



Submitted by the ECO-Equity Coalition:

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Critical considerations about Type 2 partnerships

"Why are we here if the only tangible results from the Johannesburg process will be Type-2 partnership initiatives financed from existing ODA-flows, with no additionality, putting 'green paint' on old projects, or launching new ones primarily directed towards show-offs and flags for donor governments, undermining national ownership and coordination in the poor countries."

-- Norwegian Minister of International Development, Ms. Hilde F. Johnson

Introduction

The partnership agreements that are expected to become a significant 'outcome' of the World Summit in Johannesburg are of concern to the ECO/Equity coalition of international NGOs, particularly because they are seen in some quarters as an alternative rather than a complement to binding intergovernmental commitments. Misplaced emphasis on these "Type 2" outcomes threaten to mask the failure of governments to agree on meaningful action and may result in the "privatisation of sustainable development." As constantly expressed by the ECO/Equity coalition, the primary Summit mandate is for governments to agree to action-oriented, time-bound measures that will help deliver lasting poverty eradication and ecosystem security.

The problem is not partnerships as such. The member organisations of the ECO/Equity coalition have themselves been engaged in partnerships with Southern NGOs and others for many years. Our concerns have been eloquently expressed by the Norwegian Minister of International Development, Ms. Hilde F. Johnson, who has warned against a big 'donor circus' in Johannesburg with fragmented and donor-driven stand-alone projects. This may lead to the establishment of alternative or parallel mechanisms, instead of the desired enhancement of democracy and public institutions. The Summit must negotiate a Type-2 framework that fits within overall development policies and continues the ongoing efforts to strengthen national ownership and coordination in poor countries. Funding for Type 2 partnerships must be additional to current multilateral and bilateral development aid and not dilute the essential development and environmental priorities currently set by donors and agreed in the Millennium Development Goals.

This potential lack of accountability in respect of the Type 2 outcomes is further aggravated by the fact that governments have not yet agreed to two key accountability measures within the draft Plan of Implementation: one to set out a legal framework for corporate accountability, and the other to ensure

access to information and decision-making (Principle 10 of the Rio Declaration). Consequently, we recommend the addition of mechanisms of external monitoring, transparency and accountability that are more clearly defined than the declarations of intent provided in the current version of the vice-chairs' explanatory notes.

It is a matter of concern that the role of - and framework for - partnerships are not consistently referred to in the draft Plan of Implementation. The ECO/Equity Coalition believes that the Summit should urgently deliver a mechanism for efficient linkage between Type I and II, including a clear link between each proposed partnership and a specific, internationally agreed objective within the Plan of Implementation.

The ECO/Equity coalition will judge the outcome of the Johannesburg Summit on the merits of Type 1 results. By putting unprecedented emphasis on Type 2 partnerships, governments appear to be abdicating their own responsibilities. The responsibility for agreeing on world-wide social and environmental rules must remain with governments. Global problems require global solutions through global governance. In order for partnerships directed at implementation to play a valuable, complementary role, they must be linked to meaningful global goals agreed by governments.

Necessary Guidelines and Criteria for Type 2 Partnerships/Initiatives

a) Existing draft guidelines

The Chairman's explanatory notes on partnerships proposed various criteria on Type 2s, including that they should:

- Achieve further implementation of Agenda 21 and Millennium Declaration Goals.
- Complement globally agreed Type I outcomes and not substitute for governmental commitments.
- Be voluntary in nature and not be subject to negotiation by the Summit.
- Be participatory, with ownership shared between the partners; and
- Be transparent and accountable, including regular reports ('self-reporting').

The guidelines further agree that:

“Type 2 partnerships/initiatives are complementary to the globally agreed “Type 1” outcomes: they are not intended to substitute commitments by governments in the “Type 1” documents, rather they should contribute to translating those political commitments into action.”

b) Recommended Criteria

Despite the above guidelines, critical questions remain regarding Type 2 outcomes just a week before the Summit begins.

- **Vetting process:** what body will be tasked with deciding on UN endorsement of Type 2 partnerships, and according to which criteria?
- **Financing:** will the partnerships be financed through additional resources?
- **Follow-up:** what are the institutional mechanisms to ensure a follow-up process and independent review of partnerships?

Against this background, the ECO/Equity Coalition recommends the following criteria for Type 2 partnerships.

(i) Clear link between Type 1 and Type 2

The ECO/Equity Coalition welcomes the general idea of partnerships as a potentially effective tool or mechanism to assist in implementing commitments and measures agreed by governments. The member organisations of the ECO/Equity coalition have themselves worked in partnerships with NGOs across the globe, and other stakeholders, for many years. It is encouraging that the Johannesburg Summit seeks to improve the involvement of civil society and the private sector in accelerating the implementation of sustainable development objectives, as governments alone cannot ensure the success of the Summit. There is clearly a need for greater involvement of all stakeholders through

participatory approaches in order to make the struggle against poverty and environmental degradation more effective.

However, Governments must set the framework through commitment to meaningful global goals. In this context it is important to note that, the lack of ratification and implementation by governments of key Multilateral Environmental Agreements (MEAs), is already causing frustration and undermining sustainable development. The US free-riding on the Kyoto Protocol, Convention on Biological Diversity and others, lessens the incentive for other governments to ratify international agreements relating to sustainable development. Further, during the Prepcoms, US delegates have drawn attention to type 2 initiatives, while consistently blocking new political commitments in Johannesburg, thereby disregarding the mandate of the UN General Assembly for the Summit.

The Type 2 outcomes offer governments an “escape hatch” – a way of evading meaningful inter-governmentally agreed commitments. This is why the ECO/Equity Coalition is calling for a clear link between partnership commitments and specific multilateral goals, stated in the Plan of Implementation.

(ii) Avoiding “greenwash”

Not only are governments offered a means to evade globally agreed commitments through the Type 2 process, but so are companies. Today’s competitive markets reward those who dodge their social and environmental responsibilities, except when compliance is cost-free or brings compensating publicity. In this era of corporate scandals, such as Enron and WorldCom, real corporate accountability, transparency and regulation are needed. That is why it is not good enough to leave Type 2 partnerships to the good intentions of corporations or to their own self-regulation.

This NGO concern is further accentuated by the fact that key accountability measures have yet to be agreed upon in the draft Plan of Implementation. This applies in particular to a proposal put forth by NGOs for a legal framework on corporate accountability and on access to information and decision-making (Principle 10 of the Rio Declaration).

To harvest the potential of successful Type 2s, multilateral monitoring in addition to independent monitoring and evaluation are crucial. The UN should take care not to confer legitimacy without a clear transparency and accountability framework in place.

(iii) Establishing a follow-up process

In order to ensure transparency and ongoing added value, it is imperative to put in place a follow-up process that allows for continued monitoring and reporting of progress. The ECO/Equity Coalition recommends a simple follow-up system including the following core elements:

- Assign **oversight responsibility** of the WSSD partnerships to a legitimate forum
- Ensure **public access** to contracts and project documents
- Mandate **annual reporting** to the agreed forum
- Provide for **external audits** and evaluations

(iv) Additionality

The Type 2 partnerships/initiatives should be new, offering added value and a genuine contribution to sustainable development. It will be important for a legitimate body to assess each partnership in terms of substance and delivery, ensuring that the arrangement is actually capable of bringing “on-the-ground” action. This includes the question of financing and pledging of “new” money.

(v) Building on existing experiences

The discussions during PrepCom II, III and IV seemed surprisingly oblivious to the trends and experiences of recent years. As a result, rather than promoting better development cooperation, the

Summit runs the risk of opening the floodgates to a stream of old-fashioned, traditional aid approaches in which the visibility of Northern donors is again paramount.

Given the importance of linking the environment and development, it is imperative to draw on the existing efforts of many development NGOs, bilateral agencies, UNDP, World Bank and others to improve the coordination of aid and ensure greater national ownership and civil society participation. So far, the negotiations have largely failed to build upon the experiences of partnership approaches already made through sector programmes, Poverty Reduction Strategy Papers (PRSPs), the Comprehensive Development Framework (CDF) and the world of NGOs. Although these activities are still fraught with difficulties, existing experiences of partnership approaches and successes of local Agenda 21 initiatives in many countries offer great insights and expertise to facilitate new Type 2 partnerships.

(vi) Define “partnerships” and ensure equity and participation

It is essential to immediately define more precisely what the term “partnership” implies. Unfortunately, during WSSD preparations, very few have dedicated efforts towards analysis of the lessons learned from partnerships, and on this basis defined the nature of their partner relations. This includes ensuring that the relationships are **equitable and fully participatory**.

Specifically, there is a history of power inequities in partnerships, in terms of competencies, powers, resources, capacities and information. The Northern partner has often retained very considerable powers, yet they still pretend, “in principle”, to be in equal relationships. When community-based groups or NGOs participate in these partnerships, there should be a mechanism to address unequal leverages between partners and other asymmetries. Considerable capacity-building efforts should also be undertaken to support potentially weaker partners.

(vi) Strengthening the capabilities and influence of the poor

Furthermore, the capabilities and influence of the poor need to be strengthened, particularly in respect of local communities that rely on natural resources such as land, forests, fisheries, wetlands and coral reefs to meet their basic needs and those of future generations. Poverty eradication thus requires the promotion of sustainable livelihoods and a more gender-disaggregated understanding of poverty and environmental concerns. The rights of local communities and indigenous peoples to natural resources are essential. It requires democracy and respect for human rights in a “**rights-based approach**”, which secures the access of poor and vulnerable groups to financial and natural resources (including land rights and tenure). More attention is also needed to prevent conflicts between diverse interest groups and countries over access to and control over natural resources.

Many NGOs have adopted the rights-based approach, which can be seen as a movement towards clearer understanding of the importance of politics when it comes to empowering marginalised groups. While substantial energy during Summit preparations has been spent on one instrument - Type 2 partnerships - governments have paid little attention to the goal of strengthening political structures and institutional frameworks from which marginalised groups could gain more influence. **As a first step, the Summit needs to send a strong recommendation to the member states to guarantee civil society rights and access to information, participation and justice in democratic decision-making (Rio Principle 10 in paragraphs 151).**

(vii) Strengthening democracy, institutional capacity and citizen's participation

The WSSD must squarely face the challenge of strengthening governance structures, considerably more so than the present text proposed for Chapter 10 (institutional framework) of the Plan of Implementation. Consequently, the NGOs call for progress regarding good governance, democracy, institutional reforms and civil society participation at local, national, sub-regional and international level. This should include building capacity in developing countries amongst institutions and civil society. **The risk associated with an overwhelming number of fragmented partnerships is that the existing deficiencies in public administration may lead to the establishment of alternative or parallel mechanisms, instead of the desired enhancement of democracy and public institutions.**

At its heart, sustainable development will rely on institutional capacity as well as clear mechanisms for enforcement and compliance, monitoring and accountability. This approach was emphasised by the South African government in its non-paper circulated at Prepcom III.

(viii) Strengthening Northern agency capacity

"...there is still a wide-spread deficiency in in-house policy compliance regarding the systematic and coherent integration of environmental concerns in all sectors, at all stages of the project or programme cycle and in all forms of ODA"

– OECD Development Assistance Committee¹

This key finding from OECD/DAC confirms the need for more solid advances in the capacity of northern agencies. It is, of course, to be welcomed that new actors - including businesses - want to be involved in the follow-up of the Johannesburg Plan of Implementation. Nevertheless, all these new Northern actors need to start asking themselves: do we possess the experiences, core competencies and context sensitivity necessary for the difficult task of intervening in other people's lives?

The promotion of Type 2 partnerships may easily counteract the on-going focus on aid effectiveness and impact. **Thousands of new Type 2 partnerships risk making international cooperation even more scattered, fragmented and un-coordinated.**

(ix) Strengthening existing coordination and ownership efforts

In recent years, many donors have focused on partnership, ownership, donor coordination and sector-based approaches to pursue more effective aid management. Sustainable development must be locally owned. Aid policies can only be successful if they are put into practice in a way that recognises the capacities and priorities of developing country institutions. In recent years, an increasing number of Northern agencies have taken commendable steps away from "planting their flag" on specific projects and toward supporting a country's overall development programme and/or sector programmes. This approach has been legitimised through dialogues with civil society stakeholders and should be mainstreamed amongst all donors.

Conclusion

In order for governments to fulfil the mandate of the General Assembly Resolution establishing the Summit process, **specific time-bound measures** will need to be agreed through the intergovernmental negotiating process. It is according to this mandate and filter that the ECO/Equity coalition will be judging the summit outcomes. While partnerships can be an effective complement to intergovernmental commitments, they cannot serve as a substitute.

Finally, we call on governments to do the following:

- Ensure, in the Plan of Implementation, the necessary reference to efficient linkage between Type I and II, including section 138 (b) and section 151, and to embrace the proposal for a legal framework on corporate accountability and on access to information and decision-making (Principle 10 of the Rio Declaration).
- Mandate a legitimate international forum to be tasked with deciding on UN endorsement of Type 2 partnerships and monitoring.
- Establish a proper process for Type 2s to ensure that only locally/nationally owned and fully participatory partnerships can move forward.
- Ensure that a strong follow-up mechanism is in place, including the areas of monitoring, reporting, accountability and external evaluation.

¹ "Donor support for institutional Capacity Development in Environment: Lessons Learned" OECD/DAC. 2000. The finding mentioned is confirmed by all of the thematic environment and development reports published by various DAC Members between 1992 and 1997, as well as by other, more recent studies.