CRITICAL SUCCESS FACTORS OF THE PUBLIC-PRIVATE PARTNERSHIP INITIATIVES IN AGRICULTURE: A CASE STUDY OF NAMIBIA

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ABSTRACT

The Namibian government has made food security and the fight against hunger a top priority in its agenda and the government has employed different models to achieve this goal. One of the models that the government has been using to ensure food security is the Public-Private Partnerships (PPPs). PPPs are the long-term contractual relationships between the government and private partners to provide all or some part of the delivery of agricultural infrastructure and services. The main purpose of this study was to examine the key success factors of the public-private partnership initiatives in agriculture, in order to support the government initiatives in the fight against hunger in Namibia. The study employed a qualitative research method whereby interviews and focus groups were conducted amongst a group of 70 farmers at Mashare Irrigation Scheme in the Kavango region, where the government has partnered with the private sector to run an irrigation scheme.

The study found that the key success factors of the PPP in agriculture are; choosing the right partner for the project is key, a partner who has extensive knowledge and interest in agriculture, secondly, both partners need to set realistic expectations for the project, thirdly there must be transparency from the onset from both partners.

The study recommends that extensive ground work must be conducted before choosing the private partner to team up with and the partner should display commitment and knowledge of the agricultural sector and the public should be well informed of their role in the project so that both sides can set realistic goals and expectations.

Key words: Agriculture, Success Factors, Public- Private Partnership, Mashare, Kavango.

INTRODUCTION

In 2004, Namibia adopted its long-term strategy for economic transformation dubbed "*Vision 2030*". The Vision 2030 sets out very bold and ambitious objectives to transform Namibia into a healthy and food-secure nation, in which all preventable, infectious and parasitic diseases (including HIV/AIDS) are at their minimum, people to enjoy high living standards, a good quality of life and have access to quality education, health and other vital services. Vision 2030 is anchored on the following pillars:

1. Education, Science and Technology.
2. Health and Development.
3. Sustainable Agriculture.
4. Peace and Social Justice; and

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5. Gender Equality.

THEORETICAL FRAMEWORK AND LITERATURE REVIEW

The success and attainment of food security in a developing country such as Namibia requires the identification of critical points where innovation can improve business operations, overcome existing bottlenecks and improve the competitiveness of the agri-chain, (Harwich et al., 2008). This identification may be carried out by an external organisation or consultant. However, it is preferable that the potential partners in a public-private partnership, participate actively in the identification of the anticipated problems and put in place measures and strategies as to how best to address them or avoid their occurrence. Harwich et al. (2008) further argue that this can normally be achieved through holding one or more technical workshops where potential partners will jointly identify the constraints to the development of the Agri-chain. These constraints can be identified by analysing strengths, weaknesses, opportunities, and threats (SWOT) and by undertaking a political, economic, social, and technological (PEST) analysis. This can also be done by carrying out a participatory market chain analysis (PMCA)—all of which are analytical frameworks that are commonly used for understanding market growth, business position, potential, and direction for operations.

COMMON OBJECTIVES IN THE AGRICULTURAL PPPS

According to Moreddu (2016) Public-Private Partnerships (PPPs) are increasingly used in agricultural innovation to leverage public funds, enhance efficiency, and improve the adaptation of innovation to demand so as to foster wider and faster diffusion. For governments, PPPs for innovation are but one policy option whose costs and benefits need to be compared with those of other options. Governments have put in place a policy and regulatory environment to facilitate the development of PPPs for innovation, including financing mechanisms and Intellectual Property (IP) protection, but with all these facilities in place the question still remains as to what are the enablers for such an undertaking to be a success (Bell et al., 2018).

Need for PPP in Agricultural Sector

In India agriculture GDP is heavily weighted in favour of high value produce (horticulture, animal husbandry, dairy, poultry and fish products); as much as 75 percent of Agriculture GDP value today is contributed by these products (Marbaniang et al., 2020). The aforementioned authors further argue that the only way India can achieve a 4 percent growth rate in agriculture is by laying greater emphasis on the allied sectors. India's expenditure on agricultural Research and Development and education is currently about 0.6 per cent of the GDP from agriculture and allied activities which needs to be raised at least to 1.0 per cent (Planning Commission, 2011). Marbaniang et al. (2020) further point that the PPP can be implemented in a number of areas like agricultural research, agricultural supply chain management, watershed management, agricultural extension management, and Biotechnology. Public Private Partnership is most preferred in developing countries for effective delivery of infrastructure facilities like transportation, education and health care services as it is more successful there. In developing countries, rural-urban migration has increased urbanization at same time socio-economic developments have increased the demand for infrastructure and has also put pressure on maintaining and operating the existing infrastructure. Thus, private sector could be attracted

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through mutually beneficial agreement for effictive use of resources, availability of modern technology, better project design and implementation and improved operation combined to deliver efficiency.

According to Kumar et al. (2017) agriculture, being backbone and support system of rural economy should be strengthened, if we want paradigm shift in the approach and its development, with the advent of many popular and appropriate technology, many innovations are also brought in the field of agriculture. This is now a worrying task before the policy makers and government to feed the ever-increasing population while preserving and conserving the resources as well. Hence, PPP has an immense role to play in agricultural sector. PPP offers a win-win solution for all stakeholders. PPP allows the government to tap the private sector's capacity to innovate. Agriculture in the current competitive environment needs more focus to improve the quality and quantity of produce. Global climate change and land and water scarcity are emerging as the major challenges to agricultural sustainability, which need to be addressed through multidisciplinary and multi-institutional efforts with the use of cutting-edge technologies and forging partnerships across institutions and sectors. In Namibia despite of the government's commitment and efforts to plough enormous resources into the agricultural sector, few private institutions are working for the development of agriculture and upliftment of farmers' community and the government's drive to fight against hunger and malnutrition.

Contribution of the Partners to the Project

In Namibia, the public partner that is the government provides the estate by the way of arm's length leases. The public partner, through the Ministry, obtains the land through the Land Board in terms of Leasehold or Occupational Land Rights. It develops the land itself or jointly with the private investor and the land is utilized by the farmers under lease or profit-sharing agreements with the Ministry of Agriculture, Water and Land Reform (Hartwich et al., 2018).

The government contributes to the partnership by creating an enabling environment through developing the scheme for crop production, agro-processing and infrastructural development. Through its other sectors such as the Agricultural Bank of Namibia (Agribank), the government avails production and capital loan facilities to the project. In order to stimulate production for both grain and horticultural produce, the government has been playing a leading role in this project by implementing and supporting programmes towards the construction of and development of facilities and market infrastructure. The domestic marketing infrastructure has been composed of a chain of collection points and distribution networks within the domestic market so as to increase the share of locally produced products.

RESEARCH METHODOLOGY

The study was conducted in the Northern part of Namibia at Mashare Irrigation scheme in the Kavango region. This is where the government has partnered with the private sector to run this project. The population of this study consisted of two categories of role players namely: the Agri Bus Dev, which is the Public participant and the farmers from Mashare Irrigation Scheme (Pty) Ltd representing the Private participant. Collectively the scheme has a membership of 200 and these formed the population of the study. The sample for this study was drawn from the two participating groups namely: the public and the private partners. Purposive sampling technique was used in the selection of 70 participants. Hofstee (2006) suggests that the researcher must identify the diverse characteristics prior to selecting the sample. In cases where heterogeneous

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variation sampling is concerned, purposive sampling is applied. According to Carson, Gilmore, Perry and Gronhaug qualitative data consists of a detailed description of events, situations and interactions between people. This research approach provided in-depth and detailed qualitative data that allowed the researchers to comprehensively address the problem statement that was under investigation in this study. It also allowed the researchers to experience and have a better understanding of the PPP phenomena better. These two data collection techniques were able to expose hidden feelings, behaviours and attitudes in the respondents regarding the PPP arrangement at Mashare Irrigation Scheme.

RESULTS

The findings from the study reveal that the success of the Mashare Irrigation Scheme is attributed to mainly, the government choosing the right partner for this project. The government identified a partner who has extensive knowledge and interest in agriculture as well as one who has a great vision for the area and the project.

Both the private and public partners pointed out that the partners involved in this scheme inspire confidence and a sense of trust in the communities around Mashare as they did not feel that the project has been established to exploit them. This has created a sense of unity and cooperation amongst the public and private partners, driving the project to success.

Secondly the partners pointed out that the success of this project can be attributed to the fact that the government did set realistic expectations for the project, and this was presented in the "Willing lessor-willing lessee" approach which was taken by the government. Again, this created a sense of trust amongst the participants of the project.

Thirdly the members pointed out that the success of this project can be attributed to the fact that there have been little to no interference or dictatorship from the Namibian government. The government has created a very conducive environment to allow the private partner to operate and execute its duties without putting a heavy hand on the project. The commitment that has been shown by the government by allowing the private partner to perform its duties, with all its knowledge and experience, has seen the project running smoothly with very less challenges. This has enabled the project to attain its goals and objectives with ease.

This partnership has inspired confidence and a sense of trust in the communities around Mashare as they do not feel that the project has been established to exploit them nor imposed on them.

A successful feature of the collaborative projects has been the training-of-trainers which has enabled technology dissemination and knowledge sharing at a greater scale and this is exactly what is taking place at Mashare Irrigation Scheme. This has created a sense of unity and cooperation amongst the public and private partners and this is driving the project to success. These findings are supported by Moreddu (2016) who argues that cooperation between various public and private actors within and across national agricultural innovation systems is essential to the success of a PPP. This is because it will help improve the tailoring of innovation to demand, and thus ensures wider diffusion and impact. It also increases the efficiency with which public funds are used. The aforementioned author further points out that Public-Private Partnerships (PPPs) are an interesting option in facilitating cooperation between innovation actors at national and international levels.

Moreddu (2016) argues that the societal challenges of the coming decades are considerable and neither the government nor the private sector will be able to solve these alone. This is in particular the case in research and innovation, which increasingly requires cooperative

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and network-based approaches. The food and agricultural sector are facing the global challenge of providing enough food, feed, fuel and fibre to meet growing and changing demand. The agricultural innovation system needs to develop and diffuse innovations able to enhance productivity and sustainability along the supply chain, while helping the sector cope with climate change issues. Hence the success of the Mashare Irrigation Scheme can be attributed to the climate of knowledge transfer to the locals that has been created. This environment and atmosphere has created a sense of trust and cooperation amongst the partners, more so the local communities.

YARDSTICKS AND MILESTONES USED TO MEASURE THE SUCCESS OF THE PROJECT

Both public and private partners confirmed that this has been a great success story for the Mashare community and the communities at large, and this success is witnessed in the fact that this project has been a great change agent in the lives of the rural communities in the Mashare area. Many small-scale irrigation farmers are excelling in the area as a result of the skills and knowledge that they have gained from partaking in this project.

Many farmers are being assisted to acquire their own land, and to set it up for agricultural production activities. The project has ignited interest in agricultural activities in most of the rural communities in the Mashare area. As far as employment and job creation is concerned, preference is always being given to the rural communities residing in the area near the project, an initiative that has reduced poverty in the area, at the same time increased the willing and interest of the people to venture into agriculture.

DISCUSSION AND RECOMMENDATION

The findings from the study have shown that the success of the Mashare Irrigation Scheme comes down to the government having made the right choice in terms of the private partner to work with, hence the study recommends that the government should put in place strict criteria that should be followed when choosing the partners to join forces with when establishing the Public-Private Partnerships. The partners that have the interest of the project at heart and not just the profit arising from it.

The public-private partnership has so far primarily focused on crop production, and yet there is a lot of potential in other areas still within the agricultural sector which are untapped, under-utilised or operating way under their potential, the government should find right partners who can invest in sectors such as animal husbandry so as to increase production in this sector as well which has the potential to unlock the economy of Namibia even further.

LIMITATIONS AND SUGGESTION FOR FUTURE STUDIES

It is very important for scholars interested in agriculture and public-private partnership projects to consider conducting more and thorough studies on how Namibia can run successful PPP agricultural projects, and determine other key economic activities that can help the Namibian government eradicate hunger (Mangeni, 2019).

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CONCLUSION

A successful feature of the collaborative projects has been the training-of-trainers which enables technology dissemination and knowledge sharing at a greater scale and this is exactly what is taking place at Mashare Irrigation Scheme. This has created a sense of unity and cooperation amongst the public and private partners and this is driving the project to success. The policy makers and other parties involved in agricultural projects should not be limited to the above mentioned success factors, as there are many more effective and workable factors that can help to unlock the potential in the agriculture sector in Namibia that have not been discussed in this study.

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