Private Sector Engagement at CRS

Engagement with the private sector, alongside other institutions, can promote the common good and contribute to putting 'the economy at the service of the people.'



Catholic Relief Services (CRS) is no stranger to private sector engagement (PSE); it has been a critical part of our global programming across sectors. Acknowledging that private sector enterprises are a key part of the communities and societies in which CRS works, the CRS Vision 2030 Strategy renews the commitment of CRS to engage with the private sector, alongside other local institutions, for the following reasons:



To develop sustainable solutions to development challenges.



To improve program effectiveness.



To promote local leadership.



To reach people at scale.



To increase award competitiveness and access to funding.

the diverse and robust set of relationships with for-profit enterprises of all sizes – from informal microenterprises to multinational corporations – that are rooted in shared value and driven by the humanitarian and development challenges CRS seeks to address in its

CRS engages with private sector enterprises in a variety of ways depending on an enterprise's constraints, the shared outcomes that enterprise is pursuing, and how the collaboration can contribute to transformational change in market systems and societies. Ways in which CRS engages include, but are not limited to:

- Influencing and/or assisting private sector enterprises to improve products, services, opportunities and practices to better serve and work with populations who are marginalized or vulnerable.
- Facilitating linkages among private sector enterprises, public agencies, civil society organizations, research institutes and communities.
- Learning about and developing alternative development approaches from and with the private sector.
- Sharing risks with private sector enterprises to encourage innovation in products, services, business relationships and delivery models that address humanitarian and development challenges.
- Strengthening capacity of private sector enterprises.
- Helping individuals, groups or civil society organizations to start private sector enterprises.
- Generating demand and improving purchasing power among families and communities who are marginalized or vulnerable, particularly for lifeimproving products and services.

¹ Taken from remarks by Pope Francis at a conference with global leaders and economists from the International Monetary Fund, World Bank and governments, February 2020. Quoted in O'Connell G. Pope Francis: A vibrant economy must put an end to poverty. America The Jesuit Review, March 2, 2020 Issue.

The logic for engaging with the private sector.

People realize their potential in thriving families, resilient communities and flourishing landscapes

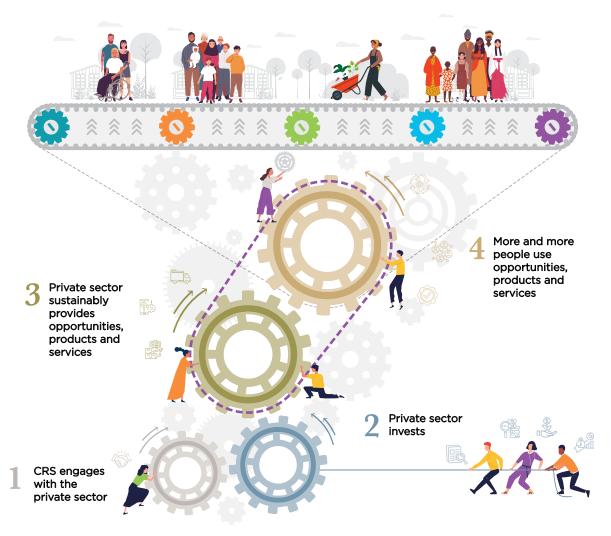


Figure 1 illustrates the following logic for engaging with the private sector:

- CRS engages with private sector enterprises, developing collaborative relationships based on shared values and win/win outcomes.
- In cooperation with CRS, private sector enterprises use their expertise and innovative ideas to develop new ways to provide opportunities, products and services that address humanitarian and development objectives. They invest their own human and financial resources to operationalize the new models in a commercially viable manner.
- After the collaboration with CRS is completed, private sector enterprises continue the provision of opportunities, products and services, including to people who are marginalized or vulnerable, and may expand provision or inspire other private sector enterprises to copy their innovations.
- Over time, more and more people utilize the opportunities, products and services, which contributes to them realizing their potential in thriving families, resilient communities and flourishing landscapes.

Figure 2

Private sector engagement theory of change



Goal Area 1

All people live in just and peaceful societies



Area 2

survive and



Goal Area 3

livelihoods in flourishing landscapes



Goal Area 4

All children reach their full health and development potential in safe and nurturing



Area 5

All youth are empowered to thrive

mpacts

Goal

and societies increase social cohesion

Financial

service

providers

improve

accessibility

and

availability of

appropriate

financial

services

Families use

Young women and men utilize skills and become self employed and participate in

Private sector and civil society advocate for better policies, government practices and enabling environment

Private sector enterprises adopt improved practices for social impact and sustainability

Private sector creates common interests for peace building

Private sector vendors provide appropriate products and services to crisis-affected

consumers

Private sector businesses provide logistics and support to help people recover from crises

Private sector agro-enterprises improve linkages with smallholder farmers in value chains

products and



Private sector businesses provide and market products and services that promote health, sanitation, nutrition and education



Private sector businesses and skills training institutes develop young adults' skills and create employment and other opportunities



development outcomes as a result of CRS promotion

innovate in sustainable provision of appropriate products, services and opportunities for people as a result of CRS activities

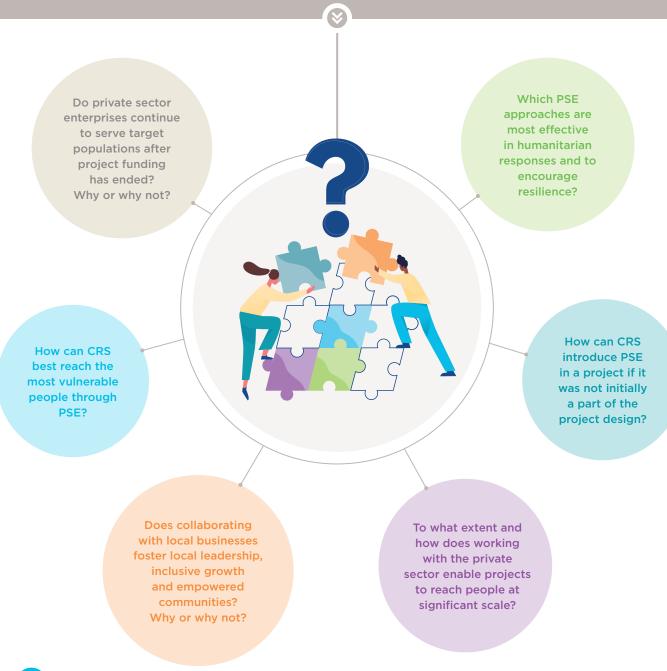
philanthropy or corporate social responsibility in response to CRS engagement

Outcomes

Outputs

² The theory of change is organized as follows: **Goals** show how the CRS Vision 2030 Goals align with the impacts described: **Impacts** describe how communities. families and people can benefit from interaction with private sector enterprises who have improved how they work; Outcomes describes ways that private sector enterprises can become more inclusive and better serve and work with communities, families and people as a result of collaborating with CRS; and Outputs summarizes the results of CRS activities with the private sector.

The **PSE learning agenda** questions below help guide our approach to implement PSE effectively. They also highlight the issues important to CRS, particularly its Vision 2030.





For more information on PSE key metrics, the PSE rationale, theory of change and learning agenda, please refer to The Private Sector Engagement at CRS: Theory of Change, Key Metrics and Learning Agenda document on CRS Publications.



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