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AccountAbility

AccountAbility is an international, not-for-profit policy research institute dedicated to the promotion of approaches to accountability that support sustainable development by:

- Creating credible principles-based accountability standards and underlying management frameworks, tools and guidance;
- Providing quality professional development and certification;
- Advocating an enabling public policy environment for organizational accountability;
- Developing innovative ‘ideas-for-action’ through research and practice.
Acknowledgements

We would like to thank USAID for their support of our work in developing understanding and practical tools for effective partnership governance and accountability, as well as the Ford Foundation for supporting related work, including Dan Runde (USAID, Global Development Alliance) Holly Wise (formerly with USAID, Global Development Alliance), Todd Lofgren (formerly with USAID, Global Development Alliance), Barbara Addy (USAID, Global Development Alliance), Michele Kahane (formerly with Ford Foundation), and country-based USAID teams who made the case studies possible and effective.

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We would also like to thank S. Padmanaban and S. Raghupathy from the Green Business Centre (GBC); Gail Spence from the Angola Enterprise Development Alliance (AEDA); Brad Ryder from the African Comprehensive HIV/AIDS Partnership (ACHAP); Stephan Weise, Isaac Gyamfi, and Robert Yapo Assamoi from the Sustainable Tree Crops Program (STCP); and Alyson Slater from the Global Reporting Initiative (GRI) for making these cases, workshops, interviews and travel possible.
# Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACHAP</td>
<td>African Comprehensive HIV/AIDS Partnership</td>
</tr>
<tr>
<td>AEDA</td>
<td>Angola Enterprise Development Alliance</td>
</tr>
<tr>
<td>AIDS</td>
<td>Acquired Immune Deficiency Syndrome</td>
</tr>
<tr>
<td>AP</td>
<td>Andhra Pradesh</td>
</tr>
<tr>
<td>ARV</td>
<td>Anti-RetroViral</td>
</tr>
<tr>
<td>BPD</td>
<td>Building Partnerships for Development, previously Business Partners for Development</td>
</tr>
<tr>
<td>BPDFP</td>
<td>Business Partners for Development Focus Project</td>
</tr>
<tr>
<td>CII</td>
<td>Confederation of Indian Industry</td>
</tr>
<tr>
<td>CSR</td>
<td>Corporate Social Responsibility</td>
</tr>
<tr>
<td>DFID</td>
<td>United Kingdom Department for International Development</td>
</tr>
<tr>
<td>GA</td>
<td>Global Alliance for Workers and Communities</td>
</tr>
<tr>
<td>GBC</td>
<td>Green Business Council</td>
</tr>
<tr>
<td>GDA</td>
<td>Global Development Alliance</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>IITA</td>
<td>International Institute of Tropical Agriculture</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>IYF</td>
<td>International Youth Foundation</td>
</tr>
<tr>
<td>LUPP</td>
<td>Luanda Urban Poverty Program</td>
</tr>
<tr>
<td>MAALA</td>
<td>Business for Sustainability in Israel</td>
</tr>
<tr>
<td>MFA</td>
<td>Multi-Fiber Arrangement</td>
</tr>
<tr>
<td>MOU</td>
<td>Memorandum of Understanding</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>PGA</td>
<td>Partnership Governance Accountability</td>
</tr>
<tr>
<td>SME</td>
<td>Small or Medium Enterprise</td>
</tr>
<tr>
<td>STCP</td>
<td>Sustainable Tree Crops Program</td>
</tr>
<tr>
<td>SWOT</td>
<td>Strengths, Weaknesses, Opportunities and Threats</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
<tr>
<td>UNEP</td>
<td>United Nations Environment Program</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organisation</td>
</tr>
</tbody>
</table>
1. Executive Summary

Partnerships are increasingly used to deliver public policy objectives and offer the potential to deliver outcomes that single organizations cannot, or to simply deliver them more efficiently. As a result, financial investments, resource investments, and numerous strategies have been aimed at building partnerships for development and business gains. However, partnerships are facing increasing pressures to find appropriate mechanisms for their decision-making and accountability processes and to respond to stakeholders' concerns in a legitimate way. The Global Development Alliance of USAID has recognized the increasing importance of how partnership's are governed and (seen to be) held to account. The GDA has therefore commissioned AccountAbility to:

- Assist in its broader development and engagement in the field.
- Develop a set of principles and a diagnostic rating tool of good governance and accountability practice that is appropriate to partnerships' missions, objectives and their stakeholders.

These tools are embodied in the Partnership Governance and Accountability (PGA) Framework and are aimed at improving partnership performance enhancing both their effectiveness and legitimacy.

1.1 Partnership Practice

The research and field of partnership governance and accountability is at an early stage of development. How partnerships build their governance and accountability has largely been a product of organic development and experimental innovation. Our case studies were useful in identifying and verifying how partnerships reveal unique issues that are faced in developing the appropriate governance and accountability structures and processes, such as:

- Structure is only part of the solution. Partnership governance and accountability often evolves, with performance and legitimacy having as much to do with supporting and enhancing healthy informal processes as with formal structures;
- Resources count. In the face of a single financial donor, a balanced, representative governance model can help mitigate imbalances of power;
- Core functions count. The perceived risks and impacts on an individual partner's organization influences how the partnership's governance is developed.
1.2 Introducing the PGA Framework

1.2.1 Introduction

Partnerships, as with any organization, are well served by governance processes that are:

- Aligned to the *defined mission*;
- Rooted in a *basis of accountability directly linked to performance standards and assessments*.

Partnerships pose a unique and particular challenge for developing appropriate governance and accountability, since they encompass organizations with differing interests, motivations, capabilities and infrastructure. For example, partnership accountability is ‘vertical’ as well as ‘horizontal’ – requiring:

- Accountability of partners to their own stakeholders;
- Partner to partner accountability;
- Accountability of the partnership to its stakeholders and beneficiaries;

As partnerships evolve, the critical task is often to balance the need to create formal structures of governance while nurturing and supporting the healthy informal processes that bring flexibility and innovation. The PGA Framework has been developed to enable partnerships to develop both aspects of good governance and accountability practice.

1.2.2 Purpose of the PGA Framework

The aim of the PGA Framework is to improve partnership performance by helping partnership brokers, managers, funders, and impacted stakeholders to better design, implement, and assess the quality of partnership governance and accountability.

1.2.3 The PGA Framework Elements

The *PGA Framework is made up of three, interacting elements*: 

- A set of *principal enabling characteristics* or “principles” to frame and guide diverse approaches to partnership governance and accountability.
- A *diagnostic rating tool* to support the development, assessment and communication of a partnership’s governance and accountability structures, processes and norms. Based on systematizing the principal enabling characteristics. This tool is:
  - A pathway or roadmap;
  - A way to engage stakeholders;
  - A way to analyze and review appropriate governance and accountability;
A set of *guidelines* based on the principles. The guidelines help to assess and develop effective governance and accountability structures, processes and norms through the diagnostic rating tool.

The PGA Framework is available to use at [http://www.pgaframework.org](http://www.pgaframework.org). By using the online tools, partnerships and their stakeholders can obtain results of the PGA Diagnostic Rating Tool and all the information in this report. The PGA Framework should be implemented based on the guidance provided in chapter five (5) “Implementing the Framework”, also available through the online report.

### 1.3 The PGA Principal Enabling Characteristics

<table>
<thead>
<tr>
<th>Principal Enabling Characteristic</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>The governance and accountability mechanisms and processes heed proper attention to the partnership’s performance in order meet its goals in an effective and efficient manner.</td>
</tr>
<tr>
<td>Learning</td>
<td>Integrated learning from both internal and external inputs enables quick and effective responses to uncertainty in and complexity of the partnership’s environment.</td>
</tr>
<tr>
<td>Innovation</td>
<td>Innovation occurs when there is an introduction of new ideas, processes, and products, based on learning, in order to properly and effectively delivers on goals and the partnership’s mandate.</td>
</tr>
<tr>
<td>Trust</td>
<td>The governance and accountability mechanisms and processes should foster increasing trust between the partners and between the partnership and its stakeholders. Some partnerships prefer to refer to this characteristic as ‘respect’.</td>
</tr>
<tr>
<td>Leadership</td>
<td>The partnership’s ability to foster leaders’ ability to demonstrate the reasons to work together for a specific aim, a belief in the group goal, and the benefits to the group and wider public good, including how the partnership will accomplish this.</td>
</tr>
<tr>
<td>Inclusivity</td>
<td>The ability for a partnership to process the views and needs of its stakeholders—those groups who affect and/or are affected by the partnership and its activities—and to reflect on these expectations at all evolutionary stages of the partnership.</td>
</tr>
<tr>
<td>Representation</td>
<td>Representation focuses on who is being impacted by the partnership, who has the right to make or influence decisions, and recognition if there is a gap between the two.</td>
</tr>
<tr>
<td>Partnership Alignment</td>
<td>Partnerships develop and combine organizations with differing interests and objectives.</td>
</tr>
</tbody>
</table>
### Competencies
The identification and building of appropriate competencies according to the partnership’s goals and mission.

<table>
<thead>
<tr>
<th>Clarity of Authority</th>
<th>The clarity of roles, responsibilities and rights of those in positions to make decisions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of Knowledge</td>
<td>The processes that partnerships have in place to generate value from intellectual and knowledge-based assets.</td>
</tr>
<tr>
<td>Transparency</td>
<td>The full, accurate and timely disclosure of information and communication.</td>
</tr>
</tbody>
</table>

### 1.4 The PGA Diagnostic Rating Tool

The PGA Diagnostic Tool (available to use at http://www.pgaframework.org) has been designed to practically integrate the:

- Principal enabling characteristics;
- Six governance and accountability domains that define and, if done right, enhance partnership performance.

<table>
<thead>
<tr>
<th>Domain</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mission and Identity</td>
<td>The partnership’s vision, mission, objective, core activities, and responsibilities etc. The mission should resonate with partners as well as stakeholders.</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>The strategic component of putting together a partnership, including partnership strategy, managing expectations internally and with stakeholders, and identification of the partnership’s desired impacts and risks. This includes a component of aligning and integrating the objectives of the partners to the objectives of the partnership.</td>
</tr>
<tr>
<td>Governance Structure and Process</td>
<td>Governance defined as the interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how decisions are taken, and how citizens or other stakeholders have their say. This includes the development of a governing body and the establishment of decision-making processes, communications about partnership performance and impacts, and protocols for accountability.</td>
</tr>
<tr>
<td>Performance Accountability</td>
<td>The partnership's ability to identify the most important performance measurements and how the partnership will be held to account. The focus is on the ability to have appropriate performance indicators and methods for accountability based on those measurements.</td>
</tr>
<tr>
<td>Financial and Asset Integrity</td>
<td>The processes, tools, and measurements for supervising, monitoring and assuring integrity of the partnership's finances and assets—including</td>
</tr>
</tbody>
</table>
### Domain | Definition
---|---
financial and management accounts and budgets—through its governance and accountability processes.

**Stakeholder Engagement**

Stakeholder Engagement - an organisation’s effort to understand and involve stakeholders (individuals or groups who affect, or are affected by an organisation and its activities) and their expectations and concerns in its activities and decision-making processes. The processes and mechanisms that partnerships put in place for appropriate engagement with its stakeholders.

### 1.5 An Evolving Topic

The PGA Framework is a ‘living tool’, requiring on-going replenishment through the spirit and practice of ‘open source’ learning that captures and systematizes diverse experiences and perspectives in ways that can be shared between practitioners.

### 1.6 Implementing The Framework

Effective use of the Framework requires that it is used appropriately, taking account, in particular, of the:

- Context.
- Type of partnership and its projected development pathway.
- Interests of the user.

We provide here guidance on how the Framework can be used by:

- Partnership managers, brokers and Boards.
- Stakeholders.
- Investors.

### 1.7 Developing a Roadmap

The single most important application of the Framework is in the development of a roadmap for a partnership’s basis of governance and accountability that should develop in step with its broader evolution if it is to remain credible and effective. Partnerships that have embedded governance and accountability roadmaps are more likely to succeed in achieving their objectives.
1.8 Engaging with Stakeholders

The PGA Framework can be productively applied to engage stakeholders and increase their trust in the partnership’s intentions and actions. Stakeholders will engage more productively where partnership governance and accountability has been collaboratively developed and monitored. Partnerships that have co-designed and implemented with stakeholders find their basis for governance and accountability more likely to succeed in achieving their objectives.

1.9 Investor Responsibilities

Investors should use the Framework to ensure that partnerships have a mission-aligned process of governance and accountability, and actively empower intended beneficiaries to ensure their involvement in its design and implementation.
2. Reinventing Development Pathways

*Partnerships are increasingly used to deliver on public policy objectives*. The reasons for this are well known and documented, and include:

- **Improved efficiency**, such as: optimizing the division of labor or delivering on development impacts of scale;
- **Improved effectiveness**, such as: leveraging skills and resources and innovating on methods and means of delivery of public goods;
- **Increased equity in process and outcome** such as: building community-level institutional structures, networks and capacities to enable local control, as examples.

*Partnerships, in short, offer the potential to deliver outcomes that single organizations cannot, or to do so more efficiently*. As a result, financial investments, resource investments, as well as numerous hopeful strategies have been aimed at building partnerships for development and business gains. For instance, a US$50 million contribution by Merck & Co Inc. and the Bill & Melinda Gates Foundation, along with 5 years worth of two anti-retroviral drugs (ARVs) contributed to help the Government of Botswana tackle its HIV/AIDS crisis. Equally clear, however, is that this extraordinary potential might not be realised if partnerships are not developed and managed credibly and effectively. In particular, partnerships are faced with increasing pressures to find appropriate mechanisms for their decision-making and accountability processes and to respond to stakeholders’ concerns in a legitimate way. For example, a recent report by the World Economic Forum and the United Nations Financing for Development Initiative presented at the UN General Assembly in September 2005 concluded that:

> “effective partnership is problematic not least because of ambiguity in the concepts of good governance: accountability, transparency, legitimacy, disclosure, participation, decision-making, grievance management and performance reporting.”

The tools embodied in the PGA Framework are aimed at improving partnership performance by enhancing both their effectiveness and legitimacy.

### 2.1 Aims of Research

The **general aim** of the PGA initiative is to improve partnership performance and credibility through good governance practice with clear accountability.

The **specific objectives** are to develop a:

- Set of *good practice principles* for partnership governance and accountability;
- *Diagnostic rating tool* that builds the principles into the design and management of partnerships, enabling assessment and monitoring by partners, stakeholders and other interested parties;
- Set of *guidelines for practitioners, evaluators, investors/funders* and other interested stakeholders to guide the creation and assessment of quality in partnerships.

The principles and tools are embodied in the PGA Framework. Chapter five (5) on implementing the Framework provides application guidelines.
2.2 Methodology of Research

There is very little specific work that has been previously done on the governance and accountability of partnerships and what has been done has generally been part of broader approaches to partnership management and effectiveness, or specific to particular contexts or partnerships. Furthermore, governance specialists have to date given little attention to the phenomenon of partnerships, wrongly dismissing the phenomenon as ‘temporary’ or marginal organizational forms.

In undertaking this initiative, AccountAbility has built teams and consultative networks including corporate governance specialists, rating specialists, development practitioners and, of course, partnership experts and practitioners. Underpinning the work has been AccountAbility’s previous experience in this field. In addition, we have engaged in consultations with many of our partners, including the University of Cambridge’s Cross-Sector Partnership program, the CSR Initiative at Harvard’s Kennedy School, the UN Global Compact, and the World Economic Forum. Finally, we have drawn on our technical work on accountability standards and rating systems, which has lent itself in particular to the development of the diagnostic tool.

Specifically, the work involved the following activities and stages:

- Two initial design workshops, one in London and one in Washington DC, which brought together leading thinkers and practitioners in partnerships;
- Establishing a network of leaders in the field, including a group of approximately 15 experts that served as our PGA Network Peer Review team;
- A review of selected literature covering both governance and partnerships, supported by e-dialogue and face-to-face discussions with key practitioners and researchers;
- Development of an initial set of ‘principal enabling characteristics’ or “principles” capturing the essential ingredients of good partnership governance;
- Development of a detailed diagnostic rating tool to assist in design and assessment covering six domains: mission and identity, strategic planning, governance structures and processes, performance accountability, financial and asset integrity, and stakeholder engagement;
- Implementation of nine short case studies to test our understanding and gain insights into the realities of how partnerships handle their own governance and accountability. The case studies

Box 1: Related AccountAbility Publications


Box 2: The Case Studies

The African Comprehensive HIV/AIDS Partnership is a national partnership focused on health and pharmaceuticals in Botswana.

The Angola Enterprise Development Alliance is a national alliance focused on development needs in Angola involving the oil sector.

The CII-Godrej-Green Business Centre is a national partnership involving different sectors converging on the issue of green business development in India.

The Global Alliance for Workers and Communities was a regional partnership involving development in the garment and textiles factory workplace.

The Luanda Urban Poverty Program is a local service delivery partnership.

The Sustainable Tree Crops Program is a regional, agri-commodity partnership for development goals.

The MFA Forum is a global multi-stakeholder network focused on the supply-chain industry.

The Global Reporting Initiative is a global rules-setting partnership.

Business Partners for Development Focus Project was a local tri-sector partnership focused on water and sanitation.
were selected in an attempt to capture the diversity of partnership realities. Criteria applied in the selection process included: diversity, size of the partnership, sphere of operations (global, national, local), sector, purpose (service providing vs. standard setting) and success as well as failure. Our case-study methodology included:

- A review of relevant public and internal documentation: this included materials such as articles written about the partnership, partnership bylaws, annual reports, financial and operational audits, strategic planning documents, and minutes of board or annual meetings;

- One-day workshops with key participants (founding/key partners, active representatives of key stakeholders/stakeholder groups; staff or implementing partners of the partnerships) that focused on the formal and informal governance-related processes and networks that the participants identified and commented on. The participants did a governance-focused ‘SWOT’ as well as exploring the partnership’s external environment and what characteristics were perceived to create an enabling environment for partnerships. Crucially, the workshop participants considered and commented on the draft PGA Framework;

- Extensive review of the principles and diagnostic rating tool by the specific PGA Network and other experts.

The PGA initiative provides a grounded approach to developing useful tools for establishing more effective governance and accountability of partnerships. It is not intended to provide a basis for evaluating the partnerships that contributed their experience and expertise to the development process.
3. Partnership Practice

The research and field of partnership governance and accountability is at an early stage of development. How partnerships build their governance and accountability has largely been a product of organic development and experimental innovation. Most partnerships face the challenge that they operate in a regulatory gap coupled with a lack of information relating to complex and dynamic organizational processes. Most partnerships are aware that governance and accountability is at the core of legitimacy with its stakeholders. Failures can lead to such examples as a major global health partnership being publicly criticized for its lack of effectiveness and cost-efficiency, citing accountability failures as the primary cause; or factory workers gaining access and representation to their management through training and support, but global critics denounce the initiative causing one part of the initiative’s failure.

Even at this early stage of research, three general issues have emerged that resonate with any type of partnership. These encompass core, unique challenges faced by partnerships in developing appropriate governance with clear accountability.

<table>
<thead>
<tr>
<th>Partnership</th>
<th>Sector</th>
<th>PGA Learning</th>
</tr>
</thead>
<tbody>
<tr>
<td>African Comprehensive HIV/AIDS Partnership</td>
<td>Health and Pharmaceuticals</td>
<td>Extensive consultation between partners and stakeholders throughout the partnership lifecycle has contributed to collaborative power sharing among the partners. The partnership stressed that trust and mutual responsibility establish a collaborative and transparent working culture. Further it illuminated the importance of identifying, utilizing and aligning stakeholder competencies in order to obtain ‘maximum value added’ from a partnership.</td>
</tr>
<tr>
<td>The Angolan Enterprise Development Alliance</td>
<td>Extractive Industry</td>
<td>This case illuminated critical issues around the impact of partner alignment and dynamics of power on partnership performance, and raised important questions about when governance and accountability become matters of concern within a partnership’s lifecycle.</td>
</tr>
<tr>
<td>The CII-Godrej-Green Business Centre</td>
<td>Multi-Sector Effort on Increasing Green Business</td>
<td>The partnership outlined ‘soft’ and ‘hard’ approaches to accountability. Soft approaches, such as trust-based working relationships, have secured accountability between internal stakeholders, while hard approaches, such as auditing, were stressed as critical guarantees of partnership accountability to external stakeholders, reflecting the importance of credibility and reputation to GBC’s strategic objectives. It also stressed the importance of creating a self-sustaining future to balance power.</td>
</tr>
<tr>
<td>The Global Alliance for Workers and Apparel; Supply Chain</td>
<td></td>
<td>This case provides key insights about multi-layered accountabilities and the necessity to have a clearly</td>
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</tbody>
</table>

Table 1: Examples of Partnership Governance and Accountability
<table>
<thead>
<tr>
<th>Partnership</th>
<th>Sector/Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communities</td>
<td>Representative governance structure in order to gain credibility and legitimacy in critical communities in which you work in and with. It also highlights the necessity for a sound revenue model with attention paid to the appropriate level of governance necessary for a balance between flexibility and structure.</td>
</tr>
<tr>
<td>The Luanda Urban Poverty Program</td>
<td>Urban Service Delivery</td>
</tr>
<tr>
<td>This case demonstrates that partnership governance can add value to the activities of internal stakeholders even where partners have the capacity to successfully implement their programs as individual organizations. In addition, LUPP highlights the importance of considering the competing accountabilities that can raise challenges for partnership performance, particularly when there is a single donor partner.</td>
<td></td>
</tr>
<tr>
<td>The Sustainable Tree Crops Program</td>
<td>Agricultural Commodity</td>
</tr>
<tr>
<td>This partnership demonstrates how networks can be a very effective way to integrate learning and innovation into partnership programs, especially in terms of adapting regional goals into national cultural and market contexts and feeding learning back to the regional coordination. The partnership identified the complexity of having multiple layers of accountability through its local, national, regional and international stakeholders and identified both the advantages and constraints of having a clear commercial interest as a key driver for some partners while having the goal and purpose of a public good.</td>
<td></td>
</tr>
<tr>
<td>The MFA Forum</td>
<td>Apparel</td>
</tr>
<tr>
<td>This case demonstrates how learning and innovation can occur through collective action and by supporting individual and organizational leadership in its activities. It also demonstrates the flexible and fit-to-purpose evolution of governance.</td>
<td></td>
</tr>
<tr>
<td>The Global Reporting Initiative</td>
<td>Rules-setting</td>
</tr>
<tr>
<td>This case demonstrates the necessity of rules-setting partnerships to have a clearly representative governance structure in order to gain credibility and legitimacy in critical communities. While the governance legitimizes the initiative it also acts as a hindrance both financially and to the coordination of communications among the stakeholder representatives. These constraints must be overcome in order to support the necessary representation.</td>
<td></td>
</tr>
<tr>
<td>Business Partners for Development Focus Project</td>
<td>Water and Sanitation</td>
</tr>
<tr>
<td>This partnership illuminated the importance of outreach activities in service delivery partnerships to ensure local community buy-in and the result was an improved customer service system with greater accessibility to end-users.</td>
<td></td>
</tr>
</tbody>
</table>
3.1 Structure is only Part of the Solution

*Partnership governance and accountability often evolves with performance and legitimacy having as much to do with supporting and enhancing healthy informal processes as with formal structures.* Traditionally, governance has focused on the quality of the structure itself. This has been important for gaining legitimacy in both the corporate and non-governmental settings. However, for partnerships, the structure of governance is often consistent and supports the informal processes of the organization.

- Due to partnerships’ dynamic, changing and evolutionary nature, governance evolves over the partnership’s lifecycle rather than implemented from the beginning.
- Partnerships are a negotiated process that requires ongoing inclusive dialogue in its design. Partnerships require flexibility to compensate for this dynamic feature rather than a fixed structure that is, by design, exclusionary.

One example can be seen in The Global Reporting Initiative. While it is a large, rules-setting organization that created its representative governance structure early in its lifecycle, the Stakeholder Council evolved over time and now embodies 60 global members who debate strategic and policy issues, build buy-in, and function as an advisory council. Later in its lifecycle, GRI formed the Technical Advisory Committee to provide technical advice and expertise to the Board. These two developments added credibility and legitimacy to the reporting standard and its multi-stakeholder process.

Likewise, the Sustainable Tree Crops Program began its governance model with country-based networks to coordinate stakeholders and obtain information about appropriate programs and implementation methods for their farmer beneficiaries. As the implementation phase began, the partnership developed a Secretariat and a Steering Committee to increase accountability controls and utilized the networks as advisory bodies. In the next phase, STCP will scale-up its programs and the governing body is now considering what adaptations will be needed for its governance to take the partnership to the next level.

Finally, the BPD Focus Project illustrates how its negotiated processes not only informed structural components of the partnership’s governance but also provided necessary informal exchange mechanisms that ‘lock in’ commitment and trust for the partnership's performance. The Co-operative Agreements that underpinned the governance of the BPD Focus Project were borne out of extensive discussion between partners. These agreements formally defined the partnership’s mission, detailed financial commitments and ascribed roles and responsibilities to partners. In addition, the process of discussion helped each partner to identify key challenges around the motivations of other partners and cultural misconceptions about other sectors.

3.2 Resources Count

*In the face of a single financial donor, a balanced, representative governance model can help mitigate imbalances of power.* Where a single partner contributes the majority of a partnership’s resources, imbalances of power and control may be engendered between partner organizations. Because of this, a representative, balanced governance model can add credibility to the organization’s decision-making process and enhances external legitimacy.

- In a partnership with few financial resources, formal governance is less important for the function and performance of the partnership. As more resources are contributed, especially by a single contributor, formal governance with clear accountability becomes more important for the credibility of the organization;
- The greater the discrepancies between the partner’s resource contributions (for instance, if there is one significant donor) the more important governance becomes to balance this source of power. To build legitimate decision-making bodies, governance should be balanced with
representation and legitimate mechanisms for control. The more a single partner has contributed, the less that partner is willing to give up their power and control.

The Angola Enterprise Development Alliance provides an example of a partnership with significant financial resources, yet lean structures and mechanisms of governance. In this partnership a balance of power has been engendered by the parity of the partners’ financial contributions and an equal interest in their shared endeavor.

The partnership’s governance is underpinned by a Memorandum of Undertaking (MOU) and consists solely of an Advisory Committee through which Chevron and USAID work jointly on planning and program design.

The Green Business Center, who entered partnership with a single donor, took a strategic decision to develop a business plan early in the partnership’s lifecycle in order to become a self-sustaining organization and to mitigate the possibility of power imbalances through single-donor control.

Finally, the Luanda Urban Poverty Program demonstrates how, even with a single donor, a partnership’s governance can add value by ensuring cross-learning between the partner NGOs, by managing reporting processes, and adding weight and legitimacy in a strategic political effort to promote best practise in development methodology. While monitoring and reporting on performance is required to deliver on contractual obligations for the donor, creating imbalances in formal accountability toward a vertical system, informal accountability drivers of trust and responsibility exist horizontally between the partner NGOs.

3.3 Core Functions Count

*The perceived risks and impacts on an individual partner’s organization influence how the partnership’s governance is developed.* Organizations enter partnerships with individual and collective interests. The closer these interests are to the strategic part of the dominant partner’s business or function, the more control is required by that partner. Conversely, if the partnership does not function within the core of the partner’s business, that partner does not need as much control:

- The closer a partnership’s mission is to its individual partners’ core business function, the less likely balanced governance is exercised;
- Where individual partners perceive that the activities of their partnership are high risks or impact on core business functions, the creation of a balanced governance model becomes more important for legitimacy and credibility among stakeholders.

An example can be seen in the African Comprehensive HIV/AIDS Partnership, which demonstrates a balanced approach of philanthropy with core business function. A foundation shared the financial burden with a pharmaceutical company, and the company made a further contribution of two anti-retroviral drugs (ARVs). Governance has been structured to balance the power of the two donors with the interests of the citizens and stakeholders of Botswana, who are impacted by the partnership. In its informal and formal governance and accountability processes extensive consultation between ACHAP partners, the Government of Botswana and external stakeholders throughout the partnership lifecycle has contributed to collaborative, power sharing among the partners.

The Global Alliance for Workers and Communities was a multi-stakeholder partnership developed as a direct response to advocacy groups shaming global garment brands. The GA’s work to develop the factory workplace had the potential to impact the companies’ core business in a profound way. Therefore, the multi-stakeholder governance model found the company’s voices more heavily weighted in the decision-making process. In addition, the corporate partners were involved in several strategic and operational levels of the partnerships to maintain quality control within this experimental initiative. These imbalances along with the lack of a labor voice led many to question the credibility of the initiative.

Finally, the MFA Forum’s highly informal partnership relies heavily on leadership, both organizational and individual, to drive the initiative. The relatively close impact of the Forum’s mission to the core function of the companies and international trade unions finds leadership primarily in these two sectors. However, to
maintain balance the Forum agreed to have multi-stakeholder representation for their global and in-country work and has implemented an Executive Committee with multi-stakeholder representation. In addition, the Forum agreed that any future funding would be obtained through external donors (rather than funding by one or more participants in the Forum) in order to maintain legitimacy and mitigate power imbalances.
4. The Partnership Governance and Accountability Framework

4.1 Introduction

Partnerships, as with any organization, are well served by governance processes that are:

- Aligned to the defined mission;
- Rooted in a basis of accountability directly linked to performance standards and assessments.

Good governance should address the means and ends of an organization—the way in which decisions are made and accounted for in the organization and the end result of its performance and outcomes.

Partnerships pose a unique and particular challenge for developing appropriate governance and accountability, since they encompass organizations with differing interests, motivations, capabilities and infrastructure. For example, partnership accountability is ‘vertical’ as well as ‘horizontal’—requiring:

- Accountability of partners to their own stakeholders;
- Partner to partner accountability;
- Accountability of the partnership to its stakeholders and beneficiaries.

Successful partnerships are able to share ownership, power and commitment between partners with mutual accountability. In many ways, therefore, the governance and accountability of partnerships is a hybrid between traditional structures and processes, an on-going negotiation platform, and a basis for building strong inter-personal relationships.

Partnerships needs are therefore not adequately addressed by traditional approaches to governance and accountability although they can certainly draw on them.

As partnerships evolve, the critical task is often to balance the need to:

- Create formal structures of governance that will improve internal coordination and external legitimacy, while;
- Nurturing and supporting the healthy informal processes that bring flexibility and innovation.

Formalized structures of governance and accountability are often essential for a

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Box 3: Definitions

**Partnership**
AccountAbility defines partnerships as two or more organizations that enter a collaborative agreement based on 1) synergistic goals and opportunities that address particular issues that single organizations cannot accomplish on their own, and, 2) whose individual organizations cannot purchase the appropriate resources or competencies through a market transaction.

**Accountability**
Accountability encompasses the pressures or factors that impact materially on decision-making. Because of that, we believe accountability to be the ‘driver’ of governance. We define accountability as the reason why decisions are made. Accountability can be understood as consisting of three layers:

- Being held to account (compliance);
- Giving an account (transparency);
- Taking account (responsiveness to stakeholders).

**Governance**
Governance concerns itself with how an organization makes decisions and operates to achieve its objectives. Governance means the interactions among structures, processes and traditions that determine:

- How power and responsibilities are exercised;
- How decisions are taken;
- How citizens or other stakeholders have their say.

This definition takes into account that the process of decision-making is largely based on, not only structures that are put in place, but the power relations and informal influences that impact those decisions.
partnership to achieve its objectives and gain external legitimacy. For instance, formal structures can enhance efforts to develop the collective capacity of the partnership by enhancing individual partners’ to access resources and competencies thereby reducing each partner’s weaknesses and/or deficiencies.\textsuperscript{xviii}

\textbf{ Partnerships do, however, often ground their decisions and actions in informal processes } as much as with their formalized mechanisms for governance and accountability.\textsuperscript{xx} Informal processes can of course be difficult to control and so form the basis of need for adequate accountability mechanisms\textsuperscript{xx}. However, there are useful intentional and systematic ways to foster them. For example, creating exchange mechanisms that facilitate inter-organizational interaction and learning that can enhance trust, leadership, and transparency while build relationship ties inside a partnership.\textsuperscript{xvi}

\textit{The PGA Framework has been developed to enable partnerships to develop both aspects of good governance and accountability practice.}

\section*{4.2 Purpose of the PGA Framework}

\textit{The PGA Framework’s aim is to improve partnership performance} by helping partnership brokers, managers, funders, and impacted stakeholders to better design and implement, and assess the quality of partnership governance and accountability.

The PGA Framework has been based on management processes and good practice aimed at fostering and developing the vital characteristics that enable healthy processes of partnership governance and accountability. Partnerships are highly diverse and there is no ‘one size fits all’ model for their governance and accountability. In developing appropriate processes and mechanisms, it is necessary to account for the range and diversity of partnerships that exist and their changing, dynamic nature. The process and development of appropriate structures should maintain flexibility and we recognize that the development process for partnership organizations is one of evolution. While using the PGA Framework, partnerships and their stakeholders should focus on the criteria set out below for the appropriate use and scope of application.

\section*{4.3 Use of the PGA Framework}

The \textit{PGA Framework may be used}:

\begin{itemize}
  \item As a \textit{guideline for appropriate governance and accountability} structures, processes and norms for those involved in the design and development of new partnerships.
  \item As a \textit{self-assessment tool} for managers and partners of existing partnerships to support the strengthening of their governance and accountability.
  \item As a \textit{professional training tool} for those involved in the design and implementation of partnerships, complementing existing training approaches.
  \item As an \textit{assessment tool for potential or existing investors}, supporters or partners of the state of governance and accountability of specific partnerships.
  \item As a means for the partnership and partners to engage with and account to impacted and interested stakeholders.
  \item As an \textit{enabler of comparative analysis and learning} of partnerships’ diverse governance and accountability practices and experiences.
\end{itemize}
4.4 The PGA Framework Elements

The **PGA Framework is made up of three, interacting elements:**

- A set of *principal enabling characteristics* or “principles” to frame and guide diverse approaches to partnership governance and accountability. The principal enabling characteristics are relevant as a whole to all partnerships, although specific partnership types and contexts will influence their relative importance as enablers.

- A **diagnostic rating tool** to support the development, assessment and communication of a partnership’s governance and accountability structures, processes and norms. Based on systematizing the principal enabling characteristics. This tool is:
  - A *pathway or roadmap* for partnerships to plan, design and develop appropriate governance and accountability;
  - A way to engage stakeholders into the partnership’s development, resulting in increased trust, legitimacy and representative governance with assured accountability;
  - A way to analyze and review appropriate governance and accountability to empower beneficiaries and promote best practice.

- A set of *guidelines* based on the principles. The guidelines help to assess and develop effective governance and accountability structures, processes and norms through the diagnostic rating tool.

*The PGA Framework is available to use at* [http://www.pgaframework.org](http://www.pgaframework.org). *By using the online tools, partnerships and their stakeholders can obtain results of the PGA Diagnostic Rating Tool and all the information in this report. The PGA Framework should be implemented based on the guidance provided in chapter five (5) “Implementing the Framework”, also available through the online report.*

4.5 The PGA Principal Enabling Characteristics

The **PGA ‘principal enabling characteristics’ are those features of partnerships’ approach to governance and accountability that, if effectively embraced, are likely to enable success.** They combine both healthy informal processes and formal mechanisms. They are made up of two types of characteristics:

- **Substantive** — describing what a partnership wishes to achieve.

- **Enabling** — describing what governance and accountability mechanisms and processes are needed to enable the substantive characteristics to be realized.

There are 12 characteristics that make up the set of principles — three substantive and nine enabling characteristics. Partnerships should review and assess their efforts to support these principles toward a partnership's purpose.
Substantive

Performance
The governance and accountability mechanisms and processes heed proper attention to the partnership’s performance in order to meet its goals in an effective and efficient manner. For example, by defining and developing an appropriate mission statement, a partnership can continually review its performance based on its objectives.

Learning
Integrated learning from both internal and external inputs enables quick and effective responses to uncertainty in and complexity of a partnership’s environment. This is particularly important for improving effectiveness and efficiency of performance. In addition, it has the ability to ‘gel’ the learning of partners’ diversity in competencies and is a fundamental opportunity for allowing innovation to occur in partnerships.

Innovation
Innovation occurs when there is introduction of new ideas, processes and products, based on learning, in order to properly and effectively delivers on goals and a partnership’s mandate. This characteristic is a cornerstone for partnerships to have the ability to change in the face of opportunities and challenges internally as well as through stakeholder expectations during the development and lifecycle of a partnership.

Enabling Characteristics

Trust
The governance and accountability mechanisms and processes foster increasing trust between the partners and between the partnership and its stakeholders. Trust is an essential foundation that enables partners to work together despite the individual partner organizations’ differing interests, motivations, cultures, values and infrastructures. It is also fundamental to partnerships working in and among communities, especially those delivering public goods, for their social contract. Some partnerships prefer to refer to this characteristic as ‘respect’. This characteristic is intended to include the promotion and enhancement of respect within the partnership.

Leadership
The partnership’s ability to foster leaders’ ability to demonstrate the reasons to work together for a specific aim, a belief in the group goal, and the benefits to the group and wider public good, including how the partnership will accomplish this. This can be found in leader organizations or leader individuals.

Inclusivity
The ability for a partnership to process the views and needs of its stakeholders—those groups who affect and/or are affected by the partnership and its activities—and to reflect on these expectations at all evolutionary stages of the partnership. For the PGA program, this focuses on the idea that governance is understood to include outreach, listening, feedback, and other forms of engagement between the partners as well as with the partnership and their stakeholders and integrating that information into the partnership’s decision-making.

Representation
Representation focuses on who is being impacted by the partnership, who has the right to make or influence decisions, and recognition if there is a gap between the two. Also, on whether the partnership has appropriate stakeholder representation in its formal decision-making processes and structures.

Partnership Alignment
Partnerships develop and combine organizations with differing interests and objectives in their individual organizations. The partnership should be aligned to individual partner’s organizational goals and interests. In addition, this characteristic focuses on the partnership’s ability to align differing pressures and factors of individual partners to each other and the partnership.

Competencies
The identification and building of appropriate competencies according to the partnership’s goals and mission. Is there an appropriate competency mix in the
partner organizations and individuals to achieve the partnership’s goals and how are these best combined and aligned to effectively serve the goals?

**Clarity of Authority**
The clarity of roles, responsibilities and rights of those in positions to make decisions. Again, allocation of authorities should be considered at individual, partner and partnership levels.

**Management of Knowledge**
The process that partnerships have to generate value from their intellectual and knowledge-based assets. For partnerships, this is specifically with the intent to benefit from the collective knowledge and experience of the partners and the stakeholders to the partnership. This includes explicit knowledge such as patents, strategic plans, market and other research — anything that can be documented, archived and codified. It also includes individual “know-how” and knowledge.

**Transparency**
The full, accurate and timely disclosure of information and communication. This includes formal processes such as reporting, auditing, etc. of an organization’s procedures to informal methods of communication through meetings, teleconferences, email, etc. It includes the openness in fully explaining the reasons for any decision or course of action adopted by a partnership and the acceptance of responsibility for the consequences of the decision or action. These elements of transparency pertain to partner-to-partner, partnership to partner and partnership to stakeholder relationships.

### 4.6 The PGA Diagnostic Rating Tool

The **PGA Diagnostic Rating Tool has been designed to practically integrate the:**

- **Principal enabling characteristics.**
- **Six governance and accountability domains** that define and, if done right, enhance partnership performance.

The PGA Framework is available to use at [http://www.pgaframework.org](http://www.pgaframework.org).

- **Mission and identity.** A partnership’s stated vision, its purpose, objectives, and activities. The mission and identity should resonate with the partners as well as with its stakeholders. An example is ACHAP’s vision “to be a model public-private development partnership in the global fight against HIV/AIDS.” Its mission statement is “to support Botswana in the development and implementation of a national comprehensive HIV/AIDS strategy that will prevent new HIV infections and reduce the morbidity and mortality of HIV/AIDS.”

- **Strategic planning.** The strategic component of a partnership, including its strategy, management of partners and stakeholders, identifying and planning appropriate responses to impacts and risks, etc. This includes a component of aligning and integrating the partners’ objectives to the objectives of the partnership. One example can be seen in the Green Business Center outlining a plan for financial sustainability in order to sustain the function of the partnership beyond the injection of initial funds;

- **Governance structure and processes.** The development of a legitimate and credible governing body with processes of decision-making, communicates partnership performance and impacts, and protocols for accountability, for both internal and external accounting. One example is how
the MFA Forum established an Executive Committee to expedite decision-making and with clear representation of its stakeholders to maintain credibility;

- **Performance accountability.** Identification of the most important performance measurements and how the partnership will be held to account. This includes evaluating and reporting performance. An example is how the Global Reporting Initiative reports on its performance, using its own guidelines and is available on its website.

- **Financial and asset integrity.** The processes, tools, and measurements of supervising, monitoring, and assuring integrity of the partnership’s finances and assets, including budgets, through its governance and accountability processes. For instance, the GA regularly reported on its financials to the Operating Council and the Board. End of year financials were published in the Annual Reports with KPMG as the independent auditor.

- **Stakeholder engagement.** Processes and procedures to engaging with the partnership’s stakeholders in order to know what stakeholders want, how they view the partnership, and how this informs the decisions and actions of the partners and the governing body. Effective engagement can be used to foresee and manage risks, build value, increase trust, increase knowledge of impacts, and enable innovation. An example may be seen through STCP’s use of extensive stakeholder networks that advise its decision-making body.

These domains are closely interrelated — how a partnership handles one domain will necessarily impact the design of other domains. The tool supports consideration of each domains and their relationship.

### 4.7 An Evolving Topic

The **PGA Framework is a ‘living tool’, requiring on-going replenishment through the spirit and practice of ‘open source’ learning that can capture and systematize diverse experiences and perspectives in ways that can be shared between practitioners.** Partnership governance and accountability is a dynamic topic and our knowledge and understanding is ever developing. As partnerships gain experience and better research is available about their organizational development, these tools will also be upgraded and developed.
5. Implementing the Framework

The PGA Framework provides a clear analytic basis to design, assess, plan and enhance partnerships’ governance and accountability, and ultimately, their credibility and performance.

Making effective use of the Framework requires, however, that it is used appropriately, taking account in particular of the:

- Context;
- Type of partnership and its projected development pathway;
- Interests of the user.

We provide here guidance on how the Framework can be used by:

- Partnership managers, brokers and Boards;
- Stakeholders;
- Investors;

5.1 Developing a Roadmap

The single most important application of the Framework is in the development of a roadmap for a partnership’s basis of governance and accountability.

Partnerships evolve, and the cases illustrate how important this fact is in understanding how they work and, can be made to work, better. More than most businesses and NGOs, and certainly very differently from public bodies, most partnerships evolve over time, often dramatically. Their objectives, organizational and legal forms, ways of working and patterns of resourcing differ from these other types of organizations. Also more so than many other organizations, this evolution tends to move from organic networks to more institutionalized forms.

Partnerships’ bases of governance and accountability should develop in step with their broader evolution if they are to remain credible and effective. At the very early stages, for example, a loose ‘meeting of minds’ might suffice as the basis of governance, and often does where resources have not been mobilized and individuals rather than institutions form the basis of the collaborative commitment. At the other end of the spectrum, partnerships channeling multi-million or indeed billion dollar budgets with complex commercial and developmental objectives require a far higher degree of institutionalized governance and accountability, generally involving detailed legal and organizational contracts and formalities.

Partnerships should develop governance and accountability roadmaps based on the Framework. An effective roadmap would involve the following six steps:

(a) Projection of the partnership’s development over an agreed planning period (minimum 2-3 years), in particular clarifying resource sources and uses, and likely stakeholder impacts;

(b) Segmenting the expected developments into distinct development stages, taking account of scaling, resourcing, breadth of impact, etc.;

(c) Identifying key governance and accountability elements from the Framework most relevant for each of the partnership’s stage of development;
(d) *Defining timed, measurable targets* linked to each stage of development of the partnership’s governance and accountability;

(e) *Embedding the roadmap* into the partnership’s strategic and operational plans, managers’ key objectives, and Board-level and external reporting;

(f) *Annual or periodic review* of the roadmap, enabling it to be revised as needed.

*Partnerships that have embedded governance and accountability roadmaps are more likely to succeed in achieving their objectives.*

### 5.2 Engaging with Stakeholders

*The Framework can be productively applied in engaging stakeholders and increasing their trust in partnership’s intentions and actions.*

Partnerships almost always require the active engagement of its principle stakeholders to be effective. This is true whether they are, for example, global businesses, rural communities, national or local state bodies or labor organizations. Sustained, effective engagement requires that the partnership is seen as credible and, in particular, seeking to address a reasonable balance of interests through its transparency and, more broadly, through its accountability.

*Stakeholders will engage more productively where partnership governance and accountability has been collaboratively developed and monitored.* Stakeholders are often invited to the table ‘to talk’ but are given little or no effective control over planning and resource application. Providing meaningful opportunities for stakeholders to co-design how the partnership should be governed increases trust and can actually reduce the level of active and often costly involvement of many stakeholders in regular decision-making. Building stakeholders into a regular accountability process will further increase trust and active engagement.

*Partnerships should engage stakeholders in the co-design of its governance and regular accountability assessments based on the Framework.* This might involve the following four steps:

(a) Initial assembly of key stakeholders, including those most likely to be impacted by the partnership (or related activities), those providing resourcing and those with commercial or public interests with the specific aim of co-designing the partnership’s governance and accountability;

(b) Co-design and reach agreement on a governance and accountability roadmap (see previous sub-section on this), including a basis for regular reporting to stakeholders, and an on-going dialogue that allows for review and revisions to the roadmap;

(c) Publish the co-designed roadmap and associated commitments, ensuring its availability to all key stakeholders;

(d) Fulfill commitments to periodic reporting, review, revisions against the roadmap.

*Partnerships that have co-designed and implemented with stakeholders find their basis for governance and accountability more likely to succeed in achieving their objectives.*

### 5.3 Investor Responsibilities

*Investors should use the Framework to ensure that partnerships have a mission-aligned basis of governance and accountability, and, actively empower intended beneficiaries to ensure their involvement in its design and implementation.*

Investors, particular those engaged for the public good (e.g. donors), have a crucial role in establishing conditions for providing resources that can impact both partnerships’ design and implementation. Yet their own accountability imperatives can inhibit them from ensuring a balanced basis of partnership.
governance and accountability. Specifically, investors can be key in empowering intended beneficiaries in the governance process, ensuring in particular that they are firmly enabled and embedded as effective accountability agents (i.e. those who act to ensure that the partnership is held to account).

**Investors should establish a clear basis on which an effective partnership governance and accountability roadmap is designed and implemented that empowers intended beneficiaries.** This might involve the following four areas:

(a) *Require partnerships to establish co-designed and implemented roadmaps* using the Framework (see above for details on this) as a pre-condition to funding, and require regular reporting on progress in implementing such roadmaps;

(b) *Support the development of capacity of stakeholders to engage in partnership governance and accountability,* particularly, intended beneficiaries. This might involve the development of basic training material, up-skilling investors’ own skills, and providing resources to enable specific representatives of key stakeholders to gain the required skills to engage effectively;

(c) *Support the continued development and communication of material on best practice partnership governance and accountability.* Just as partnerships evolve, so too will our understanding of good or best practice governance and accountability. Furthermore, illustrating how others are doing this is certainly the most effective way to improve practice directly as well as indirectly through its impact on future iterations of the Framework;

(d) *Review, where appropriate revise and report on own approach to involvement in partnership governance and accountability.* Investors should develop a clear policy on the governance and accountability of partnerships in which they invest and publish an annual statement on compliance of their ‘investees’ with this statement. This should include clarification of investors’ own philosophy and practice. For example, direct and visible involvement in a partnership’s governance is often more effective than being less visible but nevertheless powerful *de facto* accountability agents.

The Framework can and should be used to impact on partnerships’ broader ecology of governance and accountability. The combined application across all three spheres, as described above, shifts the basis on which the place of governance and accountability in the evolution of an effective partnership was understood and practiced.

**Implementing the Framework can and should be evolutionary.** This in part concerns establishing a roadmap that ensures the effective evolution of a partnership’s governance and accountability in line with its context, its own development, and its stakeholders needs. Beyond this, the Framework can be initiated by investors alone, or a partnership’s management team, or promoted by external stakeholders. Through any of these (or indeed other) routes it is possible to grow its application and usefulness.
Appendix I: The Case Studies

The African Comprehensive HIV/AIDS Partnership (ACHAP)

The African Comprehensive HIV/AIDS Partnership (ACHAP) is a public private partnership between Merck & Co Inc. (a research driven pharmaceutical companies), the Bill & Melinda Gates Foundation, and the Government of Botswana. It is a national health partnership. Since its inception in 2000, the overarching purpose of ACHAP has been to enhance, enable and support the Government of Botswana’s response to the HIV/AIDS epidemic that infects 37.5% of its population. In contributing to the Government’s goal of an AIDS-free generation by 2016, ACHAP developed the National Strategic Plan (2003-2009). The partnership has adopted a holistic approach to HIV/AIDS mitigation: its activities are multi-sectored and its level of engagement ranges from local ‘grass roots’ interventions to national policy initiatives.

This partnership is an example of public sector leadership in a developing country harnessing private sector resources and technical expertise to ‘scale-up’ the national response to a critical sustainability issue. Merck & Co Inc. and the Bill & Melinda Gates Foundation have each contributed US$50 million over ACHAP’s five-year agreed lifespan and beyond to 2008. In addition, Merck has contributed two anti-retroviral drugs (ARVs) to Botswana’s national AIDS treatment program.

ACHAPs governance is made up of a board of five directors comprised of representatives from the principal partners. The board meets regularly to review progress and has overall responsibility for strategic planning. The partnership is managed by a Botswana-based Secretariat that employs 25 full-time staff. As a matter of policy, Botswana-based stakeholders are engaged to promote a sense of local ownership throughout the lifecycle of the partnership.

Key lessons learned:

The partnership differentiated between situations where top-down or bottom-up decisions were desirable. While bottom-up decisions are normatively preferable to encourage community level buy-in and to feed learning and innovation, there are circumstances, particularly where a partnership includes a national government, where top-down decisions are necessary to ensure effective resource deployment. In addition, this case illuminated the importance of identifying, utilising and aligning stakeholder competencies in order to obtain ‘maximum value added’ from the partnership. A tightly focused and shared understanding of project objectives were cited as strategies to overcome problems when partners and program staff are not aligned with regard to responsibilities to accountability mechanisms. Finally, identifying the external enabling and disabling environment that the partnership operates in early on is critical for the achievement of partnership objectives.

The partnership stressed that trust and mutual responsibility establish a collaborative and transparent working culture. Ensuring stakeholder responsibility and commitment were emphasized as crucial to good partnership practice, as well as the concept of sustainability which should be embedded in partnership activities to ensure positive long-term impact. Pertaining to this, where partnerships have a limited time frame, it is essential to formulate and communicate an exit strategy ahead of time with a view to sustaining development.

The Angola Enterprise Development Alliance

The Angola Enterprise Development Alliance (AEDA) is a public private partnership between the Chevron Corporation and the United States Agency for International Development (USAID). Initiated by Chevron as part of its corporate responsibility agenda, and located within USAID Angola’s mission portfolio, AEDA’s overarching purpose since its inception in November 2002 has been to invest in the social and economic development of Angola in the post-civil war context. To this end, AEDA has allocated funding for various programs that range from enhancing food security through increased crop
yields, expanding continuing education and professional training and increasing the income of rural households. Aspirations for the future include the establishment of an agricultural research centre and the creation of a private sector bank to support the emergence and development of Small and Medium Enterprises (SMEs).

AEDA is a national partnership based around the needs of a post-conflict developing nation, which provides an example of how the extractive industry approaches development in the countries in which it operates. The governance of this partnership is underpinned by a Memorandum of Understanding (MOU), which documents the intention of both parties to work collaboratively toward Angola's socio-economic progress. Under the MOU, the partners agreed to set up an Advisory Committee which Chevron and USAID work jointly on planning and program design, arriving at decisions by consensus. Funding for AEDA activities is provided by both partners who each endeavour to contribute up to US$10 million over a five-year time frame between 2002-2007. USAID's traditional in-country NGO partners implement partnership programs.

Key lessons learned:

The partners highlighted the importance of aligning the priorities of partner organizations to optimize partnership performance, particularly where their operational focuses and working cultures are different. Both partners emphasized the value of collaborative, consensual working practices in order to reconcile their different strategic objectives. In addition, this case illuminated the need to explore and recognize the power dynamics between a partnership and its external stakeholders and how the political processes that form the context of a partnership impact upon partnership governance, particularly in a challenging post-conflict environment. Partners felt that while the term ‘partnership’ raises legalistic constraints for some companies, it allows for and encourages creative solutions to problems.

This case study indicated the importance of developing appropriate governance and accountability should be contingent upon a partnership’s evolution and development and the external enabling environment in which the partnership works in. In addition, perceptions of structural mechanisms of governance and accountability may vary among partners depending on personalities, the nature of the partners, the nature of the partnership, and the context in which the partnership works.

Business Partners for Development Focus Project

The Business Partners for Development Focus Project (BPDFP) was a tri-sector partnership between Vivendi Water, the Mvula Trust and the local councils of Durban and Pietermaritzburg in the South African province of KwaZulu-Natal. Throughout its agreed four-year life-span (1998-2002), the partnership’s overarching purpose was to combine the resources, knowledge and technical expertise of the private, NGO and public sectors to explore innovative solutions to problems around the delivery of water and sanitation services to poor residents in the municipalities of Pietermaritzburg and Durban. To this end the partnership adopted a holistic approach; core objectives ranged from the provision of an adequate and affordable level of service, to the development of community awareness on water conservation. The BPDFP tested and refined its innovations through the establishment of six pilot areas in the two municipalities, each composed of 700-1000 low-income households, and the facilitation of community feedback.

The partnership’s governance structure consisted of a Steering Group, responsible for strategic decisions taken by consensus at six-monthly meetings, and a Secretariat, staffed by two Vivendi personnel, which fulfilled an overarching management function. Task Teams under the ambit of the Secretariat held responsibility for the management and implementation of different sections of the project, and their six-monthly reports formed the discussion matter of Steering Group meetings. Cooperative agreements, borne out of extensive discussion between partners, underpinned the governance of the BPDFP; these formally defined the partnership’s mission, detailed financial commitments and ascribed roles and responsibilities to partners. Dispute clauses provided for the resolution of conflict but were never used.

Key lessons learned:
The partnership had several key challenges that were overcome by constant efforts to engender a sense of buy-in from the partners and increase trust. Initially there were feelings of suspicion regarding the motivations of other partners and general misconceptions about the way other sectors, particularly the NGO sector, works. In addition, the partners understood that partnership performance is optimized where an expedient balance between heavy/lean governance is achieved. The BPDPF stressed that finding such a balance required a flexible and dynamic approach by partners and a willingness to make adjustments through the process of 'looped learning'.

The partnership felt service delivery partnerships operate in complex contexts, such as the water and sanitation sector, whereby unrealistic expectations, particularly within beneficiary communities, breed disenchantment and disengagement. Pertaining to this, intensive efforts were made throughout the BPDPF’s lifecycle to engage local stakeholders, reflecting their importance as beneficiaries of the partnership’s activities, consumers of its services and ultimate arbiters of the partnership’s performance. Outreach activities ensured local community buy-in and the result was an improved customer service system with greater accessibility to end-users. This case study demonstrates the necessity of inclusivity, trust and partner alignment with innovation as a primary function to the partnership.

The Global Alliance for Workers and Communities

The Global Alliance for Workers and Communities was a multi-stakeholder partnership between two global brands, Nike and Gap, The World Bank, and an NGO, the International Youth Foundation. It was founded in April 1999 and closed in December 2004. Its mission was to “improve the workplace experience and future prospects of workers involved in global production and service supply chains”.

The partnership’s primary aim was to enhancing workers’ knowledge and skills in critical areas relating to health, workplace issues such as management and worker relations, personal finance and personal skills by providing education, training, personal development and other programs while also improving the workplace environment through a ‘beyond compliance’ approach. The GA operated in five countries in Asia and was developed with an initial five-year commitment by the partners.

The Global Alliance was formally established as an initiative of the International Youth Foundation (IYF) whose board retained fiduciary responsibility and authority as well as the right to hire and fire the GA’s Executive Director and Chairperson. The GA’s Secretariat was responsible for all the administrative and programmatic elements of the partnership. The IYF board created the Operating Council that was responsible for the strategic direction and policies of the organization. The Operating Council consisted of representatives from the two founding companies, the World Bank, two IYF representatives and two NGO representatives. One year before the partnership’s close, a Management Committee was also formed to separate strategic decision-making from management and operational guidance of the GA.

Key lessons learned:

This case provides key insights about multi-layered accountabilities. Despite real successes with the GA’s programs with anecdotal evidence of positive change occurring in the factories where they worked, The GA ultimately closed because of the lack of support from its critical community and the inability to recruit other companies into the initiative. From the beginning, the Global Alliance tried to establish yet struggled with its legitimacy and its basis of accountability to its participants, users and intended beneficiaries. One reason was due to the lack of labour representation on the Operating Council and the slow engagement with the critical community in the beginning. In addition, because the initiative was unable to recruit more companies as anticipated, it had an unsustainable financial model preventing the partnership from continuing beyond five years. In the effort to address these problems, the partnership turned to the quality and effectiveness of the governance and in the end, the governance structure became too complex for the reality of the organization’s operations and therefore was unable to deliver the necessary components to affect the balance of its capacity and competency. The weight of the governance was largely due to the perceived risk of the program by the corporate partners and their subsequent involvement at several levels of the organization. This highlights the necessity for a sound revenue model with an appropriate level of governance necessary for the balance between flexibility and structure.
The Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) was founded in 1997 as an official collaborating centre of the United Nations Environment Program (UNEP) and works in cooperation with the UN Secretary-General Kofi Annan’s UN Global Compact. It is a global standards-setting initiative that became an independent organization in 2002. The initiative takes a multi-stakeholder approach using a global consensus-based process to developing and distributing globally applicable voluntary sustainability reporting guidelines for organizational reporting. Participants include stakeholders from business, accountancy, investment, environmental, human rights, research and labour organizations. The GRI has recently launched an international multi-stakeholder process (G3) to innovate and update its guidelines.

The GRI is composed of 5 key groups: a Board of Directors consisting of 16 people—a globally representative group of the stakeholders—that has ultimate fiduciary, financial and legal responsibility for the GRI; a Stakeholder Council of 60 that serves as an active multi-stakeholder body for debating and deliberating key strategic and policy issues facing the GRI; a Technical Advisory Committee of 10-15 experts in the fields of the environment, human rights, labour, economics and finance, reporting, and/or accounting; a Secretariat that implements the work plan of the GRI Board of Directors and finally, a group of Organizational Stakeholders which is unlimited in number.

The GRI's governance structure is underpinned by transparency, accountability and democracy. Subsequently the GRI attempts to include as many viewpoints as is logistically possible. The multi-stakeholder, global process allows the guidelines to reflect the issues constituents feel are important. Dialogue between all four sectors involved results in a product that reflects NGO and trade union requirements and meets the needs of business.

Key lessons learned:

This case demonstrates the necessity of standards setting or rules-setting partnerships to have a clearly representative governance structure in order to gain credibility and legitimacy in critical communities. By demonstrating a multi-stakeholder governance process with clear technical guidance, trust and buy-in is fostered. Without clear representation and methods for transparency, it is likely that a standard will have no take-up and the initiative could be lost.

This case also demonstrates the logistical and financial constraints of a large governance processes. While the governance legitimizes the initiative it also acts as a hindrance both financially and for the coordination of communication among the stakeholder representatives across language and time barriers, as well as generating infrastructure challenges. These constraints must be overcome in order to support the necessary representation.

The Green Business Center

The CII-Godrej-Green Business Centre (GBC), created in 2000, is a national partnership with the Indian State of Andhra Pradesh (AP), the industrial house of Godrej, the Confederation of Indian Industry (CII) and the United States Agency for International Development (USAID). Its strategic aim is to collaborate with business and government to innovate imaginative business solutions to India’s environmental problems. The GBC won the Leadership in Environmental Design Platinum Rating in 2003, confirming the GBC building as the most environmentally advanced building in the world—the first outside of the United States. Made possible by a generous private donation, the partnership has produced a business plan to guide its evolution into a financially self-sustaining centre.

Chaired by Mr. Godrej, the principal donor, the GBC consists of two core entities: an advisory board, responsible for strategic direction, and a Secretariat, responsible for the administration, initiation and introduction of new ideas and programs. The advisory board is comprised of six councils, each focusing on different areas of sustainability, and 25-30 council members are active at any given time. The board meets to debate a pre-circulated plan and its decisions are taken by consensus. The GBC feels that its plan to become a financially self-sustaining centre ensures a balance of power, since the partnership is
not reliant upon the donor for its survival. Accountability is assured to external stakeholders by audits of the principal partners and of the partnership itself.

Key lessons learned:

The partners allowed formal governance structures to evolve organically through a process of ‘looped learning’, so as to strike a balance between necessary bureaucracy and the leaness conducive to innovation. Throughout this interim period informal mechanisms and processes of governance sustained the GBC, which continue to enhance partnership performance. Strong bonds of trust, a common sense of purpose and shared values were seen as essential for the partnership’s success. The GBC emphasized that value alignment constitutes the crucial enabling condition in an ‘ideas’ partnership since it enhances the effectiveness of collaboration. In addition, clear communication, a strong implicit understanding between partners of their respective roles and responsibilities, and extensive utilization of networks were also seen as enablers of success.

The partnership delineated ‘soft’ and ‘hard’ approaches to accountability. Soft approaches, such as trust-based working relationships, have been sufficient to secure accountability between internal stakeholders, while hard approaches, such as auditing, were stressed as critical guarantees of partnership accountability to external stakeholders, reflecting the importance of credibility and reputation to GBC’s strategic objectives.

Finally, this case study revealed that partnerships are becoming an integral aspect of strategies for global competitiveness in India. Partnerships are emerging around ‘industry clusters’ whereby leaders in the same industry in different countries combine resources and leverage to increase their market share.

The Luanda Urban Poverty Program (LUPP)

The Luanda Urban Poverty Program (LUPP), created in 1999, is a partnership between the UK Government’s Department of International Development (DFID) and four international NGOs – Care International, the Development Workshop, Save the Children UK and One World Action. It is a partnership for local service delivery and community empowerment. The aim of the partnership is to contribute to the recovery and development of Angola in the post-civil war context through the innovation of replicable, community-managed models for the delivery of essential services in the country’s capital, Luanda. Partnership activities to date include micro-finance schemes, community childcare services and institutional innovations for the delivery of water and sanitation services. The strategic objective of LUPP is to embed its ‘community led, community managed’ approach to urban poverty alleviation within general development practice in Angola. To this end, core activities of the partnership have included the establishment of local forums to strengthen community voice, and political lobbying at national government level.

LUPP provides an example of a partnership where external actors (in this case International NGOs and the UK Government) interface directly with a local community to meet its needs and enhance its leverage vis-à-vis decision-makers. The LUPP’s main organ of governance is a Co-ordination Unit, whose role is to provide a forum for ‘cross-learning’ between the NGO partners, to manage the process of reporting to DFID and to seek and promote opportunities for LUPP partners to share lessons learned with external stakeholders. The Co-ordination unit is managed by a full-time coordinator who reports to each NGO Country Director in turn on a monthly rotation basis. The partnership as a whole does not govern the management or implementation of LUPP development projects; these are governed through bilateral contracts between DFID and each of the implementing NGO partners. The Development Workshop oversees and administers the Co-ordination Unit’s budget.

Key lessons learned:

This case demonstrates that partnership governance can add value to the activities of internal stakeholders even where partners have the capacity to successfully implement their programs as individual organizations. LUPP adds value to its constituent NGOs by offering a learning laboratory for experimentation with different development approaches that wouldn’t be possible outside the framework of partnership. Furthermore, it constitutes a joint platform on which partners can combine their expertise, knowledge, weight and legitimacy in a strategic political effort to promote best practice in development
methodology. LUPP partners perceive that together they can lobby the Angolan government more effectively than as single organizations.

In addition, this case highlights the importance of considering the competing accountabilities that can raise challenges for partnership performance, particularly in donor partnerships where accountability is clearly skewed in the funder’s favour. In the resource-constrained environment in which the LUPP operates, the imperative to deliver on contractual obligations to DFID has occasionally overridden the informal accountability drivers of trust and responsibility that exist between the partner NGOs themselves, undermining partnership performance. Partners agreed that sharing performance targets more comprehensively would assist in overcoming disparities in accountabilities.

The MFA Forum

The MFA Forum is a global network partnership established in the first quarter of 2004 to examine and address the anticipated impacts of the end of quotas (outlined by the multi-fibre agreement - MFA) on workers, communities, and local and national economies in the garment and textile industry. The participants of the MFA Forum are brands/retailers, international NGOs, international donor and multi-lateral institutions, multi-stakeholder organizations, and international trade unions. In the first phase of its work, The MFA Forum commissioned and undertook research including country studies, analysis of policy options, and potential changes in companies' strategic sourcing. Following the research, in March 2005, the MFA Forum produced “A Collaborative Framework for Guiding Post-MFA Actions”, outlining roles and responsibilities for each stakeholder group in the garment and textiles industry and proposes a collaborative approach to promote an economically viable and socially responsible textile and garments industries in the post-MFA era.

Since June 2005, the MFA Forum has begun its second phase of work. Participants decided to implement the Collaborative Framework in countries that would be the most vulnerable after the MFA by working with suppliers, governments, trade unions, and other non-governmental organizations in countries that face declining orders and threats to workers’ rights in the post-MFA environment.

The governance of the MFA Forum is that of an open network. AccountAbility, one of the participating organizations, was elected the Secretariat role by the network’s participants and gives administrative and coordination support for the Forum and the sub-groups. It also helps to communicate the work of the MFA Forum, find funding opportunities, and takes lessons learned from this unique multi-stakeholder effort. An Executive Committee (representing business, public sector, trade unions, NGOs and multi-stakeholder initiatives) was formed in May 2004 to take operational decisions on behalf of the whole MFA Forum. The Executive Committee was intended as a temporary measure to advance the work of the MFA Forum and could not take policy decisions, which were left to all participants in the MFA Forum. The MFA Forum agreed in September 2005 to reinstate the Executive Committee in order to maintain momentum, efficiency and legitimacy in this new phase of work with in-country coordination.

Key lessons learned:

The governance structure of the MFA Forum has been kept deliberately lean in order to minimize the resources needed to maintain it and to harness innovation on the part of the network. The Forum stresses the need for a multi-stakeholder decision-making body with representation from each stakeholder group in order to maintain legitimacy and representation within decision-making processes. Another key factor in determining the governance structure has been the desire to include any parties interested in the MFA Forum’s work and to encourage participation by any organization at a level of involvement that suits them. For this reason the MFA Forum has not introduced any membership fees or criteria for participation but has fostered and supported leadership by individuals and organizations. Since the second phase the MFA Forum has proposed a re-introduction of the Executive Committee to manage the MFA Forum’s engagements in different countries and to be accountable for a single budget for all MFA Forum work. In the discussions about governance, a key consideration is maintaining the ability of the MFA Forum to respond rapidly to the changing trade environment and labour conditions.

This case study demonstrates how a network can foster learning and innovation through collective action and by supporting individual and organizational leadership in its activities. This enables performance within the network. The case demonstrates representation and inclusivity through its multi-stakeholder
processes and open network philosophy. Partner alignment is demonstrated by coordinating different sectors and interests aligned to the common goal of addressing key issues in the post-MFA environment—both globally and locally. It also demonstrates the flexible and fit-to-purpose evolution of governance.

**Sustainable Tree Crops Program Alliance**

The Sustainable Tree Crops Program (STCP) is a public-private partnership initiated by the US Agency for International Development (USAID) and the Worldwide Chocolate and Cocoa Industry and Trade focused on innovations for sustainable agriculture. STCP is a regional partnership in West Africa managed by the International Institute of Tropical Agriculture (IITA) with pilot programs in Côte d'Ivoire, Cameroon, Ghana, Guinea, and Nigeria. STCP’s task is to promote necessary innovations in productivity, marketing and trade, and to mainstream those innovations into national and regional development efforts for the improvement of rural livelihoods. The first two years of the pilot phase focused on cacao, testing production, and market and institutional innovations, while the third year (2004/2005) focused on impact analysis and identification of scaling up strategies and associated policy issues. The STCP has been able to establish national and regional networks, has introduced vertically integrated approaches to cocoa production and has linked farmers to markets through group-based organization.

Besides USAID and the worldwide chocolate and cocoa industry and trade, the STCP partnership also includes farmer organizations, national governments, local NGOs, national networks, and research institutions, including IITA. The farmer organizations play an important role as intermediaries for the implementation of STCP projects. The governments have provided support to the STCP through national extension staff, researchers and healthcare officials. NGOs have an important role in the implementation of the STCP projects at the local and national levels due to their experience in development matters and their knowledge of the local issues. The national networks are comprised of representatives from the major stakeholders within the cocoa sector who work to help increase awareness among potential partners and participate to lay the groundwork for the pilot programs. Finally, the IITA hosts and manages the STCP program - an arrangement that has brought value and benefits to both STCP and to IITA in terms of shared information, experience and research.

The STCP’s governance process evolved during the pilot phase and the partners expect to reassess the governance needs in the next phase of scaling up. Evolving the governance system was based on the requirement for program and regional coordination within decision-making and accountability tracking. In the early stages of the STCP, the national networks were managing the programs and administrative functions but once the pilots were implemented there was a need for more oversight and coordination with impact assessments. A steering committee was put into place with representation from the primary public donors to STCP, the chocolate and cocoa industries, the national networks, key disciplines (i.e. farmer organization, trade and development, technical dissemination, etc.), and IITA were represented.

Key lessons learned:

This partnership demonstrates how advisory networks can be a very effective way to integrate learning and innovation into partnership programs, especially in terms of adapting regional goals into national cultural and market contexts and feeding learning back to the regional coordination. In addition, the partnership identified how informal processes enables the flexibility needed in regional settings and allows partnerships to adapt to specific situations. For instance, informal processes of assessing and reporting on performance of partners are based on cultural norms and are a more effective way of communicating performance than through a formal process outside of the partnership context.

In addition, the partnership identified the complexity of having multiple layers of accountability through its local, national, regional and international stakeholders. It identified both the advantages and constraints of having a clear commercial interest as a key driver for some partners while having the goal and purpose of a public good. The partners identified the constraint of having a lack of information and research on the market drivers for partnerships.

Finally, the partnership demonstrated the necessary component of leadership on the regional level as well as for the country-context to identify, engage and mobilize key stakeholders.
End Notes

1. Two events put a spotlight on the use of partnerships to deliver development goals: The Johannesburg World Summit on Sustainable Development and the UN-sponsored Financing for Development conference in Monterey, both in 2002. The “Jo-burg” Summit called for Type II partnerships to leverage the public, private and civil society resources and knowledge to work together to deliver development goals. The UN-sponsored Financing for Development conference created “the Monterey Consensus” establishing an alliance-approach for leveraging financial resources to reach the United Nation’s Millennium Development Goals.


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Further, in a recent policy paper released by the UK Government, new practices of conditionality are considered in the funding partnerships for poverty reduction. The policy statement underscores the necessity to have benchmarks that measure progress on the basis of a partnership’s accountability to their beneficiaries—namely with “a strong commitment to transparency, accountability and good governance.” In addition, the brief calls for The World Bank, the International Monetary Fund and other donors to approach their conditionality in the same way. (Department for International Development et. al. (2005). Partnerships for Poverty Reduction: Rethinking Conditionality. DFID, London.)


9. The Peer Review Network is: Talia Aharoni (MAALA, Israel), Zehra Aydin (United Nations), Louise Baker (Stop TB Partnership, WHO), David Browne (The Kennedy School, Harvard), David Logan (The Corporate Citizenship Company), Melanie Oliviera (Government Accountability Project), Jill Rademacher (Case Foundation), Wolfgang Reinicke (Global Public Policy Institute), William Snyder (Social Capital Group), Ros Tennyson (International Business Leaders Forum-IBLF), Bettina Ungerer (Dutch Ministry of Foreign Affairs), John Weiser (Brody Weiser Burns).

10. We also conducted face-to-face and telephone interviews for those who could not attend the workshops or where we could not travel or conduct a workshop.

11. Strengths, Weaknesses, Opportunities and Threats

12. See Appendix I for full case studies of the nine partnerships listed below.

13. Concerns over processes of governance are based on empirical evidence that ineffective governance leads to problems of power imbalances, bad decisions and strategy, ineffective actions, and decisions that are not linked to the organizational mission or goal. Governance failures can lead to a lack of legitimacy, capacity or competency in a partnership. These problems are further exacerbated by the lack of accountability for these failures. Consequences of bad accountability range from stolen or misappropriated funds, mismanagement, errors in reporting, nepotism in contract allocations, to poorly serviced beneficiaries or clients, ineffective policies, and erosion of tangible and intangible assets.