



Partnerships in Practice

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The WBCSD in a nutshell

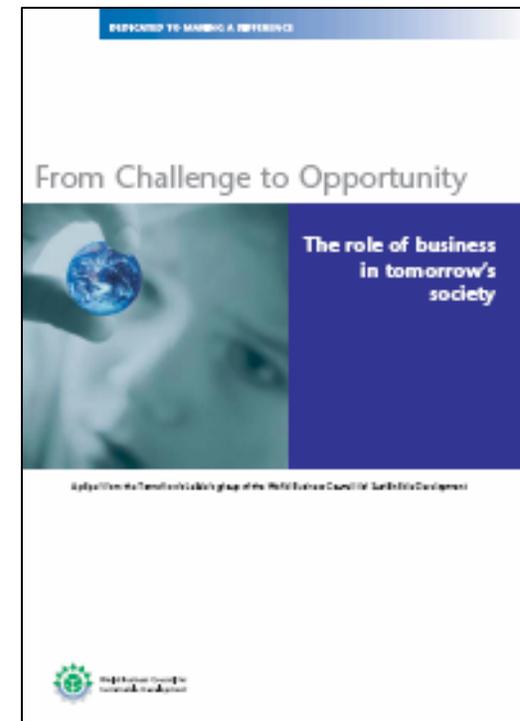
- Coalition of 190 leading companies
- Total turnover: USD 5,200 billion
- Market capitalization = USD 6,000 billion
- Total member company employees = 12 million
- Global outreach
 - ✓ 3 billion consumers per day buy a product or service from a WBCSD member company





The Role of Business

“Leading global companies of tomorrow are those that provide goods and services and reach new customers in ways that address the world’s major challenges”





Partnerships in Business Context

- Partnerships are an integrated way of doing business and exist since the beginning of trade
- Legal definition:
 - ✓ “a partnership is a type of business entity in which partners share with each other the profits or losses of the business undertaking in which they have all invested.”
- Companies chose the partnership route when they cannot go alone



Success Factors in Partnerships

- Success factors of the partnership itself and lessons learned
VS
- Success factors of the partnership for the private sector partner (the business case)



Success Factors of the Partnership

- Mutual respect
 - ✓ Not donor/recipient
 - ✓ Not client/consultant
- Shared objectives
 - ✓ Genuine overlapping agendas
- Capacity to deliver
 - ✓ Is the partner « businesslike » and efficient?
- Active relationship
 - ✓ Built on relationships which need commitment
- True commitment over time
 - ✓ Manage expectations in the short term
 - ✓ 3-5 year typical time frame



10 Lessons Learned

- **Partnerships begin from a standing start**
 - ✓ Build the relationship in Year 1 before grand schemes
- **Partnerships are not consultancy contracts or donations**
 - ✓ Commit to and respect both agendas not just your own
- **Cultural differences will exist**
 - ✓ Understand how each organisation operates and plans
- **Needs will change with time**
 - ✓ Listen to feedback and re-think your needs
- **Partnership building takes time**
 - ✓ Build trust and check your expectations before signing.
- **Transparency is essential**
 - ✓ Document everything and visit each other's work
- **Institutionalisation strengthens the relationship**
 - ✓ Build support internally for the partnership
- **Involvement of business units increases ownership**
 - ✓ Operationalise the relationship
- **Resource needs can be underestimated**
 - ✓ Fund positions in NGOs
- **Equity is essential**
 - ✓ Respect concerns over power balance



Success Factors in Partnerships

- Success factors of the partnership itself and lessons learned
vs
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The Business Case

- Secure the business “license to operate”
- Strengthen the corporate supply chain
- Improve stakeholder relationships
- Strengthen the corporate brand and reputation
- Raise employee motivation and productivity
- Improve operational efficiency
- Lower risk profile
- Market development
- Protect the resource base of raw materials



Case Studies and Partnerships on Energy for Development

- **ABB:** Access to Electricity program
- **EdF:** Affordable solar power lights up rural households
- **Shell:** Improving lives with the flick of the switch
- **Eskom:** Energy efficiency program





Company examples (1)



Access to Electricity program, Tanzania

Special focus: enable access to electricity for rural areas whilst preserving forests

Partner: WWF

Benefits to company:

- ✓ Strengthen the corporate brand and reputation
- ✓ Market development (expand use of own technology and know-how)
- ✓ Secure the business “license to operate”
- ✓ Improve stakeholder relationships



Company examples (2)



Electrifying rural Moroccan households

Special focus: Solar power installation with maintenance;
public-private partnership

Partners: ONE, Tenesol, Total

Benefits to company:

- ✓ Strengthen the corporate brand and reputation
- ✓ Market development
- ✓ Secure the business “license to operate”
- ✓ Improve stakeholder relationships



Company examples (3)



Improming lives with the flick of the switch, Sri Lanka

Special focus: grant and credit scheme

Partners: World Bank, GEF, local government, micro-credit institutions

Benefits to company:

- ✓ Strengthen the corporate brand and reputation
- ✓ Market development
- ✓ Secure the business “license to operate”
- ✓ Improve stakeholder relationships



Company examples (4)



Energy efficiency program, South Africa

Special focus: Demand Side Management; energy-efficient lighting; education

Partner: South Africa Department of Minerals and Energy

Benefits to company:

- ✓ Strengthen the corporate brand and reputation
- ✓ Market development
- ✓ Secure the business “license to operate”
- ✓ Raise employee motivation and productivity



Conclusion

- Business does not enter into SD partnerships simply for philanthropic reasons
- Understanding the business case is critical to the future success of SD partnerships, and their replicability, adaption and scaling up



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