

Principles for collaboration

The following principles apply to all forms of collaboration between Sida and the private sector:

- Investments must have a clear objective to support sustainable development and create better conditions for people living in poverty in developing countries.
- Sida is open to collaboration with companies from all countries, provided that there are clear development results to be achieved.
- Partnerships are conducted in line with the collaborating country's priorities.
- Sida funding is catalytic and the idea is to enable development or projects that otherwise would not have become reality.
- By engaging the resources of the private sector (for example knowledge, innovation, long-term investments and local presence) Sida wants to multiply the development impact resulting from its contribution.
- Investments are always based on risk- and cost-sharing between Sida and the partnering companies. Innovative solutions are particularly encouraged.
- Sida's support should contribute to wellfunctioning markets, but must not distort markets or competition. In the interest of transparency and learning, partners should be willing to share information and results from the projects.
- Collaboration is always based on close dialogue with companies, governments and civil society in partner countries in Sweden and internationally, in order to stimulate continuous communication, local ownership and cooperation.
- All our partners must take social and environmental responsibility and strive towards compliance with key CSR and sustainability principles, such as those of the United Nations Global Compact.



Sida works according to directives of the Swedish Parliament and government to reduce poverty in the world, a task that requires cooperation and persistence. Through development cooperation, Sweden assists countries in Africa, Asia, Europe and Latin America. Each country is responsible for its own development. Sida provides resources and develops knowledge, skills and expertise. This increases the world's prosperity.

Sida's collaboration with the private sector

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Collaboration with the private sector

Collaboration reduces poverty

Sida's collaboration with the private sector encourages corporate contributions to global poverty reduction. The objective is to maximise the contribution of private sector actors to global development and to promote inclusive and sustainable business models that enable people living in poverty to improve the quality of their lives.

Collaboration between Sida and the private sector is based on risk- and cost-sharing, and on the private sector being the driving force of the partnerships. This form of collaboration is open to private sector actors from all over the world, provided that it brings clear benefits for people living in poverty. Partnerships can be effective in different areas, such as health, education, agriculture and forestry, climate, energy, employment and infrastructure. The key focus for Sida is always the development results achieved through the partnerships.

For more information & contact

For information and concrete examples of how collaboration between Sida and the private sector can reduce poverty, please visit www.sida.se/privatesector.

Sida is interested in collaboration with partners from the private sector who see the win-win potential in long-term sustainable development. Do you have an idea, a proposal, a product, service or business model that you believe would benefit people living in poverty and contribute to sustainable development? Then do not hesitate to get in contact with us.

Please contact the Swedish embassy in the country you operate in via www.swedenabroad.com or Sida at www.sida.se/privatesector

Collaborate with us

An important aspect of Sida's collaboration with the private sector is enabling projects and initiatives that otherwise would not have become reality, by sharing costs and reducing risks. Through the catalytic nature of Sida's support and by engaging the resources of the private sector (knowledge, innovation, long-term investments, local presence etc.) the development results achieved by the aid funds are multiplied. Each project has its own characteristics and partnerships are often developed in close dialogue between Sida and the partner/s. The main forms of collaboration are:

PUBLIC PRIVATE DEVELOPMENT PARTNERSHIPS

Collaboration with mainly large companies, through joint financing of development projects with a win-win objective; win for development as well as from a business perspective. Thereby making the engagement sustainable in the long term. Companies always contribute at least 50 % of the project investment.



CHALLENGE FUNDS

Collaboration with primarily small and medium sized companies, who compete for co-financing of business concepts with a win-win objective. Examples include Innovations Against Poverty (IAP), which offers co-financing for the development of innovative products, services and inclusive business models that contribute to poverty reduction, and AECF (Africa Enterprise Challenge Fund), which encourages companies in Africa to compete for investment support for new and innovative agribusiness ideas and ventures.



DRIVERS OF CHANGE

Partnerships with organisations whose activities lead to improved business practices and sustainable development. The aim is to raise awareness about better business conduct, create standards for sustainable business and bring positive change to the market.



INNOVATIVE FINANCING

Ways to mobilize and leverage private capital for development results, primarily through Sida's development loans, environmental loans and guarantee arrangements.



“Partnerships between Sida and the private sector have win-win objectives, both for corporate good as well as for development impacts.”

Charlotte Petri Gornitzka, Director General, Sida