**CPDE study on Private sector accountability in development**

**Terms of Reference – TORs (draft)**

*Background*

This study is framed within the work plan of the Working Group (WG) on ‘Human Rights based approach’ set up within the CPDE (CSO Platform for Development Effectiveness)[[1]](#footnote-1).

The objectives of the working group are promoting an HRBA in the context of GPEDC’s (Global Partnership for effective Development Cooperation). This means advocating on accountability mechanisms in development policies/programmes, based on the premise of internationally recognized commitments on human rights.

The Millennium Declaration in 2000 in the first place and later the Accra Agenda for Action (AAA, 2008) recognized human rights as a cornerstone for achieving lasting development impacts: donors and partner countries are encouraged to ensure that their development policies are designed and implemented in ways consistent with their agreed international commitments on human rights (§13,c).

Also, the Busan Declaration (2011) reiterates that promoting human rights, democracy and good governance are an integral part of development efforts (§3), as well as, it underlines the consistency with agreed international commitments on human rights, decent work, gender equality, environmental sustainability and disability (§11). However, the Busan declaration makes direct reference to rights-based approaches (RBA) only when referring to the role of CSOs, relegating RBA to the CSO-specific engagements, and not to the overall development effectiveness agenda.

Currently, the Global Partnership for Effective Development Cooperation Declaration – GPEDC – still does not fully reflect the importance of HRBA as a crucial factor, relevant to all development actors, for achieving sustainable, equitable and just development outcomes[[2]](#footnote-2).

In recent times the private sector has been progressively seen as an important player in boosting economic growth, and therefore generating development processes. The role of private sector is echoed in all development fora, besides the GPEDC, such as the SDGs process, at the OECD, EU level, international agencies and donor governments. Growing percentages of traditional Official Development Assistance (ODA) are destined to support international private sector investments (FDI) in developing countries. This brings about concerns in terms of accountability (based on human rights), fiscal transparency and last but not least ownership of results. Nowadays, there are various mechanisms already in place that are supposed to relate to monitoring and assessing private sector actors behaviour[[3]](#footnote-3). Still it seems very difficult to make them function in reality.

*Objectives and structure of the Study*

The study will serve as an advocacy tool for CPDE members (and more generally for the CSOs) showcasing concrete examples of private sector initiatives and their results in terms of sustainable development. The study will be aimed at providing recommendations that can serve as common key asks in international debates.

Private sector actors’ accountability can be analysed under various aspects and in different domains. For the sake of this study, we propose to structure it in two parts:

1. Commented mapping on the existing mechanisms at global level to grant private sector accountability, including an assessment of their effectiveness and possible gaps;
2. Case studies, show-casing the currents weakness in terms of private sector accountability, and proposing recommendations.

In order to be focused, the case studies will need to be framed on the following suggested criteria:

* The studies will need to be relating to country-based **level** cases (in developing countries);
* The **target** of the cases will be private sector ‘development’ programmes, meaning programmes/initiatives supported or co-financed by ODA;
* The **scope** of the studies will be concentrated on indigenous, gender and labour rights. In practice, case studies will be gathered in these 3 areas, assessing private sector initiatives’ impact on those rights;
* The **methodology** of the cases will need to be structured against common benchmarks, namely: accountability (respect of international commitments); ownership (inclusion in decision-making); transparency and reporting mechanisms (including remedies).

*Methodology and timeline*

One external expert will be engaged to carry out this study. The expert will work in two phases: the first one on the mapping and the second one on the case studies and final recommendations. He/she will be collecting the case studies that will need to be provided by the WG members willing to engage.

The first part of the study (mapping) will be completed by December 2014, while the second one will be completed by the first semester of 2015. The WG will be providing inputs and supervise the work of the expert.

*Professional Requirements of the external expert*

* Expert in international cooperation with a strong knowledge of international human rights and their linkages to development including on the current private sector debate;
* Proven background in the above mentioned sectors, publications are an asset
* Strong methodological editing skills;
* Ability to analyse and concise information for advocacy purposes
* English full professional proficiency

1. <http://www.csopartnership.org/> [↑](#footnote-ref-1)
2. See Mexico communiqué <http://effectivecooperation.org/resources/> [↑](#footnote-ref-2)
3. Such as the Guiding Principles on Business and Human Rights, the Guiding Principles on Extreme Poverty and Human rights, the OECD Guidelines on multinational enterprises and the ILO system itself (rooted on standard based and binding commitments). [↑](#footnote-ref-3)