



THE GLOBAL
COMPACT

Business UNusual

FACILITATING UNITED NATIONS
REFORM THROUGH PARTNERSHIPS

“Business UNusual reaches two simple, but powerful conclusions. First, partnerships among all stakeholders in society are increasingly a “must” in a world filled with complex global challenges. Second, the United Nations should continue its efforts to engage business and civil society in order to achieve its mission. The report does an excellent job of highlighting the UN’s recent accomplishments, but moves beyond simply taking stock of the issues to outline the key challenges facing the United Nations on its path to reform. It is critical that the UN system, along with governments from around the world, take additional steps to address these challenges.”

President William J. Clinton

United Nations Special Envoy for Tsunami Recovery
President of the United States of America (1993-2001)

“Business UNusual is an important and timely report, for the United Nations as well as its partners in business and civil society. It provides striking evidence of the innovative capacity of partnerships and the various ways in which they complement the work of the United Nations. This report offers concrete suggestions on how the United Nations and its partners can increase local ownership and produce real impact on the ground. We have reached a critical juncture, and this report contains important pointers on moving forward.”

Kemal Derviş

Administrator of the United Nations Development Programme

“This report covers important topics, including the role the private sector plays within international cooperation, and the importance of business partnerships to the UN system. It is essential that we have leaders within the private sector who are champions of bringing a human rights framework beyond the UN and into day-to-day business practices. Yet businesses must find the benefits for themselves, beyond altruism, in doing so. UN-business partnerships are one of the best ways to achieve this outcome, and this report provides thoughtful guidance to making those partnerships work globally.”

Mary Robinson

President, Realizing Rights: The Ethical Globalization Initiative
United Nations High Commissioner for Human Rights (1997-2002)
President of Ireland (1990-1997)



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FACILITATING UNITED NATIONS REFORM THROUGH PARTNERSHIPS

Commissioned by the United Nations Global Compact Office
Produced by the Global Public Policy Institute

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global public policy institute

Disclaimer

This report was produced in consultation with a broad group of experts and stakeholders under the guidance of the United Nations Global Compact Office. As far as possible, the report seeks to reflect the many insights and recommendations they provided. However, the views expressed, as well as any errors or omissions, are the responsibility of the authors.

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Foreword by the United Nations Secretary-General

The United Nations of the 21st century is operating in a very different world from the one that existed at its inception 60 years ago. New threats such as HIV/AIDS, climate change and catastrophic terrorism have emerged or taken on heightened significance. New technologies have connected the world in ever-expanding networks of trade, commerce and cultural exchange. Awareness of global interdependence continues to spread. And with the resources, know-how and tools at our disposal today, ours is truly the first generation capable of defeating the age-old scourges of poverty and hunger.

If the United Nations is to be a useful instrument in responding to these challenges, and if it is to effectively serve the world's peoples, the Organization must keep pace with this changing world. That is why, in recent years, the United Nations has been engaged in a broad and continuous programme of institutional change and reform. An important component of this process has been the progressive opening of the United Nations to non-state actors, including business and civil society, as indispensable partners in our work.

Almost all United Nations agencies, funds and programmes are engaging in partnerships with business. Some of these partnerships have been designed to advocate specific causes; others have developed norms for business conduct; still others have sought to support the development and expansion of sustainable markets. Whatever form they take, they have proven to be a critical tool in achieving two complementary objectives: strengthening the work of the United Nations for development, security and human rights and introducing the Organization to different and sometimes more efficient ways of management.

This publication, a collaborative effort of the United Nations Global Compact Office and the Global Public Policy Institute, provides an overview of recent partnership activities in the United Nations, as well as the challenges the Organization faces in its efforts to engage the private sector and create effective coalitions for change. It suggests ways to make such collaboration more effective, and offers insights that could contribute to the ongoing reform effort. As we proceed along the path of organizational renewal, I hope this publication will be a source of inspiration to Governments, business, civil society and United Nations entities in our shared global mission of prosperity, dignity and peace.

Kofi Annan
Secretary-General of the United Nations
August 2005



Executive Summary

Partnering with business and civil society has turned into a necessity for the United Nations in order to “get the job done”.

The United Nations is currently undergoing the most significant transformation since its founding in San Francisco in 1945. Under the leadership of Secretary-General Kofi Annan, the United Nations has embarked on a road towards becoming a more effective and accountable institution. The end of the Cold War and the ongoing process of globalization have fundamentally transformed the environment within which the world body operates. One vital component of this process has been the progressive opening of the Organization to non-governmental actors, including civil society and business.

Originally conceived of as a purely intergovernmental organization, the United Nations has begun reaching out to civil society and business in search of new partners for shaping a new world. Partnerships with business and civil society have been one of the Organization's major innovations. The gradual and ongoing process of opening and engaging business and civil society is a result of the increasing realization that the world organization by itself will not be able to confront the manifold challenges of a globalizing world. In a world of complex and fast-changing transnational challenges, effective international cooperation among Governments is unquestionably more important than ever before. Yet, in order to effect change and improve the living conditions of billions of people in a sustainable manner, partnering with civil society and business is more than just an option. In many ways, it has turned into a necessity for the United Nations in order to “get the job done”.

The sustainability and impact of partnerships depends on the strength of partnership management and the degree to which partnerships feature local ownership.

Nurturing interface capacity is a process of profound institutional adaptation that necessarily involves changing institutional processes and attitudes.

Partnerships: A new growth industry

The sheer number of multisectoral partnerships that have developed during the past decade is astonishing. Their diversity defies both easy categorization and the drawing of general conclusions about what works and what does not. It is useful to loosely group partnerships under four functions: advocacy, developing norms and standards, sharing and coordinating resources and expertise and harnessing markets for development.

In **advocacy** partnerships, the United Nations partners with business and civil society in order to advance a cause or to place an issue on the global agenda. Such partnerships leverage the reputation and networks of the United Nations and key stakeholders to promote vital development issues, including the Millennium Development Goals (MDGs). As cases profiled in this report show, business can make an important contribution to agenda setting not only through financial support, but also through its expertise and extensive reach. This holds true both for the demand side, through outreach to its consumer base, and for the supply side, through its relations with suppliers and other business partners.

Other partnerships help to **develop codes of conduct** or other norms and standards that structure business conduct in the global economy. While generally not enforceable, such standards create reference frames that define acceptable behaviour. Standard-setting partnerships are the most complex and difficult to manage since they usually engage a broad variety of stakeholders. As some of the cases profiled in this report demonstrate, these stakeholders usually represent very diverse interests. As a result, such partnerships are contested spaces in which conflict and different perspectives need to be managed.

Partnerships can also serve as mechanisms to **share and coordinate resources and expertise**. In such cases, the United Nations partners with business and civil society in order to benefit from complementary resources and to coordinate different contributions to key development issues. Especially important in such partnerships is the dissemination and sharing of existing knowledge and technology. These partnerships often exploit economies of scale in knowledge generation and dissemination, thereby helping to build capacity in developing countries.

Finally, partnerships have also emerged as a novel means to **harness markets for development**. In such cases, the United Nations partners with business and civil society to support the development and expansion of sustainable markets – locally, regionally and globally. Such partnerships either provide access to markets, such as producer networks, or help to bridge or deepen markets by providing incentives for business to invest. Partnerships that provide access to markets are relevant especially for individual entrepreneurs and small businesses in developing countries that do not have the ability to market their products to consumers in the industrialized world.

Embedding a partnering approach in United Nations structure and culture: Accomplishments and challenges

Different types of partnerships pose different challenges in terms of their management, governance structure and accountability requirements. Research shows that the sustainability and impact of partnerships depends in particular on the strength of partnership management (i.e. agreement on clear goals and objectives, appropriate risk management, systematic evaluation and impact assessment etc.) and the degree to which partnerships feature local ownership.

Strong management and local ownership depend to a large extent on the ability of each partner – the United Nations, business, as well as civil society – to work effectively in multi-stakeholder alliances. Developing “interface capacity” is key in this context. Good interface capacity requires, among other things, that partnership work is integrated into the broader management frameworks of the individual partners. Nurturing interface capacity is not a series of fixed activities, such as one-off workshops or trainings. Rather, it is a process of profound institutional adaptation that necessarily involves changing institutional processes and attitudes as well as a deepening understanding about complex issues and how partnerships can help address them.

Encouraging first steps

During the past decade, the United Nations has begun to transform itself into an effective partnership player by nurturing such interface capacity. The trend towards working in partnership has triggered a process of structural and cultural change within the Organization. For example, various United Nations bodies have created dedicated partnership portfolios that facilitate engagement, harnessing partnerships to the mission and goals of their organizations. Others have taken first steps at decentralizing their partnership work by building capacity in regional and country offices – a key strategy to fostering local ownership in partnerships.

Almost all United Nations organizations have put guidelines in place that provide operational and legal guidance for the engagement of business and civil society. Today, most United Nations organizations work with staff who are experienced in building and managing partnerships. Some of these organizations have also started to include partnership management in job descriptions and provide various incentives for staff to reach out to external stakeholders. Many United Nations organizations have also launched websites geared at profiling their partnership activities and facilitating more effective outreach to potential partners. In many cases, the United Nations Global Compact has played a critical role in catalyzing these changes, particularly by reaching out to business, advocating business engagement within the United Nations and facilitating the internalization of United Nations Global Compact principles within the United Nations itself.

The United Nations
Global Compact
has played a critical role in
catalyzing change in the
United Nations.

Impact assessment forms
the basis for higher-level
strategy development,
appropriate resource
allocation and learning.

Remaining challenges

However, the process of structural and cultural transformation in the United Nations is by no means complete, nor has it progressed evenly across the system. The institutional reality in many United Nations organizations is still one in which partnership work remains at the institutional fringes, conducted parallel to, but disconnected from, the main lines of work. While some partnership units work with great commitment on partnership projects, the integration of their work into established work streams is often a challenge. As a result, often the United Nations finds it difficult to leverage its own core competencies to partnerships. Of course, this is not only true for the United Nations but also for many of its partners in business and civil society.

Another institutional reality is that some United Nations organizations have trouble supporting their commitment to partnerships with adequate resources (i.e. finances and staff). Very few United Nations organizations leverage resources specific to partnership activities. In some cases, partnership work has been added to the work programme of individual staff members already struggling to keep up with their existing work demands.

There are also practical impediments to more effective partnership building that almost all United Nations organizations grapple with. For example, a frequent criticism relates to legal hurdles that contribute to time lags in the implementation of partnerships. Another practical problem is the consistent application of partner selection schemes across the United Nations system. Some United Nations bodies use third-party certifiers; others engage in a case-by-case screening by themselves. Overall, there is a need for more consistency and greater transparency regarding partner selection.

Finally, another impediment to more effective partnership building is the lack of systematic and comparable impact assessment. Though individual partnership projects may be assessed as part of standard evaluation practices, these evaluations are usually not comparative. For the United Nations, impact assessment is not only important for accountability purposes – a comparative review of partnership engagements also forms the basis for higher-level strategy development and appropriate resource allocation as well as for learning.

Large-scale organizational change always takes time and requires sound strategy and sufficient resources. Also, there are no one-size-fits all solutions; each United Nations organization needs to develop its own, tailored approach towards partnering with business and civil society. Today, the United Nations is at a critical stage in this change process. Now is the time to learn from the experiences that have been made during the past decade and to take stock of what has worked and what has not. Some United Nations organizations have launched such strategic reviews. Others will hopefully soon follow.

It has become fashionable in recent years to dismiss the United Nations as a bureaucratic institution resistant to innovation and change. The innovative capacity and the degree of experimentation and organizational change that can be observed in the context of partnerships tell a different story. Partnerships have allowed the United Nations to become increasingly creative and sophisticated in its attempts to leverage the skills and resources of business and civil society toward the goals of the Organization. In fact, partnerships have become a catalyst for reform and institutional innovation across the entire United Nations system. The United Nations' value-based mission, convening power and geographical reach provide the Organization with unique strengths when partnering with non-governmental actors. These institutional strengths have proven to be important explanations for why business enters into partnerships with the United Nations. Furthermore, this report provides evidence confirming that once business accepts the United Nations' value proposition and aligns its practices with universal principles, a company's propensity to engage in operational initiatives increases significantly. United Nations principles can thus form a robust basis for long-term relation-

ships and ongoing engagement with business. The United Nations value proposition provides a profound incentive for its partners and should be further leveraged.

Governments are supporting this process by advocating and leveraging change in the United Nations. They also execute political oversight, thereby lending important legitimacy to the many ongoing initiatives. Many Governments actively participate in partnership projects themselves, as the case studies included in this report show. In fact, the participation of Governments – both local and national – is crucial for local ownership as well as partnership impact. Finally, many Governments have launched their own bilateral partnership programmes, reaching out to other stakeholders in order to enhance their work. Partnerships clearly serve as a vehicle for meeting Government goals and objectives. Governments should therefore continue to lend their backing for the United Nations as it reaches out to business and civil society – through oversight, progress reviews and resource support.

Partnerships have become
a catalyst for reform and
institutional innovation
across the entire
United Nations system.



chapter 1

Introduction

“If the United Nations is to be a useful instrument for its Member States and for the world’s peoples...it must be fully adapted to the needs and circumstances of the twenty-first century...Its strength must be drawn from the breadth of its partnerships and from its ability to bring those partners into effective coalitions for change across the whole spectrum of issues on which action is required to advance the cause of larger freedom.”

From: United Nations (2005). “In Larger Freedom: Towards Security, Development and Human Rights for All”. Report of the Secretary-General. A/59/2005. New York: United Nations, para. 153.

The United Nations is currently undergoing the most significant transformation since its founding in San Francisco in 1945. The end of the Cold War, more than 15 years ago and the ongoing process of globalization have fundamentally transformed the environment within which the world body operates.

United Nations Secretary-General Kofi Annan takes note of these changes in the bold reform proposals he sets out in his report “In Larger Freedom: Towards Security, Development and Human Rights for All.” The United Nations, he states, “was built for a different era”. Now, the challenge is to adapt the institution to the requirements of an ever moving, globalized world. Under his leadership, the United Nations has embarked on the road towards transforming itself into a more effective and accountable institution in this new environment.

A new focus on clear, measurable targets is one part of this overall transformation of the United Nations. The adoption of the Millennium Development Goals (MDGs) by world leaders in New York in 2000 has provided the United Nations with an action-oriented and quantifiable reference that has clearly energized the international community to take action on a variety of fronts. Today, the MDGs are the linchpin of international development policy. They are seen by many as the key to a more peaceful and secure world and as a bold promise to the billions of people living in abject poverty.

Under the leadership of Secretary-General Kofi Annan, the United Nations has embarked on the road towards transforming itself into a more effective and accountable institution.

During the 1990s,
facing a fundamentally
transformed world,
the United Nations
began reaching out to
civil society and business
in search of new partners
for shaping a new world.

This report focuses on one other vital aspect in these ongoing reform efforts: the progressive opening of the United Nations to non-governmental actors, including civil society and business.¹ In 1945, the United Nations was conceived of as a purely intergovernmental organization. During the Cold War, the world body remained by and large closed to actors other than Governments. During the 1990s, facing a fundamentally transformed world, the United Nations began reaching out to civil society and business in search of new partners for shaping a new world.

During the past decade, the spirit of multisectoral collaboration and “partnership” has gained prominence throughout the United Nations system and generated a broad range of activities and results. The successful cooperation between the United Nations and business as well as civil society in the wake of the 2004 tsunami disaster provides just one recent and very prominent example.

This report focuses on the role and performance of the United Nations in partnerships with other stakeholders, in particular the business community. It pursues two objectives. First, it offers an overview of current United Nations involvement in partnerships, in order to illustrate the progress that has been made during the past decade. Second, it provides a snapshot of the ongoing institutional transformation process in the United Nations, geared at enabling the organization to work more effectively in partnership with other stakeholders. In this context, the report highlights accomplishments as well as remaining challenges, providing the basis for the development of a progressive action agenda.

Opening up – opportunities and challenges

The gradual and ongoing process of opening is a result of a growing realization that the United Nations by itself will not be able to confront the manifold challenges of a globalizing world. Faced with complex and fast-changing transnational challenges, effective international cooperation among Governments is certainly more important than ever before. Yet, in order to induce change and improve the living conditions of billions of people in a sustainable manner, partnering with business and civil society is more than just an option. In many ways, it has turned into a necessity for the United Nations in order to “get the job done”. Business and civil society can bring key resources to the fore – knowledge, expertise, access and reach – that are often critical for successful problem-solving. The United Nations increasingly depends on these resources and tries to find innovative means to leverage them to its work. Governments are actively supporting these efforts at drawing non-governmental actors into the work of the United Nations, recognizing that it helps to make the world organization stronger and more effective. Many partnership initiatives also depend on the active participation of governmental authorities, on both the local and national level, to achieve impact and sustainability.

Reaching out to and engaging with other stakeholders in partnerships has also triggered some concern and criticism. Some sceptics claim that this new style of work has the potential to supplant the authority of Member States within the United Nations, while others allege that partnerships constitute a selling out of the United Nations, with the potential to ultimately undermine the reputation and legitimacy of the world organization. So far, however, there is no evidence that would lend credibility to these assertions. Even so, both supporters and sceptics of partnerships agree that engaging business and civil society requires attention, sensitivity and focus on the part of the United Nations. The process of organizational change

at the United Nations needs to continue so as to supply all the skills, policies, tools and mechanisms necessary to leverage the full potential of partnership to the mission and goals of the Organization. As this report demonstrates, making the United Nations “fit” for partnerships is a task that is aligned with the overall reform agenda which the world organization is currently facing.

This report highlights two key challenges which the United Nations must address to enable effective and sustainable partnerships:

First, partnerships must feature strong local ownership. In other words, local actors (from business, civil society and Government) need to have a stake in the conceptualization and implementation of partnerships. Some United Nations organizations have started building capacity at country and regional levels in order to foster local ownership in partnerships. However, more needs to be done. The United Nations has to strengthen its efforts at enabling country and regional offices to effectively work in partnership. In addition, the United Nations must develop mechanisms designed to link global initiatives with country-level programmes.

Second, partnerships require strong and transparent management. Having impact assessment mechanisms in place is particularly crucial. Impact assessment is an indispensable tool for partnership managers and it is a key mechanism for ensuring accountability – to partners, beneficiaries and donors. As this report shows, some partnerships have dealt effectively with the management and impact assessment challenges, often in an experimental and innovative fashion. The challenge now is to learn from these experiences and to move from the current experimentation phase toward a more systemic approach.

The level and quality of partnership management depends to a large extent on the ability of each actor to be an effective partnership player. What matters is their degree of “interface capacity,” i.e. the extent to which all the necessary skills, policies, tools and mechanisms are in place for effective partnering. As this report demonstrates, much has been accomplished on the partnership front within the United Nations. The world body has undoubtedly come a long way in its efforts to work in partnership with other stakeholders. Ten years ago, much of what is now accepted as common practice was deemed unthinkable.

However, there can also be no doubt that progress has been uneven across the United Nations system and that the process of institutional transformation is still in its early phases. Building interface capacity presents a tall order for any organization that is short on resources, including the United Nations. Clearly, the United Nations cannot successfully address these challenges alone and needs to collaborate with its partners from business and civil society, with Governments and other intergovernmental organizations in finding suitable and practical solutions.

As noted above, this report focuses on the role and performance of the United Nations in partnerships. In doing so, it concentrates in particular on the relationship between the world organization and the business community.² It goes without saying, however, that civil society organizations (i.e. NGOs, foundations, etc.) are equally important players in partnerships. The many case studies included in this report feature not only United Nations and business but also strong civil society involvement.

The report proceeds in four stages (see figure 1)

Chapter 2 briefly reviews the political debate on partnerships, defines partnerships for the purpose of this report and offers a categorization. It also presents the core of our empirical findings on partnerships, providing evidence on key partnership characteristics and partnership management challenges. Chapter 3 reviews recent trends in United Nations partnership work, focusing on efforts at building partnership management systems and promoting

Business and civil society can bring key resources to partnerships – knowledge, expertise, access and reach – that are often critical for successful problem-solving.

The process of organizational change at the United Nations needs to continue so as to supply all the skills, policies, tools and mechanisms necessary to leverage the full potential of partnership to the mission and goals of the Organization.

4 Business UNusual

strong local ownership. The chapter provides an assessment of what the United Nations has accomplished in transforming itself into a partnership player, and identifies future challenges. Chapter 4 concludes and offers recommendations for action by the United Nations.³

Figure 1 | Report structure

Chapter	Key question
1 Introduction	Why another report on partnerships, and why now?
2 Partnerships	Why do partnerships emerge, and what functions do they fulfill?
3 The United Nations as a partnership player	How, and to what extent does the United Nations contribute to the success or failure of partnerships?
4 Conclusion	What are the most important action items for the United Nations?

Endnotes

- ¹ The findings of this report are based on illustrative case studies and more than 60 in-depth interviews with United Nations staff members, business representatives, representatives from Governments, and civil society organizations. In addition, a survey was conducted among United Nations Global Compact business participants to investigate the business perspective on the United Nations as a partnership player. More than 150 companies participated in that survey. The survey as well as more details on data analysis can be accessed at <http://globalpublicpolicy.net/businessUNusual>.
- ² For the purpose of this report business is defined as all individual, for-profit, commercial enterprises, business associations and corporate philanthropic foundations. Individual businesses encompass multinational companies and large national companies (where the State is not the majority owner), as well as cooperatives, small and medium-sized enterprises and micro-enterprises. Business associations include representative, membership-based bodies, such as trade and industry associations, chambers of commerce and organizations of employers (which may have local, national and international structures). Corporate philanthropic foundations are directly funded and/or governed by business. See also Jane Nelson (2002). *Building Partnerships. Cooperation between the United Nations System and the Private Sector*. New York: United Nations.
- ³ The focus in this report on United Nations-business relations is a deliberate choice for two reasons. First, the scope of this report does not allow for a more comprehensive analysis of partnerships and the individual stakeholders that get engaged. And second, United Nations-civil society relations have recently been analyzed by the Secretary-General's Panel of Eminent Persons on Civil Society and United Nations Relations, the results of which include a number of highly interesting and useful observations relevant for the partnership debate. See United Nations General Assembly (2004). "We the Peoples: Civil Society, the United Nations and Global Governance. Report of the Panel of Eminent Persons on United Nations-Civil Society Relations, A/58/817." New York: United Nations. In January 2004, the Panel of Eminent Persons on Civil Society and United Nations Relations held a workshop on "Multistakeholder Partnerships and UN-Civil Society Relationships." A summary of the discussions can be found in Cardoso Panel Secretariat United Nations (2004) "Multistakeholder Partnerships and UN-Civil Society Relationships." Paper presented at the Multistakeholder Workshop on Partnerships and UN-Civil Society Relationships. New York, February 2004.



chapter 2

Appreciating the contribution of partnerships

The wide variety of partnership activities in which the United Nations has become involved reflects the diversity of mandates, work styles and governance structures within the United Nations system.

Over the past decade, the vast majority of United Nations organizations have started to actively engage business and civil society in their work. The sheer number of multisectoral partnerships that have developed is astonishing.¹ Many of these partnerships have produced impressive results, as the selection of illustrative cases profiled in this chapter shows.² The wide variety of partnership activities in which the United Nations has become involved reflects the diversity of mandates, work styles and governance structures within the United Nations system. This necessarily makes a categorization of partnerships both provocative and challenging.

This chapter proceeds as follows. First, it illustrates the ways and means by which partnerships are already contributing to the

work of the United Nations. Based on a set of brief case studies, the chapter offers a categorization of partnerships to allow for a more structured discussion of relevant partnership themes and issues. Second, drawing on the case studies, as well as on interviews conducted for this report, the chapter features a brief discussion of common challenges facing partnerships. In closing, the chapter raises a number of critical questions to which future research on multisectoral partnerships will need to respond. The objective of follow-up studies should be to move towards a systematic, conceptual approach to explaining the emergence and impact of partnerships.

Four functions of partnerships

A thorough assessment of what drives the emergence of partnerships and what determines their impact requires a systematic understanding of the phenomenon itself. What types of partnerships are out there? And what exactly do they do?

In principle, a categorization of partnerships can be achieved across numerous dimensions, such as governance structure or geography. This report offers a functional categorization of partnerships from the perspective of the United Nations. For the purpose of this report, this categorization helps to highlight the practical contributions of partnerships to enhance the work of the United Nations.³

Partnerships fulfil four types of functions:

- (a) **Advocacy** The United Nations partners with business and civil society in order to advance a specific cause and/or draw attention to a particular issue. Advocacy partnerships leverage the reputation and networks of both the United Nations and stakeholders to promote vital political and development issues, including the MDGs and human rights.
- (b) **Developing norms and standards** The United Nations engages with stakeholders for the purpose of developing codes of conduct, reporting guidelines, or other norms and standards that guide business conduct and help facilitate market transactions in the global economy. These codes and agreements serve as reference frames that define desirable and inappropriate behaviour.
- (c) **Sharing and coordinating resources and expertise** The United Nations partners with business in order to benefit from complementary resources and to coordinate contributions to key development projects, including humanitarian relief efforts. The strategic allocation and sharing of knowledge and technology is of particular importance.
- (d) **Harnessing markets for development** The United Nations partners with business for the purpose of supporting the development and expansion of sustainable markets at a local, regional and global level. Such partnerships either help provide access to markets (such as producer networks) or help to bridge or deepen markets (for example by providing incentives for business to invest).

Many partnerships fulfil more than one of these functions. In some cases, functions evolve over time. The scope and quality of the data on which this report is based do not provide the basis for far-reaching generalizations and broad conclusions. However, some common issues and trends emerge. These are discussed for each partnership category in order to highlight the core dynamics behind the various types of partnerships.

Issue advocacy

Business has emerged as a key partner for the United Nations in shaping global, regional and national policy agendas. Business can make an important contribution to such agenda setting, not only through financial support, but also through its expertise (i.e. in industrial marketing) and extensive reach all over the world. This holds true for the demand side – through outreach to its consumer base, as well as for the supply side – through its relations with suppliers and other business partners.

Business is not only getting involved in advocacy partnerships for philanthropic reasons. Cases such as the Global Alliance for Improved Nutrition (GAIN) (see Box 1) and the Global Handwashing Partnership (see Box 3) demonstrate that public and private interest sometimes overlap sufficiently to facilitate joint action. Indeed, partnerships that are based on the participating companies' business interests are more likely to be sustainable in the long run.

As noted above, it is rare for partnerships to fulfil merely one function. This applies in particular to advocacy partnerships. Many of these initiatives not only help place an issue on the global agenda, but they may also facilitate the dissemination of knowledge and technology.

Advocacy partnerships present a number of challenges for all partners involved. In particular, in such collaborative initiatives it appears to be extremely difficult to strike an appropriate balance between legitimate advocacy and product or brand advertising. All partners are entitled to expect some form of "return" on their investment. In this sense, companies that support advocacy campaigns financially or in other ways may understandably wish to claim adequate credit for their engagement. For instance, credit may encompass reputation benefits for a company's brand or products. The United Nations, however, must not be seen as endorsing particular brands or giving exclusive access to certain companies. One way the United Nations has tried to deal with this challenge is to bring together business coalitions in advocacy campaigns rather than relying on bilateral alliances.

Advocacy initiatives face tremendous challenges in fostering local ownership. By their very nature, many of these alliances are globally driven and often fail to incorporate local perspectives. This explains why various advocacy partnerships, such as the Stop TB Partnership (see Box 2), have begun to launch partnerships in individual countries; locally driven partnerships foster ownership and link global campaigns to local realities.

Finally, when choosing business partners for advocacy initiatives, organizations in the United Nations system must be both careful and considerate. Joint advocacy campaigns with business are intended to attract a high degree of publicity and attention. The United Nations needs to make strategic choices regarding the question of which companies and civil society organizations it engages in such campaigns. For the United Nations, legitimacy, reputation and "brand value," are key assets that the Organization cannot afford to squander.

Business has emerged
as a key partner
for the United Nations
in shaping global, regional
and national policy agendas.

Advocacy initiatives
face tremendous challenges
in fostering local ownership.



Dominican Republic: Wheat flour fortified with iron, folic acid, vitamin B



Uzbekistan: Flour fortified with Iron, zinc, folic acid, vitamin B

China: Soy sauce fortified with iron



© GAIN / Claudia Panaita

Bolivia: Wheat flour fortified with iron, folic acid, vitamin B



© GAIN / Françoise Chomé



Vietnam: Fish sauce fortified with iron

© GAIN / Françoise Chomé

Morocco: Wheat flour fortified with iron, vitamins A+B



© GAIN / Tim Higham

© GAIN / Tim Higham



Mali: Cottonseed oil fortified with vitamin A

Box 1 | GAIN - Global Alliance for Improved Nutrition (www.gainhealth.org)

Vitamins are good for you! Everybody knows that... Few people are aware of the fact that more than a third of the world's population suffers from micronutrient deficiency. Given that the vast majority of these two billion people live in developing countries, micronutrient deficiency constitutes a major burden to many countries' growth and development prospects. This is where GAIN, the Global Alliance for Improved Nutrition, comes into play. GAIN seeks to build alliances of public, private and civil society partners in order to create awareness for micronutrient deficiency and to help eradicate vitamin and mineral deficiency worldwide.

GAIN's specific objective is to help improve the nutritional status of at least 600 million people in as many as 40 developing countries by 2007. The fortification of commonly available and locally consumed foods will serve as the primary means to accomplish this ambitious goal. Rooted in the idea of local ownership, GAIN provides financial and partnership resources for large-scale, country-based food fortification programmes. In addition to several smaller grants, the Alliance expects to award 40 country grants of up to US\$3 million each by 2007. Beyond its

financial resources, GAIN offers a mechanism for advocacy fashioned to create an enabling environment based on multisectoral cooperation. Participation of both local and multinational private sector enterprises is particularly crucial for the practical implementation of food fortification programmes.

GAIN's activities are well underway and already span the globe. Within two years, 15 Requests for Proposal in 14 countries have been approved and have received funding. In China, for example, fortified soy sauce is being made available to some 129 million people. In South Africa, fortification of maize meal and wheat flour with eight micronutrients was made mandatory in the fall of 2003.

The Bill & Melinda Gates Foundation provided an initial five-year establishment grant of US\$50 million to support the initiative. Other founding donors included USAID, CIDA and the Micronutrient Initiative. While the World Bank has been functioning as GAIN's interim trustee, UNDP will serve as the Alliance's administrative host agency until the end of 2005. Starting in 2006, GAIN will continue its activities independently. GAIN is governed by a Board and administered by

a small secretariat based in Geneva. Its constituents include donors, partners and National Fortification Alliances (NFAs), which constitute the backbone of GAIN-supported projects at the country-level. An NFA serves as a national consensus group that develops a National Fortification Programme (NFP), facilitates the process of creating and submitting a grant proposal and follows up on the implementation of the NFP. In addition to funding large national projects, GAIN has also devised a Small Grants Scheme with an annual budget of US\$2 million that assists countries in tackling challenges in their fortification programmes and supports GAIN's global and regional activities, such as advocacy and product development.

Monitoring and continuous evaluation are central components of the initiative's design. GAIN measures the progress and success of projects it supports and monitors the proportion of potentially fortifiable foods using established input, process, output and outcome indicators. Such impact assessment is seen as crucial in order to demonstrate accountability to beneficiaries and donors and to inform management decision-making.

Vitamins are good for you! Everybody knows that... yet over a third of the world's population is suffering from micronutrient deficiency. The multisectoral Global Alliance for Improved Nutrition (GAIN) is tackling this issue by fortifying local foods, such as fish sauce with iron in Vietnam and other foodstuffs around the globe.





Box 2 | Stop TB Partnership (www.stoptb.org)

As a global initiative with increasingly active national implementation networks, Stop TB is an advocacy partnership creating awareness on Tuberculosis. In addition, the initiative facilitates the sharing of expertise and knowledge on approaches to preventing and treating the disease. The partnership secretariat is independent from, but housed within, the World Health Organization (WHO). The WHO used its convening power to bring together a broad coalition of stakeholders, from the business community, civil society and Government, to create a strong and united coalition for the global fight against TB.

It is commonly agreed that TB is an epidemic fostered by poverty, putting an additional strain on the developing world. At the same time, the proliferation of multidrug-resistant TB strains means that the disease increasingly threatens industrialized countries as well. TB destroys millions of lives every year. Next to the human tragedy, the macroeconomic impact of the disease is enormous. In conjunction with HIV/AIDS and Malaria, TB is a major obstacle to economic development and therefore one important root cause of persistent poverty. Through its advocacy efforts, the partnership raises awareness and ensures that the disease is on the global agenda.

Stop TB was launched in 1998 by then Director-General of the WHO Gro Harlem Brundtland. Earlier efforts by Governments and international organizations to effectively fight TB had failed. Today, the initiative includes members from the business community, including ImmunoBiology, John Snow and Eli Lilly, as well as civil society members, including Africare, TB Alert and the International Federation of Red Cross and Red Crescent Societies. Also, Stop TB is supported by numerous Governments, including the United Kingdom. A complex network of partnerships – currently 361 partner organizations globally – was built within a relatively short timeframe. This rapid growth came hand in hand with a consistent budget increase funded by the WHO, the World Bank and the Rockefeller Foundation, to name only a few contributors.

Early in the process, the partners agreed to basic rules of the game for Stop TB. The “basic framework” spells out roles and responsibilities of different actors, gives guidance on matters of cooperation with the WHO and clarifies financial issues and other logistics. As a complement to the Millennium Development Goals, Stop TB has formulated specific targets for its work. These targets are not only important to motivate all partners to join the fight, they also allow the measurement of progress along the way.

In addition to its clear distribution of roles and responsibilities, Stop TB has also been successful in facilitating transparency in its work, through its website and other means. This transparency also extends to the members of the partnership. A partnership directory facilitates a search according to the country in which the respective partner is based.

In recent years, national Stop TB partnerships have been set up in order to provide more effective responses to local realities taking into account cultural and organizational diversity. Hence many high burden countries now feature national Stop TB initiatives, which are usually smaller “replicates” of the global Stop TB initiative.

The partnership has added value at the country level through at least three channels: the Global Drug Facility has triggered an increase in funding for national TB efforts; technical support streams facilitated through the Stop TB Partnership have fostered strategy development, problem-solving in the field, improved partnership coordination and training; and individual members of the Stop TB partnership have engaged in more active and coordinated advocacy work which has helped to raise the visibility of TB control.





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Box 3 | “Health In Your Hands”: The Global Public-Private Partnership for Handwashing with Soap (www.globalhandwashing.org)

Despite the fact that soap has been made available to 90 percent of all households worldwide, washing one’s hands with soap is not a global social norm. For public health professionals, this circumstance poses a great challenge, especially in developing countries. As long as people do not wash their hands regularly, illnesses such as diarrhoeal disease and respiratory tract infections - the two greatest killers of children in less developed countries - will remain a significant health threat.

Public health professionals at the World Bank, UNICEF and other institutions have been aware of this challenge for a long time. However, several attempts to spread awareness about the importance of hand washing through advocacy and marketing campaigns did not lead to satisfactory results. Over the course of some informal discussions, the idea of partnering with business emerged. International development professionals certainly know a lot about public health and development. However, they are not usually experts in effective, target-group focused marketing.

It did not take long to convince companies to participate in what was to become the Global

Public-Private Partnership for Handwashing with Soap. For the World Bank and UNICEF, it was a means of strengthening public health, which would be essential for greater development efforts. For soap companies, promoting hand washing meant expanding their markets and reaching new customer groups.

Since its inception in 2001, “Health In Your Hands” has grown into a global initiative. Combining the expertise of the soap industry with the resources of the World Bank and UNICEF, the initiative enables all partners to advance their respective interests. Governments and development agencies are in a better position to combat disease and poverty, while the private sector finds opportunities to expand markets. As hand washing directly relates to health improvement and to access and effective use of water, this Partnership contributes to the Millennium Development Goals.

Building on detailed consumer studies, country-based programmes reach out to target audiences through mass media, direct consumer contact and Government channels of communication. Through detailed monitoring and evaluation, the

programmes gather and disseminate relevant knowledge on the subject and on multisectoral collaborations. Country-based partnerships have been established in Ghana, Nepal, Peru and Senegal. At the global level, advocacy events are organized to promote the hand washing cause. Partners include the World Bank / Bank-Netherlands Water Partnership, the London School of Hygiene and Tropical Medicine, the Academy for Educational Development, UNICEF, USAID, the Environmental Health Project, as well as Colgate-Palmolive, Unilever, Hindustan Lever Ltd., Procter & Gamble and the Centres for Disease Control and Prevention. In order to evaluate the efficacy of hand washing campaigns in the field, a global monitoring and evaluation framework has been developed in collaboration with the London School of Hygiene and Tropical Medicine, the Centres for Disease Control and Prevention and the Environmental Health Project.

Despite the fact that soap has been made available to 90 percent of all households worldwide, washing one’s hands with soap is not a social norm everywhere.

Standards-setting partnerships are the most complex and difficult to manage since they usually engage a broad variety of stakeholders.

Developing norms and standards

Various partnerships have emerged in recent years for the purpose of developing norms or standards that fill gaps in global governance. These partnerships often respond to the failure of traditional governance mechanisms to come up with effective, binding frameworks.⁴ In other cases, voluntary codes of conduct or guidelines have become the tool of choice because they provide more flexible and adaptable means to influence behaviour.

Standards-setting partnerships are the most complex and difficult to manage since they usually engage a broad variety of stakeholders, most notably from civil society, but also from business and the United Nations. These stakeholders represent very diverse interests and as a result, such partnerships are contested spaces in which conflict and different perspectives need to be managed.

Standards-setting initiatives such as the Global Reporting Initiative (GRI) (see Box 4), or the Access to Basic Services for All initiative (see Box 5), are not only about upgrading broadly accepted mechanisms and tools. These kinds of initiatives emerge because, though there exist fundamentally different points of view, none of those who come to the table can afford to live with the current status quo indefinitely. Rather than remaining in conflict and stalemate, the stakeholders decide to invest in potential solutions.

However, when a standard-setting process is launched, it is by no means certain that the underlying conflicts can or will be successfully resolved. At the end of a negotiation process, even if the various stakeholders are able to agree to a set of common standards, there is no guarantee that these standards will be implemented. The more inclusive and open the process, the more likely it should be that the standards will find practical application in the real world. Under these circumstances, accountability and the degree to which such initiatives are seen as legitimate by all stakeholders has a direct impact on implementation.

At the same time, the more stakeholders that are included, the more difficult it becomes to manage the political process and to produce impact with a reasonable input/output ratio. Accordingly, standard-setting partnerships require a careful balancing of action and accountability, impact-orientation and inclusiveness.



Box 4 | Global Reporting Initiative (www.globalreporting.org)

The mission of the Global Reporting Initiative (GRI) is to develop comprehensive sustainability reporting guidelines in order to contribute to, and possibly merge, the wide range of Corporate Social Responsibility reporting guidelines. The guidelines issued by GRI are to be used by multinational organizations, public agencies, small and medium-sized enterprises as well as non-profit organizations to promote a single, comprehensive reporting standard on social and environmental performance. The GRI, convened initially by the United Nations Environment Programme (UNEP) and the Coalition for Environmentally Responsible Economies (CERES) in 1997, evolved into an independent organization in 2002. Today GRI is a UNEP Collaboration Centre and cooperates closely with the United Nations Global Compact Office.

Mission achievement poses an obvious challenge for the GRI. In order to flesh out universally acceptable reporting standards applicable to such a variety of target groups, it is imperative to involve a diverse group in the drafting process. In order to meet such requirements, the GRI has clear rules of the game and a sophisticated multi-stakeholder structure.

Today, there are 230 registered Organizational Stakeholders from 34 countries. Membership ranges from large multinationals, like ABN Amro or Canon, to NGOs, such as Oxfam or the African Institute of Corporate Citizenship. The first set of reporting guidelines was published in 2002. They are designed to help describe an organization's environmental, social and economic efforts and achievements. The guidelines are mainly endorsed by large multinationals issuing their annual sustainability reports, but NGOs and small and medium-sized enterprises are strongly encouraged to join the effort. However, one needs to keep in mind that the guidelines do not go as far as to prescribe performance standards; they offer no means for "measuring" or "evaluating" the above efforts.

Funding for the GRI was provided initially by several foundations, including the United Nations Foundation, the Rockefeller Foundation and the Ford Foundation. UNEP was also one of the first contributors. Over the years, the funding structure evolved and now there are also business donors - including Nike, PricewaterhouseCoopers and Royal Dutch/Shell.

Two challenges emerge from the Global Reporting Initiative's complex multistakeholder process. Firstly, it is important to include as many different actors as possible in a constructive process - regardless of disagreement in other areas. This is especially critical when businesses, labour unions and civil society representatives sit at one table. Secondly, one must assure the Guidelines correspond with, and possibly contribute to, existing norms and standards. Efforts have been made to respond to both of these challenges and GRI has been rather successful. According to participants, various stakeholder groups from different regions are involved and usually cooperate effectively.

There are currently about 600 organizations using the 2002 guidelines. However, there is still criticism that the guidelines are too complex to be followed efficiently. The GRI is currently working on a revised set of guidelines, which will most likely relieve some of the defects of the current version. The new set of guidelines (G3) will be published by mid-2006.





Box 5 | Access to Basic Services for All

“Who owns water?” is the provocative question asked by many NGOs in light of the fact that the poorest of the poor in many developing countries frequently do not have access to fresh water or other basic services. Basic service provision has long been a contentious issue. The trend in many developing countries from the 1980s onwards has been to establish public-private partnerships for basic services, in which the service infrastructure remains public, but provision is contracted out to private enterprises. The process has been divisive, as the water case illustrates. Critics contend that private water provision is concentrated into the hands of a few major players that are not accountable to the public. In Bolivia, they claim, water prices have tripled and in Argentina, service providers are accused of having “pulled out” of the country during its financial crisis.

It is against this backdrop that the Access to Basic Services for All Initiative was launched in 2002. The initiative seeks to develop an international standards framework on how to build effective and fair public-private partnerships that improve the delivery of and access to, basic services. The process brings together various actors – public and private, local, national and international – with the goal of developing a reference frame of their respective rights and responsibilities in the provision process. The initiative is based on the recognition that basic services are interrelated: well-planned, integrat-

ed strategies can save resources and permit simultaneous progress in basic services provision. Such strategies require the cooperation of all stakeholders involved in the provision of basic services. Cooperation can be improved by establishing a framework that specifies the partners’ roles and responsibilities. For companies, such a framework creates a more predictable environment for investment and operations. For NGOs, it offers a set of standards to which they can hold companies accountable. Governments, in turn, stand to benefit by improvements in meeting their responsibility of ensuring safe and affordable access to basic services.

The impetus for the initiative came from Véolia Environnement (formerly Vivendi), a French company involved internationally in local utilities management in water, energy equipment, waste and public transport. Véolia contacted the United Nations Institute for Training and Research (UNITAR) about the possibility of becoming involved in a project promoting the effective use of partnerships in local public services provision. The Access to Basic Services for All Initiative was developed at two ensuing meetings, the latter of which was held at the 2002 World Summit for Sustainable Development in Johannesburg.

In consultation with private companies, local and national Governments and NGOs, UNITAR and UN-HABITAT drew up two documents that identify three priorities for basic services provi-

sion. These are: to conduct sustainable pro-poor policies – to develop an effective multistakeholder partnership for basic services provision and to allocate a central role to local authorities in basic services provision. The documents propose the development of a declaration of principles on access to basic services, sets of guidelines that identify the roles, responsibilities and rights of individual stakeholders and regulations that further develop the general guidelines on a sector-specific basis. The World Urban Forum in September 2004 put forward the suggestion to establish an open-ended, multistakeholder Support Committee in charge of following-up the UN-HABITAT and UNITAR initiative. In April 2005, the Governing Council of UN-HABITAT adopted a resolution backing the Access to Basic Services for All principles and guidelines. The resolution, which had been introduced by the Governments of Brazil, France, the Philippines and South Africa, was passed with the support of the Group of 77, the People’s Republic of China and the group of African countries.

The consultative process is to be pursued in further detail at a July 2005 international meeting that will focus on the financial aspects of basic services provision as well as on the financing of basic services by local authorities. The final Declaration and Guidelines are to be discussed and adopted at the Millennium+5 Summit in September 2005 and by ECOSOC in July 2006.

“Who owns water?” critics have asked in response to the trend for privatizing water provision. The Access to Basic Services for All Initiative seeks to address these concerns by making clear the roles and responsibilities of stakeholders in public-private partnerships for the supply of basic services. Increased access to energy, sanitation and waste management as well as the construction of vital transportation arteries has had a major impact on impoverished regions worldwide, providing livelihoods for thousands of people previously cut off from the outside world.





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Partnerships that share and coordinate resources and expertise take advantage of technological innovation and the gains stemming from an exchange of information, experience and best practice.

Sharing and coordinating resources and expertise

Partnerships between the United Nations, business and civil society that share and coordinate resources and expertise take advantage of technological innovation and the gains stemming from an exchange of information, experience and best practice. Some of these partnerships exploit economies of scale in knowledge generation and dissemination and thereby help to build capacity in developing countries. As noted above, the United Nations partners with business and civil society to take advantage of complementary resources, thereby coordinating responses to key development issues including humanitarian relief efforts.

Partnership initiatives that share and coordinate resources face the risk of being overly supply-driven and thus of being initiated and managed using a top-down approach. This might be the case when a company is looking to promote its particular product or service at the local level. Excellent brokering skills are essential in many of these partnerships to ensure that supply and local demand meet. Catering to local needs and wants can be difficult. Communication structures that facilitate dialogue from the top-down and vice versa are vital in order to incorporate local perspectives into the partnership.

Most importantly, however, sharing and coordinating resources and expertise through partnerships frequently raises concerns over the sustainability of projects and the creation of dependencies. For example, in-kind programmes (which constitutes one component of the First on the Ground Initiative), can be challenging in the sense that they may have the potential to “hook in” partners to specific technologies or tools that may generate undue costs or simply reduce future development options.

Box 6 | WFP-TNT Moving the World

“Moving the World” is a partnership between the United Nations World Food Programme (WFP) and TNT, a mail, express delivery and logistics services firm and United Nations Global Compact participant. The partnership aims to support WFP’s fight against world hunger through knowledge transfer, on-the-ground logistical support and advocacy work. The partnership stems from the realization that the provision of food supplies is in many respects a logistics problem. As such, TNT and WFP are engaged in a complementary business: the fight against world hunger stands to benefit from the sharing of know-how, knowledge and technology between the two organizations.

TNT’s reasons for engaging in a partnership with WFP are manifold. The initial and primary motivation is social – seeking to make a valuable contribution to WFP’s fight against world hunger. The desire to demonstrate the company’s corporate social responsibility also plays a major role, given a growing sentiment that globally operating companies ought to contribute to social development. Finally, TNT also hopes that the corporate social responsibility drive would be a means by which to foster unity between the three business units (mail, logistics, express) operating under the TNT label, to motivate TNT

employees and, as a result, make TNT a more attractive company.

During the partnership development phase, TNT and WFP drafted a Memorandum of Understanding that outlined their cooperation. Here, TNT and WFP executives agreed on five work areas for cooperation: School Feeding Support, Private Sector Fundraising, Emergency Response, Joint Logistics Supply Chain and Transparency and Accountability.

Since 2002, TNT’s in-kind and financial commitments (US\$10 million in 2005) have generated 27 projects in some 60 countries within these five work areas. First, the Emergency Response initiative uses TNT Express networks to deliver non-food items and ICT equipment from WFP depots to areas of crisis. TNT has provided direct support in emergency operations in Iran, Chad, Liberia, Haiti and most recently in the tsunami affected areas of South East Asia. It has also opened up its aviation training programme and helped to improve WFP’s air operations. Second, the Joint Logistics Supply Chain initiative supports the logistics needs of WFP and other humanitarian organizations. This covers enhancing warehouse storage facilities, fleet management and engaging in joint procurement efforts.

Most recently, at the request of WFP staff in the area, TNT has reviewed the transport capacity of road relief corridors both to and within Southern Sudan – where 70 percent of WFP’s current relief work is done using airplanes. Third, the School Feeding Support initiative ties into WFP’s existing Global School Feeding Campaign, through which WFP provides food at schools in order to address both short-term hunger and long-term educational and development issues. Fourth, the Private Sector Fundraising Programme allows TNT to assist WFP in diversifying its traditionally Government-oriented donor base through the development of consumer and corporate fundraising strategies. Finally, the Transparency and Accountability initiative uses TNT’s best practice and training programmes to improve WFP’s capacities in the areas of accounting, auditing and human resource management.

TNT engages in regular reviews of the Moving the World Programme. One dimension of review concerns the benefits of the partnership to TNT, focussing on how the partnership has affected employee motivation internally and its brand reputation externally. A second dimension of review is an evaluation of the benefits of the partnership as a whole as well as its individual projects.

The partnership between Dutch mail, express delivery and logistics firm TNT and the World Food Programme stems from the realization that the fight against world hunger is, in many respects, a logistics problem.





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Box 7 | First on the Ground Initiative

In order to facilitate the provision of mobile GSM networks to a number of United Nations humanitarian agencies, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) is partnering with Swedish Telecommunications giant Ericsson. Ericsson shares its expertise and resources with the United Nations system, helping various United Nations bodies to improve emergency relief operations.

In the early 1990s, Ericsson had already set up the Ericsson Response Programme as an independent, corporate-led relief programme. As part of that programme, Ericsson started cooperating with several United Nations agencies (OCHA, UNFIP, UNDAC and the United Nations Global Compact Office) and the IFRC (International Federation of Red Cross and Red Crescent Societies) to provide fast and unbureaucratic disaster relief – for example during the Bam earthquake in Iran in 2003. This was done principally by way of providing communication networks or mobile phones for aid organizations and their affiliates.

Over the course of the late 1990s, an ongoing communication process between Ericsson and various United Nations organizations progressed and the idea of a more formal partnership between the company and United Nations OCHA (as the coordinating body in the United Nations system for disaster relief) developed. As a result of this process, the “First on the Ground Initiative” was launched in 2001. As part of the partnership agreement, the United Nations formally accepted the donation of a “switch” to be located at the United Nations Logistics Base in Brindisi (Italy). This switch facilitates standby capacity in order to provide mobile GSM networks to disaster-struck areas. Technology is delivered both to the main switch and in the form of mobile GSM units – to be administered by United Nations staff on a demand basis. As part of the “First on the Ground Initiative,” Ericsson also set up the Technical Reference Group as a permanent branch. This group is composed of Ericsson employees with the relevant technical expertise to assist United Nations and IFRC relief

organizations in identifying needs and developing technical proposals and applications for more efficient disaster response. The group meets twice a year to digest outcomes of research projects and studies. Usually representatives from relief organizations participate in these meetings. Currently, the GSM units are ready for testing. However, the project has not yet reached the final delivery phase.

Ericsson’s incentives to partner with the United Nations are manifold. Most importantly, the company has benefited from the extensive and almost entirely positive media coverage the partnership has generated. Moreover, the First on the Ground Initiative allows Ericsson to be recognized as one of the leading global technology companies able to leverage complex technical solutions in difficult environments.

(Above Left) Ambassador Lakhdar Brahimi, Head of the United Nations Assistance Mission in Afghanistan until December 2004, making the first phone call from a telecommunications unit installed by the Ericsson Response Programme.





Box 8 | Partnerships for disaster relief: The recent tsunami experience

On December 26, 2004, an earthquake, followed by a massive tsunami, devastated the Indian Ocean coastlines from Thailand to Somalia, claiming the lives of more than 295,000 people and leaving 1.5 million displaced and 500,000 homeless. The disaster resulted in a massive and unprecedented outpouring of help from business. Existing channels of communication between the United Nations and business ensured that contributions were put to use rapidly and effectively.

A number of examples illustrate this point:

- The accounting firm PricewaterhouseCoopers, previously involved in a variety of other partnerships with United Nations organizations, is providing pro bono services to assist the United Nations in leveraging the massive outpouring of help as efficiently as possible to the affected regions. To do so, the company donated 8,000 hours of staff time that is being used to develop a website which will enable the public to track the use of their donations to the United Nations system. The initiative's initial focus is on a US\$997 million United Nations flash appeal launched to address the basic needs of tsunami victims over the first six months.
- The mail, express and logistics provider TNT made available an additional US\$2.9 million of in-kind support to its ongoing partnership with the World Food Programme. With TNT's help, WFP staff members in the field were equipped and trained in the use of scanners that are an instrument of WFP's COMPAS system. COMPAS, a corporate commodity tracking

system, enables rapid and effective planning of food shipping deployments. Finally, TNT donated US\$270,000 to WFP, raised by TNT employees in the Asia Pacific region.

- The mobile communications firm Ericsson, which works with a number of United Nations agencies on disaster relief, donated mobile phones and a GSM network to facilitate communication among aid organizations in Indonesia.
- BASF, a German chemicals company with a record of partnering with the United Nations, joined forces with UN-HABITAT to support post-tsunami reconstruction in Sri Lanka. BASF will help construct a six-stall wholesale fish market that will sustain the local fishing fleet, whose facilities were destroyed by the tsunami wave.

At the same time, the tsunami disaster also prompted numerous companies with no previous United Nations partnership experience to inquire about how they could assist in the relief activities. One of the challenges has been matching company donations, particularly in-kind contributions, with the appropriate United Nations bodies. One effort aimed at addressing these problems has been the launch of an inter-agency website entitled "Business Contributions to UN Emergency Relief Efforts: An Orientation Guide" by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and the United Nations Global Compact Office (<http://ochaonline.un.org/businesscontributions>). The guide outlines the roles of various

United Nations organizations in emergencies and helps businesses identify effective ways to support ongoing and future relief efforts. A further, agency-specific effort is UNDP's Corporate Partnerships in Emergencies (COPE) Programme (www.undp.org/cope). The programme facilitates the matching of private sector cash and in-kind donations with UNDP's humanitarian relief work in the tsunami-struck regions. The website offers businesses updated information by sector on UNDP's specific on-the-ground needs.

The tsunami disaster illustrates the importance of existing partnerships and channels of communication in ensuring rapid and effective joint private sector and United Nations action in emergency relief operations. It has also shown, once again, that business is keenly interested in contributing towards disaster relief efforts. At the same time, the disaster also raised awareness in the business community of the scale and scope of the United Nations' work, as well as its organizational limits. The creation of instruments that match the expertise of the United Nations with the expertise of the business community generates opportunities for addressing and overcoming some of these limits. In the coming months and years, the United Nations must continue to effectively channel the private sector's interest and goodwill for its emergency relief work. Addressing the United Nations General Assembly on 18 January 2005, Secretary-General Kofi Annan noted: "The generosity and support we have seen over the past few weeks have set a new standard for our global community. It is my hope that we will find a way of capturing this moment, nurturing this spirit and bringing it to bear in other crises around the world."

The tsunami disaster prompted numerous companies with no previous United Nations partnership experience to inquire about how they could assist in the relief activities. One response has been the launch of an inter-agency website entitled "Business Contributions to UN Emergency Relief Efforts: An Orientation Guide" by UN OCHA and the United Nations Global Compact. (Left) In his role as the United Nations Special Envoy for Tsunami Recovery, President William J. Clinton has emphasized the role of business in contributing to emergency relief and reconstruction.





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One of the
key impediments
to poverty reduction
is the absence
or failure of markets.

Harnessing markets for development

One of the key impediments to poverty reduction is the absence or failure of markets. A variety of partnerships between the United Nations, business and civil society attempt to address these challenges, either by providing access to markets or by deepening and bridging them.

Partnerships that provide access to markets, such as the Shea Butter Production Initiative in Burkina Faso (see Box 9), or the UNIDO Automotive Partnership (see Box 10), are particularly relevant for individual entrepreneurs and small businesses in developing countries that do not have the ability to market their products internationally. In other cases, markets do not produce socially desirable results. Partnerships can act as a corrective mechanism, providing incentives for markets to be bridged or deepened, as the Allianz-GTZ-UNDP Micro-Insurance Initiative illustrates (see Box 11).

When compared with partnerships that share and coordinate resources and expertise, initiatives that fall into this category tend to put a strong emphasis on market sustainability. These partnerships seek to correct markets through innovative means, including via systemic components designed to adjust market incentives. The fact that almost all partnerships in this category feature strong public sector participation is not coincidental. This demonstrates that in order to have a long-term sustainable impact such partnerships also need to effect change in the political-regulatory environment in which they operate.

Partnerships that bridge or deepen markets face a number of important challenges, some of which are particularly prominent and already fairly well explored, especially in the global public health arena.⁵ These partnerships often require complex legal arrangements. In the area of global health for instance, challenging questions need to be addressed at the nexus of R&D financing and the institutionalization of intellectual property rights. If these legal issues are not resolved, partnership ventures are not likely to succeed in the long-term since the underlying incentive structures of the partners will not be sufficiently aligned. Even if such partnerships manage to bridge a market and trigger the development of a new or improved drug that would not have been developed under other circumstances, access remains a potential problem. Drug development is surely a significant cost factor, but in many cases drug delivery is even more difficult and costly. Deficient national health care systems, zones of conflict and various other factors impede the effective delivery of drugs. In addition to capacity-building in national health care systems, a critical element in resolving this problem is a more systematic and effective engagement of civil society in health partnerships – as the profiled Sleeping Sickness Initiative indicates (see Box 12).⁶





Box 9 | Shea Butter Production Initiative

The Shea Butter Production Initiative, a partnership between French cosmetics firm L'Occitane en Provence and the United Nations Development Fund for Women (UNIFEM), aims to help women producers in rural Burkina Faso gain direct access to markets for their product.

Shea butter – called “women’s gold” in Burkina Faso – is a product of the shea tree (karité), which is native to the Sahel savannah of Western Africa. Crushing the fruity part of the nut yields a nut butter that is used in skin and hair care as well as in the manufacture of chocolate. By tradition, the harvesting of shea nuts and the production of the butter are women’s work.

In the 1990s, the Burkinabè Government sought to diversify its economy and the development of the shea butter industry, which had been in decline during the 1980s. This was seen as a means by which Burkina Faso could support a second major export crop and improve the economic situation of rural women. Following Government appeals for assistance, bilateral donors and NGOs began supporting a number of shea butter projects. One of these was the National Shea Project (Projet National Karité, PNK), launched by the Government in 1995.

In 1996, UNIFEM West Africa was commissioned by the Government of Burkina Faso to evaluate the PNK project. UNIFEM found that there continued to be a need to improve women’s access to means of production and to potential export markets. At the request of the Government, UNIFEM became involved in the National Shea Project in 1997 and subsequently initiated a partnership with French cosmetics firm L'Occitane en Provence. L'Occitane currently operates 500 stores in nearly 60 countries in addition to its mail-order sales. The company has a long-running commitment to producing cosmetics based on strict ethical guidelines.

The UNIFEM-L'Occitane partnership aims to strengthen production capabilities with the goal of assisting shea butter producers to gain access to international markets. The women are provided with financial assistance from UNIFEM and the United Nations Foundation in order to bolster their ability to produce shea butter. This assistance flows through the local producers cooperatives. These groups give women the opportunity to use United Nations funds as well as to pool their own resources in order to invest in necessary equipment, such as nut presses. L'Occitane also offers training on processing and storage techniques.

Periodic trade fairs allow women producers to gain direct access to markets for their product. These fairs are funded by UNIFEM and organized by the Government of Burkina Faso, the Centre Canadien d'Étude et de Coopération Internationale (CECI) and a number of local partners. The goal of these fairs is to allow local producers to forgo the intermediaries used by most foreign companies, which buy the shea butter at 25 times less than it is sold for on the international market. At the 2001 fair, L'Occitane en Provence relinquished this practice by buying substantial amounts of shea butter from the Unions des Groupements Kiswendsida (UGK), a group which comprises more than 100 local shea organizations. Moreover, L'Occitane pays in advance for the butter it purchases.

The initiative has shown tremendous impact. The shea butter sector has increased rapidly in Burkina Faso. It has also been supported by international developments, including an August 2001 European Union directive that allows for the use of vegetable fats, including shea butter, in chocolate. The partnership between UNIFEM and L'Occitane has since been recommended for replication in Benin.

The partnership between UNIFEM and French cosmetics firm L'Occitane en Provence has enabled women in Burkina Faso to sell shea nut butter on the international market.



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Box 10 | UNIDO Automotive Partnership

In 1999, the United Nations Industrial Development Organization (UNIDO) launched a multistakeholder partnership with FIAT in order to strengthen small and medium-sized Indian automotive component manufacturers through quality management and technology upgrading. The ultimate purpose of this partnership was to provide small and medium-sized enterprises with access to the global market.

Fiat had a great desire to improve the product quality of its Indian suppliers. Due to a lack of resources and local access, Fiat was not able to achieve the desired improvements on its own. Cooperation with UNIDO proved advantageous for both partners. Whereas Fiat profited from UNIDO's local contacts and start-up financing, UNIDO was able to offer local suppliers a guaranteed and well-funded buyer and therefore access to international markets.

The initial phase of the programme was exceptionally successful. Within two years the participating manufacturers reported a wide range of improvements, including increases in turnover and productivity, safer production methods and most importantly, an increased awareness of continuous improvement. These developments represent a significant step towards operating a globally competitive business.

In the second phase, 40 local businesses were granted access to the programme. In order to increase sustainability, local engineers were trained to create a pool of Indian experts who could then facilitate business training in the future. The influence of Fiat/Magneti Marelli on the programme gradually decreased and the Indian Automotive Component Manufacturers Association (ACMA) strengthened its position within the partnership.

The partnership, now in its third phase, has evolved into a cooperative body with sophisticated governance structures. The content of the programme is determined by UNIDO and ACMA, both of which cooperate closely with engineering institutes, corporations and regulators. In its new format the programme targets 100 local businesses and runs for 30 months, ensuring broader geographical coverage and a large number of target businesses. Its framework corresponds to the multisector UNIDO Partnership Programme Approach and UNIDO, ACMA and the Government of India have now formed a Programme Steering Committee that provides guidance on implementation and monitoring methods.

The constant efforts to build local ownership and to thereby create a high degree of sustainability are reflected not only in the creation of a pool

of local engineers. The same holds true for project financing, which also shows a strong element of local ownership. As the programme stands now, it is financed in part by the Indian Government and in part by small fees which are paid by local manufacturers in return for the received training. UNIDO provides in-kind support for the partnership, mainly in the form of human resources.

Due to the strong business case, impact assessment mechanisms have from the outset, occupied an important role within this partnership and there are now advanced internal evaluation mechanisms in place. This is partially due to the results-driven focus of the main stakeholders, but also to existing monitoring frameworks which are easily adapted from the commercial world. Impact assessment is therefore strong and well developed.

As it stands, the partnership poses a prime example of cooperation between a United Nations organization and the business community. It has evolved into a self-sustaining framework and UNIDO is planning to withdraw its support in 2007.⁷

A multistakeholder partnership that includes UNIDO and FIAT has allowed small and medium-sized automotive component manufacturers in India to bring their products up to globally competitive standards.





Box 11 | Allianz-UNDP-GTZ Micro-Insurance Initiative

It is a well-established dictum that the world's 2.7 billion people who live on less than US\$2 a day cannot afford a premium product such as insurance. However, a new partnership among the United Nations Development Programme (UNDP), the German Agency for Technical Cooperation (GTZ) and the Allianz Group is out to challenge that notion. The Allianz-UNDP-GTZ Micro-Insurance Initiative, launched in 2004, is an attempt at bridging the market in order to provide micro-insurance products in developing countries. Micro-insurance is the provision of insurance to low-income households. Poor households pay a very small premium for limited coverage in the event of losses. The Allianz Group is one of the world's leading insurance and financial services providers and their interest in this venture has been two-fold. First, it provides an opportunity to explore the market potential and medium to long-term prospects for private insurers in developing countries. Second, partnering with UNDP and GTZ for the purpose of poverty reduction and the achievement of the Millennium Development Goals is a good way of demonstrating the compa-

ny's corporate social responsibility. It is also important to recognize that in the case of India, providing risk-reducing products to low-income households also meets regulatory demands by State authorities and thus gives Allianz an indirect license to operate.

The Micro-Insurance Initiative is being implemented in four stages. The first, launched in 2004, constitutes a demand and market analysis, which examines and appraises the most pressing social security needs of poor populations in selected target countries (India, Indonesia and Laos). In a second stage, the focus is on exploring whether existing insurance products and services can be further developed or redesigned to accommodate larger populations. The third stage involves the design and creation of distribution channels in India and in one of the other target countries. In contrast to more traditional sales and distribution channels, the Micro-Insurance Initiative will build upon existing civil-society structures. Local NGOs or trade unions will serve as intermediaries and offer group insurance to their members. The fourth and final stage of the

initiative will focus on further promotion of micro-insurance services among potential intermediaries and target groups. This aims at scaling-up the existing pilot models to benefit additional clients and to create a sustainable and attractive business model in the medium term.

The Micro-Insurance Initiative was designed to function over an initial period of three years, until the end of 2007. Annual insurance premiums are as low as US\$1.05 for a basic life insurance policy and pay a benefit of US\$420 to surviving family members. Experience shows that legal safeguards are crucial for partnerships where partners pursue different yet complementary objectives. This project aims at generating benefits for the pilot regions and the three partners involved. Micro-insurance has the potential to function as a powerful instrument in the context of poverty reduction strategies for the afflicted regions. Since borrowers have an interest in minimizing risk, micro-insurance may prove to be an effective complement to microcredit systems.

It is a well-established dictum that the world's 2.7 billion people who live on less than US\$2 a day cannot afford a premium product such as insurance. (Above left) Local groups from Maharashtra and Gujarat exchange information on a health insurance program led by GTZ. (Below left) Indonesian women discussing micro-insurance options.



Box 12 | Sleeping Sickness Initiative

In order to eliminate human African trypanosomiasis (HAT) also known as sleeping disease, the World Health Organization (WHO) joined forces with Sanofi-Aventis in 2001. This partnership has two primary goals: to disseminate existing drugs against HAT to affected populations and to provide a mechanism that can help to bridge the market in order to channel new investments into research and development on the disease.

The sleeping disease is a typical example of a profoundly neglected illness: it occurs in the poorest and least accessible parts of rural Africa, where it is transmitted by the tsetse fly. The disease affects the nervous system, causing neurological disorders and, if left untreated, inevitably leads to death. It was near elimination in the 1960s, when control mechanisms started deteriorating. Impacting only on the very poor, in numbers which seem insignificant compared to those of other diseases like HIV or Malaria and posing no immediate threat to the industrialized world, HAT was considered negligible by the international community. Moreover, companies did not have an incentive to invest in research and development because market structures would not allow them to recoup their investments. As a result, HAT cases were once again on the rise: estimates

show between 300,000 and 500,000 infections and 60 million people in over 36 countries are at risk of contracting the disease (1997 figures).

In July 2001, Sanofi-Aventis, the producer of three out of four HAT cures, committed to a five year contribution plan worth US\$25 million to addressing the disease through a partnership with WHO. The heart of the campaign is the supply of three core drugs with a market value of US\$12.5 million. WHO warrants appropriate storage as well as packaging and, in cooperation with Médecins Sans Frontières (MSF), is responsible for shipment to affected areas. The second branch of the partnership is disease management for which Sanofi-Aventis provides technical support in the form of human resources as well as financial sponsorship. Finally, Sanofi-Aventis is committed to intensify research and development efforts in order to improve existing drugs and to find new treatments that are more easily administered. By doing so, the partnership helps to bridge the market on HAT research. Through this collaborative venture, WHO and Sanofi-Aventis work together in order to bring the necessary resources and the crucial expertise to the table.

In order to facilitate quick responses to political and epidemiological changes, the structure

and action plan of the partnership are based on the principle of flexibility. A Collaborative Working Group (CWG) was established, consisting of WHO and Sanofi-Aventis representatives to coordinate future activities and evaluate previous cooperation. The CWG presents a financial report and holds monthly conference calls, during which estimates of future drug needs are communicated and possible problem areas are identified. The partnership also carries out impact assessment.

The partnership is globally driven. However, due to the very close cooperation between the respective partners, needs are communicated quickly from the field workers (WHO staff, NGOs, national health system workers) to coordinators (WHO staff), so that drugs can then be shipped to the respective national programmes. Diagnosis and treatment of HAT are very difficult even for experienced medical staff, which is one of the reasons why the partnership cannot easily cooperate with the primary health care systems of the relevant countries. In order to overcome this problem the partnership implemented training activities aimed at national health officers, thereby generating sustainability through building local capacity.

In 2001, Sanofi-Aventis, the major producer of sleeping sickness cures, committed to a five year contribution plan worth US\$25 million devoted to addressing the disease through a partnership with the WHO.

Strong management and local ownership: Accomplishments and challenges

This categorization of partnership projects is a preliminary attempt to systematize the types of collaborative initiatives that have emerged during the past decade and to identify their accomplishments and challenges they face. Each category presents a distinctive set of challenges to the United Nations and its partners from business and civil society.

In addition to these functional challenges, there is also a set of more generic partnership management challenges that apply to all collaborative initiatives and can have a crucial effect on impact and sustainability.⁸ These include a set of issues that relate to the level and quality of partnership management, as well as to the strength of local ownership. Based on a review of the partnerships profiled and extensive interviews conducted with partnership practitioners, the following partnership management challenges should be addressed.

For partnerships to
generate output
and impact,
it is crucial
for partners to agree
on clear goals
and objectives
early in the process.

Strong partnership management

The sustainability and impact of partnerships depends to a significant extent on the level and quality of partnership management. Four issues require particular attention: that partners agree on clear goals and objectives; that the roles and responsibilities of partners are unambiguous; that partnerships have effective conflict management mechanisms; and that partnerships engage in impact assessment.

Agreement of all partners on clear goals and objectives. For partnerships to generate output and impact, it is crucial for partners to agree on clear goals and objectives early in the process. It is particularly important that all partners commit themselves to specific targets for the partnership in order to establish benchmarks against which progress can be evaluated. Clear goals and objectives are important as motivators and guideposts for the partners as well as to ensure transparency to external stakeholders. The cases illustrated in this chapter, for example the Stop TB Partnership, demonstrate that clear goals and objectives are instrumental in facilitating action and ultimately impact.

However, agreeing on clear goals and objectives is not an easy process. During interviews, various United Nations staff members noted that partners frequently face great difficulty or even fail to agree on key aspects. For example, one staff member said: "I believe at the core of many of our problems [in our partnership] lies the fact that, early on in the process, we never really defined what the objectives of the partnership were. I mean, there was an expression of intentions. But we never put down concrete targets." As a result, there is a risk that partnerships become characterized by "perpetual brokering." Without a commitment to clear targets, moving on to the implementation phase is challenging, if not impossible. Other partnerships may only identify very broad goals and objectives, rather than realistic and achievable targets, which can similarly stall action.

Agreeing on a partnership's goals and objectives depends not only on the willingness of individual partners to commit to specific targets and work programmes. From the perspective of individual partners, it also presupposes a good understanding of how the partnership can contribute to mission accomplishment and how partnership goals and objectives fit in with other lines of work. In other words, agreement on clear goals and objectives for a partnership presupposes a fundamental strategic understanding about the reasons for partnership involvement on the part of each actor.

Clarity on the roles and responsibilities of partners. Clarity on the roles and responsibilities of individual actors within a partnership is important not only to foster accountability, but it is also the crucial precondition for agreeing on a realistic and actionable work agenda. Clarity on the roles and responsibilities of partners requires pinpointing the core competencies that each player can bring to the table. An identification and communication of these core competencies is crucial because it gives all partners an opportunity to arrive at a realistic assessment of what they can expect from each other. In some of the profiled cases, such as the Moving the World Partnership between TNT and the World Food Programme, partners went through a step-by-step process, determining what each partner could do best and using this assessment to design joint work programmes. This served to clarify the roles and responsibilities of both partners.

However, not all partnerships successfully define unambiguous roles and responsibilities. In some cases, the failure to achieve clarity is related to the fact that each partner's contributions to a partnership are not based on their core competencies. As a result, the specific contribution of a partner sometimes remains under-defined, contributing to confusion and often also conflict within the partnership. For example, one United Nations staff member noted: "We became a partner not because we had something critical to bring to the table... We became a partner because it seemed opportune... Some of the other organizations that are involved probably expected that we would be able to play a more proactive role in the process. But we really cannot. We simply do not have the capacity to do the kinds of things some of the partners expect us to do."⁹

Clarity and agreement on implementation timelines. A third crucial management factor in partnerships is the ability of partners to agree on implementation time lines. The cases profiled in the previous chapter had varying levels of success in managing this challenge. Many partnerships, for instance the First on the Ground Initiative, are confronted with conflicts over time-to-delivery issues at some point.

Partners often have different ideas about the speed at which partnerships should deliver. As a general rule, it appears that business insists on much more stringent timetables than the United Nations. During interviews, many United Nations staff members referred to the difficulty of working at the same speed as business or civil society. An exemplary statement from a staff member on this matter was: "I was surprised about the pressure that some of our business partners put on us. They wanted results, and they wanted them quick."

The speed of implementation depends on a variety of factors, including the extent to which other stakeholders need to be consulted and whether or not sufficient resources can be leveraged to move from planning to delivery. However, time-to-delivery also depends on the time each partner needs to leverage its core competencies to a partnership.

Existence of effective and efficient conflict management mechanisms. A fourth challenge is dealing with conflict within partnerships. All of the partnerships profiled above feature explicit or more frequently, implicit conflict management systems. In some cases, the presence of strong governance structures (as is the case for the Sleeping Sickness Initiative) or clear work programmes and deliverables (such as in the Health in Your Hands Partnership) prevents serious conflicts from developing to a point where they become destructive. In other cases, with the help of effective leadership and good management, conflicts can be resolved in a productive manner.

Effective conflict management is not an easy process. Yet, non-existent or ineffective conflict management does not necessarily mean that partnerships will break down. In fact, there are only a few examples of partnerships that failed because of an inability to deal with conflict. Rather, in many cases the failure to put effective conflict management systems in

Clarity on the roles and responsibilities of individual actors within a partnership is important not only to foster accountability, but it is also the crucial precondition for agreeing on a realistic and actionable work agenda.

Another crucial management factor is the ability of partners to agree on implementation time lines.

A lack of impact assessment is not only a symptom, but also a contributor to weak partnership management.

place leads to unproductive or dormant partnerships. One United Nations staff member noted during an interview: “Everybody knows the governing structures [of our partnership] are deficient, to say the least. Everybody knows the partnership is not performing. But nobody dares to put these things out in the open. Everybody has an incentive to keep these critical issues under the lid. What would be worse for each of us is if the partnership failed as a whole. The loss in prestige and standing within our own organizations would be tremendous.” Various other interviewees reported similar experiences from some of the partnerships in which they are involved.¹⁰

There are a variety of reasons why partners may fail to put in place effective conflict management systems. One critical ingredient of effective conflict management is an organizational culture within each partner’s organization that tolerates conflict and the potential failure of partnerships. If failure is not an option – because it is tied to large reputation costs or the loss of jobs – then it is unlikely that conflicts are dealt with in an effective manner.

Impact assessment. In some of the profiled cases, for instance the Stop TB Partnership, periodic impact assessment has been essential for facilitating good management. However, in many partnerships, such impact assessment is rare or it is not conducted consistently.

A lack of impact assessment is not only a symptom, but also a contributor to weak partnership management. Without such assessment, managers face great difficulties in learning from mistakes or successes and in identifying potential for optimization. In addition, impact assessment is the key to ensuring accountability to beneficiaries and other stakeholders. While the delivery of results cannot be the only measure of accountability, it is certainly an important one.¹¹ In this context, it is not surprising that the political debate about partnerships has become more contentious in recent years. Without a clear and consistent demonstration of their output, partnerships will not garner the necessary legitimacy and trust. As one United Nations staff member noted: “I think we have come to a stage where all the excitement about partnerships has pretty much dissipated. Now people want to see results. But what do we have to offer? It’s not that I believe that partnerships have not produced anything. But there is no systematic evidence. Many partnerships I know of have never even reported on progress against their own stated goals and objectives.”

In many cases, the absence of impact assessment mechanisms reflects a lack of resources. In other cases, partnerships are so small that an institutionalization of formal impact assessment mechanisms seems inappropriate. Generally speaking, impact assessment in partnerships is not easy since it requires the development of appropriate benchmarks and evaluation tools.¹² However, systematic impact assessment is indispensable for the development of impact-oriented and sustainable partnerships.

Local ownership

A final challenge is ensuring the initiative has sufficient local ownership.¹³ Local ownership is a function of at least two factors. First, the intended beneficiaries of a partnership have substantial influence on the design, implementation and independent evaluation. Second, actors that are rooted in the recipient country and that represent the interests of ordinary citizens implement the project. Decades of development experience demonstrate that the participation of local interests in the design and implementation of a development project is critical to its impact and sustainability.¹⁴ This lesson certainly also applies to partnerships.

Some of the profiled partnerships have successfully adopted strategies for dealing with the local ownership challenge. While most of these partnerships were initiated at headquarters level, they eventually developed mechanisms to reach out to local stakeholders and to ensure their input and buy-in to partnership programmes. For example, the Stop TB

Partnership has recently launched a series of national Stop TB partnerships, bringing the fight against TB to the local level by involving local actors, including Government, local business and local civil society.¹⁵ The launch of these national Stop TB partnerships was a direct response by the partnership to the growing recognition that the global fight against TB could not be won without local ownership.

Similarly, the Access to Basic Services for All initiative is making a coordinated effort to engage local stakeholders. In this case, the involvement of local stakeholders – civil society groups, local government, local utilities, as well as business associations – is critical for a variety of reasons. First, much like in the Stop TB case, these local stakeholders bring critical knowledge and resources to the table without which the initiative would find it difficult to develop meaningful results. In addition, bringing in local perspectives is crucial for increasing the legitimacy of the process. At the end of the day, a voluntary international standards framework is developed and its adoption depends on whether it is seen as legitimate by those who will work with it at the local level.

However, despite these success stories, bringing local ownership to partnerships is still a challenge, both in the United Nations as well as among partner organizations. Many partnerships, especially those that bring together the United Nations with multinational companies and transnational civil society, face shortcomings related to local ownership.

Many partnerships are not conceptualized and led by local offices but rather by headquarters (whether in the United Nations, business, or civil society). As a result, these partnerships may struggle to attain the commitment on-the-ground that is needed to facilitate sustainable implementation. This was confirmed by many of those who were interviewed for this report. For example, one United Nations staff member noted: “All worked out fine in terms of getting people to the table and drawing up an agreement. But the next step was the hardest. I had to convince colleagues in the [United Nations] country office to help me implement that agreement. We had tried to involve our colleagues in that process from the start but that proved to be difficult. They are busy and they have their own work to do, too. As long as there is no money and no pressure from management, things will go nowhere. They simply do not have a strong stake in the partnership.”¹⁶ Another staff member added: “It was extremely difficult to convince people in the country office that they have a stake in the process, that they actually have an interest in pursuing this. The problem was that the main decisions on goals and instruments [of the partnership] had already been taken so our colleagues had the impression that we just put another piece of work on their desk.”

The local ownership challenge extends beyond connecting global initiatives with local action. Unfortunately, many partnerships between the United Nations, business and civil society feature little if any participation from local groups – local business, local civil society and local government – in the design or in the implementation phases of partnership projects. What is particularly worrisome is the fact that local business participation is the exception rather than the rule. Drawing local business into partnerships offers tremendous opportunities. Local businesses are familiar with the development challenge first-hand and often demonstrate astonishing entrepreneurial and innovative skills to tackle poverty-related problems head on.

There is a risk of putting too much emphasis on the issue of local ownership. There are partnerships where systematic participation of local groups, from business, Government or civil society, may simply not be feasible. In other cases, it may not be practical or necessary to have such local participation at all stages of the process. Also, being inclusive comes with a price tag and it is reasonable to consider costs as well as benefits. However, as was noted in the discussion of the case studies, the consultation and integration of local partners in the

Decades of development experience demonstrate that local ownership is critical to project impact and sustainability.

Bringing in local perspectives is also crucial for increasing the legitimacy of the process.

Drawing local business into partnerships offers tremendous opportunities.

The “win-win” logic is simple and compelling, but it is not entirely satisfying and in some cases possibly misleading.

work programmes of partnerships is, in many instances, crucial to match supply and demand, to foster accountability and legitimacy and to ensure the long-term sustainability of partnership work.¹⁷ In particular, the participation of Government actors (local, regional, or national) is critical for ensuring a partnership’s impact and sustainability. Anecdotal evidence suggests that attitudes towards partnerships differ considerably across and even within Governments. However, in many countries – and particularly in developing countries – working without Governmental authorities is neither desirable nor feasible. As one United Nations staff member noted: “Getting the local authorities interested in our project and convincing the relevant players in the national administration that this is a viable project was absolutely key. Without their consent and support nothing would have happened.”

Towards a conceptual approach

This chapter’s brief review of illustrative case studies has highlighted some of the practical contributions partnerships make to the work of the United Nations. The cases demonstrate the broad variety of partnerships that exist in terms of their functions and their stages of development and the manifold ways they adapt to the challenges they seek to address.¹⁸ However, this very broad overview may raise more questions than it answers. In particular, there are two sets of questions that have not yet received the attention they deserve: one concerns the emergence and development of partnerships; the other is related to their impact and effectiveness.

Emergence and development of partnerships

The majority of partnerships surveyed for this report emerged over the past decade. It is not clear, however, why this is the case. Why have partnerships developed only recently and not earlier? What are the causal factors that help to explain the exponential growth in partnership initiatives, particularly since the late 1990s?

The end of the Cold War may have created a more permissive political environment for the engagement of non-governmental actors in global governance. The Internet and other information and communications technologies may have played a supporting role making global networking and the sharing and coordination of resources easier and less costly. Other factors may play a role, but so far little is known about the magnitude or quality of their contribution.

Furthermore, complex questions are emerging about the precise dynamics that shape the development of partnerships and that eventually determine their success or failure. In answering questions about the potential and limits of partnerships, it is common to refer to the so-called “win-win” logic. Following this logic, the scope of a partnership is determined by the degree to which the interests of partners overlap – in order to allow for collective action. In other words, partnerships are likely to emerge when each partner perceives benefits. Accordingly, partnership goals and objectives should be closely aligned with the extent to which the partners’ interests overlap.¹⁹ Partnerships that define overly ambitious goals and objectives are bound to fail, since they expect contributions from partners that are simply not reasonable given their interests.

This “win-win” logic is simple and compelling. Nonetheless, it is a purely functionalist approach to explaining the emergence and development of partnerships and therefore not entirely satisfying. For example, the “win-win” approach cannot explain why partnerships are structured the way they are: why some progress in a linear fashion, while others have to go

through various stages of learning to arrive at workable solutions. It also provides no entry point for understanding the role of power in partnerships. During interviews, many practitioners referred to the importance of power differences in the development of partnerships and the difficulty of managing these. Interviewees also pointed to the difficulty of sharing benefits from partnerships in a fair way. The “win-win” logic presumes that each partner is satisfied as long as each benefits in some fashion from the partnership. This view, however, neglects the possibility that partners in collaborative ventures are not merely concerned with absolute but also with relative gains vis-à-vis other partners.²⁰

Most importantly, the functionalist approach does not explain the various types of partnerships. This report offers a functional categorization of partnerships, which focuses on how partnerships contribute to the work of the United Nations. However, this categorization does not amount to a conceptual understanding of the differences in partnership types, which would relate the type of partnership to a specific underlying problem structure.²¹

Partnership effectiveness and impact

One set of questions that has attracted even less attention relates to the effectiveness and impact of partnerships. Questions about effectiveness aim at input/output ratios of partnerships. In other words, it is important to determine what level of resources is necessary and appropriate to generate partnership results. Many of the partnership practitioners interviewed referred to the complex and time-consuming management processes in partnerships. Previous reports have noted the risk that partnerships can degenerate into talk shops with no results. Up to this point, little is known about appropriate and acceptable input-output ratios.

More importantly, systematic research on the impact of partnerships has yet to be conducted. As was noted above, some partnerships engage in impact assessment in order to improve partnership management and to enhance accountability to other stakeholders (beneficiaries and donors). However, only rarely do partnerships successfully demonstrate a clear causal link between their work and the solving of a particular problem. So far, there are also no metrics available that would allow systematic comparison of partnership impact across cases.

With pressure mounting on the United Nations and its partners to demonstrate impact, it is likely that such steps will be taken soon. Measuring effectiveness and impact is difficult and requires the commitment of adequate resources. It is also important to be realistic about what comparative impact assessment can achieve, given the diversity of partnerships that exist. Moreover, resources committed to impact assessment need to stand in appropriate relation to the size and expected contribution of a partnership.

In recent years, much of the debate on partnerships has been preoccupied with the quest for a “Holy Grail” – a parsimonious definition of the term partnership.²² Much of the research on partnerships has produced valuable information about best practices and management challenges. However, such a definition is largely fruitless if it is not tied into a broader understanding of the partnership concept (i.e. an understanding of the conditions under which partnerships emerge, the factors that drive them and the factors that determine whether or not partnerships show impact and sustainability). So far, no such conceptual approach has emerged. It is important to move the discussion to the next stage and find answers to some of these more difficult and complex questions. What is needed is a fact-based, comparative assessment of what partnerships can accomplish and what it takes to make them work. Ultimately, for the United Nations such an assessment is critical to assist the Organization in fine-tuning its partnership work by helping to answer questions about appropriateness (where do partnerships work); selectivity (when and under

It is important to determine what level of resources is necessary and appropriate to generate partnership results.

Measuring effectiveness and impact of partnerships is difficult and requires the commitment of adequate resources.

what circumstances should the United Nations get involved in partnerships and what can it contribute to them); and accountability (how can partnerships be held to account). Given the novelty of this phenomenon and the speed at which partnerships have proliferated, it is not surprising that practice outstrips analysis. It is crucial that we work to close this gap in order to facilitate learning from successes as well as failures.

Endnotes

- ¹ A preliminary survey conducted for this study found more than 125 partnerships that are currently active. This count does not include the more than 300 “Type-II” partnerships registered with the website maintained by the United Nations DESA Division for Sustainable Development (see <http://webapps01.un.org/dsd/partnerships/public/browse.do>).
- ² There are various other resource databases that profile successful initiatives, including the United Nations Global Compact website (www.unglobalcompact.org) and the “United Nations and Business” case study website (www.un.org/partners/business/otherpages/cases.htm). Various publications profile successful partnerships, including Jane Nelson, *Building Partnerships. Cooperation between the United Nations System and the Private Sector* (op. cit.); Wolfgang H. Reinicke et al. (2000). *Critical Choices: The United Nations, Networks, and the Future of Global Governance*. Ottawa: IDRC; and United Nations Development Programme (2004). “UNDP and the Private Sector. Building Partnerships for Development.” New York: UNDP.
- ³ This functional categorization serves as a purely heuristic device and is not meant to amend or override the partnership modalities set out in the Secretary-General’s “Guidelines on Cooperation between the United Nations and the Business Community” issued in 2000 (para 18.) (accessible at <http://www.un.org/partners/business/otherpages/guide.htm>).
- ⁴ The prototypical example of such a standards-setting initiative is the World Commission on Dams (WCD). The WCD has attracted tremendous political and scholarly attention. For a review and analysis of its work, see David Beffert and Thorsten Benner (2005) “The World Commission on Dams.” *Hertie School of Governance Teaching Case*, no. 1; Navroz K. Dubash et al. (2001). *A Watershed in Global Governance? An Independent Assessment of the World Commission on Dams*. Washington, DC: World Resources Institute; Patrick McCully (2001). “The Use of a Trilateral Network: An Activist’s Perspective on the Formation of the World Commission on Dams,” *American University International Law Review* 16.
- ⁵ See Kent Buse (2004). “Governing Public-Private Infectious Disease Partnerships,” *Brown Journal of World Affairs*, vol. 10, no. 2; H. Kettler, K. White, and S. Jordan (2003). “Valuing Industry Contributions to Public Private Partnerships for Health Product Development.” Geneva: Initiative on Public-Private Partnerships for Health (IPPPH) Global Forum for Health Research (GFHR); McKinsey&Company (2003). “Evaluation of the Global TB Drug Facility.” Geneva: WHO/STOP TB; Judith Richter (2004). *Public-Private Partnerships and International Health Policymaking. How Can Public Interests Be Safeguarded?* Hakaipaino City, Helsinki: GASPP; Richard Skolnik et al. (2003). “Independent Evaluation of the International Aids Vaccine Initiative,” Geneva: International AIDS Vaccine Initiative; Richard Smith (2003). *Global Public Goods for Health: Health, Economic, and Public Health Perspectives*. New York: Oxford University Press.
- ⁶ See also Buse, “Governing Public-Private Infectious Disease Partnerships” (op. cit.) on the crucial aspect of civil society participation in health partnerships.
- ⁷ The support of the Indian government, and its appreciation of the automotive industry as one of India’s key markets played an important role in magnifying the partnership’s progress.
- ⁸ See also Nelson, *Building Partnerships. Cooperation between the United Nations System and the Private Sector* (op. cit.) and Reinicke et al., *Critical Choices: The United Nations, Networks, and the Future of Global Governance* (op. cit.). See also World Bank Operations Evaluation Department (2005). *Addressing the Challenges of Globalization: An Independent Evaluation of the World Bank’s Approach to Global Programs*. Washington, DC: World Bank, for a discussion of similar issues.
- ⁹ In some cases, the United Nations’ only contribution to a partnership is its name. This in itself is not necessarily a problem: in some cases it makes sense for the United Nations to lend its name – and thus by extension its legitimacy and credibility – to a partnership. However, lending legitimacy and credibility to a partnership without having a say in the process can also lead to problematic results.
- ¹⁰ These interviews appear to challenge the view that partnerships are tenuous creatures, always at risk of breaking down. In contrast, many partnerships appear to be surprisingly resilient even when they are not producing the desired impact. Partnership failure is often tied to large reputation costs, for the individuals and the institutions involved, stacking incentives in a way that perpetuates stalemate.

- ¹¹For more on the challenges of developing appropriate impact assessment frameworks for partnerships see chapter IV.
- ¹²Some United Nations organizations, such as the Food and Agriculture Organization (FAO), as well as the World Bank Group have made some progress in developing partnership impact assessment frameworks. See World Bank Operations Evaluation Department, *Addressing the Challenges of Globalization: An Independent Evaluation of the World Bank's Approach to Global Programs* (op. cit.) and Food and Agricultural Organization (2005). "Revised Draft Approach Paper – Evaluation of the Cross-Organizational Strategy – Communicating FAO's Messages." Rome: FAO and Food and Agricultural Organization (2005). "Terms of Reference for an Evaluation of FAO's Cross-Organizational Strategy Broadening Partnerships and Alliances." Rome: FAO.
- ¹³The phrase "local ownership" is frequently misunderstood and requires brief clarification. Partnerships are often said to be either 'locally' or 'globally' *driven*, i.e. they are initiated at either at the local or the global level. In recent years, critics have pointed out that most partnerships, in their view, are globally-driven (initiated from the top to bottom) and therefore do not pay sufficient attention to local needs and wants. Whether or not a partnership is initiated at the local or the global level does not necessarily say anything about its impact and sustainability. Indeed, partnerships that respond to global issues (such as climate change, or the spread of HIV/AIDS) often require cross-border solutions. In such cases, global drive has often proven critical to facilitate effective action. The real challenge in these cases is to translate global drive into local action by facilitating effective links between global initiatives and local operations.
- ¹⁴For a more extensive discussion of local ownership, please refer to OECD DAC (1996). *Shaping the 21st Century*. Paris: OECD. The crucial importance of local ownership was also recognized internationally in the Monterrey Consensus (see United Nations (2002). "Report of the International Conference on Financing for Development. Monterrey, Mexico, 18-22 March 2002. A/Conf.198/11." New York: United Nations.)
- ¹⁵For more information about the national Stop TB alliances, please refer to http://www.stoptb.org/national_partnerships/.
- ¹⁶It is not merely the United Nations that is the bottleneck. On the business side, failure to get the relevant country offices involved in the early planning processes can eventually turn into a major impediment to implementation as well. As one businessman said: "I can tell you, I had a very hard time getting the ear of our folks on the ground who are supposed to implement the things that we agree to here. These are very busy people, and they have very little incentives for doing favours. Whatever they do, it needs to be in their core business interest. They are under pressure to perform. They won't do anything that does not help their bottom-line." Bringing agreements initiated at headquarters down to the country level is complex and requires incentive systems and capabilities within local offices facilitate involvement and implementation.
- ¹⁷As one United Nations staff member, working in a country office, noted: "We have tremendous difficulty getting local business involved in our partnership activities. For them, working with us is not that obvious. We do not give them money. And they know the local scene often better than we do."
- ¹⁸It is important to keep in mind that the case evidence contained in this report provides only a biased perspective on the role and performance of partnerships. Only best practice examples are showcased, and as a result the analysis falls far short of any systematic evaluation or thorough impact assessment.
- ¹⁹Some have argued that the language of "win-win" and mutual benefits is misleading, and that partnerships are not about action for the common good, but about special interest politics promoted by powerful interests that attempt to force their agenda on the United Nations. Richter, *Public-Private Partnerships and International Health Policymaking. How Can Public Interests Be Safeguarded* (op. cit.); Ann Zammit (2003). "Development at Risk: Rethinking UN-Business Partnerships," Geneva: South Centre and United Nations Research Institute for Social Development. Part of the reason is the rather unfortunate choice of the term partnership. The term, in its colloquial use, seems to imply a commonality of interests and the absence of conflicts. However, this criticism indicates a fundamental misunderstanding of win-win thinking. Striving to capitalize on common ground does not mean that individual actors suddenly change their interests or that interests merge. Rather than changing or merging interests, partnerships are about capitalizing on opportunities in which interest constellations overlap, situations where stakeholders face common ground in a specific context, at a specific point in time.

²⁰The idea of absolute versus relative gains is an established concept in research on international relations. See for example Joseph M. Grieco (1995). "The Maastricht Treaty, Economic and Monetary Union and the neo-realist research programme." *Review of International Studies*, vol. 21, no. 3.

²¹Established research on international relations may provide some preliminary clues. For instance, see Michael Zürn, Klaus-Dieter Wolf and Manfred Efinger (1990). "Problemfelder und Situationsstrukturen in der Analyse internationaler Politik. Eine Brücke zwischen den Polen." *PVS Sonderheft 21*.

²²Most definitions include references to the voluntary nature of partnerships, the fact that they are about the sharing of risks and rewards among participating stakeholders, and that they pool and leverage the different skills and resources towards a common project. See Jane Nelson, *Building Partnerships. Cooperation between the United Nations System and the Private Sector* (op. cit.); Jan Martin Witte, Charlotte Streck and Thorsten Benner, eds. (2003). *Progress or Peril? Partnerships and Networks in Global Environmental Governance the Post-Johannesburg Agenda*. Washington, D.C./Berlin: GPPI.

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chapter 3

The United Nations: An effective partnership player?

Only ten years ago, United Nations involvement in many of the partnerships illustrated in the previous chapter would have been thought of as revolutionary. By leveraging the skills and resources of business and civil society, partnerships are increasingly recognized as an important positive factor driving overall reform at the United Nations.

During the past decade, the United Nations has come a long way in reaching out to business and civil society. Only ten years ago, United Nations involvement in many of the partnerships illustrated in the previous chapter would have been thought of as revolutionary. Similarly, the degree of openness of the intergovernmental system to non-governmental actors would have been unimaginable. Today, for a steadily rising number of United Nations organizations and their staff members, collaborating with non-governmental actors has become an increasingly important part of their day-to-day work. Partnerships in particular are a growth area for the United Nations and they continue to spark tremendous innovation and experimentation across the entire spectrum of the Organization's work.

This trend towards working in partnership with business and civil society has produced impressive results that contribute to the accomplishment of United Nations goals (including the Millennium Development Goals). It has also triggered a process of profound structural and cultural change within the United Nations. By leveraging the skills and resources of business and civil society, partnerships are increasingly recognized as an important positive factor driving overall reform at the United Nations. For instance, by facilitating the transfer of skills or by disseminating good management practice or new technologies, partnerships are serving to leverage the skills and resources of other stakeholders to the ongoing change process within the United Nations.¹

Governments are supporting these developments by advocating and leveraging change in the United Nations. They also execute political oversight, thereby lending important legitimacy to the many ongoing initiatives. Many Governments also actively participate in partnership projects themselves, as the brief illustration of cases has

shown. In fact, as the examples demonstrate, the participation of Governments – both local and national – is crucial for local ownership as well as partnership impact. Finally, many Governments have also launched their own partnership programmes, reaching out to other stakeholders in order to enhance their work. Therefore, Governments are not sidelined by partnerships as some sceptics may believe. On the contrary, Governments are often central partnership players and many are actively supporting the United Nations in its efforts to work more effectively in multisectoral alliances.

Within the United Nations, the United Nations Global Compact is playing a critical role in facilitating the change process, fostering the opening of the intergovernmental process and nurturing concrete partnership projects with external stakeholders. It has done so by reaching out to business, advocating business engagement within the United Nations and facilitating the internalization of United Nations Global Compact principles within the United Nations itself. The United Nations Global Compact continues to be a magnet for businesses eager to support the goals of the United Nations, including the MDGs. As of August 2005, more than 2,000 companies and other stakeholders are participants of the Secretary-General's voluntary initiative advancing responsible corporate citizenship. It is particularly important to note the strong and growing participation of companies from developing economies, including Brazil, China, Egypt and India. The United Nations Global Compact asks participating companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. This set of core values now includes ten principles that the United Nations Global Compact seeks to integrate into business

Governments are often central partnership players and many of them are actively supporting the United Nations in its efforts to work more effectively in multisectoral alliances.

The process of structural and cultural transformation in the United Nations is by no means complete, nor has it progressed evenly within the United Nations system.

activities through a range of activities and engagement mechanisms, including dialogue, learning, outreach and projects.² Through its growing web of local UN Global Compact networks, the initiative has entered a path of healthy and sustainable growth. The increasingly important role of local networks is also driving much of the reform of the initiative's governance structure that will be implemented in the second half of 2005.

The United Nations Global Compact Office has also become a catalyst and information provider for institutional reform within the United Nations. The United Nations is currently in the process of internalizing the United Nations Global Compact's ten principles in four key areas: procurement practices, pension fund policies, facilities management and human resource management. The United Nations Global Compact Office participates in an advisory group that has been established to provide guidance to the United Nations' four working groups and also assists in promoting the ten principles on a broader basis throughout the organization. The United Nations Global Compact Office has been supporting the efforts of the Procurement Division to develop a draft United Nations Supplier Code of Conduct and numerous awareness-raising activities have been undertaken.

The process of structural and cultural transformation in the United Nations is by no means complete, nor has it progressed evenly within the Organization. In fact, it varies substantially across the United Nations system. This is not surprising, given the huge diversity of existing partnerships, the multiplicity of mandates and work profiles that exist as well as the varying levels of resources organizations are able to commit to this change process.

This chapter provides a snapshot of the accomplishments and remaining challenges that the United Nations faces as it undergoes the process of cultural and structural reform necessary to turn itself into an effective partnership player. This chapter focuses on two issues in particular.

First, it reviews the progress that has been made in opening the United Nations intergovernmental process to business and civil society. This opening has not merely been instrumental for introducing new perspectives to international policy debates. In addition, it has also created an enabling environment for additional project-related partnerships to emerge. Second, the chapter provides a preliminary overview and assessment of the various efforts made recently by United Nations organizations to put in place the necessary skills, policies, mechanisms and tools to facilitate the development of partnerships with business and civil society. It focuses on achievements as well as the remaining impediments to strong management and local ownership in partnerships.

Opening the United Nations to business and civil society

One of the most spectacular trends in recent years is the fast pace at which the United Nations has begun to include business and civil society in the intergovernmental process. The motivation behind opening the doors of traditionally intergovernmental processes to other stakeholders is clear. In many cases, non-governmental actors bring critical resources to the table – particularly knowledge and expertise that are conducive to improving the quality of the intergovernmental process. In addition, the United Nations and Governments have realized that by giving business and civil society a seat at the table, they increase the likelihood that agreements will actually be implemented. As such, partnerships can play an important role in supporting the implementation

of objectives and mandates stemming from intergovernmental deliberations. Yet, a voice in global public policy making does not usually translate into a vote. It is only in rare cases that actors from business and civil society attain decision-making power in United Nations forums.³

The trend of opening up the doors to business and civil society is not entirely new. The first United Nations conference that featured formal engagement of external stakeholders was the Stockholm Conference on the Human Environment, which took place in 1972.⁴ Ever since, the inclusion of voices from business and civil society has become more systematic across the United Nations system.⁵ Particularly since the early 1990s, this process of giving business and civil society a stake has gained rapid momentum.

In the case of United Nations-business relations, this process can be clearly characterized as one of “rapprochement”.⁶ At the time of the founding of the United Nations, the business community was an ardent supporter of the world organization. Individual companies as well as international business associations such as the International Chamber of Commerce (ICC) provided their political backing to the creation of the United Nations, emphasizing the critical importance of such an institution to stabilizing peace and thereby prosperity in the world. With the onset of the Cold War, United Nations-business relations grew antagonistic. The demise of the superpower conflict and the fast pace of globalization have fundamentally altered the environment for United Nations-business relations, providing a space for more constructive engagement.

Financing for development

One of the most recent and most prominent examples of effective stakeholder engagement can be found in the follow-up process to the Financing for Development Conference, held in Monterrey, Mexico, in March 2002. In response to a General Assembly resolution, the Financing for Development Office has initiated a series of multistakeholder consultations on financing for development issues.⁷ The findings were presented at the High Level Dialogue on Financing for Development in June 2005.

Partners from business and civil society have been responsible for managing some of these consultations, focusing on: how partnerships can enhance the climate for private investment (for consultations managed by the World Economic Forum see Box 14); how systemic issues included in the Monterrey Consensus can best be addressed (consultations managed by New Rules for Global Finance Coalition); and how to build inclusive financial systems (consultations managed by the Financing for Development Office itself). The business sector has also been actively involved in another set of multistakeholder consultations managed by the Financing for Development Office, dealing with the impact of sovereign debt on development. In this context, the Financing for Development Office has formed a business advisory committee on debt comprising leading investors and bankers, to provide expert input to meetings on this issue.

One of the most spectacular trends in recent years is the fast pace at which the United Nations has begun to include business and civil society in the intergovernmental process.

One of the most recent and most prominent examples of effective stakeholder engagement at the United Nations can be found in the follow-up process to the Financing for Development Conference.



Financing for Development

MONTERREY, MEXICO
18-22 MARCH 2002



UNITED NATIONS

Box 13 | Financing for Development Initiative

In March 2002, the United Nations convened the International Conference on Financing for Development in Monterrey, Mexico. The participating stakeholders concluded that greater cooperation between the public and the private sector is crucial to overcome the shortcomings of development finance and to achieve the Millennium Development Goals (MDGs).

Responding to the stakeholders' call for greater coherence between public and private actors, the United Nations Department of Economic and Social Affairs and the World Economic Forum's Global Institute for Partnership and Governance launched the Financing for Development Initiative (FFDI). Over the course of a series of roundtables with practitioners, the FFDI's work stream on Public-Private Partnerships analyzed and documented obstacles and success factors regarding opportunities for partnerships in the areas of education, health and water – with a special focus on reaching the MDGs.

While the roundtables covered three separate issue areas, the practitioners identified similar opportunities and obstacles with regard to partnership activities. They referred to difficulties in negotiating and reaching agreement between non-traditional parties. Lack of political will and public support for partnership projects as well as

the inability to agree on performance targets further tends to jeopardize successful partnering. Effective partnership work further relies on trust-building factors, such as strong negotiation skills, a transparent operating environment, effective systems and time. Overcoming funding barriers, improved financial forward planning and efficient management of transaction costs represent additional challenges.

Participants from all roundtables stressed the importance of experienced and well-connected "champions" whose leadership contributions can significantly facilitate partnership development and implementation. An understanding of shared objectives constitutes yet another central factor for successful collaboration. Participants further emphasized the value of a careful partner selection process. Representatives of the roundtables underlined that strong representation, particularly of domestic actors, strengthens programme relevance, effectiveness and ownership. Clear management processes, such as the introduction of budget lines, help improve partnership performance and the partners' "capacity to collaborate". Participants further noted that partnerships have failed or underperformed as a result of insufficient programme accountability and poorly defined roles. Good governance and effective accountabil-

ity structures should therefore accompany improvements in ownership and management processes.

The results of the FFDI gatherings were summarized in an interim report that was published in June 2005. The final report will be presented at the next High-Level Plenary Meeting of the 60th session of the General Assembly in September 2005. The findings will also feed into the World Economic Forum Annual Meeting 2006 in Davos.

More information at:

United Nations Department of Economic and Social Affairs: Follow-up process to the conference on Financing for Development
<http://www.un.org/esa/ffd/>

World Economic Forum:
Financing for Development Initiative
www.weforum.org/developmentfinance.

United Nations Development Programme (UNDP):
Financing for Development
<http://www.undp.org/ffd/>

The long-term outcome of the 2002 International Conference on Financing for Development in Monterrey, Mexico has been increased development assistance and greater financial support toward the Millennium Development Goals (MDGs).





Partnerships for sustainable development were an important outcome of the Johannesburg World Summit on Sustainable Development in 2002.

The Commission for Sustainable Development

Partnerships also continue to transform the work of the Commission for Sustainable Development (CSD). Partnerships for sustainable development were an important outcome of the Johannesburg World Summit on Sustainable Development in 2002. Since the Summit, 308 partnerships have been registered with the CSD Secretariat. These partnerships are profiled in an interactive online database that contains information based on voluntary self-reports. The purpose of the CSD Partnerships Database is to facilitate experience and knowledge-sharing on the implementation of sustainable development through partnerships and to assist individual partnership initiatives in their efforts to attract new partners and donors. The Partnerships Database was launched in February 2004. As of 2 May 2005, the database had registered 35,095 visits.

In 2004, in preparation for CSD-12, the CSD Secretariat produced the first Secretary-General's report on partnerships for sustainable development.⁸ The report identified emerging themes and trends within the CSD-registered partnerships using parameters such as geographical scope, thematic focus, resources and implementation mechanisms. In addition, at CSD-12, a Partnerships Fair was incorporated into the official programme of the CSD Sessions to provide a venue for sharing lessons learned, showcasing progress made by existing partnerships, launching new partnerships and networking among existing and potential partners. The CSD-13 Partnerships Fair in 2005 focused on water, sanitation and human settlements, as well as cross-cutting practical issues relevant to all partnerships. It also included a discussion on "The Role of the Private Sector in Partnerships for Sustainable Development".

Various other activities are being undertaken by the Division for Sustainable Development (DSD) of the United Nations Department of Economic and Social Affairs (UNDESA) – which acts as the CSD Secretariat – to increase awareness about the registered partnerships. At the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States in Port-Louis, Mauritius from 10 to 14 January 2005, the Secretariat organized a Programme of Partnerships Activities. In addition, following the success of the Rome Partnerships Forum the Moroccan Ministry of Territory Planning, Water and Environment in cooperation with DSD / UNDESA organized the 2nd International Forum on Partnerships for Sustainable Development: Advancing Implementation on Water and Energy, held in Marrakech, from 21 to 23 March, 2005. DSD / UNDESA provided assistance on substantive aspects of the Forum and prepared background documents. The outcomes of the Forum were presented at CSD-13.

The CSD Secretariat is now working to encourage greater business involvement in registration of partnerships with the Secretariat and more active participation in the Partnerships Fair. In addition, it is also working to create links between CSD Partnerships and other partnerships-related efforts involving business and industry, such as the World Bank Development Marketplace.⁹

United Nations ESCAP Business Advisory Council (BAC) and the Asia-Pacific Business Forum

In 2004, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) established two new initiatives for increasing cooperation with business, the United Nations ESCAP Business Advisory Council (BAC) and the Asia-Pacific Business Forum. The BAC consists of 21 prominent business leaders from the Asia-Pacific region. The aim is to advise ESCAP in promoting cooperation between the private sector and the United Nations in support of the purposes, policies and activities of the United Nations in the region. The Asia-Pacific Business Forum was initiated to provide a platform for dialogue among business, Governments and civil society on social and economic policy issues and their implications for the region's economies. In 2005, the Forum focused on how the public and private

sectors can work together to improve the climate for doing business as well as the promotion of corporate social responsibility.

The United Nations ICT Task Force

The ICT Task Force is an additional example of how the United Nations has started to engage non-governmental actors in its work.¹⁰ The Task Force was created by the Secretary-General in 2001 to advise the United Nations on ICT for development issues. The initiative intends to lend a truly global dimension to the multitude of efforts to bridge the global digital divide, foster digital opportunity and thus firmly put ICT at the service of development for all.

The ICT Task Force is clearly unique among the various other initiatives in the United Nations that feature business or civil society participation. It is an intergovernmental body in which businesses and NGOs have the same decision-making power as Governments. As a result, it is one of the very few forums in the United Nations where external stakeholders have a full seat at the table.

Since its creation, this multistakeholder body has produced a great deal. For example, it has been instrumental in supporting the efforts to establish common "ICT for development" (ICT 4D) indicators. In addition, the initiative has generally drawn attention to the importance of ICT in the path to the end of poverty and the attainment of the MDGs. As a consequence, it has helped to mobilize new public and private resources to support information and communication technologies ICT-for-development programmes and projects.¹¹

Today the ICT Task Force is widely regarded as a highly effective multistakeholder forum offering an effective space for key leaders in Government, business, civil society and the United Nations to share ideas, concerns and develop collaborative projects together. The Task Force was originally scheduled to last three years, but was extended until the end of 2005, after which it will permanently expire.

The United Nations Fund for International Partnerships

Founded in 1998, the United Nations Fund for International Partnerships (UNFIP) serves as the operational arm of the Secretary-General in the partnership between the United Nations system and the United Nations Foundation (UNF), the public charity responsible for administering Ted Turner's historic gift of US\$1 billion in support of United Nations goals. UNFIP promotes new and innovative partnerships in support of the Millennium Development Goals (MDGs) with a diverse array of public and private sector stakeholders. UNFIP also provides suggestions on strategic ways for corporations and foundations to support the Millennium Development Goals and to mobilize additional resources for the United Nations system.

Since 1998, the UNF/UNFIP partnership has committed US\$637 million for 324 projects implemented by United Nations funds, agencies and programmes in 122 countries in alliance with Governments, NGOs, corporations and other private foundations. The majority of these projects respond to four priority areas: Women and Population, Environment, (including climate change and biodiversity), Children's Health and Peace, Security and Human Rights. Over US\$230 million of co-financing from other partners has been generated in support of these projects and programmes. Through the UNF/UNFIP partnership, various partnerships have also received support, including the Global Reporting Initiative and the Shea Butter Production Initiative.

Taking stock

Despite their obvious diversity, all of these initiatives and projects share a number of common features. For example, stakeholder engagement at the United Nations rarely focuses on just one group. The opening of the United Nations usually means including business as

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It is an intergovernmental body in which businesses and NGOs have the same decision-making power as Governments.

The United Nations opens the door to business and civil society in order to capitalize on their experience, knowledge and expertise.

well as civil society. Second, stakeholder engagement in intergovernmental processes is usually strategic. By bringing business and civil society to the United Nations in forums such as the Financing for Development process or the UN ICT Task Force, the world organization is not primarily seeking financial support. In most instances, the United Nations includes business and civil society in order to capitalize on their experience, knowledge and expertise. Furthermore, in intergovernmental forums stakeholder engagement is frequently organized through associations in order to make the process more efficient and effective. However, with few exceptions, the involvement of non-governmental actors usually does not mean awarding business and civil society with a vote.

When engaging stakeholders from business and civil society, the United Nations has to balance the need for inclusiveness with the need to ensure practicality and impact. At the end of the day, this entails establishing criteria for stakeholder participation and deciding who can sit at the table and who cannot. This process can raise thorny political issues and the United Nations needs to be careful in ensuring the transparency of such selection processes. In addition, while stakeholder engagement can be useful, it is also important not to elevate it to a dogma. Engaging business and civil society for the sake of engaging them is a waste of scarce resources. The United Nations needs to become more strategic in its outreach efforts, especially in the interest of stakeholders who usually commit significant resources (i.e. time, money, etc.) to such processes.

This report can only illustrate some of the manifold initiatives that have developed across the United Nations system in recent years. This review is neither comprehensive nor can it provide a realistic grasp of the dynamism and optimism that characterize many of these initiatives. These limited illustrations demonstrate that the overall institutional environment for business and civil society engagement is becoming significantly more favourable. Increasingly, the engagement of a variety of stakeholders into United Nations activities is not the exception but the norm. This also has an impact on the development of concrete partnership initiatives that bring together the United Nations with actors from business and civil society.

Raising the partnership performance of the United Nations

Partnerships can only perform as well as each individual partner is able to leverage its own core competencies and resources to the table.

As chapter II demonstrated, in addition to opening the intergovernmental process to include the voice and perspective of business and civil society, almost all United Nations organizations have started to engage other stakeholders in concrete, project-level partnerships.

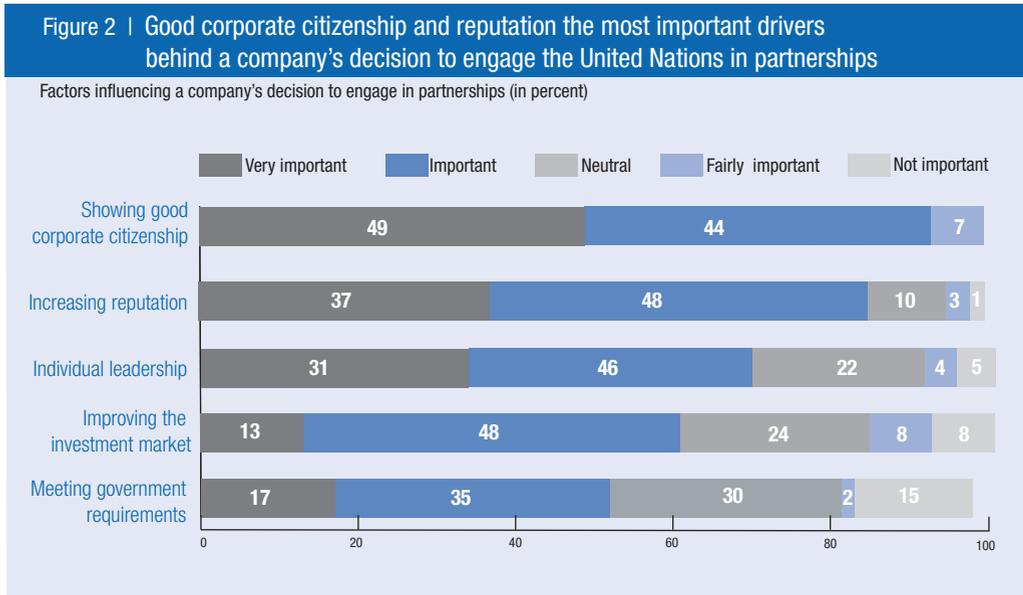
Many of the identified partnership challenges, such as finding agreement on clear goals and objectives, integrating impact assessment mechanisms, or strengthening local ownership, vary with the quality and strength of partnership management.

One major determinant of strong partnership management is the level of “interface capacity” of each partner, including the United Nations.¹² In other words, a partnership can only perform as well as each individual partner is able to leverage its own core competencies and resources to the table.

Interface capacity can be understood as the ability of an organization to work effectively in multistakeholder partnerships. This ability depends on the presence of the skills, policies, mechanisms and tools necessary to facilitate partnership work.¹³ For the United Nations, the integration of such skills, policies, mechanisms and tools should not imply that partnerships have to be relevant to all aspects of United Nations work at all times. As noted previously, partnerships are a *complement* to established work streams.

Building interface capacity is crucial to both fully leverage the potential of existing partnerships and to develop and adopt best practice in future. Good interface capacity requires that partnership work is integrated into the broader management frameworks of the United Nations. Nurturing interface capacity is therefore expressly not a series of fixed activities, such as one-off workshops or trainings. Rather, it is a process of profound institutional adaptation that necessarily involves changing attitudes and deepening understanding about complex issues and how partnerships can help address them.

Good interface capacity will also help the United Nations bring its own core assets and competencies to the fore; in particular it's convening power, its value-based mission, geographical reach and knowledge. The results of a non-representative survey with business participants in the United Nations Global Compact show that the values and the brand of the United Nations are the most important drivers behind a company's decision to engage the world organization in partnerships (see Figure 2 below). In the future, it will be important that



the brand and value proposition of the United Nations is projected together with its operational competencies in more effective ways. Improving interface capacity is one important aspect.

First accomplishments

In recent years, various United Nations organizations have taken impressive first steps in building the necessary interface capacity to facilitate partnership engagement. Despite variation, the results of a survey with United Nations Private Sector Focal Points reveals that there are a number of encouraging developments across the entire United Nations system:

- Now, almost all United Nations organizations have put specific guidelines in place that provide operational and legal guidance for the engagement of business and civil society.¹⁴
- An overwhelming majority of United Nations organizations have people on staff who are experienced in building and managing partnerships. Some United Nations organizations have also started to include partnership management in job descriptions and provide various incentives for staff to reach out to external stakeholders.
- Many United Nations organizations have created websites geared at profiling their partnership activities and facilitating more effective outreach to potential partners.

Nurturing interface capacity involves a process of profound institutional adaptation that necessarily includes changing attitudes and deepening understanding about complex issues and how partnerships can help address them.

Many companies find it highly attractive to work with UNICEF because of its positive brand image and association with children's causes.

In its partners, UNDP is looking for know-how, commitment, a clear business rationale and a financial contribution for project implementation.

Many United Nations organizations have also taken additional steps at building the necessary skills, policies, tools and mechanisms for building partnerships. The United Nations Children's Fund (UNICEF) is probably the most advanced of all United Nations organizations in integrating partnerships into its core activities.¹⁵ UNICEF was one of the first United Nations bodies that started to partner with business and civil society to further its goals. Its mission and unique organizational structure facilitate effective outreach, in particular to business. Many companies find it highly attractive to work with UNICEF because of its positive brand image and association with children's causes. As a consequence, today UNICEF is one of the United Nations organizations with the greatest experience in partnership activities.

UNICEF boasts a highly sophisticated partnership portfolio that offers potential partners a wide range of opportunities to work with the organization, including so-called innovative partnerships, strategic philanthropic initiatives and global, regional and local cause-marketing initiatives, in addition to employee-driven programmes. UNICEF is currently engaged in a variety of partnerships, including multistakeholder initiatives that seek to set common norms and standards for specific children's issues; partnerships that mobilize support for UNICEF's programmes, including financial support, as well as multi-sector initiatives that seek to share and disseminate resources and expertise of partners from business and civil society to advance children's causes. To facilitate this work, UNICEF has put partnership guidelines in place.¹⁶ The organization's partnership work is steered by a small Corporate Alliances team that coordinates outreach to partners. In 2003, UNICEF maintained partnerships with more than 180 companies that each contributed more than US\$100,000 either in-kind or in cash, to partnership projects.

The United Nations Development Programme (UNDP) has also taken remarkable steps in recent years in creating the necessary institutional structures and policies for building partnerships with other stakeholders.¹⁷ As a result, UNDP maintains a broad portfolio of partnership projects which has grown tremendously in recent years and continues to expand. Partnership projects encompass all core areas of UNDP's work, including Democratic Governance, Poverty Reduction, Information and Communications Technologies, HIV/AIDS, Energy and Environment and Crisis Prevention and Recovery.¹⁸ For each of these work areas UNDP has defined a strategy that highlights partnership opportunities, its own core competencies and what kind of partners it is looking for to facilitate such work.¹⁹

UNDP highlights four ways the agency can contribute to partnerships. First, UNDP can offer to serve as a neutral broker, thus building on its long experience in bringing different institutions together, specifically at the country level. Second, the programme can bring credibility to partnership activities, thus building on its reputation as a trustworthy institution. Third, UNDP is able to contribute knowledge and expertise, thus building on the organization's local knowledge and extensive on-the-ground presence in developing countries. Finally, the Development Programme may bring its own financial muscle to bear, thus building on its advantage of being a funding institution. When determining potential business partners, UNDP is looking for know-how, commitment, a clear business rationale and a financial contribution for project implementation.

As is the case for UNICEF and various other United Nations organizations, UNDP's activities with business are structured by guidelines that complement the Secretary-General's Guidelines on Cooperation Between the United Nations and the Business Community, issued in 2000.²⁰ Moreover, UNDP's engagement with business is guided by a policy statement that provides further practical guidance for the organization's partnership work.²¹ The document specifies principles of engagement that UNDP must follow when engaging partners from the business community. For instance, one principle states that partnerships need to reflect national priorities and that they include all relevant stakeholders, including civil society organizations. As such, the document provides valuable guidance for staff as well as external partners. UNDP's partnership work is coordinated by the Division for Business Partnerships at headquarters in New York.

Finally, the past year also saw concrete follow-up to the launch of “Unleashing Entrepreneurship,” a report prepared under the auspices of UNDP in 2004 on behalf of the Commission on the Private Sector and Development. The report was officially launched in over 30 countries, engaging Heads of State, key policy-makers, local governments and private sector players – both foreign and domestic. These launch events were complemented by a series of workshops and new project developments including concrete initiatives undertaken by the United Nations system embodying the recommendations of the report.

The United Nations Industrial Development Organization (UNIDO) is another United Nations organization that has started to integrate partnerships with business and other stakeholders into its main lines of work. At UNIDO, partnerships with business are geared in particular at nurturing the small and medium-sized enterprise (SME) sector in developing countries through the UNIDO Business Partnerships Programme.²² In particular, the Programme focuses on enhancing and facilitating the quality, efficiency and the international competitiveness of SMEs, trying to promote technological and managerial learning, increased domestic resource use in production and increased productive employment and incomes. As such, UNIDO’s partnership activities are closely aligned with the organization’s overall goals and objectives of promoting sustainable industrial development.²³

UNIDO has developed a Partnership Guide that provides detailed background information for its own staff as well as prospective and current partners on how partnerships are developed, what purpose they serve and what principles they should follow. UNIDO sketches out a variety of different roles the organization can play in partnerships (neutral broker at the country level, expert in industrial development, network facilitator). UNIDO’s partnership work is coordinated by a small team located at its headquarters in Vienna. Through its partnerships with business UNIDO has collected valuable experiences in recent years and it has been working systematically to integrate the lessons learned into its partnership practices. Currently, UNIDO is preparing the launch of a comprehensive programme on corporate social responsibility for SMEs in developing countries to further facilitate the proactive integration of small suppliers in national and global value chains. In this context, the programme seeks to support SMEs in becoming environmentally sound and socially responsible companies, while at the same time increasing their overall competitiveness.

Other United Nations bodies such as the United Nations Environment Programme (UNEP) and the United Nations Conference on Trade and Development (UNCTAD) have made similar attempts at fostering the skills, policies, mechanisms and tools necessary for transforming their organization into effective partnership players. At UNEP, the Division of Technology, Industry and Economics (DTIE) plays a key role in shaping the strategy of the organization in reaching out to external stakeholders and in particular to business. Through various voluntary sectoral initiatives with the business community, DTIE helps to promote the development of policies, economic instruments and management instruments for an environmentally sound approach to business.²⁴ Over the years, UNEP has gathered a large amount of experience in helping to promote and manage voluntary sector initiatives and these experiences are captured and disseminated within the organization.

Various United Nations organizations have also helped to launch multistakeholder initiatives designed to address the two key challenges facing partnerships, namely the lack of local ownership and weak management (see chapter II). These “partnerships of partnerships” provide incentives for forging relationships with new partners and building partnering capacity, primarily at the country level.

One example is the Equator Initiative, a UNDP-led partnership that brings together ten organizations – ranging from national Governments and NGOs to research institutions and local community networks. A central focus of the initiative is on partnership building at the local, national and global levels. This partnership building mandate has been advanced through the Equator Prize, an international award to recognize outstanding community efforts to reduce poverty and conserve biodiversity (see Box 14).

At UNIDO, partnerships are geared in particular at nurturing the small and medium-sized enterprise sector in developing countries.

“Partnerships of partnerships” provide incentives for forging relationships with new partners and building partnering capacity, primarily at the country level.





Box 14 | The Equator Initiative (<http://www.undp.org/equatorinitiative/>)

Stressing the importance of local ownership and community empowerment, Mark Malloch Brown, former UNDP Administrator and now the Secretary-General's chef de cabinet, stated: "The MDGs will only be achieved farmer by farmer, family by family and community by community." Siuna, a municipality situated in the midst of Nicaragua's Bosawas Biosphere Reserve, is one of these communities.

In the past, small farmers often became acquainted with sustainable agriculture technologies through outside "experts". These outside specialists frequently underestimated the degree to which small farmers, through experience and knowledge of local circumstances, could contribute to solving problems that the communities face.

Participating in the highly successful Programa Campesino a Campesino (PCaC) initiative, Siuna's farmers have reversed the idea of top-down implementation in the area of sustainable agriculture and taken matters into their own hands. Through PCaC, Siuna's farmers have acquired skill sets that enable them to serve as

effective promoters of sustainable agricultural practices, technologies and reforestation.

Programa Campesino a Campesino serves as one of many powerful examples of the effectiveness of local ownership in the area of sustainable development. Building upon the conviction that economic development can and should be fostered through the conservation and sustainable use of biodiversity, UNDP's Equator Initiative works to raise the profile and build the capacity of such successful local efforts, which often come in the form of multistakeholder partnerships. In 2002, PCaC was chosen as one of 27 finalists for the Equator Initiative's biennial Equator Prize, which is a global award recognizing sustainable community innovation for poverty reduction and biodiversity conservation in the tropics.

The Equator Prize is merely one element in the Equator Initiative's development strategy. Recognizing that policies on poverty reduction and preservation of biodiversity crucially depend upon the knowledge and innovation of local people, the Equator Initiative aims to expand the impact of community initiatives. A core compo-

nent at the heart of the Equator Initiative is the concept of local ownership and interest in local people and their experience.

The Equator Initiative constitutes a partnership that brings together the United Nations, Government, civil society, business and foundations to advance and advocate for the growing number of sustainable communities throughout the tropical developing countries.

In addition to awarding the Equator Prize, the Equator Initiative offers learning exchange grants for grassroots practitioners, engages in eco-entrepreneur mentoring and brings community actors together for peer-to-peer and local-to-global sharing of best practices. It links local sustainable development innovations with policies that affect them – thus creating a community-to-policy connection. Finally, the Equator Initiative fosters research and learning through the creation of scholar and expert networks and also mounts a global public awareness campaign in order to raise the profile of sustainable communities in donor countries.

Participating in the highly successful Programa Campesino a Campesino (PCaC) initiative, farmers from Siuna, Nicaragua have reversed the idea of top-down implementation in the area of sustainable agriculture and taken matters into their own hands.





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Box 15 | The Seed Initiative (www.seedinit.org)

The Seed Initiative, supported by UNDP, UNEP and the United Nations Global Compact Office, likewise seeks to foster locally-driven, locally-owned partnerships. An awards scheme, capacity-building activities and a research programme all aim to identify and support nascent, entrepreneurial partnerships and to disseminate their best-practice experience.

“Business as unusual” – Is this an accurate way to describe most public-private partnerships for sustainable development? Many would disagree. Partnerships have, for all their praise in recent years, come under increasing criticism for being a donor-driven phenomenon: guided by the supply side of development policies, rather than being mechanisms for addressing genuine sustainable development needs. So far, it is indeed mostly international partnerships, spanning countries and involving major international organizations, which have stood in the limelight.

It is against this backdrop that the Seed Initiative – Supporting Entrepreneurs for Environment and Development – was launched in 2004. The Seed Initiative is spearheaded by IUCN (World Conservation Union), UNEP, as well as UNDP and supports nascent, locally-driven, entrepreneurial partnerships that bring together a variety of actors: businesses, civil society organizations, public authorities and local communities. The initiative has three components: a biennial awards scheme, capacity-building activities and a research programme.

The first round of the Seed Awards was announced in April 2004. In the following months, more than 260 partnership proposals from 66 countries and representing 1,200 organizations, were received. Over 90 percent of the partnership proposals have their focus in developing countries. The thematic issues

addressed are diverse. Two-thirds of the partnership profiles focus on water, energy, health, agriculture and biodiversity (WEHAB); over half of these are on agriculture. An international selection panel chose twelve of the most inspiring projects to be finalists for the Awards. From these twelve, verified through the local offices of respective Seed partner organizations, an international jury chaired by the Secretary-General of the World Summit on Sustainable Development, Nitin Desai, selected five partnerships to be the 2005 Seed Award recipients. This year’s winners include a Nepalese partnership aimed at harvesting and establishing markets for sea buckthorn plants, a multistakeholder effort to establish Madagascar’s first community-run Marine Protection Area and a partnership to extend access to affordable water in peri-urban areas of Cochabamba, Bolivia.

The Seed Awards are not monetary, but offer a combination of exposure and capacity development services for partnerships. The twelve finalist partnerships are invited to attend knowledge exchange and capacity development workshops. These include training sessions on fundraising strategies, the development of business plans, governance structures and reporting mechanisms. Finalist partnerships are also “showcased” to provide them with opportunities to seek further collaborators, donations and in-kind contributions. The five Seed Award recipi-

ents receive the “full package” of support, which is highly flexible. Often Seed awardees are appointed an experienced partnership broker who performs a needs assessment of the partnership and a targeted support programme is devised. This may include securing the support of the leaders from relevant businesses, public authorities etc. or using the network of Seed partners to leverage additional resources. Support services can also include introductions to public authorities or funders and facilitating further media exposure.

A final component of the Seed Initiative is its research and learning channel. Based on the submissions to the Seed Awards and the experiences gathered in providing services to awardees, the Seed Initiative seeks to stimulate a research programme focused on locally-driven entrepreneurial partnerships. The goal of the programme is to inform policy makers and support the creation and implementation of new locally-driven partnerships.

The Seed Initiative receives support from various sources, including the German Federal Ministry for Environment, the United States Government, the Norwegian Ministry of the Environment, Defra, U.K., the Netherlands Ministry for the Environment, Swiss Re and the United Nations Global Compact.

For more information please visit the Seed Initiative website at www.seedinit.org.

(Above) Andavadoaka, Madagascar: as well as introducing the Marine Protected Area, the partnership is working with the local communities to conduct socio-economic surveys, capture traditional ecological knowledge and provide education to children in isolated communities. **(Left)** One 2005 Seed Award recipient is a locally-driven, multistakeholder partnership that provides a poor suburban community in Cochabamba, Bolivia, with access to low-cost potable water and sanitation.

These are only a few examples of the many efforts by organizations in the United Nations system to build the skills, policies, mechanisms and tools necessary for transforming their organization into effective partnership players. As indicated earlier, the level and extent to which United Nations organizations have made progress on this front varies, among other things, on the suitability of the partnership paradigm to missions and work profiles of individual United Nations organizations, the availability of resources to fund such a transformation process and the commitment of senior management in pushing the process forward and providing it with high-level support.

Local offices need to be in the driver's seat, identifying partnership priorities, helping to bring other local stakeholders aboard, and managing the implementation process.

The Growing Sustainable Business Initiative constitutes a support framework for businesses that seek to develop and implement commercially viable projects within their core business or value chain.

Decentralizing partnerships

Another significant but more recent trend across the United Nations system is the increasing decentralization of partnership work to regional and country offices. As noted in chapter II, the degree of local ownership in partnerships depends to a large extent on the ability of individual partners, including the United Nations, to ensure participation of their own local offices in the conceptualization and implementation phases of partnerships. Local offices need to be in the driver's seat, identifying partnership priorities, helping to bring other local stakeholders aboard and managing the implementation process. As such, the degree of local ownership is, to some extent, a function of building partnership interface capacity at the country-office level.

In recent years, various United Nations organizations have started programmes designed to build capacity at their country and regional offices with the goal of fostering bottom-up partnership growth and management. A key programme initiated by the United Nations Global Compact and now being implemented by UNDP is the Growing Sustainable Business Initiative (GSB). Recognizing that business is the main force behind economic growth, GSB was created to contribute to poverty reduction by way of brokering multistakeholder partnerships that facilitate business-led enterprise solutions to poverty reduction at the country office level. Rooted in the values promoted by the United Nations Global Compact, the GSB constitutes a support framework for businesses that seek to develop and implement commercially viable projects within their core business or value chain. The partnerships that arise out of the GSB framework thus serve two purposes: they help reduce investment risk and enable specific pro-poor, commercially viable business investments in developing countries.

GSB fills an important niche between the need to serve both consumers in developing countries and the interests of private sector enterprises looking to invest in developing country markets. By assisting in the creation of business-oriented partnerships and by collecting and disseminating data on innovative sustainable business projects, GSB operates and delivers on three interconnected levels: as a full-time broker, a research platform and a technical assistance platform.

In each of the five countries in which GSB initiatives are currently underway, a full-time GSB broker acts as convener and intermediary for the relevant stakeholders. Employing UNDP's impartiality, the GSB broker assists in identifying, developing and supporting sustainable business investment projects and further helps to facilitate negotiations between business, Government, civil society, potential donors and development partners.

In order to foster research in the area of sustainable business, GSB further provides co-funding for socio-economic and feasibility studies. The studies, which are intended to generate environmental and social impact assessments as well as socio-economic data, serve to support specific business plans. As the studies are sponsored in part by the public sector, the research findings are deliberately publicized to increase learning among all interested stakeholders.

Finally, GSB offers funds for the provision of technical assistance and capacity building in the context of a specific investment. The described assistance is geared to support local entrepreneurs, local government and local NGOs that are expected to be involved in a GSB

investment project, thus acknowledging the core importance of local ownership in the development and implementation process of sustainable business projects.

As of June 2005, GSB was active in Tanzania, Madagascar, Ethiopia, Kenya and Zambia. At the global level, the GSB initiative is being implemented by UNDP's Division for Business Partnerships. The initiative is supported by two special advisers. Five national GSB brokers coordinate the initiative at the country level. It has now amassed a portfolio of over 15 leading global businesses and is expanding in Africa, Asia and Latin America.

The GSB framework meets the key criteria that have helped other partnership initiatives succeed in the following ways: the broad involvement of sustainable business specialists from all three sectors; the existence of a well-designed and carefully balanced management scheme; a conceptual focus on research and impact assessment; and the inclusion and targeted support of local actors.

The United Nations has also taken first steps to train staff at the country and regional levels. Since 1998, the United Nations System Staff College (UNSSC) has developed and implemented various partnership training initiatives that have built the capacity of United Nations staff to engage in partnerships with business and civil society in country and regional offices. In addition, the UNDP Learning Resources Centre in collaboration with the Development Group Office (DGO) and the UNSSC facilitate a Resident Coordinator/ Resident Representative (RC/RR) Induction Workshop with a session focused on 'Strategic Partnerships'. The aim of this session is to enhance awareness on key issues relating to partnership with the private sector and civil society. Various UNDP regional bureaus have also taken steps to provide partnership training to staff members. For example, in October 2004, UNDP's Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) held a three-day workshop for the Business Focal Points from UNDP country offices in Central Europe, Central Asia and the Balkans. The workshop had the objective of strengthening the strategic approach of country offices to partnerships with business. A survey of Private Sector Focal Points and Resident Representatives conducted prior to the meeting gave an overview of country office engagement with the private sector and perceived challenges to this work. Two obstacles in particular were stressed here: Within country offices, there is a need for greater capacity building regarding work with the private sector. Externally, country offices face the problem of attracting business cooperation in a region in which the culture of entrepreneurship is relatively new.

At the workshop, the Focal Points were given the opportunity to present their ongoing partnerships with business in further detail and to exchange experiences and best practice. The workshop had a strong training component, which aimed at assisting the Business Focal Points in development of a private sector strategy for their county office. Participants were guided in developing country office strategy actions plans. Only one country office, Bosnia, had such a plan in place prior to the 2004 workshop. These action plans, circulated internally amongst the Focal Points, map the individual UNDP country office's three, six and twelve-month objectives and activities for developing partnership with business.

There are various other ongoing initiatives across the United Nations system designed to increase the capacity in country and regional offices to build partnerships. However, it appears that many of these efforts are by and large, still in their infancy.

Challenges along the way

United Nations organizations are also confronted with a number of challenges in the process of mainstreaming partnerships into their work. These challenges frequently undermine the effectiveness of the United Nations to work in partnership with stakeholders from business and civil society and occasionally contribute to weak partnership management.

Within country offices,
there is a need for
greater capacity building
regarding work with
the private sector.

The institutional reality
in many United Nations
organizations is still
one in which
partnership work
often remains at the
institutional fringes.

Many United Nations
organizations have not
supported their rhetorical
commitment to partnerships
with adequate resources.

Some United Nations organizations have taken initial steps to integrate partnership work into their operations. However, the reality in many United Nations organizations is still one in which partnership work often remains at the institutional fringes, conducted parallel to, but disconnected from, the main lines of work.²⁵ While some United Nations organizations have created partnership units of dedicated staff working with great commitment on projects, there are few cases where such work is integrated into mainstream operations. As one United Nations staff member noted: “Many of my colleagues are interested and supportive of our partnership work. But I need to be able to provide a value-added to them for their work. Otherwise they are simply not interested.... However, in order for partnerships to contribute to their work, we would need to get involved at a much earlier stage, during project planning. At this point, in many cases we get involved too late. Rather than thinking about how partnerships can provide a value-added to their work many look to them to bring in finance. That usually does not work very well.” Another staff member noted: “I believe my biggest challenge is to bring the partnership idea to the rest of the organization. Partnerships will have no impact as long as there is no integration in our main operations.” In short, partnerships often remain separate from regular project management in many United Nations organizations.

Another institutional reality is that some United Nations organizations have not supported their rhetorical commitment to partnerships with adequate resources (i.e. finances, staff, etc.). The results of the survey with United Nations Private Sector Focal Points reveal that hardly any organization leverages resources specific to its partnership activities. In some cases, partnership work has been added to the work programme of individual staff members already struggling to keep up with their portfolios. This discrepancy between rhetoric and action may be a result of the general resource scarcity with which many United Nations organizations are confronted. However, it undermines the potential of partnerships to effectively contribute to the work of the United Nations and it frustrates those partners in business and civil society with a genuine interest in working with the Organization.

In some cases, the lack of mainstreaming and the resulting practical impediments to more consistent partnership engagement appear to be the consequence of a more fundamental strategic problem. For some United Nations organizations it remains unclear just how partnerships are supposed to contribute to mission accomplishment. While guidelines may exist that govern involvement in partnerships from a strictly legal standpoint, there is frequently no strategic framework in place that stipulate criteria for engagement. In other words, some United Nations organizations have not yet developed strategic frameworks for selectivity that would combine functional with performance-based criteria. As a result, partnership engagement sometimes remains ad-hoc and is frequently supply-driven. As one United Nations official said: “I believe our organization has failed to develop a coherent partnership strategy. There are good intentions, and there are some good projects. But so far, I do not see that we have been able to develop a consistent strategy to leverage partnerships to our main mission.”

One symptom of this lack of a strategic framework is a narrow understanding of partnerships as new fundraising mechanisms. In the past, many in the United Nations have enthusiastically pushed for partnerships with business, expecting that companies would play the role of paymaster without being actively involved in project design and implementation. In the case of some (primarily philanthropic), activities business may have been happy to go along. However, large-scale business engagement in partnerships cannot be reduced to providing funding. In order to be sustainable, partnership activities need to be aligned with core business interests of companies and need to draw on their core competencies. Also, in the words of a recent report issued by the Shell Foundation, partnerships need to offer the right “risk-return profile” for business.²⁶

There are various areas where the lack of adequate institutional mainstreaming has very practical ramifications for the performance of the United Nations to work in partnership with others and thereby ultimately on the strength of management in individual partnerships:

Managing the legal process

As noted above, almost all United Nations organizations have introduced guidelines for their engagement with business and civil society that complement the general “Guidelines on Cooperation between the United Nations and the Business Community,” issued by the Secretary-General in 2000. These guidelines have greatly contributed to fostering legal and operational clarity on partnership activities. Yet, many within the United Nations emphasize that there remains a degree of confusion with regard to the consistent application of these guidelines. The most frequent criticism raised in this context is that legal hurdles contribute to time lags in the implementation of partnerships. For example, one staff member noted: “I know it is important to have rules and guidelines in place. And the United Nations needs to make sure it does not go down a slippery road in partnerships. But we need to find ways to simplify and speed up the legal process. It takes too long, it is cumbersome and it distracts people from the real challenges we face.” In the survey of United Nations Private Sector Focal Points, the navigation of legal issues and the resulting time lags were the most frequently noted challenges.

In light of this issue, one ought to recognize that partnerships often raise involved legal questions for the United Nations. Partnerships usually entail the use of the United Nations name and emblem. Since the United Nations “brand name” is one of the most valuable assets of the Organization, it must be managed in an appropriate fashion. Moreover, the United Nations frequently builds partnerships with companies that serve as authorized contractors in different contexts. Partnership and procurement constitute separate issue areas and appropriate firewalls need to be built and maintained. Finally, partnerships commonly raise issues of liability and indemnity that are difficult to resolve.

Finding suitable partners

Determining which businesses are suitable partners for the United Nations is an important issue. On this matter, there are universal principles in place for the entire United Nations system, set out in the Guidelines on Cooperation between the United Nations and the Business Community.²⁷ However, the application of these selection criteria varies across organizations. Some United Nations bodies use third-party certifiers, others conduct separate case-by-case screenings. Overall, there is a need for more consistency and greater transparency regarding partner selection. Some United Nations organizations do not have systematic screening processes in place. Others use third-party certifiers to “screen” potential partners.

Elaborate screening processes are imperative as partnerships with business become more common in the work of individual organizations. It is critical that the United Nations manage its most valuable assets: its reputation and its legitimacy. Yet, being overly cautious has its drawbacks as well. One United Nations official noted: “All these screening requirements and indicators simply bogged us down. I had to commit more than half of my staff to engage in company screening. At the same time, our indicators remain open to interpretation. There simply is no black and white in all of this. We need to find a pragmatic way of dealing with this challenge, without sacrificing our good name.” Indeed, the United Nations needs to find a way to claim the middle ground in this context, developing cost-effective and swift means to apply the selection principles laid down in the guidelines. As the United Nations Global Compact initiative and participant base are growing, membership in the United Nations Global Compact could serve as a useful indicator of a company’s commitment to United Nations values.

Guidelines have greatly contributed to fostering legal and operational clarity on partnership activities but also often contribute to time lags in the implementation of partnerships.

There is a need for more consistency and greater transparency regarding partner selection at the United Nations.

A comparative review of partnerships forms the basis for higher-level strategy development, appropriate resource allocation and learning.

Greater efforts should be made to further promote partnerships at the country level.

Training United Nations staff

Another important aspect of building interface capacity is more systematic partnership training for staff that enables them to work more effectively with business. Since 1998, the United Nations System Staff College has developed and implemented various partnership-training initiatives that have built the capacity of United Nations staff to engage in partnerships with business and civil society, particularly at the country level. However, much of this work has been of a pilot nature and requires additional resources in order to be sufficiently scaled-up. In addition, the UNDP Learning Resources Centre in collaboration with the Development Group Office (DGO) and the United Nations System Staff College (UNSSC) facilitate a Resident Coordinator/ Resident Representative (RC/RR) Induction Workshop with a session focused on 'Strategic Partnerships'. The aim of this session is to enhance awareness on key issues relating to partnership with the private sector and civil society. Furthermore, various UNDP regional bureaus have also taken steps to provide partnership training to staff, with the aim to strengthen the strategic approach of country offices to partnership with business. Overall, despite progress, greater efforts should be made to further mainstream partnership training and capacity building into well-established and resourced programmes within individual United Nations organizations.

Assessing impact

Some United Nations organizations, such as the Food and Agricultural Organization (FAO) have engaged in a wholesale impact assessment and portfolio review of their partnership engagements.²⁸ Most United Nations organizations so far have not engaged in systematic attempts to evaluate the impact of the partnerships in which they are engaged. Though individual partnership projects may be assessed as part of standard evaluation practices, these evaluations are frequently not comparative. Yet for the United Nations, impact assessment is not only important for accountability purposes. A comparative review of partnerships also forms the basis for higher-level strategy development, appropriate resource allocation and learning.

Raising capacity

As noted above, various other United Nations organizations have launched efforts geared at increasing the capacity at the country level to facilitate partnerships with other stakeholders. Nonetheless, there remain significant challenges in building sufficient capacity at country and regional offices. Country and regional offices usually lack the necessary resources and most importantly, the staff, to develop partnership opportunities.

Greater efforts should be made to further promote partnerships at the country level. The United Nations should work to mainstream partnership training and capacity building into well-established and resourced programmes strengthening the Resident Coordinator System. Since 1998, the United Nations System Staff College has developed and implemented various partnership training initiatives for United Nations staff. Much of this work, however, has been of a pilot nature and has yet to be scaled up due to insufficient resources.

Finally, quite frequently, there appears to be inertia, both on an individual and institutional level, regarding the engagement of business in country offices. Whether or not country offices engage in partnerships and build capacity to do so depends to a large extent on the leadership extended by the Resident Coordinators. In the past, some have been more receptive than others to experiment with partnerships.

Learning at the United Nations system level

This leads to a final important point, namely the great and unrealized, potential for learning across the United Nations system. Such system-wide learning could greatly enhance the ability of the individual United Nations organizations to contribute to good partnership management. For example, one staff member said: "It is a shame. I know the [United Nations] system is big. But is it really necessary that the left hand does not know what the right hand is doing? We all share the same agenda. We can benefit from each other's experiences and knowledge. This does not require a lot of effort. The investment we have to make in facilitating such an exchange would be easily offset by the gains that we can expect to generate."

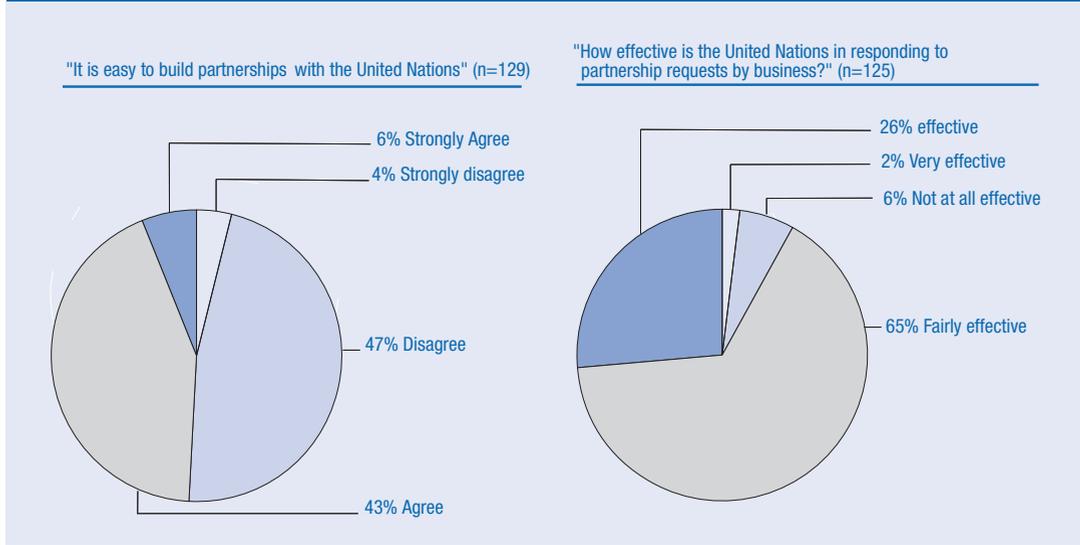
In recent years, the United Nations Global Compact Office has been instrumental in facilitating cross-fertilization and knowledge exchange on partnerships in the United Nations. Various United Nations Private Sector Focal Points meetings have been held since the late 1990s. The most recent meeting took place in May 2005 and brought together more than 80 United Nations staff members. However, a survey of United Nations staff suggests that additional opportunities for learning on partnerships are necessary. Potential system-wide catalysts for learning about partnerships and for mainstreaming the partnership agenda, such as the United Nations System Chief Executives Board (CEB) for Coordination and the UNSSC's United Nations Learning Community of human resource managers, have not been fully mobilized.

A survey of United Nations staff suggests that additional opportunities for learning on partnerships are necessary.

The United Nations as a partnership player – An outside-in perspective

As the two previous sections have emphasized, the United Nations faces a number of critical challenges in transforming itself into an effective partnership organization, notably in addressing shortcomings in strong management and local ownership of partnerships. The good news is that many in the United Nations are aware of these challenges and there appears to be mounting momentum to address them.

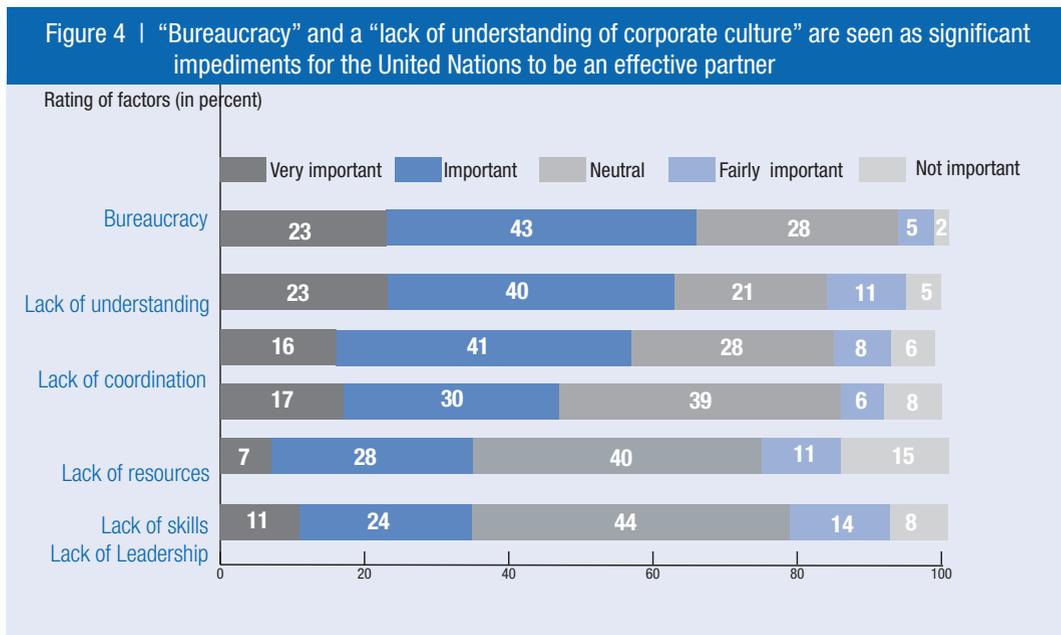
Figure 3 | Almost half of the companies surveyed think it is easy to build partnerships with the United Nations; almost all view the United Nations as at least "fairly effective" or better in responding to partnership requests.



Up to this point, this chapter has relied exclusively on the perspectives and opinions of United Nations insiders to assess the challenges the United Nations faces in building interface capacity for partnership engagement. Focusing closely on insider perspectives provides a good starting point for further debate. It is useful, however, to round it off by providing an outside-in analysis of these issues. To do so, this report relies on a survey conducted with corporate participants in the United Nations Global Compact, as well as extensive follow-up interviews with business representatives.²⁹ In the survey and interviews, business representatives were asked several questions about their experiences and perspective on the performance of the United Nations in partnerships. Some of the findings are reported here.³⁰

By and large, many of the findings highlighted above were confirmed by respondents and interviewees. Almost half of the respondents surveyed expressed the view that it is easy to build partnerships with the United Nations (see Figure 3).

“Bureaucracy” and a “lack of understanding of corporate culture” are seen as significant impediments for the United Nations to be an effective partner. (see Figure 4).



In follow-up interviews, the specific bureaucratic hurdle many business representatives pointed to is that of drawing up legal agreements between the United Nations and its partners. One interviewee put it starkly: “The toughest nut to crack is the legal side. The United Nations rules are complex and in many instances unnecessarily burdensome. I continue to be amazed by these processes. I sometimes wonder if the United Nations folks themselves understand their own rules.” Another business representative provided a more balanced assessment: “I think I understand the context and constraints within which the United Nations is operating. And I also know that the manifold legal issues are not just about red tape, but usually reflect a wide variety of concerns. The United Nations needs to protect its name, its brand. At the same time, there are many rules that simply do not make any sense. The United Nations faces a big job in removing these obstacles.”

At the same time, almost two thirds of all respondents feel that United Nations staff possess the necessary skills to get the job done. In fact, in follow-up interviews, most interviewees offered nothing but praise for their counterparts within the United Nations. Among the business representatives interviewed for this study, there was a real appreciation of the dedication with which United Nations staff, both at the country and headquarters levels, work to accomplish their mission.

Many of the interviewees from the business community also pointed out the challenges of turning global agreements into local action. This confirms the assessment of United Nations staff of the difficulty of bringing local ownership to globally driven processes and the lack of capacity in many United Nations country offices to do so. One business representative remarked: “We worked out an agreement with the UN. That was difficult enough because of all the legal and administrative hurdles that we needed to overcome. But then the real gap emerged. It took us way too long to turn the agreement into something practical at the country level. The United Nations folks simply seemed unable to get their country colleagues excited and up to speed on our programme.”

The survey also confirms the impression shared by many within the United Nations that there is little coordination and in some cases there is competition between different United Nations organizations. As shown above, fifty-seven percent of all respondents believe that a lack of internal coordination in the United Nations is an important or very important factor undermining the effectiveness of the United Nations as a partner. Also, seventy-eight percent of all business respondents believe that it is important to create a central access point for business engagement at the United Nations.

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Conclusion

This chapter has highlighted the accomplishments the United Nations has made, as well as the challenges it continues to face in engaging business in its work. The chapter has also profiled the achievements of the United Nations in its efforts to successfully leverage the expertise and knowledge of business and civil society to its intergovernmental processes. It also showcased various accomplishments across the United Nations system in building the skills, policies, tools and mechanisms for engaging other stakeholders in concrete project work. Finally, it identified the challenges many United Nations organizations are confronted with in integrating partnerships into their main work activities.

As noted at the outset, this is a report about the role and performance of the United Nations in partnerships. Its partners in business and civil society face similar challenges in their attempts to work effectively in partnerships. This is not meant to absolve the United Nations of responsibility but to put the partnership agenda into proper context and perspective. The final chapter of this report will offer a number of recommendations on how to address the remaining challenges and how to transform the United Nations into a more effective partnership player.

Endnotes

- ¹The most recent example is the generous assistance provided by the consulting firm PricewaterhouseCoopers to the United Nations, with the goal of helping the organization manage to put effective and transparent financial management systems in place in order to distribute the aid money that has been provided to the tsunami-affected regions in South East Asia.
- ²On the effectiveness of the United Nations Global Compact in accomplishing that goal see United Nations Global Compact Office (2004), *Embedding Human Rights in Business Practice: A Joint Publication of the United Nations Global Compact and the Office of the United Nations High Commissioner for Human Rights*. New York: United Nations; Claude Fussler, Aron Cramer and Sebastian van der Vegt, eds. (2004). *Raising the Bar: Creating Value with the United Nations Global Compact*. Sheffield: Greenleaf. See also Sustainability (commissioned by the United Nations Global Compact Office) (2004). "Gearing Up: From Corporate Responsibility to Good Governance and Scalable Solutions." London: Sustainability; and United Nations Global Compact (2005). "Enabling Economies of Peace. Public Policy for Conflict-Sensitive Business." New York: United Nations).
- ³One notable exception is the United Nations ICT Task Force, discussed below.
- ⁴Ken Conca (1995). "Greening the United Nations: Environmental Organizations and the UN System," *Third World Quarterly* vol. 16, no. 3.
- ⁵For a comprehensive review of civil society engagement, see United Nations (2003). "UN System and Civil Society - an Inventory and Analysis of Practices. Background Paper for the Secretary-General's Panel of Eminent Persons on United Nations Relations with Civil Society." New York: United Nations. See also Ann Marie Clark, Elisabeth Friedman and Kathryn Hochstetler (1998). "The Sovereign Limits of Global Civil Society: A Comparison of NGO Participation in UN World Conferences on the Environment, Human Rights and Women," *World Politics*, vol. 51, no.2.
- ⁶For a comprehensive history and review of United Nations-business engagement see Sandrine Tesner and Georg Kell (2000). *The United Nations and Business: A Partnership Recovered*. New York: St. Martin's Press.
- ⁷For more information about these workshops please refer to the website of the United Nations Financing for Development Office at <http://www.un.org/esa/ffd/09multi-stake-consult-1.htm>.
- ⁸See Economic and Social Council United Nations, Commission for Sustainable Development (2004). "Partnerships for Sustainable Development. Report of the Secretary-General. E.CN.17/2004/16."
- ⁹Please see <http://www.developmentmarketplace.org> for more information.
- ¹⁰For more information on the UN ICT Task Force please refer to their website at <http://www.unicttaskforce.org/>.
- ¹¹For a more comprehensive review of accomplishments please refer to the Third Annual Report of the Information and Communication Technologies Task Force available at <http://www.unicttaskforce.org/>.
- ¹²In this context, the "weakest link" logic applies: The quality of overall partnership management is determined by the partner with the least well developed interface capabilities. This is because partnerships are not coalitions of functionally equivalent actors. Instead, partners bring different resources to the table in a partnership, all of which are important for partnership success.
- ¹³To be sure, the quality of "interface capacity" varies considerably across the various United Nations offices, funds, programmes and agencies. This report cannot reasonably provide a detailed account of the accomplishments and remaining challenges in individual United Nations organizations. Instead, it outlines the hurdles to partnership work most frequently identified by United Nations staff in the survey and interviews. These hurdles provide a first answer to the question of *why* we encounter the management challenges identified above.
- ¹⁴For a list of these guidelines please refer to the list of references.
- ¹⁵For an overview of UNICEF's partnership activities please see their website at http://www.unicef.org/corporate_partners/index_24525.html.
- ¹⁶See United Nations International Children's Fund (2001). "UNICEF Guidelines and Manual for Working with the Business Community. Identifying the Best Allies. Developing the Best Alliance." New York: UNICEF. (Also available online at [http://www.unicef.org/videoaudio/PDFs/Summaryguidelines\(1\).doc](http://www.unicef.org/videoaudio/PDFs/Summaryguidelines(1).doc)).

- ¹⁷For an overview of UNDP's partnership activities please see their website at <http://www.undp.org/business/>.
- ¹⁸Some recent case studies of UNDP's partnership work are profiled in United Nations Development Programme, "UNDP and the Private Sector. Building Partnerships for Development." (op. cit.).
- ¹⁹UNDP has developed so-called "Knowledge Packs" that provide background on UNDP's work and that highlight partnership opportunities. These Knowledge Packs exist in draft format and will eventually be utilized to facilitate outreach to potential partners in business.
- ²⁰See United Nations Development Programme (2001). "UNDP Guidelines for Working with the Business Sector." New York: UNDP. Also available online at http://www.undp.org/business/New%20Guidelines_final071201.doc.
- ²¹See United Nations Development Programme (2001). "UNDP Policy Statement on Working with the Business Sector." New York: UNDP. Also available online at http://www.undp.org/business/UNDP_pspolicy_72001_final.doc.
- ²²For an overview of UNIDO's partnership activities please see their website at <http://www.unido.org/doc/4364>.
- ²³See United Nations Industrial Development Organization (2004). "Operationalizing UNIDO's Corporate Strategy. Services and Priorities for the Medium Term. 2004-2007." Vienna: UNIDO.
- ²⁴For more information about UNEP's work in this area please refer to their website at <http://www.unep.fr/en/branches/partnerships.htm> and <http://www.unep.fr/outreach/home.htm>.
- ²⁵This is not a problem exclusive to the United Nations, but in many cases also applies to business and civil society.
- ²⁶Shell Foundation (2005). "Enterprise Solutions to Poverty: Opportunities and Challenges for the International Development Community and Big Business." London: Shell Foundation.
- ²⁷See "Guidelines on Cooperation between the United Nations and the Business Community" (Art. 12) (op. cit.), in many cases complemented by more specific regulations in individual United Nations organizations.
- ²⁸For the goals and objectives of this review, as well as more detailed terms of reference see Food and Agricultural Organization, "Revised Draft Approach Paper – Evaluation of the Cross-Organizational Strategy – Communicating FAO's Messages." (op. cit.) and Food and Agricultural Organization, "Terms of Reference for an Evaluation of FAO's Cross-Organizational Strategy Broadening Partnerships and Alliances." (op. cit.) The exercise was due to be completed in June 2005.
- ²⁹This is not to suggest that a perspective from civil society is not as important as a perspective from business. However, due to resource constraints, preparatory work for this report could only include a survey with United Nations Global Compact business participants.
- ³⁰It is important to put these responses from business in their proper context. It is not clear that all those who have completed the survey or who responded to questions during interviews really understand the context within which the United Nations operates. Also, there appears to be a general tendency to characterize the United Nations as a bureaucracy that is inherently inefficient. At least some of the interviewees, when asked, had trouble backing up such general statements with concrete examples or other evidence. Finally, this criticism of the United Nations should not be taken to suggest that business itself is without fault. In fact, various interviewees from within the business community itself as well as from the United Nations made frequent reference to the fact that business faces some of the same challenges in terms of mainstreaming and developing partnership interface capacity.



chapter 4

From output to impact: Action agenda for the United Nations

In his Millennium Report published in 2000, Secretary-General Kofi Annan noted: "Today, global affairs are no longer the exclusive province of foreign ministries, nor are States the sole source of solutions for our small planet's many problems. Many diverse and increasingly influential non-governmental actors have joined with national decision makers to improvise new forms of global governance." As a consequence, the Secretary-General concluded that the United Nations needs to become more effective at reaching out to business and civil society in order to develop a more systematic and focused approach for the organization to forging new "coalitions for change".¹

As the previous chapters have shown, a great deal has been accomplished in these last five years. The United Nations has embarked on a path of transformation, opening itself to new partnerships with business and civil society in support of United Nations goals and starting to put the necessary skills, policies, mechanisms and tools in place to enhance its interface capacity.

As a result, most United Nations funds, programmes and agencies have come a long way to turn their organizations into more effective partnership players. It has become fashionable in recent years to dismiss the United Nations as an unwieldy, bureaucratic institution resistant to innovation and change. However, in the context of partnerships, the innovative capacity and the degree of experimentation and organizational change that can be observed at the United Nations tell a different story. Building partnerships with business and civil society has become a catalyst for reform and institutional innovation across the entire United Nations system.

Equally significant, the United Nations is not only becoming more focused and systematic in its engagement of business and civil society in concrete partnership projects. The United Nations has also started to successfully open up its intergovernmental processes to include the perspectives of non-governmental actors. This is starting to transform the nature of global public policy-making, away from the old "club model" of intergovernmental diplomacy towards more open and inclusive formats that help to leverage the perspectives and resources of business and civil society to the process.

In spite of these notable accomplishments the report identifies a number of challenges and areas where the United Nations needs to take further action. Partnerships with business and civil society can make a great contribution towards supporting the purposes and principles of the United Nations, as set out in the Charter and the Millennium Development Goals. Giving business and civil society a voice in the intergovernmental process can be enriching and add to the likelihood of impact and sustained change. Nonetheless, partnerships require far more than a rhetorical commitment. In particular they require strong management and local ownership to produce sustainable impact that furthers the goals of the United Nations.

The United Nations needs to remain focused on its efforts to improve the interface capacity of the organization. Inviting business and civil society to the table is only the first step. The United Nations needs to be prepared to engage its partners in an impact-oriented

fashion while upholding the independence of the Organization and without compromising on goals and mission. In order to do that, the United Nations should ensure that it leverages its core competencies to this process, including its legitimacy and value-based mission.

As noted above, some progress has been made, but much more needs to be done. Specific actions are required to scale up successful experiments and allow cooperative engagements with non-governmental actors to be a stronger force for institutional change. In particular, the United Nations needs to take further action on four fronts:

- (1) Fostering internal skills, policies, mechanisms and tools for partnership work.
- (2) Supporting local ownership by building capacity at country and regional levels.
- (3) Engaging in systematic impact assessment to build the foundation for “smart selectivity”.
- (4) Investing in system-wide learning and coordination of partnership work.

It would be a mistake to advocate one-size-fits-all solutions. Each United Nations fund, agency and programme should develop its own strategy and approach to leverage the potential of partnerships. Still, there are a number of concrete steps the United Nations system can take to build the necessary conducive cultural and institutional environment for its partnerships with business and civil society.²

Fostering internal skills, policies, mechanisms and tools for partnership work

There are three areas in which action needs to be taken in order to enhance capacity:

Action item 1: Facilitate more systematic training

Providing staff with the opportunity of continual training in the area of partnerships is necessary to make a contribution to stronger partnership management. Training should not merely concentrate on “soft skills” such as stakeholder engagement and partnership brokering. It is equally important to provide staff with “hard skills”, including tools to manage the legal process, to manage risks and to measure impact.

Various United Nations organizations have started to provide such training to staff. These efforts need to be scaled up. Partnership training should be mainstreamed in existing and resourced training programmes for United Nations staff. The work of the United Nations System Staff College and the UNDP Learning Resources Centre should be continued and expanded. Also, where possible, the business community could be engaged in improving the skills of United Nations staff in building partnerships. In order to develop a better understanding of corporate culture, some United Nations organizations feature staff exchange programmes on a project-specific basis. Such programmes have proven to be beneficial for enhancing the skills of staff and bringing business expertise to the United Nations.

In addition, more resources should be allocated to sending staff to external training courses. In recent years, various public and private universities and research institutions have started to offer training courses for staff from the public, private and not-for-profit sectors geared at enhancing skills and capabilities to understand and build partnerships. These trainings have proven to be particularly useful for United Nations staff, since their multi-sectoral setup allows them to learn from colleagues from other sectors.

Action item 2: Streamline legal proceedings

Complex and time-consuming legal proceedings in the United Nations were highlighted as one impediment to establishing partnerships. While such proceedings are critical for protecting the United Nations brand, reputation and credibility, they should not be so time-consuming as to stifle the establishment of new partnerships. In interviews, many United Nations staff members argued that there exists a gap between what senior management says with regard to the willingness and capacity of the United Nations to work with external stakeholders and the resources, recognition and incentives provided to staff performing these functions. Although much has been accomplished already, there is an urgent need to further advance institutional reform to close this gap. Existing institutional incentive structures that emphasize avoiding risks and safeguarding the status quo need to be adapted to better support partnerships. A task force of United Nations legal department personnel, Private Sector Focal Points and external stakeholders (from business and civil society) should be created to explore methods for simplifying legal requirements for partnerships and streamlining them across agencies in order to speed-up the partnership creation process.

Action item 3: Improve partner selection processes

Various United Nations organizations have instituted detailed due diligence processes for potential partners, sometimes using third-party service providers, in order to comply with the guidelines issued by the Secretary-General and their own internal regulations. Smaller United Nations organizations find it difficult to implement such mechanisms, usually due to a lack of resources. This problem will be exacerbated once country offices become more active drivers of new partnerships. Possibilities for cost-effective United Nations system-wide approaches should be explored in order to facilitate a consistent and transparent application of United Nations selection criteria. In addition, partners should also be encouraged to demonstrate their commitment to responsible business practices through participation in the United Nations Global Compact and adherence to its principles.

Supporting local ownership by building capacity at country and regional levels

Some United Nations organizations and particularly UNDP as the administrator of the Resident Coordinator System of the United Nations, have made some efforts to build capacity at country and regional offices for partnership engagement. Building capacity in these offices is crucial to ensure local ownership in partnerships and to facilitate bottom-up growth of such collaborative initiatives.

Action item 4: Provide training to United Nations staff in country and regional offices

One particularly important component of building capacity at the country level is the provision of training for country office staff. The valuable work the United Nations Systems Staff College (UNSSC) and the UNDP Learning Resources Centre should be continued and expanded. The recently created "Partnerships and the United Nations Global Compact" programme has the potential to serve some of these training needs and deserves additional resources to achieve greater scale and reach. This programme should build on the experiences that have already

been gathered in providing training in regional and country offices – for example the partnership training model that was implemented by UNDP’s Regional Bureau for Europe and the Commonwealth of Independent States (profiled above).³ The United Nations should more fully mobilize system-wide catalysts, such as the United Nations System Chief Executives Board (CEB) for Coordination and the UNSSC’s United Nations Learning Community of senior human resources managers and mainstream partnership capacity building into well-established and resourced programmes, such as the Resident Coordinator System. Finally, partnership building learning competencies should be reinforced in the Senior Management Network Learning Framework via the “United Nations Learning Community” of senior United Nations human resources managers. Another entry point is the United Nations Development Group (UNDG) and the Development Group Office (DGO) which encourage United Nations partners to work through the UNDG Programme Group to develop training modules on substantive subject matter – such as partnering with the private sector – to be made available through the UNDG website for supplemental training for country teams.

Building the foundation for “smart selectivity”

Almost all United Nations organizations have become involved in partnerships during the past decade. As demonstrated in previous chapters, many of them have produced impressive results. In order to reach the next level in this process, the United Nations will need to scale up those partnership activities that do work and scale down those that do not.

Action item 5: Introduce a selectivity mechanism

Scaling-up and scaling-down requires being selective. In order to be selective, the United Nations needs a selectivity system in place. That system should consist of two basic sets of indicators.

The first set relates to the contribution a partnership can potentially make to the mission and goals of a specific United Nations organization and to what extent it has the potential to draw on and benefit from its core competencies (functional selectivity). The United Nations should not get engaged in partnerships that do not have the potential to contribute to mission accomplishment, or that do not build on the core competencies of the organization. The second set of indicators relates to the potential impact a partnership can have and its input/output ratio (performance selectivity). This second set of indicators should be based on the results of systematic and comparative impact assessment of partnerships that have already been implemented.

A selectivity system based on these two sets of indicators can not generate black and white results. With few exceptions, it is not possible to determine a priori how a partnership may develop and what kinds of impact it can produce. However, a system of “smart selectivity” provides the basis for an informed judgment. What it requires is not only a clear strategic vision on the part of the United Nations about what kind of partnerships it would like to get engaged in – it also requires more systematic impact assessment to capture and disseminate best and worst practice.

Action item 6: Engage in systematic impact assessment on partnerships

Impact assessment helps to strengthen partnerships. Some United Nations organizations have already gathered some experiences in assessing the impact of partnerships and the results – as well as the techniques used. These experiences should be widely shared across the United Nations system. Individual impact assessments and evaluation studies will not be

sufficient to detect larger patterns and trends. Current research on partnerships suffers from a lack of comparable case studies and other data. Resources should be made available to facilitate such applied research work in order to improve the systematic understanding of where, when and under what circumstances partnerships are likely to deliver.

Investing in system-wide learning and coordination of partnership work

As this report demonstrates, some United Nations organizations are ahead of others in terms of experience in working with business and civil society. As a consequence, there is great potential for information sharing and learning across the United Nations system, including the exchange of best and worst practice on partnerships.

There are various low-cost solutions that could help the United Nations share relevant experiences and provide business with an easily accessible window into their world.

- The United Nations Global Compact Office should ensure that regular meetings of Private Sector Focal Points of the United Nations system are convened to facilitate networking and an exchange of ideas and best practices.
- The United Nations System Staff College should be recognized as a system-wide resource for learning and mentoring on partnerships and adequate resources should be made available to facilitate its work in this arena.
- The existing pages of the United Nations website that focus on the work of the United Nations with business and civil society need to be used more effectively.
- An online community of practice including an email list and bulletin board to enable better networking and communication between United Nations Private Sector Focal Points should be created.
- An electronic newsletter to foster an easier exchange of experiences among United Nations Private Sector Focal Points should be developed.

Over time, resources should be made available to create a central portfolio of ongoing partnerships in the United Nations system. This has a triple purpose of showcasing partnerships to both business and United Nations staff, avoiding duplication and acting as a minimum accountability mechanism.

As noted above, there are no one-size-fits all solutions for reform – each United Nations fund, programme and agency needs to develop its own, tailor-made approach towards partnering with business and civil society. Adapting the United Nations to the new challenge of working with external stakeholders requires time and will not be accomplished overnight. Any large-scale process of organizational change takes determination, time and resources to get the job done.

As highlighted in this report, the United Nations' value-based mission, convening power and geographical reach provide the Organization with unique strengths when partnering with non-governmental actors. These institutional strengths have proven to be important factors for why business enters into partnerships with the United Nations. Furthermore, as this report has shown, once business accepts the United Nations' value proposition and aligns its practices with universal principles, a company's propensity to engage in opera-

tional initiatives increases significantly. United Nations principles can thus form a robust basis for long-term relationships and ongoing engagement with business. The United Nations value proposition provides a profound incentive for its partners and should be further leveraged.

Governments are supporting the process of organizational change and adaptation at the United Nations to make the Organization fit for partnerships. They also execute political oversight, thereby lending important legitimacy to the many ongoing initiatives. Many Governments also actively participate in partnership projects themselves, as the case studies included in this report show. In fact, the participation of Governments – both local and national – is crucial for local ownership as well as partnership impact. Finally, many Governments have also launched their own bilateral partnership programmes, reaching out to other stakeholders in order to enhance their work.⁴ Therefore, there is not just a potential for learning across the United Nations system. Governments should also support and foster an exchange of information about best and worst practice between their own bilateral agencies and the relevant United Nations organizations. Partnerships clearly serve as a vehicle for meeting Government goals and objectives. Governments should therefore continue to lend their backing for the United Nations as it reaches out to business and civil society – through oversight, progress reviews and resource support.

In his report “In Larger Freedom: Towards Security, Development and Human Rights for All,” Secretary-General Kofi Annan writes: “The United Nations was built for a different era.” Now, the challenge is to adapt the institution to the requirements of an ever moving, globalized world. The world that Secretary-General Kofi Annan describes in his bold reform proposal demands innovative responses to the challenges of globalization. The leadership of the United Nations has begun to put partnerships with business and civil society at the forefront of its vision. Now is the time to match vision with systematic action. In a world of complex challenges, partnering with business and civil society is not as much a choice as it is a necessity for the United Nations. Partnerships provide opportunities and they pose challenges. Partnerships among the United Nations, business and civil society have emerged as one important new component in the toolbox of global governance. They are no substitute for effective Government action. However, in a world of major resource constraints and ever more daunting global challenges, partnerships are not merely “nice to have”. Partnerships constitute indispensable instruments and their potential needs to be fully leveraged. To this end, the United Nations needs to continue on its path of reform, putting all the necessary skills, policies, tools and mechanisms in place to foster impact-oriented and sustainable partnerships.

Endnotes

- ¹ United Nations (2000). "We the Peoples: The Role of the United Nations in the 21st Century. The Millennium Report of the Secretary-General." New York: United Nations.
- ³ Many of the steps included below were also raised during the most recent United Nations Private Sector Focal Point meeting in Geneva in May 2005.
- ³ For more information on that programme, please refer to the UNSSC website at <http://www.unssc.org/web1/>.
- ⁴ Bilateral development agencies that facilitate such work include, among others, the UK Department for International Development (see <http://www.dfid.gov.uk/aboutdfid/dfidwork/privatesector.asp>); the U.S. Agency for International Development (see http://www.usaid.gov/our_work/global_partnerships/); the Dutch Foreign Ministry (http://www.minbuza.nl/default.asp?CMS_NOCOOKIES=YES&CMS_ITEM=25C1628353A04992A005246635DDD958X3X39280X49); and the German Agency for Technical Cooperation (GTZ) (see www.gtz.de/ppp).

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This brief list of selected references is designed to help the interested reader navigate the broad and continuously expanding literature on partnerships.

The bibliography is divided into the following six subsections:

- (1) The United Nations and partnerships
- (2) The partnership paradigm
- (3) Globalization, global governance and United Nations reform
- (4) United Nations Global Compact Office Publications
- (5) Business, Corporate Social Responsibility and the Millennium Development Goals
- (6) United Nations guidelines and other relevant official documents

The United Nations and partnerships

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The partnership debate

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Globalization, global governance and United Nations reform

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Sustainability and the United Nations Global Compact Office (2004). **Gearing Up: From Corporate Responsibility to Good Governance and Scalable Solutions**. London: Sustainability

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Business, Corporate Social Responsibility, and the Millennium Development Goals

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Acronyms

ACMA	Indian Automotive Component Manufacturers Association
CEB	United Nations System Chief Executives Board for Coordination
CECI	Centre Canadien d'Étude et de Coopération Internationale
CERES	Coalition for Environmentally Responsible Economies
CIDA	Canadian International Development Agency
CSD	United Nations Commission on Sustainable Development
CWG	Collaborative Working Group
DESA	UN Department of Economic and Social Affairs
DSD	Division for Sustainable Development
DTIE	Division of Technology, Industry and Economics
ECOSOC	United Nations Economic and Social Council
FAO	Food and Agricultural Organization
GAIN	Global Alliance for Improved Nutrition
GC	Global Compact
GRI	Global Reporting Initiative
GSM	Global System for Mobile Communications
GTZ	German Agency for Technical Cooperation
HAT	Human African Trypanosomiasis (sleeping disease)
IFRC	International Federation of Red Cross and Red Crescent Societies
IUCN	World Conservation Union
MDGs	Millennium Development Goals
MSF	Médecins Sans Frontières (Doctors Without Borders)
NFA	National Fortification Alliance
NFP	National Fortification Programme
NGOs	Non-Governmental Organizations
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PNK	Projet National Karité
R&D	Research and Development
RBEC	Regional Bureau for Europe and the Commonwealth of Independent States
SEED	Supporting Entrepreneurs for Environment and Development
SME	Small and Medium-sized Enterprises
TB	Tuberculosis
UGK	Unions des Groupements Kiswendsida
UN ICT	United Nations Information and Communication Technologies Task Force
UNCTAD	United Nations Conference on Trade and Development
UNDAC	United Nations Disaster Assessment and Coordination
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNFIP	United Nations Fund for International Partnerships
UN-HABITAT	United Nations Human Settlements Programme
UNICEF	The United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNIFEM	United Nations Development Fund for Women
UNITAR	United Nations Institute for Training and Research
UNSSC	United Nations System Staff College
USAID	United States Agency for International Development
WEHAB	Water, Energy, Health, Agriculture and Biodiversity
WFP	United Nations World Food Programme
WHO	World Health Organization
WSSD	World Summit on Sustainable Development

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About the United Nations Global Compact

The United Nations Global Compact is an international voluntary initiative that brings companies together with United Nations agencies, labour and civil society to support ten principles in the areas of human rights, labour, the environment and anti-corruption. Through the power of collective action, the Global Compact seeks to advance responsible corporate citizenship and help business become part of the solution to the challenges of globalization. The Compact relies on public accountability, transparency and the enlightened self-interest of companies, labour and civil society to:

- Mainstream the ten principles in business activities around the world
- Catalyze actions in support of United Nations goals

The United Nations Global Compact is an expanding network of over 2,000 participants from all regions of the world. At its core are the United Nations Global Compact Office and six United Nations agencies: the Office of the High Commissioner for Human Rights, the United Nations Environment Programme, the International Labour Organization, the United Nations Development Programme, the United Nations Industrial Development Organization and the United Nations Office on Drugs and Crime.

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption. The principles are as follows:

Human Rights

- 1** Businesses should support and respect the protection of internationally proclaimed human rights, and
- 2** make sure that they are not complicit in human rights abuses.

Labour

- 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,
- 4** the elimination of all forms of forced and compulsory labour,
- 5** the effective abolition of child labour, and
- 6** the elimination of discrimination in respect of employment and occupation.

Environment

- 7** Businesses should support a precautionary approach to environmental challenges,
- 8** undertake initiatives to promote greater environmental responsibility, and
- 9** encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- 10** Businesses should work against corruption in all its forms, including extortion and bribery.

About the Global Public Policy Institute

The Global Public Policy Institute (GPPi) is an independent, non-profit think tank located in Berlin with a long track record in research and consulting in global governance.

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