



# FAO Policy Learning Programme

## Module 3: Investment and Resource Mobilization

### Session 6: Sector-Wide Approaches (SWAs)

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# Sector Wide Approaches in Agriculture and Rural Development





# Sector Wide Approaches in Agriculture and Rural Development

By

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## About EASYPol

The EASYPol home page is available at: [www.fao.org/easypol](http://www.fao.org/easypol)

This presentation belongs to a set of modules which are part of the EASYPol

Training Path [Policy Learning Programme – Module 3: Investment and Resource Mobilization, Session 6: Sector-wide approaches \(SWAs\)](#)

EASYPol has been developed and is maintained by the [Agricultural Policy Support Service, Policy Assistance and Resource Mobilization Division, FAO](#).





## Introduction – Definition of SWAp

A SWAp is:

- a programme that supports a single sector policy & expenditure programme
- government leadership
- a common approach across the sector

and it

- relies on national systems to disburse, account and report on use of all funds

Programme-based approach: more general

**S**  
**W**  
**A**  
**P**

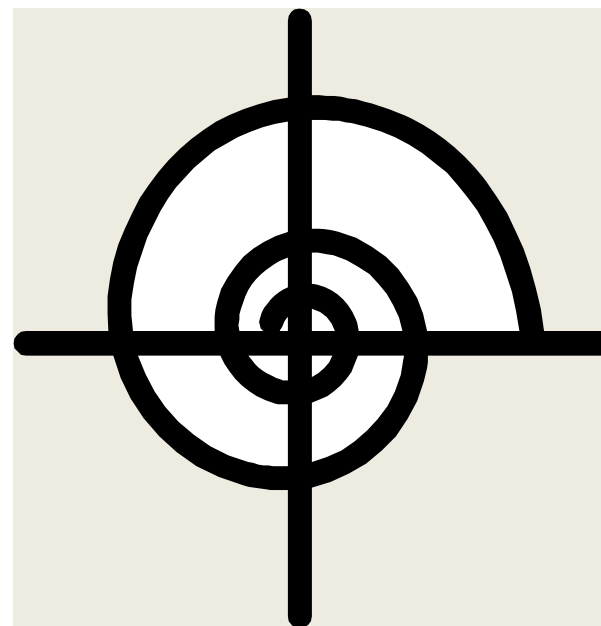




## Objectives

After reading this module, you should know about [the main approaches to]:

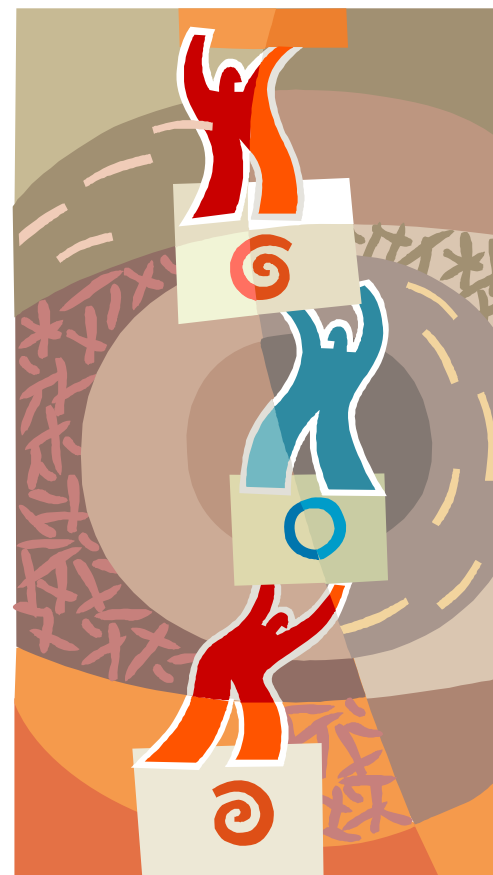
- Broaden government ownership of sector policy, strategy and spending
- Improve coordination of all stakeholders
- Increase coherence – sector policy, spending and results
- Minimise transaction costs of external financing





## Policy planning & financing

- SWAp is a policy planning & management approach, not just financing mechanism
- Can be financed by:
  - General (direct) budget support – G(D)BS
  - Sectoral budget support
  - Basket funding earmarked for sector



## Elements

- Nationally-owned policy & strategy
- MTEF
  - ◆ reflect sector priorities
- Programming of resources
  - ◆ activities-funds-work programmes-schedule for implementation
- Performance monitoring system
  - ◆ enhance accountability
- Consultation mechanisms





## Agriculture Sector SWAs

### Uniquely complex

- Many private actors
  - ◆ different capacities, interests, production systems, sub-sector markets
- Many public sector actors
  - ◆ different ministries, agencies, functions
- Unclear role of the state
  - ◆ governments and donors hold diverse views





## Study of A&RD SWAs

- Are SWAs in A&RD achieving their stated goals?
- Identify...
  - critical lessons on development assistance in A&RD, and
  - how to enhance the effectiveness of aid and contribution of A&RD to long term growth and poverty reduction







## Trends

- **Changing A&RD governance:** changes in mandates of MoAs, challenges of coordination and coherence
- **Complexity of A&RD sector:** most activities in the private sector – public expenditure is not the main source of financing
- **Aid processes in A&RD:** aid has fallen, greater focus on policy-making, institutional capacity strengthening and public financial management





## Themes for study

- Improved aid management
- Enhanced sector policy coordination and planning
- Improved institutional capacity and government leadership
- Enhanced public expenditure, financial management and equitable service delivery
- Stronger private sector interface





## Preliminary findings

- Improved aid management: limited concrete evidence
- Improved policy coordination and planning: to some extent
- Enhanced PFM: showing signs of improvement
- Improved institutional capacity: limited progress
- Enhanced private sector: no obvious signs of improvement





## Initial messages

**Ownership:** constrained by weaknesses in government leadership

**Decentralisation:** how to make the SWAp consistent with decentralisation

**Aid H&A:** GBS achieves greater H&A

**Policy & institutional coherence:** extremely difficult - avoid complexity

**Performance:** difficult to identify tangible results



## Mozambique PROAGRI

- “Innovative, bold and commendable” design
- Objectives “not operational or measurable”
- No effective M&E – hard to assess results
- Fiduciary pressure by donors to track all expenditures
- Trade-off between institutional strengthening and development impact





## Conclusion: Lessons

- It is possible to revive weak institutions quickly
- Massive capacity building efforts needed for staff and incentives to keep them
- Jointly-supported donor operations enhances government ownership
- Improved PFM can be put in place and must be able to track expenditures





## Further readings

- Anand S., 1983. *Inequality and Poverty in Malaysia*, Oxford University Press, London, UK.



## Links to Module 3 : Sessions 1-8

### FAO Policy learning programme

#### Module 3: Investment and Resource Management

- Session 1:** Investment in agriculture & rural development
- Session 2:** Environment for private investment in agriculture & rural development
- Session 3:** Sources and uses of financial resources
- Session 4:** Strategies for increasing farm financing resources
- Session 5:** Risk mitigation in agricultural investment
- Session 6:** Sector-wide approaches (SWAs)
- Session 7:** Socio-economic & livelihood analysis







Thank you!

