Civil Society Beyond Aid: Reimagining Partnerships with the Private Sector in West Africa

Chamrid Kpadonou & Charles Kojo Vandyck
Charles currently serves as the Head of the Capacity Development Unit at the West Africa Civil Society Institute (WACSI). Charles has over 10 years of experience working in international development and social justice issues in Africa. Charles was the founding Board Chair of Innovation for Change (i4C)-Hub Afrique, as well as the founding member of the International Consortium on Closing Civic Space (iCon), an initiative of the Centre for Strategic and International Studies (CSIS) in Washington DC. Charles currently serves as the Member of the Governing Board (Coordination Collective) of Africans Rising. He is a Member of the Development Studies Association, United Kingdom. Charles is a 2017 Stanford University Fellow for Nonprofit Leaders and a certified Change the Game Resource Mobilisation Trainer.

Chamrid currently serves as the Communications and Information Officer at the West Africa Civil Society Institute (WACSI). He has a strong experience in designing and implementing advocacy campaigns for the protection of human rights across West Africa. Chamrid has a strong interest in analysing the dynamics behind civil society’s sustainability and contribution to the development of Africa. He is a certified IFC-LPI trainer and possesses an MBA in Project Management. He is a member of the PMI Ghana Chapter. He is a 2017 Fellow of the West Africa Executive Course on Human Right and Drug Policy.
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West Africa Civil Society Institute (WACSI)
No. 9 Bamboo Street, East Legon
P.O. Box AT 1956, Achimota
Accra, Ghana
Email: research@wacsi.org
Tel: +233 (0) 303 937 264

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Summary

The development process is complex and requires comprehensive strategies involving all sectors in society including government, the private sector and civil society. The idea of key stakeholders working together to resolve common concerns is not new, however, implementing civil society-private sector partnerships in an effective and mutually beneficial manner has been challenging.

This paper seeks to explore the various mechanisms through which this partnership can be consolidated in West Africa and the tangible effect it could have on the development of the region.
The socio-political context in West Africa is undergoing significant changes. The region’s turbulent past of authoritarian regimes, political instability, civil wars and debilitating developmental challenges has brought a realisation that the future of West Africa lies in the capacity of states, inter-governmental and civil society to develop functional and responsive governance systems. These systems require a shift in the previous conceptualisation of governance as the preserve of government to inclusive governance that incorporates the contributions of civil society and the private sector. To achieve this, each sector in the governance structure must be well organised particularly civil society, which as a defined sector is still in its infancy. Civil society is often described as a complex and evolving sector. It consists of organised and organic informal groupings that exist outside the state including political parties and the market.

Over the years, civil society continues to play a critical role in supporting poverty reduction and promoting sustainable development, by enabling citizens to empower themselves and actively seek effective performance and accountability from the state and the private sector. At community, national and regional levels, civil society in West Africa is recognised as a vital force in advancing political and economic governance.

For instance, in Senegal, the civil society movement “Y’en a marre” through music recordings, rallies and a network of regional affiliates, called “the spirit of Y’en a Marre” were at the forefront of thwarting the prolonged stay in office of the Wade regime.

In the face of such achievements, civil society’s sustainability and resilience in a rapidly changing region presents a distinct set of challenges. Civil Society’s sustainability encompasses its capacity and capability to continuously respond to national and international public policy variations, governance deficits, and legal and regulatory policies. For example, in Ghana, this has been described as “one that is not too gloomy to cause mass extinction of organisations in the sector.” (WACSI, 2015: 15) Civil society’s sustainability and resilience have gained prominence within policy and practice as the sector grapples with: (i) the necessity to remain relevant and connected to constituencies; (ii) the capacity to administer its programs; (iii) the ability to garner long-term impact; and (iv) increasing donor withdrawal and funding cuts. Nonetheless, these present opportunities for civil society to find alternative routes, innovative methods and strategies to ensure its sustainability.

Funders are increasingly becoming sensitive to the need to rethink their support for civil society in ways that ensure sustainability as a central component of their policies and programmes. However, civil society organisations (CSOs) have not been able to make significant in-roads to lever-
In West Africa, the private sector covers an enormous constituency including peasant farmers, small and medium-sized enterprises, large indigenous and multinational companies. It ranges from companies driven by the motive to maximise profits to social enterprises that employ market-based approaches with clear social objectives. The sector consists of associations, knowledge sharing networks, producer cooperatives and strategic business coalitions.

The contributions private enterprises make to development are enormous. These include, among others, generating jobs and income, generating and disseminating knowledge, delivering essential products and services, building physical and communications infrastructure, leveraging science and technology, mobilising financial resources, investing in human capital and workforce development and disseminating international norms and standards.

 Nonetheless, the development process is complex and requires comprehensive strategies involving all sectors in society including government, the private sector and civil society. The idea of key stakeholders working together to resolve common concerns is not new, however, implementing civil society - private sector partnerships in an effective and mutually beneficial manner has been challenging.

This paper seeks to explore the various mechanisms through which this partnership can be consolidated in West Africa and the tangible effect it could have on the development of the region.
In Ghana, for example, several consumers buy a specific brand of purified drinking water known as “Awake” because of their commitment to contributing a percentage of their profits to the Ghana’s National Cardiothoracic Center. As at February 2019, Awake’s support to the Center stood at approximately one million Ghana cedis.

In addition, high net worth individuals that own groups of businesses across the region are taking bold steps to impact the lives of West African citizens. The Dangote Group is the largest private employer in Nigeria. It’s owner and founder, Alhaji Aliko Dangote invests in 18 African countries, creating jobs and economic value across the continent in a range of industries. Alhaji Dangote’s companies employ over 30,000 people, while empowering thousands more across Africa.

The need for businesses to undertake long-term sustained investments into social causes has never been this critical. In addition to achieving a stronger brand differentiation, business tend to create more commitment from their employees by having a meaningful social component to their interventions. According to the 2018 Deloitte Millennial Survey, 70 percent of millennials acknowledged that a company’s commitment to social responsibility influenced their choice to work there. With millennials soon to be the largest generational segment of the workforce, companies looking to hire these workers will need to embrace impactful corporate social responsibility (CSR) in order to attract and retain young talent.

It is within this context that it has become imperative for civil society and private sector to increasingly work together to improve the lives of local citizens and their communities. Responding effectively to challenges like poverty, education and health require robust cross-sector partnerships.

Context

In West Africa, civil society has become an integral part of policy making and service delivery. The sector contributes immensely to socio-economic development by critiquing poorly conceived regional and national policy initiatives, exposing ineptitude in the public service and providing understanding of the governance challenges facing our democracies. Despite these significant achievements and having thoroughly proven their worth in supporting the growth of democracy in the region, there are still no guarantees of enough financial and non-financial resources to scale up the work of CSOs in West Africa.

The past fifteen years have witnessed a spectacular decline in funding mainly from international donor agencies. Therefore, there is a need to shift attention to cultivating partnerships with the private sector – an approach that could improve the conditions under which CSOs operate. This collaboration, in addition to providing a viable solution to civil society’s sustainability challenges, can bolster its bargaining power with government. A strong partnership between civil society and private sector will add impetus to the effectiveness of the advocacy for government to create an enabling environment for both sectors.

It is imperative to note that private enterprises are designed to make profits for their shareholders. In West Africa, the private sector is a key catalyst of development and wealth generation. Studies have proven that private companies that invest in social causes contribute to making better profits. People want to consume products and services made by companies that make impactful social and environmental changes.

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Civil Society Beyond Aid: Reimagining Partnerships with the Private Sector in West Africa
1- Reimagining a Common Ground

Despite major differences between civil society and the private sector in West Africa, their relationship is turning towards increased engagement. An increasing number of companies are becoming acutely aware that the success of a business is directly linked to improved socio-economic conditions within the communities where it operates. As a result, a growing number of businesses and CSOs are beginning to discover common ground. In West Africa, private business institutions and entities within civil society are implementing partnerships and alliances. Although this occurrence is not yet to the expected scale, such relationships are being created to achieve shared objectives on a community, national and regional level.

Pressure from civil society and the rising demand of CSR have pushed the private sector towards more responsive socio-economic behaviour. While business enterprises are increasingly being confronted with social demands, the role of civil society has also been changing. In addition to the traditional service delivery role, civil society is involved in many other areas such as advocacy, policy influencing, technology, youth empowerment among others. For civil society to respond to its new goals and sustainably fuel its activities, it must embrace marketplace strategies and private sector social investment opportunities to advance social causes.

“Pressure from civil society and the rising demand of CSR have pushed the private sector towards more responsive socio-economic behaviour”
In recent times, entities within the private sector attempt to incorporate social investment milestones into their goals. This translates into the establishment of CSR strategies and departments. CSR implies a continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of workers and their families, as well as of the local community and society at large. A CSR strategy is either a general response to a recognised social issue that attempts to strengthen the company's brand, business operations and or its competitive position. It has become important for civil society to be aware of existing CSR strategies, identify avenues for collaboration with the private sector and maximise these opportunities.

In the region, the era where the private sector existed merely to maximise shareholders’ profits is no longer a convincing proposition. The private sectors’ impact on the welfare of its stakeholders is an emerging benchmark of corporate performance. Today, stakeholders seek to know what companies can do for them and their communities, not what communities can do for companies. Investors are increasingly interested in the risk factors associated with reputation. An enhanced public image through association with a civil society can increase corporate brand reputation.

The Dangote Group, the largest conglomerate in West Africa with a market capitalisation of $15.5 billion, has established its CSR department under the Aliko Dangote Foundation. The Foundation is a leading contributor to the ‘Saving One Million Lives’ every year in Nigeria initiative. The Dangote Foundation played a significant role in containing the spread of Ebola in Nigeria and other parts of Africa. The Foundation was the biggest private contributor to the African Union Ebola Trust Fund with a donation of $3 million. Aliko Dangote Foundation (ADF) is the Corporate Social Responsibility arm of the Dangote Group. The Foundation is responsible for contributing over $100 million in charitable funds to several causes in Nigeria and Africa since 2014.

Similarly, the Tony Elumelu Foundation Entrepreneurship Programme which was launched in 2015 is the largest African philanthropic initiative devoted to entrepreneurship. The initiative, in its 10-year lifespan, committing $100 million to identify and empower 10,000 African entrepreneurs, create a million jobs, and add $10 billion in revenues to Africa’s economy. The entrepreneurship programme has also supported a significant number of social entrepreneurs. This development is critical as there is pressing challenge for CSOs to strategically rethink and apply new operational models. It is in response to such constraints that the social entrepreneurship model is attracting an increasing number of civil society actors.

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Social entrepreneurship is the utilisation of start-up companies to develop, fund and implement solutions to social causes. According to the Fast Company, it involves the use of the operational strategies from the corporate world to tackle daunting social problems. Even though, the sector is still in its nascent stage, numerous examples of successful social entreprises can be seen across the region. In Ghana, for example, AfriKids, a nongovernmental organisation working to improve lives of the vulnerable and disadvantaged children in the Upper East Region of Ghana, initiated series of initiatives to sustain themselves after the withdrawal of their main funders. The organisation set up (i) the AfriKids Medical Centre; (ii) The ‘Energy for Life Initiative’ aiming at selling energy efficient cook stoves to reduce global emissions while generating profits, and (iii) further investments in tourism and hospitality.

3- The Potential of Social Entrepreneurship

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AfriKids Medical Centre was created in 2006 with the main goal to raise income for the running of AfriKids Ghana and improve access to quality medical care for the community in Bolgatanga and its surrounding areas. Between 2008 and 2010, there was about 600% increase in patients with a compound annual growth standing at the rate of 61.3%.

The ‘Energy for Life Initiative’ is AfriKids’ first local sales and distribution business that is currently selling energy-efficient charcoal cook stoves in the Upper East Region of Ghana. The Afrikids’ ‘Blue Sky Lodge’ is one of the organisation’s suite of sustainability projects aiming to generate both social and financial returns to support the programmes of the organisation. The Lodge, which is set over 23 acres of savannah, comprises 31 guest rooms, restaurant and bar facilities, a conference, a swimming pool and events centre, leisure and activities including community tourism.

“Between 2008 and 2010, there was about 600% increase in patients with a compound annual growth standing at the rate of 61.3%.”
4- A Need to Evolve!

The above examples demonstrate that partnerships between the private sector and civil society have enormous potential. There are a growing number of innovative and exciting new models and partnerships between companies and civil society that promote mutual benefits. However, it takes time to change perceptions and adapt to the potential of these partnerships.

Therefore, there is a role for academia and researchers to analyse the growing number of examples of successful and not so successful long-term business - civil society partnerships and capture the lessons learned. The dissemination of best practices can support a broader change in attitudes and create a more conducive environment for effective private sector and civil society partnerships.

“The dissemination of best practices can support a broader change in attitudes and create a more conducive environment for effective private sector and civil society partnerships.”

This diagram illustrates the advantages each sector attracts in a structured long-term partnership:

Within the framework of such a relationship, an entity within the private sector may seek to tap the expertise of CSOs to deliver grants through direct contributions. In some situations, the corporate body concerned may provide core funds to a CSO, while in others it may want to be a more active player. Also, CSOs may also seek to collaborate with a private sector entity to benefit from their CSR investments to facilitate the achievement of their social goals. The perennial challenge for CSOs has been the capacity to approach companies with proposals and programmes that detail an efficient and effective way to ensure their support makes a difference and expands their markets.
It is has become essential for private sector organisations and actors within civil society to work together to cultivate partnerships that produce effective development outcomes. Continuous interaction and collaboration will define the norms that will govern future relations, behaviour and sustainable impact. A structured mechanism for building partnerships will produce collaborative interventions that satisfy private sector interests and provide developmental benefits.

This could create the following sustainable engagement opportunities:

1. **Co-creation of markets through innovative business models to attract low income customers and social entrepreneurs;**

2. **Focus on practical partnerships rather than policy driven dialogues;**

3. **Provision of localised and indigenous solutions for development challenges taking into cognisance global standards in order to create value;**

4. **Strengthened collaboration between private interests and CSOs which will attract legitimacy from society if their proposals have credible economic, social, and environmental benefits; and**

5. **Inspire pressure from community citizens for CSOs and private businesses to advocate common policy positions and jointly develop co-regulatory schemes.**

In West Africa, the private sector must play a more influential role in shaping socio-economic development. While 20 years ago, development agencies and multilateral institutions contributed most of the resource assistance. Today, the region is faced with a very different scenario. Individual contributions, community philanthropy, civic engagement and business would determine the sources, functionality and efficacy of aid models.