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Public-private partnerships in sustainable development and for social networking

The present conference room paper, which was prepared by Ambassador Walter Fust, Member of the Committee of Experts on Public Administration, is hereby transmitted as a supplementary paper to facilitate discussion on item 3 (b), "Accountability of stakeholders in public governance for development" (E/C.16/2013/3), in accordance with the proposed programme of work and agenda for the twelfth session of the Committee (see E/C.16/2013/1). The views expressed and content presented in the paper are those of the author and do not imply any expression of opinion on the part of the United Nations.

1.   Public-Private Partnerships (PPPs) were put high on the international development agenda at the United Nations Summit for Sustainable Development in Johannesburg and the discussion of the Millennium Development Goals. There was even an issue whether to name this form of cooperation just a PPP or whether it should be a PPDP, the D standing for Development.

2.   The whole campaigning for the United Nations Global Compact used those PPP approaches in a way that was rather creating overload for the private sector enterprises and leaving them in doubt whether these new approaches and initiatives were considered to be a new financing resource for United Nations Programs and Special Agencies short of budgetary means or really an invitation to get more involved in development issues.

3.   Also the form of such partnership is not new, the above mentioned endeavours brought new momentum, not only to the discussion but to realize a development approach by giving more emphasis do the private sector to get involved and to play its role.

4.   Having been personally involved in those discussions and having been in a public function then to lead the Swiss Development Cooperation Agency (SDC), this paper is based on my personal experience and observations.

5.   In any country or nation state, we see different segments of society and different actors in different functions to make a country and its economy going. Public normally means government at all level of states, public administration, parliaments, judiciary, defence forces and public order maintenance or particular entities entrusted with specific public mandates.

6.   The Society at large is the tissue and social capital of citizenship living in a given country. In a truly democratic society, political activities are organized by people with similar interests. Yet there is a clear fragmentation between private sector economic actors, the civil society actors and the public sector. Medias are considered to be such an actors group on their own and more and more academia became a stakeholder group of particular importance to civil society life as well as to government and private sector actors.

7.   The multi-stakeholder approach became more popular due to the increased complexity of issues to be addressed, demanding all stakeholders contributions to find sustainable solutions. Yet, it showed how easy it was to use that word or to define it properly, but how difficult it became when implementing it in practice.

8.   There are a number of reasons for that, such as:

- not knowing each others way of thinking and doing things
- mistrust and existing ideological antagonisms
- lack of mutual respect
- unclarity to address each others role in common endeavours
- speaking different languages and using different content meaning
- different management capacities, experiences and tools to be used
- lack of clearly defined mandates or objectives and terms of references

- little readiness to share risks

- insisting on protocol and hierarchy by state actors, etc.

9.   Hence, it often happened that the best worded intentions did not find their way into adequately organized action with clearly defined and commonly agreed upon management roles and process implementation capacities. In most of the cases, it turned out that while agreeing on the objectives, no consensus could be found on how to go the way together and make the "vehicle" going. Using the vehicle as a metaphor, it was clear where they wanted to go, but it was not clear what vehicle to choose and who was sitting in it and who was behind the steering wheel. This simple example does show that even when you know your destination, there remain a whole lot of questions open to be addressed before starting the journey and choosing the road to the wanted success.

10.   It became often a headache that the well intended discussions were more related to preconditions rather than the setting of clear objectives. As Seneca wrote, that there is no good wind for sailing if you do not know to which port you want to go to, such conditionality should be built into the objectives commonly agreed upon and not be an art to highlight differences avoiding to take risks and to move forward.

11.   It turned out to be useful to differentiate types of public-private partnerships in order to better understand and in order to successfully manage expectations:

     (a)   Supply and Delivery of goods and services, most often based on public procurement rules and procedures

     (b)   Outsourcing of service deliveries based on particular mandates and chosen procedures

     (c)   Consortium to create stakeholder partnership forums or organizations to embark on a common journey by involving all relevant parties to make a common endeavour work

     (d)   Contribution in kind, finances and/or knowledge of the private sector to public efforts for achieving social impact and practicing solidarity in e.g. difficult times

     (e)   Sponsoring activities of civil society or public service entities in e.g. culture, sports, health and education

     (f)   Charity Support for citizens in need and for drop out of the public systems care.

12.   The private enterprises own sustainable development is ensured by making profits and by reinvesting timely in new products or services. For the activity type mentioned above, many have created their own foundations in particular for supporting (d), (e) and (f) type endeavours. It is of utmost importance that such foundations can receive money from the company earnings before paying taxes as an incentive to give something directly to the citizens or society organizations. But it is also well understood that such foundations should not be a heaven to accumulate capital and evade taxes. The private sector normally understands well the importance of incentives to do things, to take risks and they understand the rules of competition and the importance of innovation.

13.   The civil society is often misread in its variety of organizations. There is sometimes a fundamental misunderstanding when certain protagonists declare the non profit organizations (NGOs) as the real picture of society. That is not true. As important as

14.   NGOs can be e.g. as development actors on grass root levels or as lobbyists, they do not represent society as a whole. They are mostly not having a proper legacy to represent people beyond their own members and certainly it is a no go to undermine the legacy of parliaments elected by public votes.

15.   The whole of society is organized in citizen groups, associations, political parties, interest groups, etc. That is why it is so important to ask from them the same degree of accountability as requested from the public sector and the private economy.

16.   Private-Public Partnerships might be wanted in a top down approach, but successful realization mostly needs a bottom up approach of involved parties. Only a win-win situation leads to the will to join each other and to complement each others resources and particular knowledge for the same objective. This cannot be ordered.

17.   Experience also shows that partners do not like to talk about failures. They prefer obviously to talk about success. Beside the tool box about planning, the design of processes, the monitoring and evaluation, the control and audits, communication matters a lot.

18.   Internal information and external communication have to be focused on the cause and the commonly agreed upon objectives. Good communication in PPPs is bound to fail when partners try to get their particular benefits out of public relations by unequal sharing the success. It is somewhat an often seen behaviour that the success has many fathers on stage and that the mother is forgotten. Walking the talk in PPPs is at the end more important than enhancing in "beauty contests".

19.   The multi-stakeholder approach has underlined the importance of networks. Networks need drivers but their members or alike keep their identity and their independence. It is therefore important that networks are a category of actors on their own. And yet, it is still very difficult for them to get accreditation or registration as such, because many governments and international organizations still demand that networks are part of civil society. That in return is a reason why private sector enterprises are reluctant to be part of any kind of NGO category.

20.   Protocol meant to be the world of rules of behaviour for diplomats and actors in bilateral and multilateral organizations. It still is a rather closed system highly protected by its species, but the world and the governance of tomorrow need codes and rules of behaviour valid for all and cannot be "hostage" of privileges of a group of international state actors alone. As important as Diplomacy and the observed rules and protocols are, as important it is to create a world of equal stakeholders, should partnerships really get its true meaning. There are moments in time where protocol has to be replaced by round tables, by accepting common rules, by inclusion and not exclusion. Respect between partners is fundamental. It should be based on that human dignity and respect and not solely on rankings and particular privileges. It is also important to replace the word coordination by cooperation. Everybody in this present international system wants to coordinate but many do not like to be coordinated. It would therefore be more adequate to speak about

cooperation and to internalize that spirit by asking input contribution. Nobody is to small, to young or to old to have good ideas. Idea work shops are definitively bringing more results than discussing protocol or procedures. It is more demanding to look ahead and define the finishing line than to look back and tap on each others shoulder how well we did.

21. PPPs are a unique chance to bring different worlds closer together and to repeatedly plant that seeds for common undertakings, for bringing all those to the tables who want to contribute to solutions.

22. Critical thinking is and remains important. There is a code of ethics in criticizing: it is well allowed to criticize when you have a better solution. We should remember that it is all about the intention behind thoughts and the way to express them.

23. And last but not least, not only risks should be shared but also success. Methods and tools are there, mostly well proven. But successful private-public partnerships depend on people and the right selection of bringing them together.