact on delivery. However, their resignation did not overly slow the programme and it remains largely on track to achieve its original goals by the end of 2016.

Performance of partnership

The Secretariat operating out of UNDP performed well. Options for clearer and more streamlined governance arrangements have been agreed, as well as the roles and responsibilities of BCtA partners, to improve the speed and flexibility of decision making.

The multi-donor governance of the BCtA remains a strength of the programme; benefits include links to the specific donor relationships, business networks and the wider donor community through bilateral and multilateral contacts and the scope to raise the profile of, and streamline, inclusive business policy practices within the respective donor organisations. In addition, sharing of project costs means that BCtA is not reliant on a single donor agency.

Other donor partners indicated that BCtA had successfully reached out and attracted company initiatives from national businesses (many with their headquarters in developing countries) as well as from MNCs, although, as alluded to above, concerns were raised about BCtA's ability to maintain close contact with a growing membership without a clearer engagement strategy.

The outsourcing of some activities to appropriate third parties throughout the programme lifetime has been largely successful, making use specialist expertise and keeping the core Secretariat small and nimble.

Asset disposal and value obtained by DFID

No assets have been generated by this project.

G: CONDITIONALITY

Not applicable.

H: MONITORING & EVALUATION

Evidence and evaluation

As noted above in Outputs 2 and 3, the monitoring and evaluation of company initiatives has been strengthened and this work will continue. Both DFID and SIDA have been keen to strengthen the monitor the gender impact of BCtA activities.

Since its inception, BCtA has gathered data on both the commercial and social impacts of inclusive business activity. The programme has therefore been at the forefront of developing the evidence base for inclusive business. Questions were raised at donor steering group level about the robustness of self-reported company data; companies also raised concerns about their own ability to collect social impact data. The work on the BIMS was developed to help support companies in these areas and develop more rigorous evidence that could lend itself to being analysed and peer reviewed. Work on BIMS is starting to bear fruit and will continue in 2016.

Additional evaluation of reach and impact of events, publications and other influencing activities is also taking place.

Monitoring progress throughout the programme

For this PCR interviews have been conducted with the BCtA Secretariat, donor partners, organisation in the field of inclusive business and reporting and BCtA member companies. Regular donor steering meeting/calls have taken place throughout the lifetime of the programme. Thorough Annual Reviews have taken place each year since 2012.

ⁱ Sources: <http://www.ifc.org/wps/wcm/connect/fb3725004d332e078958cdf81ee631cc/Coca-Cola.pdf?MOD=AJPERES> and https://www.hks.harvard.edu/m-rcbg/CSRI/publications/other_10_MDC_report.pdf

ⁱⁱ Source: [http://www.ey.com/Publication/vwLUAssets/ey-egs-acumen-summit-report/\\$FILE/ey-egs-acumen-summit-report.pdf](http://www.ey.com/Publication/vwLUAssets/ey-egs-acumen-summit-report/$FILE/ey-egs-acumen-summit-report.pdf)

ⁱⁱⁱ <http://www.businesscalltoaction.org/>

^{iv} <http://icai.independent.gov.uk/wp-content/uploads/ICAI-Business-in-Development-FINAL.pdf>