



FDC

THE FOUNDATION FOR
Development Cooperation

FDC Development Links

Issue Three, July 2012

ISSN 1839-9495

Welcome to Issue Three of FDC Development Links

This quarterly publication provides an overview of key readings from a variety of print and online sources across the development sector. These articles are identified by FDC staff as significant and informative readings, providing subscribers with a summary of topical issues arising from the field across FDC's themes, as well as emerging issues and practice insights in international development.

FDC welcomes your feedback on this publication and its content at info@fdc.org.au.

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International Development - Emerging Issues

- [Mashing economists and venture capitalists to innovate in development assistance](#)**
Maura O'Neill, USAID's Chief Innovation Officer, discusses Kenya's desire to bring piped water to its 40 million people, and how the country has far outstripped its financial and institutional abilities to do so.
- [Achieving food security in the face of climate change](#)**
The final report from the Commission on Sustainable Agriculture and Climate Change.
- [Addressing climate change and migration in Asia and the Pacific](#)**
This report marks the conclusion of an ADB-financed technical assistance project launched to generate policy responses to migration stimulated by climate-related factors.
- [Inequality on the rise in Asia](#)**
Asia is facing a dilemma: Economies are rapidly growing, but so is the disparity between the rich and the poor. This disparity, along with the stagnation of the economies of the Asian countries' major trade partners and political instability in the Middle East, is threatening the pace of growth in the region.
- [UNEP report: 'Climate change will exacerbate water stress in Pacific Islands'](#)**
The World Bank recently released its free-of-charge 2012 edition of World Development Indicators (WDI). This includes updated data on global development, the quality of people's lives, the environment, the economy, and the functioning of states and markets.
- [The beginning of the end of the "Development Agenda"?](#)**
Did the 2008-09 financial crisis mark the end of development business as usual? This article discusses and forecasts how development might change as a result.
- [What if you could invest in development?](#)**
Development impact bonds modelled on the UK's social impact bonds could be the next big thing for drawing private investors into the fight against global poverty.
- [Imagining Millennium Development Goals 2.0](#)**
It's not too soon to consider what the Millennium Development Goals '2.0' version could look like.
- [The contradictions in global poverty numbers](#)**
This article discusses the latest estimates of global poverty from the World Bank, and the contradictions that these figures present.



International Development – Practice Insights

1. [Exorcising the resource curse: Some innovative ideas](#)

What concrete steps can the international community do to break the “resource curse”?

2. [Unbeatable tools for developing an inclusive business](#)

This article reviews several tools to help entrepreneurs set up their businesses.

3. [Revisiting the relationship between targeting and program performance](#)

Will improved targeting of public spending necessarily result in more or less cost-effective poverty reduction?

4. [Post-Busan meeting proposes new aid effectiveness indicators](#)

Untied aid, mutual accountability and transparency are among areas covered by 10 aid effectiveness indicators expected to shape a new global strategy for monitoring development aid.

5. [Financial Capability Index](#)

The Financial Capability Index is a tool that measures the level of knowledge, skills, and attitudes needed to make informed judgments and effective decisions regarding the use and management of money.

6. [The responsible hand: Overcoming the shortcomings of impact investing](#)

For impact investing to truly harness the power of the market, we need to directly align shareholders’ value with both social impact and profit.

7. [Indonesia: Clean rivers needed to promote water and food security](#)

Every year Indonesia loses \$6.3 billion due to poor sanitation heavily linked to poor water quality, says a World Bank study. Enforcement of regulations are needed to improve water quality for food security under growing population pressures.

8. [Green China: Chinese insights on environment and development](#)

China’s rapid economic growth means that Chinese environmental problems are also global problems. It would require several Earths to support the global population if every Chinese (not to mention the Indian population as well) consumed resources at, or even near, the level of the average citizen in wealthier, developed countries.

9. [Inconclusive: The effectiveness of PPPs](#)

There is no strong evidence in existing literature that public-private partnerships are effective, according to a new paper that offers an alternative take on the impact of collaborations between public and private development actors.



Theme One: Private sector partnerships for sustainable development

1. [Is the bottom of the pyramid really for you?](#)

It is far more difficult than many global corporations realised to get prices low enough to attract consumers and to manage distributed low-income producers.

2. [Inclusive business for sustainable livelihoods](#)

This article highlights the concept of inclusive business in the current global context, provides examples of its application in practice, highlights the foundations for its success, and briefly presents an interactive tool, the WBCSD's Inclusive Business Challenge.

3. [Innovation for inclusive growth](#)

How does one really innovate? What are the strategies required to make innovation work? How does one ensure that innovation as an end as well as a process is both sustainable and inclusive?

4. [Discovering the natural wealth of nations](#)

Natural resource extraction is usually thought to decrease a country's wealth, but discovery of new reserves - often through extracting the old - has outpaced depletion for years. This article investigates the public policy implications for resource-rich countries.

5. [UNDP- IKEA Foundation expand partnership to build self-reliance of 2.2 million women in India](#)

The IKEA Foundation has committed €30 million (approximately US\$40 million) for a programme to empower 2.2 million poor rural women in India.

6. [What is inclusive business?](#)

This document draws on concrete examples from the BIF and IAP portfolio and sets out the basic concepts, business models, challenges and solutions that inclusive business practitioners need to understand.

7. [Climate change adaptation, engaging business in Asia](#)

This article spotlights the current state of business engagement on climate change adaptation and identifies key barriers to greater private sector involvement.

8. [Business solutions to enable energy access for all: Scaling up business action](#)

The report is targeted at governments, international organizations, financial institutions and companies seeking to enter or expand their engagement in low-income energy markets.

9. [A must-read for funders of inclusive business](#)

If the whole idea of inclusive business is to leverage the market to solve social problems, what then is the role for philanthropists and donors?



Theme Two: Local economies, enterprise and livelihoods

1. [World Bank urges governments to think green for inclusive growth](#)

A World Bank report urges governments to think green when pursuing growth policies, which can be inclusive, efficient, affordable and above all necessary to sustain economic expansion in years ahead.

2. [China: 1.3 million farmers to benefit from increased agriculture water productivity and incomes](#)

A US\$80 million loan to the People's Republic of China will help improve agriculture water management and to increase agriculture water productivity and incomes for 1.3 million farmers in Ningxia, Hebei and Shanxi provinces.

3. [Strategic philanthropy: Unlocking entrepreneurial potential](#)

This report explores the potential that exists for strategic philanthropists in stimulating entrepreneurship and small business development in developing countries.

4. [Does management matter? Evidence from India](#)

A long-standing question is whether differences in management practices across firms can explain differences in productivity, especially in developing countries where these spreads appear particularly large. This paper investigates this query with a management field experiment on large Indian textile firms.

5. [Improved stoves in India: A study of sustainable business models](#)

Many previous efforts to disseminate improved biomass cooking stoves in developing economies—primarily by governments and NGOs—have not been successful. Based on interviews with 12 organisations selling improved biomass stoves, this paper assesses the results to date and future prospects of commercial stove operations in India.

6. [Big investment needed in Asia-Pacific's dwindling natural resources](#)

Asia and the Pacific is consuming more resources than its ecosystems can sustain, threatening the future of the region's beleaguered forests, rivers, and oceans as well as the livelihoods of those who depend on them, says a new joint report by ADB and WWF.

7. [Social entrepreneurs + big business = happy ever after?](#)

Big firms can help social enterprises to broaden their reach, tap into valuable resources and boost their growth.

8. [One time cash transfers of cash and capital have long-lasting effects on microenterprises in Sri Lanka](#)

Standard economic theory suggests that one-time business grants can have at most temporary effects, and accordingly, policies to increase incomes of the self-employed in developing countries typically rely on sustained engagement. In contrast, this report reveals long-lasting impacts from one-time grants given in a randomized experiment to subsistence firms.



Theme Three: Financial inclusion

1. [Microfinance should have started with savings](#)

Much of the world is in trouble today because of debt, too much borrowing, presumably not enough saving, by individuals, companies, countries and groups of countries. Should microfinance have started with savings, instead of loans?

2. [Two persistent divides in financial inclusion: Gender and rural](#)

For the first time, there is hard data to evaluate how women and rural residents around the world save, borrow, make payments and manage risk both inside and outside the formal financial sector, with the release of the Global Financial Inclusion (Global Findex) Database.

3. [World Bank: Help the poor 'bank' on their future](#)

Financial inclusion is key to helping poor people build more secure futures but less than a quarter of the world's poor are currently "banked."

4. [The Maya Declaration: A new blueprint for financial inclusion](#)

The Maya Declaration presents a global initiative to promote national financial inclusion commitments.

5. [Designing disclosure regimes for responsible financial inclusion](#)

This Focus Note offers practical guidance to policy makers who are developing disclosure regimes in low-access environments.

6. [Catastrophes and climate change: Innovations in index-based micro\(re\)insurance](#)

Despite its various detractors and setbacks, microcredit — the leading product in the ongoing microfinance revolution — remains an incredibly valuable tool in the international economic development tool chest.

7. [Remittances, microfinance and foreign aid](#)

How can the aid community effectively use remittances for development?

8. [Appropriate product design and delivery at Musoni](#)

This article highlights the importance of being client-centered when designing and delivering financial products for the poor.

9. [From a supply gap to a demand gap? The risk consequences of over-indebting the under banked](#)

This article explores the phenomenon of over-indebtedness in microfinance.

10. [IFC Mobile Money Study 2011 – Summary Report](#)

This study examines the development of the mobile-money (m-money) system in four countries, namely Brazil, Nigeria, Sri Lanka, and Thailand.

11. [Market outlook 2012: Perspectives of microfinance association leaders](#)

What are the most important priorities, threats and risks facing the microfinance sector around the world?



Theme Four: Incomes from ecosystems

1. [Mongolia strikes a balance between development and environmental protection](#)

Efforts are being ramped up to ensure Mongolia's environment won't pay a heavy price for development.

2. [Measuring forest conservation](#)

David Wheeler proposes satellite-based Forest Conservation Performance Ratings (FPR), a color-coded system to track tropical deforestation and verify countries' progress on conservation commitments.

3. [UNEP launches interactive website for sharing successful sustainable development projects](#)

A host of new initiatives are explored in a new online database from the United Nations Environment Programme, which aims to strengthen partnerships between sustainable development projects in developing countries.

4. [24 companies worth \\$500bn commit to assigning a value to nature at Rio+20](#)

24 of the world's most valuable companies worth a half trillion dollars have announced a plan morning to work on assigning a value to the world's most valuable resources. Companies including Dow Chemical, General Motors, Kimberly-Clark, Marriott and Xerox have joined forces to make the statement that more careful stewardship of the world's natural resources is a necessary and strategic imperative.

5. [Nordic Ministers for Agriculture, Fisheries and Forestry adopt declaration on green growth and food security](#)

Meeting in Norway on June 28th, the Nordic Ministers for Agriculture, Fisheries and Forestry adopted the Nidaros Declaration - addressing the responsibility of the primary industries and the food sector for more green growth. The declaration is a direct follow-up to the Rio+20 outcome and also addresses the global responsibility of the Nordic countries to contribute to better food security.

6. [Is REDD+ moving too slow? Not necessarily...](#)

In a new book in a series on REDD+ policy, strategy and practice by The Centre for International Forestry Research Bogor Indonesia editors acknowledge the slow pace of development of REDD+ policies and projects, but suggest this is not necessarily bad, as significant risks need to be mitigated to enable the global community to safeguard customary rights, to allow time to develop enabling national laws and to develop REDD+ markets that respond positively to broader economic interests.

7. [Rio+20 wraps up with "More of a Whimper Than a Roar"](#)

World Resources Institute version of the wrap up of the Rio +20 conference.

