ENDING HUNGER AND MALNUTRITION: THE ROLE OF PUBLIC-PRIVATE PARTNERSHIPS

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1. INTRODUCTION

Food security and adequate nutrition are a matter of life or death. They are integral to a wide range of development goals, as preconditions for sustainable, social, economic and human development[1].
However, according to the UN Food and Agriculture Organisation (FAO, 2017)[2], 800 million people still suffer from hunger and more than two billion from malnutrition (micronutrient deficiencies or forms of overnourishment), with Africa as the continent with the highest levels of vulnerability. Globally, 159 million children under five are stunted, with no access to adequate nutrition[3].

This is due to a number of factors. Despite some recent dynamism of local and regional food markets, agriculture in low-income countries is hampered by serious weaknesses, including inadequate policies and lack of political will, poor rural infrastructure, low farm productivity, poor organisation of the private sector and regulation of markets, low product quality management capabilities (causing public health risks and losses of economic opportunities), inadequate and inefficient financing, and worsening climatic conditions.
As a result, supply falls short of meeting demand, in both volume and quality, with many smallholder farmers stuck in subsistence livelihoods.
Moreover rapid population growth and climate change increase development challenges and competition for natural resources, with widespread market failures, such as global value chain (VC) inefficiencies and huge levels of food waste, making it difficult to improve food security in many parts of the world.

For decades, global agricultural systems have focused on growing more food, particularly staple crops, to address hunger in poor countries and increase incomes in exporting countries.
Such approach, however, has not ensured that everyone has access to food, nor that such food is nutritious. Greater reliance on a small number of staples has led to increasing concerns about human diets being energy-rich but nutrient-poor.
Ensuring access to safe and nutritious food is difficult when food systems only focus on major crops that may fail in harsh environments and worsening climates.

Indeed, supporting food security and agriculture is only part of the solution in tackling malnutrition, that is a daily global emergency. Malnutrition causes severe, long term human and economic consequences, with children in particular not benefiting from the nutrients they need to develop their full potential[4].
Even though the world has made progress (for instance with the number of stunted children fallen by more than a third since 1990), we are still far from achieving the objectives of ending hunger and eliminating all forms of malnutrition by 2030, as well as reducing stunting by 40% by 2025, that are integral part of the internationally agreed Sustainable Development Goals (SDG).[5]

This paper explores the role of public-private partnerships (PPPs) in reaching SDG number 2 (SDG 2): "ending hunger, achieving food security and improved nutrition, and promoting sustainable agriculture".[6]
Section 2 summarises the current knowledge about PPPs in development cooperation and particularly in the efforts for SDG 2. Section 3 illustrates the key issues around PPPs drawing on concrete experiences from the ground, identifying opportunities, challenges and lessons learnt, with a focus on Africa and the sectors related to SDG 2. Section 4 offers concluding remarks on the responsibilities of governments, civil society, and companies, suggesting some concrete steps for PPPs to significantly contribute to SDG 2.

Thomas Jepson-Lay/Save the Children

2. THE CONTEXT: PRIVATE SECTOR FOR DEVELOPMENT AND SDG 2

While private sector development and job creation are not new aspects of development policy, there is growing recognition that global development challenges are multifaceted and complex, requiring collaborative and multi-stakeholder alliances. This has been bolstered by pressure on public budgets for development cooperation (partly due to economic crisis in donor countries) and the need to complement these with private resources to finance the future development agenda. Further, there is an increased competition in emerging markets in the global south, with many governments increasingly resorting to a mix between economic diplomacy and aid policies.

2.1 PPPs FOR DEVELOPMENT: THE CURRENT SCENARIO

In this changing landscape, many companies, especially large and multinationals, have pledged to become actors of development, arguing that inclusive business models can both address the needs of companies (private returns) while creating concrete development impacts (public benefits).[7]
On the public sector side, low-income countries' governments have increasingly adopted PPP rhetoric and approaches[8], and many donors have started to promote development cooperation approaches combining 'Trade, Aid, Investment and PPPs'. The assumption is that Official Development Assistance (ODA) can play a role "re-orienting" private sector activities and finance can generate a long-lasting and sustainable pro-poor impact. Civil Society Organisations (CSOs) also started engaging in PPPs, exploring what they can bring to the table, with many seeking to address market and government failures through the development of soft laws, social standards, certification schemes, and operating norms, but also with interesting examples of direct involvement of CSOs in establishing and running of PPPs.

Despite this international rhetoric on the changing landscape for development and many cases of public-private collaborations and projects, **the extent to which PPPs are helpful in development cooperation is uncertain**, with insufficient evidence on actual impact, remaining doubts about the possibility to match commercial (private) and development (public goods) objectives, as well as ambiguity on what actually constitutes a PPP for development, with significantly different approaches and experiences in particular among the donor community (ECDPM, 2014).[9]
There is also concern about the "affordability illusion" that PPPs may create, which tends to be exacerbated when a project is found to be "off balance sheet".[10]

Lessons learnt are being collected on PPPs for development[11], but it is difficult to find data and there is no concluding evidence on what constitutes "success" nor internationally agreed indicators to measure their impact (on poverty reduction, inequality, etc.). Most PPPs are still in early or pilot phases to allow for proper evaluation, with many cases motivated purely by 'corporate social responsibility' (CSR) and others by business opportunities more than development objectives (when the PPP is used to advance commercial objectives, of multinational companies in particular, without a deeper thinking on inclusive/sustainable business models that can generate pro-poor impacts). It seems yet unclear also whether the existing pilots can be upscaled to serve (base-of-the-pyramid) consumers profitably. Indeed, matching public and private goals ('access for all' vs 'profit making') is often difficult, where commercial interests often favour investing in more developed and stable markets, even if the more urgent developmental needs are in poor, and often fragile countries (from the figures that are available, 60% of PPP investments are targeted to upper-middle income countries, see ECDPM, 2014).

The PPP concept has evolved from a narrow definition (a contract for public service delivery by private sector partners) to pool investment and share risks, to cover a variety of cross-sector collaborations (ECDPM, 2014).
These differ widely depending on the types of actors involved, the division of roles, the objectives, and the operational modalities.

This **increasingly wide definition** of PPPs complicates analysis and comparability, since what constitutes a PPP varies from one analysis to the next. Such conceptual confusion risks lowering the level of public and academic insights in and understanding of PPPs.

With rising interest in PPPs, the budgets for partnerships have increased accordingly, especially among **donors**. A recent study found that 19 out of 23 donor development strategies had private sector development as a main priority (Oxfam, 2015).[12] But there is limited information regarding donors' spending on PPP investments and their development results, particularly as the aim to collaborate with the private sector is more and more also reflected in the institutional organisation of development agencies and PPPs are often implemented through a wide range of departments, (i.e. development, trade, DFIs etc.). The OECD highlights several problems related to donors' reporting systems, resulting in poor transparency.[13]

Both large donors, such as G7 members UK and Germany, and smaller ones like the Netherlands and Sweden, have developed strategies to engage with both international and the domestic private sectors in partner countries. While some, such as Canada and Japan, mainly focus on providing assistance and support to local private sector, others such as the Netherlands and Finland have mainstreamed private sector collaboration across all their development work, whereas France, Portugal and Austria reportedly collaborate with the private sector on a more ad-hoc basis.

Other development partners set similar strategic directions in place, but have not yet moved to operationalising their new private sector engagement strategies and PPP approaches.
The European Union, collectively the biggest donor in the world, approved in July 2017 the European External Investment Plan (EIP) - an innovative instrument to leverage up to €44 billion of private sector investment in Africa and the EU Neighbourhood,

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while promoting the right enabling conditions for future investments to take place.
Full recognition of the role of the private sector for development is also considered one of the major innovations of the new development cooperation law in Italy. However, after nearly two years (Law 125 entered into force on 1 January 2016), the Italian authorities are still in the process of preparing the strategic guidelines for private sector engagement (from the general 'rules of the game' to the identification of specific types of projects to be financed through ODA).[14]

In summary, as shown in Table 1, partnerships involving donors and private sector can be divided into two broad categories, depending on their objective: private sector investment for development, where international development partners engage with (international) private sector activities for development purposes; and private sector finance for development, where the focus is on using ODA to leverage private sector finance (ECDPM, 2014). For the last decade, donors have focused most of their efforts on partnering for and supporting private sector investment (Column 1), although recently increasing efforts have been dedicated to also leveraging private financing (Column 2, especially blending loans and grants). In contrast, development finance institutions have established a long track record in leveraging private sector finance, but are now increasingly called upon to work directly with businesses.

TABLE 1: OVERVIEW OF CURRENT PARTNERSHIPS AND MAJOR CHALLENGES (ECDPM, 2014)

	1. PARTNERSHIPS FOR PRIVATE INVESTMENT	2. PARTNERSHIPS TO LEVERAGE PRIVATE FINANCE
Partnership models	Donor-led models, coalition models, business-led models, business-CSO models, CSO-led models.	Private-public partnerships (PPPs), catalytic mechanisms, private to private.
Partnership instruments/ financing mechanisms	Donor-led (challenge funds, innovation funds, match-making facilities), multi-stakeholder partnerships (Global Alliance for Improved Nutrition (GAIN), Sustainable Trade Initiative (IDH), Grow Africa).	Blending, output-based aid (OBA), official support for private flows, front-loading of ODA, development impact bonds, currency swaps, financial guarantees function, investment loans, syndicated loans, financial intermediary loans, concessional loans, direct equities, private equity funds.
Challenges	Additionality, donor attribution, project-level attribution, result and impact measurement, agent selection, countries in special situations, success and survival of a private enterprise, local markets and regulatory challenges, market distances.	Risk sharing, financial incentives outweigh development principies, additionality, finance concentration to certain sectors and countries, information asymmetries, crowding-out private finance, debt-risk for developing countries, results-measurement, moritoring & evaluation.

2.2 AGENDA 2030: PPPs FOR SDG 2?

In September 2015, world leaders adopted 17 Sustainable Development Goals (SDGs), to guide future global efforts for social, economic and environmental development, so that all people will live in a safer, cleaner, more equal and more prosperous world by the year 2030. From an agency perspective, the SDGs fully recognise the multi-stakeholder nature of this challenge (see SDG 17) and call for the private sector to increase its role in development efforts. From a thematic perspective, there is now global recognition that the sustainability of our food systems, including adequate nutrition, is key to sustainable development in general.
This cuts across the SDGs, with Goal 2 specifically aiming to "end hunger, achieve food security and improved nutrition, and promote sustainable agriculture".

In April 2016, the UN General Assembly declared a Decade of Action on Nutrition, recognizing its role in the 2030 Agenda.

The implementation of the UN Decade of Action on Nutrition offers a unique opportunity to all countries and stakeholders to increase the visibility, coordination, efficiency and effectiveness of nutrition action at all levels, with governments, intergovernmental organizations, civil society, private sector, and others invited to make their commitments to advancing the global nutrition agenda.

Indeed, in order to eradicate poverty, feed the growing world population sustainably and adapt to climate change, incomes and agricultural productivity need to grow alongside better food systems efficiency, ecosystems protection, nutritious diets, more inclusive development and climate-resilience policies, and more effective facilitation of trade between food production surplus and deficit areas around the globe. Accordingly, the international discourse is moving from "increasing food production" to "sustainably increasing food production in a climate-smart way" and from "achieving food security" to "achieving adequate nutritional status for everyone" (as seen for instance in many international declarations).

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This is becoming particularly urgent due to climate change that contributes to the depletion of natural resources (including affecting land availability for agriculture) and hits smallholders the hardest, leading to increased food and nutrition insecurity. But food systems are currently unsustainable: they are depleting our resources and polluting the globe, while not properly nourishing ⅔ of the world's population and generating income inequality. Therefore, food systems need to serve better, and simultaneously, the needs of the Planet, People and Profit, in other words they need to be at the same time environmentally, socially and economically sustainable. The agreed specific targets of SDG 2 capture this multidimensionality, with one target each addressing: Hunger; Malnutrition; Productivity and Incomes; Sustainability and Resilience; Biodiversity; Investment; Trade; Commodity markets.[15]

With the changing landscape for development cooperation and the role of the private sector, as outlined above, over the last few years there was a proliferation of high-level declarations and different types of commitments by both public and private actors particularly on PPP approaches to transform agriculture and fight hunger and malnutrition. This was not only due to agriculture and food security coming back to the centre stage of development cooperation (after the food crises of 2008), but also due to internal dynamics within the global food industry, one of the largest (about 10% of the world's GDP) but also one of the most scrutinized and with recently emerging challenges (including plunge in commodity prices and shift in consumer preferences towards healthier products, especially in western countries).

There has been increasing recognition over time, including during negotiation and adoption of the SDGs, and from both public and private actors, that the agricultural transformation agenda (e.g. AU Malabo Declaration) and food and nutrition security are societal challenges that can only be tackled through a partnership spirit and PP initiatives[16], that could be labelled under the broad umbrella of "PPPs for SDG 2". However, translating high-level objectives and initiatives on "PPPs for SDG 2" into real transformation and inclusivity on the ground is proving difficult, due to a number of challenges; some of which are quite general in nature, while others specific to the SDG 2 issues. As mentioned above, and **regardless of the economic sector at stake**, **PPPs take time** to break the silos between stakeholders, operationalise the PP coordination and achieve impact. It can take decades for companies to align their core-business models to the SDGs to the point where they achieve profitability and large-scale social impact; more common are the cases of PPPs motivated purely by CSR. It's also difficult for many public administrations and CSOs to fully trust profit-motivated entities. On the donor side, it is often complicated to demonstrate that their PPP support prioritises development cooperation objectives over self-interested "economic diplomacy", while it is often even more difficult to demonstrate that only the public funding component in a PPP enabled an investment activity to take place (financial additionality) and have greater benefits for sustainable development (development additionality) (Heinrich, 2014).

The **PPP challenges specific to agriculture, food security and nutrition** (FSN) include[17]:

- To make them attractive and viable for companies, PPPs are likely to focus on profitable projects, with the lowest risk of failure, distorting investments away from those hardest to reach and challenging the SDGs' aim to leave no one behind.[18] **Risk and uncertainty are higher in agriculture** than in other sectors, with financial markets often excluding small farmers and rural entrepreneurs because they are seen as "too risky".[19] This makes it difficult for agriculture-related PPPs to access credit, and even when they do, projects often fail due to a lack of investment management capacity and insufficient knowledge of the fundamental market risks and of the entire food value chain.
- There is **particularly insufficient trust between public and private** stakeholders around agriculture and FSN, as symbolised by the controversy about the promotion by some large companies of baby milk substitutes in violation of the WHO/UNICEF code, but also relating to rich country concerns about food content and quality. Trust is central in a field where product-related information and marketing around the importance of quality are key, and lack of trust weakens the launch and implementation of effective PPPs targeting SDG 2 objectives.

- Most PPPs related to agriculture and FSN are so far in sub-sectors such as "staples" (e.g. rice, maize, banana, etc) and "cash crops", i.e. the most widely traded commodities worldwide (tea, coffee, cocoa, palm oil, etc.)[20] involving multinationals, commercial operators, large estates and mono-cropping; rather than in the smallholders' food produce sub-sectors (e.g. local varieties of tubers, vegetables, pulses, underutilised species, etc.), where family farming, informal activities, and multi-cropping tend to benefit more directly the marginal players in the value chain. These **PPP models have been criticised as 'extractive'** because the foreign company or local aggregator gives incentives for smallholders (often contract farmers) to cluster along the VC, by offering input pre-financing and an output market (most likely foreign markets); but little space is there for local innovation and processing and for those marginal players to become entrepreneurs. Some of these have been labelled 'mega agricultural PPPs' as they appear likely to skew the benefits of investments towards the privileged and more powerful, while the risks fall to the poorest and most vulnerable (including women and youth).[21] In other cases PPPs are considered successful and directly beneficial to smallholder, but they are often a 'patient buyer of staple' arrangement (a large public institution uses its purchasing power to offer better conditions to smallholders), difficult to replicate in other contexts and sectors.[22]
- Another related challenge for PPPs aimed at contributing to SDG 2 is indeed the **strong concentration in the food value chains** (higher than many other sectors), which gives supermarkets and more 'upstream' purchasing companies very large powers and influence, compared to farmers, consumers and other stakeholders. The huge inequalities within food value chains are hard to be solved through a PPP: effective cooperation between the parties and development outcomes depend on what type of PS is involved and whether the governance arrangement of the partnership can guarantee a "win-win" situation for family farmers, consumers, foreign companies, etc. This political economy of the global food industry (only 10 companies control almost every large food and beverage brand in the world) makes it difficult for internationally-set development and sustainability standards/principles to trickle down to, and be implemented, by companies, consumers and retail markets.
- PPP approaches **specifically targeting improved nutrition** are more recent and less frequent than those targeting agricultural value chain strengthening, and seem to face additional questions: can PPPs deliver better food at affordable costs (as more nutritious food and diversified diets tend to cost more)? Are these PPPs based on the right development model, i.e. why should PPPs fortify local staples with micronutrients produced abroad, the more common approach currently explored in the area of nutrition, be superior to PPPs aimed at diversifying local production and diet?

Despite all these challenges, a number of **opportunities** specific to agriculture and FNS makes it worth exploring further, improving and supporting PPPs aimed at contributing to SDG 2. They include:

- **agriculture and FNS policy-making in low income countries has opened up** significantly in recent years, becoming more multi-stakeholder and thus increasing the space, mood and regulations for more systematic and effective public-private collaborations. The case of CAADP and Grow Africa show that the right methodologies for mutual accountability and stakeholder engagement can lead to launching and implementing useful PPPs.
- **financial resources to improve agriculture and food systems are on the rise**, **from both private sector and continued donor attention**. As there is increasing capital available for agriculture in most low income countries (in the form of both equity and debt financing, by both local and foreign investors), many more PPPs could be funded via private flows (provided some of the basic bottlenecks are solved, e.g. investment management capacity). The same could be said for public flows, as most major donors are increasing their support for issues related to SDG 2.[23]
- due to the current problems of lack of trust (mentioned above), PPPs can be a crucial **channel to ensure greater accountability for companies and governments**, **reduce tensions**, **and monitor development impacts**. This transparency can be a business-creating

incentive for companies too, given the particular importance in the food and nutrition sectors of consumer awareness and information on quality: these are key elements for creating/increasing the demand for (nutritious) food that the suppliers/ companies need to match their supply.

- moreover, PPPs, through their monitoring and dialogue functions, can address the accountability concerns normally raised by the public sector and CSOs, including by **enhancing the adoption of principles for sustainability, inclusivity and development results**. Such principles are increasingly underpinning PPP-experiences, e.g. in the case of most European donors, companies wanting to receive their funds for PPPs need to respect: Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forest; Principles for Responsible Investment in Agriculture and Food Systems; and OECD/FAO Due Diligence Guidance. Also in the case of nutrition-specific action, some initiatives are quite advanced in promoting private sector engagement, such as the Global Alliance for Improved Nutrition (GAIN), the Amsterdam Initiative for Malnutrition (AIM), and the Sun Business Network (ECDPM DP149).

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3.KEY ISSUES AROUND PPPs: EXPERIENCES FROM THE GROUND

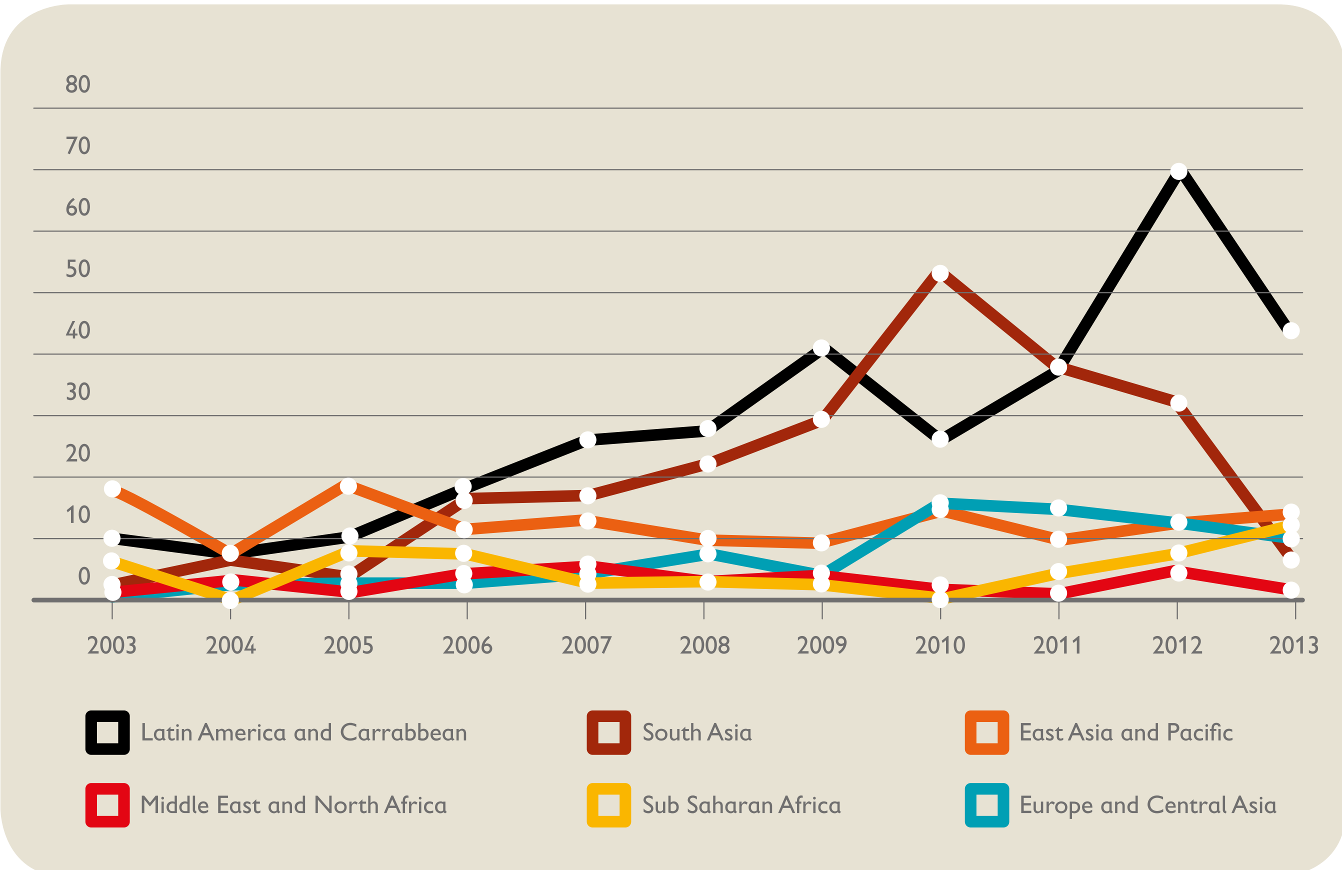
Starting from the view that PPPs often prove to be challenging to form, initiate and implement in practice, the focus of this section is specifically on the processes associated with establishing and operating partnerships. This section will hence draw the link from policy to practice by illustrating some of the opportunities, challenges and lessons learnt around PPPs, based on the experience of specific PPPs and partnerships practitioners, in the context of SDG 2 and beyond.

3.1 ENABLING ENVIRONMENT - PPPs' SUCCESS OR FAILURE HIGHLY DEPENDS ON THE POLITICAL AND SOCIOECONOMIC ENVIRONMENT IN WHICH THEY TAKE PLACE.

3.1.1 THE BUSINESS AND REGULATORY FRAMEWORK

The weaker the governance, institutions and regulatory frameworks are, the harder it is for public institutions (whether donor agencies or partner countries' government) to attract private sector investments. This helps explaining why "countries with large and more developed markets are often more successful in attracting PPPs, just as affluent urban areas are more attractive than poor rural regions" (Byiers et al., 2016), as illustrated in box 1. This in turn represents a first challenge for PPPs aiming to address food and nutrition insecurity, which is higher in rural than urban areas (IFPRI, 2004), and prevalent in Least and Low Middle Income Countries or even in fragile and/or conflict-affected countries.

FIGURE 1: INVESTMENTS IN PPPs BY REGIONS, 2003-2013 (BILLION US$ IN REAL TERMS)



Source: Private participation in Infrastructure Projects Database, quoted in Eurodad, 2015.

Initial public sector funding can nevertheless (and to some extent) help de-risking and hence attract private sector investments in local markets characterised by weak institutions and regulatory environment.
But while public sector funding may be enough to address entry costs and (some of the) market failures, other regulatory issues and beyond may question the sustainability of such investments.
For example, innovative companies run the risk of long-term losses should their investments not be protected by Intellectual Property Rights (IPRs). Yet, given that many products (in particular related to the fortified food industry) can have very important health benefits, heavy IPRs protection might counteract developmental goals (Byiers et al., 2013).

Therefore legislation and regulations regarding land governance, IPRs, and other interrelated issues such as food safety/standards, natural resource management, land tenure/governance etc. are critical for the successful implementation of PPPs in the context of SDG 2, even though they are not directly part of the traditional PPP legislation. This is demonstrated more concretely in box 1 with the example of the PPP Southern Agricultural Growth Corridor of Tanzania (SAGCOT), which faced amongst other factors land tenure related issues during its development.

BOX 1: LAND TENURE/GOVERNANCE IMPACTS ON PPPs' DEVELOPMENT OUTCOMES

The SAGCOT area covers almost one third of the territory of Tanzania and is inhabited by around 10 million people, with the investment blueprint pledging "to bring 350,000 hectares of land under commercial agricultural production and to generate $2.1 billion of private sector investment in agriculture over 20 years" (ActionAid, 2015a). These private sector investments are hoped to be catalysed through US$1.3 billion of public sector grants and loans (Rosengren, 2013). Large amounts of land in the SAGCOT area are unused and are either village land or have land title problems (Byiers and Rampa, 2013). Particularly, land titling in Tanzania is a challenge, as land governance systems or rules-based land management systems are not in place, "so farmers often have no legal backing to hold on to land they may have lived on communally for generations".[24] Therefore, regardless of any initiative to achieve rural poverty reduction, effective and sustainable land policies need to be in place (IFAD, 2014). "In SAGCOT, there are 7.5 million ha of arable land available, of which less than one-third is currently under cultivation", while only 1.5 percent of the available arable land are under commercial farming and "only 5 percent of the area under production corresponds to medium- and large-size holdings dedicated to sugar, rice and tea production" (Gálvez Nogales, 2014; SAGCOT, 2011a; DfID, 2012). Hence, even the sustainability principles developed by SAGCOT cannot fully prevent issues around land management, environmental and social risks. ActionAid (2015b) reported a land grab case where the Swedish sugar company EcoEnergy "planned to push rural communities off their land", while land "is being offered cheaply to investors, often leasing at less than $1 per hectare per year" (Chiza, 2012). Since then, the Government of Tanzania provided a "Letter of Sector Policy on Land" confirming its commitment to protecting the land rights of rural households and village communities, thus helping the (sustainable) development of SAGCOT. (Byiers et al., 2016)

3.1.2 TAKING AN INTEGRATED APPROACH TO PPPs TO BREAK SECTORAL SILOS

As illustrated by the example above, PPPs require an integrated approach[25] in order to reflect the complex and interrelated nature of FNS (which can be related to climate change, education, health, land etc.), and address challenges/exploit opportunities that go beyond the PPPs. For example, institutional strengthening (which is a dimension going beyond the PPP per se) is crucial to ensure better nutrition, as nutritional and regional standards, certification, and the actors and institutions who enforce them are fundamental to market-based models (such as PPPs) addressing under-nutrition (Byiers et al. 2013).

Likewise, a key issue of PPPs addressing SDG 2 is their distance from key markets, which can question the sustainability of their business model. There, public investments in infrastructure development in transport, energy or even education, if coordinated with the PPPs' needs, can help maximising their developmental impacts. In this regard, it is particularly interesting to note the territorial/spatial development approach adopted by some PPPs such as the SAGCOT, which aim to coordinate multi-sectoral investments in a given territory (more details in box 2). Therefore engaging the private sector for development must overcome the inherent challenges of operating in a difficult business environment, through the PPPs and beyond.

BOX 2: EXAMPLES OF CHALLENGES RELATING TO DISTANCE FROM MARKETS/NEED FOR AN INTEGRATED APPROACH TO PPPs

Adopting an integrated approach to PPP: the case of the SAGCOT corridor

SAGCOT is a multi-stakeholder agricultural PPP, bringing together government, businesses, civil society, donor agencies - such as Department for International Development or the World Bank, and the farming community to make sure that "beyond raising agricultural productivity the necessary infrastructure, a conducive policy environment and access to knowledge are in place "to create an efficient, well-functioning agricultural value chain" (Byiers et al. 2016). The PPP hence aims to address several challenges, whether connected directly or indirectly to the PPP and its business environment. (Byiers et al., 2016)

Save the Children PPP in Cambodia

Save the Children's NOURISH project (2014-2019), supported by the USAID, also adopts an integrated approach in assisting the Royal Government of Cambodia in accelerating stunting reduction by focusing directly on several of the key causal factors of chronic malnutrition specific to Cambodia – poverty, lack of access to quality food and nutrition services, unsanitary environments, and social norms and practices that work against optimal growth and development. Such holistic approach seems therefore most relevant when working in PPPs.

3.2 PPPs GOVERNANCE - THE IMPORTANCE OF UNDERSTANDING WHO'S LEADING WHOM

3.2.1 PPPs - A MATTER OF POWER RELATIONS?

As illustrated by the example in box 3, a key issue in relation with PPPs relates to the governance aspect of such partnerships. While engaging the private sector in development to address SDG 2 may create opportunities, there is a risk that private sector interests, i.e. commercial sustainability may take precedence over development concerns, and/or even lead to negative social and environmental outcomes (Bilal et al., 2014; SC, 2015).

Such concern is reinforced by the fact that PPPs tend to involve powerful international businesses, and that in other types of partnerships, such as the ones between CSOs and businesses, the private sector interests tend to dominate - even though shared control can foster developmental outcomes of partnerships (Byiers et al. 2015).

This is often explained by the fact that stakeholders tend to value higher tangible financial resources, than intangible resources such as capacities, expertise or networks - and hence partners committing financial resources (such as the private sector) tend to have higher bargaining power; and also by the food system's political economy characteristics and dynamics (e.g. supermarkets and other 'upstream' purchasing companies have a very large power and influence, compared to farmers, consumers and other stakeholders).

BOX 3: POWER IMBALANCE IN PPPs

In the SAGCOT case, powerful international agribusinesses as drivers of the process are questioned in terms of widespread and inclusive developmental benefits they should bring about, as defined as objective in the SAGCOT PPP (Byiers and Rampa, 2013). The case hence suggests that large corporates have more power and leverage to influence investment and other PPP related decision to their favour rather than to strengthen the capacity and productivity of smallholder farmers.

This unequal power relationships within PPPs for SDG 2 creates some challenges, such as the (lack of) inclusion of weaker partners (including local public and private sector actors, communities, CSOs or smallholder farmers cooperatives), in the decision-making and management processes of the partnerships.[26]
As a result, these local partners may not see their interests and priorities taken into account in PPPs, which can in turn undermine their socio-economic position (as illustrated in box 1). While involving local actors fosters local ownership - and hence sustainability, and allows building on unique local market and institutional knowledge - several studies point to the high costs and time-consuming nature of working with weaker partners (Byiers et al, 2013; Karaki et al., 2016), which may slow down the partnerships' development objectives. Hence, "it seems that there is a need to find a balance between short-term financial implications vis-a-vis long-term objectives of partnerships between businesses and smallholders to successfully engage small-scale farmers" (Byiers et al., 2013).

On the other hand, to scale up and reach more communities, PPPs cannot exist in isolation of, but need to be embedded in, the local institutional context to achieve transformational change. Involving relevant local actors (communities, civil society, local and central authorities and private sector actors) in institutional and market building is therefore crucial to ensure the sustainability and the ownership of PPPs, and foster the developmental outcomes for local communities.

BOX 4: INCLUSIVE PPP's GOVERNANCE

In the Africa Milk factory, the international CSO CEFA managed to include NjoLiFa (a local smallholder farmers' cooperative), the diocese and local authorities in the decision making process of the partnership, to facilitate the project implementation in an area where institutions and market potentials are limited. Inclusiveness for the AMP was a prerequisite to also deliver a project managed by Tanzanians for Tanzanians, so the (social) objective of the project impacts therefore the degree of inclusiveness of the partnership's governance. To achieve this type of inclusive governance structures, CEFA supported NjoLiFa to build its capacities. Strengthening the capacities of a weaker organisation can therefore represent a way of increasing to the greatest extent possible the inclusiveness of the partnership, and hence the sense of ownership and empowerment of local stakeholders. But such process also demands time and resources, which can slow down the actual project implementation. (Karaki et al., 2016)

3.2.2 PPPs - A BALANCING ACT

That said, power imbalances within a partnerships can be to some extent addressed, by fostering

i) additionality
ii) transparency and accountability, as presented in box 5;
iii) private sector sustainability standards/principles;
iv) the role of donors, as elaborated in box 6.

Additionality relates to defining, ensuring and measuring the additional development impact that is being achieved due to the public finance component.

While such criteria is key to ensure the good use of ODA, it is at the same time one of the key challenges related to private sector engagement and more specifically PPPs: how does one identify the tipping point where public funding provides an additional investment or activity with a positive (developmental) outcome that could or would not have been realised without additional resources? (Bilal et al., 2014). It is hence crucial that governments and donors assess whether the ODA component of the PPPs will generate effectively the development and sustainability dimension of the PPPs, and that PPP is indeed the best tool to address the identified needs in a specific context.

Transparency and accountability principles also help balance power relations within a partnership and contribute to trust building.

A solid preparation phase for any PPP - clarifying roles, responsibilities, engagement (in terms of resources), risks, interests and incentives, and taking account of the expertise and added value of each partner - may generate important upfront costs, but contribute to the long-lasting success of PPPs. These efforts are therefore critical to avoid a cycle of unrealistic assumptions, unmatched expectations and, ultimately, opposition and conflict (Medinilla, 2017).

In addition, an effective M&E framework allows generating a "solid evidence base that provides guidance on the effective design and implementation of agri-PPPs and measures their impacts over the long term" (FAO, 2016:xiii), thus contributing to transparency efforts and trust building. Given that impact measurements are inherently very costly (around 10 percent of the overall costs of the PPPs), difficult and time consuming, it is commonly considered more effective to undertake output rather than outcome and impact measurements. The fact that many partnerships are guided by a 'light touch' management and measurement system is perhaps cost effective in the short run but could be costly in the long run as it provides for very little learning-by-doing (Heinrich, 2013, Bilal, et al. 2014).

BOX 5: THE BETTER FACTORIES CAMBODIA PPP

The Better Factories Cambodia case offers an interesting example of the power of transparency as well as of the difficulty to pinpoint additionality in PPPs. Public disclosure of longitudinal data provides a detailed picture of the developmental effects of BFC on the most important industrial sector of Cambodia (garment sector), suggesting substantial public benefits in the form of improved working conditions, especially regarding non-wage issues, for more than 500,000 workers. Such PPPs, focusing on labour standard governance through the monitoring of working conditions, are not directly geared towards mobilising substantial private sector resources, but are shown to have the potential to improve both working conditions while at the same time strengthening productivity and factory profits. (Byiers et al., 2016)

Including sustainability criteria[27] also allows enhancing the incentives and structures for ensuring private sector activity and finance contribute to sustainable development objectives. While development partners have developed several guidelines, standards and principles to be applied to the private sector, most of them are applicable on a voluntary basis - which does not ensure enforcement on the ground. In such case, the advocacy role of CSOs can be useful in putting social pressure, but also visibility on private sector's actions.

Last but not least, donor agencies and development partners can "alleviate some of these power imbalances, safeguard independence and improve the negotiating position of disadvantaged partners" (Medinilla et al., 2016:4).
First, they should make a thorough analysis of power relations and interests characterising the partnerships, and provide adequate support that will not reinforce such power imbalances.
As illustrated in box 6, while they often limit themselves to funding PPPs, donor agencies could provide technical support and capacity building for local authorities and CSOs to be able to design a balanced and inclusive partnership. The funding they provide could be strategically channeled through CSOs, and their engagement with private sector to help balance resource[28] commitment within the partnerships.
The role of donors should also reflect the level of complexity, ambitions and power relations of the partnerships: for project-based or strongly balanced partnerships, a light-handed approach would be most relevant; while complex partnerships may require more engagement (at an early stage) from donor agencies (Karaki, 2016).

BOX 6: THE ROLES OF DONOR AGENCIES, GOING BEYOND FINANCING

The Dutch CSO SNV, manages the Kenya Market-led Dairy Programme Innovation Fund, funded by the Netherlands embassy in Nairobi, which aimed to contribute to the development of a vibrant dairy sector with beneficiaries across the dairy value chain, by fast-tracking commercially viable innovations by lowering the initial risks of such investments for the private sector. The Dutch embassy, to foster the results of this dairy programme, play a sparring partner role where they discuss regularly with SNV about the programme and how they can improve, adapt and better support it - a "co-creation" type of process. They also play a brokering role where they facilitate linkages between the Dutch Private Sector and SNV, so as to indirectly foster collaboration between the Dutch and Kenyan private sector. Such communication channels hence offered room for the Embassy to provide the most relevant and needed resources, and hence helped contribute to the success of the PPPs implementation. (Karaki et al., 2016)

3.3 PLAN FOR SAILBOATS, NOT TRAINS[29]

3.3.1 THE FIFTY SHADES OF PPPs - NO ONE SIZE FITS ALL APPROACHES TO PARTNERSHIPS.

PPPs vary in terms of governance, structure, interest, engagement and scope, which determines in turn the type and objective of the PPPs, whether they are commercially- or development-oriented; used as a financing tool/service delivery type of instrument or a means of implementation. The nature of the partnership is often determined by its origins and history - in other words, who's initiating and actually leading the PPP? In some cases it is the public sector that identifies an issue/problem where it would like to attract private capital or activities to address it (in such case the public actor would usually be leading a development-oriented PPP); while in other cases there may already be a business activity or investment by private enterprises that the public actor would like to make more sustainable or generate more development impact (in this case the private actor in the lead).
As a result, stakeholders engaging in, and aiming to support partnerships should not see PPPs as a uniform concept, but be clear on the nature of the partnership being supported and, based on that, be flexible and provide differentiated support to the partnerships (as illustrated in box 7), according to their level of complexity.

BOX 7: THE STAKEHOLDERS' ABILITY TO ADAPT AND BE FLEXIBLE IN THE SUPPORT PROVIDED

For any PPP it is key to remain sufficiently flexible with respect to the stakeholders' type of support provided, so that all actors involved are able to contribute to the development of the PPP effectively and efficiently. Some implications may include:

- The public sector/donor reward incentive system can be adapted: pay for success (funds provided by donors vary depending on the development impacts achieved) may be relevant for development oriented PPPs; while de risking (funds - usually grants, provided by donor agencies to allow the private sector to invest) may be more relevant for commercially oriented PPPs.[30];
- The type of support donors provide (funding, social network, political connexions, expertise) could be adapted according to needs and challenges in a specific moment in time, as illustrated in the case of the Kenya Market-led Dairy Programme Innovation fund in box 6.

3.3.2 PPPs AS A COMPLEX AND ITERATIVE INSTRUMENT/PROCESS

To exploit the full potential of PPPs, stakeholders engaging in, and/or supporting them, need to deal with their underlying complexity, in order to challenge and change mainstream systems, or in the words of Murray (2015), "It's when you can shift the system that you get big sustainability gains - not just small, one-off corporate actions that only survive one business cycle". In that sense, PPPs are not only an instrument, but also an iterative and flexible process that may further develop over time in order to achieve higher developmental outcomes. In practice, this means that PPPs structure (number/nature of partners) and/or main objective (development to commercial or vice versa) may change. This has a number of consequences for the actors supporting PPPs: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1. **PPPs demand more time and resources than non-cross sectoral instruments**. So the actors participating in PPPs should dedicate the adequate amount of time, financial and human resources to support partnerships, which will vary depending on the complexity of the latter (Karaki, 2016). If not, they should explore other private sector (for) development modalities or if needed purely public solutions.

2. **PPPs**, **as they develop**, **may require a different type of support/resources and guidance**. While financial resources may play a key role in the starting stage of the PPPs, networks, political connections, capacities and expertise may be just as relevant when the partnership matures. Actors supporting partnerships hence need to provide a flexible and adaptive type of support to PPPs, reflecting their iterative nature. This may also mean that the specific (sub-)objective(s) and ways of implementation of the PPPs might change over time responding to new challenges and developments that affected the initial PPP's course - therefore acting a sailboat rather than a train is key.

3. **The Monitoring and Evaluation (M&E) system should be designed to foster flexibility and encourage learning while ensuring accountability and being results-focused**. One of the issues relating to PPPs is the pressure to success, which influences PPPs to rather opt for short-term results, instead of focusing on transformational/long-term changes. Therefore, while a logframe approach to M&E may be relevant for project-based partnerships, it may be less relevant for complex partnerships, which need a more sophisticated, adaptive approach based on a set of relevant performance indicators (Karaki et al., 2016).

PPPs are not the panacea to address all development challenges and issues, even though they have a great potential. Exploiting and developing their full potential implies understanding and dealing with their underlying complexity, i.e. the fact that they are part of and can transform a real sectoral (value chain), political, and local reality.
Achieving tangible results from PPPs hence requires stakeholders to
i) understand and work with their complexity;
ii) accept the risks of failure, and;
iii) be realistic about ambition as well
as the expected changes and impact - in other words assess whether a PPPs is the most suitable instrument or solution for the problem or challenge at hand.

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4. CONCLUDING REMARKS

To meet SDG 2 and reach the Zero Hunger objective by 2030, we will need a dramatic increase in terms of both quantity and quality of the resources dedicated to food and nutrition security, but also a more sophisticated approach and engagement towards this issue. Put in practice, this means that large investments by both public and private sector actors in rural and urban areas targeting Sustainable Food System and agricultural transformation are required, together with an improved cross-sectoral collaboration and public-private coordination.

4.1 SUGGESTIONS ON THE ROLE OF DIFFERENT PUBLIC AND PRIVATE ACTORS

PPPs shouldn't only be considered as a financing modality but as a new way of approaching partnerships, fostering the engagement of the private sector in development - a key aspect emphasised in the SDGs. The goal and function of PPPs should not be limited to leveraging or generating investments, finance or CSR-channels, or as an 'extractive model' where all innovation comes from foreign partners and all added-value is generated abroad. Instead, PPPs aimed to be "transformational" should be a full and/or tailor-made package of capacity development, technology transfer, market access, regulations, and a stimulus to the local innovation system. 'Successful' PPP models, i.e. result and learning-oriented and accountable partnerships, should thus encompass:

- policy reform follow-up (including through political and not only market analysis);
- holistic/coordinated business facilitation (for multiple challenges: inputs, loans, rural infrastructure, etc.);
- medium-term financial and technical follow-up, since PPPs require time and not only seed capital: capacity building and 'patient capital' should target consumer awareness, technology transfer, support for intermediary organisations like cooperatives, so to share costs, risk, and knowledge;
- to avoid marginalisation of the weakest players, systematic inclusive multi-stakeholder dialogue and a strong monitoring component on what needs to improve, including flexibility to alter the PPPs implementation arrangements when needed';
- as key early steps in PPP design, clarity on objectives and governance, e.g.: employability/contracts, access to land/credit, reliable water arrangements for nutrition outcomes, specific gender M&E, etc

4.1.1 CSOs

While CSOs may differ in terms scope, types and missions, they can play at least three key roles. The first one is about playing a collaborative role, whereby they participate in the PPP's implementation and management, with a view to influence the private sector investments and/or business practice towards development objectives. They can for example help businesses **build markets for nutritious food**, by raising awareness of the consumers on the benefits of such products in their development, or by identifying/promoting innovative agri-business models that can be scaled up through PPPs. They can also contribute to making the voice of local communities affected by the PPPs heard, and taken into account in the PPP development, by building capacities of community based organisations or smallholder cooperatives. This however requires a certain ability and resources to work with private sector actors. CSOs can also play an advocacy role, where they act as watchdog and raise awareness around the PPPs development, by providing information to external stakeholders and/or creating awareness and principles. Their capacity to leverage their convening power for better visibility is key, whether it is to influence best practices or to contribute to monitoring and possibly convening a platform. Save the Children, for example, contributed through the development of the Children's Rights and Business Principles (CRBP), a set of guidelines which can help companies to analyze their core business to find ways to improve the life of children.

While the role and degree of involvement of CSOs will vary depending on their capacities, the role of local CSOs and local communities should never be ignored: fully embedded in the territory and political economy realities on the ground, their knowledge can play a critical role in the design and implementation of PPPs. Larger CSOs on the other hand, can achieve a better balance vis a vis the private sector, and are particularly well placed to create awareness around sustainability standards. In addition, they can be a precious convener and ensure the link with the local CSOs, communities and authorities thus allowing for an inclusive engagement process protecting the interests and priorities of beneficiaries while ensuring some degree of local ownership. CSOs should hence play a tailored role in PPPs based on their expertise, capacities and resources; and the objectives and activities of the PPPs.

4.1.2 GOVERNMENTS

In context of approaches that increasingly link development cooperation, economic diplomacy, and multilateral sustainability frameworks, there is insufficient trust and at times insufficiently shared objectives between relevant public and private stakeholders; and between the 'trade & investment' and the food security policy communities. The public sector should hence convene a structured dialogue and coordination between the public and private sectors on policy/governance issues related to trade and investment around inclusive, resilient, sustainable food systems.
This means e.g. enabling a more effective participation and ownership of the actors working on trade and PPPs in the food security and nutrition processes, to advance the Policy Coherence for Sutainable Development (PCSD) debates on policy coherence between Foreign Direct Investment regimes and food security.
Governments should convene PPP Platforms and contribute to building capacities of the marginalised players such as smallholders and CSOs, e.g. to conduct PPP negotiations and to balance power relations in PPPs. More generally, a more sophisticated approach to partnerships is required to fully exploit the transformational potential of this instrument.
This means:

i) accepting taking risks - e.g. when promoting SDG 2 -related PPPs go beyond traditional cash crops, and also in LDCs/LMICs;
ii) strengthening results-measurements of PPPs, while avoiding rigid log-frames that prevent actors engaged in PPP to take an iterative approach;
iii) providing differentiated and tailored support to PPPs;
iv) providing patient capital/support;
v) refining methodologies to ensure additionality;
vi) harmonising use of definitions of PPPs.

Last but not least, it is crucial that governments, whether in developed or developing countries invest in their own capacities to understand, design, manage and supervise PPPs in order to lead beneficial negotiations vis a vis other actors, including the private sector.

4.1.3 COMPANIES

Business actors taking part in PPPs need to be aware of and willing to share risks/opportunities, costs and knowledge, while complying with agreed principles and criteria that ensure sustainable development outcomes besides private returns (including ensuring transparency). In that sense, PPPs represent a great opportunity to go beyond the CSR type of approach to make sustainability an entire part of their core business processes.
Only in this way will PPPs achieve transformational impacts. As evoked, their role goes beyond the PPP itself: businesses also need to structurally engage in public-private dialogue, to inform policy reforms for a more enabling sustainable business environment (including in low-income countries).
However, while international businesses are often involved in (often traditional type of) PPPs, the local formal (and informal) private sector should also better be linked and integrated within the PPP landscape, in line with their capacities. Such actors integration within the PPPs, while providing critical knowledge about the market and the territory, also ensure that the partnership does not exist outside of the local context, but is fully embedded within the market and institutional environment. Transformational change needs to come from within to be sustainable.

4.2 SUGGESTED STEPS TO STRENGTHEN PPPs TO DELIVER ON SDG 2

For PPPs to contribute to SDG 2, all involved actors, government, civil society and companies, should first of all agree upon, and adopt, an integrated approach to development and FNS.
The time is right to move beyond the traditional, narrow, vision of "agricultural and rural development" to one that recognises:

i) the underlying complexity of interrelated issues linking people, profit, planet such as the Sustainable Food System approach (outlined above);
ii) rural transformation/development within the frame of regional/national structural transformation;
iii) the integration of rural and urban development in regions and territories.

Suggestions for concrete steps to establish and implement transformational PPPs towards SDG 2 include:

1. Build in parallel a **multi-stakeholder process** to design the specific PPP project and the accompanying broader coalitions across relevant actors that are needed to address under-nutrition through education, training, climate resilience, mobility, water & sanitation, universal health coverage, cultural habits, agricultural techniques and personal behaviour. An extra challenge of PPPs targeting improvements in SDG 2 is in fact that compared to VC-specific projects, or PPPs for manufacturing or employment generation, those nutrition, food security and food system goals go well beyond one business venture. Market-based approaches are generally not multi-sectoral or holistic but target one particular market opportunity. There is therefore a potential gap between this approach and broader policy objectives that needs filled through "innovative PPPs" i.e. wide ranging partnership tools as explained above.

2. Another condition for successful PPPs for SDG 2 is to accompany the establishment, implementation and monitoring of the PPP-project with an overall process to "think and work politically". Food value chains are characterised by particularly strong power imbalances between large producers, smallholders and consumers - a technical or technocratic approach to PPPs in these sectors won't work, without taking **into account the political economy realities on the ground -** within the value chain and beyond, in the local and global contexts.

3. PPPs for SDG 2 should aim at facilitating product diversification for better diets, not only increasing production of food. While taking into account consumer demand, there is a very compelling case to launch PPPs that complement increasing production of staples by drawing on the vast diversity of **underutilised crops** that include species adapted to harsh environments. At the same time, it is important that income resources of various value chain players become diverse in order to improve economic resilience and accessing


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markets. In parallel to the supply-side of the PPP, therefore, consumer awareness and marketing strategies for nutritious foods are important: various incentives should be provided for the availability, access, and consumption of diverse, nutritious and safe foods e.g. through labels and certification of sustainable production, trade, and distribution.

4. PPPs for SDG 2 should include evidence-based and **high-impact solutions to improve nutrition** such as maternal micronutrient supplementation, treatment of acute malnutrition in young children, strengthening infant and young child feeding practices – especially within the first 1000 days and caring for adolescent girls' rights and nutrition.

5. Given the centrality, stressed in previous sections, of accompanying the establishment of individual PPP-projects with the convening of public-private dialogue for broader coordination and lessons-sharing, a final suggestion for transformational PPPs towards SDG 2 is to launch "**PPP Platforms**" in *each country* as well as at *international* level:

- in the case of a donor **country**, e.g. Italy, that needs to operationalise its new private sector engagement strategy, a "National Agribusiness PPP Platform" could be launched to facilitate (in addition to contributing to the implementation of the New Development Cooperation Law, referred to above): 1) design, implementation and monitoring of overall thematic guidelines to be adopted for every individual SDG 2-PPP; 2) disbursement of funds and (as importantly) provision of capacities, networks and expertise whenever relevant to facilitate the establishment and support of effective and additional PPPs. This Platform could have a threefold aim with the promotion of PPPs, providing advisory services, and linking stakeholders for a structured dialogue:
    - promote individual PPPs with companies/universities/governments/NGOs, creating synergies between investments, research, trade and aid, and helping to create jobs in the "food economy";
    - offer to public institutions, business associations and other stakeholders the political economy analysis, strategic advice and networks necessary to promote investments and jobs; creating awareness about opportunities in the food economy, reducing barriers to entry, supporting participation in national and international decisions on policies and agricultural investments;
    - through facilitation of informal dialogue, link all relevant actors to inform and improve local, national, and multilateral regulatory frameworks e.g. on the nexus between agricultural development, aid, and climate resilience;

- another useful possibility is to create a "**Global-level** SDG 2 PPP Platform" to share lessons, agree on what impact is and how it should be monitored, and offer tools for those who then need to establish PPPs operationally at national level in different countries. Such Platform could be possibly coordinated by the UN Agencies responsible for the SDG 2 processes. However, since policies/agreements needed for positive change dynamics for food system sustainability often get stuck in government-to-government formal negotiations (e.g. at WTO on food trade or at FAO on SPS/food related-IPR) or lack of implementation (as powerful elites and companies have the ability to maintain the status-quo), there is a strong need for independent monitoring, advice and partnership brokerage to be part of a "global platform". This function (that could be played by CSOs as well as knowledge institutes) could aim at:
    - creation of result-oriented alliances and synergies between different levels (from global to national), actors (public-private, small-large companies, etc.) and sectors (agriculture, environment, nutrition etc.)
    - collaboration among all relevant organisations (based on their comparative advantages) and the initiatives already underway (from development cooperation to economic diplomacy)
    - generation of evidence-based, context-specific and practical knowledge using a political economy perspective, i.e. analysing power relations, political and economic interests, and incentives that shape and influence the implementation of PPPs

In conclusion, this paper shows that PPPs can indeed significantly contribute to SDG 2 and have a potential role in ending child hunger and malnutrition by 2030, especially if they are approached as an innovative way of collaboration between public and private actors, rather than a mere financing modality.
On the one hand, PPPs are not a silver bullet, and it is crucial to understand when to engage or not in a PPP, being aware of the possible risks (especially in terms of weak engagement of local communities).
On the other, PPPs are definitely relevant to tackle multi-dimensional and complex issues such as food and nutrition security: if the related opportunities and challenges are tackled well, starting with adopting a sustainable food system approach, PPPs could be transformational.

PPPs can work effectively when there is adequate understanding of the technical and political aspects of the issues to be addressed through the partnership, together with an in depth understanding of the local context in which the PPP takes place.
On this basis, moving from CSR to transformational collaborations, a flexible and adaptive approach, dealing with the underlying complexity of partnerships, is required to exploit the full potential of PPPs. Such an approach can start from the establishment of PPP platforms, with important responsibilities for all stakeholders involved, to ensure better coordination, coherence and synergies between the actions of governments, civil society and companies, and to try and maximise developmental impacts.

Jack Taylor/Save the Children

Jamie Wiseman/Mail Online for Save the Children

NOTES

1.INTRODUCTION

[1] United Nations Charter, the Universal Declaration of Human rights and subsequent internationals human rights conventions including the Convention on the Right of the Child (CRC).

[2] http://www.fao.org/3/a-i6583e.pdf.

[3] https://www.unicef.org/nutrition/index_faces-of-malnutrition.html

[4]Children who are poor and malnourished earn 20% less as adults than children who are well nourished. In some countries, hunger and malnutrition can cost the economy 10% of gross domestic product (Save the Children -2013; Food for Thought. Tackling child malnutrition to unlock potential and boost prosperity).

[5] Save the Children's research forecasts that even by 2030 – the deadline world leaders have set themselves to end all forms of malnutrition- 129 million children will still find their physical and mental development stunted by malnutrition.

[6]This paper was prepared for the Seminar organized by Save the Children on 11th October 2017 in Bergamo: 'Ending child malnutrition by 2030: the role of public-private partnerships'.

2.THE CONTEXT: PRIVATE SECTOR FOR DEVELOPMENT AND SDG 2

[7] E.g. see the Report by the BCtA, Deloitte, IICPSD and UNDP (2017) Uncharted Waters: Blending Value and Values for Social Impact Through the SDGs, which examines how to start, develop, refine and optimize inclusive business based on their current degree of readiness and maturity.

[8] In broad terms, a PPP involves public support for private investments with the aim of achieving some public benefits in addition to private profit, with shared risks and responsibilities.

[9] This Discussion Paper by ECDPM, "De-coding Public-Private Partnerships for Development", includes more details on several of the points discussed in this paper, and will be from now on referred to as (ECDPM, 2014).

[10] For more details, see http://www.eurodad.org/PPPs-dangerous-debts-developing-countries andhttp://www.eib.org/epec/resources/publications/epec_eurostat_guide_ppp

[11] E.g. in "Public-Private Partnerships: Fit for Development?" Eurodad submission to the WP-EFF http://eurodad.org/uploadedfiles/whats_new/news/ppp_eurodad_final_in%20template1(1).pdf

[12] "Delivering Sustainable Development: A principled approach to public–private finance".

[13] Some major institutions do not report their private sector activities separately, and several members fail to provide descriptive information regarding their DFI programmes and activities.

[14] The Italian Agency for Development Cooperation published in July 2017 the first tender reserved for innovative entrepreneurial initiatives by Italian companies in partner countries, but the total financial allocation is limited (4.8 million euros), and the partnership criteria are very preliminary at this stage (mostly related to a requirement for companies to join the 10 UN voluntary principles of the Global Compact).

[15] See https://sustainabledevelopment.un.org/sdg2, where also the annual progress on SDG 2 is reported.

[16] How can we achieve ambitious food production/availability targets without involving producers and traders in policies and investments? How better nutrition outcomes without supermarkets (and consumer organisations).

[17] For more details on each of the "challenges" listed here (as well as on the "opportunities" further down) please see "The Enriching Business of Nutrition". (ECDPM, 2013): www.ecdpm.org/dp149

[18] Eurodad (2013) "Public-Private Partnerships: Fit for Development? Eurodad submission to the WP-EFF http://eurodad.org/uploadedfiles/whats_new/news/ppp_eurodad_final_in%20template1(1).pdf

[19] The remoteness of rural clients coupled with poor rural infrastructure and lack of branch networks imply a high cost of service delivery and, as a result, profitability is assumed to be low.
The other main reason why commercial banks refrain from venturing into rural areas is the "high risk" associated with agricultural lending. (KFW, 2014)

[20] See e.g. IDH, one of the most visible and apparently successful (multi-donor-funded) organisations facilitating agriculture-related PPPs: www.idhsustainabletrade.com/sectors/

[21] "Moral hazard? Mega public–private partnerships in African agriculture", Oxfam 2014

[22] See the case of the "Purchase for Progress" pilot by the WFP: http://documents.wfp.org/stellent/groups/public/documents/reports/wfp285884.pdf.

[23] The EU e.g. recently pledged to devote in coming years €3.5 bn in aid to nutrition (70% of which via agriculture related interventions), launched AgriFI, and stated that sustainable agriculture is of primary importance in the targets of the European External Investment Plan.

[24] Is Africa's 'green revolution' a mask for a profit-led corporate bonanza? 1 July 2015. International Business Times.

[25] Integrated approach should be understood as a cross-sectoral type of approach, linking by definition different sectors (infrastructure, private sector development, education etc.) and different actors (public, private and civil society actors).

[26] Such unequal power relations may in turn affect trust building within the partnership.

[27] These include the: UN Global Compact of 2004; UN Guiding Principles on Business and Human Rights 2011; OECD Public Governance of Public-Private Partnerships 2012; Committee of World Food Security's (CFS) Principles for Responsible Investments in Agriculture and Food Systems; CAFOD Sustainable Development Principles 2015; OECD guidelines on Multinational Enterprises 2011; EC Communication "A stronger role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries 2014.

[28] Financial resources are often valued higher than intangible resources such as expertise, knowledge or capacities - engendering unequal power relations between public and private sectors, and CSOs.

[29] Kleinfeld, 2015.

[30] See more Barder and Talbot (2015) Guarantees, Subsidies, or Paying for Success? Choosing the Right Instrument to Catalyze Private Investment in Developing Countries.


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Save the Children believes every child deserves a future. In more than 120 countries around the world, we work every day to give children a healthy start in life, the opportunity to learn and protection from harm. When crisis strikes, and children are most vulnerable, we are always among the first to respond and the last to leave. We ensure children's unique needs are met and their voices are heard. We deliver lasting results for millions of children, including those hardest to reach. We do whatever it takes for children – every day and in times of crisis – transforming their lives and the future we share.

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