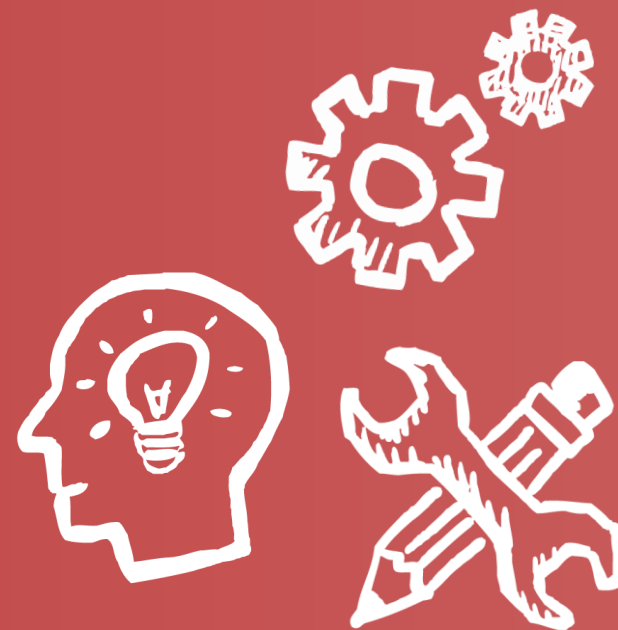


TOOLKIT FOR POLICY PROTOTYPING

SEED Regional Policy Labs



The Regional Policy Labs Process & Toolkit

Our labs consist of a 2-day **multi-stage process** to create policy solutions using SEED tools and experiences. Solutions are **adapted** with policy makers, green & social enterprises and intermediaries to address **policy challenges** faced by small and growing enterprises

This toolkit consists of Tools used across 2-days in the Regional Policy Labs



Lab Day 1: Knowledge transfer & peer sharing

- Policy solutions showcase
- Working session on replicable and best practice elements



Policy Solution Blueprint



Thinking out-of-the Box



Lab Day 2: Replication & Innovation

- SME Perspectives
- Replication to support exploration of local adaptation and implementation



Understanding the Target Group



Policy Solution Development

POLICY SOLUTION BLUEPRINT

Policy Solution Blueprint is used to breakdown the different components of an existing policy solution, creating a base for synthesising and easier comparison for the subsequent replication process.

Method / Steps

1. Fill out the white coloured box sections based on your understanding of the policy solution.
2. If there are any gaps, follow up with the policy solution presenters to fill in the gaps.
3. **STRENGTHS / SUCCESS FACTORS**
In a group, share and outline the strenghts & success factors, of the policy solution. What factors / design considerations have made it successful?
4. **NOTABLE LEARNINGS**
In the same group, share and outline notable learnings from the policy solution. What did not work so well & could be improved on?

Policy Solution Blueprint

POLICY SOLUTION by Ministry of Industrialisation, Trade & SME

Title of the policy solution

New green public procurement guidelines to boost demand for green product and services (increase access to green markets)

CHALLENGE

What issue is the solution targeting?

Market demand and awareness for green products & services are not sufficient. Private sector & households still recovering from COVID caused difficulties.

VISION & OBJECTIVES

What outputs & outcomes does the policy solution aim to achieve?

Use green procurement in public sector to kick-start a virtuous cycle for green product demand.

60% of the country's public procurement must abide by environmental standards by 2025.

POLICY ACTORS

Actors involved & their roles: Policy makers, implementors, service providers, advocates, NGOs

Ministry of Trade & Industry

Dept of Small Business

Ministry of Environments

British Council

Chamber of Commerce

TARGET BENEFICIARIES

Who stands to benefit from this solution?

Green SMEs

BoP population (employment)

MECHANISM OF POLICY SOLUTION

How does it work? Indicate timeline, budget, map relationship between key actors

Phase A – SME support

Certification and eco-labels for SMEs to meet environmental standards

Mobilise impact investors / venture capitalists

Upskilling & training on green technical know-how

Innovation grants + training for SMEs to invest in green products R&D

Phase B – Gov support

Sensitisation & informational campaign in public sector

Environmental standards training for procurement departments

Short-term outcomes (2-5 years)

Increase growth of green SMEs

30% of public procurement meet envi standards

Long-term outcomes (6-10 years)

60% pp meet standards (savings of 100 kilotons CO2 per annum)

Green economy capture wider market share & increase green jobs

3 STRENGTHS / SUCCESS FACTORS

What factors / design considerations make it successful?

2-way activation – boosting market demand & supply

Co-creation & decision making with SME community

Support from private sector investors

Certification and eco-labels for SMEs to meet environmental standards

Upskilling & training on green technical know-how

4 NOTABLE LEARNINGS

What did not work so well & can be improved on?

Backfire from non-green businesses / plastic sector

Peri-urban communities, towns, still left-out

SDG CONTRIBUTIONS

How does the solution contribute to SDGs?

Contribute to NDCs, lead to CO2 reduction

SDG 8 Decent Work & Economic Growth

SDG 13 Climate Action

BENEFITS FOR GREEN SMEs

How does the solution contribute to Green SMEs?

Generate market demand, expand market opportunities

ONGOING ITERATIONS

What is the status of the solution? Are there any opportunities for improvement?

Incentives for conventional SMEs to adopt green practices & produce green products

Outreach to peri-urban SMEs



Policy Solution Blueprint



POLICY SOLUTION by _____

Title of the policy solution

CHALLENGE

What issue is the solution targeting?

VISION & OBJECTIVES

What outputs & outcomes does the policy solution aim to achieve?

POLICY ACTORS

Actors involved & their roles: Policy makers, implementors, service providers, advocates, NGOs

TARGET BENEFICIARIES

Who stands to benefit from this solution?

MECHANISM OF POLICY SOLUTION

How does it work? Indicate timeline, budget, map relationship between key actors

3 STRENGTHS / SUCCESS FACTORS

What factors / design considerations make it successful?

4 NOTABLE LEARNINGS

What did not work so well & is work in progress

SDG CONTRIBUTIONS

How does the solution contribute to SDGs?

BENEFITS FOR GREEN SMEs

How does the solution contribute to Green SMEs?

ONGOING ITERATIONS

What is the status of the solution? Are there any opportunities for improvement?

THINKING OUT-OF-THE BOX

Thinking out-of-the Box is used to prepare for the replication exercise. With a clearer understanding of presented policy solutions, we think out-of-the box and try to apply these learnings to different contexts & situations.

Method / Steps

1. **Open discussion method:** In a group, kick-off the discussion by asking “What else / Where else / Who else can the policy solution be beneficial?” Think about your local context and compare with other examples you may know of. Capture discussion points according to the 3 question sections outlined.
2. **Structured discussion method:** In a group, discuss each question section together. Use the guiding questions to guide discussion. Capture discussion points in the question sections.

Thinking out-of-the Box

Facilitation: Start with **Open Question** to the group & collect discussion points according to the verticals below.
Zoom in to detailed questions to guide discussion if necessary.

Open Question: What else / Where else / Who else can the policy solution be beneficial? Think about your local context and compare with other examples you may know of

1

WHERE ELSE COULD THE POLICY SOLUTION ACHIEVE THE SAME IMPACT?

Think about **geographical** aspects – are there other similar local / district / countries where policy solutions could be implemented

Country XYZ

ABC Municipality

Regional Trade
Community? Eg.
East African
Community

2

WHAT OTHER CHALLENGES COULD THE POLICY SOLUTION SOLVE?

Think about **topical** aspects - other areas / departments / sectors / SDGs where the policy solution could be useful

Greening supply
chains

Another ministry
department can
adapt the same
solution

Improve living
environment, reduce
unsustainable
consumption

3

WHO ELSE COULD THE POLICY SOLUTION BENEFIT?

Think about **communities** / target groups / stakeholders where the policy solution could be useful

Agriculture
industry

Can use same
incentives to
encourage
organic farming

Informal workers
at the bottom of
the pyramid

'Brown Industries'

Green jobs creation in
'brown industries' –
prepare workforce for a
low carbon reality



SEED

promoting entrepreneurship
for sustainable development

Thinking out-of-the Box



Facilitation: Start with **Open Question** to the group & collect discussion points according to the verticals below.
Zoom in to detailed questions to guide discussion if necessary.

Open Question: What else / Where else / Who else can the policy solution be beneficial? Think about your local context and compare with other examples you may know of

1 WHERE ELSE COULD THE POLICY SOLUTION ACHIEVE THE SAME IMPACT?

*Think about **geographical** aspects – are there other similar local / district / countries where policy solutions could be implemented*

2 WHAT OTHER CHALLENGES COULD THE POLICY SOLUTION SOLVE?

*Think about **topical** aspects - other areas / departments / sectors where the policy solution could be useful*

3 WHO ELSE COULD THE POLICY SOLUTION BENEFIT?

*Think about **communities** / target groups / stakeholders where the policy solution could be useful*



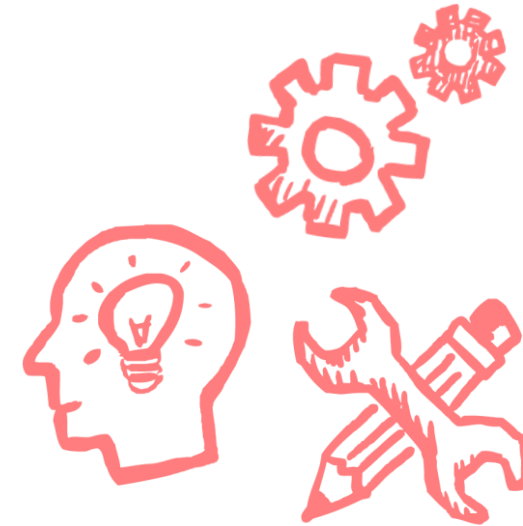
The Concept of Policy Replication

Adapt, Innovate, Prototype

Replication **acts as an exercise and guide** but should not be the only tool of reference for policy making and policy development. Policy successes should not be copied verbatim; **they should be adapted to new locals and environments**. It is important to consider the many local and circumstantial factors that contribute to a sense of success of a policy solution.

We are not searching for the recipe to create the perfect program that will be as useful in Rwanda as it is in Ethiopia. The world is too complicated for that.

The Policy Replication process in this lab series embraces **adaptation, innovation and prototyping**. Each step can be repeated as limited, local attempts to solve problems, and should be built upon with further careful experimentation. Along the process, keep in mind exactly the kind of local, contextual knowledge that might enable the adaptation of effective ideas to new environments.



Keep in mind...

- Even with advanced evaluation techniques, it is still difficult to figure out which policy instruments and interventions have lead to which outcomes.
- Different environments also mean what might work in one city or country may not work in another location.
- Key is in continuous adaptation (put on your entrepreneur caps!).
- Rigorous evaluations should still follow to investigate the results of these adaptations.

Some benefits of Policy Replication

- ✓ Not reinventing the wheel
- ✓ Provides ideas & minimises risks for replicators
- ✓ Review what worked well and what didn't work so well
- ✓ Gap-analysis of your local eco-system
- ✓ Cross-exchange with peers
- ✓ Drive effectiveness through developing new processes and sharing of knowledge and technologies

UNDERSTANDING THE TARGET GROUP

Understanding the Target Group helps to ensure a policy solution appropriately targets and benefits the intended beneficiaries effectively. Can the policy solution solve their problems and help improve their livelihoods?

Method / Steps

1. Talk to enterprises / put yourself in their shoes. Read case studies about enterprise journeys. What are their goals? Note down enterprise experience highlights.
2. Explore and discuss what challenges / difficulties are SMEs facing.
3. Lastly, think about what benefits SMEs would gain if their challenges & difficulties are addressed. Keep these in mind when designing your policy solution prototype.

Understanding the Target Group



MULTIMEDIA / ENTERPRISE PRESENTATION

- Case study video showcasing 'the day in the life of an eco-inclusive enterprise
- Purpose is to allow participants to step into the shoes of entrepreneurs and observe the on-ground experiences
- Highlight gains and pains of eco-inclusive enterprises that will inform future policy making

Understanding the Target Group

1) ENTERPRISE EXPERIENCE HIGHLIGHTS

Talk to entrepreneurs / put yourself in their shoes. Outline the experiences of MSMEs (e.g. who do they work with, where are they from, company management, market size etc.)

Produce eco-bricks made from recycled plastic sourced from landfills

Local enterprise, with international & local suppliers

5 persons in management team

Currently serving 1/3 of local construction market.

2) ENTERPRISE PAINS

What challenges / difficulties are MSMEs facing?

Challenge to access international markets for export

Expensive certification for green products locally & internationally

Lack technology & technical know-how to achieve efficient production



3) ENTERPRISE GAINS

What benefits would MSMEs gain when the challenge is addressed?

Expansion of market share beyond national borders

Formal certification / license recognition for products

Improved efficiency, lower carbon emissions

KEY INSIGHTS AND TAKEAWAYS

In the end, what are key insights & takeaways to consider in the next steps of the process?

Enterprise pain-points are multi-disciplinary

Capacity building for SMEs might be a necessary first step to unlock more innovation



Understanding the Target Group

1) ENTERPRISE EXPERIENCE HIGHLIGHTS

Talk to entrepreneurs / put yourself in their shoes. Outline the experiences of MSMEs (e.g. who do they work with, where are they from, company management, market size etc.)

2) ENTERPRISE PAINS

What challenges / difficulties are MSMEs facing?



3) ENTERPRISE GAINS

What benefits would MSMEs gain when the challenge is addressed?

KEY INSIGHTS AND TAKEAWAYS

In the end, what are key insights & takeaways to consider in the next steps of the process?

POLICY SOLUTION DEVELOPMENT

Similar to Policy Solution Blueprint, this tool is your turn to replicate policy. It breakdowns the different components of your policy solution, identifying key elements to consider, serve as a point for discussion with third-parties and as a roadmap for next steps.

Method / Steps

1. In your break out working group, discuss and outline your policy solution in the white coloured box sections.
2. Note down any open questions you might want to ask other groups in #6 green coloured box section.
3. Exchange with another group, present your policy solution idea to them and your open questions. Solicit **key feedback** and new ideas to improve your prototype.
4. Back in your working group, outline **key next steps** you need to take in order to move forward with your policy solution.

Policy Solution Development

SOLUTION TITLE: Public Sector Green Procurement Strategy, by Department of Finance

1 CHALLENGE

What issue is the solution targeting?

Market demand and awareness for green products & services are not sufficient.

Private sector & households still recovering from COVID caused difficulties.

2 VISION & OBJECTIVES

What outputs & outcomes does the policy solution aim to achieve?

Use green procurement in public sector to kick-start a virtuous cycle for green product demand.

60% of the country's public procurement must abide by environmental standards by 2025.

Achieve national NDCs & global SDGs

Create new green markets

3 WHAT FACTORS CAN BE REPLICATED?

Review Policy Solution Blueprints & group work from day 1. Note down considerations for replication and adaptation.

2-way activation
– boosting
market demand
& supply

Co-creation &
decision
making with
SME
community

Support from
private
sector
investors

Certification
and eco-
labels

Upskilling &
training on
green
technical
know-how

4 MECHANISM OF POLICY SOLUTION

Now outline the mechanism you envisage to deliver your solution. Indicate timeline, budget, map relationship between key actors...

PHASE A: MSMEs

Certification and
eco-labels for
SMEs to meet
environmental
standards

Upskilling &
training on
green
technical
know-how

Mobilise
impact
investors /
venture
capitalists

Innovation
grants + training
for SMEs to
invest in green
products R&D

PHASE B: GOV DEPTs

Sensitisation
&
informational
campaign in
public sector

Environmental
standards
training for
procurement
departments

Create a
database of
green
businesses

To achieve -->

Increase
growth of
green SMEs

30% of public
procurement
meet envi
standards

60% pp meet
standards
(savings of 100
kilotons CO2
per annum)

Green economy
capture wider
market share &
increase green
jobs

5 ECOSYSTEM SUPPORTERS

List the ecosystem actors that are relevant to realise this solution that you may leverage to increase impact

Ministry of
Trade &
Industry

Ministry of
Environments

*Circular
Economy
department!

Bureau of
Standards

Civil Society
groups?

NGOs
supporting
employment

6 KEY FEEDBACK

Solutions Prototyping: What are open questions I would like to ask my peers for help? Participants to share: I like..., I wish..., What if...?

We are resource
strapped, how
can we utilise
existing
resources?

I like: The
solution is
making
information easy
to understand

See example
from Country
F, department
of trade &
industries

What are
alternative
funding
options for
policy?

What if...Transparent
round-table sessions
once a year for
feedback & have
investors present to
pitch

What if...
partnering
with
organisation
X?

7 KEY NEXT STEPS

Define next steps required to realise the solution ideas.

Have planning
discussion with
Department B

Explore case
study from
XYZ country

Further
identify
funding
options from
int'l org

Collect data
about SME
emissions

Solutions
Prototyping
& Feedback

Policy Solution Development



1 CHALLENGE
What issue is the solution targeting?

3 WHAT FACTORS CAN BE REPLICATED? *Review Policy Solution Blueprints & group work from day 1. Note down considerations for replication and adaptation.*

4 MECHANISM OF POLICY SOLUTION
Now outline the mechanism you envisage to deliver your solution. Indicate timeline, budget, map relationship between key actors...

6 KEY FEEDBACK
Solutions Prototyping: What are open questions I would like to ask my peers for help? Participants to share: I like..., I wish..., What if...?

Solutions
Prototyping
& Feedback

2 VISION & OBJECTIVES
What outputs & outcomes does the policy solution aim to achieve?

5 ECOSYSTEM SUPPORTERS
List the ecosystem actors that are relevant to realise this solution that you may leverage to increase impact

7 KEY NEXT STEPS
Define next steps required to realise the solution ideas.

If you have questions about this Toolkit,
write to us at:
labs-policy-prototyping@seed.uno



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