

## **Strengthening of capacities and action readiness in association “The Platform of Businessmen for Development Cooperation” (PPZRS)**

### **Summary**

Description of the implementing organization:

The Platform of Businessmen for Development Cooperation (PPZRS) associates entrepreneurial subjects conducting business in development countries. The Platform has 22 direct members and aims to support the participation of Czech enterprises on the development projects implemented in developing countries, plus to promote a change in the system of the Czech development cooperation, while also representing interests of the entrepreneurial sphere.

Description of the project: Czech companies interested in bringing their products and services to the developing countries through the international development projects have improved their skills in establishing a business partnership for launching their investment projects in the developing countries. The main long-term focus of this platform is to enhance the ability of the local partners and enabling them to contribute to the economic development of their country.

Three pilot investment proposals were prepared for a critical analysis conducted by a concrete financial institution. Participation in this critical review process brought important experience for PPZRS and its further consulting activities dealing with various investment development projects. Final information package with recommendations was presented by the representatives from PPZRS to the Czech development constituency during a national conference organized by PPZRS.

Context of this evaluation:

Evaluation of this project lasted from August to November 2013. Contracting authority for this evaluation was the Ministry of Foreign Affairs of the Czech Republic; the investigator was represented by an evaluation team consisting of a Lead Evaluator Radka Bzonková and an Expert on entrepreneurship Lucie Bučinová.

### **Evaluation findings and conclusions**

Below is the evaluation summary according to the evaluation criteria:

<b>Evaluation criterion</b>	<b>Rating</b>
RELEVANCE	Rather high
EFFECTIVENESS	Rather high
EFFICIENCY	High
SUSTAINABILITY	Rather low
IMPACT	Rather high

#### **RELEVANCE**

The platform's functioning and activities are relevant to the members as it is raising public awareness about the concept of development cooperation, plus it is offering useful methodological tools for the members. The platform issues a monthly Newsletter, which proves to be the most suitable instrument for sharing key information with the platform

members. From the members' point of view as well as nonmembers, having regular meetings with subjects implementing projects in the developing countries is extremely important. This view was also confirmed by a high number of entrepreneurial participants at such meetings, like seminars, international / national conferences, but also at smaller meetings like entrepreneur breakfasts. The platform is also relevant to the entrepreneurial subjects implementing their projects in the developing countries as it offers an enforcement of their investment interests. The platform is also relevant to its members as an official deputy in relation to other key institutions (MFA CR, Czech Development Agency, FoRS etc.)

## **EFFICIENCY**

The efficiency factor was looked at as effective economic and financial management of the financing provided by the Czech Development Agency funds. Personnel costs represented approx. 25% of all costs, but comparing to the average personnel costs in the region of Prague this portion of the budget was rather extremely low. Significant part of all expenses was associated with obtaining expert services and also with organizing thematic conferences and seminars; this corresponds appropriately with the planned project activities. The evaluation team considers the expended costs as reasonable.

## **EFFECTIVENESS**

Effectiveness was evaluated according to specific outputs. All indicators were satisfied with only one exception - in 2012, the Czech Development Agency financing was cut by 30% and so the project activities had to be reduced. Otherwise, all goals were reached. The evaluation team considers as the most effective platform activity providing the members with an informational Newsletters. The platform is also serving effectively as an umbrella organization in relation to the MFA CR, Czech Development Agency, etc. The evaluation team considers as less effective the establishment of a "certified group" of the entrepreneurial subjects, in 2012, that was supposed to spread awareness about the development cooperation and preparation of pilot projects.

## **SUSTAINABILITY**

In 2012, when the financing from the Czech Development Agency funds was cut by 30%, the platform did not have enough financial resources to cover its entire expenses; the platform was not financially ready for potential loss of the funds. Therefore, it is necessary for the platform to include into its financial planning allocation of other income resources and thus strengthen its stability. The sustainability factor is perceived nowadays as being rather low.

## **IMPACT**

The platform members are utilizing know-how of the platform, especially on the informational and methodological levels. Their need for being provided with reliable and useful information and with awareness-raising about the development cooperation has been proven through a high number of attendees at the organized conferences and seminars. The positive impact of the platform was also observed in its expansion, three new members joined in the last year, and in the increasing volume of financial funds for the platform members coming from the EU funds (year 2012). Overall impact on the platform non-members is rather small, due to the nature of the platform membership and the platform being less informative towards the non-members.

## **Recommendations:**

Level	Recommendation	Addressee	Importance
Sector level	1. Formulate contract that would allow financing of the platform in a period of two or three consecutive years	Czech Development Agency	1
Project level	2. Increase openness of the platform towards non-members	PPZRS	1
Project level	3. Strengthen financial stability of the platform through allocation of additional income sources	PPZRS	2
Project level	4. Strengthen the cooperation between NGOs and entrepreneurial subjects during the implementation of the projects and investments in the countries of the Czech development cooperation	PPZRS	1

### 1. Sector level, Czech Development Agency

Formulate contract that would allow financing of the platform in a period of two or three consecutive years

Explanation: The longer contracting period, a two/three-year contract, would enable the platform to strengthen its financial stability and to prepare optimally its long-term and strategic planning. The platform could be potentially using the Czech Development Agency funds for co-financing of other projects.

### 2. Project level, PPZRS

Increase openness of the platform towards non-members

Explanation: One of the outputs in the evaluated years 2010-2012 was a platform's website which offered factual information about the development cooperation to all interested individuals/ entrepreneurs. The website even offered various methodologies and manuals. Nevertheless, a great part of the website is not accessible to the public, most of the valued information is available to the members of PPZRS only. While the limited accessibility is sort of understandable (the members are paying fees for having full access and exclusive services), such approach does not contribute to the public awareness about the development cooperation of and among the entrepreneurial subjects. Therefore, the evaluation team is convinced that there should be clear separation of services funded from the member fees and services funded from the public sources (that is from the Czech Development Agency funds). The outputs financed from the member fees should stay exclusive for the members, but the outputs financed from the public sources should be open to the public and should raise awareness about the development cooperation practiced in the Czech Republic.

### 3. Project level, PPZRS

Strengthen financial stability of the platform through allocation of additional income sources

Explanation: The key financial resources for the platform include member fees, fees for provision of services, and the Czech Development Agency financing. The financing from Czech Development Agency is the most important portion of the entire platform budget. During the evaluation interviews became evident that the platform has not been pro-actively searching for some additional financial sources. This approach decreases the platform's financial stability. The platform administration should be actively seeking alternative sources of the funding, for example - not only adding financial means through another grants, but also

increasing the ownership of the members (that is, increasing the membership fee or offering professional services to the non-members for a meaningful fee).

#### 4. Project level, PPZRS

Strengthen the cooperation between NGOs and entrepreneurial subjects during the implementation of the projects and investments in the countries of the Czech development cooperation

Explanation: One of the key roles of the platform PPZRS is to serve as an umbrella organization for the subjects implementing their projects and investments in countries of the Czech development cooperation and also to serve as a deputy of these subjects, representing them while dealing with key institutions involved in the development cooperation. The missions and goals of NGOs implementing their programs in the countries of the Czech development cooperation are typically similar to the ones of the entrepreneurial subjects, therefore these two 'branches' of the development cooperation could complement each other significantly. We greatly recommend supporting this partnership between the NGOs and entrepreneurial subjects in the implementation of the development cooperation projects, because the partnership - sharing of knowledge and experiences - can ultimately improve the projects' quality and management, plus such cooperation can possibly lead toward identifying or creating new funds for the development cooperation.