Public Private Partnership (PPP)-FUND Fragile States West Africa

Sierra Leone – Liberia – Guinea





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The PPP-Fund Fragile States West Africa

- Initiated in 2021 by the Federal Ministry for Economic Cooperation and Development (BMZ) following a previous phase from 2011-2021
- Commissioned for 3,2 Mio € until 2023
- Countries: Guinea, Liberia and Sierra Leone
- Background:
 - Poverty, unemployment and a lack of economic participation from individuals and local MSMEs are amongst economic factors that give rise to conflicts and exacerbate crises
 - Governments of fragile states often lack the resources for reforms to improve the employment situation for the population and the economic integration of local MSMEs
 - Competitive private sector companies with promising, inclusive business models can play a major role in improving economic participation of the population and local MSMEs but are not yet adequately participating in relevant activities







Outline

- 1. The PPP-Fund Project
- 2. The PPP-Fund's Tool: DPPs
- 3. Benefits for Companies
- 4. Partner eligibility criteria
- 5. Project Criteria
- 6. Development Partnership Timetable
- 7. Running Development Partnerships
- 8. Contact











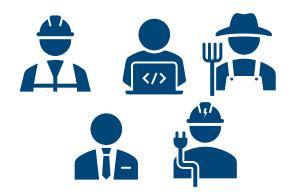
PPP-Fund Fragile States West Africa

• Objective

In cooperation with the private sector, the PPP Fund aims to **improve the** economic participation of the population and local micro, small and mediumsized enterprises (MSMEs) in Guinea, Liberia and Sierra Leone.

- Objective Indicators
- Improved employment situation for 1,000 people in each country in one of three categories, including 30% women and 30% young people.
- Six local MSMEs (net) in each country have been newly integrated as suppliers in the value chain of a company













The PPP-Fund's Tool: DPPs

- Development Partnerships with the Private sector (DPPs) are projects that are jointly planned, financed and realized by private companies and GIZ
- DPPs **combine business interests with development objectives** in order to promote economic growth and social recovery in the three west African countries
- Win-win-situation: the private sector and development cooperation benefit from the synergy effects
- Development partnerships bring together the innovative power of business with the resources, knowledge and experiences of development work









The PPP-Fund's Tool: DPPs



 Development partnerships are partnerships for development with benefits for both sides!









The PPP-Fund's Tool: Trilateral DPPs

- State actors such as ministries, governmental authorities and public administration, e.g., city councils, are potential partners for trilateral development partnership projects
- The involvement of state actors in **trilateral partnerships** strengthens the government's commitment to improving local economic and social infrastructure
- State actors contribute directly to national development goals through their participation in trilateral DPPs
- Triple-win-situation: the private sector, state actors and development cooperation benefit from the synergy effects to achieve business and development goals











Benefits for Companies

- Up to 45% in-kind funding of joint projects cost (max. 200.000 EUR)
- Neutrality, integrity and credibility of GIZ as a reliable project partner
- GIZ's sectoral, country-specific and intercultural know-how
- GIZ's networks and contacts with governments, agencies and NGOs
- Coordination, mediation and cooperation skills
- Minimized financial risks
- Qualified/skilled personnel through capacity building











Partner Eligibility Criteria

Mandatory criteria

- Company has a minimum of 3 years business experience in the respective country
- Company has an established and computerized accounting system and organizational structure
- Company does not appear on any black-lists
- Company's business operations do not include the production and/or usage of weapons, firearms, illicit drugs etc.

Desired criteria

 company should respect a set of core values like human rights, labor standards, environmental protection, anti-corruption and social responsibility

Business Partner Screening











Project Criteria

- **Development objective/ Public benefit:** project has a direct development outcome
- **Commercial interest:** project has a business growth outcome for the company
- **Private contribution:** company covers at least 55% of a project's total volume
- **Complementarity:** partners complement each other to achieve objectives more quickly, efficiently and cost-effectively
- **Subsidiarity:** company is not able to substitute public partner (GIZ) contribution and realize the project without the fund
- **Competitive neutrality:** project avoids market distortion, application and selection procedures are transparent, project outcomes are accessible to the public
- **Sustainability:** project is part of the company's long-term involvement in the country

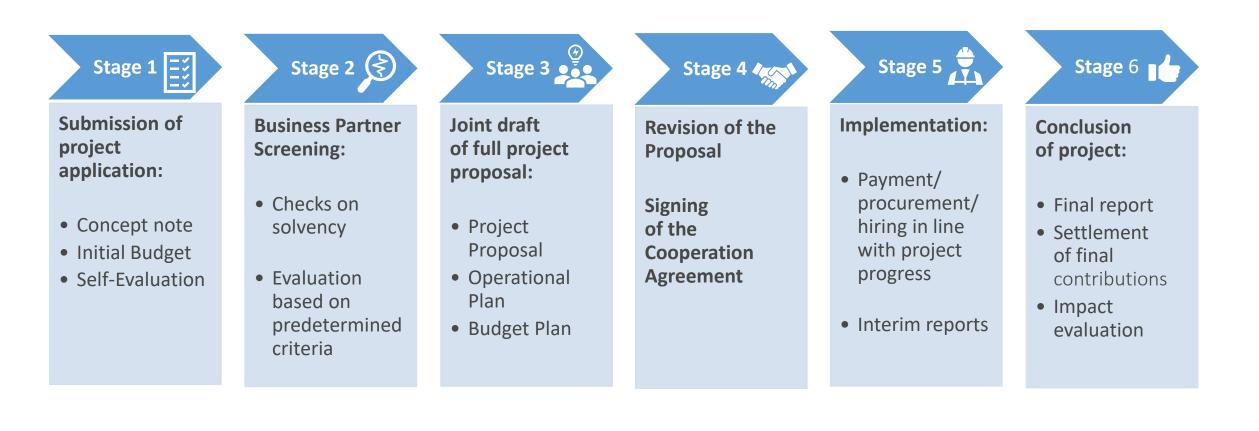








Development Partnership Timetable



Running Development Partnership in Sierra Leone, Liberia and Guinea



Guinea: Employment promotion in the peanut value chain

Partner: Copeol-Guinée. SA.

Duration: 1 year

Objectives:

- Increase the income of 1050 peanut producers organized in 75 groups in 13 different communities in the districts of Dabola, Kouroussa and Faranah
- Improve the living conditions of 7350 people indirectly
- Increase peanut production capacity from 800 kg to 1500 kg per hectare
- Create 90 new employments at the COPEOL's factory
- Increase the competitiveness of peanut seed suppliers

Target groups: peanuts farmers with focus on youths (18-35 years) and women, MSMEs





Liberia: Clean Energy for Employment Promotion (CEEP)

Partner: J-Palm Liberia

Duration: 1 year

Objectives:

- Increase the income and improve the working conditions of at least 5000 wild palm harvesters in more than 50 different communities
- Create at least 150 jobs in the value chain of the partner company
- Integrate 10 CBOs sustainably as suppliers in the supply chain of the partner company
- Improve production capacity of the partner company to produce briquettes from palm kernel shells as an environmentally friendly CO2-reduced alternative to charcoal briquettes

Target groups: palm fruit harvesters with focus on youths (15-35 years) and women, MSMEs

Links: <u>Kernel Fresh Premium: 100% Natural Skin and Hair Care</u> <u>Products – J-Palm Kernel Fresh - Liberia</u>

Liberia: Employment Promotion through Innovative Waste Solutions (EPIWS)

Partner: Green Cities Inc. **Duration**: 1 year

Objectives:

- Create 110 new jobs in the waste recycling value chain
- Increase the income and improve the working conditions of 2000 persons from which 60% are women and youth
- Establish the first official waste collection and sorting facility in Liberia
- Increase the company's waste recycling capacity by over 200%
- Reduce the amount of waste generated in Monrovia and surrounding areas by 30%
- Develop the capacity of waste collectors and improves their employability

Target groups: waste collectors with focus on youths (15-35 years) and women

Links: Green Cities | Home (greencitiesinclr.com)



Sierra Leone: Improving Fruit and Cocoa Supply for Employment (*IFSCE*)

Partner: Capitol Foods Limited

Duration: 1 year

Objectives:

- Increase the income and improve the working conditions of at least 2000 persons
- Create at least 50 jobs in the agro-processing value chain
- Integrate at least 2 MSMEs sustainably as suppliers in the supply chain of the partner company
- Increase the production capacity of the partner company by 100%

Target groups: fruit and cocoa farmers with focus on youths (15-35 years) and women, MSMEs

Links: CapitolFoods – The Taste of Sierra Leone











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