



PPP Fund for Mano River Union countries

Context

Long-lasting conflicts and crisis situations have weakened or destroyed economic and social infrastructure in a number of countries in West Africa. Governments are struggling to re-establish this infrastructure quickly after the conflicts have ceased. A large part of the population in these countries lack jobs and income opportunities. Their economic and social situation remains difficult.

In this environment, businesses can play an important role by helping to create jobs and income opportunities. However, their endeavours are hampered by the current lack of infrastructure, insufficient numbers of skilled workers, legal uncertainty, dysfunctional government agencies and, last but not least, a lack of competent local suppliers and service providers.

In order to reduce these risks and better integrate businesses in the development agenda of these countries, the Federal Ministry for Economic Cooperation and Development (BMZ) has set up a PPP Fund for Côte d'Ivoire, Guinea, Liberia and Sierra Leone.

Objective

In cooperation with the private sector, the PPP Fund aims to foster decent employment, increase income and improve working conditions for the local population. In particular, the youth and women represent a major target group, constituting a large share of the underemployed population within the Mano River Union countries.

Approach

The PPP Fund was created to initiate development partnerships with the private sector in Côte d'Ivoire, Guinea, Liberia and Sierra Leone. A PPP combines business interests with development objectives in order to promote economic growth and social recovery in the four countries.

What are PPPs?

In this context, PPP (Public Private Partnerships) are development partnerships with the private sector – projects that are jointly planned, financed and implemented by GIZ and private companies.

Development partnerships with the private sector combine the individual strengths of GIZ with those of private businesses: GIZ provides the know-how, instruments and experience of development cooperation, along with support in establishing connections with key decision-makers.

Businesses, for their part, provide technology, capital and technical expertise. The two partners share the project's costs and risks equally.

For whom is the PPP-Fund designed?

The PPP Fund is open for companies which are based in Côte d'Ivoire, Guinea, Liberia or Sierra Leone.





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Partner companies should have sufficient financial and operational strength to be able to deal with difficult situations in a fragile environment (at least 10 employees, three years in the market, their contribution to the project should not exceed 20% of their annual turnover).

GIZ collaborates only with companies that respect certain key values in the field of human rights, labour standards, environmental protection, anti-corruption and relationships with local communities.

What does the Fund offer companies?

Development partnerships with the private sector are a flexible instrument for employment promotion in many aspects. The joint projects settle around a wide range of areas; from vocational training and local supply chain development, to introduction of good agricultural practices or workplace programmes for improved social security and health.

What are the criteria for proposals?

The overlap between business interests and development objectives is a key criterion: for that reason, the Fund does not support purely charitable approaches that do not have a clear business component nor proposals that are geared towards direct subsidies for the business activities of a company.

To implement a development partnership with the private sector, the following five conditions must be met:

- Each measure must be consistent with the German government's development targets.
- The inputs from the public and private sector must complement each other in a way that enables both partners to reach their goals more quickly, effectively and at lower cost as a result of the cooperation agreement (complementarity).
- Public sector input will be provided only if the private sector partner would not enter the development partnership without the public sector partner and if the measure is not legally required (subsidiarity).
- The partnership must not have the effect of distorting competition. Cooperation with GIZ is open to all businesses and there is a transparent communication policy about it.
- The company must make a substantial financial input to the project (private sector contribution: at least 50% of the total costs).

Contact

For more information or to discuss an idea or concept for cooperation please get in touch via:

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- <https://www.giz.de/en/worldwide/15997.html>

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