Public-Private Partnerships in the Humanitarian Aid

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1. INTRODUCTION

Due to the economic global recession that affected the world’s economic growth in the recent years, especially that of the main donor nations, different NGOs and aid agencies for development had to adjust to a phase of re-engineering and restructuring in their the fundraising programmes and working methodology, which in time has boosted a change in the working paradigm in different ways.

These economical restrictions sometimes have involved significant reductions in resources of all kind for humanitarian agencies and non-profit organizations, depriving these actors from potential action during humanitarian crisis and consequently affecting the beneficiaries of programmes of both, direct humanitarian aid and development cooperation platforms. Unfortunately, development programmes for third world nations usually become the first targets when budget cuts are required by donor nations, which in turn, are the main fundraisers of international organizations and non-profit organizations in the sector.

In any given context, necessity never comes without the potential for change, especially in highly dynamic contexts such as international cooperation. The change of paradigms in the working culture has obliged to look for new forms of interactions within the humanitarian and developing sector, this change of paradigm in turn has involved the participation of new actors and the development of different strategies and it is in this working scheme, where profit driven companies and organizations, channelling their participations through their Corporate Social Response (CSR) departments, have made their appearance in the humanitarian and developing sectors at the side of public entities.

Private companies are the economic base that sustains economic growth of the countries around the world. Also are these transnationals companies, the ones responsible for the transfer of wealth between nations. It is economic growth the very one basis capable of overcoming any border or international culture with the potential
for knowledge transfer, technology, human resources, skills and experience into development and efficient use of resources.

Corporations by their CSR departments can reflect and respond to human challenges, technological, environmental, etc. in the companies’ local context, (Prandi & Lozano, 2010, p. 9). They are an engine of possibilities in the creation of wealth in their immediate environment through organizational and technological capabilities, and have a number of niche opportunities that can be incorporated in synergistic relationships with the agencies engaged to development cooperation and humanitarian aid. This report seeks to explore these potentials, examine some of the on-going experiences and present suggestions to form such alliances.

If the different variables involved in the contextual framework of Public-Private Partnerships in Humanitarian Aid are properly interrelated and well-adjusted to the reality in which they participate, the result has the potential to produce a favourable outcome for those involved in the partnership creating a win-win situation, in which both players have to remain committed to partnerships with a cohesion trend towards frameworks in a lot long-term membership envisioning to provide assistance to the largest number of possible beneficiaries of their joint-cooperation.

This study will present the development of such interactions, the structural vertebrae that allows them to function, and some study cases of which relevant information can be assessed in order to establish some characterization of Public and Private Partnerships in the Humanitarian Aid sector.
1.1 BACKGROUND

"It is the absence of broad-based business activity, not its presence that condemns much of humanity to suffering". Ex-Secretary General United Nations on the Asia-Pacific Forum 2008.

The term disaster is usually reserved for “a serious disruption of the functioning of society, causing widespread human, material or environmental losses which exceed the ability of the affected people to cope using only its own resources. Existing literature classifies four types of disasters:

1. Natural, sudden onsets (i.e. earthquakes, hurricanes, tornadoes);
2. Human-made, sudden onsets (i.e. terrorist attacks, coups d’état, industrial accidents);
3. Natural, slow onsets (i.e. famines, droughts, poverty); and
4. Human-made, slow onsets (i.e. political and refugee crises).

(Maon, Lindgreen, & Vanhamme, 2009, p. 149)

Only in the year 2011 there were 302 natural disasters registered in the Emergency Events Epidemiological Studies Centre Disaster (EM-DAT) database. These disasters claimed the lives of 29,780 people and affected about 206 million people, causing economic damage of about $ 336 billion of U.S. dollars (about 260 billion euros). The number of disasters and human impact in 2011 was lower than the average recorded in the last decade. However, the economic losses caused by these catastrophes were the largest recorded in history, much higher than documented in previous records of 2005 ($ 243 billion, year of the tsunami in Southeast Asia).

(Cozzolino, 2012, p. 1)

From the first decade of XXI century onwards, there is continuous growing trend of Public-Private Partnerships in the Humanitarian Aid context (PPPH), a growth that has been driven largely by the creation of the Millennium Development Goals (MDGs) in the year 2000. These partnerships are focused mostly in cooperative frameworks and
development projects, however it is important to note that there are also partnerships in which private enterprise is involved in the field of humanitarian aid and that these alliances in turn, continue to grow in number and diversity of collaborations.

We can denote the progressive incorporation in the system of international cooperation of a widespread strategic culture in recent years (Mataix, Sánchez, Huerta, & Lumbreras, 2008, p. 1) and the value of the contributions of each of the members in the partnerships, be it the private companies or NGOs, have and must be, complementary in their branches of expertise and particular knowledge.

Throughout the first decade of this century, the public sector has recognized the importance between these new agendas of cooperation between the private stakeholders and the development agencies in the field of humanitarian aid. United Nations clearly puts his intention to bring collective benefits with the private sector in the resolution A/RES/56/76 "Towards global partnerships" published on January 24, 2002. "While remaining vigilant about who are our partners and their motivations to work together, the risk of being compromised is very small compared to the potential benefits for good. The result is about sharing agendas and sharing resources, as well as risks and benefits. It is a situation where the whole is greater than the sum of its parts.” (Dossal, 2004 p. 3)

The United Nations states that a large part of the humanitarian sector is important for the private company. It speaks of promoting peace and security, providing norms and standards in many different areas such as law, transportation, telecommunications, aviation, postal services, statistical databases, etc., attacking problems such as vulnerability, poverty, environmental degradation, conflict. All this encourages and aims to provide a framework stable and favourable to human development and potential new markets. (United Nations, 2009. p 1)

The traditional scheme underlines that while humanitarian organizations can have bureaucratic decision processes and slow response in organizational changes (in times where there is no crisis) whereas private companies tend to move fast and are generally oriented to act in a dynamic, flexible and fast approach.
By intrinsic nature of their own drivers, both types of organizations have different agendas, to put it simply, businesses are motivated by profitability while humanitarian agencies justify its actions in saving lives (Wassenhove, Tomasini, & Stapleton, 2008, p. 7). It is this same nature that instead to present itself as a detriment to build such partnerships, should be seen as a niche of opportunity to be filled up and understood. Profiting from the good management of resources in a profit-driven organization and then joining these benefits with the ultimate goal of humanitarian agencies, saving lives, would make these profit-driven motivations to be part of a synergy potential that would increase the saving-life capabilities of the humanitarian organizations.

Given these new conditions for the operation of NGOs under different guidelines set by the always challenging economic environment, the 'aid chain' of Fowler as traditionally handled in the operation of the actors within the international cooperation turns to be insufficient and inefficient to cope with the new patterns and trends to which the operation should be directed, in the new paradigm <<cooperation network >> (Mataix et al., 2008 p. 1) where multi-sectorial actors should be grouped to exchange information and knowledge to enable better development of activities in conjunction.

Companies not only find it attractive to implement partnerships, but gradually it becomes an imperative given the demands of the market, where there is a growing interest in the consumers and responsible clients which favour those companies that have strong CSR departments within the operation framework of the private sector. Citizens, partly perhaps as a reaction, look more to the private sector to fill in spaces left open by government - witness the emergence of corporate social responsibility - (Rangan, Samii, & Van Wassenhove, 2006, p. 749), this is where an interesting niche for private companies is created, which should align their interests with their social responsibility strategies in order to fulfil the market’s requirements.

Traditionally, these CSR strategies are oriented philanthropically to humanitarian action (Mataix et al., 2008, p. 2), however, they have to align their philanthropic intentions with their core business strategies. These types of alignment would create a long-lasting commitment that will generate more value to the partnership.
For the private sector, the debate about the humanitarian sector partnerships has very little relevance given certain ignorance. Examples of these partnerships exist in a frame of time rather restricted, and relatively recent. Such is the case of partnerships between TNT and the World Food Programme, where from 2002 began an alliance which has produced along ten years of commitment, satisfactory results for both actors. The first step in making a call to the private sector is an approach to their respective areas of CSR and raise awareness of the potential and the benefits of these alliances by exposing the issues in the context of development aid. It is necessary to promote best practices that demonstrate learning experiences and that attest the new ways of better-operating entities that can be approached through PPPH.

In the case of this study, I will refer to those some of the relevant experiences that have shown how make valuable interaction of private enterprise in the field of humanitarian sector by also trying not to miss from perspective that, despite the fact that these two different kind of institutions pursue different goals given the intrinsic characteristics of their operations, may also alienate their strategies in certain points within their operational and creational value-chain through joint interaction, and generate not only non-economical profits but value by making use of tools of their shared resources and specializations such as: supply chains, media and technology platforms, fields of relevant experience, knowledge of potential new markets, supply networks, among others.
1.2 Objectives

The scope of this academic document attempts to cover an exploratory study of the current academic literature of Public-Private Partnerships in the Humanitarian Aid, and to analyse four of the previous and current on-going projects that involve private companies in liaison with the public sector through integral and comprehensive partnerships, in the humanitarian aid and humanitarian contexts.

The study aims to make use of these four case studies and to identify positive experiences and good practices as well as learning lessons generated from these forms of collaboration. Similarly, the document presents proposals for innovation in some of the sectors that are involved in humanitarian aid taken from these case studies in the area of logistics, nutrition and telecommunications. It provides a set of suggestions and shows arguments to reinforce the need for the creation of incentives for the formation of public-private partnerships within the humanitarian aid sector.

The document can be considered to include a set of guidelines in order to offer suggestions for possible partnerships and to create proposals for the incorporation of measures, regulations, incentives and promotion of the inclusion of the private sector within the humanitarian aid.

Overall, the study’s main objective is to overcome the limitations of the current paradigm of the inclusion of the private enterprise in the field of humanitarian aid and to contribute to break the vision of the classic paradigm of donor – recipient based on the positive results of those organizations and companies that have engaged in these kinds of partnerships. The study envisions to offer a view where the public-private partnerships in the humanitarian aid are, and can be, an engine that generates added value to the operations through joint actions between the partners in the alliance.
1.3 Document Outline

- **Section 1**
  The first section of the document shows a literature review on public-private partnerships in humanitarian aid where an extensive research on the academic background was performed. This section illustrates specific parameters characterizing these types of interaction and how they differ from other forms of private sector involvement in this the humanitarian aid context. This segment contains: background information, construction of partnerships, best practices and recommendations that other researchers and various international organizations provide and the guidelines to engage in a PPPH. It also focuses on the diffusion and communication of the lessons learned and best practises.

- **Section 2**
  This part of the document presents and analysis of four case studies between business and humanitarian organizations under a partnership scheme, identifying the different degrees of maturity presented by these initiatives, their projects and nature of their alliances throughout their collaborations.

- **Section 3**
  Set of conclusions and recommendations for the promotion of the inclusion of the private sector in humanitarian aid through new paradigms that go beyond the classical donor-recipient model.
1.4 Methodology

The first section was created after an extensive analysis of the academic literature available on the subject. It incorporates different authors and papers published on the topic.

For the second part, a deep analysis was performed to four case studies chosen from an original selection of nine. A series of semi-structured interviews were carried out with the key actors involved in the genesis and those who daily managed these four alliances (Table 1). The information obtained was then contrasted with the existing literature. The questionnaire format used to carry out these interviews is provided in Annex I.

The last part was elaborated based on those conclusions obtained from the study and the case studies chosen by trying to summarize the key factors and strengths that a PPPH can contribute to the actors involved. On the other hand, it also briefly summarizes those lessons learned and improvement opportunities than can be obtained from the study.

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<th>Table 1. Case Studies</th>
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2. **OVERVIEW: PUBLIC-PRIVATE PARTNERSHIPS IN THE HUMANITARIAN AID CONTEXT (PPPH)**

“It is ideas, not money, which will bring successful cooperation. Money comes later when common ground has been found and partners can assist or develop a project or programme with the UN”. (Dossal, Executive Director, UN Fund for International Partnerships, 2004, p. 8)

2.1 **WHAT IS A PUBLIC-PRIVATE PARTNERSHIP?**

Public sector is the term coined for those multilateral organizations that are have a not-for-profit economic, judiciary, social, or cultural organization with a specific or broad mandate that transcends national and firm boundaries, authority, and interests. (Rangan et al., 2006, p. 744)

Humanitarian organizations are those establishments licensed to operate in conflict zones and disaster areas thanks to their guiding principles of humanity, impartiality, and neutrality, which aim to create a space in which they can operate free of political and economic agendas (RM Tomasini & Van Wassenhove, 2009, p. 136) in order to provide relief assistance to the affected population regardless of their ethnic group, age, race, creed, colour, sex, national origin, religion, sexual or political orientation, gender identity, disability, marital status, and socioeconomic status. These principles were first introduced by Henry Dunant after the battle of Solferino (1859) initially to protect the right of soldiers. They became part of the Geneva Convention in 1864 and in 1875 were the keystones for the Red Cross Movement (RM Tomasini & Van Wassenhove, 2009, p. 21).

A Public-Private Partnership exists from the moment a company and an administration have a contractual relationship to carry out a certain action or project
under the scope of cooperation - to the most restrictive guild -, thus we can only talk about a partnership when there is a clear strategic commitment and risk taking from both sides and when there are also profits shared by both parties, (Mataix et al., 2008, p. 9-10)

It is imperative to make a differentiation between private sector participation and partnership. The first refers to the outsourcing of services or goods acquisition under a tendering or common purchase process with private companies. Such behaviour is in the intrinsic nature of any NGO or public sector initiative for the implementation of any kind of project as part of the natural behaviour of their procurement systems.

Like private actors, public actors, too, have limited resources and varying levels of capability and credibility. They differ, however, from private actors in two important ways. First, they differ in terms of objectives. While private actors strive to maximize private benefits (indicated, say, as firm-level economic profits and long term independent survival), public actors strive to maximize community benefits (such as region-level GDP per capita and sustainable development) for their constituents. (Rangan et al., 2006, p. 741)

In the case of a partnership, it creates situations oriented to a commitment where win-win situations are underlined by the association type by itself. In this type of alliances, in which the main actors, the private and public sectors, or in this case the specific branch of the public sector dedicated to the humanitarian aid relief, share risks, objectives and benefits that allow the development of competencies and skills that are present themselves as rewards that generate added value to the operation of the organizations involved.

It is possible that governments from certain nations, for example those which have recently been formed (i.e. South Soudan in 2011, East Timor in 2002) lack the existence of institutions: human, financial, medical, governance, or they have the absence of credibility due to a historical account. This reputation makes them unsuitable from the point of view of private companies to form possible partnerships in terms of participating in new market ventures within these newly formed countries. When private
actors perceive the capability or credibility of potential public partners as inadequate, they will tend to shy away from the economic opportunity (Rangan et al., 2006, p. 744). In this cases, it is possible to think about introducing a multilateral organization from the non-profit sector that might act as a buffer and catalyst in order to transcend the boundaries through a certain mandate, and then interact in the benefit of allowing the multilateral organization to achieve its mandate while at the same time allowing the private sector to have access to a potential new market.

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<th>Table 2. Relevant definitions of PPP for Development</th>
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<td>International Business Forum</td>
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<td>UK Department for International Development</td>
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<td>United Nations</td>
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<td>World Bank Development Forum</td>
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<td>World Economic Forum</td>
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(Mataix et al., 2008, p. 11)
Within disaster intervention and support for the development of humanitarian operations framework, it is important to create a bond of connection between private enterprise and the context of humanitarian aid. A lot of discrepancies and mutual fear in building a trustworthy partnership may come as a result of mutual ignorance of the partner’s activities and objectives and this may prevent possible alliances or joint activities.

Although the relationship is not expressed directly, the ultimate interests of the private enterprise, not only from a philanthropic standpoint, but also from a practical one, is expressed with a parallel approach from the humanitarian aid view: the latter well-being of the customer / beneficiary by the provision of a service or good that facilitates such individual's intrinsic security and welfare. Profitability, which is considered part of the core business for private enterprise, is only one part of the definition, and it is not the full thesis which should be used to describe a private corporation's main driver since it ultimately responds to the demand generated by the customer, which in term can be integrated by many components such as market, customer’s necessity, desire, marketing strategies, etc.

These concepts attempt to make a break in, contrasting with a paradigm based on a philanthropy that involves only the concept of donor-recipient where the relationship between private enterprise and beneficiary in a humanitarian situation is within the limits of charity and its restraints.

These relationships and alliances should be based on a tolerance that not only contemplates, but includes the core values of each of both entities and should provide at least, for a private corporation, a payback within its social responsibility engagement and its direct commitment to the society. In the case of the humanitarian sector, an improvement in its use of resources and operations with the greatest possible effectiveness, making use of the expertise and specific capabilities that working along a private entity could bring to its performance.

In the case of the private corporations, is necessary to define the possible roles that private enterprise can and should take in the context of humanitarian crises since
not all its participation can be of the best interest of the beneficiaries depending on the context of the situation given.

The approach required in the areas of CSR for the private companies should be that which allows aligning the principles of the differentiation between a humanitarian crisis and those issues related to development aid and it must be settled since the beginning of the collaboration. However, that differentiation has also to give room to the establishment of a link between the concepts of humanitarian aid and crisis and those of cooperation for development since both activities overlap themselves in the reconstruction and improvement of the living conditions of a specific part of a society when a natural or human disaster strikes.

In a natural time frame, it is the disaster or crisis that is followed by the reconstruction phase that aims to level the uncertainty. This phase in which normally the NGOs usually deploy their mechanisms and operations focusing on the development of the region in a long-term period of time with a sustainability approach.

In Figure [1] below, we can observe the natural time frame that follows a human-related crisis and its process towards reconstruction and conciliation.

<table>
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<tr>
<th>Box 1. Time and space converge</th>
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<td>Each of the two basic types of crisis has different duration and perpetuation. To go from crisis and then to rebuilding or to go from early development work is different when we find crises caused by natural disasters or when they occur in the context of armed conflicts. Refugee camps are an example of how something transitional can become a constant in time, developing certain lifestyles ultimately based on poor economies.</td>
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<td>What in the linear notion of humanitarian crises is a moment, in the refugee camps becomes a place. In that place (the refugee camp) crisis is, in practice, a geographical space, however, in the conceptual and institutional understanding it continues to be interpreted as a moment in time, as a peak of tensions that over time will allow to start the reconstruction and development process.</td>
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<td>In a refugee camp - or in cities that have failed to rebuild after a natural disaster (such as Port au Prince, Haiti) – it is not easy to distinguish between the different phases of prevention, crisis, reconstruction and development, for the place is a constant crisis that has to be structurally modified, for example, by ending the conflict that ultimately led to the displacement or changing the poverty-chains so we can even start considering the necessary tasks for reconstruction and/or development.</td>
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(Prandi, Cano, & Arenas, 2011, p. 11)
For private companies to venture into humanitarian partnerships should be a deliberation exercise in which they have to analyse the different types of humanitarian crisis as each disaster context involves different actors. Each situation employs different participation modalities which pose varied challenges with different characteristics, and in each particularity, the respect for the values and principles of humanitarian aid may be different, thus the protection of the company CSR itself is at stake and their bond with their employees and society could be also compromised if erring in an inadequate intervention.

The United Nations’ Office for the Coordination of Humanitarian Affairs (OCHA) invites private companies to work with management in humanitarian aid and has already established some guidelines to help to guide the process of establishing collaborations and alliances. OCHA proposes a direct collaboration by understanding the existing apparatus of the existing different UN agencies that already have a defined structured, and it promotes the coordination to work with them by providing assistance.

Due to the size of a large organization such as United Nations and its extremely vast web of different bodies and agencies that are part of it, but also the business and
institutions that work and operate along with it, the complexity of the relationships that it forges with its dependencies and partners can be used as a good model from which to take examples or guidelines as to start building new partnerships and alliances. The economist Jeffrey Sachs argued that specialized United Nations agencies have more organizational expertise and hands-on experience than many organizations worldwide, including bilateral donor agencies. Importantly, he notes, they have a wide operational presence that enables them to organize and oversee activities even in the most difficult settings. (Rangan et al., 2006, p. 744)

The frame for cooperation in PPPH from OCHA follows the next principles;

- The private sector’s engagement in humanitarian action must be in line with humanitarian principles and be solely philanthropic in nature.
- Partnerships work best when there is a good strategic fit between specific needs in the response and the partner’s expertise to address them.
- PPPs for humanitarian action should be established as long-term, trust-based relation- ships, with clear agreements on roles and responsibilities, rather than through ad-hoc arrangements made during the relief operation phase.
- The most effective way for private sector organizations and individuals to support inter- national humanitarian relief efforts is through a cash donation channelled through the Consolidated Appeal Process (CAP) or pooled funds.

( OCHA on Message : Public Private Partnerships, 2006, p. 2)

2.2 Possible Adversities

“Despite the rhetoric on good donorship…millions remains consigned to the shadows of unfashionable crises and disasters. For them, every day is a lottery to live or die.”

Mukesh Kapila, ex-director for Humanitarian Aid and Conflict Affairs.
Department of International Development (DID), UK (Tomasini, Stapleton, & Van Wassenhove, 2010, p. 10)
Paradigm Change

One of the most difficult challenges a possible PPPH has to overcome is the ideological limitations that so far have occurred in the relationships between private enterprise and public entities, not only the alliances to public organizations dedicated to international cooperation but also those dedicated to humanitarian aid. Traditionally, the scheme represents a contractual interest which provides monetary gain for the private company in exchange for a specific purpose (such as goods) or non-value added service to the humanitarian agency operation.

The monetary interest by the private company and the perception of both, the giver and the beneficiary, are presented as a challenge when trying to reconcile this concepts within the framework of assistance in disaster situations. By its very basic nature and intrinsic origins, and by definition, the main driver for a private company is the profitability of its business, It is generally accepted that markets economize on resource costs, while firms economize on governance costs (Rangan et al., 2006, p. 739), meaning that private companies tend to make a profit by making their administrative work more efficient or by increasing the demand. In private companies, one the main goals is to always occupy a bigger niche in the market, due to the nature of our economic system, the greater the share of the niche is, the larger benefits it can provide for the company. Furthermore, one of the ways in which the profitability is increased, is by reducing costs in production or in operations in general. This may seem obvious at first glance; however within organizations with a humanitarian approach it is often not understood as a possible advantage or as a learning opportunity, nor as a niche to be filled in making their operations lean and more efficient. Therefore, it is in this aspect that we can find one of the key motivators in which they should consider a possibility of taking advantage in knowledge and techniques, mainly in reducing costs.
It is also common sense to think that for every monetary unit that is not provided in the organizational aspects of an entity with a humanitarian approach, is a monetary unit that can be delivered to the recipient in a direct way or indirectly. Under this definition, these are also some of the constraints that the humanitarian sector has to deal with: the re-channelling of those new available economic resources to the benefit of those affected by the humanitarian crisis.

It is a common practice among NGOs or public sector organizations to have a defined, unalterable budget for specific projects which is often unmovable in its main guidelines during the whole length of its lifetime. Usually, due to a large amount of justifications needed to move the bureaucratic apparatus that may surround changes in policies that affect these budget constraints, and in some cases due to erroneous practices among budget administration, these budgets are not eligible to modifications and in case of there is a spare leftover from the amount used as a result of efficient decisions or good administration.

Those new budget margins, which could in turn be achieved through good practices acquired by the interaction in a possible PPPH by means of money-efficient policies, are frequently invested in resources that may add no value to the project, thus avoiding the justifications required to justify a possible (and desirable) budget reinvestment that effectively adds value to the project.

One of the adversities faced by organizations as they act in humanitarian crises, is the extremely complex environments with its many participants are generally uncoordinated. The optimal way to operate in such contexts requires networking, under
the implication that it is necessary to include all actors involved: international and local NGOs, governments, beneficiaries and businesses.

**Box 2. Understanding the actors**

In contexts as adverse as a humanitarian catastrophe, the operation consumes not only goods and tangible resources, but they consume the most important resource of all: human resource. Humanitarian workers deployed in the field are subject to a great amount of intellectual and emotional exhaustion, in a very demanding and absorbing manner. This is important for the private company to understand when taking part in an alliance for alleviating human suffering. Stress situations in these challenging contexts can utterly differ from those in the business environment. [Source: own elaboration]

When a humanitarian crisis strikes, there is usually a profound disruption in role management and in response capabilities which ultimately leads to confusion and a lack of responsibility of the main actors, a combination that can affect the quickness in response towards the disaster and by consequence, prevent the fast assistance of the beneficiaries involved.

Most of the times the need of urgent international response towards a humanitarian crisis occurs in developing nations (Haiti, Sierra Leona, Democratic Republic of Congo), countries where the lack of government institutions and infrastructure make it impossible for the country’s authorities to use its meagre resources to attack the crisis. It is that same lack of government institutions that creates the difficulty in coordinating along with the local authorities of these regions, in order to provide fast assistance in an efficient way, leading the NGOs and international organizations to act all in the same time in parallel with no defined structure, each with their own agendas, making the intervention less satisfactory and producing poor results. It is then, when we involve yet another actor: the private company, that we can increase the complexity of operations. This lack of coordination can present an incentive against private sector’s involvement in the fear of poor results and great expenditure of resources.
Communication Barriers

Another issue that arises as a fundamental challenge and one that is mentioned in various experiences in this type of alliances are the communication barriers. The different views of the diverse organizations generate different ways of expressing, in their own language, the same concepts or ideas. Such barriers are present even in successful partnerships. When such obstacles exist, you can create various management groups that focus on minimizing these barriers to communication and to raise joint terms that reference the contextual framework in question. By developing ambassadors at different levels to help to bridge the communication gaps and demystifying the differences between the private and public companies, these barriers can be broken in order to build proactive participation and involvement (RM Tomasini & Van Wassenhove, 2009, p. 161).

Impartiality Due to Unequal Media Coverage

Humanitarian crisis receive, in many cases, very extensive media coverage which can be especially intense in the beginning when the damage caused by either a human conflict or a natural disaster is more appalling and it has the potential to captivate the spectators’ general interest due to its shocking effect. This creates a commercial interest for the media to cover the disaster in detail. Sometimes it is because this mass media disclosure that the society turns bias towards giving massive support to a specific humanitarian crisis spilling great amounts of money and interest whereas paying little or no attention to other causes that might be of humanitarian interest as well in other parts of the world. It is here as well, when private companies usually tend to generate an interest in approaching to those NGOs and public institutions that work on the field in the context of a humanitarian crisis that are largely covered in the media, sometimes with a sight on the free ride that this coverage can provide to their communications departments.
One of the clearest and most recent examples was the tsunami triggered by an earthquake with an epicentre off the coast of Indonesia in December 2004 which affected the coasts of Southeast Asia and East Africa killing around 300,000 people.

The great media coverage this catastrophe received provoked a response never seen before for a humanitarian crisis, and influenced the society to fund it 475% up above other humanitarian crises that existed at the same time in other parts of the world (Tomasini, Stapleton, & Van Wassenhove, 2010, p. 9), such crises affected, if not in the same order in terms of number of lives lost, in time-extension and in collateral damage, and were (or are): humanitarian aid in Guyana, the on-going conflicts in the Democratic Republic of Congo, Central African Republic, Afghanistan, food crisis in the horn of Africa, among others.

This example illustrates the risk of the private companies being encouraged by media coverage, focusing only on the interest of its public image thanks to its participation in visible humanitarian aid, not demonstrating the core values that should guide the formation of strategic alliances with a broad scope and a long-term view to joint projects.

**Targeting Efforts in Non-Strategic Areas**

It is important to understand private enterprises and the complex nature of political environments particularly during humanitarian crisis. The manipulation of aid towards incorrect beneficiaries has the potential risk of causing it not to reach the most needed and affected populations, putting even into question the reputation of the donor company and compromising all the potential partnerships that can be created along with the public sector. (Prandi, Cano, & Arenas, 2011, p. 22)

It is a priority to keep in mind that the humanitarian aid should not be focused only in environments where an easy, feasible intervention from either the political or operational point of view is viable, and should not, by any means, target only those situations where certain political factors or exclusive populations, are favoured by the
emphasizes the mass media provides, in other words, the assistance has to target those populations where the assistance is most required regardless of the media coverage, political influence or social status or origin of the populations.

**Agreement between actors**

A concern in all possible or working PPPH is the need to reconcile multiple objectives and actors. This need leads to a possible change in operational dynamics that obey different rules within the different partners. Instruments that PPPH utilize should be adequate to accommodate this reality by creating different organizational models that best adequate the nature of the partnership within their same entities, that is, creating special internal organisms that deal directly with the partner, the joint activities and that seeks after the objectives of the PPPH and by also facilitating the process of adaptation of the company to participate in the alliance. Establishing this interface to share experiences with other organizations and understand each other’s culture, incentives, and priorities (RM Tomasini & Van Wassenhove, 2009, p. 161) is part of the solution when dealing with the differentiation of the ultimate objectives of the partners involved.

For better results it is required a strong governance by both partners. It is essential that the terms and conditions of the participation of both partners are defined from the beginning of the alliance and that they remain respected by both parties during the whole time the partnership exists. The definition of the limits and scope of actions for each of the partners involved is vital for an optimal performance and operation during the interventions; otherwise, there is a latent risk of overlapping responsibilities and activities that will be reflected on the effectiveness and efficiency sought in the creation of partnerships.

The PPPH should be based on the complementation of strengths for each of the partners rather than duplicating functions. This is a significant performance behaviour
that is essential for any kind of joint ventures in order to reduce waste in resources and
time consuming activities that lead to no value added to the partnership.

**OPERATIONAL RISKS IN THE FIELD**

During the crisis in the post-tsunami, the urgency to expedite aid in kind of
various types of support: from goods, telecommunications, computer services, logistical
support, etc., revealed some system failures in humanitarian supply chains:

- There was no comprehensive list available to the various companies of what was
  needed and by whom;
- There was no information as to what materials companies had available and
  where;
- No staff was available to evaluate or accept resources from new actors in relief
  operations;
- Too many unsolicited and inappropriate items accumulated at airports and in
  warehouses, lying unclaimed for months;
- There was a lack of fuel for scheduled flights because of the arrivals of provisions
  that had not been requested;
- Many companies received no thanks for the help they rendered.

(Cozzolino, 2012, pág. 24)

In order to meet these operational failures, we must establish contingency plans
tailored to different scenarios based on a logistic system agreed by the actors, and they
must go hand in hand with the reconciliation of activities among participants in the
processes of help.

Coordination in humanitarian issues is a key stratagem to successful
interventions. When you have a large number of actors, it is necessary to establish
bodies engaged explicitly only to coordinate the participants.
In retrospective; humanitarian organizations can, and should understand the PPPH as opportunities for learning and to create information exchange, to recognize them as working synergies where private corporations can support the humanitarian sector. Private companies must not seek that their contribution into a PPPH only translates into a profit made out of public relations and the selling of its corporate image. Both entities have to reflect a long standing commitment and compromise towards the beneficiaries.

**BRANDING**

Any approach to humanitarian aid needs to have in sight that the international organizations need to elude damage to their brand or misunderstandings that could compromise their humanitarian space or license to operate in conflict areas (RM Tomasini & Van Wassenhove, 2009, p. 86) by fuelling propaganda that may be seen as direct marketing from the private sector.

Branding may be necessary to distinguish those agencies between themselves and the partners involved, but it should not represent the sale of public space in a humanitarian crisis scenario through the aggressive invasion of visual media content in order to perform self-interested marketing. Furthermore, if the private sector and humanitarian organizations find themselves in a position where they have to compete for airtime and media exposure, collaboration will simply not work (RM Tomasini & Van Wassenhove, 2009, p. 141). Therefore partnerships must not be based upon the construction where the private sector looks forward to have great exposure through media coverage.

The partners involved in a partnership respond to different values, depending their main drivers and motives, it is because of that, they have to protect their public image and reputation in different ways to maintain their license to operate. Humanitarian organizations tend to remain as neutral and impartial as possible from partisan and commercial agendas, while the private sector requires to be seen generating the
highest impact through their contribution (RM Tomasini & Van Wassenhove, 2009, p. 141) and this conflict of interest has the potential risk of undermining the alliance.

When signed, the Memorandum of Understanding (MoU) has to include previous agreements on the communication strategies, plus a solid public relations plan adjusted to the different requirements the partners have, thus avoiding any compromising message that could jeopardize the validity of any of the actors involved.

2.3 Benefits

The increasing involvement of the private sector in humanitarian affairs responds, at least in great measure, to the specific market requirements by an ever increasingly conscious society. The tendencies of an ever more educated consumer society demands from the companies a greater community involvement and a far more bigger compromise with a sustainable development, these particular key drivers have influenced private companies to seek through their CSR departments a larger involvement with development and humanitarian agencies and an increment on their participation with non-profit causes in general, development projects and especially for those major firms, their sharing in international cooperation in relatively recent times.

Customer perception of the private companies claims their participation in the construction of a society as part of the solution and not the problem. These drivers are in turn, efficient motivators for engagement of private corporations in the humanitarian sector with a different approach that does not necessarily targets the profit margin as a main objective of their participation.
Table 3. Benefits that private enterprise can get from PPP

<table>
<thead>
<tr>
<th>Direct benefits that the private actor may encounter include:</th>
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<tbody>
<tr>
<td>• Human Capital Increment</td>
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<tr>
<td>• Organizational efficiency improvement</td>
</tr>
<tr>
<td>• Improved products and services</td>
</tr>
<tr>
<td>• Development of new markets</td>
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<tr>
<td>• Development of new products</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Indirect benefits that the private actor may encounter include:</th>
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<tbody>
<tr>
<td>• Specific positioning in the market</td>
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<tr>
<td>• Increasing knowledge of the market</td>
</tr>
<tr>
<td>• Improvement on their &quot;social position&quot; (image towards shareholders, enhanced reputation and credibility)</td>
</tr>
<tr>
<td>• License to operate &lt;&lt;&lt; understood as a &quot;license&quot; to an active and permissive participation facing the field of action within the limitations of the social context &gt;&gt;&gt;</td>
</tr>
<tr>
<td>• Improving relations with government institutions</td>
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</table>

(Mataix et al., 2008, pág. 15)

The creation of new markets and human groups, who actively participate in the economy, is always a factor of interest to the private sector. Agencies in the other hand may consider the possibility of making use of the technology and expertise that private company can provide.

Some of the competitive advantages that the public sector can consider from the private companies and take into account when making alliances can be the ones listed as shown below.

**Leadership in cost strategies**

Cost strategies aim to cover wide range market share through of customer satisfaction by allocating or reducing costs in the most efficient manner. In the humanitarian aid context, this is translated to potential savings that can be re-invested for the use of the beneficiary, both directly and indirectly.

A disaster response involves trade-offs of cost and accuracy with regard to the type of goods and the quantities that are delivered. PPPH offer access to corporate infrastructures and co-developed processes that help reduce procurement costs substantially, because they entail agreements with disaster relief agencies’ suppliers,
standard catalogues that facilitate accurate communications of orders from the field, and standardised measurements that recognize the reliability, efficiency, and value of supply chain management practices (Maon, Lindgreen, & Vanhamme, 2009, p. 152).

i.e. One cost strategy is demonstrated when the purchase of rehabilitation and reconstruction materials are procured from the local supply systems (if available) to ensure the lowest cost possible and reducing the expenditure on shipping costs, which in turn would act also as a catalyst by benefiting the regional economies. This trade-offs are a regular practice in the private companies, however, sometimes they are not so widely applied on the humanitarian sector on a functional basis since most of the agreements they promote with their suppliers are long-term contracts based on a stocking system in their hub bases, a practice that can be seen for example in some of the United Nations’ organizations that are deployed on the field.

Practises like these can represent a disadvantage since the procurement process is judged not only by how well the funds are managed but also by the quality of the response (RM Tomasini & Van Wassenhove, 2009, p. 95). In that sense, some humanitarian organizations have begun to welcome additional expertise and capacity from the private sector to reduce their costs and increase their speed of response (RM Tomasini & Van Wassenhove, 2009, p. 158).

On the other hand, private companies may also tend to get involved in areas that are relatively low cost and easy for them to do with relatively high visibility - i.e., sending their excess inventory into a disaster area as quickly as possible while the cameras are still rolling, regardless of how it may fit the needs on the ground - (RM Tomasini & Van Wassenhove, 2009, p. 145) therefore the necessity of having mutual aims when developing a satisfactory cost strategy.
License to operate on the field and better liaison with government institutions

In broader sense, public actors and multilateral non-profit organizations tend to have a wider public acceptance and authority. Governments have an inherent monopoly on law making, rule application and their enforcement. This authority legitimates them in order to operate freely when a humanitarian crisis occurs since its reputation is not marked by the profit-driven image that the public has towards private corporations. However, all stakeholders, including government, are judged based on adherence to the humanitarian principles of humanity, impartiality, and neutrality in their decisions and actions (RM Tomasini & Van Wassenhove, 2009, p. 101).

Traditionally in the past, NGOs saw governments as businesses’ accomplices in the sacrifice of the well-being of the society in favour of their economic benefit. Moreover, businesses had a view of NGOs as an obstacle to their means. However, now some businesses are finding that cooperating with advocacy non-profits by forming joint ventures produces more favourable results than opposing them (Wymer & Samu, 2003, p. 15), in this regards, nowadays is clear that companies need such partners to bring together diverse constituencies and to provide political legitimacy (Kanter, 1999, p. 127).

In a traditional scheme of collaboration, the public actors or in this case governments and multilateral non-profit organizations, simply contract the private actors to undertake, in return for financial consideration, certain transactions. However, governments realize that private actors are peculiarly well equipped to be wealth creators. At the same time, they acknowledge their responsibility to provide the institutional framework so that firms can fulfil this function efficiently and with the minimum transaction costs (Rangan et al., 2006, p. 749).

In an ideal win-win situation, governments therefore leave the opportunities open to the private sector for filling up operational gaps within government’s activities and it is there where the multilateral non-profit organization unfolds the role of mediator by
entering in a communion with the local authorities and the private firm. National governments, aware of their limitations, invite and open the door to international aid agencies to support the relief efforts, as did Indonesia during the Indian Ocean tsunami (Wymer & Samu, 2003, p. 16), this creates a bridge between private companies and governments and it can function as an ombudsman, performing as a possible intercessor between the market, government, and the corporate world while all at the same time, its actions as regulator ultimately benefit the accomplishment of the system goals since the mandate of the multilateral non-profit organization is in stake, on the other hand, governments are keen on the initiative for obvious public benefit reasons.

When private firms cooperate in alliances with multilateral public actor they provide themselves a reliable voice by giving themselves the collective recognition to operate in the field of humanitarian aid by entering into a compromise with the local government and humanitarian non-profit organizations thus providing themselves with credentials that may be accepted by the society and can help to create not only credibility but more social awareness of the humanitarian crisis. By working with governments, intergovernmental organizations, nongovernmental organizations and industry partners, private companies can hope to reach further possibilities in terms of crafting a more conscious society that compromises itself with different humanitarian causes.

In this regard, companies such as DHL have ventured by signing in 2011 a Memorandum of Understanding with the governments of El Salvador, Turkey and Chile (Deutsche Post, 2011, p. 48). This approach to humanitarian work was only possible after engaging in a direct collaboration with the United Nations Development Programme providing constructive help through their Disaster Response Team Programme, where the emergency logistics preparedness planning from DHL focus on helping national governments and other relief agencies to improve their disaster preparedness skills and reducing the potential risk of major disasters, this has in turn helped to put in place a bilateral Memoranda of Understanding with several countries in disaster-prone regions.
DIFFERENTIATION STRATEGY

Any company that provides itself with a strategy that distinguishes itself from its competitors has a market advantage. Generating a differentiation strategy is part of creating a corporate culture that has the potential to provide ideas or concepts that have can to contribute to innovative strategies within the humanitarian sector. Significantly, given the speed with which private sector companies must ‘reinvent’ themselves to remain competitive in their respective markets, tendency to generate new operational structures within their own centres of production (goods or services) is not only a differentiation strategy but a necessity to survive in the competition model of business.

This ‘reinvention’ and the kind of dynamics that cause constant change in private businesses provoke the company’s culture to face their environment with innovation and a proactive approach. Sometimes, humanitarian organizations because of their complexity or administrative systems and structures, can take more time in adjusting and making the necessary changes to face these new environments and, although the capacity to act in a disaster situation requires rapid action at the moment the catastrophe occurs they may not have the ability to reinvent themselves with the speed needed. Under this assumption, the capacity from private companies to quickly adapt themselves to new challenges under high pressure from the surrounding environment can be a desirable quality in any organization, including the agencies engaged in humanitarian aid.

It is important to distinguish those companies that offer solutions and value-added operations instead of offering only services. Problem solvers can be referred for example, to logistics providers that organize their tangible assets to offer a set of integrated logistics basic services to solve specific problems for their customers with high levels of adaptability (i.e., multimodal transport operators and express couriers). Companies that offer complex value-added solutions with a high degree of personalization and exploit their intangible assets (organizational and managerial skills)
are able to both organize and guide part or the whole of a certain process on behalf of its customers (Cozzolino, 2012, p. 32).

What is highly desired in a PPPH is to create an active participation where the actors involved engage in activities that create value-added solutions, thus creating new strategies that can differentiate them by distinguishing them from their competitors or similar organizations.

**INNOVATION STRATEGIES**

“The United Nations and business need each other. We need their innovation, their initiative, their technological prowess.” (OCHA message on Public-Private Partnerships, Ki-moon, 2006)

The corporate-humanitarian partnerships that include the transfer of experience can be a great source of learning for both sectors and can be instrumental in improving humanitarian preparedness to cope when disaster strikes (Wassenhove et al., 2008, p. 4). The different types of partnerships are constantly changing from more static environments for dialogue to more active and participating networks. In parallel, these networks are themselves becoming more comprehensive and complex in their approach and methods engaged to conduct substantial change. In this sense, there is large productive innovation in these areas, originating from both the public and private sectors (Wilkinson, 2007, p. 23).

Prompted by the need to find more effective ways of conducting humanitarian relief operations, and to encourage a more efficient use of the resources that the international community puts at the disposal of this end, public and private organizations are becoming more active in the pursuit of innovations based on continuous learning.

Well conceptualized ideas are the most valuable asset you can have in partnerships that involve the private and public sectors in the humanitarian aid context. These ideas in turn, can unfold in different kind of valuable collaborations that can be fitted upon the requirements and scopes of the partners involved constructing new
forms of working and performing operations in a more effective way under a humanitarian crisis, and it is from the capability perspective, which from the core competencies of the partners, that innovation can help to increase the performance associated with the cooperation thus helping the alliance to blossom into new possibilities of performing different tasks. In this sense partnerships should be used to enhance the search for innovative solutions as they provide the transfer of the know-how gained in one sector to other capacities of application.

For example, during an emergency response, a supply chain could require an entirely new design from scratch that features rapid response capabilities and suppliers that can deliver a supplier-led solution that involves both innovation and creativity (Maon et al., 2009, p. 153).

Emergency Luxemburg, a cluster of different telecommunications companies in alliance with the Luxembourger government, reports on its webpage the following key benefits as a result of their innovative contributions:

- Rapid response solution for disaster relief and humanitarian operations
- Complementary solution to the internal humanitarian tool-box
- Stand-by response capacity
- Multi-layer platform
- End-to-end services adapted to the requirements of the international humanitarian community
- Coverage of entire service chain including air transport, satellite infrastructure, terminal and services
- Close coordination with the international actors involved
- Global Public Good supported and financed by Luxembourg Government

(Emergency Luxemburg, n.d.)

Partnerships and coalitions in the humanitarian action that perform in difficult and complex environs should be not only a technique that leads to innovation but also a
method to include humanitarian conflict and disaster sensitivity into the company’s core values. A key to the success of these CSR activities is undoubtedly the forging alliances with partners who share this same management vision of innovation in complex environments. Without these kind of partnerships, CSR in the context of humanitarian reconstruction becomes extremely complex (Prandi & Lozano, 2010, p. 66).

Operative Effective Strategies

According to some authors, only alliances between private firms and public actors can enable creative strategies in certain spheres of economic activity (Rangan, Samii, & Van Wassenhove, 2006, p. 748-749), this allows the opportunity to have different kind of collaborations based on the areas of expertise and intervention potential from the different stakeholders.

Each specific disaster comes with a different set of actors, each in turn with different kind of resources and commitment level that will directly affect the operations and the strategies used to target the diverse problems on the field. Some of the factors that will affect the tasks will be dependent on the assessments and dynamic changes in supply and demand that are shown on the disaster area, these will be combined with the inability to assess the quality and quantity of assets other actors will contribute to the operation (RM Tomasini & Van Wassenhove, 2009, p. 10).

The goal of operational effectiveness in a private firm is to make business operations within a company better than its competitors. The purpose of implementing the most effective strategies in the market is to increase the quality, productivity, and satisfaction of both employees and consumers.

In the case of a humanitarian organization is to provide solidarity-based aid in order to deter the negative effects caused by a crisis derived of conflict or natural causes in the fastest, most strategic and targeted way, relieving the largest possible quantity of affected suffering population. In the case of these relief organizations, the benefits of a more effective operability as a result of participating in PPPH, has the
potential to be a possible improvement in operating cash flow, both administratively and operationally.

When a business entity driven by economic profit cooperates with an organization with humanitarian goals, the satisfaction of an employee to do a better job represents, besides philanthropic intrinsic value, a direct relationship of corporate solidarity by its employees and this engaging behaviour can be found at all levels, from the managers to the operators.

Since characteristics such as operative effectiveness are all generally entrenched practices within the private corporate culture throughout the production and supply chain, the contribution of participating private companies is generally promotional and operational (Wymer & Samu, 2003, p. 13). It is appropriate to conduct an approach exercise and assessment of such characteristics, for them to be considered as effective reasons for the humanitarian organizations to acquire them as possible enhancements to their operations i.e. as stated by some authors, experts in logistics of humanitarian aid agencies are "relatively unsophisticated" compared to those of private enterprise. Specifically, humanitarian organizations are many years behind the private sector in understanding the importance of logistics and in adopting efficient supply chain management (Cozzolino, 2012, p. 27). However, in an effort to improve the final outcome, organizations allocate resources to manage their information, material and financial flows, as well as the skill set of their staff. For humanitarian workers this effort is more complicated given the context and the conditions in which they operate. As a result they have become more agile and adaptable than their private sector counterparts (RM Tomasini & Van Wassenhove, 2009, p. 16).

According to some authors, it can be said that humanitarian supply chains have long lead times and corresponding opportunities for reduction are as follows:

- Delays in customs or at the warehouse when waiting for transportation means or the road is freed from obstacles that prevent communication.
- Slow procedures due to slow performance of reception or delivery of goods at warehouse point, or slow bureaucratic processes, i.e. the UN system can provoke significant delays due to its complexity.
- In a constant fast-changing environment, the key-players sometimes do not fully comprehend their impact on the supply chain (ambiguous goals and objectives).
- Poor cooperation, leading to delays in handovers.

(RM Tomasini & Van Wassenhove, 2009, p. 12)

It has been observed that through partnerships that have and active participation on the fields of supply chain management and in logistics operations, the organizations involved show improvements such as gaining agility by increasing their capability to respond to rapid deployment on demand; they develop some adaptability or the capability to adjust supply chain design to accommodate changes in demand. By adopting skills in the capacity to establish incentives for supply chain partners to improve performance of the entire chain they have alignment within the members of the alliance. The partners also benefit from a lead management by being able to be active involved in running relief operations at the scene of the disaster and there is a significant improvement in back-office management or the capability to plan activities and perform analysis (Cozzolino, 2012, p. 27).

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**Box 3. Efficiency in Supply systems driven by demand**

In our apparently never ending market growth in which our global economy is based on, the relationships between customers and suppliers continuously becomes more and more complex given the versatility needed to provide a good service in a timely manner and under the lowest possible cost. This necessity has proven to be one of the most powerful drivers leading to the creation of supply models and systems that aim to provide better quality services in an efficient manner.

Throughout their evolution since they were first conceived as part of any industrial process in the late XIX century following the industrial revolution, supply chains have had an uninterruptedly increment on the tasks they perform as part of their processes and in the speed of their response, intensifying their operations from shorting delivery times in cross-Atlantic transactions, to providing online services through direct service from producer to final customer. Quantity and quality of services have seen a tremendous improvement and in overall they have returned in profitability for the companies that do more, in a faster way with fewer resources.

Nowadays, logistics that involve supply chains are framed in a global, automatized and exceedingly fast context, thus their dependence on global supply networks in order to compete in the market, and because of that reason, they necessarily require to include a global spectrum in their planning and development.
Under these challenging circumstances, it is certainly appropriate to think of a public sector that takes hold of the advantages that the chain and supply operations from private companies can offer, and with them, to construct suitable and efficient supply chains for the contexts in which humanitarian assistance is provided in such a way, that we can define the new frontiers whose boundaries would keep on growing in a continuous expansion in terms the potential relationships between private enterprise and the public sector of humanitarian aid, making from the profit-driven paradigm, a boosting impulse to create potential in the benefit of those needed in humanitarian contexts by improving its techniques and methodologies.

Source: Own elaboration

Alternatively, private companies in their supply and logistics operations can also learn from the flexibility humanitarian organizations can deploy in the field when facing challenging contexts. For example 2% of food aid transported by WFP is done with different sorts of local available resources, among them they use animals to deliver food in countries with limited infrastructure, they have turn to mules to ferry food to remote villages in the Pakistani mountains, in Nepal they used yaks, in the mountainous regions of the Andes supplies were packed on the back of donkeys and in Sudan they use camels to transport food aid (“WFP | Logistics,” n.d.). These might as well be very good illustrations of flexibility and operations efficiency making the most of what is available.

In January 2012 a new formed cluster of communication companies and the Government of Luxembourg, along with United Nations High Commission for Refugees (UNHCR) called Emergency Telecommunications Cluster (ETC), managed to provide through successful technical deployments a solution to the lack of communication capacities in South Sudan. These solutions consist of satellite infrastructure and capacity for coordination services. This equipment gave a quick response solution for humanitarian workers on the field providing communication, and as the humanitarian situation across the country worsens, relief workers in some locations have access to reliable voice and data communications to expand and better manage their emergency operations (United Nations Information and Communication Technologies, n.d.). This in turn is another example of how operative strategies involving a large number of participants from both, the private and public sector, can define a working strategy that provides operational resources for the people deployed in the field under a humanitarian crisis in a conjoint way by participating in innovative processes.
For private companies it means focusing on what the customer’s needs, aiming directly at the demand created which by definition, the private company is determined to satisfy by providing the goods or services required in exchange for an economic compensation. In that matter, for humanitarian agencies, customers becomes the beneficiaries which can often be characterized by cultural differences (Maon et al., 2009, p. 154).

However, the beneficiaries in disaster relief supply chains include not only end-consumers – that is, the victims and survivors of a disaster – in the traditional notion that public opinion has of the only actors directly involved in a humanitarian operation with the relief agencies, but it also includes the various organizations within the supply chain that require emergency services and assistance for the affected population which might include donors (i.e. country-specific or donations from outsiders and the private sector), governments (i.e. host and neighbouring countries), the local community, NGOs, the military, and logistics providers. Finally, in this supply chain, both regional and extra-regional actors appear, which increases the number of agencies even more (Maon et al., 2009, p. 153) therefore, humanitarian organizations have a wide range of different players that have to be considered as customers or direct actors in the operations, hence they must stick to focus on its ultimate goal, which is consolidating all common resources in order to reach the largest possible number of beneficiaries.

Many times when a humanitarian aid operation gets underway, given the fast response times that are required, it is difficult to maintain a beneficiary oriented approach, hence the importance of having always a beneficiary focus at all times.

Sharing a common view with private companies in their customer focused vision, augments the potential to aim towards more clear and specific objectives that are beneficiary-oriented within their joint operations.
Organizations should be able to provide a differentiated outsourcing compromise, where they can exercise larger strategic responsibility and hand over the management and even direction of an whole operation or process on behalf of their customers or beneficiaries (Cozzolino, 2012, p. 31).

Applying the appropriate tools for including relevant policies and methodologies in those areas where it is needed, it is possible to harmonize the service-focused vision that private companies operate with, along with the objectives of humanitarian organizations by always having a customer/beneficiary approach.

**SOCIAL VALUE ADDED FOR THE PRIVATE FIRM**

Companies view community needs as opportunities to develop ideas, serve new markets, and solve long-standing business problems (Kanter, 1999, p. 124). By making a showcase of the company’s CSR efforts, the company has the opportunity to build a social capital with its employees, customer and wider stakeholders and the collaboration can be seen as an opportunity to increase employee engagement and loyalty. i.e. After the partnership that TNT, a Dutch freight company, engaged with WFP in 2002, the reputation and engagement perceived by Dutch groups of stakeholders increased from the position 26 in 2001 to the position 5 in 2004 (WFP, “Be part of the solution ending hunger,” 2012, p. 44).

Human resource benefits may also accrue as the company develops a more favourable public image (Wymer & Samu, 2003, p. 15) benefiting from it and projecting itself as a leader in social responsibility.

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**Box 4. Sustainability indexes and corporate reputation rankings.**

Socially Responsible Investment (SRI), also known as ethic investment or sustainable investment, refers to an venture in which, in addition of considering purely financial criteria such as profitability, liquidity or risk, there are considerations in terms of social, environmental and corporate governance criteria in the selection of the portfolio, allowing investors to combine purely financial purposes with objectives related to sustainable development, human rights and social justice.

To select those companies in which they wish to invest, socially responsible investors have various tools, among which ethical stock indexes (or sustainability indexes) and corporate reputation rankings.
**Ethical stock indexes**, also called sustainable or socially responsible indexes, are stock rankings that only include those companies that have completed an ethical filter and therefore stand out in its industry for its corporate ethics and their commitment to sustainable development. The index management previously defines a set of criteria and, based on the information provided by ethic rating agencies such as EIRIS or Sam Research, applies the so-called "ethical filter" and selects for their inclusion in the index, companies with top scores in each sector. Consequently, the ethical index is a not an absolute but a relative evaluation, designed to highlight those best performing companies within each sector on issues related to corporate governance and social and environmental sustainability. The rates are reviewed periodically to include or expel companies from the index, based on their social responsibility activities.

Two of the most prominent sustainability indices are the Dow Jones Sustainability Index and the FTSE4Good.

The **Dow Jones Sustainability Index (DJSI)**, launched in 1999, selected from the 2,500 largest global companies listed on the Dow Jones (Dow Jones Global Total Stock Market Index - DJT GSM) those that meet sustainability criteria better than their competitors in their respective sector. Currently, 340 companies included in the DJSI World (global index). There are also regional indexes like DJSI Europe, DJSI North America, DJSI Asia Pacific, DJSI Emerging Markets, DJSI Japan 40, DJSI Korea). In the European index, 166 companies are selected among 600 large European corporations included in the DJT GSM. In the latest edition of the index (September 2012) a total of 30 Spanish companies were in the universe of candidates to enter any of the Dow Jones sustainability indexes. The list can be found in Annex II. Of those 30 companies, 17 were selected to enter the index or renewed their presence within the index (i.e. Gamesa, Enagas, Santander, BBVA, CaixaBank, Endesa, Mapfre, ACCIONA, Ferrovial, Indra or FCC). Two Spanish companies were selected world leaders in their respective sectors: Repsol (in the oil and gas sector) and Iberdrola (utilities sector). Telefónica index came in 2012, having been a leader in telecommunications in 2009. The indices are reviewed once a year during September.

The **FTSE4Good Index** is comprised of a set of sustainability indexes launched in 2001 by the Financial Times Stock Exchange Group (UK). Companies such as arms industry, snuff and nuclear energy are excluded from the index. The index assesses the behaviour of companies in five areas: environmental sustainability, human rights, good practices in the supply network (supply chain), anti-corruption policy and climate change mitigation. There is a global index (FTSE4Good Global) and several regional indexes (UK, USA, Europe, Australia and Japan). There is also a sector index for the IBEX 35° (FTSE4Good IBEX Index). The rates are reviewed twice a year: in March and September. In the March of 2013, FCC was excluded from the FTSE4Good Global Index and the FTSE4Good Europe Index.

As for the rankings of corporate reputation in the Hispanic speaking countries, **Monitor Empresarial de Reputación Corporativa (Merco)** stands out. Merco is an assessment tool that has been operating since 2000 and is concerned with measuring...

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One of the largest public organizations which has emphasized this new private sector approach with already more than ten years of experience in building partnerships with the private sector is the World Food Programme (WFP). Among the benefits to potential partners, WFP promotes the strengthening of the employee loyalty to the company and invites experts to share knowledge and innovate together. The international organization aims through partnerships with the private company and the humanitarian sector, in this case with WFP, to build social capital that include actions which reflect the character of corporate social responsibility commitment, engaging employees, customers and shareholders, thus deriving in an increased joint commitment. These partnerships emphasize the motivation of employees and create a bridge with the customers, from brand perception to brand. ("Be part of the solution ending hunger," WFP, 2012, p. 42)

Learning Opportunities

The objective to construct organized change is not only justified on the premises that the employees or the community will feel good; which is an obvious incentive to make people working hard. In reality, the main justification for private companies to continue advocating their resources is the new knowledge and capabilities that will stem from innovation – the lessons learned from the though problems solved (Kanter, 1999, p. 131), in this sense partnerships originally established under the premises of dialogue and learning have the maturity needed that leads to concrete actions and progress (Wilkinson, 2007, p. 6). It is through the exchange process of this learning, that each of the partners builds new knowledge that eventually leads to the creation of social and economic value (RM Tomasini & Van Wassenhove, 2009, p. 156), the benefit of this learning has to be mutual in order to create concrete opportunities, more importantly, if
done well, partnerships can become learning labs for both parties (RM Tomasini & Van Wassenhove, 2009, p. 135).

Maon et. al. consider that the learning benefit is one of the three major contributions in a PPPH, “challenges and barriers [favour] the development of more efficient Supply Chain Management practices, [this can be] classified into learning” (Maon et al., 2009, p. 149).

For a humanitarian aid organization, the most important benefit it can obtain from working with the private sector when selecting those practices that are most fitted to its operations and learns from its partners (i.e. by making their own procedures, faster, better and more effective) is translated into a greater result which is the increase of number of lives saved or improved, and this is an indicator per se unquantifiable in ethical terms, and a key performance indicator immeasurable in moral value.

As stated by Alessandra Cozzolino, in terms of observed benefits through the cooperation of private sector actors and aid agencies, both in logistics and in supply chains participating organizations showed the following improvements:

- Agility, the ability to deploy quickly based on demand;
- Adaptability, the ability to adjust the layout of your supply chain to accommodate changes based on demand;
- Alignment, ability to establish incentives for supply chains they work together to promote the improvement of the performance of the entire chain;
- A management front, with the ability to take a proactive role in relief operations performing in the disaster area;
- A strong management, which has the ability to plan and perform analysis activities.

(Cozzolino, 2012, p. 27)

Some companies such as Intel, UPS and Vodafone have established a structured, medium-term cooperation with humanitarian agencies such as the International Rescue Committee and the WFP, where they participate by sharing their expertise to bear on disaster relief efforts and helping in the creation of innovation...
through solutions. These initiatives have promoted learning, strategizing and measuring the capabilities of humanitarian organizations by giving access to corporate infrastructures and co-developed processes (Maon et al., 2009, p. 160). As Martin Bettelley from the WFP Logistics Office said: “Compared to the beginning, we have become more precise in terms of articulating our goal, work plans and the type of expertise and skills we require to tackle our challenges” (Samii & Wassenhove, 2004, p. 7).

Even if the settings and conditions differ from the private sector logistics to the humanitarian logistics, there are still learning opportunities for the private sector partners to acquire. It has been found that private companies require the same kind of abilities as humanitarian organizations when it comes to create profits in a short-term scheme, were demand or supply change in a rapid manner, in those cases they require the agility to face the rapid change in dynamic demands and the interruption risks of managing global supply chains and the main role of logistics, this agility can be found in the humanitarian organizations. In the other hand, by adjusting their supply scheme and designing it to accommodate the market changes in the medium term, they need to have adaptability, which can also be found in the relief organizations. Albeit private companies know that high speed and low cost are necessary for an effective supply chain, they still require the advantages of also being agile, adaptable and aligned to remain competitive and keep their sustainable advantage over their competitors (RM Tomasini & Van Wassenhove, 2009, p. 134).

Transferring best practices is not about acquiring new knowledge but about taking advantage of the existing knowledge [from each other’s collaboration] (RM Tomasini & Van Wassenhove, 2009, p. 162). In that regard, it is important to keep in mind that there are different ways of learning and that during the learning process, different unexpected experiences can be profited as benefits and have the potential to help the partnership to mature. The fast-pace environment of humanitarian operations and its high staff turnover leads to a situation in which many humanitarian organizations are only vaguely aware of “what” they are best at, and “why.” Before they can consider transferring or acquiring knowledge, it is essential that both parties understand their own
best practices (RM Tomasini, 2009, p. 159) and this has to be a premise in which partnerships should construct their joint participation.

In order to extract the maximum learning of the initiatives that come as a result of a PPPH, it is pertinent to think in an incorporated system of monitoring and evaluation from the initial phase of the projects and also, it is advisable to consider a plan for communication and possible dissemination of the most important results of these experiences (Mataix et al., 2008, p. 60), these actions in turn, will benefit the future of the partnership as well as it will help to contribute a positive image of the stakeholders.

2.4 INTERVENTION MODELS OF PRIVATE ENTERPRISE IN THE CONTEXT OF HUMANITARIAN AID

Public actors sometimes do not take part in certain humanitarian enterprises all by themselves because of the resource cost disadvantages, which usually affects efficiency and effectiveness in the operations, they tend to engage into partnerships with the private sector because of the external positive benefits to all the elements involved (beneficiaries and stakeholders). As mentioned before, private companies possess specialized resources that enter the enterprise to procure private net benefits (profits and long-term independent existence) and they do not tend to go alone because of the insecurity and governance cost disadvantages - which poses doubts on value creating and appropriation - (Rangan, Samii, & Van Wassenhove, 2006, p. 744).

Collaborations frequently start from the top down but nurture from the bottom up when the operational levels find paths to work together and surpass their discrepancies. Exchange at the operational level offers an excellent opportunity to corroborate the requirements and solutions upon which communication networks will be created (RM Tomasini, 2009, p. 143).

There are several ways to characterize the different types of interventions of the private companies in humanitarian aid operations which depend on several variables.
These variables in turn, are important to be defined before any engagement or collaboration. An analysis is required to establish the various requirements of a specific alliance prior any commitment to a particular activity depending on the framework of operability and the context of application and thus, the following classification will depend on the different types of interventions.

**Interventions according to the most common schemes of participation by private enterprise**

According to Wassenhove et al., private companies can provide support or assistance to humanitarian organizations in four modes, which is certainly the most common classification found in the literature.

The first two can be assorted as the classical interaction between a private company and the public sector: support in donating money or contributing with a direct cash inflow, the second through in-kind or goods donations. The other two types of contributions involve a higher degree of involvement and compromise among the stakeholders, and are somehow, usually distanced from the traditional paradigm: volunteer work and the formation of partnerships or alliances. These modalities that are briefly explained below;

**Classic models of Public-Private participation;**

**Cash**

For Wassenhove et al. the contribution in the form of cash is still the most important kind of support, and many times that is still the most appropriate of all kind of contributions to humanitarian organizations, providing humanitarian institutions with the ability to perform the immediate purchase of the goods and services they require. (L. Wassenhove et al., 2008, p. 6)
Cash is easy to send and generates a range of possibilities when it comes to performing resource allocation according to the analysis performed by individual, agencies of specialized institutions that identify the specific needs. In addition, money, when used to acquire goods or services produced within local economies, reduces transport and storage costs and allows supporting the growth of the regional markets.

This been said however, cash support has its disadvantages in that it limits the generation of knowledge and innovation. From the point of view of alliances and partnerships, cash donations as a collaborative process simply do not exist.

From the corporate perspective, donating money requires diligence on the part of the company to determine which humanitarian organizations are those which should be granted with the funds by investigating their trajectory, their effectiveness and relevance in the field, and by also their capacity to provide information regarding its financial records and statements. By 2005, according to a survey performed by INSEAD to 25 humanitarian agencies, aid money is preferred by managers in the field after a disaster stroke (Wassenhove et al., 2008, p. 6). Cash provides liquidity and flexibility which in turn helps humanitarian agencies to respond quickly to the requirements in the field, and this is usually regarded as a resource of greater value, more than the donation of goods (Wassenhove et al., 2008, p. 6).

**In-kind or Goods Donations**

In-kind or good donations are one of the most common ways in which the private sector supports humanitarian organizations. There are several companies that have provided in-kind donations in different humanitarian crisis. I.e. TPG, a Dutch courier company provided WFP with tires and fuel for forklifts which had been dismantled in Liberia during the armed conflict of 2003. "The TPG freight services delivered forklift truck tires and fuel bladders, items that enabled us to get our show on the road within four days" said Scott-Bowden, WFP representative, in normal circumstances, WFP would have used the commercial sector through a bidding process (L. N. Van Wassenhove, 2008, p. 9).
However, in-kind donations run several risks that have to be envisioned before they are made. These types of donations should be based on demand, as specified either by the government of the affected country or by a recognized humanitarian agency with existing operations in the disaster area, rather than on what the private company can supply at that specific moment. Unsolicited donations cause bottlenecks and needless expenditure. For example, it took six months to burn the unwanted donations received during Eritrea’s 1989 war, including seven truckloads of expired aspirin. The key in this aspect is for companies to work closely with aid agencies, local embassies, or a possible supply chain partner in the region, rather than launching their own mini-NGO (RM Tomasini, 2009, p. 138).

It is necessary to conduct a review of the supply chain to ensure that the good or product that is received as a donation meets the requirements of the beneficiary, and that it addresses its demands. Similarly, it is vital to ensure that provisioning will not incur in bottlenecks where donations in-kind will be limited in their distribution because of unfavourable organizational conditions.

A case can be done out of the problems in that occurred with the supply chains in Haiti after the earthquake that struck the country in 2010. Thousands of tons of goods were stranded at the airport waiting to be distributed because there was no logistics infrastructure for their distribution. Given the wide media coverage, the earthquake caused a great response from donors to provide the country with various goods, however, there was no coordination to analyse and generate a supply chain study based on the demand, which resulted in a surplus of goods, both in time and form, causing great inefficiency on the part of the organizations responsible for the distribution and delivery on the ground.

The demand must be provided by the actors who are in the front row of the disaster i.e. the humanitarian aid agencies operating or those entities with management experience in a disaster area; otherwise by the government of the affected country only in the case it has the means to provide such information. Aid in-kind assistance should never be based on what private companies can provide as a result of their surpluses or
marketing strategies, as this practice may incur in shortcomings on the operation provided by humanitarian agencies, particularly in their logistics processes.

**Higher degree involvement of Public-Private participations;**

**Volunteering**

One of the ways in which private companies can support the humanitarian sector is with the participation of volunteers for the performance of specific tasks within the context of disaster and humanitarian aid.

There are some limitations that need to be defined before sending field staff to operational activities in disaster contexts. Volunteers from the business sector may hinder the operation if they do not have adequate preparation to handle stress, or if they do not have the skills, experience or knowledge required for the task. Technical skills and good intentions are not enough (L. Wassenhove et al., 2008, p. 9).

For this type of collaboration to be successful for the stakeholders involved, especially for the volunteer as a personal experience but primarily to the humanitarian organization, those who participate in these programmes must have experience in crisis situations and it is highly desired that the volunteers have knowledge of the specific local context were they will be deployed, for example, knowledge of the local language. A person who can interact in the field without language barriers and with the freedom that gives the knowledge of geographical, historical, social and cultural environments is far more valuable and can provide more and better contributions in such adverse situations.

**Partnerships**

The partnerships aim to establish a bond of cooperation between the private and humanitarian aid organization which establishes a joint exercise to take risks and benefits in a long-term commitment under a win-win situation.
It is intended that such alliances share knowledge, experience, skills, strengths and potential best practices, all this in order to become more efficient in improving their response capabilities during a humanitarian disaster scenario. Partnerships should focus on the distribution of aid, but especially in the preparation of contingency plans to help moderate the effects of a humanitarian disaster.

Partnerships, if properly formulated and implemented, are the best approach scheme to provide effective solutions and enrichment for all stakeholders involved in a humanitarian crisis context.

Partnerships themselves can be classified based on their degree or commitment or their operability as follows;

*Partnership interventions based on the degree of commitment:*

a) *Intervention around the conflict or natural-caused humanitarian disaster.* Where the stakeholders involved have indirect incidence in several areas under reconstruction, comprising various activities in different sectors (primary, secondary or tertiary) without establishing a formal partnership that is characterized by joint decision of risks and benefits. Such interventions do not take into account the context of a humanitarian disaster stress per se, considering the disaster situation as an outsider.

b) *Direct intervention in the conflict or natural-caused humanitarian disaster.* Through the establishment of an alliance to establish a relationship between humanitarian agency or organization with a long-term strategy focused on, in which both actors are committed to take on both the benefits and the risks.

*Partnership interventions according to their operational degree:*

United Nations in its guidelines for joining in alliances with the private sector identifies three classifications from the operational point of view:

1) *Business operations and value chains:* This type encompasses the mobilization of innovative technologies, methods, funding mechanisms, goods, services and skills in creating wealth and jobs, for also developing and delivering affordable
products and services. Humanitarian agencies and private sector partners, together, can support the development of integrated value chains in market sectors that offer the prospect of sustainable growth and the transition to a better paid employment. Another type may include collaborations that aim to increase access to goods and services that contribute to the reduction of poverty (i.e. ‘base of the pyramid’ investment opportunities).

2) **Social investment and philanthropy:** This category includes different types of support for resource-mobilization and uses a wide range of industry resources including cash as well as core skills. This may include financial support, as well as pro-bono goods and services, corporate volunteers and technical expertise and support.

3) **Advocacy and policy dialogue:** This mode refers to initiatives that encourage and promote a specific cause in support of the objectives of the humanitarian aid agency or the promotion of multi-stakeholder dialogue on issues related to the goals and activities of the humanitarian organization. These partnerships can include the promotion of the concept of corporate responsibility, working with companies to effect change in their internal business practices to align them with the objectives of the agency, and the development of standards or guidelines for involving stakeholders in support of the objectives of the agency.

(United Nations, 2009, p. 7)

### 2.5 Articulation of Public-Private Partnerships in the Framework of Humanitarian Aid

The construction of alliances between private actors and humanitarian organizations must have as its main objective the conduction of joint long-term collaborations where risks and benefits are shared by all stakeholders with the aim of establishing a win-win situation.
In any articulation intended between the private and public sector, it is essential to institute a framework that encompasses the principles of humanitarian aid taking into consideration that the international humanitarian aid is governed by the International Humanitarian Law under the charter of Human Rights and Refugee. The sole purpose of humanitarian aid should be the alleviation of suffering of the affected populations and the provision of quality assistance to those who need it the most.

The main three principles of humanitarian aid are:

- **Humanity.** Human suffering must be addressed wherever it is found, focusing on the most vulnerable populations such as children, women, the elderly, respecting their dignity and rights.

- **Neutrality.** Humanitarian aid must be given without engaging in hostilities or taking part with any of the entities involved creating controversies between actors due to political, ideological or religious influence.

- **Impartiality.** Humanitarian aid must be given without discrimination caused by ethnic origins, gender, nationality, political opinions, race or religion. Humanitarian assistance must be driven only by needs.

  (Forum, Economic; UNHCR, 2007, p. 1)

The creation of these partnerships and the implementation of the same under schemes of efficiency and effectiveness, poses challenges that are presented as barriers to overcome. To create value in a partnership, both parties need to focus on intense interaction channels. As stated by Tomasini et al., to increase the potential success of these channels, it is essential to ensure that both partners are able to:

1) Identify and codify each other’s best practices relevant to the needs of the partnership.

2) Recognize and prioritize best practices (solutions) that are generic enough to be transferred.

3) Allocate resources and set incentives for the exchange of best practices.

4) Invest in developing routines for the transfer.

  (RM Tomasini & Van Wassenhove, 2009, p. 158)
It is necessary to establish and promote links to information that will enable humanitarian aid organizations and private companies to establish channels of communication through various forms of publication of the numerous possibilities on the establishment of PPPHs. Such links must have initiatives from both partners, not just by the aid agencies. The same private company can bring ideas from local business tissues that are often already operating in communities where disasters have emerged, and then they can channel this existing knowledge through their CSR departments.

Information, operation know-how, capabilities, advantages and disadvantages, opportunities for development, but especially the positive impact these partnerships between business and humanitarian aid organizations can have in saving lives, is a value that must be present in the communication departments of humanitarian aid agencies as well as in the CSR departments in the private companies engaging in the partnership, but most importantly it is an imperative to encourage the private enterprise to include such objectives within the core business of their companies when aligning their strategies to form part of a PPPH.

Information is a fundamental tool that has to be present in the formation of all PPPHs and should be shared in all the different stages of the alliance while it lasts during the whole process of collaboration. It should emphasize the advantages and inform stakeholders of the desirability of having a win-win relationship.

One of the instruments that United Nations has conveniently put available for any enterprise willing to participate in a partnership with the organization is an internet platform on the website www.business.un.org, an online portal aimed at those companies interested in making alliances with the institution. This UN initiative opens the possibilities and invites the private sector to contribute ideas and work items together in the different branches of the United Nations conglomerate in which they can serve the purpose of assisting the most vulnerable populations on the planet, in this webpage private companies can find useful information that answers questions such as,
what does United Nations does?, how to form alliances with the United Nations? It invites the enterprises to give their proposals to contribute with their expertise.

There are more than 500 stories of private entrepreneurship collaborating directly with the UN, taking part in attacking the various problems in different areas such as community development, energy, climate change, migration, population, among others. These stories are proof of the paradigm shift concerning the participation of private enterprise with the multinational agencies, focusing their share efforts on cooperation and capacity development of impoverished nations, as well as humanitarian aid operations.

**ARTICULATING SUCCESSFUL PARTNERSHIPS**

Rosabeth Moss Kanter from the University of Harvard has identified six characteristics of successful public-public partnerships engaged in strategic alliances.

1. The stakeholders share a clear business agenda.
2. They are strong partners committed to change.
3. There is investment by all the parties involved.
4. Rootedness in the user community
5. Having links to other community organizations.
6. Long-term commitment to sustain and replicate the results.

(Kanter, 1999, p. 126).

There are certain characteristics that have to be present in the articulation of alliances, we can highlight the following:

- In order to have a successful partnership, the actors have to put their resources on the table, this will guarantee commitment from all the parties involved and it will help to construct mutual trust.
- Unnecessary bureaucracy should be eliminated by providing construction processes that are as simple as possible; they must be agile under the coordination of all stakeholders.
The incorporation of a mediator can have an advantage, creating strategic centres where there is a vision where all partners play a critical role, provide a strong image through systems and support, create an atmosphere of trust and reciprocity and develops mechanisms for attract and develop more partners (Tomasini et al., 2010, pág 19). By joining new partners, there is the possibility of generating a multiplicity effect. These partners may also be considered necessary to meet the needs that arise from the bureaucratic administrative processes, which in turn can have negative effects on the operation efficiency, as the actors have to spend heavily in these processes in order to meet organizational bureaucracy.

The responsibility for the administration of the mechanisms to generate information, to document it, process it and analyse it, along with the coordination of actions by performing a tracking on them. These actions must be defined from the beginning of the partnership allowing to determine to what extent responsibility is shared within the partners, thus assessing their degree of involvement.

Importance should be given to the added-value that all partners can contribute. Joint actions should create knowledge and must enrich the know-how in which the can stakeholders can contribute, thus giving the alliance a perspective of value-creation in its operations.

In order to overcome internal organizational resistance and to build trust between partners, it is necessary to perform periodical assessments and communicate the results obtained by the alliance, determining which values are being generated as a result of the partnership and which actors are being benefited. Measuring the results obtained by a PPPH is not an easy task since many of the outcomes are intangible but still, it is always possible to establish some key performance indicators that can give some accountability of them.

From the business side, Van Wassenhove et al. suggest monitoring the press coverage of the initiatives generated by the alliance and calculating how much ad spending would have been required to obtain a similar impact. They also propose satisfaction surveys to employees or to track the position of the company in the
corporate reputation rankings or sustainability indices (Table 2). From the point of view of the humanitarian organization, performance can be monitored based on the impact of the initiatives that are a result of working within a PPPH framework focusing on the aid recipients (number of beneficiaries reached). (Wassenhove et al., 2008)

**APPROPRIATE GUIDELINES FOR BUILDING A PUBLIC-PRIVATE PARTNERSHIP IN THE FRAMEWORK OF THE HUMANITARIAN AID**

The alliance literature has tacitly assumed that governance should be endogenous to the core stakeholders. This, as we have shown, can be severely limiting as the partnership must extend to cover all those players involved (Rangan et al., 2006, p. 749), not only the main stakeholders. In this sense, it is important to create systems and processes and put them in place, so they can facilitate collaboration among stakeholders to keep efficiency (RM Tomasini & Van Wassenhove, 2009, p. 138).

Below there are enlisted some of the guidelines for building appropriate alliances within the framework of PPPH:

- *The establishment of a Memorandum of Understanding (MoU)* that will work as a contract. It must suit the specific needs of the alliance, including all participants, defining responsibilities, frameworks and it must point out the existing risks. It has to be a clear and flexible document that allows modifications for it to be adapted to the needs that arise in rethinking solutions to the various problems that can go come along the contractual relationship.
- *Flexibility and adaptability criteria.* A key feature for having successful interventions in the field during the context of humanitarian crisis is the ability to adapt the available resources to the needs of the projects. The variables are endless, complex and continuously changing when working in humanitarian contexts. There must be an apparatus that allows the
modification of the projects based on the demands and needs that fit the realities of the communities, local contexts and countries where the partnership operates.

- *Establishment of goals and objectives* that can be measurable within a logical framework of time, based on key performance indicators proposed and agreed by the all the partners involved from the beginning of their collaboration.

- *Definition of roles* where the main stakeholders are fully characterized defining the roles, responsibilities and tasks, naming those responsible of leadership functions.

- *Establishment of an accounting system* that is rigorous in monitoring, evaluating and decision-making with respect to economic resources involved in the partnership throughout its existence.

- *Creating mediating mechanisms* aimed at solving possible conflicts between the partners. This internal organism should be responsible of proposing a forum that will identify potential difficulties that may arise over the alliance and to resolve such problems by providing adequate monitoring to avoid compromising the durability of the alliance.

### 2.6 Good Practices

The largest number of public-private partnerships in the field of humanitarian aid and the growing interest of companies to support this type of activities in recent years, has highlighted the need to establish a common framework, agreed jointly between firms and humanitarian agencies, which encompasses the principles of humanitarian aid.

In December 2007, following a consultation process both the humanitarian community and the private sector, the World Economic Forum (WEF) and the United Nations Office for Humanitarian Affairs (OCHA) published the "Guidelines for public-private humanitarian action" (Forum, Economic; UNHCR, 2007, p. 2-3).
This document, which is provided in its original in Appendix I, establishes the basic principles that should govern partnerships between aid agencies and the private sector.

In the preamble of this statement the main framework is set in reference to the basic rules of international humanitarian law (International Humanitarian Law, the charter of Human Rights and Refugee Law) and the basic principles of humanity, neutrality and impartiality that guide any humanitarian aid. Below there are ten guidelines that govern the way in which humanitarian organizations and their business partners can work together under a PPPH scheme, in order to provide quality assistance to populations affected by a humanitarian crisis. The original text of the guidelines is presented in Appendix I. In the following paragraphs, the highlights provided by these guidelines are being discussed.

Directive 1 emphasizes the idea of granting value through the partnership, the distinctive capabilities of each of the partners, highlighting the resources that the private sector can offer humanitarian programmes beyond mere financial donations.

Directive 2 states that partnerships should be based on the requirements identified in the field, which should be recognized in collaboration with the communities affected by a humanitarian crisis. It is worth to remark that for PPPHs to be sustainable over time, it is necessary that the collaboration is aligned with the interests of the relevant stakeholders of each of the partners.

Directive 3 stresses the need to respect the standards and codes of conduct that the humanitarian community has developed to provide quality services. In particular, it is emphasized that the private sector volunteers involved in humanitarian programmes at any level (local, regional or global), must have prior training in codes of conduct and humanitarian standards. Both partners must work together to ensure the safety of all employees in the field, including both those related to humanitarian agency and the business partner.

Directive 4 highlights the importance of having a working relationship with the national and local authorities in the humanitarian context, while at the same time
maintaining the performance capacity of humanitarian agencies. PPPH partners should include, as far as possible, the local governments where the humanitarian action is taking place, ensuring the operative and political independence of the humanitarian actors. In this regard, directive 5 states that both partners should aim at building local capacity, or at least not undermining the existing ones when you cannot impulse their development through the humanitarian programme.

Directive 6 features the need for the private sector to be aware of the costs they the humanitarian agencies incur when accepting donations in-kind. Partners of a PPPH must ensure that donations in-kind are aimed at real needs of the population and that they do not compete with the local economy of the affected area. It also states that members must fully cover the costs associated with the distribution of donations in kind when they arise.

Directive 7 emphasizes that there must be a "firewall" or clear distinction, between the commercial activities of the private company and its involvement in humanitarian programmes. It is clear that collaborations in non-profit activities should not be confused as an opportunity for the business partner to gain advantages in the process of public procurement of humanitarian agencies. To facilitate this distinction, the guideline states that there should be different management bodies existing in each of the partners, that on one hand they are in charge of managing the alliance, and on the other, of the commercial and purchasing activities. The participation in a PPPH should not exclude the business partner to participate in the procurement process, but must not give higher positioning in the bidding processes. The advantages for a private company as a result of participating in a PPPH will be manifested as an improvement of corporate reputation and/or the innovation opportunities that may arise through participation in the alliance.

Directives 8 and 9 refer respectively to the communication policies and procedures for reporting, monitoring and evaluation of the alliance. The guidelines recommend joint communication campaigns, previously planned in advance which should reflect the activities performed in an accurately and respectfully manner to the beneficiaries. The same idea applies for those joint activities related to reporting,
monitoring and evaluation. Both partners have to collaborate together in order to report on their joint activity in a transparent, consistent way, using qualitative and quantitative indicators that are analysed systematically. These indicators are intended to improve the effectiveness and efficiency of the alliance, thereby driving continuous improvement policies for it, and not only when there is administrative restructuring required. Continuous improvement by monitoring and evaluating reports should be part of the core of the alliance, from its construction to its operation.

Finally, directive 10 addresses the importance of early identification of risks associated with the alliance, the prerequisites and supports that may be required in the future, to ensure the long term viability of the partnership. The guideline recommends defining all possible requirements that the alliance could have so this allows to implement the collaboration in a more effective way and facilitates the establishment of long-term relationships based on continuous learning thus, improving the impact of collaboration in communities affected by humanitarian crises. Partnerships that endure over time can lead improvement initiatives and learn from past lessons, consequently projecting possible outcomes within their work plans.
3. **STUDY CASES**

3.1 **LOGISTICS SECTOR: TNT & WFP**

**MEMBERS CHARACTERIZATION**

TNT (Thomas Nationwide Transport) is an Australian-born company founded in 1946 and dedicated to transportation and logistics. In 1992 it was acquired by TPG Post, the Dutch private company in charge of the postal service in the Netherlands. In 2006 it was renamed TNT Post, and that same year the company was divided into two business units: Express parcel service and postal service (“About TNT,” n.d.).

The World Food Programme (WFP) is the largest humanitarian agency dedicated to fight against hunger around the globe. WFP provides food assistance to more than 90 million beneficiaries in 73 countries with an average of 3.7 million tons of food delivered annually. It manages a budget of four billion dollars a year-average, has 15,000 employees and 92 offices worldwide. WFP leads the logistics cluster of United Nations (“WFP | United Nations World Food Programme,” n.d.)

**PARTNERSHIP GENESIS / ARTICULATION**

In late 2001, at the behest of Peter Bakker – Chief Executive Officer (CEO) of TNT at that moment, presents a redesign for its strategy on Corporate Social Responsibility (CSR). To date, the company had launched several, disseminated initiatives on its CSR strategies, most of them of small scope, and focused locally on some of the 60 countries in which the firm operated. The centrepiece of the new CSR policy aimed to find a strategic partner that would allow TNT to carry out CSR programmes on a more ambitious agenda and with a comprehensive nature in line with the international scope of the organization’s operations.

The approach of TNT to WFP is the result of a structured process of searching for potential partners in the field of humanitarian aid done by the company, this process...
began in in January 2002 (Samii & Wassenhove, 2004). This research process was
designed in two stages. In the first stage, they employed criteria such as filtering
different humanitarian organizations by reputation and neutrality. TNT wanted to
develop a programme with a humanitarian partner humanitarian comprehensive CSR
department that had good reception in all countries where the company was present.
This excluded the possibility of working with certain humanitarian partners which despite
the importance of their mission, they had an image issue subject to controversy in
certain areas of the world. In the second phase, selected humanitarian organizations
were evaluated according to four criteria designed to measure the organizational fit
between TNT and the potential partner. As a result of this process, there were five
global humanitarian agencies selected, including WFP. TNT initiated contact with each
of them in order to assess their interest in participating in an alliance with them.

For its part, the new executive director of WFP James Morris appointed in early 2002,
had established two initial objectives for his term: to expand the School Feeding
Programme of WFP and enlarge its portfolio increasing the involvement of donors from
the private sector. Morris had proposed that in a 4-5 year horizon, 10% of the resources
of WFP should come from the private sector. When in April 2002 TNT contacted WFP to
assess their interest in participating in an alliance with them, the new CEO quickly
identified the potential of this initiative and organized a meeting which took place in
Rome with Bakker and Morris present. Following this meeting, in which both
organizations found a shared interest to establish a partnership, a process to identify
joint initiatives to establish the common interests and give substance to the alliance was
started, a process that ended seven months later with the signing of a MoU. At the
request of TNT, one of the key elements of this process was when identifying
opportunities in a joint collaboration organized by WFP and TNT that lasted four days in
late June 2002 in Tanzania. This mission gave TNT managers a better understanding of
humanitarian partner activities in the field, and finally convinced the still reluctant
members of the steering committee of the value that could result from the partnership to
the communities that benefited from the activities of WFP. During these four days, TNT
and WFP pre-identified five areas of potential cooperation: (1) the programme to
support school feeding, (2) raising funds from the private sector, (3) emergency
response, (4) joint logistics supply chain (JLSC) and (5) transparency and accountability. Once back to their headquarters, the TNT and WFP teams began working on defining the alliance details in terms of budget, planning objectives and activities. In September 2002, during the Johannesburg summit on sustainable development, and Bakker Morris signed a letter of intent in the presence of the UN Secretary General Kofi Annan, which established the high-level objectives of the alliance in five years. In December 2002, the WFP-TNT partnership "Moving the World" was officially launched with the signing of a memorandum of understanding that commits TNT to a contribution of 5 million per year in financial donations and services.

In terms of time [Figure 2], we conclude that the gestation of the alliance took place approximately one year after TNT began its structured process of searching for strategic partners in the humanitarian sector until it officially launched the WFP-TNT partnership "Moving the World" and the signing of the memorandum of understanding.

**KEY PROJECTS**

**ATTRACTING PRIVATE SECTOR FUNDS**

“When TPG approached WFP, its private sector fundraising department was yet to be established. Contact was first made in January 2002 and after some initial meetings WFP was asked to prepare a business case to convince TPG that it would be their best partner. “When TPG approached us we had no clear vision or strategy for our corporate fundraising activities but we were ‘hungry’ for private sector funding,” recounted Vaupel. “Moreover, we were not sure how to position ourselves with regards to potential private sector donors. Although WFP is the biggest humanitarian organization, it is also amongst the least known within the private sector. We thought our low brand awareness was a real negative, and that TPG might find us less appealing as a corporate partner.” (Samii & Wassenhove, 2004)

In 2002, when TNT started its contacts with the WFP, 90% of the agency’s funds came from governmental agency donations from 10 countries, of which 50% came from
the U.S. government. The donations from the private sector were marginal and typically came in form of in-kind donations that were done in response to specific humanitarian emergencies. The strategic goal set by Morris was to increase the percentage of private sector donations but the agency still did not know at that time how to approach this goal. The collaboration of TNT and WFP served as the basis for setting a new private-sector fundraising office within the humanitarian agency.

The project begins with a study coordinated by the Boston Consulting Group (BCG) and the personnel involved TNT and WFP, in order to determine the agency’s strategy to attract private sector funds. Survey results indicated the growing interest of corporations to collaborate with humanitarian agencies by providing services and assets instead of the traditional model of financial donations. Moreover, the study also identified the need for the agency to conduct a preliminary study of their needs, with the goal of determining which companies could better help the WFP to meet its objectives and mandate. The internal needs of WFP were determined through questionnaires in the agency’s offices (both central and in the field), resulting in seven potential areas where it was felt that there was room for improvement through collaboration with the private sector. Having identified the needs of the agency, the industrial sectors that could provide support in these areas were listed and from there, a list of potential companies that could become strategic partners of WFP. This approach would also allow WFP to take the lead in establishing alliances with business partners.

**Transparency and Accountability**

Given the needs that WFP had at the time, the first actions were aimed at improving the transparency and accountability of the agency. Under this premise, the staff from TNT actively collaborated with the staff of the Fundraising Office of the WFP by training and providing support in the financial area. In late 2003, the first results were presented. Consisting of a new model of budget showcase oriented to results, and new techniques for project-wrapping, allowing an accounting wrap-up in a much faster way and where unexecuted budget could be used for alternative activities. This first initiative, apparently away from the specific capabilities that TNT could contribute to WFP in
terms of logistics, was nonetheless a way of making rapid and tangible results in the context of collaboration and served as the catalyst needed to mobilize change within the humanitarian organization (quick wins).

**SUPPORT SCHOOL FEEDING PROGRAMME**

Some other initial actions focused on the food support programme to schools, where advertising campaigns for donation among the employees of TNT was aimed to raise 500,000€, to which another quantity of the same amount would be donated by the company. With these funds, TNT with its 161,000 employees worldwide, intended to provide access to food for a year to an equal number of children (Samii & Wassenhove, 2004).

Later, once confidence was entrenched, especially by WFP and its employees who initially considered the participation of the private enterprise distanced from their humanitarian interests, started a volunteer programme among the employees of TNT in order to stay in developing country in a relatively safe situation. From employees’ point of view, the programme was a success, motivational for both partners, especially for the employees of TNT who strengthened their loyalty to the company and felt committed to the cause.

**JOINT LOGISTICS SUPPLY CHAIN (JLSC)**

The possibility of incorporating the knowledge provided by TNT and their capabilities in logistics to the distribution channels of the WFP, at first seemed to show a high potential. However, the joint development of logistics had a slow initial take-off. While WFP operates a perishable food distribution in a large scheme, the core business of TNT focuses on the relatively small parcel delivery. This difference in the type of activities seemed to prove difficult in the logistics collaboration in the beginning. Added to these difficulties, the cultural differences between the two organizations was a barrier to overcome in the first interactions. The process of decision making in humanitarian agencies is slower than in the private sector, and this is subject to political dimensions
that are not considered in the company. Also, the language and jargon used in each of the two sectors (business terms in the case of TNT, acronyms of the humanitarian aid context in the case of WFP) also acted as an added difficulty. On the other hand, there was some internal resistance at WFP regarding a very close collaboration with TNT in logistics; this was the fear that the business partner could "cannibalize" the logistical operations of the agency.

Early interventions where TNT delved into the logistics apparatus of WFP and decided to focus on projects related to vehicle fleet management in the field of humanitarian aid. The scope of this project was aimed to be inter-agency, as the WFP played in this initiative the role of leader in the UN logistics cluster. In this project called Fleet Forum, besides WFP involvement, other humanitarian organizations such as IFRC and World Vision participated. As part of this project, a cost-benefit analysis was conducted in regards of considering different alternatives such as subcontracting vehicle repair to third parties or performing these maintenance activities within the organization. Using the knowledge from TNT regarding the management of tires, spare parts and other materials in different countries, the study focused on determining the most appropriate option depending on the options available in each country. Also, TNT made an adaptation and simplification of its fleet management software to make it available to humanitarian agencies in the operations in developing countries.

Subsequently, a series of projects were launched and some of them are listed below:

- **Redesign of the logistics centre in Brindisi, Italy.** One of the interventions with the greatest impact and success was held in the WFP logistics centre in Brindisi. The redesign of the physical layout of the warehouse was done with the technical consulting expert team of the Italian unit of TNT, which gave support to WFP by both, reengineering and implementing the changes proposed. The project had a clear impact on the operational efficiency of WFP. After the reengineering took place in the logistics centre, storage space increased by 42%, saving WFP 144,000€ over four years. If these initiatives were extended to other WFP
facilities, cost reductions could have the potential to achieve 29€ million in savings (Gatignon & Wassenhove, 2009).

- **TNT in collaboration with the United Nations Joint Logistics Centre (UNJLC),** conducted incursions in streamlining the support in customs processes. WFP acted as liaison between TNT and UNJLC.

- As a result of its partnership with TNT, WFP began to **exercise accountability** for each of the initiatives taking into account variables such as man-hours / associated cost with employees at field and staff levels in offices at headquarters. These exercises were an accounting practice where WFP did not incur before, creating a cultural impact in an organization where you never had to report the use of time, increasing the efficiency in their accounting processes and in a better management of their finances.

In the words of Pierre Carrasse, Chief Logistics Officer of WFP, it seemed that, if managed with tact, an external force such as TNT could help shaking up the organization and preparing it for more focusing on more extensive and sensitive issues:

> "Given the slow pace of change in a large complex organization like WFP, a long-term partnership is more effective than a consultant to bring about change as, apart from providing an objective diagnostic, a partner is usually there to help you implement the solution." (Samii & Wassenhove, 2004)

**EMERGENCY RESPONSE**

One of the main operational challenges WFP encounters, and that consumes a significant amount of the agency’s resources is the **express** distribution of food and non-food items (NFI) during humanitarian emergencies. These operations are coordinated by agency’s unit ALITE (Augmented Logistics Intervention Team for Emergencies). This unit, in collaboration with TNT carried out various projects.

A first initiative was launched in the year 2003. TNT offered to train and certify the air transport staff and air controllers of WFP, professionalizing their service. This is an expensive training, which was outside the scope of the agency’s economic possibilities, and that TNT performed within the framework of the alliance.
The following projects were focused on the supply chain processes of WFP that were not related with food distribution;

First, an agreement was reached to establish under TNT Express division, a courier parcel service oriented to transport IT equipment in order to re-establish emergency communications from the central unit managed by WFP Dubai (FITTEST, Fast IT and Telecommunications Emergency Support Team). In 2003, this service was used a monthly average of 10 times.

Second, it established an emergency response fund, which had in 2003 a budget for half a million dollars that would allow the agency to use the express parcel services of TNT to send NFIs in case of humanitarian crisis. In normal conditions, the WFP would have resorted to the procurement of courier services for these operations. The availability of an open "account" with TNT allowed the agency to act in a much more agile in such emergency situations and be able to deploy on the ground the items required to proceed with their logistics operations, items such as tires for forklifts or fuel drums.

Third, TNT made a list of assets and logistical capabilities that could make available to the agency in case of humanitarian emergencies and their delegations throughout the world. Finally, they established a project to redesign WFP logistics processes in the supply chain of those articles that were not food-related. After a joint-operation performed by the local office of TNT with the WFP in a specific project in Zimbabwe and South Africa, the agency’s staff on the ground saw the potential of knowledge transfer from the company. In the words of Peter Scott-Bowden, director of ALITE: "Our office in Johannesburg was satisfyingly surprised by the way that TNT had managed the non-food supply chain in Zimbabwe. Because our regional office interest in getting a similar level of operational efficiency, we saw the learning opportunity offered by an alliance with TNT: we were able to see first-hand, how a multinational logistics company such as TNT manages its core business."

Following of this interest, TNT collaborated with the Johannesburg regional office of WFP on a redesign of its logistics operations, addressing issues such as
organizational structure, operational processes and support in IT information systems. This redesign exercise was replicated later in other regional offices of WFP.
Figure 2. WFP/TNT Partnership Timeframe

- **2001-2002**
  - Preliminary Contacts
  - Consolidation of the alliance

- **2003-2004**
  - Projects and Programmes in the partnership

- **2005-2007**
  - TNT collaborates along WFP on humanitarian operations in Pakistan after the earthquake that hit the South East Asia region.
  - TNT offers a training course to certify WFP’s air operators and transport controllers.
  - TNT collaborates with humanitarian delivery assistance in the south of Africa, Iraq and Liberia.
  - TNT helps in the organization of the ‘Fleet Forum’ held by WFP.
  - TNT proposes a catalogue showing the internal assets available and logistics capabilities that they could provide for humanitarian assistance.

- **2008-2009**
  - MoU renewal extending the PPPH for 5 more years.
  - WFP/TNT send 35M tons of food to Myanmar (Burma).
  - TNT/WFP create ‘Project Fleet Safety Toolkit’ providing logistics training for staff deployed on the ground.

- **2011-2013**
  - TNT splits into 2 divisions: Express courier (TNT Express) & traditional mail (PostNL). Marie-Christine Lombard becomes the new CEO.
  - WFP CEO meets with Sr. Ben Knapen, minister of European Affairs and International Cooperation and all WFP’s private partners in the Netherlands, including TNT and PostNL.

- **2012**
  - Ertharin Cousin becomes the new WFP CEO.

- **2013**
  - Workshops organized by INSEAD in Roma. TNT/WFP present their conclusions on the partnership after 10 years of collaboration. Structure analysis and future collaborations.
GOVERNANCE MECHANISMS. ORGANIZATIONAL STRUCTURES
AND INDICATORS

The partnership was structured around the five working areas or "pillars. Each of these areas had a person in charge from both organizations TNT and WFP respectively, each in charge of conducting the joint leadership of that area. When launching the partnership, the area managers jointly defined a set of indicators that would allow tracking the progress and the results obtained of each project.

Each project launched within the framework of the alliance is assigned an initial budget which is then monitored rigorously. This allows to directly identifying financial and in-kind resources committed to the project by each of the partners. For TNT, this accounting system is simpler, as human resources dedicated to the project, while working on it, devote to the activity the 100% of their time. Determining the indirect costs is more complicated for the WFP because only one person is completely dedicated full time to the partnership management, while other WFP staff involved in dealing with the partnership, do it on a partial-time basis.

On the other hand, those responsible for each of the areas are also responsible to evaluate the benefits of the collaboration in each of their projects, using appropriate indicators that are according to nature of the activity and the objectives of the project.

ASSESSMENT. GOOD PRACTISES AND LESSONS LEARNED

It is estimated that during the period from 2003 to 2006, TNT contributed with 30€ million to the "Moving the world" alliance, with about 6.6€ million dedicated for human resources expenditure. Meanwhile, the WFP invested 7€ million (Gatignon & Wassenhove, 2009).

After five years of the partnership, it became a necessity for the partners to focus on certain projects due to the fact that after that period, the large number of projects and
collaborations had multiplied so much that made it difficult to clearly visualize everything that was taking place as a result of the partnership. Also, the evaluation performed after five years revealed that the organizational structure of the project on five areas could be redesigned.

From the lessons learned of this evaluation exercise that is worth noting, is that which results from the comparison of humanitarian aid received in Indonesia as a result of the tsunami in 2004 and the assistance provided to Mozambique as a consequence of floods the country suffered in 2007. Since TNT had experience in Indonesia, knowing the terrain, having language capabilities and technical resources to support the alliance, the aid given to each victim had an average cost 8€ per person, while in Mozambique, a country that had no previous TNT presence or infrastructure, the cost of aid provided was 17€ (Gatignon & Wassenhove, 2009). Intervention in Indonesia was rated as a success for the alliance, thus reinforcing the idea that collaboration can be more valuable in operations involving contexts where both partners have previous experience.

The undertaking of any project, building associations or partnerships in this case, always presents challenges to overcome and in the case of the TNT-WFP partnership, it was no exception. This was demonstrated when contrasting the different organizational cultures of the two partners (speed in decision-making, different organization language and technical definitions). Another initial difficulty was the initial scepticism from WFP employees when including TNT as a partner in the operations, TNT being a private company focused to profit, the alliance seemed incompatible from the ideological point of view.

**BENEFITS FOR TNT AND WFP**

However, despite these barriers, the long-term partnership has proven to be a success which is reflected in a substantial improvement on the efficiency and effectiveness of the operations of WFP, and also can be seen in the highly motivated employees of TNT which led to a significant increase in the commitment to shareholders within the Dutch stock exchange listing as well as much better consumer perceptions about the brand.
and social compromise ("WFP | Logistics," n.d.). Furthermore, other "less traditional" benefits that derived of the collaboration between TNT and WFP, aimed to reach new customers or increasing the loyalty of the existing ones, this by improving customer perception regarding the technical and logistical capacity of TNT (i.e. if they were capable of delivering flawlessly in complex contexts, such as a humanitarian catastrophe, they will be much more able to do it in normal situations). This collaboration was also important in attracting young talents to the company;

For the agency, through an alliance with TNT, WFP developed new fundraising capabilities with potential partners belonging to the private sector. In the words of some employees of WFP, the collaboration with TNT had been a huge leap over the ability of the agency to establish knowledge transfer with the private sector. To some extent, this pioneering partnership also helped the agency to set its own standards of positive relationships with the private sector. From this first alliance with TNT, WFP has established strategic alliances with ten other corporate partners in order to alleviate hunger in the world.

**Conclusions**

The TNT-WFP partnership is one of the most representative of the possibilities offered by PPPH. It is also a seminal case in this area, which has allowed WFP to define their strategy for collaboration with private sector partners and refine governance arrangements of these collaborations through good practices and lessons learned from this experience.

*Good practices identified:*

- Leadership and vision from the senior management. High level of commitment to the project.
- Establish written agreements (letter of intent, memorandum of understanding).
- Organizational structure established jointly staffed by both partners, with monitoring and evaluation indicators established from the beginning.
Lessons learned:

- If the private company dedicates more internal resources than the humanitarian agency to the alliance, there is a risk of creating expectations for the business partner staff to which humanitarian agency may not be able to respond due to lack of capacity.

- If there is a connection between the two partners and the partnership proves to be successful, there is some risk of scattering efforts on multiple projects. This highlights the necessity of conducting a periodic assessment of the alliance (in the case of TNT-WFP, at the end of each five-year renewal of the commitment between the partners) thus the possibility to redirect the strategy, evaluating the projects and initiatives that have been most successful and concentrating on those that provide the greatest value for the alliance.

- On the other hand, it is necessary to establish governance structures of the alliance at the operational levels. This is an unresolved issue that is still a challenge to overcome in order to achieve more efficient collaborations between the humanitarian sector and the private sector.
Emergency.lu is a public-private partnership that emerges during the first months of 2010 in response to a specific need in the humanitarian field. In the immediate hours following a large-scale natural disaster it is common for telecommunications systems to be interrupted by local infrastructure failures: fixed and mobile phones stop working, there is no internet connection, etc. As a result, coordination of humanitarian aid in these conditions becomes really difficult and one of the main objectives of the teams that are deployed in the early hours after the catastrophe is to restore communications. Still, the technical solutions available to date were not entirely satisfactory.

In view of this necessity, the Luxembourg Government, through its Department of Development Cooperation under the Ministry of Foreign Affairs, decided to provide a fund-seed with an initiative to design and develop an innovative product that would answer this specific need of the humanitarian aid sector, which would involve some of the country’s business sector. The three companies that were initially participating in this alliance were: HITEC Luxembourg, SES Techcom and Luxemburg Air Ambulance (LAA). The first two telecommunications companies, with extensive experience in the field of satellite communications (SES Techcom is a subsidiary of SES, globally operating a network of 50 satellites on orbit), while LAA is a company specializing in air rescue operations.

The result of this initiative was the creation of emergency.lu, a telecommunications platform capable of providing high speed internet with the capacity of transmitting voice, data and images from the first hours after a humanitarian disaster has occurred. Emergency.lu includes both, technical infrastructure capable of providing these services (satellites, antennas and terminals needed in the field, software for information management) as well as the transport of the equipment to the affected area.

Emergency.lu offers two types of products or "kits": Rapid Deployment Kit and Normal Deployment Kit (Figure 3).
The Rapid Deployment Kit consists of a satellite dish and an inflatable, compact terminal for internet access and voice communication services, capable of providing a local area network. It is designed to be transported as simple as possible (can be flown by conventional flights as the complete kit consists of 8 boxes weighing less than 32 kg each\(^8\)). Its purpose is to provide access to telecommunications in the early stages of a humanitarian emergency operation in the fastest way.

The Normal Deployment Kit features a more conventional rigid satellite designed specifically for humanitarian emergency operations. By its own nature, it is a bulkier product, but also more robust and capable of providing services to a larger number of users. The design of the antenna is aimed at quick and easy installation, avoiding loose parts that could get lost in transit. At the moment there are 17 kits pre-positioned globally by emergency.lu (including locations such as Luxembourg and Dubai) to be deployed in case of natural disaster (Donven & Hall, 2012).

Within the alliance emergency.lu there is pre-assigned capacity of the satellite network with global coverage dedicated to this initiative, which if necessary, can be extended in a few hours (Emergency Luxemburg, n.d.). With public funding from the Government of Luxembourg to this initiative, a global public benefit has been developed in the field of humanitarian aid, and these services have been made available to the international community at no extra cost (costs that are subsidized by the Luxembourg state). On the other hand, technological innovations created as a result of this project have resulted in the opening of new commercial lines in some of the participating

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9 [http://www.hitec.lu](http://www.hitec.lu)
companies. These in turn, have started to offer similar products of those developed in the framework of this alliance to sectors outside the humanitarian aid context but with similar communication needs: fishing companies, private security companies, defence (“HiTech Luxemburg,” n.d.).

In a second stage of the project, and in order to make the product developed by emergency.lu available to the international community, the alliance incorporated more actors which included the WFP, which in turn is the leader of the Information Technology and Communications (ICT) cluster in the UN Emergency and Response, as well as companies such as Ericsson and Skype, which had already been working for some time in the ICT. Following this expansion of the alliance, the project EPIC (Emergency Preparedness Integration Centre\textsuperscript{10}) was created, from which the solutions provided by emergency.lu are a keystone.

In this second stage, emergency.lu, WFP and Ericsson Response are working together to develop a single platform communication and coordination in the field of humanitarian emergency response (ETC response solution). Early ETC interventions have been tested in South Sudan from September 2011. The work in South Sudan has impressive challenging situations. It is a country with more than a century civil war with virtually no infrastructure; making humanitarian assistance very difficult to perform.

Through these activities, more than 50 NGOs are now communicated in the field. These initiatives have supported not only the logistics operations of the various programmes, but they have also provided security tools for the actors in the field.

\textsuperscript{10} \url{www.globalepic.lu/} and \url{http://ictemergency.wfp.org/web/ictepr/epic}
3.3 FOOD SECTOR: ROYAL DSM & WFP

MEMBERS CHARACTERIZATION

DSM (Dutch State Mines) is a Dutch biotechnological company dedicated to life sciences and materials. Originally founded in 1902 as a coal mining company, over the years it has evolved into different businesses, it has diversified and adapted to the different contextual times. Currently, the company is active in three business clusters: health (pharmaceutical), nutrition and materials (Henderson, Fisher, & Shelman, 2013), has about 23,000 employees on five continents and generated revenues of around €9 billion annually.

The health cluster mainly produces intermediates for the pharmaceutical industry, as *sinochem* (a compound used for the production of penicillin). On the other hand, the nutrition cluster produces ingredients for human and animal nutrition, which are then used in various industries such as food and beverages and food supplements. DSM is a business to business (B2B) company, so most of their products and brands are unknown to the general public, but among its major clients include brands such as Nestle, Coca-Cola, Kraft, Unilever, Danone, Pfizer and Bayer, the DSM provides ingredients such as vitamins, enzymes, Omega-3 fat acids, carotenoids, etc. Moreover, the cluster produced plastics materials, resins and high strength fibres with applications in the automotive, marine, electronic and alternative energy. In 2012, 53% of the company's revenue came from the division of materials, while the remaining 47% came from health divisions (8 %) and nutrition (39 %). However, in terms of gross profit, the nutrition division represents 51% of the company's 2012 earnings before interest, taxes, depreciation and amortization (EBIDTA).

The DSM Nutrition cluster is organized around four business divisions: nutrition and animal health, human nutrition and health, personal care and specialty foods. The most powerful division between these four that captures great part of the R&D+i of the company, is the division of nutrition and human health.
Within the former, the company has two panels: on one hand "Sight and Life", a non-profit think-tank created in 1986 to address deficiencies in vitamin A detected in Ethiopia, which later grew to become an NGO dedicated to promoting scientific research on micronutrients and promote better nutrition in collaboration with academic partners, other NGOs and UN agencies such as UNICEF and the WFP. On the other hand, a non-profit initiative, Nutrition Improvement Programme (NIP) created in 2005 by reaching agreements with different governments, organizations like UNICEF, WFP and food businesses. This initiative is developing products specifically formulated to provide rich better nutrition for populations in the economic 'bottom of the pyramid'.

WFP as previously characterized is the largest humanitarian agency dedicated to fight against hunger around the globe. While WFP is dedicated to the relief of populations affected by hunger, UNICEF is the branch of United Nations dedicated to provide assistance to children in developing countries.

In the beginning, WFP was seen as an organization only dedicated to food distribution by the traditional supply channels on the humanitarian aid contexts; however, they sought the opportunity to add value to their activities by becoming a food procurer with the opportunity of adding nutritional value to the products they were providing to the affected populations. By joining in an alliance with DSM they saw the opportunity to provide such service and to strength their image in nutrition forums.

**Partnership Genesis / Articulation**

The partnership with WFP starts from 2007, and started from the food division where DSM is a global leader in the production of vitamins, market in which the company incorporates after the acquisition of the division of Roche dedicated to the production of vitamins and fine Chemicals in 2003.

The collaboration with WFP has had as main purpose the provision of those micronutrients that are not found naturally in certain foods, specifically those who are part of the staple diet of the most vulnerable populations in developing countries. This
fortified food is provided to the needed populations in forms of for example rice, in countries that include Nepal, Kenya, Bangladesh and Afghanistan.

The initial approach came from DSM. CEO Feike Sijbesma of DSM through the NIP and its director Rick Greubel, decided they could work by "helping the world while at the same time having a good study business case" (Henderson et al., 2013). The first approaches began between Klaus Kraemer director of "Sight and Life" by DSM and Martin Bloem, Chief of Nutrition and Science by the WFP. It was then decided to strengthen the micronutrient mix of corn and soybeans that WFP distributed with the aid of DSM.

Through experience and scientific resources that a company such as one of the size of DSM could provide, WFP receives the support for the enrichment of the food they distributed with essential vitamins, minerals and other micronutrients, which are then distributed to needed populations. About 80% of the food that WFP distributes contains supplements like vitamins provided by DSM.

Because of the previous experience that WFP had with TNT, the possibility of collaborating with a private company like DSM came with a certain ease after the success of previous PPPHs. Key figures in the construction of the alliance, such as Martin Bloem, changed their perspective in relation to work with private companies and even to the point of promoting them and support them. However, WFP worked with many products purchased with ingredients that DSM could produce, but there was some concern about an alleged conflict of interests, so that employees of each organization were initially reluctant to working in a formal partnership.

“Not everyone in WFP thought that partnerships were a good idea. Others were also suspicious that corporations would enter into a partnership with WFP only to get business out of it,” commented Selva, WFP director of partnerships in Europe, and Bloem (Henderson et al., 2013). Similarly, some departments in DSM such as ‘packaging’, had the perception that they were not taken into account in the dialogue, thus ignoring some of the possible skills that DSM could bring to the partnership, however, over time such views were reassessed and included in the dialogue.
The first Memorandum of Understanding (MoU) was signed in 2007 originally intended for three years. In it, DSM is committed to increase the micronutrient base of the WFP basket in order to succeed in fortifying the food delivered to 80% of the beneficiaries of the programmes of WFP. Also, DSM would provide technical expertise, products in kind and cash micronutrients to support the initial association.

Along the collaboration, different areas of opportunity emerged that eventually were improved with the participation of both partners, DSM and the WFP. For example, in a refugee camp in Kenya, the MixMe™ mixture to fortify food was only available in a sachet presentation and the instructions for use were not clear on the packaging. These factors made the local population reluctant to use the product at first. Yet education and information campaigns achieved to inform the public of the benefits of this supplement.

As with previous experiences with WFP, the alliance with DSM took time to take shape. WFP states that during the first signing of the MoU they ran out of budget as it reached its maximum spending before they finished the first three years of collaboration.

The second MoU was signed in 2010 in order to continue the pilot projects and to establish the first steps to scale the programme. In this MoU established a direct communication channel between the WFP nutritional experts and professionals in DSM, aiming to promote the exchange of expertise from both sides.

**Mechanism of Governance, Organizational Structure and Indicators**

Both organizations created a steering committee to manage the alliance so there was an administrative committee which was responsible for handling matters at a more operational level. This committee met every six weeks to address more immediate issues. Again, one aspect to note is the use of different languages; one belonging to the private company, the other is used by the humanitarian agency.
There are two ways in which the partners identified that this collaborative alliance created value:

- Enhancement of the nutritional food value. DSM delivers value in generating food supplements by technology and packaging.
- Involvement of DSM employees. Over 50 countries, DSM employees volunteer to collaborate by spend their time and knowledge creating an environment of commitment, as well as organizing fundraising activities.

Through WFP and their distribution of single-dose sachets of vitamins and minerals that can be added to food (MixMe™), as well as fortified rice (NutriRice™), enriched soybeans. Furthermore, new ways of complete meals mixed have been tried. DSM and its base of scientific and technical staff now provide adequate food supply knowledge to the needs of the most vulnerable populations.

As a result of this collaboration, the following achievements in terms of innovation have been reached:

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<th>Table 4. Products that resulted from the alliance DSM/WFP</th>
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<tr>
<td><strong>Innovation Products</strong></td>
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<tr>
<td>- Micronutrient Powder</td>
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<tr>
<td>- Fortified Rice</td>
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<tr>
<td>- Inputs for the basis of lipid-based nutritional supplement in chickpea (LNS) in Pakistan</td>
</tr>
<tr>
<td>- Input for rice and chickpea base LNS in Bangladesh</td>
</tr>
<tr>
<td><strong>Reinforced Products</strong></td>
</tr>
<tr>
<td>- Super cereal (+CSB Grain Corn Cereal Corn and Soybean)</td>
</tr>
<tr>
<td>- Super cereal plus (++CSB)</td>
</tr>
<tr>
<td>- Date bars</td>
</tr>
<tr>
<td>- Input for high performance cookies</td>
</tr>
</tbody>
</table>

Source: (DSM, 2012)
### Key-Performance Indicators

**Table 5. Key-Performance Indicators DSM/WFP Partnership**

<table>
<thead>
<tr>
<th>Affected Populations</th>
<th></th>
</tr>
</thead>
</table>
| Direct               | - Increase of the number of tons of fortified food distributed.  
- Increased distribution of food supplements to children under 2 years, from hundreds of tons [2008] to thousands of tons [2012].  
- Thousands of full meals distributed through the funding of DSM employees.  
- Increased distribution of food supplements to children under 5 years from hundreds of tons [2008] to thousands [2012].  |
| Indirect             | - Innovation in 9 reformulated products.  
- Two new distribution methods implemented.  |
| Improving nutrition products |  |
| Direct               | - Strategic support to 6 specific countries.  
- Change WFP nutrition policy in 2012.  
- Support 4-5 FTEs annually.  
- Nutrition Modules available to over 12,000 people. Website designed to spread knowledge about nutrition.  
- 48 volunteers by DSM and 4 full-time employees dedicated for the alliance.  |
| Indirect             | - 36 academic articles published for public dissemination.  
- 22 Support Events:  
  - Global (6)  
  - With local governments (8)  
  - Academic (8)  
  - 4 More Announcements about nutrition.  |

Source: (DSM, 2012)

### Assessment. Good Practices and Lessons Learned

The combination of efforts between in this partnership led WFP to go from being merely a food distributor to a key element in generating food with full nutritional value, playing an even more significant role it in the fight against hunger.
As a result of collaborations such as the one WFP has with TNT and more recently with DSM, new alliances have emerged, of which we can highlight one of their most recent collaborations with MasterCard. This alliance holds on those resources previously used, tested and considered appropriate in the development of PPPH by the WFP, which has taken many of the elements forming the alliance with DSM in terms of policies and development of MoU.

By working with a non-profit organization such as WFP, DSM took a different approach to its internal policy with regard the role shareholders were playing. Working with organizations dedicated to social development helped DSM to define the direction in which the market is being directed and promoted it to stop being a reactive company, thereby gaining a competitive advantage.

Similarly, DSM refocused its business vision targeting more on consumers at the base of the pyramid, thereby developing new solutions and gaining a more holistic view of the role of nutrition in the eradication of poverty.

One of the main impacts on DSM corporate culture was reflected in their employees, who by far, argued that the largest benefit the company has received has been the commitment employees have acquired towards a good cause.

**TRANSCENDENT IMPACTS**

On behalf of DSM, the sustainability index it has reached has been the highest in recent years and has improved ever since its participation in the alliance.

The employees' commitment with the company has been significantly increased. Dozens of volunteers have enlisted to participate in programmes of long-term stay in countries affected by hunger; these employees when returning to their countries have communicated the experiences with the rest of the company, thus having a significant impact on the corporation’s perception of hunger.

The transition from DSM to move from a chemical company to a company dedicated to science has been facilitated by the involvement with WFP. DSM believes that its
alliance with WFP must also be a key element in its CSR policies, and it is an important opportunity to increase business value with a large potential.

**Looking to the future**

The third MoU was signed in late 2012 and establishes the continuation of the programme for three years more, starting in January 2013.

Thanks to the success of PPPHs, it has been made clear the need to strengthen and promote this type of programmes. To be able to contemplate any extension of such partnerships is necessary to take into account the funding requirements, as well as time and knowledge of experts in the field.
3.4 Logistics Sector: DHL & OCHA

Deutsche Post DHL is the world’s largest logistics and postal company in the world. This German company with its headquartered in Bonn is listed in the DAX stock market index and is made up of two main pillars: Deutsche Post, which provides postal services in Germany, and DHL, whose vision is to be the logistics company for the world. DHL encompasses three divisions: DHL Express, DHL Global Forwarding / Freight and DHL Supply Chain. The Express division is specialized in international courier and parcel shipments. The Global Forwarding/Freight division handles freight transportation by air, road, rail and sea. The Supply Chain division is a third-party logistics provider (3PL) providing warehousing and tailor-made supply chain solutions to their customers. Deutsche Post DHL is truly a global company, with presence in over 220 countries and territories across the globe and counts on more than 285,000 employees worldwide in DHL divisions\textsuperscript{11} and a total of about 475,000 employees in the whole Deutsche Post DHL Group\textsuperscript{12}.

The origins of the Deutsche Post DHL group are rooted, on the one hand, in the Deutsche Bundespost, the federal German government postal service that started a privatization process in 1990\textsuperscript{13}. On the other hand, DHL was a courier North-American company founded in California in 1969. Deutsche Post began the purchase of shares of DHL in 1998. By the end of 2002, DHL is acquired completely by Deutsche Post and integrated in the Deutsche Post DHL Group.

The United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA) is one of the agencies of the United Nations system. OCHA is responsible for bringing together humanitarian actors to ensure a coherent response to humanitarian emergencies caused by both, natural or man–made disasters.

\textsuperscript{11} http://www.dhl.com/en/about_us/company_portrait.html
\textsuperscript{12} http://www.dpdhl.com/en/about_us/at_a_glance.html
\textsuperscript{13} http://www.dpdhl.com/en/about_us/at_a_glance/publications/_jcr_content/mainpar/downloadlist/downloadlistpar/downloadlistitem_5.download.html
As a part of their Corporate Social Responsibility programme, DHL partners with OCHA since 2005 under the umbrella of their GoHelp initiative for delivering their support in disaster management. The other two main focus areas of DHL under the “Living Responsibility” programme (DHL CSR) have to do with environmental protection (GoGreen) and education (GoTeach) initiatives.\(^{14}\)

**DISASTER RESPONSE TEAMS (DRT)**

In December 2003, a 6.6 Richter scale earthquake struck the region of Bam in the southeast of Iran causing great devastation and a death toll of 26,000 people. Around 85% of the buildings in the city of Bam and its surroundings were destroyed, leaving 75,000 people with no shelter for the upcoming winter months. But when the international emergency response was activated, the flow of relief goods to the disaster area caused major strains in a very basic airport infrastructure. The lack of material handling equipment and expertise in the Bam airport resulted in relief goods being piled up in the taxiways and on the tarmac. After three days, for security reasons, the airport operations had to be disrupted, resulting in the shutdown of the airport for any further flights and stopping the flow of relief supplies.

The DHL personnel in Iran volunteering in this operation noticed that the expertise of a company like DHL in the express logistics industry could be of critical value for airport logistics coordination in a disaster environment. This is how the DHL Disaster Response Teams (DRT) was created. The objective of DRT is to provide professional logistics support and consultancy for aircraft coordination, warehouse management, and receipt & dispatch processes at the airports serving a disaster-affected area, and by working in collaboration with the national governments, prevent airport bottlenecks and ensure a speedy, efficient humanitarian supply chain.

After this initial experience of disaster relief in the 2003 Bam earthquake and a further experience in the 2004 South Asia tsunami, a long-term partnership is officially formalized in 2005 between OCHA and DHL for setting up the Disaster Response Teams. The teams are made up of about 300 specially trained DHL volunteers that are strategically located in Singapore, Panama and Dubai (DRT Asia-pacific, DRT Americas and DRT Middle East). The DRT units can deploy as needed within 72 hours after the disaster strikes and support and coordinate the processes of palletizing, counting, inventorying and putting away relief goods in the disaster area airports, recruiting additional local DHL personnel if needed.

By 2010, DRTs had offered their support and expertise at disaster-site airports. The partnership with UNOCHA has been extended until 2013.

**Speedballs**

Speedballs represent an example of how cross-sector partnerships can deliver innovation for tackling challenges that remained previously unsolved. During the relief aid distribution operations in the aftermath of the 2005 earthquake in Kashmir (Pakistan), DHL volunteers participating in the operation were confronted to the difficulty of delivering humanitarian aid in remote inaccessible areas. Due to the complex orography of the Kashmir region, last mile relief aid distribution had to be carried out with helicopters dropping the relief items. Cardboard boxes were not robust enough packaging and often the goods were damaged when they reached the beneficiaries.

DHL volunteers participating in the operation proposed to use the bags used at DHL for courier handling instead of cardboard boxes and this is how the “speedballs” concept was developed. Speedballs are waterproof propylene shipping bags that can resist airdrops from 35 meters and stay afloat longer than other containers. Their characteristic red colour make them easy to identify by beneficiaries (Deutsche Post, 2011) and they can hold up to 30 kg.
Speedballs are also used for handling in-kind (and often unsolicited) donations. DRT sort at the airport the relief goods and prepare “survival packages” containing a set of relief goods (non-food items such as mattress, cooking tools, etc. and also food items when required) designed to support one family (7 people) for one week. They can be dropped from helicopters or loaded in trucks to be handed directly to the beneficiaries.

Speedballs have been tried and tested in numerous relief efforts, such as the March 2010 Chile earthquake, the June 2010 flooding after a tropical storm in Guatemala or the August 2010 Pakistan flash floods. In Pakistan alone, more than 2,500 DHL Speedballs were packed and prepared for delivery to the flood-affected areas. The filled bags were then loaded onto helicopters of the Pakistan Air Force, US Air Force, and British Royal Air Force; the bags were flown to victims in remote towns and villages, where they were either dropped or, where landing sites were available, handed over to people on the ground. The DHL Speedball combines handling ease with effectiveness (Cozzolino, 2012).

LogIK

LogIK (Logistics Information about In-kind Relief Aid) is a new on-line database officially launched in July 2013 that enables to track the flows of goods received responding to an emergency appeal. LogIK matches the needs identified in the field and the incoming flow of donations in the pipeline. This reconciliation is important in terms of coordinating the relief response, for supporting decision-making of potential donors on the type of goods most needed and for reporting purposes (show donors that donations have effectively transformed into supplies in the field).

LogIK has been a joint endeavour of UNOCHA and DHL that has been successful in providing initial support and expertise. LogIk is available online at: http://logik.unocha.org/
4. Conclusions and Recommendations

During the first decade of this century there has been a strong tendency to create public-private partnerships in the framework of the international cooperation, both in the field of development cooperation and humanitarian action.

This study has focused on the analysis of extensive literature and several case studies. From this information it can be concluded that PPPH are a tool with the potential to increase the efficiency and effectiveness of operations in humanitarian aid as it allows extending the possible number of potential beneficiaries. It has been detected that they can boost the preparation phases, reconstruction and mitigation.

It has been detected that for the partnership to be sustainable over time, it is necessary for the private companies to operate within the humanitarian principles defined by the agencies and to establish a clear distinction between aid and commercial interests, for aid to remain such.

Through case studies we detected different degrees of maturity in all the analysed alliances.

Some alliances still have a tendency to be marked by a short-term oriented vision and are devoted only to a financial or in-kind donation, but without having the potential of knowledge transfer between the business and humanitarian actor. However, some other alliances have a much higher level of maturity. Alliances such as that of TNT/WFP or DHL/UNOCHA reveal a clear strategic alignment and a shared vision from the partners regarding the capabilities that each can bring the alliance, as well as a transfer of knowledge between them. In terms of return on investment, both companies have improved their position in terms of corporate reputation. Meanwhile, the two humanitarian agencies have improved their internal business processes as a result of their participation in their respective alliances and also enhanced the scope and effectiveness of its aid through the access to logistics infrastructure that was made available by their business partners.
Furthermore, the study has revealed the occurrence of relevant multi-stakeholder partnerships, as is the case emergency.lu. This alliance presents an innovative organizational model. It is part of an initiative by a national cooperation agency in conjunction with private companies in the country, created to meet a real need specific in the humanitarian sector through technological innovation. Once this partnership achieved tangible results, it opened the alliance to other actors in the international humanitarian system to make available to the international community the product developed. In turn, other business stakeholders with a long-term relationship with these UN agencies joined the initiative to refine and provide communication solutions in the humanitarian aid context. The case is an example of the new role that governments can play, enabling new forms of financing for providing global public goods along with the private sector.

Through the case studies analysed, there have been identified several parameters that define a mature model of public-private partnerships in the field of humanitarian aid. These characteristics include:

- Provision to the alliance, not only of financial or in-kind donations, but also human and material resources that can be deployed in the field, know-how and technological innovation capacity.
- Knowledge transfer between partners and improving their internal processes as a result of their participation in the alliance.
- Development of new products and ad-hoc services as a result of the participation of the partners in the alliance.
- Joint analysis of the capabilities of both partners and the capacity of working together to achieve a common goal, in which each partner is responsible for project activities that best align to their specific capabilities.
- The creation of specific divisions, one for business actor and a different one for humanitarian partner. These divisions are those in charge of the management of the alliance. Separation of the partnerships management and the procurement department within the humanitarian partner. Constant dialogue between partners (internal communication strategy) and the allocation of specific resources
dedicated to a better understanding between them and the building of a relationship of mutual trust.

- Constant evaluation of results of the alliance and the incorporation of continuous improvement approaches.
- Development of a joint external communication strategy for both partners of the results obtained on the initiatives developed under the alliance.

<table>
<thead>
<tr>
<th>Table 6. Static characteristics of mature partnerships</th>
</tr>
</thead>
<tbody>
<tr>
<td>MATURITY MODEL</td>
</tr>
<tr>
<td>Philanthropic collaboration</td>
</tr>
<tr>
<td><strong>Level of engagement</strong></td>
</tr>
<tr>
<td><strong>Importance to the mission</strong></td>
</tr>
<tr>
<td><strong>Magnitude of the resources</strong></td>
</tr>
<tr>
<td><strong>Type of resources</strong></td>
</tr>
<tr>
<td><strong>Scope of activities</strong></td>
</tr>
<tr>
<td><strong>Interaction level</strong></td>
</tr>
<tr>
<td><strong>Trust</strong></td>
</tr>
<tr>
<td><strong>Managerial complexity</strong></td>
</tr>
<tr>
<td><strong>Strategic value</strong></td>
</tr>
<tr>
<td><strong>Value creation</strong></td>
</tr>
</tbody>
</table>

**GOOD PRACTICES IN PPPH (FIGURE 4)**

- **Initial Steps**

In the first steps of the PPPH we can denote that it is important to have MoU signed with all the important attributes mentioned before. This attributes as defined along the document include: role definition, the length of the commitment, the resources that each of the members will contribute. It also has to define the leadership roles that the alliance will have. The MoU has to include mechanisms that aim to provide along the whole duration of the partnership the mutual building of trust among the partners; this is a key priority for having a long-standing alliance. Furthermore, achievable goals have to be defined in this MoU; otherwise the evolution of the partnership can tend to lose the aim
originally focused on specific goals and objectives, those which were defined in the beginning of the agreements.

All partnerships within the PPPH must have an innovation approach to the problems that might arise as a result of the joint-collaboration or that are already part of the humanitarian aid projects that they will involve. Innovation has to be one of the main drivers of these kinds of partnerships.

- During the partnership

It is important to mention that one of the main priorities of any PPPH is to have in their internal systems governance bodies which are in turn management entities in charge of taking the decisions and consulting over the other partner about those aspects relevant to their cooperation and joint projects. These bodies can be steering committees, management board of directors, or specialized departments within the partners’ organizational structures that include all aspects and functions derived from the alliance: from the operative level to the directive management levels. This all inclusive scope will provide a broad scope of the whole interaction within the framework of the alliance. In this regard, it is recommended that they have joint sessions periodically. Normally these discussion sessions take part every week for operational

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**Key results and conclusions**

- **Initial steps**
  - Leadership and clear vision
  - Quick-win projects
  - Needs-driven innovation
  - Written agreements

- **During the partnership**
  - Governance mechanisms
  - KPIs & continuous improvement

- **Value renewal**
  - Keep a win-win approach

---

Figure 4. Key Results and Conclusions
levels, and every month at the directive levels.

During the whole time that the partnership exists, the evaluation of results and a periodical review of the creation of value through the alliance is a must that has to be observed. Key-performance indicators are a fundamental tool that will help the partnership to develop control mechanisms to assess if the goals and objectives first defined in the MoU are being met. These key-indicators will to provide quantitative proof of the success of the partnership; otherwise they will make evident the need for improvement.

- **Value Renewal**

Before joining into a partnership, the members involved must perform an analysis of capabilities in order to determine those abilities that are best suited for the joint operations and that also best align to the core values of the organizations. These core competencies suited for the partnership will help to create added value to each of their members.

One of the best outcomes that are produced by partnerships in the humanitarian aid context are those designed products and ad-hoc services that come as a result of joint operations. These in turn, as shown with the study-cases analysed, are the main forces that create value-added solutions to the challenges PPPH face. By re-inventing this values, the partnership will be able to prove itself as a valuable asset for the members involved, thus its potential to last in time and this in turn will give the possibility of renewing the MoU as long as the members concerned are interest
5. BIBLIOGRAPHY


Donven, M., & Hall, M. (2012). From a lab in Luxembourg to satellites in South Sudan, (October), 44–45.


Annex I.

SEMI-STRUCTURED INTERVIEW

CASE “X”

Main objectives of the interview:

- Defining the Genesis of the partnership between the partners
- Dynamics of the partnership (evolution over time)
- Partnership benefits evaluation (by partners)
- Identify best practices & lessons learned

Part 1. Genesis of the collaboration

1.1. Please describe how the partnership between partners

Which role did personal relationships played in this genesis? Comments on trust building

Which persons were more involved at the beginning? Which position in the organisation do they perform (communication/marketing, top management, core business, etc.)?

Which role did top management from the organizations played:

<table>
<thead>
<tr>
<th>Top management person</th>
<th>Role/level of implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner 1</td>
<td></td>
</tr>
<tr>
<td>Partner 2</td>
<td></td>
</tr>
<tr>
<td>Partner …</td>
<td></td>
</tr>
<tr>
<td>Partner n</td>
<td></td>
</tr>
</tbody>
</table>

1.2. There was an evaluation of the potential benefits, risks & costs for the partners in the initial steps of the collaboration? (c.f. Help Chart 1)

1.3. How was the collaboration settled (memorandum of understanding, contract, etc…)?

Part 2. Dynamics of the partnership. Current stage of the collaboration

2.1. Please describe the steps carried out once the partnership was settled
2.2. Scope of the activities developed within the partnership

Please describe the current projects/activities being developed within the partnership

Please indicate any past activities/closed projects

2.3. Quantify the resources dedicated up to now to the collaboration (magnitude of resources)

<table>
<thead>
<tr>
<th></th>
<th>Human resources</th>
<th>Financial resources</th>
<th>Material resources</th>
<th>Other resources put into play within the partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partner 2</td>
<td></td>
<td></td>
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<tr>
<td>Partner …</td>
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<td></td>
</tr>
<tr>
<td>Partner n</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Human resources: top management hours/dedicated staff hours/ non-dedicated staff hours
Financial resources: donations (in cash or in kind)
Material resources: Equipment/Infrastructure/etc.
Other: specialized know-how, etc.

2.4. Communication plan and interaction level

- How frequently do the companies and government communicate? (both for dedicated/non-dedicated staff)
- Internal communication channels developed for the partnership
- External communication: there is a joint communication action plan for the activities developed within the partnership?)
- Evaluation procedures of the partnership. How you evaluate? What you evaluate (indicators)?
- Any other interaction activities

Part 3. Value created by the partnership

3.1. Strategic value of the partnership for partners

- How does the partnership among the members contribute to benefit all the partners and the Directorate for Development Cooperation of the Ministry’s mission? (Is this contribution central to the core values of the companies and the government)?
- Which distinctive core competencies of the partners does the Ministry value most? Why partnering with these companies and not with other logistics/transport corporations?
- Which is/are some of the unique value(s) created by the partnership? (the unique mission promoted by partners)

3.2. Value measurement for partners

How do the partners measure the value provided by this collaboration?

**Examples of value measurement:**
For the corporation: follow-up the press coverage of the partnership activities and quantify how much marketing investment would have been required to have a similar impact; satisfaction surveys among employees; follow-up of the position of the company in corporate reputation or sustainability indexes.

For the non-profit organization:

Impact of the activities developed within the partnership in terms of humanitarian aid beneficiaries

3.3. Value renewal. Is there any procedure in place?

Part 4. Additional topics or comments. Wrap-up

The future: how do you think this partnership will evolve?

Main best practices that can be extracted from this partnership

Examples of best practices

- Preliminary analysis of joint core competences
- Preliminary analysis of benefits, costs & risks of the partnership.
- Development of ad-hoc goods & services. Innovation potential of the partnership.
- Communication procedures & evaluation procedures

Main lessons learned from this partnership (things that the partnership and the cluster should/would do differently)

Under your point of view, which are the main characteristics that define a "mature" partnership?

Other topics/comments
### A) BENEFITS:

**Non-profit partner (agency/NGO):**
- Additional financial resources (cash donations)
- Additional material & human resources (in-kind donation of goods & services)
- Access to specialized technology and/or know-how
- Access to new perspectives of organizational management
- Greater brand name recognition. “Efficiency” reputation of public organizations through collaboration with business
- Outreach of the agency. Potential to leverage other partnerships.

**Corporation:**
- Enhanced corporate reputation (corporate reputation indexes, sustainability indexes).
- Increased consumer recognition and investor’s appreciation
- Human resources issues:
  - employee motivation and retention
  - recruitment of new employees (talent capture)
- Technology testing and development (transfer of humanitarian logistics know-how to the corporation, agile logistics)
- Outreach and potential to leverage other partnerships.

### B) RISKS

**Non-profit partner (agency/NGO):**
- Agency brand reputational risk
- Value renewal : risk of a disruption of the partnership once the objectives of the corporation have been attained (i.e. broker role not anymore needed, learning from the agency/NGO completed)
- Asymmetry: risk of being won over by the corporation to develop projects non-central to the agency mission

**Corporation:**
- Any?
- Shaming by doing? Interference of agency work on firm’s relationship with local governments

### C) COSTS

**Non-profit partner:**
- Hours of top management
- Hours of dedicated staff
- Hours of non-dedicated staff

**Corporation:**
- Hours of top management / dedicated staff /non-dedicated staff
- Cash donations
- In-kind donation of goods and services
### ANNEX II.

Spanish Corporations candidates to join any of the indices Dow Jones Sustainability Index (sorted by sector).

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Sector (SAM Research)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamesa Corporación Tecnológica S.A.</td>
<td>ALT Renewable Energy Equipment</td>
</tr>
<tr>
<td>Banco Bilbao Vizcaya Argentaria S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Banco de Sabadell S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Banco Popular Español S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Banco Santander S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Bankia S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Bankinter S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>CaixaBank S.A.</td>
<td>BNK Banks</td>
</tr>
<tr>
<td>Grifols S.A.</td>
<td>BTC Biotechnology</td>
</tr>
<tr>
<td>Acciona S.A.</td>
<td>CON Heavy Construction</td>
</tr>
<tr>
<td>Actividades de Construcción y Servicios S.A.</td>
<td>CON Heavy Construction</td>
</tr>
<tr>
<td>Ferrovial S.A.</td>
<td>CON Heavy Construction</td>
</tr>
<tr>
<td>Fomento de Construcciones y Contratas S.A.</td>
<td>CON Heavy Construction</td>
</tr>
<tr>
<td>Endesa S.A.</td>
<td>ELC Electricity</td>
</tr>
<tr>
<td>Iberdrola S.A.</td>
<td>ELC Electricity</td>
</tr>
<tr>
<td>Red Eléctrica Corp. S.A.</td>
<td>ELC Electricity</td>
</tr>
<tr>
<td>Bolsas y Mercados Españoles S.A.</td>
<td>FBN Financial Services</td>
</tr>
<tr>
<td>Distribuidora Internacional de Alimentación S.A.</td>
<td>FDR Food &amp; Drug Retailers</td>
</tr>
<tr>
<td>Ebro Foods S.A.</td>
<td>FOA Food Producers</td>
</tr>
<tr>
<td>Viscofan S.A.</td>
<td>FOA Food Producers</td>
</tr>
<tr>
<td>Telefónica S.A.</td>
<td>FTS Fixed Line Communications</td>
</tr>
<tr>
<td>Enagas S.A.</td>
<td>GAS Gas Distribution</td>
</tr>
<tr>
<td>Gas Natural SDG S.A.</td>
<td>GAS Gas Distribution</td>
</tr>
<tr>
<td>Amadeus IT Holding S.A.</td>
<td>ICS Support Services</td>
</tr>
<tr>
<td>Zardoya Otis S.A.</td>
<td>IEQ Industrial Engineering</td>
</tr>
<tr>
<td>Mapfre S.A.</td>
<td>INS Insurance</td>
</tr>
<tr>
<td>Repsol YPF S.A.</td>
<td>OIX Oil &amp; Gas Producers</td>
</tr>
<tr>
<td>Industria de Diseño Textil S.A.</td>
<td>RTS General Retailers</td>
</tr>
<tr>
<td>Abertis Infraestructuras S.A.</td>
<td>TRA Industrial Transportation</td>
</tr>
<tr>
<td>Indra Sistemas S.A.</td>
<td>TSV Computer Services &amp; Internet</td>
</tr>
</tbody>
</table>

Source: Dow Jones Sustainability Index

[15](http://www.sustainability-indices.com/review/annual-review-2012.jsp)
PREAMBLE

Background: Over the past three years, the private sector has shown increasing interest in supporting humanitarian operations worldwide. Given this growing engagement, the World Economic Forum and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) have devised the following set of principles to guide public-private collaboration for humanitarian action. These principles are meant to serve as a guide to the private sector and the humanitarian community, with an emphasis on communicating key humanitarian principles as well as integrating elements of lessons learnt from previous private sector engagement. These principles are the product of broad consultations with the humanitarian community and the private sector, though they are not meant to supersede or replace agency and sector specific guidelines and standards.

Framework for International Humanitarian Action: Humanitarian action is governed by international humanitarian law, human rights and refugee law, and several related principles. Three main principles are particularly important and strongly guide humanitarian action:

- Humanity: Human suffering must be addressed wherever it is found, with particular attention to the most vulnerable populations such as children, women, and the elderly. The dignity and rights of all victims must be respected and protected.

- Neutrality: Humanitarian assistance must be provided without engaging in hostilities or taking sides in controversies of a political, religious, or ideological nature.

- Impartiality: Humanitarian assistance must be provided without discriminating by ethnic origin, gender, nationality, political opinions, race, or religion. Humanitarian relief must be guided solely by needs.
1. GUIDING PRINCIPLES

In order to most benefit communities affected by humanitarian crises, partnerships between humanitarian actors and private sector companies should be developed, with the shared goal of alleviation of human suffering and provision of quality assistance to those most in need.

In the context of these partnerships, both parties would work best together by ensuring that their collaborative efforts adhere to the principles for humanitarian action outlined in the preamble, and the following guiding principles:

1) **Leveraging of Core Competencies**

Partnerships between humanitarian actors and private sector companies should be developed in which the core competencies of both parties are valued and leveraged. Though financial contributions may sometimes be easier for humanitarian actors to accept and use, humanitarian action would benefit significantly from access to the expertise, resources, and global, regional, and local networks of the private sector.

2) **Needs-Driven**

Both parties should work together to ensure that all of their collaborative efforts are aimed at meeting identified needs and respect the culture, customs, and structures of affected communities. Field-based needs should be determined through professional needs assessments performed in collaboration with the local community. Both parties should work together to ensure that their collaborative efforts do not have unintended consequences and do not undermine local economies or affected communities’ own coping strategies. Furthermore, both parties will try to make their collaborative efforts as flexible as possible in order to redirect them to areas of greater need if required.

3) **Standards and Codes of Conduct**

The humanitarian community has developed professional standards and codes of conduct for the provision of quality assistance. Both parties should work together to ensure that their collaborative efforts, and all involved in them, adhere to these standards and codes. In particular, it is recommended that private sector employees involved in their organization’s humanitarian assistance programmes at the global, regional, and local levels, are pretrained by their humanitarian partners in the principles, standards, and codes of conduct for humanitarian action as well as their partnership policies and procedures, especially through field-level training in relevant contexts. During deployments, both parties should work together to ensure the safety and security of all deployed staff, including those from both humanitarian actors and private companies.

4) **Relationships with Governments**

Both parties will work together to engage national and local authorities as much as possible in their collaborative efforts if appropriate. In the context of these efforts, private sector partners should ensure that they respect the organizational policies.
and operational independence of humanitarian actors.

5) Building Local Capacity

Both parties will aim to build local skills and resources in the context of their collaborative efforts. Though this may not be possible in all contexts, both parties should work together to always ensure that their efforts do not undermine local capacity.

6) Donation Cost Coverage

The acceptance of in-kind donations sometimes necessitates significant additional costs on the part of humanitarian assistance providers. Private sector companies and humanitarian actors should work together to ensure that all in-kind donations are needs-driven and that additional cost is not necessitated from in-kind donations over local purchase alternatives. Where such additional costs can not be avoided, both parties should work together to ensure that any additional expenses related to in-kind donations are covered.

7) Distinction between humanitarian and commercial activities

Both parties should establish a clear separation between their divisions managing public-private partnerships for humanitarian action and those responsible for procurement. This does not preclude private sector actors from participating in procurement processes, nor does it preclude them from perceiving a business case for their engagement in philanthropic partnerships. That being said, their collaborative efforts with the humanitarian community to alleviate human suffering should not be used for commercial gain.

8) Public Relations

Both parties will work together to ensure that their public relations activities accurately reflect their collaborative efforts and respect affected communities. It is recommended that both parties collaboratively plan their communications strategies in advance if possible, taking into consideration each organization’s policies, procedures, and communication needs.

9) Reporting, Monitoring and Evaluation

Both parties will work together to ensure that they report publicly on their collaborative efforts using clear, consistent, and transparent reporting policies. Furthermore, both parties will work together with local communities to monitor and evaluate the impact of their collaborative efforts on affected populations. They will develop and use defined procedures to qualitatively and quantitatively monitor and evaluate their efforts with the aim of being as systematic and impartial as possible to generate lessons to improve future engagement.

10) Predictability

Both parties should work together to develop partnerships that are predictable in nature. To this end, long-term partnerships should ideally be developed in which risk, needs, and support are identified in advance, and all related relationships and processes are defined in advance for effective partnership implementation. Such long-term partnerships will allow both parties to continually learn and thus improve the impact of their relationships on communities affected by humanitarian crises worldwide.
References:

1) Standards and Codes of Conduct for Humanitarian Action

- The Sphere Project’s Humanitarian Charter and Minimum Standards in Disaster Response: http://www.sphereproject.org
- Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief: http://www.ifrc.org/publicat/conduct
- Voluntary Principles on Security and Human Rights: http://www.voluntaryprinciples.org/
- Principles and Good Practice of Humanitarian Donorship: http://goodhumanitariandonorship.org/
- InterAction’s Private Voluntary Organization (PVO) Standards: http://www.interaction.org/pvo/standards
- Global Hand: http://globalhand.org/standards

2) Best Practices for Philanthropic Private Sector Engagement in International Humanitarian Action

- UN Office for the Coordination of Humanitarian Affairs: http://ochaonline2.un.org/businesscontributions
- The UN and Business: http://www.un.org/partners/business
- UN Global Compact: http://www.unglobalcompact.org/
- Center for International Disaster Information: http://www.cidi.org/guidelines/donate-corp.htm

(*) Please refer to the References section for links to major set of standards and codes of conduct.