



THE PARTNERSHIPS

RESOURCE CENTRE

The State of Partnerships Report

2011

Dutch Development

NGOs facing the Partnering challenge

Colofon

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This study covers all development non-governmental organizations (NGOs) active from the Netherlands with a revenue of € 1.5 million or more in 2008. This amounts to ninety NGOs, reporting on 317 individual partnerships with firms and/or governments. This study serves as a benchmark and stimulus for further quantitative research on the partnership strategies of development NGOs.

NGO reporting on partnerships

- Although NGOs take their reporting seriously, most do not report in a consistent or transparent way about their partnerships. Five NGOs have a dedicated section on cooperation with companies in their annual report and one has a section on cooperation with governments.
- Two-fifths (40%) of all organizations use the word partner over 50 times in their annual report.
- Over one-third of NGOs (35%) do not refer to partnerships at all.
- Partnership synonyms such as 'coalition' or 'alliance' are used by almost half of the NGOs (44% and 50% respectively).

NGO perspective on partnerships in general

- Two-thirds of NGOs report that they are involved in cross-sector partnerships.
- Most partnerships constitute business-NGO partnerships (43%), directed at financial exchange. One-third of all partnerships have a financing relationship.
- The three main reasons for partnering are: (1) contributing to NGO goal, (2) gaining additional income and (3) achieving higher impact.
- Most partnerships are focused on health (17%), poverty (12%) and education (10%). Many NGOs (33%) do not explicitly mention the issue addressed by their partnership(s).
- Most partnerships are implemented in the Netherlands (30%). Outside the Netherlands, most partnerships are implemented in Africa (22%).
- One third of NGO contributions to partnerships are explicitly in-kind (36%). Most NGOs do not mention what they have to offer (56%).
- Most NGOs do not provide an evaluation of their partnerships (63%).

NGO perspective on partnering with government.

- Almost three-quarters (73%) of the NGOs mention the government as a source of finance.
- Over one-third of NGOs also names the government as a partner in dialogue and joint projects.
- Dependence on government funding is not strongly related to the search for other funding sources.

NGO perspective on partnering with business

- Most NGOs (58%) mention gaining extra financial resources as an important driver for partnership.
- NGOs have an ambiguous stance towards business. They point out the negative effects of business on development, but at the same time they work together with firms, either in dialogues, partnerships or financing relationships.

NGO perspective on partnerships portfolio management

- Most NGOs have not yet managed to develop a coherent portfolio strategy or show a coherent issue approach in their partnership portfolio. Notably smaller NGOs are more focused in their portfolio approaches with a focus on specific issues or regions.
- Public subsidy schemes have strongly influenced NGOs to engage in vertical as well as horizontal intra-sector partnerships, which in turn have influenced their cross-sector partnership portfolio.

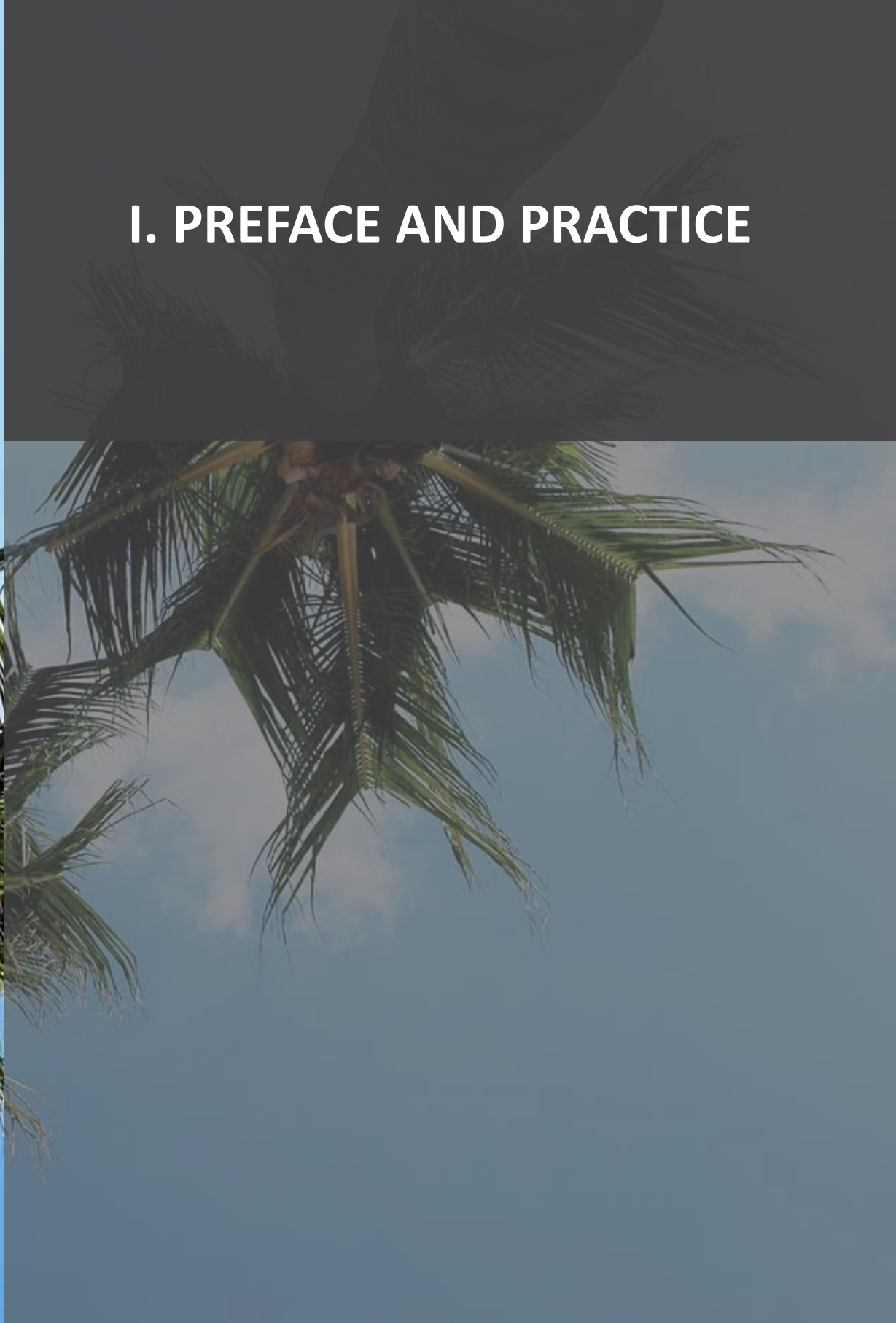
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TEAMWORK



I. PREFACE AND PRACTICE



What's in a partnership?

Partnerships between different organizations – for profit, non-profit, public, private – are increasingly becoming the new standard for development cooperation. Austin (2001) talks of partnering as the new ‘collaborative paradigm’ of the 21st century. This paradigm is aimed at addressing societal complex or ‘wicked’ problems for which organizations on their own have not been able to find adequate answers or approaches (cf. Selsky and Parker, 2005; Van Tulder, 2011). *The creation of inter-organizational and cross-sector partnerships, however, is far from easy.* Organizations are forming partnerships with other parties that in the past were considered competitors (either because they were operating in the same sector and applying for the same subsidies, or because they had different aims such companies and non-governmental organizations (NGOs)), is ‘work in and on progress’. Partnerships represent strange bedfellows. Next to the actual management of each of these partnerships, organizations are increasingly faced with the question how to manage their (often expanding) portfolio of partnerships. In the past, the partnerships between development NGOs and local parties in developing countries were part of a donor relationship, and therefore always included a level of hierarchy and dependency. The new forms of partnership are on a much more equal footing, but create other types of dependencies. *Partnership portfolio management has become a separate challenge for NGOs.*

This report is part of a broader research project into the partnership portfolios of NGOs, corporations and governments. This study presents a first effort to define the state-of-the-art in the inter-organizational partnership portfolio of major NGOs active in the Netherlands. The study is aimed at providing a general benchmark for other studies, in particular in the area of cross-sector partnerships. This line of research is in dear need of descriptive, fact finding exercises. Until now, case studies and theoretical/prescriptive exposes abound which often assume that (cross-sector) partnerships are useful. But even at the level of definition it is already difficult to find consensus.

Only a few of the organizations we investigated have tried to come up with a definition of partnerships. The Red Cross uses a definition that stresses common goals and common responsibilities. The organization Kom over en Help, a religious organization that partners with churches and religious organizations, stresses the local character of the partnership, spiritual connection, mutual respect, but also complementarity in competencies and responsibilities. Both definitions combined create a more complete definition of cross-sector partnerships that we can find elsewhere in the literature or with the Dutch Ministry of Foreign Affairs (Box 1). This report, therefore, does not adopt any specific definition, but instead starts from the concepts used by the NGOs themselves in order to document their perceptions of partnerships, next to their actual partnership strategies. This report therefore provides an exploratory first fact finding exercise.

Box 1: Definitions of Partnerships

Two NGOs that explicitly define the concept of partnerships:

“The 8NS Africa Initiative defines partnerships as a cooperative relationship to achieve shared goals and to accept joint responsibility.”¹

Het Nederlandse Rode Kruis (2008, p. 35)

“For KOM OVER EN HELP partnership means working with local partners in charitable social welfare projects, humanitarian and development aid projects, based on religious values, equality and mutual spirituality. This means a shared responsibility for policy development and implementation and recognition and mutual respect for specific competencies and responsibilities.”²

Kom over en Help (2008, p. 6)

The working definition of the Dutch Ministry of Foreign Affairs:

“A form of cooperation between government and business (in many cases also involving NGOs, trade unions and/or knowledge institutions) in which they agree to work together to reach a common goal or carry out a specific task, jointly assuming the risks and responsibilities and sharing their resources and competencies.”

Ministry of Foreign Affairs (2010, p. 6)

Two definitions in academic literature:

Brinkerhoff (2002): *“Partnership is a dynamic relationship among diverse actors, based on mutually agreed objectives, pursued through a shared understanding of the most rational division of labor based on the respective comparative advantages of each partner. Partnership encompasses mutual influence, with a careful balance between synergy and respective autonomy, which incorporates mutual respect, equal participation in decision-making, mutual accountability, and transparency.”*

Glasbergen (2007): *“Partnerships are collaborative arrangements in which actors from two or more spheres of society (state, market and civil society) are involved in a non-hierarchical process through which these actors strive for a sustainability goal.”*

¹ *Translated from:* “Het 8NS Afrika initiatief definieert partnerschap als volgt: “een relatie gebaseerd op samenwerking om tevoren overeengekomen resultaten te behalen en het accepteren van een gedeelde verantwoordelijkheid voor het behalen daarvan.”

² *Translated from:* “Partnerschap betekent voor KOM OVER EN HELP om samen met lokale partners, op basis van geestelijke verbondenheid en uitgaande van gelijkwaardigheid en wederkerigheid, inhoud te geven aan geestelijke toerusting, diaconaat en ontwikkelingsswerk. Dit betekent een gezamenlijke verantwoordelijkheid voor beleidsontwikkeling en uitvoering waarbij elkaars specifieke mogelijkheden en verantwoordelijkheden worden erkend en gerespecteerd.”

Three types of partnering strategies

Dutch development NGOs have grosso modo adopted three types of inter-organizational partnering strategies:

- **Donor-recipient partnerships.** This is a traditional approach towards Southern actors, which have often been denominated as ‘partners’. It contains substantial dependencies in which the nature of the actual partnership is not always clear. This type of partnership comprises elements of both voluntary and involuntary partnering, but is intrinsically motivated by Northern NGOs. It primarily involves a (vertical) donor-recipient relationship.
- **Cross-sector partnerships.** Since the start of the new millennium, an increasing number of NGOs have recognized they have reached the boundaries of their effectiveness. Alliances with firms in particular might help to improve their impact and a growing number of NGOs have also started to search for market-based approaches towards development. The search for cross-sector partnerships with corporations has been voluntary, but also extrinsically motivated for two reasons. Firstly, international organizations have started to embrace cross-sector partnerships as a principle and secondly, in many countries government funding conditions has started to change in two profound ways. The total funds flowing to development organizations have decreased or stagnated and governments have started funding more innovative cross-sector projects, especially projects including a business partner.
- **Intra-sector partnerships.** NGOs are increasingly cooperating with each other horizontally. Development NGOs have always cooperated with other NGOs on a limited scale and, for instance, during sudden disasters. But this process has recently received a considerable boost by changed government funding strategies. The Dutch government’s 2010 co-financing system MFS II requires Dutch NGOs to partner as a condition for further funding. This partnering can be considered ‘involuntary’ or defensive for two reasons: the NGOs are the recipient in a donor relationship with the government, and they are forced to strike – often incidental – partnerships in order to retain funding (which in many cases amounts to more than half of their budget).

This report aims to document all dimensions of inter-organizational partnerships, but in particular focuses on the most novel third dimension of cross-sector partnerships. It examines motivations for partnering, types of partnerships, issues addressed by partnerships, countries of implementation and the sources of success from the perspective of the NGO.

Benchmarking NGOs on partnerships

The basic data for this report were collected for the year 2008. This year serves as a benchmark year for documenting the NGO response to the above three developments: (1) it is one of the first years when development NGOs as a group started to think more systematically about cross-sector partnerships. In 2007 and 2008, the discussion on cross-sector partnerships started to gain momentum following pioneering efforts in the first half of the 2000s; (2) 2008 highlights the results of the first five years since many of the international organizations – following the Johannesburg summit in 2002 – started to actively search for business involvement in development policies through partnerships; (3) in 2008/2009 the Dutch government notified NGOs that the basis for their funding (through MFS I) would change, and that they had to search for more intra-sector collaboration and increase their effectiveness. Since 2008,

strategies of NGOs have developed further. Some of the trends will be highlighted in this report as well – in particular the changed landscape of intra-sector partnerships. But the benchmark can be used as zero-measurement for assessing progress in the strategies of NGOs. This report is the first of its kind to provide comparative empirical information on NGO partnership strategies at the organizational and national level.

This report consists of the following five sections

- I. **Practice:** The remainder of this first section gives a summary of the basic characteristics of the NGOs used in this study and gives insight in their reporting practice. Is there indeed growing attention for partnering?
- II. **Patterns:** This section analyses whether there are specific common and distinctive features in NGO approaches towards cross-sector partnerships. Partnership types, forms of engagement, NGO contributions, regional focus and issue focus are compared.
- III. **Performance:** The third section considers what criteria NGOs use to assess the success of these partnerships. How important are partnerships, what are motives for partnering and how successful have partnerships been?
- IV. **Portfolio management:** This section sketches the challenge of a coherent partnership portfolio management. Which choices do NGOs make on issues, regions of implementation and what are the differences between the six largest NGOs operating from the Netherlands when it comes to their partnerships portfolio?
- V. **Perspectives:** The final section considers the changed conditions under which Dutch development NGOs have to operate. Arguably the most important change has been caused by newly formed intra-sector partnerships. This final part documents this change and considers its consequences for cross-sector partnerships.

A representative sample

NGOs are increasingly outward looking. This development has at least two components: (1) the search for partnerships with other actors in society, (2) the search and need for greater legitimacy and accountability. This report operates at the juncture of these two developments and uses NGO annual reports as a source of information on how NGOs deal with partnerships.

This study covers all development NGOs active in the Netherlands *with a revenue of €1.5 million or more in 2008*. This amounts to 90 NGOs (see appendix 1 for a list of these NGOs). The sample has considerable representative value. In the first place, development NGOs active in the Netherlands are amongst the leading NGOs in the country. This mirrors the great interest in Dutch (civil) society for development cooperation. Second, and partly as a consequence of the first, many of these NGOs are amongst the largest NGOs in the world. Third, the main technique used for this analysis enables replication. The method of analysis is a structured and systematic text analysis of annual reports. (See appendix 2 for some methodological notes).

Sample characteristics: revenues and finance

The revenues of the NGOs are very diverse and relatively concentrated (Figure 1). Almost half have revenues of less than € 5 million. One-third earns between € 5 and € 15 million, whereas around 23% has revenues above € 15 million. The distribution is very skewed, which means that a small number of large organizations hold a large part of the financial resources within the sector. SNV generated the largest income in 2008 with over € 200 million. However, it should be noted that SNV enjoys a special position within the development community as it belonged to the Dutch Ministry of Development Cooperation until 2002 and has a special financing agreement until 2015.

Figure 2 documents the main financial sources for NGOs. Donations are the biggest source of income and can come from both individuals and businesses (sponsorships). The bulk of government funding towards NGOs is channeled through two major subsidy rounds: MFS I (2004/2005) for individual NGOs and MFS II (2010) for intra-sector partnerships of NGOs. Twenty-nine percent of NGOs received MFS I financing (n=26), 64% applied for MFS II financing (n=57) and 41% were awarded funding (n=36).³

Figure 1: NGO Revenues

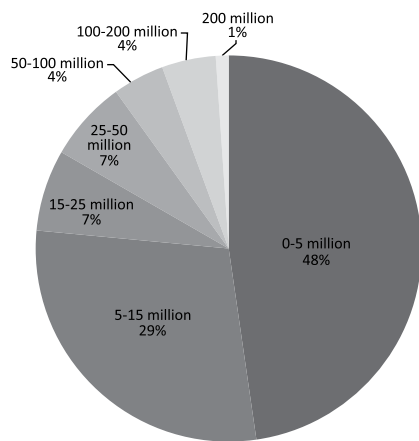
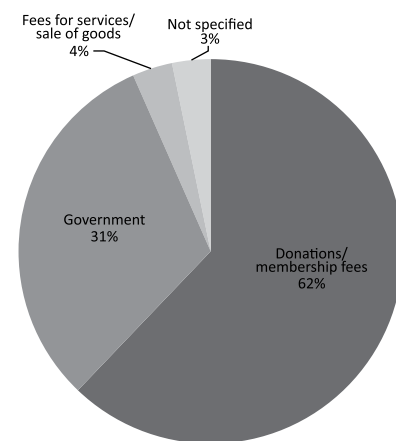


Figure 2: Main Source of Finance



Increased transparency in reporting

A general trend towards greater transparency and accountability triggered a more open attitude of NGOs towards society at large. In the past, NGOs lacked transparency, but they have recently started to report more extensively on their activities along a standardised format. The Netherlands is one of the leading countries in this respect. *The CBF-Keur for charities*⁴ has become accepted as a benchmark. Around three-quarters of the organizations we researched (74%, n=66) hold a CBF seal of approval.

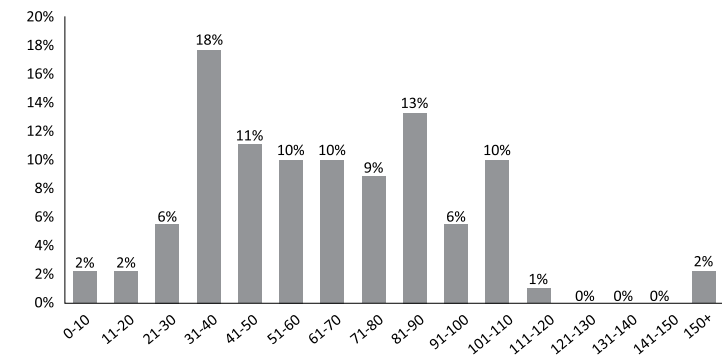
NGO annual reports have become part of an external legitimating effort towards stakeholders, which enables research into the organizational sense making or narratives on partnerships.

³ MFS stands for Medefinancieringsstelsel (Cofinancing System) of the Dutch Ministry of Foreign Affairs.

Size of report as a measure of depth?

If the number of pages can be taken as an indicator of the depth of reporting (Figure 3), it can be said that *NGOs take their reporting seriously*. Only 10% of the NGOs report in fewer than 30 pages and 13% even publish reports of over one hundred pages. There is no one-on-one relationship between the size of the organization and the length of the report. BID Network and Lepra Stichting are among the smaller NGOs and have the shortest reports but the organization with the shortest report is still 50% bigger than the other. *Oxfam Novib* and *Red een Kind* have the most extensive reports, but the latter has revenues of less than one-tenth of the former.

Figure 3: Reporting Depth (measured in number of pages)



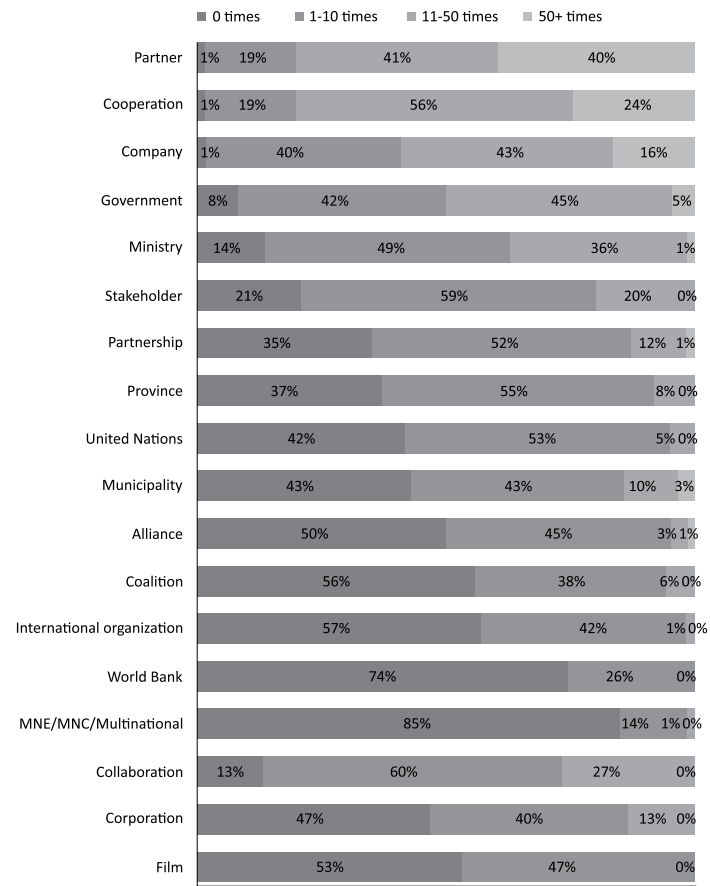
Growing attention for partnering

The general attention for partnerships can maybe be derived from general references to the word 'partnership' or related concepts (Figure 4). *Two-fifths of all organizations use the word partner over 50 times* in their annual report (40%). Only one NGO does not use the word partner at all (Agriterria). Partnering, like cooperation, is an important focus of Dutch development NGOs. Many of the Dutch development NGOs clearly originate in an era of 'development cooperation'.

However, this does not mean that *cross-sector* partnerships are important too. Most Dutch development organizations denominate their southern counterparts as partner organizations. This implies intra-sector cooperation instead of cross-sector cooperation. Furthermore, *over one-third of NGOs (35%), do not refer to partnerships at all*. Synonyms such as 'coalition' or 'alliance' – which are often used in a more strategic meaning of partnerships – are used by almost half of the NGOs (44% and 50% respectively).

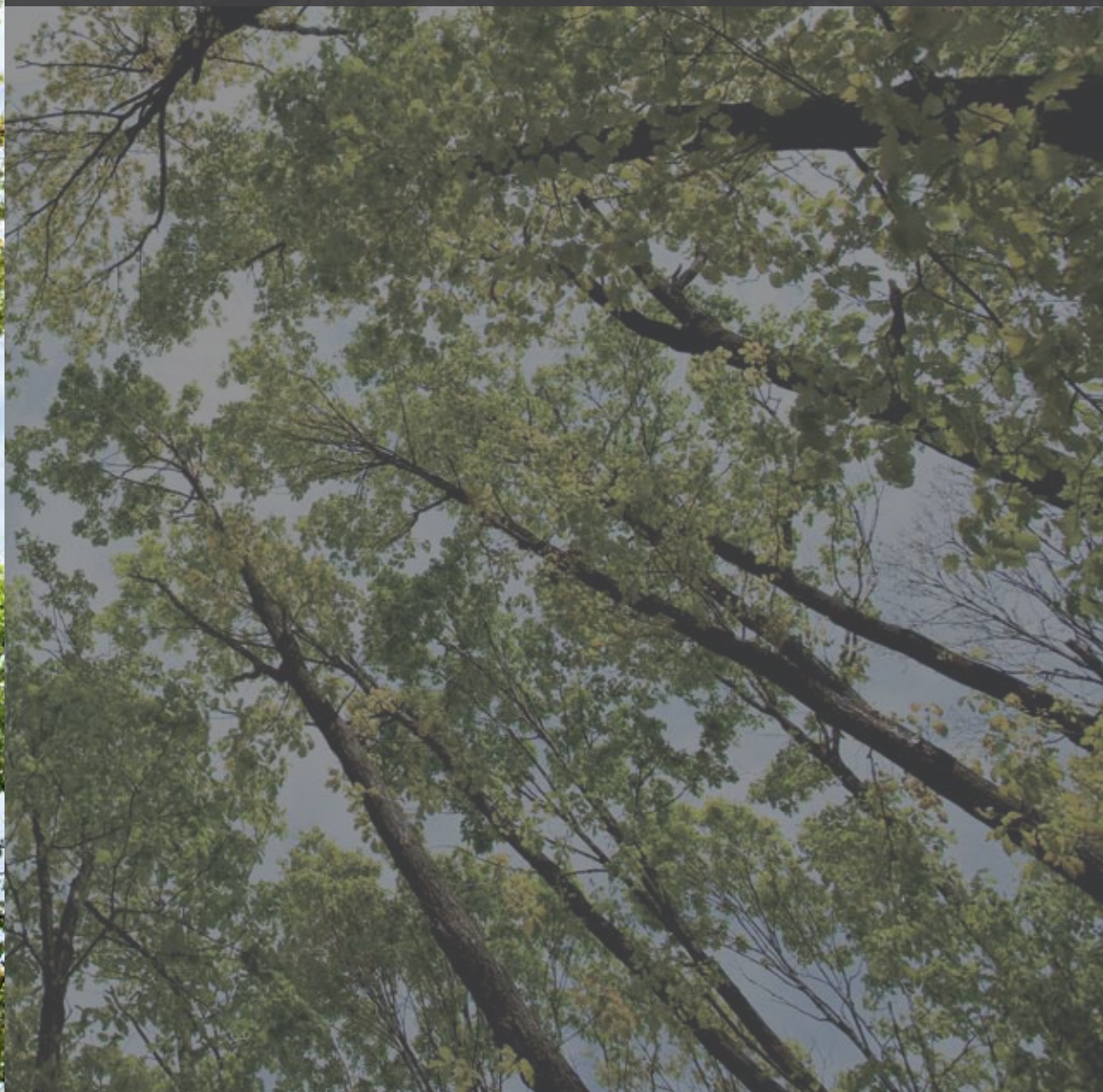
⁴ CBF stands for Centraal Bureau Fondsenwerving or Central Bureau for Fundraising. The organization has a database of information about charitable organizations. The label CBF Keur or Seal of Approval contains criteria such as management, policy, fundraising, use of resources, reporting and accountability.

Figure 4: Partnership Relevant Keywords in Reports





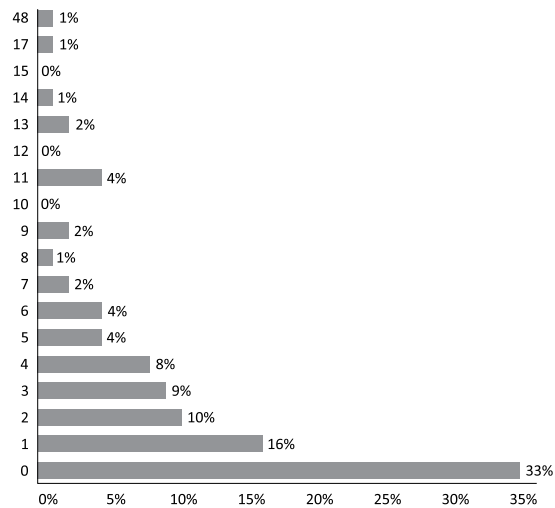
II. PATTERNS



Cross-Sector Partnerships are booming

In total, 90 NGOs reported on 317 individual cross-sector partnerships. Almost two-thirds mention at least one partnership in their annual report (Figure 5) and on average they report 18 specific partnerships. Appendix 1 includes a list of all NGOs not reporting on any partnership with either firms or governments (which does not necessarily imply that they do not engage in partnering). Partnerships are indeed becoming an increasingly important tool for development organizations to further their goal.

Figure 5: Number of Reported Partnerships per NGO



Top 10-NGOs reporting partnering

One NGO (AMREF Flying Doctors) engages in 48 partnerships. Other NGOs that report a high number of partnerships are Stop AIDS Now! (17), UNICEF (14), IICD (13), and HIVOS (13). Table 1 shows the top 10 NGOs that report the most partnerships. The largest group of NGOs (n=13; 16%) mentions one partnership in its annual report.

Table 1: Top-10 NGOs Reporting on Cross-Sector Partnerships

NGO	Number of partnership reported
	48
	17
	14
	13
	13
	11
Het Nederlandse  Rode Kruis	11
	11
	11
	9

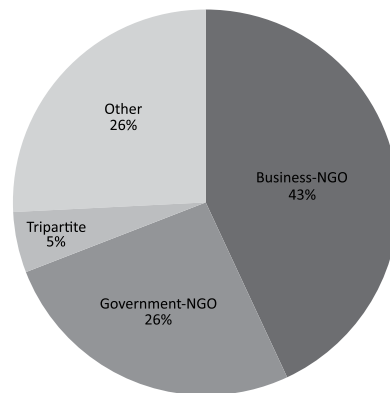
Types of partnerships

The total of 317 partnerships can be categorized in four different types:

1. Business-NGO: partnerships between private companies and NGOs
2. Government-NGO: partnerships between governmental institutions and NGOs
3. Tri-partite partnerships: partnerships including at least one business party, one governmental party and one NGO
4. Other(s): partnerships including other types of organizations such as research institutes, international organizations and universities

Forty-three percent of all partnerships are *between NGOs and business* (Figure 6). One-fourth of the partnerships are between governments and NGOs. A little over one-fourth fall into the category of 'others', and 5% are tripartite partnerships.

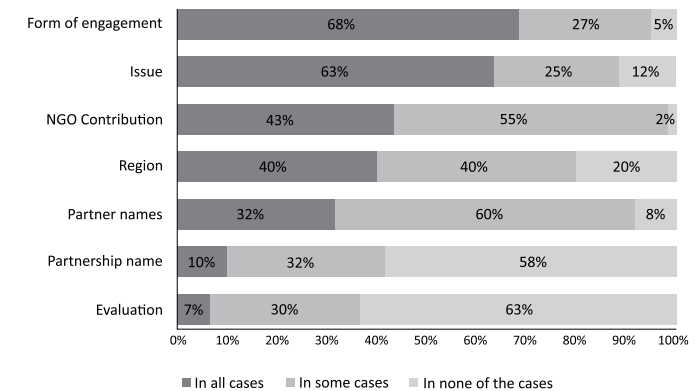
Figure 6: Types of Cross-Sector Partnership



Favorite dimensions

NGOs provide the most details on the form of engagement of their partnerships, the issue that is addressed by the partnership, and the implementation region of the partnership (Figure 7). The names of the partnerships and partners are sometimes also mentioned, albeit to a lesser extent. *The weakest part of partnership reporting* and most likely also the partnering praxis is *the evaluation of partnerships* (see Section III on Performance).

Figure 7: Dimensions of Partnership Reporting



What's in a name?

An interesting finding is the partner names are not mentioned in the annual reports. Of the NGOs that report their involvement in partnerships, one-fifth mentions the names of all the partners involved in all partnerships. Another 80% mentions at least one partner's name in at least one of the partnerships. Two percent does not mention any partner's names. NGOs do not use uniform reporting standards to describe their partnerships. Most NGOs specify details of exemplary partnerships, but rarely compare their partnership portfolio. A coherent practice for partnership reporting does not yet exist. This can partly be explained by *the ambiguous attitude of most NGOs towards partnering*. Public statements are thus hampered by legitimating and liability considerations. *NGOs are clearly not yet experienced in the 'art of partnering'*.



The name of the partnership is explicitly mentioned in one-third of all the partnerships reported by NGOs. This low percentage can be explained by the fact that many partnerships do not have a name (yet). All of the partner's names are mentioned for most partnerships (62%), whereas none of the partner's names are mentioned in one-fifth of all the partnerships reported by NGOs. *NGOs are neither transparent nor consistent in their partnerships reporting*.

Forms of engagement

It is striking that *one third of all partnerships seems to be limited to a financing relationship* (see Figure 8).⁵ This does not only mean a transfer of financial resources from a company to the NGO, but these types of partnerships are also used for branding purposes and to increase the brand awareness of NGOs. Dance4Life is one of the NGOs that uses cause related marketing (Box 2).

⁵ This finding is in correspondence with the drivers for partnerships that the NGOs mention.


Box 2: Cause Related Marketing

In April 2008, dance4life in the Netherlands was extremely successful in creating another fantastic dance4life programme. Altogether, 60 schools took part in the heart connection tour and 12,000 agents of change attended the event! Support actions were fun and rewarding.

Doritos produced a special bag of crisps for Dance4Life, and held a design contest that resulted in more than 15,000 bag designs being handed in. This partnership was promoted through different media channels and provided Dance4Life with more brand awareness.


Other events included football club AJAX playing a game in a dance4life shirt, Björn Borg marketing dance4life boxer shorts, shoe chain Sacha Shoes and Fashion producing exclusive dance4life sneakers, and a dance4life CD release with 20 DJs donating their tracks to dance4life.


1 pack of Pampers = 1 vaccine

In an annual campaign held in the Netherlands from 1 October to 1 January for the last five years, Pampers pledges to donate one tetanus vaccination to Unicef for every packet of Pampers nappies sold. The 2010 campaign resulted in a donation of 1,339,622 vaccines.

The C1000 supermarkets actively supported this campaign by donating an additional vaccine for every packet of Pampers nappies sold in their supermarkets. C1000 also helped children become involved by introducing a campaign in which children could cut out and colour a picture that they took to their local C1000. The supermarket donated another vaccine to Unicef for each picture they received.


Libresse and Edet are working with Oxfam to improve the sanitary conditions in and around schools in the Mundri region of South Sudan. Toilets are being built at schools. This allows more girls to attend school and to graduate.



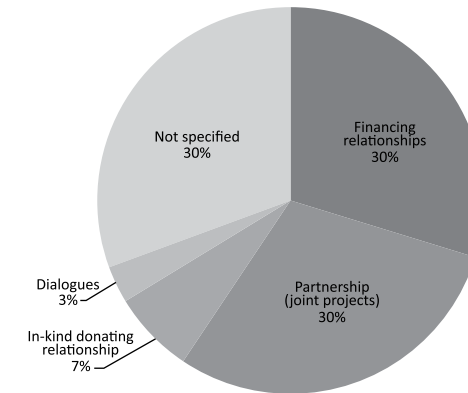

A good breakfast and a good diet is important because it gives children energy to go to school and to build a better future. Quaker Cruesli supports the UN World Food Programme (WFP) by setting up school food programmes so that children in developing countries can receive a nutritious meal at school.




Shoe brand Shick* and CosmoGIRL!, a popular girl magazine, have organised a design competition for charity. Girls are asked to design a party pump. For every pump they sell, Shick* donates €2 to Plan. Nederland

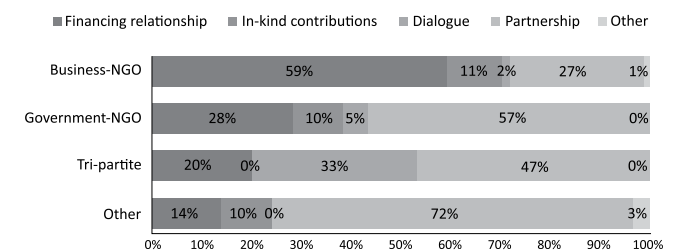
NGOs report that one-third of the partnerships are joint projects which aim to achieve a common goal. Only 3% of all the partnerships report dialogue as their form of engagement. These include, for example, the 'Oceans Dialogue' and the 'Forests Dialogue' that are mentioned by the International Union for Conservation of Nature (IUCN). *In-kind donating relationships, which represent 7% of all partnerships range from employee volunteering to free management advice.*

Figure 8: Form of Engagement



When connecting types of partnership with forms of engagement (see Figure 9), it is noticeable that tri-partite partnerships constitute a dialogue more often than other types of partnerships. Multi-party initiatives are often focused on output oriented dialogues, for example, to create common standards. Most business-NGO partnerships are in practice financial relationships. Many of the Dutch NGOs have considerable financial ties with the government, but government-NGO partnerships constitute mostly joint projects rather than financing relationships.

Figure 9: Connecting Type of Partnership and Form of Engagement

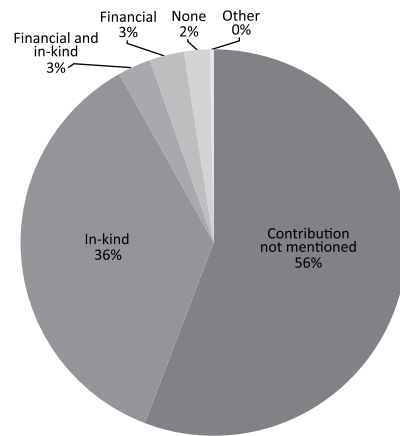


NGO contribution

Thirty-six percent (n=114) of NGO contributions to partnerships are in-kind, for example, through contributing working hours or knowledge and skills (Figure 10). Three percent is financial and in another 3% of the cases the NGO contribution is both financial and in-kind.

Most NGOs do not mention what they contribute. Partly this might be explained by the fact that most partnerships are financially driven. But it is also certainly related to the fact that the NGOs generally find it difficult to say how they can contribute.

Figure 10: NGO Contribution

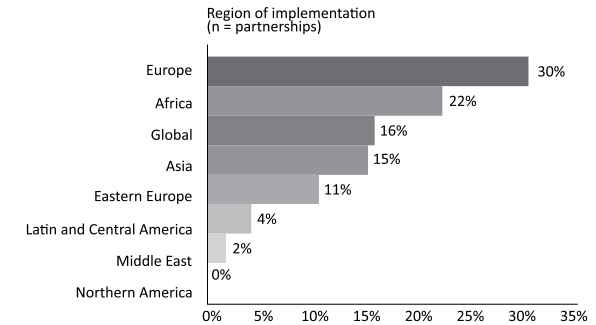


Regional focus

Most NGOs do not have a particular geographic focus for their partnerships. Almost two-thirds of all NGOs (62%) have partnerships that are implemented in multiple regions. The smallest number of NGOs focus their partnerships on Latin- and Central America (2%) and Asia (3%). Examples include the Zeister Zendingsgenootschap (Latin and Central America) and TEAR and the International Campaign for Tibet (Asia).

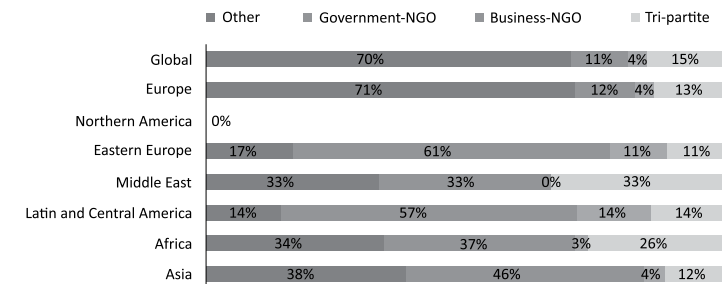
At the micro-level of analysis (the actual partnership), the majority of partnerships are implemented in Europe (n=56; 30%), and all are initiated in the Netherlands (Figure 11). Outside of the Netherlands, most of the partnerships in which Dutch NGOs participate are implemented in Africa (n=38; 22%). The fewest partnerships are implemented in the Middle East (n=3; 2%) and Latin and Central America (n= 7; 4%). The partnerships in the Middle East are aimed at Azerbaijan and Yemen.

Figure 11: Regional Focus of Partnerships



This finding corroborates with the parallel research project on the geographical orientation of firm partnerships in which it was found that business-NGO partnerships are primarily implemented in Europe. Firms implement their partnerships closer to home than NGOs, but the differences are not that large. In most developing regions, partnerships between NGOs and government prevail (Figure 12). In the Middle-East, Africa and Asia, NGOs have sought tripartite partnerships more than bilateral partnerships with firms. There is a more balanced approach in Eastern Europe and Latin America.

Figure 12: Connecting Type of Partnerships with Region

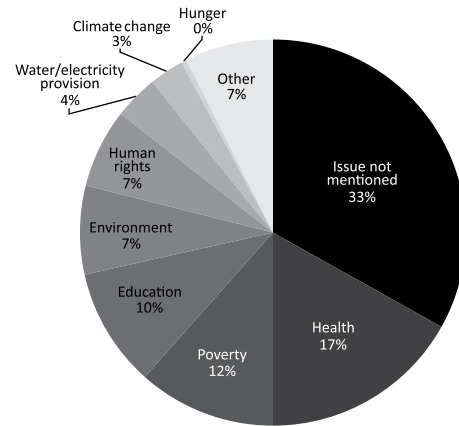


Issue focus

Most Dutch NGO partnerships address health issues (n=54; 17%) (Figure 13) and are directed at reproductive health and focus on HIV/AIDS, maternal health and family planning. Other health partnerships are more specific and are linked to the mission of the NGO, such as the Stichting Dark & Light Blind Care. The other main issues addressed by partnerships are poverty (n=37; 12%) and education (n=31; 10%).

Only a limited number of partnerships focus climate change and the environment. This is in contrast to findings of the parallel research project on the partnerships strategies by leading firms which shows that most firms focus their partnership strategy on the environment. This might be one of the reasons why development NGOs have fewer corporate partnership portfolios than environmental NGOs.

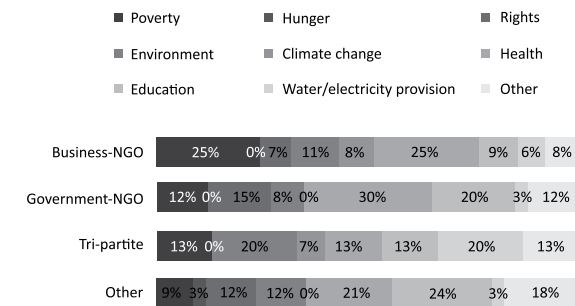
Figure 13: Issue Orientation of Partnerships



Making connections

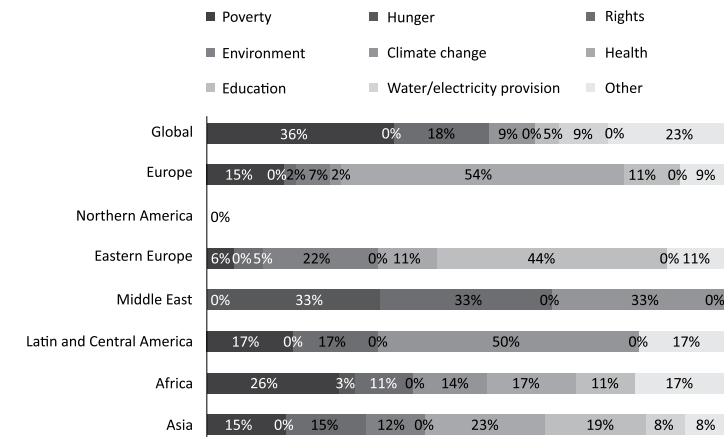
A relatively large number of the business-NGO partnerships focus on health (25%) and poverty (25%) (Figure 14). Government-NGO partnerships focus on climate change (30%), education (20%), and hunger (15%) whereas tri-partite partnerships concentrate on rights (20%) and water and electricity provision (20%). This might reflect the idea that multi-stakeholder initiatives are used to create standards, for example to secure the rights of workers. In addition, public goods provision such as water and electricity are so complex that it is necessary to involve both government and private parties.

Figure 14: Connecting Type of Partnership and Issue Addressed



Connecting issues to regions (Figure 15) leads to the remarkable finding that hunger is not a focus of cross-sector partnerships in Asia, in Africa or in Latin and Central America. In all continents, the most mentioned issues are climate change and water and electricity. Poverty is most often mentioned in Africa (26%). Firms seem to have difficulty in linking their business models to complex issues such as hunger and poverty alleviation. The growing literature on 'inclusive business' can provide help, although this literature has not yet been very successful in including the role of cross-sector partnerships in business models. Therefore, The Partnerships Resource Centre has chosen this theme for further elaboration, with the aim to bridge the divide between firm and development NGO strategies.

Figure 15: Connecting Issue Addressed and Region



Does dependency of government funding play a role?

Many of the development NGOs operating from the Netherlands have a close funding relationship with the Dutch government. One quarter of the NGOs are dependent on funding by the Dutch government for 50% or more of their budget. Eleven NGOs – including three of the largest – are even more than 85% dependent on government funding (Annex 1). Only one third of the development NGOs have less than 10% of their budget filled by government subsidies.

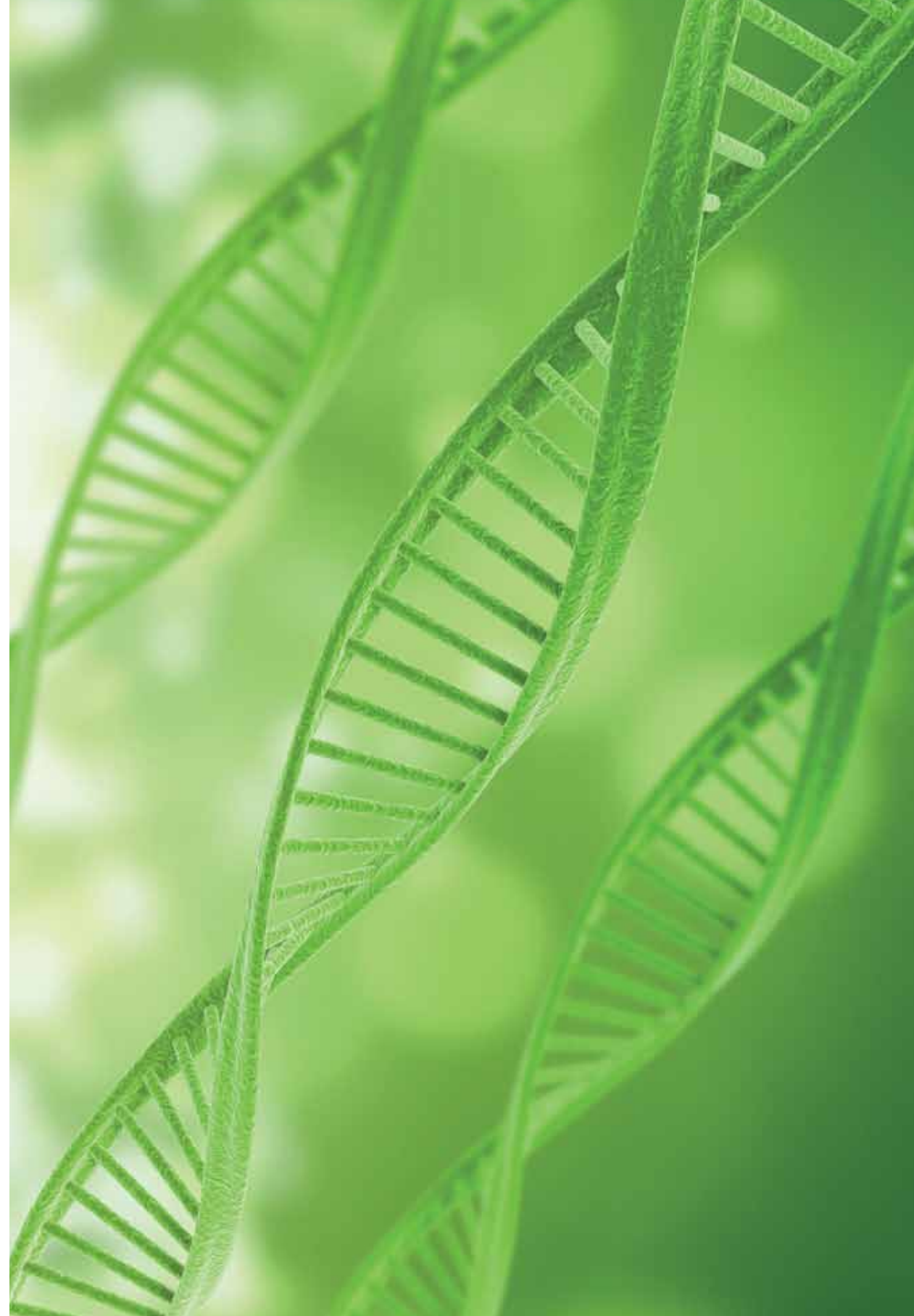
A logical question would therefore be whether this dependency plays a role. In table 2 we took the number of NGOs in each dependency category and compared the expected and real number of partnerships, departing from the neutral notion that each category would engage in relatively comparable numbers - with what the NGOs in these categories really established (Table 2).

We found that the number of partnerships is not influenced by the degree of dependency on government funding, with two notable exceptions. NGOs with little or no government funding (0-10%) tend to engage in fewer partnerships than expected, and are less likely to engage in lobbying partnerships. NGOs with government funding of approximately one third of their budget (31-40%) are more likely to partner, and see business as a source of complementary finance. For both these groups, finance is a dominant motivation to engage in partnerships.

We found only moderate correlations between influences on motives, such as business as source of finance, or government as lobby object and the number of partnerships.

Table 2: Government Spending and Partnership Profile

Percentage government funding	Number of partnerships (percentage)			Business as source of finance	Countervailing power to the government
	Number of NGOs	Expected	Real		
0% - 10%	33	37%	20%	37%	23%
11% - 20%	7	8%	10%	7%	14%
21% - 30%	7	8%	3%	7%	11%
31% - 40%	8	9%	23%	15%	9%
41% - 50%	7	8%	7%	7%	6%
51% - 60%	2	2%	5%	3%	0%
61% - 70%	3	3%	5%	3%	0%
71% - 80%	9	10%	7%	12%	17%
81% - 90%	4	4%	9%	2%	3%
91% - 100%	8	9%	10%	5%	11%
n/a	2	2%	1%	2%	6%
Total	90	100%	100%	100%	100%





III. PERFORMANCE

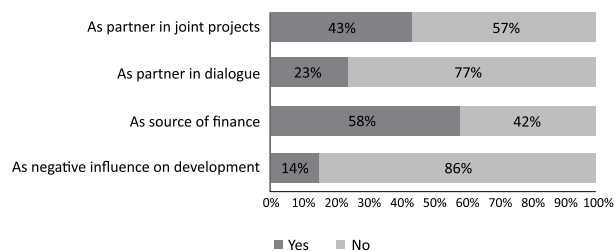


Increasingly positive, but diverging perceptions

Perceptions influence the willingness of NGOs to engage in particular types of relationships with either business or governments. There are considerable differences in the perception of NGOs towards these two external actors (Figure 16 and Figure 17). Around half (58%) of NGOs mention business as a source of finance. This finding corresponds with the high number of NGOs that mention *gaining extra financial resources as an important driver for partnerships*. This phenomenon is analysed in Section IV. A large group of NGOs also mention the negative impact of business on development objectives (n=13; 14%), such as labour rights abuses (eg. Aim for Human Rights and OxfamNovib), the promotion of sustainable business practices (eg. SOMO and FairFood), and resource mining (NiZa). One-fifth of the NGOs mentions business as a partner in dialogues (n=20; 23%). These dialogues are often directed at creating sustainable standards or at influencing companies to adopt sustainability standards. Almost half of the NGOs (n=38, 43%) explicitly mention business as a partner in joint projects.

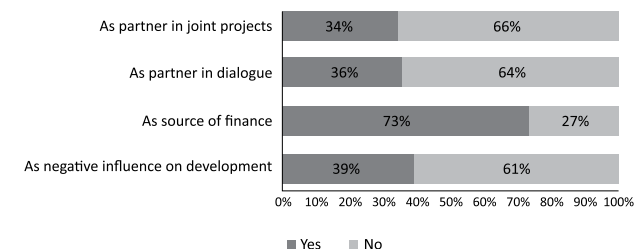
The sometimes *ambiguous attitude of NGOs towards the role of business* is cause and consequence of legitimacy problems within the organization (divide between proponents and opponents of cooperation with companies). This attitude is also affecting further cooperation and trust-building between the own organization and businesses, with overly sensitive constituencies and less than optimal participation in dialogues. Companies should take this as a given for the moment, rather than a reason to limit efforts to work together with NGOs.

Figure 16: NGO Perception of Business



Development NGOs have traditionally directed their attention more towards governments than towards business. Many of the NGOs therefore see the government as a much more important source of finance than business. Almost three-quarters of the NGOs mention government as a source of finance (73%). Over one-third of NGOs also names government as a partner in dialogue and joint projects. The *large dependence on government* funding might also explain the limited number of NGOs that mentions government in a negative way in their reports.

Figure 17: NGO Perception of Government



The importance of partnerships

Quotes of NGOs on the importance of partnerships (mostly translated from Dutch)

“In addition to collecting used goods through their depots, the role played by the industry has also increased. There are often obvious advantages for both parties. Dorcas receives good products and the company does not have to pay to dispose of products it no longer needs or wants. These could be, for example, products that cannot or can no longer be sold on the Dutch or European markets, or products that have too little content in their packaging, preventing them from being suitable for the market. Dorcas can assist the industry by removing these products and giving them to the poor and needy. Attention, of course, is always paid to ensuring that the product has not passed its sell-by date.” (AR2008, p.45)

“In July, Koninklijke Verkade announced that all its chocolate would be marketed under the quality label Max Havelaar. The announcement received extensive media attention, as did the consumer introduction in October. The first bar of Max Havelaar chocolate was auctioned by Dolf Jansen and Nance for the sum of €5,800. This amount is sufficient to provide 26 children of cocoa bean farmers in the Ivory Coast with a year of secondary education.” (AR2008, p.6)

“We would like to enter into more partnerships with the trade and industry. Partnerships make a valuable contribution to the work of the Netherlands Red Cross and really make a difference. It is important that we search for partnerships that are beneficial for both parties.” (AR 2008, p.22)

“The goals of a company can be compatible with other goals like poverty alleviation, improving social conditions and protecting the environment. A good example of this is the fruitful cooperation between Koninklijke Verkade, Max Havelaar and Ofam Novib. This cooperation provided an enormous stimulus for the fair trade market in 2008.” (AR2008, p.96)

“Douwe Egberts has supported Plan-projects to provide the coffee farmers of Luwero in Uganda access to the world coffee market since 1999. This has not only improved the quality of the coffee, but has proven beneficial to the incomes of the coffee farmers and their children’s futures. After a group of DE company employees visited the project they decided to develop a special DE coffee mug decorated with drawings by Ugandan children and to sell the mugs in the special DE product shops.” (AR 2008, p.78)

“In The platform, ‘Red een Kind Onderneemt’ was developed in 2007. In this platform entrepreneurs invest in the future of underprivileged children in developing countries. The platform grew from 11 to 18 entrepreneurs in 2008. The first visit to the sponsored project in Kenya took place in the reporting year. In 2008 careful consideration was given to the content and working methods of the platform and these results should be visible in 2009.” (AR2009, p.113)

“AFEW works closely with the Ministry of Justice, specialists in the field of health care in prisons, prison employees, medical and non-medical staff in prisons, prisoners and NGOs. This increases local capacity and ensures that prisoners have the same access to information and services as those outside prison walls.” (AR2008, p.4)

“Terre des Hommes introduced an internship programme in 2008. This programme gives students and starters the opportunity to work as an intern in one of a number of projects. These internships are supported by Terre des Hommes and members of the trade and industry. Last year the programme was sponsored by ABN Amro and Pecoma. In addition to sponsoring, both companies assisted in the selection procedure and provided guidance to the interns.” (AR2008, p.51)

“The battle against poverty can only be successful if governments and companies work side by side. Oxfam Novib has therefore entered into a number of alliances and coalitions, such as the one with the Netherlands government to reach the Millennium goal to halve world poverty by 2015.”

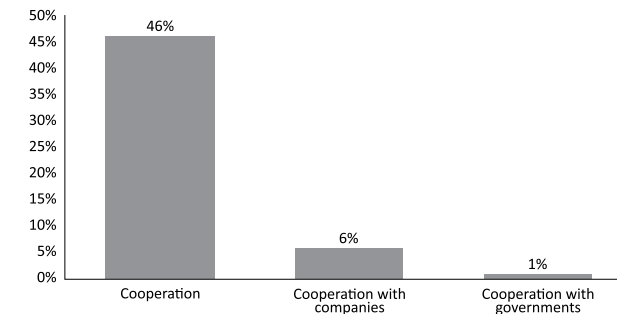
“In 2008, the Netherlands government invested €75.5 million in the Global Fund to Fight Aids, Tuberculosis and Malaria. They have reserved €80 million for 2009. The director of the Aids Fonds joined the Netherlands delegation to the second Special Sitting of the General Assembly of the United Nations (UNGASS) in New York in May this year. The Aids Fonds also assisted the Dutch Ministry of Foreign Affairs in preparing for the International Aids Conference in Mexico. Minister Koenders of Development Cooperation represented the Netherlands at this meeting. The Dutch government consulted the Aids Fonds and STOP AIDS NOW about the new government policy on aids.” (AR2008, p.5)

“The decline in revenue from the sale of Unicef cards is a point that deserves attention. In an attempt to improve the visibility of the cards in the Benelux countries, Unicef has decided to work closely with Hallmark. As a result of this, Unicef cards will be available throughout the year from a number of retail markets as well as through the usual channels such as the website, mailings, and from Unicef volunteers.” (AR2008, p.25)

“Both ENDS was commissioned by the Dutch Embassy in Cotonou to explore possibilities to introduce a rights-based approach to water and sanitation in Benin, an approach we hope to extend to other countries in the future. This initiative is a pilot study for the Dutch government, which will allow it to evaluate how to best support rights-based approaches to development. Both ENDS and the Dutch embassy are now working on this issue with the Beninese government and local CSOs, such as Lambassa ICA and Vaidid.” (AR 2008, p15)

NGOs that have a dedicated reporting section on government-NGO relations, business-NGO relations or cooperation in general (Figure 18) are more focused on cooperation and partnerships. Almost half of the NGOs include a specific section on cooperation in general, which mirrors the old paradigm of development ‘cooperation’. Six percent of NGOs have a dedicated reporting section on cooperation with companies. This shows how NGOs are redirecting their attention to partnerships with businesses. Ten years earlier this section would not have existed. Remarkably little specific attention is given to cooperative relationships with governments, despite that many of these NGOs are heavily dependent upon public funding. This is an indication of the old donor-recipient relationship in which it is difficult for both parties to actually think of themselves as equal partners.

Figure 18: Dedicated Sections



Organizations with a dedicated section on cooperation with business include the Hunger Project, Solidaridad, AIDS Fonds, Cordaid, and Stop AIDS Now! The International Campaign for Tibet is the only organization that has a section on cooperation with government (Table 3). When all reports were checked for the 2005-2009 period, it became clear that organizations are not consistent in their reporting on cooperation with government and business. It also seems that the design of the report influences which titles are mentioned in the table of contents. Stop AIDS Now, for example, shows similar designs over the years. The other reports show more variation in design.

Table 3: Dedicated Sections in the Report over the Years

	2005	2006	2007	2008	2009	2010
Cooperation with business						
Solidaridad	-	-	-	V	V	V
The Hunger Project	-	-	-	V	V	n/a
AIDS Fonds	-	-	-	V	-	V
Cordaid	V	-	-	V	-	V
Stop AIDS Now	V	-	V	V	-	V
Cooperation with government						
International Campaign for Tibet	n/a	-	-	V	V	n/a

Perceived drivers for partnering

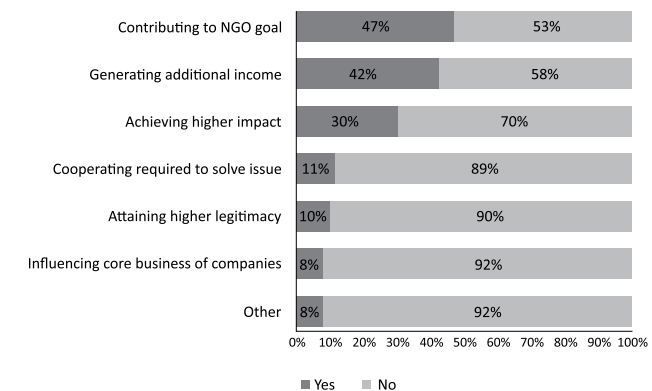
Currently, *one-quarter of all NGOs provide a general statement on the importance of partnerships* in their annual report. These statements often contain some general reference to what NGOs perceive as partnership drivers or express a need for the development of more partnerships. SNV and Simavi, for example, explicitly state that partnerships help them achieve a higher impact. The statements also indicate that partners are chosen because they possess complementary skills, knowledge or other resources that are not present in the own organization. In general, particularly the complementarity of resources is seen as an important reason why a partnership can have a higher developmental impact than a 'traditional' development project. Ownership is another partnership driver. The World Population Foundation (WPF), for instance, refers to the importance of ownership, and states that partnerships create a better sense of ownership at local organizations. This statement, however, might as much allude to the general problems of ownerships encountered in vertical (donor-recipient) relationships as with the novel forms of cross-sector partnerships. The distinction remains rather vague. *The motivation for engaging in cross-sector partnerships is always diverse* and therefore often presents complex trade-offs. This is partly recognized by the NGOs. Almost two-thirds of all NGOs (63%) report several drivers for partnerships. ICCO (6) and Stop AIDS Now (7) mention the most drivers.

Two drivers for cross-sector partnerships stand out (Figure 19). Almost half of the NGOs mention "contributing to the development goal" of the NGO and "generating additional income". This confirms the idea that partnerships as a new tool for development generate new streams of financing and thus additional financing for development cooperation. The search for increased impact is the third important driver for partnerships. The concentration around these three drivers mirrors the 'Collaborative Paradigm' as mentioned in the introduction.

These findings, however, show that the logic for partnering is clear, the search for solutions within the paradigm obvious, but this does not mean that the partnerships themselves will be effective. This depends on the actual management of the partnerships portfolio (see Section IV of this report).

Besides these two widely recognized drivers for partnership, 8% of the organizations mention other drivers. For example, SNV states that partnerships "play a role in SNV's knowledge development and knowledge brokering ambitions".⁶ Childs Life International uses partnerships to increase awareness and knowledge on certain topics. ICCO and Dorcas both mention the opportunity to increase the visibility of their brand, which relates to the growing – but not always explicitly mentioned – need of NGOs to use partnerships as a marketing or branding tool.

Figure 19: Specific Drivers for Partnerships



The success of partnerships

Assessing the success of a partnership is arguably the most difficult task. Even in inter-firm alliances, where actors usually have the same goals, around two-thirds of the 'partnerships' or alliances fail, mainly because of the wrong motivations and inappropriate management and evaluation capabilities of the partners. Monitoring a partnership during its execution is even more important, especially because most partnerships are quite young and it has not been possible yet to draw lessons from older partnerships. Ongoing monitoring rather than evaluating finished partnerships is even more complex due to the large number of intervening variables and the difficulty of reaching an independent (open) impression. Effective monitoring and evaluation tools for inter-organisational partnering processes are not yet available. NGOs are clearly struggling with this. In order to legitimise partnerships towards sponsors (government in particular), society at large and the respective partners, some measure of success is needed. But *due to lacking techniques* – often influenced by a lack of willingness especially during the start-up phases of partnerships – *claims of success can easily be based on wishful thinking rather than reality.* This section focuses on the difficulties in assessing the success of partnerships.

⁶ See SNV annual report 2008 (p. 10)

Limited evaluation

Relatively few (22) NGOs provide a statement on the (perceived) success of a partnership. Most NGOs do not give an evaluation of their partnership in their annual report (63%), some include an evaluation of some of their partnerships (30%), and only 7% give an evaluation of all the partnerships they mention in their annual report.

Table 4: Examples of Self-Evaluations of Partnerships (2008)





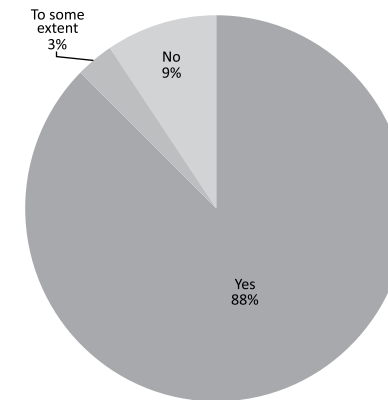
	<p>According to Goudswaard, the ASN Jeugdsparen shows how much can be achieved when people work together to achieve a common goal. "The ASN donates €10 to Cordaid Kinderstem for each new children's savings account opened. We also donate a percentage of the money invested each year to help the children living in the slums of Cameroon and India. This resulted in a donation of €141,656 to Cordaid Kinderstem in 2008." The ASN Bank cooperates with Cordaid in three of the bank's products, the ASN Vrouwendeposito, ASN Jeugdsparen and the ASN Meersparen. (Cordaid, 2008, p.37)⁷</p>
	<p>"The Netherlands Red Cross and Campina have worked together since 2006. Campina supports a water and sanitation programme in Vietnam. The large dairy group made a substantial contribution to realising the unique Klus Contact programme in Eindhoven....we intend to set up similar programmes in other cities." (Het Nederlands Rode Kruis, 2008)⁸</p> <p>The ING Bank also made a substantial contribution to the Netherlands Red Cross in 2008. With this they supported the victims of cyclone Nargis in Myanmar. The ING Bank and the Netherlands Red Cross intend to enter into a structural partnership in 2009. (Het Nederlands Rode Kruis, 2008)⁹</p>
	<p>In February 2008, Solidaridad completed a successful trial project using coffee skins with Essent. Progress was also made in the Biopec platform for stimulating sustainable energy flows. (Solidaridad, 2008, p.37)¹⁰</p>
	<p>This campaign brings education within the reach of more children. IKEA considers it important to be actively involved with projects and not merely to donate to them. According to Cazemier, "We leave the actual running of the projects to recognised organisations like Unicef and Save the Children which we select ourselves. We consider it important to visit the programmes and to feel involved with what is going on in those countries. We are proud that we can contribute to the quality of education for children around the world." The campaign produced around €5 million worldwide. (Save the Children Nederland, 2008 p.55)¹¹</p>
	<p>Working in partnership with the private sector and national government, Wetlands International has secured stronger protection for a very significant wetland habitat for Buff-breasted Sandpipers and other migratory shorebirds in Uruguay. (Wetlands International, 2008, p.5)</p>

Table 4 provides some examples on how NGOs phrased the evaluation of some of their partnerships. Amongst the NGOs that provide an explicit evaluation of their partnerships, 88% perceive their partnerships to be successful (Figure 20). Eighty-eight percent (n=27) of all partnerships that include evaluation in their annual report, stated that their partnership was completely successful. Three percent judged their partnership to be partly positive. The Liliane Fonds mentions delays in their partnership with De Hoogstraat and the University of Kampala as a reason for partial success.

Figure 20: Concrete Evaluation Exercise



Ten percent of the partnerships (N=3), were perceived to be unsuccessful (Figure 20). An example is the failed 2007 partnership of OxfamNovib with Jippy for the creation of a female condom. This was a very complex issue with a difficult alliance of partners.¹² However, the alliance as such was appropriate, and if managed differently might become a success in the future. However, this requires greater transparency in the evaluation of partnerships (including negative experiences).

⁷ Translated from: 'Bij ASN Jeugdsparen zie je wat je kunt bereiken als je samenwerkt', zegt Goudswaard. 'Voor iedere nieuw geopende jeugdspaarrekening doneren wij tien euro aan Cordaid Kinderstem. Daarnaast geven we een percentage van het jaarlijks ingelegde geld om de straatkinderen in Kameroen en India te helpen. Dit leverde Cordaid Kinderstem in 2008 141.656 euro op.' Inmiddels heeft de samenwerking tussen de ASN Bank en Cordaid drie producten opgeleverd: ASN Vrouwendeposito, ASN Jeugdsparen en ASN Méersparen. (Cordaid, 2008, p.37)

⁸ Translated from: "Sinds 2006 werken het Nederlandse Rode Kruis en Campina samen. Zo ondersteunde Campina een water- en sanitatie programma in Vietnam. Daarnaast leverde het zuivelconcern in 2008 een belangrijke bijdrage aan het tot stand komen van een unieke Klus Contact-programma in Eindhoven.... we *gaan+ het programma waarschijnlijk ook in andere steden uitrollen." (Het Nederlandse Rode Kruis, 2008)

⁹ Translated from: Ook ING heeft een belangrijke bijdrage geleverd aan het Nederlandse Rode Kruis in 2008. Hiermee zijn de slachtoffers van cycloon Nargis in Myanmar ondersteund. ING en het Nederlandse Rode Kruis zijn van plan om in 2009 een structurele samenwerking aan te gaan. (Het Nederlandse Rode Kruis, 2008)

¹⁰ In februari 2008 sloot Solidaridad een proefproject met koffieschillen voor energiebedrijf Essent succesvol af. In het Biopec platform werd veel vooruitgang geboekt bij het stimuleren van duurzame energiestromen. (Solidaridad, 2008, p.37)

¹¹ Translated from: De actie brengt onderwijs voor meer kinderen binnen handbereik. IKEA vindt het belangrijk niet alleen te doneren, maar actief betrokken te zijn. Cazemier: "De uitvoering van programma's laten we over aan gerenommeerde organisaties als Unicef en Save the Children, die we heel bewust gekozen hebben. Wel vinden we het belangrijk programma's te bezoeken en verbinding te voelen met wat er in die landen plaatsvindt. We zijn er trots op dat we een bijdrage kunnen leveren aan de kwaliteit van onderwijs voor kinderen verspreid over de hele wereld." De actie leverde wereldwijd rond de € 5 miljoen op (Save the Children Nederland, 2008, p.55)

¹² Oxfam Novib's 2008 annual report notes explicitly that a company called Jippy would develop a cheap female condom, but the company did not fulfill its obligations. This prompted Oxfam Novib to reclaim its investment of €600,000 and to take legal action against Jippy's director. In its 2010 annual report, Oxfam Novib reports the same case under 'failures', but now mentions that the court resolved in its favour, and that it has written off the investment as a loss. Oxfam Novib notes that it had carried out a risk analysis, as is usual with new partner organizations and new products. This proved insufficient in such an innovative and complex project. Based on this experience, it has set up an internal section specialised in complex projects involving more parties. Oxfam Novib also notes that the female condom project has nevertheless been a success.

The limited number of sophisticated evaluations can be attributed to four factors: (1) most partnerships are in their start-up phase so they are difficult to assess in terms of success or failure; (2) proper tools for monitoring and evaluating cross-sector partnerships (including their impact) are in their infancy; (3) critical assessments are hampered by the positive expectations linked to partnerships, and the paradigmatic nature of the search for partnerships does not allow for negative stories; (4) some partnerships have developed as involuntary alliances, which hampers public scrutiny. The last two reasons might not be very legitimate, but are understandable given the general uncertainty around the proper management of ever expanding partnership portfolios. In all cases, more balanced monitoring and evaluation is needed, both at the level of individual partnerships and at the level of the portfolio of partnerships – two areas of attention for the Partnerships Resource Centre.



IV. PORTFOLIO MANAGEMENT



The challenge of a coherent partnership portfolio

Since the beginning of the millennium, NGOs have engaged in an expanding number of partnerships. This reinforces the need to understand and manage the shape and size of the resulting portfolio of these partnerships. The management of partnership portfolios first requires insight into their (1) size (number of partners), (2) density (form of engagement) and (3) diversity (in terms of issue selection and geographical focus).

Many of the past partnerships were formed on an ad-hoc basis, sometimes based on intuitive strategic considerations. The bigger and the more diverse a portfolio of a cross-sector partnership is, the greater the coordination problems become and the more difficult it becomes to adopt a coherent strategy. Only a few NGOs have publicly shown awareness that there actually is a ‘portfolio management’ challenge. Hardly any of the NGOs have released a comprehensive statement on the way they manage their whole portfolio of partnerships. Some of the bigger NGOs have set up a separate office for relations management, which in practice is often aimed at searching for sponsors. This state of affairs is further reinforced by the general lack of academic research on the partnership portfolio (management) from the perspective of NGOs. So a large number of rather basic and empirical questions still remain. What pattern of partnership portfolios has emerged, with whom, where and why? What coordination problems exist? How are specific choices (for partners, topics, regions) made? How do partnerships develop? How can their impact be measured? What kind of capabilities and competences are needed to have a successful partnership portfolio? What is the relationship between the portfolio of partnerships and the NGO’s performance? This report addresses these questions by first presenting an overview of the most important descriptive characteristics of the existing portfolios.

What cross-sector portfolio choices have NGOs made?

A ‘mixed bag’ of partnership portfolios exists for type, form of engagement, issue selection and region of implementation. NGOs have primarily opted for partnerships with either business (45%) or government (30%). Around one-fifth of the partnerships are ‘diversified’ (no revealed type of partnership), whereas none are explicitly tripartite in nature, despite the fact that many NGOs are engaged in multi-stakeholder platforms (Figure 21).

NGOs also show a clear preference in the chosen forms of engagement (Figure 22). Most NGOs have financial relationships with their partners (37%) or cooperate in joint projects (28%). However, a quarter of the NGOs have diversified forms of engagement: they are not clear on the intentions of their partnerships.

These findings are consistent with previous results presented earlier in this report. Most NGOs mention gaining extra financial resources as an important driver for partnerships. One of the explanations for this is that partnerships as a new tool for development generate new streams of finance. Although consistent with previous findings, it is striking that almost one-third of the NGOs are not clear about what they themselves contribute to their own partnerships (Figure 23).

Most NGOs do not focus on a specific issue or region (Figures 24 and 25). NGOs that do make a choice for a particular region or issue are often the smaller NGOs.

Most NGOs engage in mixed issue portfolios (Figure 24). Poverty, health and human rights represent the most focussed issues. For example, nine NGOs (15 %) address poverty alleviation in more than half of their partnerships. NGOs that focus on one issue include Simavi on water issues, IUCN and Wetlands International on environmental issues, and Press Now and Aim for Human Rights on human rights issues. Smaller, more specialized NGOs also tend to focus more on specific issues in their partnership portfolio.

Most NGOs choose not to have a particular geographic area of implementation for their partnership portfolio (Figure 25). Almost one-third of all NGOs have partnerships that are implemented in multiple regions. A very small number of NGOs have focused their partnerships on Latin and Central America (1%) and Asia (2%). Examples include the *Zeister Zendingsgenootschap* (focus on Latin and Central America), and *TEAR* and the *International Campaign for Tibet* (focus on Asia).

Most NGOs do not yet have a clear or elaborate strategy as regards the entry and exit of partnerships. They are mostly competent in managing their donor-client relationships, but require ‘capacity building’ in their intra-sector and cross-sector partnerships (see introduction). The bigger the NGO, the more likely a strategic approach to cross-sector partnerships has been adopted. Such an approach includes formulating codes of conduct on how to deal with businesses and developing a strategy on the role of the private sector. However, these approaches are rarely communicated in public. A noticeable exception is Oxfam-Novib, which publishes its relationships with firms and is also quite transparent about its failures in these projects (see section III). Unicef has started to scrutinise the management of its whole partnership portfolio. In its 2008 annual report, the organization notes that an important point for improvement in its collaboration with Dutch corporations lies in the ‘breadth’ of the partnership. It concludes that “the usual focus on a financial contribution of partners should be substituted for by collaboration aimed at content and the actual improvement of children’s living conditions worldwide” (Unicef, 2008:25). The organization thus makes a direct link between the breadth of its portfolio and its impact. Unicef notes that it is in need of a proactive strategy towards the market which includes making choices in partnerships. The 2010 annual report shows that the organization’s ambition, which is still rather unspecific, is to further deepen its relationships with businesses (box 3).

Box 3: Unicef and partnerships

“We aim to deepen our cooperation with strategic partners. We consider the core business of the companies we work with and make use of their expertise.”

(Unicef, 2010:11)¹³

“However, we do not engage in a partnership with just any company. Besides a financial contribution, we expect our partners and their employees to be committed to UNICEF’s work, for example, by contributing their expertise.”

(Unicef, 2010:47)¹⁴

Figure 21: Portfolio choice: Type of Partnership

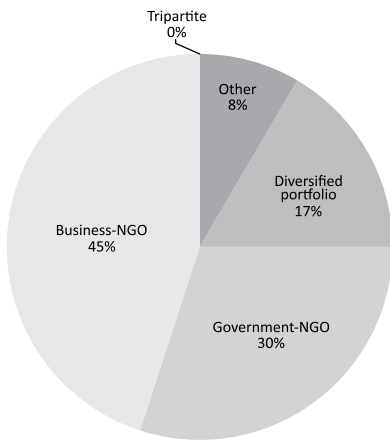


Figure 22: Portfolio Choice: Form of Engagement

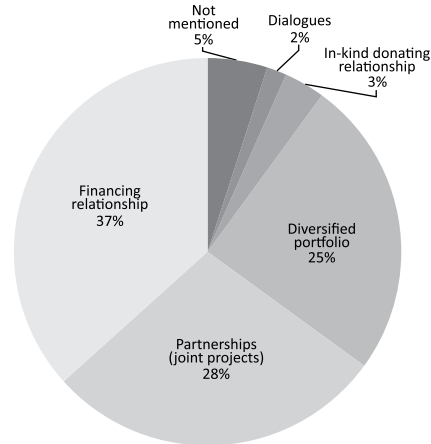


Figure 23: Portfolio Choice: NGO Engagement

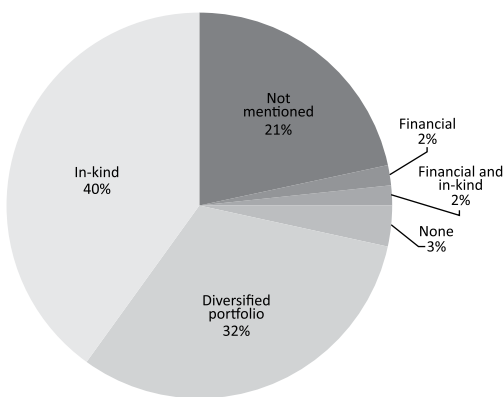


Figure 24: Portfolio Choice: Issue Selection

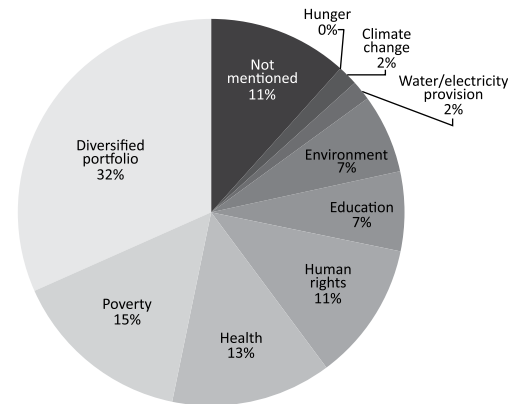
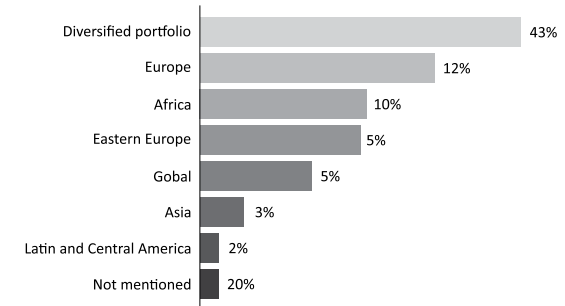


Figure 25: Portfolio Choice: Region of Implementation



Big equals complex?

The largest NGOs have been building the most diverse portfolio of partnerships. Nevertheless, major differences in approach can be noted. The portfolio of the six largest NGOs operating from the Netherlands (ICCO, Cordaid, Hivos, Plan, SNV and Oxfam-Novib) illustrates these differences (Figure 26 a–f). We picture the total portfolio of self-reported partnerships of these NGOs along two relationship rings. The inner circle represents the ‘narrow definition’ of a partnership in which the NGO closely works together with this organization. It comprises partnerships in which the NGO either has a leading role or is an active partner. The relationship is explicitly acknowledged as a partnership and implies a high degree of formalisation.

The outer circle represents a ‘broader definition’ of partnership in which the NGO has a looser and more informal association with the partner. It comprises organizations with which the NGO has a general relationship, varying from financing a single project to incidental collaboration. If the partnering organization fits into the broad as well as the narrow definition of a partnership, it is included in the inner circle of partnerships.

¹³ Translated from: “We gaan de samenwerking met strategische partners inhoudelijk verdiepen. Hierbij houden we rekening met de hoofdactiviteiten van de bedrijven waarmee we samenwerken en maken we gebruik van de daarin aanwezige expertise.” (Unicef, 2010:11)

¹⁴ Translated from: “Maar we gaan niet zomaar met alle bedrijven een samenwerking aan. Naast een financiële bijdrage vragen wij ook inhoudelijke betrokkenheid van onze partners en hun medewerkers bij het werk van UNICEF. Bijvoorbeeld de inzet van hun expertise” (Unicef, 2010:47)



V. PERSPECTIVES



This report based most of its information on the 2008 annual reports of NGOs in order to provide a benchmark for further research and future comparisons. Where appropriate, more recent developments in the individual partnering strategies of the ninety NGOs were considered.

An important event happened in 2009/2010 which caused an intra-sector earthquake. The Dutch government notified NGOs that they had to work more closely together to increase the efficiency and effectiveness of their efforts. The Minister for Development Cooperation used the main governmental funding provision of the sector – the MFS II (Co-Financing System) – to urge NGOs into an unprecedented new wave of partnerships. The final part of this report assesses the changes in the intra-sector partnering landscape following two consecutive rounds of government grant schemes since the mid-2000s (MFS-I and MFS-II) which have influenced the challenges ahead.

An intra-sector earthquake

Major Dutch development NGOs have always been well endowed by the Dutch government. As a consequence, their size, existence and positioning has been strongly influenced by their relationship with the government – although this has not yet had a major impact on their actual cross-sector partnership strategy (see Section II).

The actual grant framework of the Dutch government for NGOs (MFS) is a combination of the former co-financing program (MFP) for the so called ‘broad NGOs’ (the largest ones like Cordaid, Hivos, ICCO and Oxfam Novib) and the thematic co-financing program (TMF) for the ‘thematic NGOs’ whose focus is on socio-cultural development, sustainable economic development, peace and security, political development, humanitarian assistance, environment and water, children and gender equality. Up till now there have been two rounds: MFS I (2006 – 2010) and MFS II (2010 – 2015). Both rounds had the same policy objective: to strengthen the civil society in the South as a basis for structural poverty reduction. Both rounds also focused on partnerships. However, MFS I focused on collaboration with southern NGOs (‘vertical partnerships’). For MFS II the Ministry explicitly focused, as a preconditioning for funding, on collaboration between Northern NGOs (‘horizontal partnerships’), in order to encourage cooperation, prevent fragmentation and to create added value. Consequently, only a maximum of 30 NGOs or partnerships were allowed to submit a proposal.¹⁵

When the MFS I programme was initiated in 2006/2007, 114 NGOs applied, but only 58 were granted funding. Plan Netherlands was one of the most noticeable rejections. Plan consequently

¹⁵ This information is based on two policy notes of the Dutch Ministry of Foreign Affairs: ‘Samenwerken, Maatwerk, Meerwaarde (April 2009) and Subsidiebeleidskader Medefinancieringsstelsel II (October 2009).

decided to develop a go-it-alone strategy, as one of the first large Dutch NGOs. It is very likely that this influenced its cross-sector partnership approach in later years. As Section IV shows, Plan is amongst the Dutch NGOs with the most concise (dense) partnership portfolio strategy. The MFS I grant framework comprises three assessment criteria (Schulpen and Ruben, 2006): past track record, visibility of performance in the chain and the quality of collaborative relationships. The latter factor basically refers to vertical partnerships with Southern NGOs. Whereas MFS I emphasized vertical partnerships, MFS II stimulated horizontal partnerships as a precondition for further funding. In 2009/2010, 134 organizations applied for funding. Forty-four of the 58 NGOs that had been MFS I approved and 17 NGOs that had been MFS I rejected reapplied. Seventy-three organizations applied for the first time.

Forty-three horizontal consortia were formed of which 23 (with 79 participants) continued to the second assessment stage. Twenty consortia (with 70 participants) were finally granted funding of approximately €2 billion euro until December 2015 (which was considerably lower than their application).

The results of these two rounds of subsidies allows us to assess which organizations have survived as key actors in the sectors network, due to their intra-sector partnering strategies. Twenty-eight NGOs (15%) were the strongest survivors of the two MFSS. They managed to apply successfully for MFS I and for MFS II (Table 6).

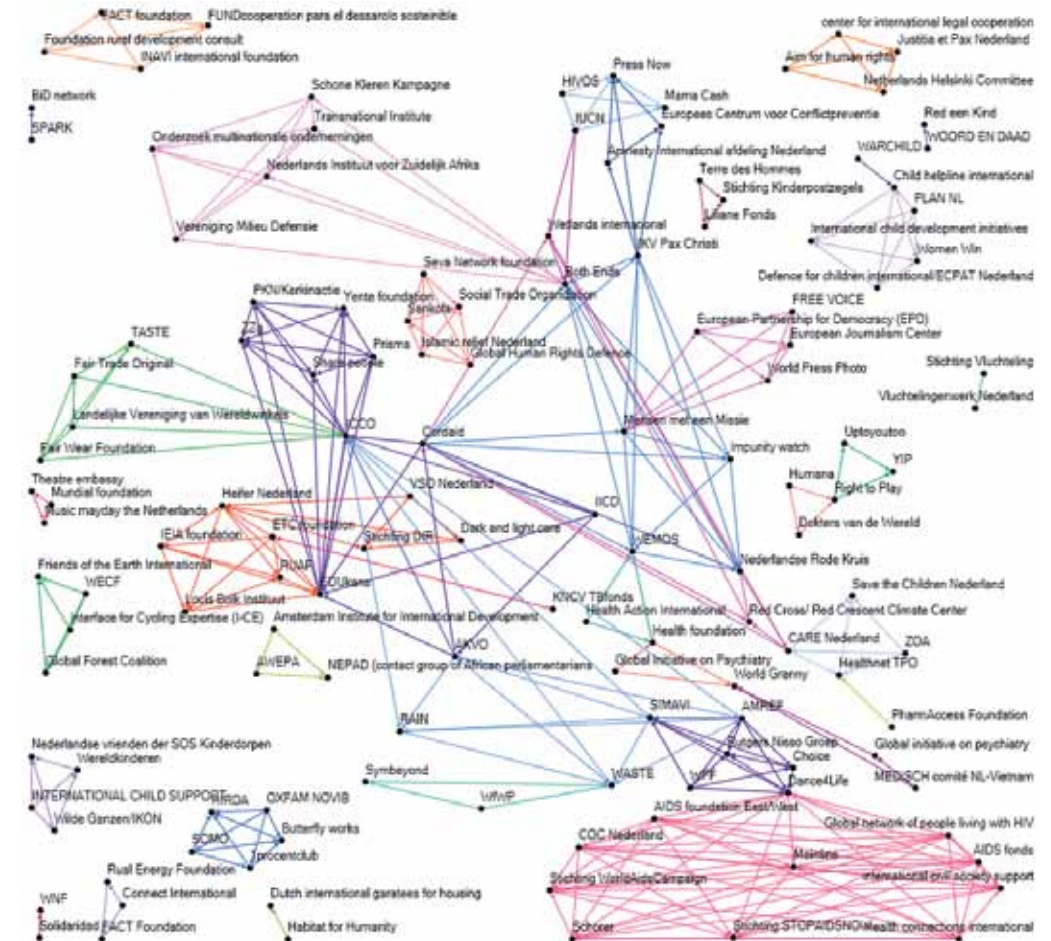
Table 6: Survivors, Come-backs and Peripherals (2007-2015)

Core Organizations [MFS1+MFS2 accepted]		Peripheral Organizations [MFS1+MFS2 rejected]	Comeback Organizations [MFS1 rejected – MFS2 accepted]
AMREF	Kinderpostzegels	AWEPA	Ned. Com. NL-Vietnam
Both Ends	Nederland	Global Human Rights	Ned. Inst. Zuid Afrika
Butterfly Works	Liliane Fonds	Defence	Plan NL
Care Nederland	Nederlandse Rode Kruis	Global Network of	Transnational Institute
Child Helpline Intern.	Oxfam-Novib	people living with Aids	Wetlands International
Cordaid	Press Now	Health Connections Int.	World Press Photo
European Center for	Rutgers Nisso Groep	Music Mayday	Yente Foundation
Conflict Prevention	Save the Children	Right to Play	
Free Voice	Nederland	Sankofa	
Healthnet TPO	SOMO	Uptoyoutoo	
Hivos	Terre des Hommes		
Icco	Warchild		
IKV Pax Christi	Waste		
Intern. Child Support	Woord en Daad		
IUCN	Zoa Vluchtelingen zorg		

This core group includes leading NGOs like Cordaid, Hivos, Icco, Red Cross, Oxfam (with annual turnovers of more than €75 million)¹⁶. In MFS II these core NGOs formed networks of alliance partners often around themselves – and only a few sought for partnerships with other core organizations. ICCO and Hivos even named their coalition after themselves. Five percent of the NGOs were denied funding under both MFS I and MFS II. They occupy a consistent peripheral position in the funding network. Part of this position is due to their poor partnership strategy (both horizontal and vertical) in relationship to funding requirements. Four percent of the NGOs can be considered ‘come-back’ organizations: their application for MFS I was rejected, whereas it was accepted for MFS II. Both Netherlands Institute South Africa and Plan Netherlands were amongst the most debated drop-outs under MFS I, but managed to apply successfully for MFS II, partly because they were able to organize more focused partnerships. These ‘come-back’ organizations reapplied as one consortium; five applied as co-applicant and two (Plan and Medical Committee Vietnam) as lead applicant (‘penvoerder’). The following three consortia were the most successful as measured by the criteria of the ministry: Freedom from Fear (IPC, Amnesty NL, European Center for Conflict Prevention, Press NOW), United Entrepreneurship Coalition (SPARK en BiD Network) and IMPACT (Oxfam Novib, SOMO, 1% Club, HIRDA). Two of these three coalitions also represent separate and dedicated networks with hardly any links to the other networks (Figure 26b).

Alliances between similar organizations may provide efficiency benefits (combining forces), but it is still questionable whether the partnership will result in substantial added value and /or increased impact. The fact that these partnerships have been awarded funding within MFS II does not imply that they have made clear choices regarding contributions of each partner, issues, forms of engagement, or region of implementation. Although most partnerships are formed around the same subject, several NGOs chose to be part of more than one alliance and thus focus on different issues. Full complementarity has therefore not been achieved. MFS has revealed two important characteristics of the Dutch NGO sector: 43 potential intra-sector networks (Figure 27a) and 20 government endorsed intra-sector networks (Figure 27b).

Figure 27a: Potential NGO Networks in the Netherlands ¹



Some of these networks had already previously been collaborating, sometimes in an informal manner. The cofinancing system MFS II stimulated them to formalise their agreement. It is likely that they will continue their collaboration even though they did not receive funding. Examples are the Fair Trade Coalition and the Refugee Coalition, which failed to reach the second stage of MFS II funding, but will nevertheless continue to work closely together. One of the most discussed rejections included the Solidaridad-WWF coalition. This alliance has also remained intact, witnessing the close and continued collaboration between the two in a number of round table initiatives, such as the Better Sugarcane Initiative (BSI), the Roundtable for Responsible Soy (RTRS) and the Roundtable on Sustainable Palm Oil (RSPO).

¹⁶ SNV as other major development NGO is not listed in these groups because it has a separate funding relationship with the Dutch government and did not apply within MFS.

¹ 43 proposed networks for MFS II

But the partnering challenge also presents various threats, in particular when NGOs use partnerships for unfit motives. For example, a partnership might provide a quick-fix if an NGO runs out of funding (due to limited support of its own members or of a dominant sponsor), but at the cost of losing credibility with its own members/supporters. Cross-sector partnering can result in increasing levels of interdependence between parties that often have different interests and identities. Partnerships therefore present opportunities and challenges. The discussion on when and how to strike what types of partnerships provides an excellent stepping stone for a fundamental discussion on the nature and role of civil society organizations vis-à-vis sustainable development. Traditional approaches towards development might have lost their effectiveness, but are partnerships the solution? External partnerships rarely solve own shortcomings, but rather tend to reinforce them, if actors are not aware of them. The choices NGOs make towards partnerships are testimony of their strategic intentions as well as test of their ability to remain relevant players.

Risks

NGOs, firms and governments can have defensive (reactive) as well as active reasons to enter into a partnership. Defining the appropriate reasons for partnering is a major challenge both theoretically as well as in the actual management practice of partnership. Cross-sector partnerships involve higher transaction costs and a number of risks for NGOs (Kourula and Laasonen, 2010; Van Tulder 2011):

- **Higher coordination costs:** These increase for individual action and compromises can lead to less room for manoeuvre.
- **Changed legitimacy:** The dependency on other actors goes at the expense of legitimacy towards traditional supporters in society.
- **Greater management challenges:** Partnerships are not easy to manage, and increase problems of accountability, attribution and transparency.
- **Defensive motives:** There is the risk that the partnership is intended only as window dressing by either governments or companies.
- **Weakened identity:** Partners that are in search of a new identity can use partnerships as testing ground, but this comes with considerable risk. Weak identities tend to be reinforced in cross-sector partnerships due a number of processes specified below.
- **Changed value orientation:** The partnership may change the value orientation of the NGO. For instance, an advocacy oriented NGO might become more of a 'service delivery' NGO when aligning with companies, which in turn could lead to decreased government funding because of this changed orientation.
- **Narrowed perspective:** The partnership can be more short-term oriented towards results rather than towards long term processes. Risk aversion can prevail over risk-taking.
- **Changed external stakeholder involvement:** The partnership presents challenges to the organizations that collaborate, but also to their stakeholders. Can the interests and priorities of external stakeholders be aligned? If not, support for the partnership will decrease.
- **Changed credibility and positioning:** The partnership increases vulnerability and changes the reputational position of each actor. To whom are the partners accountable?
- **Greater vulnerability:** The partnership is more vulnerable towards the sources of failure of the partner (market failure and civic failure).
- **Deskilling:** Delegated participants of each organization run the risk of becoming detached from the own organization and this may lower their skills in dealing with the internal affairs of an organization.

Preconditions for success

Systematic research on the preconditions for successful partnerships between NGOs and business is still in its infancy. Case studies and prescriptive (best-practices) reasoning prevails. However, the following conditions for successful development partnerships have been mentioned (Van Tulder, 2011) for [I] the occasion [II] the organization and [III] the internal organization of NGOs:

[I] Occasion and aims of the partnership

- **Complementarity:** Actors should understand the power of complementarity for achieving common goals. NGOs should understand and respect the differences in mode of operation, logic, culture, language and goals of companies. For example, a partnership is bound fail if the 'profit' ambition of the firm with which an NGO partners is considered morally 'wrong'.
- **Fit:** The nature of issues that the partnership addresses should fit the actual partnership. For example, a profit-non-profit (PNP) partnership can take away the incentive for government to take its responsibility. Ill-construed partnerships always run this danger of 'crowding out' which hampers the effectiveness of the partnership in the longer run.
- **Complexity of issue:** Partnerships are more effective if all parties acknowledge that they cannot do it on their own. Leaders of firms and NGOs should have a comparatively high tolerance for ambiguity and a willingness to share dilemmas with each other before the actual partnership materialises.
- **Long-term interest:** It is easier to strike a partnership with actors that share a number of long-term visions and are able to translate these into concrete short-term goals. The goal of the partnership goes beyond defensive reasoning (such as repairing a damaged image of the partners).
- **Business model:** Partnerships between firms and NGOs are more strategic and sustainable if they have a common 'business model' for the partnership which involves a definition of common value creation and a mutual interest in combining efficiency and equity.
- **Strengthened identity:** The most successful partnerships are those that strengthen the identity of each of the participants. The more they derive an identity from the partnership, the more important the partnership becomes and the higher their commitment to its success.

[II] Organization of the partnership

- **Specify role(s):** If the roles are not well specified in the partnership, identities can easily become confused. What is the NGO's role in the partnership: financier, broker, sponsor, facilitator and/or executor? The usual roles adopted by the partners may need to be adjusted to make the partnership effective.
- **Understand interests:** Lack of clear goals for the partnership creates problems. Defining a five-year business model helps in the process of goal alignment which is a prerequisite for an effective partnership. Lack of clear understanding of why a partnership is needed in the first place has a strong negative influence on the effectiveness of the partnership.
- **Define entry and exit:** Roles in the partnership (need to) change over time in order to render the partnership effective. Usually entry conditions have been specified, but the exit conditions remain obscure. This omission affects the dynamism of the partnership long before its actual termination.
- **Monitor partnerships actively:** Partnerships that do not make a 'zero-measurement' or try to define what they consider to be 'effectiveness' cannot be monitored and are consequently much more difficult to manage. A number of the most important value added factors of the partnership, however, are not measurable in a quantitative sense, e.g. 'learning', 'capacity building', 'goal alignment'. But this should never be an excuse not to address them.
- **Respect each other:** Trust is not a requirement. Partners from complementary sectors will likely have a low degree of trust in and understanding of each other. The partnering, however,

should teach them the conditions under which to trust and/or collaborate with each other. The dictum should not be 'we collaborate because we trust each other', but 'we trust each other because we collaborate'. Trust in partnering boils down to respect for each other's different ideas and interests.

- **Invest in co-ownership:** A successful partnership first starts with a shared 'problem/issue-ownership'. Aligning the problem/issue to the choice of partners is vital. Most development partnerships bring unequal partners together which creates the challenge of how to make the project move from 'donor ownership' to one of 'local ownership'. The actual lesson learned is that this can be achieved in the throughput phase by applying techniques that facilitate co-ownership.

[III] Internal organization of the NGO

- **Clear Identity:** Many NGOs are in a state of flux, which has repercussions for their legal and their practical and ideological identity. NGOs can be advocacy oriented, service-delivery oriented, mutual support oriented (Yaziji and Doh, 2009) or choose for mixture, in which case they are considered to be 'hybrid NGOs'. Each identity is likely to favour a particular type of partnering strategy and each ambiguity in this identity is likely to have strong influence on the partnering strategy.
- **Clear organization:** NGOs should delegate the responsibility for CSR and the portfolio management of their cross-sector partnerships to one clear and competent person or department, so that it becomes easier for companies to approach them (Veldhuizen van Zanten et al., 2007).
- **Vision on CSR:** Partnering becomes easier if NGOs have developed an own and sophisticated vision on corporate CSR strategies and business models (Veldhuizen van Zanten et al, 2007).
- **Experience:** Experience in cooperating with companies can increase the impact of the partnership.
- **Learning capacity:** The experience gained in the partnership should be translated to the own organization, otherwise the partnership remains isolated which limits its influence on the more coherent internal alignment processes. The inability of organizations to internally learn from their external alliances has been an important explanation for the ultimate failure of the alliance. The organization should be interested in understanding the impact of a partnership, even if this is only possible on the basis of qualitative indicators. Partnering requires as 'collaborative mindset'.
- **Skills:** Partnering skills are most easily acquired by those who already have a level of self-awareness and self-management. Previous research has indicated that (...) "effective partnering requires people who can read and control their own emotions, who are quite confident, and who embody qualities such as empathy, optimism, imagination, openness and modesty. Partnerships also crucially require partners who are good at taking initiative" (Tennyson, 2003)
- **Theory of change:** Cross-sector partnerships can only be effective if NGOs accept that markets should be included in sustainable development (Helmsing & Knorringa, 2008). Their theory of change should include market-based approaches to issues.
- **Internal alignment:** NGOs should be willing to align internal procedures with the procedures of companies (Veldhuizen van Zanten et al., 2007). NGOs that used to be highly dependent on government funding (and the related procedures of accountability and transparency) are now confronted with serious adjustment problems in the transition towards different partnering portfolios.
- **Quantification:** Partnerships are more effective if participants are more willing to engage in a zero-measurement and able to define output indicators and governance codes.
- **Vertical links with southern NGOs:** Southern NGOs face an additional legitimacy problem when they start collaborating with northern NGOs. On the basis of what common values should the partnership be founded? Critical observants see a growing discrepancy between the interests of southern and northern CSOs (Lewis, 2007).

Conclusion

NGOs should manage their partnerships more strategically. This presents two ultimate challenges: (1) increased transparency and (2) improved portfolio management.

(1) Increased transparency

This report has shown that most NGOs do not (yet) report about their partnerships in a transparent way or provide (impact) evaluations of their partnerships. This means that it is hard for stakeholders to evaluate the significance of engaging in partnerships with NGOs. A lack of transparency relates to a lack of learning capacity and societal accountability. Consistent and systematic reporting on NGO partnerships is a necessity. This report has also shown that this will not be easy because the perspective and therefore NGO policy on partnerships is often rather ambiguous. Transparency and a more strategic debate could also help NGOs to better assess how they can contribute to partnerships and to build up more coherent portfolios (which is often part of an interactive process in which the expressed and sophisticated partnership strategy also triggers the right partners). Evaluating partnerships more consistently and systematically, and being transparent about the results, contributes to better reporting on the importance of partnerships, helps future learning, supports decisions on portfolio management and ultimately increases the effectiveness of partnerships.

(2) Improved partnership portfolio management

This report has revealed that most NGOs have a mixed, diversified portfolio of partnerships, mainly because they fail to make clear or concise choices on goals, forms of engagement, and issues. Some NGOs have been identified as more advanced in this area, primarily because they have been able or forced – sometimes because of negative external influences – to draw up with a more coherent strategy. The question of what ultimately constitutes an optimal and effective portfolio of partnerships strongly depends on the (intended) identity, goals and context of each NGO. For NGOs, partnership portfolio management can be portrayed along two dimensions:

(a) Partnering characteristics: Optimal partnerships tend to be based on three pillars: a shared analysis (of the issue, the dilemmas and problem definition), a shared vision (on goals, output and outcome, mission definition of the partnership) and a shared ambition (in the actual implementation, organization, means attribution and expectation management). In practice, these pillars are neither sufficient nor necessary. In reality, combinations of more or less shared characteristics exist. For an effective partnership portfolio, it is vital to inventorise these and to consider their consequences.

(b) Partner characteristics: This report has primarily reported about cross-sector partnerships with government and firms. However, the full portfolio challenge for NGOs is also related to their intra-sector partnerships in two directions: horizontally towards other NGOs in the home country, and vertically towards recipient NGOs in the host country.

The ultimate partnership portfolio provides a combination of both dimensions (Table 7). Each of the twelve boxes relates to the number and type of partnership an NGO engages in. The overall picture should facilitate a strength/weakness analysis of the existing partnership portfolio.

Table 7: Partnership Portfolio Characteristics

			Partnering Characteristics								
			Shared analysis			Shared vision			Shared ambition		
			Yes	Partly	No	Yes	Partly	No	Yes	Partly	No
Partner characteristics	Intra-sector	horizontal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Intra-sector	vertical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Cross-sector	government	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Cross-sector	firm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

No specific formulas are yet available. However, the need for a holistic approach is obvious. This implies a clear definition of the aim of the partnership, partner selection, common and shared understanding of the dynamics/strategy of a partnership, periodic performance measurements of the individual performance of partners and of the performance of the partnership. Three strategic characteristics have to be taken into account when assessing the appropriateness of the portfolio: size, density and diversity. Each NGO will probably define its optimal portfolio differently along these dimensions.

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APPENDICES



Appendix 1: NGO sample [2008]

Organization	Partnerships Mentioned	Income	Government funding
Agriterra, St.	√	€ 16,279,394	€ 15.851.536
Aids Fonds - Soa Aids Nederland, St.	√	€ 19,486,374	€ 8.159.649
AIDS Foundation East-West, St.	√	€ 8,439,250	€ 3.369.643
Aim for Human Rights	√	€ 1,947,021	€ 1.860.548
Amnesty International, Afdeling Nederland, Ver.	√	€ 27,959,287	€ -
AMREF Flying Doctors, St.	√	€ 4,836,672	€ 1.579.103
Artsen zonder Grenzen, Ver.		€ 130,400,000	Unspecified
Avalon Foundation, St.	√	€ 1,554,573	€ 519.575
AWEPA (Association of European Parliamentarians)	√	€ 6,140,266	€ 6.140.266
BiD Network, St.	√	€ 1,756,423	€ 500.000
Both ENDS	√	€ 3,837,991	€ 2.819.317
Care Nederland		€ 12,377,316	€ 9.545.098
Center for International Legal Cooperation	√	€ 1,943,893	€ 1.917.782
ChildsLife International, St.	√	€ 4,751,451	€ -
Collectieve Israel Actie, St.		€ 7,976,943	€ -
Compassion Nederland, St.	√	€ 8,792,000	€ -
Cordaid, St.	√	€ 171,436,000	€ 125.030.000
Dance4Life Nederland	√	€ 2,437,033	€ 1.782.386
Dark & Light Blind Care, St.	√	€ 3,404,998	€ 773.716
DOEN, St.	√	€ 41,263,615	€ -
Dokters van de Wereld, Ver.		€ 3,136,129	€ 1.425.655
Dorcas Hulp Nederland, St.	√	€ 16,638,187	€ 2.143.487
Dutch International Guarantees for Housing	√	€ 2,349,690	€ -
Edukans, St.	√	€ 15,613,614	€ 8.279.020
Fair Trade Original	√	€ 3,352,193	€ 2.247.069
Fairfood International, St.		€ 2,125,823	€ 70.000
Free Voice, St.	√	€ 5,838,535	€ 4.145.477
Gereformeerde Zendingsbond, Ver. De		€ 8,299,186	€ 506.981
Global Network of People Living with HIV	√	€ 2,921,003	€ 155.285

Habitat for Humanity Nederland, St.		€ 1,757,802	€ -
Hivos, St.	√	€ 99,661,000	€ 89.715.000
Humana, St.	√	€ 8,329,674	€ 1.973.000
Hunger Project, St. The		€ 1,660,157	€ -
ICCO	√	€ 139,712,386	€ 133.216.527
IICD	√	€ 5,580,555	€ 4.538.097
IKV Pax Christi, St. Samenwerkingsverband	√	€ 8,073,852	€ 3.832.205
ILEIA Foundation		€ 1,676,276	€ 1.676.276
International Campaign for Tibet, Nederlandse St.	√	€ 2,570,620	€ 42.202
International Child Support, St.		€ 8,525,982	€ 6.010.681
IUCN, St. Nederlands Comité voor	√	€ 10,364,940	€ 8.296.765
Justitia et Pax Nederland		€ 1,913,658	€ -
Kerk in Actie, onderdeel v.d. Dienstenorganisatie		€ 35,964,000	€ 3.522.000
Kom over en help, St.		€ 1,905,000	€ 100.000
Leprastichting		€ 11,066,000	€ 1.781.000
Leprazending Nederland, St.		€ 2,257,000	€ 695.000
Liliane Fonds, St.	√	€ 17,736,642	€ 1.722.447
MAF Nederland, St.		€ 2,643,373	€ -
Mama Cash, St.		€ 4,649,582	€ 1.283.487
Max Havelaar		€ 2,028,024	€ 75.000
Medisch Comité Nederland-Vietnam, St.	√	€ 2,374,269	€ 1.512.482
Mensen met een Missie, St.	√	€ 10,596,355	€ 4.521.620
Mercy Ships Holland, St.	√	€ 2,482,112	€ -
Nederlandse Rode Kruis	√	€ 76,513,000	€ 25.385.000
Nelson Mandela Kinderfonds, St.	√	€ 2,190,044	€ -
Netherlands Helsinki Committee		€ 2,380,159	€ 2.371.294
NiZA, St. (Nederlands instituut voor Zuidelijk Afr		€ 6,111,377	€ 4.838.237
Oikocredit	√	€ 35,983,000	Unspecified
Oikos		€ 1,505,168	€ -
Ondergrondse Kerk (SDOK), St. De		€ 2,569,227	€ -

Organization	Partnerships Mentioned	Income	Government funding
oneMen (Merknaam van MIVA, St.)		€ 3,617,399	€ -
Open Doors, St.		€ 8,524,130	€ 366.311
Operatie Mobilisatie, St.		€ 3,395,956	€ -
Oxfam Novib, St.	√	€ 158,601,563	€ 136.677.000
Plan Nederland, St.	√	€ 61,752,000	€ 21.724.000
Press Now, St.	√	€ 4,635,729	€ 4.070.326
Red een Kind, St.	√	€ 11,102,882	€ 3.250.360
Sam's Kledingactie voor Mensen in Nood, St.	√	€ 1,790,347	€ -
Save the Children Nederland, St.	√	€ 12,350,569	€ 8.483.366
Simavi, St.	√	€ 6,826,000	€ 2.524.000
SNV	√	€ 204,206,516	€ 94.312.780
Solidaridad, St.	√	€ 12,612,310	Unspecified
SOS-Kinderdorpen, St. Nederlandse Vrienden der	√	€ 18,296,079	€ 574.825
SPARK, St.	√	€ 3,463,940	€ 3.059.293
Stichting Onderzoek Multinationale Ondernemingen	√	€ 2,199,731	€ 1.545.742
Stop Aids Now!, St.	√	€ 11,933,177	€ 1.887.213
Tear, St.	√	€ 8,834,915	€ 4.352.803
Terre des Hommes, St.	√	€ 26,869,142	€ 8.320.712
Unicef, St. Nederlands Comité	√	€ 69,074,000	€ -
Verre Naasten, St. De		€ 3,638,814	€ 19.855
VSO Nederland	√	€ 3,977,012	€ -
War Child, St.	√	€ 13,770,460	€ 3.088.577
Wereldkinderen, Ver. voor Kinderwelzijn		€ 1,940,000	€ 258.000
Wetlands International	√	€ 9,397,000	€ -
Wilde Ganzen/IKON, St.	√	€ 14,506,111	€ 1.144.534
Woord en Daad, St. Reformatorische Hulpactie		€ 28,213,566	€ 8.847.079
World Population Foundation, St	√	€ 4,670,581	€ 2.583.030
World Servants Nederland, St.		€ 3,099,355	€ 479.310
World Vision Nederland, St.	√	€ 11,075,552	€ 2.792.354
Wycliffe Bijbelvertalers Nederland, Ver.		€ 3,700,486	€ -
Zeister Zendinggenootschap, Ver.	√	€ 1,928,000	€ -2.000

Appendix 2: Methodological notes

The prime data source for this report include 2008 company annual reports. Reports have been analysed in their original language. Data gathering took place in three different parts. First, general NGO information was collected. Second, NGO-level partnership specific information was analysed. Finally, partnership level information was gathered. Below, parts of the manual and codebook of the NGO database are presented. The full manual and codebook can be obtained from the PrC.

1. Information on data collection and scoring

The unit of analysis in this section is the NGO.

Variable	Source	Coding	Explanation/Guidelines
NGO ID	Internal PRC code	Number	No. given by PrC
NGO name	Annual report/CBF	Name	Quote from report
Development NGO	Annual report	1=Yes; 0=No	
Home country	Annual report	TEXT	
National or International umbrella organization	Annual report	1=National organization 2=International umbrella organization	1. E.g. Oxfam Novib 2. E.g. Oxfam International
Legal status	Annual report	1=Association 2=Foundation 3=Other	
Number of members in association	Annual report	Number	NOTE: Use -997 if no number of members is mentioned in the report. Use -996 if organization is not an association.
Other legal status	Annual report	TEXT	Only if organization scored 3 for 'legal status'. If not, use -996
Industry/Sector	Internal PRC code	1 = Culture and arts 2 = Recreation 3 = Service clubs 4 = Education and research 5 = Health 6 = Social services 7 = Environment 8 = Development and housing 9 = Law and advocacy 10 = Politics 11 = Philanthropic intermediaries 12 = International activities 13 = Religion and philosophy of life 14 = Business and professional organizations 15 = Unions 16 = Other	Note the following: 1. Includes museums, music associations, etc. 2. Includes sports associations 3. E.g. Lions Clubs and Rotaries 4. Includes non-profit research institutes 5. Includes those organizations that focus on a particular disease i.e. the Long Stichting, but does not include associations that focus on either service delivery or advocacy for specific diseases? 6. Includes emergency response (e.g. voluntary fire brigades) and refugee care (within country!) 7. Includes animal protection 8. Includes housing associations 9. Includes interest groups (e.g. consumer organizations etc.) 10. Includes political parties 11. Includes lotteries 12. With primary activity across border (e.g. development aid, humanitarian relief, human rights advocates) 13. E.g. churches and humanistic organizations 14. E.g. product boards etc. 15. E.g. trade unions etc.

2. Specific partnership information

The unit of analysis is the partnership. Data are gathered on a separate Excel sheet.

a. Information on data collection and scoring

Guidelines for partnership level data. Partnership level data should only be gathered for cross-sector partnerships. This means that the relationship is considered a partnership only if the report explicitly mentions any form of cooperation with organizations from the state or market sector. This includes dialogues and financing arrangements.

A second step that should be taken is to verify if the partners mentioned are from another sector than the NGO sector. The partnership is considered a cross-sector partnership only if at least one of the partners in the partnership is not an NGO. The following data should be gathered for each cross-sector partnership:

b. Partnership information

Variable	Source	Coding	Explanation/Guidelines
NGO ID	PRC	NUMBER	PRC Assigned number should be similar to NGO ID in sheet on NGO information.
NGO name	-	TEXT	Should be similar to NGO Name in sheet on NGO information
NGO involved in partnership	Annual report	1 = Yes 0 = No or unclear	
Partnership name mentioned	Annual report	1 = Yes 0 = No	
Partnership name	Annual report	QUOTE	Quote the partnership name.
Partnership description	Annual report	QUOTE	Quote the partnership description (Ref)
Are partner names mentioned?	Annual report	1 = Yes all partner's names are mentioned 2 = Yes, some partner's names are mentioned 0 = No partner's names are mentioned	
Does the partnership involve a government party?	Annual report	1=Yes 0=No	NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.
Does the partnership involve a business party?	Annual report	1=Yes 0=No	NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.
Does the partnership involve an international organization?	Annual report	1=Yes 0=No	Examples of international organizations are UN agencies, the World Bank, and the IMF. NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.
Does the partnership involve other NGOs?	Annual report	1=Yes 0=No	NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.
Does the partnership involve research organizations/universities?	Annual report	1=Yes 0=No	NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.
Does the partnership involve other parties?	Annual report	1=Yes 0=No	NOTE: Use -997 if it is unclear what kind of parties are involved in the partnership.

Quote the other parties	Annual report	TEXT	Quote the other parties involved.
Type of partnership	Computed variable	1 = Government – NGO partnership 2=Business – NGO partnership 3=Tri-partite partnership; NGO – International organization partnership 4 = Other	Tripartite partnership involves business, NGO and government and/or international organizations parties. NOTE: Use -997 if partner sector is not specified.
Form of engagement	Annual report	1=financing relationship/sponsorship/pro bono work 2=in kind contributions 3=dialogue 4=partnership (joint projects) 5= other	
Quote on form of engagement	Annual report	Quote	
Contribution by NGO	Annual report	1=none 2=financial 3=in kind 4=financial and in kind 5=other	
If other, what contribution	Annual report	TEXT	Quote + Ref.
What issue does the partnership address?	Annual report	1=poverity 2=hunger 3=human rights/labour rights/women's rights 4=environmental conservation 5= climate change 6= health 7=education 8= water/electricity provision 9= other	
If other, name the issue	Annual report	TEXT	Quote + Ref.
Country of implementation	Annual report	TEXT	Quote + Ref.
Region of implementation	Annual report	1=Asia 2=Africa 3=Latin America and Central America 4=Middle East 5= Eastern Europe 6=Northern America 7=Europe 8=Multiple regions/global	
Does the NGO perceive the partnership to be successful?	Annual report	1 = Yes 2 = Both positive and negative outcomes of the partnership 0=No	
What does the NGO say about the success of the partnership?	Annual Report	QUOTE + REF	

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