



INTRODUCTION BY MR. DEJENE TEZERA, DIRECTOR, DEPARTMENT OF AGRIBUSINESS (AGR)

Topic 1: Stakeholder coordination and partnership and resource mobilization for flagship industrial projects

Government ownership is a critical feature of the Programme for Country Partnership (PCP). Under the PCP, ownership goes far beyond government consultation and endorsement of the Programme; ownership is embedded in the design of the Programme and is demonstrated through actions of the host government throughout the PCP lifetime. These actions include putting in place institutional set-up for coordination of stakeholders, maintaining partnerships and mobilizing resources from private sector, development partners and from multi-lateral development banks (MDBs), national development and commercial banks.

Inter-ministerial coordination

One of the most difficult tasks (and the first task) is setting up and maintaining inter-ministerial coordination mechanisms. The industrialization process requires coordination between the different ministries. If we fail to establish a proper coordination mechanism from the beginning, it will very difficult to achieve the objectives of the PCP. Experience also shows that we need to have multiple layers of coordination from the high-level governmental body for setting strategies, implementation plans and synergies with national programs to amplify the impact. Above all - allocation resources to prioritized sectors is of utmost importance.

In addition to this high-level body, there is a second level coordination committee which is operational in nature and responsible for 1) day-to-day operations of the PCP, its projects and programmes, 2) development of action plans, 3) review of implementation status and challenges, 4) recommending mitigation measures, 5) provision of technical backstopping and 6) monitoring and reporting.

Moreover, there are additional task forces or steering committees for the coordination of the flagship programs, which are different components of the PCP.

Resource mobilization development partners

The mechanism of resource mobilization under the PCP is different from the traditional way. The government plays an important role in the mobilization of resources for the implementation of the PCP. This is done in part through the allocation of its own resources to leverage additional large-scale funding from different partners. Allocation of own resources builds confidence in the development partners for financing the gap instead of fully financing the programme, which might require large amount of resources for success such as the Integrated Agro-Industrial Parks (IAIPs). In that case, the commitment of the government encourages the donors to finance different components, which is usually filling the financing gaps.

UNIDO's role

UNIDO establishes a secretariat to support the government in coordination of partners (different ministries, UN agencies, multi-lateral development banks and regional governments).

UNIDO supports the government in the mobilization of resources. There needs to be a dedicated task force for mobilization of resources, and it should be lead by the Ministry of Finance as they have an overview of the development assistance programmes in the country as well as direct access to the development partners. It is also the Ministry with no sector association overlooking the whole economy.

Multi-lateral development banks are critical actors that provide the means to countries to invest in critical infrastructure required by the private sector. The PCP framework also helps the MDBs making sure that the loan or grant from them is effectively used as it will be complimented by the projects and programmes of the of different partners.

For example through the PCP, UNIDO offers its technical assistance services such as pre-investment studies, providing MDBs with high-quality and objective information to help inform investment decisions. Ethiopia, Kenya, Zambia, Senegal are good examples where the African Development Bank used and will be using UNIDO's upstream work for financing larger scale programmes. Through the PCP, investment can be better coordinated, ensuring that the impact of investments by MDBs is enhanced.

UNIDO supports the building of the capacity of the host government institutions to manage and implement large-scale programmes and projects including monitoring and reporting.

UNIDO shares the experiences of the countries in the coordination of the partners and mobilization of resources through creating platforms like those that we have today.