BACKGROUND PAPER
PARTNERSHIPS FOR DEVELOPMENT

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1. Introduction: a new development paradigm?

Since the beginning of the 21st century 'partnerships' have received increasing attention on the development agenda. Governments and NGOs seek alliances with firms to increase the effectiveness of their development efforts. Partnerships have been pioneered in infrastructure projects, millennium villages, the provision of health services and (micro)credits … the list of announcements is growing. The increasing involvement of firms in development partnerships is particularly noticeable. Especially multinational enterprises, seek alliances with governments and NGOs, not only as part of their CSR strategies, but also as part of their internationalisation strategies towards 'emerging markets' (which previously often were denominated as 'developing countries') and the effective management of their global value chains. "Sustainable development" and 'sustainable business' increasingly seem to overlap. In essence, the partnership message is that not only governments through official development aid, but all relevant actors in society can and need to contribute to solving development problems in collaboration. Partnering is considered less of luxury and more of a necessity to all actors involved. Austin (2000: 44) labelled partnerships as the "collaboration paradigm of the 21st century" needed to solve "increasingly complex challenges" that "exceed the capabilities of any single sector". The 2002 Monterrey Consensus of UN member states stipulated in particular the role of business in achieving development goals, and a 'global partnership for development' was introduced as the eighth Millennium Development Goal. Particularly since the 2002 World Summit on Sustainable Development in Johannesburg, concrete partnerships with business have received much attention, resulting in a large number of so-called "public-private partnerships" (PPPs). By the end of 2006, the UN secretariat registered more than three hundred of these partnerships between corporations, governments and Non-Governmental Organizations (NGOs).

The notion of partnerships is starting to become a central part of official development policy in a number of frontrunner countries. Already in 1999, Germany allocated considerable amounts to public-private partnerships (Altenburg and Chahoud, 2003; BMZ, 2005). Denmark adopted a Public-Private Partnership facility as part of its development policy ('partnership with a purpose'). In 2003, the Netherlands announced partnerships as a crucial component of its policy to reach the Millennium Development Goals (Ministry of Foreign Affairs, 2003). The Dutch government now supports some 50 partnerships – a number that is rapidly increasing following the 'Schokland Akkoord' in 2007 that added a wide variety of partnership initiatives in such areas as sustainable trade, the provision of condoms to women, certification for biomass, forest stewardship, economic independence for women, the health sector (cf. www.hetakkoordvanschokland.nl). Partnerships feed well into the increased desire of developing countries' governments for a constant dialogue with relevant stakeholders as well as the need for capacity building.

But what is the logic of these partnerships and to what extent do they really provide a novel approach to development? Is it a tool or an aim? What problems are partnerships supposed to solve and how effective are they? Can partnerships also provide an excuse for not doing enough? Is there a discrepancy between the ideals and the reality of partnerships? The actual knowledge on the nature, dynamism and effectiveness of development partnerships at the moment is rather limited, however, whilst the number of systematic partnership studies remains scant (Cf. Kolk et al., 2008; Van Tulder, Kostwinder, 2008; Rondinelli & London, 2003; Samii et al., 2002 ; Selsky & Parker, 2005; Warner & Sullivan, 2004). The phenomenon, however, is real and very promising according to most accounts. This interesting void in the knowledge over partnerships, is the prime reason why the Max Havelaar lecture for 2008 is dedicated to the effectiveness of development partnerships with firms from a variety of perspectives: scientific, governmental, business and NGOs.

This position paper shortly introduces a number of related dimensions of the present partnership discussion: the rationale for various types of partnerships (section 2), common problems (section 3), some first experiences of major companies, international organisations and NGOs with mutual partnerships (section 4), some first 'lessons learned' (section 5) and an evaluation framework (section 6). The paper concludes with a number of leading questions (section 7).

2. The rationale for development partnerships

The experience since the 1960s and 1970s in reaching sustainable development in particular in the Least Developed Countries has been extremely mixed. Partnerships can tackle three forms of 'failure' that have been attached to unilateral action by either western governments, companies or civil society in addressing the development challenge (cf. OECD, 2006; Van Tulder with Van der Zwart, 2006):

[1] Failures of government or governance are coupled with overly bureaucratic procedures, unaccountable governments and a concentration of political power with national counterparts. Western governments regularly did not deliver on what they promised, in their relative amounts of money dedicated to official development aid, as well as to more specific promises as regards debt reduction (cf. Hertz, 2007). This factor points at the limited power of governments to support development 'top down' (also sometimes referred to as the *'aid curse'*).

[2] Market Failure occurs in case of a concentration of wealth in a few, monopoly positions (information failure), credit rationing, the passing of costs (negative externalities of pollution or of big development projects) to others and a shortage in the production of public goods; as regards development problems, this factor points at the fact that in particular Multinational Enterprises can have positive, but also negative effects (crowding-out for instance) on local economies and that markets are not a panacea for development. The 'Silent Takeover' of the public space by corporations has advantages and disadvantages (Cf. Hertz, 2002)

[3] Civic or civil society failures occur when special interest groups or elites – either on the basis of religion or other 'club goods' – prevail in defining the 'common good'; as regards development, this factor is behind the often limited effectiveness of religious or other 'do-good' co-Financing Organizations (MFS) towards establishing development 'bottom up'.

Global firms, increasingly acknowledge the rationale for development partnerships. Firstly, because they partly accept a (shared) responsibility for some of the most poignant development problems. Major firms feel an increasing need to (re)define their position in society and their relationship with governments and civil society. Box 1 illustrates this by a number of statement of Fortune 100 companies from Asia, Europe an North America. Secondly, because corporations are aware that poverty and other development problems, negatively affect their business and/or limit their market possibilities. The increasing attention for the 'bottom of the pyramid' (BOP) is a case in point (see also the first Max Havelaar lecture). Partnerships with NGOs in particular are becoming increasingly important for an effective BOP strategy. Finally, firms understand that the relative failure of other actors in developing countries, limit their possibilities to grow, which stimulates them to become actively involved in partnerships.

Box 1: Development partnerships - some statements of Fortune 100 companies

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*"Our primary means of making a positive impact on poverty is through **aligning our own operations** with local people's needs. (…) We can sell affordable products that enable people to improve their standard of living, including motor and heating fuels. (….) Energy is a major factor in lifting people out of poverty. (…)"*

British Petroleum (UK), Sustainability Report 2005

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*"General Motors recognizes that economic growth and development can affect people and the environment, in both positive and negative fashion. However, economic growth, when managed effectively, can help improve living standards, reduce poverty, and develop environmental and health & safety programs. Such improvements **demand close cooperation** among governmental, business, and nongovernmental organizations."*

General Motors (USA), Corporate Responsibility Report, 2005

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*“**Good relations** across every level are vital to peace and stability in the transatlantic region and throughout the world, to win the fight against poverty, hunger, and terrorism, and to assure the universal benefits that can accompany successful globalization. (…).”*

DaimlerChrysler (Germany), 360 degrees sustainability facts

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*‘we not only participate in project and **partnerships** on a commercial basis, but also where the objectives are socially oriented such as poverty reduction and improving education.”*

ING Group (Netherlans), Corporate Responsibility Report, 2005

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*“among the many issues being shaped by (today’s) changes is the issue of global poverty. Poverty should be a compelling moral issue, but it is also a powerfully important economic issue for all of us. (…) **The public and private sectors** each have a critical role to play in combating poverty. The private sector’s contribution lies in building successful businesses that employ and train people, developing capital markets, paying taxes and promoting innovation. Citigroup takes its role in the effort to combat and overcome global poverty with great seriousness, and will increase its focus on this mission so vital to all people in the years ahead.”*

Citigroup (USA), Citizen Report, 2005

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*‘SGCC sincerely performs social responsibilities and actively participates in many social activities such as emergency rescue, providing help to those in poverty and those in difficulties. (…) SGCC **actively participates** in poverty alleviation projects initiated by Central Government Institutes and central governed State Owned Enterprises.”*

State Grid (China), CSR website, visited January 2007

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*‘The social and environmental issues outlined in Plan A are too large to be tackled by consumers, businesses and even governments alone. **Only partnerships** will help us address these challenges and that is why partnership is at the heart of Plan A. We have linked up with some key external partners to share knowledge, develop solutions and support causes linked to Plan A which our employees and customers care about.”*

Marks and Spencer (UK), company website, visited August 2008

For NGOs and governments, benefits are not only the direct support for the cause, but also more indirectly access to technical, management and/or marketing expertise, widening of networks, greater leverage and visibility, and career development and learning opportunities for current and future staff members and volunteers. Companies can, in turn, get access to NGOs and governments specialised know-how and networks in their area, learn about stakeholder engagement and interactions, improve their credibility, legitimacy and brand reputation, thus increasing awareness of and attractiveness to new and existing customers as well as employees (Elkington and Fennell, 1998; Kanter, 1999; Rondinelli and London, 2003; Yaziji, 2000). This applies in particular for those countries were corporate investment contains substantial risk.

Sustainable development to a large extent depends on the *balance* that can be established between the three societal spheres and the extent to which the various forms of 'failure' can be addressed. The notion of 'partnerships', therefore, can be seen as a process in which partners commit to long-term, structural interaction based on a shared analysis that every actor suffers from a number of failures, consequently a shared vision of sustainability and a shared ambition that all partners should play a role in its achievement. Partnerships do not only fill up the 'void' left by the failing societal actors, but also add a new dimension to the development effort, which has the potential to increase the effectiveness of each partner's effort.

Partnerships come in a variety of forms. They are sometimes dubbed 'cross-sector', 'PPPs', 'multi-stakeholder' partnerships and the like. The confusion of terms is illustrative for the present stage of partnership development. Three basic types of partnerships and consequently three different partnership rationales can be distinguished:

[1] **Bipartite: Public-private partnerships** address the inadequate (private and public) provision of public goods. This is also known as the 'policy rationale' for partnerships (cf. OECD, 2006, p. 19) or as the 'underinvestment' problem in which neither the state nor companies invest sufficiently. This problem has been particularly tangible in utility sectors (cf. Megginson and Netter, 2001).

[2] **Bipartite: Private (for profit)/nonprofit partnerships** address in particular the underinvestment in the 'social capital' of a country that results from the trade-off between the efficiency of the market and the equity orientation of civil society (cf. Putnam, 2000).

[3] **Tripartite partnerships** include all three actors: state, companies and civil society (nonprofit or nongovernmental organisations, NGOs). They aim in particular at the problems that result from the 'institutional void' that develops due to retreating governments and weak governance structures (Van Tulder with Van der Zwart, 2006).

3. Common Problems

Still, despite clear positive intentions, an obvious rationale and a number of widely published initiatives, the actual number of clearly successful development partnerships remains rather limited in comparison to the general development effort. This has at least four reasons. First, partnerships are still a relatively recent phenomenon. This implies that only limited evaluation studies have been executed and limited – generally accepted - knowledge exist on lessons learned and their effectiveness. Tripartite partnerships are even more recent than bi-partite partnerships. Secondly, the problems of goal-alignment between organisations from different societal backgrounds are considerable. Partnerships need to have both non-economic and economic objectives, aiming to share resources, knowledge and capabilities between the company and the non-profit partner (Berger et al., 2004). This contains substantial conflict of interests and makes it very difficult to manage the actual partnership. A partnership approach is more complex than prevalent development projects which involve one donor (either government or NGO) and clearly identifiable 'aid' recipients. The value added of a partnership is more difficult to prove (or disprove) than in the case of a simple project. An evaluation study in Germany for instance, where the government allocated €56.4 million in 1999 for 36 partnerships in seven different countries, turned out to be too complex for lack of clear and generalised criteria (Altenburg and Chahoud, 2003).

Thirdly, the dynamism of partnerships is very particular. For instance, free-rider behaviour is a recurring problem in alliances and partnerships – particularly relevant for public-private (for profit) partnerships (cf. OECD, 2006) - which can severely hamper its ultimate effectiveness and efficiency. Besides, partnerships might crowd out other forms of development assistance (Weyzig and Vander Stichele, 2004) and can form an excuse for doing less than otherwise required or needed. Partnerships increase the risk of 'putting the blame' on the partners in case of malperformance and contain considerable reputation risks for the participants. Partnerships involve some loss of autonomy for the participants, which needs to be offset by a gain in effectiveness in reaching development goals. This is not easy to establish. Fourthly, partnerships are very difficult to compare. Each partnership is different, with different partners, locations and objectives (Kolk et al. 2008). Partnerships often imply immense investments of each partner. Like in other major PPPs – primarily as regards infrastructure projects - around the world it proofs very difficult to manage and monitor these projects. Even in developed countries with good governance structures, large infrastructure projects regularly run out of time, budget and commitment.

4. Exemplary Partnership Strategies

Most partnerships at the moment represent bi-partite partnerships. This is illustrative of the rather experimental phase most partnerships are in. In most cases large and small international corporations are involved. Table 1 gives illustrations of leading development NGOs and international governmental organization that have sought partnerships with large corporations. In general the organizations aimed at increasing the effectiveness of their efforts, add managerial competencies, broaden the legitimacy base of their efforts – next to the traditional aim of getting sponsoring. Many NGOs have engaged in partnerships with large smaller credit institutions to pioneer micro-credits. A number of NGOs have allied with international retailers or labeling organizations to introduce 'fair trade' considerations in the supply chain. Others have allied with specific companies for specific projects (like water supply) in which the company brings additional (technical and managerial) knowledge. Nuon, for instance delivers solar energy to a number of the projects of Oxfam/Novib. ICCO, the Dutch development NGO, has aims at collaboration with international firms to upgrade the position of smaller firms in international commodity chains. The requirement for the partnership is that both partners share the aim to contribute to sustainable development.

Table 1 Exemplary NGO/State – Business Partnerships for Development

Organisation	Firms
Oxfam UK	American Express; Ben & Jerry's; Reed; The Times; Elle; United Utilities; Virgin Atlantic; Global Care; Wessex Water; Xerox; Yahoo!
Novib Oxfam (Netherlands)	Nuon; the Body Shop; Max Havelaar; ASN Bank; SNS Reaal sustainable pensions; Ordina
CARE USA	Cisco; Credit Suisse First Boston; Delta; Deutsche Post World Net USA; Rockport; Starbucks Coffee Co; The Timberland Company; W.P. Carey & Co; Weyerhaeuser Company
ICCO Netherlands	Vlisco; Bo Weevil; Oro Blanco and Kuyuchi; Agrofair; Passina-novo Amafrutas; Reef; AHOLD-ACDEP; Global Trading Anfani; Oiko credit; FSC; Fruiteq; Burgland Houtindustrie, VAR (waste disposal), Natura. FaiRSupport
Unicef	Euroflorist; KLM and Air France; Viteau Watercoolers; Djoser; Starwood Hotels
World Food Programme (WFP)	TNT; Benneton; the Boston Consultancy Group; Archer Daniels Midland (US)

For international governmental organizations, the partnership approach has provided additional funds for these often financially trailing organizations. It also resulted in the criticism that international organizations are 'captured' by commercial organization, which might weaken their ability to deliver public goods and lower their legitimacy. For the corporations these 'partnerships' actually entail primarily sponsoring activities, which makes them not really partnerships. In some areas the alliance has added specific competencies to the organization. The partnership between postal company TNT and the World Food Programme (WFP) is an interesting example. In this partnership TNT basically identified food shortages as a logistical problem – food is unequally distributed, not necessarily short in supply. Logistics represents TNT's core business. The rational for the partnership, therefore, was quickly drafted. Whether the partnership is more than a 'sponsoring' formula, however, critically depends on the degree to which TNT will be able to make the alliance really part of its core business. TNT comments that it does not intend to use the partnership to enter new markets in Africa for instance. If this is really the case, the sustainability of the partnership might come in danger as soon as the company runs into financial difficulties.

Vice-versa an increasing number of number firms is actively seeking partnerships, not only for philanthropical reasons – which until recently has been a leading motivation - but for a large variety of business-related reasons as well. Table 2 gives exemplary evidence of the partnership approaches adopted by leading companies. The main focus of partnerships ranges from disaster relief – a relatively modest and ad-hoc form of partnership – to community development and sustainable agriculture – which are much more directly related to the core activities of corporations. It seems that European firms have embraced partnerships in a more (pro)active manner than leading American or Asian firms. The CEOs of European Multinationals tend to identify themselves also more with partnerships. Such an approach is strongly rooted in the European corporatist tradition in which societal actors see each other more as partners than as adversaries with conflicting interests. The more pro-active approach of European companies is relatively independent of the actual number of partnerships. American firms embrace partnerships more often and more (re)active than leading Asian firms. This pattern corroborates with the general CSR strategies of these three varieties of capitalism, which is also supported by other studies (e.g. Muller and Whiteman (2008).

Table 2 Exemplary Corporate Partnership Approaches (2006/2007)

no.	Company	main focus of partnerships	partnership with…
1	**Exxon Mobil**	microfinance, health (malaria, measles), disaster relief	USAID, UNICEF, Kazakhastan Loan Fund, American Red Cross, U.N. Foundation, U.S. Centers for Disease Control, World Health Organization, Pakta Fundation
3	**Royal Dutch Shell**	community development	Niger Delta Development Commission (NDDC), USAID, International Institute for Tropical Agriculture, GLOBACOM
4	**BP**	microfinance	Save the Children, European Bank for Reconstruction and Development
6	**Chevron**	educational/ training	USAID, Discovery Channel
13	**ING Group**	microfinance and financial sector development, education	United Nations Capital Development Fund (UNCDF), Oikocredit, Netherlands Financial Sector Development Exchange (NFX), UNICEF
14	**Citigroup**	microfinance, disaster relief	Working Women's Forum (Chennai), Association for Enterprise Opportunity (AEO), World Food Program (WFP), American Red Cross
26	**HSBC Holdings**	environmental-innovation oriented	universities of Newcastle-upon-Tyne and East Anglia, Earthwatch
28	**Aviva**	microfinance, water shortage	FORCE (local NGO in India), UN Enviornment programme finance Initiative, BTCV, Earthwatch, WWF, Business in the Commmunity, International Business leaders Forum (IBLF)
34	**BNP Paribas**	microfinance	ADIE (non-profit association specialised in microfinance)
41	**Nissan Motor**	disaster relief	Habitat for Humanity
50	**Verizon Comm.**	literacy	Save the Children U.S. and Fudeco (Save the Children- Dominican Republic)

53	**Nestlé**	sustainable agriculture, hunger, several partnerships in all MDGs…	WARMTH (War against Malnutrition, TB & HIV), Healthy Thai Children (a joint private-public effort with the Dept of Health and Ministry of Public Health), Turkish Education Volunteers Foundation + many more
57	**Credit Suisse**	disaster relief	Habitat for Humanity
59	**Tesco**	labour standards, disaster relief	Wine and Agricultural Ethical Trade Association (WIETA), British Red Cross
63	**Zurich Financial Serv.**	disaster relief	International Committee of the Red Cross
68	**Électricité De France**	community development	Care France, Fondation Nicolas Hulot, UNCPIE (Union nationale des centres permanents d'initiatives pour l'environnement)
71	**France Télécom**	education	Ministry for Education (Senegal, Jordan), UNICEF, USAID
75	**Deutsche Post**	disaster relief, health (medicine supply/distribution)	European Generic Association (EGA), the Business Humanitarian Forum (BHF) and the Deutsche Investitions- und Entwicklungsgesellschaft (DEG—the German Investment and Development Corporation), UNDP, OCHA, Red Cross and Red Crescent Societies
81	**Procter & Gamble**	drinking water	USAID, Johns Hopkins Bloomberg School of Public Health, CARE, and Population Services International (PSI), International Council of Nurses (ICN), UNICEF, Samaritan's Purse, World Vision, International Rescue Committee, CARE, Red Cross, and AmeriCares
82	**ABN AMRO Holding**	microfinance , financial sector development	Oxfam Novib, 'Netherlands Financial Sector Development Exchange ('NFX'), World Bank
96	**Suez**		Essor
493	**Marks and Spencer**	Health (breast cancer), recycling and packaging, business-community involvement, poverty, supply chain, environmental projects	Breakthrough, Closed Loop Recycling, Groundwork, Oxfam, Prostate Cancer Charity, Shelter, Woodland Trust, WWF

5. Critical Success factors

The systematic evaluation of partnerships is only slowly developing (World Economic Forum, 2005; OECD, 2006; Hardcastle et al., 2006; ECSAD, 2006). The empirical basis on which the few studies that exist draw conclusions, is still rather limited. Individual case studies abound, combined with often impressionistic and prescriptive statements based on the experience of individual consultants. The following tentative list of critical success factors for specific partnership projects can be accumulated from these studies (Table 3)

Table 3 Tentative list of critical Success Factors for Development Partnerships

Partnership Design
➢ Take time in particular during the start-up phase
➢ Keep the momentum
➢ Involve all primary stakeholders
➢ Appropriate risk allocation and risk sharing
➢ Thorough and realistic cost / benefit assessment
➢ A results-oriented and appropriately detailed plan for achieving the goals and targets set up jointly for the partnership
➢ A focus on important needs that can best be fulfilled through partnerships and that are recognised and accepted by all partners
➢ A clear vision of the objectives residing over the partnership and to which all involved parties would be effectively committed
➢ Flexibility is vital – there is no “one size fits all” approach
➢ Project technical feasibility
➢ Technology transfer
➢ Multi-benefit objectives
Partner Commitments
➢ Clarity of roles, responsibilities, goals and “ground rules”
➢ Commitment of core organisational competencies
➢ Sufficient and appropriate human and financial resources committed from all partners
➢ Application of the same professional rigour and discipline focused on achieving targets and deliverables that would be applied to governing, managing and evaluating other types of business alliances
Partner Relations
➢ Respect for differences in approach, competence, timeframes and objectives of different partners
➢ Clear understanding of mutual benefits (win-win) to all involved parties
➢ Focus on achieving mutual benefit in a manner that enables the partners to meet

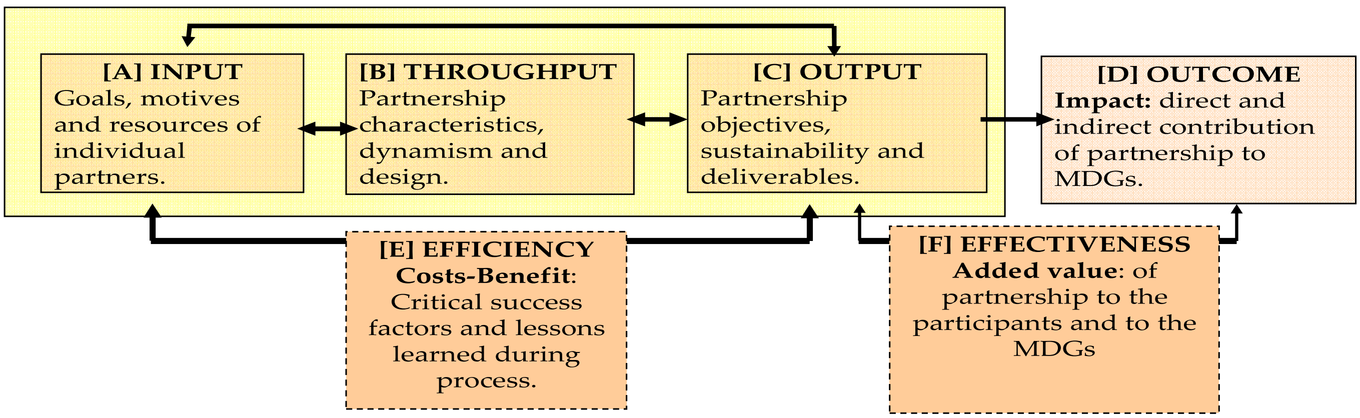
their own objectives as well as common goals
➢ Good leadership
➢ Effective relationships and communication built on trust in the function of partnership and a shared commitment and ownership by all partners; this requires time and patience
➢ Shared authority between public and private sectors
Measurement
➢ Clear and enforceable lines of accountability
➢ Accurate and appropriate indicators to be used to evaluate to ensure a successful outcome and progress of the partnership
➢ Constant and effective monitoring, measuring and learning
External Factors
➢ Political Support
➢ Sound economic policy
➢ Stable macro-economic environment
➢ Available financial market
➢ Favourable legal framework
➢ Government involvement by providing guarantees
➢ Understanding the needs of local partners and beneficiaries, with a focus on building their own capacity and capability rather than creating dependence

Sources: World Economic Forum2005; OECD, 2006; Hardcastle et al., 2006; ECSAD, 2006

6. An Evaluation Framework

In practice, it proves difficult to draw general lessons from partnerships. Each partnership is different, with different partners, locations and objectives. Nevertheless, it can be observed that most partnerships go through largely similar stages, thus allowing for a comparable analysis of the various dimensions of the process. These might be labelled as (a) input; (b) throughput; (c) output; and (d) outcome. In addition, partnerships can be evaluated on (e) efficiency; and (f) effectiveness. Figure 1 gives an overview of these elements which need to be considered in furthering the theory and practice of development partnerships (cf. Caplan, 2003; Van Tulder, Kostwinder, 2007).

Figure 1 – An evaluation model for Development Partnerships



[A] The *input* of partnerships, consists of the means that are necessary to carry out the process, which can be either of a material (money) or immaterial nature (knowledge). Furthermore, individual partners have specific goals and motives for joining the partnership that are strongly influenced by their societal background (profit or nonprofit, public or private) and by their morality or virtues. As to the latter, an investigation of intent and what has been conceptualised in the literature as 'virtuousness' (e.g. Bright, 2006; Cameron et al., 2004) is worthwhile as well in relation to partnerships. This is all the more interesting when linked to the role played at times of internal organisational developments such as restructuring (Bright et al., 2006). At the more instrumental level, it may be important to understand to what extent the partners are already convinced of specific types of failure before commencing the partnership. In case actors are well-aware of these failures, the basis for a partnerships becomes broader, the willingness to cooperate bigger and the chance of success higher. Questions include: Why do partners perceive the project as necessary and what is their expected return on the project? Did partners have any choice about engaging or not? Where do the 'roots' of the partnership come from? Do companies see partnerships as part of corporate social responsibility or do they frame this differently, for example mere business-driven?

[B] The actual dynamics, execution and implementation process/procedure of a partnership could be designated as the '*throughput*'. This appears to depend on the (1) number and nature of participants, (2) the roles that can be adopted by the participants, (3) the arrangement and degree of internal dependencies chosen, which in turn is influenced by (4) the position of participants as primary or secondary stakeholder in the project (cf. Fransen and Kolk, 2007). Depending on their goals and motivations, partners can decide upon particular roles to be played in the partnership, which affect whether the partnership in question may, for example, broaden from being project oriented to serving broader and multiple development goals.

[C] The activities undertaken by the partners result in project *output* such as goods and/or services, but possibly also in redefined goals for the partners due to the accumulated experiences in the project. A first output criterion is the extent to which the individual objectives of each participant have been achieved. Did the partnership fulfil the original objectives of the participants or not, or did it perhaps even add to them? Did the project adequately address the sources of 'failure' that were at the basis of the partnership? A second output criterion is the extent to which the project objectives have been achieved. Did the partnership result in concrete and tangible results? What are the 'benefits' for each of the participants (in terms of, for example, profits, members, legitimacy, exposure, moral capital)? Is there evidence of institutional change due to the partnership, for instance did the partnership result in codes of conduct, trade-marks or other new rules of engagement between the partners that might have an impact beyond the concrete project (and thus fill the 'institutional void' that many countries and markets suffer from)? Finally, the sustainability of the project is an important criterion. Did the partnership bring about sufficient goal-alignment to make it sustainable? What are the possibilities to scale-up the project? The sustainability of the project can also be dependent on the 'exit' possibility for certain participants. A project might not be sustainable if it remains dependent upon the continued financial support of governments or other partners. So another question might be if the period of engagement of each individual partner been enough to guarantee the sustainability of the project?

[D] The changes, benefits and results brought by the partnership on the wider society can be seen as the final and ultimate *outcome* of the partnership process. Often these goals are formulated as relatively vague 'inspiration' for the project, but not so much specified. A serious evaluation, however, needs to make this impact as concrete as possible. For partnerships for development, this can best be assessed by their direct and indirect impact on the Millennium Development Goals. To this end, quantitative measurements, for which approaches have been developed recently (particularly NCDO, 2006), could be combined by (perceived) assessments of external stakeholders and project participants.

[E] Partnerships for development need also be evaluated in terms of their efficiency and effectiveness. This is the dimension that is most difficult to measure and therefore most-often ignored. With regard to *efficiency*, seen as the internal value added of the partnership, this may be assessed using a cost-benefit analysis. What were the total cost of the partnership, and what specific costs (transaction costs, operating costs) can be attributed to the partnership? For example, more complex negotiations with a large number of stakeholders incur initially more costs upon the participants, but can later on – in case of successfully institutionalised relationships – lead to considerably lower operating costs. Weakly elaborated contracts between the cooperating parties can result in serious additional costs if the partnership becomes problematic. It can also be studied to what extent the overall goal of the partnership has become aligned with the individual goals of the partners for joining the partnership. What critical success factors for managing a partnership do the partners distinguish themselves and how well have they been able to cope with them and learn from it?

[F] The *effectiveness* of partnerships can be seen as the added value and the impact of the partnership compared to individual activities of the different partners. In other words, does the partnership provide additional ways of achieving the MDGs that would not have been possible otherwise? Were other objectives possible through the partnership? Were more resources allocated than otherwise possible? Did the partnership project trigger other activities of the participants that proved relevant for obtaining (some of) the MDGs? Is an alternative partnering (or non-partnering) approach possible that would have brought about comparable results? To what extent is the present experience reproducible? What would have happened in case the partnership project was not implemented?

Such an analytical framework, while preliminary, offers a range of elements that can induce further research and also reflections for managers and policymakers involved in partnerships for development. To shed more light on the actual effectiveness of partnerships, a detailed investigation over time in which assessments are made both at the beginning and in the course (or the end) of the partnership seems appropriate.

7. Conclusion: a world to be gained

There is a clear logic to partnerships in support of development in general and the Millennium Development Goals in specific. A booming number of partnerships between governments and private companies, between companies and NGOs and between the three (tripartite) already exists for a large variety of goals. But are they effective? This is question is difficult to answer, due to a lack of systematic and internationally comparative studies (Cf. Kolk et al, 2008). The reasons for this state-of-affairs have been explained in this paper and the components of an evaluation framework were shortly indicated. There is a world to be gained both in theory as in practice.

The following areas for discussion by the speech givers in the Max Havelaar lecture can be proposed:

1. Are partnerships a necessary and/or a sufficient way forward to achieve the Millennium Development Goals?
2. What do you consider the most important preconditions for successful partnerships?
3. Which projects are more prone to partnerships than others
4. Do you consider particular types of partnerships more effective than others?
5. Can goal-alignment between the profit and non-profit and between governmental and non-governmental organizations be achieved through these partnerships?
6. What to do with operational risks of partnerships, such as the problem of free-riders or the risk of 'capture' (in which the partnership is only geared towards the interests of one party – for instance the commercial partner – and partners)?
7. What would be your preferred research agenda for business schools on the future of partnerships?

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