

Identifying the highest priority institutional reforms in the priority areas of the NAP.

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Working Group Exercise

- Review the strategies that have already been identified in the NAP in your priority area.
- Identify 5-7 high priority strategies that require important institutional reforms for the strategy to be implemented effectively.
- Explain the institutional reforms that are required.
- Identify the initial actions that should be taken to implement each of these institutional reforms, consistent with the NAP.

Instructions

- Select a chair, a rapporteur, and a presenter (may be the chair or rapporteur)
- Work as a group, including over lunch, until 15:00
- Coffee/tea break from 15:00 to 15:30
- Present your results in plenary session from 15:30 to 17:30

The Priority Institutional Reforms Should Be Consistent with the NAP

- Vision (*ideal picture of the future*)
- Guiding Principles (*normative criteria*)
- Objectives (*specific goals*)
- Priority Policy Areas (*categories*)
- Strategies (*ways to accomplish goals*)
- Actions (*precise resource commitments*)

Who should drive the implementation of each strategy? Five basic strategies.

1. Coherent policy framework

=> Improving incentives across the sector

2. Economic liberalization and privatization:

=> Enabling the commercial private sector

3. Restructuring government:

=> Strengthening core public sector services

4. Democratization and participation:

=> Empowering civil society and rural communities

5. Decentralization:

=> Strengthening local governments

Linking Strategies with Subsectors

Subsectors	Strategy & policy	Food & nutr. policy	Agribus. & mtk.	Rural finance	Land policy	Energy, transport	Res. & Extension	Animal resources	Sust. Land res. mgt.	Forestry	Fisheries	Water resources	Rural infrastruct.	Water & sanitation
Strategies														
Coherent policy framework	■													
Private sector development			■											
Restructuring government					■									
Participation							■							
Decentralization										■				

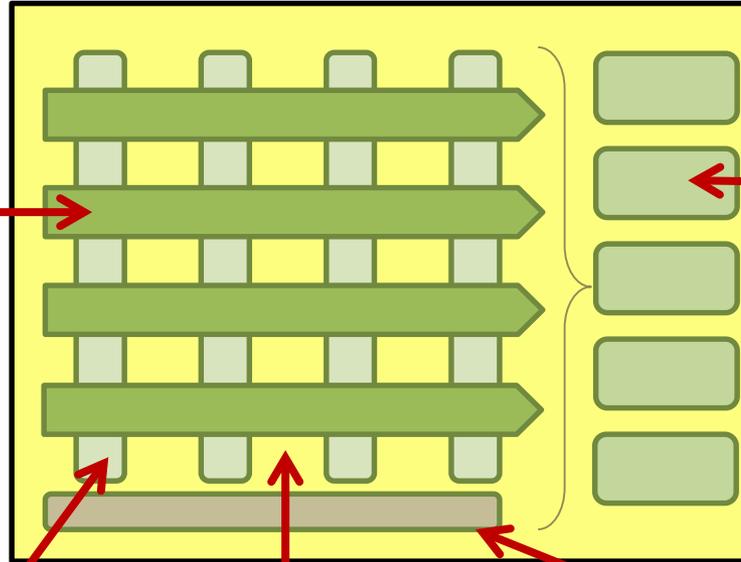
What are core public sector functions?

- ◆ Functions that create and maintain the enabling economic and institutional framework for the private sector and civil society;
- ◆ Functions of a strategic nature;
- ◆ Service-oriented functions that cannot be carried out solely by the private sector or civil society;
- ◆ Activities with large, up-front investments and with long pay-back periods and externalities; and
- ◆ Functions targeted to smallholder farmers in rural areas and to other disadvantaged groups.

Focus your attention on ***institutional systems*** in need of reform.
 Although the ATA is a national organization, it begun its work by focusing on certain target value chains, geographies, and program areas

Value Chains

- Major activities in 2014
 - Tef
 - Wheat
 - Maize
- Targeted efforts in 2014
 - Sesame
 - Barley
 - Sorghum
- New activities in 2014
 - Livestock



Geographies

- High priority in 2013/14:
 - 60 Tef woredas
 - 56 Maize woredas
 - 48 Wheat woredas
- Secondary priority in 2014:
 - 12 Sesame woredas

Systems

- Seed
- Soil
- Cooperatives
- Input & Output Markets
- Research
- Extension
- Household Irrigation

Crosscutting Issues

- Gender Mainstreaming
- Climate Change & Environment
- Technology Access & Adoption
- Monitoring, Learning & Evaluation

Special Projects

- G8 New Alliance for Food & Nutrition Security
- ICT for Agriculture

The Agricultural Transformation Agenda for GTP2 is will be developed across 30 key program areas within four strategic pillars

Pillars of the Transformation Agenda		30 program areas		“Anchor” Deliverable	
1 Increase crop and livestock production and productivity	Crops	<ul style="list-style-type: none"> Seed supply and distribution Fertilizer supply & distribution 	<ul style="list-style-type: none"> Crop protection and health 	The Agricultural Commercialization Cluster Initiative as a means of integrating the solutions within the 30 Program areas. Focus on measurable impacts on smallholder farmers working on specific high priority commodities in clearly identified geographies.	
	Livestock	<ul style="list-style-type: none"> Livestock breed and genetic improvement 	<ul style="list-style-type: none"> Livestock feed and feeding Livestock health 		
	Crops & livestock	<ul style="list-style-type: none"> Demand-driven research Market-oriented extension 	<ul style="list-style-type: none"> Rural finance Mechanization 		
2 Commercial orientation of smallholder agriculture and market development		<ul style="list-style-type: none"> Market services & infrastructure Food safety, quality, assurance & traceability Aggregation and storage Cooperative development 	<ul style="list-style-type: none"> Agro-processing & value addition Domestic & export market development Private medium and large scale farm development 		
	3 Environmental sustainable and inclusive growth and national food security	NRM and Food Security	<ul style="list-style-type: none"> Soil health and fertility Rural land use & administration Climate change adaptation & mitigation 		<ul style="list-style-type: none"> Irrigation and drainage Watershed & forestry development Bio-diversity
		Inclusive Growth	<ul style="list-style-type: none"> Gender equality Nutrition 		<ul style="list-style-type: none"> Targeted livelihood support (for selected population groups)
4 Enhance implementation capacity		<ul style="list-style-type: none"> ICT for agricultural services Organizational and human resources capacity 	<ul style="list-style-type: none"> Evidence-based planning and M&E Private sector in agriculture 		

Identify the problems that need to be solved: Agriculture, Livestock and Fishing in the ERS

- Problems:

- Governance of sector institutions
- Hesitant private sector
- Limited access to credit, inputs, technologies, infrastructure, security
- Inefficient use of limited public resources
- HIV/AIDS

Common performance criteria suggesting things were not OK

- Many markets, particularly, but not only food markets, not doing well
 - Efficiency
 - Equity
 - Sustainability
 - Accountability

Institutions for private market development

- Markets require
 - a set of rules, property rights, contract enforcement, promotion of competition
- Defining the
 - proper role for the government
 - proper roles for an efficient private sector that can attract investment
- Private sector institutions
 - for collective action: industry and trade associations
- Support services
 - quality standards and inspection, market information, trading systems, etc.

What is the realism of your proposed reforms?

Challenges of Institutional Reform

1. Problem recognition
2. Collective action problems
3. Transactions costs
4. Path-dependence
5. No blueprints

What actions need to be taken to implement the reforms? Guiding Principles for Reform

1. Political commitment and cover
2. Reform manager
3. Reform strategy
3. Participation of stakeholders
5. Sequencing