CIDR's 2010-2014 Policy priorities

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Description:

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Introduction

CIDR developed its 2010-2014 Strategic Plan on the basis of the previous Plan's evaluation, adopting an approach based on the four major steps in strategic planning:

- Sectoral analysis;
- Positioning of the organization upon completion of the planning period;
- Definition of strategic priorities;
- Formulation of a five-year action plan.

The strategic planning process was complemented by:

- A Listening to Partners survey (June 2008);
- A scenario building seminar (July 2008);
- A seminar defining CIDR's communication policy (September 2008).

CIDR's 2010-2014 Strategic Plan aims to:

- Support the modernization of local economies and job creation
- Strengthen the social dimension of development
- Encourage coherent sectoral policies and sustainable development at the local level.

Support the modernization of local economies and job creation

During the next five years, CIDR will develop activities that promote active participation in the modernization of local African economies, creating wealth and jobs. It will implement ambitious economic development programs at the local level; it will finance rural and urban entrepreneurs through partner microfinance institutions; it will also involve agricultural business development services platforms in efforts to modernize African economies.

Promote an entrepreneurial approach to rural economies

Economic globalization has taken on new forms with the race to acquire natural resources and agricultural products. The purchase of land in Africa to produce foodstuffs for emerging countries, at the expense of food security for the producing countries, is a real concern for policymakers and international actors, especially in light of the recent food crisis and its social consequences on the continent's stability.

Given this context, CIDR believes agricultural and rural development requires entrepreneurial approaches that combine agricultural, food and environmental issues from the beginning. "New rural entrepreneurs" must integrate the various levels of agricultural value chains (production, processing, packaging, storage and marketing). Agricultural development must be based on strong linkages between rural producers, agri-food SMEs, and urban
markets. Dynamic and entrepreneurial anglophone countries such as Tanzania and Ghana have already seen rapid growth of high potential value chains driven by private sector actors, effectively boosting markets and economic growth.

To do this, CIDR will promote contractual agreements, develop financing methodologies and encourage the use of innovative technologies, prioritizing (but not exclusively) pro-poor agricultural value chains that work for small farmers and aim at building equitable and long standing business relationships. It will also work with program partners to adapt agriculture to climatic change by encouraging a sustainable, integrated and decentralized approach to development and the management of land and water resources.

CIDR will promote and strengthen agricultural professional organizations. It will support them in their role as advocates of agricultural and rural policies, and their efforts to develop an entrepreneurial approach to commercial and market-oriented food crop production.

**Encourage job creation in medium towns and in working-class neighborhoods of larger cities**

One of the consequences of rapid-paced urbanization of medium-sized towns in Africa is national and sub-regional migration (temporary or permanent) and the return of migrants living abroad. This population is generally very young, more educated, and aspires to better living conditions and access to services. These migration flows have created a middle-class, often composed of two income households with modern consumption habits and lifestyles. This socio-demographic trend represents an important market opportunity for food crop production, manufactured goods and services. And, for the first time in decades in Africa, there is an effective domestic demand. There are real opportunities to develop micro, small and medium job-creating enterprises, in order to address this new urban demand.

CIDR will support the economic initiatives of these “new” entrepreneurs: members of the diaspora willing to reinvest in their country, young graduates in services and technologies, women entrepreneurs, apprentices and employees wanting to start their own businesses, etc. The goal is to help them develop their businesses and create jobs in view of substituting imported goods with local production as much as possible.

The situation is very different in the working-class neighborhoods of larger cities, where the underprivileged and poor often live. Young people, often school drop-outs, are without qualifications and jobless, even in the informal sector. Women work extremely long hours and assume the burden of thankless tasks, in order to ensure their families’ survival. They are generally heads of household or the sole breadwinners. It is essential to contribute to efforts to maintain a certain level of social stability, which implies equity and solidarity.

CIDR will develop activities that promote economic integration. It will help underprivileged youth find jobs with reintegation companies, services providers contracted by government administrations, and educational and health care establishments. It will seek out public, private and multinational firms offering training programs and jobs as part of their CSR (Corporate Social Responsibility) policy.

**Strengthen local governments’ role to support local economic development**

Local governments play a critical role in the economic development of their community. They are responsible for increasing incomes, creating wealth and jobs for local populations but also developing efficient fiscal policies that enable their own growth.
Tensions rising from the different expectations and strategies of local economic actors (rural and urban enterprises, local authorities, business development services) point to the need for coordinated actions between different stakeholders (public and private) and at different levels (municipalities, inter-municipality, regions, central governments), if local economic development is to be effective.

As part of its efforts to support to local governments, CIDR will help create local or regional economic development agencies. These agencies will define local or regional development strategies, accompany and strengthen municipal services in charge of promoting local economic development, facilitate public-private consultation, manage local economic development funds, foster relationships with the banking sector and financial institutions, support entrepreneurs and promote the region.

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Strengthen the social dimension of development

With only five years left until the 2015 deadline to achieve the Millennium Development Goals (MDGs), it is yet unclear if the objectives will be met. Results obtained by some countries suggest that some of the goals will be reached globally (increased primary education, combating malaria, access to basic health services and clean water). However, Sub-Saharan African countries will lag behind.

This situation might get worse, considering the effects of the global financial and economic crisis on the poorest and the most vulnerable populations. Unemployment in developed countries already affects migrants’ capacities to transfer money to their families; producers and entrepreneurs’ access to loans will decrease as microfinance institutions and banks must deal with a rationing of resources’ caused by shrinking savings and foreign credit lines. At the same time, developed countries, busy mitigating the effects of the crisis, will probably reduce development aid.

Give increasing priority to reaching the Millennium Development Goals (MDGs)

In light of all these factors, CIDR will prioritize activities that contribute to reaching the MDGs. It will adopt a simple system to monitor the impact of its program activities on the MDGs, and will share findings on a regular basis.

- Programs supporting local development and decentralization, in particular, will make sure to take into account primary education activities, access to care for mothers and children and access to drinking water within the framework of municipal and inter-municipal development plans.
- Microfinance activities will prioritize new product development, such as saving plans, loans for girls’ education, home improvement loans (to improve living conditions thus reducing risk of malaria and increasing access to drinking water). As part of its business development activities, CIDR will focus on creating jobs for youth and women.
- As part of its health and social protection activities, CIDR will develop synergies between health mutuals and universal health systems, and linkages with programs fighting HIV/AIDS. It will also tap into networks of mutual insurers in the North to mobilize resources, and encourage coverage of primary health care by private businesses, as part of their corporate social responsibility policy.

Monitor and assess social performance of supported organizations
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An organization's social performance can be measured by assessing to what extent its intentions (formally written into the entity's founding statutes, internal and external communication materials, reports and publications) and are aligned with its actions (actual outreach, targeting efforts, appropriate products and services compared to demand). Drawing on the diverse social performance initiatives at the international level, CIDR will monitor and assess the social performance of its partners based on the following four dimensions:

- **Targeting the poor and excluded:** is targeting the poor part of the institution's mission and objectives? To what extent is it a priority? Does the institution have any tools or methods in place to achieve this objective?
- **Appropriate products and services:** does the institution strive to offer products and services adapted to the beneficiaries' needs? What efforts are made to facilitate access to services? What efforts are made to involve beneficiaries in product development?
- **Empowering beneficiaries:** to what extent are transactions transparent? Do beneficiaries have a clearly defined role in decision-making processes? Does the institution provide training so that beneficiaries can effectively participate in governance?
- **Social responsibility:** is there a human resources policy? How does the institution show social responsibility towards beneficiaries and the community? Does it take into account possible negative effects of its actions on beneficiaries? Are corrective measures taken?

CIDR will help its partners include a social performance management function in their organizational chart and draft a yearly assessment report. Findings will be analyzed together with technical staff and beneficiaries’ representatives. Conclusions will be transmitted to the organization's decision-making bodies. Corrective measures will be decided collectively with all stakeholders and programmed into the next year's action plan.

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**Encourage harmonization of sectoral and sustainable development policies at the local level**

Local development has become an increasingly complex affair, with a plethora of actors and actions, often fragmented and therefore difficult to manage. Decentralization, sectoral and sustainable development policies need to be harmonized, consistent and interactive. Promoting new forms of local governance is one way to meet this challenge. The idea is to nurture a consultative framework for strategic thinking and actions that links the main stakeholders at the policy level.

**Support decentralization of sectoral policies**

Sectoral policies are often associated with mechanisms to devolve certain responsibilities to local and regional governments. But, these mechanisms are not in phase with decentralization processes and result in duplicate structures and institutional competition. Moreover, many donors still provide aid in the form of budget injections at the national level, or via national or regional projects, instead of going through local governments. Expenses of local governments in Africa represent an average of less than 5% of countries' financial resources.

Sectoral policies are generally formulated without taking into account their relationship to or impact on decentralization policies. And while they provide a framework for central governments' to build their management capacities, they should also offer an opportunity to enhance skills of local governments in terms of decision making,
planning and management.

CIDR will help local governments play a greater role in the development and articulation of different sectoral policies. By grounding sectoral policies in local development processes (a strategy CIDR refers to as “territorialization” of sectoral policies), CIDR aims to stimulate and reinforce decentralization processes. It will assist municipalities in implementing technical services and linking them to the decentralized technical services of central governments, in order to encourage the transfer of supervisory and operational responsibilities associated with sectoral policies (water, sanitation, education, rural water, health, etc.) to municipalities.

**Participate in the implementation of a sustainable territorial management policy**

Local governance encompasses the relationship between stakeholders and the bodies where they formulate, implement and coordinate local development projects. It embodies concepts of identity, participation and shared common interest (public goods). Local governance is based on the responsible involvement of stakeholders and hinges on what CIDR refers to as "territorial-based projects" and a “charter of sustainable development.”

The challenge of sustainable territorial management is to ensure local governance pursues policies, programs and actions designed to simultaneously achieve three objectives: economic efficiency; improved social equity between regions, individuals and generations; and environmental protection and sound natural resources management.

CIDR will support local governance bodies to analyze, steer and coordinate actions in view of implementing a coherent policy for sustainable management of local development.

It will prioritize responsible management of soil and water resources, considering the impact of desertification and environmental degradation on poverty in rural areas and on climate change.

It will require each Department to detail policies for sustainable development and natural resources management, and how they intend to implement them in consultation with local governments. CIDR will set up a monitoring system at the program and organizational levels to report on the results of its efforts in terms of sustainable development.