

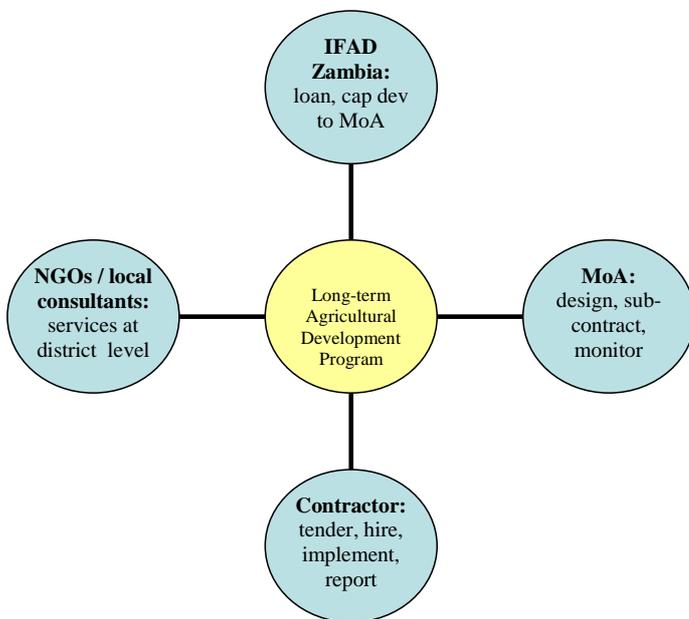


Government's role in pro-poor partnerships: from implementing to monitoring

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WI project group (KB7) and LEI (BOCI), in 2008 / 2009:

- Desk research, background documents
- Expert meetings in the Netherlands
- In-depth interviews with stakeholders in Uganda, Kenya, Zambia, Tanzania (Ethiopia, other)
- Seminar / International conference, Netherlands



Economic crises have typically led to declining public investment in agriculture. Only a healthy agricultural sector and a growing non-farm economy may get SSA back on the WFS target path.

Innovative PPPs and new role for government required:

- Key factors for private-public partnerships (PPPs)?
- How can government become modern player?
- What role for donors to support this?
- Risk management policies to facilitate investments
- How make use of growing interest by MNCs?
- What new roles may government / donors play?

Success & failure factors of PPPs:

Critical success factors:

1. Political will / government support
2. Internal PPP champion (push or pull)
3. Transparency, accountability (in/out)
4. Agreeing on shared objectives
5. Relationship management

Key constraints:

1. Too complex (too many goals and actors)
2. Lack of political will to include private sector
3. Negative perceptions across the sector
4. Lack of mechanisms to manage risk & liability
5. High costs for creating and sustaining

New role of government

From program planning & management to outsourcing & monitoring. From a command-based to a market-based approach. Lessons learnt are:

- Maintain direct benefit structures (salaries, vehicles, computers): without these there is no incentive
- Shift focus towards different benefits: gaining the trust from the rural electorate

Required capacities

1. Project identification, ToR writing, outsourcing
2. Partnership building & maintaining
3. Project monitoring, measuring intervention impact
4. Project comparing, new program proposal writing
5. Comparative research, action learning

A. Risk management policy framework (lead LEI)

1. Scope & importance of commodity risk problems, and formulate risks in value chains
2. The role of government in the design and use of market-based price risk management tools
3. Required donor interventions for strengthening the government agencies to play this role

B. Sustainable sourcing arrangements (lead WI)

1. How important are private (MNC) investments in SSA agriculture to rural poverty alleviation?
2. What private-public partnership mechanisms are required for this private sector to invest (more)?
3. What are the pros & cons of contract farming as a market-based instrument for sustainable sourcing?
4. How will development impact be assessed?