ENABLE
Enhancing Nigerian Advocacy
for a Better Business Environment

A Market Systems Approach to Public-Private Dialogue
and Business Environment Reform

The ENABLE Programme in Nigeria

THE SPRINGFIELD CENTRE
FOR BUSINESS IN DEVELOPMENT

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While Public-Private Dialogue (PPD) and private sector advocacy capacity are increasingly recognised as essential for effective private sector development, questions have arisen over the levels of sustainability and outreach generally achieved by development initiatives focusing on these issues. The DFID-funded Enhancing Nigerian Advocacy for a Better Business Environment (ENABLE) programme is applying an innovative, market systems approach to enhancing the effectiveness of PPD and business advocacy in Nigeria. ENABLE is achieving exciting early impact. This paper explores ENABLE's approach and shares our experiences to date.

Dialogue between the public and private sector plays a key role in promoting and implementing the right conditions for private sector development, wealth creation and poverty reduction. Simply put, governments that listen to the private sector are more likely to implement reforms that lead to investment, improved business performance and employment creation. In turn, businesses that have a stake in the reform process and understand what the government is trying to achieve are more likely to accept and support these reforms. Communicating effectively is the best way to set the right priorities and support common interests; meeting regularly builds trust and understanding. Transparent dialogue is also a way to counter policy-making that is dominated by a small number of large companies, or by back-room deals based on patronage ties and special interests. Finally, promoting dialogue among national stakeholders is more likely to generate sustainable change in the business environment than "importing" ideas and agendas from the outside.

Development agencies are increasingly recognising the importance of **business advocacy and Public-Private Dialogue** (PPD) in business environment reform[1]. On the "demand" side, considerable effort has been made to build the capacity and "voice" of private sector representative bodies such as Business Membership Organisations (BMOs) to more effectively engage with government on business environment reform issues. Likewise, extensive attention has been given to "supply" side efforts to build the capacity and willingness of governments to enact reform and become more "accountable". However, typically, projects operate in isolation of each other – building "voice" but not the capacity of Government to listen, or opening up the "accountability" doors of Government but finding few walk through[2].

While these approaches have yielded some positive results[3] through specific policy, legal or regulatory changes, issues often arise over the **sustainability** and **outreach** of these efforts. In our view, the common problem is that "traditional" approaches used by development agencies fail to recognise the **incentives** and **disincentives** that exist for the private sector and government to participate in PPD, the **transactional nature** of the relationship, as well as the **technical capacity** required for each side to engage effectively with the other. Furthermore, there is often no consideration of the wider dimensions that shape this exchange in the **"market" for business environment reform** — the **supporting functions** and the range of **formal and informal rules** needed for substantive dialogue to occur. By failing to address both the demand and supply sides of this market, reforms can be undermined. By taking a "money before membership" approach (i.e. skewing focus from members and fees to donors and grants) to working with BMOs, focus can be misdirected, longer-term organisational sustainability can be undermined and national stakeholders' home-grown agendas for change can be distorted. Lastly, donor-funded dialogue forums can fail to secure real buy-in from national stakeholders and often fizzle out once the donor has exited.

Informed by this experience, the DFID-funded ENABLE programme, implemented by Adam Smith International and the Springfield Centre, takes an innovative approach to increasing the effectiveness of business advocacy and PPD in Nigeria. ENABLE employs a **market systems approach**, seeking to **facilitate systemic change** in the market for business environment reform, by addressing the **underlying causes (rather than just the symptoms)** of weakness in the market system. It is the ENABLE approach—which is rooted in the application of the **Making Markets Work for the Poor (M4P)** framework— that this paper explores.

ENABLE is a relatively young programme but the impact it is already achieving is exciting. We therefore see value in sharing our early experiences and results in order to assist development agencies in considering new and improved practices.

1. See for example, The PPD Handbook, A Toolkit for Business Environment Reformers, B. Herzberg and A. Wright, 2006.
2. Citizens' Voice and Accountability: Understanding what works and doesn't in donor approaches, ODI Briefing Paper, February 2009.
3. B. Herzberg and A. Wright, op cit, p.11.

Enhancing Nigerian Advocacy for a Better Business Environment (ENABLE)

➔ 4.5 year, £7.5m DFID-funded programme implemented by Adam Smith International and the Springfield Centre.

➔ Initial 6 month re-design phase: From challenge fund "instrument" to facilitator "process".

➔ Operational phase March 2009 to March 2013.

➔ Currently active in FCT Abuja, Lagos, Kano and Kaduna states, expanding to Cross River.

➔ Partners include Business Membership Organisations (BMOs), Media, Research Institutions and Government Ministries, Departments, Agencies (MDAs).

➔ Programme purpose: Increased effectiveness of advocacy and PPD.

➔ Programme goal: Improved policy and regulatory environment for business in Nigeria.

The innovative ENABLE approach

ENABLE rigorously applies the M4P approach. M4P is based on an understanding of the central importance of well-functioning market systems to: (a) wealth creation; and (b) improved access by the poor to basic services. The effectiveness of M4P in delivering sustainable, pro-poor and large-scale change is increasingly being demonstrated and recognised[4]. In practice, M4P is successfully being applied to a range of market systems, particularly in agriculture and financial services, but also newer applications are being piloted to more public-benefit areas such as land, labour, health, education, infrastructure, and climate change technologies.

ENABLE's approach extends the application of M4P to the market for business environment reform. The core market is characterised by BMOs on the demand-side and government on the supply-side. Through advocacy, BMOs demand change in the business environment. Government Ministries, Departments, Agencies (MDAs) supply change through policy, legislative and regulatory reform. PPD is the platform through which demand and supply come together. To the best of our knowledge, ENABLE is the first development programme to systematically apply the M4P approach to business environment reform[5].
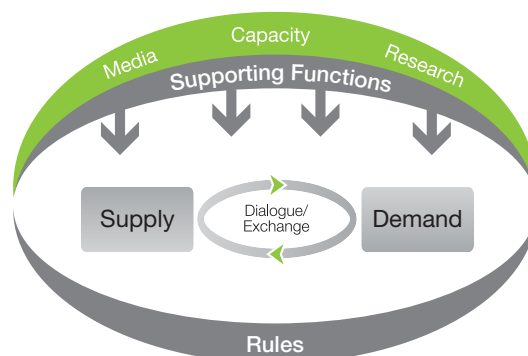
BOX 1: The M4P Approach

The Making Markets Work for the Poor approach (M4P) focuses on strengthening market systems so that they function more effectively, sustainably and beneficially for poor people. Central to the M4P approach is:

➔ A holistic view of market systems, including an understanding of the support functions and rules which are essential to making markets work and a recognition that both public and private actors have a role to play.

➔ Analysis of markets systems to identify underlying causes of the market weaknesses, which prevent them effectively serving the poor.

➔ Interventions that aim to address these underlying causes, rather than the symptoms.

➔ A focus on sustainability, which means striving for both systemic change and developing a clear vision of the future beyond a particular intervention or project.

➔ A facilitative role for agencies and governments – the role of agencies is to catalyse market development and build the capacity of market actors to perform their functions effectively; agencies should not directly perform these market functions themselves.

From "A Synthesis of the Making Markets Work for the Poor (M4P) Approach" pg. 25 - DFID/SDC

ENABLE's strategic framework

Central to ENABLE's market-based view of business environment reform is an understanding of the incentives and disincentives that exist for the private sector and government to engage and exchange more effectively in the market, as well as their technical capacity to do so. In addition to this core transaction, the market system for business environment reform consists of supporting functions and a range of formal and informal rules. ENABLE has identified the media and information as key supporting functions needed for the emergence of effective dialogue in Nigeria. Media are effective platforms for dialogue and can pursue and investigate issues on their own right. Information and research are the basis for evidence-based advocacy and policy, legal and regulatory responses.

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4. Case studies available in A Synthesis of the Making Markets Work for the Poor (M4P) Approach pg. 19 - DFID/SDC.

5. We acknowledge earlier efforts that applied the M4P approach to business environment reform – see for example Improving the environment for small businesses in Indonesia and Russia: Experiences from Swisscontact, Swiss Agency for Development and Cooperation SDC, November 2006.

How does ENABLE intervene in the business environment reform market?

ENABLE facilitates the development of the business environment reform market system in the following ways:

➔ Strengthening the demand for reform by addressing the capacity and incentives of BMOs to engage in effective advocacy on behalf of the private sector;

➔ Increasing the quality and quantity of the supply of reform by building the ability and willingness of MDAs to consult and dialogue with the private sector;

➔ Developing the sustainable capacity of Nigerian media as a driver and supporter of reform, a channel for important information and a platform for debate and discussion;

➔ Improving the access to, and supply of, legal, policy and regulatory information and other services that serve to stimulate and inform dialogue; and

➔ Tackling formal rules issues, for example internal governance and accountability of BMOs, codifying approaches to PPD within government MDAs and seeking to modify prevailing informal rules, such as the "brown envelope" culture in the media industry.

What do we mean by "systemic change"?

ENABLE's aim is to facilitate systemic change in the market for business environment reform. This implies that interventions are designed to develop capacity in the market system (rather than deliver support directly), leverage the actions of market players to deliver large-scale benefits, and are constantly focused on sustainability. In doing so, ENABLE is responding to the limitations of traditional approaches to business environment reform which tend to view the issues in purely financial terms (issuing grants for example) and thereby fail to address the underlying constraints. Using ENABLE's Media Portfolio as an example, a DFID assessment[6] designed to gauge the impact of previous media-driven change programmes in Nigeria and lessons learned for current and future DFID programmes, concluded that:

"…with the exception of ENABLE which is in its early stages, the projects were almost all seen as time limited and donor-driven, and did not survive the withdrawal of donor funding."

Furthermore the report goes on to comment that:

The ENABLE approach ... offers the best thought out approach to the issue of local ownership of media driven change, and one that could be sustained beyond the time limit of donor support."

Media Portfolio: High Quality Partnerships

ENABLE's media portfolio comprises 11 high quality partnerships including Punch (one of the oldest and most widely read newspapers in Nigeria), Business Day and Lagos Television (one of the most watched stations in Africa's fastest growing city).

In 2009 ENABLE partnered with Freedom FM, a commercial radio station based in Northern Nigeria, to support the launch of a new radio programme, Da Rarafa, which discusses issues affecting small and medium sized businesses in the North. The programme has now been on air for over one year with no financial support from ENABLE. During this time a host of business issues have been analysed and discussed, with input from both the public and the private sectors, resulting in several small but tangible improvements in the local business environment. ENABLE is now providing marketing capacity building to Freedom to ensure that the programme generates sufficient revenue to ensure its long-term viability.

BOX 2: Systemic Change

Market system change might include:

➔ Improved delivery (such as increased advocacy activities, research, position papers and dialogue events).

➔ Changes in practices, roles and performance of system players and functions (improved service delivery, governance, quality of editorial content).

➔ Changed attitudes of, and evident ownership by, market players.

➔ Demonstrated dynamism of market players and functions (for example, responsiveness to changed conditions in the system).

➔ Independent and continuing activity in the system (i.e. the extent to which changes are maintained after direct intervention support has ceased).

Adapted from "A Synthesis of the Making Markets Work for the Poor (M4P) Approach" pg. 39 - DFID/SDC

ENABLE is committed to delivering systemic change because we believe that the process through which reforms happen are as important as the reforms themselves. Sustainability of impact, in this wider sense, is the prize of genuine transformational change. For ENABLE, although our goal is to improve the business environment in Nigeria, we see the development challenge not to get X new business-friendly bills passed, per se, but

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6. From An Analysis of Media-driven change in Nigeria, Media Support Solutions Ltd, DFID 2009.

to help create a system whereby the public and private sector engage in effective dialogue around business environment issues. If ENABLE is successful, this system will, of itself, generate business friendly regulation, but new regulation by itself is not the primary goal. The reason for this focus on systemic change is sustainability, impact and scalability. A new business-friendly law is sustainable only in a limited sense. If a new bill has been passed, but without any change to the system that formulates business regulation and legislation, then it is only a matter of time before the regulatory and legislative environment deteriorates again as new non-business friendly laws and regulations are passed or introduced. Real sustainability, impact and scalability, therefore, can only be achieved through systemic change.

For ENABLE, in seeking to achieve systemic change, a useful exercise has been to sketch out a vision of how the market system for business environment reform can operate better in the future. The future here means post-ENABLE. The key question is, in order for there to be substantive and on-going dialogue between the public and private sector, what support functions and rules need to be in place? By envisaging the market post-ENABLE, we can guard against doing those things ourselves which should properly be performed by local actors, thus greatly improving the chances that the system we help to catalyse will survive after ENABLE has exited.

> ### BMO Portfolio:
> ### LCCI Institutes Dialogue Roundtables and Changes Multiple Taxation
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> The Lagos Chamber of Commerce and Industry (LCCI), the oldest BMO in Nigeria, approached ENABLE to receive advice on how to engage government in a series of dialogue events called Business Environment Roundtables (BER). With ENABLE's support LCCI has been able to develop the internal capacity to run the BER. A full time Advocacy Officer has been hired and management and board have made the BER not only an effective way of reaching out to government, but also a tool to invite members to dialogue and extend LCCI's membership to new areas of Lagos business. The BER are fully run and financed by LCCI. Following the first BER on multiple-taxation, the State Government has passed a bill to harmonize and streamline local government taxation in Lagos.
>
> Interest has emerged from other state BMOs in replicating the BER, offering ENABLE an opportunity to achieve scale.

Facilitating the right things

Within the M4P framework, ENABLE performs the role of facilitator, stimulating change and improving the functioning of the market system for business environment reform but without taking on the roles of the players that make up the system. To give an example, consider ENABLE's role in stimulating the demand for, and supply of, information. Information, particularly developed through credible research, is a key supporting function of the core market: for effective advocacy and dialogue to occur, BMOs (and government MDAs) need to be able to access research into the business impact of an existing or proposed set of laws or regulations. For this to happen, BMOs either need the internal capacity to produce good quality research themselves, or they need to be able to commission research from a third party. A key objective of ENABLE, therefore, is to help to strengthen the market for research. This may sound simple, but it has radical implications for the way ENABLE works. Consider, for example, a BMO that wants to advocate for the removal of government from the supply of fertiliser. Research is a key input in the advocacy process: without research showing how the current system is detrimental to farmers, the advocacy initiative is unlikely to get anywhere.

The "easy" approach is for ENABLE to produce the research itself, or pay others to do so. But this is clearly not sustainable. What happens post-ENABLE when the BMO wants to advocate on another issue? Where will it get the research then? Instead of simply doing it ourselves, ENABLE is trying to catalyse a market for research. That means working with BMOs to help them to understand the importance of research, and helping them build the skills they need to commission research (e.g. poll members, write ToRs or evaluate proposals). It means working with research institutions to build their capacity to "right-size" research for the BMO market and to effectively market their services. And it means working with a coordinating body that can provide advice to research institutions and provide linkages between buyers and sellers.

In practical terms, ENABLE's support is provided through technical assistance in the form of specific short- and medium-term interventions, longer-term mentoring arrangements with partner organisations, and training programmes, supervised and supported by the ENABLE Management Team. ENABLE does not provide core funding (e.g. for an advocacy officer) but it does co-fund activities that aim to improve the system (e.g. training on advocacy). It aims to establish genuine partnerships rather than supporting "beneficiaries" or "recipients", and it responds to demand from market players and opportunities in the market, instead of imposing an agenda. The primary concern is to ensure interventions are fully owned and implemented by partner organisations.

Information Portfolio:
Facilitating a Market for Research

ENABLE identified research provision as a key support function for the core business environment reform market. ENABLE has supported KAPCo – a coalition of small BMOs representing the produce sector – to commission research into the compliance costs surrounding food standards. The current process is very burdensome – it can take up to one year to gain approval – which forces many smaller producers into the informal sector. On the other side of the research market, ENABLE also provided support to a number of local research institutions to help them to better understand and meet the research needs of BMOs, including the Centre for Research Documentation (CRD) which eventually won the KAPCo contract. A research paper has now been presented to the National Agency for Food and Drug Administration and Control (NAFDAC). By acting as a facilitator rather than a player in the research market, ENABLE hopes to catalyse a strong and sustainable local research market, which can serve the needs of BMOs long after the ENABLE programme has finished.

The ENABLE journey –
a white-knuckle roller coaster ride!

ENABLE has been operational for 20 months and is currently working with 36 different BMO, government, media and research partners. Initial results are positive and exciting. Learning and progress has not always been linear but it has been highly effective and productive in the case of most partners. While we believe that the ENABLE approach is the best way to achieve lasting change, it presents a unique set of challenges, which we explore below.

"Show me the money!"

Many of the organisations that approached, or were approached by ENABLE had expectations of full and direct financial support. These expectations were created and reinforced through previous donor projects which had viewed the issues predominantly in financial terms.

This, coupled with the fact that ENABLE's first stage of engagement is a thorough diagnostic and constructive appraisal of the partner's capacity, initially generated some resistance to the ENABLE "offer". While direct funding of partner functions and activities has the potential to yield tangible early results, this is fundamentally at odds with ENABLE's systemic approach. An extensive process of "re-education" was required to align partner expectations with the ENABLE offer and achieve the level of buy-in required to implement strategic interventions. A key aspect of this process was the development of ENABLE's brand and developing partners' understanding of the value of the services provided by the programme. ENABLE has built a professional image, speaks the language of business rather than development, is staffed by individuals with entrepreneurial flair, and markets the services it offers.

Using SMS Technology to Enhance Advocacy

ENABLE is supporting local SMS and IT service providers to develop platforms for Business Associations to communicate with members and gather evidence though simple members polling. The core of the strategy is to design a system that is easy to use and at the same time can generate income, through either simplifying the collection of dues via electronic transactions, or raising funds by selling the platform to potential advertisers. ENABLE is currently piloting this innovation with three BMOs using two service providers.

Building confidence and credibility

ENABLE's support centres on advising partners on embracing new strategies and practices; consequently a strong onus exists to demonstrate the validity of the advice provided. In a M4P value chain project for example, such proof is often relatively straightforward to produce (for example a change in practice directly leading to an increase in sales). The causality in the business environment reform market is less immediately clear.

Well-delivered advocacy can be perceived as a longer-term and higher risk investment for a BMO as it only delivers returns (for example an expanded membership base) if the advocacy succeeds and the association can claim credit for it. Similar challenges affect ENABLE's support to media partners in developing new business issue-based media products; the products need to reach a level of popularity before attracting viable advertising income. Furthermore, Government PPD platforms need to become credible before they can deliver political returns to the promoters. New research services geared towards the business environment reform process must be proven to play a critical role before widespread demand can be expected.

ENABLE addresses this challenge by establishing partnerships with its clients; longer-term relationships are developed to fully understand partners' capacity constraints and incentives to improve practices. ENABLE uses a thorough diagnostic process to: (a) develop clear strategies on addressing constraints faced by partners; and (b) to set clear benchmarks by which to monitor subsequent progress. The partnership model goes beyond striving to achieve a fixed objective (for example updating a certain regulation) and is instead focused on sustainably developing the viability (commercial or otherwise) of the partner organisation.

BMO Portfolio: MACBAN

The Miyetti Allah Cattle Breeders Association of Nigeria (MACBAN) represents over 100,000 nomadic and semi-nomadic cattle rearers in Nigeria. Following ENABLE's engagement, the MACBAN board agreed to hire and fund a full-time advocacy officer. With ENABLE's support, MACBAN successfully advocated for the gazetting of three new grazing reserves in Kaduna state. The Bill on the grazing reserves has been passed into law. These new reserves will not only improve the livelihoods of tens of thousands of cattle rearers, they should also reduce the frequency of deadly land disputes with farmers. Following on from this initial success, ENABLE is now deepening its engagement with MACBAN by helping it to improve its governance structures, its member services offering, and its revenue generation capacity. The aim is to leave behind a strong association which has the resources and capacity to advocate successfully on behalf of its members long after the ENABLE partnership has ended.

Overcoming entrenched behaviour

One of the striking features of the business environment reform market in many developing countries is the frequency of inconclusive, superficial, ceremonial meetings, which are used by government and private sector delegates as an opportunity to rub shoulders and take commemorative photos. This type of interaction (often funded by donors) rarely delivers any real change but is endemic and difficult to overcome. It brings quick returns (in terms of publicity) to those who have the opportunity to be "in the picture", but such returns are often little more than superficial and reinforcing of an ineffective status quo.

Government Portfolio: Consultation Becomes Practice in the FCTA Transport Secretariat

ENABLE supported the Federal Capital Territory Authority (FCTA) Transport Secretariat to undertake effective consultations with key stakeholders within the Federal Capital Territory (FCT) in the development of a state level transport policy. This led to a requirement for consultations to be included in the policy as a matter of practice within the Transport Secretariat in policy related matters. As a result of effective stakeholder engagement the transport secretariat secured the speedy approval of the policy by the FCT executive council. The Transport Secretariat now values effective stakeholder engagement as key to initiating and driving reforms.

ENABLE sees this intervention as one that can be leveraged to achieve scale by promoting it as best practice with other government MDAs.

To respond to this challenge, ENABLE pays great attention to building the confidence of the market players by developing their capacity to deliver effective advocacy and dialogue. Where necessary, ENABLE also shares some of the risks of introducing new practices by funding part of the investment required. This requires an interactive approach, moving at a pace in line with the capacity of the partner, and where results need to be carefully monitored to provide the partners with the necessary feedback to assess the risk of making larger and longer term investments.

Government Portfolio:
PPD in the House of Representatives

ENABLE was approached by a group of members of the House of Representatives seeking support to establish a PPD platform. With the support of ENABLE, the inaugural Business Environment Network event was held in July 2010. The event gave the private sector the opportunity to provide input on the commercial arbitration bills currently before the House. ENABLE will support two more events on access to finance, competition policy, and multiple-taxation. The ultimate aim is to institutionalise the platform, thus ensuring that the private sector has the opportunity to positively influence business legislation in Nigeria on a permanent basis.

Free-riders

Some BMOs have contested ENABLE's offer on the basis that advocacy is a "collective" good, where the costs for advocacy are borne by one group (fee-paying members), but the benefit (in terms of an improved business environment) accrues to more than the cost-bearing group. This "free-rider" problem is one of the arguments sometimes used by BMO managers to justify their lack of performance and weak membership base (see Box 3).

To address these challenges ENABLE supports partners to develop strategies that are not solely focused on the advocacy objectives, but also provide material and universal benefits in the course of the advocacy process. When a BMO carries out research, for example, this can be used for both feeding advocacy activities as well as to provide members with useful market information.

BOX 3: Advocacy and the Free-Rider problem

Individuals must have an incentive to join an interest group. The Free-Rider problem refers to the difficulty of persuading people to join and contribute to a particular interest group when the benefits accrue to members and non-members alike. An interest group must receive member contributions in order to accomplish its agenda, so the Free-Rider problem leads to a lack of resources and the under-provision of advocacy. The free-rider problem can be mitigated to some degree if the interest group can provide material and solidarity benefits to its (fee-paying) members. Material benefits may include training services, business linkages, discounts or access to credit. Solidarity benefits include socialising and networking opportunities, the identity associated with group membership and status.

Achieving systemic change

ENABLE works to address the underlying causes (rather than symptoms) of weakness in the market system for business environment reform and aims to facilitate, through local actors and where required, a fundamental realignment of relationships, rules, roles and dynamics. Working with and through national stakeholders is often challenging and time-consuming, but crucial to the success of ENABLE's approach is resisting the temptation to "jump in and do it ourselves" and perform the functions of partners when progress is slower than expected. We must remain focused on providing the right stimuli and market incentives, and must work at the pace of our partners and other local organisations to ensure that full ownership of improved practices is taken. In cases where progress with a given partner is not possible, we must be prepared to suspend or cancel certain partnerships.

The causes of weakness in the business environment reform market often lie beyond the core of the system (dialogue and exchange between the private sector and government) and it is therefore also important to consider the deep-rooted problems that exist in interconnected markets. For example, an underlying constraint affecting the core market can lie in the interconnected market of research information – ENABLE aims to develop the capacity of local research institutions to supply relevant, cost-effective information to BMOs which in turn strengthens advocacy capacity.

Achieving a sizeable impact scale in the core market is also challenging since replication (the imitation of a programme-induced innovation by organisations or actors not directly targeted by the programme) is harder to achieve compared, for example, to M4P value chain projects where the market sends signals to market players and the profit motive provides incentives to copy improved practices. It is therefore important to fully investigate and disseminate evidence of success, and develop the capacity of local actors to do the same, to encourage replication and guide future interventions.

For reasons such as these, programmes like ENABLE can experience slower initial progress. This may require careful management of donor and partner expectations, as well as consciously promoting a culture that encourages calculated risk-taking in introducing innovations that allow such obstacles to be overcome.

Delivering clear messages

It has been particularly important to communicate ENABLE's approach in clear terms to partners and external stakeholders. As ENABLE acts as a facilitator, the rate of progress with certain partners can fluctuate. Basing interventions to a large degree on partner demand can mean future activities can be difficult to plan in advance with a high level of precision. To give stakeholders the confidence and assurance that they

need, it is vital to properly explain the approach and the types of interventions and results that can be expected. One communication method has been to produce regular case studies to share with ENABLE's stakeholders, illustrating ENABLE's approach in practical terms, highlighting the systemic change sought by ENABLE, and demonstrating successes.

Improving advocacy for businesswomen

ENABLE is a gender-sensitive programme. In selecting our partners we are always on the lookout for opportunities to partner with organisations that protect and represent the interests of female workers and entrepreneurs in Nigeria. Some examples are given below:

The Kaduna Agro-Processors Coalition (KAPCo) is a new coalition of five business membership organisations. ENABLE is supporting KAPCo to advocate for a reduction of the compliance costs surrounding food regulations – the current system is very lengthy and costly, which forces many small-scale producers to remain in the informal sector. Over two-thirds of KAPCo's members are female. If KAPCo's advocacy efforts are successful, over 50,000 women will benefit from a better business environment, resulting in higher incomes and a more secure livelihood.

Many of the ENABLE supported media products address gender-specific issues. A good example is Business Day, which produces a weekly 8-page supplement on SME issues called Entrepreneur Today. The supplement includes a section called Women Entrepreneur, which profiles successful Nigerian businesswomen.

ENABLE is also an equal-opportunities employer. This is reflected in the fact that over half of the technical staff at ENABLE are women.

Impact assessment: more than just Monitoring and Evaluation

BOX 4: Measuring Results

" *...the systemic nature of M4P, and the fact that the time from interventions to final impact can be relatively long compared with the illusory 'wham' of direct delivery, renders M&E especially important for M4P.* **"**

A Synthesis of the Making Markets Work for the Poor (M4P) Approach"
pg. 39 - DFID/SDC

ENABLE takes results measurement seriously and impact assessment plays a crucial role in the overall approach. More than just measuring results, ENABLE's impact assessment system is an integral part of project planning and allows coherent and robust strategic management of interventions.

Measuring high-level impact, such as the number of substantive dialogues convened, is not sufficient. It is also necessary to understand, for example, the capacity and incentives of local actors to convene substantive PPD beyond ENABLE's lifecycle. This requires an impact assessment process that can measure the level of capacity of local partners, the degree of buy-in or commitment from key internal stakeholders, the profitability of commercial service providers (such as research institutions), and the institutionalisation (e.g. independent activity, without ENABLE's support) of practice change.

For these reasons ENABLE's approach fully integrates impact assessment into the project management cycle. Right from the design phase, ENABLE ensures that:

→ from the outset, every intervention has a clear results framework, setting out how the intervention will contribute to sustainable and systemic change and, ultimately, purpose and goal level impact; and

→ during implementation, managers receive the right information at the right time, which leads to better decision-making and resource-allocation.

A key tool to achieve this is the impact logic (or results chain). Each of ENABLE's interventions, partnerships and portfolios has an impact logic, which sets out a causal "map" of expected changes. Change is mapped all the way from initial activities though to purpose level and goal level change. Just as ENABLE is the first large-scale programme to apply M4P to business environment reform, it is also the first to apply the principles of the DCED Standard on results measurement[7] to a PPD or advocacy programme that we know of.

7. Measuring Achievements in Private Sector Development, Implementation Guidelines, Version 1g, 5, Donor Committee for Enterprise Development, March 2010.

The impact logic has obvious utility in terms of ensuring that every intervention has a clear logical framework. It also serves as the basis of ENABLE's measurement planning. The impact logic describes each of the key changes that need to occur if an intervention is to achieve high-level impact; the measurement plan measures whether or not this change has occurred in practice. By measuring change along the whole results chain, it is possible to pinpoint blockages or resistance, and managers can take action as necessary.

ENABLE's impact assessment process is also designed to provide robust evidence to donors and other external stakeholders regarding the programme's high-level impact. ENABLE has drawn on M&E best practice to develop a robust approach to measuring high-level impact: baselines are collected prior to interventions, both quantitative and qualitative indicators provide a fuller picture of impact, and a range of strategies are used to demonstrate attribution. Note that the results chain adds value here too – by measuring change all the way along the causal chain a more convincing account of attribution can be made.

ENABLE encountered challenges in developing its impact assessment framework. Firstly, many of the changes that ENABLE is trying to bring about are rather amorphous in nature. There is a strong qualitative element to many of these changes and it can be difficult to know what to count – for example, when does a dialogue count as 'substantive'. To tackle this problem, ENABLE has developed scorecards and diagnostic kits which allow users to evaluate qualitative change in a consistent and transparent way. However, it is always necessary to complement these tools with more open-ended, qualitative evaluation to avoid missing important details and to capture nuance.

The second challenge relates to attribution. The most rigorous way of measuring attribution – the use of a control group to create a quasi-experimental setting – is not as applicable in the case of ENABLE. There are two reasons for this. Firstly, because of the need to work with partners that accept the ENABLE approach and are committed to improving their advocacy and dialogue practices, ENABLE does not select partners on a random basis. This introduces a clear sample-selection bias – these partners may have outperformed the control group even without the intervention of ENABLE, introducing an upward bias to the impact assessment. Secondly, an explicit aim of ENABLE is to foster systemic change (for example, through catalysing a market in research provision). If ENABLE is successful, it will be difficult to find a control group that is not 'contaminated' in some way, introducing a downward bias to the impact assessment

(the control group, which ostensibly was not targeted by the ENABLE interventions, may nonetheless benefit). With this in mind, ENABLE adopts a series of strategies to establish plausible attribution besides the quasi-experiment, including in-depth case studies. The case studies aim to untangle the various factors driving change in partner organisations. Sources are triangulated where possible to improve robustness of assessment.

The 2010 independent review of ENABLE commented that:

"The way the project is operationalising the indicators, including the use of score cards, is in line with the approach and the use of measurement plans should ensure a high level or reliability and consistency throughout the system. We believe the project is well on its way to contribute to best practice in M&E and impact assessment in market systems development."

ENABLE's early impact is encouraging and increasingly demonstrates the applicability of a rigorous market systems (M4P) approach to improving the effectiveness of PPD and business environment reform. As the programme progresses, new challenges and opportunities will be faced and further adaptation will be a key factor to continued success. As the first of a series of papers to be produced by ENABLE, we hope this makes a meaningful contribution to the wider debate and is of interest to those working on similar issues.