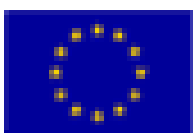




**Implementation guide of partnerships  
between public authorities / financial  
institutions / social economy**



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## 1. Introduction

### **Background**

The social responsibility of financial *institutions* is of particular importance. As with all businesses, their activities have an immediate societal impact, when, for example, they promote job creation as a result of a suitable credit policy. They may also deploy the same lending strategy to exert an influence on the social responsibility of their customers. For example, this could take the form of taking the decision to grant funding conditional upon ethical, social and environmental requirements being met.

*National, regional and local public authorities* have taken stock of this key role played by the financial sector. They have joined forces with the sector to forge partnerships that may have a disparate nature to some extent but do nonetheless reveal joint lines of action allowing for alignments and replications within the European Union.

These *partnerships* primarily facilitate banking inclusion to allow the most deprived groups access to an appropriate form of consumer credit in keeping with their life projects. They help people sidelined from the labour market and standard banking system to start their own businesses and develop their own employment opportunities, while creating instruments and services to make it easier to gain access to the housing market. The partnerships promote social economy-related activities, or facilitate a socially responsible system for managing public funding or funding of a public nature.

The public authorities and financial institutions use these joint tools to promote *fundamental rights in the European Union*. The following non-exhaustive list offers a few examples of the rights in question:

- The freedom to choose an occupation and the right to engage in work (article 15 of the European Union's Charter of fundamental rights) ;
- The freedom to conduct a business (article 16) ;
- Equality between men and women (article 23) ;
- Protection of family life (article 33) ;
- The right to social security and social assistance (article 34) ;
- Access to services of general economic interest (article 36) ;
- Environmental protection (article 37).

### **In practice**

In 2005, the RESEAU FINACEMENT **ALTERNATIF** launched an initiative entitled "Developing common tools for public authorities and financial institutions so as to promote fundamental rights in the European Union",

financed by the European Commission's DG for Employment and Social Affairs.

The RESEAU FINANCEMENT ALTERNATIF analysed 17 partnerships between public authorities, financial institutions and social economy so as to promote fundamental rights in the European Union, in order to review the key features that may be replicated in other European Union regions and to ensure a higher success rate for the various initiatives in the future. The Internet site of the programme is the following : [www.eufin.org](http://www.eufin.org).

After analysing all 17 partnership schemes, some critical conclusions may be drawn. Indeed, all 17 good practices examined differ both in form and content:

- Project promoter: the partnership scheme supports an action introduced on the initiative of a social economy organisation or public authorities.
- Matter: the action supported by the partnership scheme tends to promote different fundamental rights, whether it be the right of free enterprise, equal opportunities between men and women, right to welfare, right to housing grants or promotion of financial solidarity.
- Target: the action is aimed at the population of a region, women, unemployed people, immigrants, young graduates, etc.
- Spatial scope: the action will be conducted at local, regional or national level.
- Financial resources available: in all 17 good practices analysed, these financial resources range from €45,000 to €1,000,000 even though a majority of them rather ranges between €100,000 and €350,000.
- Life: partnership programmes reviewed were established long ago (over 15 years ago) or are quite recent on the opposite (2004 or 2005).
- Context: the action and partnership are developed in distinct social, economic, political and/or cultural environments.

However, common features clearly emerged from the examination of the partnership mechanism of all 17 experiences and similar problems usually appeared. They have enabled us to learn a few lessons on the implementation and management of partnership actions involving public authorities / financial institutions / social economy organisations with a view to promoting fundamental rights in the European Union and therefore increase the rate of success of future initiatives.

First, factors of success will be described in chronological order, according to steps followed to put up, apply and develop a partnership. Then, a number of characteristics will be highlighted to the extent where they

involve aspects critical to the success of partnerships between public authorities / financial institutions / social economy.

## 2. Factors of success for partnerships between public authorities / financial institutions / social economy : chronology

### **2.1. Preliminary step: defining the action supported by the partnership**

Before a partnership involving public authorities / financial institutions / social economy can ever see the light, a project to promote fundamental rights should exist. Three factors which are crucial for the success of the action of defence of fundamental rights so emerged.

First, the action should **meet a need**. Existing political and/or social organisations are not sufficient, either because they do not meet the requirement which the action aims at fulfilling, or because their answer is insufficient or inadequate.

Secondly, spatial scope is not a crucial aspect for the success of the action. Certain actions analysed as part of this programme are actually conducted on a local or regional level when others are carried out nationally. What is more relevant is the **proximity between stakeholders**, namely between the champions of the action and their target group on the one hand and between the champions of the action and their partners on the other hand.

Thirdly, the action relies on a **smaller size organisation**. In fact, if financial resources for carrying out actions for the promotion of fundamental rights are reduced (they usually range between €100,000 and € 350,000), human resources available are not any larger, as the organisation is based on a minimum number of wage-earning workers (1 - 6), usually on a part time basis and on volunteers (for leadership, grant of credit, customer monitoring or internal audit *inter alia*). However, in certain cases, a network of members or a regional organisation will reinforce the core team.

## **2.2. Defining the motivations underpinning the implementation of the partnership**

Before even starting negotiating with potential partners, defenders of the action promoting fundamental rights should define reasons behind their desire to create a partnership between public authorities, financial institutions and social economy organisations.

Whether it be micro-credits granted to women, the promotion of solidarity savings plans, entrepreneurship in impoverished regions etc., actions for the defence of fundamental rights analysed fill in a gap due to lack of contacts in a field neglected by existing political, economic and/or social organisations. They take into account the complexity of situations and deal with problems which go beyond commercial or social standards.

This is where the partnership solution emerges – it enables indeed to **build bridges** between existing political, economic and/or social organisations and promotes the development of innovative solutions.

Now, it quite clearly appeared that y social economy organisations are the kingpin to build these bridges and develop these innovative solutions (see below: 'a partnership - with whom?').

So, to attain its objectives, the action promoting fundamental rights requires that synergies should be searched for. This relies on **complementary participants** from social economy, public authorities and financial institutions, which is reflected by the will to take full advantage of each one's skills or even to use 'co-sourcing', i.e., to pool resources in connection with the partnership to minimise costs and excessive administrative work.

Then, the partnership involving public authorities / financial institutions / social economy will make it possible for the action promoting fundamental rights to gain in **credibility**. This state of affairs first and foremost applies to partnerships between public and non governmental organisations, favouring professional recognition of the action. Public authorities will therefore usually represent the partner providing credibility to the action, ensuring its visibility, and promoting its professional recognition. However, this will largely depend on the recognised level of expertise of public authorities. In fact, when their reputation is not optimum, it may be wise to avoid publicity as to their involvement in the partnership in support of the action promoting fundamental rights.

At the same time, though not so often, private partners (banks, press groups ...) will make it possible to establish the action promoting fundamental rights, providing to this action political and strategic safety – e.g. they will offer funds or lend their logos. Doing so, they support the global objective of the action and provide visibility to it.

So, whether it be for reasons of credibility or complementariness between players, the implementation of a partnership between public authorities / financial institutions / social economy can also aim at a strategic objective.

'Last but not least', any partnership involving public authorities / financial institutions / social economy is also supported by **financial reasons**. In fact, on the one hand, organisations usually lack funds, so they most of the time need to call for external financial resources to cover the action promoting fundamental rights. On the other hand, the relevance of the action and expected social and economic return on investment largely inspire any application for funds.

To do so, they can adopt a 'top down' approach, i.e. funding by public authorities, or a 'bottom up' approach, i.e., mobilising funds in the private sector. In most cases, both approaches are mixed. E.g. staff will be paid via public funds for a definite number of years and capital will be derived from what was collected via savings and the private sector.

It is interesting to note that in one case only, the financial involvement of public authorities hindered the contribution of such other partners as religious foundations or congregations on the grounds that the project already benefited from public support. Defenders of the action should therefore know potential partners well and be aware of their intentions and rationales.

In order to obtain financial contributions from their banking partners, supporters of actions promoting fundamental rights usually submit an offer, explaining the expected return on investment into the project and presenting financial forecasts. However, some prefer asking how much each partner is willing to invest or guarantee and search for the number of partners required to reach their objectives.

So, the partnership solution makes it possible to fund the action promoting fundamental rights whether such financing should take the form of subsidies or guaranties granted by public partners, or whether financial institutions contribute to capital or grant credits to the champions of the action or their beneficiaries.

### **2.3. Determining the expected part of each type of partners**

Actions for the promotion of fundamental rights are usually put in place under the auspices of social economy organisations. However, some of them were also born from political will at a local, regional, or even national level. Conversely, of all 17 actions for the promotion of fundamental rights analysed, none arose from the will of financial institutions.

Under such circumstances, factors of success for actions conducted to defend fundamental rights should be examined taking into account the part played by each stakeholder. In other words, before embarking on the search for potential partners, we should know what we expect from them.

The function of **public authorities** most importantly is that of a facilitator. As mentioned above, from a political perspective and depending on their reputation, their commitment to a partnership with an organisation from the social economy provides the opportunity of establishing the credibility of the action, or even to ensure its reputation.

Also, the political commitment of public authorities will make it possible for the action to continue in the future : either public entities will include the action into their long term strategy or they will support the action promoting basic rights and later eventually move away from it after its bases have been laid down and funds have been fully provided by banking partner(s).

Economically, the support of public authorities is reflected by an investment in capital, the payment of subsidies or coverage of operating costs, making possible the very existence of the action. Public authorities can also guarantee coverage of the risk. Doing so, they facilitate the contact, negotiations and grant of funds from banks and so encourage banks to get involved in the partnership.

From this point on, public authorities often are the partner whose part is critical to the materialisation of the project. As actions promoting fundamental rights are often innovative projects and are sometimes even put in place by some new player from the social economy, it is therefore often very difficult for them to raise funds. This is why in most cases an initial partnership is first established between **public authorities** and the social economy. This provides the opportunity of securing from banks their consent to become involved into the partnership more easily.

In order to illustrate this observation, it is interesting to note that of all 17 experiments reviewed, one convention only was negotiated with all three types of players (social economy, public authorities & bank) from the start; though getting the action underway took some time as a result of this.

As for the part played by financial institutions in partnerships between public authorities / financial institutions / social economy, banks developing a social concern should be differentiated from strictly commercial banks.

**Ethical banks and socially responsible banks** play a critical part in the support of actions promoting fundamental rights. This is how the defenders of projects turned to ethical banks, banks recognised for their social tradition (these are usually institutions at least partly owned by public authorities) and commercial banks committed to raising the social awareness of companies.

Predictably, **mainstream banks** come in where their commercial interests fall in line with the partnership objective, whether they may sell their products, develop a pole of activities, or pursue a policy of strategic positioning.

Interestingly, in the case of actions initiated by public authorities, the involvement of banking partners was much less difficult than in other cases.

Banks, even when they are socially aware and ethical, will limit their participation to funding actions, and even most often under the pretence of a guaranty from public authorities. Human and/or technical resources pooling experiences are rare (of all 17 case studies analysed, no practice of that type could be implemented).

As for players from the **social economy**, their part consists in providing organisational support and - most importantly - skills. Indeed, in all cases analysed, they have few financial resources but a skilled or even expert human capital challenged by the establishment of innovative organisations.

With their social objective or with the reputation of their founders, these organisations therefore help enhance the credibility of the action with respect to its social, solidarity-oriented and societal commitment.

## 2.4. *Selecting partners*

After defining motivations underpinning the creation of a partnership and delineating expectations for each type of partner, champions of the action promoting fundamental rights can embark upon the actual implementation of the partnership between public authorities / financial institutions / social economy.

First, a **list of potential partners** will be drawn up, including national and local authorities, as well as financial institutions and organisations from the social economy, depending on the type of partner wanted, interest of each potential partner for the issue supported by the action, and prior knowledge of these organisations by the action defenders.

At that level, **decision-making contacts** should be found (bank directors, senior officials or ministers ...). This search can appear to be long and painstaking but it is crucial and will enable to save precious time during the subsequent stages when it is decided to put up (or not) the partnership, and when the terms of cooperation are negotiated.

Another feature that needs to be taken into account when selecting partners is their **geographic proximity**. Indeed, this will contribute to the success of the partnership insofar as it will simplify possible meetings and potentially encourage the emergence of a collective identity between stakeholders.

When **canvassing for partners**, a direct contact will then be established between champions of the action and each potential partner - most often as individual meetings. Defenders of the action will rely on the members of their network or other partners or acquaintances to get introduced to potential partners where applicable.

**Selecting partners** is easy when public authorities initiate the action for the promotion of fundamental rights: their knowledge of regional players and influence will encourage the creation of a territorial network of participants. Also, when the action is supported by an organisation from the social economy, the public partner choice will often seem self-evident. Conversely, selecting banking partners is often the occasion of long negotiations.

Sometimes, it is impossible to make a choice between potential partners, just because only one of them accepts to take part in the project. This happens rather frequently or so it seems, with banking institutions. Conversely, certain banks will accept to sign a partnership agreement, provided they can secure exclusive rights. In both cases, the fact of dealing with just one counterpart generates a **dependence** that is almost unbearable for the leading defender of the action promoting fundamental rights. In order to avoid this type of situation, the leading defenders of the action will therefore ideally attempt at dealing with a sufficient number of partners so that each stakeholder may have a fair weight in the balance of negotiations and so that any unexpected withdrawal from a partner may not jeopardise the completion of the action as the case may be.

During negotiations, **synergies with banks** should be **sought for**. As banks will get involved in a partnership with public authorities and/or social economy where their strategic and business interests fall into line with the objective of the partnership, we should deal with financial institutions from a win-win perspective. So, the private sector may for example take part in promotional campaigns relating to the action supporting fundamental rights. By doing so, it will enhance the visibility of the action and improve its image and reputation.

## 2.5. *Writing partnership agreements*

When partners have been found, the success of their cooperation relies on the definition of the framework for the development of this cooperation.

**Partnership agreements** are therefore written; they not only stipulate the purpose of the action, its objectives, target aimed at, etc. but also fundamental values underpinning this action. These agreements may also go from a simple letter of intent to a highly detailed and quite complex contract defining the function of each partner, clarifying its financial contribution or any other form of contribution, governing its involvement and determining modes of control of the performance of the action and partnership.

In a majority of cases, **bilateral agreements** are signed with each partner. To do so, the leading defenders of any project will sign a cooperation agreement – first with public authorities and then with financial institutions and social economy organisations.

It is to be noted that cooperation between a public organisation and a financial institution will sometimes remain informal: in order to maintain equity between all players in the banking area, the administration may prefer to avoid entering into a framework agreement with any bank. In this case, the partnership will be built in reality but will not give rise to formal contracts between these parties.

Besides, where a partnership agreement is entered into with a banking group, it is appropriate to plan negotiating a framework agreement nationally first. Secondly, this may be adapted locally through the organisational structure of the financial institution.

Though bilateral agreements are standard, an experiment was conducted differently and a **tripartite agreement** between public authorities, financial institutions and the social economy was preferred. However, the defenders of this action believe that several bipartite agreements might have been more efficient. Indeed, negotiations between three partners appeared to be long and difficult, which tends to prove, as is mentioned above, that the support of public authorities should be secured first and that an early involvement of banking partners into the process of implementation of the partnership may appear to be counter-productive.

Anyway, agreements guarantee that partnerships are efficient as they delineate a working framework for participants and provide a reference in case of crisis. Even better – when partners take the time to discuss their respective expectations and to include them into agreements, they develop a genuine **win-win relationship**, guaranteeing a fruitful cooperation in the long run. It appears in fact that many crises were due to unclear objectives as to the participation of partners or to a lack of vision as to their actual commitment to the project.

Finally, covenants should be signed for a **sufficiently long term** so the action may generate concrete and measurable results (2-5 years will be a

standard period). In fact, annual renewal of agreements may jeopardise the course of the action as it provides to participants the opportunity of blocking the operation of the partnership, whereas the action is still getting underway and has not been able to bring about any results yet.

## **2.6. Exchanging information on the completion of the action for the promotion of fundamental rights**

In all partnerships analysed, monitoring of the contribution of each partner requires the transmission of **annual reports**. The frequency, content and form of reports will vary with the type of partners with which they deal.

Information contained in reports between defenders of the action and **financial partners** therefore is of a financial type: sums incurred, repayments due, delays in payment etc. These reports, which are sent on a monthly or weekly basis, are most regular. In fact, as banks usually come in to grant a credit, the specific status of loans at any given point should be known so as to minimize reaction time in case of any default from a debtor.

When a number of players from the **social economy** cooperate as part of any given partnership, annual reports rather take the form of a monthly summary of work done. The content of the report will be less financial but will rather develop the content of the action promoting fundamental rights proper: number of impoverished people who are now included into society, measures taken by the action defenders to achieve this, next social/economic steps to improve the operating mode or performance of the action, ...

As for **public authorities**, they usually require bi-annual or even annual reports including figures for the activity, participation of intermediaries, notes on what can be observed in the field both on issues of implementation of the partnership and relevance and further development of the action.

Interestingly, when the project promoting fundamental rights is supported by an organisation from the social economy, partners from public and financial sectors often exercise **stringent control** over the financial management of the action for the first two years of the partnership.

Then, when the action shows its first positive results, and evidence of the proper operation of the partnership can be provided, trust between partners is enhanced and monitoring becomes more flexible.

**A newsletter** sometimes comes on top of annual reports. It takes up information contained in the annual report, but presents such data in a more journalistic and less detailed form. This newsletter further includes the progress status of the project, results achieved to date, objectives for the next period and any other relevant information for partners.

## **2.7. Developing interpersonal relationships with the partners**

Though written reports appear to be critical, they are not enough to make a partnership between public authorities / financial institutions / social economy successful. Interpersonal relationships undeniably contribute to the efficiency of a partnership. The analysis of all 17 good practices shows that the commitment of public and financial partners to the action is proportionate to their participation to meetings, individual interviews, and/or steering committee sessions.

So, champions of the action promoting fundamental rights usually are the instigators of **regular - usually monthly - meetings** with their partners. These meetings provide the opportunity of assessing progress for the action and encourage exchanges of viewpoints and a good understanding of the philosophy supported by the action.

Another factor of success during the application of partnerships involving public authorities / financial institutions / social economy is the constitution of a **steering committee**. This committee, which ideally includes all parties, makes it possible to follow up the development of the project, give your opinion on the strategy implemented and monitor the actual contribution of each partner in financial, administrative or qualitative terms. These steering committees will prevent many crises or avoid implementing a heavy organisation, which is due to the regular contacts which they generate between partners and to the actual involvement in the development of the action, which they induce from participants.

Beyond regular meetings, it is necessary to insist on the importance of **personal and informal relationships** between partners. In fact, **informal links** help give ownership of values and objectives of the action to partners. Further if a problem arises, it is easier to settle a dispute if the contact with players was previously established on a personal level via phone conversations, e-mails sent, occasional visits from partners and any other form than reports required.

## **2.8. Assessing the partnership**

All experiences analysed focus on the importance of monitoring, of assessing the action promoting fundamental rights after two to three years' existence.

However, the partnership as such was only assessed in few of such programmes. This is how the participation of supporters of actions falling into the scope of this programme - particularly answers to the methodological questionnaire used as part of seminars - forced them to take the time to analyse past achievements, compare objectives pursued with results actually attained, to examine problems met and solutions applied, and to plan the adjustment of working methods to the partnership where applicable.

So, what aspects should be taken into account to determine the success or failure of a partnership involving public authorities / financial institutions / social economy?

The leading defenders of the action will **internally assess** the action and partnership supporting it on a priority basis. To do so, it may be contemplated to set up an audit committee. This committee, which is to be constituted of members from each partner, will aim at controlling the implementation of the action and relationships between partners. In case any problem should be brought to light, the audit committee will refer it to the managing staff of the leading organisation defending the action.

Anyway, internal assessment will focus on two aspects - quantitative and qualitative aspects.

**Financially assessing the action** appears to be important as, in most cases, the organisation is already receiving funds from its partners and should therefore provide evidence of how they are used. Quantitative performance indicators are therefore put in place to assess the results of the action promoting fundamental rights such as the quality of assets, management of costs, management of liquid assets, analysis of profitability, amount of reserves (to cover any losses, and so investments may be made), evolution of subscriptions, number of enquiries, etc.

As for quantitative performance indicators, it is further to be noted that the existence of several assessment systems (in particular in the micro finance sector) hinders the comparison of results for any action against comparable projects. Now, it is enlightening to be able to position yourself against a **benchmark**. In this respect, standardising assessment systems may be a convenient tool for the leading defenders of actions promoting fundamental rights.

Assessing the partnership also requires analysing **qualitative factors**. For this, we will ensure that the partnership, when applied, meets the values of the project; we will also consider the degree of satisfaction of all stakeholders (leading defenders of the action, partners and beneficiaries),

their intention of continuing the action or not and of developing new common projects, as well as the recognition of the action by new partners.

It also appears that written reports to be regularly produced and meetings between partners encourage a **transparent** management and therefore constitute an incentive for each stakeholder to be more responsible.

Similarly, a transparent assessment system supports qualitative monitoring of the action, which is crucial when we are dealing with projects concerning human rights.

Partnerships also usually encourage an improved sensitisation of institutional partners concerning the issue of fundamental rights.

**The frequency of internal assessments** also is an important point. So, an interim assessment of any partnership in the course of being applied will appear to be efficient as it will provide the opportunity of regularly focusing on concrete problems met in the daily management of the action.

An **external assessment** can turn out to be most appropriate to analyse in detail the operating mode of the action and partnership system, e.g., the way of handling crises. However, most importantly, an external audit will cause the quality of work done and professionalism of the action defenders to be acknowledged where its outcome is positive. This audit should ideally be based on the 'objective - implementation - result' model as what eventually matters is that the action should meet its objectives for the population which is targeted at.

### 3. Factors of success for partnerships between public authorities / financial institutions / social economy: cross-disciplinary themes

A few cross-disciplinary themes emerge at each step in the partnership process, from its definition to its assessment. They account for critical factors for the success of partnerships between public authorities, financial institutions and social economy.

#### **3.1. Guaranteeing sufficient funding for a long term action**

The need for financial resources is one of the major reasons for setting up a partnership involving public authorities / financial institutions / social economy but it is also crucial to ensure that actions continue in the longer run.

Lack of financial resources for any action may prevent it from developing its potential, when results of the action appear to be positive and convincing. Indeed, **sufficient financial resources should be secured** right from the launch of the action promoting fundamental rights. For that, supporters of the action will examine the various types of possible partnerships:

- Either to secure subsidies which will cover operating costs for the action for a while;
- Or to be able to grant credits to beneficiaries of the action where applicable;
- Or to cover risks inherent in the grant of credits;
- Or to increase the capital of the organisation supporting the action as part of a long term vision.

However, as actions promoting fundamental rights most often develop innovative solutions, **financial tools should be adjusted to** changing needs of the action. Budgets and funds will ideally adjust to the constraints of the action in the field.

Despite this, action defenders sometimes meet cash flow problems. In fact, payments from partners are sometimes made as reimbursements on the basis of facts known. Besides, the grant of subsidies and other funds is often subject to heavy administrative constraints for such small-scale organisations. In this case, it is best to take the time to answer all administrative requests as a priority and **ask** more experienced projects defenders on this issue **for advice** where need be.

To ensure the success of the action and partnership, we should specially focus on the **parties' financial commitment** level. In fact, this is a first guarantee showing their will to really support the action: the higher their contribution, the more dedicated they will be.

Partnerships will usually enable champions of actions to cover the many costs and other funds required, before their organisation reaches a critical size permitting them to cover operating costs without depending on public or private funds and, consequently to consider being **self-sufficient**.

So, most experiences analysed show a need for enhanced financial management flexibility, which is reflected by the search for alternative financial resources so as to reduce financial dependency on current partners.

This can prompt a search for **extra** banking or public **partners** so as to obtain further financial resources or reduce their dependency on a number of current partners which is possibly too limited. In order to include new possible partners, a revision of the partnership agreement form should be applied where need be to allow enhanced complementariness.

Where the need for more financial resources is reflected by an **increase in capital**, a partner may purchase shares. In this case, the partnership proper will no longer exist as participants will make direct investments into the organisation supporting the action.

### **3.2. Adjusting the partnership organisation to local action requirements**

Actions promoting fundamental rights aim at being close to their target group by nature. Partnerships between public authorities / financial institutions / social economy should therefore adjust to this constraint.

When canvassing for potential partners, we should therefore take into account their spatial proximity to leading defenders and beneficiaries of the action.

In certain cases, the partnership will rely on a network of members or on a regional organisation in close touch with local needs and specificities.

Even better - framework agreements entered into on a national level will be adjusted to the level of local bank branches so as to meet the specific needs of each region in an optimum way as the case may be.

### **3.3. Making yours the action**

Making yours values and objectives is a key to the success of the partnership and continued existence of the action in the long run: the point is to make sure that partners share **the same view of the action and same values**.

**Giving ownership of the project to all partners** will start with their selection. When partners know one another before the implementation of the partnership, it will be easier for all players to make the project theirs as this most often means that they actually already share common values. Conversely, when they do not know one another when the partnership is put in place, the action supporters will contact as a priority those people whose political commitment to the promotion of fundamental rights is genuine, either because they have developed a social tradition or because they back the development of ethical values. To do so, supporters of the action may arrange for an interview or round table with potential partners so as to ensure that they actually agree on the objective of the action and values which it defends.

Though partners need to make the action theirs for the partnership to become successful, **each partner should also mobilise his/her organisation globally** to promote the action. In fact, if the partnership is only defended by one person in each organisation, if this person leaves, continuation of the cooperation will be jeopardised, when if the whole team makes the project theirs, follow-up will be guaranteed. Similarly, it would be wise to communicate with new contacts to get them involved into the initial objective.

At the same time, if you make yours values and objectives, in case of crisis, the dispute can be settled more easily. Informal contacts (via phone conversations, e-mails sent and any other form than reports required) are essential, right from the launch of the partnership, not only at an institutional level but also at a personal level.

Interestingly, among all 17 partnership experiences analysed, those in which partners were most reluctant or even obstructive were precisely those where relationships were restricted to written and formal exchanges of information. For a partnership to be successful, it is therefore important to **get partners involved** in meetings or steering committees **as much as possible** to prepare action plans, budget, development strategies, etc.

Indeed, when analysing all 17 experiences, it seems that the **involvement of banks** is not always optimum: partnerships are often unbalanced as banks do not show as committed as what was expected – they do not ask for much information or many meetings. They do not want to cover any risk, particularly when we deal with impoverished people. They prefer delegating risk-taking to another player - potentially public authorities or foundations. Conversely, when the project is efficient and becomes successful, they usually accept to become committed. According to some project defenders, banking partners' expectations and objectives are still vague; better delineating their own expectations for their organisations

might help them become more involved in actions promoting fundamental rights.

### **3.4. Creating a communication between partners**

Optimum communication between partners is a key to the success of partnerships. Such communication should happen at an early stage – when canvassing for potential partners – and be maintained throughout the cooperation project.

It is important that we should hold a clear position in response to traditional banks as to the objective of the action, ethics and philosophy of social economy.

So, communication makes it possible to inform potential partners on the objectives of the action and reassure them as to the viability of the project. However, most importantly, it is **crucial to convince** participants, particularly banks, of the relevance of the partnership and eventually to finalise promises of – financial, organisational or other – contributions. Indeed, the partnership between public authorities / financial institutions / social economy implies that three types of players whose values and purposes largely differ and are possibly opposed should meet. And yet, in order to be successful, the partnership requires – as is mentioned above – that a common vision should be shared. From then on, the leading defenders of the action should not underestimate the considerable energy that needs to be invested to break down barriers and avoid a culture shock.

As for **content**, defenders of the action promoting fundamental rights will describe the objectives of the action, current situation of the area and the development expected via the project. They may further rely on the description of similar successful experiences. On the other hand, communication should enable to ensure that participants agree on objectives pursued by the action (cfr. previous paragraph: giving ownership of the project).

Supporters of the action promoting fundamental rights may for example arrange individual meetings with each potential partner and/or meetings to mobilise banking institutions, public authorities and social economy in general. Whatever **their forms**, these informative sessions will aim at building potential partners' capacity of understanding with respect to the project, and so at convincing them of its relevance.

Besides, social economy organisations supporting an action promoting fundamental rights usually work following a policy and objectives which differ from those of their public and financial contacts. To convince them, they need to **adjust the views which they express**, to talk in economic and financial terms to bankers and macro-economic and socio-political terms to public authorities.

When drafting agreements, communication appears to be as crucial as when selecting partners. The point then is to **discuss in detail** each one's functions, contributions and responsibilities to ensure that slight differences of comprehension might not appear later and generate misunderstandings or even cause things to be held up. For example, if the action involves granting micro-credits to young people, we should agree on the age limit

beyond which a credit will not be granted and determine whether the age limit will apply when the person concerned applies for a credit or when such credit is granted.

**Later**, when the partnership is put into practice, communication may take the form of **feedback** between partners through regular meetings, steering committees and personal contacts between partners. So, action plans and the budget may be established with certain partners and regularly reviewed to be adjusted according to new priorities. This will also help participants make the project theirs (cfr previous paragraph.).

Despite efforts made to ensure optimum communication, **crisis situations** may emerge. The action defenders should then step up their efforts to inform their contact as much as possible and solve the problem as the case may be.

In brief, communicating means informing and reassuring to convince.

### **3.5. Allowing yourself time for a solid preliminary work**

Actions for the promotion of fundamental rights most often offer solutions combining financial and social services. In this respect these activities supporting the economic development of communities are usually **experimental projects**.

It is therefore important to take time to make systems become operational and allow all stakeholders to share the same vision in the medium and long run throughout the partnership (see above). **Partners should also be advised** that the development of the action and implementation of the partnership will take some time so as not to generate any unrealistic expectations concerning their leader.

To avoid any further problems, **solid preparatory work** should therefore be carried out to find decision-making contacts to be reached so as to search for funds required for the action to be efficient; to make sure that partners share the same view of the action and partnership, depending on the economic strategy of the region; to make up for delays due to slow and cumbersome administrative procedure; to make sure that all partners were equally made aware of the action details; to draft legal documents taking into account each party's objectives; to allow the organisation time to become established and gain the attention of the public; and finally to plan risks potentially incurred and possible problems so as to better avoid them.

**The mistake usually is to** get too rapidly involved in operations. In the short term, the partnership is actually operational more rapidly but when the slightest problem arises, it is usually more difficult to solve as the parties deal with issues as a matter of urgency and as they developed a different view of the partnership. The problem will then arise in more acute terms.

Finally, **the partnership agreement** should ideally be a **long term** contract. Indeed, when cooperation agreements are entered into for short periods (less than two years), the issue of a possible extension of the action comes up at the end of the test stage, whereas the action has possibly not yet been able to show any convincing results. Questioning the partnership at so crucial a time may so jeopardise continuation of the action.

## 4. Conclusions

The purpose of actions promoting fundamental rights is to restore the dignity of people weakened by life's trials, to defend equal opportunities, encourage free enterprise, favour social and economic justice, and ensure the development of solidarity between all stakeholders in society.

The scheme called '*eufin* – developing tools shared by public authorities, financial institutions and the social economy for the promotion of fundamental rights' made possible the study of 17 experiences from 11 countries in the European Union or applicants for membership, to determine factors of success and obstacles which you should steer clear of when implementing and conducting such partnerships. This programme therefore endeavoured to analyse the partnership system in lieu of the content of partnerships.

In practical terms, this scheme enabled participants to multiply exchanges between good practices. The analysis work required from participants also forced them to take stock of past events and therefore check off qualities and weaknesses of their respective actions and improvements to be brought to their partnerships. In this respect, the '*eufin*' scheme was a true assessment and dissemination tool for participants.

Besides, at the end of almost one year's work, similar features emerge from the analysis of all 17 experiences selected. This is why we may believe that factors of success for partnerships described in this report more generally extend to other actions promoting fundamental rights in the European Union. So, the '*manual for partnerships between public authorities / financial institutions / social economy for the promotion of fundamental rights*' was intended to be a tool likely to increase the success rate of future initiatives.

There are many people who are excluded from the socio-economic system in the European Union: not only unemployed people, women, immigrants, travellers, but also young unemployed graduates or a growing number of people faced with banking problems ... Under such circumstances, the multiplication of initiatives for the promotion of fundamental rights is critical – whether it be housing grants, micro-credits granted to women, entrepreneurship in impoverished regions, promotion of solidarity savings funds, etc.

Now, experiences analysed as part of this programme cover complex problems, requiring custom-made solutions and adapted partnership models. We should be careful not to search for a unique model but, quite on the opposite, we should promote the multiplication of local actions which may fill in gaps in the traditional market, due to their proximity with the public which is targeted at.

However, by doing so, social and solidarity economy organisations regularly suffer from insufficient – human, technical and/ or financial - resources and

from a lack of recognition from financial institutions. Hence the necessity for them to come together within associations such as Febea, Inaise, REM, or

even *'eufin'*, to develop a collective weight during discussions and negotiations, and finally to mutualise technical and human resources to minimise costs.

Besides, these initiatives usually bring about innovative solutions lying at the junction between existing political, economic and/or social organizations. Indeed, though the government is to guarantee compliance with fundamental rights, other players should take part in it. In this respect, partnerships involving public authorities / financial institutions / social economy are a key element without which the action of defence of fundamental rights would not always be practicable - whether it be for financial reasons or strategic reasons of credibility and complementariness between players.

More particularly, public authorities play a crucial part in the set-up and development of partnerships. In fact, their commitment is used as a guarantee for the action and opens up the doors to many participants - particularly in the banking industry.

Ethical banks and state banks play a crucial part supporting projects for the promotion of fundamental rights, although they usually get little involved in partnerships and more often than not restrict their action to the award of funds, hiding behind a guarantee from a public organisation. As for traditional banks, they are too often absent from actions in favour of social economy.

All projects promoting fundamental rights are welcome, but their success will depend on the capacity of beneficiaries to defend their own rights, on a qualitative monitoring of the action and on the managerial skills of the leading defenders of the action.

As far as the partnership itself is concerned, some key elements will foster a smooth cooperation - signing an agreement from a win-win perspective; the guarantee of a long term partnership; giving ownership of the action to all participants; optimum communication with a subtle mix of formal meetings and informal relationships; the capacity to assess past achievements and failures experienced together, etc.

In this way, partnerships create a dynamic between participants ; either the prior knowledge of public and private players and of how they operate internally enables to progress rapidly in the development of a partnership, or the partnership provides stakeholders with the opportunity of getting to know one another and developing future synergies. Also, partnerships induce emulation, insofar as cohesion between partners makes it possible to inspire changes in attitudes in favour of the promotion of fundamental rights.

Finally, partnerships between public authorities / financial institutions / social economy for the promotion of fundamental rights build bridges between free market economy, on the one hand, and public or social economy on the other, so beneficiaries of actions can start to see the light at the end of the tunnel.

Indeed, the ultimate purpose of actions for the promotion of fundamental rights is to help impoverished people leave behind exclusion so they may be included into the free market economy. When this objective is reached, all stakeholders win: previously impoverished people first, and then social economy which fulfils its function as social cohesion restorer and which proves its economic added value, the banking industry which 'gains' new customers and finally public authorities which avoid incurring social costs.

In other words, with the creation of jobs and improved quality of life, with the fight against discrimination and assistance to people in need, actions promoting basic rights will contribute to more prosperity, equality and solidarity. With them, Humans will be the chief focus of attention again.