Flexibility by Design: Lessons from Multi-Sector Partnerships in Water and Sanitation Projects

Jointly prepared by Ken Caplan, Simon Heap, Alan Nicol
Janelle Plummer, Susan Simpson, John Weiser

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BPD Water and Sanitation Cluster
c/o WaterAid, Sixth Floor
Prince Consort House
27-29 Albert Embankment
London SE1 7UB UK

Telephone + 44 20 7793 4557
Facsimile + 44 20 7582 0962
Email bpd@wateraid.org.uk
Web site www.bpd-waterandsanitation.org

Business Partners for Development

Sustainable development is a global imperative, and strategic partnerships involving business, government and civil society may present a successful approach for the development of communities around the world. Business Partners for Development (BPD) is an informal network of partners that seeks to demonstrate that partnerships among these three sectors can achieve more at the local level than any of the groups acting individually.

Among the three groups, perspectives and motivations vary widely however, and reaching consensus often proves difficult. Different work processes, methods of communication and approaches to decision-making are common obstacles. When these tri-sector partnerships succeed though, communities benefit, governments serve more effectively and private enterprise profits, resulting in the win-win situation that is the ultimate aim of BPD and its divisions, or clusters.[1]

THE WATER AND SANITATION CLUSTER[2]

The Water and Sanitation Cluster aims to improve access to safe water and effective sanitation for the rising number of urban poor in developing countries. By working in partnership it is presumed that governments can ensure the health of their citizens with safe water and effective sanitation while apportioning the financial and technical burden, the private sector can effectively meet their contractual obligations while ensuring financial sustainability over the long term, and communities can gain a real voice in their development.

The Water and Sanitation Cluster works with eight focus projects around the world, most of which predated the Cluster. The approach to extracting information from which to analyse the efficacy of tri-sector partnership is three-pronged: 1) by supporting partnership-oriented research on thematic project elements (cost recovery, education and awareness, etc.); 2) by creating forums for analysing the sector specific (civil society, public and private sector) benefits and challenges of working so closely with organisations from other sectors; and 3) by documenting the evolution of the partnership in specific focus projects.

The Cluster supports learning and then disseminates findings through newsletters, a web site, and other key publications to share best practice widely.

THE FOCUS PROJECTS

1) Drinking water supply and sewer system in the El Pozón quarter, Cartagena, Colombia
2) Water supply improvements to Marunda District, Jakarta, Indonesia
3) Restructuring public water services in shanty towns, Port-au-Prince, Haiti
4) Developing water supply and sanitation services for marginal urban populations, La Paz and El Alto, Bolivia
5) Innovative water solutions for underprivileged districts, Buenos Aires, Argentina
6) Sustainable water and wastewater services in underprivileged areas, Eastern Cape and Northern Province, South Africa
7) Management of water services, Durban and Pietermaritzburg, South Africa
8) Upgrade and expansion of local water networks, Dakar, Senegal

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[1] The five clusters of the BPD include: the Global Partnership for Youth Development, the Global Road Safety Partnership, the Natural Resources Cluster, the Water and Sanitation Cluster and the Knowledge Resource Group (which collects and disseminates the lessons learned from the four thematic clusters for wider audiences).

[2] In the context of this report, the terms BPD and Water and Sanitation Cluster are used interchangeably. Though the goals of the other BPD clusters are the same, the approaches have varied widely.

Executive Summary

Business Partners for Development was created to examine the effectiveness of tri-sector approaches to development incorporating the strengths and competencies of public, private and civil society stakeholders. At a time when numerous players in the water and sanitation sector are reviewing the impacts of poverty, partnership, community participation and private sector participation the Water and Sanitation Cluster has been working directly with eight projects around the world to bring these different strands together. The aim is to understand the dynamics of tri-sector partnership approaches particularly with reference to services for poor communities. The eight focus projects vary in scope with some as project components of major concessions or management contracts whereby the private sector is the primary service provider; others incorporate different sectors to facilitate the public sector's role as primary operator. NGOs are involved in many, though not all, of the projects, as are donors.

This report synthesises the findings from a series of internal reports aimed at documenting the lessons from the different partnership approaches of the eight focus projects.[3] Tri-sector partnership approaches are fairly new and as such, the longer-term impacts have yet to be determined. Given the findings to date this synthesis report aims to address the following:

From the eight BPD focus projects, what have we learned about the effectiveness of tri-sector partnerships:

⇒ **Are they effective at providing water and sanitation to the poor? How and when?**

⇒ **Are they effective at creating processes in which the poor have a sustainable voice?**

For the BPD Water and Sanitation Cluster, perhaps the greatest challenge has been with the term 'tri-sector' itself. More often than not, the term has brought with it certain expectations and implications – 'triangular' baggage that different stakeholder groups have challenged. Where do stakeholders like trade unions and donors fit in this model? How do we define and unbundle civil society? Some public sector officials are closer to the communities (i.e. civil society) that they represent than the governments that employ them. Small-scale private providers are sometimes part of the problem and sometimes part of the solution. Regulators have a definite role in the projects but can they be a partner? Ultimately the aim is to understand how communities can be both partners and beneficiaries. Thus the term tri-sector poses some difficulties. The temptation is thereby to find terminology which is more inclusive, though perhaps the term "multi-stakeholder / multi-sector" is rather more of a mouthful. Needless to say, the more important element is not what these relationships are called but how they function.

Notwithstanding this wider issue of terminology, the key findings from the partnership projects are based on common sense. However, what we *know* is the best approach and then what we *do* in a negotiated partnership arrangement might be two different things. Practitioners consulted from the eight projects are very much aware of the 'should do' and the 'mustn't do' of partnership projects. Despite this, project practitioners can sometimes become too focused on their own activities to step back and review the partnership project as a whole.

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[3] Other reports in the Water and Sanitation Cluster series look at different project elements in partnership, such as cost recovery, or education and awareness and a further sub-series reviews the incentives and obstacles for each of the public, private and NGO sectors.

The key findings are around the following themes:

Context is key – The environments within which these projects operate are invariably complex. The various influences on decisions at the project level (from the free water policy in South Africa to the cultural context in El Alto, Bolivia) create different demands on the partnerships. Partners and partnership projects are impacted by economic and political events. Practitioners from several of the projects noted that the pressure to produce results allowed insufficient time to analyse the context sufficiently. Key success factors included a relatively stable economic environment (or at least some predictability in the short term), the level / degree of political will and the push of political expediency, a willingness to build social capital and the importance of some form of regulatory framework which allowed for grievance mechanisms should the partners run into difficulties. *(See section 2.1)*

Building on existing assets and filling gaps – Tri-sector partnerships are presumed to incorporate private sector funding and technical contributions, public sector monitoring and regulation, and civil society/NGO sector links with the communities/households. To some extent the experience in the projects challenges these assumptions. In practice the different organisations that come to the table may or may not offer what is expected of them. NGOs often come with funding and communities were often mobilised by public or private sector staff. The key recommendation here is to understand what is available on the ground, enhance the capacities of existing resources, determine the best way to fill the gaps, and then expect that as the partnership matures and capacity develops, roles may shift and the partnership may need to be modified. *(See section 2.2)*

Understanding partner incentives and conflicts – For each partner, understanding one's own individual and institutional incentives, negotiables, obstacles, and assets (including reputations) proves the primary starting point for partnering. From this initial building block, partners need to find ways to share and understand each other's motivations, constraints and definition of success, whereby, for example, 'sustainability' might have a different meaning for different stakeholder groups. Too often, partners fail to differentiate between individual institution and stakeholder-wide incentives. For example, a private sector or public sector official may be inclined to group NGOs together in terms of their motivations and constraints. Though in some cases NGOs' macro assessment of the project might be similar, their decision-making styles, capacities and drivers may be quite different. NGOs may also perceive private sector partners as all much the same though clearly in water projects, private sector partners (or departments within a company) responsible for design might have quite different approaches and incentives to those responsible for operations and maintenance. Similarly financial incentives might not always be about making profits but may be about reducing the risks of doing business; NGOs may also have financial incentives though these are not usually for profit. Finally, poor communities have incentives and barriers to partnering and participation as well. These need to be understood in order to achieve community buy-in for without community ownership and beneficiary inputs, the project is destined to be unsustainable. *(See section 2.3)*

Understanding time frames and time requirements – Different stakeholder groups work within the bounds of different time frames. Public sector officials are usually driven by election cycles (or if not directly then influenced by politicians who are), private sector firms by predetermined contract duration and their internal financial/reporting cycles, and NGOs by donor and community (including seasonal) cycles. Ideally a partnership process will allow the different stakeholder groups to strive for modest milestones that coincide with their individual cycles. This will not occur without negotiation and understanding. Along with time cycles within the project, partnership building itself takes time. Too often the pressure is on to

produce the results, even though partners have not been given or made the time to get to know each other. Investing time at the beginning will save time and money in the long term as each partner becomes more familiar with how other partners make decisions, invest resources and take action. *(See section 2.4)*

Differentiating between individuals and institutions – Without doubt, the nature of the individuals that come to the table is critical to the effectiveness of the partnership. Partnership projects need champions to carry the cause and sell the idea and process. Champions can reduce layers of management in order to propel projects into action. However, the challenge is that individuals can usually move faster than institutions. To ensure sustainability, partnerships need to move carefully and systematically beyond the individuals and into institutions. Ownership cannot be vested in any one individual. As individuals also move on, mechanisms need to be put in place to ensure smooth transition. Induction programmes, frequent and structured reviews, rotating chairs and other mechanisms will enable greater ownership. *(See section 2.5)*

Allowing for transformation, modification and capacity building – Separate from changes in staffing and representation, other influences will force change within partnership projects. Change should be expected even if the exact nature of the changes cannot be anticipated. In order to accommodate change, institutions need to build up the capacity for partnering, i.e., the capacity to recognise the vital contribution of each stakeholder, the capacity to understand the constraints partners face, the capacity to compromise and negotiate fairly, etc. Effective partnering not only requires a workable interface between representatives and organisations sitting at the table but it requires that each develop effective communication channels within their own individual organisations. Finally, partners need to recognise and determine milestones and targets - to identify when review is necessary and to create exit strategies for different stakeholder groups. A partnership is not the end goal, but a mechanism to deliver project objectives. Roles may undergo constant transformation, rendering a different form of partnership in the latter stages. For example, an NGO could shift from acting as a project implementer to a watchdog organisation - a role which may not require 'partnering' as such. In the case of water and sanitation, after the taps have been turned on and once mechanisms have been established for communities to voice grievances and resolve problems, a formal partnership approach may no longer be necessary (or the partnership could begin work on a different problem area). *(See section 2.6)*

The lessons above suggest that partnerships cannot be prescriptive but require a degree of flexibility to adapt to changes in context, staffing and also success. As partnerships are living breathing organisms, we should expect them to be dynamic. They should also begin with the problem statement and an understanding of the resources already in place to resolve these problems. One cannot dictate the role different stakeholders will play if they do not have the experience or capacity to fulfil that function. Partners also require a clear understanding of the project objective and how different partners will define success. Though again changes should be expected, there should be some sense of understanding the ‘end’ from the beginning.[4]

Finally, have we managed to answer the questions posed above? The project practitioners themselves clearly suggest that, because the strengths of the different stakeholders were brought to bear, the partnerships were more successful than any one sector would have been acting alone in the same circumstances. Multi-sector, multi-stakeholder partnerships provide a more holistic (even if challenging) approach to meeting the water and sanitation needs of poor communities.

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[4] Section 3.4 provides a series of questions to focus early discussions when forming partnerships and then for review processes during routine maintenance of the partnership project based on the six headings above.

Admittedly the projects are still fairly young and their sustainability remains uncertain. Similarly in some ways for several of the projects, the ‘easier’ work on supplying water is being done while the more challenging task of providing sanitation remains.

In order to answer the question as to how and when sustainable community voices can be created, a more focused assessment of approaches, constraints and opportunities is required. It is clear, however, that multi-stakeholder approaches create community expectations that cannot be easily ignored. Similarly, the constant negotiations and time spent in establishing ‘multi-angled’ partnerships appear to place communities where they should be - at the centre stage of their own development.

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Acronyms

BPD	Business Partners for Development
BoTT	Build, operate, Train and Transfer
ENDA	Environnement et développement du tiers-monde
FIDIC	Fédération internationale des ingénieurs-conseils
M&E	Monitoring and Evaluation
MSP	Multi-sector / Multi-stakeholder partnership
NGO	Non-governmental organisation
O&M	Operations and Maintenance
TSP	Tri-sector partnership

Business Partners for Development
Water and Sanitation Cluster

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Jointly prepared by

Ken Caplan (BPD Water and Sanitation Cluster)

Simon Heap (International NGO Training and Research Centre)

Alan Nicol (Overseas Development Institute)

Janelle Plummer (GHK International)

Susan Simpson (The Prince of Wales International Business Leaders Forum)

John Weiser (Brody Weiser Burns)

Please note that as with most jointly prepared documents, the analysis herein has been reached by negotiated settlement.

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Flexibility by Design: Lessons from Multi-Sector Partnerships in Water and Sanitation Projects

1. Understanding the BPD Context

1.1 POSING THE QUESTION

The primary objective of the Business Partners for Development Water and Sanitation Cluster is to explore the effectiveness of tri-sector partnerships in providing water and sanitation services to poor communities. By working with eight focus projects around the world, the Cluster has approached the partnership elements of the projects in a variety of ways.

One approach has been to document each project in an attempt to capture the particular circumstances that have promoted or hindered success.[5] These internal partnership reports record the objectives of the project partners, the incentives for individual stakeholder groups and the evolution of the project and partnership. They also attempt to measure the impact of the partnership approach on the different stakeholder groups, in particular the communities themselves. It should be stated up front that the BPD did not create these partnerships, most of which predated our work. In most cases, the partners were self-selected given fairly obvious choices about who should be sitting or who would willingly sit around the table. It is also clear that much has been learned in the past few years about partnership approaches. The focus projects with which the BPD has been working should definitely be considered pioneers in the field and various practitioners from the projects openly suggest that if they had the chance to 'do it over again' things might have been done quite differently. This document focuses specifically on partnership building and should be considered one strand of analysis – other documents produced by the Cluster will look more at the impacts of partnerships.

The process of measuring the effectiveness of working in partnership is constantly being refined. The partnership projects are both diverse and dynamic, therefore directly comparing experiences of the partnerships themselves has not been an approach used by the Cluster. The partnership projects grow and change, just like the individuals working within them; they are influenced by and respond to external forces; they evolve and devolve; they fade and regain their footing. Complex interactions at each stage of the project lifecycle compound this difficulty in quantifying and measuring.

This analysis synthesises some of the key lessons learned about partnerships to date from the experience of these eight water and sanitation projects. A small team was formed to review the Cluster's documentation of the focus projects. The team combined experts engaged in water and sanitation and/or partnership from a variety of angles including municipal capacity building, corporate social responsibility, NGO-private sector relations, domestic water and partnership spheres.

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[5] The Cluster also continues to collect information from the projects based on a stakeholder-by-stakeholder approach, looking at how different stakeholder groupings view their relationships in tri-sector partnerships. A third approach has been theme-based, attempting to draw out lessons on given topics of interest in the water and sanitation sector, namely how the partnership influences cost recovery, education and awareness activities, the implementation of alternative approaches, etc. Please see the web site at http://www.bpd-waterandsanitation.org or email the BPD Cluster at bpd@wateraid.org.uk for further information.

After a careful review of the partnership reports, a three-day brainstorming workshop with the consultant team focused on answering the following questions:

From the eight BPD focus projects, what have we learned about the effectiveness of tri-sector partnerships:

⇒ **Are they effective at providing water and sanitation to the poor? How and when?**

⇒ **Are they effective at creating processes in which the poor have a sustainable voice?**[6]

1.2 WHAT IS A MULTI-STAKEHOLDER, MULTI-SECTOR PARTNERSHIP?[7]

In recent years, we have seen dramatic change in the political, economic, social and environmental landscapes of many countries, ushering in more democratic forms of government, spurring globalisation, economic transformation and the flowering and growth of civil society. These new dynamics have led to some fundamental shifts in how societies work and how they are governed. Governments are relinquishing some of their traditional roles and power by making the challenging transition from implementers to enablers. Increasingly the role of business in development has been recognised. Civil society is finding a more confident voice and communities are becoming empowered.

A central challenge of these changes is to encourage a more holistic approach to businesses' potential role in development by playing on the strengths and competencies of a variety of stakeholders. One approach included in this menu is to recognise and encourage the private sector's contribution in service delivery, with governments facilitating the enabling environment for these new relationships and communities and civil society organisations providing the critical support function at a local level. The BPD Water and Sanitation Cluster's focus is to facilitate a better understanding of how these dynamics play out on the ground with regard to service delivery in poor communities.

Rather than offer a specific definition of tri-sector partnership (TSP) from the outset, a broad

MODEL CHARACTERISTICS IN TRI-SECTOR PARTNERSHIPS

As part of the process of learning, the Cluster organised sector[6] workshops from which it is possible to draw some preliminary conclusions about how different stakeholder groups interact with other stakeholders in tri-sector partnerships, attempting to get at what makes them effective and what inhibits their success. A specific research paper has also been written for the BPD*. It is from this material, together with the project analyses drafted by the BPD Secretariat, that the following list is derived. However, it is important to note that no lists can do justice to the myriad of complexities that comprise tri-sector partnerships.

- Dynamic, innovative and flexible
- Equitable
- Transparent and building towards trust
- Respectful of other partners' qualities / contribution
- Shared risks as well as benefits
- Commitment to a learning / experimental culture to promote continuous improvement
- Commitment to building sectoral and individual capacity
- Mutually beneficial to partners / stakeholders
- Delivers measurable results

* Waddell, Steve 2000 'Emerging Models for Developing Water Systems for the Rural Poor: From Contracts to Co-Production'. BPD Water and Sanitation Cluster.

[6] The overarching assumption is that, with regard to the poor, without community buy-in and ownership, project success is less than likely.

[7] Within BPD the term sector generally refers to stakeholder groups (i.e. public sector, private sector and civil society sector) rather than thematic or functional groupings (i.e. health sector, water and sanitation sector, etc.).

approach has been taken making reference to 'strategic partnerships involving business, government and civil society that may present a successful new approach for the development of communities around the world'. The original aim was for a definition to emerge from the reality, rather than predefining TSPs. A premature refinement of a definition might jeopardise the objectivity of assessing the effectiveness of the various partnerships – the temptation being to set out to prove the validity of the definition, rather than admit to any deficiencies. By implication, experience confirms that there is no single partnership *model* for success (though recommendations can be made about partnership building *processes*).

Challenges to the Cluster's work have stemmed largely from the narrowness of the original definition of the terms civil society, private sector and public sector. Admittedly, earlier analysis referred by and large to NGOs and communities with regard to civil society, to multi-nationals with regard to private sector and to the engineering offices and politicians when referring to the public sector. Unbundling or disaggregating the different stakeholder groups is clearly required affording the legitimate roles of trade unions, small scale private providers, community-based organisations, political parties, donors and any number of other stakeholder groups impacted by or influencing the partnership projects reviewed by the BPD. One important conclusion of this report is that the original notion of 'tri-sector' is misleading in its simplicity. Though more of a mouthful, the more appropriate reference is probably multi-sector, multi-stakeholder partnership.

1.3 THINKING OUTSIDE THE BOX

Several factors suggest that multi-stakeholder partnerships provide an appropriate approach to meeting the water and sanitation needs of poor communities. Firstly, co-ordination of effort towards a more holistic approach makes good sense – providing water and sanitation services increasingly involves numerous stakeholder groups. This co-ordination is particularly important given the urgency of the situation in many poor communities (and the generally less effective success rate of single sector service provision).[8] Partnerships are also presumed to be a way of providing a sustained voice to voiceless communities. This voice, though possibly challenging the direction that interventions take, leads to a greater chance of a system's long-term sustainability. Given the highly localised nature of water and sanitation services and the balancing act that occurs between stakeholder groups, partnerships may assist in more ably managing political influences over the project.

The current pitch for reform of the water sector, particularly by the donor community, acknowledges the need for participation of local people. It also emphasises the transformation of the role of the public sector, the participation of the private sector and the role of water and sanitation services in poverty eradication. Tri-sector partnerships provide a framework to bring these elements together. At the same time, TSPs offer the flexibility to provide more creative solutions to meet a basic household need that is highly visible, critical and often expensive (in more than just monetary terms but also in terms of people's time, health, etc.).

Different stakeholder groups involved in water and sanitation provision need to refine their understanding of risk management and the impact of their work on partner organisations and community expectations. Partnership provides a forum for dialogue that fosters this understanding. It also generates greater buy-in (by, for example, promoting a greater willingness to charge, a greater willingness to engage with poor communities and a greater willingness to pay). Through the fairly constant negotiation that partners undertake, it also allows for the different stakeholder groups to push the parameters of what their partner organisations, and they themselves, are willing to contribute. This ensures that the systems put in place more appropriately meet the needs of poor communities.

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[8] Again note that the term sector refers to stakeholder groupings rather than functional groupings. Also note that it has not been the mandate of the BPD to look at single sector projects.

1.4 INEVITABLE CAVEATS

The BPD Water and Sanitation Cluster has provided a variety of arenas for debate and discussion to enable key representatives from within the partnerships to reflect on their projects. It has also drawn on the experience and knowledge of external practitioners and consultants where appropriate. These efforts have served to enhance the constantly evolving framework used for analysing the partnerships. A number of research, project and time factors should be noted including:

- A reliance on quantitative data focusing on outputs (such as household and standpipe connections) rather than analysis of outcomes (such as the reduction in water or faecal borne disease, or the improved attendance of girls in school);
- The lack of a participatory evaluation or impact assessment, to provide qualitative data on the impacts on the poor, and baseline studies. These would disclose perceived levels of satisfaction and provide an insight into how communities perceive their own transformation. Only minimal consultation with communities has been conducted directly by the BPD. In some cases, project managers from each sector were the main point of contact rather than sector staff on the ground; and
- That many of the partnerships are newly formed. Representatives are not yet confident about drawing long-term lessons, and the lack of significant implementation time means that it is not possible (or appropriate) to prove or disprove conclusively whether the partnership has the capacity to ensure sustainable services in that context.

Several projects have also seen the departure of a number of key individuals. This has resulted in institutional and historical memory being lost, making interpretations of the evolution and value of the partnership more difficult and potentially inaccurate. Since there is no universally accepted approach to measuring the impact and effectiveness of TSPs, conclusions by the Cluster or practitioners themselves are likely to have been reached partly through bias or ‘gut instinct’ rather than through scientifically proven methods.

Whilst noting these caveats, some very clear lessons are emerging with regard to how partnerships should be formed and maintained and what we should be looking for from partner organisations. The table in section three provides a series of questions that should be asked at the outset and then revisited periodically by project practitioners working in partnership.

2. Lessons from eight BPD projects

The eight projects with which the BPD Water and Sanitation Cluster has been working are incredibly diverse. Several projects are major private sector concession or management contracts (Buenos Aires, Cartagena, Dakar, La Paz-El Alto and Jakarta) some of which have stated coverage targets and expectations with regard to services for the poor. In other projects, the public sector is the primary operator or provider of funds (Durban and Pietermaritzburg, the BoTT programme and Port-au-Prince). In some projects, NGOs play a leading role in terms of facilitating civil society inputs and in others they are not active players in the project or partnership, with service providers working more directly with communities. In some projects, donors play a clear role. Some partnership projects are institutionalised with partnership structures in place. In others, the relationships are more loosely defined. At any rate, the notion of working together systematically in partnership amongst all the different stakeholder groups is a fairly new approach. This section outlines six broad areas from which specific lessons have been derived relating to the nature, scope and process of partnership development.

2.1 CONTEXT AS A KEY VARIABLE

It is vital to emphasise the importance of context. Implanting a new approach (i.e. multi-stakeholder partnerships) in different contexts will generate differing results (while refining our understanding of the underlying strengths and weaknesses of its assumptions). The prevailing socio-economic, legal and cultural environments clearly influence the way projects are developed and implemented. The overriding issue to emerge from the eight focus projects has been the significance of the political environment and the consequent behaviour of various institutions and individual actors.

PORT-AU-PRINCE, HAITI

The Port-au-Prince project is unique in comparison to the other focus projects in that the provider / operator is the public utility (CAMEP) and no international private sector stakeholder is a formal partner in the project. The partnership is between CAMEP, GRET/Haiti and local NGO counterparts, the local water committees in 14 shantytowns and the communities themselves. Technical assistance had been received by CAMEP from different multi-national water companies in the past. A second tier of interested stakeholders would include small-scale water providers and the donor community (primarily the French Development Agency, AFD, and the European Union).

The project provides water through standpipes connected by a gravity flow system to water towers. Having received significant training from CAMEP and GRET, community water committees provide overall management. The water committee hires a standpipe manager to operate the system and collect payment. The standpipe itself is constructed by CAMEP with community support. They operate for a few hours a day at pre-set times. Water committees pay for the bulk water and retain some money for maintenance and the funding of other local development projects.

Understanding complex environments

Most of the projects are situated in urban environments. In almost all cases these are large and complex centres from which actions and events reverberate nationally and even internationally. The ‘free water’ debates in South Africa provide a significant example whereby an election promise for free basic services resulted in an immediate decline in cost recovery and a resulting re-think in terms of project design. (South Africa’s decisions are also being closely followed by various stakeholder groups internationally to determine the pros and cons for other projects.)

Political contexts in almost all of the projects have had both a bearing on project outcomes and on the relationships between political institutions and communities. Projects themselves can certainly influence the political context by, most immediately, creating demands

for services from unserved communities or in the longer term creating empowered communities eager to make their voices heard on a broader range of issues. The projects can also generate wider social demands from other more politically powerful income groups keen not to be 'left out' of service provision upgrades.

Understanding the dynamics of the social and political context is therefore important for project, if not partnership, success. The Port-au-Prince example shows how systematically understanding community needs and demands can create more effective relationships with community institutions. With four mayors in as many years, the Cartagena context shows an admittedly extreme example of how political change itself may generate its own internal institutional challenges to project development. In many of the focus projects, an undercurrent of debate surrounding the nature and extent of private sector involvement in water supply and sanitation has influenced who comes to the table and how.

Provision of basic services to the poor in such circumstances is, not surprisingly, bound up in local municipal and sometimes national politics. This creates the potential for the development processes themselves (and the partnerships driving them) to become hijacked by political interests or to be manipulated for gain or influence. One important issue in Port-au-Prince has been the generation of income for the water committees. Project partners have emphasised the need for transparent bookkeeping to avoid problems of resources being misused and/or of external interests seeking to control structures associated with water delivery. Communities now expect that water committees will use some of the proceeds from the sale of water for community upgrading (health, environment or social projects). This expectation is now part of the project context.

At a more basic level, introducing new players challenges the vested interests, power structures, and roles and responsibilities of small-scale private sector and informal service providers, trade unions, and community-based organisations. Changes in basic service provision in low-income communities precipitate a number of knock-on political effects surrounding resource governance. These include who controls and owns resources, rights (including issues of illegal settlements, service provision and land tenure[9]) and livelihoods (both those of communities served and of providers of 'informal' services). In short, understanding the context forces a greater analysis of who are the winners and losers in service delivery and of the partnership approach itself, hence strengthening the chances of more appropriate project design.

This political complexity is entrenched in economically complex local environments and in wider macro environments. Large, informal service sectors provide the drag or pull on rural populations and help to generate the huge low-income squatter settlements of cities such as Buenos Aires, Durban, El Alto, Jakarta and Port-au-Prince. In these areas, rural-urban links remain strong, not least because of the huge remittances of income from employment in the informal economy. These factors create a definite challenge for the utility trying to expand services in terms of planning and will probably have some influence on issues related to willingness to pay, understanding of the infrastructure itself and household usage patterns.

[9] An interesting case from Haiti and other projects includes the speculated increase in value of, and hence rent charged for, low-income housing after the installation of water services. In non-rental situations, improved services and infrastructure provide an added bonus by increasing house values (La Paz, etc.). Billing records and collections may also serve to regularise poor communities (Buenos Aires, etc.).

In-depth research in the La Paz-El Alto project was aimed at understanding water usage patterns of the Aymara people. The project partners were then tasked with meeting the needs of households where water consumption was extremely low. (Although a tap was put into a house, consumption did not increase as dramatically as may occur in other parts of the world. Houses were largely empty from early in the morning until late in the evening due to the vast number of individuals that travelled to and from La Paz, in the valley, during the day; and the temperatures were low enough on the plateau of El Alto to discourage very frequent bathing and clothes washing.)

LA PAZ AND EL ALTO, BOLIVIA

The El Alto Pilot Project – or 'Peri-Urban Initiative for Water and Sanitation' (IPAS) – is principally a partnership between the private concessionaire (Aguas del Illimani or AdI and its parent company, Ondeo formerly Suez-Lyonnaise des Eaux), the government (Ministry of Housing and Basic Services), the municipalities of La Paz and El Alto, the Superintendencia de Aguas (a national regulatory body) and international donor agencies (Water and Sanitation Program and the Swedish International Development Agency). The project includes the following elements: 1) Ethnographic research (aimed at establishing a framework for understanding the behaviour in relation to water services of inhabitants of low-income neighbourhoods); 2) Research on appropriate technology (i.e., the condominial system); 3) Technological implementation (including consultation with beneficiary communities, preliminary design, construction plus supervision, usage and maintenance training); 4) Monitoring and systematisation of implementation; 5) Institutionalisation (the development of a new set of standards and regulations for approval by the Ministry of Housing and Basic Services).

Understanding the context in the KwaZulu-Natal project took on a technical aspect in that the project partners had to determine for some communities what infrastructure had already been put in the ground years ago by previous (and now defunct) projects.

Enabling essential contexts for partners

The following are regarded as beneficial contexts for partnering:

- Relatively stable economic environment

Stable economies provide the capacity for long-term planning. Without a stable economic environment, utilities (public or private) are unlikely to invest time and money in service provision and local-level partnering. One critical problem is the capacity to establish and maintain effective cost recovery systems in highly unstable economic environments. Though the Port-au-Prince case shows high cost recovery, this is largely the result of previously far higher

KWAZULU-NATAL PROJECT, SOUTH AFRICA

Vivendi Water originally became interested in setting up a 'tri-sector' pilot project in response to the global launch of the BPD – its contacts with Umgeni Water (a bulk water supplier in South Africa) led it into discussion with Pietermaritzburg local council. Mvula Trust agreed to form the 'NGO' pillar of the arrangement, principally to gain experience of working in urban environments. Durban Council joined a few months later as did the Water Research Commission. A Memorandum of Understanding (for the project in Pietermaritzburg) was followed by a formal Co-operation Agreement, detailing the roles, responsibilities and governance structures of the pilot partnership.

Several pilot schemes are now up and running in five selected communities in the two cities (ranging from 700-4,000 households each). Various solutions include a three service-level scheme, individual flow limiters and community service centres. Most recently a new project on customer management has been started in a pilot area, the methodology of which builds on lessons learned to date.

private vendor tariffs and the current low rates of consumption by communities given the existence of alternative sources for non-drinking purposes. Elsewhere the combination of deteriorating economic environments and the introduction of new tariff structures can be a politically awkward combination (as in Jakarta) and may impede or slow investment particularly in volatile political environments. With greater instability, transaction costs rise. However, the greater the instability, the greater the urgency for joint solutions which might promote a partnering approach.

- The availability of political will and the push of political expediency

Political will is an essential driver to work with NGOs, trade unions and other public sector institutions that may be opposed to reform or more specifically private sector involvement. Often political will is manifested in the form of 'political champions'. These individuals will not only raise the profile of the project but will also capture wider intra-institutional interest and support. These drivers – as 'instigators' of a process – are often critical to its success. However, their centrality can in and of itself become a weakness. *(Also see section 2.5)*

Political will is tied largely to political processes including the electoral cycle. The danger of this dynamic lies in the overt politicisation of the partnership process and the perception that the project is a 'pet' of one or other institutional actor. Nevertheless, without the will to create the conditions in which partnerships can form and succeed, little further progress is possible. This is especially true in politically hostile environments. In many countries, elections come as frequently as every three years (and in some municipalities the incumbent is not allowed to run for a second term). Given such short time frames, many politicians may be unwilling to promote such radical change to service provision. In Cartagena, however, given their potentially explosive nature, poor neighbourhoods have been the target of fairly continuous promises that now have to be made good.[10]

- A willingness to build social capital

Successful projects in poor communities depend on the involvement of local communities and/or civil society organisations in the local provision of water and sanitation. There is frequently a 'blurring' of civil society roles (as institutional actors) with wider meanings of 'society'. The essential binding element is the network of informal associations and processes comprising 'social capital'. The existence of sufficient willingness to create social capital is an important element

MARUNDA PROJECT, JAKARTA, INDONESIA

In June 1997, PAM Jaya (the public sector utility) signed Co-operation Agreements, comparable to concession contracts, with private foreign investors. The partner selected for East Jakarta included a local majority shareholder and Thames Water International (TWI). PAM Jaya continues to own the assets but the use of assets (and their management, improvement and expansion) has been licensed to the private partners for a period of 25 years. About 80 per cent of PAM Jaya's staff were seconded to the two private concessionaires; the remainder continued to be employed by PAM Jaya. Other participants that play lesser roles specifically in the focus project area include: the municipality of North Jakarta, the Ministry of Public Works, the trade unions, the Consumer Association and Marunda City Planning Council.

The focus project covers the expansion of piped water supply for household connections in Marunda District – a poor community of eastern Jakarta. Marunda is home to approximately 1,600 households (or roughly 9,600 people). Currently the infrastructure network serves 1,540 houses with running water.

[10] In fact, capitalising on the political will invested in the project, both the Mayor of Cartagena and President Pastrana were present at the inauguration of the water service in El Pozón district in mid 2001.

in successful implementation at a local level. The Port-au-Prince example shows how the development of social capital in the form of community-level organisations has facilitated the creation of an effective and functioning water supply, despite difficult economic circumstances and poor government-community relations at the outset. This project has succeeded in overcoming severe political obstacles combined with severely fractured communities largely through the techniques used to build social structures and community ownership.

Though certainly not the only catalyst, the role of NGOs in developing social capital can be critical. Depending on its reach and relationship to communities, public sector actors can also harness and develop social capital as the Port-au-Prince example illustrates. In La Paz-El Alto, the company (Aguas del Illimani) took on the role of social mobilisation to develop the condominial sanitation system in poor neighbourhoods. Nevertheless, NGOs remain important intermediaries for fractured community level organisation in Buenos Aires, for example, with its varied immigrant population. NGO involvement in Jakarta might have allowed for broader benefits to the community expanding on those already brought by piped water supply. NGOs, however, must be recognised as only a subset of civil society and not wholly representative thereof. Similarly, NGOs come in a variety of shapes and sizes with varying capacities, motivations and operational styles.

NGO involvement can highlight some of the inherent difficulties of being charged with social intermediation and the strengthening of social capital on the one hand and partnership with private sector organisations on the other. The Mvula Trust, in both the BoTT and the KwaZulu-Natal projects, has been subject to such challenges. Some researchers question whether social capital has been misappropriated through partnering with stronger external groups, whether the expectations placed on social intermediaries have exceeded their own capacities and willingness to engage, and whether the wider political and ideological debates surrounding water policy development have not overshadowed this capacity building at the local level.

BUENOS AIRES, ARGENTINA

In May 1993 a 30-year concession for W&S provision was awarded to a private firm, Aguas Argentinas (AA, parent company Ondeo, formerly Suez-Lyonnaise des Eaux). Since then, a unit has been developed within AA specifically to address the needs of poor communities (the ‘Sensitive Areas Unit’). Other actors include the 18 municipalities (acting individually and as represented by the new Forum of Municipalities). ETOSS (Ente Tripartito de Obras y Servicios Sanitarios) is an independent regulatory agency created in May 1993 and has recently created an advisory body comprising consumer associations. AA is working directly with several communities and also NGOs, community-based organisations and consultant groups in different parts of the city. To date, these include the International Institute for Environment and Development – Latin America (IIED-AL), Fundación Riachuelo, ADESO, Eva XXI and Alma. The donor community also supports different programme components. Various partnership approaches have been used to facilitate this expansion to poor neighbourhoods.

- The importance of regulatory frameworks

Broadly stated, regulators through overseeing the contract have a mandate to ensure public health and environmental protection for the consumer, as well as economic fairness for the consumer, the service provider and the public sector. Though not obligatory, regulatory frameworks can perhaps be important in ideologically contested contexts and can help to encourage wider stakeholder involvement by providing effective third party scrutiny of processes. In Buenos Aires, one response has been to create forums for stakeholders to participate in the process through public hearings and advisory boards working with the regulator. A regulator can help to ensure that the playing field is level for all partners, and that stages in the

process of project development are monitored and outputs assessed against stated objectives. Maintaining a watching brief on transparency is also important, given the frequently unbalanced power structures (based largely on access to information) within multi-stakeholder partnerships (MSPs). However, regulatory frameworks can also pose limits on innovation (by restricting standards and norms which do not allow for alternative technologies, as in Buenos Aires, by changing the rules of the game and frequently placing new demands on the operator, as in Cartagena, or by challenging the findings of the partners, as in La Paz-El Alto). A further challenge is that NGOs are also not usually responsible to or held accountable to regulators.

For partnerships, perhaps the most important function of a regulator or regulatory framework relates to ensuring that grievance mechanisms are available to all key stakeholder groups. Such grievance mechanisms need to be impartial and accountable. (A key question in this regard for the BPD is whether the partnership itself provides some form of regulatory function given the more holistic balancing act that occurs between the different stakeholder groups.)

Thus, analysing the obstacles the economic and social environments place on project development and understanding the realistic options for applying regulatory frameworks are frequently cited by project implementers as insufficiently resourced, in terms of finance, time and dialogue. Partnerships amongst different stakeholders, by virtue of the different viewpoints brought to the table, help to fill some of these gaps in understanding.

2.2 BUILDING ON EXISTING ASSETS AND FILLING GAPS

One of the key findings arising from the examination of the various projects is that partnerships are most effective when they build on the ‘assets’ of each partner. In this way, the capacity of each actor is the starting point for the partnership and roles are thereby allocated in relation to the natural potential and the comparative advantage that one actor shows in relation to the others. Partnerships that have developed this way are presumed to have more immediate success, and work more naturally, than those developed to meet predetermined notions of the roles each sector should play.

While tri-sector partnership in the BPD Water and Sanitation Cluster is not described in definitive terms, the terminology carries implicit assumptions. The Roles and Responsibilities Wheel (Diagram 2.1) illustrates what we may expect to find in a ‘tri-sector’ partnership, looking at the core competencies that each sector is expected to bring to the table. Tri-sector partnerships are presumed to incorporate private sector funding and technical contributions, public sector guidance, monitoring and regulation, and civil society/NGO sector links with communities and households. To some extent the experience in the projects challenges these assumptions by recognising that in practice, the potential roles of an organisation do not necessarily align with predetermined sectoral divisions. It challenges the idea that there is a pre-set role (or set of roles) that each sector is immediately and categorically allocated. By creating wheels for each of the focus projects, we find that they all look quite different.

This suggests that the NGO can “regulate” through a watchdog organisation, as is in part the role of the Consumers Association in Jakarta, and the public or private sector can use skilled staff to strengthen community organisations as in Port-au-Prince or La Paz.

In order to establish the 'asset framework' of a potential partnership, it is necessary to first identify the various roles that need to be filled. These roles will also vary depending on the objective (and thus the nature) of the project.

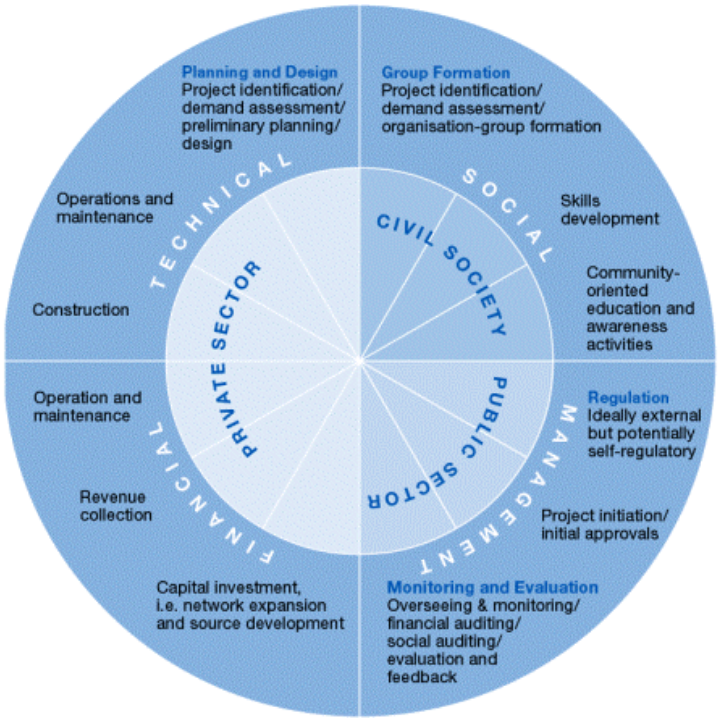

Diagram 2.1

This lesson of the BPD water and sanitation partnerships to date suggests that, while this pre-set 'functional division' found in the wheel diagram above may well describe the situation in some partnerships, it must be redefined in others when functions are shifted around to match the capacities of local organisations. To this extent the 'role limits' of each sector are described in relation to the competency, capacity and capital of the organisation(s) representing that sector in any given context.

Years of water and sanitation projects targeting the poor have highlighted great diversity in the capacity of public sector and NGO organisations, vast differences in the capacity and interest of communities, and the unpredictable nature of relationships between community, NGO and public sector organisations. Bringing the private sector into the equation should not affect the importance of building on existing strengths and capacities in any given situation. Building on existing assets and filling important gaps, without pre-assigning roles, has several advantages as outlined below.

Avoiding pre-set roles during partnership initiation

The partnership in Port-au-Prince is a case that illustrates a successful partnership between the community, the NGO and the public sector in response to a chronic need for clean water. Due to a number of externalities, it was not feasible to pursue interest from the international private sector. Yet, driven by need and building on the assets of the actors willing and able to participate, an effective partnership was formed. In time, this success may stimulate the interest of the private sector, but

DAKAR, SENEGAL

A private firm, Senegalaise des Eaux (SdE) has signed a 10-year affermage contract for operations and maintenance with SONES, a state body that owns the infrastructure. SONES and SdE work in partnership with an international NGO with local roots, ENDA. Other actors include the municipalities, neighbourhood associations, national government and donors (who fund ENDA's work). The three main partners work together to provide poor communities with standpipes. In effect there are two types of standpipe scheme – in one SONES fully finances the cost of the infrastructure, in the other ENDA finances the infrastructure. This latter scheme, known as the 'Eau Populaire' programme is six years old. In the last five or six years, the SONES scheme has installed roughly 280 standposts, the ENDA scheme roughly 250.

in the meantime, the community group-NGO-public utility partnership has facilitated water for over 500,000 people in the shantytowns of Port-au-Prince. Similarly in the Dakar case, significant financial resources have been brought in (from the donor community) through the NGO to develop standpost projects. As mentioned earlier, the company in La Paz-El Alto (Aguas del Illimani) undertook the social mobilisation of communities.

Ensuring broader, more inclusive and realistic partnership approaches

In many successful partnership arrangements involving civil society as well as the public and private sectors, an external agent has facilitated the process. Yet the implicit definition of tri-sector partnerships does not acknowledge the crucial role that external agents, such as donors, often play in the development of new methodologies. In the La Paz-El Alto project, the Water and Sanitation Program (WSP) and the Swedish Aid Agency (SIDA) played central roles. Early on they facilitated the interaction between the operator (Aguas del Illimani), the municipalities and the national regulator (Superintendencia de Aguas) while promoting the condominial technology, capacity building and monitoring. In this instance, they performed many of the social and institutional roles typically allocated to the NGO sector. The case deserves attention for two reasons. Firstly, the decision that the local NGO sector did not have the capacity to fill the role meant that a fourth 'sector' stepped in. Secondly, given the timebound nature of WSP's original intervention, it highlights the importance of an exit strategy for donor organisations to transfer responsibilities to a local stakeholder group.[11]

Changing and shifting roles as the partnership matures and capacity develops

The need to accommodate change in partner roles and responsibilities comes with increased capacity and experience of working in a partnership. Time may also reveal that partners have hidden talents to contribute to project development or latent problems or lack of capacity that affect their ability to fulfil allocated roles. As in the two South African projects, NGOs outsourcing to local consultants (becoming a manager as opposed to a direct implementer) is one possible related outcome. Thus, taking advantage of each partner's assets is an ongoing process that needs constant monitoring, feedback and revision. By extension, temporary arrangements might facilitate a process at the outset but may change over time. For example, the NGO partner often acts as tertiary service provider to speed up delivery to the poor and municipal staff often work in the field with poor communities. *(See section 2.6)*

[11] A similar scenario could be envisaged for an international NGO in other projects.

BOTT PROJECT, EASTERN CAPE AND NORTHERN PROVINCE, SOUTH AFRICA

In 1997, South Africa's Department for Water Affairs and Forestry (DWAF) signed two-year FIDIC-based contracts (extended by two years in 1999) with four BoTT consortia, one in each of the country's four poorest provinces. Two of the four provinces with Project Implementing Agencies – Metsico in the Northern Province and Amanz'Abantu in Eastern Cape constitute one focus project of the BPD. These are led by Water and Sanitation Services of South Africa (WSSA), a subsidiary of Northumbrian Lyonnaise International (NLI – and therefore of Ondeo [ex-SldE]). Both incorporate the Mvula Trust for the institutional and social development (ISD) elements of the programme. The intention is to transfer responsibilities for rural W&S to local authorities and/or communities. An Employer's Representative (ER) oversees the consortiums on behalf of DWAF.

BoTT (Build, operate, Train and Transfer) is a public-private partnership with scheme funding from the public sector and project implementation work undertaken by partner consortia. BoTT is primarily targeted at poor communities and small, largely poorer, towns. One of the key principles is that sustainability can only be achieved by actively involving communities and local government in all stages of the project life cycle. BoTT thus attempts to build up capacity within institutions, communities and councils in order to pursue an integrated and participatory project development approach. A 'one-stop shop' capacity is created via a consortium of service providers with expertise in five key disciplines: design, construction, operation and maintenance, on-site sanitation and ISD.

Responding to local and specific objectives

As project objectives vary considerably, different partnership processes will evolve. This may mean different roles, partners and combinations thereof. The critical element in partnership formation is to ensure that the strategy envisaged has been aligned with specific objectives and not with an external force. KwaZulu-Natal and the BoTT in South Africa differ in this regard in that the BPD pilot in KwaZulu-Natal was carefully and methodically structured to meet a project end. While the final impact is as yet unknown, the partnership has emphasised objectives and is structured to some extent around them. The BoTT on the other hand is led by the Department of Water Affairs and Forestry, in which the contract and contractual arrangements (rather than the objectives of the project) may have overshadowed the original plan for more flexible implementation mechanisms. Though the BoTT's delivery to numerous poor communities has been impressive, some question whether the numbers would have been that much higher had the partnership rather than the contract been the dominant force behind the project.

Unbundling and allocation based on capacity of the partners

The concept of 'unbundling' is well established in the delivery of urban services. It suggests the need to disaggregate infrastructure and service activities (by level and area for instance) and to undertake these activities in the most appropriate way. In the Dakar partnership in Senegal, the private operator supplies water to the town and distributes it in non-poor networked areas. The public sector body (SONES) and the NGO (ENDA) play a central role in facilitating improvements in poor areas by carrying out much of the secondary and tertiary infrastructure works, which then link into the company network. In this case, the unbundling (and the lack of concern for exclusivity) has resulted in the delivery of a clean and reliable water supply to over 320,000 low-income residents.

A related point suggests that in a given context, a certain stakeholder may not be given the opportunity, or may not find it appropriate, to perform all the functions they have the capacity for. Many NGOs, for example, have the capacity to conduct research with poor communities, to provide secondary or tertiary services in these same communities (serving as an implementing agent for the private sector) and then also the capacity to serve as a watchdog conducting local monitoring and evaluation.

Several of the NGOs involved in the BPD noted that working in all three areas proved conflictual, suggesting that they could not both actively implement projects while serving as a watchdog. In essence, each stakeholder must determine where it is best placed to make a contribution.

2.3 UNDERSTANDING PARTNER INCENTIVES AND CONFLICTS

To reduce the transaction costs for partners and get the best out of MSPs, each partner must be familiar with both their own and their partners' incentives and constraints. It is vital to understand the benefits and assess the costs to different partners (i.e. institutions and individuals). Here costs and benefits are not just financial, but also involve the making or breaking of reputations by establishing or destroying legitimacy and credibility. They may also include international recognition and exposure (for individuals, organisations and/or projects). Points to consider include:

Assessing individual group versus stakeholder-wide incentives

There is a need to distinguish between individual and collective incentives among 'same-sector' organisations. Though there were expectations in several projects that organisations from the same sector were likely to 'speak the same language' and be in agreement on partnership and project approaches, this was often found not to be the case. NGOs may find it difficult to reach common ground on project implementation issues with other NGOs. Though they may come to the same conclusions with regard to their macro assessment of the context, they should not be expected to respond and behave in the same way. The same could be said of the private and public sectors. The BoTT project is perhaps the clearest case in point whereby in the project implementing consortium, there are several different types of private sector firm – a design firm, a construction firm and an operations and maintenance firm. Each of these will have its individual agenda, incentives and obstacles. Though we can perhaps expect their decision-making processes to be similarly oriented, when they come together to the table, very different project development perspectives should also be expected. Similarly the incentives of the Mayor's office versus the Community Participation office for a municipality like Cartagena should be expected to be different. Partnerships that bring different organisations from the same sector need to ensure that they do not oversimplify the sectors. One way around this is through the creation of a same sector forum as in the case of Buenos Aires in which a Forum of Municipalities brings together the 18 different municipalities that make up greater Buenos Aires. This allows the same sector partners to negotiate a joint position, in this case presumably making it significantly easier for the operator, Aguas Argentinas, rather than having to deal on macro issues with at a minimum 18 different municipal units.

Addressing conflict and promoting innovation through creative tension

MSPs are not static, but are made up of a dynamic set of relationships. They allow partners to develop empathy and respect for each other's roles and characteristics. Therefore, partnerships with a different sector (e.g. an NGO with a commercial firm) inevitably lead to some conflict over compromise. In the short term, this may lead to project delays with subsequently higher costs or negotiated changes to project design that may increase or decrease transaction costs. However, a key lesson of MSPs is that they provide a forum in which conflict can be addressed and channelled productively; though more work needs to be done in this area, this presumably reduces transaction costs in the longer term.

Partnership, by its very definition, should be a non-exploitative process. Precisely because of the different incentives and constraints (and assumptions made about these), MSPs are unnatural relationships and require significant work to maintain them. However, conflict can promote innovation. MSPs are about sharing capabilities and risks. An added value relates to the question of whether MSPs can be self-regulating; two sectoral counterweights can help redress power imbalances, make decision-making more holistic and the finding of solutions more creative.

EL POZÓN,
CARTAGENA, COLOMBIA

In 1994 Aguas de Barcelona (AgBar) entered a joint venture with the Municipality of Cartagena (represented today by the Mayor and the Office of Community Participation) to create Aguas de Cartagena (Acuacar). They work together in El Pozón, one of the Municipality's poorest districts, whose residents are represented by Community Committees (Juntas de Acción Comunal & Juntas Administradoras Locales) who have signed agreements with Acuacar. MPDL, an international NGO, under contract to Acuacar, conducted surveys in El Pozón – they have since ceased their involvement in the project. The World Bank, via a loan to the Municipality, supports the development of W&S infrastructure in Cartagena. A Bogota-based regulator and a citizen watchdog group, FUNCICAR, also play minor roles.

The El Pozón pilot project is divided into the following components: i) surveys in the community; ii) construction of the infrastructure; iii) education and awareness campaigns targeting community buy-in (and hence greater cost recovery); and iv) modifications to the customer service programme to facilitate better operator-customer relations. As part of the World Bank loan, Acuacar will undertake a major $2.5m investment programme to radically improve water supply to El Pozón. A pilot project is expected to begin in El Pozón in 2001 under which payments will be collected weekly instead of monthly via mobile collection teams.

Understanding financial incentives

Financial incentives are normally associated with the private sector. However MSPs working in poor neighbourhoods overturn the conventional wisdom as financial incentives may be more about mitigating risk and cost savings than revenue generation. In several cases, Jakarta, Buenos Aires and Cartagena included, the early efforts of companies to provide services to poor communities are as much about reducing vandalism, ensuring staff security and reducing unaccounted for water as they are towards converting the poor into paying customers. In Port-au-Prince, the local public utility was reluctant initially to bill water committees for the bulk water supplied to them for resale. It was the NGO that convinced the committees to pay regularly, thus establishing their creditworthiness. The public utility now sees the standposts in the poor communities not as an obligation, but as their best customers – one bill, one meter and numerous served paying customers.

Similarly in Port-au-Prince and Dakar, powerful financial incentives have been created for the community groups managing the system. These financial incentives form one part of empowering (and potentially politicising) these processes in poor communities.

In several of the projects, companies or public sector offices subcontract NGOs to conduct discrete pieces of work. This provides financial incentives for the NGOs but some would say with inherent conflict of interest and at a potential cost to their reputation. NGOs thus have the challenging task of determining their actual ability to influence the wider programme through these subcontracts versus what they could realistically achieve through other means.

Several project partners also suggest that the design of the partnership has to be very carefully thought through should such financing mechanisms be used. For example,

it can be difficult for NGOs to fulfil the demands required by contracting on the one hand, whilst maintaining their commitment to grassroots development and an independent, voluntary ethos on the other. The pressure is on NGOs to become increasingly commercial and short-term in their thinking and actions, in order to implement their contracts efficiently. This makes distinctions between them and consultants less obvious and potentially divorces them from other roles of advocacy, lobbying and holding government accountable. This often conflicts with their desire to spend time maintaining close, long-term relationships with communities – a primary distinction between NGOs and consultant groups. No doubt, the Mvula Trust received significant criticism from other NGOs for becoming involved in the BoTT programme. Their main defence was to suggest that had they not been part of the BoTT programme, then the institutional and social development aims would have been completely overshadowed by the contract approach.

Understanding and building local stakeholder constituencies

The creation of local champions will assist the project partners in engaging in social intermediation, essential for creating ownership of the process. Local stakeholders can be committee members, community mobilisers, or even local waterpoint managers. As a vehicle for social intermediation, local champions will also be important in establishing community inputs into works programmes and assessing levels of community demand for services.

Several projects incorporate local level representation. This also involves extending local ownership beyond established power structures, particularly the more formalised local municipal variety and engaging in a gender-based understanding of communities and civil society. This relates to processes of social intermediation in gathering information on community needs, perceptions of choice and agreement to take on particular levels of service. It also allows for the integration of locally-generated indicators of success whereby projects like that in KwaZulu-Natal directly seek beneficiary input as to what measurable targets of the project would look like. More widely, there are concerns that in the absence of effectively engaging with stakeholders ‘at the back of the room’, meaning those that do not actually get to sit at the table or under the tree, other project partners can reach decisions on technological issues and demand for water, perhaps based on a poor understanding of local context.[12] Building local constituencies could have assisted several projects, most notably the Jakarta case, by bringing the focus back to the project and the beneficiaries, i.e. the primary objective of the partnership.

Understanding individual incentives

Understanding individual incentives also offers up interesting insights within the different projects. Individuals naturally respond quite differently depending on their own personal circumstances and backgrounds. For example, a public sector or NGO representative about to retire might be more willing to take chances and experiment with different approaches than someone earlier in their career. A programme officer for a donor organisation might respond quite differently if the project was one amongst many in his/her portfolio versus the primary mandate of that individual. A private sector individual trying to make some headway in a company might be willing to push the parameters well beyond a less ambitious individual. Gauging what is at stake and what are the aspirations and obstacles for the individuals sitting around the table will allow some insights into ways to deepen the partnership.

[12] Though these may not be new considerations for NGOs and the wider development community, for some service providers, new processes are involved to move beyond assumptions that working taps and paid bills mean success.

2.4 UNDERSTANDING TIME FRAMES AND REQUIREMENTS

Two elements of time need to be considered – organisational time and partnership time frames. The first suggests that organisations within the different sectors have different time frames that determine how they make and then act on decisions. Financial and donor cycles, electoral cycles, seasonal cycles and contract cycles dictate to some extent organisational behaviour among the different sectors. Clearly the discrepancies most often lie between NGOs and the private sector; NGOs suggest that proper institutional and social development takes considerable time whereby design and construction time frames are usually more predictable. Such differences in stakeholder time frames play a role in all the projects with the community itself usually caught in the middle – wanting appropriate and affordable services as quickly as possible.

Ensuring modest milestones that coincide with partner cycles

Working in partnership requires that time frames for different constituencies are understood and as much as possible accommodated. This implies the need to create modest milestones and achievements that coincide with key partner cycles, i.e. that the public sector has something to show before elections, that NGOs can meet donor and community requirements and that private sector firms can show progress toward contractual obligations. The time element of project design and implementation proves to be a constant source of negotiation between multi-sectoral partners. The most obvious instance of this is found in the BoTT project whereby the myriad of private, public and civil society groups involved all add to the complexity of project planning. As all stakeholders generally recognise, time is a precious commodity that must be carefully managed: shortages of time lead to rushed decisions and botched projects with higher long-term costs, whereby excess leads to loose-thinking, unfocused implementation and higher short-term costs.

Allocating time for partnership building and process reviews

The time element of partnership building also requires serious consideration: speed is good, but haste is bad. The evidence suggests that to some extent MSPs work against slowness and lethargy, but also can brake (not break) the momentum when required. Partnerships have an ebb and flow, needing regular structured reviews and with time limits that are natural or pre-set. Agreed objectives should incorporate a negotiated time element as MSP projects do not operate as a one-off transaction.

Partnerships require time to gel. A balance must be sought between the need to prepare and implement adequately, and the need to build common vision and consensus by allowing time for personal and organisational relationships to flourish. Insufficient time and attention allocated to nurturing and maintaining relationships proves to be a sure-fire indicator of troubles ahead.

Two case studies illustrate these points. In La Paz-El Alto, external pressure for progress (and incentives to portray early successes of the project) clashed with the much longer partnership-building and project development time frames. Precipitous reporting internationally extolled the virtues of the project before sustainability and replicability could be measured adequately by each partner, making for some minor discomfort within the partnership. KwaZulu-Natal highlights the crucial point that the partnership must meet partners' needs to hit particular goals and cycles. All three sectors needed timely tangible results to make the case internally that the investment (in time and money) was worthwhile – before elections of new councillors, before the end of the financial year and the next year's budgets were drawn up and before the community rejected the effort.

Each stakeholder group needs to negotiate more realistic time frames, including recognising the enormous time cost of building strong MSPs. Companies commit significant human and financial resources at once and run through a process of problem/decision/action. NGOs risk compromising consensus building participatory

methodologies in order to get the job done to please the corporate and municipal partners. The private and public sectors rarely accept the time required for proper institutionalised social development work in the target communities suggesting that their perceptions and measures of success are different. NGOs may also rely on this reasoning to compensate for a lack of adequate resources to get the job done. The challenge of the MSP from a business perspective is that NGOs work slowly with few staff committed to projects; they need time for consultation and consensus building through a social process approach which is necessarily slow.

2.5 DIFFERENTIATING BETWEEN INDIVIDUALS AND INSTITUTIONS

A further set of lessons relates to the question of individual versus institutional relationships. The key focus of partnership success or failure is in the type of relationships involved. From the focus projects examined, the important function of 'process champions' or 'process detractors' emerges whether they be political, civil society or private sector individuals.

Recognising the critical role of champions

The initiative taken by individual 'champions' provides an important impetus to the formation of partnerships. Through a combination of approaches, a champion brings on board other external interests – including possibly conflicting political interests. A champion can create the momentum required for the formation of relationships with other institutions, including local level civil society. In Port-au-Prince, for example, the strength of lead individuals within partner institutions clearly helped to drive the process forward, supported by effective institutional back up.

As well as providing leadership within a partnership, a champion also provides a focal point for external interests and identifies like-minded individuals in other related institutions. Champions help reduce the layers of management while increasing the capacity for fast-track decision-making. Clearly the inherent dangers are that individuals can run faster than their respective institutions in developing relationships leaving behind the institutions that need to make the projects work. This could make both the individual and the partnership susceptible to criticism from less supportive elements both inside their organisation and out. Therefore, champions require the perceptiveness to see that the process needs to exist beyond their individual commitment to it. All of the projects have these champions and all continue to work towards overcoming these obstacles.[13]

Ensuring durability through institutional arrangements

The institutional arrangements of partnerships require some form of structured support to ensure that the replacement of a champion in a particular post does not render the relationship either untenable or dysfunctional. Relationships need to be robust enough to withstand the possibility of high individual staff turnover. The institutional memory of these champions needs to be recorded and kept for open access to inform partner institutions more widely and to leave a clear 'archive' of the relationship for their successors.

This suggests that there should be a natural progression from partnership arrangements between individuals representing organisations to partnership arrangements between institutions themselves. Again, for a variety of reasons (contextual, personal, or otherwise), several of the focus projects exhibited difficulties in making this transition.

The need to further institutionalise has been evident in almost all the focus projects, although individual commitment has generally not been in question. In a number of

[13] Champions might also take the temporary and intermittent form of external agents that serve as catalysts, facilitators/brokers and conflict resolvers.

projects, the importance of building from paper commitment to the partnership up to active membership was also raised – particularly of political actors. This engagement of stakeholders in a pro-active way is a clear benefit of having champions on board, but it can also arise if the relationships between institutions become overly personalised and, in a sense, 'exclusive.

Planning for succession

Structured institutional arrangements and records draw attention to the need for effective succession planning. In fact, the process of succession needs to be built into partnership arrangements rather than be left to individual institutional actors. Perhaps 'individualism' is necessary at the start-up phase, but it becomes increasingly dangerous later on in the relationship when 'collectivism' should take centre stage. It will also help to ensure that there is institutional readiness for change. In Cartagena, the rapid turnover of political actors has meant that each time a new mayor has been elected a process of 're-education' for new municipal staff begins afresh. Staff turnover is an enduring reality in many of the contexts within which MSPs work and this problem has to be addressed as well as the more specific 'change in champions scenario.

Succession itself may lead to some degree of fuzziness in relationships between institutions, given that a partnership is a social and not a mechanical or strictly contractual process. Hence succession planning should be an MSP-wide process to ensure that all partners are stakeholders in orientating new participants. The La Paz-El Alto is a case in point whereby several of the key figures from the different institutions left the project within months of each other. Naturally, a few months were then required to regain a footing and re-establish relations between the different stakeholder groups. The clearest recommendation would be for induction processes to be set in place for the partnership project much as would be the case for induction of a new staff member. This may also be the time to hold structured reviews.

2.6 ALLOWING FOR TRANSFORMATION, MODIFICATION AND CAPACITY BUILDING

A final finding from the analysis of the eight focus projects concerns the need to understand the transformation and modification processes that occur within a partnership separate from changes in staffing or representation. Change occurs as a matter of course both internally within the partner organisations and to the partnership itself. Within each sector, therefore, each organisation must address the characteristics that constrain them from 'partnering' in the first instance or from adapting as the project and partnership progresses. In most instances, modifications will require revisiting the capacities and incentives of the stakeholder groups involved. Each stakeholder group would clearly benefit from capacity building tailored to suit their existing capacities and deficiencies.

However, skills alone will not always create a successful partnership if one partner fails to effectively market the partnership internally and create a welcoming relationship with partner organisations. Reluctance on the part of staff or lack of commitment on the part of the partnership designate provide clear indicators of challenges ahead. As obvious as this seems, this factor seems to be the most often repeated difficulty for partnership approaches. It is therefore necessary to look at the ability of each partner to undertake (and analyse) its role as a part of a greater whole.

This modification of behaviour, capacity building and partnership transformation does not (and should not) detract from the fundamental aspects of that stakeholder group, aspects that result in their having a position at the partnership table. Organisations must change to accommodate the process of partnership while also maintaining their focus, upholding their core values, perfecting their core competencies and maintaining their specialist skills. Losing the unique contribution

that they make to a partnership is equally as damaging to the partnership as a lack of integration and divergent objectives.

Developing capacity for partnering

A number of lessons drawn from the eight BPD projects point towards some of the key skills and abilities required to enter into a partnership (particularly a multi-sector partnership) and offer suggestions on how to become an effective partner. These include:

- the capacity to understand how partnerships can create a strategic advantage.
- the capacity to clearly define sectoral objectives, and to recognise that the partnership depends on each actor meeting their own objectives. Recognising that each organisation has its own agenda, incentives and internal conflict assists in the development of a mutually supportive partnership environment.
- the capacity to develop a set of common objectives and a common vision, which provides a focus for what can be achieved rather than what cannot. Closely associated with this is the need to understand each partner's bottom line – the issues and demands that are non-negotiable for that partner.
- the capacity to respect other partners, develop some empathy for their roles and characteristics and to learn how their capacities can be put to best use in the partnership.
- the capacity to listen to the concerns of other partners as well as their own obstacles and think laterally about how these can be solved, rather than thinking in terms of how they can be dismissed.
- the capacity to envisage a flexible and fluid partnership arrangement and service delivery process that adapts to contextual and partner change and takes on revision and reorientation as necessary.
- the capacity to understand that some modification and compromise is necessary to create a sustainable partnership, and that a partnership based on an unequal footing is fundamentally unstable and ultimately unsustainable.

All of the focus projects fall short of the mark in some of these areas. The challenge for many of the partnership projects is to effectively integrate these processes after the fact. Given that we know more about partnerships now than we did a few years ago, it is safe to say that several of the projects would be created quite differently were they to be created anew today.

In the KwaZulu-Natal pilot project, mutual respect and recognition of the roles each sector plays within the partnership has been a key contributor to successful communication and the development of a conducive relationship for service delivery. This is largely due to key individuals in each sector and the determined efforts to establish this as a partnership 'test case'. As a result, there is a significant degree of trust between the partners and a strong belief that there is a strategic advantage in each member being involved in the partnership. A key aspect of this is that the private sector partner has unambiguously 'bought into' the social and institutional aspects of the project and uses it as a means to develop capacity in this area. It is unlikely that this exchange would have been as successful if the private sector did not feel at ease with the professional approach of the institutional and social development (ISD) consultants, or if they were constricted by contractual obligations which pushed up time frames and removed some of the flexibility from the equation.

Developing an effective interface

There is a need to undergo some form of transformation or modification to enable organisations to work effectively as partners. Any public-private partnership (PPP) initiative provides an illustration of the vastly different work practices of the private and public sectors, and more recent initiatives expose the vastly different values of the private sector and the NGO sector. Yet it is necessary for all partners to explore how they will work together to form an effective whole. One of the lessons arising from the BPD focus project analysis was that each partner (as individual and as institution) needs to 'soften their edges' to create a more accepting intersection/meeting place.

In La Paz-El Alto, for instance, the pilot project illustrated instances of both the public and private sectors softening their stance to accommodate the partnership for experimentation's sake. They were able to do this without removing the core values and assets that made them an effective member of that partnership. In contrast, the case of Jakarta illustrates a situation where significantly greater benefits might have been seen by the community and the partners if the level of dialogue was able to be enhanced.

Yet often when partners modify their behaviour to suit the partnership, they find that the modification leads to internal tensions within their own organisations. This is often seen between the private sector and the NGO sector, when staff members in the private sector are allocated to work with poor communities and are soon marginalised from mainstream operations. Such was the case in La Paz-El Alto, until the unit responsible for the pilot programme was mainstreamed into the technical offices of the company as well as in Buenos Aires until the staffing of the Sensitive Areas Unit in the company was increased. Conversely when individuals within an NGO suggest that working with the private sector would be a more effective approach, they may initially find themselves marginalised within their own organisation.

Acknowledging the natural transformation of the partnership

As stated, it is important to recognise that partnerships change and that the partnership as a whole is likely to go through its own transformation process. The process of capacity building will result in partners developing new areas of confidence and new capacities. This may result in a shift in the allocation of roles and responsibilities, as well as a change in relationships. In other circumstances the partnership combination may change because of an extension of activities or because one partner is struggling to fulfil particular aspects of their work. The reality of partnership implementation is that it is a dynamic process that must respond to a range of internal and external factors. In order for partnerships to undergo the kinds of positive transformation needed for them to be an active, dynamic process, contractual arrangements and management processes must allow for change, encourage openness and promote transparency.

Yet, in some cases change may be unanticipated. In Port-au-Prince, a project aimed entirely at improvements for the poor, GRET/Haiti the NGO partner and the driving force of this public-NGO partnership, facilitated the capacity building of water committees. The committees now play a central role in decision-making, hiring and supervising operators, organising the operation and maintenance, and addressing community grievances. GRET/Haiti also established methods for effective skills transfer to the operator (in this case the public sector). At this stage, the capacity building and handover process carried out by GRET had been so successful that the arrangements for ongoing delivery, operation and maintenance were sustainable without their further involvement. They had successfully worked themselves out of the water project and have since moved on with a similarly structured partnership for sanitation.

Early on in the Buenos Aires project, pilot projects in a few communities resulted in notable success allowing the partnership to expand significantly bringing in new NGOs and community groups, consumer advocacy groups and seeing the formation of the Forum of Municipalities – all of which continues to transform the dynamic of the partnership.

3. Building Multi-Stakeholder, Multi-Sector Partnerships in Water and Sanitation

The eight focus projects studied provide invaluable lessons on the process and outcomes of partnerships in water and sanitation projects. Though we have only begun to touch the surface, we can build on these lessons to develop guidance on developing, structuring and managing partnerships in water and sanitation.

3.1 SAME SECTORS, DIFFERENT ROLES

The eight focus projects reviewed clearly reveal a number of strengths and weaknesses, many of which suggest the need for a fundamental conceptual rethink. There is a need to replace the 'S' for 'Sector' with 'R' for 'Role'. By specifying a partnership of three sectors, there is the danger that a TSP can come to represent an oversimplified, imagined reality (i.e. the availability of three distinct sectors), rather than real sectoral availability within the context on the ground. As the focus projects show, in water and sanitation partnerships the same sectors can play remarkably different roles in different settings. While the focus projects support the central BPD hypothesis that the three sectors can achieve more by acting together in partnership than any sector acting individually, they also show that effective partnerships in water and sanitation are built on a solid understanding of local assets, capacities and contexts. Roles such as community mobilisation, which we would expect to be played by community groups/NGOs, are often played or facilitated by public or private sector actors.[14] Therefore in developing multi-stakeholder partnerships, it is vital to base partnerships on a clear assessment of the capacities, incentives and relationships of existing private, public and civil society institutions, rather than start with a predetermined script for how the various sectors are 'supposed to relate'.

3.2 FLEXIBILITY BY DESIGN

A partnership is a dynamic entity. As noted above, the focus projects show that even over the relatively short time frame studied, the roles, responsibilities and even the partnering organisations changed. These changes occurred in response to changes in the external environment, community, funding streams, performance and even individual relationships. These changes are likely to occur in future partnership settings just as they did in the focus projects. Therefore, in building a multi-stakeholder, multi-sector partnership, structures and processes must be set in place that can accommodate and respond to change. This can include a commitment by all partners to participate in a regular review and monitoring of the partnership achievements and processes. It can also include the use of flexible legal and contractual structures that facilitate needed changes. An example of a flexible contract might include an explicit set of checkpoints or 'trigger conditions' at which specific elements of the contract are re-opened for negotiation, or an agreement about mechanisms for resolving conflicts arising from changed circumstances.

[14] Benchmarking effectiveness of these stakeholders would be an important consideration to determine which stakeholder has the most capacity or is best placed to conduct the different roles.

3.3 UNDERSTANDING THE END AT THE BEGINNING

Providing water and sanitation to the poor is a long-term challenge, and there is a natural tendency to assume that partnerships will be enduring institutions. If the partners can accomplish more together than each can accomplish separately, they may be expected to continue working together for the decades required to fully complete the challenge. But the focus projects show that the partnerships are more similar to flexible task forces than to permanent institutions. Partners enter and leave the partnership as capacities, funding, elections and strategies require or dictate.

To complicate matters further, different partners are likely to see different rationales for stopping and starting activities. In a number of the focus projects, the failure to clarify how long the partnership would continue, and under what circumstances different partners would enter or leave the partnership, led to challenges. Therefore, in building multi-sector partnerships, it is critically important to have early discussions among partners about when and how the partnership ends and different partners may be expected to leave.[15] Specific elements that might be considered as potential triggers to end the partnership (or change partners) include: project milestones (including targets for geographic coverage met); election cycles; funding milestones (or limits); performance milestones; the acquisition of specific skills and competencies by certain partners; and the development of new institutions or organisations (especially community institutions).

Because the partnership 'ends', this does not necessarily mean an end of a role for different stakeholders. The role of the NGO could change from active project implementer to watchdog once services were regularised. However, would serving as a watchdog require a partnership arrangement for the NGO? On the other hand, the partnership could then go on to tackle other issues (sanitation in the case of Port-au-Prince) or replicate in other geographic areas.

3.4 BUILDING IN ROBUST HEALTH

The focus projects have illustrated that partnerships are often faced with extremely difficult environments and circumstances. Since we expect that water and sanitation multi-sector partnerships will be formed precisely to address situations that are more complex and difficult than any organisation can address alone, it is critical to develop partnerships that are as robust as possible. This will give them the best opportunity to take advantage of external factors that can enable their success and to mitigate those that will impede it.

The following preliminary checklist provides considerations for building in robust health in tri-sector partnerships:

[15] This is also in relation to non-performance or where it 'simply hasn't worked out'. Though partnership as an approach remains totally valid, a partner may prove inappropriate or not up to the task. It should be possible in this instance for the partner to realise this and simply walk away, or for the other partners to indicate their dissatisfaction.

CONSIDERATIONS FOR PARTNERSHIP BUILDING

GOAL	FORMING PARTNERSHIPS	MAINTAINING PARTNERSHIPS
Understanding context	• *Has sufficient analysis been conducted on the social, economic, technical, political, legal and cultural environments to understand the nature of what is needed?* • *Given that these factors are also dynamic, how will context-oriented information gathering and analysis be worked into the project design and implementation – i.e. informing project objectives and assisting in defining project tasks?* • *Have all the primary players been identified that could influence the project positively or negatively?*	• *Are there factors in the political, social and business environment that support the creation and maintenance of multi-stakeholder partnerships to provide water and sanitation to the poor? Can these be used to enhance partnership health?* • *Conversely, are there factors that oppose partnership success? Can these be identified and mitigated?*
Building on existing assets and filling gaps	• *Has the potential partner performed similar tasks in the past? And to what effect?* • *What is the most appropriate structure (including contract mechanisms) to manage the tasks?* • *Does the potential partner have the staff and funding to adequately perform the tasks? If not, is there a credible plan for acquiring the necessary resources?*	• *Is each partner filling a role that the others are clearly unable to perform or would perform less effectively?* • *Is it a role that each of the other partners believes is critical to success?* • *Does the partner have the staff and funding to adequately perform the tasks? If not, is there a credible plan for acquiring the necessary resources?*
Understanding partner incentives and conflicts	• *Are the partners in agreement about the technical, financial, social and political goals?* • *Are the institutional and individual roles and incentives of the partners consistent with these goals?* • *Will/Does the potential partner gain important benefits (financial, social or political) by performing the tasks well? Does it believe the benefits outweigh the costs?* • *If the tasks are not performed well, are there significant costs or problems that the partners [will] face? Do they believe these costs or problems are greater than the costs of performing the tasks?*	

Understanding time frames and requirements	• *Have appropriate and realistic time frames been established for partner contributions?* • *Have obstacles to meeting deadlines been considered?* • *Have appropriate and realistic exit strategies been considered for different stakeholder groups? What milestones would suggest a formal revisit of partnership arrangements and project implementation issues?*	
Differentiating between individuals and institutions	• *Does the potential partner have a positive relationship with key constituencies whose support is needed to perform the tasks well?* • *Is the contemplated role consistent with the organisation's culture and public pronouncements?* • *Does the partnership as a whole have positive relationships with all key constituencies whose support is needed to succeed?*	• *Are champions sufficiently cognisant of the need to enable as well as lead?* • *Have processes been considered to move the partnership from that between individuals to that between institutions?* • *Have plans been made to manage succession ensuring that new leaders and staff are properly orientated?*
Allowing for transformation, modification and capacity building	• *Is there an agreed method for learning from the various partner activities and achievements, and sharing that learning throughout the partnership?* • *Are there agreements about the process for surfacing and resolving conflicts in a timely way?* • *Is there an explicit process for monitoring the partnership process and taking corrective actions?*	

3.5 REVISITING THE OPENING QUESTIONS

The original task of the team was to attempt to resolve the following questions:

From the eight BPD focus projects, what have we learned about the effectiveness of tri-sector partnerships:

⇒ **Are they effective at providing water and sanitation to the poor? How and when?**

⇒ **Are they effective at creating processes in which the poor have a sustainable voice?**

As noted in the opening section, many of the partnerships studied are still quite new, and it is difficult to draw absolute conclusions with regard to impacts on poor people that can be attributed completely to the partnerships themselves. In the final analysis, multi-sector partnerships will be judged by their positive impacts on the poor in terms of health, livelihoods, education, time, empowerment, etc. Nonetheless, the evidence from the eight focus projects to date suggests the following overall perceptions with regard to partnerships themselves:

- The project practitioners clearly suggest that the partnerships were more successful than any one sector would have been acting alone in the same circumstances. The combination of skills, abilities, experience and

relationships that the partnerships brought together enabled partners to be more effective (enhancing their own skill sets) and allowed them to grapple with a wider range of problems than they could have done alone. As difficult as these relationships are, the combination of social development, technical skills, financing and regulation was critical in achieving success.

- There is no single best model from which to structure a partnership. The most successful partnerships build on the capacities, relationships and incentives of specific local institutions. Different sectors play different roles in different locations. 'One size fits all' is not the case here.

For the latter question about whether multi-sector partnerships assist in building systems in which the poor have a sustainable voice, the work of the Cluster to date does not provide sufficient answers. During the workshop, the authors debated the sustainability of the projects themselves (for which it is obviously too early to tell in most cases), whether the poorest actually receive and use the services provided and the sustainability of the voices of poor communities in the process. We can only make the following assumptions at this time:

- Partnership-oriented approaches create community expectations by building the process through which the community has some say in how the project is designed and carried out. Though granted for the partners themselves, significant efforts are then expended to manage expectations amongst their partners and more importantly amongst the communities (particularly in the case when different project partners are not sharing the same messages with communities). We can assume that once the partnership project heads down this path, in the short and medium term it will be very difficult to swing back towards wholly top-down structures.
- By combining the different stakeholders in debate, a more holistic approach with and to the communities can be achieved. This combined effort forces the different project implementing groups to consider not only each other's incentives and constraints but also those of the communities and poor households within those communities. The constant negotiations and time spent on developing these 'multi-angled' partnerships appear to place the communities where they should be – at the centre stage of their own development.
- Finally, partnerships must incorporate inclusive approaches. Years of development experience suggests that without some sense of ownership given to and taken by poor communities, projects at the local level are not likely to be sustainable.

Contributors

Ken Caplan currently serves as the Co-ordinator for the Business Partners for Development Water and Sanitation Cluster, housed in WaterAid's offices in London. Prior to this current work, Ken worked on a consultancy basis with the Department for International Development's Business Partnership Unit and the Prince of Wales Business Leaders Forum to design a project incorporating this tri-sector approach to address health and safety standards in the shoe industry in Vietnam. This effort capitalised on seven years in Southeast Asia working as a volunteer in rural Thailand, an urban environment and training officer with USAID/Bangkok, and then with different international NGOs in both the north and south of Vietnam.

Simon Heap is Senior Researcher at INTRAC (International NGO Training and Research Centre), Oxford, UK. He has been researching and holding training in the area of NGO relations with the private sector since 1997. Author of many think-pieces, articles and guidelines, his first book, *NGOs Engaging With Business: a world of difference and a difference to the world*, was published in 2000.

Alan Nicol, Research Fellow of the Overseas Development Institute, has been working on a number of projects covering a range of global to local water resources management issues. These include sustainable livelihoods in southern Africa looking at access to natural capital and decentralisation processes, water and international public goods looking at international transboundary water resources management as a public good, and conflict and water resources focusing particularly on water scarcity and water policy in the Middle East and southern Africa. Alan also serves as a Global Water Resources Adviser for Save the Children UK covering water supply and sanitation programmes in Asia, Africa and the Middle East.

Janelle Plummer is an urban poverty consultant working with GHK International. She is concerned with building capacity of municipalities for effective poverty reduction and has focused particularly on the implementation of challenging policies and processes such as community participation and private sector partnerships. She is the principal author of the *Building Municipal Capacity* series published by Earthscan (including *Focusing Partnerships, a sourcebook for municipalities on Public Private Partnerships*).

Susan Simpson is Director of Regional Operations and Learning Programmes at The Prince of Wales International Business Leaders Forum (IBLF), an international NGO working in emerging and transitional economies to promote international leadership in responsible business, as a means of benefiting both business and society. Multi-sector, multi-stakeholder partnerships lie at the heart of the IBLF's mission, and Susan has over 10 years' experience in advocating the case for partnership and in building local partnership capacity in many parts of the world, including southern Africa, Latin America, Central and Eastern Europe and Newly Independent States.

John Weiser is a partner in the firm of Brody Weiser Burns. John specialises in working with organisations to shape business strategies that achieve social goals. He provides assistance with strategic planning, business analysis, and the development of business-community partnerships. John co-founded Brody Weiser Burns in 1984 to pursue his vision of business as a force for social change. He is the author of several papers on the business case for corporate involvement, most recently *Conversations with Disbelievers: Persuading Companies to Address Social Challenges*.

BPD Water and Sanitation Cluster
c/o WaterAid, Sixth Floor
Prince Consort House
27-29 Albert Embankment
London SE1 7UB UK

Telephone + 44 20 7793 4557
Facsimile + 44 20 7582 0962
Email bpd@wateraid.org.uk
Web site www.bpd-waterandsanitation.org

WaterAid Registered Charity Number: 288701

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