

Public sector roles in agri-food chains

Regulatory strategies and functions in food safety, corporate social responsibility and seed sector development

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The development, organization, and management of commodity production, processing and marketing arrangements are now recognized as primarily a private sector responsibility. While the direct involvement of governments in value chains has diminished, there are also still public sector roles in creating favourable conditions for agricultural sector development, for promoting sustainable management of natural resources, for fostering public-private cooperation and for enabling inclusion of smallholders and small enterprises. This implies that new approaches and intervention strategies, comprising an 'enabling environment', are required to fulfil these roles under privatized, deregulated and globalising market conditions.


Strategies and approaches to establishing this enabling environment appear to differ considerably between various countries. This is particularly so in terms of (a) the level of direct government intervention as regulator or participant in the markets and value chains and (b) the ability to put policies into practice. In bilateral and multi-lateral relationships it is important to acknowledge these differences, because success of cooperation initiatives depends partly on compatibility with policy strategies and regulatory approaches in the countries concerned.

The range of strategies and approaches assumed by public sector agencies to promote an enabling environment may be classified around four different principle roles, ranging from mandating to facilitating, partnering and finally endorsing (see Table 1). In their mandating role, for example, governments at different levels issue and enforce legislation and may define (minimum) standards. In terms of an endorsing role, government agencies simply give support and backing to initiatives of other parties.

Table 1. Examples of different public sector roles.

Mandating	Facilitating	Partnering	Endorsing
<ul style="list-style-type: none"> • "Command and control" legislation • Regulators and inspectorates • Legal and fiscal penalties and rewards 	<ul style="list-style-type: none"> • "Enabling" legislation • Creating incentives • Raising awareness • Capacity building • Stimulating markets 	<ul style="list-style-type: none"> • Combining resources • Stakeholder engagement • Dialogue 	<ul style="list-style-type: none"> • Political support • Publicity and praise

Clearly, there are often no strict boundaries between these roles, and in many cases, public sector organisations combine various roles. The research paper reviews several cases from a variety of countries related to public sector involvement in promoting (a) food safety and agricultural health, (b) corporate social responsibility and (c) seed sector development. The review highlights marked differences, both across and within countries, in terms of emphasis placed on certain (combinations of) roles. For example, the public sector does not always play a mandatory role in a typical public sector regulatory domain such as food safety and agricultural health, with some countries combining aspects of a facilitating and mandating role as seen with initiatives of producers



and exporters of high-value horticultural products. The cases also demonstrate that government organizations appear to do more than just endorsing corporate social responsibility and also play partnering and facilitating roles and, in one case, even a mandating role.

Enhanced chain competitiveness and sector growth are often the main driving force behind the adoption of a particular role towards the various regulatory functions of the public sector. Different countries, however, use this policy objective for the development and pursuing of differing public sector roles towards the same regulatory function. Factors such as the general view on the role of the state may be more determining than the policy objective itself.

For bilateral or multilateral partners collaborating with counterpart organisations in the South, it is important to take these issues into consideration. Transposing lessons learnt with the development of certain public sector approaches towards foods safety, seed sector regulation or corporate social responsibility from one country to another may not always have the desired effect. Further

analysis is required into the determining factors behind the adoption of a particular public sector role (e.g. available capacities or prevailing political and cultural thinking on the role of state) before experiences and approaches with public regulatory functions from one country can be transposed to another.

International support organisations and bilateral donors may wish to familiarise themselves with prevailing patterns of pursuing regulatory functions in a market-economic environment before getting involved in supply chain governance programmes and projects. Public-private partnerships or public sector capacity building in implementing market regulatory functions are not to be viewed as defined approaches towards introducing improved supply chain governance systems. The case material presented in this paper demonstrates that there is too much diversity in approaches. Identification of the main driving forces behind the prevailing market regulatory functions and studying existing patterns of public sector roles may hold the key to determining the most effective approach to public sector involvement in governing certain aspects of agri-food supply chain performance and developments.

This strategy and policy brief is based on a more substantial research paper that can be found online at: <http://www.boci.wur.nl/uk/publications>

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