

## chapter 1

# Introduction

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

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

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

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

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

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

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

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

## Opening up – opportunities and challenges

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

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

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

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

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

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

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

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

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

### **The report proceeds in four stages (see figure 1)**

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

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## 4 Business UNusual

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

Figure 1 | Report structure

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

## Endnotes

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