



# Public Private Partnership (PPP) – Fund Fragile States West Africa

### The challenge

In the West African countries of Guinea, Liberia and Sierra Leone, the economic and social infrastructure has been weakened by long-lasting conflicts and crisis situations. As such, the governments of these countries have limited capacities to rebuild their respective economic infrastructures and create the necessary income generation opportunities for the local population.

In such an environment, private sector companies can play an important role. They can provide the population with opportunities for employment and income generation. However, their efforts remain hampered by the current lack of infrastructure, an insufficient number of skilled workers, legal uncertainty and, last but not least, a lack of competent local suppliers and service providers.

In order to reduce these risks and better integrate private sector companies into the development agenda of these countries, the Federal Ministry for Economic Cooperation and Development (BMZ) has set up the PPP Fund for Guinea, Liberia, and Sierra Leone.

## The objective

In partnerships with selected private sector companies, the PPP Fund aims to improve the economic participation of the population and local micro, small and medium-sized enterprises (MSMEs) in Guinea, Liberia, and Sierra Leone. Constituting a large share of the unemployed and underemployed population in the three countries, youth and women form the primary target group.

This is achieved by improving the employment situations for at least 1000 people in each country, including 30 % women and 30 % young people, as well as integrating at least 6 local micro, small and medium-sized enterprises (MSMEs) in each country as suppliers in the value chain of a company.

Project name	Public Private Partnership (PPP) – Fund Fragile States West Africa
Commissioned by	Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	West Africa: Guinea, Liberia, and Sierra Leone
Lead execut- ing agency	Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Duration	2021 – 2023

### Our approach

The PPP Fund implements development partnership projects (DPPs) with the private sector in Guinea, Liberia, and Sierra Leone. The implementation of development partnerships with private sector companies provides local population with quick and long-term access to income-generating activities and social services. In addition, development partnerships aim to increase the competitiveness of local MSMEs and integrate them sustainably into local supply chains.

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

The PPP Fund only cooperates with companies that respect core values in the areas of human rights, labour standards, environmental protection, anti-corruption, and relations with surrounding communities.





Cocoa farmers during cocoa fruit harvest; youth male during work in the agricultural sector.





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#### The benefits

DPPs combine business interests and development objectives to promote economic growth and social recovery. They bring together the innovative power of the private sector with the resources, knowledge, and experiences of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. The companies benefit from GIZ's sectoral, country-specific, and intercultural know-how as well as its relationships with governments, agencies and NGOs. Companies also profit from GIZ's coordination, mediation, and cooperation skills, as well as its skilled personnel. At the same time, the companies' commitment contributes to achieving development goals, creating a win-win situation for both parties.

### **Examples from the field**

The PPP Fund project is currently implementing a total of 4 DPPs. On average, partner companies cover 55% of the partnership projects' cost.

In **Guinea**, the PPP Fund is implementing a DPP in cooperation with **Copeol-Guinée SA.** aiming to increase the income of 1050 peanut producers in 13 different communities located in the districts of Dabola, Kouroussa and Faranah. This is achieved by almost doubling the production capacity of the peanut producers from 800 kg/hectare to 1500 kg/hectare. Indirectly, the project is improving the living conditions of 7350 persons, of which at least 30% are youth and 30% are women. In addition, the project is increasing the competitiveness of MSME peanut seed suppliers and integrating at least two of them sustainably into the value chain of the partner company.

Together with the partner company **Green Cities Inc.** in **Liberia**, the income and employment situation of 2000 waste collectors, of which at least 60% are women and youth, is being improved. Additionally, 100 new jobs are being created. The focus of the partnership project is on capacity development measures for improving the employability in the waste processing value chain. Moreover, the project is increasing the competitiveness of 10 MSMEs and integrating them sustainably into the supply chain of the partner company. The project also contributes to increasing the partner company's waste recycling capacity by over 200%, thereby reducing the waste volume in Monrovia and the surroundings areas by 30%.

In **Liberia**, another partnership project is being implemented in cooperation with **J-Palm Liberia** to create over 150 jobs and increase the income and/or improve the employment situation of 5000 wild palm kernel harvesters in over 50 local communities, of which at least 50% are women. Moreover, the project is improving the production capacity of the company to produce briquettes from palm kernel shells as an environmentally friendly decarbonized alternative to charcoal briquettes.

In Sierra Leone, the partnership project with Capitol Foods Ltd. is improving the income and employment situation of over 2000 fruit and cocoa farmers, of which at least 30% are youth and 30% are women. The focus is on capacity development measures to improve fruit and cocoa supplies by increasing the crops' quantity and improving the crops' quality The project is also creating 50 new jobs in the agro-processing supply chain. Furthermore, the project is increasing the competitiveness of at least nine MSMEs and integrating at least two of them in the company's supply chain. The project is also increasing the fruit and cocoa processing capacity of the partner company by 100%.

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