



**Programme Based Approaches in
Agriculture and Rural Development**
The Specific Challenges of Productive Sectors



Summary of Findings

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This year's Africa Forum was held in Windhoek, Namibia, from 30 October to 3 November. A total of 204 people attended, from 25 countries, 18 of which are in Africa. Theme of the forum was *Programme Based Approaches in Agriculture and Rural Development: the Specific Challenges of Productive Sectors*. Hosts of the 10th anniversary Africa Forum in Windhoek were the Ministry of Agriculture, Water and Forestry and the Ministry of Lands and Resettlement of Namibia. The Forum was officially opened by the Right Honourable Prime Minister, Nahas Angula, in the presence of Ministers from the host ministries, Honorable Jerry Ekandjo, Minister of Lands and Resettlement and

Honorable Nickey Iyambo, Minister of Agriculture, Water and Forestry.

The forum had set itself two main tasks. The first was to explore the potential tension of applying new aid modalities like the Programme Based Approach (PBA) to the area of agriculture and rural development. The second task was to link up to the Comprehensive Africa Agriculture Development Programme and to the forthcoming World Development Report 2008 on Agriculture. The forum focused on three main sub-themes: (i) The importance of the private sector (ii) Institutions and capacities and (iii) Performance and impact monitoring.



The importance of the private sector

The most significant roles of the state in agriculture are not concerned with public expenditure but with creating the right environment for private actors to invest. Successful agricultural policy must be based on a sustained commitment to an enabling environment and on a clear understanding of what this entails. The policy then has to be translated into legislation whereby the special challenge is the coordination of many pieces of legislation across several sectors into a

coherent legal framework. Secure land tenure systems are of crucial importance to investment as is the legal protection of assets and enforcement of contracts. However, there was a strong consensus that market forces alone are not the answer and that market failure needs to be addressed by the state. Especially for remote areas or non-commercial services the state needs to intervene, but in a way that does not undermine (but preferably strengthens) private sector development.

Institutions and capacities

Programmes in agriculture and rural development are often characterised by complex institutional arrangements. Even though agriculture may still be termed a sector, much of what is needed in agriculture is outside the mandate of the Ministry of Agriculture and requires the cooperation of other line ministries. Similarly, central level policies on exchange rate, interest rates may often be more important to agricultural growth than any policy under the (sector) ministry's own jurisdiction. Further, experience shows that the success of a programme is directly dependent on the degree and quality of private and civil sector participation. Thus the success of a programme in a productive sector will largely depend on the ability of those in charge to coordinate across sectors and between stakeholders involved. To fulfil this function, most programmes in agriculture or rural development have special 'coordinating units' attached to them. These come under different names, but whether they are called 'Secretariat' (Uganda), 'Executive Secretariat'

(Burkina Faso, Niger), 'Desk' (Malawi, Ghana), Advisory Group (Zambia) or Coordinating Unit (Kenya) their role is essentially the same: to advise and coordinate programme implementation. Experiences at the forum made it clear that this task is far from easy, but this is one area where programmes are making significant progress.

With agriculture and rural development being as wide as they are, it is probably impossible to capture all that is needed and all that is being done in a single framework. Maybe this is not even necessary; but what *is* needed is that different efforts, whether by government, donors or NGOs, do not undermine each other. A clear but concise policy can offer a series of principles and guidelines that interventions in rural development can be checked against to see if these are compliant with the overall policy. In this way, control and coordination is exercised where it is needed, whilst flexibility to adapt interventions to local circumstances is maintained.

Performance and impact monitoring

The need for a closer look at the performance of programmes in agriculture and rural development was an issue that kept coming up in the Burkina Faso Forum of 2005. During the present forum experiences were presented from Mozambique, Zambia and Uganda. Mozambique ProAgri-I never translated its policy into indicators and targets but lessons were learned and a monitoring framework has been developed for phase II. Zambia has been implementing SWAPs in its agricultural sector for a decade and is still struggling with the development of a management information system, at present for its 5th National Development Plan. In Uganda the Secretariat of the national agricultural strategy set about the task of designing a monitoring system for the programme with optimism, only to find that there is hardly any mention of performance monitoring in the strategy document. These discussions demonstrated that monitoring and

evaluation continues to be a weak area, but awareness is growing and systems are being developed.

However, a pre-requisite to the development of effective systems is the need for M&E and associated information systems to be seen first and foremost as a management tool. Especially as a consequence of the shift to budget support, the use of indicators is increasingly associated with donor fund disbursements. This has led to damaging consequences where data collection has been biased to satisfy donor needs or worse, where data is being tampered with. Both these effects, reported at the forum, undermine the usefulness of M&E information, a trend that has to be reversed. Doing so requires that governments reclaim their M&E as a *management* tool rather than viewing it a donor's control instrument.

What does an ideal PBA for a Productive Sector look like?

A central question of the forum was: *What does an ideal PBA for a Productive Sector look like?* In addressing this, several central issues emerged. These included the following:

The **scope of the programme** must be the outcome of a careful balance between coherence and manageability. It is useful to bundle components that have a lot of synergy between them and that need to be implemented in tandem. However, trying to capture all into a single programme framework may lead to institutional log jam. A more practical way forward may be to work with a set of complementary programmes,

programme-components or programme-pillars that have enough autonomy to be implemented independently of each other and that have enough coherence within themselves to generate momentum and synergy.

A critical component of a productive sector PBA is the coordination between actors. Line or sector ministries that are made responsible for the coordination of such programmes have to be given **a clear coordinating mandate that can be enforced**. Where central ministries (Finance, Planning) are strong enough, (some of) the coordination mandate may better be placed at their level.

Well-written policies and lots of funding have often failed to translate in improved service provision, increased growth or reduced poverty. A crucial bottleneck is capacity. Capacity development in the context of programme approaches has often been biased towards (i) government (ii) national levels and (iii) public finance management. In productive sectors this bias is especially undesired as sub-national levels and non-state actors are of crucial importance to the programme's success. Productive sector PBAs therefore have **to support capacity development among state and non-state actors**.

Important to programme implementation is the extent to which fund flows are predictable. On the government side this means a transparent public finance management system and limited in-year budget changes. On the donor side this means that **donor fund flows have to be aligned to the budget cycle**. Ideally, budget support is meant to do exactly that, but there are too many programmes that have suffered because budget support was either not

pledged or disbursed on time for it to be integrated in the budget cycle. Therefore, possibly more important than the funding modality, is the extent to which donor procedures for disbursement can be adapted to the annual budget cycle.

In conclusion, for sectors like agriculture and rural development an insistence on the classical model of the sector programme or a dogmatic pursuit of budget support as if these are ends in themselves is counter-productive. The PBA concept and its founding principles of ownership, coherence, coordination and the use of local structures and actors provide a helpful guide to supporting these sectors. Yet, at the same time, the PBA principles leave enough flexibility to adapt that support to local circumstances. Governments and donors will have to dare 'thinking out of the box' and come up with coordinated programmes of support that make optimum use of the available instruments by being tailored to specific country and sector needs.



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