4
Partnerships in Practice

It was established in the previous chapter that an organisation's accountability arrangements should depend on its function. What functions, though, do partnerships fulfil? This chapter proposes a functional classification of partnerships and outlines some of the main variations in partnership accountability.

4.1 Partnership types …

Partnerships come in many guises. They differ from each other in many respects. Correspondingly, partnerships can be classified in many different ways. Criteria that have been used or could be used for the categorisation[1] of partnerships include:

- Composition:[2] In section 2.1.1, partnerships were defined as cooperative arrangements between public, private and civil society sectors. Depending on who participates, we can differentiate between business-government, business-NGO, NGO-government and tri-sectoral partnerships. By the same token, we can distinguish local, national and international partnerships. Another option would be to classify partnerships according to the type of organisation leading or convening the partnership.
- Size: The number of organisations participating in a partnership can vary widely. This could be used as the basis for a distinction, for example, between bilateral, trilateral, small, medium and large partnerships.
- Reach: Partnerships differ in their ambitions and can try to address local, national, regional or global problems.
- Field of activity:[3] Another possibility is to distinguish partnerships according to the issue area they seek to address. A classification based on this criterion would include, for example, health, education, water and forestry partnerships.
- Governance:[4] Partnerships also vary in the institutional form and governance structure they choose. This includes, for example, largely

informal partnerships, partnerships that are run by one leading partner organisation and partnerships that are incorporated as independent entities.
- Degree of involvement:[5] Many partnerships aim at involving other organisations in the work of a core partner. For these partnerships, a significant criterion is how strongly and in which areas the other partner organisations get involved.
- Relationship between the partner organisations:[6] One important determinant for the relationship between partner organisations is the difference in their power status. At the extremes of the spectrum would be horizontal partnerships (with all partners enjoying equal status) and hierarchical partnerships (though really hierarchical forms of cooperation would no longer count as a 'partnership'). Another important dimension is the degree of prevailing conflict. At one extreme, all partner organisations have identical interests so that the partnership merely serves to coordinate activities. At the other end, partner organisations start with opposing interests and use the partnership to negotiate compromises.
- Reason of engagement of the main partner organisation(s):[7] Organisations have different motives for engaging in partnerships and this can serve as a basis for categorising partnerships. Governments, for example, can enter into partnerships to gain access to additional resources, to induce voluntary compliance with regulations by private actors, to increase their legitimacy and responsiveness or to manage conflicts between different parties. Corporations can join partnerships for philanthropic reasons, to improve their reputation, to motivate staff or to manage risks. And NGOs, finally, can be motivated by a desire to influence relevant decisions by partner organisations, increase their leverage by joining forces with others or to receive resources.
- Function: Finally, partnerships can be classified according to their contribution to a public policy problem. This is the approach chosen here, which is discussed in greater detail below.

If partnerships can be classified according to all these and probably more criteria, why choose a categorisation based on partnership function? To be valid and useful, a classification needs to be well defined and consistent and rest on criteria that are relevant to the subject under scrutiny.[8] If this study aimed, for example, at uncovering why different parties engage in partnerships, then a classification linked to partnership composition or the reason of engagement of the main partner organisations would be appropriate.

Here, the research interest is to develop standards for partnership accountability. As argued in the preceding chapter, concrete accountability requirements depend on organisational function, defined in terms of the relevant authority transferred to or assumed by partnerships. Therefore, a classification based on partnership function is appropriate for this study.

A number of other political scientists have also proposed functional classifications of partnerships. Often, these researchers approach partnerships from the perspective of global governance. Thus their primary research interest is to analyse how governance is exercised at the international or global level and what contribution partnerships make.

In their analysis of 'global public policy networks', Reinicke and Deng, for example, distinguish six partnership functions: placing issues on the agenda, negotiating and setting standards and regulations, developing and disseminating knowledge, making and deepening markets, implementing ideas and decisions and closing the participatory gap (Reinicke and Deng, 2000, pp. 25–55). In a later publication on partnerships between the UN and business, Witte and Reinicke differentiate four functions: advocacy, developing norms and standards, sharing and coordinating resources and expertise and harnessing markets for development (Witte and Reinicke, 2005, p. 8). Inge Kaul, in a publication for UNDP, lists seven functional purposes, including trading comparative advantage, exploring new products and markets, improving market inefficiencies by developing and disseminating norms and standards, expanding markets into new countries and to new consumer groups, brokering special market deals, encouraging innovation and research and development and pulling together all available forces and resources to respond to a pressing global challenge (Kaul, 2006, p. 223).

Even these few examples of classifications based on partnership function show significant variations in the number and kinds of categories created. In part, this is due to different definitions of what constitutes a partnership. But in part it is also due to the fact that the identification of functions is influenced by the researchers' perspective. With an underlying interest in finding out what authority is delegated to or assumed by partnerships, the four following functional partnership types can be identified: advocacy and awareness raising, rule setting and regulation, policy implementation and information-generating partnerships. These categories can also accommodate the functions uncovered by the researchers just cited.[9] While there is no reason to suspect that the following list is not exhaustive, further empirical evidence could lead to the discovery of additional functions. This would, however, not invalidate the present reflections but require extending the analysis to the newly discovered functional groups.

4.1.1 Advocacy and awareness-raising partnerships

Many partnerships require only basic forms of authority to operate. At a minimum, this includes a licence to operate granted by the country of incorporation or the host agency(ies) and the authority to manage operational resources. The partnerships operating on the basis of minimal authority include those whose main function is to engage in advocacy activities, to raise awareness, to collect and disseminate information or to offer a platform for coordinating the activities of partner organisations.

Advocacy and awareness-raising partnerships are formed because their members hope they can draw attention to a policy problem more effectively when they join forces. Those engaging in advocacy lobby other policymaking institutions, such as governments or intergovernmental organisations, to change their policies. The Partnership for Clean Fuels and Vehicles (PCFV), for example, which was launched during the World Summit on Sustainable Development in 2002 by a group of automobile and fuel companies, environmental NGOs, international organisations, government agencies and research organisations, tries to convince governments to introduce and implement stricter regulations in order to achieve greater use of cleaner gasoline and vehicle technology.[10]

Other partnerships focus more on awareness raising to achieve their policy goals. In that case, they target their efforts directly at those whose behaviour they want to change. A good example for this is the Global Public–Private Partnership for Handwashing with Soap, which campaigns to convince people to regularly wash their hands with soap to reduce diarrhoeal diseases.[11]

To facilitate the exchange of information and to encourage learning across institutional boundaries, many partnerships collect and disseminate relevant information. Very often, the collection and dissemination of information is part of or supports a partnership's advocacy or awareness-raising activities. The Extractive Industries Transparency Initiative (EITI), whose goals are to increase accountability to ensure that revenues derived from extractive industries contribute to sustainable development, for example, maintains on its website a collection of materials from other organisations relating to transparency and the extractive industries.[12]

The collection of information can also serve to facilitate coordination. Especially at the international level, important policy problems are often addressed by a multitude of different actors. This fragmentation can lead to overlaps as well as contradictions and result in inefficiencies. A number of partnerships present themselves as platforms facilitating the coordination between various actors.[13] RBM, a partnership aiming to provide a coordinated international approach to fighting malaria, for instance, encourages local as well as international actors to coordinate their activities. Similarly, the Global Water Partnership (GWP), which was created in 1996 by the World Bank, UNDP and SIDA in order to promote and support sustainable water management, encourages diverse actors to build local and regional coalitions with the goal of achieving integrated water resources management.[14]

4.1.2 Rule setting and regulation partnerships

In many areas, especially at the international level, no binding rules or regulations exist. A range of partnerships has been created to address this regulatory gap. They develop norms, standards and codes of behaviour for specific fields of activity. In the absence of a global executive, compliance with these norms is usually voluntary. Nevertheless the partnerships usually aim at achieving widespread compliance. In this sense, they exercise a quasi-legislative function and assume the corresponding authority.

One example for a rule-setting partnership is the WCD. When conflicts relating to the construction of large dams escalated, the commission was convened to develop generally accepted standards for the construction and running of large dams, based on a common assessment of their effectiveness for development. While not considered binding, the standards are now used as a reference point by different stakeholder groups affected by dams. Another example is the Internet Corporation for Assigned Names and Numbers (ICANN).[15] ICANN is the coordination body for the domain name system of the Internet. It regulates the technical elements of the Internet's name and numbering systems in order to preserve the operational stability of the system and promote competition. While it lacks the backing and status of a world government, its regulations are considered authoritative by the concerned communities.

Not all partnerships operating with rules and standards, though, are genuine rule-setting or regulation partnerships. Rather than creating new norms and codes, some simply advocate and create incentives for compliance with broadly accepted existing standards. The 4C initiative, for example, is an advocacy partnership that may be confused with a rule-setting partnership. It encourages coffee producers and traders to comply with a set of norms that are derived from major conventions, resolutions or guidelines of the United Nations, the International Labour Organization (ILO), the Organisation for Economic Co-Operation and Development (OECD), or from conservation legislation.

4.1.3 Policy implementation partnerships

Yet other partnerships have formed around pressing development issues and seek to address them directly. Real implementation partnerships mobilise significant resources and allocate them for implementing policies. By contributing funds or other resources, other organisations or individuals explicitly authorise the partnership to manage and allocate these resources. The Global Alliance for Improved Nutrition (GAIN), a joint initiative of international organisations, bilateral donors, industry representatives, NGOs and private foundations to reduce malnutrition of populations at risk, for example, has over 60 million US$ at its disposal for grants, technical assistance and start-up investments.[16] The GAVI Alliance, launched in 2000 as the 'Global Alliance for Vaccines and Immunisation' by a group of governments, donors, health organisations, NGOs, companies and research institutions to increase the rate of vaccinations among children, has an annual budget of 600 to 800 million US$ to support the development of new vaccines and the immunisation of populations in need.[17]

Other partnerships can only spend resources at a much lower level. As a complement to their advocacy and awareness work, they engage in what has been labelled 'implementation support' earlier. They offer selected support services to facilitate the implementation of the policies they promote. The Global Village Energy Partnership (GVEP), whose goal is to improve access to modern energy services for the poor, for instance, provides training to entrepreneurs and financial intermediaries.[18] Another good example is the Renewable Energy and Energy Efficiency Partnership (REEEP), a global partnership between over 200 organisations, business and non-profits to expand the development of renewable energy.[19] REEEP provides training to financial institutions and sometimes seeds funding for the establishment of funds for energy projects.

4.1.4 Information-generating partnerships

Finally, there is a set of partnerships tasked with generating information on behalf of others. Where information is disputed or multiple agents face a collective action problem in generating it, partnerships can contribute to the solution of public policy problems by providing it. This can refer to different kinds of information. In the case of the WCD, for instance, the partnership was called upon to provide an impartial assessment of the effects of a controversial practice. The Marine Stewardship Council, an initiative to improve the health of the world's oceans and create a sustainable global seafood market, by contrast, verifies and certifies the compliance of businesses with its principles and code of conduct.[20]

4.2 … and their accountability arrangements

The remainder of this section outlines some of the main variations in partnership accountability.

4.2.1 Legal and fiscal accountability arrangements

The partnerships mentioned above operate at the international or global level. This does not mean, however, that they operate in a regulatory void. Rather, they operate within different and usually across several concrete legal and fiscal systems. Like all other individuals and corporate bodies, partnerships and their staff can be held accountable through the systems of criminal and civil law of their countries of origin and operation. Where individuals enjoy diplomatic status, they are mainly held accountable through their home country's legal system. Beyond this common criminal and civil legal accountability, however, there are significant variations concerning their legal status.

Firstly, partnerships can be incorporated as independent entities. Through incorporation, they become subject to the special legal and fiscal rules of their host country. The rules and regulations depend on the one hand on which country the partnership is incorporated in. On the other hand, they depend on what kind of incorporation the partnership chooses. Among the case examples, incorporation as some type of non-profit organisation or foundation is most common. Thus, for example, GRI operates as a foundation under Dutch law, ICANN is a non-profit, public benefit corporation incorporated in California, REEEP is an international NGO under Austrian jurisdiction and the 4C initiative is a membership organisation under Swiss law. With this status, these partnerships are exempt from taxes and can often receive tax-deductible donations. In exchange, they have to demonstrate that they pursue a charitable objective and submit regular financial and activity reports.

Some of the partnerships incorporated as independent organisations enjoy special status. Thus, for example, GWP is now operating as an intergovernmental organisation in Sweden and the Global Fund is recognised by the Swiss government as having international personality. The special status confers privileges and immunities on the partnership and its staff and thus reduces legal and fiscal accountability to the host state.

Secondly, partnerships can opt for a semi-institutionalised form. Rather than enjoying independent legal personality, partnerships can be coordinated by a secretariat hosted by a third organisation. In that case, legal and fiscal accountability are channelled through the host organisation. The staff members of the secretariat are then usually employed by the host organisation and are subject to its internal rules and regulations. With the other partnership bodies lacking corporate legal standing, the secretariat is usually responsible for financial management and represents the partnership in relation to external parties. This constellation thus often confers more responsibility and influence on the secretariat than other governance options. In PCFV, for example, the secretariat assumes most of the legal and fiscal accountability. PCFV is coordinated by a clearing house hosted by UNEP. The other partner organisations explicitly reject legal reliability for partnership activities. In many cases, arrangements like this also reflect the dominant commitment of one of the core partners. Thus it is no coincidence that the EITI secretariat was for a long time hosted by DFID[21] and the secretariats of RBM and the Global Partnership to Stop TB,[22] a partnership including over 500 partners from all sectors aiming to eliminate tuberculosis as a public health problem by 2050, are coordinated by WHO.

Finally, some partnerships have even more informal arrangements than that. Rather than having one official secretariat responsible for finances and contractual relations, partnerships can be run by informal management teams. In these cases, the partnership as an entity has no legal and fiscal accountability. Instead, all participating individuals are held accountable through their own organisations. With the secretarial functions distributed among various organisations, moreover, it is difficult to assign clear responsibilities and create formal accountability. The Partnership for Handwashing with Soap, for example, is managed by an informal coordination team composed of members of the World Bank and the Water and Sanitation

Program. Similarly, the secretariat of the Voluntary Principles on Security and Human Rights in the Extractive Industries partnership, a joint initiative of almost 30 governments, companies and NGOs, is split between two host organisations.[23]

4.2.2 Financial accountability

Financial accountability is a crucial component in any accountability arrangement. Firstly, appropriate financial procedures prevent basic forms of abuse, such as corruption and fraud. Secondly, as the old proverb points out, 'he who pays the piper calls the tune': Control over finances permits influence over many substantive decisions. This is why, for example, the power of parliaments to approve budgets counts as an important criterion for democratic governance.

Financial accountability has different facets to it and the case examples analysed here show variations along all of these dimensions. A first aspect concerns the question of how strongly an organisation depends on its financiers. De facto, the presence of a single dominant donor implies more dependence than reliance on a broad range of different financial sources. GAIN, for example, strongly depends on an individual donor. Around 70 per cent of the resources committed for its first five years of operations were contributed by the Gates Foundation. This is in stark contrast to initiatives that seek to protect their independence by relying on as broad a financial basis as possible. ICANN, for instance, is financed through fees contributed by members. Similarly, the 4C initiative has recently been transformed into a membership organisation.

The standing of donors is also influenced by the partnerships' formal arrangements. Some organisations reserve special positions for important donors, whereas others explicitly avoid this. REEEP, for example, belongs to the former category. All organisations contributing at least €70,000 per year are given a seat on the finance committee, which oversees the partnership's financial activities. Similarly, GAVI grants major donors permanent membership on the GAVI Board. GRI, by contrast, stresses its formal independence from donors. It explicitly states in its main governance documents that 'A contribution does not allow any special role in the governance of the Foundation [or] any special access to information separate from what is available to others' (Global Reporting Initiative, 2002a, Art. 25.2).

A second important question relates to who takes financial decisions and authorises the organisation's budget. In partnerships with strong member control, for example, the general assembly or meeting of partners can have the authority to approve work plans and budgets. Among the partnerships reviewed here, only PCFV follows this model.

It is more common for the partnership board to exercise financial oversight and control. In RBM, for example, the work programmes and budgets are prepared by the secretariat and require board approval. In many cases, boards are supported by or delegate financial decisions entirely to independent committees. Thus, for example, the foundation board of the Global Fund takes funding decisions based on recommendations by a technical review panel. Similarly, an independent proposal review panel prepares funding decisions for the GAIN board. In the GAVI Alliance, a special, independent fund board, made up of eminent persons, bears fiduciary responsibility.

As already mentioned, another set of partnerships gives donors a special role in their governance, including financial oversight and control. Finally, very informal partnerships sometimes have no formal, centralised budget process. Partnership activities are either financed one-by-one by individual partner organisations or the secretariat or coordination team takes financial decisions. The Handwashing with Soap initiative, for example, has no formal governance rules for deciding on financial matters. In GVEP, before its incorporation as GVEP International, the secretariat had fiduciary responsibility.

A third important issue relates to the procedures for accounting, auditing and reporting on finances. All organisations entrusted with managing non-trivial resources have processes in place for accounting for their use. Since most partnerships have non-profit status or are part of public or non-profit organisations, they are subject to relatively strict accounting requirements. The partnerships surveyed in this book differ in two main respects.

Firstly, they differ strongly in the scope and detail of the financial data they report publicly. At one extreme are partnerships publishing no financial data at all, like the Voluntary Principles or the Handwashing with Soap initiative. At the middle of the spectrum are partnerships like the WCD, which publishes details about the sources of its funds, but not their allocation, or RBM, which accounts for the finances of individual projects, but not the partnership as a whole. At the other end of the transparency spectrum are initiatives like GWP or the Global Fund. They regularly publish comprehensive data detailing both financial contributions and expenditures.

In addition, partnerships differ in whether or not they undergo an independent, external audit. Initiatives like PCFV, for example, are relatively transparent about their financial situation. With an annual budget of significantly less than a million US$, however, it employs no external auditors. For partnerships with larger budgets, by contrast, professional audits are standard practice.

4.2.3 Elements of process accountability

'Process accountability' is shorthand for the way decision making and implementation processes make an organisation accountable to members and external stakeholders. Partnerships differ markedly concerning the degree to which they create accountability to stakeholders through governance processes. Process accountability can be created through inclusion, representative composition, member control, possibilities for external participation and transparency.

The first crucial aspect to consider in relation to a partnership's process accountability is its inclusiveness. Who can join the partnership as a member and under what conditions? The most inclusive partnerships among the case examples are those engaged in advocacy and awareness raising. Often, like GWP or GVEP, they are open to all those who share the partnership's mission and objectives. In other cases, membership is tied to conditions. Thus, for example, organisations joining the Stop TB partnership have to commit to measures contributing to the fight against tuberculosis. The 4C initiative demands that corporate partners score an average 'yellow' on the common code principles and engage in a process of continuous improvement. Yet other partnerships are closed to new members. The WCD, for example, was set up by a workshop convened by IUCN and the World Bank. In reaction to protests, the initial reference group was expanded. Despite this, the initiative never defined criteria or processes for accepting new members.

A second important feature concerns how representative a partnership and its bodies are. To ensure an adequate representation of different interests, some partnerships define a specific stakeholder composition for their decision-making bodies. The Global Fund, for instance, reserves a fixed number of seats on its board for donors, recipient countries, affected communities, NGOs, companies, foundations and operating partners. Other broad coalitions like GWP have no predetermined stakeholder composition.

Thirdly, inclusion is not only a question of who can become a member and how representative partnership bodies are but also of how much influence members have over partnership decisions. The case examples differ strongly on this count as well. Some partnerships involve their partner organisations directly in defining policies. GRI, for example, demands of all its members to participate at least once every three years in a working group. The working groups are responsible for revising the GRI reporting guidelines, which form the heart of the initiative. In others, members play an authorising and supervisory role. The PCFV meeting of partners, for instance, approves work programmes and budgets and hears regular reports on activities. Often, this role is linked to the authority to select the partnership board or executive committee. GVEP members, for example, formally have the authority to select the majority of the partnership's board members, but only by accepting a slate of candidates. In a final group of partnerships, members do not have much influence on the decision-making process. In the Stop TB partnership, for example, partner organisations only have an advisory and consultative role.

Accountability to stakeholders, however, cannot only be created through membership. An alternative is to create meaningful opportunities for external stakeholders to participate in partnership governance. Stakeholder inputs can be solicited to determine the strategic direction of a partnership, but also to take very concrete decisions. Among the case examples, the partnerships with the most proactive stance towards involving external stakeholders are

ICANN and the WCD. In the case of ICANN, all affected or concerned parties, be they organisations or individuals, can submit comments on proposed regulatory changes, demand the reconsideration of existing policies, trigger an independent review or use the ombudsman to articulate their interests and concerns. The WCD solicited the inputs of a broad range of stakeholders when creating its knowledge base. This included on-site meetings, regional consultations, Internet conferences and fora, as well as public submissions.

A final important element of process accountability is transparency. The availability of accurate, relevant and timely information is crucial because it enables members and external stakeholders to evaluate the performance of the partnership. Therefore, as depicted in the model of accountability in section 2.2.1, information is an essential building block for creating accountability. In addition, access to information is a precondition for the active participation of external stakeholders and partners in the governance and decision making of partnerships.

Different kinds of information are relevant in this respect. Firstly, transparency about the governance and working processes used by partnerships is important. Information on who plays what role and has what kind of authority in a partnership makes it possible to assign responsibility for performance to individuals or organisations. It also enables interested groups to understand their possibilities for participation. Secondly, financial transparency is significant. Openness about the sources of funds used by a partnership allows gauging its independence. Transparency on the allocation of funds is key for avoiding fraud and provides the basis for assessing performance. Finally, information about the activities of partnerships is critical. A detailed account of past engagements is essential for evaluating the agent's work. Openness about upcoming decisions and actions, in turn, promotes active participation.

On all three fronts, partnerships can create different degrees of transparency. At one extreme are partnerships that publish no or little information about their governance, finances and work and are reluctant to make this information available even on request. Among the case examples presented here, the Voluntary Principles are the least transparent. There is barely any information about the partnership and its workings available online or in other publications. Requests for additional information were well received, but did not provide any significant new insights. Most of the partnerships included in the case examples provide relatively far-reaching disclosure through their website and printed publications such as annual reports. A small group spearheaded by ICANN proactively disseminates relevant information to enhance public participation.

4.2.4 Accountability for outcomes

Partnerships are created by their partners in order to achieve some public goal – be it the fair and smooth running of the Internet or the effective prevention and treatment of diseases like AIDS, malaria and tuberculosis. The accountability mechanisms discussed so far, however, do not focus directly on outcomes. Rather, they are mainly designed to prevent fraud and the abuse of authority and to allow different groups to influence partnership decisions. Which mechanisms, then, are used to ensure that partnerships work efficiently and effectively towards achieving their goals?

In creating accountability for outcomes, partnerships and their principals face a major difficulty. For organisations providing public goods, it is often very difficult and complex to assess performance. Firstly, this is because partnerships do not have obvious and measurable targets that would be comparable, for example, to a company's financial bottom line. Instead, partnerships and their principals have to translate their general goals into measurable objectives. Secondly, partnerships usually seek to address issues that result from a complex interplay of factors. This often makes it very hard to establish what impact can be attributed to a particular organisation.

Creating the conditions for assessing a partnership's performance and evaluating its impact is therefore no easy feat. Faced with these problems, some partnerships reviewed here eschew attempts to create accountability for outcomes altogether. Thus, for example, EITI has no concrete targets for its work. It also lacks mechanisms to verify whether member organisations comply with its recommendations. Other partnerships, by contrast, invest significant efforts to assess their performance and impact. This includes setting precise targets, assessing the partnership's outputs and impact and linking performance assessments to sanctions and incentives.

Many partnerships define precise targets for their work. REEEP, for example, translates its priorities into measurable aims such as 'remove the barriers of investment in at least two countries', 'establish at least one functioning fund' or 'build a database of at least 1000 experts'.[24] This makes it easy to assess whether or not the partnership has reached its immediate goals. But there are two major problems with quantitative output targets like this.

Firstly, they provide little information about the quality of the outputs and do not show whether the organisation was efficient in its operations. If REEEP manages to build a database listing 1000 experts, for example, this does not tell us whether the database is well designed, or whether REEEP built the best database for the available resources. To evaluate quality and efficiency, some partnerships rely on comprehensive external reviews of their performance. The Handwashing with Soap partnership, for example, commissioned a review of its strategy, activities and organisation.[25]

Secondly, it is often difficult to link immediate outputs to impact. To remain with the REEEP example, does the database really trigger more investment in renewable energy and energy efficiency? Some partnerships therefore also define impact targets for their work. RBM, for example, set itself goals in terms of malaria prevention and treatment. According to the Abuja Declaration, the aim was to reach 60 per cent of those infected with diagnosis and treatment within 24 hours of the onset of symptoms and to provide 60 per cent of those at risk with effective preventative measures by 2005.[26]

To turn impact targets into an effective accountability tool, a system for measuring changes relating to the public policy problem addressed must be in place. In the case of RBM, the partnership regularly publishes the World Malaria Report. The report assesses the global prevalence of malaria as well as treatment and prevention coverage and thus allows the tracking of progress.

Where partnerships rely on intermediaries for implementing activities, assessing their achievements becomes key to creating outcome accountability. The Global Fund has developed very strong policies in this respect. To achieve 'performance based grant making', it negotiates indicators of success and reporting requirements with each recipient country. Each funded project annually submits a progress report and undergoes an external audit. Where the administrative capacity to conduct those is missing, the fund provides capacity-building measures.

Assessing a partnership's performance is only the first step in creating accountability for outcomes. To be effective, the assessment should be linked to sanctions or incentives. At one level, these can be directed at partnership managers and staff. None of the partnerships described above has a differentiated incentive package for managers that would be comparable to those used in companies. Even so, the threat of dismissal and the promise of a salary increase or promotion related to performance assessments can be effective as sanctions or incentives.

At a second level, the sanctions and incentives can aim at implementing organisations. Partnerships like the Global Fund provide financial resources to other organisations promising to contribute to the fights against AIDS, tuberculosis and malaria. Its sanctions in case of bad performance are clearly spelled out. Only those recipients who can demonstrate progress in reaching their targets receive future disbursements of funds.

At a third level, effective sanctions and incentives can apply to the partnership as a whole. Most partnerships depend in some way on the support of others. Advocacy and awareness partnerships need the endorsement of other actors to be able to state their claim forcefully. Implementation partnerships can usually only work if they can convince donors to commit substantial resources. And all partnerships need to cover their operational costs. Demonstrating that the partnership is effective and efficient in reaching its goals is one of the key factors for attracting new supporters and retaining old ones. In some cases, the continued support of external parties, especially donors, is explicitly linked to good performance.

The partnerships surveyed here, then, rely most commonly on self-defined targets, evaluations as well as incentives and sanctions to create accountability for outcomes. Outside the realm of partnerships, another mechanism of outcome accountability is prominent. Companies are mainly held accountable for operating efficiently by the market. In a market setting, consumers or clients choose between the products and services offered by competing organisations. These organisations depend financially on customer demand. By choosing the best products or services for the best price, consumers thus automatically create accountability for outcomes.

Most of the partnerships described above do not work through the market. They are usually donor financed and if they offer services, they do so in a non-competitive environment. The few exceptions to this among the case examples are often imperfect. Thus, ICANN charges fees for its services. Accountability to its 'customers', however, remains limited because ICANN holds an undisputed monopoly in regulating the Internet. The 4C initiative is also in the process of becoming more dependent on market mechanisms. It has transformed itself into a membership organisation and seeks to cover its core costs through membership fees. Since other organisations have alternatives to belonging to the 4C initiative, it operates under more competitive conditions.

These incipient market mechanisms do allow 'clients' at least in part to hold partnerships accountable for their performance. But this can also be problematic when the interests of the 'customers' conflict with the partnership's original goals. The 4C initiative, for example, wants companies to conform to certain sustainability standards in their behaviour. Conceivably, companies have an interest in reaping the reputational benefits of complying with the common code, but want to avoid strict standards or real behavioural changes.

4.2.5 Accountability through independence and professionalism

Performance evaluation and market mechanisms serve to create accountability for efficiency and effectiveness. For the work of some organisations, however, efficiency and effectiveness are not the only or the most relevant criteria. For partnerships tasked with generating information, for example, the quality and objectivity of the outcomes is more important. This is true for partnerships seeking to establish accurate knowledge, as well as for partnerships verifying the compliance of third parties with norms and standards. Neither quantitative measures of success, nor customer demand are usually adequate means for creating accountability for quality and objectivity.

Instead, partnerships rely on independence and professionalism to create confidence in the information they provide. The WCD, for example, organised broad and diverse participation to ensure the objectivity of its knowledge base. The 4C initiative separates the compliance verification mechanisms from its main work. It relies on independent auditors to verify the activities of its members. To ensure their professionalism, auditors have to fulfil 4C standards and be accredited by the initiative. Similarly, MSC uses independent auditors to verify compliance with its standards. Auditors are accredited through a professional accreditation organisation.

4.2.6 Overview over partnerships and their main accountability arrangements

Table 4.1 provides an overview over the partnerships mentioned above, indicating their main functions (where partnerships have more than one dominant function, they are listed several times) and their most important accountability arrangements.

The categorisation of the partnerships and the description of their accountability arrangements are rough. Nevertheless this overview unveils certain patterns. The group of advocacy and awareness-raising partnerships is the largest and shows the greatest diversity with respect to accountability. Relatively many partnerships in this group have generally weak formal accountability arrangements. Many are also intent on creating financial accountability, while exceptions emphasise process and outcome accountability.

Table 4.1 Partnership functions and accountability arrangements

Function	**Examples by main function(s)**	**Main accountability focus**
Advocacy awareness raising collection and dissemination of information coordination	Partnership for Clean Fuels and Vehicles	Financial accountability to partners
	Extractive Industries Transparency Initiative	Financial accountability to donors and increasing accountability to stakeholders
	Global Partnership to Stop TB	Mixed accountability with emphasis on accountability for outcomes
	Global Village Energy Partnership	Some financial accountability
	The Global Public–Private Partnership for Handwashing with Soap	Incipient accountability for outcomes
	Renewable Energy and Energy Efficiency Partnership	Financial accountability to donors; accountability for outcomes
	Common Code for the Coffee Community	Financial accountability, independence and professionalism in compliance verification
	Global Water Partnership	Financial accountability to donors
	Roll Back Malaria	Process accountability to partners; accountability for outcomes

(*Continued*)

Table 4.1 Continued

Function	Examples by main function(s)	Main accountability focus
Rule setting regulation	Global Reporting Initiative	Process accountability to stakeholders
	Internet Corporation for Assigned Names and Numbers	Process accountability to stakeholders
	Extractive Industries Transparency Initiative	Financial accountability to donors and increasing accountability to stakeholders
	Voluntary Principles on Security and Human Rights in the Extractive Industries	Little formal accountability
	World Commission on Dams	Process accountability to stakeholders; independence
	Marine Stewardship Council	Process accountability in rule setting; independence and professionalism in verification
Policy implementation implementation support	Global Alliance for Improved Nutrition	Financial accountability; accountability for outcomes
	Global Partnership to Stop TB	Mixed accountability with emphasis on accountability for outcomes
	Global Alliance for Vaccines and Immunisation	Financial accountability to donors; accountability for outcomes
	Roll Back Malaria	Process accountability to partners; accountability for outcomes
	The Global Fund to Fight AIDS, Tuberculosis and Malaria	Financial accountability; accountability for outcomes
Generation of information compliance verification	Marine Stewardship Council	Process accountability in rule setting; independence and professionalism in verification
	World Commission on Dams	Process accountability to stakeholders; independence
	Common Code for the Coffee Community	Financial accountability, independence and professionalism in compliance verification

Some of the partnerships engaged in regulating the activities of others or setting norms and standards also display few formal accountability mechanisms. The clear majority of them, however, focus on process accountability. Often, they have adopted very complex work processes that allow for or actively solicit the participation of a diverse group of external stakeholders.

Implementation partnerships overwhelmingly emphasise a combination of financial accountability and accountability for outcomes. Usually, this includes very detailed and externally audited reports on the sources and allocation of funds. Most often, it also includes sophisticated analyses or tools to measure the outputs and/or impact of the partnership's activities.

Partnerships generating information or verifying compliance, finally, tend to stress independence and professionalism in their work. In the case of the WCD, the inclusion of external stakeholders is used to ensure professionalism and objectivity in the creation of knowledge. MSC and the 4C initiative have programmes to verify the compliance of companies with their standards. It is noticeable that both partnerships separate compliance verification from their other activities and underline the professionalism and independence of the verification process.

In the previous chapters, the argument was made that, seen from a normative standpoint, accountability requirements should depend on organisational function. This chapter clustered the partnerships into four categories, depending on their main function: advocacy and awareness raising, rule setting and regulation, implementation and information generation. It also examined which accountability arrangements were espoused by the partnerships. Great differences were found between individual partnerships, both in how strong their overall accountability was and in what aspects of accountability they emphasised. When grouped by function, it became apparent that – with the exception of the advocacy, awareness raising and coordination group – partnerships with similar functions tended to focus on similar elements of accountability.

These emerging, but imperfect, empirical patterns add two messages to the discussion here. Firstly, they confirm that the argument proposed here is rooted in broadly held normative convictions. While the demand that accountability arrangements should depend on organisational function has not previously been made explicit, the incipient practice of partnership accountability displays variations that are consistent with this claim. This demonstrates that the logic implicit in existing normative discourses is compelling and has an intuitive appeal.

Secondly, however, the overview underlines the need for developing explicit accountability standards for partnerships. The patterns linking partnership function to accountability focus are far from perfect. Moreover, even partnerships emphasising the same aspects of accountability can vary strongly in the strength and quality of accountability they create. To enable differentiated external assessments and to guide partnerships in their development of accountability systems, a consistent translation into practice of the normative principles introduced earlier is therefore necessary.

In Chapter 3, the implications of widely held normative assumptions for the concept of accountability were made explicit. Two steps remain to be taken. Firstly, it needs to be determined which accountability focus is adequate for which type of partnerships. Secondly, concrete criteria and standards need to be defined for each aspect of accountability. Both elements are the subject of debate in the next chapter.