PPPLab Case Study #1

Understanding the Public P: Insights from a PPP case of water management in North Ghana
Executive summary

What is the best way effectively work with public partners in a public–private partnership (PPP)? The partnership of IWAD Ghana Ltd., supported by the Dutch Government Sustainable Water Fund (FDW), is an interesting case with which to explore this question.

IWAD and the Dutch–Ghanaian company Wienco are among the few active investors in the agricultural sector in Northern Ghana – a region lagging behind due to its harsh climate and limited private and public investments. Since 2013, the activities of the partnership have introduced large-scale modernized irrigation farming practices involving hundreds of small holders, promoting commercial irrigation practices and food security, as well as creating local employment.

The partnership was created between IWAD, Wienco Ghana Ltd, Alterra (Wageningen Environmental Research), Rebel group and the Savannah Accelerated Development Authority (SADA), which represents the Government of Ghana. Other Ghanaian partners bringing in local knowledge and research include institutes such as the University of Development Studies in Tamale, the SARI crop institute, and the Damongo training college for hands on farm training. The Dutch government not only financed 60% of this project, but also facilitated and brokered the partnership while providing a trust factor and ensuring that partners meet their commitments.

The unique element of this partnership is the deep involvement of the Government of Ghana through SADA. Its contribution is manifold and its role developed: not only cofinancing, but also contributing to a conducive enabling environment in this region, which is also called the Savannah Agro Ecological Zone. This is strategically interesting for the lead partner’s scaling plans.

Another crucial element of this partnership, and one that goes beyond formal structures, is with customary leaders, also called chiefs, who are in charge of local land and water issues. Agreements with these traditional authorities are indispensable for IWAD’s current and future activities in the area.

This specific collaboration between private and public partners, tailored to the local context and its complexities, and designed in a bottom-up manner, has proved crucial for the success of this public–private partnership. This study explored a number of practices that could prove useful for other partnerships, such as recognizing and dealing with the changing governance requirements that stem from the political realities on the ground. In addition, it presents tips and tricks (see page 17) for effective partnering, such as building on what works, being realistic and managing time, and showing consistency in the face of evolving challenges while allowing for flexibility. Although partnerships may be specific to the context and sector in which they operate, the insights of this study contribute to building a much-needed repertoire: why, on what, with whom, and how to work with public partners.
PPPLab Food & Water is a four-year action research and joint learning initiative (2014 - 2018) to explore the relevance, effectiveness, and quality of Dutch supported public-private partnerships (PPPs). PPPLab is commissioned by the Dutch Ministry of Foreign Affairs and is driven and implemented by a consortium of the Partnerships Resource Centre, Aqua for All, the Centre for Development Innovation at Wageningen UR and the Netherlands Development Organization (SNV).

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Acknowledgement

For this exploration, a number of partners and stakeholders involved in the PPP were interviewed in 2016, and in particular during the field mission in Ghana, both in Accra and Tamale as well as in Yagaba. I would like to express my gratitude for their time, effort and the valuable insights and feedback they provided, in particular lead partner IWAD/ Wienco, the Savannah Accelerated Development Authority (SADA) and the Netherlands Embassy in Accra as well as RVO.

Marije Balt, 6 March 2017

Lead partner Managing Director with a subchief in North Ghana
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This study of the Integrated Water Management and Knowledge Transfer in Sisili Kulpawn Basin in Ghana project is based on desk research and field-based interviews with the partners in North Ghana in 2016.

The case study is part of a research project by PPPlab. The case was selected from a total of the 12 PPPs in the Sustainable Water Fund (FDW) and the Facility for Sustainable Entrepreneurship and Food Security (FDOV) which researchers from the Partnership Resource Centre (PrC) analyzed. These, along with relevant literature, informed the first output of this research project, the insight booklet Partnering with the Public P, which identified common overarching incentives, strengths, and challenges of the Public P working in PPPs, based on its public nature.

Basic facts about the PPP

**Title:** Integrated Water Management and Knowledge Transfer in Sisili Kulpawn Basin, Ghana  
**PPP Facility:** Sustainable Water Fund (FDW)  
**Project period:** 2013–2017 (4 years)  
**Budget:** € 11,622,114  
**Location:** Ghana (Mamprugo Moaduri district, Sisili Kulpawn river basin, Northern Ghana)  
**Partners:** The Savannah Accelerated Development Authority (Government of Ghana; SADA), Alterra (a knowledge institute, now called Wageningen Environmental Research), Rebel Group International BV (private sector), Wienco Ghana Ltd. (private sector), and IWAD Ghana Ltd. (private sector)

Case introduction

Northern Ghana is a region that lags behind the rest of the country due to its harsh climate and limited private and public investments. The Mamprugo Moaduri district is among the least populated in the Northern region, and suffers from a combination of a harsh climate and ecology, outmigration, and poverty; more than half of the population lives in extreme poverty. This indicates a significant constraint on access to community facilities such as schools, health services, potable water supply, and agroinputs.

The project’s objective is to foster smallholder and private sector-led growth through the promotion of integrated water management practices and the development of irrigation in the Savannah Agro – an ecological zone in the north of Ghana – with the emphasis on investment, capacity development, profitable crop value chains, and accountability. The partnership has introduced large-scale modernized irrigation farming practices involving hundreds of small holders, promoting commercial irrigation practices and food security, and creating local employment. The project offers training to the population (both men and women) and provides access to land and to credit, based on performance.

The first call of FDW proposals was formally announced in 2012 by the Dutch government, managed by Rijksdienst voor Ondernemend Nederland (RVO). The stated objective was to contribute to sustainable inclusive economic growth by improving water security and water safety in developing countries through public–private partnerships. FDW provided 60% (the maximum percentage) of the total budget to this particular project.

Under the FDW framework, the involvement of a public partner from the target country in the partnership is a formal requirement of the Dutch government. However the unique element of this partnership is the substantial involvement of the central government, given that FDW projects can include other public sector actors, such as local water operators or boards and sanitation agencies. In addition, this project is two-tiered, combining water management infrastructure (a traditional objective of development cooperation) with promoting food security and local job creation.

Since the project is based on a revenue model rather than creating an enabling environment, embedding in the existing local structures is key. The project is deeply embedded in local institutional systems, procedures, and policies; it operates at a local level with informal actors and institutions, such as chiefs, to obtain and maintain a local license to operate.

1 Midterm Review FDW 2016
Partners within the PPP

In 2013, the partnership was created between Wienco Ghana Ltd., later transferred to IWAD Ghana Ltd. (as an operating mechanism), Alterra (now Wageningen Environmental Research), and Rebel group, with SADA representing the Ghanaian government.

Other Ghanaian partners are involved by contributing local knowledge of irrigation, crops and soil, research, and hands-on farm training – such as the University of Development Studies in Tamale, the SARI crop institute, and the Damongo training college.

There is a high degree of diversity among the public actors in this partnership, although not every public actor is formally part of the partnership.

The initial contact of the lead partner Wienco – a Dutch-Ghanaian company with a track record of 35 years in Ghana – was with the Ghanaian Ministry of Food and Agriculture (MoFA). However since ministry procedures to establish a formal partnership in line with Ghanaian PPP policy (2011) were lengthy, the ministry decided to delegate this project to the parastatal SADA, which had a mandate fitting the project’s needs. Wienco took the lead under the Dutch-funded FDW.

Prior to the project, the lead partner had undertaken a mapping of the customary ownership structure of land in North Ghana and identified a number of local chiefs to work with, though not as formal partners in the partnership. During the partnership, decentralized structures were established, local elections were organized and, in the area of operation, Yagaba, a district assembly was elected; this was another public partner to keep informed about the project and in engage with on an ad hoc basis.

Although not a formal partner, the Dutch Public P plays a key role, in particular in building, managing, and maintaining a relationship with in-country public partners. The Dutch public actors are diverse in this FDW project: the formal contractual relationship of the partnership is with the Dutch Trade Agency (RVO), which provides 60% of the total budget sum in the form of a subsidy. Its mandate as financier is to manage the contract with the lead partner and to monitor the progress of the overall project. Although its role is largely procedural, its staff has been highly engaged in the project on the operational level, with a recent visit to the area in February 2017. The embassy played an important facilitating and brokering role between the lead partner and the Ghanaian government at the initiating stage of the partnership. During implementation, it provided a trust factor for the partnership, to ensure that all partners meet their commitments. The Netherlands Embassy in Ghana, and the trade attaché in particular, is responsible for monitoring the PPP projects funded by the Dutch government in Ghana. The embassy’s motto is: ‘Holland and Ghana, growing together’ and PPPs are a key element in Dutch policy in Ghana – especially in the two sectors of food and water management.
The case study described below aims to give insights into the incentives, contributions and roles, challenges, risks, and partnership practices in relation to working effectively with in-country public partners.

The insights from the case study inform a better understanding of the Public P, which can support more effective ways of partnering with the Public P for other partnerships, for which the lessons learned from this partnership can be helpful. It can also promote reflection on the role and value added by the Public P.
Understanding and linking to incentives of public actors

Despite the diversity of Ghanaian public partners’ motivations, their commonalities are that they leverage resources for development, strengthen political mandates, enhance service provision, and strengthen capacities, mostly on the local level.

Leverage resources for development

Ghana’s northern region suffers from a substantial finance gap in many sectors, which require private sector investments. For infrastructure, there is a clear policy on how to attract and work with the private sector, whereas irrigation and agriculture are relatively new focus areas for PPPs. SADA indicated that, in addition to the private sector contribution, the 60% share of the project covered by the Dutch government is strategically important as a catalyst in attracting more funding and investment to the region. The resources, knowledge, and innovation that this project brings are also important incentives for local public partners to continue working with the project.

Strengthen political mandate

The political mandate generated by this project was an important incentive to all formal public partners involved, especially in view of the Ghanaian elections of December 2016. Being able to demonstrate the concrete implementation of government policies in general was crucial to political and electoral support. SADA’s CEO mentioned that he has been promoting the project through television broadcasts at the project site. The district assembly also felt that the project had strengthened its political mandate in the Yagaba area.

Strengthening capacity

What draws local leaders and district officials into the project and ensures their commitment is the continuous building of capacity with regard to farming skills, seeds inputs, and soil and crop management. The Wageningen Environmental Research partner is dedicated to fulfilling this role. Informal leaders are also looking for ways to tackle poverty and unemployment, and being involved in this project provides a learning curve in this regard. Building capacity and sharing knowledge is in exchange for access to assets, such as land or policy influence.

Enhance service provision

At the beginning of its mandate in 2011, SADA engaged in actual service provision and implementation of the strategy on the ground, such as purchasing tractors and planting trees. For its part, the central government had been involved in irrigation works earlier, but few projects had succeeded. SADA commented on the division of labor:

‘The public sector does not need to intervene in implementing the project.’

There have been many improvements in the area due to the PPP. Ever since the beginning of the project, the development of the area and environs around Yagaba has increased, both in terms of small private sector activity (e.g., vibrant market place, shops, a bank) and infrastructure. A number of roads were constructed, mainly in the run-up to the December 2016 elections.

The project had a catalyzing effect on the local economy. This continues to draw in more public partners willing to work with the partnership.

Improve policy design and implementation

The Ministry of Food and Agriculture (MoFA) has developed a range of policies to promote food security in Ghana. However, progress is slow in the north of Ghana. The Northern Savannah Development Strategy seeks to reduce the number of those living in poverty to less than 20% by 2030 and to transform the northern savannah into a breadbasket for the whole of Ghana. Its strategy requires many private sector-led investments, targeting the constructions of canals, roads, and bridges, as well as irrigation and drainage systems to allow farmers to produce food and commercial crops all year round. SADA was established to offer investment incentives and opportunities to mobilize the private sector’s involvement in a new orientation of the value chain. While SADA managed to engage a number of investors in other sectors, this partnership and its lead partner is currently one of the few private sector investors
in the field of food and irrigation in the northern region, which is still dominated by aid-dependent NGOs and projects such as the Millennium Village in the adjacent area.

The government of Ghana and its dedicated agency SADA need private sector involvement in the irrigation and commercial agriculture sector, as their previous policies in these sectors were not successfully implemented. This is also an incentive of the local public partners, such as the district and local leaders, who wish to see progress on the alleviation of poverty and unemployment through commercial agriculture.
Understanding and seeking roles and contributions

Whereas other projects in this region are NGO-led and do not necessarily involve in-country public partners, their roles in this project in northern Ghana are relatively substantial. This is also due to the nature of the water sector, creating contingencies and liabilities for the state.

What roles and contributions were adopted by public actors in the partnership?

- Facilitating and convening in the initial phase through the Ministry of Food and Agriculture and the Dutch embassy, which played a brokering role and provided a trust factor in the initial phase of the partnership.
- Embedding and enabling the project in this remote area, where access to fixed assets such as land was a sensitive issue. After performing the mapping, the partnership decided that this role was best fostered by local, informal public partners, such as customary leaders, providing the much needed legitimacy and acceptance beyond what central authorities could provide in that region.
- Supply and scale: SADA took on the role of contributing financially to the project and providing favorable conditions.

Facilitate and convene

As a company active in the agricultural sector, the lead partner was looking for counterparts that were able to convene the appropriate stakeholders around the table. This began with the Ministry of Food and Agriculture. As the backbone of development partnerships continues to be government-to-government relations in Ghana, the Dutch embassy played an important broker role in this phase by facilitating contacts and relationships. The Ghanaian government demonstrated a high degree of flexibility by delegating this partnership to SADA, which is ‘entitled to build its balance sheet up (through its own SADA Act). … this is not part of the PPP framework’. The Ghanaian PPP framework (2011) implies a complicated, lengthy procedure which, according to SADA is needed for large infrastructure projects, as they create contingency and liability for the state. By delegating this project to SADA, the procedures are more straightforward; commercial investments, even those through partnerships, are done through joint ventures. Citing SADA:

‘This project is different in terms of risk.’

Second, IWAD Ghana Ltd. needed facilitation in community sensitization on what the project would offer the community. Working on the local level with hundreds of smallholder farmers requires a facilitating role from the local public partners on a continuous basis. Customary leaders and chiefs have an important role in community sensitization to what the project offers for citizens in terms of capacity building, knowledge transfer, and employment opportunities. The district assembly has also argued that it plays an important role here, but is still searching for its added value to be exchanged for land rent.

Embed and enable

Whereas the central authorities have the mandate on land issues, in practice customary leaders and chiefs have a key role with regard to land, which is an important and indispensable public good for the project. Ghana operates a dual system of land administration: acquisition and disposal of various land rights is managed by two main systems. There is the state system operated by written rules and statues, and there is the customary system operating according to the unwritten rules of customs and tradition. Both systems are recognized and guaranteed by the 1992 Constitution of Ghana. According to the Land Act, leaders demarcate the areas which can be used for irrigation and commercial agriculture. This is communicated to the community by a notice which can be objected to for a period of two months, after which it is endorsed by the district assembly and put forward to the Lands Commission. As an important process for legitimacy and accountability, this requires having several stakeholders on the board that support the land requirements of the project.

In terms of creating an enabling environment, SADA provides nonfinancial assistance in a number of ways within the formal rules, regulations, and standards – e.g., by facilitating tax exemptions for imported goods.
Supply and scale

Financial and in-kind contributions by SADA
The Ghanaian government agreed in 2011 to a mandate for SADA to play a number of roles with a view to developing the northern region: providing strategic guidance, mobilizing resources, and facilitating and guiding private sector investments. This project is of great relevance to SADA due to its replication and scaling potential. The PPP is considered a catalyzing project that is meant to bring in long-term investments. As such, SADA committed to providing in-cash resources to the project from the Ghanaian government budget – up to 6.8% of the total project budget.

The Dutch government’s contribution of 60% of the total budget was crucial for resourcing this project. The other 40% is provided by the partners, with the main stake held by the private sector. IWAD would have embarked on this investment had this subsidy not been provided, but with a longer preparation period and a higher risk of failure. The contribution of the Ghanaian government in financial terms is a modest percentage of the total budget, but its buy-in and commitment is important for sustaining the project.

One important rationale of working with SADA is that its institutional longevity and continuing presence offer the potential for sustaining partnerships and also have the potential to broaden and replicate partnership efforts and achieve large-scale transformations in Northern Ghana.
Understanding and mitigating challenges and risks

Working effectively with public partners requires mitigating challenges and risks ranging from limited capacities to partner, through politicized institutions, to legal hurdles.

Capacities to partner

In 2011, SADA opened its doors with the aim of promoting development of the northern region. At first, it had neither the capacity nor the expertise to fulfill the different tasks within its mandate effectively. It was around this time that the collaboration with IWAD and the other partners was negotiated and agreed. In seeking its role, SADA initially took an operational role in the project.

Meanwhile, in the northern region, development problems persisted. At several levels, there were limited capacities to partner by customary and elected leaders. On the land issue, there was a lack of proper documentation, which was also associated with the fact that many chiefs are illiterate. There were challenges organizing business alongside the entire chain, and the quality of farming was limited in spite of a number of government projects. In spite of numerous policies in the field of water management, food security, employment, and outmigration, implementation was lagging; SADA, however, having matured in its role recently managed to attract more private sector investment. The FDW project was the one of the first successful irrigation and commercial agriculture project in the region.

Political and legal contexts

Since meeting administrative and regulatory standards in Ghana can be a lengthy process, an important conducive measure was taken by the Ministry of Food and Agriculture (which was the initial point of contact for the lead partner) to delegate this project to its parastatal SADA. While this relieved some of the regulatory barriers, other issues intrinsic to working with governments remained, such as the dependence of the project on government budgets. In the case of Ghana, this is a risk due to ‘borrow and spend’ policies, which increased its national debt to unprecedented levels.

In this light, it was not clear at the time of writing whether the government could meet its financial commitments. This ambiguity has implications for the reliability of the key public partner of the PPP.

In addition, the partnership was vulnerable to a change of policy priorities as a result of the political changes arising from the December 2016 elections. The change of government can, but does not necessarily, influence the political commitment, senior leadership, and long-term policies, requiring the partnership to stay alert and adjust to the new requirements.

Sector-specific

This project's main interest is in the fixed assets important for agriculture and irrigation, such as land and water. As the lead partner was mainly active in agriculture, it was well prepared for the territorial issue of land ownership, as this is a complication for agricultural projects all over Ghana. The rules and regulations do not reflect the reality on the ground – that it is the local chiefs who are in charge. This is also the case for water-related issues, creating contingency and liability issues from the government's perspective. The specifics of setting up a water management and irrigation project required not only expertise, but also a new perspective on working with public partners. The ownership issues in irrigation infrastructure is complex and has been subject to negotiations within the partnership concerning the government's percentage shareholdings of the project.

Public accountability

An important challenge that the company was confronted with when it began mapping the area's land was the perception by the local population of central government's role. There were grievances in relation to earlier alleged land grabbing, which had led to the displacement of a number of smallholders from what they regarded as their lands. There had also been public irrigation projects that affected the reputation of the central government on a local level. In the course of the project, SADA's credibility as an institution was questioned following a corruption scandal.

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The institutional response was a change of leadership, to the third CEO since 2011. Frequent changes in personnel created a challenge to relationship-building between partners and hampered trust.

<table>
<thead>
<tr>
<th>Challenges of working with local, regional, and central level public actors and partners</th>
<th>How the partnership mitigated these challenges and risks</th>
</tr>
</thead>
</table>
| In working with customary and elected leaders, their capacities, informality, and effectiveness proved to be a challenge affecting their collaborative capacities. | • invested in capacity building  
• maintained a consistent approach – e.g., documenting agreements  
• also worked with institutions/civil servants, instead of only with the personalities leading those institutions |
| The political and institutional context had an impact in the timeframe of the research. Leadership changes and new requirements in the partnership governance affected the reliability and predictability of working with Ghanaian public partners. | • kept an open, flexible, yet nonpolitical approach to working with (other levels of) public actors  
• built multilevel relations with institutions |
Partnership practices

The private partner, with its ambitions to scale its projects and operations, tended in particular to have developed a wide range of practices and options for working effectively with public partners, mainly focused on mitigating political risk and more specific context-related challenges, but also building on the incentives of public partners and mutual opportunities.

Engaging and collaborating with chiefs and buying time

The lead partner had previously dealt with sensitive land issues and hired a managing director for IWAD Ghana Ltd., who was experienced with land issues in other African countries. The partnership began engaging with levels other than the central, formal level and built on the network of traditional leaders that had been mapped in the predesign phase of the project. The project design, and the initial location targeted, was commonly agreed. The project did not engage only with central government on the land issue, as this would have affected the project’s perception by the local population. Acquiring local legitimacy through local public partners requires strategic patience. Working on this level is a cumbersome, challenging process, as many chiefs are illiterate and do not document their decisions, which makes it difficult to contractualize agreements. Nor is it a linear process, as chiefs can revise their decisions, as was the case when demarcating the area for a gas filling station, which turned out to be too close to a holy place for the community; the station had to be relocated. However, this practice of engaging with chiefs deals with those who have the effective and legitimate power to decide. As the lead partner commented:

‘Collaboration with the public partner in Ghana involves not only dealing with formal government institutions, but also with the chiefs in our region: sitting under trees together and negotiating land issues. Such preparations are crucial for the success of the PPP.’

The land rights claim was mentioned as a risk, albeit a low one, in the project proposal, which mentioned that ‘SADA as the responsible government agency has the authority to arrange the land rights.’ In practice, this turned out more complex, and the partnership began a constructive engagement with local leaders on the land issue. The partnership therefore chose to link to the incentives of local informal leaders leveraging resources for their communities, building capacity, and in general helping to alleviate poverty by engaging the local population, who gain access to land and credit based on their performance. As such, the project invests in youth and women, who tend to play an important role in food security for the community.

Managing expectations towards the donor has also been a practice of the partnership. This occurs on two levels: First, in terms of the pace and complexity of local decision making, which requires strategic patience and time management. Second, in terms of the risk of central-level commitments not being met. In the project document, the risk of the government not being able to meet its financial obligations had been recognized from the start, though indirectly: ‘the investment of the partners are directed to the items which belong to the mandate of the partners: infrastructure investment by SADA, knowledge transfer by Wageningen Environmental Research, water and land management investments by Wienco.’

Dealing with personal interests and building relations with institutions

As the line between public and private interests is often blurred in this context, and informality is the norm, the partnership is at times confronted with local Public P representatives who show a commercial interest in the project. One of the mitigating measures towards rent seeking within the project is to make access to land and credit based on performance. However, with public partners that provide access to local assets, this is a delicate balancing act. The partnership therefore presented a consistent approach from the beginning by respecting the rules and regulations and not giving into the pressure to serve personal interests over the project’s principles.
In this process, professional experience with this type of situation and the ability to see the consequences of the project giving in to pressure is key. In general, experience with the way the political economy works behind the façade of formal public institutions is crucial if a realistic strategy is to be developed.

In the past, the personalized culture of institutions in Ghana has led to a lack of documentation of oral agreements, which created confusion and problems at a later stage for the partnership. When dealing with weak accountability or integrity, it is important to build buffers (e.g., rules and principles) and contingencies by diversifying entry points. The partners admitted that, in future, the partnership needs to be consistent and contractualize important agreements, to allocate risks and responsibilities among partners, and to explicitly define, negotiate, and align the interests of different partners.

One of the lessons learned in the partnership is to build relations with institutions instead of only with the personalities leading those institutions. Frequent changes in leadership created a challenge to relationship-building between partners, but through liaising with civil servants within those institutions there was a degree of continuity in the relations with public partners.

The project has been designed to continuously engage with several public levels, from formal ministerial levels to local, informal levels, and across bureaucratic boundaries. Previous projects and investments in this area had generally overlooked the bottom-up approach needed to build legitimacy for the project and the need to continuously invest in ‘gatekeepers’ for access to land. Most other investors that have tried a top-down approach (working through central government only) have not had much success.

The partnership opted to work with one public partner on a formal basis, but this does not mean that the relations with other public partners (engaged on an ad hoc basis) are less important. Regular contacts with chiefs can sometimes lead to a contractual relationship when agreements are being reached on access to land and water. The district assembly also has a particular role to play in this process, as explained earlier. Therefore, collaboration on an ad hoc or informal basis is regarded as part and parcel of the partnership.

**Recognizing and dealing with changing governance requirements**

The partnership has lived through both institutional shuffles among public partners as well as elections being lost by the incumbent government, which possibly implies a number of changes in public governance requirements. In the project document, this risk is regarded as low: ‘when the government is formed after the election by another party or coalition, the mandate of SADA is still firmly in place’. One practice of the partnership is to maintain a nonpartisan approach in the project and ‘not to engage in politics’ – for example, if parties want to associate themselves with or campaign through the project.

While SADA developed and matured in its role in the partnership, it gradually began questioning the partnership governance structure. However SADA is keen not to imperil the current project, as it is aware that the mutual benefit to the partners is stronger. For SADA, this project is core to implementing its mandate to attract development-relevant private sector investment to the region. For IWAD Ghana Ltd., the partnership with the Ghanaian government – and in particular the active support and cofinancing through SADA – provides not only a license to operate but also a plank towards scaling the project. This would involve building a dam in the river and acquiring a vast arsenal of land beyond the current area. For the volume of funding and assets needed for this follow up arrangement, the involvement of the Ghanaian government is indispensable, both for financial support and providing license and access to assets and resources.
Scaling: prompting a constructive, strategic approach towards in-country public partners

The partnership invests in vertical scaling, such as efforts to improve the governance of the overall chain, invest in tertiary chain and sector functions such as education, knowledge institutes and networks. Maintaining a good, sustainable and lasting relationship with public partners is a cornerstone of its scaling strategy in northern Ghana, and this is part of vertical scaling. See also the PPPLab exploration 'Scaling: from simple models to rich strategies'.

In dealing with changing governance requirements, the Dutch embassy in Accra played a brokering role in the predesign phase of the project, facilitating the collaboration of Wienco with the Ministry of Food and Agriculture, and later with SADA. The proposal of the partnership was assessed and risks, not only by RVO, but also by the embassy, paying particular attention to policy relevance and risks. The partnership put much effort into keeping the embassy and ambassador informed. Building a strong relationship has been a conscious strategy to allow the embassy to be called upon when the project faced problems. Escalating issues to a higher level is crucial in countries such as Ghana, where government-to-government relations are still the backbone of international partnerships. Moreover, the Dutch government, from the perspective of the company, provides a trust factor in a very political and complex environment, which can only be influenced by the private sector to a limited extent. This trust factor was created by being ready to help in the case of crisis within the partnership or challenges on the part of the Ghanaian government to meet commitments.
Partnership tips and tricks

**Takeaway points from the partnership’s practices**

**Realistic and strategic patience**
- Work with public partners that have a track record of being effective in their roles.
- Acquire local legitimacy through the local Public P which requires strategic patience.
- Experience with the way the political economy works behind the façade of formal public institutions is key to developing a realistic strategy.
- Manage expectations of the donor to buy the time needed to work effectively with public partners.

**Consistent**
- Build relations with institutions, not with personalities only, and do not engage in politics.
- Maintain a consistent approach from the beginning by respecting rules and regulations, and do not give in to pressure to serve personal interests over the project’s principles.
- Build buffers (e.g., rules and principles) and contingencies through diversifying entry points when dealing with weak accountability or integrity.

**Flexible**
- Do not hesitate to escalate to higher government levels and leverage them to steer the project forward.
- Do not determine beforehand how exactly to work with public partners but formulate principles underlying the collaboration.
- Adapt intensity and frequency of working with public partners outside the formal partnership to suit the it’s specific needs.
- Vary between engaging partners on a formal basis (in line with FDW requirements) and on an ad hoc basis, based on the specific needs of the partnership.

**Constructive and strategic**
- Maintain a constructive approach throughout with the public partners, as they provide a plank for future scaling.
- Build a strategic relationship with the Dutch embassy from the start, leveraging both its brokering role with the government and the trust factor in case of problems.
- Escalate to, and leverage, the government-to-government level through its good contacts with the Netherlands Embassy in Accra.

**Final note**

This study is part of a research project by PPPLab on the role of the Public P in PPPs. For more information on this research project and PPPLab’s knowledge agenda, please refer to the insight booklet: Partnering with the Public P and the PPPLab website.