Inclusiveness in Public-Private Partnerships: NGO Views and Strategies

Report for the Netherlands Environmental Agency (PBL)

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Foreword

Partnerships have become a widely used policy mechanism in the sphere of international development cooperation. In the Netherlands, public-private partnerships are actively stimulated for agricultural development and food security and in the domain of water management and sanitation as well. In most partnerships financed by the Dutch Directorate-General for International trade and development cooperation (DGIS) the responsibility for attaining inclusiveness objectives is delegated to non-governmental organisations (NGO). This raises questions: How do NGOs safeguard attainment of inclusiveness objectives in public-private partnerships? What is their position vis-à-vis private and public sector actors in these partnerships? And how do they define inclusiveness? Is this affected by the type of partnership?

To explore the ways in which NGOs define, safeguard and stimulate inclusiveness in public-private partnerships we have asked the Public Administration and Policy group of Wageningen University to make a systematic selection of Dutch NGOs active in partnerships focussing on the international domain of agricultural development and food security. We subsequently asked the PAP group to investigate the different ways in which these NGOs define, safeguard and stimulate inclusiveness in partnerships. In the study specific attention was paid to the different types of partnerships the NGOs were involved in and how that related to the different conceptualizations and materializations of inclusiveness.

Based on the findings presented in this study we will prepare a comprehensive PBL report on strategies for safeguarding inclusiveness in international public-private partnerships.

We hope you will enjoy reading this report as much as we did and learn about the ways in which NGOs define, stimulate and safeguard inclusiveness in international partnerships.

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1. Introduction

The attention for public-private partnerships as governance arrangements for development and sustainability is growing, both in the Netherlands and abroad. It is expected that these partnerships will contribute to inclusive growth and sustainable economic development, which are important goals of Dutch Development Cooperation.[1] However, a key issue is whether inclusiveness is really at the centre of public-private partnerships. Recent PBL research, for example, concluded that public-private partnerships face difficulties to involve and benefit 'the poor' (Bouma and Berkhout 2015). To address and tackle these difficulties much is expected from non-governmental organisations (NGOs) in these partnerships. They are supposed to be well-connected to civil society organisations across scales and most capable to represent the interests of the marginalised and poor. However, to date, little is known about how these NGOs actually deal with the issue of inclusiveness in public-private partnerships and more particularly how they define, safeguard and stimulate inclusiveness. These questions are particularly important at times in which NGOs are confronted with serious budget cuts and reorganisations. Partnerships can provide alternative funding for NGOs but collaboration with business in partnerships may also affect the way in which NGOs organize and promote inclusiveness. NGOs have to cope with possible tensions between securing new funding and securing inclusiveness through public-private partnerships.

1.1 Objectives and research questions

Against this background, the objective of this study is to understand how different Netherlands-based NGOs in the domains of food and agriculture, interpret and operationalize inclusiveness in public-private partnerships for development, while coping with new demands at times when funding has become insecure .

The research questions are:

1. How do Netherlands-based NGOs experience the demands placed on them to ensure inclusiveness through public-private partnerships? Do these experiences differ for NGOs with different funding structures and missions?

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[1] https://www.rijksoverheid.nl/onderwerpen/ontwikkelingssamenwerking/inhoud/partners-en-samenwerkingsverbanden-ontwikkelingssamenwerking/publiek-private-partnerschappen. Downloaded March 2016.

2. In what different ways do Netherlands-based NGOs that are engaged in different public-private partnerships, define inclusiveness? Do these ways differ for NGOs with different funding structures and missions?

3. What are the implications of these demands and definitions (see 1 and 2) for the actual strategies of safeguarding and stimulating inclusiveness of the poor and marginalized in target countries and communities?

4. How and to whom do Netherlands-based NGOs account for inclusiveness during different stages of the partnership process (from funding to implementation and evaluation)?

5. What opportunities and threats do Netherlands-based NGOs identify for securing inclusiveness in response to new demands and changes in development cooperation funding?

1.2 Conceptual framework

To better understand and analyse definitions and practices of NGOs concerning inclusiveness in public-private partnerships, as part of the wider discussion on Inclusive Green Growth, we distinguish three types of inclusiveness: input inclusiveness, throughput inclusiveness and output inclusiveness. These three concepts are normative concepts in the sense of desired situations. They have been adapted from the series of input legitimacy, throughput legitimacy and output legitimacy (Scharpf 1999; Torfing et al. 2012) to specifically refer to inclusion of the poor and marginalized in different stages of partnerships. *Input inclusiveness* is the inclusion of the poor and marginalized in the design of partnerships; *throughput inclusiveness* is the inclusion of the poor and marginalized in decision-making processes of a partnership; output *inclusiveness* is the inclusion of the poor and marginalized in the benefits resulting from partnerships in terms of income and access to resources.

The three concepts together refer to inclusiveness as a process (see Figure 1). We consider input and throughput inclusiveness as two elements of inclusive governance; we consider output inclusiveness as a major component of inclusive growth. Our assumption is that input inclusiveness and throughput inclusiveness can contribute to output inclusiveness but offer no guarantees. This is not only dependent on the way in which input and throughput inclusiveness have been organized and safeguarded but also on the many contextual factors that affect whether and how the poor and marginalized can economically benefit from partnership processes.

Figure 1. Conceptual framework
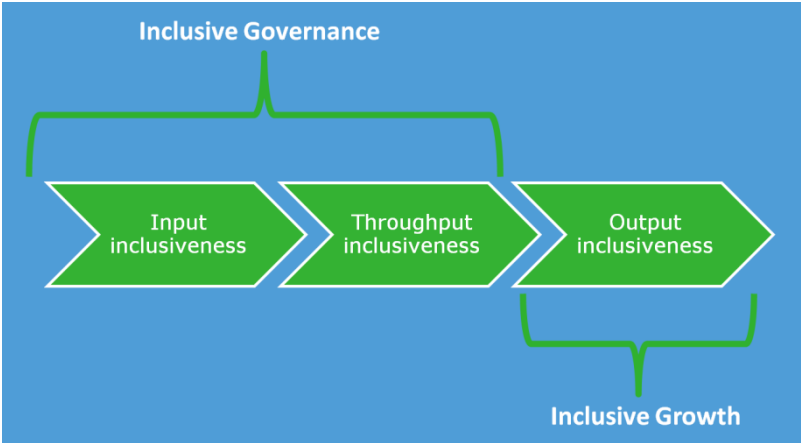
1.3 Methodology

Given the focus of the study on partnerships in the field of food and agriculture, we made an inventory of all Dutch NGOs that are working in this field. For this purpose, we used the data-base of CIDIN-Radboud University (2015) of all Netherlands-based NGOs, which is the most important database of Dutch NGOs that are active in the development sector.[2] Scrutinizing the mission of every listed NGO, we selected all those NGOs that are exclusively working in the domains of food and agriculture (4) and NGOs that consider food and agriculture as one of their principle areas of work (7). This resulted in a total of 11 NGOs (see Table 1). We approached each and every NGO to collect data on their engagement in partnerships in the domains of food and agriculture and their views and strategies on inclusiveness.

Table 1. Selected NGOs and number of interviewees

	Organisation	Number of interviewees
NGOs that exclusively work in food and agriculture	Agriterra	1
	Fairfood	3
	Heifer	1
	Ileia	1
Bigger NGOs that consider food and agriculture as one of their principle domains	ActionAid	2
	Cordaid	1
	Hivos	1
	ICCO	1
	Oxfam	1
	Plan	1
	SNV	2
Total number	11	15

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[2] See http://www.ngo-database.nl/index.php?&username=guest@cidin.nl&password=9999&lang=nl. Downloaded October 2015.

Every selected NGOs was approached for an interview. Most NGOs considered an interview with one person as sufficient to share its views and experiences on inclusiveness in partnerships. In most cases, we interviewed one staff member. In a few cases, two or three staff members participated in the interview. To make the results of the interviews comparable, a single structured guide was used in each interview (see Annex 1). Three main topics were discussed in every interview: partnerships, inclusiveness, and the changing development landscape. The issues of defining, stimulating and safeguarding inclusiveness (as part of the research questions) and the three types of inclusiveness (as part of the conceptual framework) were raised as specific topics. For every specific topic, one or two specific questions were asked. Annex 1 shows how the specific and main questions relate to each other and to the three main topics.

A total of 15 staff members of 11 NGOs were interviewed. Using the recording of the interviews, transcripts were made by a professional bureau (uitgetypt.nl). The transcripts were used to draft a summary report that was shared with the interviewee to spot factual errors.[3]

In order to make a thorough and transparent analysis of the data, we used the consolidated summary reports and conducted a three-step analysis. First, we identified the different types of partnerships in which the selected NGOs have been involved. For this purpose, we used an open approach to partnerships, exploring how NGOs define partnerships and not using an *a priori* definition for either selection or assessment.

A quick scan of the partnerships in which the NGOs are involved, showed a great variety of actors involved in partnerships. Not all partnerships appeared to involve public actors or seemed to explicitly serve a public interest. To capture the variety and nuances of types of partnerships (public-private, public-civil society and private-civil-society), we used the concept of 'cross-sector partnerships' to refer to collaborative efforts of organizations from two or more sectors: business, government and/or civil society (Babiak and Thibault 2009; Selsky and Parker 2005). We did not limit our query by only asking NGOs in which *public-private* partnerships they have been involved. The concept of public-private partnerships could easily be seen to refer to partnerships of governments and business only, not including NGOs that are generally considered as part of the non-profit sector or civil society. We excluded so-called partnerships consisting of one single (type of) actor, for instance partnerships between NGOs only, and partnerships merely consisting of funding relationships.

Second, through text analysis of the interview reports we analysed how NGOs define, stimulate and safeguard inclusiveness. To capture their own definitions of inclusiveness, an open approach was

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[3] The first author, and if not absent: the professor of the Public Administration and Policy Group, can be requested a copy of NGO-specific summary reports, provided the NGO gives permission to share a report.

used. To get a better understanding of how NGOs specifically stimulate and safeguard inclusiveness, we raised specific questions on the three types of inclusiveness (see 1.2 and Annex 1).

Third, we identified different views of NGO staff on the question whether engaging with business and governmental actors through partnerships offers a threat or rather provides new opportunities for NGOs to promote and safeguard inclusiveness.

These three steps and issues have been used to structure the results of the study in the next chapter. The results are used to answer the five research questions of the study in chapter 3 and to contribute to a wider discussion in chapter 4.

2. Results from the analysis of the interviews with NGOs

2.1 Partnerships

The term partnership has been widely used in the world of development cooperation. Almost any relation between Dutch NGOs and actors in the global South is referred to as a partnership, even if this relation consists only of, for example, a Dutch NGO funding an NGO in the global South. For most of the interviewed Dutch NGOs, partnerships with other NGOs in the global South form a substantial part of their activities. However, as explained in the methodology section, our focus on cross-sector partnerships for development in the fields of food and agriculture led us to exclude partnerships between NGOs only and partnerships that only consist of a funding relationship.

Some of the interviewed NGOs have been involved for some time in cross-sector partnerships with private companies and government organizations in the global North and South as well. Other NGOs have only recently entered the domain of cross-sector partnerships, for instance through applying for funding by the *Faciliteit Duurzaam Ondernemen en Voedselzekerheid* (FDOV), a programme of the Dutch Ministry of Foreign Affairs. This programme requires company involvement in public-private partnerships for development.

Based on the interviews, three different types of cross-sector partnerships for development can be defined. The selected NGOs are active in one or more of these types of partnerships.

- *Platforms*. These are organized spaces for discussion between NGOs, companies and/or government organizations about particular development issues. These platforms are relatively open and although much effort can be spent on providing input to the discussions, these platforms don't require strong commitment by the partners in terms of resources and risk sharing. Partners agree to discuss the issues and to listen to each other's ideas as input for their plans and strategies.

An example is the organization of a recurrent discussion platform by NGOs, together with Dutch supermarkets. This platform enables supermarkets and NGOs to come together to explore practical ways to implement living wages in global agro-food chains. The NGOs themselves refer to this type of discussion platform as 'solution-driven dialogues'. This platform does not require any commitments from the parties involved. The NGOs provide information and advice to companies.

- *Global roundtables*. These partnerships involve mainly NGOs and (multinational) companies operating at the global scale in relation to a particular global value chain. The goal is to come up with a shared set of standards or guidelines (sometimes in the form of a certification programme) which the involved partners are expected to put in practice. This requires

substantial commitment in terms of resources, constraints on one's own activities and (financial and reputational) risk sharing. One of the aims is a stronger involvement of smallholders in developing countries in these global value chains. The main difference between these global roundtables and platforms is that the latter are global, linked to a value chain, often aim for certification, and require stronger commitment by the partners.

An example is the Roundtable on Sustainable Palm Oil, a multi-stakeholder initiative involving multinational companies, producer associations and NGOs, including Dutch ones. Together these business and civil society actors developed global principles, criteria and certification schemes for sustainable palm oil production.

- *One-to-one NGO-business partnerships*. These partnerships involve the NGO and a company developing business in the global South. These partnerships may aim at job creation for disadvantaged groups in developing countries, at business development with local small businesses or farmers, or at developing (markets for) products that benefit the poorer sectors in developing countries.

An example is an NGO that has been given a grant for a joint project through the FDOV-fund, together with a Dutch company that has developed a cheap and mobile technique for soil analysis. Their joint project focuses on testing soil quality and providing advice on manuring to smallholder farmers.

The variety of partnerships NGOs are involved in, is also reflected in the types of roles or engagement they develop in these partnerships. The most important roles that were mentioned can be clustered in five types. They also relate to different kinds of partnerships (see Table 2).

- o *Discussion partner.* This role is related to the platform type of partnership. Although this relates to more traditional advocacy activities, the participation in platforms usually requires a more friendly engagement with companies or governments. Convincing others of the importance and feasibility of new ideas that can benefit the poor and marginalized is a role frequently taken up by NGOs.
- o *Co-designer of standards.* This role relates to global roundtables and the participation of NGOs in multi-stakeholder negotiations about standards for global value chains. NGOs function as intermediaries that provide insights into the challenges faced by smallholders in developing countries, who are themselves often not part of these global roundtables, and what this means for developing new standards.
- o *Voice of the poor.* This role may be taken up in different kinds of partnerships and involves representing and defending the ideas and interests of the poor and marginalized in

partnerships processes. This role involves representing groups that are themselves not part of the partnership, or representing the weaker partners in the partnership itself.

- o *Capacity-builder.* Capacity building is common activity for many NGOs, but may take new forms in partnerships that aim for business development with companies, where particular knowledge or skills are required from the poor to be able to be part of the project.

- o *Co-manager of a business project*. When a NGO and a company jointly develop a business-oriented project, NGO employees may end up in the sometimes unfamiliar role of co-managing a business project, including administrating (part of the) project.

Table 2. Overview of roles taken by NGOs in different types of partnerships

Partnership types *Roles*	Discussion platforms	Global roundtables	One-to-one NGO-business partnerships
Discussion partner	☑	☑	☑
Co-designer of standards	☐	☑	☐
Voice of the poor	☑	☐	☑
Capacity-builder	☑	☑	☑
Business manager	☐	☐	☑

The interviewed NGOs also tend to refer to partnerships in terms of whether that can be qualified as "true partnerships". One of the issues here is to which extent costs and risks are actually shared in practice. Not all mentioned partnerships are considered "true partnerships". Another issue of concern mentioned by the interviewed NGOs is whether cross-sector partnerships primarily serve a public interest or rather a private interest.

2.2 Inclusiveness

During the interviews we asked people about their understanding of inclusiveness. Inclusiveness is certainly a term that resonates with the NGO employees we interviewed. All of them claim that what they do contribute to inclusiveness, but some of them do not use the term inclusiveness explicitly. The views of the interviewed NGOs on the meaning of inclusiveness have a lot in common, but still some relevant distinctions can be made. Some views relate to input inclusiveness, other views to output and throughput inclusiveness:

- o **Views that relate to input inclusiveness: who to involve?**
    - o ... involving the poor (but not the poorest of the poor) in the agricultural sector, such that they can sustain their livelihood
    - o ... involving the top 30% of farmers in value chains instead of only the top 10%

- o   ... working with cooperatives
- o   ... working with those without a voice
- o   **Views that relate to throughput inclusiveness: how to involve?**
  - o   *Giving voice*
    - ▪   ... giving a voice to the people it is really about, such that benefits end up with those who most need it
    - ▪   ... making sure people have a voice in decisions that affect their livelihood
  - o   *Particular ways of involving people*
    - ▪   ... involving target groups in carrying out a programme, its methods and monitoring and evaluation
    - ▪   ... involving the most vulnerable people and achieving results together
    - ▪   ... involving marginalized people in society, by providing access to markets and political arenas
    - ▪   ... involving everybody in an equitable way in business cases and value chains
    - ▪   ... taking into consideration all the needs that people at the local level have, both social and economic, and creating an environment where they can sustain themselves
- o   **Views that relate to output inclusiveness: who should be reached and benefit?**
  - o   ... reaching the poorest of the poor and the most marginalised groups
  - o   ... reaching the poorest of the poor
  - o   ... reaching the most vulnerable target groups
  - o   ... pro-poorness
  - o   ... making sure the most vulnerable farmers become less vulnerable

The meanings of inclusiveness that relate to input inclusiveness emphasize the selection of who to work with or involve. According to these definitions, this may not be the poorest of the poor *per se*. The meanings of inclusiveness that relate to throughput inclusiveness emphasize the voice of the poor in decision-making, and particular ways of involving people in partnerships, e.g. achieving results together, providing access to market or political arenas, or involving everybody in an equitable way. The meanings of inclusiveness that relate to output inclusiveness emphasize who should be reached and who should benefit. Here, in contrast to the meanings that relate to input inclusiveness, the emphasis is on reaching the most vulnerable groups or the poorest of the poor. This signals at the same time that NGOs have different views on who exactly to involve and who exactly should benefit from cross-sector partnerships for development, an issue we will take up in the next section.

2.2.1 Input inclusiveness

We have defined input inclusiveness as the inclusion of the poor and marginalized in the design of partnerships.

As is evident from the aforementioned views on inclusiveness, the question of *who to include* in the partnership is not a trivial one. This is understandable because defining who is poor and marginalized, and who is not, can be done according to different criteria. Development cooperation as a sector is focused on developing countries, and often on the least developed countries (LDCs), representing or hosting the poor and marginalized at the global scale. But also within developing countries one finds marked differences between regions in terms of poverty. And within a poor region there are sectors that are doing relatively better, and others that do less well, like e.g. agriculture. Within the agricultural sector, one can work with the relatively better-off farmers, or with the poor farmers, or the poorest of the poor farmers. Still then, the poorest of the poor may not be farmers but e.g. landless agricultural labourers or factory workers. The choices that are made regarding this issue are a crucial element of input inclusiveness of cross-sector partnerships for development. The interviewed NGOs are all active in the agriculture and food sector and generally like to work with poor farmers that have the potential to develop their agricultural activities. These are mostly not the poorest of the poor, and often not the poorest of the poor farmers.

It is interesting to note that several NGOs mentioned the tendency of partnerships with commercial partners to shift the target group towards the relatively better off-farmers, in terms of means to invest, capacity to innovate and level of organization. This has to do with the expectations of commercial partners towards poor farmers in terms of their roles as suppliers of good quality agricultural inputs, as reliable financial administrators, or as potential clients for pro-poor products or services. But this also probably makes it easier for NGOs to find/organize/collaborate with farmers.

> Example: An NGO is working in a coffee partnership with a commodity trader and farmers' cooperative. The partnership project aims at displacing chemical input for organic input, while generating a better income for farmers. This partnership is not targeted at the poorest of the poor, but small farmers. The NGO does not consider it possible to expand this project to include the poorest farmers because the participants need credit facilities for accessing biogas. The NGO refers to the farmers involved as 'change agents', that is, people who can potentially transform the system towards more sustainable and green business. They expect that due to this approach the project will eventually trickle-down to the poorest farmers as well.

Apart from deciding who exactly to include in the partnership, another issue is *how to involve them in the design* of the partnership. A concern shared by many of the interviewed NGOs is that organizing input inclusiveness is a time-consuming process requiring frequent interactions with (potential) partners in the global South. The time frame between the publication of calls for partnership funding and the deadline for submitting proposals is generally much too short to allow for guaranteeing input inclusiveness. NGOs try to deal with this limitation by building long-term relationships with key partners in the global South, such that their input can be organised more quickly, sometimes in a representative manner whereby a local partner voices the need of local populations, and/or by investing time and resources from other funding sources in organizing input inclusiveness.

2.2.2 Throughput inclusiveness

We have defined throughput inclusiveness above as the inclusion of the poor and marginalized in decision-making processes of a cross-sector partnership.

We can distinguish three different roles taken by NGOs in their efforts to guarantee throughput inclusiveness. These roles can be positioned on a scale from representing the poor to enabling the poor to represent themselves:

- o *Representing the voice of the poor in partnerships*. In partnerships where the poor and marginalized are not directly represented as a partner, NGOs take up the role of bringing the ideas, concerns and interests of the poor to the table.
    - o Example: An NGO is a member of a global roundtable in which multinationals, producer associations and NGOs develop guidelines for sustainable palm oil production. Indigenous communities, labourers and smallholders do not directly participate in this roundtable, hence the NGO sees its own role as creating space for community organizations, labour unions and smallholder organizations to stand up for themselves.
- o *Mediating between companies and the poor.* When the poor and marginalized are more directly represented in the partnership (often through a local community organization or farmer's cooperative), NGOs can take up a mediating role, acting as a go-between in reconciling the ideas, concerns and interest of the involved companies and the poor.
    - o Example: An NGO has taken up the role of mediator between companies and the poor in its one-to-one partnership with a business. The NGO finds itself compromising between the interests of the private partner, which are basically tapping new markets, making profits and purchasing agricultural products, and the

interests of farmers, which include getting a good price for their produce and overcoming poverty.

o *Enabling the poor to represent their own interests.* This role generally involves substantial capacity building aimed at strengthening financial, planning and negotiation skills and resources of the poor who are participating in the partnership. The aim is to enable the poor to negotiate directly with the involved companies and to influence the partnership process directly.

   o Example: An NGO is involved in a 3-year project sponsored by IFAD. The role of the NGO is to explore different types of brokering mechanisms in public-private partnerships, in which local companies, local governments and the NGO are involved. The NGO primarily attempts to build the capacity of local farmers by providing vocational training and workshops on farming techniques. The NGO also aims at organizing farmers in cooperatives with a view to make it more efficient and attractive for companies to cooperate with them.

A particular issue faced by NGOs in public-private partnerships for development is the risk of losing face towards the involved company(ies) in case local partners do not deliver. NGOs often end up in the position somewhere between local partners on the one hand, and companies on the other hand. They may have to convince the companies that their local partners are up to the challenge, while there are many factors outside of the NGOs' control that might prevent their local partners from delivering upon the partnership agreements. When things don't work out, NGOs might lose credibility towards the involved companies. Conversely, when the partnership doesn't bring the expected benefits for the local partners, the (long term) relationship between NGOs and local partners can be put at risk.

2.2.3 Output inclusiveness

Above we have defined output inclusiveness as the inclusion of the poor and marginalized in the benefits resulting from partnerships in terms of income and access to resources. This translates into the challenge of ensuring benefits for the poor, and we have linked this in our conceptual framework to the concept of inclusive growth.

In the responses of the interviewed NGOs, we can observe different ways of how NGOs understand output inclusiveness in terms of benefits for the poor and inclusive growth[4].

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[4] Some interviewees questioned the link between benefits for the poor and inclusive growth. Depending on how you define it, they don't see growth as a goal in itself because it does not necessarily generate benefits for the poor. They also argue that growth is not necessarily a precondition for generating benefits for the poor.

Example: An NGOs indicates that the development debate is increasingly shifting towards a growth debate, in which growth is seen as the central objective and the poorest are excluded from sharing in the benefits of economic growth. The NGO feels that this debate is biased towards the interests of (Dutch) private parties. Another NGO states that the most important goal of its activities is enabling farmers to support themselves through agro-ecological practices, instead of having them to produce for the market. Growth is not a key concern in this approach. Hence, its activities are not targeted towards realising growth, but rather to subsistence farming.

With regard to guaranteeing output inclusiveness in terms of generating benefits for the poor and marginalized, two dominant assumptions appeared throughout the different interviews. In any case, the interviewed NGOs did not discuss additional strategies for ensuring output inclusiveness beyond those working through input or throughput inclusiveness.

In simple terms these assumptions are:

1. *Input inclusiveness will guarantee output inclusiveness.* If the intended beneficiaries are involved effectively and early on in the design of the partnership, there are good chances that the partnership will generate valuable benefits for them.

Example: An NGOs finds it important to involve its target groups throughout the process, including the design phase. To do so, it uses a set of tools, including power analyses at the grassroots level and analysing power relations. It organizes reflection circles, in which local communities, together with the NGO, reflect on their situation and create a joint planning. To decide on the needs of the poor and tailor their activities towards their needs, the NGO also undertakes participative diagnosis. The NGO expects that that giving a voice to the poor will result into benefits for those who need it most.

2. *Throughput inclusiveness will guarantee output inclusiveness.* If the poor and marginalized are well represented in the partnership process, particularly at the decision-making level, there are good chances that benefits for the poor will materialize.

Example: An advisory NGO supports farmer organizations in the global South to strengthen their position. The NGOs works together with global companies such as Friesland Campina and local farmer cooperatives. It holds the view that it addresses inclusiveness by providing access to discussions, knowledge, markets and information. In due course, this will result into an increase of income for farmers.

The second assumption takes a specific shape when the aim is to include the poor in value chains through partnerships with companies, because the means (setting up a value chain partnership with companies and in which the poor have a voice) almost coincide with the ends (including the poor in a

value chains partnerships). In this case the key remaining question is whether the benefits for the poor can be sustained beyond the time frame of the funded partnership, particularly when this implies a much smaller or phased out throughput inclusiveness role of the NGO in terms of representing, mediating or enabling.

2.3   Opportunities and threats of public-private partnerships

The interviewed NGOs identified different opportunities and threats of public-private partnerships for securing input and throughput inclusiveness: some threats and challenges directly affect inclusiveness, others more indirectly, that is, by affecting the NGO or the development sector as a whole.

2.3.1 For stimulating and safeguarding inclusiveness

The interviewed Dutch NGOs consider the top-down design of public-private partnership programs as a threat for organizing input inclusiveness, certainly when procedural rules provide limited time for them to organize input from (local organisations of) poor and marginalized. The requirement of the Dutch Ministry of Foreign Affairs of involvement of Dutch business in PPPs for sustainable business and food security (FDOV) constrains the scope and possibilities of NGOs to organize inclusiveness. This is because the innovations that the Dutch business want to develop are generally not appropriate for the poorest and most marginalized. As a result, slightly better-off small farmers are targeted.

On the one hand, NGOs emphasize that a one-to-one partnership with a business has great potential for realizing sustainable impacts due to its market-based and collaborative approach. On the other hand, they consider the opportunities for upscaling one-to-one partnerships and reaching large numbers of poor and marginalized in the field of food and agriculture as limited.

2.3.2 For NGOs

NGOs see different opportunities and threats for themselves in a public-private partnership.

The opportunities include: new contacts and sharing of different expertise; establishing better mutual understanding; stronger orientation on effectiveness; professionalization of planning and monitoring; and increasing responsiveness of business to demands for corporate social responsibility.

NGOs learn about professionalizing their planning and monitoring schemes by working closely together with business in a partnership. This has led to the scaling down of expectations in some instances. For instance, one NGO first set its targets very high, thereby having unrealistic expectations within a too short time span from the business partners involved. After working together with business partners more closely, they learned to be more realistic in their objectives.

They also expect that increasing levels of competition between NGOs in the Dutch aid landscape will trigger them to improve their evaluation and accountability mechanisms in the future.

NGOs see that there is an increasing commitment of private parties to practice corporate social responsibility (CSR). Business increasingly are aware that inclusiveness can not only be beneficial for poor communities but also for them. Therefore, NGOs feel that companies are more responsive towards NGOs. Companies increasingly rely on NGOs for their CSR activities, expecting that NGO are the ones to provide access to communities and expertise on how to engage with them. This shifts the power balance between parties involved in PPPs towards NGOs. Moreover, this brings innovations and business cases closer to the local farmer.

At the same time, NGOs face threats that may undermine their role and position in the partnership and discourage them from engaging in a partnership with business. First, starting a partnership with a business is a relatively poorly rewarded investment of time and resources: donor funding is limited and the partnership is often limited to one company only. For example, NGOs are expected to take care of all kinds of logistics of setting up a business, like arranging local offices, organizing meetings with farmers, etc. This can reduce costs for the company but costs the NGO a lot of work which it cannot invest in other possibly more effective ways of increasing inclusiveness. NGOs face the risk of becoming cheap labour, or well-informed but cheap consultants. Second, the distinction between the roles of the company and the NGO blur when the company adopts roles that are traditionally assigned to NGO, like for instance, organizing and training smallholders. Third, both the company and (local organisations of) poor and marginalized may expect the NGO to be accountable to them in the first and to act as their messenger. This may put the NGOs in an awkward position.

2.3.3 For the development sector

NGOs consider partnerships with business as an opportunity to professionalize the development sector as a whole. At the same time, they also see threats. First, they question whether the focus on public-private partnerships as an instrument is substantiated well. NGOs wonder whether public-private partnerships primarily serve a public interest or rather private interests. Second, NGOs feel that the focus on public-private partnerships is reducing attention to the poorest. Third, they feel that the focus on public-private partnerships is threatening the diversity of roles of NGOs in the development sector. It is difficult to adopt a critical role in public-private partnerships, or to combine participation in partnerships with campaigning.

3. Conclusion

The interviewed NGOs are engaged in three types of cross-sector partnerships, that all consist of some form of collaboration or exchange between companies and NGOs. The first type is public-private partnerships: one-to-one NGO-business partnerships in which NGOs are considered as semi-public agency and representing civil society. The second type is discussion platforms, that is, organized spaces for discussion between NGOs, companies and/or government organizations about particular development issues. The third type is global roundtables: partnerships of business and NGOs that together develop and promote a shared set of global standards for sustainable agriculture, fishery or forestry. Based on our findings, the following answers can be given to the five research questions of the study.

First question: how do Netherlands-based NGOs experience the demands placed on them to ensure inclusiveness through public-private partnerships? Do these experiences differ for NGOs with different funding structures and missions?

Dutch NGOs take up the demands placed on them to ensure inclusiveness through public-private partnerships as a challenge to stimulate and safeguard two types of inclusiveness: input inclusiveness and throughput inclusiveness. Input inclusiveness is the inclusion of the poor and marginalized in the design of partnerships. Throughput inclusiveness is the inclusion of the poor in the decision-making process of a partnership.

Dutch NGOs who establish a partnership with one company in the domain of food and agriculture through funding from the Dutch government, experience that their commitments to input and throughput inclusiveness are difficult to realize. The demands of both their donor and their business partner offer constraints. This is due to the short time span for submitting proposals for funding and the tendency of PPP projects to target the relatively better-off farmers. In case of global roundtables and discussion platforms, the government is not a funding agency. NGOs do not experience procedural demands of the government that can complicate the commitment of the NGO to input or throughput inclusiveness. In case of global roundtables, NGOs have to give and take in negotiations with business on food and sustainability standards.

Second question: In what different ways do Netherlands-based NGOs that are engaged in different public-private partnerships, define inclusiveness? Do these ways differ for NGOs with different funding structures and missions?

Dutch NGOs have a wide range of views and definitions on inclusiveness. A closer look reveals that NGOs primarily define inclusiveness in terms of input and throughput inclusiveness because these

two types are seen as pre-conditions and stepping stones towards output inclusiveness, or the inclusion of the poor and marginalized in the benefits resulting from the partnership in terms of income and access to resources. These two main types are common across the board and for all types of partnerships in which NGOs are involved: the interviewed NGOs (with food and agriculture in their mission) all focused on these two types of inclusiveness.

Third question: what are the implications of these demands and definitions (see questions 1 and 2) for the actual strategies of safeguarding and stimulating inclusiveness of the poor and marginalized in target countries and communities?

To stimulate and safeguard input inclusiveness through partnerships with business NGOs adopt a pragmatic approach. Working in the agriculture and food sector, NGOs experience a tendency of the PPP projects to target relatively better-off farmers. Facing this situation, NGOs do not insist on including the poorest farmers or poorest of the poor but generally prefer to work with poor farmers that have the potential to develop their agricultural activities. Some NGOs assume that this will trickle down to the poorest eventually. To cope with the limitation of the short time-frame between the publication of calls for partnership funding by the Dutch Directorate-General for International Cooperation (DGIS) and the deadline for submitting proposals, NGOs build long-term relationships with partners in the South whose input can be quickly organized. At short notice, they provide time and resources to enable these partners to voice the needs of poor and marginalized.

NGOs use one or more of the following strategies to stimulate and safeguard throughput inclusiveness in one-to-one partnerships with business: representing the voice of the poor in partnerships, mediating between companies and the poor, and enabling the poor to represent their own interests. The implication of collaborating with business in a partnership is that these strategies take the form of a balancing act. NGOs have to navigate between expectations of business partners and those of local NGO partners, running the risk of losing credibility with one or both sides.

The one-to-one partnership with business is the type of partnership and arena in which the mutual dependence between an individual business and an individual NGO is highest, such compared with discussion platforms and global roundtables. As a result, this type of partnership is the arena in which pragmatism and balancing acts are cultivated most by NGOs. This is different for the other two types of partnerships in which the selected NGOs are (also) active. In discussion platforms, NGOs can more easily adopt a critical and distinctive position on inclusive growth and sustainable development. As members of global roundtables, NGOs can more or less independently speak on behalf of smallholders, indigenous peoples or labourers but also have to conduct a balancing act: they have to negotiate carefully in co-developing principles and standards with many companies and other NGOs.

Donor funding for one-to-one partnerships more or less directly pushes NGOs to adopt a pragmatic approach to input inclusiveness, certainly when the time span between the call for partnership funding and the deadline for submitting is relatively short. The participation of NGOs in global roundtables and discussion platforms is often not (directly) dependent on donor funding.

Fourth question: how and to whom do Netherlands-based NGOs account for inclusiveness during different stages of the partnership process (from funding to implementation and evaluation)?

The ways in which NGOs account for inclusiveness and to whom they direct their accountability appears to differ per type of partnership and vary from rather simple to complex. In discussion platforms, NGOs are relatively independent from business. Their accountability is organized in a relatively simple way: it is internal, individual, and based on their own mission and core values. In global roundtables, NGOs cannot act independently. They have to seek consensus with many companies on principles and criteria, including social ones related to input and throughput inclusiveness. For NGOs that are member of a global roundtable, organizing accountability is rather complex: they have to account to the other members of the roundtable, including companies, but also to communities and smallholders whose interests and values they voice at the roundtable. In roundtables, there is often no direct accountability for NGOs to governments.

In public-private partnerships funded by the Dutch government, the organisation of accountability is complex, if not confusing. Dutch NGOs are accountable to the government, a business partner, and a local community or local NGO. To the government, Dutch NGOs have a formal-procedural responsibility to account for inclusiveness. It is not clear, however, whether and how the donor wants an NGO to account for their efforts directed at stimulating and safeguarding input or throughput inclusiveness. In the implementation of public-private partnerships, NGOs organize accountability to both their business partner and a local community or NGO. As reported, this is a balancing act.

Fifth question: what opportunities and threats do Netherlands-based NGOs identify for securing inclusiveness in response to new demands and changes in development cooperation funding?

NGOs see different threats and opportunities of public-private partnerships for securing input and output inclusiveness. They consider the top-down design of public-private partnerships as a threat for organizing input inclusiveness, certainly when procedures offer limited time to organize input from their Southern partners. Collaborating with business offers opportunities for an NGO to learn and professionalize planning and monitoring. At the same time, such collaboration can also lead to a blurred distinction of the roles of the NGO and its business partner. More fundamentally, the NGO runs the risk of losing credibility from the business partner and/or (local organisations of) poor and

marginalized. Both sides can expect that the NGO is in the first place acting on their behalf and accountable to them.

4. Discussion

Based on our findings, we present three issues for discussion. First, we question whether inclusiveness in public-private partnerships is a realistic goal. Second, we draw possible implications of our findings for the field of development cooperation and the position of NGOs herein. Third, we call for a critical reflection on the role of public authorities in public-private partnerships. Related to this, we question whether the term 'public-private partnership' is accurate and whether we should use the term cross-sectoral partnerships more prominently.

4.1 Inclusiveness in PPPs: a realistic goal for NGOs?

NGOs want to play an important role in stimulating and safeguarding *input inclusiveness* but have to do so in partnerships that have been designed top-down by the Dutch government and are biased towards slightly better-off poor due to the engagement of Dutch business. NGOs want to safeguard inclusiveness of the poor and marginalized in decision-making of cross-sector partnerships but find it difficult to do so because of limited time and resources of (local organisations of) poor and marginalized. The result is that *throughput inclusiveness* often translates as representative inclusiveness. Whereas NGOs see themselves and indeed can be seen as strategic players to stimulate and safeguard input inclusiveness and throughput inclusiveness, it is not very realistic to expect that they will be able to do so, given the top-down design of partnerships and limited means of poor and marginalized to engage in decision-making.

NGOs realize that developing a business case in collaboration with a company through a partnership, can provide economic benefits to the poor and marginalized in a sustainable way (*output inclusiveness*). At the same time, they find that prospects for replicating and upscaling one-to-one partnerships are dim. The reason is that organizing inclusiveness and engaging with business in a partnership requires a tailor-made approach and is time-consuming for NGOs. Alternatively, commodity roundtables offer prospects for NGOs to engage with many companies and to commit a world-wide business sector to work on inclusiveness. However, these global roundtables also face major problems with ensuring input and throughput inclusiveness (Cheyns 2011).

The Netherlands' Foreign Ministry has three ambitions in the field of trade and international cooperation: first, to end extreme poverty; second, to contribute to sustainable, inclusive growth; and third, to strengthen the position of the Dutch private sector.[5] Public-private partnerships are considered as an institutional vehicle to contribute to the second ambition. The two-fold objective of PPPs as an instrument of Dutch development policy is to stimulate economic development and to

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[5] https://www.rijksoverheid.nl/onderwerpen/ontwikkelingssamenwerking/inhoud/nederlands-beleid-ontwikkelingssamenwerking. Downloaded March 2016.

contribute to poverty alleviation in developing countries.[6] As NGOs find it hard to safeguard inclusion of the poor and marginalized in design and decision-making of public-private partnerships and at the same time consider such inclusion as pre-condition for the poor and marginalized to benefit, the following question arises: are public-private partnerships an appropriate instrument to contribute to sustainable, inclusive growth, at least in the way NGOs would like to promote this?

4.2 The diffusion of civil society in the field of development?

When NGOs engage in PPPs they often are labelled as semi-public organisations (Bouma and Berkhout 2015) that are committed to serving public goods. At the same time, when engaging in partnerships with business, NGOs become more business-like in their operations. Also, they enable or facilitate business to secure their private interests. NGOs experience that it is difficult to focus on the poorest and to take a critical attitude in the partnership process. The distinction between NGOs and business in public-private partnerships gets blurred.

The implication of NGOs being labelled as 'semi-public' to serve public interests and simultaneously turning more private in terms of organisation and interest articulation, is that they run the risk of losing a distinctive position in the field of development. As NGOs are generally considered part of civil society, one could say that public-private partnerships contribute to a process of co-optation of the civil society sector into the government and business sectors in the field of development.

Public-private partnerships offer an opportunity for NGOs to access scarce Dutch donor funding and to collaborate with business to contribute to inclusive, green growth. However, if and when the top-down design of public-private partnerships and lack of resources of poor and marginalized turn the commitment of NGOs to safeguard input and throughput inclusiveness into a considerable challenge, the question on the added value of NGOs in partnerships to serve public goods sooner or later comes up. From their side, NGOs may pose a counter-question: are public-private partnerships the right instrument to secure output inclusiveness, when input and throughput inclusiveness cannot be secured? A difficulty here is that NGOs may feel reluctant to raise this question because of the risk of losing access to donor funding and losing a key argument to morally justify their engagement with business in the civil society sector. If NGOs decide to follow a pragmatic course and keep silent, they contribute themselves to the diffusion of the civil society sector over the private and public sectors in the field of development.

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[6] https://www.rijksoverheid.nl/onderwerpen/ontwikkelingssamenwerking/inhoud/partners-en-samenwerkingsverbanden-ontwikkelingssamenwerking/publiek-private-partnerschappen. Downloaded March 2016.

Dutch NGOs are certainly not only driven by ideals and higher norms. They have their own interests and institutional lock-ins. Yet, a diffusion of civil society in the field of development may lead to the following questions for the Dutch government as donor of public-private partnerships: is this what we want? Can procedural demands be changed to increase opportunities for Dutch NGOs to secure input and throughput inclusiveness? How to organize innovation and accountability, if NGOs are increasingly co-opted into the government or business sector?

4.3 Who or what is 'public' in public-private partnerships?

The term of 'public' in public-private partnerships can refer to actors and interests. We will discuss them both.

Regarding 'actors', we observe that public authorities in the South play a limited role, or no role at all, in the design and management of the public-private partnerships in which the selected NGOs are engaged in. In many cases the Dutch government is the only public authority involved. The main role of the Dutch government is providing grants and judging applications for this purpose. Public scrutiny is therefore organized through Dutch government and parliament, not through public authorities (ministries, municipalities, etc.) in the South. When an official agency is not participating in the public-private partnership, Dutch NGOs are qualified as semi-public (Bouma and Berkhout 2015, pp.20-22).

To prevent misleading expectations on the type of actors involved, the Dutch government could take several steps. A simple solution could be to rename PPPs as business-NGO partnerships. The disadvantage of this solution is that it leaves the question of the role of public authorities in the North and the South unanswered. To consider new and different roles of public authorities in public-private partnerships, we think other solutions could be more attractive. A guiding question could be how the Dutch government could create better conditions for or collaborate with NGOs and business to stimulate and safeguard input and throughput inclusiveness.

To seek engagement with public authorities from the South and to counter the top-down design of PPPs, programs for PPPs could possibly be organized by Dutch embassies in collaboration with their counterparts in foreign ministries. Programs for PPPs could also require and stimulate engagement of public authorities at the local level.

At a more general level, different types of PPPs could be considered, next to the one-to-one NGO-business partnership that is the dominant type funded by the Dutch government. To prevent false expectations on PPPs and to foster different types of partnerships, it could be wise to adopt the alternative umbrella term of 'cross-sector partnerships' (Babiak and Thibault 2009; Selsky and Parker 2005). Cross-sector partnerships are defined as collaborative efforts of organizations from two or

more sectors: business, government and/or civil society (Selsky and Parker 2005). Public-private partnerships could be seen as a type of cross-sector partnerships, in which 'public' refers to government and 'private' to business.

A main requirement and distinctive feature of one of the types of cross-sectoral partnerships could be the involvement of national or local governments from the South. Learning from difficulties resulting from top-down design of partnerships, a more bottom-up design of PPPs could be considered. Addressing procedural problems (notably: the time span for submitting proposals for PPPs), a somewhat large time-span for starting PPPs could be allowed. Considering limitations of partnering with Dutch business for targeting poor and marginalized, more attention could be put on selecting business that develop technical and social innovations that guarantee input and throughput inclusiveness. This could lead to the engagement of foreign or local business as lead business partner in PPPs.

Another reason not to concentrate (funding) on one specific type and design of PPPs is that the impact of PPPs in the field of food and agriculture in terms of in terms of poverty alleviation and inclusive growth is still assumed, not demonstrated through evidence-based impact studies.

The term of 'public' can also refer to interests. The advantage of using the term 'public' in this way is that the lack of engagement of public authorities from the South is not a problem *per se*. However, what could become problematic is the expectation that public-private partnerships guarantee that both private *and* public interests are served (Bouma and Berkhout, 2015). Our study shows that this is not a possible but actual problem, certainly for and at the level of Dutch NGOs involved in public-private partnerships. Generally speaking, their commitment to securing input and throughput inclusiveness can be seen as types of public interest or requirements to serve public interests. As Dutch NGOs find it difficult to realize these types of public interests through public-private partnerships, supporters of PPPs owe Dutch NGOs and civil society at large an answer to the following question: what is the public (interest) being served through public-private partnerships?

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Annex 1 Guide for interviews with NGOs

Topic	Specific topic	Link to types of inclusiveness (see 1.2)	Specific questions	Link to research question (see 1.1)
Inclusive Green Growth	Defining		• What is your understanding of inclusive green growth? • How would you define the relationship between inclusive, green and growth?	2
Inclusiveness	Defining		• How would you define inclusiveness? • In what way(s)/why is inclusiveness important, in your view?	2

Partnership	Programme		• What are the characteristics of the partnership programme?
			   o Focus
			   o Funding structure
			   o Partners
				1

	Parties involved		• Which parties are involved?	1
	Timeline		• How long has the partnership been running?	1
Inclusiveness	Demands placed on NGO		• How well, in general, does the partnership programme contribute to inclusiveness? • How do you experience the demands placed on you to ensure inclusiveness?	1
Inclusiveness	Responsibility		• Within the partnership, who is responsible for inclusiveness?	3,4

	Securing/ safeguarding	Input	• How important was inclusiveness in the design and planning phase of the partnership?
			   o e.g. how were the partners selected?
			   o how explicit did you discuss inclusiveness among partners?
			• What, if any, agreements were made re. inclusiveness in the design and planning phase of the programme?
			• (depending on type of p-ship these questions relate to funding application/planning/contracts between partners) How in the design and planning of the programme institutionalize inclusiveness?
				3,4

		Throughput	• How do you organize inclusiveness in terms of decision-making processes?
			• How do you organize inclusiveness during implementation of the programme?
			• (if necessary, specify:
			   o Elite capture
			   o Bottom-up
			   o Partaking in discussions
			   o Etc)
				3,4

		Output	• Who benefits from the partnership and how (especially the poor and marginalized)?	3,4

			• How do you monitor inclusiveness on the ground? • How do you assure sustainability of inclusiveness in the outcome of the intervention?	
Changing development landscape	Threats		• What kind of difficulties do you experience with securing inclusiveness in light of changes and new demands in development cooperation? • Is there a trade-off between inclusiveness and other objectives (efficiency/cost reduction, green/environment)?	5
	Opportunities		• What are the opportunities for securing inclusiveness in the changing development landscape?	5