

Workshop Report

Human Rights and Private Sector Development

CIDA / PPIC-Work
Cairo, February 16th, 2009



Canadian International
Development Agency

Agence canadienne de
développement international



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“There is a growing consensus that development cooperation activities should promote human rights, and that human rights can promote development. Many donor agencies, including Canada, have adopted human rights policies that guide their development cooperation activities. While there have been several decades of experience by international development agencies with both private sector development (PSD) as a tool for poverty reduction, and with human rights based approaches to poverty reduction, the links between the two in the form of rights based approaches to PSD remain relatively undeveloped.” – The North-South Institute: Human Rights and Private Sector Development: A Discussion Paper, Nov. 2008.

CIDA and the Promoting and Protecting Children who Work Project (PPIC-Work) hosted a workshop on the theme of Human Rights (HR) and Private Sector Development (PSD). The workshop provided an opportunity to engage in a discussion of how the promotion of human rights and private sector development can together contribute to human development. Presentations included CIDA Egypt’s experience with Human Rights Approach to Development (HRAD) programming, the recent discussion paper by The North South Institute (NSI) on Human Rights and Private Sector Development; and the results from several CIDA and non CIDA private sector programs in Egypt. Participants included representatives of the Egyptian private sector as well as Egyptian and international development agencies.

I Key Messages from the Workshop

1. Donor and development agencies are still struggling to find ways of integrating human rights within development programming, yet there are many opportunities (including opportunities in private sector development) that are emerging.
2. Participants pointed out that human rights approaches touch on how we define poverty, justice, equality, and participation. Both economic and social rights need to be integrated into development programming.
3. In their discussion paper, the NSI researchers noted that it was difficult to find conclusive evidence that conventional growth models and donor approaches to PSD contribute to sustainable poverty reduction and human development. The research team suggested that rights-based approaches seem to offer entry points for donor agencies' PSD strategies that would target marginalized people. RBAs may also offer better scope than traditional PSD approaches to identify and capture poverty reduction and human development impacts of PSD activities.
4. The use of soft law (through codes of conduct, loan contracts, other forms) can be an effective approach for contributing to the fulfillment of human rights but only when the application of soft law is consistent with and adds to the standards and principles set out in the human rights conventions (hard law).
5. The approach of donors and other development agencies has evolved from being mainly charity based to being more needs based and increasingly to rights based. The dividing lines between these approaches however are not that rigid and actual projects and programs may include aspects of more than one approach.
6. Human rights approaches could be integrated into donor agencies' private sector programming in the areas of:
 - a. value chains (VC);
 - b. fostering a business enabling environment (BEE);
 - c. business development services (BDS).
7. There is a particular need to engage with the various aspects of informality that are part of the private sector (informal sector enterprises, informal work arrangements, ...).
8. Inclusion of the participation of rights holders must become a key aspect of private sector programming and recognized as a right. The recent Canadian parliamentary act C-293, 2008 specifies that Canadian overseas development assistance may be provided only when it contributes to poverty reduction, takes into account the perspectives of the poor and is consistent with human rights standards.
9. Development practitioners must find innovative ways that integrate human rights and private sector development using win-win strategies that benefit both business owners (in terms of improved business performance and / or profitability) and workers (in terms of better working conditions). There are

examples from PPIC-Work, Business Development Support Services Project (BDSSP) and the Climate Change Initiative (CCI) projects.

- 10.** The application of human rights or rights based approaches to private sector development is a new but growing area and there is a need to demonstrate the viability of this approach both within Egypt and abroad. There is also a need for more documentation of donors' and other organizations' experiences with rights based approaches to PSD, as well as opportunities to share lessons learned. Results will need to be linked to progress towards agreed indicators of poverty reduction and based on evidence of real impacts on people's lives. This will allow positive and negative experiences to be analyzed, assessed, documented and shared.

II Presentations

There were five presentations during the initial plenary session of the workshop.

Plenary

NSI

The North South Institute provided an overview of their recent discussion paper on Human Rights and Private Sector Development that highlighted trends in donor agencies' approaches to rights-based programming and suggested ways that donor agencies might integrate human rights in their PSD strategies in order to promote human development.

CIDA

The video presentation by CIDA summaries the human rights and development pilot program that was carried out through the CIDA Egypt program.

PPIC-Work

The PPIC-Work project incorporated a rights based approach as part of the project design that aimed to improve the working conditions and learning opportunities of children who work by operating with and through microfinance programs. Inclusion of a rights based approach changed the way the project was designed and implemented and has affected the types of results that have been achieved.

BDSSP

The BDSSP video and presentation demonstrates how a human rights and development approach (HRAD) can be applied through the provision of business development services to promote the rights of children and women.

Climate Change Initiative

The Climate Change Initiative has been able to demonstrate that the reduction of carbon dioxide emissions from the conventional Egyptian brickyards will both benefit the environment and be profitable for the brickyard business owners. The sale of the carbon emission reductions on the international market will be able to generate even higher income for the brickyard owners through the Gold Standard mechanism when effective social and economic development programs are developed for the brickyard workers including working children. These social and economic development programs will need to be ratified through the Gold Standard Foundation (recognized by the UN) and will be able to help children as well as adults improve their access to rights within and along side their work.

Work Groups

Brief introductions to the theme of the working groups were provided by the Aga Khan Foundation and by the ILO – Egypt office.

Role of NGO's involved in Private Sector Development (Aga Khan)

The Cairo Economic Livelihoods Project (CELP) is a project that works with micro and small business owners in the Darb Al-Ahmar (DAA) area. The project aims at developing the crafts workshops and small businesses via Vocational Training and the provision of business development services. These activities are implemented by two partners, a microfinance institution (FMF) and a community development company (CDC). The latter works on human rights issues via its educational, health and environment programs. They contact workshops and ensure that the working children's working environment is improved. This is done via the environment program. They also ensure that the working children receive a proper diet to keep them healthy (this is via the health program) and also gather those working children and teach them how to read and write (via the educational program). When the working conditions for children is very hazardous, the CDC collaborates with other NGOs and donor programs to remove the children from unsafe work and places them elsewhere in a safe working environment.

Moreover, human rights issues are addressed by providing equal opportunities to both men and women in terms of learning technical profession of their choice. For example, CDC's vocational training program developed the first lady plumber in DAA. FMF also makes sure that women have access to loans as well as men.

Decent Work – International Labour Organization (ILO)

“The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity.” Juan Somavia, ILO Director-General

Decent work has been defined by the ILO and endorsed by the international community as being:

- productive work for women and men
- in conditions of
 - freedom
 - equity
 - security and
 - human dignity

There are four pillars that make up the Decent Work agenda

- employment creation and enterprise development;
- social protection;
- standards and rights at work;
- governance and social dialogue.

These objectives hold for all workers, women and men, in both formal and informal economies; in wage employment or working on their own account; in the fields, factories and offices; in their home or in the community.

Recommendations / Entry Points and Insights for New Work from Presenters

Heather Gibb - NSI Recommendations for next steps:

1. Workshop/roundtables with private sector (could be by sector, by region, etc.) on opportunities and barriers to identify & work on workplace human rights concerns;
2. Opportunities for dialogue with non-OECD donors (Islamic, Chinese, etc.) on human rights in PSD initiatives;
3. Assessment of IFI performance standards (these are used by most donors as guidelines for CSR approaches) to identify gaps and suggest strategies drawing from "good practice" case studies that respond to those gaps
4. Indicators for PSD projects that could broaden project outcomes to capture human rights, and social development objectives;
5. Further exploration of the continuum in hard law and soft law approaches to promoting human rights, including a workshop to hear different voices on the topic.

Richard Szudy / Nermine Zohdi / Laila Iskander – Idea Recommendations

1. Look for ways to continue supporting the Community in Development (CID) pilot initiatives currently enhancing the quality-of-life for some of the brick factory workforce until the Cleaner Development Mechanism (CDM) project's social programming can kick in, so as to not lose momentum and to continue learning valuable lessons that will make the next programming more effective.
2. Start planning for CIDA project and program partnership involvement in the CDM project's enhanced social programming initiatives, including collaborative efforts with other donors/agencies. Although the CDM project will be contacting other donors as soon as project registration is in-place and conversion activities commence, there is legitimacy to CIDA's predominant position and leadership actions because all this started with a CIDA project in the first place.

3. Initiate a corporate outreach initiative for future partnership collaboration between CIDA projects and Canadian companies operating in Egypt; - get company list from Commercial Section; - do internet search and company contact to see what CSR commitments may apply; - examine ways and means by which the companies could meet/enhance their corporate CSR goals and commitments by partnering with and supporting CIDA project/program development goals and specific project activities.

Nashwa Habeeb – Entry Points BDSSP

Key entry points to address HRAD in private sector development:

1. **Marketplace** – transparency, good governance, fair trade.
 2. **Workplace** – conditions for M/F adult and child workers.
 3. **Environment** – impact on neighboring air, water & land.
 4. **Community** – creating local jobs & local infrastructure.
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Rawya El Dabi – Entry Points Aga Khan / El Mobadara

For NGOs:

Helps to better address the needs of the community by covering the “Rights” gaps that are mentioned in the state law (Economic Rights, Health Rights, Insurance...) and contribute more effectively to development, which means being more empowered.

For SMEs:

Rights to economic improvement, better skills, access to information and knowledge, all that leads to better productivity and generates more profit.

For MFIs:

Stronger and more efficient SMEs and individuals that are able to repay loans by improving their performance which is translated into the ability to pay greater loans which will flourish the MFIs business.

Richard Carothers – Recommendations / Entry Points

Why did PPIC-Work adopt a Rights – Based Approach?

When attempting to respond to a controversial issue such as child labour / children and work the use of a rights based approach provides a framework for a comprehensive approach for improving children’s lives;

Why do business owners support rights based programming?

Business owners will be ready to adopt practices that support both the fulfillment of human rights (children's rights) when there are also improvements for businesses – (win – win situations);

Why would Microfinance Institutions be interested in adopting rights based programming?

Rights based programming (whether applied to situations of working children or other marginalized populations groups) can help MFI's:

- improve their social development goals and their social performance management,
 - improve their social performance rating (under development);
 - develop a respected branded loan product and program with clients and communities;
 - attract social development investments to expand loan fund capital.
-

Dorothea Schmidt (ILO)

Decent Work and human rights are very closely related, so when promoting decent work, the ILO automatically includes many facets (if not all) of a human rights approach.

And the decent work concept was introduced because of:

- the conviction that promoting HR is part of the ILO mandate
- the conviction that poverty reduction only works with the creation of decent jobs / employment

The member states and constituents of the ILO have ratified many of the ILO Conventions related to the promotion of decent work and thereby the promotion of human rights. (this is evidence that this type of approach is viable)

Entry points for integrating human rights into private sector development will come through:

- research and finding best cases,
 - social dialogue,
 - building capacity
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Melanie Boyd (CIDA), Recommendations / Entry Points

Continue efforts to engage with the government of Egypt at the policy level.

Consider employment (and the quality of employment) within private sector development as part of the equation.

Document and share the results of good practice and experience.

III Workshop Plenary Discussions

1. Presentation on Discussion Paper by Heather Gibb, North-South Institute

(See Powerpoint on Workshop CD)

There were three main messages:

1. We found many assumptions about the relationship between PSD and growth, and growth and poverty reduction that underlie donor agencies' private sector development initiatives. These assumptions have changed over time; evidence on the poverty reduction impact of PSD and SME promotion is mixed. Rights based approaches can be helpful in understanding how PSD interventions could contribute to poverty reduction and promote human rights because they focus on why people are poor.
2. Donor (and others) understanding about applying Human Rights Based Approaches (HRBAs) to development have evolved, as have approaches to PSD. We found a trend to more flexible approaches, sometimes called "rights-based approaches", which may make more sense "on the ground" than more legalistic approaches.
3. We are constantly learning. We found few documented examples of good or interesting practice, and even fewer evaluations of donor or NGO initiatives with rights based approaches to PSD. There is a need for much more evidence and frank exchange of experience and lessons learned. This workshop is an excellent initiative.

Comments/Question & Answer

Naela Refaat (CIDA)

- The NSI paper helped provide a framework for what the ICS (Institutional Capacity Strengthening) program is attempting to do in Egypt
- CIDA Egypt is currently developing a strategy paper on cross cutting themes. Many issues in the presentation are closely related to thinking surrounding this paper and will provide relevant context for the strategy paper.
- The notion of addressing PSD differently is inspiring... development needs a facelift... time to evaluate what are the impacts of poverty reduction strategies (seems very little impact on the ground), and where are we going from here.

Dr. Adel Azer (Child Protection Specialist)

- Your paper raises many things to be discussed and I want to briefly touch on two things here:
 - o The difference in approach between Human Rights and SME development... If HR is approached as add on then it's not effective. What works best is when it's integrated into the enterprise/project from the start as a strong component then it's comprehensively addressed as was done with PPIC-Work. This avoids the problems of resistance and it is introduced smoothly with cooperation.
 - o As lawyer I believe that the trend towards influencing soft law is a dangerous concept because it is a means of sometimes avoiding standards. One of the most important contributions of HR is the establishment of standards. If you simply introduce soft law and only massage the problem or avoid the law it's dangerous. Egypt has French

law system. We say rights can be created by laws, customs and agreements. Why do we need soft law? There are a variety of ways to introduce rights as long as they do not contradict or undermine the standards.

Heather Gibb (NSI)

- Thank you. We struggled as a team about the notion of the tradeoffs between hard and soft law. There are a few things we thought of – the first thing: do no harm. Second – any approach must be consistent with the standards. While one is waiting for the legal system to provide recourse a lot of time may go by, so at a very pragmatic level one can continue to work toward reaching the different protections that are offered more in the formal system. I appreciate your point, but we also have to ask what a development agency is trying to do within the system. Often the formal system is not conducive to supporting rapid response.

Ibrahim Makram, CIDA ICS-Egypt consultant

- Within a rights-based approach how do we address poverty?
- All things underlying rights based approach involve the principle of justice. How do we understand justice in hard and soft law? Sometimes our definitions are confined to a legal point of view, but what about understanding from a structural point of view, a human point of view? And how do we address applications of justice in different contexts?
- What are responsibilities of duty bearers and rights holders? (There is a large grey area!).

Heather Gibb (NSI)

- RBA approaches poverty differently from traditional approaches – PSD and SME work addresses only economic level... Amartya Sen's work has expanded our understanding of poverty, beyond income or a materialist framework... RBA offers a broader understanding of thinking about poverty.
- Thank you for raising/elaborating on principles of justice.
- In terms of the responsibilities of duty bearers and rights holders, yes there are grey areas. There are many methodologies developed to address some of these grey areas. For example, if everyone has a responsibility on Occupational Health and Safety where are you (an organization) going to intervene and what incentives or assistance can you (org) offer? Many actors responsible – how/where should a Business Owner intervene with children's safety? Are parents responsible in some ways, schools in some ways?

Peter Paproski (CIDA)

- At CIDA we have been talking about a Rights Based Approach/HRAD since 1997 or 1998. I remember one of the first presentations of HRAD by the UN in the early days. After the session ended my superior referred to HRAD as “a UN thing...”, and that it may get us tangled up in yet another complex web of jargon and risks further complicating programming unnecessarily. We've come a long way since then in our thinking about RBA at CIDA.
- Listening to you I sense a tone of concern or hesitancy by development agencies in taking on HRAD: clearly concerns will affect our ability to act. There's an analogy: if we have too many things on the Christmas tree – too many types of discourse – then it looks all cluttered and overwhelming - we may not have a coherent approach to development. The challenge will be to make that leap

(beyond apprehension and seeing HRAD as another add-on). How do we do that?

Heather Gibb (NSI)

- It is certainly fair to say there is some concern with the idea of another add-on or overload of cross-cutting themes from people working in agencies. At the same time we have heard from others that the development experiment didn't take people to where they wanted to be. Perhaps the Rights Based Approach offers chance to reflect on strategies and identify a more useful way to approach development.
- We also encountered excitement about the opportunities that RBA could offer. There was again some skepticism about whether this is simply the next "magic bullet" peddled to solve all problems... but it does seem that if we focus on the reasons why people are poor and engage people in the process this may offer a stronger foundation.
- In thinking about the private sector (multi-nationals – not the indigenous private sectors) there is also skepticism about corporate social responsibility... and yet again there is a lot of optimism. Optimism that we can take on the energy of the private sector and perhaps get something really meaningful done.

Daren Brown (Intercultural Learning)

- In your presentation you outlined RBA and its principles. Then you spoke about hard and soft law. Have you given any thought to the potential for the principles to serve as the framework for connecting or navigating how to approach hard and soft law?

Heather Gibb (NSI)

- Very interesting point for consideration. Organizations and individuals need to have a clear understanding of what the standards are and how to work towards them. Principles as a way to work towards them. We also need to consider what are potential stepping stones along the way. For example codes of conduct may help us get to how.

Ghada Abdel Tawab (CIDA)

- I have a comment on the anxiety of bringing in a rights-based approach as an additional add on. (egs. only environmental sustainability, gender equality, or child rights). I wonder if this approach to integration is related to a limited understanding of what a RBA is - seeing each right as being mutually exclusive as opposed to RBA as all encompassing.

Heather Gibb (NSI)

- Stove-piping Analogy for how organizations are adopting RBA without integration or recognition of the interconnectedness of social and economic programming or indivisibility of rights:
 - o Stove-piping "recalls a stovepipe's function as an isolated vertical conduit, and has been used, in the context of intelligence, to describe several ways in which raw intelligence information may be presented without proper context. The lack of context may be due to the specialized nature, or security requirements, of a particular intelligence collection technology.

Alternatively, the lack of context may come from a particular group, in the national policy structure, selectively presenting only that information that supports certain conclusions.”

- Agencies that employ many cross-cutting themes tend to see HR as an element of governance as opposed to an all encompassing strategy to be integrated. The CIDA program in Egypt is interesting because it is trying to integrate across policy areas. ILO still working on this. It was one of first organizations to introduce the idea of corporate social responsibility, yet is still integrating this concept within its institutional bodies.

2. Presentation on CIDA-Egypt's Experience with HRAD by Eman Omran

- Bill C293... Human Rights principles, poverty reduction, consultation... translating this into CIDA's work in the field
- CIDA's work in Egypt falls under two broad themes: Education and Small and Medium Enterprise (SME) development
- Integrates four cross cutting themes: Gender Equality, Institutional Capacity Strengthening, Child Protection, Environmental Sustainability to support overall goals.
- The overall goal: to support poverty reduction of marginalized
- CIDA's niche in SME as providing non-financial services:
 - o Work with Gov - Ministry of Finance to build their capacities to provide services (SMEPol)
 - o Work with Banks to improve access to finance... working on both supply and demand sides (diversifying products)
 - o Work with NGOs – established 5 that provide financial and non-financial services – promoting social entrepreneurship
 - o Work at enterprise level – add value to products, conduct feasibility studies, analyzing value chains, increasing purchasing power, enhancing access to markets through Business Development Services
 - o Work with individual entrepreneurs themselves – building skills and capacities
 - o Good technical interventions, but most important thing is how we have changed mindsets and behaviours
- Despite progress also huge systemic challenges in Egypt
 - o Informal nature of economy:
 - 83% of enterprises in informal economy
 - 75% wage earners working in informal economy
 - Many needs to be addressed – informal economy does not have access to services, does not provide social security, does not have health and safety regulations

(See Video of Melanie Boyd on Workshop CD)

- Whole CIDA-Egypt Human Rights pilot document is on the CD! There are also information kits about the Egypt program on the back table here and a Gender Equality toolkit available for those interested.

Comments/Question & Answer

Mohammed Shoman (Planet Finance):

- What will happen after CIDA's pilot program... any plans to replicate in other countries?

Eman (CIDA):

- There is a Human Rights working group looking at the Egypt pilot with CIDA . CIDA doesn't have a comprehensive policy yet on HRAD but this will feed back to the agency as they continue to work towards policy formulation

Mohammed Shoman (Planet Finance):

- Utilizing HRAD in development programming focuses more on process and this entails a departure from traditional approaches to development. This also means there are differences between CIDA and other donors (who are not employing HRAD approaches). At the same time you coordinate with other donors... so what are the implications of this different approach?

Eman Omran (CIDA)

- Many donors provide financial services, whereas we don't, what we are trying to do is to promote decent work among donors, GOE and the private sector and we held a joint conference this year around the theme that decent work is good for business. We are discussing the possibility of holding a joint conference on the informal sector and commissioning a joint paper on different donor practices in dealing with the informal sector and its increase.

3. Presentation on HRAD in PPIC-Work by Richard Carothers (PPIC-Work)

(See Powerpoint on Workshop CD)

Comments/Question & Answer

Dr. Sherif el Ramly (Private Sector representative):

- There was an alarming slide, presenting statistics on the amount of work children are drawn into as a result of loans. What do these statistics suggest in terms of the impact of our work in the field? Sometimes the consequences of our actions may negate the good that we are doing... has there been an impact assessment on CIDA's MF program?

Richard Carothers (PPIC-Work):

- In regards to the study... It was conducted in four countries: Bolivia (with four large microfinance organizations), in Tanzania (with FINCA), in Egypt and India. Prior to the study many of these organizations thought children's work simply did not happen in families receiving loans. However they were aware that income coming through loans increased family incomes. Some businesses knew that it was illegal to employ children, but the reality of the study demonstrated that children were indeed helping out. However with expanded incomes, families prioritized their children's health, housing and nutrition. Their complaints were about children combining work and school... a pattern that increased with the provision of loans.
- The size of the loans played a significant role however. Data from Egypt demonstrated that if loans got beyond a certain level then children's work began to decrease again as the family was able to grow the business enough to hire adult labour or invest in equipment. During the study, researchers also compared data with the agricultural industry and found a similar trend. Children could be found working mostly in middle sized farms... there were few in small and large farms
- The irony is that in the past, many microfinance institutions saw it as a badge of honour to provide small loan sizes because they presumed they were reaching the poorest. But are we helping the poorest get out of poverty or sustaining poverty? If we can increase the loan size beyond a certain threshold, we can begin to change their conditions.

Eman Omran (CIDA and over to Lois Stevenson from IDRC)

- Regarding CIDA's work and an impact assessment, we conducted such an impact assessment with Planet Finance and IDRC
- Findings were similar to Richard's study... however this was a random sample of MF clients in Egypt... less than half participants were women.
- In terms of the social impact: there were investments in health, education and nutrition so children were better in homes with microfinance. There was also a positive impact on the confidence levels of women involved in MF and an increased level of their participation in their community.
- A feature of family enterprises is that children may be drawn into work, or take on more responsibilities without interfering in their schooling. However schooling may be affecting in developing countries in ways that it is not in developed countries
- Assessment can be found on Ministry of Finance website: www.sme.gov.eg

Lois Stevenson (IDRC)

- Are MF loans for consumers or enterprises... that's a big distinction because it influences the impact – economic with some social or just social.

Richard Carothers (PPIC-Work)

- These are normal MF loans for businesses. In a practical case, this can involve a loan for 5000le for working capital, with an added 500le for improved ventilation or safety equipment etc. Sometimes the Business Owner can include the hazard mitigation without increasing the loan size.

4. Presentation on BDS and HRAD by Nashwa Habib (BDSSP)

(See Powerpoint on Workshop CD)

Comments/Question & Answer

Sherif el Ramly (PS rep.)

- One of the slides referred to the special needs for women... do you have any specific tips and advice for how to integrate things into a medium size enterprise?

Nashwa Habib (BDSSP)

- When it comes to gender you have to look at the different roles that women are playing in the community. One of these is being productive, and having the right to work, and the right to decent work. We need to look at the support system - look at her role as a worker or a manager - sometimes it is a very simple intervention. Sometimes girls say we don't have toilets. Need access to good jobs. Need suitable transportation. Need to invest in women.. changing societal values so that they invest in them. Women's roles need to be taken into consideration by business owners so they are not viewed as insignificant and therefore deserve no attention.

Ghada Abdel Tawab (CIDA)

- I agree and I think this is very context specific. There is not one formula that fits everything. The concept of gender analysis needs to be a continuous process whereby we look at the exact situation, women and men, age groups, constraints facing each group. Women and men as groups are not homogenous: constraints facing younger girls in the workplace may be very different than those facing older women. Women must be engaged themselves in developing solutions.

Sherif el Ramly (PS rep.)

- But for SMEs we don't have time for that kind of analysis... we need an 'off the shelf' practical solution.
- Would like to hire women – more productive. But then availability is limited. If you employ someone who is unmarried, will likely get married and have children... Will want to take time off. But as an SME we are trying to optimize expenses, want to invest in employees but need to know that investments will pay off. Sometimes we need to double the number of women (create redundancy) so that we will have enough staff available all the time. So it's not simply a matter of context. I've asked around and am not getting any answers.

(general comment) Have you asked women?

Sherif el Ramly (PS rep)

- Yes but they tell me they need more higher salaries, more time off for holidays.

Mamdouh Fouad (PPIC-Work)

- Did you think about flexible working hours, think about different shifts, open career pathways for women? There is no off the shelf solution.

Facilitator - save this discussion for working groups!

Sama Sayed (TDH)

- Can you elaborate more on the types of interventions that involve many stakeholders (gov, SMEs etc) and how to involve stakeholders?

Naswaha Habib (BDSSP)

- Let's use the example of children who work. They're looking for safe working conditions – again it contradicts with the child law if you talk about the age and therefore you can't have any concrete solution (or work only within a system of hard law). We can't provide a government certificate for safety in the workplace or a health card. So what do we do? If we open a dialogue between private sector business owners and gov officials about their problems as SMES and put the social dimension into the dialogue we can solve some of the problems. In this case children can have a health card not through an NGO instead. We are trying to solve problems with a sustainable solution.

Dorothea Schmidt (ILO Decent Work)

- Is it really true that employers only act if they have an economic incentive? Can we only do things if it improves both sides? If this is the case then we are very limited. Do we then have to work towards legal enforcement?

Nashwa Habib (BDSSP)

- It doesn't always have to be an economic incentive. It is not easy of course, we reach a limit in what we are able to do, but the solution comes from an interactive relationship, helped with a facilitator who serves as a guide. We need to look for opportunities from time to time. It has to be a win win... doesn't mean only economic gain, but it should be mutually beneficial.
- We need to upgrade mechanisms and let BOs participate in solutions. They know what they need and they can maintain the functioning of their business. We need their participation to understand how to find a win-win solution.

5. Presentation on Climate Change Laila Iskander (on behalf of Nermine Zohdi and Richard Szudy)

(See Powerpoint on Workshop CD)

Comments /Question & Answer

Lois Stevenson (IDRC):

- What is the cost of a Montessori cabinet:
- when you're doing the training with children in the brickyards do you introduce them to entrepreneurial skills:

Laila Iskander (CID)

- 25 000LE – but very high quality cabinet made by carpenter, and kit that teaches them to about weights and measurements
- in terms of entrepreneurial skills the children's education classes teach business math, and the project is also utilizing the ba'alty game. Project staff have also visited PPIC-Work partner EACID in Aswan.
- We also went to Fayoum and Bene Sueif and talked to families to see if they're interested in credit and they are... so they may be able to
- Looking for \$ (funding from PPIC-Work ends in 1 month)

Richard Carothers (PPIC-Work)

- climate change project
- following up on Dorothea's earlier question – there is a real business incentive created through this gold standard mechanism under Kyoto protocol. This opens the door to human rights approaches through this mechanism. Gold Standard Foundation that is based in Switzerland could be a partner in the future... there may be a parallel mechanism for microfinance programming through the social ranking process?

Lois Stevenson – (IDRC)

- Can you explain more about the Canadian investors and how they rationalized the return?
- Were they equity investors or lenders?

Laila Iskander (CID)

- Every business venture involves a risk... this was a risk! The Canadians hoped for windfall profits... were supposed to get 70% now getting 30%. Currently out of pocket but if the Ministry of the Environment comes through next week they can still make their money back and more.
- They were equity investors... they paid for piping and testing, brought in 4 companies to test the conversion process. So put \$ in and have yet to get out of it.

Eman Omran (CIDA)

- I'd like to add that this project started out with bilateral funds (from CIDA). This money funded the pilot testing before opening things to the private sector.

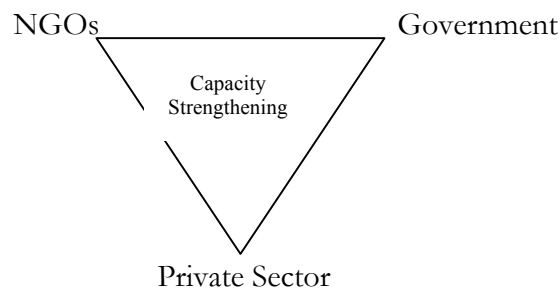
Part IV Working Groups

Experience of Development Partners in Egypt – Working Group Themes:

- a) the role of NGOs that are involved in the promotion of business (through financial and non financial services)
- b) the Role of the Private Sector
- c) promoting Decent Work

Group 1: The Role of NGOs

- Saw the relationship between actors as a triangle:



Explored four levels/groups of stakeholders/areas of involvement:

1. Individual level:
 - a. SME owners – working with SME owner to observe rights of employees (eg. gender equality)
 - b. Entrepreneurs – assisting those with problems accessing funds, accessing working documents (eg. equal access to banks, rights to work)
 - c. Employees – enhancing rights awareness
 - d. Government officials – awareness of rights and how to support enabling environment (not merely penalizing)
2. Organizational aspect:
 - a. working with SME as a whole as a business
 - b. organizing workers to be able to form informal networks, so that they have a voice in claiming rights
3. Community level:
 - a. Creating awareness of rights in community that SME is operating in (eg. environmental rights)
 - b. Providing job counseling,
 - c. Corporate social responsibility - need to build common vision about what CSR is – although it is charity oriented at the moment it could be reframed to build rights-based and development oriented approach within private sector
4. Policy/legislation level:
 - a. NGOs to work on advocacy level, create enabling environment, utilizing a multi-sectoral approach

- Many entry points are cross-cutting: eg. media - exerting pressure on private businesses and community level through broader awareness campaigns all the way to the policy advocacy level; eg. gov. labour offices and individual officers in need of advocacy and awareness – starting very low on hierarchical chain

Question and Answer

Question for group

- CSR refers to corporations. The way that they would take on the issue is different from how small businesses would address it... did the group consider this?

Rawya el Dabi (Aga Khan)

- So let's call it social responsibility (SR). For small and micro enterprises it's without the C... but we are focusing on how can they be accountable to the society so that the society is benefiting as well.

Rami Lotfy (Canada Fund)

- Corporations are by default organizations that try to work on compliance. On the SME level we need to work on the mindset. We see this as a two-way relationship: how can we raise knowledge of BO about labour rights of employees and at same time work at profit maximization? SMEs are mostly informal, so how can we work on rights at this level if they're informed but won't comply? It's a very complex issue, and takes work opening communication channels with business owners. For an NGO to make an effect can't work with private sector alone, also needs to work with government as well. It's all about trust and dialogue and partnerships in all levels.

Question for Dr. Sherif (Private Sector Rep)

- How do you see NGOs and their role?

Sherif al Ramly (PS Rep)

- NGOs very weak. Their boards of directors are chosen at random, they're not well organized, and there's always a hidden agenda and interest (how are we going to set up staff, how are we going to get paid). I don't think they can promote human rights at any level but it's not good to judge... There are many questions if they are to play an intermediary role

Rami Lotfy (Canada Fund)

- If these NGOs would not play this role then who will do it?

Sherif al Ramly (PS Rep)

- I have an answer... wait for private sector group.

Group 2: The Role of the Private Sector

- We didn't recommend that NGO's work on everything
- We need a clear message, and we **need champions**:
- Who are these champions? Football players, actors, singers, **business associations**
- **Business Associations** (not because we're asking them to care and take on a benevolent approach) but because in an age of global competitiveness they increasingly need to do this.
- Questions asked here today were discussed in Europe 30 years ago, now coming here. They came from this competitive environment, and should come from this instead of altruism if it is to work
- Yet, the private sector needs to partner with others that have information (for their social messages) eg. NGOs
- We need to narrow the broad human rights approach to a few things at a time... start slowly.
- It's important that we not lump all private sector into one group as well
- The openness of world markets is forcing people to open a little.

Question and Answer

Question for Group

- I think we need a lot of work for PSD, that it's important not to forget about the percentage of informal economy - the huge number of businesses dealing with the local market that can exploit/violate laws. I think that social advocates are needed but that there is also a huge role for NGOs and civil society organizations. Many do have a solid mandate and agenda and can work effectively with private sector based on their strong grassroots relations in the community.

Dr. Sherif (PS rep.)

- We all have to be flexible and at the same time be clear about what we really want to achieve. There are many mechanisms to approach this – be it via an NGO, a donor - but we need to have a clear vision of what we want to do.
- If I know nothing about HRAD (as I did before today) it will be very difficult for me to play a role. Let's break it down... let's choose something that is not politically challenging and that is not financially challenging... let's choose a limited number of topics and work on these (so that we can be successful).
- What should we focus on/prioritize? Access to information (especially for poor people). How can I advance myself and what are my options... how should life be lived? If I don't have access to information I cannot make informed decisions.

Group Three: Promoting HR through Decent Work

ILO delivered a short presentation on Decent Work for the working group:

Human Rights and Private Sector Development: A Decent Work perspective

What is Decent Work?

Decent work has been defined by the ILO and endorsed by the international community as being:

- productive work for women and men
- in conditions of freedom
- equity
- security and
- human dignity

Four Pillars of the Decent Work Agenda

- employment creation and enterprise development;
- social protection;
- standards and rights at work;
- governance and social dialogue.

Our Experience at the ILO

Decent Work and HR are very closely linked

- when promoting decent work, the ILO automatically includes many facets (if not all) of a human rights.

Decent Work – especially the first pillar connects to PSD

- Decent Work builds a bridge between HR and PSD

The Decent Work concept was introduced because of:

- the conviction that promoting HR is part of the ILO mandate
- the conviction that poverty reduction only works with decent jobs

Entry points for HR and PSD

Decent work can be used as an entry point

Decent work tool kits for international actors

- On the international level
- On the country level

... And also

- Awareness raising and training (international, national, industry and individual level)
- Social dialogue
- HR mainstreaming
- HR assessment
- Training
- Incentives (National level: MDG, Convention reports; private sector level: financial incentives, public awareness incentives)

The presentation to the plenary session by the working group on Decent Work included:

- ILO definition of decent work has four pillars:
 - o Employment creation
 - o Social protection
 - o Standards,
 - o Governance – social dialogue
- Countries are responsible for implementing agreed conventions;
- What are the current experiences of HRAD and PSD in relation to decent work?
 - o PPIC-Work, BDSSP presentations in Egyptian context;
 - o The introduction of occupational health and safety within the context of PSD is a positive development
- Opportunities for promoting HRAD
 - o New MDG – right to decent employment
 - o New child law (positive and negative law – hard to provide children who can't legally work with decent work!)
 - o Corporate social responsibility
 - o Natural attractiveness of concept to employees
- Challenges
 - o politics and laws
 - o strikes (unions challenging)
 - o level of informality of sector
 - o lack of coordination between dev and business communities
- Entry points
 - o awareness and advocacy crucial
 - o social dialogue
 - o signing onto international conventions makes them responsible for implementing (especially if held accountable through reporting)
 - o Have to prove that it works and pays off – DOCUMENTING RESEARCH AND GOOD PRACTICES LOCALLY AND INTERNATIONALLY!!
 - o Named decent work so not threatening to governments.

V Closing Remarks by Mohamed Abu El Magd (CIDA PSD Advisor Facilitator)

Key Messages:

- Donors struggling to integrate HRAD – yet many opportunities in front of us
- Touched on how we define poverty, justice, equality, participation this opens for discussion
- Hard to make the link between economic growth, PSD, and social development without the human rights lens (growth does not mean a reduction in poverty)
- Discussed hard vs soft law – from research clear that soft law is an effective approach to rights development, but ideally also contributes to hard law
- Evolution in donor community (also in indigenous. Communities) from charity to needs to rights and the impact of programming
- HR can be integrated from 3 angles – value chains, enabling the business environment
- How to work at informal environment
- Inclusion of rights holders as key in all aspects of project cycle
- Have to find innovative ways to integrate HR and PSD using win-win strategies
 - o Great examples with BDSSP, PPIC-Work, Climate Change Mechanism
- Finally issues about needs for better documentation... generating and sharing experience – new and growing approach, but need to demonstrate that it will work abroad and in Egypt... need to identify and measure indicators to find the quality of work, the impact of poverty etc

Closing questions to evaluate the workshop:

- Best elements of today's session:
 - o Very positive to bring most of the stakeholders (donors, PS, NGOs) together
 - o Very unique to bring discussions of these different aspects of human rights in a dialogue about PSD... very positive thing!
 - o Showing concrete examples from CIDA-funded project in integration of HR in interventions (video and presentations) – very effective
- Suggestions/Areas for improvement:
 - o Thanks to CIDA for inviting us, this offered a good mix between theory and practice. It would be useful to have ongoing dialogue with the private sector... another session. It would also be good to bring other examples to the table, especially with the private sector.
 - No one (only a few) from government. showed up today despite invitations

THANK YOU