



**United Nations Development Programme
Bratislava Regional Centre for Europe & CIS
Poverty Reduction Practice/ Private Sector Sub-practice**

- Regional Project Document -

Project Title	<i>Growing Inclusive Markets in Eastern Europe and Commonwealth of Independent States (CIS)</i>
Expected Regional Programme Outcome:	Significantly increased private sector participation in development projects in the region
Expected Output(s):	<ul style="list-style-type: none">- Country level awareness built for inclusive market business models and approaches.- Successfully brokered inclusive business model investment projects in progress in Bosnia and Herzegovina, Kosovo, Kazakhstan and Uzbekistan
Executing Entity:	UNDP Bratislava Regional Centre
Implementing Agencies:	UNDP Bratislava Regional Centre and UNDP Country Offices in Bosnia and Herzegovina, Kosovo, Kazakhstan, Turkey and Uzbekistan

Brief description of the project

The overall purpose of this project is to build more inclusive markets in Eastern Europe and the CIS. It has two complementary objectives:

1. To build country level awareness for inclusive market business models and approaches via the production and dissemination of a regional Growing Inclusive Market (GIM) report.
2. To broker concrete inclusive market investment projects in four Country Offices (COs) of the region.

It is based on the fact that businesses that **engage the poor** on the demand side **as clients and customers** and on the supply side **as producers, employees and business owners** can capture benefits that go beyond the short-term bottom line and actually help tackle sustainable development issues. The first and groundbreaking report from UNDP's Growing Inclusive Market initiative, *Creating Value for All: Strategies for Doing Business with the Poor*, launched in July 2008, highlighted portraits of successful simultaneous pursuits of revenues and social impact. It however, only featured 3 case studies from the region, making it difficult to use the report for advocating local action at country level. The project will attempt to build country level awareness of inclusive markets business models and approaches in the region by producing and disseminating a regional GIM report featuring 10 to 12 inclusive market case studies from the region and presenting the key barriers and solutions to achieving more inclusive markets in the region.

The project will also use the regional GIM report as an advocacy tool to broker concrete inclusive market investment projects over 3 years in Bosnia and Herzegovina¹, Kosovo, Kazakhstan and Uzbekistan, in partnership with TIKA – Turkish International Development and Cooperation Agency. Turkey, being at the crossroads of Eurasia and having a substantial economic and social influence over the countries in the region,

¹ The CO having had a chance to already implement Growing Sustainable Business for 3 years in BiH, the project will only include a 1 year transition to ensure sustainability of the initiative.

has a key role to play in the economic development of Eurasia. In particular, there are considerable opportunities for Turkey to have a positive impact on vulnerable populations in Eurasia through Foreign Direct Investment and building the capacity of indigenous entrepreneurs. The Growing Sustainable Business (GSB) approach will be used to broker those inclusive market investments projects. It is anticipated that the resulting new investments will contribute to more inclusive markets in Bosnia and Herzegovina, Kosovo, Uzbekistan and Kazakhstan, where low income and vulnerable people will have access to new employment and revenue generation opportunities and as well as better and cheaper goods and services.

The GIM and GSB initiatives are integral parts of UNDP's Private Sector Strategy², "Promoting Inclusive Market Development", and contribute directly to all 5 priorities. In addition, the GSB initiative is fully integrated from the start in UNDP Country Offices' (COs) private sector related programming, contributing to their Country Program Documents and national priorities.

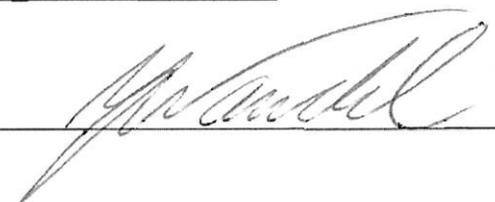
Operationally, the objectives will be achieved by:

1. Objective 1: using a dedicated staff to coordinate the report production process, hiring case study writers and a lead author, and getting advice from a specially set-up Working Group of the global GIM initiative Advisory Board.
2. Objective 2: hiring and training national Brokers - to supplement current UNDP COs efforts in working with the private sector - who will identify and facilitate new investment opportunities as well as the local implementation of projects. At the country level, National Steering Committees will be created, comprised of relevant government agencies, potential investors, local businesses, NGOs and other development agencies as appropriate. The role of those Committees will be to evaluate the relevance of proposed investment projects to local development needs, to link with appropriate local partners through members' respective networks, and ensure transparency and public accountability. A key feature of the project will also be a Support Broker in Turkey whose main role would be to match external³ businesses with pro-poor inclusive investment opportunities being identified in target countries by national Brokers.

Programme Period: 2009-2012	
Key Result Area (Strategic Plan): Promoting inclusive growth, gender equality and achievement of internationally agreed development goals, including the MDGs	
Atlas Award ID:	
Start date:	1 Feb 2009
End Date	31 Jan 2012
PAC Meeting Date: X January 2008	

Total resources required:	1,428,935 USD
Total allocated resources:	1,267,935 USD
• Regular:	350,600
• Other:	
o TIKA:	877,935 USD
Unfunded budget:	150,400 USD (39,400 USD GSB; 111,000 USD GIM)
In-kind Contributions:	50,000 USD (50,000 USD GIM)

Agreed by (UNDP):



Jens Wandel
Deputy Regional Director & Director of the Regional Centre

² UNDP Private Sector Strategy. September 2007

³ Defined as not indigenous to the target countries