

Partnerships: Collective Efforts for a Common Cause

In envisioning a world that is free, secure and prosperous, the MDGs call for both partnership and responsibility. Partnership because, as recent events have only underscored, no one government or institution can go the distance alone. Responsibility because the goals are a joint commitment made by global and national communities.

Within UNDP, our support for the MDGs puts partnership at the centre of all aspects of our work. Our partners include governments, other UN agencies, the international financial institutions, bilateral agencies, the private sector and civil society.

Countries trapped in poverty by capacity deficits request us to help broker partnerships that offer knowledge, resources and new ways of doing business. In nations divided by conflict, our reputation for impartiality helps us convene disparate groups to begin the delicate task of agreeing on development priorities—often a crucial first step down the road to peace.

Across countries and regions, we use our global presence to bring together partners from many different backgrounds to share expertise, explore joint ventures and develop solutions on trans-border issues such as environmental management and food security. At UNDP, we know from long experience that these collaborative relationships, built with care, enlarge the potential for progress by unleashing collective energy and concern.

“What do we need from developed countries? Just three things: support for infrastructure, markets and solidarity. Solidarity means friendship, partnership, mutual understanding and respect.”

Luisa Diogo, Prime Minister of Mozambique

The Private Sector: Turning Poverty into Prosperity

In 2003, on the recommendation of UNDP, the UN convened the high-level UN [Commission on the Private Sector and Development](#), co-chaired by Canadian Prime Minister Paul Martin and former Mexican President Ernesto Zedillo. The commission issued a ground-breaking report in 2004: [Unleashing Entrepreneurship: Making Business Work for the Poor](#). It examined the power of the private sector not just in terms of large, high-profile corporations, but from the perspectives of the millions of small local businesses that employ and serve most of the world's poor. They could play an essential role in accelerating economic growth at the rates that many developing countries need to achieve the MDGs. But their potential has often been overlooked.

The report proposes that governments, businesses, civil society, labour organizations and development agencies work together to spread prosperity to the bottom of the world's economic pyramid. Many vibrant small businesses, given flexible regulations, fair legal systems and greater access to financial resources, would thrive. Along the way, they would transform impoverished communities through the provision of jobs and services.

UNDP is now using the report to encourage countries to consider its recommendations. At its 2004 Sea-Island Summit, the Group of 8 endorsed *Unleashing Entrepreneurship* and issued an action plan with a series of recommendations for both developed and developing countries. In more than 25 countries, UNDP has helped organize national launches of the report. One in Bosnia and Herzegovina has initiated discussions between the Employers Association and the government about easing the costs of intricate regulations, high taxes and lack of financing. In South Asia, a regional launch sponsored by the Confederation of Indian Industry and UNDP brought together business people and government representatives from seven countries. They debated better policies for small industries and identification of niche markets. A pilot project in the Indian state of Tamil Nadu subsequently took insurance company representatives to meet with village women about the prospects of micro-insurance plans that would be tailored to rural needs, and leave them less vulnerable to natural disasters or economic downturns.

More broadly, UNDP has long been a strong supporter of making the links between poverty reduction and a flourish-



All over the developing world, markets like this one in Huambo, Angola, are hives of entrepreneurial activity. With the right forms of support, they have the potential to make major contributions to faster economic growth.

“The entrepreneurial spirit is everywhere. It does not have to be imported. Visit the smallest town in the poorest country on market day and you will see the private sector at work.”

Paul Martin, Prime Minister of Canada and Co-Chair of the UN Commission on the Private Sector and Development

ing private sector. We are now pioneering a new kind of relationship between businesses and the UN. Our innovative [Growing Sustainable Business Initiative](#), for example, pairs business enterprises with NGOs and local governments to generate both development and commercial returns. In Tanzania, the initiative has brought together Unilever, the World Conservation Union, the Netherlands Development Organization and the World Agroforestry Centre. These partners are working with local communities and businesses to

cultivate *Allanblackia* trees, which yield seeds used in soap and margarine, along with a source of local revenues and jobs. Ericsson is connecting rural communities to low-cost telecommunications systems, while simultaneously conducting research on future products that might meet the needs of this market. The Swiss-Swedish engineering group ABB has joined the World Wildlife Fund on a rural electrification scheme that builds upon social development work the fund had previously carried out. In villages that now have electricity,

UNCDF: Small Investments Leverage Big Results

The [United Nations Capital Development Fund](#) (UNCDF), administered by UNDP, provides capital assistance to the least developed countries (LDCs). The fund invests in efforts to reduce poverty and achieve the MDGs through two programme areas: microfinance and local development.

As a risk-taking investment fund, UNCDF relies on partnerships to leverage results and scale up its pilot programmes. In Mozambique, for example, the fund has worked with local authorities; the national government; bilateral agencies from the Netherlands, Norway and Switzerland; the World Bank and UNDP to mobilize over \$11 million for expanding a UNCDF pilot programme on stronger local government. The pilot, which started in the northern province of Nampula, encourages the active participation of local people in development planning. It has now been extended to several provinces across the country.

With UNDP, UNCDF recently launched an ambitious \$42 million, seven-year initiative to support African countries' efforts to reinvigorate their economies in ways that reach poor and low-income people. Specific activities include assessing financial sectors, providing policy support and strengthening microfinance options. Partners include the KfW Banking Group and the NGO CORDAID.

UNCDF teamed up with the UN Department of Economic and Social Affairs to coordinate the [International Year of](#)

[Microcredit](#) in 2005. As part of this effort, the fund has established collaborative partnerships with several private sector companies, including Citibank, ING and Visa, to increase public awareness of microfinance as a vital part of the development equation. Activities have included the establishment of national committees worldwide to coordinate local advocacy activities, an international dialogue process called the [Blue Book](#) campaign to identify key constraints and opportunities for promoting inclusive financial sectors, global micro-entrepreneurship awards to recognize small business owners and their contributions to local economic development, and the creation of an online store to sell products made by micro-entrepreneurs (www.shopmicro.org).

In early 2005, UNCDF's Executive Board voiced strong support for the fund's contributions to achieving the MDGs in the LDCs, and called for strengthening its ability to fulfill this mandate. UNCDF has since redefined its business plan to respond more effectively to the demands of its LDC clients and partners within the context of its budget constraints and a trend towards non-core resources. The fund has significantly reduced its administrative costs through closer integration with the work of UNDP, which will allow it to further capitalize on and optimize the value that joint UNDP/UNCDF programmes deliver to the LDCs.



The base of the world's economic pyramid is vast and diverse, a source of sustenance and services for billions of people, like these flower sellers in Calcutta, India.

students are already improving their performance in school, thanks to the light that allows them to study after dark.

The Growing Sustainable Business Initiative is an umbrella programme currently in place in seven African countries, with plans for expansion to other regions in the near future. Within individual countries, other UNDP programmes also foster private sector partnerships. In Mexico, we have worked closely with the government and the National Association of Manufacturers to strengthen supply chains between small companies and leading corporations—a step that can make the entire economy more competitive. While enterprises with fewer than 250 employees generate 42 percent of Mexico's gross domestic product, their commercial ties to bigger businesses and markets are often weak. Through a consultation process, we have worked to iron out problems such as inadequate procurement policies and inconsistent supplies. After Bimbo, Mexico's largest commercial bakery, found that productivity surged among a set of six pilot suppliers, it replicated the methodology with 200 more.

Since UNDP's ability to convene partners has a global reach, in 2005, following the tragedy of the tsunami, we set up the [Corporate Partnership in Emergencies](#) Web site to match offers of private sector assistance with the needs of affected countries. In late 2004, we joined the Government of Japan, the UN Office of the Special Adviser for Africa, the

Global Coalition for Africa and the World Bank to put together the Asia-Africa Trade Conference. The prime ministers of Japan and Nigeria, the president of Kenya, and over 350 business leaders from both continents gathered in Tokyo to highlight future trade and investment opportunities between the two regions. The meeting marked the first major follow-up to the 2003 Tokyo International Conference on African Development, known as [TICAD III](#).

UNDP is also a key partner in two programmes that include private sector contributions to projects linking livelihoods and care for environmental resources. The [Global Environment Facility](#) (GEF) is a joint venture between UNDP, the World Bank and the UN Environment Programme. In 2004, UNDP received \$274 million in grants approvals from the facility, and raised an additional \$617 million in co-financing from governments, the private sector, bilateral agencies and NGOs. GEF grants are, for example, helping Tunisia set up economically viable wind energy systems to generate electricity. The [Equator Initiative](#) entails UNDP collaboration with governments, businesses and civil society. Current projects include one in Indonesia that ensures neighbouring communities receive a portion of revenues from Bunaken National Park, and that local people participate in managing the park's rich marine biodiversity.

Colombia: Strengthening Democracy and Prospects for Peace

Conflict in Colombia, four decades old and fueled by the drug trade, has spawned killings, kidnappings and the world's third largest number of displaced people. The last formal round of peace talks with guerilla factions collapsed in 2002. A year later, in London, UNDP helped convene a conference of donor governments and international institutions that provide the bulk of international cooperation to Colombia, including the European Commission. We supported a strong civil society presence as well. Until new peace talks can be constructed, participants agreed to take whatever steps possible to strengthen Colombia's democracy, and abilities to protect human rights and respect international humanitarian law.

One of UNDP's many contributions to this process has been to broaden partnerships around activities encouraging Colombians, as citizens and communities, to embark on a path of peace and development. Our [Reconciliation and Development Programme](#) works in three of the hardest-hit regions, bringing together civil society groups, church leaders, business people, and regional and national authorities for ongoing dialogues about ways to overcome conflict—in an environment where open discussion remains difficult. We also support

local governments and civil society groups in developing their capacities to formulate development plans, manage their resources and cooperate with each other on future development projects. By fostering understanding of how communities can thrive when conflict subsides, these could eventually serve as stepping-stones to peace. Civil society groups are already partnering with UNDP on initiatives such as community radio networks and peace clubs that reach out to young people, who are among the most susceptible to violence.

UNDP has also assisted Colombia's civil society organizations in taking on a more prominent national role. Many offer perspectives—rooted in their work in communities or with vulnerable groups such as internally displaced people—on how peace building can move forward even in the midst of conflict. But even though these vibrant groups have a vast reach, they are often not well-connected to each other, in part because of a fragmented political context. UNDP has been able to help bring these organizations into closer working relationships, including through our support to a coalition of groups on peace and human rights.

In early 2005, just before a follow-up meeting to the London conference in Cartagena, UNDP helped over 260 civil society representatives prepare an agreement on key issues that they feel the government and the international community should take up. Crossing the boundaries of ideology and issues, their Declaration of Consensus urged that democracy and respect for diversity be considered fundamental to eliminating poverty and building a just society. They called for a negotiated peace process under a legal framework consistent with international law, and dubbed the MDGs "true guidelines" for overcoming poverty and corruption.

The international and government participants in the Cartagena meeting took these words to heart. They issued the Cartagena Declaration, which includes prominent references to civil society contributions to peace, human rights and continued international cooperation. The declaration, along with the civil society agreement, now offers a common source of guidance for peace and development projects carried out by national and local government and civil society, and supported by the international community. Proof that despite an entrenched and difficult conflict, momentum grows when many voices articulate the cry for peace.



UNDP's support for Colombia's civil society has included a Youth Peace March. It brought young people from Medellín together with youth groups from across the turbulent eastern region of the Antioquia department, providing a chance to build solidarity and a commitment to conflict resolution.

The Arab States: A Programme for Reform

It took more than a year of careful negotiations behind the scenes—UNDP began the process by consulting with ministers in a handful of countries before initiating talks with the Organisation for Economic Co-operation and Development (OECD). But the partnership that emerged proved well worth the effort. In early 2005, 16 Arab nations joined the OECD and UNDP to launch the [Initiative on Good Governance for Development in the Arab Countries](#).

Arab officials and OECD representatives jointly agreed on a three-year plan to improve governance in six areas: civil service and integrity; the role of the judiciary and enforcement; e-government and administrative simplification; the role of civil society and media in the reform of the public sector; governance of public finance; and public service delivery, public private partnership and regulatory reform.

While other reform proposals for the region in recent years have faltered, hopes for this one run high, in part because it has been driven by Arab nations themselves. The incentives for Arab countries are clear. Their economies are not keeping pace with the huge generation of young people about to enter the labour force. Nor are they economically

“It’s a home-grown product that also benefits from partnership with the world.”

Salah Eddin Beshir, Justice Minister of Jordan

well-connected with other parts of the world. Regional progress on the MDGs remains mixed. Many Arab leaders concede it may be time for their governments to take some new approaches.

Slated to roll out over the next three years, the Initiative on Good Governance weaves together three strands of action and accountability. Regional working groups on the six themes, chaired by Egypt, Jordan, Lebanon, Morocco, Tunisia and the United Arab Emirates, and combining a mix of Arab and OECD experts and policymakers, will provide forums to analyse obstacles to reform, exchange solutions and monitor regional progress. National committees, including government officials, members of the private sector and NGOs, will translate recommendations from the working groups into national action plans with implementation targets. They will also advocate steps to achieve the plans within their countries. UNDP and the OECD will help administer the initiative, and coordinate international support, including through alignment with other programmes in the region.

This will mark the first time that Arab states have agreed on a plan to work individually, as a region and with the international community on good governance. The initiative is a breakthrough for all three.

Stronger economic ties between Arab states and the rest of the world can benefit workers like these, who have found jobs in an Egyptian vegetable-packing factory outside Cairo. It is located in a new industrial zone for exporting duty-free goods.

