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**PUBLIC-PRIVATE PARTNERSHIPS
IN EXTENSION (ROLE OF LOCAL
GOVERNMENTS/PANCHAYATS
AND PRODUCER
ORGANIZATIONS), CHALLENGES
IN CO-ORDINATION**



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Introduction

Production, processing, and marketing in agriculture are dynamic in nature due to continuous changes in consumer demand and expectation. An innovative approach is essential to meet the current challenges of agriculture. Currently, Public Private Partnership (PPP) is one of the best-experimented strategies to achieve the specified goals within the time frame and modernize public services and infrastructure in agriculture, health, science and technology, education, infrastructure development, and extension. The main reason for the evolution of PPP in various fields is the lack of facilities, human resources, and time. Through the PPP approach, impossibilities are made possible with the contribution of both public and private partners resulting in better economic conditions and livelihood of the target population.



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What is Public-Private Partnership?

A public-private partnership is a cooperative and collaborative arrangement between two or more public and private sectors

Public partners in PPP: Govt. entities including Ministers, departments, municipalities, state-owned enterprises



The PPP approach supplements scarce public resources creates a more competitive environment and help to improve efficiencies and reduce costs

Private partners in PPP: Local/international investors with technical or financial expertise



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History of Public-Private Partnerships in Agriculture

India attracted PPP in the late 20th century and early 21st century.

Hundreds of different types of long-term contracts with a wide range of risk allocations, funding arrangements, and transparency requirements were covered under public-private partnerships.

One 3P cell was set up in 2006 in the Department of Economic Affairs (DEA), Ministry of Finance by the Government of India.

India is considered one of the leading countries in terms of readiness for PPPs in the world.

As per reports, India ranks first in the world in operation maturity for 3P projects.

Maharashtra is the pioneering state in adopting the public-private partnership model in case of major infrastructure development projects.



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Elements of Public-Private Partnership

A contract or
an
arrangement

Provision of
public
infrastructure
or services

Both the
sectors share
risks

Reward
system based
on
performance

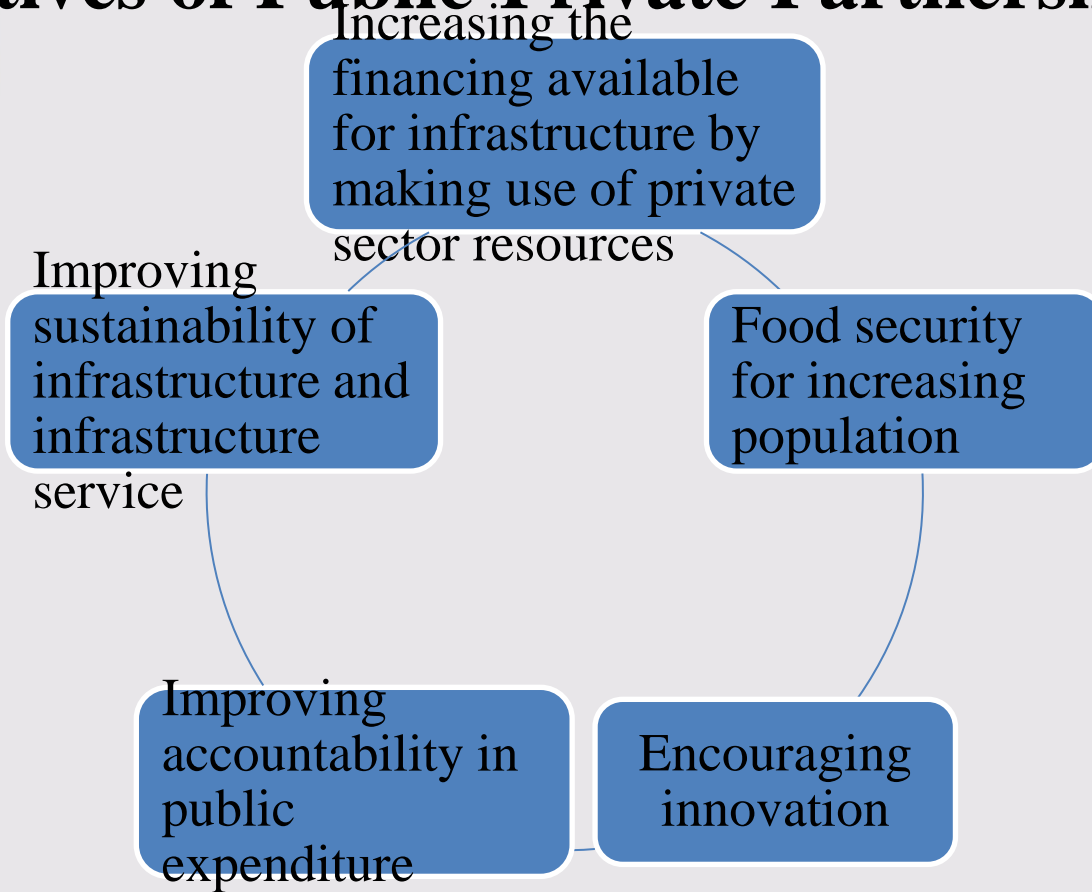
or output

A focus on
service
delivery



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Objectives of Public-Private Partnership





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Kinds of Partnerships in PPP

Permanent

Long term

Bilateral

Temporary

Need-based

Multilateral



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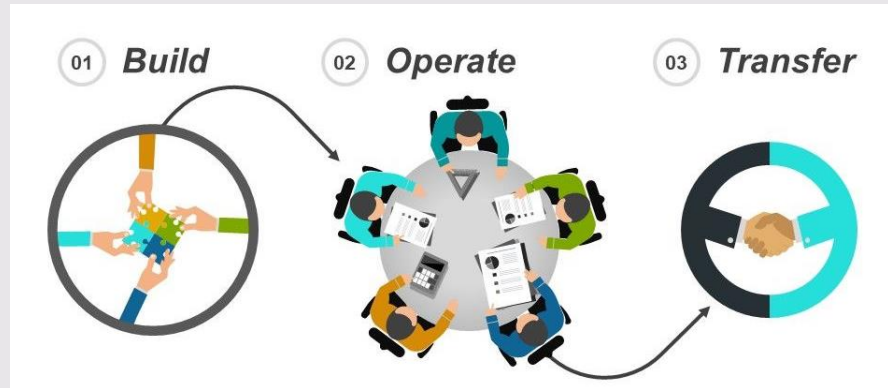
Models of PPP



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BOT (Build Operate Transfer) Model



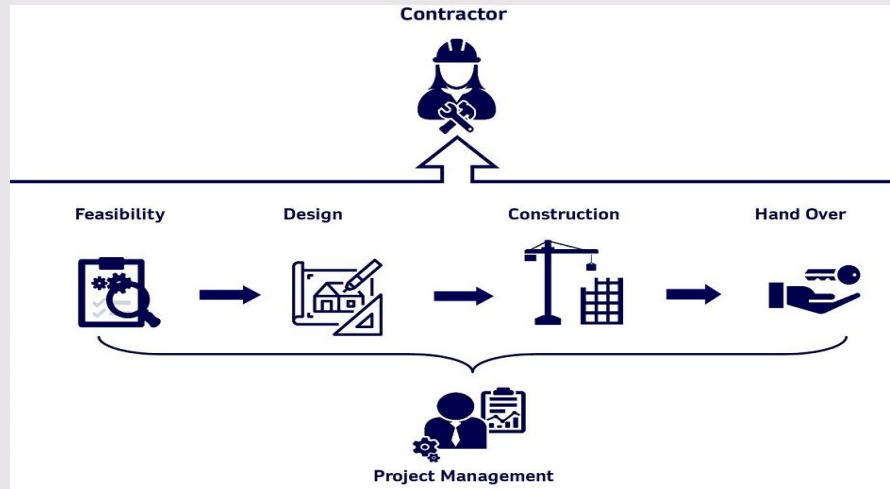
- A private entity is responsible for designing, financing, constructing, and operating a project for a specified period of time.
- Then the ownership of the project is transferred back to the government or another public entity.
- Examples - to develop and manage agricultural infrastructure projects, such as irrigation systems, storage facilities, or processing plants.



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Modified Design Build (Turnkey) Contract Model



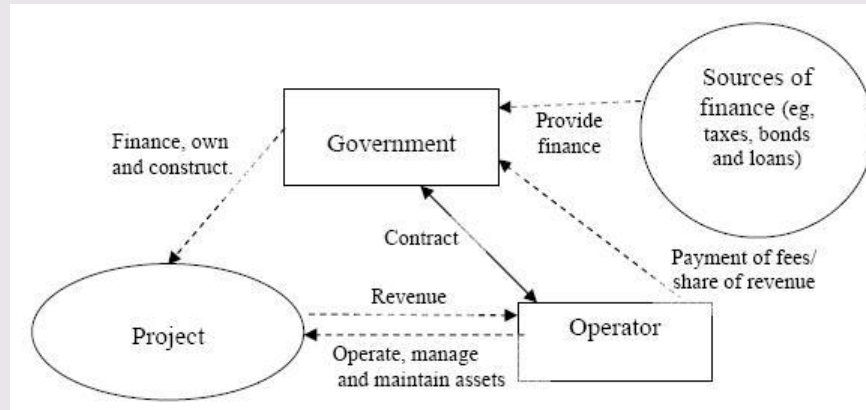
- A company or individual entity agrees to design, build, and manage a farming operation or agricultural project on behalf of a client.
- The client will provide the land and any necessary financing, and the turnkey provider is responsible for all aspects of the project, including planning, construction, and operation.
- Examples - development of large-scale commercial farms, greenhouse operations, aquaculture projects.



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Lease Model



A private company or individual leases land from a government agency or other public entity, with the goal of using the land for agricultural production, and the private partner is typically responsible for managing and operating the farm, while the public partner retains ownership of the land.

Features of this model: long-term leases, shared risk and reward, improved efficiency



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Performance-Based Maintenance Contract Model

A performance-based maintenance contract in agriculture is an agreement between a farmer or agricultural organization and a maintenance or repair service provider in which the service provider is responsible for maintaining and repairing certain agricultural equipment or machinery.

The service provider is paid based on the performance of the equipment or machinery, rather than on a fixed schedule or rate



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Examples of PPP in Agriculture

Project Golden Ray

- PPP between Govt. of Rajasthan and Monsanto India Limited to improve socio-economic status of tribal community by enhancing maize yields and income.

Hoshangabad Model of PPP

- Partnership between District Agriculture Department and Dhanuka Group for delivery of agri inputs and services.

E-Choupal

- Mutual co-operation between Indian Tobacco Company, rural entrepreneurs, state agricultural universities to boost farmers knowledge.



PPP for Integrated agriculture Development


- Maharashtra Govt. initiated Public-Private Partnership for Integrated Agriculture Development (PPP-IAD) project under world Economic Forum to promote value chain in agriculture.

PPP for marketing infrastructure

- The Government of India is looking to promote terminal markets, a public-private partnership model that links production centre to the consumption centre in cities of Mumbai, Nashik, Nagpur, Chandigarh, Rai Patna, Bhopal and Kolkata as well as Ahmedabad and Surat.

PPP for agricultural extension

- In Madhya Pradesh (MP), there was a PPP in agricultural extension involving the national institute of agricultural extension management (MANAGE) based in Hyderabad, the Department of Agriculture (DoA), the Government of MP and the Dhanuka Agritech Group



PPP for crop
diversification
and contract
farming

- Punjab Govt. wanted to promote Punjab Agro Food grains Corporation (PAFC) to facilitate contract farming to achieve crop diversification.

Creating
producer
bodies
through PPP

- PPP between Maharashtra State Agricultural Marketing Board (MSAMB), the Department of Cooperation, Government of Maharashtra, the National Horticulture Board (NHB), the National Cooperative Development Corporation (NCDC), the Agricultural Products Export Development Authority (APEDA) and the grape growers to promote the marketing of grapes globally.

PPP for
organic
production

- PPP between Kohinoor Food Ltd. and Uttarakhand Organic Commodity Board (UOCB) to promote good quality organic basmati rice.



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Advantages of PPP

On-time delivery

Maximizes the use of each
sector's strength

Helps in modernizing agriculture
and rural economies

Increases efficiency

Creation of added value

Leads to innovation

Helps in providing better public
services

A way of providing local private
sector capabilities

Integration of resources

Shared risks and responsibilities



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Role of Local Government/Panchayats in PPP

PRI was constitutionalized through the 73rd Constitutional Amendment Act, 1992 to build democracy at the grassroots level and was entrusted with the task of rural development in the country.

Need of Local Government/Panchayat

To recognize the need of the development sector.

Better implementation of Government Policies.

Management of local resources.

Cultural and religious Importance.

Maximum participation of beneficiaries through Gram Sabha.

Efficient Development Administration at grass root level.

Bottom up Approach in Policy making and implementation



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Role in PPP

Facilitating the identification of suitable projects and helping to bring together public and private sector partners.

Providing support in the form of land acquisition, infrastructure development, and other resources that may be necessary for the success of a PPP project.

Monitoring and evaluating the performance of these projects to ensure that they are meeting the needs of local communities.

Panchayats can work with local stakeholders, including farmers to ensure that PPP projects are aligned with their needs and priorities.

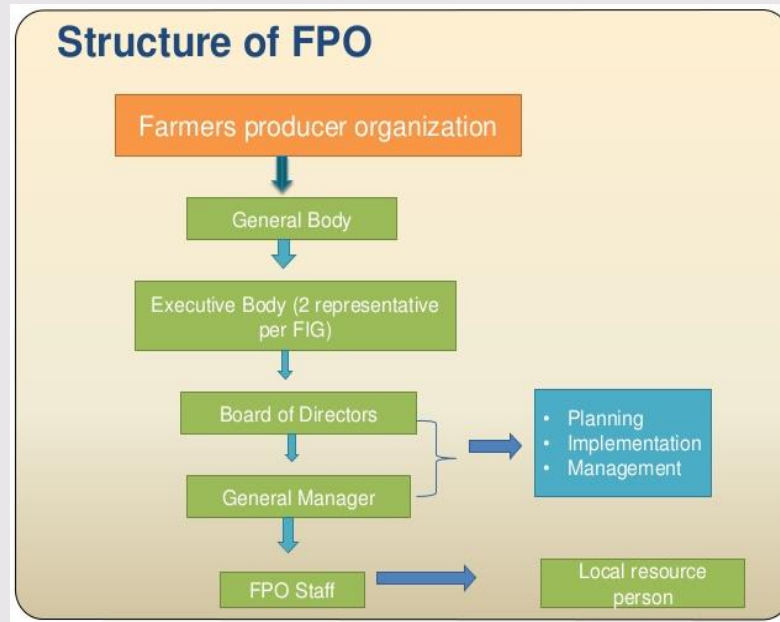


Central Board of Secondary Education
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Role of Farmers Producers Organizations in PPP

FPO is an organization, where the members are farmers itself and it provides end-to-end support and services to the small farmers, and cover technical services, marketing, processing, and other aspects of agriculture inputs.





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FPO SETUP





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Role in PPP

1. FPOs can serve as a bridge between small and marginal farmers and private sector partners. They can facilitate the participation of small farmers in PPP projects and ensure that their interests are taken into account.

2. FPOs can help to create economies of scale by aggregating the produce of small farmers and making it more attractive for private sector partners to work with them.

3. FPOs can provide a platform for small farmers to access credit, extension services, and other support from private sector partners.

4. FPOs can also help to improve the bargaining power of small farmers in negotiations with private sector partners and ensure that they receive a fair share of the benefits from PPP projects.



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Paradigm Shift for Public-Private Partnership

Parameters	Present Status	Future Strategies
Focus	Production oriented technologies	Production + Market oriented technologies
Technology	Exogenous developed by scientists and researchers	Participatory technology where scientists, farmers will jointly work together
Mode	Delivery of messages	Empowering farmers through Fos/FIGs
Services and supplies	Public sectors and co-operatives	Moving towards public-private partnership
Extension cadres	Limited mostly to public extension	Moving towards para-extension professionals, agripreneurs
Coverage of markets	Mostly domestic	Both domestic and international market



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Challenges of Co-ordination in PPP

Different goals and incentives

Lack of trust

Limited resources

Legal and regulatory issues

Different organizational cultures

Limited communication and coordination

Lack of political vision, strategy, and leadership



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Partnership Success Factors

Need and demand-based partnership with common interest and objective.

Team spirit, trust, and credibility will help to sustain the partnership for a longer period of time.

Both sectors should have clarity in terms of their roles.

Activities/projects should be cost-effective and must meet the requirements of both national and global policies.

Partners should be constantly dynamic and innovative to face obstacles.



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Research Study

Impact of public private partnership model on women empowerment in agriculture

The study was undertaken to assess the impact of three public-private partnership (PPP) models in agriculture which were implemented as part of the ICAR network project namely “Public-Private partnership for gender mainstreaming in agriculture” by the Central Institute for Women in Agriculture (CIWA).

OBJECTIVES

To study the impact of the PPP model in terms of understanding income and employment level, knowledge and skill of SHG members, and psychological improvements



Results

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Table 1 Impact on income and employment levels of farm women under PPP

Category	Tamil Nadu		Kerala		Assam	
	F	%	F	%	F	%
<i>Income</i>						
No increase	10.00	41.67	0	0	0	0
Less than 10%	02.00	08.33	0	0	19	63.33
10-20%	12.00	50.0	06.00	30.00	06.00	20.00
21-30%	0	0	10.00	50.00	05.00	16.67
31-40%	0	0	02.00	10.00	0	0
More than 40%	0	0	02.00	10.00	0	0
<i>Employment</i>						
No increase	12	50	0	0	0	0
Less than 5%	4	16.67	8	40	0	0
5-10%	4	16.67	10	50	20	66.67
11-20%	4	16.66	2	10	6	20.00
21-30%	0	0	0	0	4	13.33
More than 30%	0	0	0	0	0	0

Table 4 Psychological improvement due to PPP

Domain (%)	No change	1-25%	26-50%	51-75%	76-100%
Tamil Nadu					
Self-confidence	8.33	58.33	8.33	8.33	16.67
Team spirit	0	50	8.33	16.67	25
Risk bearing capacity	8.33	25	33.34	8.33	25
Ability to handle group conflicts	8.33	33.33	16.67	16.67	25
Readiness to meet extension officers	4.17	25	37.5	25	8.33
Kerala					
Self-confidence	0	0	10	70	20
Team spirit	0	0	45	30	25
Risk bearing capacity	0	20	65	15	0
Ability to handle group conflicts	0	15	50	35	0
Readiness to meet extension officers	0	25	55	20	0
Asom					
Self-confidence	0	0	0	40	60
Team spirit	0	0	0	63.33	36.67
Risk bearing capacity	0	0	23.33	46.67	30
Ability to handle group conflicts	0	0	0	56.67	43.33
Readiness to meet extension officers	0	0	0	66.67	33.33



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Table 5 Understanding of PPP concept by SHG members

Meaning assigned to PPP	Tamil Nadu		Kerala		Asom	
	F	%	F	%	F	%
Women empowerment through group activity	6	25.00	7	35.00	8	26.67
Building partnership with relevant stakeholders	10	41.67	11	55.00	9	30.0
Higher income generation through group activity	11	45.83	9	45.00	7	23.33
Doing some activity with the support of the Government	7	29.17	9	45.00	12	40.00

Table 6 Impact of PPP on knowledge and skill of SHG members

Domain of change (%)	No change	1-25%	26-50%	51-75%	76-100%
Tamil Nadu					
Knowledge	16.67	50	16.67	8.33	8.33
Skill	0	75	12.50	0	12.50
Kerala					
Knowledge	0	0	0	35	65
Skill	0	0	0	45	55
Assam					
Knowledge	0	33.33	33.33	33.33	0
Skill	0	83.33	16.67	0	0



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Conclusions from the Research Study

The PPP models have contributed to a better understanding of partnership-based models of agricultural progressiveness, effective sanitization of family members, additional income and employment generation, and enhanced access to extension, finance, and market resources which ultimately resulted in gender empowerment.

Also suggested that though incentives and perceptions do differ between different models, sufficient common space can be created through the mutual sharing of risks and benefits for strengthening partnerships.