# **GREAT DEBATE**

# FINDING SYNERGIES BETWEEN PUBLIC, PRIVATE AND SOLIDARITY-BASED ACTORS TO ACHIEVE SUSTAINABLE DEVELOPMENT

[CP1]
Salle des Fêtes
Hôtel de Ville de Paris

Friday, Septembre 21, 2012

## MAIN FINDINGS

Cross-sector partnerships offer a more suitable response to needs and demands than a purely public or private solution since they bring together efficiency, legitimacy and knowledge of the field. In order to design solutions that perform well, a variety of motivational factors should be blended together and profit-seeking should be combined with the public interest — in this way ensuring that motives and interests mix with and complement one another. Compromises should thus be accepted in order for actions to be led which serve the common interest.

## **SPEAKERS**

Antoine Frérot

Chairman and CEO. Veolia Environnement

Jeremy Hobbs

Executive Director, Oxfam International

Geoffrey Lamb

President, Global Policy and Advocacy, Bill & Melinda Gates Foundation

Stéphane Richard

Chairman and CEO, France Telecom - Orange

## **M**ODERATOR

Jean-Michel Severino

Chairman, Convergences 2015 / CEO, Investisseurs & Partenaires



### SUMMARY OF INTERVENTIONS

#### Why create public-private partnerships?

Stéphane Richard points out that France Telecom -Orange is a European group, based in France, which has had operations in Africa and the Middle East for twenty years. This market supplements the group's growth, providing communication services which improve the lives of the population and which contribute to the economic development of the countries in question. The infrastructure built allows the gap to be closed between rural areas and cities while improving the population's access to health, education, etc. This would not be possible without working with public institutions; for example, the Senegalese state owns 27.7% of SONATEL's capital, the subsidiary of Orange which operates in Senegal. The state has to invest in infrastructure which allows for this development to take place, which in turn creates jobs. Furthermore, public-private partnerships allow innovative ecosystems to be created, such as those which foster the entrepreneurial dynamism of African VSBs by relying upon developments in the digital sphere in order to offer innovative services that benefit local populations (access to care, access to crop prices, horticultural irrigation, etc.). Working alongside local actors therefore allows these activities to be sped up and strengthened.

For Antoine Frérot, services managed by Veolia in the areas of public water, cleaning, transport and energy address the heart of the social problems present in the regions where Veolia has been entrusted with service management. This is always done hand in hand with competent public partners. The activities that Veolia carries out on behalf of public bodies are always based on a public-private partnership framework. It also increasingly seems to be the case that these partnerships benefit from including other civil society partners as well, such as associations and those involved in the solidarity economy. This is true for at least two reasons: it increases effectiveness and grants the projects greater legitimacy. Each partner can contribute a different element of the solution in virtue of their individual role and characteristics. Many factors have to be combined: social, political and economic legitimacy, as well as ensuring that the solution is accepted and accessible so that it gains the approval of the target population whilst also being economically sustainable and beneficial for the environment. This is the case both for developing and rich countries. For example, in Niger there were plans to ensure widespread access to drinking water in cities. Ten years ago, as part of the programme for the water sector, a partnership was set up with Veolia in the form of a leasing contract signed by both the state of Niger and Veolia. Today the target drinking water rate has almost been reached in cities thanks to the convergence of the state, Veolia and also NGOs, which contributed with their expertise in order to support the works and programmes to pipe water to neighbourhoods that were previously not catered for. This shows that the notion of partnerships is at the heart of Veolia's work and that there are no attempts to carry out greenwashing. It is a shame that some believe that it is incompatible to make a profit while simultaneously developing long-lasting and sustainable economic activities that contribute to human development. This can indeed be achieved as long as innovation and cooperation among different types of stakeholders is sought.

**Jeremy Hobbs** points out that the role of Oxfam is to forge partnerships. Oxfam is to be found all over the world as a global and local actor. Governments cannot solve the problem of hunger and manage the financial crisis alone. This is why it is important for them to work with the private sector, which encourages innovation and which is clearly part of the solution, even if only as a result of the positive and negative impacts of the activities undertaken, which can in turn have a significant influence on decisions taken by the government. Civil society is the third level of convergence. NGOs do have a role to play. They can have an influence on governments if they seek to offer proposals. Therefore, governments, business and civil society must cooperate and recognise their own responsibilities while also being transparent and deserving of trust. For example, in Ethiopia, Oxfam has launched a programme in partnership with Swiss Re in order to allow Ethiopian farmers to pay for and benefit from an insurance scheme. In this way, farmers can survive the rainy season and Swiss Re makes a profit. This is one process of regulation; many others can also be found.

**Geoffrey Lamb** firstly states that there is a negative side to cross-sector convergence: if a government cannot afford to support all the development projects



FINDING SYNERGIES BETWEEN PUBLIC, PRIVATE AND SOLIDARITY-BASED ACTORS O ACHIEVE SUSTAINABLE DEVELOPMENT Friday, Septembre 21, 2012

being carried out, encouraging solidarity should not be an excuse for playing a passive role. However, the world has changed and companies are getting involved in activities that go beyond their markets. Their aim is to create the conditions for a market for those in poverty to be developed. In order to make a profit, it is pointless selling vaccines at a high price. The private sector can be helped by new opportunities being unearthed for it to exploit. The foundation also works with NGOs that are committed to projects on the ground. This philanthropy must be transparent and some European states are lagging behind in this area. Populations must be involved in an approach based on innovation and development. This is not charity and nor is it a process of economic growth. It is by working in partnership with a research centre in Brazil and other different Chinese and Indian stakeholders that the foundation has been able to improve production and offer better quality vaccines at a better price in Africa.

#### Messages addressed to public powers

**Stéphane Richard** puts out a message to Europe and France in particular: the crisis cannot be used as a

pretext to turn in on oneself, cutting off development aid; one of the key factors in overcoming the crisis is encouraging growth outside Europe. He asks developing countries, in turn, to respect the private sector since it is the sector which creates jobs and fosters development.

Antoine Frérot asks French public powers not to limit themselves to the short term, but rather to look into the future. He asks public powers in developing countries to clearly state in writing the roles of each actor in a partnership in the form of a contract which is to be respected.

Geoffrey Lamb calls upon developed countries to think about the disgrace that extreme poverty represents and to reflect upon the benefits that would arise from combating it, especially in a context of limited economic growth.

In conclusion, **Jean-Michel Severino** stresses that the unique nature of the different motives that can exist is a great enemy to effectiveness. To the contrary, the example shown by a programme such as Nutri'zaza bears witness to the full power of cross-sector partnerships.

## REPORTER

Mission Innovation et Entrepreneuriat Social, Croix-Rouge française

## More on this topic

- Convergences 2015, « Acteurs publics, privés et solidaires: converger pour un développement plus inclusif et durable »: www.lexpress.fr/emploi-carriere/emploi/acteurs-publics-prives-et-solidaires-converger-pour-un-developpement-plus-inclusif-et-durable 1171958.html
- IMS-Entreprendre pour la Cité / Le Rameau, « Les partenariats multi-acteurs : Quels enseignements ? » : www.convergences2015.org/Content/biblio/C2015 2012%20Partenariats web.pdf
- Michaël Knaute and Charles-Benoît Heidsieck, « Convergences 2015, vers la co-construction d'un nouveau monde! »: <a href="www.youphil.com/fr/article/05674-convergences-2015-vers-la-co-construction-d-un-nouveau-monde?ypcli=ano">www.youphil.com/fr/article/05674-convergences-2015-vers-la-co-construction-d-un-nouveau-monde?ypcli=ano</a>
- **Warner M.** (2003) "The New Broker: Brokering Partnerships for Development". Overseas Development Institute. (online). 164 p.

