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The semantics of partnership

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Partnerships for Sustainable Development – inclusive and accountable or laissez-faire marketplace?

Current conventional wisdom has it that partnerships are crucial for the success of the of the 2030 Agenda for Sustainable Development and the achievement of the Sustainable Development Goals (SDGs).

However, the UN approach to engaging in stakeholder partnerships is rooted in pre-2030 Agenda practices and perspectives. It has been shepherded by UN offices mainly concerned with resource mobilization and often amounts to fitting UN development activities into a pipeline of bankable projects.

The concept of public-private partnership engagement has been pursued on a one-way track, designed to adjust the public sphere to leverage the private interests and neglecting the public responsibilities of private sector partners.

Accountability to the 2030 Agenda and UN reform proposals must include a two-way re-orientation – from focusing primarily on making the UN business-ready to that of enabling the UN to engage with an SDG-ready business community.

> "It is not first and foremost about getting more resources. It is really about having a UN that helps facilitate resources where different actors get together in order to push the agenda to in the end reach those furthest left behind…This concept of partnerships is almost a philosophical issue. It has to be dealt with in a different manner than the simplistic way that we very often fall back into."
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> Tatjana von Steiger Weber, Permanent Mission of Switzerland to the UN, ECOSOC, February 2018

Background

Multi-stakeholder partnerships are not new to the UN agenda. Growing interest in collaboration between the UN and non-State actors led to the establishment of the UN Office of Partnerships in 1998 and the UN Global Compact Office in 2000, charged with attracting and managing partnerships for the UN.

Since the launch of the Global Compact, global partnerships have been formally considered by Member States in the General Assembly, with the first GA resolution on the topic adopted in 2001. Since that time, the issue has been on the GA agenda biennially, under the heading "Towards Global Partnerships". With the exception of this past year (2017)[1], a report on the issue by the Secretary-General has been accompanied by a GA resolution.[2]

In his December 2017 report on UN reform, "Repositioning the United Nations development system (UNDS) to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet" (A/72/684), the Secretary-General notes that the UN is "uniquely placed to offer the platforms needed for all actors to come together, build trust and mobilize their respective assets to achieve the Sustainable Development Goals". The report outlines six partnership-focused workstreams[3] and makes

[1] In 2017, there was a procedural decision A/C.2/72/L.42/Rev.1 to defer consideration of the resolution to the 73rd session of the General Assembly.
[2] "Towards Global Partnerships" A/RES/55/215 (6 March 2001), A/RES/56/76 (24 January 2002), A/RES/58/129 (19 February 2004), A/RES/60/215 (29 March 2006), A/RES/62/211 (11 March 2008), A/RES/64/223 (25 March 2010), A/RES/66/223 (28 March 2012), A/RES/68/234 (7 February 2014), A/RES/70/224 (23 February 2016).
[3] "Repositioning the United Nations development system to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet" (A/72/684),

concrete proposals for improving UN partnership engagements, including measures to ensure increased transparency and accountability.

The Secretary-General's proposals on UN reform and their consideration by Member States present an opportunity to review commitments and players and highlight critical areas for attention in shaping a UN approach to partnerships that is grounded in the commitment to "leave no one behind".

A Framework of Good Intentions: Partnerships for sustainable development

In 1992, Agenda 21 called for a "Global Partnership for Sustainable Development". This call was reiterated at the World Summit on Sustainable Development (WSSD) in Johannesburg in 2002, which positioned so-called "Type II" partnerships as central to enabling the UN system to implement its sustainable development agenda. "Type II" partnerships – between governments, private sector and civil society actors to meet specific SDGs – were intended to complement "Type I" outcomes, intergovernmentally agreed commitments by Member States. The UN Conference on Sustainable Development (Rio+20) in 2012 reinforced the primary concept of a global partnership between Member States, but furthered attention to Type II partnerships, collaboration amongst different stakeholders as a dynamic part of its implementation.

The UN Department of Economic and Social Affairs (DESA) Sustainable Development Knowledge Platform, defines Type II partnerships as "multi-stakeholder initiatives voluntarily undertaken by Governments, intergovernmental organizations, major groups and others stakeholders, which efforts are contributing to the implementation of inter-governmentally agreed development goals and commitments, as included in Agenda 21, the Johannesburg Plan of Implementation, the Millennium Declaration, the outcome document of the UN Conference on Sustainable Development (Rio+20) entitled 'The Future We Want', the Third International Conference on Small Island Developing States, and the 2030 Agenda for Sustainable Development."

In response to a mandate from the Rio+20 "The Future We Want" to make information about partnerships "fully transparent and accessible to the public", DESA publishes an annual report on "Voluntary commitments and partnerships for sustainable development". The 2013 report includes information on 1,382 voluntary commitments, partnerships, initiatives and networks for sustainable development registered with the Secretariat of the Rio+20 conference, the Sustainable Energy for All Initiative (SE4All), the UN Global Compact, Every Woman Every Child, the Higher Education Sustainability Initiative, the Sustainable Transport Action Network, and other similar initiatives.

A related initiative was the Partnerships for SDGs online platform, launched as a beta/draft in September 2015, in the lead-up to the UN Sustainable Development Summit for the adoption of the post-2015 development agenda. It was updated to a "United Nations global registry of voluntary commitments and multi-stakeholder partnerships" and launched in 2016 as a tool to inform stakeholders on initiatives carried out by multi-stakeholder partnerships in support of the SDGs.

The growing interest in multi-stakeholder collaboration for development in recent decades has prompted numerous analyses from business, civil society and academia aimed at unpacking the concept of partnership and examining the role of partnerships in sustainable development.[4]

Findings show mixed results. For example, an evaluation by the International Civil Society Centre in 2014 found that of 330 "Type II" partnerships:[5]

- 38% are not active or do not have measurable output; 26% show activities but those are not directly related to their publicly stated goals and ambitions.
- A lack of monitoring and reporting mechanisms have generally limited the effectiveness of multi-stakeholder partnerships.

paragraphs 130-143.

[4] Recent examples include the Analytical Paper for the 2016 ECOSOC Partnership Forum, March 11, 2016, "Multi-stakeholder partnerships for implementing the 2030 Agenda: Improving accountability and transparency" by Dr. Marianne Beisheim and Dr. Nils Simon; the 2016 Global Policy Forum publication, Fit for whose purpose? Private funding and corporate influence in the United Nations, by Barbara Adams and Jens Martens.

[5] "Multi-Stakeholder Partnerships: Building Blocks for Success", International Civil Society Centre, 2014.

- Some of the monitoring systems are external, but they are not public, and also not always independent.
- Risks and side-effects include the growing influence of the business sector on agenda-setting and decision-making by governments; risks to the reputation of the UN when a partner is selected who does not respect UN norms and standards.
- A proliferation of uncoordinated partnership initiatives can result in isolated solutions and contribute to the institutional weakening of the UN partners involved.

Preferred partner - private sector?

Despite the broad vision of a "revitalized and enhanced Global Partnership" in the 2030 Agenda, the measure of progress has so far focused on funding, either coming from or committed to partnerships, leading to a preference for large money-rich private entities as partners.

For example, under SDG 17 on a revitalized global partnership, Target 17.17 to "Encourage and promote effective public, private and civil society partnerships, building on the experience and resourcing strategies of partnerships" is measured by "amount of United States dollars committed to a) public-private partnerships and b) civil society partnerships" (Indicator 17.17.1).

A similar approach is evident in the Member State mandated Common Chapter across the Strategic Plans of UNDP/UNICEF/UN WOMEN/UNFPA. The Common Chapter commits to "enhance multi-stakeholder partnerships…." and "…intensify collaboration through multi-stakeholder partnerships at national, regional and global levels" and pledges to assist in improving mutual accountability for the SDGs in partnerships, as measured by the "(a) percentage of total resources from contributions by donors other than the top 15; and (b) percentage share of total funding coming from private sector partners".

One might conclude from these measures that partnerships are of interest primarily as an income stream from the private sector. Additionally, some Member States and UN offices and entities promote the potential of these partnerships to contribute private sector innovation and expertise. The USA reiterated its firmly-held view in the 2017 Operational Activities for Development (OAD) segment of the Economic and Social Council (ECOSOC): "The UNDS must make the best use of limited resources and best practices, including from the private sector".

In the following year's ECOSOC OAD, the USA stated: "We strongly encourage the UN and its agencies to not only view the private sector as a source of funding, but as a source of expertise and innovation from which the UN can learn from to improve its work." China noted that "The private sector and other stakeholders can play an even bigger role in implementing the 2030 Agenda", while the EU highlighted the "need to create incentives that encourage all types of investors to bolster their commitments."

Despite the emphasis across the UNDS on the importance of partnerships among a variety of actors, there remains a lack of understanding and differentiation regarding the roles and contributions of different stakeholders. There has also been a lack of criteria on what constitutes an appropriate UN partnership, allowing this to be shaped by self-selected voluntary groups of "UN supporters and champions", based on the assumption they can best generate the kind of public awareness and buy-in needed to support sustainable development.

To date, the two primary entry points for partner engagement with the UN – the UN Office for Partnerships and the UN Global Compact Office – have had a clear business orientation. Moreover, throughout its history, the UN General Assembly resolution on partnerships addresses "all relevant partners, in particular the private sector"[6] with an overall emphasis on private sector for-profit collaboration. In addition, the reports of the Secretary-General to support the Member State deliberations have been prepared by the UN Global Compact, which defines itself as the "world's largest corporate sustainability initiative" and have contained a disproportionate weight on the activities of the Global Compact and its local networks.[7]

This orientation towards the private sector – both for resources and for expertise – and the pressure on the UN to adopt a business model mindset have been echoed in the Financing for Development (FfD) deliberations. The post-2015 shift to a narrative of blended finance and the sought-for trillions has led to even greater emphasis on private sector institutions, including those of the financial sector.

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[6] Ibid 2

[7] See for example, A/72/310, Enhanced cooperation between the United Nations and all relevant partners, in particular the private sector, Report of the Secretary-General, 10 August 2017.

The partnerships dialogue, however, omits attention to the broader analysis taking place in the discussions on FfD and economic policies. A recent report by the UN Inter-Agency Task Force on FfD, "Financing for Development: Progress and Prospects 2018" discusses the framework that is needed for private sector investment to be effective in advancing sustainable development.

Highlights from "Financing for Development: Progress and Prospects 2018"

The IATF report highlights the importance of long-term investment horizons in risk assessment, to ensure that major risks, such as those from climate change, are incorporated into investment decision-making.

The report notes that "pension funds, insurance companies and other institutional investors hold around US$80 trillion in assets" but the majority of these resources are invested in liquid assets, such as listed equities and bonds in developed countries. Investment in infrastructure represents less than three percent of pension fund assets, with investment in sustainable infrastructure in developing countries even lower.

Moreover, "Tax information exchange is critical, as greater information allows tax authorities to better enforce tax rules and collect more revenue…A key milestone was passed in 2017, as 49 jurisdictions began exchanging information…A further 53 jurisdictions will start such exchanges in 2018. However, there is a systemic imbalance in application of these norms, as developing countries are not participating for a variety of reasons. For example, actual exchange of country-by-country information on multinational enterprises (MNEs) requires activation through a bilateral matching process, more than 1400 of which have now been activated. Of these, only 477 involve middle-income countries, and no LDCs have any matches."

The report emphasizes the need for analysis that takes into account the different stages of development of a country. Not all countries are (equally) attractive to investors / partners. As articulated by Under-Secretary-General, Liu Zhenmin: "The good economic news in some regions masks the very real risk that the poorest will be left behind."

Partnerships at the cross roads – proceed with caution

Partnerships were once viewed as something pursued by different parts of the UN system to implement development programmes, mainly at country-level and agency by agency. They no longer occupy such limited space and their potential to be a "force for good" is increasingly championed. However, the rules, institutional capacity, reporting, and governance modalities have not made the transition.

The framework provided by the 2030 Agenda and the SDGs promotes unique and important opportunities for multi-stakeholder collaboration to advance sustainable development. To be successful, however, the UN must go beyond relying on the voluntary approaches currently promoted through existing UN partnership initiatives.

To begin to maximize partnerships' potential benefits – and minimize risks – will require, at minimum, addressing and/or implementing a number of elements, ranging from an initial assessment whether the partnerships modality is relevant, to the details of partnership selection and due diligence, to tracking and measuring impact and value added at both global and country levels.

Moreover, corporate partnerships are resource-intensive and more often than not are designed to demonstrate the benefit to the business entity (i.e., the business case). The UN system must demonstrate whether / how this is in keeping with UN goals and mandates and show, in the context of already stretched UN resources, how the benefits arising from these partnerships justify the costs and risks that can range from reputational damage to undue gains in political gains to decision-making. This will necessitate a reexamination of the current "business mentality" of the UN and the establishment of a new office of risk assessment and impartial reporting.

1. Framing and overall approach

"Partnership" is not always the answer to implementing either the 2030 Agenda or the mandate of the UN - and not all partnerships add value to development efforts. **The very first task is to assess whether the partnership modality is relevant at all.** Many UN activities and programmes are embedded in peace and human rights and public-sector mandates that are the preserve of Member States alone or require Member States to ensure a regulatory framework for any partner engagement.

Partnership relevance also varies country by country according to the stages and strategies of development. The policy expertise of the Regional Economic Commissions (RECs) and non-resident agencies is valuable not only to advise governments especially in developing countries on trade and investment policies but also in assessing the pros and cons of partnerships.

Alicia Barcena, Executive Secretary of the UN Economic Commission for Latin America and the Caribbean, notes that "[RECs] are bringing to the table financing for development initiatives, like tax evasion. We are calculating tax evasion in a region like ours, and it is 6% of GDP. Those funds should go to the SDGs".

Where it is an appropriate modality:

- The UN system must demonstrate where a proposed or existing partnership adds value as measured against the 2030 Agenda; and show that the UN values espoused by the partnership are communicated and internalized.
- The partnership must promote a holistic approach to SDG implementation, so that it supports and is assessed by its contributions to integrated SDG outcomes, and safeguards against collaboration that advances a particular goal at the expense of another.
- The overall approach to partnerships must find the right balance between mechanisms and processes that are streamlined and system-wide to promote coherence and consistency, including common standards and guidelines, and those that allow for and reflect the differentiated needs, capacities and external environments of a particular country or region.
- The UN must commit to building institutional capacity for partnerships, in particular, for key functions related to upholding integrity measures. In this context, the UN needs to establish an independent Office of Risk Management responsible for risk assessment. Oversight and verification of due diligence and integrity measures cannot be performed by the same agencies and/or unit(s) tasked with promoting and engaging in partnerships.
- Any newly established high-level mechanism on due diligence decision-making – such as the Secretary-General's proposed High Level Integrity Task Force[8] – would not be able to fulfill its responsibilities without this new capacity, or the clear delineation between oversight and implementation responsibilities. This new function would also include the responsibility to ensure transparent reporting to Member States on a regular basis as called for in GA resolution 70/224.[9]
- Assessment of partnership relevance and risk must be based on a broad analysis covering the full set of SDGs. In addition to ensuring that proposed gains for one SDG are not at the expense of others, this would include factors such as externalities measurement, responsible investing, tax and decent work contributions, compliance with human rights, labour laws and environment treaties.
- The new approach to partnerships must ensure differentiation of functions and reporting on partnership engagement at national, regional and global levels, including the role of the UN Resident Coordinator Offices (RCOs), UN Country Teams (UNCT), RECs, UN Development Assistance Framework (UNDAF) etc.

2. Inclusion of beneficiaries

The 2015 Guidelines on a Principle-based Approach to the Cooperation between the United Nations and the Business Sector recognized that the "monitoring and evaluation process should seek to ensure that the partnership's activities have been responsive to the concerns and objectives of the communities that the activities were intended to address". However, to date, the majority of efforts to facilitate and develop partnerships have focused on the participation of self-selected partners. Therefore:

- Any revitalized partnerships process at the UN needs to ensure the deliberate, active engagement of beneficiaries throughout the life cycle of the partnership, from design to evaluation, including through a public comment period, and must ensure proper mechanisms for redressing negative impacts.

[8] Secretary-General's report "Repositioning the United Nations development system to deliver on the 2030 Agenda: our promise for dignity, prosperity and peace on a healthy planet" (A/72/684).

[9] A/RES/72/224 "Towards global partnerships: a principle-based approach to enhanced cooperation between the United Nations and all relevant partners" calls for "discussion on the best practices and ways to improve, inter alia, transparency, accountability and the sharing of experiences of multi-stakeholder partnerships and on the review and monitoring of these partnerships, including the role of Member States in the review and monitoring process".

3. Guidelines for managing partnerships: due diligence and risk management

Guidelines for managing partnerships need to be clearly distinguished from processes for assessing whether or not to engage (i.e., integrity measures, due diligence, risk assessment) and recognize that the determinants in vetting procedures are not static but subject to many variables including changing market dynamics and regulations. The starting point for development of due diligence and risk management measures needs to be a critical assessment of existing best practices and experiences of individual agencies and their application system-wide. Considerations include:

- A strengthened, streamlined set of partnerships guidelines and criteria – both positive and negative – must be firmly anchored in existing UN norms and standards, in particular those articulated in the 2030 Agenda and the SDGs.
- Existing principles and guidelines must recognize Member State decisions such those laid out in the Guiding Principles on Business and Human Rights adopted by consensus. Other principles and guidelines, including the 10 Principles of the Global Compact, the Guidelines on a Principle-based approach to cooperation between the United Nations and the Business Sector, and the criteria and guidelines of individual funds, programmes and agencies, should be revisited and assessed for relevance and reviewed holistically in the context of the 2030 Agenda.[10]
- System-wide due diligence processes should include a rigourous analysis of risks and envisioned benefits and an independent assessment of a potential partner's contribution to human rights standards. Standards should be strengthened to include, for example, specific criteria excluding, inter alia, companies engaged in tax avoidance, evasion and as channels for illicit financial flows. Such criteria should also extend to companies that have benefited from or used clauses in trade agreements that supersede human rights or infringe on abilities to achieve the SDGs.
- The Secretary-General's proposal to establish a "pool of partner-ready companies" does not take into account the dynamic nature of an organization's practices, performance and impacts. Once agreed criteria are in place and an initial assessment of a potential partner has been made, how often is it reviewed and updated? Moreover, how are assessments conducted and recorded in a way that reflects the "readiness" of a partner and partnership according to its capacities to contribute to specific SDG outcomes?
- Integrity measures should also address financing. The UN should not consider individual projects with individual companies until they have shown their intent by contributing to pooled funding, according to specific criteria that would need to be developed.
- Due diligence processes should include an analysis of market factors, including an assessment of the long-term economic risks, domestic and external, of engaging with a particular partner in a particular context, keeping in mind the importance of aligning with countries' priorities. Supply dimensions should not push out those of demand.[11]

4. System-wide capacity building

Different stakeholders bring different kinds of expertise. Recognizing that no one size fits all, the UN system must be equipped to deal with the full range of partnership types. This requires:

- Addressing the gaps in capacities and requirements to assess the opportunity cost of partnerships and their impact on its work, including the resulting fragmentation and competition and their consequences. This includes 1) capacity of the UN system itself to engage in partnerships to support Member States to achieve the SDGs and 2) capacity to provide policy advice and technical support to Member States as to if/when/and how to engage in partnerships that are line with their responsibilities on the SDGs.
- Determining when to use more than one entry point, building on the capacity that already exists, with differentiated capacities for engaging a variety of stakeholders, rather than designating a single entity for this function.
- Providing the institutional capacity to close gaps on due diligence and risk assessment, which

[10] The Global Compact notes that "participation in the Global Compact is not a certification that a company has achieved a certain level of environmental, social or governance performance" and that its focus on "fostering effective learning, dialogue and partnerships" is a "complementary contribution to – not a substitute for – other approaches aimed at enhancing business' contribution to sustainable development and other UN goals"

[11] The 2018 report of the Inter-agency Task Force on Financing for Development states that the current system rewards investors, financiers and project managers that prioritize short-term profits, leaving small businesses and women excluded from the financial system.

require a more impartial orientation than that of 'partnership promoter'.

- Accounting for the tailored approaches to capacity development that are needed at global, regional and national levels, dependent upon mandates, needs and external context as well as the diversity of stakeholders within and across stakeholder categories.

5. Transparency, management and reporting

The UN must lead the way on recognizing and rebalancing the burden of risk, ill-defined in partnerships, so that it does not fall to those least able to pass it on – the poorest and most vulnerable – and is compatible with the commitment to "leave no-one behind". System-wide oversight and management of partnerships should ensure:

- Partners, contributions and matching funds [in cash and in kind] for all partnerships, including at country levels disclosed;
- Sources and amounts of funding per result outcome area clearly identified in strategic plans and budgets of individual entities;
- Scope, objectives and results of partnerships are part of regular, periodic reporting of the UN system to Member States in the relevant intergovernmental fora, in particular, with regard to the 2030 agenda and the QPCR;
- Independent assessment undertaken every four years of the UN system-wide partnership policy, modalities and overall results.
- Monitoring and evaluation of partnerships must include external checks to ensure that the partnership remains on track to achieve stated objectives linked to SDG outcomes within the determined timeframe.

6. Tracking and measuring financial resources and impact

To the extent that partnerships are promoted to generate funding, the UN system must be able to demonstrate impact in financial terms. Partnerships are hailed as a critical source of financial support for UN mandates and programmes, however this is not borne out in practice and data on existing UN partnerships is not systematically collected and made available. Demonstrating impact requires, at minimum:

- System-wide information on total resources generated and for what, including partnership-related expenditures.
- All contributions – including in-kind – be assessed and reported according to a consistent standard, conflict of interest and public disclosure policies and supported by risk and impact assessments.
- Impact assessments include a clear analysis of opportunity cost and show how impact is measured in the short, medium and long term.
- Where partnerships are said to contribute non-financial benefits – e.g. expertise, job development, innovation – clarity in how these are defined and measured.

Conclusion: New generation in partnership thinking

The UN business of partner engagement is at a crossroads. Much of the UN's work on partnerships to date has been focused on what is needed to attract and encourage private sector interest and resources. What is missing is a robust and appropriate framework and UN capacity to determine *if* and *how* to engage.

The current orientation, which encourages the adoption of a business and investor mindset by the UN, needs to be revisioned so that UN partnerships support business to be SDG-ready and remain grounded in and be demonstrably accountable to the UN's values and mandates on human rights and sustainable development.

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