

Important lessons to forge 3-way partnerships on water

The imminent risk of a global water crisis calls for sustainable water solutions. And since ensuring availability and sustainable management of water and sanitation for all (SDG6) cannot be achieved by public organisations and funding alone, partnerships are critical. The Sustainable Water Fund (FDW) co-finances 42 public-private partnerships, which all include 3 kinds of partners: public agencies, businesses and knowledge/societal organisations, each utilising the specific strengths of the individual organisations. Former professor John Cameron of the International Institute of Social Studies (ISS) shares important partnership lessons based on an [in-depth study of 5 FDW projects](#). The findings were remarkable. Working in partnerships demands relational skills, next to traditional engineering and financing.

How did you get involved?

My career started in the '70s as an economist in the world of international development, monitoring and evaluating many aspects of development projects. I joined the International Institute of Social Studies (ISS) of Erasmus University as an associate professor. When the Netherlands Enterprise Agency (RVO) asked us to evaluate 5 of its projects of the FDW programme, I became the leader of the evaluation team. That is where I first came to learn about the programme and its unique 3-way partnerships involving public agencies, businesses and societal organisations. We did in-depth studies on a project in Colombia, 2 in Ghana and 2 in Ethiopia. When we delivered our final report in 2020, I was already past my retirement age, so it turned out as my last job.

What do you consider so special about [the FDW projects](#)?

Public-private partnerships (PPPs) have become very common in the development sector, but partnerships that also include societal groups are very innovative. Even more remarkable is that [the FDW programme](#) also links all 3 types of partners to organisations in The Netherlands. So most partnerships count more than 6 different partners. One PPP in Ethiopia had 9 partners. This makes 3-way partnerships complex, so you need a special kind of governance. We concluded that expectations, relationships and handling risks need more attention. In the water sector, development projects tend to focus on engineering water facilities. On average, these projects have a lifespan of 5 years. The FDW projects have a broader scope and aim for sustainability and transformative change. They are set up with a longer horizon and can make the new water activity they introduce self-supportive and bring transformative change to the life of people.

Did the projects meet the expectations?

Yes and no. All 5 projects delivered results, especially the partnerships that involved organisations that had worked in partnerships before. We noticed they were able to appreciate each other's abilities better. It was different for organisations that had not worked together before, which needed to think differently in trying to achieve the project goals. No, in the sense that the cooperation between all those partners had become somewhat muddy. The expectations were high. An idealised image of 3 types of partners that would lead to a symbiosis. Public agencies bring their effectiveness to serve society. The businesses bring entrepreneurship and efficiency. The societal organisation bring equality, giving voice to the recipients of the introduced water activity. We found out that, to some extent, this symbiosis did not happen.

Why not?

Public agencies are subject to rivalry and short-term politics. Ethnic differences are sensitive issues that often cannot be addressed in a partnership. For businesses, the drive can also be corporate social

responsibility (CSR). This mainly played a role for the Dutch companies involved in the 5 projects we evaluated. Their primary goal was to show their CSR to the local governments. They were not really interested in bringing efficiency and timeliness into the projects. And for the NGOs, they have pressure on them to turn their activities into projects. They are financed by donors with indefinite programmes, so NGOs have to have an exit strategy, making it very uncomfortable for them to engage with a community. So all three ideals showed different in practice.

Is your conclusion that 3-way PPPs are too complex?

Indeed they are complex. But they can lead us from transactional water activities to more transitional activities. Activities with longer time horizons can bring real change and address long-term uncertainties such as climate change. Therefore, 3-way PPPs can help us to achieve the UN 2030 sustainability agenda.

Why not make things less complex with fewer partners?

I have been involved in evaluating larger-scale infrastructure activities managed by the public sector, though often implemented by private sector organisations. Other smaller-scale activities I have evaluated were implemented by NGOs aiming at bottom-up community development. The 3 types of partners have different virtues of emphasising effectiveness, efficiency or equity, and problems with organisational self-interest. In an ideal situation, the governance of activities should be a deliberative partnership with a living presence in deciding how to govern the activities. And learn from unexpected setbacks. This suggests a need for deeper institutional analysis in appraising PPP activities to uncover real motivations rather than relying on an a priori idealised model. There needs to be an explicit plan for deliberative governance. This plan can acknowledge tensions. The plan needs to detail how the partners will sit together and, if necessary, modify the activities to achieve developmental objectives. A 3-way partnership can go beyond engineering transactional delivery and be a dynamic institutional learning process.

Can you give an example?

In Ethiopia, a borehole produced water with a high concentration of calcium that caused huge calcification in the long distributional system serving a significant urban area. The involved urban public sector agency argued for a high-tech decalcification plant. The Dutch PPP partners argued for another technological solution. This led to discussions for which the partnership governance was ill-prepared. Simply put, Ethiopian cultural pride met Dutch engineering assertiveness. How could this disagreement have been better addressed? The discussion drove the project away from one of its original objectives to build a decalcification plant. It pushed the Ethiopian water authority towards identifying other water sources with less calcium. The partnership played no role in this process, though funds for part-financing the new source distribution network were found from the PPP budget as it came to an end without deliberation between the partners. A more transitional deliberative approach could have dealt with the tensions more effectively. More generally, a transactional approach tends to be dominated by engineers, economists and accountants and ignores more qualitative cultural and political factors.

What would your advice be to RVO and FDW?

Be more explicit about governance. Developmental agencies used to transactional project appraisal models are afraid of complications or unforeseen risks and uncertainties, but accepting complications can help identify risks. These risks can come from lots of different directions. There are physical engineering risks, financial risks, institutional relational risks and, broadly speaking, you can say there are anthropological/political risks when ethnic and power differences are present. When you get closer to the grassroots, there can be tensions in civil society institutes. It is important to be aware of such risks and create a governance system that can acknowledge and manage them. RVO can assist partners in training on people's relational skills and in training on how to handle risks.

How can governance be improved?

3-way PPPs throw up governance questions. For example, there is the dilemma of leadership. The projects we evaluated lacked explicit models of deliberative governance - an explicit deliberative governance structure should be one to which all partners sign up. An alternative model would be to appoint a lead partner who drives the governance process with its multiple partners. However, this can lead to the alienation of other partners who are not involved in the deliberative governance of the project. Some partner organisations told the evaluation team they preferred strong leadership, as they just wanted to deliver their output and then exit. These issues need to be discussed at the beginning as part of an appraisal. An alternative for strong leadership can be a more formal governance interaction. Partners may choose to rotate the chairing of strategic decision-making meetings where everybody has a share in deciding. Such keeping in touch can create an ongoing learning process. The decalcification plant mentioned before was never built. In a transactional project, this can be seen as a failure. In a transitional-oriented 3-way partnership with a longer horizon, this can be seen as a learning moment to achieve a more sustainable systemic change.