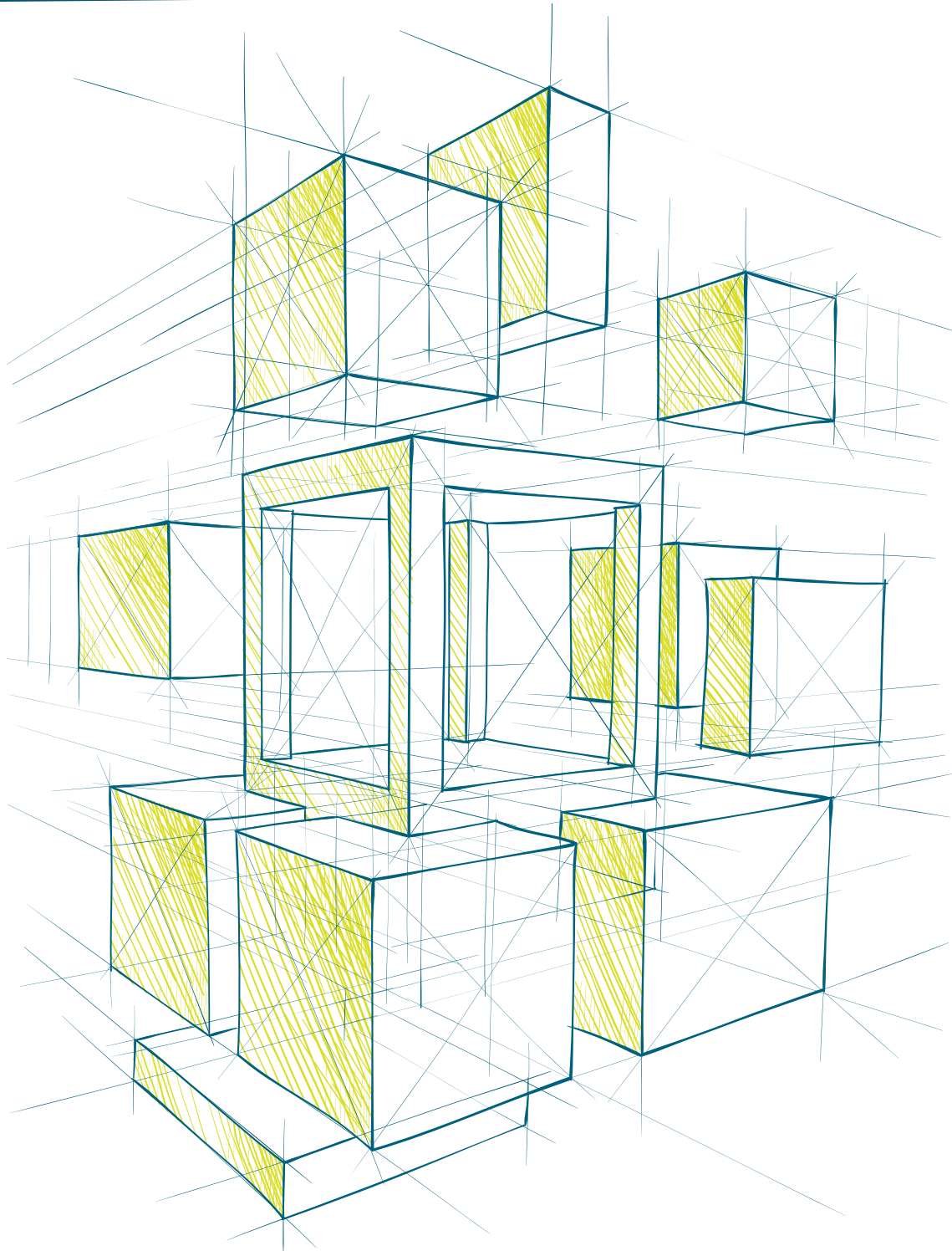


**UN-BUSINESS PARTNERSHIPS:**

# **A HANDBOOK**



**United Nations** Global Compact

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[www.unglobalcompact.org](http://www.unglobalcompact.org)



## About the Global Public Policy Institute

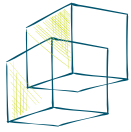
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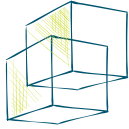
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# FOREWORD

Beginning in the late 1990s — and coinciding with the launch of the UN Global Compact — engaging and building partnerships with the private sector has become increasingly desirable and feasible for the UN. Over the last decade and a half, UN entities have engaged with the private sector in a range of ways, from fundraising to jointly developing normative principles and frameworks. Collaborative arrangements have proliferated in number, scale and scope. UN entities with relevant missions, operational capacity at the country level and the proper strategy have moved from opportunistic ventures to structural engagement with the private sector. Some UN entities have built up strong institutional capacities and progressive policies and methodologies to partner with business. At the same time, learning mechanisms and integrity measures have also been put into place.

With the support of the General Assembly, a consensus has crystallized around the notion of “Global Partnerships”. This agenda has the support and space needed to evolve within the UN. It must be noted that partnerships are no panacea and that voluntary engagement is a complement to — not a substitute for — what Governments do or do not do. However, the key ideas of impartiality, universality and support for developing countries are critical components of this emerging and shared understanding of the role of the private sector in working with the UN.

As global interdependence deepens, companies increasingly recognize the common interests of the private and public sectors and are taking action to advance UN goals by linking risk mitigation with peace and promoting sustainable development and human rights, among other objectives. A number of market-based developments play directly into this realization, notably the growing recognition that environmental, social and governance issues are both material for long-term success of a business and deeply connected with the public policy agenda of the UN. Corporate sustainability based on universal principles is a global movement.

The comparative advantage of collaboration between the UN and private sector must be identified — and become the cornerstone for any strategy seeking private sector engagement — to ensure the lasting success of UN-business partnerships. The convening power of the UN and its global and technical knowledge are important. However, the most critical advantage for business of partnering with the UN is its ability to offer collective legitimacy to approaches that support peace, sustainable development and human rights shaped by Governments in private sector-relevant conventions, norms, values and principles. This distinctive asset

of the UN can be leveraged to ensure that the private sector adheres to basic UN principles and values, and encourages actions and partnerships that advance UN goals. Thus, the UN can leverage private sector engagement through the key values of “respect” and “support”.

“Respect” means to do no harm and to abide by international minimum standards. The value confers upon the UN a standard-setting role that no other actor can play, underpinning efforts to strengthen the rule of law and realize humanity’s shared aspiration to live in peace and dignity. Respect is a critical priority that the private sector should accord to in building trust. Stakeholder engagement and demonstrating a commitment to not do harm is now expected of all businesses.

“Support” defines the opportunities for action, collaboration and engagement beyond the avoidance of harm. There are infinite opportunities to operationalize the concept of “support” and quite often the same means that identify risk and adverse impact — the mirror notion of “respect” — are likely to produce knowledge and practical solutions to do good.

UN-business collaboration must strike a balance between promoting “respect” and “support” to ensure partnerships are instilled with undiluted UN values. The concept of corporate sustainability, advocated by the UN Global Compact, marries the notion of respect and support — or responsibility — with partnership. Nevertheless, there is no one-size-fits-all approach for UN entities. Depending on its mission, products, operational capacity and scalability of its approach to business engagement, each UN entity will have to devise its own distinctive methodology for partnering with the private sector.

Politics and strategy do matter. If we manage to achieve the right balance between the UN’s promotion of respect and support, then there is a realistic opportunity to give impetus to this foundational spirit of principled pragmatism, which will empower us to make immense advances in tackling the many global humanitarian challenges.

As the UN-business relationship has grown, there is a greater need for practical guidance. This Operational Handbook — along with other tools developed by the UN Global Compact and our partners — aims to address this need.

Georg Kell  
*Executive Director*  
*United Nations Global Compact Office*  
April 2013

# EXECUTIVE SUMMARY

The United Nations is involved in a vast number of partnerships with business, ranging from time-bound projects to raise money for UN entities, to permanent global structures with hundreds of partners that want to develop new international norms and standards. The increase in partnerships between the UN and business reflects the critical need for collaborative and innovative solutions for addressing the world's challenges.

In this handbook, we analyze the perspective of UN partnership practitioners to see how they can support this trend through more effective UN-business partnerships. We provide an overview of the steps to take prior to engaging in partnerships, including: analyzing the partnership's unique building blocks; introducing six partnership models suitable for achieving partnership success; and providing additional tools and resources for further support. Besides serving as a tool for UN practitioners, the handbook can help corporate representatives better understand the goals and needs of their partners in the UN.

## Prerequisites for partnerships

Prior to engaging in a partnership with the private sector, each UN entity should create an enabling environment by addressing three key issues. Firstly, an agency should develop a partnership strategy that determines the role of partnerships in advancing the agency's mandate. Secondly, each agency is advised to develop suitable expertise, knowledge and processes for implementing a partnership strategy, managing the partnership portfolio and learning from successes and failures. Thirdly, it is important that agencies ensure buy-in from leadership and other relevant stakeholders within the institution.

In addition, practitioners should clearly define the desired outcomes of a partnership. From the UN perspective, partnerships can aim for one or more of the following outcomes: directly implementing humanitarian or development projects; encouraging changes in behaviour of individuals, businesses or policymakers; and/ or enabling UN entities to better fulfill their mandates.

## Building blocks

Once these initial steps have been taken, practitioners should design an appropriate partnership for achieving their desired outcomes. This process focuses on seven critical decisions, which we refer to as the building blocks of a partnership:

- 1. Composition:** Choose a suitable sized business for the partnership, such as multinational companies, small-and medium-sized enterprises, governmental institutions, civil society organizations and/or other UN entities.
- 2. Roles:** Each partner should take on a role in the partnership that reflects its comparative advantage and relates to its core competencies—for example, the role of implementer, convener or enabler.
- 3. Roadmap:** Draft a roadmap for the partnership that segments implementation into distinct development stages and defines a time-bound or ongoing timeframe for the partnership.
- 4. Scope:** Define a sphere of influence for the partnership that can be local, regional or global, depending on the location of its target groups and beneficiaries.
- 5. Governance:** In order to determine how the partnership will function, partners can draft a formal or informal agreement, choose a degree of autonomy and establish management bodies, such as project teams and steering bodies.
- 6. Financing:** Decide how the costs of a partnership will be covered, for example by funds from UN entities, funds from business partners or involved governmental institutions, or through external fundraising activities.
- 7. Monitoring & Evaluation:** Ensure that information on a partnership's performance will be collected and analyzed, either internally or through external evaluations.

Practitioners determine the DNA of a partnership by choosing options from within the different building blocks. They should, however, be aware that each option entails specific risks and benefits, as described in this handbook.

# PARTNERSHIP BUILDING BLOCKS AND OPTIONS



## **COMPOSITION:** Which partners will the partnership involve?

### **Business partners:**

- Multinational companies
- Small- and medium-sized enterprises

### **Most common other partners:**

- Governmental institutions
- Civil society organizations
- Other UN entities



## **ROLES:** What will each partner be responsible for?

### **Common UN roles:**

- Convener and/or implementer

### **Common business roles:**

- Enabler and/or implementer



## **ROADMAP:** How long will the partnership last?

- Time-bound partnerships
- Ongoing partnerships



## **SCOPE:** Where will the partnership be implemented?

- Local level
- Regional level
- Global level



## **MONITORING & EVALUATION:** How will the partnership's performance be assessed?

- Internal evaluations
- External evaluations



## **FINANCING:** How will the partnership be financed?

- UN institutional funds
- Funds from business partners
- Funds from involved governmental institutions
- Funds from external fundraising activities



## **GOVERNANCE: How will decisions be made?**

### **Underlying Agreement:**

- Informal agreement
- Formal agreement

### **Managing Bodies:**

- Project team
- Project team and steering bodies

### **"Degree of autonomy":**

- Partnership as a project
- Partnership as a distinct entity

## Partnership models

The various options within each building block can be combined to form an almost limitless number of partnerships. In practice, however, the six UN-business partnership models below represent the most significant configurations of the building blocks, based on the partnership's desired outcomes:

- 1. Global implementation partnerships** focus on implementation outcomes. They establish platforms comprising numerous representatives from all relevant sectors to create frameworks for action that address global challenges and allow for local implementation.
- 2. Local implementation partnerships** execute humanitarian or development projects in particular areas or regions. They are often accompanied by encouraging changes in behaviour of local target groups.
- 3. Corporate responsibility initiatives** concentrate on changing business behaviour, for example, through leveraging their commitments to a specific development cause or fostering the self-regulation of a specific sector.
- 4. Advocacy campaigns** encourage behavioural changes of target groups to alleviate development problems. Desired changes can range from sensitizing individuals to

certain issues to encouraging individuals to engage in problem solving.

- 5. Resource mobilization partnerships** focus exclusively on engaging companies to provide resources or to mobilize external resources to enable UN entities to better fulfill their mandates.
- 6. Innovation partnerships** enable outcomes. They utilize the expertise of business partners to develop and implement innovative products and services that can, for example, improve work processes within UN entities.

## Partnership models and their desired outcomes

The structures of each partnership model, based on different options chosen from the building blocks, are described in detail in this handbook. These model analyses are practical tools meant to support practitioners in designing UN-business partnerships suitable for achieving different sets of outcomes. The analyses also describe the most critical decisions in partnership design, as well as special characteristics of each model, in order to increase the likeliness of achieving desired outcomes and, more generally, to ensure that UN-business partnerships reach their full potential and become an even more integral part of the development efforts of the UN.

Directly Implementing Projects	Changing Behaviour	Enabling UN entities
	Global Implementation Partnerships	
	Local Implementation Partnerships	
	Corporate Responsibility Initiatives	
	Advocacy Campaigns	
		Resource Mobilization Partnerships
		Innovation Partnerships



# 1 PURPOSE OF THE HANDBOOK

After years of intensifying UN-business collaboration, the UN is now involved in a vast number of partnerships, including: time-bound joint projects to raise money for a UN agency; medium-term strategic collaborations between the UN, business and civil society aimed at implementing measures to achieve development goals; and ongoing global structures with hundreds of partners from all sectors working to give practical meaning to international norms and standards. A surge in the number and types of these partnerships reflect the increasing acceptance among UN and business actors alike of the critical need for collaborative and innovative solutions for addressing global problems.

This growth brings new questions for UN practitioners, including: Which partnership model is best suited for achieving particular outcomes? How can I make the correct decisions to ensure the successful design and implementation of a partnership? What are the risks and benefits of the different options in partnership design? This handbook addresses these questions and others in order to assist UN practitioners in the design and implementation of more effective UN-business partnerships that achieve different outcomes.

The handbook systematically breaks down different partnership models into “building blocks” and key characteristics, illuminating critical decision points and options for practitioners to consider when structuring new partnerships. The handbook provides practical information in the form of risk and benefit analyses for each building block and outlines the most common partnership models. Short case studies highlight best practices and other relevant tips throughout the handbook, while several resource sections provide suggested literature and practical tools for further reading.

The handbook is structured as follows: the next section provides an overview of steps that should be taken prior to engaging in a new partnership; next are building blocks which present different critical components and various design options for partnerships; lastly, the handbook features six common partnership models for achieving specific outcomes and explains how the partnerships are constructed.

---

#### **Partnership terminology:**

Partnerships are collaborative relationships between various parties, both public and non-public, in which all participants agree to support a common cause or to achieve a common purpose, and to potentially share risks, responsibilities, resources and benefits.

UN-business partnerships are partnerships involving at least one UN agency, fund or programme and one private sector partner.



## GENERAL RESOURCES ON UN-BUSINESS PARTNERSHIPS

The following is a non-exhaustive list of general resources related to UN-Business Partnerships. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- *“Building Partnerships: Cooperation between the United Nations system and the private sector”*, developed by Jane Nelson (2002), that covers UN-business partnership issues ranging from managing cooperation to tackling global challenges through cooperation.
- *“Business UNusual. Facilitating United Nations Reform Through Partnerships”*, developed by the UN Global Compact and the Global Public Policy Institute (2005), explores how UN-business partnerships act as a catalyst for reform and innovation throughout the UN, which is still the case today.
- *“The Partnership Assessment Tool (PAT)”*, developed by the United Nations Development Programme (UNDP), United Nations Institute for Training and Research (UNITAR), United Nations Office for Partnerships and the United Nations Global Compact (2007), leads the user through a simple step-by-step questionnaire assessing the expected value of a partnership and identifies ways to improve future partnership activities.
- *“Joining Forces for Change: Demonstrating Innovation and Impact through UN-Business Partnerships”*, developed by the UN Global Compact (2007), presents a case for partnering with the UN in addition to listing case studies of successful UN-business partnerships in areas such as women’s and children’s rights, access to basic water and services, technology for development, labour issues, capacity building, HIV/AIDS, climate change, hunger and disaster response.
- *“Business Guide to Partnering with NGOs and the United Nations”*, developed by the UN Global Compact and Dalberg (2007), aims to better equip companies to survey the NGO and UN landscape to match their needs and competencies with those of potential partners.
- *“UN and the Private Sector: A Framework for Collaboration”*, developed by the UN Global Compact (2008), illustrates different models for collaboration towards key international goals. The report serves as a companion to more detailed publications on UN-business engagement to address specific global issues and achievement of the Millennium Development Goals.
- *“Coming of Age: UN-Private Sector Collaboration since 2000”*, developed by the UN Global Compact and the Global Public Policy Institute (2010), charts the evolution and increasing importance of UN-business partnerships and their activities – a helpful tool for understanding the growing scope of UN-business partnerships.
- *“Catalyzing Transformational Partnerships between the United Nations and Business”*, developed by the UN Global Compact, Unilever and Dalberg (2011), highlights the characteristics of a transformational partnership and outlines the key recommendations to take UN-Business partnerships to scale.
- *“business.un.org”* offers a user-friendly process to match business resources with needs from UN organizations. Private sector representatives can use it to get ideas and inspiration. It also allows companies to get in touch with UN entities, to communicate their interests and needs, and to find suitable partners within the UN.
- *“UN-Business Focal Point”* is a quarterly newsletter published online by the UN Global Compact which includes articles on new partnership activities between the UN and businesses, new tools and resources, as well as articles addressing key themes with regards to public-private partnerships. It is an efficient tool to stay on track regarding UN-business collaboration.

# 2 THINGS TO CONSIDER BEFORE CREATING A NEW PARTNERSHIP

The following two preliminary steps can help ensure the proper foundation for implementing successful partnerships: creating an enabling environment and defining a partnership's desired outcomes.

## Creating an enabling environment

Every UN agency should create an enabling environment for successful partnerships which includes the following key elements:

- Develop a strategy that determines in advance the role partnerships can play in helping to achieve the organization's mandate;
- Ensure that the necessary expertise, knowledge and processes are in place for

implementing the partnership strategy, for managing the partnership portfolio and for learning from successes and failures.

- Ensure buy-in and leadership from relevant stakeholders at the organizational and institutional levels for partnerships with the private sector.

In developing a partnership strategy, each UN agency should critically assess to what extent it is uniquely positioned, both within the United Nations as well as vis-à-vis external actors, for engaging in particular types of partnerships. This "soul searching" requires an understanding of an agency's comparative institutional advantage defined by the normative clarity and attractiveness of its mandate

## Identifying a comparative institutional advantage

The comparative institutional advantage is defined by an agency's:

- Normative endowment: an agency's mission, its attractiveness and unique space on the global agenda.
- Operational capability: an agency's implementation and field capacity, its ability to leverage human and financial resources, and its contacts with other actors.

## CREATING AN ENABLING ENVIRONMENT

### THINK STRATEGICALLY:

- Develop guidelines on how to partner with business on a strategic, non-ad-hoc basis and in accordance with an agency's comparative institutional advantage, e.g., IFAD's private sector strategy "Deepening IFAD's engagement with the private sector".

### ENSURE EXPERTISE & KNOWLEDGE SHARING:

- Provide training opportunities for partnership practitioners to strengthen partnership management skills, e.g., internal trainings or courses offered by external training providers.
- Take advantage of existing tools for sharing best practices, e.g., the UN-Business Focal Point newsletter and the annual UN System Private Sector Focal Points Meetings.
- Develop exchange programs to sensitize partnership practitioners to cultural differences between the UN and business, e.g., the UNICEF Sabbatical Programme for business employees to join UNICEF.

### ENSURE BUY-IN AND LEADERSHIP:

- Promote senior management and stakeholder support for UN-business partnerships through better sharing the benefits of UN-business partnerships.
- Support actors that facilitate partnerships and a coherent UN-approach towards the business community, such as the UN Global Compact Office and the partnership gateway, [business.un.org](http://business.un.org), which provides a wealth of inspiration/information and a useful matching function designed to better link UN needs with the resources of businesses around the world.
- Ensure private sector focal points are in place at headquarters and country offices of UN entities.

on the global agenda as well as by its operational capability, including field capacity and technical expertise.

It is advisable for UN entities to critically reflect on which types of partnerships correspond with their normative endowment and operational capacity and design their partnership strategies accordingly. An agency's value is not defined by the visibility of its engagement with the business, but rather the compliance of this engagement with an agency's mission, its operational capability and, in the end, its desired outcomes on target groups.

The UN has taken several steps to create an enabling environment for partnerships, including efforts by the UN Global Compact to promote coherence and learning and advocate for partnerships. However, there remain a number of obstacles to effective partnering. In many cases, the necessary buy-in and financial and human resources to execute partnerships are still not available for practitioners. Therefore, stronger support for practitioners should be built within the UN, especially through better sharing the benefits of partnerships with colleagues and the management.

### Defining desired outcomes

The most critical aspect of building UN-business partnerships is the need to assess if and how a planned partnership can contribute to achieving a particular outcome. If achieving desired outcomes is possible by utilizing existing resources within the particular UN agency, engaging with other partners might simply add unnecessary complexity. It is therefore recommended that agencies only consider a partnership approach if achieving particular goals is enhanced by the engagement of partners.

If this is the case, a partnership's desired outcomes can be defined. From the UN perspective, UN-business partnerships can aim to achieve one or more of the following outcomes: directly implementing humanitarian or development projects; encouraging a change in behaviour of individuals, businesses or policymakers; or enabling UN entities to better fulfill their mandates. For example, if a UN agency and a company decide to promote literacy, they could conduct trainings for teachers (directly implementing projects), run advertising campaigns that highlight the importance of adult education (changing behaviour) or raise financial resources for UN

entities to build more schools (enabling UN entities).

UN-business partnerships that directly implement projects act, for example, in the fields of health care, education, private sector development or environment protection. Such implementations can range from the distribution of nutritious food to children in emergencies, to carrying out vaccination campaigns, to integrating local businesses into global value chains.

Partnerships which aim for changing behaviour can build the momentum of a specific issue crucial to development and sensitize the general public, for example, on ending violence against women or on the importance of washing one's hands with soap to strengthen public health. They can also encourage changes in government policies and legislation to prohibit the sale of leaded fuel, or help companies to develop and implement relevant norms and standards and promote increased investment in a specific area.

Finally, partnerships can seek to enable UN entities to better fulfill their mandates. These partnerships either mobilize financial and in-kind resources in support of UN entities or transfer technical and organizational expertise to UN entities. The latter activities can involve building the capacity of UN staff or redesigning work processes and program implementation to embrace cutting-edge knowledge in the area of logistics or information and communication technology.

Before building partnerships, practitioners should clearly define what goals their envisaged partnership is intended to reach and how it can reach them.

### Common partnership outcomes:

- Directly implementing projects
- Changing behaviour
- Enabling UN entities

### The UN Global Compact

With the trailblazing work of partnership pioneers such as UNICEF and the World Food Programme leading to greater operational knowledge on best practices in partnering, the UN Global Compact has been at the forefront of efforts at the institutional level to improve the ability of United Nations agencies, funds and programmes to implement more effective partnerships with the private sector. Since its launch in 2000, the UN Global Compact has taken numerous actions in support of UN goals and issues and, through its growth and evolution, has played a critical role in not only increasingly engaging companies in human rights, labour, environment and anti-corruption issues, but also providing a much needed leadership role in advocating the importance of UN-business collaborations.

## RESOURCES ON PARTNERSHIP GUIDELINES

The following is a non-exhaustive list of resources related to partnership guidelines. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- “*UNICEF’s Guidelines and Manual for Working with the Business Community*”, developed by UNICEF (2001), forms a guide for businesses establishing partnerships with UNICEF across many forms - programmatic alliances, advocacy, fundraising support, or contributions-in-kind.
- “*UNIDO Business Partnerships for Industrial Development*”, developed by UNIDO (2002), is a guideline for actors in the public and private sector who may become involved in a UNIDO business partnership for industrial development. Among others, it introduces the different types of partners, their roles and expectations, partnership principles, partnership types and stages in the partnership process.
- “*Guiding Principles for Public-Private Collaboration for Humanitarian Action*”, prepared by the World Economic Forum and the UN Office for the Coordination of Humanitarian Affairs (2007), outlines how partnerships between humanitarian actors and private sector companies should be developed, above all with regard to adhering to the principles for humanitarian action.
- “*UNAIDS Guidelines: Working in Partnership with the Private Sector*”, developed by UNAIDS (2007), outlines how the private sector can provide support to UNAIDS’ work. It introduces prerequisites for partnership eligibility, general principals, procedures and the main forms of collaboration: programmatic partnerships, advocacy, fundraising support, or contributions-in-kind.
- “*Guidelines on Cooperation between the United Nations and the Business Sector*”, revised and signed by the Secretary-General (2009), is designed to help UN staff develop more effective partnerships between the UN and the business sector while ensuring the integrity and independence of the United Nations.
- “*Revised Guidelines on Cooperation Between UNDP and the Private Sector*”, developed by UNDP (2009), is a comprehensive guide to how UNDP works in collaboration with the private sector. It is based on the “*Guidelines on Cooperation between the United Nations and the Private Sector*”.
- “*Private-Sector Strategy: Deepening IFAD’s engagement with the private sector*”, developed by IFAD (2011), aims to strengthen IFAD’s existing instruments, while further building the capacity and knowledge of its staff and exploring options to better support the growth of rural small- and medium-sized enterprises in developing countries. More comprehensive, but less specific is IFAD’s general “*Partnership strategy*” (2012).
- “*UNHCR Corporate Guidelines*”, developed by UNCHR, comprise the code of conduct that corporations entering into partnership with UNHCR have to agree with both in principle and practice. This is intended to ensure transparent partnerships that meet the interests of both partners in the spirit of open, honest, professional and enduring relationships.

# 3 BUILDING THE APPROPRIATE PARTNERSHIP

The next step for practitioners is to determine how to build and govern an appropriate partnership in order to achieve the desired outcomes. Although each partnership is unique to some extent, they are all made up of the same “building blocks”. Moreover, the strategic decisions that must be addressed when designing, implementing and terminating

partnerships are the same for each partnership. There are seven main building blocks for constructing a partnership, each of which allows for different options that ultimately determine the DNA of a partnership (see box below). The following building blocks explore the different risks, benefits and other critical issues that these options entail.

## RESOURCES ON PARTNERSHIP CONSTRUCTION

The following is a non-exhaustive list of resources related to partnership construction. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- “*Understanding Public-private Partnerships*”, developed by the UN Foundation (2003), offers a partial lexicon of partnership concepts, and an initial “cross-sector” primer on what is known about making them successful.
- “*Partnership fundamentals: A 10-step guide for creating effective UN-Business partnerships*”, developed by the UN Global Compact, Unilever and Dalberg (2011), provides insights distilled from existing UN-business partnerships. This guide serves as a step-by-step roadmap for maximizing the transformative potential of a partnership.
- “*The Partnering Toolkit*”, developed by The Partnering Initiative (2011), offers a concise overview of the essential elements that make for effective partnering, including tools and frameworks. It covers the complete scope of partnerships, not only UN-business partnerships.
- “*Navigating the New World of Partnership*”, a guide on [business.un.org](https://business.un.org), has been compiled to help practitioners navigate the partnership landscape of UN, business corporations, governments and non-profits. It lists pitfalls to avoid and best practices to employ so that the greatest benefit can be realized for the partnership.

# PARTNERSHIP BUILDING BLOCKS AND OPTIONS



## **COMPOSITION:** Which partners will the partnership involve?

### **Business partners:**

- Multinational companies
- Small- and medium-sized enterprises

### **Most common further partners:**

- Governmental institutions
- Civil society organizations
- Other UN entities



## **ROLES:** What will each partner be responsible for?

### **Common UN roles:**

- Convener and/or implementer

### **Common business roles:**

- Enabler and/or implementer



## **ROADMAP:** How long will the partnership last?

- Time-bound partnerships
- Ongoing partnerships



## **SCOPE:** Where will the partnership be implemented?

- Local level
- Regional level
- Global level



## **MONITORING & EVALUATION:** How will the partnership's performance be assessed?

- Internal evaluations
- External evaluations



## **FINANCING:** How will the partnership be financed?

- UN institutional funds
- Funds from business partners
- Funds from involved governmental institutions
- Funds from external fundraising activities



## **GOVERNANCE: How will decisions be made?**

### **Underlying Agreement:**

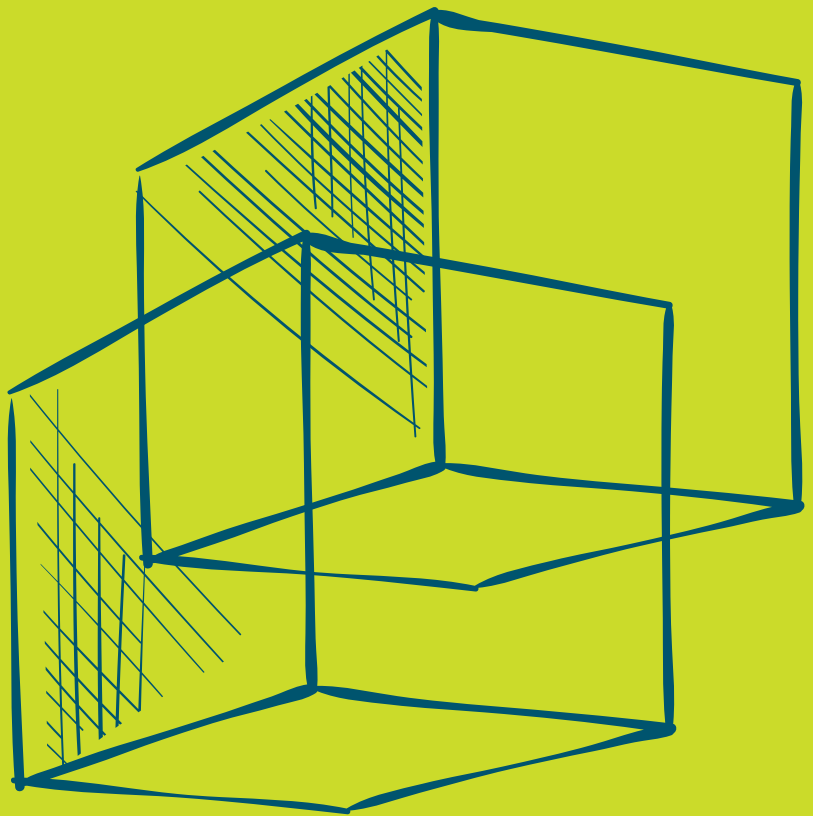
- Informal agreement
- Formal agreement

### **Managing Bodies:**

- Project team
- Project team and steering bodies

### **"Degree of autonomy":**

- Partnership as a project
- Partnership as a distinct entity



# **BUILDING BLOCKS**



## Choose the partnership's composition



### “Composition” options:

Business partners:

- Multinational companies
- Small- and medium-sized enterprises

Most common further partners:

- Governmental institutions
- Civil society organizations
- Other UN entities

UN entities can join forces with many different actors, including companies, governmental institutions, civil society organizations and other UN entities. While other actors, such as academic institutions, also are potential options, the aforesaid partners are most common. The characteristics of UN-business partnerships heavily depend on the different types of companies involved: multinational companies, national companies, medium-sized companies, local companies, start-ups and others. To allow for a clear distinction in the following analysis, these different types will be grouped: multinational companies (MNCs) comprising companies that mainly act beyond national borders; and small- and medium-sized enterprises (SMEs) which comprise companies focusing on specific areas.

In order to identify the appropriate composition of a partnership, it is necessary to clearly define resources and expertise required to achieve the desired outcomes and the risks that could hinder achievement, such as a fragile political environment. This allows UN entities to choose partners that can provide the required resources and expertise and help to mitigate the major risks. If potential partners express their interest in partnering before outcomes have been defined, the desired outcomes should be chosen in accordance with available expertise and resources.

### Benefits and risks of potential partners

MNCs can be suitable partners for providing financial resources and to invest in innovative products and services. Their expertise in their respective field of activity as well as their management approaches can boost the effectiveness of partnerships. Involving MNCs can also create access to huge networks of clients and suppliers and attract media attention. MNCs, however, have a strong interest in expanding their business and promoting their brands, which can challenge the UN's intention to pursue development goals. Moreover, practitioners need to protect the UN's reputation and address the risk that some companies may intend to use partnerships for

bluwashing their brands.

Small- and medium-sized enterprises are likewise experts in their field of activity, but usually have fewer resources available than MNCs. SMEs are often strongly integrated in local production chains and their involvement lends itself to collaborations that aim for development on the ground, such as job creation or local market development. While specialized departments within MNCs, above all CSR departments, accelerate negotiation processes, partnering with SMEs usually results in higher transaction costs due to the lack of partnership expertise, the need to translate UN agendas into local contexts and higher costs of due diligence processes. For SMEs, direct benefits to their core business may be a more important driver than reputational benefits.

In addition to MNCs and SMEs, partnerships can include in-country governmental institutions, civil society organizations and other UN entities in order to utilize their specific strengths. Project approval from country governments and local authorities is a requirement to provide legitimacy for actions in the respective country, region or city. Governments can also provide additional funding and reduce administrative barriers. This can be critical in areas in which access for development and humanitarian organizations is restricted, such as in conflict-affected areas. However, sometimes close government partners may risk politicizing the partnership or slowing down its operations due to bureaucratic requirements.

Like governments, civil society organizations can add specific strengths to partnerships. Community-based NGOs, which work on the ground, can connect to local beneficiaries and provide local expertise, while international NGOs provide expertise in their field of activity, increase a partnership's credibility through their good reputation and draw on their broad capacity to implement projects. As international NGOs increasingly compete with UN entities for business partners, it could be beneficial to join forces and pool resources for achieving outcomes rather than

intensifying competition. The involvement of NGOs can, however, complicate partnership governance, particularly if collaborating with various small local NGOs.

The engagement of other UN entities in UN-business partnerships is also an attractive option. Combining forces with other UN entities can prevent the counterproductive existence of different partnerships addressing the same issues, support a coherent approach of the UN to the business community and external stakeholders, and allow for combining resources and expertise of different UN entities and reducing transaction costs. It also has the potential to create synergies across the UN for addressing development and humanitarian problems. However, as each UN agency has its own mandate, partnerships guidelines

and strategy, the involvement of additional UN entities can complicate partnership governance. Having a lead agency and a clear assignment of tasks and responsibilities can mitigate this challenge.

In addition, academic institutions can be involved to generate knowledge. This was achieved, for example, by the Consultative Group on International Agriculture Research (CGIAR), which fosters agricultural research in 15 research centers, including hundreds of partners from government, civil society, academia and business. Finally, a variety of other institutions can be integrated, such as development banks to lend financing mechanisms, consultancies to provide monitoring and evaluation services, or media partners to gain access to broader audiences.

## BENEFITS AND RISKS OF POTENTIAL PARTNERS

### MULTINATIONAL COMPANIES:

**BENEFITS:** MNCs can provide resources including funds, expertise in their field of activity, effective management approaches and access to networks of clients and suppliers; MNCs can attract media attention; conducting due diligence on MNCs is easier than on SMEs;

**RISKS:** MNCs may try to utilize a partnership to enforce their own business interest or to bluewash their reputation; they may entail greater exposure to reputational risks for UN entities given the scale, impact and scope of their operations.

### SMALL- AND MEDIUM-SIZED ENTERPRISES:

**BENEFITS:** SMEs can provide expertise in their field of activity; SMEs allow for effective development on the ground;

**RISKS:** Resources of SMEs may be limited; collaboration with SMEs can entail high transaction costs; SMEs often expect direct benefits for their core business.

### GOVERNMENTAL INSTITUTIONS:

**BENEFITS:** Governments provide legitimacy; they can reduce administrative barriers and provide additional funds;

**RISKS:** Governments may politicize a partnership; bureaucracies can complicate partnership governance.

### CIVIL SOCIETY ORGANIZATIONS:

**BENEFITS:** Local NGOs can provide local expertise and contacts; international NGOs can provide expertise in their field of activity and improve reputation; partnerships can mitigate rivalry between NGOs and UN entities;

**RISKS:** Involvement of NGOs can complicate partnership governance.

### OTHER UN ENTITIES:

**BENEFITS:** Including other UN entities prevents the existence of parallel structures, supports a coherent UN approach and allows for combining resources and expertise of different UN entities;

**RISKS:** Involvement of other UN entities can complicate partnership governance.

### Find the appropriate composition by:

- Including partners that can provide resources and expertise needed to achieve desired outcomes.
- Rejecting partners that can cause reputational damage to UN entities if not explicitly targeting such companies in order to change their behaviour.

### Keep the appropriate composition by:

- Accepting new partners who can contribute needed resources or expertise.
- Dismissing partners that have failed to fulfill their responsibilities.

## Choosing the number of partners

The size of partnerships can range from **bilateral partnerships**, which are formed by one UN agency and a single company, to **multi-stakeholder partnerships**, which involve numerous partners from different sectors. Bilateral partnerships can focus on the optimal contribution a single company can make towards helping the respective UN agency, while multi-stakeholder partnerships allow for addressing complex problems that require the consideration of many stakeholders to be addressed effectively. In multi-stakeholder partnerships, it is more difficult to satisfy everyone's interests and to meet governance requirements, but these partnerships have a higher potential for large-scale impact.

### CASE STUDY

#### **UNHCR-IKEA: A Bilateral Partnership**

IKEA is experienced in designing flat-packed home and furniture solutions. Designing a new tent for refugee accommodation, as in the UNHCR-IKEA partnership, utilized IKEA's core competencies. Moreover, it fulfilled the requirements of UNHCR as it allowed for cost-efficient production, flat-packing and a quick airlift to people in need, simultaneously reducing cost and increasing efficiency. The new tent is also more durable than the former tent and therefore better serves the needs of refugees who often stay in camps for longer than initially intended. The tent cooperation focused on developing and implementing an innovative product. Once accomplished, IKEA and UNHCR intensified their collaboration and, among other things, shared expertise on supply chain management and logistics. This did not just benefit UNHCR, but also showed IKEA how to operate in unusual and difficult places. Such a mutual benefit can most easily be achieved in bilateral partnerships as partners can concentrate on meeting each other's needs.

*Source: T. Smedley (2012): How IKEA's partnership with the UN is helping child refugees, The Guardian.*

### CASE STUDY

#### **Sustainable Energy For All: A Multi-stakeholder Partnership**

The "Sustainable Energy for All" Initiative was launched by UN Secretary-General Ban Ki-moon in 2010 and convenes a broad set of actors, including companies, governments,

civil society organizations and academic institutions. The initiative's overall goal is to ensure universal access to modern energy services, to double the rate of improvement in energy efficiency, and to double the share of renewable energy in the global energy mix, all by 2030.

The initiative has constructed an umbrella framework that supports implementation in many different contexts. A great number of opportunities for engagement exist for private sector representatives. The United Nations Foundation has, for example, launched a global Energy Access Practitioner Network as part of the "Sustainable Energy for All" Initiative. This group convenes practitioners from the private sector and civil society, to work on the delivery of energy services related to electrification in a range of developing country contexts in order to develop a more integrated approach to energy access planning and execution, and above all to electrification for productive purposes.

*Source: UN-Business Focal Point Newsletter, Issue 17, 2012.*

## Finding and keeping the appropriate composition

When moving forward with the selection of partners, it is critical to ensure proper due diligence procedures to avoid including actors that could cause reputational damage to UN entities. Due diligence should be proportional to a partnership's risk which will likely be greater for complex partnerships. There are a number of tools which practitioners can use for due diligence, including a service provider, coordinated by the UN Global Compact, which is already providing services to a number of UN entities. Practitioners may also consult with other practitioners who have experience partnering with the respective actors. The due diligence questionnaire, developed by the UN Global Compact and found on [business.un.org](http://business.un.org), illustrates how due diligence can yield important information to make a partnership truly transformational.

Once a partnership has been initiated, it is crucial not to view the composition as a rigid construction, but as a functional tool to achieve set outcomes. In other words, it is important that the partnership stays ready for new partners who can contribute needed resources or expertise and for dismissing partners that have failed to fulfill their responsibilities.

## Define the roles of each partner

Each partner should take on a role in the partnership that reflects its comparative advantage and relates to its core competencies. Governmental institutions, for example, are best suited to provide legitimacy in the respective country or as implementers if the partnership focuses on executing new policies. For UN entities and companies, a few main roles have proven to be most suitable: UN entities have an unmatched ability to act as conveners, while companies are unmatched as enablers that provide resources and expertise. Moreover, both companies and UN entities can perform well as implementers.

When acting as conveners, UN entities put a pressing issue on the agenda, formulate desired outcomes, gather relevant stakeholders needed to achieve this outcome and strive for strong corporate involvement, which increases the chance for lasting impact. For example, the UN can convene global companies to develop a framework that brings in line investments and environmental standards. UN entities are suitable for this role because other institutions, including companies, consider the UN as a legitimate, credible and neutral actor that can develop common ground among diverse interests. However, too strong of a leadership role can result in a significant workload and endanger process ownership. A more limited role may, by contrast, better contribute to partnership success. UN entities only put an issue on the agenda and allow other partners to implement processes for achieving the respective outcomes. In any case, the UN must ensure that partners play an active role in implementation and not just serve as passive partners in UN-led initiatives.

In contrast to the convening power of UN entities, companies have an unmatched ability to act as enablers. Drawing on the expertise and resources of business partners can benefit UN entities in many ways, ranging from the development of innovative products such as fortified foods, to companies advising UN entities on more effective management approaches. In some cases, partnerships relegate companies into the role of financiers by solely drawing on their financial resources. While potentially beneficial in the short-term, a more sustainable model draws not

only on financial resources, but leverages the company's expertise and also leaves room to appeal to its corporate interests. Companies tend to prefer such a greater involvement as it does not only allow for demonstrating CSR, but for utilizing and promoting its core competencies.

For UN entities, the role of implementer is attractive as it allows for directly influencing partnership activities and for ensuring that implementation stays in line with UN norms and rules. As implementation, including coordination activities, requires the deployment of staff and provision of resources, it can be useful to share these responsibilities with business partners. Such closer involvement can also increase business partners' commitment and allow for the utilization of their management skills. However, the prevalent belief that the private sector is more efficient is not always justified. Companies are more effective in their specific field of operation and often in administration, but once dealing with development or humanitarian issues, UN entities are likely the more experienced partners.

### CASE STUDY

#### **WFP-YUM! Brands: Playing the Role of Convener**

Working as a partnership enabler, YUM! Brands supports WFP efforts to bolster awareness of global hunger, spur volunteerism and raise funds to benefit the fight against world hunger. Customers are encouraged to donate funds to WFP as they make their purchases at YUM's restaurants around the world. Point of sales information and purchase materials regarding world hunger also raise funds and help raise awareness of the problems and issues. While WFP put hunger issues on the agenda, YUM! Brands directly implemented media and in-store campaigns so this message reached millions of people.

The partnership supported WFP activities in over 44 countries, and mobilized and motivated more than one million YUM! employees to globally advocate against hunger. The WFP-YUM! Brands campaign is the world's largest consumer outreach effort on the issue of hunger,



#### **“Roles” options:**

Common UN roles:

- Convener and/or implementer

Common business roles:

- Enabler and/or implementer

### **Describe all partners' tasks and responsibilities to allow for:**

- Utilizing each partner's comparative advantages and core competencies.
- Preventing and solving disputes between partners.
- Ensuring an appropriate representation of all partners.

spans more than 120 countries and includes the participation of nearly 38,000 restaurants. The partnership illustrates how companies can act as enablers by providing expertise on marketing and advertisement, while also implementing projects based on their distribution channels.

Sources: *Business.un.org* and *WFP Website (www.wfp.org)*.

### **Describing tasks and responsibilities**

Defining roles means assigning tasks and responsibilities. Besides ensuring that partners take on roles that reflect their comparative advantages and relate to their core competencies, a clear description of tasks and responsibilities can also allow for accountability

and set out expectations before starting a partnership, thus preventing future conflicts between partners.

The assignment of tasks and responsibilities can also ensure an appropriate representation of all partners by, on the one hand, preventing individual partners from having the power to align the agenda to their own interest and, on the other hand, integrating all partners into the decision-making process. Such an appropriate representation does not exclude individual partners from taking on lead positions. It is even advisable to have a lead partner who, for example, mobilizes employees for partnership management. Good leadership does, however, not mean enforcing its own interest, but safeguarding the interests of everyone involved.

## **BENEFITS AND RISKS OF PARTNER ROLES**

### **UN ENTITIES AS CONVENERS:**

**BENEFITS:** UN entities can convene all relevant stakeholders and are seen as legitimate, credible and neutral actors;

**RISKS:** Too strong UN leadership can endanger partnership success; companies may be attracted to participate passively in a UN-led initiative.

### **BUSINESS PARTNERS AS ENABLERS:**

**BENEFITS:** Resources and expertise of business partners can be utilized;

**RISKS:** Relegation of business partners into the sole role of financiers threatens partnership sustainability.

### **UN ENTITIES AS IMPLEMENTERS:**

**BENEFITS:** UN entities can directly influence partnership activities and ensure alignment to UN norms and rules;

**RISKS:** Implementation can entail high investment needs.

### **BUSINESS PARTNERS AS IMPLEMENTERS:**

**BENEFITS:** Business partners' commitment can be increased and their management skills utilized;

**RISKS:** Business partners may not be familiar with sensitive development or humanitarian issues.

## RESOURCES ON PARTNERSHIP COMPOSITION

The following is a non-exhaustive list of resources related to partnership composition. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- *"The Business Guide to Partnering with NGOs and the United Nations"*, developed by the UN Global Compact and Dalberg (2007) seeks to further the impact of partnerships by increasing transparency, providing easy access to partners, and showcasing successful partnerships. It is an important reference for anyone seeking to engage in partnerships with NGOs/UN entities – both to help identify the right partner, and also as a source of direction on what to look for in a partnership.
- *"The Partner Assessment Tool"*, a tool developed by the International Business Leaders Forum (2009), enables those creating a partnership to ask systematic questions of any potential partner to ensure a good fit with the goals and needs of the partnership.
- *"Stakeholder Mapping Tool"*, developed by the International Business Leaders Forum (2009), is designed to identify all the organizations and individuals who need to be taken account of by a potential partnership project and who might play some role in the partnership.

## RESOURCES ON PARTNERSHIP ROLES

The following is a non-exhaustive list of resources related to partnership roles. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- *"Innovating for a Brighter Future: The Role of Business in Achieving the MDGs"*, developed by the UN Global Compact and Dalberg (2010), assesses the contribution that the private sector has made to UN development goals, including progress made since 2000.
- *"Role of Governments in Promoting Corporate Responsibility and Private Sector engagement in Development"*, developed by the UN Global Compact and Bertelsmann Foundation (2010), reports on options regarding the role of governments in promoting corporate sustainability and engaging the private sector in achieving the MDGs.
- *"Partners in Development: How Donors Can Better Engage the Private Sector for Development in LDCs"*, developed by the UN Global Compact, the Bertelsmann Foundation and UNDP (2011), explores how donors can support public-private collaboration at the local level in order to attract sustainable investments and foster development in Least Developed Countries.
- *"The Partnering Roles & Skills Questionnaire"*, developed by the International Business Leaders Forum, is designed for individuals in partnerships to assess their own partnering skills – in order to build confidence about skills strengths and strategies to address any skills weaknesses. Supporting this, *"The Guidelines for Partnering Conversations"*, also developed by the International Business Leaders Forum (2009), provides guidance on critical partnering conversations.



## Draft a roadmap for the partnership



### “Roadmap” options:

- Time-bound partnerships
- Ongoing partnerships

A roadmap creates a timeline for implementing a partnership. It segments implementation into distinct development stages and assigns activities, required resources, milestones and indicators for performance to each state of development, with steps to realize the desired outcomes. Timelines are limited if partnerships aim for finite outcomes, such as implementing an infrastructure project or raising a certain amount of resources. Once the outcomes have been achieved, the partnerships are terminated. Other outcomes require ongoing partnerships that contribute more the longer they continue their activities. This includes, for example, climate change partnerships.

### CASE STUDY

#### **UNICEF-Sansiri: Multi-phase Roadmap for a Time-bound Partnership**

To accelerate progress towards universal salt iodization in Thailand, UNICEF began in 2009 to employ a more evidence-based advocacy approach, building on lessons learned from other countries and engaging in partnerships to promote universal salt iodization legislation as the best way to combat iodine deficiency disorders.

In 2010, Sansiri assisted in launching a major public campaign branded with an “Iodine Please” logo to encourage support for mandatory salt iodization. To support the campaign, Sansiri covered costs related to media coverage and promotional activities, including advertisements in 16 leading newspapers and magazines and the creation of billboards and posters advocating the consumption of iodized salt. Sansiri also developed a dedicated “Iodine Please” website and used social media platforms to broadcast messages on Facebook and Twitter. Sansiri also mobilized business and political contacts and helped UNICEF reach key decision makers at the highest levels of government.

Following intermediary outcomes from the media campaign, the partnership also included eight large exhibitions at mega-shopping malls,

office buildings, and a major development conference on children’s issues. Sansiri organized a pop concert to promote the campaign, and manufactured and distributed T-shirts, tote bags and pamphlets with “Iodine Please” messages.

The campaign, combined with UNICEF’s ongoing, long-term efforts to promote salt iodization, was an outstanding success: In September 2010, the Thai Ministry of Public Health adopted regulations on mandatory iodization. The regulations took effect in January 2011, with strict enforcement and heavy fines for non-compliance scheduled to begin in June 2012.

*Source: UN-Business Focal Point Newsletter, Issue 18, 2012*

#### **Benefits and risks of time-bound and ongoing partnerships**

Defining finite outcomes increases the planning security of time-bound partnerships, particularly with regard to the required human and financial resources. This, in return, allows for a more detailed roadmap and a clearer description of the partners’ tasks and responsibilities, which can ultimately result in a lower risk of failure.

For ongoing partnerships, roadmaps should define intermediate outcomes for specific periods, for example, through the development of five-year plans. Once these outcomes have been achieved, the roadmap can be extended and revised to address successive goals. This process allows ongoing partnerships to scale up and expand their activities step-by-step, unlike time-bound partnerships, which are usually restricted in their outcome ambitions. As ongoing partnerships are meant to evolve over time, they can more easily adapt their roadmaps and desired outcomes to changing circumstances. However, they also run the risk of continuing once outcomes are no longer achieved.

#### **Benefits of a roadmap**

A partnership can only be successful if all partners benefit from being involved and



have an equally strong interest in the partnership's success. Roadmaps can help to achieve this by defining activities and milestones that align all partners' interests and ensure that the partnership benefits everyone involved. This process should also include a plan for communicating progress to both partners and interested external stakeholder. Roadmaps must, in particular, manage expectations about potential benefits. UN entities are often satisfied if final outcomes contribute to their missions, while business partners usually also expect direct or indirect benefits, for example, talent sourcing, employee retention, increased revenues, access to supply chains, and risk mitigation for market entries.<sup>2</sup>

Once partnerships are being implemented, roadmaps can serve as a yardstick for monitoring progress. They enable partners to check whether milestones within each development stage have been achieved and, in case of failure, to identify and remedy shortcom-

ings or to justify an early termination of the partnership. In addition, where roadmaps define key performance indicators, they facilitate the ex-post evaluation of partnerships.

Roadmaps are also helpful as a forecasting tool. An estimation of required resources reduces uncertainties about the ultimate needs for investment. Contingency planning in addition prepares partnerships to better respond to changing circumstances such as unpredictable administrative barriers, new developments or discoveries. This readiness for quick adjustments can be decisive for the success of partnerships.

Finally, roadmaps serve as mediation tools. UN entities and companies have different institutional cultures and the latter are generally quicker in decision-making. Through drafting roadmaps, UN entities and business partners can find a common ground and match their timeframes.

### **Drafting roadmaps is worth the effort as they:**

- Provide timelines for implementation.
- Bring in line all partners' interests and ensure that partnerships benefit everyone involved.
- Serve as benchmarks to constantly monitor progress and to evaluate partnerships.
- Reduce uncertainties in partnership implementation.
- Align the different institutional cultures of UN entities and companies.

## **BENEFITS AND RISKS OF TIME-BOUND AND ONGOING PARTNERSHIPS**

### **TIME-BOUND PARTNERSHIPS:**

**BENEFITS:** Increased planning-security can ultimately lower the risk of failure;

**RISKS:** Limited timelines restrict the outcome level.

### **ONGOING PARTNERSHIPS:**

**BENEFITS:** Partnerships can step-by-step scale up and expand activities and more easily adapt to changing circumstances;

**RISKS:** Unlimited timelines complicate the drafting of roadmaps; partnerships can be difficult to terminate in case of failure.

## RESOURCES ON PARTNERSHIP ROADMAPS

The following is a non-exhaustive list of resources related to partnership roadmaps. Access these resources in full at [business.un.org/resources](https://business.un.org/resources)

- “*Guidebook on Promoting Good Governance in Public-Private Partnership*”, developed by UNECE (2008), demonstrates how governments and the private sector can improve governance in PPPs. It also explains the need to set out a ‘roadmap’ that provides clear objectives. It discusses the importance of reaching consensus, identifying the right PPP projects, setting realistic targets and establishing procedures for consulting key stakeholders.
- “*Moving On: Effective Management for Partnership Transitions, Transformations and Exits*”, developed by the Partnering Initiative (2009), addresses the exit aspects of a partnership – a part of the cycle often unplanned or mishandled. It also looks at the indicators of success that can be associated with exits, achieving goals and reaching conclusions.
- “*The Partnering Cycle*”, a tool developed by the International Business Leaders Forum, provides a roadmap through the stages of a partnership, from scoping through to moving on or scaling up.
- “*Organizational capacity for Partnering*”, a tool developed by the International Business Leaders Forum, is designed to assess each partners’ capacity at an organizational level.

## Define the partnership's scope

The scope of a partnership defines its sphere of influence and can be local, regional or global, depending on the location of its target groups and beneficiaries. If a partnership, for example, works with farmers in a single country, it has a local scope, while its scope would be global if the partnership addressed agricultural industries worldwide.

### Benefits and risks of a local and global scope

Partnerships that act on the local level can draw on local expertise and foster local ownership by involving local partners, hiring local staff and closely collaborating with local target groups and beneficiaries. By aligning the partnership to local needs, significant impact can be achieved, for example, by building up local capacities or helping companies bring their products to markets. If UN entities have access to local areas through country offices or reliable partners, local level partnerships are less difficult to implement than global level partnerships. Without a country presence, rising transaction costs, above all information, bargaining and enforcement costs, can become a hurdle for implementation.

In contrast, global level partnerships are not as closely bound to existing local frame-

works. This allows them, in the best case, to shape their own frameworks and to address complex problems at the global level, such as the digital divide. This risks, however, duplicating the agendas of existing institutions and creating parallel structures. Global level partnerships have the highest potential for large-scale impact due to the participation of influential partners and high outcome ambitions. Due to their high visibility, however, they can also cause considerable damage in case of failure. Benefits and risks of regional level partnerships exist between those of local and global level partnerships.

### Dynamic scope

The scope of a partnership, including its target groups and beneficiaries, should not be viewed as a rigid setup, but as a functional tool that describes “where to work” and “for whom to work”. As a partnership evolves, it may add or eliminate target groups, focus on new regions or drop areas where implementation failed to be successful. Such a dynamic scope is common and many partnerships operate on more than one level after having existed for a while. Global partnerships, for example, often launch local affiliates by applying their global frameworks to local



### “Scope” options:

- Local level
- Regional level
- Global level

## BENEFITS AND RISKS OF LOCAL AND GLOBAL LEVEL PARTNERSHIPS

### LOCAL LEVEL PARTNERSHIPS:

**BENEFITS:** Significant impact can be achieved if partnerships are aligned to local needs; partnerships can draw on local expertise and foster local ownership;

**RISKS:** Transaction costs can be high if involved UN entities have no country presence.

### GLOBAL LEVEL PARTNERSHIPS:

**BENEFITS:** Partnerships can shape frameworks and address complex problems at the global level and have a high potential for large-scale impact;

**RISKS:** Partnerships risk duplicating the agendas of existing institutions; global partnerships can create significant reputational damage in case of failure.

contexts, as practiced by the Global Fund. On the other hand, local partnerships can subsequently expand their activities in order to ultimately become regional or even global in scope, as achieved, for example, by the Accelerated Agribusiness & Agro-Industries Development Initiative.

Dynamics in scope are part of the process to scale up partnership activities. While broadening the scope refers to approaching additional target groups and beneficiaries, scaling up means increasing the effectiveness and inclusiveness of partnership approaches in general. Scaling up can include improvements achieved in all building blocks, including the involvement of new partners, the implementation of more beneficial programs, a more successful financing mechanism as well as adding new beneficiaries and target groups.

#### CASE STUDY

### **Accelerated Agribusiness & Agro-industries Development Initiative (3ADI): Adjusting Scope to Increase Impact**

The African Agribusiness & Agro-Industries Development Initiative (3ADI) supports agribusinesses and agro-industries in Africa to become more competitive, sustainable and inclusive, herewith paving a pathway to increased economic growth and food security for the continent. 3ADI promotes the development of agricultural value chains after diagnosis, including on-farm production and processing activities. 3ADI was initiated by UNIDO in 2010 in cooperation with FAO, IFAD and the African Development Bank.

In its original design, 3ADI targeted 10 countries in Africa as well as Afghanistan and Haiti. In 2011, 3ADI's partners agreed to apply its approach to agro-industries and agribusi-

nesses in countries both inside and outside of Africa. In accordance, 3ADI has been renamed from the African to the Accelerated Agribusiness & Agro-Industries Development Initiative for all programs implemented beyond Africa. Since then, several countries have been added to 3ADI at the request of relevant authorities. In Brazil, for example, activities are planned to provide policy advice and technical assistance to the Brazil government in order to create an eco-state that utilizes green development potential. Pilot projects are to be conducted in the value chains of livestock, fish farming, wood and construction.

Sources: *Interview and UNIDO website (www.unido.org).*

## Design a governance structure for the partnership

Partnership governance structures are needed to determine how a partnership functions and how decisions are made. Designing a governance structure is challenging, particularly once multiple partners are involved and activities exceed philanthropic giving. Moreover, there is no silver bullet: an appropriate governance structure varies with the addressed problem and desired outcomes, with a bilateral partnership that implements programs at a local level having different governance requirements than a multi-stakeholder partnership addressing complex problems at a global level. The main elements that define a partnership's governance structure are its underlying agreement, the chosen degree of autonomy and the established management bodies.

### Underlying agreements and their benefits and risks

A partnership's underlying agreement and its supplementary documents comprise, at the minimum, an expression of common interest by the partners to conduct certain activities. It can either be formal or informal. Informal agreements are based on a non-bureaucratic, sometimes only orally expressed, mutual consent. At first sight, they seem to be an attractive solution as they allow for flexibility, for example, to easily terminate partnerships

if prospects of success are poor. Moreover, they avoid the complexities of legal procedures which can be compelling if drafting formal agreements would result in high transaction costs, as can be the case once partnerships involve large numbers of small companies from different regions.

Despite these advantages, informal agreements are not recommendable. They do not allow for clearly elucidating important issues, such as partners' responsibilities, and therefore considerably increase legal risks and uncertainties in implementation processes, especially as partners are not at all bound to abide by their commitments. Informal agreements also increase the risk of damaging the UN's reputation as they do not include oversight mechanisms.

Formal agreements, in contrast, are official documents that are signed by all relevant partners and can, but must not be, legally binding. Such formal agreements, for example a Memorandum of Understanding (MoU), build trust and promote compliance among partners and increase credibility towards external stakeholders. They allow for a high level of detail, especially by adding clauses on due diligence procedures and legal issues, such as deciding upon a governing law and a place for settlement of disputes, as well as by officially setting down the decisions made in other buildings



### “Underlying agreement” options:

- Informal agreement
- Formal agreement

### BENEFITS AND RISKS OF INFORMAL AND FORMAL PARTNERSHIP AGREEMENTS

#### INFORMAL AGREEMENTS:

**BENEFITS:** Informal agreements avoid procedural complexities; partnerships can easily be adjusted to changing circumstances;

**RISKS:** Informal agreements do not allow for a high level of detail; they increase legal risks, uncertainties in implementation processes and the risk of damaging the UN's reputation.

#### FORMAL AGREEMENTS:

**BENEFITS:** Formal agreements build trust and promote compliance among partners; they allow for a high level of detail and increase a partnership's credibility and accountability;

**RISKS:** Drafting formal agreements requires time and resources; they restrict a partnership's flexibility.

### “Degree of autonomy” options:

- Partnership as a project
- Partnership as a distinct entity

blocks, including the tasks and responsibilities of partners, milestones and activities specified in roadmaps, or agreements on how to finance and evaluate partnerships.

If formal agreements clearly outline how partnerships are administered, how activities are coordinated and how partners communicate with each other and with external stakeholders, they promote transparent decision-making and increase accountability. Even though such agreements require time and resources to be drafted and, once signed, restrict flexibility, they should always be an integral part of the partnership design.

### Degrees of autonomy and their benefits and risks

The degree of autonomy defines how independently a partnership operates. It is lowest if a partnership is managed as a project and highest if a partnership forms a distinct entity. In general, the degree of autonomy corresponds with a partnership’s administrative requirements. The most complex partnerships form distinct entities, while most other partnerships are managed on a project basis.

If managed on a project basis, partnerships are administered as one out of many projects within a UN agency. Managing several partnerships at once can speed up administrative processes, for example, if identical legal templates or project management tools are applied to more than one partnership. Resources and staff time can be saved, for example, when a practitioner meets partners of different partnerships on a single field trip. Managing partnerships in

parallel does, however, restrict staff time and resources available for a single partnership, thus limiting its potential for expanding activities as well as for attracting attention among external stakeholders.

Partnerships that involve partners from different regions and sectors and address complex problems over a long time period can exceed the organizational capacities of UN entities and their partnership sections. In this case, it might be advisable to create distinct, potentially legally independent entities for partnership governance such as the Stop TB Partnership Secretariat located at the WHO headquarters. Secretariats are usually closely connected to UN entities, but have office space, personnel and resources at their own disposal while independent legal entities, such as the GAVI Alliance, are entirely autonomous.

Due to their high degree of autonomy, independent partnerships can more easily develop and market their brand, increase visibility and attract new partners. Practitioners assigned to such partnerships can concentrate on implementing and expanding partnership activities. Expansion should, however, not duplicate the agendas of existing institutions and create parallel structures. Moreover, one must be aware that establishing and running partnerships as distinct entities consumes considerable resources.

### Management bodies and their benefits and risks

Day-to-day partnership governance, including communication, project management and

## BENEFITS AND RISKS OF PARTNERSHIPS AS PROJECTS AND DISTINCT ENTITIES

### PARTNERSHIPS AS PROJECTS:

**BENEFITS:** Complementarities allow for saving resources and staff time and for speeding up administrative processes;

**RISKS:** Restricted staff time and resources limit the potential for expanding activities and for attracting attention among external stakeholders.

### PARTNERSHIPS AS DISTINCT ENTITIES:

**BENEFITS:** Distinct entities can better respond to high organizational needs; partnerships have increased potential for expanding activities and for attracting attention among external stakeholders;

**RISKS:** Distinct entities require high investments to be established and to be run; partnerships run the risk of duplicating the agendas of existing institutions.

## BENEFITS AND RISKS OF STEERING BODIES

**BENEFITS:** Steering bodies provide senior management support, contacts and expert advice; they serve as a tool to align interests and expectations of partners; they ensure that all partners are integrated into decision-making and that a partnership stays on track in achieving its outcomes; they increase a partnership's credibility and legitimacy.

**RISKS:** Steering bodies require additional governance and diplomatic efforts to be managed.

knowledge management, is time consuming and requires dedicated and skilled practitioners to be fulfilled properly: single practitioners in case of small partnerships and project teams for more complex partnerships. For the most complex partnerships, steering bodies that comprise higher-level representatives of all relevant partners, experts in the respective field of activity and members of the project team can be established as additional management bodies for addressing tactical or strategic issues. If such bodies address strategic issues, their members gather at set intervals, for example once or twice a year, to approve budgets, refine strategies, and to decide upon scaling-up or terminating partnerships. Steering bodies usually meet more often if they have to deal with additional tactical or operational issues, especially to guide partnership implementation.

Steering bodies provide senior management support, contacts and expert advice. They ensure that a partnership stays on track in achieving its outcomes, serve as a tool to constantly align the interests and expectations of partners, and integrate all partners into the decision-making process. Steering bodies also add credibility to a partnership's decision-making process and enhance external legitimacy, but require additional governance efforts to be managed and diplomatic efforts to ensure that different leaders act in concert.

### Testing a partnership's approach and its governance structure

Once a partnership's approach for addressing a chosen problem and its governance structure has been finalized, it must prove to be suitable for achieving the desired outcomes

in practice. The risk of failure can be reduced considerably if partners and practitioners try to identify shortcoming in the early stages of a partnership's implementation and, once required, quickly undertake corrections. In case of smaller partnerships, a three-month-review can help to fine-tune the partnership. More complex partnerships, such as Project Laser beam, can be initiated with a pilot phase that builds trust among partners and helps them to better understand each other.<sup>1</sup>

### CASE STUDY

#### ***Project Laser Beam: Pilots in Indonesia and Bangladesh to Validate Partnership Approach***

Project Laser Beam (PLB) is a partnership between UN entities, international companies, local governments and local companies to address malnutrition. PLB ensures that nutritional solutions become accessible to those in need and once a gap in products and services can be identified, PLB seeks to find new solutions, such as fortification of food products. PLB also promotes, among others, sanitation, immunization and education, e.g., on the benefits of breastfeeding.

PLB was founded by WFP, Unilever, Kraft Foods, DSM and GAIN in 2009. Following initial discussions and agenda-setting on the global level, Indonesia and Bangladesh were chosen as pilot countries to implement and scrutinize PLB's approach to address malnutrition. This pilot phase will last for five years and ideally result in a proven approach that can be replicated in other countries.

Meanwhile, PLB has achieved successes, but also faced several challenges, one of which was varying expectations concerning its target group. Soon after initiating the partnership, it became obvious that business partners wanted to concentrate on fortified products for older children and adults, while WFP's priority was mother and child nutrition interventions. Expectations therefore had to be matched to ensure collective efforts for the target groups chosen by WFP. Implementation showed varying success in the two pilot countries. While the region chosen in Indonesia proved to be almost inaccessible, implementation in Bangladesh has been successful due to supportive partners, including local governments.

Sources: Interview and WFP website ([www.wfp.org](http://www.wfp.org)).

### **"Management bodies" options:**

- Project team
- Project team and steering bodies

1. Global Compact LEAD (2011): Partnership fundamentals: A 10-step guide for creating effective UN-Business partnerships.



## RESOURCES ON PARTNERSHIP GOVERNANCE

The following is a non-exhaustive list of resources related to partnership governance. Access these resources in full at [business.un.org/resources](https://business.un.org/resources).

- *“Guidebook on Promoting Good Governance in Public-Private Partnershipz*, developed by the UN Economic Commission for Europe (2008), has two main sections: Firstly, it demonstrates how governments and the private sector can improve governance in PPPs, including a clear framework of law and regulation. It also provides a basis for the elaboration of training modules for PPPs.
- *“Talking the Walk: A Communication Manual for Partnership Practitioners”*, developed by the Partnering Initiative (2009), aims to enable partnership practitioners from all sectors to understand the importance of good communication and to help them develop techniques to improve their communications.
- *“Structuring Partnerships Appropriately”*, a tool developed by the International Business Leaders Forum, helps identify the most appropriate partnership structures.
- *“Management and Mandate Options”*, a tool developed by the International Business Leaders Forum, helps identify the most appropriate partnership management system.
- *“Sample Partnership Agreements”*, developed by the International Business Leaders Forum, serve as sample MoUs for different partnership types.
- *“Partnership Agreement Checklist”*, a tool developed by the International Business Leaders Forum, provides a checklist of potential content for a partnership agreement.

## Decide how to finance the partnership

UN entities often partially absorb costs of partnerships, for example, if salaries for practitioners, travel expenses or administrative costs are covered by their own funds, in the following described as UN institutional funds. Further required funds come from business partners or involved governmental institutions. Besides that, partnerships can conduct external fundraising activities, for example, by establishing social media platforms for donating cash, such as WFP's WeFeedback Website, or in rarer cases, international finance facilities, which issue bonds against the security of government guarantees, such as achieved by the GAVI Alliance. Finally, foundations have increasingly become an external source for funds, above all the UN foundation.

### CASE STUDY

#### **GAVI Alliance: A Pioneer of Innovative Finance Mechanisms**

As a pioneering international fund that pools public and private resources, the Global Alliance for Vaccines and Immunization (GAVI Alliance) finances immunization in developing countries by tapping into capital markets through an innovative bond development finance mechanism. The International Finance Facility for immunization (IFFIm, 2006) funds GAVI by issuing bonds against legally binding ODA commitments from eight donor countries.

In 2011, the GAVI Matching Fund was launched as a major new private sector programme designed to raise US\$ 260 million for immunisation by the end of 2015. Under the initiative, the UK Department for International Development (DFID) and the Bill & Melinda Gates Foundation have pledged about US\$ 130 million combined match contributions from corporations, foundations and other organization, as well as from their customers, members, employees and business partners. Every contribution to the GAVI Matching Fund by the private sector is matched by one of GAVI's key partners in the initiative. This innovative funding mechanism allows businesses and foundations to demonstrate strong leadership by joining

GAVI in its mission to protect children in developing countries from life-threatening diseases.

Source: GAVI Alliance website and W. Hoxtell, D.

Preysing, J. Steets (2010): *Coming of Age: UN-Private Sector Collaboration since 2000. UN Global Compact and the Global Public Policy Institute.*

#### **Benefits and risks of funds from governments and external fundraising activities**

If partnerships address local problems or strive for policy impact, related governments can be approached for additional funds. Governments might also provide funds if partnerships' approaches correspond with their priorities, for example, fighting climate change. Drawing on funds from governmental institutions does, however, also include them as partners, which is in principle desirable, but can run the risk of politicizing partnerships or slowing them down due to government bureaucracies.

External fundraising activities can provide access to potentially huge financial resources not successfully leveraged by the UN so far,



#### **Financing options:**

- UN institutional funds
- Funds from business partners
- Funds from involved governmental institutions
- Funds from external fundraising activities

#### **BENEFITS AND RISKS OF FUNDS FROM GOVERNMENTS AND EXTERNAL FUNDRAISING ACTIVITIES**

##### **FUNDS FROM GOVERNMENTAL INSTITUTIONS:**

**BENEFITS:** Governments can provide significant funds;

**RISKS:** Funds can be restricted to partnerships whose approaches correspond with a government's political intent or solve problems within its territory; close involvement of governments can run the risk of politicizing partnerships or slowing them down due to government bureaucracies.

##### **FUNDS FROM EXTERNAL FUNDRAISING ACTIVITIES:**

**BENEFITS:** External fundraising activities can provide access to potentially huge financial resources not successfully leveraged by the UN so far and raise awareness for development problems;

**RISKS:** Amount of externally raised funds cannot always be predicted.

### How to make the most out of partners' cash and in-kind contributions:

- Clearly communicate needs to partners to ensure timely and targeted in-kind contributions.
- Clearly outline upcoming expenses to allow partners to allocate restricted funds and to understand the need for unrestricted funds.

such as donations from private households. They also have a positive side effect by raising awareness for development problems. However, as the amount of funds raised externally cannot always be predicted, such campaigns are better suited for scaling-up existing programs rather than launching new ones.

### Benefits and risks of different ratios of UN to business funds

UN entities and business partners provide the bulk of funds for UN-business partnerships and the ratio of provided UN to business funds has a strong effect on partnership governance. If partnerships draw most financial resources from UN institutional funds, UN entities can maximize negotiating power vis-à-vis business partners and most likely control decision-making. However, without a stake in decision-making and invested resources, companies may have less incentive to contribute to partnership activities. Such partnerships also tend to be limited in scope as UN entities have restricted financial resources, often far below those of companies.

If jointly funding partnerships, UN entities and business partners share financial risks. This demonstrates mutual commitment, builds trust among partners and creates incentives to engage in partnerships. Joint funding can, on the other hand, increase transaction costs as clear rules for expenditures are required and create tensions if disagreements arise.

Finally, business partners can provide the bulk of partnership funds. For UN entities, this is a chance to bind companies deeper into the causes championed by UN entities without stressing their budgets, such as achieved by Refrigerants, Naturally! or, more generally, by cause-related marketing campaigns. In such partnerships, companies usually take on lead roles and have a strong interest in achieving the desired outcomes. However, relying solely on business funds risks shifting negotiating power to private sector partners. In the absence of a solid governance structure to mitigate this risk, the ability of UN entities to contribute to decision-making may be jeopardized.

## BENEFITS AND RISKS OF DIFFERENT RATIOS OF UN TO BUSINESS FUNDS

### PARTNERSHIPS PRIMARILY FUNDED BY UN ENTITIES:

**BENEFITS:** UN entities maximize their negotiation power;

**RISKS:** Business partners have less incentive to make an effort; partnerships are limited in scope due to restricted financial resources.

### PARTNERSHIPS JOINTLY FUNDED BY UN ENTITIES AND BUSINESS PARTNERS:

**BENEFITS:** Joint funding demonstrates mutual commitment, builds trust among partners and creates incentives to engage in partnerships;

**RISKS:** Joint funding increases governance requirements to agree on and regulate expenditure of funds.

### PARTNERSHIPS PRIMARILY FUNDED BY BUSINESS PARTNERS:

**BENEFITS:** Partnerships do not stress UN budgets; business partners have a strong interest in achieving the desired outcomes;

**RISKS:** Increased negotiation power of business partners can jeopardize UN entities' influence on decision-making.

## In-kind and cash contributions

Business partners can either provide in-kind or cash contributions to partnerships. In-kind donations can range from access to patent information or scientific databases to providing logistical expertise in an affected area following a natural disaster. Past experiences have shown that in-kind contributions often do not match well with UN entities' requirements or come suddenly in amounts too large to be absorbed, in particular following major natural disasters. Moreover, in-kind donations can cause additional costs if partners are not aware of them, for example, once partners provide WFP with food supplies without covering related costs such as transportation charges. UN entities should therefore clearly communicate their needs to allow for timely and targeted in-kind contributions.

Cash contributions to partnerships can either be restricted or unrestricted. If giving restricted funds, donors can direct their utilization, but they usually leave out existential costs, such as start-up investments, overhead costs, or costs that result in response to sudden events. These expenses can only be covered by unrestricted funds.<sup>2</sup> Next to restricted and unrestricted funds, other forms of cash contributions exist, for example co-financing, which holds partners responsible for a share of funds needed to implement certain activities. If cash contributions are required to finance further partnership activities, UN entities can conduct thorough cost assessments to be able to outline upcoming expenses in detail. This allows partners to allocate restricted funds and to understand the need for unrestricted funding.

## Creating a suitable partnership budget

As part of partnership design, a budget should be created to map out all costs that may arise over a partnership's lifecycle and to specify how these costs can be covered. In order to be reliable, a budget needs to forecast required resources. This can be improved if UN entities bring in benchmarks from past partnerships and if business partners contribute forecasting expertise. Budgets should, in particular, take commonly underrated costs into adequate consideration, such as costs for monitoring. If operating under high uncertainty, budgets can also include contingency positions.

Once a partnership is being implemented, spending should stick to the budget and be both transparent and accountable. If circumstances change, the budget may have to be revised and additional funds raised. In order to increase effective utilization of funds, renewals according to the budget could be conditioned on achievement of results.<sup>3</sup> Once a partnership reaches termination, partners have to agree on how to reinvest leftover funds. To prevent disputes, this issue could already be addressed when creating a budget.

2. J. Steets and K. Thomsen (2009): Global Landscape. A Review of International Partnership Trends. UNICEF and the Global Public Policy Institute.

3. Global Compact LEAD (2011): Partnership fundamentals: A 10-step guide for creating effective UN-Business partnerships.

## Suitable partnership budgets should:

- Consider all occurring costs, especially commonly underrated costs.
- Forecast costs over the partnership's lifecycle.

## RESOURCE ON PARTNERSHIP FINANCING

Access this resources in full at [business.un.org/resources](https://business.un.org/resources).

- The Secretary-General's bulletin "Acceptance of pro bono goods and services" (2006) contains general policies on the acceptance of pro bono goods and services, including requests for transparency and for evaluating contributions. It also touches legal and institutional issues, such as ensuring the UN's integrity.

## Decide how to monitor and evaluate the partnership



### “Evaluation” options

- Internal evaluations
- External evaluations

Monitoring and evaluation (M&E) activities comprise the collection of information on a partnership’s performance and its analysis, especially in comparison to key performance indicators which measure inputs (for example, amounts of raised resources), outputs (for example, amounts of distributed food) and the achievement of milestones and ultimate outcomes (for example, a certain number of children to have overcome malnutrition). Monitoring happens on an ongoing basis, while more substantial evaluations are conducted at regular intervals, for example every two years, or only once implementation is completed. While partners and practitioners usually undertake monitoring themselves, external institutions, such as consultancies, NGOs and academic institutions, can alternatively carry out evaluations.

### Benefits and risks of internal and external evaluations

External evaluations are in general more cost-intensive than internal evaluations, but are characterized by higher impartiality and neutrality, wherefore they can become an imperative if circumstances require a partnership to present an independent assessment

of performance to external stakeholders. Partnerships should, however, only rely on institutions that have excellent references in order to ensure that the services are top quality.

Benefits of external evaluations also depend on the capabilities of UN entities to conduct evaluations on their own. UN entities with distinct M&E departments have less incentive to build on the expertise of external institutions as they usually have resources and expertise to provide high-quality evaluations on their own. If UN entities have no specialized M&E staff, but need to assign M&E activities to other employees, internal evaluations run the risk of being neglected among other responsibilities.

### Benefits of M&E frameworks

Some partnerships are neither monitored nor evaluated, either due to the lack of time and resources to conduct such activities or because partners have simply passed over the issue. This is problematic as all partnerships should include an M&E framework, regardless of whether they are ultimately successful or not. Positive M&E results can justify the amount of time and resources invested in a

### BENEFITS AND RISKS OF INTERNAL AND EXTERNAL EVALUATIONS

#### INTERNAL EVALUATIONS:

**BENEFITS:** Evaluations are less cost-intensive; evaluations can be of high quality if UN entities have M&E resources and expertise;

**RISKS:** Evaluations are characterized by less impartiality and neutrality; evaluations run the risk of being neglected if UN entities have little M&E resources and expertise.

#### EXTERNAL EVALUATIONS:

**BENEFITS:** Evaluations are characterized by higher impartiality and neutrality; evaluations can be of high quality if evaluating institutions have excellent references;

**RISKS:** Evaluations are more cost-intensive; unknown institutions might not deliver good results.

partnership as well as the allocation of new resources to scale-up and expand activities. In addition, positive M&E results can be communicated to external stakeholders and provide good practices for future partnerships. Less promising M&E results allow for undertaking targeted corrections and provide a rationale for terminating redundant partnerships as well as lessons learned for future partnerships.

An M&E framework can be included as a mandatory element in a partnership's underlying agreement and as a position in a partnership's budget to guarantee the availability of adequate funds. UN entities that regularly implement complex partnerships can also establish a distinct M&E department to ensure appropriate and comparable M&E activities for all partnerships.

#### CASE STUDY

### **IFAD Independent Office of Evaluation (IOE): A Model for Internal Evaluation**

IFAD's distinct monitoring and evaluation unit offers a less cost-intensive, yet high-quality solution to analysing partnership performance. The Independent Office of Evaluation (IOE) evaluates IFAD-funded projects and programmes to assess which approaches work and determines if IFAD's policies and strategies are successful in tackling poverty alleviation in rural areas. Based on a coherent set of evaluation methodologies, IOE identifies key insights drawn from evaluation findings and makes recommendations regarding rural and agricultural development.

In 2011, IFAD revised their Evaluation Policy, which also covered IFAD's self-evaluation system, to strengthen both accountability and learning for better development results on the ground. The policy therefore now stipulates the definition and policy provisions of IFAD's self-evaluation functions as well. Moreover, the evaluation policy ensures IOE has adequate human and financial resources, and that there is coherence between projects, country programmes and corporate level evaluation criteria and ratings, and specific evaluations are devoted to assessing the design and functioning of selected components of the self-evaluation system itself.

*Source: IFAD Evaluation Policy, May 2011 and IFAD website ([www.ifad.org](http://www.ifad.org)).*

#### **Positive M&E results:**

- Justify invested time and resources and the allocation of new resources.
- Easy to communicate to external stakeholders.
- Provide good practices for future partnerships.

#### **Negative M&E results:**

- Allow for undertaking targeted corrections.
- Provide a rationale for terminating redundant partnerships.
- Provide lessons learned for future partnerships.

## RESOURCES ON PARTNERSHIP MONITORING & EVALUATION

The following is a non-exhaustive list of resources related to partnership monitoring and evaluation. Access these resources in full at [business.un.org/resources](https://business.un.org/resources).

- “*Evaluation Policy*”, developed by IFAD (2011), provides clarification and guidance on the purpose and role of independent evaluation at IFAD. It aims at strengthening both accountability and learning for better development results on the ground.
- “*Partnership Review Template*”, a tool developed by the International Business Leaders Forum (2011), is designed as a tool for reviewing the partnership to assess whether it is achieving the goals/ expectations of the individual partner organization.
- “*Good Partner Health Check*”, a tool developed by the International Business Leaders Forum, is designed as a resource for reviewing the partnership either at partner level or as a 360 degree assessment.
- “*Example Surveys*”, developed by the International Business Leaders Forum, provides examples and templates from evaluations carried out on a variety of ongoing partnerships.



# 4 IDENTIFYING ESTABLISHED UN-BUSINESS PARTNERSHIP MODELS

In theory, the various options within each building block detailed above can be combined to form an almost limitless number of partnerships. In practice, however, a handful of non-mutually exclusive UN-business partnership models, characterized by similar options chosen from the building blocks, have proven to be suitable for achieving certain outcomes. The most common partnership models include the following: global implementation partnerships; local implementation partnerships; corporate responsibility initiatives; advocacy campaigns; resource mobilization partnerships; and innovation partnerships. Existing partnerships often include components of more than one model.

Global and local implementation partnerships focus on directly implementing projects. Corporate responsibility initiatives and advocacy campaigns have the primary goal of encouraging changes in behaviour, either of individuals, companies or policymakers. Resource mobilization partnerships and inno-

vation partnerships focus on enabling the UN or individual UN entities to better fulfill their mandates. As the figure below illustrates, most partnership models also achieve secondary outcomes.

## Partnership models and their desired outcomes

Each UN-business partnership model is unique in that it aims for a specific set of outcomes. Desired outcomes are, however, only one factor distinguishing partnership models. The models also differ with respect to what businesses gain from them, what problems they address and how much potential they have for creating transformational change.

First, there are common business cases that often characterize the reasons for businesses to get involved in a particular type of partnership, be it influencing global agendas through a global implementation partnership or generating engagement among employees by matching cash contributions to UN enti-



## Typically addressed problems

Typically addressed problems of each partnership model:

- Global implementation partnerships address global challenges that require multilateral approaches to be solved, such as food security and global health.
- Local implementation partnerships address local problems in different fields such as education, healthcare, environmental protection and economic development.
- Corporate responsibility initiatives either seek to mobilize business commitment to a specific cause, for example clean water, or foster the self-regulation of a specific sector, for example, the financial sector.
- Advocacy campaigns can address all development issues, however, some problem areas occur more frequently than others, above all the fight against diseases and promoting health.
- Resource mobilization partnerships usually do not directly address problems, but provide resources for UN entities to increase their capabilities to address problems.
- Innovation partnerships develop and implement innovative products and services that help to address problems, improve work processes within UN entities, or allow for dissemination among target groups.

ties. Second, each of these partnership models represents a unique opportunity to address a particular type of problems, from encouraging job growth and poverty reduction through local implementation partnerships to generating awareness on critical issues through advocacy campaigns.

Finally, partnership models have different potentials to trigger transformational change. In general, partnerships are transformational if they address a systemic issue, have the potential to reach scale and lasting impact, and leverage core competencies of all relevant stakeholders. For resource mobilization partnerships, being transformational is neither possible nor expected as their focus lies on philanthropic giving, leaving core competencies aside. Innovation partnerships do focus on core competencies, but are often limited in scale and scope. If their innovative approaches prove to be successful, spill-over effects might result in lasting impact and

thus transformational change, for example if new communication techniques are used elsewhere. The same accounts for local implementation partnerships and advocacy campaigns. If a local implementation partnership finds a solution, for example to correct a market failure, its approach might be accepted elsewhere. Accordingly, advocacy campaigns can encourage behavioural changes that reshape the thinking about certain issues.

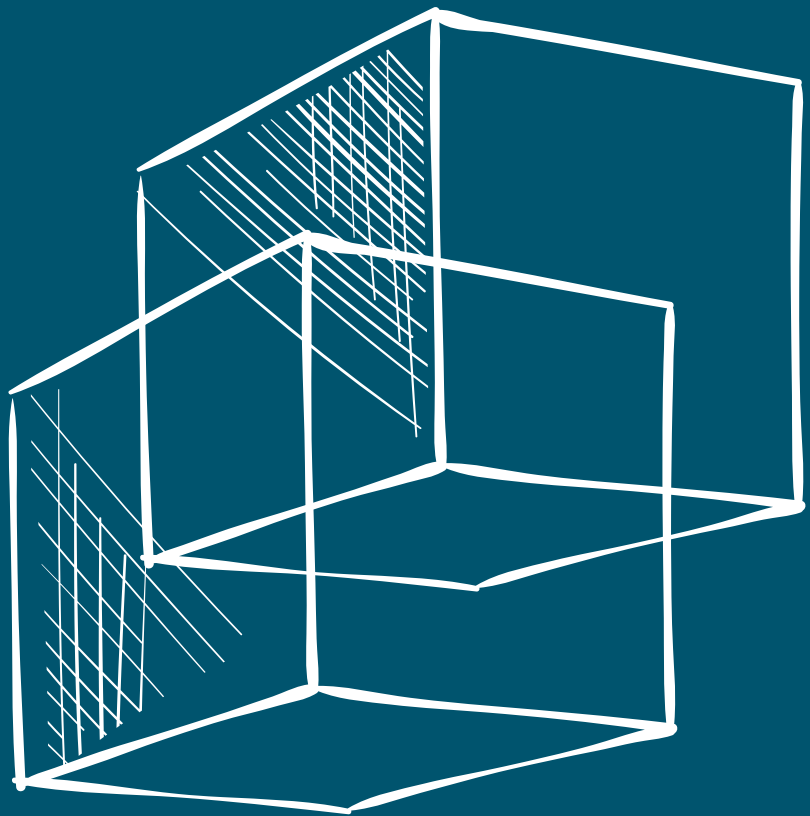
The highest potential for transformational change is inherent in global implementation partnerships and corporate responsibility initiatives. Both partnership models include all relevant stakeholders<sup>4</sup>, leverage their core competencies and address a systemic issue, either a global challenge or a specific sector. Their complex governance frameworks are meant to allow for scale and their ongoing roadmaps aim at lasting impact.

4. Global Compact LEAD (2011): Catalyzing Transformational Partnerships between the United Nations and Business.

## COMMON BUSINESS CASES

How business partners first and foremost benefit from their involvement in particular partnerships:

- Global implementation partnerships allow companies to influence global agendas that, in return, affect companies' strategic market positions and promote market stability and growth.
- Local implementation partnerships help SMEs to improve products and services and to obtain access to new markets, above all to new customers. MNCs profit from new customers and suppliers.
- Corporate responsibility initiatives help to improve a sector's future prospects and to create a level playing field. Single companies can receive impetus for production and services and demonstrate good corporate citizenship.
- Companies' involvement in advocacy campaigns can increase market shares. It also allows companies to signal social and environmental responsibility and to promote employee retention and motivation.
- Resource mobilization partnerships allow companies to signal social and environmental responsibility, promote employee retention and motivation, enable their consumers to do good and can open opportunities to partner with the UN in other ways.
- Companies involved in innovation partnerships can receive impetus for production and services, test innovations, obtain access to new markets and connect core competencies to social and environmental responsibility.



# **PARTNERSHIP MODELS**

## Global implementation partnerships

In global implementation partnerships, numerous actors join efforts at the global level. This partnership model is suitable for establishing platforms comprising representatives from all relevant sectors in order to create frameworks for action that address global challenges and allow for local implementation. Global implementation partnerships either support implementation, for example, through co-financing mechanisms as achieved by GAVI, or implement programs themselves, usually through affiliated local implementation partnerships.

The challenges addressed by global implementation partnerships range from increasing food security to mitigating climate change. The “Sustainable Energy for All” initiative, for example, aims to achieve universal access to energy, double the global rate of improvement in energy efficiency, and double the share of renewable energy, whereas the

GAVI Alliance strives for providing immunization in poor countries. By drawing attention to the addressed challenges among potentially hundreds of partners and a global audience, global implementation partnerships also promote changes in behaviour next to achieving implementation outcomes.

 The aspiration to address global challenges results in strong requirements for a global implementation partnership’s composition. In order to be able to achieve policy coherence, the partnership should include a wide range of relevant actors that have a stake in the addressed problem. This includes not only partners from business and governments, but potentially also civil society organizations and other institutions, such as academia and development banks. In order to prevent multiple approaches to one problem and to merge existing expertise, it can even be advisable to include all UN entities that commonly touch upon the addressed problem.

In global implementation partnerships, MNCs are more common than SMEs as they usually have more resources available and can more easily share expertise. The importance of SMEs, however, increases once local or regional implementation follows global decision-making. In this case, governments become more important in order to enable the translation of global agendas into local contexts. It is also important to strive for a geographically balanced distribution of partners, above all for a balanced representation of partners from developed and developing countries. As global implementation partnerships tend to evolve over time, they should stay open for new partners.

 Next to corporate responsibility initiatives, global implementation partnerships are the partnerships that can best utilize the UN’s convening power. In designing such partnerships, the leading UN agency should convene all relevant stakeholders and develop a roadmap that represents a common ground among diverse actors and interests. During implementation, the agency should


### CHARACTERISTICS OF GLOBAL IMPLEMENTATION PARTNERSHIPS:

-  MNCs; less commonly SMEs; governmental institutions; other UN entities; sometimes civil society organizations and other partners.
-  UN as convener; business partners as enablers; UN and business partners as implementers.
-  Usually ongoing partnerships due to sustained outcomes.
-  Global umbrella and local implementation.
-  Formal agreement; partnership potentially as a distinct entity; project team and steering bodies.
-  UN institutional funds; funds from business partners and involved governmental institutions; external fundraising activities.
-  Internal evaluation; potentially external evaluation.

stay an impartial broker, guarantee that the agenda is driven forward, and ensure that the numerous partners do not only exist on paper or as free riders, but contribute their respective resources and expertise. The overall engagement of business partners can range from observer status, to steering body members, to taking over implementation alongside UN entities.

 As global implementation partnerships usually aim for sustained outcomes, they can achieve greater success the longer they continue their activities. Such an ongoing timeframe allows partnerships to evolve over time and, in case of success, to scale-up and expand activities. In some sectors, especially in the financial sector and health sector, these dynamics have led partnerships to address problems already addressed by other institutions. This thematic overlap can be positive if UN entities and other institutions match their activities and build on existing expertise. However, if no coordination takes place, scaling-up and expanding activities as well as starting new global implementation partnerships can weaken existing structures by creating new parallel structures. Moreover, while it is prestigious to start and announce global implementation partnerships, it takes great courage to terminate them once results are no longer delivered. Therefore, global implementation partnerships should integrate exit-clauses into their underlying agreements to allow for dissolution in case of failure.

 Global implementation partnerships act on global level. However, once an institutional umbrella and a programmatic framework for action exist, local implementation must follow to allow for lasting impact. This requires global agendas to be translated into local programs as well as global leadership to be matched with country ownership. The Stop TB Partnership, for example, has achieved this balance by launching national Stop TB partnerships, which represent small replicas of their mother organization.

 Global implementation partnerships are characterized by complex compositions, roadmaps and governance structures, and can comprise many different programs at the local, regional and global level. Due to this complexity, governance arrangements should be based on formal agreements and

managed by a secretariat or an independent legal entity, supplemented by steering bodies. In particular, global implementation partnerships require a balance between leadership and participation. On the one hand, strong leadership is required to keep the partnership on a clear course. Most suitable for this role are UN entities with an outstanding position in regard to certain areas, such as WFP for a global implementation partnership that deals with food problems. On the other hand, all partners, including local partners, must be granted the possibility to comment on management bodies' decisions and to raise issues that the leading UN agency must consider.

Furthermore, it should be clear that the partnership serves a common cause. This is particularly true in cases where partners that are competitors in the outside world participate, such as companies of the same sector. The size and complexity of global implementation partnerships result in another problem: responsibilities can easily be concealed or shifted among partners and activities. Thus, the description of tasks and responsibilities must be clear enough to allow for proper accountability. This will positively influence partnership performance.

 With their large number of partners, global implementation partnerships have the potential to mobilize significant resources required for partnership governance and implementation. Partners must be aware that funding requirements can alter as the partnership evolves over time. UN entities must conduct a realistic assessment of organizational capacities before the initiation of global implementation partnerships and budgets must provide a reliable forecast of expenses throughout the partnership's lifecycle. To successfully develop global implementation partnerships, UN entities must draw upon a diverse funding base, including not only UN institutional funds, but funds from business and involved governments. External fundraising activities can add further funds, for example by raising capital through social media or using international finance facilities to finance local implementation. If these tasks are not accomplished properly, global implementation partnerships may become severe financial burdens.

 Global implementation partnerships should also ensure that adequate

resources are available for M&E activities. Due to their influence in the respective field of activity, they tend to be more politicized than other partnerships and, due to their large number of partners, contrary interests are likely to occur. In this context, external evaluations can help to credibly demonstrate performance detached from political or institutional interests.

#### CASE STUDY

### **CEO Water Mandate: A Global Implementation Partnership**

The CEO Water Mandate utilizes the UN convening power to assist companies in the development, implementation and disclosure of water sustainability policies and practices. By mobilizing a critical mass of business leaders to advance water sustainability solutions – in partnership with the UN, civil society, governments, and other stakeholders – the global initiative seeks to positively impact the emerging global water crisis. With a geographically balanced distribution of partners, the global framework forges multi-stakeholder partnerships that locally implement strategies to address the problems of access to water and sanitation. Endorsing CEOs acknowledge that in order to operate in a more sustainable manner they must work with governments, UN entities, and NGOs to make water-resources management a priority.

Participating companies pledged to take actions where appropriate over time, including conducting a comprehensive water-use assessment, setting targets for operations related to water conservation and waste-water treatment, and investing in new technologies to achieve water sustainability goals. Local implementation is coordinated through the Water Action Hub – an online platform designed to assist stakeholders to efficiently identify potential collaborators and engage with them in river basins of critical strategic interest. The initiative is open to companies of all sizes and from all sectors, and from all parts of the world. With an ongoing timeframe, the CEO Water Mandate is designed to scale-up over time and expand activities to include all relevant stakeholders as the initiative evolves.

*Source: CEO Water Mandate website ([www.ceowater-mandate.org](http://www.ceowater-mandate.org)).*

## TIP SHEET FOR GLOBAL IMPLEMENTATION PARTNERSHIPS

What practitioners should consider with regard to global implementation partnerships:

### COMPOSITION

- Include all relevant actors that have stake in the addressed problem as well as other UN entities that deal with the addressed problem.
- Strive for geographically balanced distribution of partners and stay open for including new partners.

### ROLES:

- Develop a common ground among the diverse interests of all partners and stay an impartial broker throughout implementation.
- Ensure that all partners that act as enablers do not only exist on paper, but actually contribute resources and expertise.

### ROADMAP

- Build on expertise of and match activities with other institutions in the respective field to prevent duplication of efforts.
- Include an exit-clause in the underlying partnership agreement to allow for unproblematic dissolution in case of failure.

### SCOPE

- Translate global agendas into local pro-

grams and supplement global leadership by country ownership to allow for lasting impact.

### GOVERNANCE

- Promote strong leadership to keep the partnership on a clear course, but grant all partners the possibility to put issues of concern on the partnership's agenda.
- Clearly describe all partners' tasks and responsibilities to prevent responsibilities from being concealed or shifted among partners and activities.
- Communicate to partners who act as competitors in the outside world that the partnership serves a common cause.

### FINANCING

- Develop budgets that forecast all occurring expenses and realistically assess organizational capacities in order to meet high and potentially altering funding requirements.

### MONITORING AND EVALUATION

- Conduct external evaluations to credibly demonstrate performance detached from political or institutional interests.




## Local implementation partnerships

Local implementation partnerships are collaborations between UN entities, companies, governments or municipalities and, sometimes, civil society organizations and other international organizations, such as development agencies or financial institutions, which directly implement projects in local areas or certain regions, often accompanied by encouraging changes in behaviour of local target groups.

Local implementation partnerships address problems in different fields such as education, healthcare and environmental protection. A common focus is on building markets whose goods and services meet the needs of people in developing and emerging economies. To help build these markets, local implementation partnerships may aim at shaping local policy frameworks to promote job creation, help local companies access capital markets for financing instruments, or conduct trainings for local entrepreneurs.

Local implementation partnerships often focus either on improving local supply chains or on integrating local producers into global supply chains, such as done by ITC's Ethical Fashion Programme in Kenya which helps SMEs in the fashion sector to export their products, or by IFAD's Vegetable Oil Development Project which reduces Uganda's reliance on imported oils by promoting domestic production.

 Local implementation partnerships generally include companies and governmental institutions as partners. Sometimes, civil society organizations, other UN entities and other international organizations join as well. Local implementation partnerships can, in particular, include actors that have both a stake in the addressed problem and in the region. Local SMEs, municipalities and community-based civil society organizations can therefore become important partners. Such a broad composition can sometimes come at the expense of effectiveness, but is a prerequisite to ensure local ownership and sustainable impact. If the involved business partners are the beneficiaries of local implementation partnerships, UN entities should remain fair and neutral actors by keeping the partnerships open for all interested, though properly screened, companies.


 UN entities can take on different roles in local implementation partnerships. When drawing on their convening power, UN entities bring together relevant partners, design roadmaps, secure funding and leave implementation to business partners or involved governmental institutions. UN entities can also implement partnership activities, either alongside companies and governments or on their own if partners restrict themselves to providing resources and expertise. UN entities must be aware that though they have unique abilities at the global level, equal actors also exist at the local level, particularly development agencies. Therefore, UN entities should focus on their core strengths, such as linking local and

### CHARACTERISTICS OF LOCAL IMPLEMENTATION PARTNERSHIPS:

-  SMEs and/or MNCs; governmental institutions; sometimes civil society organizations, other UN entities and other partners.
-  UN as convener; business partners as enablers; UN and business partners as implementers.
-  Usually time-bound partnerships due to finite outcomes.
-  Local or regional level.
-  Formal agreement; partnership as a project; project team.
-  UN institutional funds; funds from business partners and involved governmental institutions.
-  Internal evaluation; potentially external evaluation.

global supply chains. Involved governmental institutions are particularly helpful in ensuring an alignment between the partnership, national laws and local development agendas.

In most partnerships, companies join as benefactors and provide technical expertise and/or resources. These roles can be switched in local implementation partnerships: SMEs often join as beneficiaries, for example, to receive technical expertise and thereafter indirectly help their communities, especially by creating new jobs. WFP, for example, supports local companies in producing nutritious food and purchases these supplies instead of having to import them from abroad once food crises arise in the region.


 Local implementation partnerships usually have specific timeframes and reach clear end-points, such as creating a platform for local farmers to share experiences or brokering collaborations between local producers and MNCs.


 Local implementation partnerships operate on a local or regional level. If successful, similar partnerships can be implemented elsewhere. In these cases, it may be helpful to develop an umbrella framework all related partnerships can follow or to even establish a global implementation partnership that coordinates activities. The Africa Agribusiness and Agro-industries Development Initiative, for example, which helps farmers to leap from subsistence agriculture to thriving businesses, was renamed to the Accelerated Agribusiness and Agro-industries Development Initiative after having scaled-up and expanded its activities to countries outside of Africa.

 Local implementation partnerships are usually either managed as single projects or belong to larger partnership families, such as UNDP's Inclusive Market Development Initiative. Their underlying agreements should be formal, even if drafting such agreements results in high transaction costs, for example, if partnerships involve large numbers of SMEs in low-budget activities.

Local implementation partnerships entail considerable management efforts as they usually act at the intersection between different political, cultural and economic environ-

ments. If they involve local SMEs as partners, they also result in high transaction and coordination costs. To hold down these costs and efforts, partnership-specific responsibilities can be delegated to UN country offices, above all project management and communication. General partnership services should, however, be managed by the agency's headquarters to allow for quick and effective solutions to standard problems, such as legal services from legal offices or evaluation services from M&E departments.

 Local implementation partnerships are financed through funds from UN entities, business partners and involved governmental institutions. Specific funding schemes can help increase incentives for local partners to engage in partnerships, such as accommodating loans for implementation activities or co-financing the implementation of partnerships with business partners. Better incentive structures can also release UN entities from having to constantly observe their partners' commitment.

 Monitoring and evaluating local implementation partnerships can best be achieved if both local and headquarter staff take part in M&E activities. Local staff can constantly monitor and, in regular periods, evaluate the partnership in order to check whether it stays on track with its roadmap and to be able to quickly identify and remedy shortcomings. Beyond that, headquarter staff or specialized M&E staff can conduct profound evaluations or, in case of many partnerships, sample evaluations for more comprehensive and comparable performance assessments. External evaluations can become advisable once an impartial assessment is required.

#### CASE STUDY

### **UNDP Inclusive Market Development: A Local Implementation Partnership**

Most of UNDP's partnerships with private sector representatives aim at the development of inclusive markets that provide job opportunities and affordable goods and services for the poor. In order to build inclusive markets, markets or sub-sectors have to be addressed entirely and all barriers to inclusiveness have to be erased. Such barriers range from the lack of appropri-

ate policies, over limited access to finance and markets, missing links in production chains and capacity constraints, to a lack of infrastructure. Moreover, inclusive market development requires the engagement of all actors that have stake both in the addressed problem and in the region. UNDP's partnerships therefore often involve different UN entities, companies, local governments, civil society organizations, academia, etc.

Example partnerships include UNDP's engagement in Aceh in Indonesia, which was initiated after the Tsunami in 2004. In 2006, UNDP helped the local government to create

a program that supported farmers in export-oriented sectors by linking them to external markets. As a result, revenues per household increased by roughly US\$ 1,000. In Bulgaria, UNDP has assisted the government since 2000 in designing and implementing a program to support local entrepreneurs and start-ups. The program provides business and financial services at local business centers, and has supported, among others, the creation of almost 40,000 jobs.

Sources: UNDP website ([www.undp.org](http://www.undp.org)).

## TIP SHEET FOR LOCAL IMPLEMENTATION PARTNERSHIPS

What practitioners should consider with regard to local implementation partnerships:

### COMPOSITION

- Include actors as partners that have a stake in the addressed problem and are present in the region in order to ensure local ownership and sustainable impact, in particular, local SMEs, municipalities and community-based civil society organizations.
- Keep partnerships which involve business partners as beneficiaries open for all interested, though properly screened, companies in order to stay fair and neutral.

### ROLES

- Involved governmental institutions should ensure an alignment between the partnership, national laws and local development agendas.
- Focus on core strengths of the UN, e.g., acting as a broker between MNCs and local producers, to complement activities of other development agencies.

### SCOPE

- If different partnerships follow the same

approach, develop an umbrella framework all partnerships can follow or establish a global implementation partnership that coordinates activities.

### GOVERNANCE

- Delegate partnership-specific responsibilities to country offices, above all project management and communication, and centralize general partnership services to allow for quick and profound solutions to standard problems, e.g., legal services from legal offices.

### FINANCING

- Increase financial shares of local business and government partners, e.g., through co-financing, in order to create incentives for partners to further engage in partnerships which can also release UN entities from having to constantly observe their partners' commitment.


### MONITORING AND EVALUATION

- Include local practitioners in M&E activities to allow for quick identification and remedy of shortcomings.


## Corporate responsibility initiatives

Corporate responsibility initiatives facilitate the role of companies in achieving development goals through changing behaviour or leveraging commitments of involved business partners. They either address a specific sector, such as the financial sector as done by Principles for Responsible Investment or UNEP's Finance Initiative, or seek to mobilize general business commitment to a specific cause. Caring for Climate, for example, aims at advancing the role of business in addressing climate change.

Both global implementation partnerships and corporate responsibility initiatives establish platforms at the global level. The former use them for convening actors from multiple sectors in order to create frameworks that allow for local implementation, while the latter focus on the business community and changing their behaviour, leaving local implementation as a secondary priority. Some corporate responsibility initiatives are primarily facilitated by UN entities, whereas others are business-driven. In the latter case, sector leaders take on leading roles in order to encourage self-regulation, advocate for new social or environmental standards and promote more sustainable business behaviour within their sector. Example partnerships include the Extractive Industries Transparency Initiative (EITI) and Refrigerants, Naturally!. Regardless of whether the partnership is UN-led or business-driven, corporate responsibility initiatives allow for UN entities to indirectly achieve development outcomes by encouraging business partners to align their operations to social and environmental standards of the UN.

 In corporate responsibility initiatives, target groups and potential partners coincide. If primarily addressing a specific sector, its representatives form the pool of potential partners. If primarily leveraging commitment to a specific cause, any interested company can possibly be a partner. UN entities should, however, primarily aim at including influential companies, above all sector leaders, to allow for spillover effects on smaller companies once sector leaders agree on certain standards or regulations. Due to


their powerful positions and overall footprint, MNCs lend themselves better as partners for corporate responsibility initiatives. If certain regions or a broad basis of small companies are addressed, SMEs become important as well. Other organizations, such as governmental institutions, can be helpful once the partnership requires further leverage.

 In corporate responsibility initiatives, UN entities can leverage their unique abilities to act as neutral agenda-setters that convene companies and create a platform for collaboration. UN entities might even restrict their roles to convening and encourage business partners to take on implementation and the provision of required resources and expertise. Such a close involvement of business partners increases their commitment, promotes ownership and, once


### CHARACTERISTICS OF CORPORATE RESPONSIBILITY INITIATIVES:


-  MNCs; less commonly SMEs; sometimes governmental institutions, other UN entities and other partners.
-  UN as convener; business partners as enablers and implementers.
-  Usually ongoing partnerships due to sustained outcomes.
-  Regional or global level.
-  Formal agreement; partnership potentially as a distinct entity; project team and sometimes steering bodies.
-  UN institutional funds; funds from business partners; sometimes funds from involved governmental institutions.
-  Internal evaluation; potentially external evaluation.

companies assume leadership, maximizes the chance to have a lasting impact on business behaviour. In order to further leverage the agendas of corporate responsibility initiatives, other organizations can be involved. Governmental institutions, for example, can implement policies that take on and enhance business-driven standards and regulations, whereas academia can provide expertise required to develop complex frameworks of norms and standards for specific topics.

 Corporate responsibility initiatives most commonly have ongoing timeframes as their desired outcomes allow for greater success the longer the partnership continues its activities. UNEP's Finance Initiative, for example, focuses on awareness raising and knowledge generation and has existed for two decades. While still achieving outcomes by continuing and expanding these activities, the partnership now additionally strives for more policy impact.

Once drafting roadmaps, UN entities should consult external experts or potential partners, above all sector leaders, to thoroughly understand target groups, their mindsets and needs. Finally, if intending to start a sectoral initiative, UN entities should match activities with other initiatives in the respective sector in order to prevent the counterproductive existence of different standards and regulations.

 Corporate responsibility initiatives usually have a global scope as their target groups, as the most relevant representatives of a certain sector tend to be scattered all over the globe. However, once an umbrella of standards and regulations exists, ownership in particular countries can be built by establishing regional affiliates and approaching country-based companies. In this case, standards and regulations can be reflected locally, as long as no contradictions to basic principles arise.


 Corporate responsibility initiatives may have their own secretariat and different steering bodies, mainly due to their unique mandates and ongoing timeframes that result in high organizational requirements. Their formal agreements regularly allow for an official membership that imposes standard tasks and responsibilities on businesses partners. Such memberships often do not

include binding commitments, but require the confirmation to abide by a corporate responsibility initiative's standards and regulations. This unbinding nature helps corporate responsibility initiatives to get relevant partners on board and to achieve maximum scale and scope.

On the other hand, an unbinding nature poses the risk of unrealized commitments. Strict rules to expel non-compliant partners can partly mitigate this risk, but not entirely prevent cases of blue washing that may damage the reputation of involved UN entities. Legally binding commitments are a stronger mechanism to ensure companies' compliance with social and environmental standards favored by the UN. The UN can indirectly achieve such commitments by integrating partners from the government, which can translate standards and regulations into policies.

Lastly, corporate responsibility initiatives should ensure that business partners who act as competitors in the outside world understand that the partnership serves a common cause.

 Due to ongoing timeframes and intricate governance structures, corporate responsibility initiatives require stable and regular funding. UN entities can partly cover these financial needs, though it is advisable to also rely on funds from business partners, ideally, by raising membership fees. Besides providing regular income, such fees can signal solid commitment of business partners and mitigate the risk of blue washing. If additional funds are required, for example to conduct research, business partners or other partners could provide punctual sponsorship. Once corporate responsibility initiatives also strive for policy impact, fundraising efforts can also target governmental institutions with a stake in the issue.

 Through regular incomes, in particular through membership fees, corporate responsibility initiatives can spare adequate financial resources for M&E activities. It is important that these activities do not solely examine partnerships, but also business partners' commitment to abide by standards or regulations. If this commitment is non-binding, partner monitoring should only involve non-rigorous methods, such as reporting duties or regular questionnaires.

Besides internal M&E activities, external evaluations can become useful to credibly demonstrate performance in case the initiative faces criticism from external stakeholders.

#### CASE STUDY

### **Caring for Climate: A Corporate Responsibility Initiative**

Launched in 2007, Caring for Climate (C4C) is a Secretary General's initiative that leverages the UN's ability to be a neutral agenda setter and provide an accepted framework for action. Caring for Climate advances the role of business in addressing climate change by encouraging business partners to align their operations to UN goals set out in the UN Framework Convention on Climate Change. Through commitments to action, C4C provides a framework for business leaders to advance practical solutions by setting goals, developing strategies, and publicly disclosing emissions. Chief executive officers who support the initiative commit to take on leading roles in encouraging self-regulation, promoting sustainable business behaviour and shaping public policy to adopt frameworks that reward leadership and innovation.

Caring for Climate is endorsed by nearly 400 companies from 65 countries and offers an interface for business and governments to collaborate at the global level to find pragmatic business solutions to reducing emissions. The initiative has broad geographical support including leading actors from developed and emerging economies.

Source: *Caring for Climate website* ([www.caringforclimate.org](http://www.caringforclimate.org)).

#### CASE STUDY

### **The Principles for Responsible Investment: A Corporate Responsibility Initiative**

The Principles for Responsible Investment Initiative (PRI) is a UN-backed partnership between investors and two UN entities, the UN Global Compact and UNEP Finance Initiative. It comprises six voluntary principles that deal with the integration of environmental, social and corporate governance (ESG) issues into mainstream investment decision-making and ownership practices. The PRI's aim is to put these principles into practice, encourage the move to a more sustainable financial system and to improve long-term investment returns

to beneficiaries. Taking on a convening role, the initiative has signed up more than 1100 signatories, representing more than US\$30 trillion in assets under management.

The PRI Initiative is governed by an Advisory Council that consists of 13 elected signatories, one appointed chair, one representative of UNEP FI and one of UN Global Compact. The implementing entity, PRI Association, is registered in the UK as a non-profit organization. Its London-based secretariat coordinates the adoption of the principles and provides resources to support investors in implementing the principles, including a global collaborative forum for investor dialogue with companies across a full range of environmental, social and governance issues. The initiative is mainly financed by membership fees and receives additional funds from governments and international organizations. This solid financial basis enabled the PRI to ramp up its promotion of responsible investment practices in regional markets and across a range of asset classes. Local networks have been established in order to provide implementation support for signatories at the local level and to develop local strategies.

Issues that have led to recurrent criticism of the PRI are the relatively lax handling of noncompliant signatories and the lack of strict membership standards. Moreover, ESG integration varies greatly among the PRI's signatories, with some abiding by the principles across 100% of their portfolios and some across just 1% of their portfolios. As a consequence, UN PRI has decided to introduce mandatory public disclosure among signatories from 2013 onwards.

Sources: *Interview, UN PRI website* ([www.unpri.org](http://www.unpri.org)) and *UN PRI documents, e.g. PRI Annual Report 2012*.

## TIP SHEET FOR CORPORATE RESPONSIBILITY INITIATIVES

What practitioners should consider with regard to corporate responsibility initiatives:

### COMPOSITION

- Include influential companies, above all sector leaders to allow for spillover effects on smaller sector representatives.

### ROLES

- Restrict the UN's role to convening and encourage business partners to take on implementation and the provision of required resources and expertise in order to increase their commitment and maximize the chance to have lasting impact on business behaviour.

### ROADMAP

- Once drafting roadmaps, consult external experts or potential partners, above all sector leaders, to thoroughly understand target groups, their mindsets and needs.
- Match activities with other initiatives in the respective sector to prevent the counter-productive existence of different standards and regulations.

### SCOPE

- In order to promote local ownership, grant regions or countries the freedom to reflect standards and regulations locally, as long as no contradictions to the global umbrella arise.

### GOVERNANCE/COMPOSITION

- If corporate membership is based on non-binding commitments to get all relevant partners on board, implement strict rules for releasing non-compliant partners and involve governmental institutions that can translate the initiative's standards and regulations into policies.

### GOVERNANCE

- Communicate to business partners that act as competitors in the outside world that the partnership serves a common cause.

### FINANCING

- Raise membership fees to have a stable and regular income and to increase business partners' commitment.

### MONITORING AND EVALUATION

- Do not solely monitor the partnership, but also business partners committed to abide by standards or regulations. However, only apply non-rigorous methods, e.g., reporting duties or regular questionnaires, if partners' commitment is non-binding.
- Commission external evaluations to credibly demonstrate performance in case the initiative faces broad criticism from external stakeholders.



## Advocacy campaigns

Advocacy campaigns aim for behavioural changes that might help to alleviate certain global issues. They can address all issues related to development, however, some issue areas occur more frequently than others, above all the fight against diseases and promoting health. Desired behavioural changes range from low-level changes, such as sensitizing individuals to certain issues, to more substantial changes, such as convincing individuals to engage in problem solving. The Global Public-Private Partnership for Handwashing with Soap, for example, raises awareness for handwashing to prevent the spread of diseases.

Corporate responsibility initiatives share this focus on behavioural changes, but aim at corporate target groups or specific sectors, whereas advocacy campaigns allow UN entities to reach broader audiences and involve business partners not as target groups but as enablers. Advocacy campaigns do not implement technical projects, but can sometimes encourage subsequent implementation by target groups, such as done by the Billion Tree Campaign, which increases environmental awareness by encouraging individuals to plant trees. If involving external fundraising activities, advocacy campaigns can also mobilize resources for UN entities and enable them to better fulfill their mandates.

Advocacy campaigns do not necessarily include companies as partners. UNAIDS' advocacy campaigns, for example, feature a diversified set of compositions, ranging from campaigns with business partners, to campaigns with NGOs, municipalities, celebrities, media, trade unions, parliamentarians and others. But even if different compositions occur, it is a simple rule their establishment follows: Include those partners that best help to deliver the desired message to chosen target groups. Hence, media and celebrities might be the most suitable if simple messages should be delivered to broad audiences, while companies can be superior if complex advertising campaigns are required to reach target groups. In the following, only UN-business advocacy campaigns will be looked at,

leaving aside the wide spectrum of campaigns with non-corporate partners.


In advocacy campaigns, UN entities take on the roles of implementers, while business partners act as enablers by providing financial resources and expert advice. Most desirable is the business partners' input on marketing, above all advertising, that can help to address target groups more effectively. Business partners, especially MNCs, sometimes also give access to their distribution channels. In these cases, business partners engage in implementation. Such advocacy campaigns are often combined with external fundraising activities. Popular are cause-related marketing campaigns which combine sales-related fundraising with building awareness for certain issues.


Advocacy campaigns have time-bound timeframes, but are often continued in case of success, thus turning into ongoing

### CHARACTERISTICS OF ADVOCACY CAMPAIGNS:

-  MNCs; less commonly SMEs; sometimes governmental institutions and civil society organizations.
-  UN and business partners as implementers; business partners as enablers.
-  Ongoing or time-bound partnerships.
-  Local, regional or global level.
-  Formal agreement; partnership as a project; project team.
-  UN institutional funds; funds from business partners; external fundraising activities.
-  Internal evaluation; potentially external evaluation.


partnerships. The Billion Tree Campaign, for example, was launched by UNEP in 2006 and ran an advocacy campaign that facilitated the planting of more than 12 billion trees during its first five years of existence. This example also illustrates how an advocacy campaign can draft a clear roadmap despite the fact that changing behaviour is the most difficult outcome to be translated into distinct development stages: Planting trees exemplarily materializes the goal to convert a global audience to the fight against deforestation.


 Depending on the target group, advocacy campaigns can either be implemented at the local, regional or global level. For example, raising awareness for HIV/AIDS can happen on global level, while advising individuals on how to behave if natural disasters strike populated areas should be restricted to the regions at risk. Target groups have to be clearly defined to allow for effective partnership implementation. Moreover, partners can analyze how the target group can best be reached, for example through television, poster campaigns, social media or specific events. Business partners can considerably improve these analyses by providing expertise on market analysis and advertisement strategies.

 Advocacy campaigns tend to be administered as one out of several projects due to their manageable size and time-bound timeframes. Involved business partners must have an unblemished reputation in the issue area to not jeopardize achievements through negative headings. Robust partner selection and due diligence screening procedures are therefore an integral part of an advocacy campaign's governance structure, above all if partners and issues collide that are incompatible in the public eye, for example, fast food chains and the fight for better health. The risk of reputational loss can partly be mitigated by formal agreements that include exit clauses and commitments by partners to support the advocated issue not only within the partnership, but within all business activities. If advocacy campaigns involve fundraising activities, formal agreements can help to decide upon the use of raised funds, or to ensure UN interests if partners take on lead roles, such as it happens in cause-related marketing campaigns.

Advocacy campaigns address the general

public more often than other partnership models and therefore have unique communication requirements. Understandable language should replace professional jargon and catchy slogans are preferred over technical terms. Even names of advocacy campaigns can take these rules into account. Therefore, it is not called the "Program for Reforestation", but the Billion Tree Campaign, and not the "Global Platform for Fighting Hunger", but We-FeeDBack.

 Advocacy campaigns can raise additional awareness with fundraising activities that allow for the collection of additional resources for causes related to the advertised issue. Regardless of such activities, UN entities and business partners must provide a fixed amount of funds in order to finance partnership initiation and ongoing administration. It is advisable to choose business partners that have a genuine interest in the target groups or addressed issues, for example, pharmaceutical companies if an advocacy campaign addresses health issues. This increases potential benefits for business partners and therefore the likeliness of more sustainable funding.

 If an advocacy campaign includes external fundraising activities, raised money can serve as a reliable key performance indicator (KPI). Advocacy campaigns that encourage target groups to engage in problem solving, such as achieved by the Billion Tree Campaign, can use outputs as KPIs, in this example planted trees. If neither of the above KPIs exist, indirect KPIs based on figures realized during partnership implementation can act as a substitute, for example the number of people attending organized events or the number of distributed brochures. Finally, sample interviews can help to assess if changes in behaviour have been achieved. In the latter case, external evaluations might be useful to complement internal M&E activities.

#### CASE STUDY

### **HIV/AIDS Awareness Raising: Advocacy Campaigns**

HIV/AIDS has been addressed by many advocacy campaigns of different UN entities. UNHCR, for example, has entered a partnership with Merck to raise awareness and facilitate

support among refugee populations in Africa, Asia and the Middle East. In Angola, Merck funded the development and dissemination of HIV information and education materials as well as the organization of HIV awareness raising events for Angolan returnees and their host communities. In 2004, Merck and the International Council of Nurses joined efforts to deliver the latest nursing knowledge and training to health professionals working with refugees in Africa through the Nursing Library Project which established ready-made portable libraries in refugee camps that include the latest nursing and health-care information and training materials to improve the skills of health professionals in the field.

Another example for an advocacy campaign addressing HIV/AIDS is the North Star Alliance, a WFP-TNT joint initiative in Africa to mobilize cross-sectoral support for the establishment of wellness centers for truck drivers.

Such wellness centers are semi-mobile, renovated shipping containers situated at carefully identified areas such as border points or transit towns where transport workers congregate and sex work flourishes. Information provided at these wellness centers are specifically aimed at truck drivers and sex workers, and cover important topics such as education on sexual reproductive health, HIV and sexually transmitted infections, condom demonstration and distribution, and referrals to HIV testing and treatment programs.

*Sources: Partnerships with the Private Sector: A Collection of Case Studies from UNAIDS, UNAIDS, 2007. North Star Alliance Website: <http://www.northstar-alliance.org>.*

## TIP SHEET FOR ADVOCACY CAMPAIGNS

What practitioners should consider with regard to advocacy campaigns:

### COMPOSITION

- Choose the composition that best helps to deliver the desired message to chosen target groups, e.g., a UN-business advocacy campaign or an advocacy campaign with celebrities.

### ROLES

- Optimize the involvement of business partners by utilizing their expertise on marketing and advertisement as well as their distribution channels.

### ROADMAP

- Translate the desired behavioural changes into concrete activities.

### SCOPE

- Define target groups and channels to best reach target groups, also by drawing on the expertise of business partners.

### GOVERNANCE

- Develop a robust partner selection and due diligence procedure to ensure

engagement of business partners with a good reputation.

- Use an understandable language instead of professional jargon when communicating with the general public and not with expert audiences.

### FINANCING

- If possible, conduct fundraising activities next to awareness raising in order to collect additional financial resources for causes related to the advertised issue.
- Involve business partners that have a genuine interest in the target groups or addressed issues in order to increase the likelihood of more sustainable funding.

### MONITORING AND EVALUATION

- In order to assess achieved behavioural changes, conduct sample interviews or evaluate smart KPIs, e.g., amounts of raised funds, amounts of encouraged outputs or indirect figures realized during partnership implementation.

# PARTNERSHIP MODEL 5

## Resource mobilization partnerships

### Motivations for strategic fundraising among companies:

- More funds from companies
- Close ties to potential partners for partnerships
- Raised awareness of UN entities' missions among broader audiences

Most partnerships have to engage in resource mobilization in order to finance their planned activities. But only those partnerships that limit the engagement of companies to providing resources or to mobilizing external resources in order to enable UN entities to better fulfill their mandates are considered as resource mobilization partnerships. This partnership model has an ambivalent character: On the one hand, it represents the most classic UN-business collaboration that relegates business partners into the role of partnership financiers, irrespective of the conducted partnership activities. On the other hand, it comprises one of the most innovative partnership formats: joint fundraising campaigns of UN entities and companies among external target groups, including the general public.


If resource mobilization partnerships combine external fundraising with awareness raising, they show parallels to advocacy campaigns, such as WFP's online fundraising platform WeFeedback, which raises awareness for the fight against hunger or UNODC's

cause-related marketing campaign Blue For Good which raises funds for the Blue Heart Campaign against human trafficking.


Resource mobilization partnerships have to be distinguished from general fundraising activities among companies that aim at increasing business contributions to UN budgets irrespective of any partnership activities. Yet, it is advisable for UN entities to also strategically engage in fundraising among companies. Respective strategies should, however, be drafted independent of strategies for UN-business partnerships, as fundraising among companies, unlike successful partnering, does not primarily depend on the alignment of interests, but on decent brand management, and does not aim at utilizing core competencies of companies. If these strategies allow for an elaborated approach towards different corporate target groups, they can raise awareness of UN entities' missions among broader audiences and boost private giving, thus increasing budgets or compensating for possible future cuts in public funding. Pre-established funding schemes and communication patterns and increased fundraising activities among companies can also form a basis for closer UN-business collaboration later on.


### CHARACTERISTICS OF RESOURCE MOBILIZATION PARTNERSHIPS:

-  MNCs; less commonly SMEs.
-  UN and business partners as implementers; business partners as enablers.
-  Usually time-bound partnerships due to finite outcomes.
-  Local, regional or global level.
-  Formal agreement; partnership as a project; project team.
-  UN institutional funds; funds from business partners.
-  Internal evaluation.


 Resource mobilization partnerships are the most classic UN-business collaborations in that they solely involve UN entities and companies, often even only one company and one agency. As their goal is often to leverage a high enough level of funds to make the effort worthwhile, partnering with MNCs is generally more suitable than with SMEs. If resource mobilization partnerships engage companies to mobilize external resources, for example through cause-related marketing campaigns, the main criterion for business partners' suitability is their potential to help reach target groups, through efforts like giving access to their distribution channels or customer bases.


 If resource mobilization partnerships engage companies to mobilize external resources, business partners can provide expertise in marketing and advertisement and, if interested, accept responsibilities in implementing the partnership. If resource mobilization partnerships include companies to provide their own resources, UN entities take on implementation, while business partners are relegated to the role of financiers. As a result, companies' core competencies are not utilized and tangible benefits, such as an increase in revenue for the company, are unlikely to result. Sustainability of such partnerships therefore depends on the business partners' perceived intangible benefits, such as reputational gains, and the respective partnerships should be considered as a compromise if companies have no interest in any collaboration beyond philanthropic giving. If, however, such an interest exists, partnership models that also draw on business expertise next to utilizing business funds, including local implementation partnerships, are preferable.

 Resource mobilization partnerships have time-bound timeframes due to finite outcomes, most commonly a fixed amount of required resources. However, partnerships can be re-launched if potential to raise further funds exists. If resource mobilization partnerships mobilize resources among external target groups, the respective roadmaps should focus on how to reach and address these target groups. If utilizing resources of business partners to finance partnership activities, roadmaps should first and foremost outline what activities the resources will be used for. This allows business partners to assess whether the provided funds promise to have impact and whether the planned activities match with business interests.

 The scope of resource mobilization partnerships that mobilize external resources is defined by target groups and can therefore be local, regional or global. These target groups must be well defined to allow for identifying the best channels to reach them, such as social media. If resource mobilization partnerships include companies to directly finance partnership activities, UN entities can allocate raised resources to regions and beneficiaries that business partners are interested in.

 Governance requirements are relatively little if resource mobilization partnerships include the requirement that companies provide their own corporate resources. If partnerships aim to change behaviour of target groups next to raising external funds, governance becomes more challenging (see "Partnership model 4: Advocacy campaigns"). Resource mobilization partnerships can be administered as one out of several projects due to their manageable size. UN entities that regularly engage in such partnerships should, however, not consider resulting partnerships as distinct projects, but embed them into a strategic approach that increases effectiveness, both in regard to finding appropriate business partners and to increasing the effectiveness of implementation. Such a strategic approach could include, for example, clear and regular communication of resource requirements, the distribution of promotion materials to attract attention among companies and the provision of templates for partnership management, such as a formal agreement to outline cooperation.

 The large amounts of funds which resource mobilization partnerships can potentially raise for UN entities stand in contrast to the relatively little resources these partnerships require to be managed. Occurring costs are often confined to indirect costs caused by staff salaries and expenses for administration and communication, both of which can be covered by UN institutional funds or funds from business partners. If partnerships mobilize external resources, additional costs arise, especially costs for advertisement campaigns, which business partners might compensate for if they have a strategic interest in the chosen target groups.

 Resource mobilization partnerships that engage companies to provide their own resources can be monitored and evaluated with little effort since no impact on beneficiaries or external stakeholders occurs. Utilization of raised resources is considered as a separate issue. Therefore, an internal evaluation is in most cases sufficient. Evaluations should, however, not only look at the amount of raised resources in comparison to organizational efforts, but also at the satisfaction of business partners and their benefits in order to assess potential for future collaborations. If resource mobilization partnerships also

engage in awareness raising next to external resource mobilization, M&E becomes more complicated (see “Partnership model 4: Advocacy campaigns”).

#### CASE STUDY

### **UNESCO CRM Campaign: A Resource Mobilization Partnership**

Cause-related marketing (CRM) campaigns raise awareness and funds for certain issues among external audiences and can therefore be described both as advocacy campaigns and resource mobilization partnerships. In these CRM campaigns, UN entities add their logo to business partners' products and thus help to increase sales of business partners and to promote their brands. In return, UN entities receive a fixed amount for each product sold.

In 2011, UNESCO initiated such a CRM campaign with Procter & Gamble (P&G) in order to support its education advocacy program for women and girls. The raised funds are made up of a percentage of revenues generated through

the sale of P&G's feminine hygiene products in France and Romania and on social networks such as Facebook. The partnership's timeframe has been initially set to three years and the first raised funds will be used for a project in Senegal that supports the empowerment of women and girls by teaching them to read and write. In this case, the resource mobilization partnership is closely linked to the involved UN agency's implementation activities: an education project in Senegal. Such a direct link helps to reduce the perceived distance of donors and business partners to their beneficiaries and allows partners to track and assess the use of raised funds.

*Sources: Interview and UN-Business Focal Point Newsletter, Issue 16, 2011.*

## TIP SHEET FOR RESOURCE MOBILIZATION PARTNERSHIPS

What practitioners should consider with regard to resource mobilization partnerships:

### COMPOSITION

- Target potential business partners that can provide significant resources to reduce transaction costs. If engaging companies to mobilize external resources, include business partners that best help to reach target groups, e.g., through giving access to their distribution channels.

### ROLES

- If engaging companies to mobilize external resources, involve business partners in implementation activities and utilize their resources as well as their expertise on marketing and advertisement.
- Consider partnerships that engage companies to provide their own resources as a compromise if companies have no interest in any collaboration beyond philanthropic giving. However, if such interest exists, partnership models that also draw on business expertise should be preferred.

### ROADMAP

- If mobilizing resources among external target groups, describe how target groups can best be reached and addressed. If utilizing resources of business partners to finance partnership activities, outline what activities the raised resources will be used for in order to allow business partners to assess their investments' impact.

### SCOPE:

- If mobilizing external resources, define target groups and channels to best reach these target groups. If including companies to directly finance partnership activities, allocate raised resources to regions and beneficiaries that business partners are interested in.

### GOVERNANCE:

- If regularly engaging in resource mobilization partnerships, embed resulting partnerships into a strategic approach that allows for economies of scale, both in regard to finding the appropriate business partners as well as in regard to increasing the effectiveness of implementation.

### FINANCING

- If mobilizing external funds, ensure that business partners are interested in the target groups and therefore will more likely provide funds for partnership implementation.

### MONITORING AND EVALUATION

- Do not only evaluate the amount of raised resources in comparison to organizational efforts, but also the satisfaction of business partners and their benefits in order to assess potential for future collaborations.



## Innovation partnerships

Innovation partnerships are the adornment to resource mobilization partnerships. Both aim to optimize the enabling capabilities of companies, but though the latter ask for companies' resources, the former highlight their abilities to provide expertise. To some extent, the provision of expertise is important for all partnership models, but the explicit focus on the innovative power of companies' expertise is unique to innovation partnerships. Innovation partnerships utilize this expertise to develop and implement innovative products and services that can either help to address specific problems—such as food fortification products to address malnutrition—improve work processes within UN entities—such as tools for more effective project management—or allow for dissemination among target groups—such as sharing technological innovations with SMEs in developing countries.


Innovation partnerships primarily achieve enabling outcomes by improving the UN's capability to address problems. If disseminated

knowledge is utilized and developed products and services are implemented, they also allow for implementation outcomes, thus showing parallels to local implementation partnerships. Innovation partnerships are common in several sectors. In humanitarian aid, for example, UN entities use business expertise on transportation, logistics and ICT to improve the timeliness of humanitarian response. The occurrence of innovation partnerships also depends on a UN agency's mission. WIPO, for example, focuses on intellectual property and, unsurprisingly, runs several innovation partnerships, such as the Access to Research for Development and Innovation Program (ARDI), which aims at disseminating scientific and technical knowledge in developing countries. ITU, which concentrates on ICT, is also engaged in several innovation partnerships, for example, to disseminate access to ICT education in cooperation with Cisco.

### CHARACTERISTICS OF INNOVATION PARTNERSHIPS:


-  MNCs; less commonly SMEs; sometimes other partners.
-  UN and business partners as implementers; business partners as enablers.
-  Ongoing or time-bound partnerships.
-  Local or regional level.
-  Formal agreement; partnership as a project; project team.
-  UN institutional funds; funds from business partners; sometimes funds from involved governmental institutions.
-  Internal evaluation; potentially external evaluation.


 Innovation partnerships are collaborations between UN entities and companies. Potential business partners must be willing and able to provide expertise for developing innovative products and services as well as adequate resources required to implement the partnership. In order to match companies' capabilities and UN needs, it can be best to run innovation partnerships bilaterally, only between one company and one UN agency. In some cases, innovation partnerships can also include other partners. Governmental institutions, for example, can facilitate the dissemination of knowledge and developed products and services.

 In innovation partnerships, UN entities and business partners both play active roles and collaborate: the latter provide expertise by acting as enablers and the former provides a framework to utilize this expertise. UN entities and business partners therefore often share implementation responsibilities. It is crucial that the provided expertise relates to business partners' core competencies, either to their field of activity, be it agriculture or pharmaceuticals, or to certain business areas, such as supply chain manage-

ment or logistics. Such an alignment increases business partners' commitment and the likeliness of tangible benefits. Moreover, provided expertise should improve a UN agency's efficiency, serve its target groups, or improve its approaches for addressing problems.

 Bilateral innovation partnerships often have finite outcomes and time-bound timeframes. In contrast, larger innovation partnerships, such as WIPO's partnerships, are meant to increase achieved outcomes over time, thus having ongoing timeframes. Innovation partnerships share one specific feature: They do not avoid all risks, but deliberately take those risks that are inherent to entrepreneurial and inventive spirits — the main ingredients for successful innovation. Each innovation partnership therefore shoulders the burden of potential failure in developing beneficial products and services. However, even a failed innovation partnership has some merit in that it can provide lessons learned and increase the chances of success for subsequent endeavors.

 If innovation partnerships develop and implement innovative products and services for improving work processes within UN entities, the scope is rather irrelevant. However, if innovative products and services are meant to help address specific problems or to be disseminated among target groups, a scope must be defined, that is either a local or regional scope. In this case, UN entities must take specific political, cultural and economic contexts into consideration in order to allow for designing appropriate frameworks for action. If an innovation partnership, for example, aims to distribute new food fortification products, existing infrastructure, local laws and prevalence of malnutrition are important.

 Developing and implementing innovative products and services can be hallmarked by relatively high uncertainty in terms of final results. Innovation partnerships should therefore be based on formal agreements, though it is sufficient to manage them as a project. Formal agreements can especially help to match expectations and bring in line goals of involved UN entities and companies.

Governance requirements often change over the course of an innovation partnership's lifecycle. When developing innovative products and services, governance requirements remain little, however, as soon as products and services are rolled out, governance becomes more complicated, particularly as specific political, cultural and economic contexts should be taken into consideration and agreements must be reached between partners on the utilization of the new product or service.

 Benefits of successful innovation partnerships can by far and away surpass its costs, also due to positive external effects, for example, if food fortification products are also used elsewhere. It can therefore be justifiable to use UN institutional funds to get promising innovation partnerships off the ground, although joint UN-business funding should be preferred in order to relieve UN budgets and to increase commitment of business partners. In particular, companies can compensate for costs related to innovation processes, above all for license fees and indirect costs, including staff time. If planning to implement innovations that help to address local problems or are supposed to be disseminated among local target groups, respective governments can be approached as additional financiers.

 Monitoring and evaluating innovation partnerships can be divided into two separate stages. M&E activities can at first assess the development of innovative products and services and afterwards their implementation and use in practice. The first stage should estimate invested resources and time, scrutinize the development processes and rate resulting innovations. The second stage is similar to monitoring and evaluating local implementation partnerships if innovations are meant to help address specific problems or to be disseminated among target groups. In this case, external evaluations can be helpful as well. If innovations aim at improving processes within the UN, interviews with involved practitioners and other stakeholders can provide valuable information.

#### CASE STUDY

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### **UNOSAT-Google: An Innovation Partnership**

UNOSAT, the operational satellite applications program of UNITAR, provides satellite solutions to humanitarian and development organizations that help to make a difference in critical areas such as disaster preparedness and response. UNOSAT also incorporates geographical data of external sources, such as Google Map Maker, into its products. The collaboration between UNOSAT and Google started in 2008. In 2011, they intensified their collaboration by signing an agreement that gives humanitarian organizations increased access to Google Map Maker data for use in their relief activities in more than 150 countries. This partnership directly benefits the humanitarian system by allowing for more rapid access to accurate and reliable geographical data in humanitarian

emergencies, such as data on roads, bridges, hospitals, refugee camps or flooded areas.

Humanitarian emergencies in which UNOSAT cooperated with Google included the devastating consequences of Cyclone Nargisin Myanmar in 2008. In order to undertake a reliable damage assessment and to distribute the obtained information, UNOSAT volunteers used high-resolution satellite images from Google Earth. When floods hit Western Africa in 2009, UNOSAT volunteers once again drew on Google tools to map the flooded areas and to disseminate their knowledge. In these and other emergencies, the UNOSAT-Google partnership successfully facilitated the application of geo-mapping solutions that combined the benefits of satellite imagery and local knowledge.

*Sources: Interview and UNITAR website ([www.unitar.org](http://www.unitar.org)).*

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## TIP SHEET FOR INNOVATION PARTNERSHIPS

What practitioners should consider with regard to innovation partnerships:

### COMPOSITION

- Include business partners that can provide expertise required to develop innovative products and services and adequate resources required to implement the partnership.
- Design bilateral partnerships to best match companies' capabilities and UN needs.

### ROLES

- Ensure that provided expertise relates to business partners' core competencies in order to increase their commitment and the likeliness of tangible benefits; also ensure that provided expertise improves a UN agency's efficiency or serves its target groups.

### ROADMAP

- Take the risks that are inherent to entrepreneurial and inventive spirits in order to tap the full potential of innovation. Communicate lessons learned if an innovation partnership fails.

### SCOPE

- Take specific political, cultural and economic contexts into consideration in order to allow for successful implementation of developed innovative products and

services that are meant to help address specific problems or to be disseminated among target groups.

### GOVERNANCE:

- Once innovative products and services have been developed and are supposed to be implemented, respond to increased governance requirements, for example, as specific political, cultural and economic contexts and the use of new products or services should be taken into consideration.

### FINANCING

- Involve business partners in partnership financing, above all in financing innovation processes, in order to relieve UN budgets and to increase commitment of business partners.
- Approach respective governments for additional funds if planning to implement innovations that help to address local problems or are supposed to be disseminated among local target groups.

### MONITORING AND EVALUATION:

- Evaluate both the development of innovative products and services as well as their subsequent implementation and use in practice.

## GLOSSARY OF TERMS

**Advocacy campaigns:** Advocacy campaigns aim for behavioural changes that might help to alleviate development problems. They can address all issues related to development, however, some issue areas occur more frequently than others, above all the fight against diseases and promoting health. Desired behavioural changes range from low-level changes, such as sensitizing individuals to certain issues, to more substantial changes, such as convincing individuals to engage in problem solving. In some cases, advocacy campaigns also involve external fundraising activities.

**Behavioural outcomes:** Behavioural outcomes aim at building the momentum of a specific issue crucial to development and sensitizing the general public. They can also aim at encouraging changes in government policies and legislation or at helping companies to develop and implement relevant norms and standards.

**Building blocks:** All partnerships are made up of the same seven building blocks: composition, roles, roadmap, scope, financing, monitoring & evaluation and governance. Each building block allows for different options, which ultimately determine the DNA of a partnership.

**Collective Action:** Collective action is a partnership involving two or more organizations that have agreed to pursue a common goal or issue. Collective action includes multi-stakeholder partnerships as well as industry- and sector-specific partnerships.

**Common UN-business partnership models:** Common UN-business partnership models are mutually non-exclusive partnership models which have proven to be suitable for achieving certain outcomes and which commonly occur in practice: global implementation partnerships, local implementation partnerships, corporate responsibility initiatives, advocacy campaigns, resource mobilization partnerships and innovation partnerships.

**Complex partnerships:** Complex partnerships are partnerships that involve numerous partners and partners from more than two sectors, for example from the UN, private sector and civil society.

**Composition:** UN entities can join forces with many different actors, including companies

– both multinational companies (MNCs) and small- and medium-sized enterprises (SMEs) – as well as governmental institutions, civil society organizations and other UN entities. While other actors such as academic institutions also are potential options, the aforesaid partners are most common in UN-business partnerships.

**Corporate responsibility initiatives:** Corporate responsibility initiatives facilitate the role of companies in achieving development goals through changing behaviour or leveraging commitments of involved business partners. They either address a specific sector, such as the financial sector, or seek to mobilize general business commitment to a specific cause, for example, environment protection. Some business initiatives are primarily facilitated by UN entities, whereas others are business-driven with sector leaders taking on the leading role.

**Enabling outcomes:** Enabling outcomes seek to enable UN entities to better fulfill their mandates. They either aim at mobilizing financial and in-kind resources in support of UN entities or at transferring technical and organizational expertise to UN entities.

**Financing:** Costs of partnerships can be (partially) covered by UN institutional funds. Further required funds come from business partners or involved governmental institutions. Besides that, partnerships can conduct external fundraising activities.

**Global implementation partnerships:** In global implementation partnerships, numerous actors join efforts at the global level. This partnership model is suitable for establishing platforms comprising representatives from all relevant sectors in order to create frameworks for action that address global challenges and allow for local implementation. Global implementation partnerships either support implementation, for example, through co-financing mechanisms as achieved by GAVI, or implement programs themselves, usually through affiliated local implementation partnerships.

**Governance:** Governance structures are needed to determine how a partnership functions and how decisions are made. The main elements that define a partnership's governance structure are its underlying agreement, which can

be formal or informal, the chosen degree of autonomy, which distinguishes project-based partnerships from independent partnerships, and the established management bodies, above all project teams and steering bodies.

**Implementation outcomes:** Implementation outcomes aim at directly implementing projects, for example, in the field of health care, education, private sector development or environment protection. Implementation can range from the distribution of nutritious food to children in emergencies to integrating local businesses into global value chains.

**Innovation partnerships:** Innovation partnerships focus on the innovative power of business expertise. They utilize this expertise to develop and implement innovative products and services that can either help to address specific problems, such as food fortification products to address malnutrition, improve work processes within UN entities, such as tools for more effective project management, or allow for dissemination among target groups, such as sharing technological innovations with SMEs in developing countries. Innovation partnerships are common in several fields of expertise, such as logistics and ICT.

**Local implementation partnerships:** Local implementation partnerships are collaborations between UN entities, companies, governments or municipalities and, sometimes, civil society organizations and other international organizations, such as development agencies or financial institutions, which directly implement projects in local areas or certain regions, often accompanied by encouraging changes in behaviour of local target groups. Local implementation partnerships address problems in different fields such as education, healthcare, building local markets and environmental protection.

**Monitoring & Evaluation:** Monitoring and evaluation activities comprise the collection of information on a partnership's performance and its analysis, especially in comparison to key performance indicators. While partners and practitioners usually undertake monitoring themselves, evaluations can be carried out both internally or by external consultancies.

**Partnerships:** Partnerships are collaborative relationships between various parties, both public and non-public, in which all participants agree to support a common cause or to achieve

a common purpose, and to potentially share risks, responsibilities, resources and benefits.

**Partnership outcomes:** From the UN perspective, UN-business partnerships can aim at achieving one or more of the following outcomes: implementation outcomes, behavioural outcomes and enabling outcomes. Each common UN-business partnership model is suitable for achieving a specific set of outcomes.

**Resource mobilization partnerships:** Resource mobilization partnerships limit the engagement of companies to providing resources or to mobilizing external resources in order to enable UN agencies to better fulfill their mandates. This partnership model has an ambivalent character: On the one hand, it represents the most classic UN-business collaboration that relegates business partners into the role of partnership financiers, irrespective of the conducted partnership activities. On the other hand, it comprises one of the most innovative partnership formats: joint fundraising campaigns of UN entities and companies among external target groups, including the general public.

**Roadmap:** A roadmap creates a timeline for implementing a partnership. Timelines are limited if partnerships aim for finite outcomes. Once the outcomes have been achieved, time-bound partnerships are terminated. Other outcomes require ongoing partnerships that contribute more, the longer they continue their activities.

**Roles:** Each partner should take on a role in the partnership that reflects its comparative advantage and relates to its core competencies. For UN entities and companies, a few main roles have proven to be most suitable: UN entities have an unmatched ability to act as conveners, while companies are unmatched as enablers that provide resources and expertise. Moreover, both companies and UN entities can perform well as implementers.

**Scope:** The scope of a partnership defines its sphere of influence and can be local, regional or global, depending on the location of its target groups and beneficiaries.

**UN-business partnerships:** UN-business partnerships are partnerships that involve at least one UN agency, fund or programme and one private sector partner.

# The Ten Principles of the United Nations Global Compact

## HUMAN RIGHTS

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

## LABOUR

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

## ENVIRONMENT

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

## ANTI-CORRUPTION

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

