

An operational strategy for marketing SDGs

Workshop on Partnerships for the Promotion of Bankable Sustainable
Development Goal Projects
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Agenda

1. Aim of the presentation
2. Designing and implementing a SDG marketing strategy – a Seven Step Approach
3. Questions and discussion

Aim

The aim of the presentation is to set out an operational approach that IPAs can adopt to attract inward investment in the Sustainable Development Goal (SDG) areas.

A SDG marketing strategy

The **underlying proposition** of the SDG marketing strategy is that IPAs working in partnership with a range of stakeholders from the public, private and NGO sectors and OIAs, will be able to unlock significant investments in SDG sectors in developing countries by providing targeted support across a range of factors that have a positive impact on improving the viability and bankability of investment projects'

The **aim of the IPAs**, working with their stakeholders, is to generate a pipeline of bankable SDG projects in priority sectors and to present these to private investors and OIAs that are most likely to support them.

An operational SDG marketing strategy

Steps towards an operational SDG marketing strategy

The steps set out here for targeting SDGs are *sign-posts rather than set in stone*.

The actual path chosen will differ for different IPAs, - they should be interpreted flexibly, and adjusted to suit specific circumstances as required.

1. Mainstream SDG investment project promotion

2. Identify and select SDG target sectors

3. Select and rank SDG projects

4. Develop a pipeline of project proposals

5. Promote the projects and identify OIA partners

6. Follow-up, facilitate and provide aftercare

7. Feedback to SDG stakeholders

1- Mainstream SDG Investment Promotion

There are two aspects to **mainstreaming SDG Investment Promotion**:

- (1) dealing with **external factors** to the IPA, and
- (2) making necessary **internal changes**:

With regard to **external changes**, the following are the most important:

- To interact and work closely with a wide range of public and private sector organisations, NGOs and OIAs.
- These relationships and partnerships are to help the IPA *identify, select and deliver SDG target projects*.
- This requires *active management*: to move these organisations from useful/ peripheral IPA relations to where they are critically important stakeholders.

A critical success factor: How are these relationships structured and managed to generate a flow of bankable project proposals.

1- Mainstream SDG Investment Promotion

To **manage the external stakeholders** requires;

- identification and selection of key stakeholders,
- categorising them and
- managing those who can contribute to SDG marketing in different ways.

The IPA needs to engage in a **stakeholder consultation process**.

Following initial 1:1 consultations, a **workshop with stakeholders** as a group might be useful in developing a commonly agreed and mutually supported way ahead.

It is unlikely that the outcome of the consultation process will be the same in all countries – there is not a one-size-fits-all solution.

1 – Mainstream SDG Investment Promotion

Changes inside the IPA

- **Senior management** inputs are needed to manage the process.
- **Resources** will have to be found (internally or externally), to set up a unit responsible for SDG project development and marketing
- The SDG marketing unit will have to either **recruit** a specialist or carry out internal staff training, or both
- This unit must develop a **3-5 year strategy and implementation plan**, to be approved by the directors and incorporated into the IPA's overall strategy, objectives and targets.
- The unit will carry out a wide **range of tasks**: stakeholder relations management, proposal development, aftercare, advocacy, follow-up and reporting (see steps 2-7 below).

A small scale pilot operation is advised before a full launch.

2 - Identify and select SDG target sectors

The SDG marketing team, working closely with key stakeholders, has to identify and select SDG sectors to target.

Typical sectors from which SDG projects can be identified are set out in the table.

Details about the 17 SDG areas and specific targets for those sectors are provided on the UN SDG website.

Sector	Description
Power	Investment in generation, transmission and distribution of electricity
Transport	Investment in roads, airports, ports and rail
Telecommunications	Infrastructural investment e.g. fixed lines, mobile, internet
Water and sanitation	Provision of water and sanitation to industry and households
Food security and agriculture	Investment in agriculture, research, rural development, safety nets, etc.
Climate change mitigation	Investment in relevant infrastructure, renewable energy generation, research and deployment of climate-friendly technologies, etc.
Climate change adaptation	Investment to cope with the impact of climate change in agriculture, infrastructure, water management, coastal zones, etc.
Eco-systems/ biodiversity	Investment in conservation and safeguarding ecosystems, maritime resource management, sustainable forestry, etc.
Health	Investment in infrastructure e.g. new hospitals, specialised clinics
Education	Investment in infrastructure, e.g. new schools, sports facilities

2 - Identify and select SDG target sectors

Target sectors can be identified and selected through desk research and stakeholder interaction:

- **Desk research:** a great deal of data in the form of reports and other information should be available from a wide range of sources on country SDG needs. Where not, it may be the IPA's task to facilitate its creation.
- **Consultations** with stakeholders e.g. from the sectors in the table on the previous slide - from government, NGOs, OIAs, research organisations and private sector representatives, will help identify key sectors
- **Workshops** are useful (maybe use an external facilitator for this to ensure that the process is objective, transparent and independent).

Once sectors are selected, the **institutional machinery** to deal with project identification/ generation and processing needs to be designed and agreed.

3 - Select and rank SDG projects

To compare and rank projects in the “high heat” and “hot spot” areas:

- **Categorise projects** at a high level according to evaluation criteria of: issues (rationale), institutions that would be involved, inputs required (resources), immediate outputs (e.g. new hospital beds), and outcomes (better health, higher productivity) .
- **Score and weight** the projects in terms of the abovementioned criteria, to do a initial ranking of projects.
- Finalise through discussion (workshop) and judgement.
- **Risk:** some projects are inherently more risky than others where their outcomes are dependent on factors that are hard, or impossible, to control.

The criteria used for scoring, weighting and ranking need to be **transparent**. Each IPA will develop its own.

4 - Develop a pipeline of project proposals

Scoring and weighting projects to rank them produces a list that reflects their desirability or urgency: this is the basic pipeline.

But what are the chances of realising the project? Plotting 'realisability' against desirability on a 2x2 matrix produces a portfolio approach to manage a project pipeline

The SDG project pipeline portfolio			
Desirable	High	1	3
	Low	2	4
		Low	High
		Realisable	

Different levels of resources would be devoted to projects in cells 1-4. Pipeline management must also ensure that the portfolio does not become unbalanced, with too many, for example, in cells 1-2.

4 - Develop a pipeline of project proposals

For **highly ranked projects with a reasonable or better chance of success** (category 3 and possibly category 1 in the matrix above), it would be worth investing resources to develop the project profile to give it a better chance of success when presented to potential partners/ collaborators.

A **generic project template** to use as a guide has been developed

Its **overall aim of the template** is to provide the potential private sector business partner/ investor with sufficient details about the project so that they can decide whether to give it serious, in-depth consideration.

The template has **five main sections** as set out in the following slide.

Your handouts contain examples of the full template.

4 - Develop a pipeline of project proposals

	The generic project template
A	General information: This section provides overall high-level project information that will enable the investor to position it in terms of scale, scope, resource requirements and outcomes - what is needed to realise the project?
B	More detailed project information: This section provides the “nitty-gritty” project details. It should contain detailed information about the rationale for the project, market to be served, suppliers, competition, costs of inputs and their availability, institutional arrangements (unions, and legislation).
C	Regulatory requirements: Given the SDG context it is more than likely that important regulatory factors might be involved.
D	Support & incentives: While a financing package may already provide support that could affect the risk-return ratio, it is probably in the interest of the IPA to develop a tailored support package.
E	Contacts: The importance of providing project-related contacts for the promoters/ investors is often underestimated.

5 - Promote projects and identify OIA partners

Key points

- The level of resource dedicated to promotion should reflect the position of the SDG project in the IPA's project portfolio.
- For projects that are not in the highest ranking category, there are lower cost promotional initiatives, e.g. web-based initiatives. Conferences and events sponsored around SDG investment are useful platforms.
- The most highly valued projects can be promoted on a face to face basis between the IPA, the foreign investor and any other key partners..
- Any kind of promotional activity will be facilitated if the IPA has established a long term working relationship with any relevant OIA.
- Different OIAs have different goals, focus, etc. that change over time. The IPA must identify those OIAs most appropriate for the IPA and its SDG project(s)..
- There will be other IPAs also doing the same thing. - it is important to develop high-quality proposals.

6 - Follow-up, facilitate and provide aftercare

Follow-up on a successful investment is critical. It is the first step to the next successful investment.

- **Effective aftercare** may identify and support further additional investments - investors may already have some intended investments in mind – create an environment where that can happen sooner rather than later
- OIAs undertake **increasingly rigorous project evaluation exercises** to assess if targeted outcomes that they have to report on to their shareholders or stakeholders have been achieved.
- **OIAs also learn** from such exercises - it will have an influence on future investment in the territory.
- The IPA must stay close to the project to safeguard **its reputation** as a good partner to do business with.
- In addition, follow-up by the IPA with the investor and OIA will provide an opportunity for **sharing knowledge** that could have a positive influence on future project flows and cement a **good long-term relationship**.

7 – Provide feedback to SDG stakeholders

- Providing **regular feedback** to the IPA stakeholders is essential so that lessons learnt can be built into future activities.
- This will ensure that that processes are continually fine-tuned or abandoned as required; or drive the development of new approaches.
- This feedback is the last element of the management cycle and critical to ensure **continuous improvement**.



Thank you!
Questions & discussion.

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