

EXECUTIVE SUMMARY

»We strongly reaffirm our commitment to the Rio principles, the full implementation of Agenda 21 and the Programme for the Further Implementation of Agenda 21. We also commit ourselves to achieving the internationally agreed development goals, including those contained in the United Nations Millennium Declaration and in the outcomes of the major United Nations conferences and international agreements since 1992. [...] [T]he implementation should involve all relevant actors through partnerships, especially between Governments of the North and South, on the one hand, and between Governments and major groups, on the other.« (Johannesburg Plan of Implementation)

Whether to halve the proportion of the world's poor by 2015, to achieve universal primary education or to ensure environmental sustainability, the international community has set itself goals that are noble and high reaching indeed. Accomplishing these goals requires innovative ways of working together. Governments, business, civil society, and international organisations have reacted to the call to combine their strengths in partnerships. The last decade has witnessed tremendous growth in the number and shape of multi-stakeholder partnerships, fuelling optimism that they can make a real contribution to meeting sustainable development goals on the ground.

The ›Supporting Entrepreneurs for Environment and Development‹ or Seed Initiative was created to promote and support nascent, locally driven and entrepreneurial partnerships. It does so by means of a biennial award scheme, partnership services, and research. Selected by an international jury from over 260 submissions from 83 countries, the inaugural class of Seed Award winners was announced in 2005. They are receiving capacity building and support services tailored to their individual needs.


The Partnership Report is based on the experiences of ›the Seed partnerships‹: survey responses of 70 of the award applicants and case studies of the five Seed Award winners. In the current review year of the UN Commission on Sustainable Development, this report makes a special contribution to promoting an informed debate on the role of partnerships in sustainable development. The analysis sheds light on a number of critical questions related to the contribution of partnerships to sustainable development, their business models and management, based upon a sample of primarily locally driven partnerships that are in the early stages of their development. The report translates its findings into concrete recommendations for governments, donors, investors, and partnership practitioners to support the continued advancement of partnerships for sustainable development.

LOCALLY DRIVEN PARTNERSHIPS HAVE A HIGH POTENTIAL TO CREATE REAL IMPACT


Even though the partnerships profiled in the report are in the early phases of their development, our research suggests that they have a high potential for creating the kind of impact on the ground that donors and governments are looking for. Almost all of the Seed partnerships pursue clear goals and have measurable targets. Most are making progress in implementing their plans. Initial achievements of the Seed winners include:

- The *Partnership for Community-Run Marine Protected Areas in Madagascar* has implemented a marine protected area that has allowed stocks to replenish and diversify. The increased sustainability and productivity of fisheries has led three additional communities to request that the protected area be expanded to include their fishing grounds.
- The *Cows to Kilowatts* partnership has secured almost full funding for the creation of a waste water treatment and biogas production plant. The government of Nigeria is considering including the project in its National Environmental Sanitation Policy and supporting replication if the pilot project proves successful.
- In Bolivia, the *Agua para Todos* partnership is providing 1,000 households with water of better quality at lower prices. The partnership has now started an ambitious programme to supply 85,000 people with water.
- In Nepal, the *Harvesting Seabuckthorn at the Top of the World* partnership has established nurseries for seabuckthorn and is training local communities in harvesting and processing the plants. The partnership is now developing markets for seabuckthorn products and other initiatives are replicating the focus on seabuckthorn.
- Ever more farmers world-wide are adopting the eco-friendly system of rice intensification (SRI) method for growing rice, which reduces the need for water and chemicals and increases yield. The *Global Marketing Partnership for SRI Indigenous Rice* is making its first inroads toward supporting and coordinating the marketing efforts of SRI rice farmers.

Action, however, is needed to fully realise the potential of locally driven partnerships:




Given their high potential for impact, locally driven partnerships should focus more on measuring results and communicating their achievements. Governments and donors interested in measuring the overall effect of partnerships should help them in this effort.




The partnerships indicate lack of financial support as the biggest hurdle they face. Governments, donors, and investors should not only consider extending more financial support to locally driven initiatives, but also help them address the underlying challenges connected to local ownership, the definition of partnership business models and management.

ENSURING LOCAL OWNERSHIP REQUIRES SPECIAL SUPPORT

Local ownership makes many sustainable development initiatives more effective and more sustainable. Inevitably, it creates certain challenges as well. Purely local initiatives sometimes find it difficult to establish contact with international partners, hindering their access to knowledge and technologies. Involving local stakeholders in international initiatives presents a trade-off between inclusiveness on the one hand and the costs of participation on the other.




Depending on their goals, local ownership is more important for some than for other initiatives. Partnerships should determine carefully which type and level of local ownership is best for them.




Where local ownership is needed, governments and donors can alleviate its costs through programmes facilitating access to knowledge and technology as well as exchange among partnerships. Social venture capital could help finance the often high initial costs of participatory initiatives.

PARTNERSHIPS RELY ON INNOVATIVE FINANCIAL MODELS THAT REQUIRE FLEXIBLE FINANCING MECHANISMS

Partnerships derive their resources from partner organisations, donors or commercial activities. Most of the Seed partnerships rely on a mix of sources for financing their activities. This demonstrates the ability of partnerships to pursue innovative and flexible business models that combine the working methods of the private sector and non-governmental organisations. Mixed financial models do, however, confront partnerships with distinctive challenges. Firstly, partnerships have to be able to master the different operating skills and reporting requirements needed in the worlds of business and civil society. Secondly, mixed financial models meet institutional obstacles because most investment and grant programmes are directed either toward business ventures or non-profit organisations.




The strong reliance on mixed financial models means that private sector engagement in partnerships need not be based on charity. Especially the role small and medium sized enterprises play in local partnerships while furthering their business interests should be recognised and embraced.




Governments and donors should support innovative partnership business models by offering financial instruments that are flexible enough to allow for a combination of soft loans, grants, and investments.

PARTNERSHIP CAPACITIES FOR PLANNING AND MANAGEMENT NEED TO BE STRENGTHENED

Formal planning and management skills further partnership progress, especially with regard to the ability to raise financial resources. While the Seed partnerships display strength in defining their goals and targets, they show weakness in formal and medium to long-term planning.



Partnerships should invest in formal planning and management and develop coherent partnership business plans. In doing so, they should draw on the skills of all partner organisations, including their business partners.



Donors and governments should articulate more clearly their planning and management requirements for resource allocations and put more emphasis on these topics in training and support materials for partnerships.

THE SEED SUPPORT SERVICES: A REPORT ON WORK IN PROGRESS

The Seed Award winners receive support services designed to help them master the challenges they encounter during their early stages of development. The support services are developed in cooperation with the winners to match the individual needs of each partnership. Since the partnerships are still young, flexibility is essential to adapt to changes and new opportunities arising as the partnerships develop. Support delivered to date includes:

Partnership building: The Seed Support Channel works with the partnerships providing advice to help the overall development of the partnerships.

- A consultant engaged by Seed spent three months with the partners to develop a strategic plan for the *Global Marketing Partnership for SRI Indigenous Rice*.
- Financial support provided and facilitated by Seed is enabling the coordinator of the *Global Marketing Partnership for SRI Indigenous Rice* to build up the partnerships and develop the initiative.
- Facilitated by Seed, UNDP Bolivia has become a partner in the *Agua para Todos* partnership and helped to bring in the municipality of Cochabamba as a further partner.

Capacity development: The Seed Support Channel provides assistance with business plan development, fundraising, and technical issues and enables exchange among initiatives.

- Supported by Seed, a team of consultants is preparing a business plan for the *Cows to Kilowatts* partnership.
- A consultant worked with the *Agua para Todos* partnership to develop fundraising documents and identify potential donors. It is planned that further consultants will assist with technical issues related to sewerage and the ownership of water networks.

- The *Partnership for Community-Run Marine Protected Areas in Madagascar* is receiving support from a dedicated part-time fundraiser, and will work on its research programme with a socio-economic advisor.
- Seed enabled the participation of partnership representatives in international meetings: all finalists to the awards participated in the IUCN World Congress in Bangkok in 2004; the winners participated in events related to the UN's Commission on Sustainable Development in 2005; individual partnerships participated in international events relevant to their field of work.

Opportunity building: The Seed Support Channel leverages the networks of various Seed partners and supporters to facilitate contacts and create opportunities.

- Seed brought together the *Cows to Kilowatts* partnership and UNDP Nigeria. UNDP is now providing a substantial share of the start-up capital for the partnership.
- Seed negotiated better credit terms from a supplier to the *Agua para Todos* partnership, which helps to speed up the rate of implementation of the programme.
- The Seed Initiative has facilitated continued support by the German Ministry for Economic Cooperation and Development for the main partner of the *Harvesting Seabuckthorn at the Top of the World* partnership, as well as facilitating contacts with potential purchasers.
- With assistance from UNEP, the Seed Initiative is supporting two finalists to the awards in developing a certification scheme for lead battery manufacturing in India and an environmental technology centre in Morocco.