RESEARCH REPORT

Private-Sector Humanitarians?

New Approaches in the Global Refugee Response

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Contents

Acknowledgments

Executive Summary

With the global displaced population exceeding 68 million, the global humanitarian response system is under unprecedented stress. With widening funding gaps and no resolution in sight, new solutions are needed to address the needs of over 68 million displaced people worldwide. The private sector's innovative and financial capacity is emerging as one such avenue, resulting in dozens of partnerships with local and international nonprofits. Depending on local policy environments, such working arrangements create both opportunities and risks for partners and hosts. This report is an attempt to learn lessons from existing experiences and offer insights on what works under given circumstances.

Through desk research on existing partnerships, semi-structured interviews with key stakeholders, site visits with partners in Jordan and Uganda, expert roundtables, and public discussions, we gather insights on both conceptual and practical aspects of partnerships benefiting refugees. We introduce a conceptual framework on the variety of options available to partners and offer recommendations for organizing win-win partnerships in the future.

While companies and humanitarian agencies have traditionally engaged in a variety of ways, ranging from commercially driven procurement relationships to philanthropically oriented ventures, we focus on socially responsible partnerships. These aims to generate gains for businesses while producing value for refugees through humanitarian agencies—a surprisingly rare occurrence. We draw several lessons:

- **Private companies and humanitarian organizations face significant startup costs.** Both entities lack a shared world view, which could create mutual mistrust requiring significant time and resources to overcome. These upfront costs can be prohibitive, especially for nonprofits.

- **Local intermediaries play a key role in the inception of a successful partnership.** Local civil society organizations or governments match private companies to compatible nonprofits. This informal facilitation bypasses information asymmetries, reduces risks, and mitigates competitive tendencies that can become significant barriers to partnership creation.

- **The most successful partnerships are flexible, supported strongly by senior leadership with clear goals and open communication.** Highly active communication channels, especially with leaders from each of the partners, help resolve issues quickly and build trust. Establishing clear understandings of motivations and expectations of both parties reduces uncertainty, setting a partnership up for success.

- **Private entities must build have a clear and robust business case for serving refugees.** They offer a real-world testing opportunity and an untapped potential market for products and services, incentivizing companies to work through humanitarian agencies by providing free or highly subsidized products and services to refugees. By combining the profit motive with philanthropic goals, partnerships benefit both the private entity and the refugees they help.

Based on these insights, we offer several recommendations to promote the advancement of future partnerships to tackling pressing issues facing the humanitarian system. We propose setting up a global refugee clearinghouse, with an international secretariat and strong regional presence, to help match private companies with compatible humanitarian organizations. Through a small staff and a network of local member organizations, it would help overcome information asymmetries, provide partner due diligence, and undertake monitoring, evaluation and learning through rigorous research. More research will thus help increase the awareness of these partnership and provide insights on how to overcome common barriers. By providing employment and the provision of services, private-humanitarian partnerships offer a novel and promising approach to the global refugee crisis.

Private-Sector Humanitarians? New Approaches in the Global Refugee Response

Introduction

Latest UN High Commissioner for Refugees (UNHCR) reports indicate that there are 68.5 million persons of concern (POC)[1] around the world, 85 percent of which are living in developing countries (UNHCR 2018b).[2] Between 2010 and 2017, mainly due to the Syrian civil war, the POC population around the world doubled, adding significant pressure on the global refugee response system and increasing UNHCR's funding gap from 37 percent or $1.4 billion, to 59 percent or $4.6 billion (UNHCR 2018a). The United Nations (UN) Secretary General Antonio Guterres has conceded that these "humanitarian emergencies are beyond anything we have experienced in living memory" and have overwhelmed the "underfunded and unsustainable" humanitarian system. To make matters worse, refugees are increasingly residing in cities and rural communities rather than designated camps, imposing significant burdens on local institutions providing public services and impacting local economies. Thus, there is growing international consensus that given the scale and protracted nature of this crisis, the global humanitarian system requires a "paradigm shift" through creative new response mechanisms (Betts 2017; Amnesty International 2015).

Since 2016, arguably the most popular solution is tapping into the private sector's financial and intellectual resources. As in the case of the Sustainable Development Goals (SDGs), strong emphasis on technology-led solutions and open data has mandated greater private-sector engagement (PSE). Given growing anti-globalization and anti-migration sentiment in industrialized countries, nonprofits are concerned that traditional donor funding that protects the world's most vulnerable populations will dwindle (Kharas and Rogerson 2017). They are thus proactively seeking new sources of funding from the private sector, as reflected by their creation of dedicated PSE teams within traditional fundraising or public relations departments.

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[1] POC include registered refugees, asylum-seekers, IDPs and others, as defined on the UNHCR website.

[2] http://www.unhcr.org/en-us/figures-at-a-glance.html

The UNHCR's 2017–2021 strategic directions and accompanying fundraising plans aim to raise an annual $1 billion by 2025 from the private sector, with an emphasis on creating jobs for sustainable livelihoods. The momentum behind this was created by the United Nations Global Compact's 2015 Business Action Pledge, followed up in 2016 by the Obama White House Call to Action for American businesses and since followed-up in the United States by the Tent Foundation's Partnership for Refugees. On their part, several humanitarian and development agencies have created or updated internal and outward facing handbooks, manuals, or policies for PSE, including but not limited to International Committee of the Red Cross (2016), Mercy Corps (2012), World Food Programme (2014), Oxfam (2012) and several others. While the high level of private-sector interest in solution-driven engagement with refugee communities and humanitarian agencies is well documented, low levels of actual involvement are the reality. This suggests that the nature of effective engagement under given circumstances is not well understood, or that mechanisms or incentives for developing collaborative efforts in a timely fashion are unclear.

But a plethora of new reports discussing this imperative have emerged. Depending on the worldview and modus operandi of organizations behind them, each perceives the issues involved through their own institutional lens to serve their own interests. For instance, the International Finance Corporation and UN High Commissioner for Refugees (2018) discuss how Kenya's Kakuma refugee camp has a thriving local marketplace, where integration of refugees into host communities offers significant opportunities for private investment and innovation-led entrepreneurship. The World Bank Group, through its Global Knowledge Partnership on Migration and Development, has sponsored studies on the policy challenges of making local labor markets work for refugees (Zetter and Ruaudel 2016). PwC (2017) makes the case for forging partnerships between governments and private companies to introduce technology-led solutions to address the crisis. Education International commissioned a study that found that the private sector can play a major role in fulfilling unmet needs of educating Syrian refugee children, but there are also serious concerns regarding quality and access that must be considered (Menashy and Zakharia 2017). As the association of global telecom providers, multiple GSMA (2017a, 2017b) reports highlight the benefits of widespread wireless connectivity to refugees (e.g., job seeking), aid agencies (e.g. mobile cash transfers) and governments (e.g., digital identities). Most of these studies emphasize broad aspirational goals and outline high level visions for greater PSE without always outlining actionable agendas.

Our analysis is therefore based on the following research questions. What institutional factors within host countries are most strongly associated with the incidence and success of private-humanitarian partnerships benefiting refugees? Which business sectors, countries and refugee

populations are more likely to witness successful partnerships and why? How do the size, sector and global presence of private companies affect the nature and level of their engagement with refugee populations? Beyond the public good motivation, to what extent are businesses seeing a commercial case for partnering with humanitarian agencies? How can host governments and international institutions facilitate the incubation and sustainability of such partnerships?

The primary objectives of this report are as follows. First, make a conceptual contribution and offer clarity to the various types of private-humanitarian sector collaborations, allowing readers to critically appraise the potential of any given partnership. Second, identify practical barriers and enablers to greater cross-sector engagements by directly presenting the views of those implementing partnerships. Third, through the demonstration effect, creating awareness regarding the potential for, and challenges in, stimulating effective, scalable, and sustainable private-sector engagement in the global refugee response.

Following this section, we discuss (1) the how and what of private-sector involvement explaining what we mean by private-sector engagement and the refugee response (2) a conceptual framework to better situate partnerships and (3) the risks and rewards payoff for both private companies and their nonprofit partners. We draw a series of findings from interviews and link them with actionable recommendations to enhance the effectiveness, scalability, and sustainability of private-humanitarian partnerships. We conclude by offering closing thoughts, including suggestions for deeper dive studies into specific conceptual and policy issues emerging from this study.

Methodology

Given the exploratory nature of this project, the nascence of private-humanitarian sector partnerships and lack of quantitative data on jointly implemented projects, we have employed a primarily qualitative methodology. Key elements of our approach include the following.

- **Desk research on existing partnerships**. Our starting point was the 2016 White House Call for Action, in which 51 American companies publicly pledged various kinds of projects benefiting refugees. We expanded the list through internet searches, before systematically scraping data off the programs of major humanitarian and development summits. This landscape mapping was undertaken for the team's own understanding, but we have since used it to publish an online tool, i.e., Private-Sector Partnerships for Supporting Refugees.

- **Semi-structured interviews and site visits**. After shortlisting several dozen partnerships spread throughout the continuum shown in figure 1, we conducted 75 interviews over the phone and in person during site visits to Jordan and Uganda. Most respondents were selected for their direct participation in a partnership, but a handful were included for having actively supported their formation through third party intermediaries or their unique analytical insights into how such partnerships fit into the global response. Each respondent was asked to reflect on the case for using partnerships, the morality and risks of private-sector involvement in creating global public goods, sectors with greater partnership potential, potential pitfalls for humanitarian agencies keen on engaging with refugees and identifying other partnerships they thought were worth analyzing. Interview notes were carefully analyzed by thematic codes which became the basis of the analysis presented in this report.

- **Workshops and public discussion**. We hosted three workshops at the conceptualization stages in which outside experts were invited to reflect on our conceptual framework, introduce us to new concepts and identify logical entry points for rigorous analysis. Between six and 12 participants were included in roundtable style conversations, with at least one outside expert offering a critical appraisal of us under development conceptual framework. After most analyses were completed, we brought initial findings into the public realm by hosting a panel discussion at the Urban Institute featuring this project's Principal Investigator and senior leaders from a highly relevant private foundation and a major humanitarian agency. The event was attended by 49 individuals in person and another 135 online, at least two dozen of whom offered valuable reflections on findings and policy recommendations.

At the outset, we resolved the critical question of what exactly is the private sector? The traditional definition includes all nongovernment entities, such as for-profit businesses, philanthropic foundations, religious organizations, and all civil society organizations (CSOs). But given our emphasis on finding scalable and self-sustaining models not requiring grantmaking, we focus on for-profit "businesses that produce goods and services for profit" (Twigg 2001). Most partnerships we examined included at least one for-profit private company that fit into our definition, but in some cases, we also discovered that two or more nonprofits, CSOs or even for-profit companies had formed partnerships for refugees.

Like any other study, this methodology has limitations, which readers are advised to consider before drawing conclusions. First, interview respondents were not representative of all stakeholders either currently or expected to be engaged in partnerships. We had difficulty securing interviews with private-sector managers, particularly those working in core business functions. Our interviews therefore oversampled humanitarian agencies, with limited representation of the private sector's

perspective. Second, most respondents were inexperienced in designing, implementing and evaluating partnerships. Most only had a single experience of such engagements and had not always experienced challenges or seized opportunities. Third, we could not obtain any quantitative information on sales or investments, making it difficult for us to make objective assessments of partnership success, or lack thereof. Ultimately, we relied on partners' own assessments vis-à-vis pre-stated objectives.

The How and What of Private-Sector Involvement

The idea of mobilizing private-sector resources for disaster responses and development programs has been discussed for years. Traditional engagement approaches have ranged from procurement of goods and services through contracts to philanthropic fundraising to creation of inclusive business supply chains based on guidelines on working for the poor (Williams and Hayes 2013). In the aftermath of Hurricane Katrina for example, Walmart proved much more effective at maintaining critical supply chains and inventory management despite failure of essential computer systems, which Horwitz (2009) attributes to "political economy" factors inhibiting public institutions in mobilizing resources quickly. Unhindered by burdens of dealing with political stakeholders, companies like AT&T are nimble and thus quicker in deploying resources toward critical asset protection and maintaining operational efficiency (McGrath 2014). But tapping these capacities for improving public sector responses to disasters poses significant challenges related to operational coordination, community-level engagement, and transparency (Chandra et al. 2016). Many attempts at creating win-win partnerships between private companies and public authorities or other humanitarian actors have failed because partners remain unclear on the objectives and scopes of their engagement (Binder and Witte 2007).

Depending on the host government's direct involvement in social welfare, the private sector has had varying levels and forms of involvement in refugee rehabilitation. In Canada for example, an "innovative" private sponsorship model in which local families take full responsibility of hosting refugees accelerates their integration into society (Selm 2003). Reviewing the involvement of faith-based organizations in humanitarian causes in the United States, Eby et al. (2011) estimate that up to 70 percent of all resettled refugees have benefited from their services. In low- and middle-income countries hosting the majority of refugees, the private sector's capacity to deliver services is limited and most assistance is offered through nonprofits funded by international donors.

In the context of falling corporate philanthropy levels in the United States, Porter and Kramer's (2011) highly influential work on "shared value" has gained widespread attention in business management and corporate philanthropy. Both within business management and beyond, the term has

generated scholarly debate on the capitalist private sector's responsibility toward society and its implications for strategic corporate philanthropy. As businesses around the world struggle to maintain the public's faith that corporations are good global citizens, this perspective enables them to strategically reposition their "value creation" for society. It is centered on the idea that profit-making and social "value creation" are not inherently contradictory, i.e., when done right, businesses can achieve both objectives simultaneously. They offer companies practical solutions for reinvigorating business processes by changing types of offerings, creating more socially inclusive supply chains, and supporting clusters of supporting industries. For companies with long-term engagements in refugee hosting countries where the crisis has shaped all aspects of public policy, proponents of this approach would argue that it is too important an opportunity to ignore.

Firms face stiff tradeoffs between their social and economic goals, which often becomes a zero-sum game between investment in core business or social goods, particularly when resources are limited or the business side is under pressure. The resulting diffusion of goals results in strategic reprioritizations toward profit-making away from social benefits as corporate executives are ultimately answerable to shareholders (Pirson 2012). Critics argue that shared value thinking muddies the waters in corporate goal-setting, creating only isolated win-win partnerships in environments where unsolved environmental and social challenges remain enormous (Crane et al. 2014). But it is also a reality that international corporations require localized knowledge from partners to succeed, both in new business ventures and while entering social responsible partnerships with new nonprofit partners (Webb et al. 2010).

Conceptual Framework

To better situate partnerships from the corporate sector's perspective, we designed a simple conceptual framework based on findings of the partners landscape described earlier. We adapt Alter's (2007) typology of social enterprises by extending her identification of the "mission motive" and "profit motive" to partnerships, assuming they are standalone entities. Business have worked with and for nonprofits for decades, but mostly on the two extremes of the continuum shown in figure 1 below. But in recent years, as evident from the plethora of reports and conference on this topic, socially responsible partnerships appear to be gaining popularity. We define socially responsible partnerships as primarily business ventures, designed with the intention of creating social value through medium- to long-term partnerships with mission-driven nonprofits.

FIGURE 1
The Partnership Continuum

In procurements, humanitarian agencies put out tenders requesting bids from service providers following standard UN guidelines. These transactional relationships are devoid of knowledge-sharing, and interactions are confined to terms and conditions of the legal agreement. At times, companies could offer discounts in prices or delivering supplies, but at their core these are business engagements. But in certain sectors, such as food and shelter, the sheer scale of global humanitarian spending creates massive new business opportunities every year. The World Food Programme (WFP) estimates that 40 percent of its spending on essential food supplies goes into the hands of private enterprises of various kinds, including in host countries (Binder and Witte 2007). On the other hand, companies or high net worth individuals make philanthropic contributions either directly or through foundations with varying degrees of involvement in day-to-day implementation activities. These are motivated by the desire to create societal value, which in the case of refugees is protecting vulnerable populations, without any expectations of returns. In the refugee response sphere, the most prominent recent example is George Soros's public pledge of "investing" $500 million in "startups, established companies, social initiatives and businesses founded by migrants and refugees" seeking "good investment ideas" (Soros 2016).

In contrast, CSR activities are usually planned and executed by dedicated teams supported by core business, with clear demarcation of roles and responsibilities. In some countries, such as Indonesia and India, government regulations mandate companies to spend a small proportion of profits for social causes. Many business leaders support CSR to add value to their companies' bottom line through improvement in brand loyalty, hedging risks in supply chains and motivating employees whose time is often donated for social causes. But slightly to the right on the continuum are SRPs, which are being undertaken in a variety of ways such as cash transfer programs and supply chain integration, each of which are the subject of deeper dives in accompanying case studies. Regardless of where a partnership falls on this conceptual continuum, its creation, sustenance, and growth depends on stakeholders' perception of its value added vis-à-vis alternatives. We find that every partner estimates risks and potential rewards from engagement, which in fast-moving environments is a continuous and ever-evolving effort.

The Risks and Rewards Payoff

In low or middle-income countries where the proportion of refugees is significant, the mass arrival of humanitarian agencies increases demand for goods and services in local markets. Whether this is a boon or bane for the host country depends on the relative magnitudes of job creation through business growth on the one hand and upward pressures on prices of essential commodities on the other. If the local private sector has capacity to competitively meet growing demand, thousands of new jobs could be created. But the same stimulus could also exert upward pressure on prices, significantly increasing the cost of living for the host community.

The impact of Syrian refugees on Jordan's healthcare sector is an effective case in point. The local pharmaceutical industry has seen massive increases in demand, which in principal should stimulate large investments and growth in production capacity. But both public and private healthcare facilities are facing chronic shortages of essential medicines that affected both refugee and host communities' ability to access quality healthcare (Daher and Abadi 2017). After the move from free to subsidized healthcare for non-camp refugees, which was aimed to easing pressure on the Jordanian health sector, refugees became severely constrained in their ability to access healthcare services as it now requires a copay (Doocy et al. 2016). At the community or country level, these kinds of negative impacts on the host community significantly contribute to negative sentiments toward refugees, which are competitors for meager public resources.

Except for cases where the mission motive trumps all else, private firms only enter a partnership when potential rewards overcome performance and reputational risks. Their risk-taking appetite depends on their industrial organization, experience in country and working with nonprofits, long-term motivations, intensity of internal support and their overall financial health. Potential rewards include profit-making through market penetration, creating brand loyalty among customers, gaining goodwill of local authorities, meeting internal social benefit targets, better understanding new populations, recruitment by tapping into new talent tools and diversifying supply chains, among others. Having said this, companies are also concerned about nonprofits' red tape, high overhead costs, perceived inflexibility in adapting new ways of working, alienating competitive host communities by working with refugees, loss of investment or reputation in case of failure and exposing the company's operations to public scrutiny.

From the humanitarians' perspective, rewards include the potential for creating sustainable sources of revenue generation, technical assistance to improve internal processes through technological applications, ability to afford critical investments in upgrading skillsets and physical

assets, and understanding of and access to new and difficult-to-reach places. But on the other hand, there is trepidation based on the perceived immorality of even considering making profit from assisting the world's most vulnerable people. As a practical matter, this might hamper nonprofits' fundraising ability. They are also concerned about linking their organization's reputation with their partner companies, which in cases like the 2010 British Petroleum oil spill could have disastrous consequences.

Discussion and Recommendations

Around the world, dozens of companies and nonprofits are currently working together in a wide variety of partnerships. Discussed below are stories of how these relationships started, how partnerships were structured, what challenges they faced in becoming commercially viable, how their association has evolved over time and what avenues for expansion they may have identified offer rich analytic insights.

Significant Startup Costs

Most partnerships began following serendipitous encounters between individuals at conferences, social gathering or through intermediaries in governments, nonprofits or international organizations. Most partners, both in the private and humanitarian sector, have either limited or no prior experience of such cross-sector engagements. Hence at startup time, parties are both cautious and uncertain about the commercial viability of their partnership. Designing mutually beneficial partnerships typically requires several rounds of conversations at multiple levels, exchanges of delegations, site visits, past performance reviews and financial due diligence. Not surprisingly then, during initial meetings they often talk cross-purposes and only on rare occasions are they able to quickly find common ground without third-party intervention.

The two sectors also lack a shared worldview, have different operational vocabularies and variations in preferred timelines for project implementation. In some cases, respondents reported viewing each other with "suspicion" and described their relationship with cross-sector counterparts as being that of "mistrust." Private executives complain that nonprofits view them merely as "bags of money" without clearly understanding the value they add to the partnership's bottom line. They perceive nonprofit management systems to be slow and bureaucratic, with high indirect costs imprecise problem definitions. On the other hand, some nonprofits are uncomfortable with the notion of profit-seeking from refugees as customers, most of whom live in precarious circumstances. They are also

concerned that businesses are too narrowly focused on market expansion, revenues, and profits, thus not focusing enough on the longer-term time horizons often necessary to realize return on investment.

As more partnerships begin entering the refugee response space, businesses and nonprofits will learn and adapt, eventually becoming better prepared to enter win-win partnerships. For the time being though, overcoming these barriers requires a significant investment and flexibility in devoting key staff time for meetings and travel and in some cases, donating manufacturing equipment for pilot activities. With a few notable exceptions, most nonprofits simply do not have adequate funds to even explore individual partnerships. Any financial or in-kind support to overcome this internal barrier would likely boost partnership formation. Efforts by major nonprofits to create internal and outward-facing policies and funding guidelines are certainly a step in this direction.

Key Role of Local Intermediaries

The marketplace for partnerships is riddled with information asymmetries, making it difficult for stakeholders to identify synergies, which should underlie every successful partnership. Many private companies first considered engagement on humanitarian causes through "word of mouth" from business partners or competitors. Many international businesses, even with local operations, require gaining significant knowledge of the policy environment and how it impacts individual refugees before being able to make informed decisions. Respondents were unanimous in suggesting that having local intermediaries such as nonprofits or UN agencies help to quickly identify synergies, set up initial meetings, and work directly with the private company to fill any knowledge gaps would be very useful.

In both the Jordan and Uganda case studies accompanying this report, two UN agencies UNHCR and UNCDF, played this key role. In Jordan, IKEA Foundation's long-standing relationship with UNHCR enabled IKEA business staff to engage them, leading eventually to their current partnership with JRF. In Uganda, UNCDF went a step further by providing both technical assistance in defining the partnership's business model and grants to cover initial setup costs, thereby significantly facilitating the deal for both parties. However, performing this function is clearly outside these agencies' official mandates and thus it is done so on an ad-hoc basis without systematic documentation of outcomes. Still, this shows the latent need for creating new international institutions or other intermediaries that could provide these services and incubate startup partnerships.

Regardless of the specific forms, having a mutually trusted third party intermediary or informal guarantor can significantly reduce risks for potential partners. In some cases, this may prove to be the game-changer needed to trigger the inception of a new partnership. It also helps ameliorate any

competitive tendencies between businesses and nonprofits in terms of vying for the same service contracts. Interviews revealed mixed views on whether nonprofits and businesses compete in the humanitarian services marketplace. It is conceivable that competition would be a reality in certain sectors and at certain stages of the value chain, but there are many other circumstances where competition simply does not exist. For example, while it is conceivable to think of businesses and nonprofits competing on the construction of schools or healthcare facilities within or outside refugee camps, in providing mobile internet connectivity private providers have no competition as they own cellphone towers.

Early Clarity on Motivations and Objectives

Despite being engaged in some form of cross-sector collaboration, most respondents admitted to being unaware of the other's core objectives in entering the partnership. The inability to view the refugee crisis from the other's perspective is not necessarily due to lack of information, but due to lack of exposure to the other's worldview, incentives, and potential payoffs. In fact, mutual trust and transparency go together, i.e. greater transparency creates trust and vice versa, which are both pre-requisites for successful relationships. Potential partners should be upfront about each other's interests and incentives for partnering, so any disagreement could be addressed sooner rather than later. For companies, the scale and source of funds allocated to the partnership are usually indicative of their intentions and priorities, hence sharing this information with the partner could be a great first step in achieving mutual trust and respect.

Partners coming from different industries and worldviews will inevitably have disparate expectations from the partnership, both in terms of outcomes and processes. During interviews, data sharing and co-branding were frequently identified as issues where these underlying differences must be dealt with head on. Nonprofits, for example, have clear policies to disclose details of all funding relationships and commitments to publicly share data created through grants, both of which are acceptable to their typical foundation or government funders but not necessarily to corporate partners. In this information age, all sides are equally sensitive to publicly sharing their brand name with any organization including in publications, online platforms, and press coverage. So even minute details of co-branding must be negotiated, which are easier done at the outset rather than after concerns have emerged.

Every partnership is fraught with risks. But even when prompted, only a handful of respondents involved in partnerships openly discussed risks, or their organization's mitigation strategies. This either

indicates a lack of awareness of the extent to which partnerships are fraught with performance, reputational and financial risks, or that partners have simply not thought through ways to hedge against them. For example, if a partnership's objective is strictly job creation, they face the obvious risk of the government not issuing an adequate number of work permits on time. This risk could be mitigated by diversifying interventions to include other objectives not requiring work permits to start the partnership, or pre-negotiate work permit processing times and procedures with host governments in advance to avoid unexpected delays.

The most successful partnerships have setup high frequency communication channels, such as weekly touch-downs at which emerging operational issues are resolved immediately. It is useful to have one dedicated point of contact from each side, with the clear mandate to communicate frequently and clearly with the partner and within their own organization.

Robust Business Case

As shown in figure 1, the main difference between traditional CSR and socially responsible interventions supporting refugees is in the strength of the company's business case, i.e. the likelihood that while benefiting refugees the company will generate profits. In sectors like mobile connectivity, where the same infrastructure can be used for multiple for- and not-for-profit services, the marginal cost of entering new partnerships is significantly smaller than in manufacturing. But to take advantage of this opportunity, they must partner with nonprofits and governments to introduce value-added services, such as cash transfer programs based on mobile money. The litmus test of the business case is whether the company can get core business departments, such as operations or marketing, engaged in planning and executing such partnerships with clear alignment of business and social interests.

In the technology sector in particularly, interviews revealed that companies are using partnerships to test new products and services by offering them pro-bono to humanitarian agencies or directly to refugees. For example, Cisco tested new high-capacity Wi-Fi router technologies in refugee stopover points in Europe, pre-assessing their feasibility for commercial deployment in stadiums or other busy urban public spaces. In the absence of the usual pressure of delivering full value to a paying client, this rare real-world testing opportunity holds great value for technology hardware manufacturers, but the same could be imagined for service providers as well. Company engineers overseeing their implementation, through the nonprofit platform NetHope, reported feeling great satisfaction in delivering a public service to vulnerable populations, which the company sees as an unplanned positive externality.

We found that underlying most partnerships is an innovation in the processing and delivery of offerings, indicating their value in spurring creative new ways of serving refugees. Since teaming with cross-sectoral partners requires out-of-the-box thinking, designing partnerships offers a unique opportunity for all sides to step back and rethink internal processes. Regardless of how well their intervention directly serves refugees, the potential for realizing this unintended consequence could be enough incentive for partners to engage in partnerships. We are unaware of any cases where new processes or offerings designed for partnerships were mainstreamed into business processes, though humanitarian agencies reported having routinely worked with technology companies to adapt new information management systems.

Partnership Structures

Like any association between two people, partnerships have their own power dynamics which must be managed effectively to avoid alienating partners. In our landscape mapping exercise, the results of which are published in the accompanying partnership tracker tool, we found that formal partnership structures vary significantly. Some are structured like service contracts where one party funds the other's work on specific terms and conditions, whereas in others partners did not sign any formal agreements. In such cases, day-to-day activities are managed through "goodwill and mutual understanding" supplemented by work plans, monitoring indicators and joint target identification. But respondents were unanimous in supporting written scopes of work or agreements as they help mitigate risks of and damage from conflicts.

To avoid the possibility of a single party dominating the partnership, respondents suggested "leaving money out of the equation" by having partners make only in-kind contributions. In the IKEA-JRF case, once the broad contours of the partnership were agreed, both sides made their own investments to meet their end of the bargain. This mostly involved staff time toward coordination activities, recruitment of workers, training staff, product design and pilot testing. Some companies within specific sectors such as technology have joined forces to form humanitarian platforms, which are standalone organizations funded by member contributions to partner with nonprofits. They pool resources to organize conferences, undertake project due diligence at scale and coordinate responses of specialized companies working on similar interventions (Oglesby and Burke 2012). As long as costs of coordination remain within manageable limits, platforms offer a useful alternative to more expensive and riskier bilateral engagements.

The most successful partnerships are highly flexible in their structures and partners demonstrate adaptability in the face of unexpected changes in policy and conflict environments. The latter could be a function of partners' organizational structure, financial health, and the capital intensity of their investment in the partnership. If a telecom has already invested in upgrading cell phone tower capacity to serve a new refugee settlement, their engagement in the partnership is highly path dependent and significantly less significant than in cases where they might simply be pushing new services in a well-served area. But all partnerships undergo evolution of some sort, which is often accompanied by periods of significant uncertainty. The most plausible way through their situations is demonstrating programmatic flexibility and continuous communication, after which partners get fresh clarity of purpose and motivation.

Senior Leadership Support

A key factor in overcoming such periods and other challenges is having support from the leadership of each partner organization. This point was particularly relevant in the IKEA-JRF case study, where despite the absence of legal agreements, the public handshake between the IKEA CEO and the Jordanian King signaled to internal and external stakeholders that both sides were fully committed to implementing their joint vision. When needing core business support, e.g. recruiting the company's rising stars to work on challenging partnerships, having the CEO's buy-in makes line managers and department heads much more likely to allow the participation of their top talent.

Successful partnership managers reported having CEOs and company Vice Presidents "on speed dial" to get internal and outside support in mobilizing necessary resources. Whenever they hit significant roadblocks, having the leaders' personal support ensured that things kept moving along. CEO support also helped middle-level managers, who are often implementing policies, think outside their siloes to consider more integrative approaches to the refugee crisis. In recent months, several global organizations such as the World Economic Forum, the World Bank Group, the United Nations, and others have organized public forums in which major companies' CEOs were invited as keynote speakers to reflect on their sector's potential engagement in the global humanitarian response. Such events gain significant attention on social and traditional media and at times, the fear of being left behind prompts competitors to follow suit in this sphere.

The Way Forward

This study has reflected on the feasibility of scaling up and self-sustaining private-humanitarian sector partnerships. We distill insights from win-win partnerships, mapping the landscape of current engagements and reviewing conceptual underpinnings driving recent interest in PSE in helping refugee crisis. Win-wins are only feasible under specific social, economic, sector-related and policy circumstances at given points in time, in a handful of refugee-hosting countries. As direct support becomes increasingly unsustainable, market forces must be mobilized in ways that provide essential and affordable services to refugees. But what specific steps can the global humanitarian community take to nudge market forces to create self-sustaining partnerships that can provide appropriate responses to the crisis?

The Global Refugee Response Clearinghouse

The marketplace for partnerships is suffering from information asymmetries that are preventing potential partners from identifying possible synergies. Business and nonprofits are unaware of each other's strengths and weaknesses, worldviews, missions, and risk perceptions. We propose the creation of a new global public organization to provide a suite of matchmaking services, overseen by an independent secretariat free from the influence of major existing players such as global nonprofits, corporations, or development banks. The clearinghouse should be created for global public good creation through greater numbers of and more effective private-humanitarian sector partnerships around the world. It would have three primary objectives.

1. **Overcoming information asymmetries** in the private-humanitarian partnership space by making the two sectors more aware of each other's needs, aspirations, and worldviews, leading to faster and clearer identification of the synergies that underlie effective partnerships.

2. **Providing partner due diligence** by reviewing credentials, clearly identifying strengths and weaknesses, and transparently connecting potential parties with each other.

3. **Undertaking monitoring, evaluation and learning through rigorous research** for ensuring that policy and business-level lessons from past partnerships are well documented, widely disseminated and replicated in future engagements.

We believe that private-humanitarian sector partnerships have reached the critical mass needed to create the financial and political backing necessary to make this a reality. Making use of innovative financing mechanisms such as blended finance, potentially with elements of impact bonds, results-

based financing, and solidarity levies,[3] multiple sources of funding should be tapped to avoid capture by any stakeholder, or sector. Such funding approaches for refugees are already on the table at major forums such as the World Refugee Council, which can be combined with this effort to more effectively leverage public funds.

Headquartered in a major global city, it should have regional and country level secretariats with small staff supported by member organizations such as leading nonprofits, members of the UN system and well-regarded private foundations with the demonstrated ability to create humanitarian impact. With the highest possible level of endorsement, such as from G20 leaders or through a resolution at the UN General Assembly, relevant global public and private organizations could be mandated to support the clearinghouse's operations. For example, when necessary Interpol could share background of key individuals and the UN's Office on Drugs and Crime should provide information on companies' and nonprofits' track record on human trafficking and counterfeit smuggling records. With such support, a modest size staff could provide extremely valuable information, which as noted earlier, poses a major barrier to partnership formation and takeoff.

Awareness through Demonstration

By showcasing successful cases where companies and humanitarian agencies have both benefited from partnerships, while creating value for refugee and host communities, we can motivate potential partners to explore such arrangements. No two partnerships will be identical, and although partnerships will need to undertake their own exploration and due diligence, the demonstration effect can be a powerful motivator. In competitive industries where companies are vying for new customers, e.g. telecommunications or banking, the fear of being left behind and compete could become a great motivator. Researchers could be funded to undertake case studies or rigorous impact evaluations to highlight ways in which stakeholders overcame barriers to forge win-win partnerships.

To the extent possible, companies and nonprofits engaged in successful partnerships should share operational and financial data to enable more robust cost-benefit analyses. If companies are truly buying into the humanitarian agenda, then platforms like NetHope and foundations such as Tent Foundation and Open Society Foundations could do a great service to this cause by persuading businesses to setup data sharing agreements with research organizations. Greater transparency with

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[3] The idea of solidarity levy or tax assumes that citizens of affluent countries in Europe and North America have an interest in the economic and social wellbeing of refugees. Similar to the EU-Jordan agreement, host countries in the Middle East and Africa would benefit from international fiscal support while industrialized countries would become less likely to see fresh waves of refugees at their shores.

respect to both data and partners' perceptions of the value of partnerships is necessary to learn what works and why from these partnerships. Further, such learning should be widely disseminated among business and humanitarian networks.

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