



**UNITED NATIONS
UGANDA**

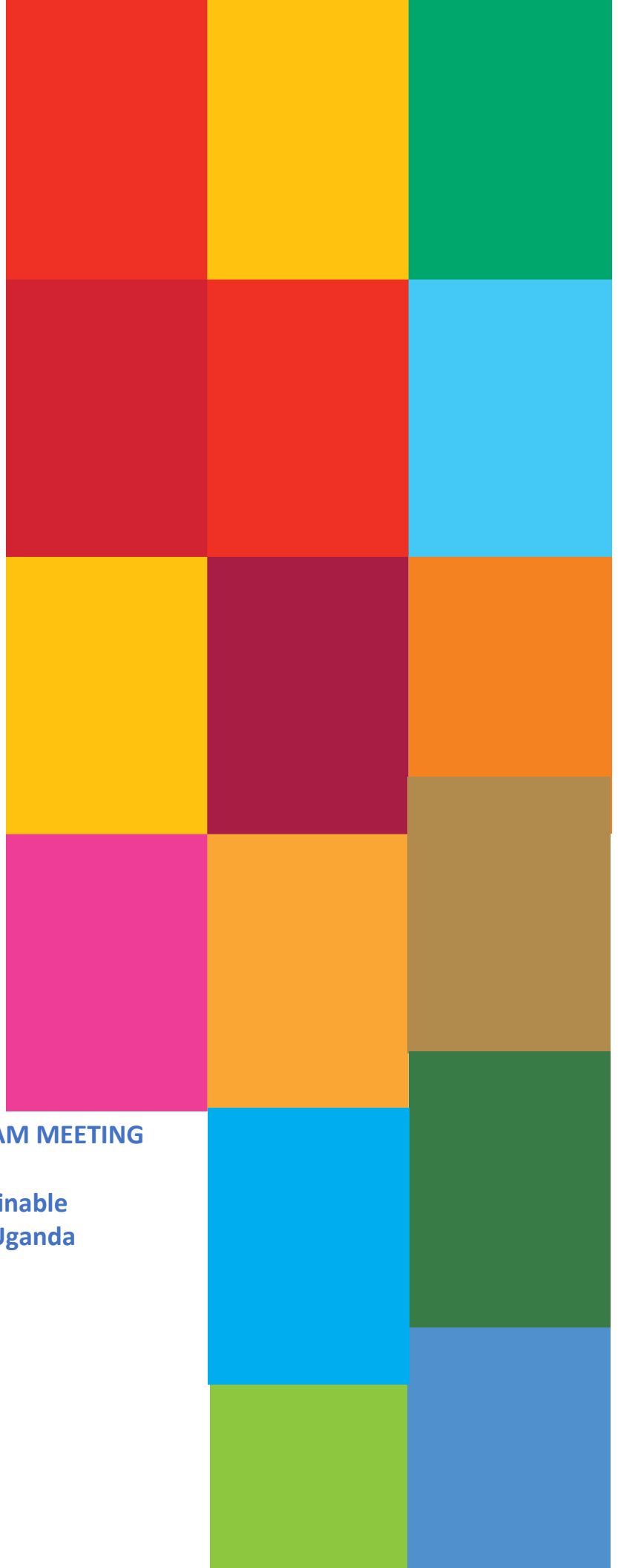


NEW GENERATION UN COUNTRY TEAM MEETING

**Private Sector Partnerships for Sustainable
Development Goals Acceleration in Uganda**

25th February 2021, 15:00-17:00

BRIEFING NOTE



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1. New Generation UN Country Team Meeting Agenda

Private Sector Partnerships for Sustainable Development Goals Acceleration in Uganda
25th February 2021, 15:00-17:00

Venue/Link: UN Resident Coordinator's Residence, Moyo 7, Kololo

<https://undp.zoom.us/j/81623070147>

Meeting ID: 816 2307 0147

AGENDA

MC: Ms. Linda Abeja, Youth SDG Coalition

15:00 – 15:05 Opening and Introductions

15:05 – 15:15 Welcoming Remarks by the UN Resident Coordinator Ms. Rosa Malango and Hon Karoro Okurut Minister for General Duties & Focal Point Minister for SDGs at the Office of the Prime Minister (10 mins)

15:15 – 15:45 **Private Sector partnerships framework in support of SDGs implementation**

Moderators: Mr. Dmitry Pozhidaev, UNCDF Head of Office and Ms. Elsie Attafuah, UNDP Resident Representative

- *Overview of proposed Uganda Private Sector Platform for the Sustainable Development Goals* – by Mr. Joses Tegyeza Commissioner for Strategic Coordination and Implementation, OPM and Mr. Gideon Badagawa, Executive Director, Private Sector Foundation of Uganda (PSFU) (10 mins)

- *Discussion on priority initiatives at global, regional and national levels* (20 mins)

Panel session with the speakers from: Mr. Patrick Ocalilap, Acting PS, Secretary to Treasury, Ministry of Finance, Planning and Economic Development; Mr. Wilbrod Humphreys Owor. Executive Secretary/Executive, Uganda Bankers Association; Ms. Immaculate Akello, Founder and CEO of Generation Engage Network

15:45 – 16:10 Q&A

Moderator: Mr. Solomon Odongo, Youth SDG Coalition

16:10 – 16:15 Remarks by Hon. Amelia Kyambadde, Minister of Trade, Industry and Cooperatives (7 mins)

16:15 – 16:25 **Presentation by Equity Bank on its experience with the UN in the region and new partnership opportunities in Uganda** - Dr. James Mwangi, CBS, Group Managing Director and CEO, Equity Group Holdings Plc., Executive Chairman, Equity Group Foundation (10 mins)

- *Mission, purpose, achievements*
- *Opportunities and risks for partnerships in Uganda and East Africa*

16:25 – 16:50 Q&A

16:50 – 17:00 Closing by Chairs



New Generation UN Country Team Meeting on Private Sector Concept Note

I. Introduction

The reform of the United Nations Development System (UNDS) involves a set of far-reaching changes in the way the UN development system works to help countries around the world in achieving the Sustainable Development Goals (SDGs). The reform is mandated by the General Assembly of the United Nations in Resolution A/RES/72/279 of 31 May 2018, which responded to the vision and proposals of Secretary-General António Guterres to reposition the United Nations development system to deliver on the 2030 Agenda. The reform is a collective, system-wide endeavor, requiring and benefiting from the engagement of the entire UN development system as well as Member States, private sector, CSOs and other partners.

In the spirit of the UN reform in Uganda, a New Generation of UN County Team, comprised of representatives from the Government, UN Heads of agencies, development partners, civil society, academia and the private sector has been established in Uganda in 2019. The new generation UNCT meets periodically and the next meeting is dedicated to the theme: *“Private Sector Partnerships for Sustainable Development Goals Acceleration in Uganda”*.

Achieving the Sustainable Development Goals (SDGs) require collective action across the government, civil society, private sector and dedicated individuals and communities and need to be matched with the necessary resources, innovation capacity and partnerships to drive implementation.

In Uganda, the UN system through [The United Nations Sustainable Cooperation Framework for Uganda \(2021-2025\)](#) is aiming to leverage new and enhance ongoing partnerships with the private sector. With SDGs at its core, the Cooperation Framework is closely aligned to the National Development Plan III and Uganda’s National Vision 2040 and will be implemented by 29 UN entities through three Strategic Priorities: 1) Transformative and Inclusive Governance; 2) Shared Prosperity in a Healthy Environment; and 3) Human Well-being and Resilience.

II. Background and Rationale

The private sector is a critical partner and has a valuable role to play in advancing the global development agenda. The private sector further contributes to development by providing goods and services, financing social and economic investments through taxes, and creating innovative solutions to help tackle development challenges. Innovation in the private sector across the world is a prerequisite for achieving the 169 ambitious targets, which collectively make up the 17 SDGs.

The UN system in Uganda recognizes the important role of the private sector in SDGs and its transformative capacities for development which is not possible without small and medium sized enterprises (SMEs), large scale firms as well as social enterprises.

A concept for the *“Uganda Private Sector Platform for the Sustainable Development Goals”* has been rolled-



START Facility in Northern Uganda supported by UNCDF



out as a multi-stakeholder mechanism to holistically address various aspects of private sector engagement on SDGs in Uganda. The purpose of the National Platform is to mobilize the Ugandan private sector for implementation of the SDGs by providing continuous support and guidance to facilitate its effective contribution to achievement of the SDG targets and the NDP III objectives. The Platform will address several interrelated areas that have been recognized as the critical enablers for the private sector to effectively engage in SDG implementation and will pursue four mutually complementary objectives:

1. Facilitate a continued evidence-based dialogue between the private sector and the other relevant stakeholders.
2. Improve access to relevant global, regional and national knowledge and expertise for innovation and experimentation and promote global and regional knowledge sharing and peer-to-peer learning, South-South and triangular cooperation, to design and implement productive SDG-responsive models and processes.
3. Deliver technical assistance, business development services and financial support to enable businesses to develop and pilot such models and take the successful pilots to scale while also facilitating linkages to regional and global value chains in selected priority sectors and
4. Pioneer a centre of excellence model for design and implementation of effective methods of private sector participation in the SDGs based on strong national ownership.

The platform is structured around four distinct but mutually complementary pillars including; (i) Private Sector SDG Coordination Platform (ii) the SDG Knowledge Centre and Innovation Lab (iii) Technical Assistance/Business Development Services Facility and the (iv) SDG Innovation Fund. Different ToRs have been developed for each of these 4 pillars and should be established for attainment of the SDGs in Uganda. In this Meeting under the theme of *“Private Sector Partnerships for Sustainable Development Goals Acceleration in Uganda”*, efforts will be made to mobilize efforts kick start pillar-(i) codenamed the Uganda Development Partners and Private Sector SDG Working group. To be jointly organized by the private sector in Uganda, Government of Uganda, development partners and the UN system in Uganda to provide platform for dedicated dialogue, capacity building and joint resource mobilization for the implementation of the SDGs. Its members include UN agencies, Development Partners, relevant Government Ministries, Department and Agencies (MDA’s) and Private sector consisting of their umbrella organizations and individual members.

III. Objectives:

The key objectives of the upcoming New Generation UNCT Meeting on *“Private Sector Partnerships for Sustainable Development Goals Acceleration in Uganda”* are to:

- Reinforce the role and efforts of the private sector in the Decade of Action
- Present the Uganda Private Sector Platform for the Sustainable Development and launch preparatory efforts for the launch of the pillar of Uganda Development Partners and Private Sector SDG Working group
- Leverage existing and new partnerships to accelerate SDGs implementation in Uganda

IV. Expected Outcomes

- Strategic direction on the private sector engagement in the 2030 Agenda
- Collective reflections on:
 - *Priority initiatives underway at global, regional and national levels*
 - *Country level experiences and best practices*



- *Opportunities and risks for partnerships in Uganda and East Africa*
- Adoption of the Uganda Private Sector Platform for SDGs concept
- Adoption of ToRs for the Uganda Development Partners and Private Sector SDG Working Group

V. Participants

Office of the Prime Minister, Private Sector Foundation of Uganda (PFSU), National SDG Secretariat, Ministry of Trade Industry and Cooperatives, Ministry of Finance, Planning and Economic Development, UN system in Uganda, Uganda Investment Authority, Development Partners, Uganda Bankers Association, Uganda Women Entrepreneurs Association Limited (UWEAL), Federation of Uganda Employers (FUE), Uganda National Farmers Federation (UNFFE), The Uganda National Association of Private Hospitals (UNAPH), Uganda National Association of Private Schools and Institutions (UNAPSI), The Kampala City Traders Association (KACITA), Uganda Manufacturers Association, CEO Forum, The Uganda Small Scale Industries Association (USSIA) Private Sector and financial institutions partners including Equity Bank, Stanbic, ABSA, City Bank, DPs WG on private sector, ECA, UN DESA, UN Global Compact, UN Foundation, UN Special Envoys for Great Lakes and the Horn of Africa, UNCTAD, UNON, CSOs, Youth SDG Coalition, Trade Unions, others.

VI. Background documents - Briefing Note:

- New Generation UN Country Team Meeting Concept Note and Agenda
- Uganda Private Sector Platform for the Sustainable Development Goals Summary
- Uganda Private Sector SDG Coordination Platform Terms of Reference
- Uganda Private Sector Platform for the Sustainable Development Goals Concept Note

VII. Venue and logistics

In line with Covid-19 SOPs the event will be held both in-person and virtually. The in-person meeting will be held at UN Resident Coordinator's Residence, Moyo 7, Kololo and will not exceed more than 20 participants. We encourage in-person participants to have completed recent Covid-19 test prior to the meeting. Connection details: <https://undp.zoom.us/j/81623070147>; Meeting ID: 816 2307 0147.



2. Uganda Private Sector Platform for the Sustainable Development Goals Summary

I. What is it?

The Private Sector SDG Platform is envisaged as a nationally owned multi-component and multi-stakeholder mechanism to holistically address various aspects of private sector engagement in the SDGs. It's a collective response of the United Nations system in Uganda and Government of Uganda to the challenge of effectively engaging the private sector in SDG implementation.

II. Why?

The private sector in Uganda is recognized as the engine of growth already making substantive contribution to national development and SDGs. They generate over 77% of jobs, 80% of GDP, funds over 60% of Investments and provides 80% of Government revenues¹. The NDPIII, however, also recognized the fact that the private sector in Uganda is still weak and uncompetitive to sustainably drive growth and experience their full potential to impact the SDGs due to among others; (i) the limited production and organizational capacity, (ii) absence of a strong supporting environment, and (iii) inadequate strategic and sustainable government investments and partnerships with the private sector in key growth areas. The the Addis Ababa Action Agenda (AAAA) adopted in 2015 as a blueprint for financing the SDGs called on all businesses to apply their creativity and innovation to solving sustainable development challenges and invited them to engage as partners in the development process, to invest in areas critical to sustainable development, and to shift to more sustainable consumption and production patterns. For this to effectively happen, calls for the operationalization of this platform.

III. Objectives

The Platform offers an effective national mechanism to engage with the private sector in the SDG Agenda in a comprehensive and holistic manner. The Platform will address several interrelated areas that have been recognized as the critical enablers for the private sector to effectively engage in SDG implementation and will pursue four mutually complementary objectives:

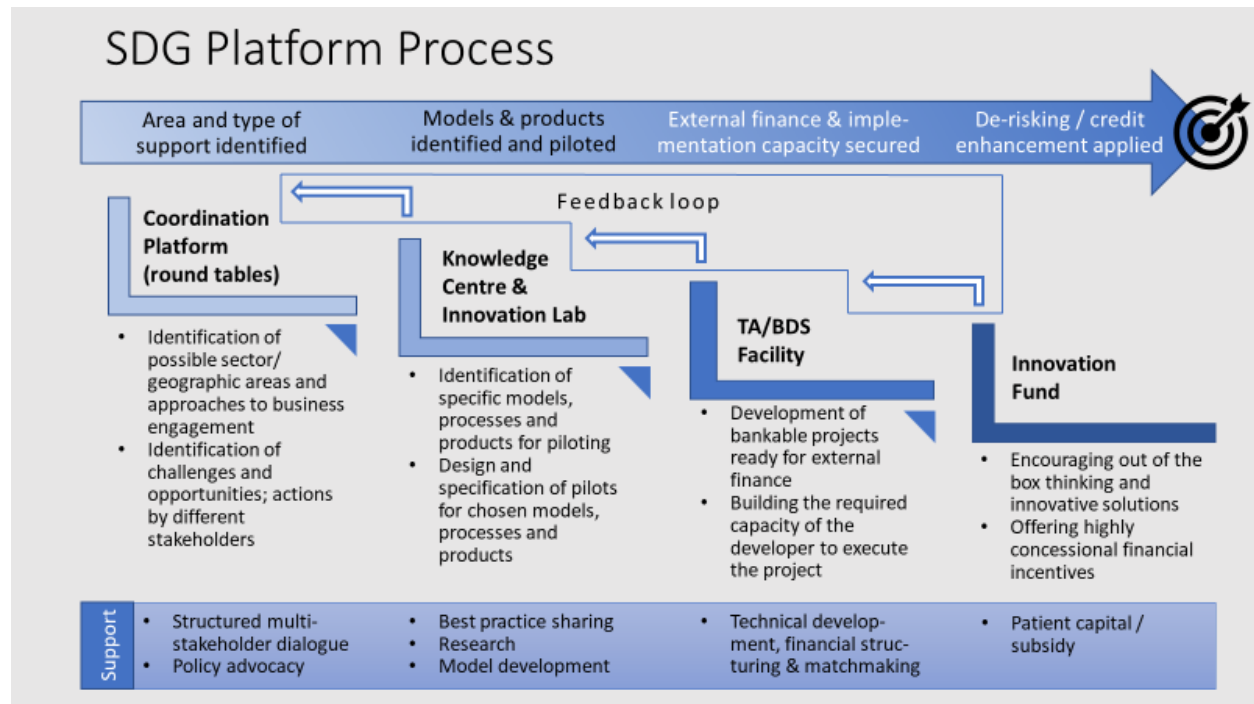
1. Facilitate a continued evidence-based dialogue between the private sector and the other relevant stakeholders including the Government, UN agencies, local governments, nongovernment organizations, academia and others.
2. Improve access to relevant global, regional and national knowledge and expertise for innovation and experimentation and promote global and regional knowledge sharing and peer-to-peer learning, South-South and triangular cooperation, to design and implement productive SDG-responsive models and processes.
3. Deliver technical assistance, business development services and financial support to enable businesses to develop and pilot such models and take the successful pilots to scale while also facilitating linkages to regional and global value chains in selected priority sectors.
4. Pioneer a centre of excellence model for design and implementation of effective methods of private sector participation in the SDGs based on strong national ownership for forging an effective partnership with the private sector to achieve the SDGs.

IV. The process

¹ The National Planning Authority: NDPIII (2020-2025)



The Platform is envisaged as a multi-layered multi-stakeholder mechanism consisting of components designed to serve the above objectives. It is a practical response to the challenge of activating effective participation of the private sector in the National SDG Coordination Framework and improve the representation of the private sector in the SDGs National Task Force. As shown in the figure 1 below, the process involves providing improved enabling environments to reduce investment risks and strengthening the capacity of the private business sector to develop pipelines of sustainable investable projects into which private capital can flow.



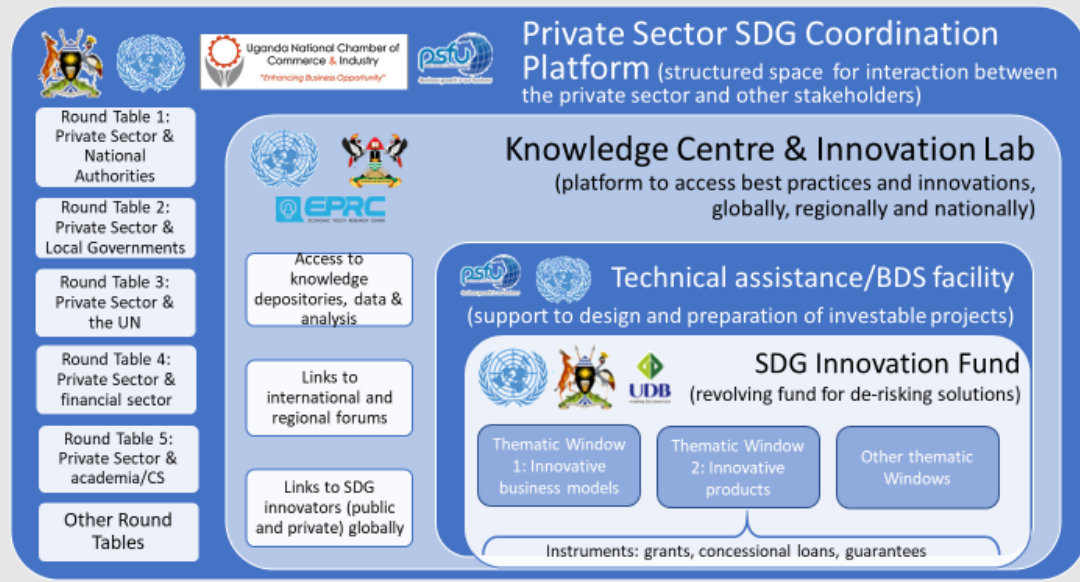
V. Structure and Design

The Platform is designed to have four dynamically interacting and mutually complementary components, each of which could be hosted by different institutions as proposed in figure 2:

- ✚ Private Sector SDG Coordination Platform, which is an umbrella for all other components.
- ✚ Knowledge Center and Innovation Lab
- ✚ Technical assistance/BDS Facility
- ✚ Innovation Fund



SDG Platform Structure



VI. How is it Beneficial to a Private Sector Firm?

The private sector is the primary beneficiary of the Platform. It will help the private sector to identify how it can engage in the SDG implementation, either through its core business or other activities and then identify, design and implement respective business model. Specifically, the private sector tangible benefits will include:

- ✚ Continuous evidence-based dialogue with a variety of national and international stakeholders to identify areas of engagement and business opportunities around the SDGs.
- ✚ Strengthened cross-sectoral partnerships with key national and international stakeholders to address, in a timely fashion, the bottlenecks that constrain the private sector participation in the SDGs.
- ✚ Access to international and regional best practices and advice about private sector engagement in the SDGs to focus on the areas and business opportunities that have proven to be successful in other contexts, facilitating the private sector’s strategizing and reducing its costs.
- ✚ Access to business development services and de-risking finance to help design specific products and models and pilot them to prove the concept.
- ✚ Unlocking and leveraging public/private finance through PPPs that promote implementation of SDGs.



3. Uganda Private Sector SDG Coordination Platform Terms of Reference

VIII. Introduction

The Uganda Private Sector SDG Coordination Platform (PS-SDG) is convened by the private sector in Uganda and Government of Uganda. The PS-SDG a platform for dedicated dialogue, capacity building and joint resource mobilization for the implementation of the SDGs in Uganda. The platform is one of the mechanism for mobilizing the private sector to effectively participate in SDG implementation. Its members include Private Sector in Uganda consisting of their umbrella organizations and individual members, the UN agencies, Development Partners, relevant Government Ministries, Department and Agencies (MDA's). The Platform is in line with the Uganda SDG Roadmap, particularly, thematic area 5.4- Strengthen Private Sector Engagement in the SDGs and Action 5.4.1 Produce and operationalize a framework for Private Sector Engagement on SDGs and Action 5.4.2 Set up National Forum for Private Sector Engagement on SDGs. It is also in synch with the National Strategy for Private Sector Development-NSPSD 2017/18-2021/22 which takes into account strategies for effective engagement with the private sector in accordance with the priorities of the National Development Plan and [The United Nations Sustainable Cooperation Framework for Uganda –UNSCF\) \(2021-2025\)](#) which among others aims to leverage new and enhance ongoing partnerships with the private sector.

IX. Background and Rationale

The 2030 Agenda for Sustainable Development with its attendant Sustainable Development Goals (SDGs) was adopted by world leaders on the 25th of September 2015. It was framed under the aspirations of the 5Ps – *People, Prosperity, Planet, Peace and Partnership* and constituted 17 goals and 169 targets. It was further underpinned by five guiding imperatives: Leave no one behind; Put sustainable development at the core – integrate social, economic and environmental dimensions of sustainability in all programmes; Transform economies for jobs and inclusive growth; Build peace and effective, open and accountable institutions for all; and, forge a new global partnership. It has been well recognized that achieving the Sustainable Development Goals (SDGs) requires collective action across the government, civil society, private sector and dedicated individuals and communities and need to be matched with the necessary resources, innovation capacity and partnerships to drive implementation.

As noted above, whereas the critical role of the private sector in implementation of the 2030 Agenda has been recognized internationally for example through the Addis Ababa Action Agenda (AAAA) adopted in 2015 and in Uganda as demonstrated in the National Development Plan III (NDPIII) and the NSPSD-2017/18-2021/22 and the UN system's UNSCF- 2021-2025, aiming to leverage new and enhance ongoing partnerships with the private sector, the practical mechanism and space for effective engagement of the private sector in the SDGs is still lacking. Many private sector players in Uganda are already engaged in supporting government led and other development programs through a number of thematic platforms, associations, and forums like Uganda Manufacturer's Association (UMA), Uganda Bankers' Association, CEO Summit, among others, which space can be collated for an effective and coordinated efforts to enhance private sector contribution to the implementation of SDGs. The Uganda Private Sector SDG Coordination Platform (PS-SDG) is thus being envisaged as one of the key ways of engaging with the private sector for the implementation of the SDGs.

The PS-SDG is a multi-stakeholder mechanism to holistically address various aspects of private sector engagement on SDGs. It's a platform for dialogue, capacity building and joint resource mobilization and mobilizing the private sector to more effectively participate in SDG implementation. The platform will



offer an effective national mechanism that will engage the private sector in the SDGs in a comprehensive and holistic manner.

X. Objectives:

In recognition that partners and private sector articulate same or similar interests and the understanding that they have something to contribute to the implementation of SDGs, the purpose of the platform is to:

- a) Provide a medium for coordination with the ambition to harmonize and speak with one voice amongst the different private sector groupings, bilateral and multilateral partners supporting SDGs, with the definitive ambition of achieving alignment to government plans and budgets;
- b) Facilitate a continued evidence-based dialogue between the private sector and the other relevant stakeholders including the Government, UN agencies, DPs, local governments, non-government organizations, academia and others.
- c) Increase effectiveness and efficiency in private sector, GoU, and DP contribution to SDGs by sharing information, facilitating access to relevant global, regional and national knowledge and expertise for innovation, facilitating participation and strategizing on priorities and reducing transaction costs for business', agencies and Government in implementing the SDGs. The platform also provides a holistic mechanism for continuous support and guidance to facilitate private sectors effective contribution to the SDG targets and the NDP III objectives.
- d) The platform will also be used to facilitate joint and individual resource mobilization including innovative financing, improved technologies and practices for the implementation of SDGs more so to enhance the role of private sector.
- e) Increase accountability towards government, the public and business partners/investors through continued dialogue in order to strengthen the partnership between GoU, private sector and Development Partners, the UN and the public.

XI. Membership

The group is open to representatives from private sector, UN organisations/agencies and the Development Partners who are interested or involved in the SDG work and who are committed to the terms of reference for the group. The GoU will be represented by OPM (Chair of Presidential Investors Round Table), the Uganda Investment Authority (UIA), the Ministry of Trade Industries and Cooperatives (MoTIC), Ministry of Local Government and the MOFPED- Private Sector Development Unit. The SDG Secretariat at the Office of the Prime Minister will be coordinating entity/Secretariat for the Platform to ensure its functionality and to provide Secretarial services. Specific Private Sector Actors, Civil Society, Academia and/or representatives of MDA's not represented above may be invited to attend group meetings at the discretion of the Chair and Co-Chair.

XII. Consensus/Joint Ownership

The emphasis of SDG-PDG will be on joint ownership of the process and building consensus.

XIII. Meetings

The group will seek to meet once every three months and /or if required ad-hoc meetings, as agreed upon by the members. The group members will provide the Chair with input to the agenda. When necessary, ad hoc sub-groups may be set up to carry out specific tasks and given the diverse nature of private sector, the platform can adopt subgroup/round table meeting approach to ensure candid discussion of the issues of mutual concern between business and the relevant partners and these could among others include;

- (i) **Private Sector and the National Authorities.** This will focus on discussing broader policy and regulation issues that constrain effective engagement of the private sector in the SDG Agenda and identifying the required legal and regulatory solutions.



- (ii) **Private sector and Local Governments.** This offers a space for discussing mutual expectations of the partners, investment opportunities and specific partnerships at LG/city level. Involves local governments themselves, the Ministry of Local Government, and local governments associations (ULGA and UAAU).
- (iii) **Private sector and financial institutions.** This will bring together concessional and commercial lenders, international (including DFIs), impact investors, private equity firms, venture and angel investors and other financiers whose early stage investment support is particularly important in the context of innovation and piloting. The participation of the regulators (such as the Bank of Uganda, Capital Market Authority, Uganda Microfinance Regulatory Authority and others) will be important to identify and implement necessary regulatory actions.
- (iv) **Private sector and the United Nations.** will bring together the private sector and UN agencies to zero in on the SDG agenda, on how businesses can contribute to the SDGs and benefit from the new market opportunities and more socially and environmentally sustainable businesses by adjusting their existing and adopting new models, processes and products and how the UN can support them.

XIV. Coordination/Chair of SDG-PDG

The platform will be co-chaired by Government and the private sector. One agency will take the role of coordinator/Chair of PS-SDG for a period of one year, in principle. The term of the Chair can be extended to eighteen months, where necessary, to allow flexibility. There shall be a co-chair, not from the same institution as the chair², who will be the alternate Chair and regular backup to the Chair. The ToR for the group will be reviewed or updated on an annual basis with particular attention to SDG Implementation results.

4. Uganda Private Sector Platform for the Sustainable Development Goals Concept Note

Executive Summary

Whereas the critical role of the private sector in implementation of the SDG Agenda has been recognized internationally and in Uganda, the practical mechanism and space for effective engagement of the private sector in the SDGs is lacking. This situation has been of concern to the government of Uganda, the UN Country Team as well as the private sector itself and, among other things, informed the agenda of the joint GoU-UN benchmarking visit to Ghana in June 2019. The visit looked into the ways of improving the contribution of the private sector to SDG implementation and came up with a number of recommendations in this area. This challenge has become particularly topical in light of the new National Development Plan (NDP III) that is currently being finalized. Achieving the ambitious objectives of NDP III requires conscientious participation of all Ugandans, not least the private sector whose potential is grossly underutilized. The mid-term review of the current UN Development Assistance Framework (UNDAF) noted a critical need to strengthen partnerships with the private sector to fast track the SDGs. Similarly, the recent Development Finance Assessment (DFA) of Uganda stressed the lack of a strategic dialogue/partnership process with the private sector and suggested steps for aligning private finance and investment to government priorities, and strengthening the governance and coordination mechanisms around planning and financing.

² If the Chair comes from Government, the co-chair shall come from private sector and vice versa.



This Concept Note is a collective response of the UN Country Team to these concerns and recommendations. It is closely linked to the ongoing UN efforts to help the Government of Uganda establish an effective system to coordinate SDG implementation and supports practical realization of SDG 17 nationally. It offers a practical solution called the Private Sector SDG Platform, envisaged as a nationally owned multi-component and multi-stakeholder mechanism to holistically address various aspects of private sector engagement in the SDGs. This will show case the convening role of the UN in the country and position Uganda as a good example in the Africa Region and globally to demonstrate the mobilization and effective engagement of the private sector in accelerating implementation of the SDGs.

The purpose of the National Platform is to mobilize the domestic private sector in Uganda for implementation of the SDGs by providing a holistic mechanism for continuous support and guidance to facilitate its effective contribution to the SDG targets and the NDP III objectives.

The Platform will address several interrelated areas that have been recognized as the critical enablers for the private sector to effectively engage in SDG implementation and will pursue four mutually complementary objectives:

1. Facilitate a continued dialogue between the private sector and the other relevant stakeholders including the Government, UN agencies, nongovernment organizations, academia and others.
2. Improve access to relevant global, regional and national knowledge and expertise for innovation and experimentation and promote global and regional knowledge sharing and peer-to-peer learning, South-South and triangular cooperation, to design and implement productive SDG-responsive models and processes.
3. Deliver technical assistance, business development services and financial support to enable businesses to develop and pilot such models and take the successful pilots to scale.
4. Pioneer a centre of excellence model for design and implementation of effective methods of private sector participation in the SDGs based on strong national ownership for forging an effective partnership with the private sector to achieve the SDGs.

The Platform is designed to have four dynamically interacting and mutually complementary components: Private Sector SDG Coordination Platform, which is an umbrella for all other components; Knowledge Center and Innovation Lab; Technical assistance/BDS Facility; SDG Innovation Fund.

The Platform is envisaged as a tripartite partnership between the Government of Uganda, the UN, Chamber of Commerce, and PSFU. The partnership brings together key members of the SDG National Taskforce with strategic interests in the private sector. This structure will ensure a strong link between the national SDG Coordination Structure and the Private Sector SDG Platform allowing the partners in the Platform to bring high-level policy issues to the attention of the SDG National Taskforce and, if necessary, the SDG Policy Coordination Committee.

The indicative 5-year budget is US\$ 10 million but it is assumed that at least one half of this budget will be made available through revision and recombination of the existing funding earmarked by different agencies for SDG support. The Platform is not a standalone facility but should be integrated into the existing national and international mechanisms that promote private sector involvement in the SDG implementation.

1. Introduction



This Concept Note describes an institutional arrangement to enable engagement of the Ugandan private sector in the implementation of the Sustainable Development Goals (SDGs). This arrangement called the Private Sector SDG Platform is envisaged as a nationally owned multi-component and multi-stakeholder mechanism to holistically address various aspects of private sector engagement in the SDGs. This is a collective response of the United Nations system in Uganda to the challenge of effectively engaging the private sector in SDG implementation.

Starting from Uganda’s First National Development Plan, private sector-led growth has been a key national strategy for achieving the country’s ambitious development objectives. However, concerns about the quality of such growth have resulted in a paradigmatic shift from the focus on the private sector’s contribution to the GDP towards its contribution to the structural transformation of the national economy. The National Development Plan (NDPIII) covering a period of five years starting from 2020, is focused on creating Sustainable Industrialization for inclusive growth, employment and wealth creation³. To improve the quality of growth, make the economy more inclusive and foster structural transformation based on increased productivity, NDPIII calls for more active partnerships between government and the private sector and for a qualitatively different engagement of the private sector in the country’s journey towards its aspired middle-income status and meeting the SDGs.⁴

1.1 International and domestic efforts to engage the private sector

The critical role of the private sector in implementation of the SDG Agenda has received international recognition right from the early stages of the SDG development. Thus, the Addis Ababa Action Agenda (AAAA) adopted in 2015 as a blueprint for financing the SDGs called on all businesses to apply their creativity and innovation to solving sustainable development challenges and invited them to engage as partners in the development process, to invest in areas critical to sustainable development, and to shift to more sustainable consumption and production patterns. This involves improved enabling environments to reduce investment risks and strengthening the capacity of the domestic private business sector to develop pipelines of sustainable investable projects into which private capital can flow.

In 2014, the UN-Business Action Hub was developed by the UN Global Compact, the Hong-Kong based nonprofit organization Global Hand, and 20 UN agencies. It is a forum where the UN and business can engage in dialogue, share information and take action to advance the SDGs. In the same year, the SDG Fund, an international multi-donor and multi-agency development mechanism to support sustainable development activities through integrated and multidimensional joint programmes, was established by the UN. To better align public-private partnerships for sustainable development, the SDG Fund has established a Private Sector Advisory Group, formed by business leaders of major companies from industries worldwide.

The UN Private Sector Forum, an annual summit hosted by the UN Secretary General and organized by UN Global Compact since 2008, has had a strong focus on the SDGs ever since they were adopted, including pledges of multinational companies to support the SDGs with concrete measures such as pilot projects, gender quota or investment in sustainable infrastructure. And finally, since 2016 the annual High-level Political Forum on Sustainable Development (HLPF) is accompanied by the SDG Business Forum,

³ The National Planning Authority: The Third National Development Plan (NDPIII) 2020/21 – 2024/25

⁴ National Planning Authority. Compendium of NDP Diagnostic Studies: A summary of Key Findings, Lessons Learned and Recommendations to guide Uganda towards a Middle Income Country. Kampala, June 2017.



co-hosted by the International Chamber of Commerce (ICC), the UN Department of Economic and Social Affairs (UN-DESA), and the UN Global Compact. Its goal is to foster dialogue between governments and the private sector.

Important as they are, these international mechanisms understandably involve primarily larger international companies, such as DHL, BASF, Ikea and Bank of America, to name just a few. Their impact on the national private sector, particularly in the developing and least developed countries, remains limited, with the domestic small and medium enterprises which create bulk of employment and economic activities in those countries being least affected and least engaged. The challenge of creating frameworks, platforms and mechanisms to promote and foster effective engagement of the private sector in the domestic SDG agendas rests with the national stakeholders—government authorities, development partners, the nongovernment sector, and last but certainly not least, the private sector itself. In Uganda, NDPII—which slightly predated the introduction of the SDGs—presented a commendable effort to integrate the SDG approach even before it became internationally recognized. Yet, while strategically aligned with the SDG agenda, NDPII did not succeed in sufficiently linking specific sector objectives and targets with the SDG goals nor did it suggest concrete mechanisms for coordination of SDG implementation. The recent DFA report notes that although the NDPII expected the private sector to finance 42% of the NDP objectives, there was no systematic approach to effectively integrate private financing into national development plans nor there was a reliable monitoring mechanism to track the private sector’s contributions.

The existing platforms for private sector engagement on development have a rather narrow focus limiting the full potential of the private sector’s contribution. A notable example is the Presidential Investors’ Round Table (PIRT), which has mainly focused on investment facilitation but could have potentially supported financing of SDGs like is the case in Ghana. Stakeholders share the view that there were significant financing challenges for both NDPI and NDPII, which provides us with an opportunity to learn and ensure that NDPIII can reduce this problem by leveraging the private sector in the financing strategy.

The NDPIII acknowledges the private sector as the engine of growth for Uganda, generating over 77% of jobs, 80% of GDP, funds over 60% of Investments and provides 80% of Government revenues, but also noted that the private sector in Uganda is still weak and uncompetitive to sustainably drive growth due to among others the absence of (i) limited production and organizational capacity, (ii) absence of a strong supporting environment, and (iii) inadequate strategic and sustainable government investments and partnerships with the private sector in key growth areas.

Similarly, both the UNDAF MTR (2019) and DFA (2019) stress the lack of strategic coordination and strategic dialogue/partnership process with the private sector as a major constraining factor for the private sector’s effective contribution to the national development agenda and the SDGs. This is reflecting on the lack of active and self-sustaining engagement of the Ugandan private sector in the SDGs. Whereas the past few years have seen some positive examples of private sector contributions to the SDG Agenda linked, for example, to women’s economic empowerment and adoption of more environmentally sustainable business models, these examples are few and far between and require dedicated donor support. Making the SDG Agenda part and parcel of business thinking and mainstreaming it into normal business operations remains the key challenge. Unless the private sector embraces the SDGs as its business model, neither effectiveness nor sustainability of its engagement can be achieved. The SDG Roadmap offers opportunities to address these challenges under Thematic Area 5.4 of the National Roadmap "5.4 Strengthen Private Sector Engagement in the SDGs", in Action 5.4.1 Produce and



operationalize a framework for Private Sector Engagement on SDGs and Action 5.4.2 Set up National Forum for Private Sector Engagement on SDGs. The United Nations Sustainable Development Framework (UNSDF) which among others aims to leverage new and enhance ongoing partnerships with the private sector was designed to among others ensure strong private sector partnership, with Out 2.1.3 focusing on Strengthened capacity of Public and private sector organizations to increase investments in productive sectors and develop and implement responsive policies and regulations. This provides the legal framework for a Private Sector SDG Platform.

This situation has been of concern to the host Government, the UN Country Team as well as the private sector itself and, among other things, has informed the agenda of the joint GoU-UN benchmarking visit to Ghana in June 2019. The visit looked into ways of improving the contribution of the private sector to SDG implementation and came up with a number of relevant recommendations. In particular, these recommendations suggest to:

- Facilitate high-level presidential engagements in building strategic partnerships with the private sector, civil society and global networks on issues of innovation and financing for SDGs.
- Prioritize the private sector and put in place a process to prepare SDG based bankable projects and bring these to a marketplace to unlock private financing for SDG.
- Strengthen the Presidential Investors Round Table (PIRT) to also provide a platform for resource mobilization for sustainable development.

Hence, this proposal is a collective response of the UN Country Team to these concerns and recommendations. It is closely linked to the ongoing UN efforts to help the Government of Uganda establish an effective system to coordinate SDG implementation and supports practical realization of SDG 17 nationally.

1.2 SDG Business Case

There is a solid business case for the private sector to adopt the SDG Agenda as a blueprint for doing business. Companies can use the SDGs as an overarching framework to shape, steer, communicate and report their strategies, goals and activities, allowing them to capitalize on a range of benefits⁵ such as:

- **Identifying current and future business opportunities.** The SDGs aim to redirect global public and private investment flows towards the challenges they represent. In doing so they define growing markets for companies that can deliver innovative solutions and transformative change.
- **Enhancing the value of corporate sustainability.** Whilst the business case for corporate sustainability is already well established, the SDGs may for example strengthen the economic incentives for companies to use resources more efficiently, or to switch to more sustainable alternatives, as externalities become increasingly internalized.
- **Strengthening stakeholder relations and keeping the pace with policy developments.** The SDGs reflect stakeholder expectations as well as future policy direction at the international, national and regional levels. Companies that align their priorities with the SDGs can strengthen engagement of customers, employees and other stakeholders, and those that don't are likely to be exposed to growing legal and reputational risks.

⁵ SDG Compass Guide, https://sdgcompass.org/wp-content/uploads/2015/12/019104_SDG_Compass_Guide_2015.pdf



- **Stabilizing societies and markets.** Business cannot succeed in societies that fail. Investing in the achievement of the SDGs supports pillars of business success, including the existence of rules-based markets, transparent financial systems, and non-corrupt and well-governed institutions.
- **Using a common language and shared purpose.** The SDGs define a common framework of action and language that will help companies communicate more consistently and effectively with stakeholders about their impact and performance. The goals will help bring together synergistic partners to address the world’s most urgent societal challenges.

These benefits pave the way for tremendous business opportunities. According to the Better Business Better World report by the Business & Sustainable Development Commission, achieving the Global Goals could open up an estimated US\$12 trillion in market opportunities.⁶ This has worked in Ghana where the **SDG Investment Fair** provides strategic space for SDG based bankable projects to be deliberately prepared through collaborative effort, then championed by the SDG Secretariat in the Presidency, and finally brought to a market place to unlock private financing for SDG. This process is founded on a strategic partnership between Government, the UN and Private Sector CEOs anchored on a high-level platform of CEOs convened by the President and supported by a CEOs Advisory Group on SDGs. This process led to private sector financing instruments such as the **SDG Delivery Fund** where resources come from Companies’ Corporate Social Responsibility Budgets (100m USD targeted) and their national **Green Fund** which currently is being designed to support government achieve targets on renewable energy.

1.3 National SDG Coordination Framework

In May 2016, the National SDG Coordination Framework was developed through consultative processes, under the leadership of the Office of the Prime Minister (OPM), with support from the United Nations (UN) in Uganda. The Framework spells out clear mandates for planning, reporting, monitoring, resource mobilization, communication, advocacy and decision-making for implementation of the SDGs anchored within existing national coordination structures. In October 2018, the Government adopted a National SDG Roadmap that operationalises the Framework and provides priority actions to catalyse the implementation of SDGs across the country during the NDPII period (2015/16-2019/20).

The National SDG Coordination Framework offers a broad and inclusive structure consisting of five Technical Working Groups (TWG) meeting on a quarterly basis to review progress towards the SDGs. These groups deal with different aspects of SDG implementation: coordination, M&E and reporting; planning and mainstreaming; resource mobilization and financing; data; and communication and popularisation. At that strategic level the private sector is represented by the Private Sector Foundation of Uganda (PSFU). TWGs incorporate representatives of the Sector Working Groups (SWG)⁷ that coordinate the implementation of development activities within their sector and provide information to the quarterly progress reports by the TWGs.

The National SDG Roadmap deals with the private sector in the context of TWG 5 efforts for resource mobilization and financing of the SDGs. In particular, the Roadmap envisages two actions: 5.4.1 Produce

⁶ Business and Sustainable Development Commission. 2017. Better Business Better World, <http://report.businesscommission.org/uploads/Executive-Summary.pdf>.

⁷ Under the New NDPIII, these sector working groups will be replaced with Program Working Groups, which are yet to be constituted.

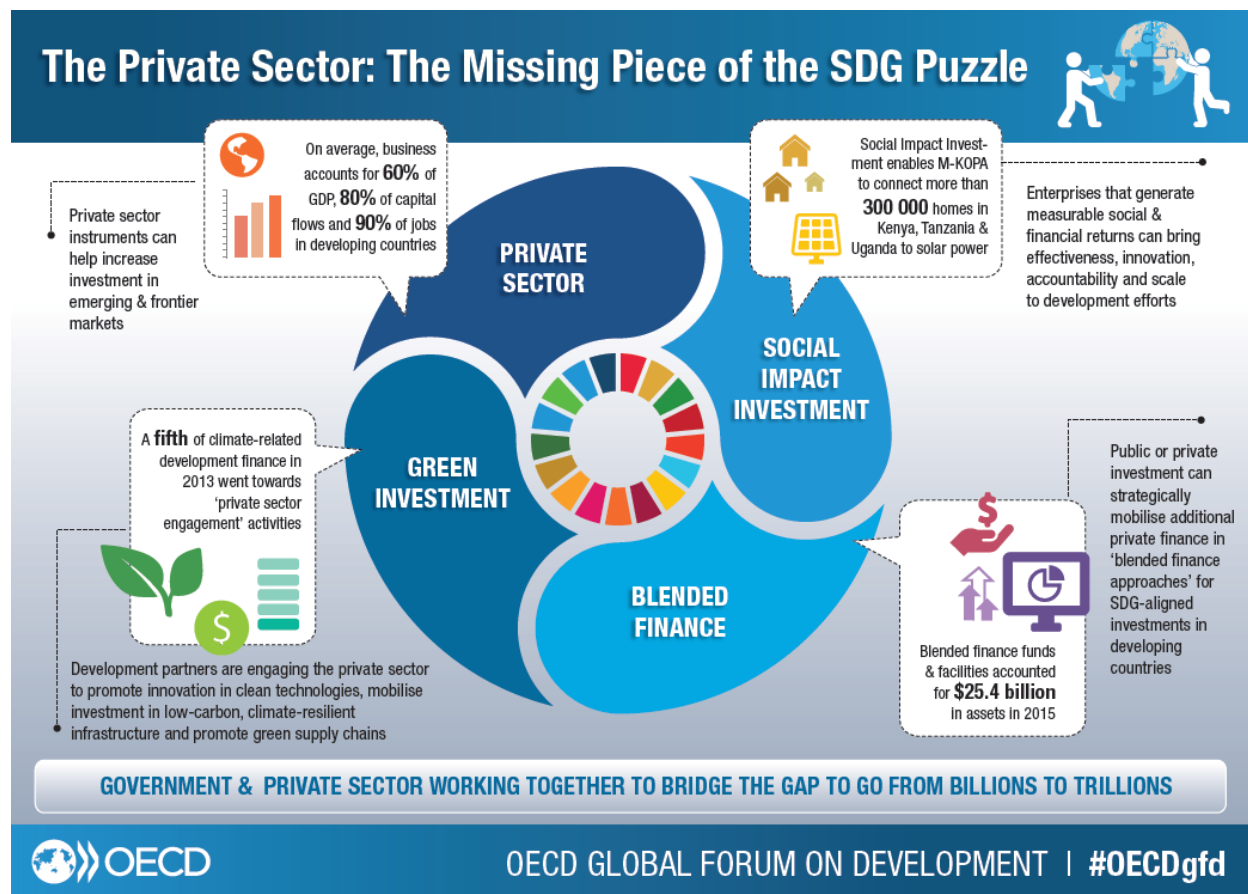


and operationalise a framework for Private Sector Engagement on SDGs and 5.4.2 Set up the National Forum for Private Sector Engagement on SDGs.

Collectively, the SDG Coordination Framework and the Roadmap attempt to address a double challenge of the private sector representation in the SDG implementation process and its actual engagement in the SDGs through its core business. Yet, the representation aspect appears restricted to PSFU potentially leaving aside the bulk of Uganda’s smaller businesses. Whereas the proposed National Forum could address this issue by ensuring broader representation of the private sector, the Roadmap’s format does not provide any details or operational modalities for such a Forum. Furthermore, neither document suggests mechanisms for substantive engagement of the private sector as economic agents through their core business. Approaching the private sector engagement only from the perspective of the SDG financing is strategically misplaced as it restricts their participation in the SDGs only to financial matters totally ignoring the potential critical nonfinancial contributions of the private sector to the country’s development agenda.

The NDP III provides for private sector as the engine of growth and the private sector is considered as an important contributor to the NDP objectives across all NDPIII programs, not only financially but also as a driver for innovative solutions and the key creator of new job opportunities (Figure 1). Hence, the challenge of keeping the private sector continuously engaged, guided and supported as a key partner in implementation of NDP III and achievement of the national SDG targets gains particular relevance and calls for a dedicated mechanism.

Figure 1. Private sector: The Missing Piece of the SDG Puzzle



2. Purpose and Objectives

The purpose of the National Platform is to mobilize the Ugandan private sector for implementation of the SDGs by providing continuous support and guidance to facilitate its effective contribution to achievement of the SDG targets and the NDP III objectives.

2.1 Objectives

The Platform will offer an effective national mechanism that would engage the private sector in the SDG Agenda in a comprehensive and holistic manner. The Platform will address several interrelated areas that have been recognized as the critical enablers for the private sector to effectively engage in SDG implementation and will pursue four mutually complementary objectives:

5. Facilitate a continued evidence-based dialogue between the private sector and the other relevant stakeholders including the Government, UN agencies, local governments, nongovernment organizations, academia and others.
6. Improve access to relevant global, regional and national knowledge and expertise for innovation and experimentation and promote global and regional knowledge sharing and peer-to-peer learning, South-South and triangular cooperation, to design and implement productive SDG-responsive models and processes.
7. Deliver technical assistance, business development services and financial support to enable businesses to develop and pilot such models and take the successful pilots to scale while also facilitating linkages to regional and global value chains in selected priority sectors.
8. Pioneer a centre of excellence model for design and implementation of effective methods of private sector participation in the SDGs based on strong national ownership for forging an effective partnership with the private sector to achieve the SDGs.

The Platform is envisaged as a multi-layered multi-stakeholder mechanism consisting of components designed to serve the above objectives. It is a practical response to the challenge of activating effective participation of the private sector in the National SDG Coordination Framework and improve the representation of the private sector in the SDGs National Task Force.

It will help operationalize Thematic Area 5.4 of the National Roadmap "5.4 Strengthen Private Sector Engagement in the SDGs", in particular Action 5.4.1 Produce and operationalise a framework for Private Sector Engagement on SDGs and Action 5.4.2 Set up National Forum for Private Sector Engagement on SDGs. At a higher level, the Platform will contribute to SDG 17 "Strengthen the means of implementation and revitalize the global Partnership for sustainable development".

The Platform is design to position Uganda as a regional and continental pioneer and a centre of excellence in forging a strong partnership with the private sector to achieve the SDGs while also demonstrating the added value and capacity of the UN system as a convener, promoter and impartial broker between various elements of the ecosystem that enables an effective contribution of the private sector to the 2030 Agenda.

2.2 Private Sector Benefits

The private sector is the primary beneficiary of the Platform. It will help the private sector to identify how it can engage in the SDG implementation, either through its core business or other activities and then identify, design and implement respective business model. Specifically, the private sector tangible benefits will include:



- Continuous evidence-based dialogue with a variety of national and international stakeholders to identify areas of engagement and business opportunities around the SDGs.
- Strengthened cross-sectoral partnerships with key national and international stakeholders to address, in a timely fashion, the bottlenecks that constrain the private sector participation in the SDGs.
- Access to international and regional best practices and advice about private sector engagement in the SDGs to focus on the areas and business opportunities that have proven to be successful in other contexts, facilitating the private sector's strategizing and reducing its costs.
- Access to business development services and de-risking finance to help design specific products and models and pilot them to prove the concept.
- Unlocking and leveraging public/private finance through PPPs that promote implementation of SDGs

3. Approach

The Platform is envisaged as a multi-layered multi-stakeholder mechanism consisting of components designed to serve the above objectives. It is a practical response to the challenge of activating effective participation of the private sector in the National SDG Coordination Framework, improve the representation of the private sector in the SDGs National Task Force and develop a new approach to financing the National Vision 2040 through the National Development Plan III and the UN Sustainable Development Cooperation Framework.

The Platform is guided by the Ten Principles of the UN Global Compact, which underly its ethos:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery



The Platform is based on the following specific principles:

- Joint leadership of the Government of Uganda, the Private sector and UN Uganda based on strong national ownership and guidance.
- Broad national participation including central government MDAs, local government, private sector and academia.
- Combination of different types of support: institutional, technical and financial.
- Practical orientation and focus on ideation, identification, piloting and scaling up of successful SDG-responsive innovations.

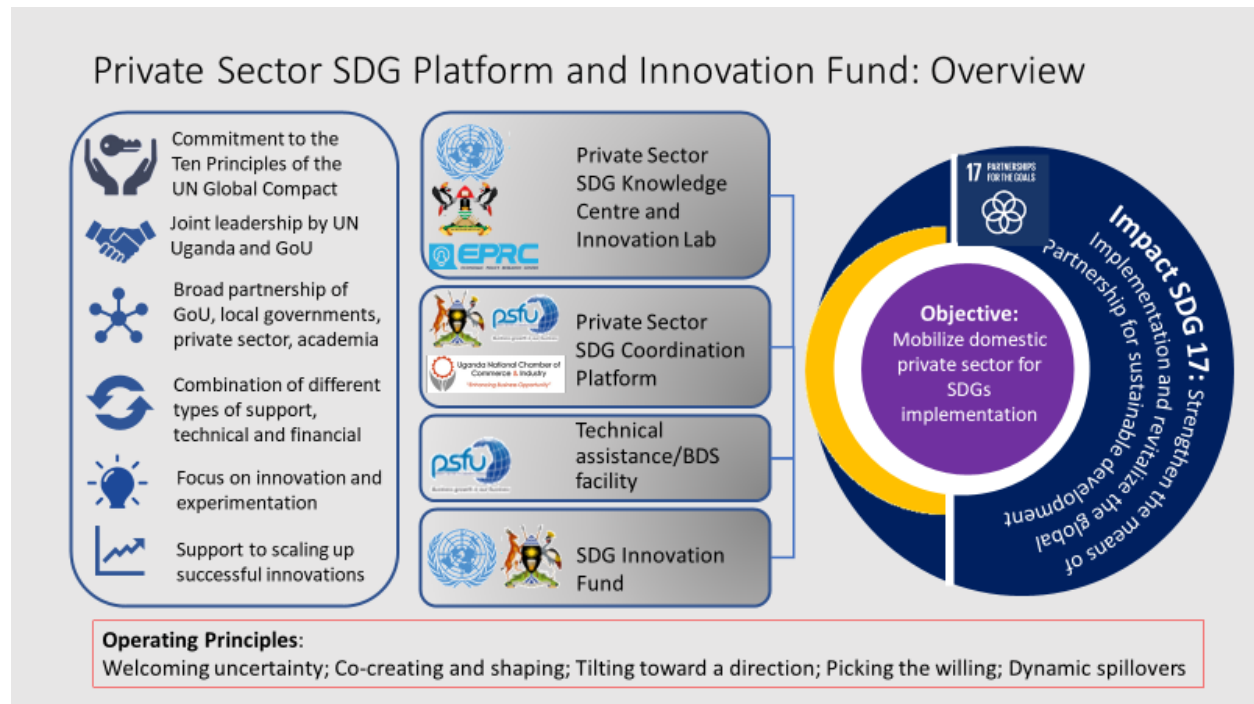
The Platform will endeavor to position itself not as yet another talking shop but as a mechanism that strives to identify and implement practical solutions to challenges businesses face in trying to make their business more SDG-aligned and SDG-responsive. In this respect, the Platform will embrace the following operational principles:

- Welcoming uncertainty and healthy risk appetite to try unorthodox solutions and tread uncharted terrain.
- Co-creating and shaping based on very close partnership between the public and private sector in designing, piloting and scaling up of innovative solutions. This principle is based on the recognition of the fact that the early stages of innovations with potentially significant positive social externalities justify public support and de-risking but also that the public sector should enjoy a fair share of successful business initiatives it supports.
- Tilting toward a direction by advocating and promoting the rules of the game that favor the priority directions aligned with the SDGs, including an extra mile support to businesses genuinely intent on the SDGs.
- Working with the ‘willing’ rather than the ‘winners’ – those companies ready to commit to the SDGs including SMEs as well as large international enterprises by encouraging the full array of government instruments — from procurement policy to prize schemes.
- Focus on dynamic spillovers rather than cost benefit analysis involving assessment of the impacts based on quantifying the dynamic spillovers across different parts of society.

Promoting and supporting partnerships is a complex and iterative process requiring considerable financial and human resources. As such, the key stakeholders, first and foremost the UN, should be prepared to engage for at least the medium term to ensure sustainability of the initiative.



Figure 2: Overview of the Private Sector SDG Platform and Innovation Fund



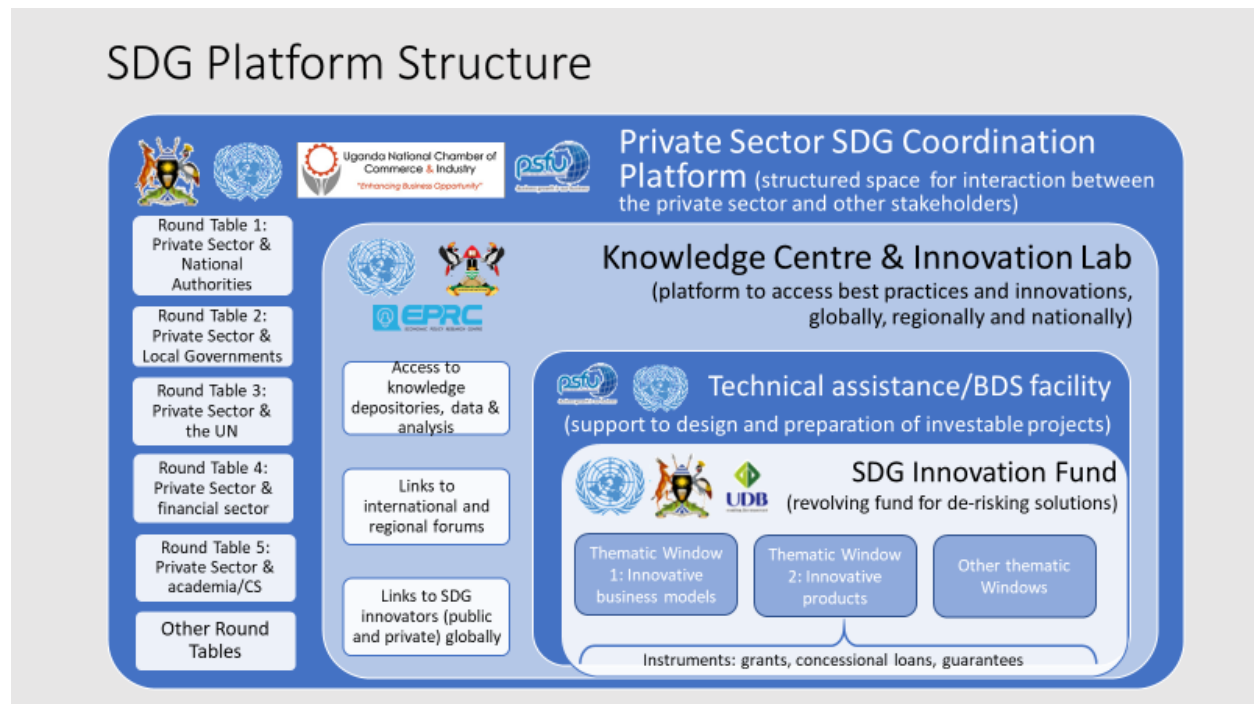
4. Structure and Design

The Platform will be co-hosted by four institutions at the highest levels: the Government of Uganda, the United Nations, the Uganda National Chamber of Commerce and Industry (UNCCI) and the Private Sector Foundation of Uganda (PSFU). The SDG Secretariat would serve as the executive secretariat for this platform supported by members of institutions related to the co-conveners. The Platform is designed to have four dynamically interacting and mutually complementary components:

- Private Sector SDG Coordination Platform, which is an umbrella for all other components.
- Knowledge Center and Innovation Lab
- Technical assistance/BDS Facility
- Innovation Fund

Each component is explained below in Figure 3.

Figure 3. SDG Platform Structure



4.1 Private Sector SDG Coordination Platform

The Private Sector SDG Coordination Platform has a double function as the umbrella structure and home for all other components of the Platform and as a structured space for strategic and continued interaction between the private sector and other stakeholders. This structured space includes at least four round tables that bring together specific groups of partners and the private sector.

The private sector is used here in a generic sense. However, it is understood that there are very substantive differences between various types of businesses determined by sector, size and other characteristics. PSFU is an umbrella organization for the Ugandan private sector but its participation is not enough to ensure substantive participation of the private sector, particularly outside Kampala. An effort should be made to diversify private sector representation by inviting business associations and their representatives to participate in the Platform, either on a rotating basis or depending on a particular subject to be discussed. The associations have their local membership and are expected to regularly inform and mobilize this membership as necessary. Some examples of the existing sectoral associations that may be involved in the activities of the Platform include Uganda Beef Producers Association (UBPA), Uganda Fish Processors and Exporters Associations (UFPEA), Uganda Flowers & Exporters Association (UFEA), Uganda Manufacturers Association (UMA), Uganda National Dairy Traders Association, Uganda National Farmers Federation (UNAFFE), Uganda Small Scale Industries Association, Uganda Women Entrepreneurs Association (UWEA) and others. The co-hosts will identify and invite the relevant associations to meetings of the respective round tables depending on the nature of the issues under discussion.



The Platform includes at least four round tables that are supposed to meet regularly (quarterly or as may be agreed otherwise) to discuss the issues of mutual concern between business and the relevant partners:

- *Private Sector and the National Authorities.* This round table will focus on discussing broader policy and regulation issues that constraint effective engagement of the private sector in the SDG Agenda and identifying the required legal and regulatory solutions. This round table should involve MPs representing relevant Parliamentary Commissions as well as the MDAs that play a critical role in creating an enabling business environment, such as the Ministry of Finance, Planning and Economic Development (MoFPED), Ministry of Trade, Industry and Cooperatives (MoTIC), the National Planning Authority, and various sector ministries (e.g., Agriculture, Gender, Labour and Social Development, ICT, etc.) whose participation will be defined by the nature of the issues tabled in front of the round table. This round table will translate the feedback received from the other round tables (see below) into a holistic programme for policy and regulatory development while at the same time identifying and facilitating specific case-by-case solutions requiring to test and implement new approaches to encourage the private sector participation in the SDGs.
- *Private sector and Local Governments.* This round table offers a space for discussing mutual expectations of the partners, investments opportunities and specific partnerships. The round table is designed to enable local governments to pitch their development priorities and investment opportunities to various businesses, understand their concerns and work out together how the bottlenecks that constrain investments in local economies may be overcome. This round table attempts to address a large existing gap between businesses and government at the local level and contribute to the SDG implementation by promoting the process of SDG localization. The round table will involve local governments themselves, the Ministry of Local Government, and local governments associations (ULGA and UAAU). This round table could align to the Local Economic Development Policy, 2014 and create a Forum for Local Economic Development which has not been operationalized since 2014. The opportunity is there with the new local government sector that took effect on 1st July 2019
- *Private sector and the United Nations.* This round table brings together the private sector and UN agencies to zero in on the SDG agenda, on how businesses can contribute to the SDGs and benefit from the new market opportunities and more socially and environmentally sustainable businesses by adjusting their existing and adopting new models, processes and products and how the UN can support them.
- *Private sector and financial institutions.* The recent past has seen growing interest of the Ugandan financial sector to engage with the real economy firms beyond the traditional realm of credit origination to address capacity issues of SMEs: Orient Bank Business Academy, Stanbic SME Development programme and incubator, Absa training initiative for young entrepreneurs, etc. This is an encouraging development that opens prospects for redefining and reshaping the relationship between the real economy businesses and the financial sector. The round table will bring together concessional and commercial lenders, international (including DFIs) and domestic that have private sector financing windows and facilities. It is important that the round table also involves impact investors, private equity firms, venture and angel investors and other financiers whose early stage investment support is particularly important in the context of innovation and piloting. Likewise, the participation of the regulators (such as the Bank of Uganda, Capital Market Authority, Uganda Microfinance Regulatory Authority and others) will be important to identify and implement necessary regulatory actions, either on their own or in cooperation with the



national authorities participating in Round Table 1. Another important constituency includes associations and unions working in the financial sector, such as Association of Microfinance Institutions Uganda, Uganda Bankers' Association, Uganda Insurers Association, and Uganda Cooperative Savings and Credit Union).

- *Private sector and civil society and academia.* This round table will allow the private sector to face civil society and academia to better understand concerns of civil society and how businesses can serve broader social objectives, how academia, think tanks, and research organisations can support businesses in the development and introduction of new products, models and processes that effectively contribute to the SDG objective.

The Platform may include other roundtables as may be found necessary by the partners. Participation of the development partners in the round tables will be a key condition for the success of the Platform but no dedicated round table is envisaged for interaction with development partners to avoid skewing the Platform towards funding-seeking behavior and creating unnecessary dependency on donor funding. However, it would be important to establish a strong link with, and regular interactions between, the Platform and relevant development partner working groups, first and foremost the Private Sector Development Partners' Group (PSDPG).

The Platform is not attempting to replace other existing mechanism for dialogue and interaction with the private sector (e.g., the Presidential Investors Round Table. The Platform will complement the existing mechanisms in three respects:

- It will concentrate not on investment facilitation or private sector development as the other mechanisms do but on mobilization of the private sector for SDG implementation. Its key objective is to support and guide the private sector in its efforts to contribute to the SDGs. Once businesses develop a better understanding and clear ideas, they may tap into those other existing mechanisms.
- It will broaden the representation of various stakeholders participating in implementation of the SDG Agenda. This broader representation refers to the private sector itself (which currently is represented in most cases by either PSFU or large well-developed businesses) as well as to the other stakeholders usually inadequately represented in the existing mechanisms, such as local governments, academia and civil society.
- It is designed to have a strong practical orientation and deliver end-to-end business solutions and facilities to foster the private sector's contribution to the SDGs.
- It will not be confined within the national context but will actively enable and encourage best practice exchange and peer-to-peer learning through South-South and triangular cooperation.

The Platform is meant to be complemented with an online platform that will generate the necessary evidence in addition to other research to enable the dialogue. It will be integrated with the online resources supporting other components of the Platform, such as the SDG Knowledge Centre.

4.2 SDG Knowledge Centre and Innovation Lab

As discussed above, the signature feature of the Platform is an emphasis on knowledge building, learning and knowledge sharing. Despite the proliferation of various knowledge sharing platforms (including online resources) to encourage the private sector's contribution to the SDGs (e.g., <https://sustainabledevelopment.un.org/>; <https://sdg.iisd.org/>), these resources are somewhat distant



from the domestic private sector, particularly smaller enterprises, and insufficiently customized to their needs and capacities.

The SDG Knowledge Centre is designed to provide easy access for Ugandan businesses (as well as all other partners) to good experiences and practices customized to the size and nature of various segments of the private sector. The objective is to present stakeholders with a variety of approaches, models and products tested in Uganda, the region and globally, and proven to have a positive impact on the achievement of the SDGs. The components of the SDG Platform are viewed as stages of a linear process that enables the private sector to decide on its contributions to the SDGs and then design and implement practical solutions. In this sense, the Knowledge Centre is considered the second step after private companies have identified the broad areas of their possible contribution and analysed the opportunities and risks through dialogues and interaction in the SDG Platform round tables with the other stakeholders.

The SDG Knowledge Centre can deliver the following services:

- Policy and regulation research, preparation of evidence-based recommendations and policy advocacy (via the round tables) to create an enabling environment for application of innovative private sector solutions for the SDGs
- Research of the existing business practices, their analysis and SDG impact assessment.
- Development of methodologies to assess projects' SDG compliance and their contribution to the SDG achievement.
- Certification of businesses as "SDG champions" based on an approved SDG impact assessment methodology.
- Preparation and dissemination of national case studies to capture good experiences and practices of the private sector's contribution to the SDGs.
- Maintaining an online library of good practices and experiences in approaches, models and products with a positive impact on the SDGs.
- Delivering customized trainings on specific approaches, models and products to different groups of stakeholders.
- Organization of round tables, workshops, conferences and other forums to bring various stakeholders together to discuss the issue of private sector's participation.
- Exchange visits and study tours in the region and globally to learn about best practices and experiences.

The Knowledge Centre will present a combination of regionally distributed physical facilities and web-based resources. Whereas one domestic institution will serve as the home for the Centre and will take the lead (with the support of the designated UN agency), other public and private research and academic institutions located in Kampala or other regions will be invited to join as part of this Centre. The Centre is thus envisaged as a community, a network of relevant institutions and organizations jointly creating relevant knowledge and delivering services to the private sector through a process of continuous interaction. The leading institution must have relevant research capacity and a mission closely aligned with the objectives of the Centre (e.g., Economic and Policy Research Centre). The actual physical component is designed to be small and the business model of the Centre should allow it to become fully sustainable through a combination of public and private finance and cost recovery measures.

The Innovation Lab represents another step on the ladder that leads towards specific business solutions to enable private sector's contribution to the SDGs. The purpose of the Lab is to help businesses in



cooperation with other partners identify, design and pilot on a small scale practical and feasible business solutions. Taking the generic model chosen by the private sector partner with the support of the Knowledge Centre, the Innovation Hub will help the partner to customize the model to the business characteristics and capacities with due regard to the conditions of the locality where the model is to be piloted.

Using a feedback loop, the intended solution can then be presented to the relevant round table of the SDG Coordination Platform to secure other partners' support and agree on the required actions to enable the pilot.

There are several private sector structures in Uganda that support innovation. These include Humiza Innovation Hub, NFT Mawazo Innovation Hub, Innovation Village Kampala and some others. In addition, UNDP launched its Accelerator Lab in Kampala as part of an ambitious project to launch 60 new labs, which will initially serve 78 countries, to identify local innovations and help broaden their potential to accelerate development. The Accelerator Lab network will combine grassroots innovations with new sources of real-time data and experimentation, delving deeper and exploring solutions into issues such as the circular economy, youth employment, and climate change.

It is important that the SDG Innovation Lab operates in a way that does not create unnecessary competition with the existing innovation support mechanisms (let alone crowds out the private sector) but complements them. The SDG Innovation Lab is designed to have its own niche in this ecosystem. Firstly, it is not a standalone facility as the other innovation support mechanisms but an integral part of the larger SDG Coordination Platform benefitting from backward and forward linkages with the other components of the same Platform via a feedback loop.

Secondly, unlike many other innovation hubs, the SDG Innovation Lab is designed to deal not only with startups but also (and possibly, mostly) with existing businesses. The rationale for engaging existing businesses is that making existing business more SDG-responsive by adjusting their models, processes and products requires on average less time, effort and capital and at the same time creates more impact because of the scale of business activities.

Next, unlike other innovation hubs that focus mainly on digital innovation, the SDG Innovation Lab will look into a range of innovations, including social innovations and nondigital technology innovations. In particular, the Lab will focus on social solidarity models as a transformative, citizen-led alternative to market-driven economy, aimed at systemic change to build an economy and society that serves people and the planet. The Lab will explore various forms of cooperation and co-production between the public and private sectors to increase synergies and maximize comparative advantages.

Unlike others, the Innovation Lab will also support projects that are not necessarily commercially profitable and deliver below market returns provided such projects are economically viable and create significant positive externalities.

In contrast to other innovation support mechanisms, the Lab will consider financial innovations and their applications for unlocking private sector initiatives oriented towards the SDGs. Financial innovation involves the design and application of products, processes and vehicles in new modalities or in new contexts. Examples of product innovations include quasi-equity, limited recourse project finance, revolving and term credit facilities, and guarantees. Examples of process innovations include the mainstreaming of digital solutions such as blockchain in business processes. Examples of vehicle innovations include evergreen blended finance structures, diaspora funds, or Islamic finance bonds.



Lastly, the innovation potential is so great and the need for supporting innovation is so vast that the ecosystem can easily absorb one more element without an overload.

This said, structured cooperation with other innovation support structures is essential and should be based on a system of mutual referrals to allow innovation hubs to build a pipeline of innovations that match their objectives and comparable advantages while making sure that no worthy project is left behind and receives adequate assistance.

4.3 Technical Assistance/Business Development Services Facility

In line with the linear progression logic of the Platform, assistance of the Knowledge Center and Innovation Lab may create enough confidence in the private sector partner about the model or product chosen and lead directly to a pilot implementation. However, it is possible that the project developer may not have an adequate capacity or financial resources to proceed to a pilot or feels that the risks are too much and de-risking measures are required for the pilot. Another situation is when a pilot has been successfully implemented but its scaling up requires resources and capacities which the project developer doesn't have.

In such situations, the Platform may offer the services of a Technical Assistance/BDS Facility. The Facility is intended to offer specialized technical assistance to develop bankable projects ready for financing by third parties or by the Platform itself and, if necessary, build the capacity of the project developer to execute the project.

The extant research indicates that addressing only the supply side of finance (i.e. provision of credit) is not enough to unlock financing. Risk/return considerations of the finance providers will weigh in so long as the real or perceived risks of certain categories of projects result in a high cost of capital and credit rationing. Hence, improving the quality of the demand by ensuring projects' bankability, financial and commercial viability is a critical piece of the puzzle.

The Facility will thus focus on development of de-risked and investment ready projects. It will deliver a range of services (the exact mix of services will be defined in consultation with the stakeholders in line with available funding) that may include:

- **Due diligence services.** These include business case analysis, verification of business opportunities, review of feasibility studies, guidance to project developers on the due diligence process for all documentation required, review of contracts and costs, permits/licenses.
- **Project development and structuring services:** Development or update of the business plan to produce a project information memorandum, financial modelling to confirm commercial viability of the project; determining the financial structuring /syndication for bankable projects; determining the blend of financing for each project; need for credit enhancements/guarantees; direct contracting of advisory services and technical support for feasibility studies as required.
- **Transaction services:** Completion of the application for debt/equity financing as identified in the financial structure; submission of the bankable projects to concessional and commercial lenders for credit analysis; support to project developers in negotiation of the bank's offer terms and addressing of the bank's conditions precedent to disbursement (or negotiating equity agreements with equity providers).
- **Business development services:**



- Financial Management (Bookkeeping, Cash management and banking, Reconciliation of records, Payroll management, Business marketing strategies, Supply chain management, etc.);
- Business / operational processes (Creating templates for easy tracking of data, Timely recording of financial and non-financial business transactions, Filing of business records – sales, purchases, expenses, stock, raw materials, production, Asset management/ maintaining asset register, Contractual arrangements with suppliers, customers, etc.);
- Governance (Setting up board of directors, Basic Internal control systems – e.g. segregation of duties; Risk assessment and mitigation, etc.);
- Compliance with Tax Requirements and other regulatory compliance requirements).

The facility will take into account the experiences of the past and existing BDS facilities in Uganda (including the START facility implemented by UNCDF in partnership with PSFU and the Uganda Development Bank) to ensure that the services it delivers are as effective as possible.

Three distinct features will distinguish this facility:

- sharp focus on SDG-related business initiatives and on businesses intent on innovation for the SDGs;
- concentration on a limited number of businesses with a high potential to develop or scale up high impact SDG-related models and products;
- reliance on the other components of the Platform (in particular, the Knowledge Centre and Innovation Lab) for advanced business conceptualization and screening to guarantee the quality of the business initiatives and their viability.

It is important that the Facility establishes effective partnerships with various providers of capital, particularly concessional or with a high-risk appetite, to finance innovative SDG-related initiatives. Such partnerships will be nurtured and maintained through participation of relevant financial institutions in the Platform round tables. Clearly, it is not possible for one facility, however well-funded, to cover the overwhelming needs of Ugandan businesses in development services. Hence, the Facility will also rely on the networks of other agencies and partners, e.g. UNDP Impact Investment Platform and ANDE community of investors, among others.

It will work with other public and private institutions running similar facilities and facilitating private sector investment, such as the World Bank, African Development Bank, Uganda Development Bank, East African Development Bank, Stanbic, Absa and others. Efforts should be made to proactively reach out and leverage the existing funding facilities, such as the private sector window of the Green Climate Fund (GCF), the Land Degradation Neutrality (LDN) Fund, UNCDF’s BUILD Fund as well as the future UCLG/UNCDF International Municipal Investment Fund (IMIF).

SDG Innovation Fund

The SDG Innovation Fund serves a double objective. On the one hand, it complements the Innovation Lab and BDS/Facility by providing patient and highly concessional capital for already identified innovative solutions. On the other, it challenges businesses to think out of the box and devise new solutions of which they have not been thinking before or which they considered too risky by offering financial incentives.



The Innovation Fund is unlikely to be significantly capitalized and its financial incentives will have to be complemented with external financing with the support of the TA/BDS Facility for any sizeable projects apart from smaller pilots. However, as Ugandan experiences demonstrate even a small incentive often suffices to prove the concept and convince the investor to scale up the project using its own or borrowed funds.

The Fund is intended to operate as a revolving periodically re-capitalized blended finance facility to issue grants (including reimbursable grants), concessional loans and partial credit guarantees to the projects selected through a challenge call. Depending on the size of the Fund, it may cover a financing requirement in the range of US\$50,000 - US\$150,000 to de-risk the select projects.

Thematically, the Fund is designed in two windows, one for innovative models/processes and the other for innovative products and services. The first window will support projects based on application of inclusive business models and processes that foster co-creation and participation, increase space for disadvantaged and marginalized groups or extend services to last mile populations. The other window will support projects that offer new products and services. The products and services are not expected to be only new inventions (although this will be encouraged) but rather an adaption, modification and extension of the existing products and services to make them more SDG-aligned.

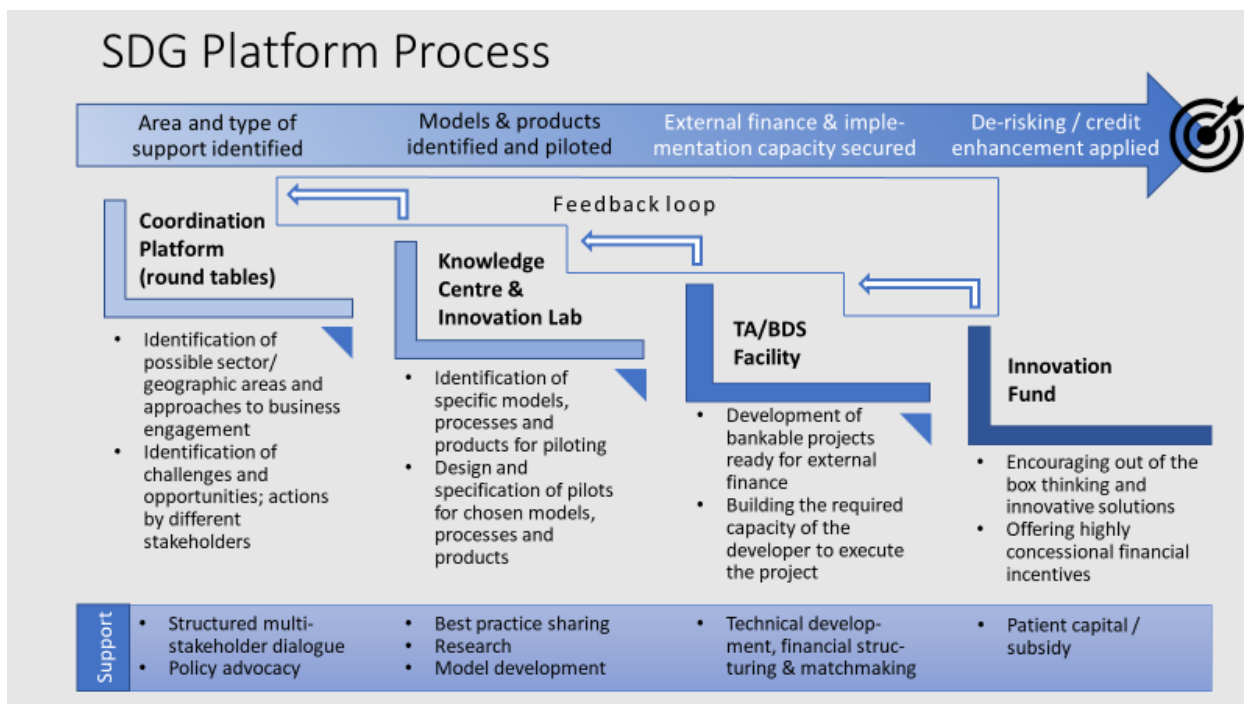
It is suggested that the Fund relies on two financial streams for capitalization:

- Grants from UN agencies and bilateral and multilateral aid agencies. This will be used as de-risking capital for project preparation and/or investment.
- Concessional finance from development partners (bilaterals, multilaterals, DFIs and certain UN agencies) to be used as patient concessional loans (mezzanine or junior loans in a syndicated structure with participation of commercial lenders) or project-based guarantees.

Figure 4 summarizes the design description and presents the entire Platform in the form of a process that starts with the identification of an area of support; proceeds to designing of specific models and products; to technical and financial structuring of such models/products and securing necessary finance; and ends with implementation of the proven solutions at scale. It explains how each component of the Platform contributes to the achievement of the final objective, which is effective private sector solutions contributing to the achievement of the SDGs. It also shows the feedback loop where each subsequent stage of the process enhances the previous one by providing evidence and practical experience to inform the approach and shape the content.

Figure 4. SDG Platform Process





The impact of the SDG Innovation Fund will extend beyond the direct funding and technical assistance that it will provide. An important function of the Innovation Fund will be to catalyze other existing funding facilities (such as the EU YIELD Fund) to enhance their orientation towards the SDG and make it easier for SDG-minded businesses to receive support from those other facilities. The SDG Innovation Fund will complement other facilities in three respects:

- it will ensure a particular focus on the SDGs (as opposed to sector or business size orientation of the other facilities);
- it will offer patient capital that other facilities may not offer at all or offer it on a limited scale; and
- it will develop and disseminate financial models, mechanisms and instruments that facilitate and enhance business efforts to contribute to the SDGs.

5. Governance and Management

As indicated in the beginning, the **Platform** is envisaged as a tripartite partnership between the Government of Uganda, the UN and PSFU. The partnership brings together key members of the SDG National Taskforce with vested interested in the private sector. This structure will ensure a strong link between the national SDG Coordination Structure and the Private Sector SDG Platform allowing the partners in the Platform to bring high-level policy issues to the attention of the SDG National Taskforce and, if necessary, the SDG Policy Coordination Committee chaired by the Prime Minister.

It is suggested that the Office of the Prime Minister serves as the institutional home for the Platform and that the day-to-day management is exercised by the SDG Secretariat. The engagement and support of the Ministry of Finance, Planning and Economic Development (particularly its Investment and Private Sector Department) will be critical for ensuring a strong link between OPM and the private sector and buttressing the capacity of OPM and its SDG Secretariat to manage the SDG Platform. The UN will be represented by



the Resident Coordinator's Office in line with the UN reform that emphasized an enhanced and invigorated RC Office representing the UN system at the country level. One of the UN agencies (e.g., UNDP) may be requested to support the daily operation of the Platform. The National Chamber of Commerce and Industry together with PSFU will serve as the go-between with Uganda's private sector and provide support to certain components of the Platform.

The four partners (OPM, UN RCO, Chamber of Commerce and PSFU, with support of MoFPED) will form a Steering Committee to provide strategic guidance for the Platform. All other components described below will report to this Strategic Committee.

The **SDG Knowledge Center and Innovation Lab** will be governed and managed as a partnership of institutions specialized in knowledge management and research. In line with the national ownership principle, it is suggested that the component is housed in the Makerere University Business School (MUBS) or the Economic Policy Research Centre (EPRC). This institutional housing will ensure that activities of this component are situated within a broader national socio-economic context and linked to the SDG Agenda as well as the national development objectives. Such an arrangement will also contribute to the institutional development of these organisations allowing them to strengthen their research and policy advocacy functions and build up their own partnerships. The RCO will request one of the UN agencies with a strong background in knowledge management and policy advocacy to provide support to the national entities housing the SDG Knowledge Centre/Innovation Lab. The UN participation will be important to ensure impartiality and give credibility to SDG compliance certification if this service is introduced.

The **SDG Innovation Lab** will require more in-depth and on-hands expertise to deliver the expected services. Presently, there is no national institution that would have the required capacity. It is suggested that the UN takes the lead in establishing the Innovation Lab relying on the capacities of the PulseLab and the UNDP Accelerator Lab. The PulseLab has distinguished itself a leader in innovation although its expertise is concentrated mostly in the digital space. The UNDP Accelerator Lab may have a broader scope of innovations it supports but it will take time for it to become fully operational. In addition, neither institution has adequate expertise in finance, which will be important for the successful functioning of this component as discussed in the previous section. Hence, it will be important to secure the required expertise by leveraging the capabilities and expertise of other UN agencies (e.g., UNCDF). As discussed in the previous section, an effective partnership with the existing privately-run innovation centres will be very important for the success of this facility.

The **Technical Assistance/BDS Facility** is proposed to be housed in, and managed by, PSFU. PSFU has been managing various BDS facilities for years and has developed a relevant structure and good experiences in this area. This institutional arrangement will ensure a quick and smooth launch of the facility and delivery of high-quality services. One of the UN agencies with relevant expertise will be requested to support PSFU.

The **SDG Innovation Fund** is proposed to be located at the Uganda Development Bank. This will be in line with the UDB mandate and objective as a development financial institution and will allow it to better align its financial support with the SDG objectives. It will also contribute to the government's efforts to capitalize UDB to strengthen its contribution to national development. One of the UN agencies with relevant expertise will be requested to support UDB and may also manage the non-lending components of the Fund (i.e., the grant and guarantee facilities).

6. Sustainability mechanisms

The sustainability of this initiative is based on four concurrent strategies.



- The ownership and management of this initiative is embedded in the national institutions that will host its various components.
- There is a strong element of partnership and support by the United Nations through a long-term commitment.
- It is the high level of the initiative’s integration with the other national coordination mechanisms, such as the National SDG Coordination Framework, the Institutional Framework for Coordination of Policy and Program Implementation in Government (IFCPPI), Presidential Investor’s Round Table and others.
- Lastly, it is the leading role of the government who offers the institutional home for the initiative and is its convener.

The institutional and management arrangements for the Platform are explained below.

Table 1. Institutional and management arrangements

| Component | Institutional home | Partners |
|--|--|--|
| Private Sector SDG Coordination Platform | OPM (SDG Secretariat) | Private sector Associations, Individual private sector, UN (RCO), UNCCI, PSFU |
| SDG Knowledge Centre/Innovation Lab | Makerere University Business School / EPRC | UN agency appointed by RC, PulseLab, UNDP Accelerator Lab |
| TA/BDS Facility | PSFU/FI/Chamber of Commerce | UN agency appointed by RC, Financial institutions, private sector organizations, Academic institutions |
| SDG Innovation Fund | UDB/ of Any Financial Institution | UN agency appointed by RC (E.g. UNCDF). Financial institutions IFC and ADB will also be approached |



5. SDG Youth Coalition Profiles



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Organization/company: Amariatek co. Ltd

SDGS: NO POVERTY, QUALITY EDUCATION, GOOD HEALTH AND WELLBEING, DECENT WORK AND ECONOMIC GROWTH

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Qualifications: Life coach, hypnotherapist and NLP practitioner

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AMARIATEK LIFE COACHING

Amariatek is an Afrocentric word that originates from the Luo, translated as “I love you so much”. Driven by the passion to make the world a better place, Amariatek helps people to discover their potential and mirror this externally by living their best life possible. Amariatek’s three core services are behavioral coaching, mindset coaching and emotional coaching. Through a combination of these services, Amariatek has been able to transform the lives of very many young people by helping them find purpose, as well as to identify and use resources that are available around them. Many young people that Amariatek has worked with have in turn been able to overcome addictive habits such as alcoholism and drug addiction and become better performers in their work places. Some have even quickly been promoted and gained recognition from their leaders. Very importantly, through Amariatek, many young entrepreneurs are rising up and starting their own business ventures through the “Unveil the Champion Within” program.

Future plan

Amariatek Life Coaching hopes to work with at least 1000 youth in 2021 through the “Unveil the Champion Within” program, which will be focusing on promoting creativity and good morals, as well as creating young entrepreneurs.



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Organisation: Diacente Group

SDGs: Number 1, 8, 9,11

Position: Cheif Executive Officer

Qualifications: Entrepreneurships

Physical Address: Kampala



DIACENTE GROUP

DiaCente is an investment company which supports Ugandans in the diaspora to execute projects and invest back home in real estate, property management, land acquisition surveying and other investment services. We create programs and portfolios to meet long-term investments back home for Uganda in the Diaspora. Diacente has developed a reputation for meeting the expectations and the needs of her clients. We strive towards setting a high standard of excellence and maintaining that high standard. Diacente continues to make ensure that its clients get financial success.

Our Plans

According to Uganda Bureau of Statistics (UBOS), Uganda currently has a deficit of 2.1million housing units and is expected to reach three million by 2030.of which 2.5 million will be in urban centres in two decades. That’s the gap we want to fill by the year 2025. We plan to provide affordable and decent housing units in Uganda's fast growing cities/towns, specifically the nearly formed cities in Uganda (Arua City Gulu City, Jinja City, Mbarara City, Fort Portal City, Mbale City, Masaka City and Moroto)

GENERATION ENGAGE NETWORK.

Generation Engage Network is a youth-led organization which focuses on goals 5, 7, 11, 12, 13 and 15 of the Sustainable Development Goals. We do this through providing climate smart incentives, as well as social, economic and civic empowerment. The organization envisions becoming a leading organization that prepares youths to tackle world challenges through offering a platform to influence policy by steering skilled and informed communities, as we believe that every young person is a unique individual and it is our responsibility to guide them into becoming the best possible versions of themselves.



Through eco-prenuership trainings, we have influenced and impacted over 500 youths from Africa. One of our prominent members is the current Miss Eco-Tourism Africa. We have also trained over 150 women groups in the production of shea butter and re-afforestation of the shea tree. Furthermore, we have planted over 1000 trees of different species in Lira and Butambala.

Future Plans

Moving forward, we hope to scale up on eco-prenuership enterprises as we believe this is the only alternative to climate change.

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Organisation: Generation Engage Network

Position: Founder and Executive Director

Qualifications: Bachelor of Laws

