

PPP
Capacity Development
Development Partnerships
Collective Action
Public Private Dialogue
Corporate Responsibility
Increasing Efficiency
Shared risks
Collaboration
Networking
Partnerability
Joint Policy Setting
Synergies
Win-win
Effects

Poverty-oriented Planning & Reporting for Development Partnerships

Increasing poverty orientation in development partnerships – a tool for partnership practitioners

Introduction

Development partnerships are projects between private companies, development agencies, government bodies and civil society actors. They combine the particular strengths and resources of each of the partners involved in order to contribute to poverty reduction and sustainable development. Development partnerships involving the private sector are viewed as particularly important for achieving overarching poverty reduction objectives such as the Millennium Development Goals (MDGs) and encouraging business to play a stronger development role.

In order to ensure that development partnerships endorse a focus on poverty reduction, GIZ has developed a tool for identifying their potential and measuring and documenting their poverty impact which uses the Poverty Impact Assessment (PIA) framework developed by the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD).¹ This tool, and the experience and knowledge gathered by development cooperation agencies in the field of impact assessment for partnerships, has been used to investigate partnerships in the agricultural and health sectors of Ethiopia, Kenya and Tanzania as well as partnerships in Kenya and South Africa with a focus on green economy.²

Purpose

This document provides a practical and user-friendly tool for poverty-oriented planning and reporting of development partnerships. It has been developed to assist partnership managers to understand the necessity and rationale for analysing poverty impacts and guide them through such an analysis. With the help of this tool, partnership managers can ensure that their partnership activities consider and adopt a pro-poor orientation.

Using the tool

Chapter 1 provides an overview explaining what development partnerships are and why a poverty orientation is important, both generally and in particular relation to partnerships.

Chapter 2 sets out a 5-step process for analysing the poverty impact of a development partnership. The five steps include: studying the context; identifying target groups; analysing transmission channels; assessing capabilities; and, checking contribution to the Millennium Development Goals (MDGs). Within each step, clarification is provided on the factor to be examined; the rationale for this; the particular areas that should be examined; where relevant information may be obtained; and how this should be captured. Practical tips are provided for addressing each step. The final section of the chapter gives information on how to prepare a summary and recommendations. A checklist for development agency staff and business partners to ensure that their partnerships incorporate poverty-related considerations is also provided.

Chapters 3, 4 and 5 are intended for those interested in obtaining further details of how the 5-step process can be applied to development partnerships in the agricultural and health sectors as well as to development partnerships with a focus on green economy. These examples offer direction on how to strengthen poverty orientation in specific sectors by describing focus areas and effective approaches for poverty reduction, as well as common constraints and problems.

Chapter 6 provides an overview of information sources used for developing this tool.

Templates of all tables used in this publication are available for download on the following website: <http://www.giz.de/Themen/en/32710.htm>.

The templates are to be seen as examples and a practical, basic guideline on how and where to start collecting information. The templates displayed are not comprehensive and critical use, amendments and adjustments where needed are encouraged.

¹ OECD, 2007

² See Bennett, 2011 and Worm, 2011 and Seitz, 2012

Foreword

Public–private partnerships, development partnerships, multi-sector partnerships, public–private dialogue, inclusive business models... global companies and state actors are increasingly working together in different partnership models. Donors are stepping up efforts to support such partnerships and create initiatives that serve public and private interests.

An important factor in the success of a partnership is its capacity to make a genuine contribution to poverty reduction. Which people and institutions actually benefit? How does the partnership impact on the poor and on the environment? What are the political and socio-cultural implications? And does the partnership take adequate account of human rights?

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH analysed 30 development partnerships in the health and agricultural sectors as well as 3 development partnerships with a focus on green economy, to better understand their linkages with poverty reduction. The lessons learned have fed into this Poverty Impact Assessment tool for development partnerships.

This tool assists partnership practitioners in giving initiatives a pro-poor orientation. Working through the steps outlined will give you insights into the poverty-related aspects of your initiative and help you make decisions on which approaches work best. The tool can also be used to evaluate a partnership project in terms of its poverty impact.

We hope that partnership practitioners will find this tool useful. Our overall aim with this publication is to contribute towards increased poverty-orientation in partnerships between the public and the private sector.

Ellen Kallinowsky

Competence Centre Cooperation with the Private Sector

Africa Department

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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1 Setting the scene

1.1 What are development partnerships?

Development partnerships are relationships between diverse actors from the public, private and civil society sectors. These different partners work together in areas of mutual interest to reduce poverty in developing countries and support the achievement of the Millennium Development Goals (MDGs). By sharing different resources partners may work together to target poor population groups directly or indirectly in order to foster economic growth and a sustainable environment. As a diversified and productive private sector can play an important development role, business involvement in such partnerships is particularly encouraged.

1.2 What is poverty in a development context?

Germany's development policy is centred on poverty reduction. In line with the World Bank, Germany classifies economic poverty as living on under \$1.25 per day but uses a multidimensional definition of poverty as the basis for poverty reduction strategies in five key areas: economic (income and assets), security (personal security and protection against hazards), human (health and education), political (voice and participation) and socio-cultural (discrimination). Furthermore, a human rights-based approach has been adopted in which particular attention is given to the poor, vulnerable and marginalised and their right to an adequate standard of living, physical and mental health, social security, and work. In view of this focus it is vital that the impact of development interventions for these groups is assessed and monitored. While measuring poverty using a single measure such as income may be useful, exploring poverty and vulnerability in a multidimensional manner can help us to understand the range of different reasons for why individuals are poor and vulnerable and how we can address poverty reduction more strategically. To do this an analysis of poverty-related factors such as education, health, access to infrastructure and services, and rights and opportunities is necessary, as well as an exploration of the probability of becoming poor (or poorer) due to exposure to external shocks including illness, price fluctuations and

natural disasters. Because women are generally more affected by poverty than men, an important cross-cutting factor in analysing poverty and vulnerability is gender equity. Another is environmental sustainability and the ability of individuals to manage ecosystems that sustain their livelihoods.

1.3 Why analyse the poverty impact of development partnerships?

To meet policy goals, development partnerships must provide adequate responses to the poverty situation in the country, region or sector of intervention in which they are working. A poverty impact analysis (PIA) can assist all partners to strengthen poverty-oriented planning and results, as well as provide different stakeholders with information that will be of use for their work. As the private sector plays a central role in development partnerships, it is particularly important for them to understand why poverty reduction is central to development aims and how partnerships can contribute to this. Information and analysis from PIAs can:

- Assist policymakers to select the most appropriate activities for achieving poverty reduction goals such as the MDGs
- Ensure that partnerships are harmonised with country development priorities
- Provide better understanding of the positive and negative effects, and intended and unintended consequences, of partnerships for poor and vulnerable groups
- Strengthen the ability of target groups to meet their needs and improve their conditions
- Support development agencies and their partners to use resources more efficiently and effectively
- Demonstrate the advantages of poverty-oriented partnerships involving business in particular sectors; and,
- Provide private sector partners with information on how far business objectives can be achieved using a pro-poor orientation.



2 Analysing the poverty impact of development partnerships

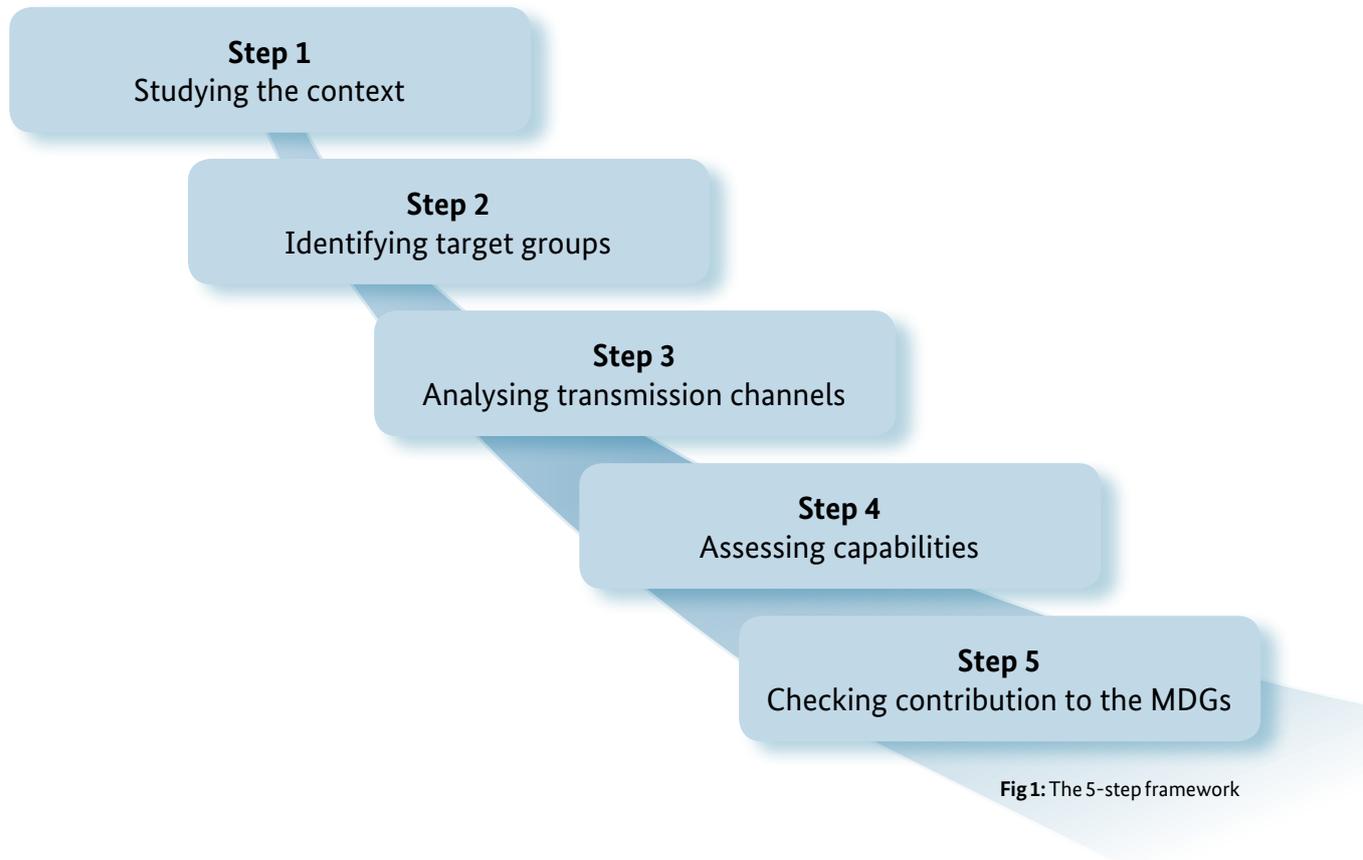
2.1 The 5-step framework

A poverty impact assessment (PIA) examines the extent to which a development project has, or will have, an impact on poverty reduction. In a development partnership a PIA can assist partners and other stakeholders to identify how far their activities will have a pro-poor impact, where improvements in the partnership's design might be required and what mitigation measures may be needed to address risks or negative impacts. A PIA can be carried out to support the planning and design of a partnership before it is conducted, or for reporting purposes during and after implementation. An investigation of the poverty impact of development partnerships includes five interrelated steps.

The section below outlines what each of the five steps requires, in order to:

- Understand what the step covers
- Why it is important to consider this area
- What specific issues need to be examined
- Where the information for this can be found
- How the information can best be captured and presented.

At the end of each section, a series of tips are provided for further guidance.



Step 1: Studying the context

Step 1.1 What does the context include?

The context for a development partnership includes:

- The geographical/historical/political/economic/socio-cultural situation of the country, region or sector in which a partnership is working
- The urgency of need among different target groups
- Government development policies
- Legal/regulatory frameworks that impact the partnership
- The general situation of the private sector
- Relationships between different sectors
- The nature and extent of previous collaborative activities to address poverty reduction.

Step 1.2 Why do we need to study the context?

In order to ensure a contextual “fit”, the design of a development partnership should incorporate an assessment of how the partnership makes connections to national and sector plans, and activities to reduce poverty. It is also important to analyse which groups are the most poor and vulnerable and how they benefit from partnership activities.

Step 1.3 What should we consider?

A contextual analysis should provide information on:

- How the focus of the partnership links to other economic, human, political, socio-cultural, protective dimensions of poverty in the country and/or region
- Which groups are the most poor and vulnerable and whether specific groups in a project zone are more affected by poverty and vulnerability than others e.g. women or ethnic minorities
- What the overall goals of policies and strategies are in the focus area of the partnership

- How these policies and strategies aim to improve the situation of poor and vulnerable groups, with special reference to gender
- How these policies and strategies intend to address issues of special concern for development partnerships e.g. legal frameworks, standards and controls, fiscal issues
- What role these policies and strategies attribute to the private sector
- Whether partnerships and multi-stakeholder approaches are promoted in policies and strategies, and if so how.

Step 1.4 Where can we find the relevant information?

Information for a partnership contextual analysis can be found from a variety of different sources. These include:

- Poverty Reduction Strategy Papers (PRSPs)
- United Nations Human Development reports
- National Sector Plans, Policies, and Strategies
- Government policies and papers
- Human Rights reports
- Demographic, Agricultural and Household surveys
- Gender information
- Development Agency websites
- Private Sector Strategies and papers
- NGO studies
- Academic research
- Newspaper articles
- Dedicated surveys.

TIPS

Step 1.5 How do we capture contextual information?

A simple table is a useful way to communicate information about the partnership context (see table 1). Material can be presented by listing the key questions/issues identified in Step 1.3, and attributing observations or responses to each of them. It is important to ensure that sources are quoted so that findings can be easily accessed and verified.

TIPS

- Include contextual information in the background section of the PIA
- Use the internet to gather information but ensure that sources are clearly quoted and the date of access provided
- Always check for the most recent information by looking for updates on relevant surveys, reports and studies.

Table 1: Capturing contextual information

Key issues/ questions	Observations/ Response	Source
How is the partnership theme linked with the economic, human, political, socio-cultural and protective dimensions of poverty in the country and/or region?		
Which groups are the poorest and most vulnerable? Are specific groups more affected by poverty and vulnerability than others e.g. women or ethnic minorities?		
...		



Step 2: Identifying target groups

Step 2.1 What are target groups?

Target groups are poor and vulnerable stakeholders who are the intended beneficiaries of partnership activities. In a development partnership stakeholders can be divided into three key groups:

- Target groups who are the focus of the partnership project or programme
- Implementing partners who contribute resources and carry out concrete tasks for the partnership
- Other stakeholders who exert an influence upon the partnership, or are influenced by it.

Step 2.2 Why do we need to identify target groups?

Clearly defining the poor and vulnerable target groups that are expected to benefit from a partnership helps us to understand how the partnership can, or will, contribute to improving their situation. As the poor and vulnerable do not compose a homogenous group and differ according to factors such as gender, age, urban/rural background, religion and culture, etc. it is essential to clearly articulate which target groups a partnership is working with, and why. Careful target group identification assists in ensuring an adequate understanding of the specific characteristics, needs, constraints and prospects of particular poor and vulnerable groups. At the same time implementing partners can assess how far their approach is oriented towards poverty reduction.

Step 2.3 How do we identify target groups?

In order to ensure a clear poverty orientation in project planning and reporting, it is helpful to distinguish between target groups, implementing partners and other stakeholders in different types of partnerships (*see table 2 below*).

Because stakeholder interactions can have both positive and negative impacts on the poverty orientation of a partnership, it is also important to look at:

- The institutional context that governs relationships between target groups, business partners, the government, NGOs, faith-based organisations, and other relevant stakeholders
- How stakeholders interact and how far their efforts to enhance the poverty orientation of the partnership are complementary
- The formal and informal factors that support or hinder stakeholder cooperation in the implementation of a pro-poor agenda.

Step 2.4 Where do we find the relevant information?

Stakeholder information may be drawn from contextual studies as well as surveys, interviews and questionnaires. Civil society organisations focussing on poverty reduction and human rights are often particularly useful source for gathering data on target groups.

Table 2: Identifying partnership target groups and other stakeholders

Target groups	Implementing partners	Other stakeholders

Table 3: Analysing partnership target groups

Target groups	Main roles and activities	Interests	Factors that may hinder access to partnership benefits	Possible ways of addressing challenges

TIPS

Step 2.5 How do we capture target group information?

Information on target groups can be organised in table form (see table 3). As well as capturing the main roles, activities, interests and particular needs of different target groups, we should also identify factors that may affect their interest, involvement or access to benefits from the partnership; and suggest possible ways of addressing these impediments by reducing challenges (mitigation measures) and/or strengthening and reinforcing their position.

Businesses working in partnership can also ensure their own pro-poor stance and respective constraints by asking the following questions:

- Have we considered all potential target groups in the design of the partnership?
- Do we understand their situation and roles, as well as the constraints that may hinder them from accessing partnership benefits?
- Do our business activities contribute to respect for the human rights of our workforce e.g. the right of employees to decent working conditions?
- Does our business plan include resources and activities to put workplace safety and/or social protection schemes into practice?
- Do our managers accept responsibility for improving the living conditions of poor stakeholder groups that are directly or indirectly affected by our business?

TIPS

- Ensure that all potential target groups have been considered
- Analyse the differences among target groups carefully, especially in relation to levels of poverty and gender
- Check the formal and informal interconnections between different players
- Describe the main benefits expected for target groups using available baseline information, plausible projections, probabilities and risks
- Include main results for the target groups and institutional analyses in the project proposal under the heading of “*description of the partnership*”
- Specify mitigation measures for factors that may hinder access of target groups to partnership benefits
- Outline contributions from each group of stakeholders under separate headings.

Step 3: Analysing transmission channels

Step 3.1 What are transmission channels?

Transmission channels are sets of cause-effect relationships or paths through which a development intervention generates change. In the case of partnerships, transmission channels explore the changes that are triggered for stakeholders as a consequence of a results chain of partnership inputs, outputs and outcomes.

Step 3.2 Why do we need to analyse transmission channels?

Transmission channels are important to explore because they help us to understand where, and how, a partnership has, or will have, an impact on the most poor and vulnerable. To ensure a poverty orientation in the analysis of transmission channels poor and vulnerable groups must be explicitly mentioned. When planning and reporting on development partnerships these groups should be specifically highlighted in project objectives, activities, and results, with the formulation of appropriate indicators to measure the nature and degree of the impact of the initiative on their situation.

Step 3.3 What transmission channels do we need to consider?

The six transmission channels identified in [table 4](#) should be considered. Within each channel we can assess whether impacts are expected in the short or medium-term, and whether the expected impact is highly probable or if it may be affected by external factors.

Step 3.4 Where do we find the relevant information?

Information on transmission channels can be gathered from analysis of interviews with target groups, implementing partners and other stakeholders. In order to ensure a clear focus it is helpful to subdivide transmission channels into detailed categories relating to a specific partnership intervention.

Step 3.5 How do we capture information on transmission channels?

Information on transmission channels can be presented by analysing the short and medium-term effects of partnerships on relevant transmission channel categories in a table form ([see table 5](#)). Such an analysis also highlights potential risks and possible measures for addressing these.

Table 4: Defining transmission channels

Transmission Channel	Description
Prices	Changes in consumption and production prices, wages, salaries and interest rates.
Employment	All aspects of formal and informal employment, including job security and workloads
Transfers	Public and private transfers and taxation
Access	Access to private and public goods and services
Authority	Changes relating to formal and informal institutions, organisations, relationships and power structures
Assets	Changes in assets (physical, natural, human, social and financial) and their impact on the livelihood options of poor households.

TIPS

TIPS

- In transmission channel descriptions use well-founded data and estimates to differentiate clearly between poor and non-poor groups, men and women, and other relevant categories
- Focus on the main expected and/or observed direct short and medium term impacts, in particular where verifiable evidence is easily available
- Look at both positive expected and/or observed impacts as well as risks and/or negative impacts
- Avoid assumptions that cannot be observed or verified using simple and affordable monitoring tools
- Carefully analyse risks and suggest measures that might be taken to address these.

Table 5: Analysis of transmission channels

Transmission channel		Details of change initiated by partnership	Partnership results			
			Short term (+/-)w	Medium term (+/-)	Challenges & risks/ Mitigation measures	
Prices	Production					
	Consumption/ wages					
	Supply / demand					
Employment	Public formal					
	Private formal					
	Informal					
Transfers	Taxes					
	Private remittances					
	Public welfare / subsidies					
Access	Public services					
	Other					
Authority	Formal organisations					
	Informal relations					
Assets	Physical					
	Natural					
	Human					
	Social					
	Financial					
Key		Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change		++	+	ns	-	--

Step 4: Assessing capabilities

Step 4.1 What are capabilities?

Capabilities are the abilities of, and opportunities for, an individual to improve their quality of life and obtain development outcomes. Understanding how far individuals have the freedom to choose and what the limitations to their choices might be due to factors such as age, gender, environmental, social and resource distribution factors, is central to assessing capabilities.

Step 4.2 Why do we need to assess capabilities?

It is important to conduct an assessment of capabilities prior to entering into a partnership in order to design concrete activities that will contribute to improving them. Understanding how partnerships influence target group capabilities can assist us to define partnership results more realistically and use relevant measures of progress (indicators) for them. We can thus ensure that the partnership strengthens the ability of target groups to provide for their needs and improve their conditions.

Step 4.3 What capabilities do we need to consider?

Capabilities can be divided into five key areas (see table 6).

Step 4.4 Where do we find the relevant information?

Data on capability changes can be obtained by analysing responses to questions in interviews and surveys, as well as reviews or reports.

Table 6: Defining capabilities

Capability	Description
Economic	The ability to earn an income, to consume and to have assets
Human	The ability to access health, education, nutrition, clean water and shelter
Political	The ability to claim human rights, express opinions and exert influence
Socio-cultural	The ability to participate as a valued member of a community
Protective	The ability to withstand economic and external shocks, to reduce insecurity and vulnerability.

Table 7: Analysis of change impact concerning capabilities and target groups

Target groups	Capabilities				
	Economic	Security	Human	Socio-cultural	Political
Key	Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change	++	+	ns	-	--

TIPS

Step 4.5 How do we capture information on capabilities?

Expected and/or observed changes in target group capabilities can be organised in a table structure (see table 7). This form of summary should take into account all relevant target groups, where possible differentiated by gender, and briefly outline changes in their capabilities induced by the partnership. These changes should be measurable in terms of both quantity and quality.

An ex-post assessment of capabilities can be conducted by drawing on material gathered in reports. Table 8 shows how quotes from GIZ reports have been used for this purpose.

TIPS

- Remember that changes in the capabilities of poor or vulnerable groups as a result of the partnership are unlikely to be uniform
- Do not speculate on possible changes in capabilities if data is unreliable or absent
- Suggest ways in which data gaps and weaknesses may be improved
- Always take the broader context into account so that “winners” and “losers” are identified in relation to market distortions, crowding-out effects, transfer of workloads or increased price fluctuations which may create inequities in terms of income, security and other factors, and lead to social and political conflict.
- Monitoring and reporting should contribute on a continuous basis to the identification of risks/negative effects and the introduction of appropriate mitigation measures.

Table 8: Using reports to assess changes in capabilities

Partnership focus	Report information	Capability changes
Agriculture	“The project contributes to the stabilization of commercial relations between coffee producers and coffee buyers.”	Protective
	“With support from GIZ, the business partner has trained and equipped many labourers and outgrowers.”	Human
	“In some cases, successful farmers become leaders and role models in their communities. This enhances self-confidence, and also leads to positive imitation effects.”	Socio-cultural
Health	“Condom use increased, meaning that workers protected themselves against HIV and reduced risky sexual behaviour.”	Human Protective
	“Peer educators themselves benefited from the project insofar as they acquired knowledge on health topics and HIV. They also felt empowered by having gained the respect of their colleagues and of the company management.”	Human Socio-cultural Political
	“People are now talking more openly about HIV and ways of protecting oneself against the disease. Awareness-raising and peer education have initiated some reflection on harmful traditional practices, such as wife inheritance.”	Socio-cultural

Step 5: Checking contribution to the MDGs

Step 5.1 What are the MDGs?

The Millennium Development Goals (MDGs) are a set of comprehensive development goals adopted by world leaders in 2000 in order to work towards securing peace, development and poverty reduction, environmental protection, and the promotion of human rights, democracy and good governance. A core principle of the MDGs is taking joint responsibility for halving global poverty by 2015.

Step 5.2 Why do we need to check partnership contributions to the MDGs?

The MDGs provide a common framework for assessing the needs of the most poor and vulnerable by strategically addressing disparities and inequalities. As well as meeting policy goals, checking whether a partnership is meeting MDG targets can help to ensure coordinated responses to poverty and the targeting of resources where they are most needed.

Step 5.3 Which MDGs should we consider?

The MDGs cover eight key areas:

- MDG 1** Eradicate extreme poverty and hunger
- MDG 2** Achieve universal primary education
- MDG 3** Promote gender equality and empower women
- MDG 4** Reduce child mortality
- MDG 5** Improve maternal health
- MDG 6** Combat HIV/AIDS, malaria and other diseases
- MDG 7** Ensure environmental sustainability
- MDG 8** Develop a global partnership for development

A partnership's focus areas will determine where it can best contribute to the achievement of MDG targets. The example below outlines where agricultural and health partnerships can make a contribution.

Table 9: How partnerships can contribute to the MDGs

Focus area	MDG	Partnership contribution
Agriculture	MDG 1: Eradicate extreme poverty and hunger	Help alleviate rural poverty by providing employment & increasing income of poor farmers, farm labourers, processing plant workers & related service providers; reduce hunger through improved food production and food security, in particular for poor consumers.
	MDG 3: Promote gender equality and empower women	Promote gender equality and women's empowerment in agricultural production and distribution of its benefits
	MDG 7: Ensure environmental sustainability	Improve the environmental sustainability of agricultural production; protect important biospheres; introduce, and control respect for, environmental standards
	MDG 8: Develop a global partnership for development	Improve business climate for national and international investors in agricultural sector
Health	MDG 5: Improve maternal health	Help healthcare providers to improve maternal health by promoting family planning services and enhancing availability of modern contraceptive methods for poor or vulnerable women
	MDG 6: Combat HIV/AIDS, malaria and other diseases	Workplace programmes promoting effective methods of preventing spread of HIV or TB in the population
	MDG 8: Develop a global partnership for development	Drug programmes to increase level of investments directed to research for neglected diseases and enhance access of poor population groups to affordable essential drugs.

TIPS

Development partnerships can also contribute to achieving other pro-poor growth and human rights policy goals by:

- Ensuring the active participation of poor and vulnerable groups in the planning, implementation and monitoring of partnerships, and encouraging their participation in benefits from these interventions.
- Reducing ethnic, racial and gender-based discrimination, discouraging and abolishing child labour, facilitating access to health and educational services and decent work, and promoting corporate social responsibility.

TIPS

- Ensure that project plans and progress reports focus on MDGs related directly to the partnership's focus
- Use poverty data with direct relevance to specific MDG targets and indicators
- Remember to take issues of equity (income distribution etc.), risk management (conflict prevention etc.) and good economic governance (e.g. prevention of corruption) into account, whenever appropriate.

Step 5.4 How do we capture information on partnership contributions to MDGs?

Analysis of how far partnership impacts are meeting MDG targets may be presented in a simple table format, taking short and medium effects into account. The quality of the data used to make the assessment should be carefully considered.



2.2 Concluding a Partnership Poverty Impact Assessment

Summary and recommendations

Following completion of the 5-step PIA analysis, a summary and recommendations are required. This information will provide decision-makers and partnership practitioners with a clear understanding of a partnership's purpose and the extent to which it is likely to meet poverty-related goals. The summary should highlight the main points that emerge from each of the 5 steps and include:

- A short explanation of the partnership type and focus area
- Partnership target groups
- Self-assessments of business partner/s
- Main partnership benefits
- Key risks / potential losers and proposed measures to address these
- An assessment of the data and analysis used with identification of main gaps or difficulties
- Issues to be included in the monitoring of the partnership
- Recommendations on whether or not to start or continue a partnership with comment on areas requiring particular attention in relation to addressing poor and vulnerable groups.

Partner checklists

The following checklists can be used by partnership managers and business partners to assist analysis of overarching findings.

For partnership managers

- Are partnership objectives well-aligned with those of partner governments, in particular with regard to poverty reduction and achievement of the MDGs?
- Have past experiences and lessons in similar projects been taken into consideration, in particular with regard to reducing poverty and vulnerability?
- Have potential synergies with other relevant planned or ongoing donor-sponsored projects and programmes, both in the partner country and elsewhere, been taken into account?
- Are the roles and interests of all relevant stakeholders (target groups, business partners, and other stakeholders) sufficiently well-defined and understood?
- Has the potential for cooperation with persons and institutions with specific, poverty-relevant knowledge (e.g. civil society groups, social workers, research institutes etc.) been taken into account?
- Have the project's possible positive and negative effects in the broader context (e.g. imitation, crowding out, market distortion, price fluctuation) been taken into account?
- Have the main cross-cutting issues of development cooperation (gender equity, environment, HIV/AIDS, human rights etc.) been taken into account at all levels of project planning, implementation and reporting?
- How can information provided by business partners and other stakeholders be collated and utilised for project monitoring and evaluation?

- Is the project monitoring and evaluation system sufficiently well focused on the partnership's pro-poor outputs, outcomes and impacts?
- Are adequate resources available to track, verify and assess the partnership's impacts on target groups?

For business partners

- Is the relation between the achievement of business objectives and the partnership's poverty orientation sufficiently well-understood and accepted?
 - Are the roles and interests of target groups and other stakeholders sufficiently well-defined, understood and compatible with envisaged business objectives?
 - Does the partnership address all potential target groups and understand their situation, roles and constraints? Does the partnership suggest mitigation measures where these groups face specific constraints, challenges and risks?
- How can business activities contribute to gender-differentiated information gathering, data analysis and communication, with special reference to the situation of target groups and the development of their capabilities?
 - Do mechanisms exist in the business plan, or the context for its implementation, that may prevent the partnership from realising its full potential contribution to poverty reduction? If so, what measures may be undertaken to enhance the partnership's poverty impacts?
 - Is communication with other partners regular, efficient and effective in the sense of facilitating information-sharing, joint project steering, and joint decision-making? Do communication procedures support measures that enhance the project's poverty orientation?
 - How might lessons from the partnership be used to improve a business poverty orientation in the medium and long-term?





3 Poverty-oriented planning and reporting in action: the agricultural sector

This chapter provides further guidance on the implementation of the 5-step process by looking at its application in the agricultural sector. Development partnerships in this sector have been the subject of recent study in East Africa and provide important insights into how collaborative initiatives in specific sectors can strengthen a poverty orientation. The chapter includes information on the focus areas of agricultural sector partnerships, examples of how the tool can be applied to partnership planning and reporting, and guidance on how difficulties can be identified and addressed.

3.1 Partnerships in the agricultural sector

Most of the poor and vulnerable in developing countries live and work in rural areas and rely on agriculture to make a living. Developing countries are increasingly affected by climate change, the unsustainable exploitation of natural resources and, in some cases, violent conflict, all of which contribute to the movement of populations away from rural areas. Rural development and efforts to support the sustainable production of raw materials alongside the promotion of environmental conservation and climate protection is thus central to poverty reduction.

The *following table (table 10)* provides a brief overview of the different types of development partnerships promoted in the agricultural sector and their potential benefits for project partners, and poor and vulnerable groups.

Table 10: Agricultural partnership focus areas

Partnership focus	Description
Support to cooperative farming	<ul style="list-style-type: none"> → Supporting better negotiation powers for producers to purchase farm inputs and sell farm products → Expansion in use of equipment, storage, processing and training → Empowerment visàvis public authorities and other stakeholders → Access to better information for marginal farmers.
Support to outgrowers	<ul style="list-style-type: none"> → Small and mediums scale farmers supply part of their production to nearby largescale farm operations, diversifying their knowledge and production, in many cases per contractual arrangement. → Largescale units expand their output, while poor smallscale farmers and casual labourers benefit from additional income and employment.
Introduction of new, innovative products	<ul style="list-style-type: none"> → Diversification of farm outputs leading to less dependence on individual farm products → Stabilisation of income and employment, in some cases for unskilled (poor) labour as well.
Promotion of contract farming	<ul style="list-style-type: none"> → Improved predictability of demand for farm products with prices and other conditions agreed in advance, thus reducing investment risk → Stabilisation of income and employment for both skilled and unskilled labour.
Introduction of food quality standards	<ul style="list-style-type: none"> → Careful use of chemical inputs, with sanctions for nonrespect of safe food standards → Health protection for farm workers, nearby residents and consumers → Participation in emerging markets for healthier food and/or fair trade, increased revenue and stable employment → Facilitation of transition from local to international standards, resulting in improved access to foreign markets.

3.2 Identifying target groups

Information on the identification and analysis of target groups and other stakeholders in agricultural sector partnerships is provided below (*table 11*).

Table 11: Agriculture sector partnership stakeholders

Partnership type	Target groups	Implementing partners	Other stakeholders
Support to cooperative farming (coops)	Poor coop members, affected casual labourers (by gender)	Coop leaders and managers, main coop. clients	Non-poor coop members (by gender)
Support to outgrowers	Poor outgrowers, affected casual labourers (by gender)	Leaders and managers of large plantations	Non-poor outgrowers (by gender)
Introduction of new, innovative products	Poor producers of new, innovative products, affected casual labourers (by gender)	Operators of transformation units and marketing bodies for new, innovative products	Non-poor producers of new, innovative products (by gender)
Promotion of contract farming	Poor producers participating in contract arrangements, affected casual labourers (by gender)	Operators of transformation units and marketing bodies participating in contract arrangements	Non-poor producers participating in contract arrangements (by gender)
Introduction of food quality standards	Poor producers, poor consumers of agricultural products (by gender)	Processors, traders and merchants for high-quality (e.g. organic) agricultural products	Non-poor producers/consumers of agric. products, food quality control bodies (by gender)



Different characteristics, roles and interests of target groups in agricultural partnerships are presented below (table 12). The table also highlights

factors that may hinder target group participation in a partnership with suggestions for addressing these challenges.

Table 12: Target group analysis for an agricultural sector partnership

Target groups	Main roles and activities	Interests	Factors that may hinder access to partnership benefits	Possible ways of addressing challenges
Poor members of farm cooperatives	→ Produce within coops with limited means e.g. land, tools, knowledge etc.	→ Access cheap farm inputs → Sell produce at high prices → Stable prices, production and income → Sustainable livelihood	→ Minimum land requirements to participate in a coop or partnership → Geographic marginalisation → Sociocultural barriers e.g. language	→ Reduction/elimination of minimum land requirements → Pooling resources for longdistant transport of persons and goods → Use of interpreters/translators
Casual or seasonal labourers	→ Work on farms on irregular basis, esp. during peak seasons → Usually male, migrant and landless	→ High demand for their labour → Good and stable wages → Decent working and living conditions → Sustainable livelihood	→ Lack of skills, information and/or knowledge → Weak communication with partnership managers	→ Information campaigns esp. during peak seasons to enhance awareness → Communication through peers and focal points
Poor producers of new, innovative products	→ Adopt new skills and methods → Produce and sell to specialised buyers	→ Affordable inputs → Skills to ensure production → Access to markets → Lower risk through output diversity → Sustainable livelihood	→ Remote locations render access to inputs, training, markets for new products etc. difficult or impossible → Productrelated taboos	→ Demonstration plots in easily accessible locations → Use of local radio to create awareness → Address sociocultural norms
Poor contract farmers	→ Produce for largescale buyers via contracts	→ Respect for contractually agreed quantities and prices	→ Competition with medium and largescale producers	→ Cooperation with other farmers Batch delivery
Poor agro-industrial workers & poor workers in related economic branches	→ Cleaning, sorting, transport and packing → Factories often employ women, sometimes children	→ High and stable wages → Decent working conditions → Sustainable livelihood	→ Partnership focus mainly on primary production → Weak involvement of factory operators	→ Take downstream effects of partnership into account in plans and reports → Involve all main actors
Poor consumers of agro-industrial products	→ Purchase and consume agro-industrial products (mainly basic foodstuffs)	→ Basic nutritional requirements satisfied at low cost	→ Weak organisation of consumers, esp. with low purchasing power	→ Raise awareness of prices and products through mass media
Marginal ethnic groups	→ Participation in various economic activities	→ Income generation → Sustainable livelihood	→ Discrimination → Linguistic barriers	→ Promotion of tolerance & mutual understanding

3.3 Analysing transmission channels

A table describing the short and medium term effects of the planned or ongoing partnership intervention, including a summary assessment of

the overall impact, is usually sufficient for analysing transmission channels (*see table 13*).

Table 13: Analysis of transmission channels in an agricultural sector partnership

Transmission channel	Details of change initiated by partnership	Partnership results		
		Short term (+/-)	Medium term (+/-)	Challenges & risks/ Mitigation measures
Prices	<p>Increased production and income, better quality produce, stable sales, healthy environment</p> <p>Small-scale farmers, casual farm labourers and unskilled labourers in related sub-sectors (input suppliers, packaging and transport services etc.) benefit from measures to enhance efficiency of farm production e.g. through drip irrigation, as well as the volume and quality of agricultural produce, e.g. through advising and training small and medium-scale farmers in quality and safety standards.</p> <p>Lower operational costs and/or higher prices for farm produce can translate into higher income for both small-scale farmers and labourers.</p> <p>Introduction of new and innovative supply chains can provide significant opportunities to poor stakeholders, even if they are unskilled and without land.</p>	+	++	<p>Minimum land requirements for participation in contract farming schemes may lead to the exclusion of small-scale farmers with very limited land.</p> <p>Improved income accruing to poor stakeholders is at risk if they do not have access to financial services to secure their savings.</p> <p>Introduction of new supply chains can be highly dependent on a few individuals with good access to know-how and markets, with consequential risks to the sustainability of supply chain.</p> <p>Effects on workloads of men and women, as well as a lack of participation of women in training, are sometimes pointed out, but to date have not been systematically documented or analysed.</p>
	<p>Contractual arrangements between buyers and producers are facilitated, negotiated.</p> <p>Better quality fresh produce available on domestic markets esp. supermarkets.</p>	+	++	
Employment	Public formal	ns	ns	Net effects on income and employment will be reduced if competing farmers and/or operators in related sub-sectors are crowded out of market.
	Private formal	+	+	<p>Information on crowding out effects is difficult to gather and assess.</p> <p>Gender differences in employment impacts are mentioned in some cases, but require more systematic documentation and assessment.</p>
	Informal	+	ns	Technical advisors and inspectors do not necessarily stem from poor households.

Transmission channel	Details of change initiated by partnership	Partnership results				
		Short term (+/-)	Medium term (+/-)	Challenges & risks/ Mitigation measures		
Transfers	Taxes	Increased tax revenue from agricultural production and related sub-sectors can help finance provision of public services to poor stakeholders groups.	+	ns	As taxes were not mentioned in reports or interviews, they seem to play no major role. In some cases, the main beneficiaries are exempted from taxation e.g. agricultural cooperatives. Under competitive market conditions, the net effects on tax revenues may be negative. Schemes that require transfer of public assets (e.g. land) to the poor require political commitment.	
	Public welfare / subsidies	In some cases public sector staff participates in training.	+	ns	The outcomes of training have not been systematically investigated.	
Access	Public services	Increased income can facilitate access to most public services.	ns	+	Public services need to be available in respective regions but this may not be the case in remote areas.	
	Other	Development and provision of technical advice and inspection within producer groups lead to improved access to up-to-date technical know-how on standards etc. for farmers.			Information on household expenditure among small-scale farmers, casual (sometimes migrant) labourers and unskilled labourers in related areas tends to be weak.	
		Through improved organisation and marketing know-how, small-scale farmers can gain better access to both safe, high quality farm inputs and local and international markets. Access to information for production and marketing is a key benefit to all participating stakeholders. Higher income from farming can facilitate access to primary health and education services.	+	+	Use of farm income for schooling, health, investment etc. is difficult to verify. Efforts to protect environment may lead to reduced access to land, with negative consequences for farm production and income. Public health and schooling services should be available in respective regions.	
Authority	Formal organisations	Creation and promotion of farmers' groups and co-operatives for training, production, marketing. Through organisation into producer groups and co-operative entities, farmers have more influence and acquire a stronger voice in both business and public administration.	+	++	Benefits from having a "stronger voice" may be difficult to observe and assess at project level.	
	Other		ns	ns		
Assets	Physical	Enhanced income can translate into additional savings and/or investments. Participation in training might improve tools and infrastructure.	ns	+	Use of additional income in poor stakeholder households for purposes of education, health care, savings (financial assets) or investment e.g. housing (physical assets) is difficult to verify due to lack of well-founded data and analyses.	
	Natural	Business partner promotes domestic standards for safe use of pesticides, fertilizers etc. Small-scale farmers and casual labourers in measures for protecting the environment. Business standards partners can also contribute to this.	+	+	Some public sector staff has also taken part in training, but impacts.	
	Human	Training for trainers, farmers, advisors etc, which improves skills, know-how, and self-confidence. Training in safety and environmental standards helps to reduce health risks and thereby protect human assets.	+	++		
Key		Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change		++	+	ns	-	--

3.4 Assessing capabilities

The *following tables* demonstrate how planning and reporting on development partnerships can assess capabilities and how changes in capabilities as a result of agriculture sector partnerships can be analysed.

A summary overview of expected or observed changes in target group capabilities is provided in *table 14*. This analysis takes all target groups into account, where possible differentiated by gender, and briefly describes variations in their capabilities as a result of the partnership.

Table 14: Analysis of capabilities in an agricultural sector partnership

Target groups	Capabilities				
	Economic	Security	Human	Socio-cultural	Political
Poor members of farm cooperatives	Increased income, increased assets	More stable income, savings	Improved technical and organisational skills	More interaction with other coop members	More voice, influence through the coop
Casual or seasonal labourers	Increased income, increased number of working days / year	Working days spread more evenly through the year	Enhanced technical skills through training	More stable social relations within the migrant community	Not significant
Poor producers of new, innovative products	Increased income, increased assets	More diversified production, less risk	Acquisition and use of new skills, techniques	Recognition of pioneer achievements (role models)	Access to tax exemptions, subsidies, public support
Poor contract farmers	Increased income, increased assets	More stable commercial relations	Acquisition of new skills esp. to ensure required quantity and quality	More interaction with other contract farmers	Improved negotiating power through group contracts
Poor agro-industrial workers and poor workers in other related economic branches	Income generation through forward and backward linkages	More stable supply and demand within agro-industrial value chain	Improved technical skills through training, awareness of own human rights	Enhanced recognition of workers' needs, including specific needs of women	Enhanced worker empowerment, esp. for female workers
Poor consumers of agro-industrial products	Better access to food, lower food prices, higher quality food	Increased food security, reduced nutritional deficits leading to illness	More awareness of food quality (esp. among women) via media campaigns	Not significant	Not significant
Marginal ethnic groups	Increased income and employment	More stable livelihood	Improved technical skills through training, awareness of own human rights	Improved social integration, less discrimination	
Key	Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change	++	+	ns	-	--

Table 15 shows how GIZ reports have been used to explore how the outputs, outcomes and impacts induced by a partnership have changed target group capabilities. The final example illustrates how pov-

erty-oriented planning and reporting can draw attention to possible negative impacts on poor and vulnerable groups, and ensure that mitigation measures are adopted to address this.

Table 15: Using reports to assess capability changes

Report information	Capability changes
“The economic capabilities of small-scale organic coffee farmers in the region have been enhanced through the project. Up- and downstream economic actors have also profited from the partnership. This enhances income and financial consumption and savings in most segments of the organic coffee supply chain.”	Economic
“The project contributes to the stabilization of commercial relations between coffee producers and coffee buyers.”	Protective
“The ability to use agro-chemical products properly can help farmers to respond to crop diseases quickly, efficiently and effectively. As a consequence, their vulnerability to disease-related crop failure can be reduced.”	Protective
“With support from GIZ, the business partner has trained and equipped many labourers and outgrowers.”	Human
“In some cases, successful farmers become leaders and role models in their communities. This enhances self-confidence, and also leads to positive imitation effects.”	Socio-cultural
“Through the organisation of farmers into producers’ groups and larger cooperative entities, the participating farmers are less vulnerable to pressure and malpractices from the suppliers’ and buyers’ sides. They are also better able to express their interests with one voice vis-à-vis Government, local administration and potential national and international partners.”	Protective Political
“The remote farmers and the poorest farmers living in the poverty pockets will probably lack labour capacity and financial resources, may be marginalized by extension services if not especially targeted, and have less access to information and better prices.”	Economic (negative)



3.5 Checking contribution to the MDGs

Partnerships in the agricultural sector will generally contribute to **MDGs 1, 3, 7 and 8**, with a strong emphasis on **MDG 1**. Project plans and progress reports should thus focus on these MDGs, drawing on

poverty data, e.g. proportion of the population living below the poverty line, prevalence of underweight children in the project area, with a direct relevance for MDG targets and indicators (see table 16).

Table 16: How agricultural sector partnerships can contribute to MDGs

MDG	Partnership contribution
MDG 1: Eradicate extreme poverty and hunger	<ul style="list-style-type: none"> → Help alleviate rural poverty by providing employment and increasing income of poor farmers, farm labourers, processing plant workers and related service providers → Reduce hunger through improved food production and food security, in particular for poor consumers
MDG 3: Promote gender equality and empower women	<ul style="list-style-type: none"> → Promote gender equality and women’s empowerment in agricultural production and distribution of its benefits
MDG 7: Ensure environmental sustainability	<ul style="list-style-type: none"> → Improve the environmental sustainability of agricultural production → Protect important biospheres → Introduce and control respect for environmental standards
MDG 8: Develop a global partnership for development	<ul style="list-style-type: none"> → Improve business climate for national and international investors in the agricultural sector







4 Poverty-oriented planning and reporting in action: the health sector

This chapter provides further guidance on the implementation of the 5-step process by looking at its application in the health sector. Development partnerships in this sector have been the subject of recent study in East Africa and provide important insights into how collaborative initiatives in specific sectors can strengthen a poverty orientation. The chapter includes information on the focus areas of health sector partnerships, examples of how the tool can be applied to partnership planning and reporting, and guidance on how difficulties can be identified and addressed.

4.1 Partnerships in the health sector

German development policy aims to contribute to poverty reduction by improving access to health care, health information and healthy living conditions for disadvantaged population groups. While the private sector plays a key role in the provision of health care in developing countries, there are still questions about how far private providers actually deliver quality services to poor and vulnerable population groups. It is therefore important to be able to demonstrate the advantages of poverty-oriented partnerships involving business in the health sector, ascertain where the challenges are, and offer suggestions for how constraints might be overcome.

The *following table (table 17)* provides an overview of different types of development partnerships in the health sector and the potential benefits they can deliver to project partners, and poor and vulnerable groups.

Table 17: Health partnership focus areas

Partnership focus	Description	Key PIA questions
Workplace programmes	Supporting partnership-based workplace programmes in agricultural and industrial sectors, with a focus on both large and small and medium-sized enterprises (SMEs). Workplace programmes that began with a focus on HIV/AIDS are now moving to include other diseases and more broadly address well-being of employees.	How far have workplace programmes included enhanced access of women, poor and vulnerable population groups to health information and services?
Social insurance programmes	Working with the private sector to enhance social and health insurance coverage of people working in private or/and informal sector of economy.	To what extent has social security scheme coverage been obtained for poor and vulnerable population groups?
Drug research and development programmes	Strengthening local research and production of essential drugs to support German NGOs to create partnerships with pharmaceutical suppliers and/or research institutions with aim of improving manufacturing practices and quality standards of locally produced drugs.	Has there been enhanced access of women, poor and vulnerable population groups to safe drugs for neglected diseases?
Programmes supporting private health care providers	Working to promote private health care sector providers e.g. not-for-profit faith-based organisations and NGOs, as well as for-profit commercial clinics, laboratories, pharmacies and medical suppliers.	Do women, poor and vulnerable groups have better access to health services and information?

4.2 Identifying target groups

Information on the identification and analysis of target groups and other stakeholders in health sector partnerships is provided below (*table 18*).

The different characteristics, roles and interests of target groups in health sector partnerships are presented on the right (*table 19*). The table also highlights factors that may hinder target group participation in a partnership with suggestions for addressing these challenges.

Table 18: Health sector partnership stakeholders

Partnership type	Target groups	Implementing partners	Other stakeholders
Workplace Programmes	<ul style="list-style-type: none"> → Poor workers and employees (by gender) → Poor farmers (by gender) → Casual workers → Poor men and women in surrounding communities. 	<ul style="list-style-type: none"> → Multinational companies → SMEs. 	<ul style="list-style-type: none"> → Nonpoor worker and employees (by gender) → Nonpoor farmers (by gender) → Public and private health service providers.
Social insurance programmes	<ul style="list-style-type: none"> → Poor workers and employees of private companies (by gender) → Poor farmers (by gender) → Poor men and women working in informal sector. 	<ul style="list-style-type: none"> → Health insurance funds 	<ul style="list-style-type: none"> → Nonpoor workers and employees of private companies (by gender) → Nonpoor farmers (by gender) → Nonpoor men and women working in informal sector → Government health administration.
Drug research and development programmes	<ul style="list-style-type: none"> → Poor men, women and children without access to affordable and safe drugs 	<ul style="list-style-type: none"> → Pharmaceutical companies 	<ul style="list-style-type: none"> → Nonpoor drug consumers → Drug control authorities → Universities and research institutions → NGOs.
Support to private health care providers	<ul style="list-style-type: none"> → Poor men and women exposed to health risks or in need of services. 	<ul style="list-style-type: none"> → Private forprofit health care providers 	<ul style="list-style-type: none"> → Nonpoor health service users (by gender) → Faithbased and other nongovernmental health care providers → Government health administrations.



Table 19: Target group analysis for a health sector partnership (workplace programme)

Target groups	Main roles and activities	Interests	Factors that may hinder access to partnership benefits	Possible ways of addressing challenges
Poor workers and employees	<ul style="list-style-type: none"> → Involved in production or services on regular basis → Workforce often predominantly male. 	<ul style="list-style-type: none"> → Sustainable livelihoods → Health as asset. 	<ul style="list-style-type: none"> → Due to lack of insurance in case of illness, they may be vulnerable to external shocks and lose jobs → Women employees may be overlooked in information, communication & training activities. 	<ul style="list-style-type: none"> → Advocate for inclusion of workers in social security schemes or coordinate with social insurance programmes. → Include sufficient number of women as peer educators.
Casual or seasonal workers	<ul style="list-style-type: none"> → Involved in production during peak seasons or on irregular basis for contractor companies; often male and landless 		<ul style="list-style-type: none"> → Precarious working conditions & high turnover of staff can affect ability to benefit from health information and services provided by a partnership 	<ul style="list-style-type: none"> → Involve casual workers as peer educators → Develop alternative information activities for this group e.g. campaigns during peak seasons.
Poor small farmers	<ul style="list-style-type: none"> → Grow crops e.g. tea or coffee, and sell to processing companies → Women often own less land than men, thus may be more vulnerable to external shocks. 		<ul style="list-style-type: none"> → Access to health information and services provided by partnerships may be limited due to remote location 	<ul style="list-style-type: none"> → Coordinate with social insurance programmes to expand social security schemes & include poor female farmers → Coordinate with other public or private health service providers to develop outreach services in surrounding communities.
Poor men and women in surrounding communities	<ul style="list-style-type: none"> → Wives, husbands and children of workers and farmers. Often involved in subsistence farming and/or other small businesses → Sociocultural practices may discriminate against women and enhance their health risks. 		<ul style="list-style-type: none"> → Remote location may limit access to health information and services provided by partnerships → Sociocultural norms may hinder access of women and young unmarried people to sexual and reproductive health information and services provided by partnerships. 	<ul style="list-style-type: none"> → Coordinate with other public or private health service providers to develop outreach services in surrounding communities → Address sociocultural norms and practices that discriminate women → Create awareness for needs and rights of unmarried young people.
Other poor and vulnerable groups e.g. people living with HIV or other infectious diseases, disabled people, sexual minorities.	<ul style="list-style-type: none"> → May be involved in production as workers. Due to marginalised position in society, often do not fully participate in economic and social activities of the community. 	<ul style="list-style-type: none"> → Sustainable livelihood → Social support and acceptance by society. 	<ul style="list-style-type: none"> → May refrain from seeking care due to fear of stigma and discrimination → Lack of access to information and services. 	<ul style="list-style-type: none"> → Nondiscriminatory workplace policies to address stigma attached to HIV & other conditions → Involve members of vulnerable groups as peer educators → Develop appropriate information methods for vulnerable groups → Promote tolerance and understanding for different lifestyles → Coordinate with other public, faithbased or NGO programmes that address health needs & rights of vulnerable groups.

4.3 Analysing transmission channels

Transmission channels may be described and analysed using a simple table describing the short and medium term effects of the planned or ongoing

partnership intervention, including a summary assessment of the overall impact (*see table 20*).

Table 20: Analysis of transmission channels in a health sector partnership with a focus on social insurance

Transmission channel		Details of change initiated by partnership	Partnership results		
			Short term (+/-)	Medium term (+/-)	Challenges & risks/ Mitigation measures
Prices	Production	Through enrolment in health insurance schemes, small farmers, men and women in the informal sector may seek earlier care when ill. Better health may lead to higher productivity.	+	+	
	Supply/demand	No significant effects expected or identified	ns	ns	
Employment	Private formal	Through enrolment in health insurance, SME employees may benefit from enhanced job security	+	+	
	Informal	Through enrolment in health insurance, poor men and particularly women working in the informal sector may benefit from enhanced job security	+	+	
Transfers	Taxes	No significant effects expected or identified	ns	ns	
	Public welfare/subsidies	Social insurance programmes increase level of funds collected by insurance fund and transferred to districts. Health budget of districts authorities for primary health care is increased.	+	+	Mismanagement and corruption require development of mechanisms to enhance transparency in management of funds
Access	Private services	No significant effects expected or identified	ns	ns	
	Other	Social insurance programmes promote group enrolment leading to higher health insurance coverage. This may enhance the affordability of health care for poor households and their access to public health services.	++	++	Quality of services and availability of drugs are beyond the direct influence of partnerships. Service arrangements with the public sector under the stewardship of government need to be effective.
Authority	Formal organisations	Advocacy may enhance acceptance of social insurance concept among SME workers and members of cooperatives in the informal sector.	++	+	Lack of commitment of management of SME and cooperatives / Exchange of information between involved business partners to demonstrate positive effects of social insurance. Sustained commitment requires continuous advocacy.
	Other	No significant effects expected or identified	ns	ns	
Assets	Human	Enrolment in health insurance may reduce vulnerability of poor households to illness	++	++	
	Financial	Enrolment in health insurance may reduce out-of-pocket payments for SME workers, and informal sector employees. Risks to poor households of having to sell assets for health care may be reduced.	++	++	

4.4 Assessing capabilities

The *following tables* demonstrate how reports can be used to assess capabilities and how to analyse changes in capabilities as a result of health sector partnerships.

Table 21 provides a summary overview of expected or observed changes in target group capabilities. This analysis takes all target groups into account, where possible differentiated by gender, and briefly describes variations in their capabilities as a result of the partnership.

Table 21: Analysis of target group capabilities in health sector partnerships

Target groups	Capabilities				
	Economic	Security	Human	Socio-cultural	Political
Poor workers and employees (by gender)	Increased productivity	Reduced vulnerability to costs of illness and enhanced job security	Improved awareness of and capability to protect oneself against health risks	Improved gender relationships; increased awareness of importance of social insurance.	More voice and influence on workplace policies; more voice for female workers.
Poor farmers (by gender)	Increased productivity	Reduced vulnerability to costs of illness	Improved awareness of and capability to protect oneself against health risks	Improved gender relationships; increased awareness of importance of social insurance.	More voice and capability to claim right to quality health care
Casual workers (by gender)	Increased productivity	Reduced vulnerability to costs of illness	Improved awareness of and capability to protect oneself against health risks	Improved gender relationships; increased awareness of importance of social insurance.	More voice and capability to claim right to quality health care
Poor men and women working in informal sector	Increased productivity	Reduced vulnerability to costs of illness	Improved awareness of and capability to protect oneself against health risks	Improved gender relationships; increased awareness of importance of social insurance.	More voice and capability to claim right to quality health care; improved negotiating power through networks.
Poor men, women and children without access to affordable and safe drugs, health information and services	Not significant	Reduced vulnerability to costs of illness	Improved awareness of and capability to protect oneself against health risks	More dialogue on sensitive issues; improved gender relationships and behaviour change to overcome harmful practices.	Enhanced recognition by service providers of rights of poor patients to quality services; enhanced capability of patients to claim right to health care.
Other vulnerable groups: People living with HIV; unmarried young people, disabled people, sexual minorities	Not significant	Reduced vulnerability to costs of illness; more stable livelihood.	Improved awareness of and capability to protect oneself against health risks	Improved self-confidence and awareness of own rights; Enhanced acceptance of society.	Self-organisation; enhanced capability to claim own human rights

Key	Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change	++	+	ns	-	--

Table 22 shows how GIZ reports have been used to explore how the outputs, outcomes and impacts induced by a health partnership have changed target group capabilities.

Table 22: Using reports to assess capability changes

Report information	Capability changes
“The project (social insurance programme) has contributed significantly to enhancing the protective capability of poor households by reducing their vulnerability to external shocks due to illness. Indirect impacts on their human (better health) and economic capabilities (enhanced productivity) may be assumed. The project benefits female head of households working in the informal sector, who are at a high risk of falling into the poverty trap in case of illness.”	Protective Economic Human
“Condom use increased, meaning that workers protected themselves against HIV and reduced risky sexual behaviour.”	Human Protective
“Peer educators themselves benefited from the project insofar as they acquired knowledge on health topics and HIV. They also felt empowered by having gained the respect of their colleagues and of the company management.”	Human Socio-cultural Political
“The project contributed to reduce stigma, as it became easier to talk about HIV at the workplace. It helped to create respect for people with HIV. The extent to which the partnership contributed to enhance the capability of the wives and sexual partners of the predominantly male workers to protect themselves against health risks is difficult to verify.”	Socio-cultural
“People are now talking more openly about HIV and ways of protecting oneself against the disease. Awareness-raising and peer education have initiated some reflection on harmful traditional practices, such as wife inheritance.”	Socio-cultural
“The assumption that group enrolment in micro-insurance schemes empowers members to claim their right to quality services from service providers and local authorities warrants more evidence-based documentation. Group enrolment alone will probably not lead to more awareness on patients’ rights, if it is not accompanied by other capacity development measures.”	Political



4.5 Checking contribution to the MDGs

Partnerships in the health sector can contribute indirectly to many MDGs but will usually relate directly to **MDGs 4, 5, 6** and, for drug programmes, **MDG 8**. Project plans and progress reports should

thus focus on these MDGs, drawing on data with direct relevance for MDG targets and indicators (*see table 23*).

Table 23: How health partnerships can contribute to MDGs

MDG	Target	Indicator	Partnership contribution
MDG 5: Improve maternal health	5.A Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio	5.1 Maternal mortality ratio 5.2 Proportion of births attended by skilled health personnel	Partnerships supporting health care providers can help to improve maternal health by promoting family planning services and enhancing the availability of modern contraceptive methods for poor or vulnerable women.
	5.B Achieve by 2015 universal access to reproductive health		
MDG 6: Combat HIV/AIDS, malaria and other diseases	6.A Have halted by 2015, and begun to reverse the spread of HIV/AIDS	5.3 Contraceptive prevalence rate 5.4 Adolescent birth rate 5.5 Antenatal care coverage 5.6 Unmet need for family planning 6.1 HIV prevalence among population aged 15-24 years 6.2 Condom use at last high-risk sex 6.3 Proportion of population aged 15-24 with comprehensive correct knowledge of HIV/AIDS 6.4 Ratio of school attendance of orphans to school attendance of non-orphans aged 10-14 years	Workplace programmes can contribute to promote effective methods to prevent the spread of HIV or TB in the population.



Farm Focus Agro



5 Poverty-oriented planning and reporting in action: the green economy

This chapter provides further guidance on the implementation of the 5-step process by looking at its application in green economy projects. Development partnerships in this sector have been the subject of recent study in South Africa and Kenya and provide important insights into how collaborative initiatives in this sector can strengthen a poverty orientation. The chapter includes information on the focus areas of green economy partnerships, examples of how the tool can be applied to partnership planning and reporting, and guidance on how difficulties can be identified and addressed.

5.1 Partnerships with a focus on green economy

An agreed definition of what constitutes a green economy does not yet exist, but a working definition developed by UNEP considers “a green economy as one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. In its simplest expression, a green economy can be thought of as one which is low carbon, resource efficient and socially inclusive.”

Achievements in poverty reduction have often been generated through carbon-intensive economic growth, the overexploitation and pollution of natural resources. The majority of the poor depend on

environmental assets for their income and livelihood. Particularly rural households live by farming, fishing, hunting and non-timber forest product collection. At the same time, urban households are involved in informal sector employment in recycling, water and energy distribution. Their poverty greatly limits the choices available to them, which – in the absence of alternatives – induces them to harmful environmental practices.

The transformation towards a green economy can contribute on the one hand to upgrading environmental assets on which poor women and men depend, and on the other hand to the creation of “green jobs” in a wide range of sectors in which poor people work, for instance in transportation, waste management, agriculture and energy efficiency.

The private sector plays a key role in the global transformation towards a green economy. Development partnerships with a focus on strengthening the green economy require a specific poverty orientation in order to minimise negative trade-offs and to maximize benefits for partners as well as the poor population.

The *following table (table 24)* provides an overview of selected development partnerships with a focus on green economy and the potential benefits they can deliver to project partners, and poor and vulnerable groups.

Table 24: Green economy partnership focus areas

Partnership focus	Description	Key PIA questions
Sustainable e-waste management	Working with the private sector to set up a sustainable management system for electronic waste	To what extent does sustainable e-waste management contribute to creating green jobs, in particular for women, poor and vulnerable population groups? Does the formalisation have a negative impact on poor population groups from the informal sector?
Biomass briquette production	Developing sustainable business models with the private sector for renewable energy solutions in rural communities by setting up biomass briquetting units	To what extent do poor and vulnerable population groups benefit from cleaner energy? How many green jobs are being created?
Energy recovery from waste tyres (co-processing)	Working with private cement, transport and tyre companies to establish a waste tyre management system and promote energy recovery from waste tyres	To what extent are employment opportunities created for poor population groups? Do poor and vulnerable population groups from the informal sector lose their income sources?

5.2 Identifying target groups

Information on the identification and analysis of target groups and other stakeholders in green economy partnerships is provided below (table 25).

Table 25: Green economy partnership stakeholders

Partnership type	Target groups	Implementing partners	Other stakeholders
Sustainable e-waste management	<ul style="list-style-type: none"> → Poor workers and employees (by gender) → Poor men, women and children working in informal waste sector 	<ul style="list-style-type: none"> → Multi-national companies (waste suppliers) → Research stations → SME (waste handlers) 	<ul style="list-style-type: none"> → Non-poor workers and employees → General public (schools)
Biomass briquette production	<ul style="list-style-type: none"> → Poor workers and employees of briquette value chain (formal) → Poor biomass suppliers and briquette distributors (informal) → Rural households 	<ul style="list-style-type: none"> → Micro-enterprises → SME 	<ul style="list-style-type: none"> → Forestry companies → Non-poor farmers (by gender) → Provincial government
Energy recovery from waste tyres (co-processing)	<ul style="list-style-type: none"> → Poor workers collecting waste tyres (informal) → Poor workers and employees (men and women) working for private companies (formal) → Poor population groups working in waste tyre transformation (informal) 	<ul style="list-style-type: none"> → Multi-national cement companies → Tyre producers (SME) → Transport companies 	<ul style="list-style-type: none"> → Non-poor workers and employees → Authorities (environmental, finance, energy, local)



The different characteristics, roles and interests of poor target groups in a green economy partnership are presented below (table 26). The table also high-

lights factors that may hinder target group participation in a partnership with suggestions for addressing these challenges.

Table 26: Poor target group analysis for a green economy partnership (energy recovery from waste tyres – co-processing)

Target groups	Main roles and activities	Interests	Factors that may hinder access to partnership benefits	Possible ways of addressing challenges
Poor workers collecting waste tyres (informal)	→ Involved in collection and re-selling of waste tyres	→ Sustainable income → Improvement of health situation.	→ Steel companies may pay higher prices for waste tyres (competitors) → Transport costs may be too high and reduce collector's revenues.	→ Create fair tariff structure for waste tyres → Check for alternative buyers (co-processors) closer to waste sites.
Poor workers and employees (men and women) working for private companies (formal)	→ Involved in collection, transport and reselling of waste tyres	→ Sustainable income	→ Transport costs may be too high and inhibit job creation	→ Check for alternative buyers (co-processors) closer to waste sites
Other poor and vulnerable groups e.g. poor men, women and children transforming waste tyres (informal)	→ Keep waste tyres as resources for transforming activities (shoemakers, car spare part producers, etc.)	→ Sustainable income	→ May lose access to primary resources	→ Collect precise data regarding percentage of tyres used → Guarantee availability of waste tyres for transforming activities → Develop transformation activities as part of the management system.



5.3 Analysing transmission channels

Transmission channels may be described and analysed using a simple table describing the short and medium term effects of the planned or ongoing

partnership intervention, including a summary assessment of the overall impact (*see table 27*).

Table 27: Analysis of transmission channels in a green economy partnership with a focus on e-waste management

Transmission channel		Details of change initiated by partnership	Partnership results		
			Short term (+/-)	Medium term (+/-)	Challenges & risks/ Mitigation measures
Prices	Production	Increased quantities of e-waste supplied to e-waste handlers will result in decreasing waste handling prices	+	+	Organising and formalising the e-waste management may result in withdrawing waste streams from the informal sector, thereby negatively impacting its sources of income.
	Consumption/ wages	No significant effects expected or identified	ns	ns	
	Supply/ demand	Contractual arrangements between e-waste producers and handlers are negotiated	+	+	
Employment	Public formal	No significant effects expected or identified	ns	ns	Few prospective data are available regarding the potential economic development of the e-waste sector.
	Private formal	E-waste handlers are expected to develop their businesses and therefore create jobs at all supply chain levels. Formalisation of waste handling will result in more constant waste streams leading to more stable and secure jobs. Job security is therefore expected to be enhanced.	++	++	
	Informal	Poor population groups may also benefit from the growing demand of e-waste and see their income increased due to the possibility that handlers may buy e-waste from the informal sector	+	++	
Transfers	Taxes	No significant effects expected or identified	ns	ns	
	Private remittances	No significant effects expected or identified	ns	ns	
	Public welfare/ subsidies	No significant effects expected or identified	ns	ns	
Access	Public services	Higher income can facilitate access to primary health and education services.	+	+	
	Other	By setting up a controlled e-waste management system, the project contributes to improve the health situation of poor population groups	+	++	
Authority	Formal organisations	Non-profit organisations promoting responsible e-waste management, thereby enhancing the representation and authority of the e-waste sector	ns	+	
	Informal relations	No significant effects expected or identified	ns	ns	
Assets	Physical	Enhanced income will result in additional investments	ns	+	
	Natural	No significant effects expected or identified	ns	ns	
	Human	Awareness rising regarding health and environmental risks contributes to reducing health risks and thereby protect human assets	ns	+	
	Social	No significant effects expected or identified	ns	ns	
	Financial	Enhanced income can translate into additional savings	+	+	

5.4 Assessing capabilities

The *following table* demonstrates how to analyse changes in capabilities as a result of green economy partnerships.

Table 28 provides a summary overview of expected or observed changes in target group capabilities.

This analysis takes all target groups into account and briefly describes variations in their capabilities as a result of the partnership. Differentiation by gender was not possible due to lack of information and data.

Table 28: Analysis of target group capabilities in a green economy partnership with a focus on energy recovery from waste tyres

Target groups	Capabilities				
	Economic	Security	Human	Socio-cultural	Political
Poor workers collecting waste tyres (informal)	Increase of income generating capabilities	Stable commercial relations in the waste tyre management system	Increase of ability to prevent risks from hazardous fumes	Not significant	Not significant
Poor workers and employees working for private companies (formal)	Increase of income generating capabilities	Stable commercial relations in the waste tyre management system	Increase of ability to prevent risks from hazardous fumes	Not significant	Not significant
Poor population groups working in waste tyre transformation (informal)	Decrease of income generating capabilities	Risk of losing resources	Improved awareness of and capability to protect oneself against health risks	Not significant	Not significant
Cement company	Increase of technical and commercial capabilities	Stable commercial relations with waste tyre suppliers	Learns about sustainable waste tyre management	Not significant	Learns how to cooperate with the public sector
Other private companies	Increase of technical and commercial capabilities	Stable commercial relations with informal waste tyre suppliers and cement company	Learn about sustainable waste tyre management	Not significant	Learn how to cooperate with the public sector
Public institutions	Not significant	Not significant	Learn about sustainable waste tyre management	Not significant	Learn how to cooperate with the public sector

Key	Very positive	Positive	Not significant	Negative	Very negative
Strength / direction of change	++	+	ns	-	--

5.5 Checking contribution to the MDGs

Depending on the specific project focus, green economy partnerships can contribute to achieve various MDGs such as **MDGs 4** and **6**, but will usually relate mainly to **MDG 7** (Ensure environmental sustainability) and **MDG 8** (Develop a global partnership for development).

As development of green economy businesses is expected to result in job creation and increase of revenues, development partnerships are expected to contribute also to **MDG 1** (Eradicate extreme poverty and hunger).

Table 29: How green economy partnerships can contribute to MDGs

MDG	Partnership contribution
MDG 1: Eradicate extreme poverty and hunger	Green economy partnerships may contribute to job creation and increase the income of the poor. Green economy partnerships in agriculture may contribute to food security
MDG 4: Reduce child mortality	Introducing less polluting technologies reduces the exposure of children to polluting toxic elements and thus to pollution related diseases
MDG 6: Combat HIV/AIDS, malaria and other diseases	Introducing less polluting technologies reduces the exposure to polluting toxic elements and thus to pollution related diseases, in particular of poor population groups
MDG 7: Ensure environmental sustainability	By introducing environmentally sound and low carbon technologies green economy partnerships improve environmental sustainability
MDG 8: Develop a global partnership for development	Green economy partnerships contribute to develop economic capacities in SMEs and improve business climate for national and international investors







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Competence Centre Cooperation with the Private Sector
Africa department

Dag-Hammarskjöld-Weg 1-5
65760 Eschborn, Germany
T +49 61 96 79 - 0
F +49 61 96 79 - 11 15

dpp-africa@giz.de
www.giz.de

Edited by
GIZ Competence Centre Cooperation with the Private Sector, Africa department
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Dr. James Bennett

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Postal address of BMZ services
BMZ Bonn
Dahlmannstraße 4
53113 Bonn, Germany
T +49 228 99 535-0
F +49 228 99 535-3500

poststelle@bmz.bund.de
www.bmz.de

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