



Entrepreneurial Partnerships for Sustainable Development

A first look at the submissions to the
seed awards 2005

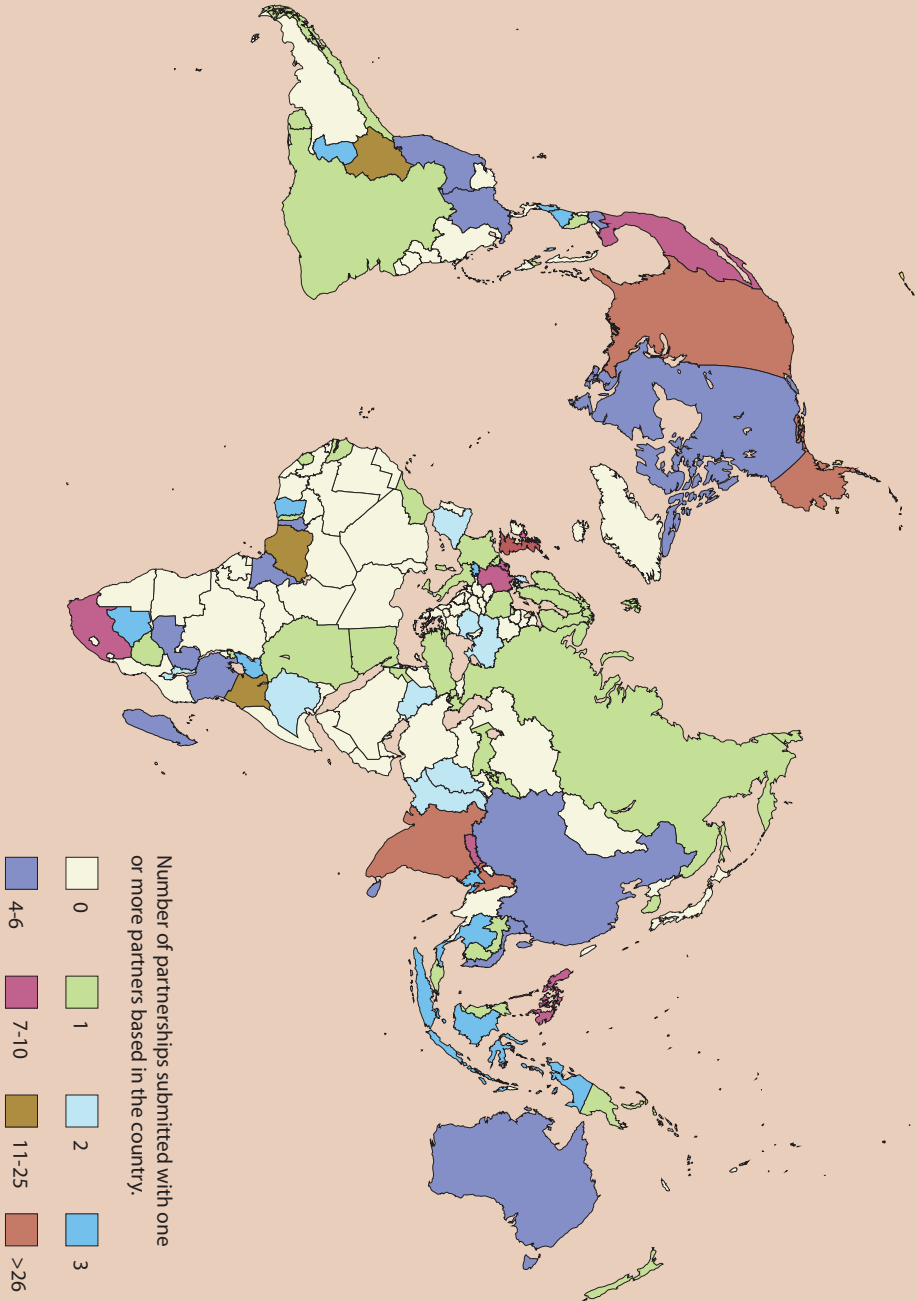
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Supporting Entrepreneurs for
Environment and Development
Research and Learning Channel
coordinated by:

GPPi
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Figure 1: Geographical distribution of the partnerships submitted to the *Seed Awards* 2005.



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Front cover photograph credits

The photographs show *Seed* partnerships in action and were supplied by finalist or winning partnerships of the *Seed* Awards 2005. The partnerships are (clockwise from top left):

Rising in the East (Jamaica), Integrated Mangrove Restoration and Sustainable Shrimp Aquaculture (Thailand), Allanblackia Seed – a Novel Non-timber Forest Product for Positive Change (Nigeria), The Maya Nut Programme (Nicaragua, Guatemala), Agua para Todos/Water for All (Bolivia).

Further information on these and all the finalist and winning projects can be found on the *Seed* website: <http://seedinit.org>

Executive Summary

The *Seed Awards* (Supporting Entrepreneurs for Environment and Development) are a biennial international competition supporting nascent, entrepreneurial, locally-driven partnerships for sustainable development. This brief paper offers the results of a preliminary analysis of the data collected and experience gained from the first round of submissions to the *Seed Awards*. It describes some key characteristics of the submissions in terms of the partnerships' geographical location, their composition, purpose, type of innovation, financial arrangements and their support needs.

Most importantly, the analysis shows that while most scholarly and political attention focuses on large-scale international partnerships, a much wider range of partnerships exists. The composition of the *Seed* partnerships shows clear leadership of civil society organizations and of developing countries and emerging economies; overwhelmingly they contribute to international sustainable development goals: within the Johannesburg Plan of Implementation (JPOI) and the Millennium Declaration; they are predominantly new ventures developing innovative solutions; and they derive many of their financial resources from partner organizations.

If confirmed by further research, these findings have important implications for the discourse and practice of sustainable development partnerships. We hope they encourage a debate among policy-makers, practitioners and researchers on locally-driven partnerships, their potential contribution towards implementing sustainable development, and how such entrepreneurial activity may be nurtured and supported.

A more detailed discussion paper including a broad agenda for further research can be accessed at <http://seedinit.org/research>.

Introduction: the *Seed Awards* for nascent, locally-driven partnerships

The World Summit on Sustainable Development (WSSD), held in 2002 in Johannesburg, put the international spotlight on partnerships for sustainable development. At WSSD, cooperative initiatives including partners from local and international businesses, non-governmental organizations (NGOs), civil society groups and public authorities, were hailed as a promising way to help implement multilaterally agreed goals of sustainable development. The growing enthusiasm for partnerships was driven in part by a desire to focus on implementation and demonstrate positive achievements. Perhaps more importantly, however, the partnership idea has been gaining currency since before the Rio Summit as governments, civil society, and business increasingly understand that the challenging sustainable development agenda requires joint action.

To date, large-scale, international partnerships have captured most of the public's attention. Reflecting the definition of the original "Type II" partnerships presented at WSSD, partnerships spanning many countries and/or involving key international organizations have been given most exposure in political fora, including through a database of partnerships registered with the UN Division for Economic and Social Affairs (UN DESA)¹. These partnerships have also been prominent in the academic debate, supplying much of the empirical evidence underlying the – often critical – studies on partnerships².

1. The criteria for Type II partnerships were defined in the "Bali Principles": They required an international component as well as the participation of governments or intergovernmental organisations. At the UN Commission on Sustainable Development 11 meeting in 2003, the criteria were widened and no longer require an international component to be registered partnerships. However, the majority of the UN DESA-registered partnerships still reflect the original criteria (only 5% have no international partners).

2. See e.g. ECOSOC (2004) - *Partnerships for Sustainable Development. Report of the Secretary General, United Nations Economic and Social Council*; UN Division for Sustainable Development (2005) - Background Paper

Against this background, it was a deliberate choice of the *Seed* Initiative to concentrate on nascent partnerships that have a local focus.

As part of its programme, *Seed* created the *Seed Awards*, an international competition to find and support the most promising ideas for entrepreneurial or innovative partnerships which contribute to international goals: the Johannesburg Plan of Implementation and the Millennium Development Goals.

In early 2004, a call for applications was issued. The *Seed Awards* were hoping for applications from partnerships scoring highly on the following criteria:

- the partnership is innovative and entrepreneurial
- the partnership contributes to the three pillars of sustainable development: social, economic and environmental
- the partnership itself is sustainable
- the partnership has a local drive and focus
- the partnership includes all relevant stakeholders
- the partnership could benefit from support through the *Seed* Initiative.

On the basis of these criteria, application forms in English, Spanish and French were developed. These were actively disseminated through the local office.

No. 1: *Partnerships for Sustainable Development - Update*, United Nations Department of Economic and Social Affairs; Andonova, L. B. and M. A. Levy (2003) - *Franchising Global Governance: Making Sense of the Johannesburg Type Two Partnerships*, Yearbook of International Cooperation on Environment and Development 2003/2004, London, Earthscan: 19-31; Hale, T. N. and D. L. Mauzerall (2004) - *Thinking Globally and Acting Locally: Can the Johannesburg Partnerships Coordinate Action on Sustainable Development*, Journal of Environment & Development 13(3): 220-239; or Witte, J. M., C. Streck, et al., Eds. (2003) - *Progress or Peril? Partnerships and Networks in Global Environmental Governance. The Post-Johannesburg Agenda*, Washington, D.C. / Berlin, Global Public Policy Institute.

es of the *Seed Initiative* core partners (UNDP, UNEP and IUCN-The World Conservation Union), through the *Seed Associate Partners Network*, Internet lists

while downplaying their problems and downsides.

Figure 2: Regional focus of implementation

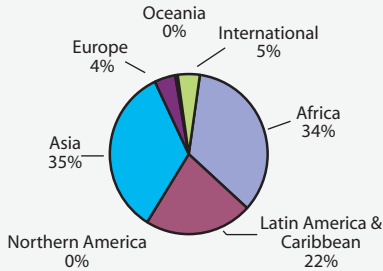
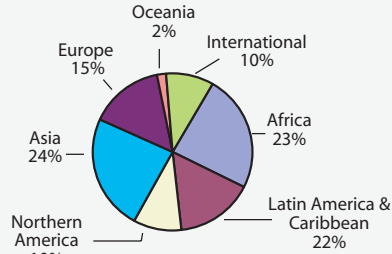


Figure 3: Regional distribution of partners



and individual mailing lists. Language and technological barriers as well as differing levels of intensity of dissemination between various agencies and offices partly account for why some countries are so much more strongly represented than others among the applicants (see Figure 1, back cover, for the country distribution of entries). Over 86% of the applications were submitted in English, around 10% in Spanish and 3% in French.

The deadline for the submission of applications was August 15th, 2004. By that time, 263 applications were received, almost all of them in electronic format, with only a few as faxes or letters. All submissions with at least three partner organizations and including at least three different stakeholder groups were qualified as eligible. Those that did not qualify as partnerships or that had not yet identified specific partners were disqualified. The 206 eligible submissions are included in this analysis.

Since the data presented below are taken directly from the application forms, they are likely to be biased in at least two ways. First, it can be expected that the partnerships tailor their information to fit the criteria defined by the *Seed Awards*. Second, partnership representatives are most likely tempted to portray their initiatives in a very positive way, stressing their actual or potential achievements,

Spread and composition

Research to date has mainly focused on the partnerships that have registered with UN DESA. Based on this information, analysts have suggested that,

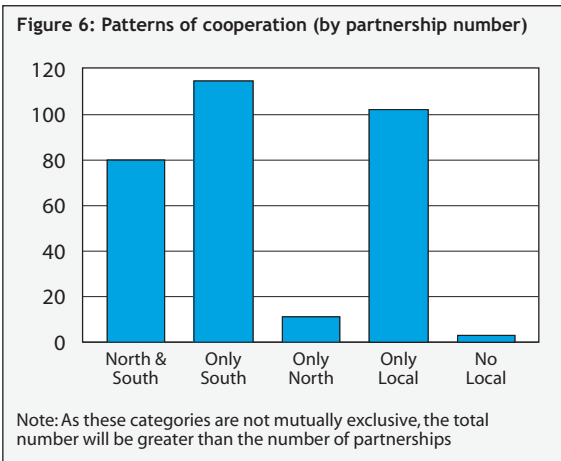
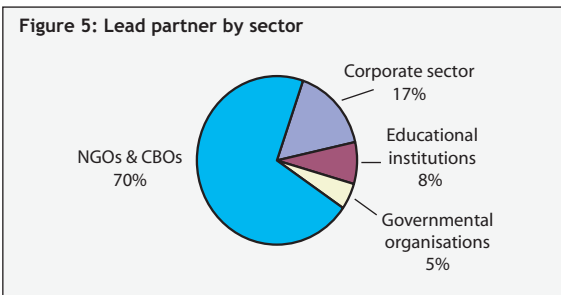
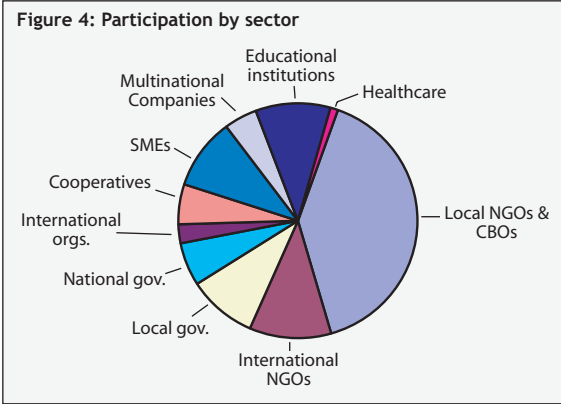
“the Johannesburg program remains mired in many of the problems its supporters hoped to avoid, such as North-driven processes and a lack of private sector and grassroots involvement” (Hale and Mauzerall 2004, p. 224).

Further they have stated that,

“partnerships are more likely to be led and dominated by traditionally powerful actors such as intergovernmental agencies, donor governments, and transnational NGOs, rather than Southern governments, NGOs, and local communities” (Andonova and Levy 2003, p. 21).

A more recent official report, perhaps reflecting the widening of the criteria for registration, suggested that *“many [partnerships] employ a bottom-up approach”* (UN Division for Sustainable Development, 2005, p5).

Certainly, to draw general conclusions about partnerships, a much broader spectrum of initiatives must be assessed. Reflecting the *Seed* selection criteria, the partnerships analysed for this paper by



and large appear to display very strong local drive. They show leadership from both NGOs and local communities, often combined with international cooperation. The 206 eligible partnerships that submitted an application to the first round of the *Seed Awards* feature partner organizations from 83 different countries, plus 34 international entities. They focus on projects implemented in 71 countries, and twelve partnerships focus on an international issue that cannot be linked to a specific country. At the time of submission, a total of 1,032 organizations were engaged in the partnerships, i.e. an average of about five organizations per partnership.

When the involvement of different sectors in these partnerships is considered, the dominance of civil society organizations – and in particular local NGOs and community based organizations (CBOs) – is evident. Over 50% of all partner organizations are NGOs or CBOs; and one might add local cooperatives (5.6%) and educational institutions (10%) to this score. An even larger proportion of partnerships is led by NGOs or community based organizations (70%) – more than three quarters of which are local³. This demonstrates the leading role civil society plays in the partnerships for sustainable development that applied to the *Seed Awards*.

3. For the partnerships contained in the *Seed* database, the organization providing the main point of contact for the application procedure was coded as the 'lead partner'. In some cases, this organization is also the initiator or main driver of the project. In others, no clear lead organization exists or access to communication technology and linguistic skills account for why one partner rather than another submitted the application. The number of partnerships 'led' by large or Northern-based organizations is thus likely to be overstated.

Local and national governments together with international organizations are comparatively less involved. They make up less than 18% of the partner organizations and lead only 5% of the partnerships – and this despite the fact that the *Seed Awards* were strongly advertised through international organizations such as IUCN, UNDP and UNEP. Companies account for roughly 15% of all partner organizations, and lead 17% of the partnerships.

The patterns of international cooperation displayed by the *Seed* partnerships provide an additional indicator for the strength of local drive and the quality of relations between organizations based in the ‘North’ and in the ‘South’. They also point to the fact that in the submissions, cooperation between organizations based in different developing and emerging countries remains rare and that many applying partnerships are concentrated at the local or national level.

Around 39% of all eligible submissions have partner organizations from developing (or emerging) as well as industrialized countries. While critical observers might expect most of these partnerships to be led by the industrialized country partner, this is

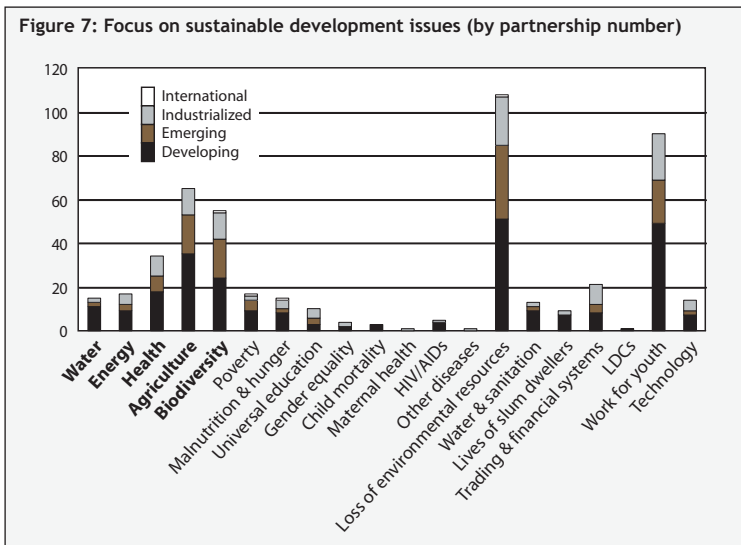
not the case. A majority of 56% are led by the developing (35%) or emerging (21%) country partner, as compared to 44% that are led by the Northern partner.

The majority of the partnerships in the *Seed* database do not involve cooperation between rich and poor or middle income countries: 56% involve only partners from developing and emerging countries, while 5% involve only organizations from industrialized economies. One cannot, however, interpret this as a sign of strong international cooperation between developing or emerging countries: of the 115 partnerships that exclusively have partners from developing or emerging countries, 98 do not include any international partners at all.

Finally, the strong local involvement is also borne out by the fact that only 3 partnerships, or less than 1.5%, do not actively involve organizations from the country of implementation.

Partnership focus

Partnerships are considered by many as innovative mechanisms for implementing multilaterally agreed goals of sustainable development. The *Seed*



partnerships are analysed here with respect to their focus on the “WEHAB” issues (water and sanitation, energy, health, agriculture, biodiversity) and the Millennium Development Targets, the operationalized form of the goals in the Millennium Declaration.

Many initiatives address various issues at the same time. However, they do not show a consistent spread over the priorities defined at the international political level. Thus, for example, very few partnerships (less than 5%) focus on health issues, including reducing child mortality, improving maternal health, fighting HIV/AIDS and other diseases. Rather, these locally driven initiatives overwhelmingly combine an interest in agriculture (32%) and reversing the loss of environmental resources (52%) with the creation of employment opportunities (43%). This raises an interesting question: do some issue areas lend themselves more readily to a partnership approach than others?

It is interesting to note that the partnership focus is roughly similar, no matter whether the lead partner comes from a developed, an emerging or an industrialized country. There are two exceptions. The issues of water and poverty eradication are less addressed by industrialized country-led

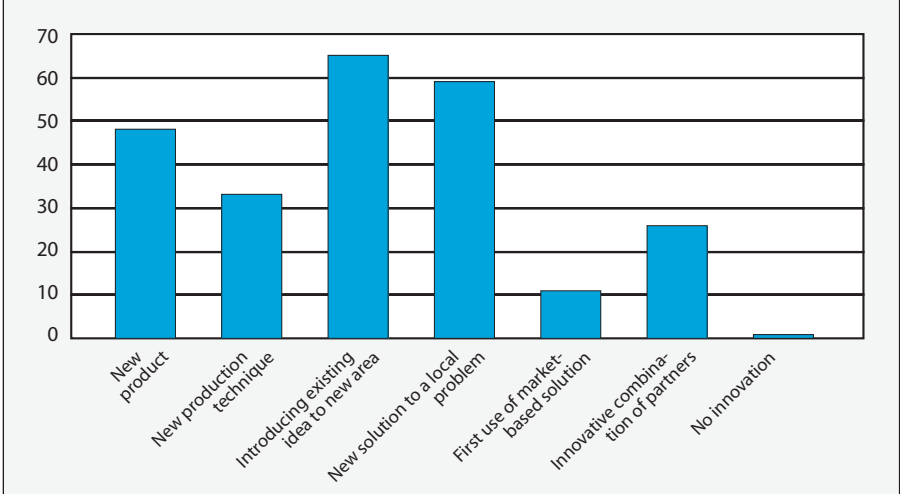
partnerships. By contrast, partnerships addressing the international trading and financial systems are relatively more likely to be led by a partner from an industrialized nation.

Partnership phase & innovation

Are partnerships just old wine in new bottles, or do they create new projects with innovative characteristics and additional financing streams? The *Seed Awards* deliberately focus on nascent partnerships. Reflecting this criterion, most applying partnerships were in an early stage of their development: only 26% of all partnerships had begun implementing their ideas by the time of submission. Less than 6% indicated that they did not need any additional partners, while almost 58% were still explicitly looking for new partners.

The partnerships were also asked to describe in what respect they were innovative. It should be appreciated that since innovation is one of the key selection criteria for the *Seed Awards*, partnerships had a strong incentive to present their projects in positive ways in this respect. Determining whether or not an initiative is ‘innovative’, moreover, is to a certain degree subjective. To limit this, different cat-

Figure 8: Types of innovation (by partnership number)

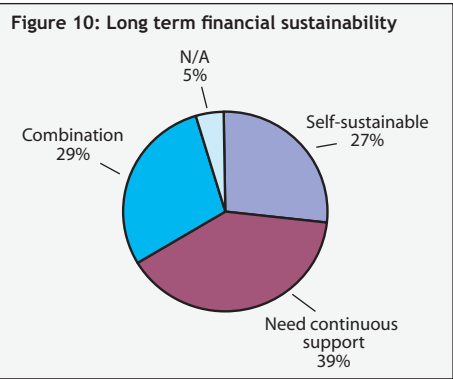


egories of innovation were defined and basic plausibility checks were carried out when the data were coded. Nevertheless, a bias is likely to persist. In addition, through the categorization, the complexity of most responses is not reflected.

The chart lists the broad types of innovation featured by the *Seed* partnerships. Almost all submissions contained one (81.5%) or more (18%) innovative features. The most frequent types of innovation were introducing an existing idea to new area (31%), developing new solutions to a local problem (28%) and introducing a new product to the market (23%). 13% of the submissions were innovative in combining an unusual set of partners and, of those, around three-fifths featured an additional type of innovation.

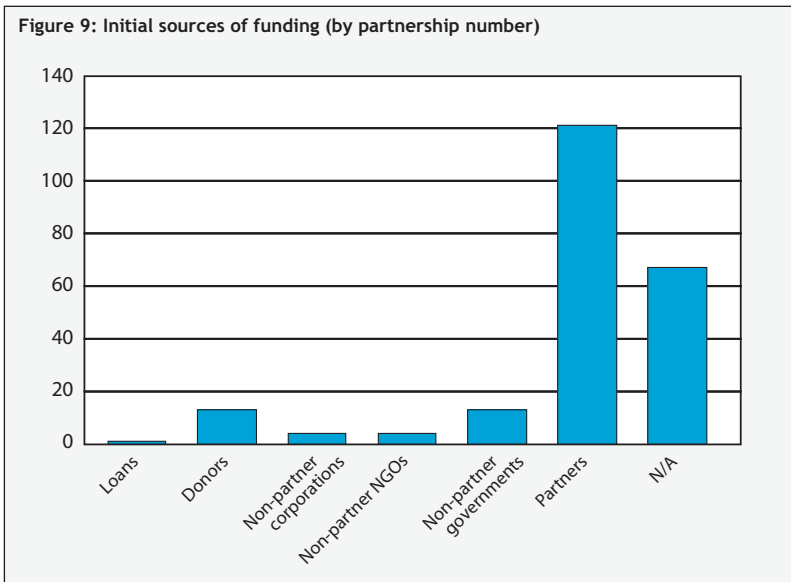
Financial arrangements

Since the partnerships submitting applications to the *Seed* Awards are mostly in an early stage of their development, only very few have secured all necessary financial resources for their projects. But while many submissions did not explicitly state the



partnership's financial needs, 45% indicated a need for financial support.

In addition, the sources of initial funding are noteworthy. Overwhelmingly (87% of those that have indicated any source of initial funding), *Seed* partnerships are initially supported through financial or in-kind contributions by their partners. As we have seen above, traditional donor organizations are little represented as partners: national govern-



ments and international organizations together account for only 8% of the partner organizations. This means that few *Seed* partnerships can be described as simply channelling existing donor resources into new or re-structured programmes.

Beyond that, the medium to long term financial goals of the *Seed* partnerships vary. It is impossible to assess how realistic the partnerships' projections are. It is nevertheless telling that 29% aim at generating part of their income through the partnership's activities. 27% plan to become entirely self-financing, so that an important number of partnerships could be described as commercial endeavours for sustainable development.

Support needs

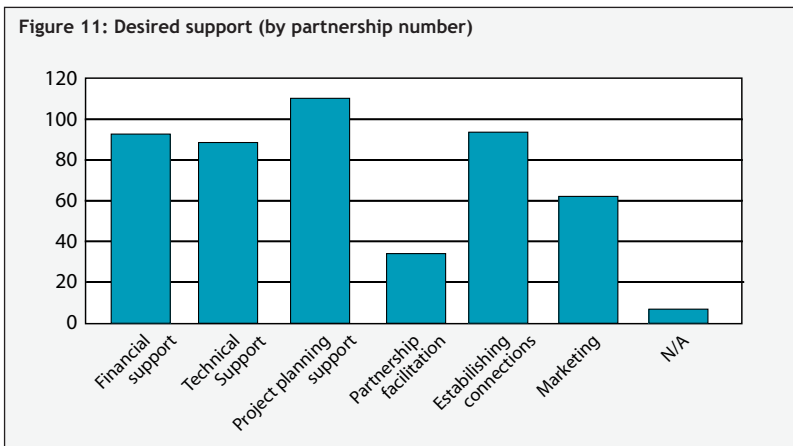
The *Seed* Initiative awards the winners of its competition with support services tailored to the specific needs of each partnership. The applicants were therefore asked to specify what type of support they would need for the further development of their partnerships in an open ended question. In this process, a clear need for financial and technical assistance as well as support in marketing, "business-planning" and establishing connections to partners and financiers was expressed. By contrast, only 17% specifically indicated a demand for support in partnership facilitation or brokering.

Next Steps

Without question: partnerships are not a panacea that will solve all problems of sustainable development. But they hold certain promises, and the *Seed* partnerships demonstrate that they can bring local drive, innovation and new resources to bear on pressing issues.

The sheer number of submissions to the *Seed* Awards, and their quality, demonstrate that people working in NGOs, CBOs, businesses, and elsewhere do not simply stand ready to engage when governments develop programmes for implementing sustainable development. In a very entrepreneurial fashion, they take the initiative to tackle challenges, they cooperate with others, and they make significant initial investments to develop their partnerships.

The *Seed* Initiative Research & Learning Channel will collect more experience and conduct further research to determine when, where and how partnerships can contribute most effectively to sustainable development and how they can best be supported in this effort.





The *Seed Initiative* Research & Learning Channel is coordinated by the Global Public Policy Institute (GPPi).

GPPi is an independent, non-profit think tank based in Berlin and Geneva. GPPi focuses on policy research in order to advance the debate on global governance. We also offer consulting services for public and private institutions. In addition, we provide a platform for debate with partners from all sectors.

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The *Seed Initiative* (Supporting Entrepreneurs for Environment and Development) is a partnership between IUCN - The World Conservation Union, UNEP and UNDP, along with GPPi and Partnerships Central. It is supported by the governments of Germany, the United States, the Netherlands and the United Kingdom, by the Global Compact, and by Swiss Re.

Through an integrated programme, which includes the *Seed Awards*, the Initiative aims to understand, inspire, promote and support locally-driven entrepreneurial partnerships for sustainable development.

For further information please visit: <http://seedinit.org> or contact: info@seedinit.org.