

Crystal Clear



Building Partnerships for Development
in Water and Sanitation

Edition 9 May 2004

This edition of Crystal Clear provides an overview of BPD events and activities over the last few months. We report back on learning sessions from the *International Forum on Partnerships for Sustainable Development* in Rome, a workshop on *Partnership and UN-Civil Society Relationships* held in New York and other activities where BPD have contributed to training sessions.

Additionally we provide an update on two recent project support interventions in Angola and Tanzania and our latest research on the 'Paperwork of Partnerships' and 'Partnerships and Sanitation'. Our 'Window on...BPD' focuses on the BPD Board of Directors as the governing body of the organisation.

Lastly, but by no means least, our invited guest writer, Julia Steets from the Global Public Policy Institute in Berlin, focuses on partnerships and accountability: the challenges of conceptualising and operationalising accountability mechanisms within partnerships as well as the perils of ignoring accountability as a global governance tool.

We certainly welcome any suggestions, comments or contributions.

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Your queries and contributions are most welcome.

RECENT EVENTS

World Bank Water Week, February 2004

BPD attended the annual World Bank Water Week in Washington DC. Within the overall theme of 'Diving into Implementation', two topics of particular interest were the involvement of small scale providers in serving poor communities and discussions of new models for delegating service provision (some of which include the local private sector). For further details and the presentations visit

www.worldbank.org/watsan/waterweek2004/

UNA-WSSCC Conference for World Water Day, March 2004

BPD attended the UNA-WSSCC conference held in London on 22 March to commemorate World Water Day and for WSSCC to formally launch their new publication 'Listening' (see www.wsscc.org/download/Listening_PRESS_RELEASE_final.pdf for further details). The conference was an opportunity for those working in the water sector and other interested individuals in the UK to come together to discuss new approaches to water, sanitation and hygiene challenges.

International Forum on Partnerships for Sustainable Development Rome – 4-6 March

The Forum, organised and hosted by the Italian Ministry for the Environment & Territory in collaboration with UN/DESA, aimed to further our understanding of the contribution of partnerships towards the implementation of sustainable development goals, particularly those related to the Johannesburg Plan of Implementation. BPD chaired the plenary session on Water, Sanitation and Human Settlements.

The session centred around a diverse range of international or regional water partnerships. (Regrettably human settlement partnerships were not represented.) The session was then divided into discussions with the audience around two overlapping themes: 1) the Process of Partnerships and 2) the Resource Requirements of Partnerships. While most of the discussion was about partnership approaches rather than the sectoral issues of water, sanitation and human settlements, a rich number of key considerations for partnerships to be successful were discussed. Primary conclusions included the following:

- ◆ Partnerships must engage organisations around their core business interests and provide clear benefits directly to those partner organisations.
- ◆ Partnerships must recognise the importance of strong leadership.
- ◆ Partnerships, like the context in which they operate, are not static. Partners may, and

perhaps should, come and go and thus partnership approaches must adapt accordingly and build in structures and incentives that allow it to continue to pursue its goals.

- ◆ Partners require both the capacity and incentives to engage as well as mechanisms that encourage participation.
- ◆ Partnerships operate in a legal context and though currently grounded in "soft" international law, the legal nature of partnerships is still very much evolving.
- ◆ With regard to partnership processes, there are no shortcuts; time and patience are necessary.
- ◆ Partnerships require sufficient financial resources to be effective.

For the full session report, please see www.bpdws.org

Multi-stakeholder Workshop on Partnership and UN-Civil Society Relationships New York – 8-10 February

BPD participated in this workshop convened by the Panel of Eminent Persons on UN-Civil Society Relations (the "Cardoso Panel") to inform its ongoing work and contribute to the recommendations it will submit to the UN Secretary-General in May 2004. The discussions from the workshop are summarised below.

It has become clear that greater clarity is needed in the use of the term 'partnership' within the UN system. It is not useful to view all UN-civil society

relations as partnerships. UN-civil society relations must reflect, and be rooted in, the context of changing global realities. Operational partnerships must often seek policy changes to be effective and policy partnerships must be grounded in the 'real world' to have meaning. Partnerships should also not be thought of as projects or something the UN can control. A core challenge is to seek models and processes that bring diverse actors together, while allowing them to maintain their power base and meet their individual interests.

Beyond partnerships created specifically 'for' development purposes, are public-private partnerships created to provide services. The UN at times engages in and supports these processes. Engagement with such processes may, however, require the UN to take a stand on controversial issues and develop enhanced skills in areas such as contract design, policy analysis, as well as monitoring and evaluation.

The workshop also identified a wide range of potential risks associated with multi-stakeholder partnerships. These included undue influence of funding parties, reputational risks of associating with inappropriate partners, lack of coordination, lack of sustainability, lack of good existing models of shared governance, and legal liabilities for delivery failures. It was noted, however, that there are also significant risks associated with *not* engaging.

The importance of ongoing learning was highlighted including, analysis and evaluation of partnership experiences. It was broadly agreed

that the future of partnerships is dependent on improved accountability, for which transparency and inclusiveness are key elements.

Key challenges in achieving effective and strategic partnerships were outlined as: selecting relevant partners; promoting inclusion and equity; promoting bottom-up, participatory models of collaboration and decision-making; designing partnerships to meet both collective and individual interests; promoting experimentation and innovation; and addressing current logistical and administrative barriers. Building social capital is key to successful partnerships and the UN has a crucial 'bonding and bridging' role to play at local, national and global levels.

The time is ripe for UN reform. The continued legitimacy and relevance of the UN is dependent upon its capacity to respond to new global realities. If the UN's core values and goals are to benefit from multi-stakeholder partnerships and global policy networks, a significant paradigm shift is necessary.

To view the full paper visit http://www.un.org/reform/pocantico_final.doc

Background papers as well as other materials related to the work of the Panel can be accessed at: www.un.org/reform/panel.htm

RECENT EVENTS continued...

Commission on Sustainable Development 12, April 2004

In April BPD attended the CSD-12 meeting in New York, the main focus of which was to explore water, sanitation and human settlements and partnerships for development. As part of the Partnership Fair, BPD moderated one of the interactive sessions on practical issues around scope, structure and goals of partnerships. For a summary of the discussions, please see:

<http://www.un.org/esa/sustdev/csd/csd12/PFInteractiveHighlights.doc>

WISA Conference May 2004

The bi-annual Water Institute of South Africa conference was held in Cape Town. Discussions centred on how to meet the sanitation backlog in South Africa, and how to build capacity in the water sector and local government especially. BPD also participated in interesting discussions on the new strategic framework in South Africa and sector-wide collaboration on policy issues.

PROJECT SUPPORT

Luanda Urban Poverty Programme 2 – Baseline Institution Appraisal, Influencing Strategy and Monitoring and Evaluation Framework

DFID invited BPD's Director to serve as one of a 5-person team to review an NGO-DFID partnership around poverty alleviation in Luanda. This 3-week exercise in Luanda resulted in a Baseline Institutional Assessment of the current situation in Luanda, support with an influencing strategy to influence government and private sector partners around pro-poor service delivery, and support with Monitoring and Evaluation mechanisms to review progress of the influencing strategy. BPD is likely to revisit Luanda to work with the project partners on how to ensure maximum effectiveness of their internal as well as external relationships.

The strengths of the partnership lie in its focus on community participation; a long-term aim to improve the national political environment; increased financial and managerial sustainability of community-based projects; and the use of a co-ordinating unit to facilitate the programme. The partnership highlights some wider lessons that can be used to influence and inform other partnerships such as the focus on delivery versus facilitation and brokering, the complexity of policy influencing work and the importance of organisational buy-in. Further details can be found at www.bpdws.org.

Accountability, Ignored by Partnerships at Own Peril

Julia Steets, Global Public Policy Institute

In the past decade, cross-sectoral partnerships have been en-vogue as a tool to address global issues. As traditional political mechanisms increasingly fail to provide effective and legitimate solutions to some of the most pressing problems – from the fight against malaria and HIV/AIDS and protecting the environment to combating corruption – coalitions between governments or international organisations, corporations and civil society organisations have emerged. The 2002 Johannesburg World Summit on Sustainable Development is a case in point: intergovernmental diplomacy produced few tangible results and for many the so-called “type II outcomes” – partnerships between the public, private and non-profit sectors – were the best hope for alternative contributions to sustainable development. Governments, donor institutions and the United Nations have increasingly put their institutional weight behind partnerships.

Objections and criticisms

While receiving increasing rhetorical and also financial support, partnerships also raise doubts and attract forceful criticism. These doubts often refer to practical issues: as participants in cross-sector partnerships discover how large transaction costs can be, they question the effectiveness of such arrangements; and those who

hoped that cooperation with the private sector would attract new resources are disappointed to see that in many cases funds are simply drawn from other projects. The more forceful criticism, however, concerns the bigger questions of legitimacy: Are NGOs corrupted by cooperating with large companies? Does the UN lend its legitimacy to non-transparent and unaccountable coalitions? Are corporations abusing these initiatives as cheap PR-campaigns without changing their conduct? Almost a decade into experimenting with these new coalitions, various institutions are now carrying out evaluations of their involvement with cross-sectoral partnerships. Among others, the World Bank's Evaluation Department and the German development agency GTZ are currently completing reports about their partnership programmes. The UN's Global Compact will present a first impact assessment study at its fifth “anniversary” later this year and the UN's Commission on Sustainable Development (CSD) has created a “Partnership Fair” to enable partnership practitioners to learn from each other.

Evaluations ignore accountability

Yet, these evaluations often ignore a central question: accountability. This is at odds with the rhetoric of both partnership supporters and critics who recognise that the success of partnerships ultimately hinges on whether they are seen as legitimate and accountable.

Thus, the CSD's list of partnership criteria includes the requirement that "partnerships should be designed and implemented in a transparent and accountable manner" (CSD-11 Decision on Partnerships), while critics see partnerships as coalitions of "essentially unrepresentative organisations – international organisations, unaccountable NGOs and large transnational corporations" (Marina Ottaway).

Two main reasons might help to explain why evaluations and exchanges of experiences focus on simpler managerial questions rather than the overarching and at the same time very practical issues of legitimacy and accountability. First, most of those interested in partnerships are either involved in very young initiatives or about to set up new ones. They tend to concentrate on the nitty-gritty of how to get their initiatives off the ground: How do you identify suitable partners for cooperation? How do you facilitate communication among them? What are the legal and administrative hurdles that have to be taken? Where can you find financial resources that not only fund the launch of a partnership but guarantee its sustained existence?

A key challenge: conceptualising and operationalising accountability

Secondly, questions of accountability and legitimacy are

notoriously difficult to both conceptualise and operationalise. Most of the existing body of literature treats these issues in their "traditional" lieu: the nation-state. Recently, some advances have been made in trying to extend these concepts to international organisations (the European Union, but also the WTO, World Bank and IMF), as well as companies and NGOs. Yet, even in these relatively established areas of research, profound disagreements and confusion both as to what accountability really entails and how you could measure or strengthen it remain. These conceptual and operational problems are exacerbated when applied to even more complex governance arrangements such as partnerships. Partnerships involving participants from governments, corporations and civil society fulfil a multitude of different functions and appear in a variety of guises. With an often weak degree of institutionalisation that allows for flexibility and change, even simple questions such as 'accountable to whom?' and 'for what?' become daunting. Thus, for many, identifying suitable mechanisms and the ideal degree of accountability for a partnership is an almost hopeless quest.

Without conceptual clarification and operationalisation for the "real world" of partnerships, it is not surprising that few

PROJECT SUPPORT

A Review of the Bugilo Water Supply System: A Transition to Financial Sustainability

In the Shinyanga region of Tanzania, BPD has been assisting a partnership that brings water services to two local villages, these benefiting from a social programme initiated by the mining firm nearby. The system, which includes private household connections as well as standposts to serve poorer areas, is managed by a local private sector operator, Wedeco. The final stage of the partnership is now in sight, with the infrastructure to be handed over to the local communities. BPD's role was to prepare the ground for this handover by reviewing the long-term financial sustainability of the system, the affordability of tariffs for the poorest residents, and the capacity within the community and local government to act as a water service authority.

The review, which took place in February 2004, found that while the system is currently operating well, providing affordable water to local residents, partners should consider strengthening a few aspects. Along with bolstering the financial monitoring and reporting to the community, a few amendments to the constitution of the existing Water Users Association would help - opening the group up to a wider range of stakeholders and better leveraging the local skills available. More information can be found on the BPD website or that of the Overseas Development Institute (www.odi.org).

evaluations focus on the question of accountability and legitimacy. Yet, the partnership approach will only stand a chance to establish itself as an effective and legitimate tool of global governance if partnerships are seen as accountable. A fruitful cooperation between researchers and practitioners needs to advance a policy agenda for partnership accountability that confronts four key challenges:



1. Clarifying and refining the concept of partnership accountability: combining actor and process accountability*.

2. Further developing accountability mechanisms: open governance structures, transparency about funding and the selection of participants, clear terms of engagement, proper reporting procedures and external evaluations.

3. Developing evaluation tools for strengthening our empirical knowledge and producing a 'handbook' on partnership accountability building on the

lessons learned of individual partnerships.

4. Building capacity through a learning forum on partnership accountability to connect work being done in think tanks, NGOs, companies, international organisations, and public-sector agencies. The learning forum could devise ways to scale up the experience with partnership accountability and evaluation and also provide training services for partnerships.

The agenda on partnership accountability is challenging – but one well worth pursuing if

we want to give partnerships a chance as an effective and legitimate tool for addressing some of today's most pressing policy problems.

At this point, it seems clear that any further delay in addressing the pressing issues related to partnership accountability will inevitably result in a sustained political backlash. NGOs will campaign against what they perceive to be predominantly an effort by governments to abdicate their responsibilities and a shrewd strategy of multinationals to whitewash their reputation. Governments will come under pressure not to participate in any more partnerships. And businesses become

defensive, trying to fend off any possible efforts of what they perceive to be a possible over-regulation or bureaucratisation of partnerships. Therefore it is all the more important to swiftly develop and implement the 'rules of the game' and evaluation mechanisms for partnerships that will not let governments and international organisations off the hook, that will prevent companies from simply 'free-riding' and also hold NGOs accountable for their contributions.

This contribution is part of an ongoing research project on 'accountability in global governance' by the Global Public Policy Institute (GPPi), Berlin. We gratefully acknowledge the support provided by the Fritz-Thyssen-Foundation.

By Julia Steets

*For a first cut at the issues see Thorsten Benner, Wolfgang Reinicke, Jan Martin Witte (2004) 'Multisectoral Networks in Global Governance: Towards a Pluralistic System of Accountability', *Government and Opposition* 39 (2), pp. 191-210 and Thorsten Benner, Jan Martin Witte (2004) 'Everybody's Business: Accountability, Partnerships, and the Future of Global Governance' in Susan Stern/Elisabeth Seligmann (eds.) *The Partnership Principle. New Forms of Governance in the 21st Century* (London, Archetype Publishers).

RECENT ACTIVITIES

Water Supply and Sanitation Collaborative Council

BPD attended the WSSCC Partnership Meeting: Action Planning toward the Water and Sanitation MDGs held in Geneva in December. Prior to the start of the conference, BPD facilitated a day of discussions with the National WASH Campaign Co-ordinators on issues around partnership and coalition building and related topics.

IP3

In December 2003 BPD contributed to a well-attended IP3 training workshop on "Serving the Poor: Special Considerations for Designing Regulations and PPP Programs". Government officials gave positive feedback on BPD sessions that gave an overview of 'Pro-Poor Partnership' strategies and of small scale independent providers.

KfW* toolkit on PSP and the poor

BPD assisted a multi-disciplinary team drafting a toolkit (for internal KfW use) that addressed pro-poor private sector participation in infrastructure delivery. BPD helped refine aspects of the toolkit and suggested several case studies, included in the final version.

*Kreditanstalt für Wiederaufbau

World Bank Toolkit

The Public Private Infrastructure Advisory Facility of the World Bank asked the BPD to join a panel reviewing the drafting of the latest toolkit on PSP in the water sector. BPD joined WaterAid and others in pushing for pro-poor strategies to be mainstreamed in the final draft, which should be coming out soon.

Global mapping survey

BPD members interested in the subject of small scale providers assisted with a global mapping survey intending to find out more about the prevalence and importance of the topic in different regions. This work was presented at the World Bank Water Forum and will be followed by policy recommendations for governments and others.

RESEARCH UPDATE

Thanks to the kind support of the Norwegian and Dutch governments the BPD research agenda has been growing since the new year. Two areas of particular interest are highlighted here.



The Paperwork of Partnership

Guidance on how to formalise relationships between partners (especially those that provide water and sanitation to poor communities) is often very sparse and difficult for practitioners to relate to. Equally the driving forces for and consequences of the contracts, memoranda of understanding and other tangible 'paperwork' that frame the terms of engagement are poorly understood. BPD is working with a legal expert and a water, sanitation and poverty specialist to explore these issues further, liaising in the first instance with a wide range of different partnerships. Their findings will be discussed with a

multi-disciplinary team in order to come up with more refined practical guidance that partnership practitioners can use to strengthen their working relationships and thus the efficacy of the services provided.

Partnerships and sanitation

Partnerships for sanitation, rather than just water supply, are somewhat problematic. Of the original eight BPD case studies, few dealt with sanitation and solid examples of 'multi-sector' partnerships seem scarce. A few overlapping challenges account for this – for instance, sanitation in poor communities is often on-site and more a household rather than community affair, while

demand for sanitation typically lags well behind water. Moreover, sanitation is typically spread across several public agencies while bottlenecks in the 'supply chain' (for instance in removing or processing sludge) can hold up progress. The BPD is developing a programme of research that will look closer at these issues, focussing on a number of cases where partnerships can be found at different points along this 'supply chain'.

If you are interested in any of these issues or have experience to share, please contact David Jones (davidj@bpdws.org).

Next Edition of Crystal Clear

- ◆ Synthesis of new learning from recent BPD project support
- ◆ Report on BPD Discussion Day & Board Meeting
- ◆ Emerging issues in the water and sanitation sector in South Africa
- ◆ The interface between gender and partnerships
- ◆ Synthesis of analysis on governance and paperwork of partnerships

WINDOW ON: ... BPD's Board of Directors

BPD is governed by a Board of Directors comprised of four representatives each from the public sector, the private sector and civil society plus an independent Chairperson. The group of 13 meets twice a year to discuss and determine the strategic direction of BPD as well as undertaking administrative tasks such as confirming work plans, budgets and internal policies of the group. At these meetings the Board is also joined by several 'observers' - representatives from DFID, the World Bank and Programme Solidarité Eau.

The meetings also present an opportunity to further dialogue at the Board level on issues arising in the sector. For example, the next meeting of the Board (at the end of May) will be combined with a 'Discussion Day'. The Discussion Day will serve as a brainstorming and sharing event for Board members and external guests around issues related to private sector participation as well as global governance and the future evolution of partnership approaches. A report on these discussions will be featured in the next edition of Crystal Clear.