Strategic alliances between communities, with special reference to the twinning of South African provinces, cities and towns with international partners

by

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DECLARATION

I, the undersigned, hereby declare that the work contained in this dissertation is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

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ABSTRACT

The international relations of regions, cities and towns include a variety of activities of which the phenomenon of twinning, or the establishment of a relationship with a community in a foreign country, is normally the most prominent and long lasting. Twinning originated in the aftermath of World War Two in Europe and the concept soon spread to America, where it was defined as a new form of "citizen-to-citizen" diplomacy. Twinning has since evolved through three distinct phases: the reciprocal phase; the associative phase; and the commercial exchange phase, and an estimated 15,000 to 20,000 cities and towns globally are involved in such relationships.

This study, which aimed to identify and assess the extent of international twinning relations of South African provinces (regions) and local communities (in cities and towns) and to establish guidelines for twinning success, was conducted in an interdisciplinary manner and had to cover a wide terrain as the field of twinning worldwide is under-researched. The twinning between two communities in different countries was defined as a strategic alliance, and the bodies of literature on strategic alliances in the private sector as well as on the factors that lead to twinning success were investigated. A systems approach was followed and the twinning phenomenon was investigated from a macro perspective by investigating the context, content and process of the phenomenon worldwide; from a meso perspective by investigating the context of twinning in South Africa; and from a micro perspective by investigating the content and process of South African twinnings.

The literature study revealed duplication and confusion in the terminology used to describe twinning and its related concepts, and conceptual clarification was necessary to develop a common terminology for the future. In this study, therefore, an important distinction is also made between the twinning of municipalities, and the twinning of communities. From the literature study, success factors for twinning were identified. Based on these, a conceptual model of twinning was developed which embodies the best-practices content and process elements of twinning, and this model was used to construct the primary research questionnaire. Elements of the conceptual twinning model were subjected to significance testing. It was confirmed that similarities of the personalities on both sides, partner commitment, understanding, cultural sensitivity, positive partner attitude, community

awareness of the twinning, existence of a business plan, quality of management, management commitment and active marketing relate significantly positively to alliance success.

The primary research conducted amongst all provinces and municipalities in South Africa, combined with secondary research sources, revealed the number and extent of the twinnings of South African communities and municipalities with foreign partners. Altogether 35 relationships were identified that have lapsed, 130 current relationships exist, and 41 new ones are in the process of being concluded. Another 60 relationships exist on the provincial level. These twinnings represent non-central-government-level linkages with 45 foreign countries, but only a few of these relationships are successful in meeting their original objectives.

Some of the key findings of the study are that twinning is becoming more important globally as multilateral organisations acknowledge the importance of international relations at the local level and that twinning can play a big part in local economic development and promoting unity on the African continent, but is lacking in South Africa due to an absence of back-up and support, a lack of coordination and synergies between the three spheres of government, a lack of marketing, a lack of municipal capacity at local level, and the non-compliance of municipalities with official policy. The main positive outcomes of South African relationships were reported in the areas of knowledge sharing and training, and financial benefits.

Key recommendations are that on the macro level, global coordination and assistance schemes for twinning be improved and that community ownership of twinning be put back at the centre of the focus of twinning; on the meso level, an organisation be formed to facilitate South African twinnings and to provide support; and at the micro level, alternative sources of funding be sought and that the process model developed in the study be used to increase the possibility of twinning success.

OPSOMMING

Die internasionale verhoudinge van streke, stede en dorpe sluit ‘n groot verskeidenheid aktiwiteite in waarvan die verskynsel van tweelingbande (“twinning”), of die vestiging van ‘n verhouding met ‘n gemeenskap in ‘n vreemde land, normaalweg die prominentste en langslewende is. Die vestiging van tweelingbande het sy oorsprong in die nagevolge van die Tweede Wêreldoorlog in Europa, waarna die konsep spoedig versprei het na Amerika waar dit gedefinieer is as ‘n nuwe vorm van “burger-tot-burger”-diplomasie. Tweelingvorming het intussen ontwikkel deur drie duidelike fases: die wederkerige fase; die assosiatiewe fase; en die kommersiële-uitruilfase, en ‘n geraamde 15,000 tot 20,000 stede en dorpe wêreldwyd is betrokke in sulke verhoudinge.

Hierdie studie, wat ten doel gehad het om die internasionale tweelingbande van Suid-Afrikaanse provinsies (streke) en plaaslike gemeenskappe (in dorpe en stede) te identifiseer en die omvang daarvan te bepaal en om riglyne vir tweelingbandsukses vas te stel, is onderneem op ‘n interdisiplinêre wyse en moes ‘n wye terrein dek aangesien daar min navorsing oor tweelingbande wêreldwyd bestaan. Die tweelingvorming van twee gemeenskappe in verskillende lande is gedefinieer as ‘n strategiese alliansie en die literatuur oor strategiese alliansies in die privaat sektor, sowel as die literatuur oor faktore wat lei tot tweelingbandsukses, is ondersoek. ‘n Stelselbenadering is gevolg en die tweelingverskynsel is ondersoek vanuit ‘n makroperspektief deur ‘n ondersoek na die konteks, inhoud en proses van die verskynsel wêreldwyd; vanuit ‘n mesoperspektief deur ‘n ondersoek na die konteks van tweelingbande in Suid Afrika; en vanuit ‘n mikroperspektief deur ‘n ondersoek na die inhoud en proses van Suid-Afrikaanse tweelingbande.

Die literatuurstudie het duplikasie en verwarring ontbloot in die terminologie wat gebruik word om tweelingbande en verwante konsepte te beskryf, en konseptuele verheldering was nodig om ‘n gemeenskaplike terminologie vir die toekoms te ontwikkel. ‘n Belangrike onderskeid is gevolglik ook getref tussen die tweelingbande van munisipaliteite en die tweelingbande van gemeenskappe. Vanuit die literatuurstudie is suksesfaktore vir tweelingbande geïdentifiseer. Op grond hiervan is ‘n konseptuele model van tweelingvorming ontwikkel wat die bestepraktyk-inhoud en -prosesse omvat, en hierdie model is gebruik om die primêre navorsingsvraelys saam te stel. Elemente van die konseptuele model is daarna onderwerp aan beduidendheidstoetsing en dit is bevestig dat ooreenkomste in die

persoonlikhede aan beide kante, vennootverbintenis, begrip, kulturele sensiwiteit, positiewe vennoothouding, gemeenskapsbewustheid van die tweelingband, bestaan van ‘n sakeplan, gehalte van bestuur, bestuursverbintenis, en aktiewe bemarking ‘n beduidende positiewe verhouding met alliansiesukses het.

Die primêre navorsing wat onderneem is onder alle provinsies en munisipaliteite in Suid-Afrika, gekombineer met sekondêre navorsingsbronne, het die aantal en omvang van tweelingbande van Suid-Afrikaanse munisipaliteite en gemeenskappe met vennote uit vreemde lande blootgelê. Altesame 35 verhoudings is geïdentifiseer wat verval het, 130 huidige verhoudings bestaan, en 41 nuwes is in die proses van finalisering. ‘n Verdere 60 verhoudings bestaan op die provinsiale vlak. Hierdie tweelingbande verteenwoordig nie-sentraleregeringsvlakbande met 45 vreemde lande, maar net ‘n aantal van hierdie verhoudinge is suksesvol wat die bereiking van oorspronklike doelwitte betref.

Van die sleutelbevindinge van die studie is dat tweelingvorming wêreldwyd meer belangrik word aangesien multilaterale organisasies die belangrikheid van internasionale verhoudings op die plaaslike vlak erken en dat tweelingbande ‘n groot rol kan speel in plaaslike ekonomiese ontwikkeling en die bevordering van eenheid op die Afrika-kontinent, maar dat tweelingvorming in Suid-Afrika te kort skiet as gevolg van ‘n tekort aan ondersteuning, ‘n tekort aan koördinasie en sinergie tussen die drie regeringsfere, ‘n tekort aan bemarking, ‘n tekort aan munisipale kapasiteit op plaaslike vlak, en die nie-nakoming van amptelike beleid deur munisipaliteite. Die belangrikste positiewe uitkomste van Suid-Afrikaanse verhoudinge is gerapporteer in die areas van kennisdeling en opleiding, en finansiële voordele.

Sleutelaanbevelings is dat op die makrovlak, wêreldwye koördinasie van en hulpskemas vir tweelingvorming verbeter word en dat gemeenskapseienaarskap van tweelingbande weer die fokus van tweelingvorming word; op die mesovlak, dat ‘n organisasie in Suid-Afrika gevorm word om Suid-Afrikaanse tweelingbande te fasiliteer en om ondersteuning te verskaf; en op die mikrovlak, dat alternatiewe befondsingsbronne gesoek word en dat die prosesmodel wat in die studie ontwikkel is, gebruik word om die moontlikheid van tweelingbandsukses te verhoog.

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"International cooperation among communities is a natural complement to the cooperation of states...."

"Town twinning is an exceptionally valuable means of cooperation in that between two countries, it brings into contact not only local leaders but also whole populations."

(Excerpts from United Nations General Assembly Resolution 2861 (XXVI) 20 December 1971)

"The convergence of the new trends in development policies based upon decentralisation and partnership, the recognition of cities as key actors in local and national development, and the determination of cities to address their responsibilities effectively, brings the practice of city-to-city cooperation into the limelight as never before."

(United Nations Human Settlements Programme 2002)

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ACRONYMS AND ABBREVIATIONS

ACCCI	Australia-China Chamber of Commerce and Industry
ACDI	African Community Development Initiative
ACP	Africa, Caribbean, Pacific
AER	Assembly of European Regions
AIDS	Acquired Immuno-Deficiency Syndrome
ALAN	Association of Local Authorities Namibia
ALAT	Association of Local Authorities Tanzania
ALGAK	Association of Local Government Authorities of Kenya
ALGON	Association of Local Governments of Nigeria
ANC	African National Congress
AU	African Union
AULA	African Union of Local Authorities
BMR	Bureau of Market Research
C2C	City-to-City Cooperation
CBO	Community-based Organisation
CCRA	Council of Cities and Regions of Africa
CDE	Centre for Development and Enterprise
CDP	Community Development Programme
CEMR	Council of European Municipalities and Regions
CEO	Chief Executive Officer
CIDA	Canadian International Development Agency
CIS	Commonwealth of Independent States
CLGF	Commonwealth Local Government Forum
CLRAE	Congress of Local and Regional Authorities in Europe
COE	Council of Europe
CSF	Critical Success Factor
DANIDA	Danish International Development Assistance
DFA	Development Facilitation Act
DPLG	Department of Provincial and Local Government
EC	European Commission
ECDPM	European Centre for Development Policy Management
EEC	European Economic Community

EU	European Union
FCM	Federation of Canadian Municipalities
FMCU	World Federation of United and Twinned Towns
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
ICLEI	International Council for Local Environmental Initiatives
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IULA	International Union of Local Authorities
K-OWL	Kenya One World Linking Forum
KPI	Key Performance Indicator
LA21	Local Agenda 21
LED	Local Economic Development
LG	Local Government
LGIB	Local Government International Bureau (UK)
LOI	Letter of Intent
MDP	Municipal Development Programme/Partnership (of the World Bank)
MIC	Municipal International Cooperation
MIR	Municipal International Relations
MCP	Municipal-Community Partnership
NAM	Non-aligned Movement
NEPAD	New Partnership for Africa's Development
NCG	Non-Central Government
NGO	Non-Government Organisation
NLC	National League of Cities
MOU	Memorandum of Understanding
NALAG	National Association of Local Authorities of Ghana
NZIER	New Zealand Institute of Economic Research
OAU	Organisation for African Unity
ODA	Official Development Assistance
PVO	Private Voluntary Sector
RDP	Reconstruction and Development Programme
SADC	Southern African Development Community
SALGA	South African Local Government Association

SCI	Sister Cities International
SCR	Sister City Relationship
SIDA	Swedish International Development Agency
SNALA	Swaziland National Association of Local Authorities
SNG	Sub-National Government
SNV	Nederlandse Ontwikkelingsorganisatie
T&D	Towns and Development
UAAU	Urban Authorities Association of Uganda
UCAZ	Urban Councils Association of Zimbabwe
UCLG	United Cities and Local Government
UCLGA	United Cities and Local Government in Africa
UK	United Kingdom
UKOWLA	United Kingdom One World Linking Association
ULAA	Uganda Local Authorities Association
UNACLA	United Nations Advisory Committee for Local Authorities
UNCED	United Nations Conference on Environment and Development
UNCHS	United Nations Centre for Human Settlements
UNHSP	United Nations Human Settlements Programme
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational Science and Cultural Organisation
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children's Fund
UTO	United Towns Organisation (formerly known as the World Federation of United and Twinned Towns – FMCU)
VNG	Association of Netherlands Municipalities
ZDCP	Zimbabwe Decentralised Cooperation Programme
WACLAC	World Association of Cities and Local Authorities Coordination
WHO	World Health Organisation

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CHAPTER 1: THE PROBLEM AND ITS SETTING

1.1 Introduction

Two parallel developments have been evident in the private and public sectors over the past number of years, signifying increased cooperative behaviour of organisations globally: the formation of strategic alliances in the private sector, and the formation of various forms of alliances in the public sector, at national, district and local levels globally.

The diplomatic activities of local communities and their government structures operating in the international arena is also called paradiplomacy, which is part of a "broadening of the universe of international affairs, in which states are no longer the sole actors. Regions operate alongside firms, trade unions, social movements and transnational organisations like Greenpeace or Oxfam. This universe is complex, fragmented and unstructured" (Keating, 1999:6).

The world is truly connected at different levels of community. According to Booz Allen Consulting (Harbison & Pekar, 1997:1), over 20,000 strategic alliances were formed in the world in the past few years. It is also estimated that between 15,000 and 20,000 towns and cities across the globe are currently twinned through various forms of partnering agreements (UNDP, 2000:3). Cooperative relationships between organisations in the private sector have been forged under a number of names such as cooperative strategy, partnering, linking, extended enterprises, the allianced enterprise and other possibilities of even closer cooperation and integration in the forms of joint ventures (JVs), mergers and acquisitions. In the public sector cooperative arrangements have been labelled under an even greater number of overlapping and confusing terms.

This study deals with the phenomenon of "twinning" of communities at the city/town or district level all over the world (which some would refer to as international relations at the subnational level), and these relationships are investigated as strategic alliances entered into between these participating communities. Although a vast amount has been written about strategic alliances and the formation of strategic partnerships between private sector organisations in the past decade, there exists a severe paucity of research and academic insight into the phenomenon of twinning of communities. The concept of twinning between groups of

people in different geographical locations is undoubtedly very powerful, as it transcends national boundaries and can truly forge transnational links at the local level, playing a major role in promoting more equal economic development, understanding, and peace across the world. Towns linked to other towns and cities through twinning are again connected to others, forming a massive network of linkages in which local communities are embedded. Besides these direct linkages some cities are also connected to city network organisations, with member cities again connected to other towns and cities. These links have been formed for different reasons, mainly to promote friendship and cultural understanding, to contribute to poverty alleviation and economic development, and to contribute to capacity building in partner countries.

South Africa was estimated to be one of the least connected countries in the world in 1991 (Zelinsky, 1991:12). Specifically in the geographical place-twinning arena, commonly referred to as city and town twinning, very little formal information on the nature and extent of twinning by communities with international partners existed prior to this study.

It is the aim of this study to identify and assess the extent of international twinning relations of provinces (regions) and local communities in cities and towns in South Africa, and how successful international linkages or twinnings at the local level are forged.

This study is based, firstly, on extensive secondary research through an interdisciplinary literature study. As a large amount of research exists about strategic alliances in the private sector, this body of literature is investigated in Chapters 2 and 3 and best-practice guidelines are identified which can be applied to the domain of place-twinning. Besides strategic alliances, numerous other subject areas had to be investigated for this study, as the limited literature that exists about the twinning phenomenon has been researched and discussed under many different fields including communication studies, international relations and diplomacy, marketing, sociology, urban studies, strategic alliances, public management, and geography. Hsu (2003:151), for instance, analyses sister city relationships (SCRs) from the perspectives of interpersonal communication, global-local dialectics, intergovernmental relations, and international communication. One of the biggest problems encountered in the literature study was the large number of overlapping and related terms used for the core twinning concepts and the immense conceptual confusion that exists. Conceptual clarification is therefore addressed in Chapter 1.

An overview of the scope and extent of international linkages worldwide at the local level is also given and the concept of twinning, along with all its related terminology, is defined. Based on the factors identified in the literature study that contribute to the success of twinnings, a conceptual model of place-twinning was developed. This model was then used as a basis for the design of the questionnaire used in the primary research. The primary research methodology employed, which entailed survey research directed to all provinces and municipalities in South Africa is set out in Chapter 5, and the results presented in Chapter 6, which includes an overview of various aspects of the phenomenon of the twinning of South African communities. In Chapter 7 recommendations are made to all stakeholders involved in twinning relationships globally.

A systems approach is used throughout. According to Johns and Lee-Ross (1998:23), "[t]he systems approach is probably one of the most useful theoretical tools currently available for the management researcher. It assumes that the world is made up of identifiable systems – sets of components working together, producing a total effect greater that the sum of its parts." The phenomenon of twinning is a complex one, involving many variables and the involvement of numerous role players. This approach is therefore ideal as, according to the same source, "[t]he essential problem in any management research is to understand the full complexity of the situation. General systems theory provides a framework for doing this, and is thus the most compelling paradigm in current management thinking and research" (Johns & Lee-Ross, 1998:24). Starnes (2000) also proposes the use of open systems theory to explore the formation of strategic alliances between non-profit organisations. A community and its municipality interacts externally every day by acquiring inputs from the environment and discharging outputs back into it. "Open systems theory argues that organisations must interact with the environments in which they operate in order to be successful" (Starnes, 2000:16). A twinning may therefore be viewed as one manifestation of such external interaction.

A multilayered approach is also used in the assessment of twinning as a complex phenomenon. The discussion on twinning is thus conducted on three levels. This entails firstly, in Chapters 2 and 3, attempting to understand the phenomenon on a macro level in a global context, as an international twinning relationship is part of the local-global dialectics. Secondly, in Chapter 4, the phenomenon is viewed on a meso level in relation to intergovernmental relations and policy issues at a national level in South Africa. Thirdly, the

micro aspects, including local dynamics, structures and practices, are investigated through the primary research (Hsu, 2003:2).

1.2 The importance of local communities at the international level

The role of national governments is changing in a global society increasing in complexity and diversity. According to the United Nations (UN): “Governments may still be the paramount authorities at the national level. But the scope of their power has been reduced and the way they work has been transformed. Most countries find it difficult to buck policy trends set by the major Powers. Many decisions affecting their people are reached in international forums beyond their direct control. Decentralization has also transferred much of their power to local and regional authorities” (UN, 2004:23).

Cities and towns at the local level are becoming more important as urbanisation increases. Almost a half of the world population now live in cities and “even most rural societies are, to one extent or another, woven into a global network of cities” (UN-Habitat, 2001a). The planet already hosts 19 cities with 10 million or more people; 22 cities with 5 to 10 million people; 370 cities with 1 to 5 million people; and 433 cities with 0.5 to 1 million people. By 2030, over 60 percent of the world's population (4,9 billion out of 8,1 billion people) will live in cities. As far as Africa is concerned, its urban areas account for 34 percent of the total population of 611 million and are credited with 60 percent of the region's Gross Domestic Product (GDP). Municipalities, however, capture only a small percentage of GDP in revenue, creating disparity between the requirements for municipal governance and available resources. “Despite the significant economic role played by cities, they often receive less than they might warrant for their contribution to the national economy, negatively influencing their productive potential” (UN-Habitat, 2001a). According to Vashee (1997), the number of people living below the poverty line in sub-Saharan Africa is approximately 150 million out of 400 million. In 2003, this figure rose to 187 million people and sub-Saharan Africa now has the world’s largest proportion of urban residents living in slums (UN-Habitat, 2004:2).

The UN further reports that global economic processes have stalled in sub-Saharan Africa, with severe consequences for its urban areas, and that many problems face the area. But there is a forward movement. “In recent years, national governments across Africa are increasingly adopting decentralization as one of their primary strategies for development” (UN-Habitat.

2001a:12). Effective governance is increasingly dependent on people assuming their responsibilities as citizens and participating in decision-making and implementation. “Citizens are learning to forge new alliances that strengthen their voice and make their concerns felt in legislation”, and the key finding of the report is that “a country's global success rests on local shoulders”. The role of local government is therefore becoming more predominant, also in the international arena.

The importance of local communities and their municipalities being active at the international level has also been firmly established by a number of declarations by international associations of local governments and United Nations summits which are discussed in more detail later in this study. The South African government also acknowledges and promotes the international relations of municipalities on the continent of Africa in support of the New Partnership for Africa’s Development (NEPAD) in its policy directives.

1.3 Aim of the study

The aim of this study is to present research and findings which will make a meaningful contribution to the academic literature and body of knowledge concerning the dynamics, scope and impact of strategic alliances of communities in different provinces, towns and cities in South Africa with international partners and the success factors involved in such relationships, and to provide guidelines for twinning success. Although the practice of “town/city twinning”, through which such alliances can be effected, has been in existence since the latter half of the 20th century, a paucity of research in all aspects of this field exists.

This study endeavours to fill a large void and to make a major contribution not only to the academic literature and body of knowledge concerning the subject worldwide, but also to the businesses and communities in South Africa who enter into twinning relations with others. It also provides more clarity and guidance for the South African government in formulating policy on twinning and it makes a contribution to building meaningful exchange on the African continent.

1.4 Background to the research problem

The UN observes that there is a disparity in modern politics. “Economics, trade, communications and even culture are becoming more global. But representative democracy remains essentially national and local. Since more decisions are being reached in international forums and organisations, it is becoming more important to develop a stronger framework for global governance with democratic accountability to citizens everywhere” (UN, 2004:24).

Major forces in the world in the past two decades such as urbanisation, globalisation, and decentralisation have led local governments globally to focus more on transnational linkages. According to Keating (1999:1) “[g]lobalisation and the rise of transnational regimes, especially regional trading areas, have eroded the distinction between domestic and foreign affairs and by the same token have transformed the division of responsibilities between state and sub-national governments”. Hsu (2003:13) confirms that “[t]he traditional concept of foreign policy as the sole concern of central government has been widely refuted in the literature on international relations forged by non-central governments (NCGs)”. Hsu (2003:58) also points out that although transnational linkages are increasing due to globalisation, the network among sister cities in itself partially constitutes globalisation.

In South Africa, the past two decades were also characterised by a new democratic government being instituted, which brought a host of new policies and legislation affecting local communities (e.g. Integrated Development Planning requirements for local government with a focus on economic development). South Africa was relatively isolated before 1994 due to the imposition of sanctions by the international community, but since 1994 the country has been welcomed back into the global arena. This has created huge opportunities for communities and their local governments in South African towns and cities to form alliances with partner towns and cities throughout the world.

The concept of twinning can be traced back to 1920 but the first twinning after the end of World War Two was between Bristol in the United Kingdom and Hanover in Germany in 1947, followed by twinnings between Oxford and Bonn, and Reading and Düsseldorf (Weyreter, 2003:37). The first Franco-German twinning occurred in 1950. The further history of forming alliances through twinning of towns and cities goes back to the same year when the Union of Mayors for Franco-German Understanding was formed. This was followed in

1956 by the birth of an organised twinning programme in America, which was a direct outgrowth of the People-to-People programme inaugurated by President Eisenhower. This initiative was reorganised in 1967 as a non-profit organisation called the "Town Affiliation Association of the United States", with an operating wing called "Sister Cities International".

According to Hsu, the "people-to-people" programme initiated by Pres. Eisenhower recognised that the job of creating mutual understanding and cultivating friendship is too big for government alone. A new term, that of "Constituent Diplomacy', is therefore introduced, which implies that "constituents can participate directly in international affairs and that ordinary citizens can undertake some of the tasks of professional diplomats" (Hsu, 2003:152).

During the 1980s the nature and goals of twinning changed, and twinning arrangements were formed between Europe and America with the Soviet Union, and Eastern Europe, and were also used as a means of outreach to Third World countries, called North-South twinnings (Zelinsky, 1991).

Between 1950 and 1991, more than 11,000 pairs of sister cities in some 159 countries entered into twinning agreements (Zelinsky, 1991:1). The most active countries in 1991 are listed below:

- France 3,753 twinning agreements (with cities/towns in 79 countries)
- Germany 3,239 twinning agreements (with cities/towns in 61 countries)
- United States 1,859 twinning agreements (with cities/towns in 96 countries)
- United Kingdom 1,563 twinning agreements (with cities/towns in 58 countries)

This number has since grown to an estimated 15,000 to 20,000 relationships worldwide (UNDP, 2003:3).

Twinning agreements truly tie together communities from all over the world. Approximately 56% of Europeans, for instance, live in twinned cities. China has 42 sister city relationships in 20 African countries. More than 94 Russian-American sister city relationships exist. Sister Cities International recognises 98 African-American sister city relationships, New Zealand has 145 sister city agreements and Australian municipalities have over 322 affiliations.

(Zelinsky, 1991; *Xinhua*, 2000; United States Government, 2002; Sister Cities International, 2002a; Ramasamy & Cremer, 1998; New Zealand Institute of Economic Research (NZIER), 2003; Australia-China Chamber of Commerce and Industry of New South Wales (ACCCI), 2001.)

Since 1994, many provinces, cities and towns in South Africa have entered into twinning agreements but as no central database exists, the exact extent of twinning in South Africa was not known prior to this study. According to Zelinsky (1991:12), in 1988 a total of 7 twinnings existed between South African cities and towns with cities and towns in five other unspecified countries. This number has since grown to a total of 130 twinnings at local community level and another 60 at the provincial level in 2004, based on the primary research conducted for this study.

But how many of these twinnings are successful, and how do we define and measure the success of twinnings? In the private sector, for instance, it was found that as many as 70% of all strategic alliances are considered failures. But this research has shown that firms that have "superior alliance capabilities" can increase the success rate of their alliances from a mere 30% to an impressive 90% (Palermo, 2003:24; Biggs, 2003:1).

A survey by the United Nations Development Programme (UNDP) also indicates that local governments and their communities are characterised by a lack of skills to effectively forge and maintain twinning relationships. "The survey finds that a majority of links has suffered from lack of knowledge of how to link, realise their partnership's potential and effectively address issues commonly arising" (UNDP, 2000:1). The development of alliance capability is thus seen as a concept central to the success of alliance relationships, and one of the hypotheses tested later in the study investigates the role of alliance experience in the success of South African twinning relationships (see page 323).

1.5 Defining and linking key concepts

The field of twinning and the actors involved in these relationships are called by many different names in different disciplines and also in different parts of the world. It has further been found that in numerous studies words and concepts are used in ambiguous ways without

key concepts being defined. Therefore it is essential to offer clear definitions of terminology in the field for purposes of this study, as this has not been achieved before.

1.5.1 The main actors

Many actors are involved in twinnings but it is specifically the definitions of the subnational government entities involved that need clarification, as well as those of its citizens or community.

Subnational governments, non-central governments, regions and provinces

Government structures other than national are called “subnational governments” or “non-central governments” (NCGs). Aldecoa and Keating (1999), for instance, use the term “sub-national” to refer to “public authorities at the regional level, below the sovereign state”. Hocking (1999:15) again refers to regional and local governments collectively as “non-central governments”.

The term “region” as defined by the Assembly of European Regions (AER) is simply "[t]he territorial body of public law established at the level immediately below that of the State and endowed with political self-government. The region shall be recognised in the national constitution or in legislation which guarantees its autonomy, identity, powers and organisational structures" (Assembly of European Regions (AER), 2001:3). Provinces in South Africa would fall into this category based on the South African Constitution (Republic of South Africa, 1996). When the term province is used in the text, reference is made to the nine provinces of the Republic of South Africa unless otherwise stated.

Cities, towns, municipalities and local governments/authorities

The United Nations Human Settlements Programme (UNHSP, 2002a) uses the terms “cities” and “city-to-city cooperation” without any preconceptions about the size or historical importance of the settlements concerned. They use the word “city” “in the American English sense of an urban settlement or cluster of settlements of any size, with its own elected or appointed local government body, which may go under a whole range of administrative titles such as ‘municipality’, ‘township’, ‘town’, ‘borough’, ‘district’, ‘metropolitan area’ and so on

in all possible language variants" (UNHSP, 2002a:3). They go on to say that the term "cities" is also frequently used loosely in international contexts to refer to other types of local authorities such as "counties" and "provinces" which exist at an intermediate level between the municipality and the state and may contain a number of larger or smaller urban settlements within their boundaries. Reference in the study will be made to this second group at this intermediate level generically as "subnational governments", which are provinces in the South African case.

From the UNHSP definition, which is very wide, one can also deduce that "city" refers to an urban settlement and that its elected or appointed local government is a subset thereof; and that the word "municipality" is sometimes used as an administrative title for such subset.

The word "city" can thus be used in a wide sense, or in a narrow sense to describe a large demarcated urban area (including its inhabitants and governing structure). For the purposes of this study the narrow description will be used to refer to a large demarcated urban area. In South Africa, cities are governed by Category A or metropolitan municipalities. Towns are simply smaller human settlements than cities, mostly situated in the rural areas. The concept of city is geographically place-bound as a demarcated urban area and also includes all the actors that are normally included in a twinning, such as the local community (including the business sector), and the local government or municipality.

The *Oxford Advanced Learner's Dictionary* (2000) defines the word municipality as "a town, city or district with its own local government; the group of officials who govern it".

Initially, in Roman times, cities were called "municipia", and from there the word municipality developed. The municipality today, however, is not the same concept as the city. The *Lectric Law Library Lexicon* (2004), for instance, defines a municipality as "the body of officers, taken collectively, belonging to a city, who are appointed to manage its affairs and defend its interests".

A clear distinction should therefore be made between a city/town, and its municipal governing structure in South Africa. This distinction becomes even more important in South Africa as a local municipality might be governing more than one town or community. Stellenbosch Municipality (WC024), for instance, is the governing structure for both the well-known towns

of Stellenbosch and Franschhoek, which each has its own unique twinning relationships with separate international partners (Retief, 2004).

Section 40.(1) of the South African Constitution states: “In the Republic, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated” (Republic of South Africa, 1996). Governance at the local level is addressed in section 151.(1), “The local sphere of government consists of municipalities, which must be established for the whole of the territory of the Republic”, and section 155.(1) makes provision for 3 categories of municipalities – A, B and C (Republic of South Africa, 1996). The definitions of these three types of municipalities are addressed in the Local Government Municipal Structures Act of 1998 (Act No. 117 of 1998) (Republic of South Africa, 1998b). Cities and towns in South Africa all fall under a total of 284 local government or municipal structures.

The South African national government (Republic of South Africa, 2000) defines a municipality in Chapter 2 of the Local Government Municipal Systems Act of 2000 as follows:

(a) An organ of state within the local sphere of government exercising legislative and executive authority within an area determined in terms of the Local Government Municipal Demarcation Act, 1998;

(b) Consists of:
(i) the political structures and administration of the municipality; and
(ii) the community of the municipality;

(c) Functions in its area in accordance with the political, statutory and other relationships between its political structures, political office bearers and administration and its community; and

(d) Has a separate legal personality which excludes liability on the part of its community for the actions of the municipality.

For the purposes of this study, a “municipality” can simply be defined as the "lowest level of local government structure". The terms municipality, local authority and local government are also used interchangeably in the study.

Community

The *Oxford Advanced Learner's Dictionary* (2000) defines the word community as:

1. All the people who live in a particular area, country, etc.;
2. A group of people sharing the same religion, race, job, etc.;
3. The feeling of sharing things and belonging to a group in the place where you live; or
4. A group of animals or plants living or growing in the same place.

The first three of these have relevance to the study. From this it is clear that a community can be defined in terms of geography, demographics, and/or voluntary belonging.

But the term community has many meanings. Theron (2003), for instance, observes that when talking about community participation "[t]he journalist, the academic, the local government representative, NGOs, and the community stakeholder and so forth, all use different concepts when talking about the same thing: civil-, people-, community-, public-, authentic-, and citizen- participation. This adds to the confusion". Groenewald, (1989:258-259) also states that "[i]t is common knowledge among readers of sociology textbooks that the concept of community is not clearly defined", but that community refers to "the place where the individual experiences, and has to deal with, the constraints of society and physical environment". Barnett and Crowther (1998:427) also point out the elusive nature of the term community and cite Plant (1955) who listed 94 definitions, whose only common denominator was that they all dealt with people. They also observe that community had "so many meanings as to be meaningless" and that community is an "essentially contested" concept, used in both an evaluative and a descriptive way, and incapable of being detached from normative understandings, as the term is normally used in a normative and ideological fashion.

Liebenberg and Theron (1997:30) suggest that a community can be understood in terms of "[t]he specific system of action which arises when a human population, settled in a given territory, establishes structural arrangements for adaptiveness to it in order to live and survive as a group", or "cultural traditions of the common people ... which are resplendent with feelings and attitudes of an altruistic, cooperative and communal nature". According to them, such definitions view a community as a coherent entity based on the shared ideals and goals

of its members and these individual members "inhabit a given geographical location and are bound by the tightly woven social fabric of shared experience". They also observe that a community is subject to internal divisions, which include, *inter alia*, religious, cultural, class and gender divisions.

Barnett and Crowther (1998:428) posit that a key interpretation of community, however, sees it as a uniform whole within a territorially defined boundary, and that, secondly, people may choose to be members of many communities or of none through contractual association.

But our definition needs to focus on a community in relation to a municipality. The South African government in the Local Government Municipal Systems Act of 2000 defines a community as a body of persons comprising:

> (a) the residents of the municipality;
> (b) the ratepayers of the municipality;
> (c) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
> (d) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality, and includes, more specifically, the poor and other disadvantaged sections of such body of persons.

In this definition not only individuals, but also organisations are included as part of the community.

The United Nations Development Programme (UNDP, 2000:8) chooses to define the concept as follows:

> A community is broadly defined as the citizens, local government administration, schools and other institutions, community based organisations and other groups which together comprise a sub-national geographic entity. This may be a city, town, borough or simply a neighbourhood within a city or town, and in rural areas either a district, cluster of villages or a single village. Thus a linking entity could be as large as an urban community of one million or more or as small as a cluster of villages with a population of 10,000 or even less.

In the above definition, which uses geography as a point of departure, the city/town is the larger concept with inhabitants and the local government structure as components. No

mention is made, however, of the business sector, which clearly has an important role to play in alliance relations between communities. Another omission is the fact that similarity in culture, values and language in the concept of community, is not acknowledged.

A postmodernist view of the concept of community leads to a redefinition of community and divorces it from geographical proximity. According to Barnett and Crowther (1998:432), "[t]his redefinition of community contains within itself one of the inherent contradictions of a postmodernist view of the world, namely the contradiction between the borderlessness of any community organisation and the extreme nationalistic inclusion/exclusion criterion". They suggest a redefinition of community to mean "an aggregation of individualities with a commonality of interest for a particular purpose and at a particular time suggests that an individual can be a member of a variety of different communities at the same time but for different purposes" (Barnett & Crowther, 1998:434).

Taking all the above into account, however, for the purposes of this study the word community is defined as: "The citizens (who may be characterised by similar or different cultures, values and languages), local government administration, civil society groups and business organisations, which together comprise a sub-national geographic entity."

Municipality/Community relationship

So what is the relationship between the municipality and the community? In the definition of a municipality as it appears in the South African legislation presented above (see page 11), the community is defined as being a part of the municipality. But can municipality be a larger concept than community and can a municipality fully represent the community of a region in all respects? For the reasons presented below this is not possible, and it is rather proposed that the municipality is part of the community, which is a much broader term, as their elected government structure.

- The definition of a municipality defines the community as being a part of the municipality. But this is not possible, as the municipality is a separate legal entity, a point which is acknowledged in clause (d) of the definition on page 11, as the municipality cannot accept liability for something which it is not a part of. This is also acknowledged in

the concept of municipal/community partnerships proposed by the South African government for municipalities – how can you have a partnership with yourself?

- The separate nature of the community from the municipality is also acknowledged in section 19 of the Local Government Municipal Structures Act of 1998 in which the objectives of municipalities are stated. These include an annual review of the needs of the community, processes for involving the community, and the municipality's organisational and delivery mechanisms for meeting the needs of the community.
- Devetak (1996:168) observes that critical international theory reacts against the conventional tendency to associate community with the state or nation: "By refusing to take the sovereign states as an idealised form of community it challenges the state's role as sole constructor of identity, and invites rethinking the nature and limits of moral and political community under changing global conditions."
- The definition creates the perception that the community is part of the municipality. In actual fact it should be the other way round. The municipality is actually "owned" by the community. "A growing body of research suggests that democracy must be rooted in functioning local, participatory self-governance institutions. This literature emphasises the importance of the growth of civil society, development of public 'ownership' of political institutions, mobilisation of talents and resources into constructive patterns, and countervailing power vis-à- vis national institutions" (Wunsch, 1998:1).
- In the South African Constitution it is also stated: "A municipality has the right to govern, on its own initiative, the local government affairs of its community, subject to national and provincial legislation." The municipality therefore intervenes in a particular area and not all of community life. When one further examines the objects (objectives) of local government in the South African Constitution (Section 152. (1)), these are:

    a. to provide democratic and accountable government for local communities;
    b. to ensure the provision of services to communities in a sustainable manner;
    c. to promote social and economic development;
    d. to promote a safe and healthy environment; and
    e. to encourage the involvement of communities and community organisations in the matters of local government.

Objectives *a* and *b* are prescriptive and must be fulfilled, but objectives *c* to *e* are phrased in a softer tone to, "promote" and "encourage". Here the word community is also used in its plural form to indicate that the large community might consist of smaller communities.

If one looks at the essence of a municipality, it is a governing structure brought into being for the purpose of governing and delivering specific services to communities in a specific geographical area. Councillors are elected by majority vote (not necessarily the whole community). Officials are appointed and assigned specific responsibilities towards the community which the municipality serves. From the above, it is evident that the municipality can represent the community but the community is clearly not a part of the municipality.

According to Barnett and Crowther (1998:433), in a postmodernist view of community, the term loses its dimension of place, as community is essentially a voluntary association which might span across geographical boundaries. But this new definition of community suggests that a very different type of local government structure is needed "[t]o cater for the needs of the individuals who aggregate for one common purpose while atomising (or aggregating with different individuals) for others". According to them, such a structure has been defined by Heckscher (1994) as "postbureaucratic", with its rationale for existence through the maintenance of an interactive dialogue, based on consensus, with the individual members of the community which the organisation exists to serve. "Thus the continuing existence, either temporally or geographically, of any local government organisation, as a unit of service provision, has no meaning in its own right, as the organisation has no purpose other than the provision of the services mandated to it by the community it serves" (Barnett & Crowther, 1998:433).

But why is the distinction between municipality and community important for this study? Essentially it is because so-called twinnings are sometimes concluded between the politicians and officials of municipalities with no community involvement at all. Other twinnings are concluded where the community and its municipality are actively involved. The first type comprises cooperation between two municipalities and this might be called "Municipal International Cooperation" (MIC). The second type, where the whole community is involved (which includes the local government), can be called a twinning. In the case of a city or town twinning, which is defined as a "partnership between two or more communities in different countries" in the next section, it is clear that such a twinning cannot only be represented by

municipal officials and politicians, but also requires representatives from the rest of the community. The role of politicians in particular could be problematic in that they are transititory role players in a long-term relationship. This is also confirmed by Hsu (2003:152), who states that twinning creates a space for citizen participation and community involvement in order to substantiate intercultural communication between people in sister cities. “This ideal fails if twinning solely resides in official visits and governmental exchanges without the inclusion of ordinary citizens.” A true twinning relationship is based on “citizen-to-citizen” diplomacy, which is distinctly different from “municipality-to municipality” diplomacy.

This distinction between municipal and community twinning raises further important issues. For instance, who represents the community? If one thinks of different layers of government, for instance the people of a town like Stellenbosch in the Western Cape, South Africa, are represented for twinning purposes by different levels of government claiming to represent them:

1. The town of Stellenbosch is a sub-region of Stellenbosch Municipality which includes a number of other towns and settlements such as Franschhoek and Pniel. In the twinning the town has with Leuven in Belgium, they are represented by officials and politicians of the greater Stellenbosch Municipality. Many of these representatives might not even live in Stellenbosch town;
2. Besides the representation by the local government of Stellenbosch, the Winelands District Municipality has also entered into international relationships claiming to represent the wider area including the people of Stellenbosch; and
3. On a level higher, the Western Cape Province has entered into various twinning relationships representing also the people of Stellenbosch.

Taking all aspects of our discussion into account, it is clear that a community twinning can really only be concluded at the local municipality level. At all governmental levels above this, the relationships are primarily government structure to government structure.

1.5.2 The relationship

Besides the twinnings of communities, the municipalities of communities might participate in a wide range of international activities, some aimed at relationship building and others not. These activities may include:

- Twinning and/or cooperative initiatives;
- Membership of municipal organisations;
- Membership of specialised networks;
- Study tours;
- Conferences, meetings of institutions, workshops and seminars which have a direct bearing on the activities of the Council;
- Investment promotion; and
- Tourism promotion and marketing.

Regions might even opt to open trade offices in foreign countries and those that emphasise exports perform four marketing activities: (1) direct promotion, (2) market intelligence, (3) stakeholder networking, and (4) travel coordination (Martin, 2003:55).

In this study, however, the focus is on the twinning relationships of communities and the most important concepts relevant to this topic, which are strategic alliances, municipal international cooperation, twinning, and diplomacy (including paradiplomacy, protodiplomacy, and low and high diplomacy), are discussed below.

Strategic alliance

The term “alliance” has both a general and more specific meaning. According to Faulkner and De Rond (2000a:3), there has been a vast increase in publications on cooperative activity in the academic and popular business literature during the last number of years. “Though the term 'alliances' may at some point have referred strictly to a particular type of relationship, it now serves as an 'umbrella' label for a host of cooperative relationships.”

The *Routledge Encyclopaedia* (Gomes-Casseres, 1999) provides the following definition of an "alliance": "An interfirm alliance is an organisational structure to govern an incomplete contract between separate firms and in which each firm has limited control."

Not all alliances, however, are strategic. According to Booz Allen Consulting (Harbison & Pekar, 1994:3), a "strategic alliance" is a cooperative arrangement by two or more companies where:

- A common strategy is developed and a win-win attitude is adopted by all parties;
- The relationship is reciprocal, with each partner prepared to share specific strengths with each other; and
- A pooling of resources, investments and risks occurs for mutual (rather than individual) gain.

A strategic alliance can therefore be summarised as an "incomplete" agreement between two or more separate firms that involves ongoing resources contributions from each to create joint value, and which is characterised by joint decisions to manage the business and share the value (Bamford, Gomes-Casseres & Robinson, 2003:12).

Twinning

There is no consensus on an exact definition of twinning and a number of different definitions are discussed in Chapter 2. Various terms are used around the world to describe a long-term partnership between two communities: sister cities (in the United States, Mexico), twin cities (in Russia, United Kingdom), friendship cities (as with relations between Japanese and Chinese cities), *partnerstadt* (in Germany) and *jumelage* (in France) (SCI, 2003c:2). Related terms currently used in Europe are decentralised cooperation, municipal international cooperation, city-to-city cooperation, and *stedenbanden* (in the Netherlands).

Twinning traditionally included the ingredients of place (city or town) and community (people) with the municipality or governing structure acting in a facilitating role, but the term is also used in a wider sense as an umbrella concept to indicate partnering between entities, such as for instance between two schools. In this wider sense of the meaning, a municipality may twin with another municipality, or even with a non-governmental organisation.

Municipalities can also enter into cooperative agreements which are not place bound but rather project based, and these relationships thus cannot be classified as twinnings.

The United Nations Development Programme defines twinning or a linkage simply as "[a] long-term partnership between communities in different cities or towns" (UNDP, 2000:8). The South African Municipal International Relations (MIR) policy framework defines these relationships as "a link between two or more communities from different nation states, in which one of the key actors is a municipality" (DPLG, 1999).

These relatively wide definitions of twinning will be used in this study, and it will also be argued that a long-term partnership is similar to a strategic alliance and that a twinning comprises a strategic alliance between communities in different places. A sister city relationship (also called sisterhood agreements), in this study is also synonymous with a twinning.

It is therefore proposed that a twinning is defined as a "long-term strategic alliance between communities in different cities or towns, in which their municipalities are key actors".

Paradiplomacy, protodiplomacy, and "low" and "high" diplomacy

Diplomacy is normally the domain of national governments which is about pursuing a defined state interest in the international arena. Paradiplomacy is the term used to describe the diplomacy initiatives of non-central governments (NCGs) and this is not the same as conventional state diplomacy, as it is "more functionally specific and targeted, often opportunistic and experimental" (Keating, 1999:11).

Protodiplomacy is a term used to designate the more ambitious diplomatic efforts of NCG representatives who want to obtain recognition for an eventual sovereign state or a declaration of independence (Balthazar, 1999:162; Lecours, 2002:107).

Zelinsky (1991:28) observes that a growing number of twinnings "could challenge statist interests and are a rebuke to the idea of the unbridled sovereignty and omnipotence of nation-states". But Hsu (2003:30) points out that a distinction can further be made between "high" policy of diplomacy which is in the domain of national governments, and the "low" form of

diplomacy which is entered into by NCGs. The high form concerns political, ideological or military issues in international relations. The low form includes cultural, economic, and educational to urban managerial exchanges. These include activities such as marketing, export promotion, or outward investment to promote the competitiveness and internationalisation of their local companies (Hsu, 2003:93). She therefore argues that there is no overlap between the interests of municipalities and national governments when it comes to international relations (Hsu, 2003:101), and concludes that "[t]winning is part of multi-layered international relations across all governmental levels. Its concern with low policy does not form a threat against the sovereign status of nation states nor does it become a waste of overlapping diplomatic resources" (Hsu, 2003:197). Zelinsky (1991:1) also concludes that "a significant minority of these relationships promote ideological and humanitarian programmes that may be at odds with official policy".

Krotz and De Gunzburg (s.a:2) introduce a related term "parapublic" and define parapublic underpinnings as "Reiterated interactions across borders by individuals or collective actors. Such interaction is not public-intergovernmental, because those involved in it do not relate to each other as representatives of their states or state-entities. Yet, these contacts are also not private, because the interaction is to a significant or decisive degree publicly funded, organised, or co-organised."

Vashee (1997) also observes that decentralised cooperation could be highly beneficial in development as it also allows for the participation of civil society, with the approval of the state. He states that in fact "[t]he idea is to broaden the actors that are involved in the development process, by reducing the monopoly of the state. It is also evident that the pure financial power of the state is diminishing and that it cannot do all that it wants to do, nor is this desirable."

It can be deduced from the above that the role of the national state in global diplomacy is increasingly being supplemented by forms of paradiplomacy or "low" diplomacy such as twinning, and that the objectives of such diplomacy are normally not in conflict with national diplomacy.

1.5.3 Related terms

Besides the concepts defined and discussed in the previous sections, a huge number of related terms which might need clarification will also be used in the text. Most of these will be illuminated where the topic is raised and only two core related concepts are discussed below:

Alliance capabilities

This can be defined simply as the ability that a company has acquired "to manage its alliances successfully towards achieving their goals" (De Man, 2001:65). De Man also states that an alliance capability consists of "the alliance experience of a firm and the alliance tools it has implemented to manage its alliances" (De Man, 2001:71). According to Bamford *et al.* (2003:321), internal alliance capabilities consist of the "tools, systems, staff and organisational structures that institutionalise alliance excellence and fill key management gaps". The phrase "alliance competence" is also used to describe the same concept.

Alliance success

According to Bucklin and Sengupta (1993:33), alliance success is difficult to measure quantitatively as many variables are involved in company performance. They therefore propose the use of a qualitative measure of performance, which is the "perceived effectiveness of the relationship". According to them this measure has been developed in organisation theory by Van de Ven (1976) and applied to interorganisational relationship dyads by Ruekert and Walker (1987), and Van De Ven and Ferry (1980). They suggest that because mutual performance is the criterion at issue in alliances, perceived effectiveness is defined to be the extent to which both firms are committed to the alliance and find it to be productive and worthwhile.

1.6 Importance of the study

According to Faulkner and De Rond (2000:v), "[f]ew, if any, phenomena in public or private management and organisation have raised so much scholarly attention in such a short period of time as cooperation, alliances, and partnerships between organisations". Although this is true for partnering in other areas, little research has been conducted into the phenomenon of

the twinning of communities (Hsu, 2003; Cremer, De Bruin, & Dupuis, 2001; Zelinsky, 1991).

There are a number of factors listed below that illustrate the importance of the study:

According to Sister Cities International in America (2002b), a number of global trends are increasing the importance of city and town twinnings. These are:

- Increased democratisation and decentralisation worldwide;
- Privatisation, the growth of the non-governmental (NGO) or private voluntary (PVO) sector, and unique public/private partnerships;
- The revolution in communications and reduced travel time; and
- The effects that globalisation is having on all levels of our society including the nation, state, city, neighbourhood, family, companies and individual citizens.

Even at the United Nations (UN) level the importance of twinning has been recognised beyond the 1971 resolution on the subject. "Central governments are recognising the need to give local authorities greater responsibility and resources, because countries will not develop unless their cities develop. The 'twinning' of cities, especially northern and southern cities, is becoming more popular as such contact move beyond the symbolic" (UN, 2001).

In Europe, twinning is a very important instrument in forging a united European Union (EU) and financial assistance is provided for this purpose by the European Commission (EC). During the 2002 meeting of European twinned towns in Antwerp, the following declaration was made which emphasises the importance of twinning as a form of strategic alliance between communities on that continent (CEMR, 2002b):

> The elected representatives and officials of European local and regional authorities have underlined the role of the twinning movement in the construction of more peaceful, understanding and unified societies for their inhabitants. To this end, they expressed their wish to give twinning a new boost so that closer links can enable the citizens of Europe:
>
> - To live together in harmony, solidarity and mutual understanding;
> - To make 'the art of twinning' an instrument of bringing together the people of Europe called to live together within an enlarged Union;

- To make twinning a tool of cooperation favourable to a Europe that is concerned with the well being of its inhabitants (Economic cooperation and sustainable development now constitute many aspects of a relationship between twinned towns); and
- To benefit from and develop the richness and assets of the 'learning cities'.

Many other sources describe the vital role that twinning has played in forging the European Union. Zelinsky (1991:7) observes that since the early 1980s, twinning has been seen as a potent instrument for creating an economically and politically unified Europe. The City of Bonn (2003:6) observes that twinning "achieved an essential part of the groundwork for a European Union". Brown (1998) also describes in detail the history of twinnings between Britain and Germany that have survived for more than half a century.

The importance of twinning is also recognised by the South African government as well as by the ruling party, the African National Congress (ANC), which states: "South Africa did not benefit much from this long-standing practice during the apartheid era, due to its exclusion, sanctions and international isolation. With the democratic changes in our country and our integration in the world community, many of the cities, towns, municipalities and provinces have entered into governance cooperation or twinning agreements in areas of economic development, exchange programmes in arts, culture, science & technology, development, education, human resource, sports, safety and security, etc." (ANC, 2002).

Although the South African government adopted a Municipal International Relations Framework policy in 1999, it has been found to be insufficient to facilitate and regulate twinnings effectively in the country. The ruling ANC party therefore proposes (ANC, 2002):

> Recognising: The importance of twinning in developmental areas such as capacity building, service delivery and infrastructure development: We therefore resolve that:
>
> - We develop a clear policy on twinning agreements and address the coordination of visits and signing of twinning agreements;
> - Government finalise the International Cooperation Framework Policy to guide proper coordination and monitoring between all spheres of government; and
> - The twinning agreements should include cities of Africa and the South.

Another reason for the importance of the study is the fact that, although twinning is a large-scale global phenomenon, a paucity of research and academic literature about the topic exists.

According to Zelinsky (1991:2), "[e]veryone now seems to take it for granted that our human world has been shrinking. Yet strange to say, this presumably self-evident credo remains unexamined, supported only by impressionistic writings. No one has subjected our new global togetherness to the sort of rigorous scrutiny it merits." Also: "Sadly lacking is any centralised records of the specific twinning activities of sister cities. Also unavailable are any comprehensive data dealing with the frequency, intensity and results of the exchanges". As far as the economic impact of twinning is concerned, Zelinsky observes: "Unfortunately we have only anecdotal evidence concerning the economic consequences of twinning and no way to ascertain its actual magnitude for any given country or the world."

This paucity of research is evident in literature searches and has also been identified by Cremer *et al.* (2001:379): "The phenomenon of sister cities, a topic on which there is a paucity of academic literature, despite the fact that thousands of such relationships exist between cities across the world. Little is known about the tangible benefits of sister city related tourism… this provides considerable potential and is an aspect that can be readily measured."

1.7 Parameters of the study

Many different types of twinning relationships exist between non-governmental organisations such as schools and chambers of commerce worldwide. This study, however, focuses on the concept of the twinning of communities in different geographical places. This includes district, city and town twinning, where, in its purest form, all components of the community (i.e. the municipality, business sector and civil society) are involved in the agreement. The study is also conducted from the point of view of the South African communities involved in twinning and the primary research focuses on the provincial or local authority, because these structures are normally the facilitator of district or city/town twinning, although a true community or place-twinning is actually a twinning of communities and goes beyond the twinning of two provincial or local governments or municipalities. Because of the twinning, spontaneous agreements may form between businesses or individuals, but if not reported, theses are difficult to monitor. Such agreements would fall outside the scope of the study.

The study confines itself to the following areas:

- The topic of strategic alliances in the context of the twinning of cities and towns;
- Community-driven place-twinning as a strategic alliance;
- Twinning as a partnering phenomenon between communities. Case studies of individual twinnings and the specifics of individual twinnings are therefore not discussed;
- Twinnings of South African communities in provinces, cities and towns with international partners outside South African borders (twinning relationships may also exist within the borders of one country by way of local relationships between communities and/or municipalities);
- An analysis of twinnings and the success of twinnings from a South African perspective; and
- Recognition of the role of the provincial or local authority as the facilitator for community twinning.

In conducting the research, the researcher made the following assumptions:

- That the respondents who are the senior provincial officials and municipal managers of South African provinces and municipalities, judged by the legal framework that exists as well as their level of seniority, are competent, responsible persons who would respond to the research undertaken;
- That these respondents, being competent and responsible public officials accountable to the communities they serve, would supply accurate information in their responses; and
- Based on similar surveys amongst municipalities in other countries, an acceptable response rate was expected to the primary research questionnaire as discussed in Section 5.6 of the study.

1.8 Objectives of the study

The objectives of the study are as follows:

1. To clarify the concepts of community and municipality in the context of twinnings;
2. To clarify the concepts of twinning and the international relations of subnational communities in a global context;
3. To assess and define twinning as a strategic alliance between communities all over the world;
4. To ascertain the extent and scope of twinning worldwide and specifically in South Africa;
5. To identify the dynamics of twinning (how it is done, how it works);
6. To identify differentiation characteristics between twinning relationships;
7. To identify which factors contribute to the success of twinning relationships; and
8. To make recommendations for successful twinning relationships between South African communities and international partners.

1.9 The research problem and sub-problems

What is therefore clear is that there is not only a paucity of research, but also a lack of conceptual clarity with regard to a number of the main concepts used in the international relationships between communities. Specifically in South Africa a number of further problems exist, such as a lack of coordination between the various role players, and a lack of support for twinning activities by communities.

The research problem is thus formulated as:

What are the guidelines that communities in South Africa can follow to ensure the forging of successful strategic alliances through twinning with communities in other districts, towns and cities internationally?

Besides the main research problem, a number of sub-problems have also been identified:

1. What benefits does a place-twinning agreement offer to a community involved in such a relationship?

2. What is the scope (content) of a place-twinning agreement and the context in which it is concluded?
3. What are the dynamics (process) involved in entering into a place-twinning agreement and managing it successfully?
4. What are the factors that contribute to the success of a twinning?

As twinning in South Africa is a relatively recent phenomenon (post 1994), there is an absence of research, policy and guidelines at all government levels. The study will therefore also address organisational capacity problems issues, i.e. who are the stakeholders involved in twinning agreements, and what are their roles and responsibilities.

1.10 Hypotheses addressed by the study

According to Mouton (1996:102) "[i]n cases where very little previous research has been conducted, the researcher will typically attempt to collect new data and develop new hypotheses to explain such data. We will refer to such studies as being primarily exploratory." Although very little primary research has been done in the field of twinnings, a number of hypotheses could be developed from the literature study.

"Empirical findings, as expressed in patterns and generalisations, have to be explained and this is precisely the aim of the bulk of empirical research, namely to generate plausible explanations or accounts in the form of hypotheses" (Mouton, 1996:104). Since the hypotheses that were generated as indicated above, will be tested in Chapter 6, the study is mainly validation and hypothesis testing.

These hypotheses will be presented later in the study as they are developed.

1.11 Research methodology

In this section a brief overview is given of the methodological procedures followed by the study, how it was planned, structured and executed. The research design and the implementation thereof are addressed in more detail in Chapter 5.

1.11.1 Theoretical points of departure

According to Faulkner and De Rond (2000:v) cooperation between organisations can be examined fruitfully from a wide range of theoretical starting points:

> They include strategic management, both in its positioning and resource-based complementary perspectives, economic and industry analyses, transaction cost economics and agency theory, network theory, the sociology of collective action theories, organisation theory, psychology of trust and commitment theories, evolutionary theories, game theory, and institutional theories to name only the most obvious. Models of bilateral (e.g. marriage) and multilateral (e.g. multi-state coalitions) relationships can also be applied and adapted to the study of inter-organisational collaboration. More interestingly, the collaboration phenomenon allows, and challenges, researchers to extend these theories.

As already mentioned in Section 1.1 of this study, the twinning phenomenon will be analysed from an interdisciplinary perspective including the subject areas of communication studies, international relations and diplomacy, marketing, sociology, urban studies, strategic alliances, public management and geography, and it will have an empirical rather that theoretical focus. Relevant theoretical constructs, models and theories are, however, discussed where applicable.

In order to approach the phenomenon of twinning from a sound systemic perspective, it is also viewed not only in terms of the three vertical perspectives (macro, meso and micro as described in Section 1.1), but in terms of three horizontal perspectives, i.e. in terms of the context, content, and process of twinnings (De Coning, 2005). This conceptual framework is used to regulate the systems approach in the study:

- Context addresses the question “why” and necessitates the investigation of external and internal triggers or forces driving twinning;
- Content addresses the “what”, i.e. the scope and activities involved; and
- Process involves the “how”.

This systematic approach and the chapters of the study that address each area, can be set out in matrix form as follows:

Table 1.1 Systematic approach to level of analysis by chapter

	Context	**Content**	**Process**
Macro level (global)	Chapter 2	Chapter 2	Chapter 3
Meso level (South Africa)	Chapter 4	Chapter 6	Chapter 4
Micro level (local)	Chapter 6	Chapter 6	Chapter 6

The literature study is therefore divided into two chapters based on this framework and whereas Chapter 2 focuses on the context and content of twinning, Chapter 3 focuses on the processes involved.

1.11.2 Research approach

Mouton (1989:389) posits that an intrinsic dimension of all social sciences research is to bring about change and a power dimension is always present. "The traditional two methodological paradigms, namely the quantitative which refers to experimental, quasi-experimental and survey studies, and qualitative which is associated with studies using unstructured interviewing techniques, participant observation, the use of personal documents, etc. are inadequate for use in the social sciences where a development motive is present" (Mouton, 1989:387). This has led to the development of a third paradigm in the methodology of the social sciences called participatory research, which is an umbrella term "covering such aspects as action research, collaborative investigation, indigenous research, experiential research, reflexive science and dialectic research" incorporating the central ideas of participatory involvement, encounter and dialogue with the research participants.

Participatory research uses the techniques of traditional quantitative and qualitative research but there are fundamental differences on the level of research design and methodology in general, as indicated below (Mouton, 1989:401-402):

- Research subjects are seen as equal partners and are called research participants;
- Research subjects are involved in the design and execution of project;
- The research team is accountable to the community where research is being done; and
- The ultimate aim is to substantially make a change in the everyday lives of the people concerned.

This approach and the practical application thereof are discussed in more detail in Chapter 5.

1.11.3 Research design

The study was conducted by, firstly, undertaking a comprehensive literature study into the following areas:

- Strategic alliances globally involving the private sector;
- Twinnings and other forms of international linkages worldwide between various communities;
- Decentralised cooperation;
- Public management and intergovernmental relations; and
- International relations and diplomacy.

After this phase the information thus gathered was used for the development of a conceptual model of twinning, more specifically:

- The postulation of a conceptual model of twinning, and
- The development of hypotheses that implementation of the model or parts thereof would lead to higher levels of success in twinnings.

The research design to test the hypotheses through primary research was then developed and was implemented as set out below:

- The conceptual model was used as the framework to generate the hypotheses and test them through survey research with the use of a questionnaire measuring instrument; and
- The key characteristics and aspects of place-twinnings of South African provinces, cities and towns with international partners were then established through analysis of the results of this self-completion survey to all provinces and municipalities in the country.

1.12 Summary

In this chapter, a background to the partnering strategies and the twinning phenomenon was provided. The importance of the study and the main research aims and objectives were also presented. Further to this, core concepts were discussed and defined, an overview of the research problem was given and the methodology explained for the examination and analysis of the research problem.

The following two chapters explore the characteristics of successful strategic alliances between partners in the private sector; it discusses the twinning phenomenon in detail from an international perspective, and identifies the best-practice guidelines for the relationships between municipalities and communities in different parts of the world. Whereas Chapter 2 focuses on the context and content of twinnings, Chapter 3 focuses on the processes involved.

Based on these perspectives, principles and practices, a conceptual model of twinning relationships is developed and presented at the end of Chapter 3.

CHAPTER 2: THE CONTEXT AND CONTENT OF TWINNING WORLDWIDE

2.1 Introduction

2.1.1 The broad context of twinning

The global landscape is rapidly evolving. Boutros Boutros-Ghali, former Secretary-General of the United Nations, recently said: "There is need for a drastic change at the UN. We must prepare ourselves for a third generation organisation. The first was the League of Nations. The second was the United Nations. The third generation must be a drastic change in the overall concept. The change must be to obtain the participation of non-State actors in international affairs" (UN-Habitat, 2003b:20). These include big cities, NGOs and multinational corporations. Regions are also becoming more important in the world, particularly in Europe, which is evidenced by the creation of various institutions such as the Committee of Regions of the EU, the Congress of Regional and Local Authorities in Europe as part of the Council of Europe, and the Assembly of European Regions (Brand, 2002:669-670).

We live in an increasingly connected and interdependent world where cooperation becomes as important as competition. According to the Local Government International Bureau (LGIB) in the UK (2001:3), this is a world "in which the role of local governments is becoming more important, and a world in which we both compete and cooperate with each other. In this fast changing environment, we need to exchange experience and learn from each other. We also need, in the interests of peace and stability, to meet and understand one another."

But before an analysis of the twinnings of communities involving the public sector is conducted, it might be beneficial to see what can be learned from the body of knowledge about strategic alliances in the private sector. Throughout Chapters 2 and 3, which analyse the context and content of twinnings on a macro level, relevant information from the literature on strategic alliances will be incorporated in our discussion of the twinning phenomenon.

As already mentioned in Section 1.5.2, many different terms are used to describe the international partnering and diplomatic activities of communities and regional or local

governments worldwide. Broad terms for international relations are, for instance linking, twinning, city-to-city cooperation, *jumelage*, friendship link, sister cities, transnational partnership, decentralised cooperation, decentralised development cooperation, partnership for development, joint local action, linking for development, and municipal international cooperation (UNDP, 2000; SCI, 2003). The explanation for the confusion in terminology may be found in the origin of linking and its unstructured evolution from a narrow to a wide range of objectives over more than half a century.

This is emphasised in the speech of Jangu Le Carpentier, President Delegate, United Towns Organisation (UTO) to the 1994 International meeting for Decentralised Cooperation with Africa, in which he said (UNDP, 2000:10):

> The present-day diversity [of linking] does not reflect a weakness, but on the contrary, a capacity to adapt itself to extremely diverse conditions. What is important today is the realisation that it is a concept with considerable impact. And if it possesses this impact, it is perhaps because it is a notion which is still a little vague. However, if we attempt to define it more precisely, we would be taking a risk: either it would be defined in such general terms that it becomes a maze of contradictions, or it would be defined in such a restrictive manner that everyone would be completely lost.

In this study, however, the concept of twinning was defined in Section 1.5.2 and in this chapter the concept is further clarified and the context in which it has evolved and operates is investigated in detail. In addition, the content of such relationships is discussed. But before twinning is discussed in more detail, it needs to be stated that there are a number of linking modalities available to communities and local governments in the world. According to the United Nations Human Settlements Programme, the majority of city-to-city links comprise a one-on-one partnership between just two communities but many communities in the North have more than one twinning link, and some have as many as 20 twinning partners (UN-Habitat, 2003a). These are the type of relationships that are the focus of this study.

But not all one-on-one city-to-city links take the form of conventional twinnings or enduring partnership links, however, and the following are some of the other forms of linkages used that fall outside the field of this study (UN-Habitat, 2003a; City of Bonn, 2003:10-13):

- Funding schemes aimed at promoting technical cooperation between municipalities (e.g. Commonwealth Local Government Good Practice Scheme (UK), the EU's TACIS City

Twinning Scheme, or the Netherlands Government's Inter-Municipal Development Cooperation programme, involving mutual commitment only for the duration of the externally supported project;

- A wide variety of technical cooperation networks between groups of cities. These tend to focus on specific topics of importance to the participating cities' services and include, for example EUROCITIES (NGOs and 72 cities), Climate Alliance in Cities (748 cities and municipalities) and Global Alliance of Cities against Poverty (100 cities);
- Wider sectoral membership organisations or associations focusing upon particular city characteristics (e.g. the members of METROPOLIS are the biggest metropolitan authorities worldwide, or more specialised groupings of port cities, historic towns, or cities with a shared culture such as the Organisation of Islamic Capitals and Cities); and
- International activity that does not rely upon direct city-to-city links but comprises exchange of 'good' or 'best' practices. This is promoted by a number of international agencies and associations and in many cases it is supported by an award scheme.

European cities like Bonn are also involved in many regional initiatives. The City of Bonn, for instance, is also a partner in PACTE (a programme to transfer know-how and experience between local and regional administrative bodies in the EU), GEOMED which reinforces discussion amongst specialists and citizens in the planning of projects, and URB-AL which reinforces democratic and policy-making structures on the local level in eight thematic networks. The city is also actively involved in Agenda 21 projects and partnerships to combat desertification (City of Bonn, 2003).

The networks of municipalities are also growing in popularity and according to Kern (2001:1), this is indicative of diminishing national sovereignty. This is due to two trends:

1. The development from national associations of municipalities to transnational city networks; and
2. A shift in bilateral relations between cities. Kern (2001:2) maintains that "[f]ormalised cooperation through twinning is increasingly being superseded by 'temporary twinning', limited-term city-to-city cooperation on specific projects".

As has been stated before, it is again clear from the above that a distinction should be made between the relations of municipalities or local governments, and those of communities. The

term community, as previously defined in 1.5.1, is much wider than individuals as it includes local governments in addition to other community actors from the business sector and civil society. The focus in this chapter will therefore be on the twinning of communities, and not only that of municipalities.

2.1.2 The historical origins of twinning

To fully understand the twinning phenomenon, it is necessary to briefly trace its origins and its evolution in recent years.

According to the Local Government International Bureau in the UK, the first recorded twinning link was established in 1920 between Keighley, West Yorkshire, and Poix du Nord in France but after the end of the Second World War the concept spread at a rapid rate, with British cities forging links with European cities devastated by the conflict. It was seen as an effective tool in the process of promoting peace and reconciliation, and twinning in this period centred mainly on family exchanges with a substantial cultural content (LGIB, 2001:4). Even before the end of the war in 1944, Coventry formed a link with Stalingrad (Cremer *et al.*, 2001:380).

Weyreter (2003:37) recalls that the first post-war effort to join hands with a German city was in 1947 by Bristol Council who led a goodwill mission of five people to Hanover, which led to a twinning. The second relationship thus formed was between Oxford and Bonn and the first French/German twinning was between Montbeliard and Ludwigsburg in 1950, the year of the establishment of the Council of European Municipalities and Regions (CEMR). This organisation got together “[t]o establish standards and guidelines by joint decisions, draw up standard twinning contracts, and finally put the aims of twinning down on paper” (Weyreter, 2003:38). The main aim of the CEMR was to unite Europe in a rebuilding effort with local government acting as facilitator between national governments and local communities, with a view to influencing national policy.

After the Second World War, cooperation between communities - or "twinning" as it was called - was seen by local leaders as a means to build bridges of understanding and confidence between peoples of nations which had been at war. This cooperation was aimed at bringing about social and cultural exchanges between civic officials, schools and community groups

(UNDP, 2000). Kern (2001:9) recalls that two partly overlapping objectives were pursued: firstly, peacekeeping and international understanding, and secondly, the promotion of European integration. But these twinnings were between developed Northern hemisphere countries, mostly in Europe. In order to promote twinnings with countries in the Southern hemisphere in the developing world, the United Towns Organisation (UTO) successfully lobbied at the United Nations, which led to the adoption by the UN General Assembly of a resolution on "city twinnings as a means of international cooperation" in 1971, endorsing the concept of "*jumelages-coopération*" (cooperation twinnings) between cities of the industrialised world and of the developing world (Hafteck, 2003:339). These cooperation twinnings gained progressive momentum in the 1970s and 1980s, and became more technically oriented and project-based.

The CEMR lobbied the Council of Europe and was instrumental in the establishment in 1989 of a grants programme known as "Community Aid for Twinnings", administered by the Secretariat General of the European Commission, which intends to strengthen existing twinnings or to support the creation of new twinnings among European local authorities. This organisation also identified that its members started getting involved in North-East twinnings focussing on economic benefits, which they called "economic twinnings". "In these twinnings, called Development Cooperation (DC) by some, the business community is actively involved" (Hafteck, 2003:339).

In the United States of America, the US sister cities programme traces its roots to 1956 when President Dwight D. Eisenhower proposed a people-to-people citizen diplomacy initiative and so the organisation "Sister Cities International" was formed. It was originally a part of the National League of Cities (NLC), but became an independent, non-profit organisation in 1967 due to its tremendous growth and popularity (SCI, 2004:1). According to Hafteck (2003:339) the US concept of "sister cities" is almost identical to that of twinnings in Europe, except that it does not focus on a particular geographical region. "European twinnings originally were essentially motivated by peace consolidation within Europe. Sister-city relationships followed a similar philosophy of 'citizen diplomacy', but took a global perspective."

In Europe, the concept of twinning kept evolving and after the UK's entry into the European Economic Community (EEC), the number of twinnings increased in the 1970s and 1980s, with activities beginning to focus more on school exchanges and educational links as

educationalists began to recognise the benefits of exchange (LGIB, 2001:4). The early 1990s saw a particular interest in the growth of partnerships with Central and Eastern Europe as UK local government sought to encourage the growth of democracy and a free-market economy in the region (LGIB, 2001:4).

Over the years the concept of twinning has changed and "[l]inking has evolved from its origins as a modality for confidence-building between European towns into a global phenomenon encompassing friendship, solidarity, culture, awareness-building, international understanding, humanitarian assistance, sustainable development and, in recent years, good governance" (UNDP, 2000).

The participants have also changed. The United Nations Development Programme for instance recalls that when city-to-city cooperation began, links were almost always between town halls. "Led by mayors and civic leaders, they tended to be somewhat exclusive, consisting largely of high-level visits between the twinned towns, supplemented by cultural and sporting exchanges" (UNDP, 2000). Nowadays the objectives are likely to be much broader than traditional twinnings, and include:

- Community development with a focus on meeting basic needs;
- Municipal capacity-building;
- Awareness-raising;
- Development education;
- Matters of governance;
- Strengthening local democratic institutions; and
- Encouraging wider community participation.

Also to be found are specialised links, most commonly between schools, universities and hospitals.

The concept of twinning has therefore widened considerably in both importance and scope over the years and now involves a much larger group of participants in many more geographical areas around the globe.

2.2 Developments in the field of cooperative strategy

In order to analyse the context and content of twinnings, it is first necessary to discuss alliances in general, and to define a twinning as a special form of alliance.

Alliances have become a necessary part of any company's strategic plan. Ohmae (1989:144) reminds us that they are not tools of convenience: "They are important, even critical, instruments of serving customers in a global environment."

According to Palermo (2003:19) the first academic work addressing the alliance issue was Sun Tzu's *Art of War*, written in 450BC. But although strategic alliances are not a new phenomenon, as business alliances were also common in the 18th and 19th centuries in the shipping and shipping insurance industries (Mockler, 1999:10), Dussauge and Garette (1999) observe that interfirm cooperation has not only increased dramatically in the last two decades of the twentieth century, but that it has also undergone radical changes. The tactical and limited objectives typical of traditional joint ventures have given way to more strategic motives.

Cooperative strategy in the business sector has developed into a multitude of different forms and modalities, so much so that Peter Drucker has said that "there is not just a surge in alliances but 'a worldwide restructuring' is occurring in the shape of alliances and partnerships" (Harbison, Pekar, Viscio & Moloney, 2000:0). All indications are that the importance of cooperative relationships will grow even stronger in years to come. "We are now in the early phases of a new era where cooperative business models will become dominant forces in the world economy" (Harbison *et al*., 2000:2).

These changes are driven by strong forces in the business environment, which has become increasingly complex in a rapidly changing environment. These forces include globalisation, increased competition, and rapid technological development whilst managements are more pressurised at the same time to employ resources optimally, improve profits, and increase customer value (Scholtz, 2002:1). "Partnering" has changed dramatically as a result of two major driving forces: globalisation and technology (Palermo, 2003:19).

The trend towards decentralisation is strongly prevalent in the private sector. Segil (1996:203) observes that the entrepreneur is the most important player in the building of the

global economy, so much so that “big companies are decentralising and reconstituting themselves as networks of entrepreneurs". According to her, as this trend continues, the focus at many companies will change from finding partners or defining process and methodology to “managing from a decentralised perspective, pushing management control to a local level”.

This has forced companies to rethink their competitive strategies and to focus primarily on their core competencies, and to position them as such in the value chain. This opens the door to working closer together with collaborators to fulfil complementary functions. In order to be competitive, firms therefore must adopt collaborative strategies.

As Varadarajan and Cunningham (1995:295) agree, “[r]elationship marketing is paradoxical in nature, in that in order to be more effective competitors, firms must learn and implement cooperative strategies”.

2.2.1 The extent of and shift to cooperative relationships

Adler (1966:60) recognised the importance of cooperative strategies four decades ago when he defined symbiotic marketing as “the alliance of resources or programmes between two or more independent organisations, designed to improve the marketing potential of each”.

There has been an explosion in the number of strategic alliances formed between companies, even competitors since then globally, specifically over the past two decades. So much so that Harbison and Pekar (1997:2) posit: “We believe that the world has entered a new age – ‘An Age of Collaboration’ - and that only through allying can companies obtain the capabilities and resources necessary to win in the changing global marketplace.”

Booz Allen Consulting conclude the following in their research (Harbison *et al*., 2000:3):

- During 1998 and 1999, more than 20,000 alliances were formed worldwide, and more than half occurred between competitors.
- Durining this period, more than 20% of the revenue generated by the top 2,000 US and European companies came from alliances. By 2004, these companies expected over 30% (US) and nearly 40% (Europe) of their revenue to come from alliances. (According to

Biggs (2003:1), strategic alliances will generate between 16% and 25% of corporate value by 2005).

- Financial returns on the alliance investments of these companies (in terms of returns on investment (ROIs) and returns on equity (ROEs)) were higher than from their core businesses.
- A string of interconnected relationships enabled these companies to overpower the competition.
- The old and traditional "command and control" organisational model used by most companies is inadequate to manage the complex set of relationships thus formed outside the direct control of the company.

Companies enter into these relationships for different reasons. According to Connell, LaPlace and Wexler (1996), alliances allow companies to meet market demands more quickly and with an investment of fewer resources. Faulkner and De Rond (2000:3) propose that one of the main reasons is to acquire the necessary competencies to meet the demands of the global market. Harbison *et al.* (2000:2) suggest that “the ability to form successful alliances is in itself a core competency to be nurtured and developed”. Another reason for cooperation is the aim of learning. Nti and Kumar (2000:120) maintain that “[b]oth the 'race to learn' and the information gathering perspectives suggest that alliances are transitional organisational forms, and may be terminated once learning is completed”.

According to Faulkner and De Rond (2000:3), cooperative strategy became a very fashionable area of intellectual debate in the 1990s, rather as competitive strategy was in the 1980s following the publication of works by Michael Porter (Porter, 1985). The reasons they provide for this shift in emphasis from competitive strategy to cooperative strategy are the following:

- Increasingly globalised markets during this period;
- The converging of consumer tastes;
- Technologies have shown a disturbing tendency not to endure for long before being replaced by others, and
- Shorter product lifecycles.

This shift has been so large that Connell *et al.* (1996:1) suggest "[t]he rules of the game have changed dramatically in the past ten years", and "[e]xperience has shown that the development of trusting, cooperative relationships between companies can result in mutual benefit". According to Hamel and Prahalad (in Lendrum, 2000:47), "'[v]irtual integration' is replacing vertical integration. The relationships among the partners are not transaction-oriented; they are long-term. One often sees in these relationships interdependence without ownership or legal control."

Leonard Greenhalgh (2001:100) suggests that another reason for the shift in emphasis is the major importance that has been given to the concept of integrated value chains in recent years. According to him, the value chain is an important concept in the context of strategic alliances for three reasons:

1. It provides the analytical framework for the processes that add value to the product or service;
2. It provides focus, as knowing where the most value is created points to where attention should be placed to preserve competitive advantage; and
3. The value-chain concept provides a different perspective on strategic business relationships.

The old-paradigm notion of competition envisions two organisations competing against each other. The new-era notion envisions two "value chains" competing against each other, with firms embedded into competing networks. Firms are therefore forced to join and cooperate in networks in order to compete successfully. Networks and constellations are discussed in more detail in Section 2.2.3.

It is, however, important to note that cooperative strategy should not be seen in isolation, but rather as part of a company's overall business strategy. Cooperative and partnering strategies follow logically from vision and resulting business strategy. It can therefore also be deduced that an alliance strategy is essential before specific strategic alliances are entered into. As suggested by Segil (1996:62), "clearly, alliances are not part of every organisation's strategic plan. They are but one of many options of a broad-based strategy. The integration of alliance strategy into the overall strategy of the organisation will depend on the extent of your vision of the future for the company." Jarillo and Stevenson (1991:67) also observe that cooperation would

not always be the best strategy to follow and in some cases it would be better going on one's own. But according to Lendrum (2000:27), "[p]artnerships and alliances are a fundamental part of an organisation's business plan. They will take time and resources and will impact widely on the organisation and other customer/supplier relationships. Thus, they cannot operate in isolation." Segil (1996:195) also observes: "Because this area of expertise is growing rapidly, some organisations have seen the need to integrate the planning for alliances into the general strategic planning process, as a parallel activity." Harbison and Pekar (1994) suggest that companies follow different approaches in their alliance strategy. Some follow an intuitive approach, and some a disciplined approach.

According to Connell *et al.* (1996:1), success rates, as measured by endurance of the partnerships and achievement of each company's goals for the alliance, have been relatively low. Those failures have occurred for a wide variety of reasons:

1. Partners were in some cases not chosen strategically;
2. In other instances, one partner's goals overtook that of the other; and
3. In other failed partnerships, there was too much reliance on detailed legal agreements to ensure the success of the agreement, rather than developing strong personal relationships between appropriate individuals.

They also observe that "[t]he experience of a high percentage of failures has created a substantial knowledge base about the factors that contribute to strategic alliance success" (Connell *et al.*, 1996:1).

All relationships are essentially maintained and driven by people. Kuglin and Hook (2002:34) remind us that "[a]lliances are also all about relationships. These relationships are company-to-company, solution-to-solution, and culture-to-culture. Most importantly, successful alliances are driven by executive-to-executive and salesperson-to-salesperson relationships. These relationships are built over time, and require consistent, dedicated executives who are present during good times and bad times."

Lendrum (2000) agrees with this view that strategic partnering is a complex mix of human behaviour and organisational and market diversity: "It involves people - all differing in their

idiosyncrasies, personalities, conflicts (personal or otherwise), ambitions, motivations, skills, capabilities and needs - at all levels of the customer/supplier organisations."

From the preceding sections, it is clear that there has been a major shift to cooperative relations over the past two decades in the private sector and that firms are forced to cooperate in order to compete successfully. Cooperative activity also seems to be highly profitable. But alliances cannot be seen as isolated from the firm's vision and business strategy and should become an integral part thereof. They should also take cognisance of the human element as all relationships are ultimately forged by people.

2.2.2 Types of cooperative relationships

Many types of cooperative relationships exist and different names have been attributed to them. Various authors have also proposed different models of categorisation.

Webster (1992:5) sees a strategic alliance as a new organisational form, but notes that "[t]here is no strong consensus at the present time about the terminology and typology for describing the new organisational forms". He therefore suggests a typology based on the strength of marketing relationship and suggests that a continuum exists which starts at its simplest form with a single transaction. It then moves to repeated transactions, then to long-term relationships, then to buyer-seller partnerships, then to strategic alliances, to network organisations and finally, in its strongest form, to vertical integration.

This continuum is graphically presented in Figure 2.1 below:

1. Transactions	→	**2. Repeated Transactions**	→	**3. Long-term Relationships**	→	
4. Buyer-Seller Partnerships (mutual, total dependence)	→	**5. Strategic Alliances** (Including Joint Ventures)	→	**6. Network Organisations**	→	**7. Vertical Integration**

Source: Webster, 1992:5

Figure 2.1 The range of marketing relationships

A strategic alliance on this continuum falls between strong buyer-seller relationships and network organisations which involve more than one firm. Webster (1992:8) goes on to say: “One of the essential features of a strategic alliance is that it is intended to move each of the partners towards the achievement of some long-term strategic goal.” Other important characteristics are shared objectives and a commitment of resources by both parties.

Although a strategic alliance forms a specific type of relationship on this continuum, the term is also used in a more general sense. Faulkner and De Rond (2000:3), for instance, posit “[t]hough the term ‘alliances’ may at some point have referred strictly to a particular type of relationship, it now serves as an ‘umbrella’ label for a host of cooperative relationships”. Dussauge and Garette (1999:1) concur: “Collaborative agreements – frequently lumped together under the generic term ‘alliance’ - cover a host of substantially different situations and forms.”

According to Varadarajan and Cunningham (1995:283), “[a]uthors have studied the many facets of strategic alliances using such terminology as symbiotic marketing, business alliances, strategic alliances, strategic partnerships, strategic networks, interorganisational linkages, interfirm cooperation, collaborative agreements, quasi-integration strategies, cooperative strategies, coalition strategies, collective strategies, and corporate linkages, to list a few”.

Nooteboom (1999:6) further explains that alliance partners can be suppliers, customers, research institutes, and (semi-) governmental institutions, but also (potential) competitors. According to him, the crucial difference between “vertical” cooperation between suppliers and users and “horizontal” cooperation between competitors is that “in the second case there is more chance of substitution between their products; of a ‘zero-sum game’ where one partner’s profit is the other partner’s loss”. He further states that in vertical cooperation there is more complementarity; an easier ‘win-win’ situation. “That is why one will sooner see a merger or acquisition, rather than an alliance between partners that remain independent, in areas where rivals compete directly, with the same product in the same market.”

In is important to note that outsourcing is not the same as partnering. According to Lendrum (2000:123), “There is no argument that the transfer of non-core competencies from customer to supplier in outsourcing can be an important part of partnering or alliance strategy.

However, while taking over part of a customer's business no doubt assists in building closer ties, sharing information, reducing costs, improving efficiencies and the like, it is still a far cry from a fully cooperative, interdependent, innovative, continuously improving, world-class partnership."

Lendrum (2000:16) classifies customer - supplier relationships into three categories or segments – vendor, supplier, and partner relationships as set out in Table 2.1 below. He developed a scale with which to classify different types of relationships, which he describes as follows: "The 0-10 scale is universal and captures all other relationships, business and personal, internal and external, customers, suppliers, principals, contractors, service providers, peer groups, support teams, employees, shareholders, sponsors, joint venture partners, acquisitions, mergers, licensing, franchising and any other relationships will all fit somewhere on the 0-10 scale."

Table 2.1 The universal relationship continuum

Relationship Type	Description
Type 0 – Zero relationships	The choice is made, deliberately and consciously for good reason(s), not to have a relationship.
Vendor Relationship Types (1-4)	Vendors normally have a cost-plus strategy and mentality, trading on thin margins with little or nothing differentiating them. Price is the driving force behind the relationship, with customer/supplier loyalty having a low priority. There are four relationship types in the vendor segment - combative, tribal, trading and transactional.
Type 1 – Combative relationships	'You're not in business to make friends. If you want a friend, get a dog. Me, I'm not taking any chances. I've got two dogs.'
Type 2 – Tribal relationships	Tribal relationships are often spoken about as fiefdoms or organisation silos within which exist parochial, insular, protective, territorial groups resistant to change.
Type 3 – Trading relationships	Type 3 trading relationships exist in a world of opportunism and are all about negotiating, bartering, doing the deal and getting the order, predominantly at the best or lowest price.
Type 4 – Transactional relationships	Traditionally, transactional relationships involve the straight purchase or sale of products and services over the counter, over the phone, by fax or via the internet with little or no negotiation involved. No real personal relationship is built.
Supplier Relationship Types (5-7)	Supplier relationships occupy positions 5, 6 and 7 on the relationship scale. Delivering products and services 'In Full On Time to Al specification' (IFOTA1) becomes the base requirement for any reasonable supplier. Understanding the customer's requirements and then meeting and servicing them via cost-reduction and value-adding initiatives. Usually, but not always, these relationships normally involve tightly managed contracts, often detailed and associated with tenders and competitive bidding.

Type 5 - Basic relationships	Basic type 5 relationships are low-impact, low-profile, low-priority, non-critical, independent, 'business as usual' relationships from the customer's perspective. A focus is on price, basic quality service maintenance or the beginning of total cost reductions.
Type 6 -Major relationships	Relationships are typified by an increasing complexity and importance of products, services and projects delivered. Major relationships are the first of the real proactively, quality-focused, continuous-improvement relationship types.
Type 7 - Key relationships	Key relationships are the most critical and important in the supplier segment of the 0-10 scale. They are strategically important, complex and multidimensional products and/or integrated service relationships. Focused more on genuine value adding than just total cost reductions, these are quality driven, continuously improving, innovation-based relationships. Both the customer and supplier parties to the relationship provide expertise over and above the products and services given or received.
Partner Relationship Types (8-10)	Alliance partners, apart from having all the qualities of the best 7+ key relationships, share visions, strategies and a wealth of information. Above all, partners will share a mutual trust.
Type 8- Partnering relationships	Partnering or alliance type 8 relationships are, above all, about mutual trust. They are based on competence, character, interdependence, honesty and integrity in working together, in good faith, as individuals and teams to achieve shared visions and common goals for mutual benefit. These relationships live in a world of transparency, seamless boundaries, frictionless commerce, performance-based remuneration and joint benchmarking, absent of tenders or competitive bidding in the traditional sense, leveraging core competencies around a broad balanced scorecard of performance measures.
Type 9 - Pioneering relationships	These relationships are characterised by: 1. Shared ownership and management of assets; 2. Buy-back and lease of assets, products and services with remuneration linked to asset performance; 3. Integrated corporate strategies, not just one-off relationships; 4. Expanding relationships globally across political, cultural and social boundaries; 5. Running the alliance itself into a virtual company or organisation, equity or non-equity linked or a separate legal entity or joint venture; 6. Joint customer/supplier partner involvement in new projects and other long-term relationships; 7. Complex public/private sector partnerships and alliances; 8. The relationship owning the intellectual property for joint benefit, not individual alliance partners, based on self-interest; 9. Advanced multi-partner alliances; 10. Each partner waiving all rights to litigation in the event of any non-conformance other than for willful default.
Type 10- Community relationships	Community relationships are reserved for the extended networks, supply and value chains that we are starting to see develop in the airlines, business and financial services, computers and communications, pharmaceuticals, automotive, entertainment and leisure, healthcare and chemicals, energy and resource sectors and elsewhere. Sometimes called extended enterprise relationships, these communities share the same principles and concepts as type

	8 and 9 relationships but are now extended up and down complex supply and value chains.

Source: Lendrum, 2000

Lendrum (2000) suggests that some relationships may grow from one level to the other but the main aim is about understanding the optimum mix of relationships (0-10 on the type/quality scale) and performance levels required to sustain one's organisation's competitive advantage. An organisation might therefore need a portfolio of alliances of various types to be successful in the long term. Alliance relations that are relevant to the discussion on twinning can typically be classified as Type 8 to 10 relationships, and are discussed in more detail in Section 2.10.

Lendrum (2000:296) concludes that "[d]eveloping customer/supplier partnerships and alliances is clearly about the management of a significant change process that will involve paradigm shifts in traditional thinking, attitudes, behaviours and practices".

He lists twelve paradigm shifts necessary for successful partnering:

1. No-contract, no-term relationship;
2. Customer/supplier partner interdependence;
3. 'We are no longer interested in your margins, we are now interested in your ideas' as an operating philosophy';
4. Getting paid on performance and effect, not unit price;
5. 'No-tender' relationship;
6. Co-supplier relationships and joint benchmarking;
7. Joint 'Trust Charter' agreed and operating;
8. Joint partnering/alliance strategy, charter and KPIs;
9. Joint succession planning for key influencers and partnering champions;
10. 'Reverse negotiations', i.e. partners negotiating on each other's behalf, or 'one-team negotiations', i.e. mutually agreed decisions, based on shared information, for mutual benefit;
11. Open access to previously 'hidden treasures' and opportunities; and
12. 'Supplier of choice' to 'Relationship of choice'.

2.2.2 Portfolio of alliances

According to Hamel and Prahalad (in Lendrum 2000:83), “Almost every large company today has a spaghetti bowl of alliances, but there is seldom an overall logic to the set of partnerships ….. Thus, although many companies have a wide variety of partnerships, the individual partnerships are often disconnected, each serving an independent and unrelated purpose. By way of contrast, what we have in mind are multilateral partnerships that possess a clear 'cumulative logic'.” A company might therefore not only have a portfolio of alliances, but the integration of these partnerships is of critical importance.

Booz Allen Consulting also point out that “[c]orporations have evolved portfolios of alliances, but too often they are managed discretely, not as an extended enterprise” (Harbison *et al*., 2000:2). It is therefore essential that a part of the alliance strategy should be a portfolio approach to enable coordination among alliances (*Financial Times*, 2002:1), and that new management structures be created for the management of these extended enterprises.

2.2.3 Networks and constellations

Strategic alliances cannot be seen in isolation. Partners are involved in other alliances, thus creating a vast network of alliances and linkages. Miles and Snow (1986) already identified the “dynamic network” as a new organisational form in the late 1980s. According to Vasudevan, Duysters, Van den Oord and Bakkes (2001:3), most authors in their book agree on the idea that “[t]he alliance era is changing into a network era, in which firms are embedded in a large number of multilateral alliances”. They further point out that networks are more than just a complicated form of bilateral alliances and that these networks require a type of management distinct from the management of bilateral alliances. Harbison *et al.* (2000:12) concur, and state that the typical "command and control" business model cannot be used effectively in the management of networks and multiple partner relationships. “Rather, they require something more flexible and dynamic to reflect the market environment and the partnership structure.”

The management of alliance networks involves comprehending their critical characteristics such as the roles of the different actors, the structure of relationships between them, the location of different actors in the network, the control points, the location of strategic blocks

within the network, and the benefits and costs associated with different network positions. (Vasudevan & Duysters, 1998:6). Different firms also play different roles in the network, as "integrators" or "specialists" (Vasudevan & Duysters, 1998:13).

Bamford *et al.* (2003:323) examined a hundred prominent constellations formed between 1990 and 2001 and found five basic motivations (or a combination thereof) behind these constellations, each of them often influencing the design of the group. These motivations were:

- Linking markets;
- Combining skills;
- Building momentum;
- Reducing costs; and
- Sharing risk.

To make these constellations function effectively, Bamford *et al.* (2003:234-241) identify four areas of attention:

- Group size (the number of members in the constellation). The goals of the constellation will determine whether fewer or more members are better;
- Membership mix (ideally combining complementary capabilities);
- Internal rivalry (the key is to minimise rivalry through careful choice of partners and careful design, structure and governance of the group); and
- Governance structure (the key is how group decisions will be made and how member strategies will be coordinated and aligned).

According to Palmer (1996:52), extended network organisations are at an early stage of development and a number of attempts have been made to try and develop models, based loosely on systems approaches. He also suggests that the rationale for a network is that "[a] single organisation is unable, or unwilling, to handle the complexity and risks of its environment and similarly unable or unwilling to meet the skill and resource demands essential for competing in global markets". Because networks are not tangible objects, but

social constructs comprising people, activities and thoughts that are not limited to one specific location, they are sometimes referred to as virtual organisations.

2.3 What are strategic alliances?

According to Segil (1996:14), one mistake commonly made is to answer the question "What is an alliance?" not from a philosophical perspective but with a functional and structural description, such as "a licensing agreement". She points out that focusing on function and structure misses the point of strategy. “Strategy is interrelated with a business's philosophy, vision, hope, and plans for the future. Function and structure follow after the vision is created. The choice of structure (e.g., the legal form of the alliance) must implement the vision appropriately.”

Webster (1992:5) posits that strategic alliances are essentially an important marketing phenomenon as they deal with relationships and competitive position. He identifies multiple types of strategic alliances, virtually all in the theoretical domain of marketing as they involve partnerships with customers or resellers or with real or potential competitors for the development of new technology, new products and new markets. “All strategic alliances are collaborations among partners involving the commitment of resources with the objective of enhancing the partners’ competitive position.”

In the previous section, the different types of broad partnering relationships were discussed. Although a concise definition of a strategic alliance was proposed in Section 1.5.2, further definitions and the context in which they were formulated are presented below.

2.3.1 Definitions

According to Kuglin and Hook (2002) the definition of the word "alliance" varies from executive to executive, company to company, and industry to industry. This is due to the number of different types of alliances that are in existence. To understand the phenomenon better, and to formulate a definition, a good starting point is the *Merriam Webster’s Collegiate Dictionary* definition of an alliance as:

1. A bond or connection between families, states, parties, or individuals;

2. An association to further the common interests of the members; specifically : a confederation of nations by treaty;
3. Union by relationship in qualities : affinity; or
4. A treaty of alliance.

Synonyms also provide more clarity on the meaning of the term. According to *Webster's Thesaurus*, "alliance" can be defined by the following synonyms: "(The state of being allied) connection, membership, affinity, participation, cooperation, support, union, agreement, common understanding, marriage, kinship, relation, collaboration, partnership, coalition, affiliation, bond, and (The act of joining) fusion, combination, and coupling".

The *Routledge Encyclopaedia of International Political Economy* (forthcoming) contains a definition of interfirm alliances formulated by Benjamin Gomes-Casseres: "An interfirm alliance is an organisational structure to govern an incomplete contract between separate firms and in which each firm has limited control" (Gomes-Casseres, 1999). A contract is termed incomplete when, despite the fine print, it does not specify fully what each party must do under every conceivable circumstance. These contracts are also called "evolving contracts" or "relational contracts".

This definition has certain important implications: because the partners remain separate firms, there is no automatic convergence in their interests and actions. The consequence is that partners need to make decisions jointly. This autonomy of partners is also stressed by Dussauge and Garette (1999:2) who state that the term "strategic alliance" cannot be applied to any kind of interfirm links, but should be reserved for a special type of relationship which, in particular, makes these alliances so difficult to manage. "The key element in the notion of alliance is that each firm involved in the partnership remains independent, despite the agreement linking it to its partners. In other words, in alliances, the partner companies join forces in pursuit of common goals without losing their strategic autonomy and without abandoning their own specific interests."

Not all alliances, however, are strategic. The distinction between strategic and other shorter-term alliances will be made in the next section.

According to Connell *et al.* (1996:4), the range of possibilities for developing alliances has grown tremendously in the last decade. "While some partnerships are designed to endure,

others are intended as temporary collaborations that accomplish specific goals. Alliances are an alternative to the traditional strategies of mergers or acquisitions. They allow companies to collaborate on relevant areas or projects, while pursuing different strategies or even competing directly in other parts of the business."

Lendrum (2000) provides a broader definition of strategic partnering and alliances as follows: "The cooperative development of successful, long-term, strategic relationships, based on mutual trust, world-class and sustainable competitive advantage for all the partners; relationships which have a further separate and positive impact outside the partnership/alliance."

He sees "cooperative development" as cooperative, continuous improvement, trustworthy development based on a shared vision and common goals and objectives as opposed to confrontational, adversarial development. "Long term" in his view implies five years as a minimum term but, according to him, the number of years is becoming less relevant and the best alliance relationships work on the basis of "no contract, no term". This implies a relationship based more on the moral agreement between the alliance partners than on a legally enforceable contract.

Segil (1996:7) observes that the term "alliance" can be applied to many kinds of relationships and is freely used in business, whether it is appropriate or not. She provides the following definition: "An alliance is a relationship that is strategic or tactical, and that is entered into for mutual benefit by two or more parties having compatible or complementary business interests and goals."

Other authors are mostly in agreement on what strategic alliances are although their definitions differ somewhat. Harbison and Pekar (1994:3) define a strategic alliance as:

> A cooperative arrangement between two or more companies where:
>
> - A common strategy is developed in unison and a win-win attitude is adopted by all parties;
> - The relationship is reciprocal, with each partner prepared to share specific strengths with each other, thus lending power to the enterprise; and
> - A pooling of resources, investment, and risks occurs for mutual (rather than individual) gain.

Mockler (1999:2) suggests that the term “strategic alliance” is used to describe a wide range of cooperative partnerships and joint ventures, and that strategic alliances have three distinguishing characteristics:

- Two or more entities unite to pursue a set of important, agreed-upon goals while in some way remaining independent subsequent to the formation of an alliance;
- The partners share both the benefits of the alliance and control over the performance of assigned tasks during the life of the alliance; and
- The partners contribute on a continuing basis in one or more key strategic (that is, important to them) areas, for example, technology or products.

Gulati and Zajac (in Faulkner & De Rond, 2000:366) propose that strategic alliances are simply “[v]oluntary arrangements between firms involving either a pooling or trading of resources”. They can occur as a result of a wide range of motives and goals, take a variety of forms, and occur across vertical, horizontal, and other related boundaries.

Strategic alliances, according to Varadarajan and Cunningham (1995:282), entail the pooling of specific resources and skills by the cooperating organisations in order to achieve common goals, as well as goals specific to the individual partners. “During the last decade, an increasing number of firms have entered into alliances with other firms within the same industry, as well as within other industries. Some firms have progressed well beyond forming isolated alliances to establishing a web of intra- and interindustry, and intra-and international strategic alliances.” They quote Parkhe (1993:794) who defines strategic alliances as: "Relatively enduring interfirm cooperative arrangements, involving flows and linkages that use resources and/or governance structures from autonomous organisations, for the joint accomplishment of individual goals linked to the corporate mission of each sponsoring firm."

They proceed to say that although interorganisational cooperation is a key facet of strategic alliances, it is by no means their only defining characteristic. Because the purpose of strategy is to achieve sustainable competitive advantage, “[a]n interorganisational partnership can realistically be viewed as a strategic alliance only if it would enable the cooperating firms to achieve a competitive advantage in the marketplace”. Devlin and Bleakley (1988:18) also stress the importance of improving competitive position when they suggest that “[s]trategic alliances take place in the context of the long term strategic plan and seek to improve or dramatically change a company’s competitive position”.

Other authoritative sources concur with these definitions, with minor nuance differences. Pride and Ferrell (2000:142), for instance, define a strategic alliance as "a partnership formed to create competitive advantage on a worldwide basis". Hellriegel *et al*. (1999:32) define a strategic alliance more broadly as "two or more firms agreeing to cooperate in a venture that is expected to benefit all participants".

Palermo (2003:19) defines strategic alliances as "the strategic means of collaborating with others with the primary purpose of creating and preserving superior value and market power".

Looking at the definitions as set out in this section, a strategic alliance can therefore be described as having the following characteristics:

- It is an organisational form (not necessarily a separate legal form) separate from the partner firms;
- It also constitutes a relationship/partnership between the firms and individual employees and therefore has a social dimension;
- The scope of the relationship covers certain selected areas (which could differ from one relationship to the next);
- It is normally based on a written contract, but this contract is incomplete;
- It is meant to last long term;
- Mutual goals are pusued for and the alliance is for mutual benefit, including the enhancement of competitive position;
- The relationship is based on reciprocity and a win-win attitude;
- There is a pooling of risks and resources; and
- Each firm has limited control, and joint decision-making takes place.

It is obvious from the above that these organisational forms are not easy to manage, specifically in the case of alliances that cross international borders. In these alliances, partners are not only far apart geographically, but cross-cultural complexities can have a major impact on their effectiveness (Mockler, 1999:2).

2.3.2 When is an alliance strategic

When considering the status of alliances, Segil (1996:7) states that the concepts "strategy" and "tactics" in business are overused and underexplained. She clarifies these concepts as follows:

- Strategy is the process of planning and directing operations before entering into engagement and presumes concern about a changing future.
- Tactics is the process of organising during engagement.
- Operations is the process of being in action (being actively involved in business activities and transactions).

Not all alliances are "strategic" (Harbison & Pekar, 1994:3). Some that have a more short-term focus are called tactical alliances but opinions differ as to where exactly the dividing line is. As pointed out by Sheth and Parvatiyar (1992) in Varadarajan and Cunningham (1995:284), the primary purpose underlying close cooperation between organisations could either be strategic (e.g. entry into a new product-market domain) or operational (e.g. streamlining operations activities).

Dussauge and Garette (1999:23) observe, for instance, that certain analysts will still only consider alliances "strategic" if they lead to the creation of a legal entity like a joint venture - in other words, a shared subsidiary distinct from the parent companies. For yet others, strategic alliances are pacts with no clearly identified aim linking large conglomerates to one another. According to Dussauge and Garette (1999:23), an alliance can be described as "strategic" “when it contributes significantly to the strategies pursued by the partner companies, and when it involves pooling and combining the partners' capabilities”. They also emphasise that, unlike traditional joint ventures that are always separate legal entities, strategic alliances are not characterised by any particular legal status. It is more the nature and scope of the projects, and the expertise brought in by the different partners, which make alliances "strategic".

Harbison and Pekar (1997:14) point out that cross-border alliances are increasingly strategic. If one looks at the evolution of alliance drivers over three decades:

- The 1970s was the era of product performance, in which alliances generally focused on getting access to the latest technology and selling the product internationally";
- In the 1980s, the emphasis shifted to positional focus. "Companies sought to build industry stature, consolidate position and often gain economies of scale and scope"; and
- In the 1990s and beyond the emphasis is on capabilities. "Industry lines are blurring, and markets are becoming global. In these newly defined competitive arenas, positional assets are not enough, and new capabilities are required to succeed.

The Lared Group (2003b) has developed a useful matrix, presented in Table 2.2, with which different types of alliances can be depicted, based on their origination and value drivers. The matrix can also be used by a firm to segment its alliances based on these criteria:

Table 2.2: Alliance segmentation criteria

Alliance Type	Origination	Value Drivers (Why do we do it?)	Where are decisions made
Strategic	Strategic Plan	Core Markets and Competencies (Brand)	Corporate
Tactical	Business Plan	Time, Cost, Reduction, Critical Mass	Business Unit (Executive Team)
Operational (Function/Geography)	Business Unit/ Division	Efficiency Know-how, Local Requirements	Operating Unit (Cross-functional Team)
Promotion/ Distribution	Marketing/Sales Plan	Presence, Market Knowledge, Brand Extension	Sales/Marketing Service, Administration
Vendor/Customer	Supplier/Customer Relationship	Joint Cost Saving and Integration	Local Sales, Purchasing

Source: Lared Group, 2003b

It is clear from Table 2.2 that strategic alliances are different from other forms of alliances in that they impact on core business areas (competences or core markets), whilst tactical alliances do not impact the long-term core capabilities of the company. They are typically a response to needs identified in business and operating plans.

The other forms mentioned - operational alliances, that involve a specific department or "geography" within a company, channel alliances dealing with sales, customer service and distribution, and customer/vendor alliances involving supply and customer chain management - are identified as special instances of alliance in this matrix, but they are not strategic.

2.3.3 The purpose of strategic alliances

Competitive strategy is based on the idea that, in order to survive in the face of competition, a company must create and sustain durable and defendable competitive advantages. These advantages stem from distinctive skills and know-how, which enable the firm to be more cost effective than its competitors or to produce specific differentiated products. Connell *et al.* (1996) quote Gomes-Casseras, who summarises the purpose of alliances in the service sector succinctly: "The whole point is to get selective access to capabilities you need that are embedded in another company."

According to Nooteboom (1999:4), "The central purpose of alliances is to utilise complementary resources of different firms." In view of this, the leading perspective is the resource (competence or capabilities) view, according to which the aim of firms is to distinguish their products from those of competitors, on the basis of firm-specific resources that cannot immediately be copied. The resource-based view of the firm suggests that competitive advantage results from efficiently deploying a set of rare and valuable resources (Dussauge & Garette, 1999). It has been argued that alliances are a means of combining complementary skills and resources held by different firms in order to exploit new business opportunities.

But what is the main purpose of an alliance? Not all alliances are the same. Although there might be unique purposes to specific alliances, all alliances have certain purposes in common. Dussauge and Garette (1999:39) for instance state: "Alliances are not only economic devices, they are also strategic moves aimed at outcompeting rival firms." According to them it can be argued that competitive advantage stems from the resources that firms have developed and in this perspective, "[a]lliances can also be interpreted as a means through which to develop new capabilities and acquire skills from the other partner" (Dussauge and Garette, 1999:39).

Nooteboom (1999:43) argues that the pursuit of competitive advantage forces firms to concentrate on core competencies, to outsource more activities and use outside partners as sources of complementary knowledge and competence. In his view, alliances serve a variety of additional purposes in order to:

- Spread fixed costs (in production, distribution, R&D);

- Circumvent entry barriers;
- Achieve speed of market entry;
- Adapt products to markets;
- Acquire sources of materials, components, labour, technology or learning;
- Set market standards; and/or
- Pre-empt or attack competition.

According to Day (1995:297), alliances have been used for such diverse purposes as:

- Gaining access to markets, channels, and knowledge;
- Realising economies of scale;
- Accelerating market entry; and/or
- Enhancing capabilities.

Alliances are entered into for different reasons but the main purpose in most cases is to improve the competitive position of both firms through the acquiring of skills and complementary resources. It is, however, evident that a firm must have a clear purpose in mind when entering into an alliance and those that have none will certainly fail.

2.4 Twinning as a special form of strategic alliance

Regions, municipalities and communities can of course have different types of alliances with different stakeholders according to the concept of relationship marketing which states: "Marketing is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met" (Storbacka, Strandvik and Grönroos, 1994:22). These "other partners" include relationships with suppliers, distributors and other stakeholders. An international linkage or twinning relationship is therefore only one of the many alliance relationships that may exist.

So can a twinning between two or more communities in different countries be described as a strategic alliance? It can be argued that there are similarities and differences between the twinning of communities, and alliance relationships between businesses. Strategic alliances are already used in a very wide number of problem domains. Gray (2000:243) mentions that two distinct streams of research have emerged in the strategic alliance field: one focusing on

strategic alliances and joint ventures among business organisations whilst the other addresses cross-sectoral alliances among businesses, governments, schools, NGOs, and other stakeholders concerned about a particular problem domain. According to her, "Particularly in education, social services, planning health care, and environmental arenas, collaboration among cross-sectoral sets of organisations concerned about a particular problem domain is increasingly necessary and often mandated".

In the field of paradiplomacy, discussed in Section 2.5.1, the term alliance is already in use by various authors. Keating (1999:8) for instance uses the term when referring to the links and partnerships among subnational governments in different states when he says: "These take the form both of multi-purpose or general associations of regions, and of alliances between specific regions." It is, however, Hocking (1999:18) who confirms that these international linkages are similar to strategic alliances and have the same broad motive: "Just as firms have engaged in the construction of strategic alliances for reasons of cost and competitiveness, so regions, localities and cities develop international linkages and their own brand of strategic alliance aimed at strengthening their position in the global economy." The idea of applying the concept of strategic alliances to the field of twinning relationships is therefore consistent with the literature study presented, as well as with current practice.

When one applies the principles of strategic alliances to twinnings, it must be kept in mind that one of the key actors in twinning is a subnational government, which forms part of the public sector, and it has to be kept in mind that there are differences between the private and public sectors. According to Fox and Maas (1997:3), the public sector differs from the private sector in that it operates in an environment with a unique value system which includes values such as public accountability, efficiency, responsiveness, social equity and the application and upholding of individual rights. Another difference between the two sectors is the distinction between clients and citizens. Public entrepreneurs serve citizens as clients or customers and, owing to public accountability, have to be responsive in many ways in providing value and services that benefit the individual, the community and society at large.

From the literature study presented thus far, there seem to be many similarities between alliances in the private sector and twinnings that involve the public sector:

- Both are driven by the same forces such as globalisation and decentralisation;

- Both have similar aims such as learning, to be more competitive (effective), to lower costs;
- Both are characterised by shared objectives and moving the partners towards the attainment of a long-term strategic goal;
- Both entail a commitment of resources from all parties;
- Both entail joint decision-making;
- Both are aimed at creating advantage for the parties involved; and
- Both can connect more than two partners, leading to the formation of network organisations.

In the next section, a distinction is drawn between different types of international relationships of regions, municipalities and communities worldwide. As will be seen, not all of these relationships can be deemed to be strategic alliances, as some of these are not strategic. Specifically the twinning or sister-city type relationship, however, can be classified as strategic as its intention is to be a long-term collaboration, and a twinning is a special type of horizontal strategic alliance between communities in different geographical locations. It is a strategic alliance in the general usage of the term, but also in the more specialised form of a contractual alliance where the contract is typically of an incomplete nature.

The essence of a twinning satisfies the definition of strategic alliance of the *Routledge Encyclopaedia* as "an organisational structure to govern an incomplete contract between separate firms and in which each firm has limited control". In this case the firms are communities.

It also satisfies the Booz Allen Consulting (Harbison & Pekar, 1994:3) definition of a strategic alliance as a cooperative arrangement by two or more companies (communities) where a common strategy is developed in unison and a win-win attitude is adopted by all parties; where the relationship is reciprocal, where each partner is prepared to share specific strengths with each other; and where a pooling of resources, investments and risks occurs for mutual (rather than individual) gain. The modern aim of twinning is to improve the long-term competitive position of the specific community, and this is also a characteristic of a strategic alliance as an organisational form.

It is also important to realise that the principles highlighted in the discussion on strategic alliances in the private sector in previous sections can be applied to all partnering activities of a region, municipality or community, and not only to twinnings.

2.5 Definitions and characteristics of twinning

Cities and local authorities have been fostering international cooperation since the foundation of the first international association of local authorities in 1913 and town twinning is one of the earliest examples of city-to-city cooperation (UN-Habitat, 2003a:3).

But, according to the United Nations Development Programme (UNDP, 2000:8), there is no consensus on an exact definition of twinning. This seems to be due to the fact that different authors use different definitions, and also that even the same authors use different definitions in the same text. The explanation for the confusion in terminology is, according to the UNDP, to be found in linking's origins and "its subsequent unstructured evolution from a narrow to a wide range of objectives" (UNDP, 2000:8). Some of this lack of clarity also seems to involve a problem with the term "community" and who it excludes or includes. In the following section, these definitions are further analysed and concepts are categorised in terms of the actors involved, the content of their interaction, and the timespan of the partnership.

2.5.1 Paradiplomacy

Lecours (2002:91) argues that there are three "worlds" of world politics: states, non-state actors, and more recently regional governments who have emerged as genuine international actors: "They are negotiating and signing international agreements, developing representation abroad, conducting trade missions, seeking foreign investment, and entering into bilateral and multilateral relations with states. Their action is no longer limited to the 'internal'."

Paradiplomacy (from parallel diplomacy) is the term used to describe the diplomacy initiatives of non-central governments (NCGs). According to Aguirre (1999:188-190), the direct and indirect entries of non-central governments into the field of international relations "vary greatly in form, intensity, frequency and goals, which are dominantly technical and economic and only partly political - except in the case of secessionist provinces".

He distinguishes between three different types of paradiplomacy:

1. Transborder regional paradiplomacy;
2. Transregional (or macroregional) and paradiplomatic contacts; and
3. Global paradiplomacy (which consists of political contacts with distant nations that bring non-central governments into contact with trade, industrial, or cultural centres on other continents as well as with various branches or agencies of foreign national governments).

But Lecours (2002:94-95) points out that regional governments face major challenges as international actors as they are constrained by a lack of external legitimacy and, in most cases, the absence of a formal-legal capacity to act beyond national borders. “They are almost never endowed with the formal power to perform international acts such as the negotiation and signing of treaties and agreements with foreign actors.” The US Constitution, for instance, prohibits certain state actions. Article I, Section 10 states: “No State shall enter into any Treaty, Alliance, or Confederation; [or] grant Letters of Marque and Reprisal” (Kincaid, 1999:112). But US states are actively involved in foreign policy implementation, specifically in the “high” politics of national security issues (Howard, 2004:179). Lecours (2002:102) also observes that paradiplomacy has occurred primarily in federal systems as federations give their regions a head start in acquiring international agency.

The second obstacle is that international organisations such as the United Nations and regional organisations such as the European Union generally reserve membership for states only. But the regional representation in the international arena is growing fast through regions and local governments organising themselves in organisations such as the Assembly of European Regions and the newly formed United Cities and Local Government (UCLG), formed in May 2004 through the joining of the United Towns Organisation (UTO), the International Union of Local Authorities (IULA) and Metropolis. UCLG states clearly on its website that one of its objectives is to ensure the effective “political representation” of local government to the international community, in particular the United Nations and its agencies.

2.5.2 City-to-city cooperation

The term "city-to-city cooperation" abbreviated as C2C, implies relationships between cities, with the term "cities" used in its wider interpretation to mean any human settlement. According to the UNHSP (2002a:4), who defines a city as "a settlement of any size", it "covers all possible forms of relationship between local authorities at any level in two or more countries which are collaborating together over matters of mutual interest, whether with or without external support". This definition seems to be similar to the concept of "municipal international cooperation" which refers to the cooperation between different local governments or municipalities. This view is also confirmed by UN-Habitat (2005a:1), where it is observed that C2C "has been driven largely by city managers and local authorities themselves, in an attempt to project their role as partners in the international processes addressing urban issues". This type of city-to-city cooperation would thus refer to relationships between municipalities only as illustrated in Figure 2.2. The framework of actors involved in a specific type of relationship is set out in this figure, and the same framework is used further in the chapter to clarify the concepts of twinning and decentralised cooperation.

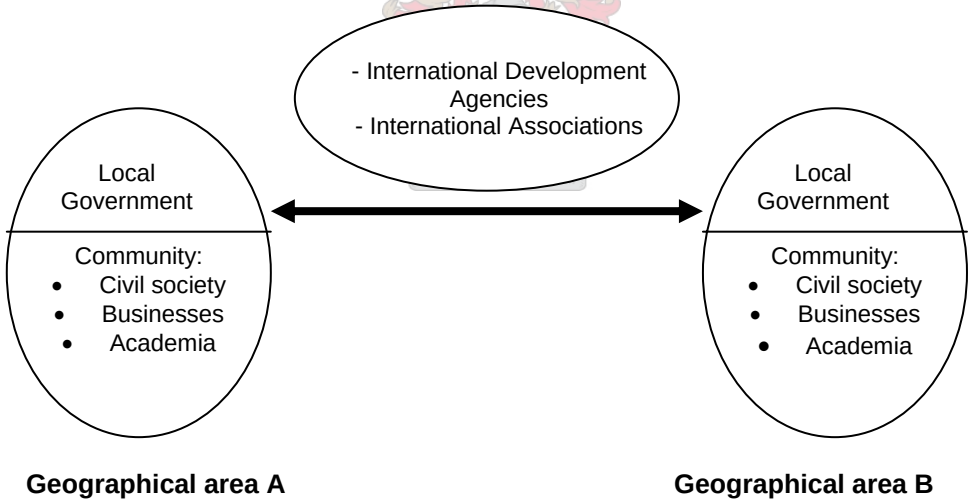


Figure 2.2: A conceptual model of the actors involved in city-to-city cooperation/municipal international cooperation

Hafteck (2003: 344) points out that the term "city" as used by UN-Habitat when they state that "[c]ity-to-city cooperation [has become a] portmanteau term to cover all possible forms of relationship between local authorities at any level in two or more countries which are collaborating together over matters of mutual interest", can lead to misunderstandings.

According to the International Union of Local Authorities (IULA), the term municipal international cooperation (MIC) (IULA, 1997:clause 2.6):

> …includes all international activities which involve local government organisations and practitioners working to strengthen democratic local government - often on a peer group or partnership basis. In one sense, therefore, MIC is that part of Decentralised Cooperation that relates to the local government sector. However, local government interests (and institutions) legitimately extend beyond the local sphere to include the design and implementation of local government systems and decentralisation frameworks - activities which are undertaken at the national and international level. This dimension of MIC, which also includes the development and strengthening of national Associations (or Federations) of local governments and their support networks at world and regional levels, constitutes an important aspect of overall processes of Decentralisation, and extends beyond the basic definition of Decentralised Cooperation.

This type of cooperation between municipalities, which involves the transfer of skills and expertise in many cases, is also called "technical cooperation".

In another source the UNHSP refers to city-to-city cooperation as including other community actors: "City-to-city cooperation connotes decentralisation where policies are based upon the principle of partnership and joint working between public authorities, non-governmental organisations and community-based organisations, cooperatives, the private sector, and the informal sector" (UN-Habitat, 2003a:4). If this definition is accepted, it would imply a relationship between two communities and not only between two municipalities, the same as the concept of twinning described in the next section.

2.5.3 Twinning

The World Health Organisation (WHO, 2001:2) quotes the TACIS definition of twinning which states: "Twinning is a formal and substantive collaboration between two organisations and/or cities." When we refer to twinning in this study, however, we refer to the twinning of cities and towns, and specifically a twinning between the communities in these geographic sub-areas. This is similar to the concept of sister cities.

All forms of local international cooperation originated from the concept of "town" or "city twinning", a concept which has evolved radically over the past 50 years. "Town twinning provided a framework for the earliest examples of city-to-city cooperation (C2C), and very

productive cooperation continues to take place within that framework" (UNHSP, 2002a:4). In the concept of twinning, "town" and "city" refer not only to the local government or municipality, but the whole community, including civil society, the business community, and the education sector. The local government plays a very important facilitating role in setting up and maintaining the relationship but the primary bond is forged between communities and not only between local governments. "Sister-city programs are unique in that they inherently involve the three main sectors in a community: local government, businesses, and a wide variety of citizen volunteers (and civil society or non-profit organisations)" (SCI, 2003c:2). According to Eric Gcabaza, another distinction between municipality-to-municipality relations and a sister-city agreement is that in a sister-city agreement, the mayor on behalf of the people or city, and not on behalf of the municipality, enters into the agreement (DPLG, 2003a).

Ahmad (2001:section 4) defines a partnership between cities (or twinning) as follows: "A long-term working relationship between people of different cities, sharing resources and adapting to each other's priority, strength and weakness to achieve a common good. Strengthening ties between people and organisations could be expressed through academic, professional, civic and electronic links." He stresses that to build "smart cities", city twinning provides the necessary framework for the development of smart partnerships and the exchanging of resources to improve the many aspects of city development including public administration, urban services management, economic development, the environment, and so on. "Nonetheless, the key elements such as sustained commitment, trust, transparency and due respect for cultural values and norms should be honoured in smart partnership considerations."

As already mentioned in Chapter 1, these long-term partnership between two communities are described by different terms all over the world such as: sister cities (United States, Mexico), twin cities (Russia, United Kingdom), friendship cities (as with relations between Japanese and Chinese cities), *partnerstadt* (Germany), and *jumelage* (France) (SCI, 2002:a). The essence of these relationships is illustrated in the definitions below.

"A sister city, county, or state relationship is a broad-based, officially approved, long-term partnership between two communities, counties or states in two countries" (SCI, 2002a). To be official, a sister city relationship must be endorsed by the local authority, who supports the

activities of community volunteers. (SCI, 2003a:3). More than one city could be twinned with a city (multiple twinning). Three cities in one agreement are also common (called trinning). The propensity for multiple twinning is roughly associated with population size, according to Zelinsky (1991:4).

The United Nations Development Programme uses the terms linking, and city-to-city cooperation interchangeably and defines it essentially the same as a twinning as "a long-term partnership between communities in different cities or towns", with an open agenda (UNDP, 2000:8).

According to the Local Government International Bureau of the United Kingdom (LGIB, 2001:4), a transnational partnership is "any general understanding and cooperation between two or more local communities in different countries". A twinning link is a "formal, long-term friendship agreement involving cooperation between two communities in different countries, and endorsed by both local authorities. The idea is that two communities organise projects and activities around a range of issues and develop an understanding of historical, cultural, lifestyle similarities and differences." They suggest, however, that the concept of transnational partnerships and twinning is difficult to define because it is not uniform or static. It is a multi-faceted, organic process which can be customised to meet the individual and specific needs of a community (LGIB, 2001:4).

According to the Institute of Economic Research in New Zealand (2003:3), "Sister city relationships are formal relationships between two cities in different countries." Sister city relationships use individual contact at the local level to promote communication across borders, and the aim is: "To stimulate cultural awareness and understanding in order to increase the flow of ideas and promoting cultural, educational and sporting exchange, as well as increasing tourism and trade between the two cities."

What is important to realise when defining the concept of twinning, is that the concept has evolved radically over the last fifty years. O'Toole (2001:405) has identified different stages in the development of twinning in Australia where the emphasis has changed from friendship ties, to exchange, to economic development. Older definitions will thus focus more on the friendship aspects whereas later definitions will make provision for economic development and focus more on developmental aspects.

These three different but interlinking approaches (phases) are:

1. Associative phase (twinning based on friendship, cultural exchange);
2. Reciprocative phase (twinning based on educational exchange, people exchange); and
3. Commercial exchange phase (twinning based on economic development).

There is an overlap between the first two phases in that both aim to broaden international understanding and awareness. O'Toole (2001:405) states: "Associative relationships are more symbolic in their exchanges whereas reciprocative relationships involve activities that develop skills among the participants. Prominent among reciprocative relationships are educational exchanges, and sister city arrangements provide a safe haven for security of exchange participants, especially youth." The third phase saw the further extension of the sister cities movement into what is termed the 'commercial' type. "This does not mean abandoning the earlier 'associative' and 'reciprocative' aspects of the relationships; rather it is an attempt to take advantage of the process to further their local economic aims."

The South African Municipal International Relations Policy Framework (DPLG, 1999:7) also notes that there have been major shifts in the nature of contact and cooperation between municipalities across national boundaries. "In the 1950s, cooperation tended to focus on twinning arrangements involving two cities or towns, primarily focusing on cultural and friendship ties. In the 1960's and 1970's the focus shifted towards development and trade. The 1980's and 1990's have been characterised by a massive increase in the range and types of cooperation and the emergence of many different types of municipal networks." According to this framework, the character of networks and cooperation projects has also changed. "They have become less ceremonial and more substantial and project focused. The activities have become more targeted with measurable objectives and tangible results. Cooperation has become more systematic and less ad hoc. There has been a movement from simple to complex linkages."

As far as the content of these relationships is concerned, Sister Cities International, the NGO in the United States that facilitates the international relationships of local communities and their governments, states that sister city partnerships have the potential to carry out "the widest possible diversity of activities of any international program, including every type of

municipal, business, professional, educational and cultural exchange or project" (SCI, 2003c:2). The relationships also involve not only the local governments, but also the local communities as depicted in Figure 2.3 below.

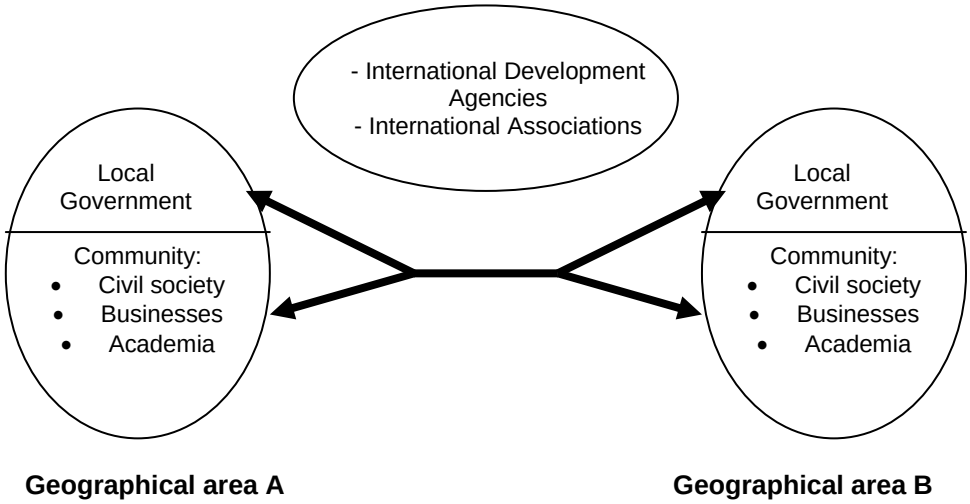


Figure 2.3: A conceptual model of the actors involved in twinning or sister city relationships

Interestingly, the UNDP (2000:section 3.5) defines a "link" in the context of the relationship between cities as "a process, usually grounded on a formal partnership agreement". The point of departure for link activities is that the partnership pursues its own agenda. Another distinctive feature of linking is the role of reciprocity. Hsu again defines a sister city relationship as a "channel of international communication" (2003:6) as well as a "channel of constituent diplomacy" (2003:14).

One of the later concepts in international development cooperation, that of "decentralised cooperation", is discussed in the next section. "Whereas twinning can have a cultural, linguistic, purely friendly, and sometimes technical vocation, decentralised cooperation has a vocation of direct exchange that is often technical" (FMCU-UTO), 2003b).

According to Zelinsky (1991:3), certain special characteristics set the twinning of cities apart from other forms of long-distance social interaction:

- It is based on a formal agreement;
- It is intended to last indefinitely;
- The relationship is not limited to a single project but opens the way for a variety of shared activities;

- It has the objective of advancing mutual understanding and friendship;
- The formula for interaction is that there is no set formula;
- The great majority of persons involved are unpaid volunteers (it normally involves the three main sectors in a community: local government, businesses, and a wide variety of citizen volunteers);
- It is initiated at the local level, not by central bureaucracy;
- It includes as active participants the entire non-infant population; and
- There is genuine reciprocity of efforts and benefit.

In Europe, twinning is seen as a primary tool in the forging of close relations between members of the European Union, and the European Commission provides substantial funding resources to cities and towns participating in twinning activities. The Council for European Municipalities and Regions for instance refers to the European roots of the phenomenon in a 1951 definition of twinning as: "The meeting between two municipalities to act together within a European perspective, confronting problems and developing increasingly closer and friendlier ties between one another" (CEMR, 2004b:1). The main principles of twinning in this context are:

- Twinning to exchange;
- Exchange to learn;
- Learn to understand; and
- Understand to live together.

It is therefore clear that the concept of twinning has evolved rapidly since its inception and encompasses more than the traditional definition focusing on cultural exchange. This new form of twinning can simply be defined as "a long-term strategic alliance between communities in different cities or towns, in which their municipalities are key actors".

Although some sources suggest that twinnings have been superseded by more complex types of relationship forms in recent years, in many areas of the world the twinning model is not only in use but, according to the twinning organisations in both Europe, through the European Municipalities and Regions (CEMR), and the USA, through Sister Cities International (SCI), twinning is seen as a preferred model of interaction now and in the future. The CEMR for instance states that "CEMR has always seen twinning as a vital means of bringing Europe's

citizens together across national frontiers, to help build a peaceful united Europe with grassroots support" (CEMR, 2004a). Also: "Over the last fifteen years, twinning has developed, and its scope of activity has widened. Twinning is an instrument that enables stronger links between nations to be forged; twinning can contribute considerably to the construction of the new European identity. The main principle of cooperation in the framework of twinning is to unite the populations, so that they know each other better and understand each other" (CEMR, 2003b:3).

Successes in twinning in Europe are incentivised by the European Commission and each year since 1993 "Golden Star" awards have been given to the best twinning projects. In 2003, for instance, the winners were Bradford (Great Britain), Bremen (Germany), Cormon (Italy), Keszthely (Hungary), Nuremberg (Germany), Pouzauges (France), Riga (Latvia), Samuel (Portugal), Santa Maria da Feira (Portugal), and Szolnok Country (Hungary) (CEMR, 2003b:3).

Hafteck (2003:339) points out that although sister-city relationships, to be officially recognised by SCI, have to be endorsed by local authorities, "active linkages rest primarily on the efforts of community volunteers organised in local 'sister city associations'", and that sister-city relationships have grown over the years into complex partnerships "fostering 'reciprocal cultural, educational, municipal, business, professional and technical exchanges and projects'". In Hafteck's view (2003:339) these complex relationships now take the form of decentralised cooperation (DC).

2.5.4 Decentralised cooperation

According to UN-Habitat, "Decentralised cooperation is becoming in fact one of the important mechanisms of international cooperation alongside with multilateral and bilateral cooperation" (UN-Habitat, 2005).

The twinning concept is very closely related to the term "decentralised cooperation" (DC), which was coined in the 1980s, and which is interpreted differently by various organisations involved in development cooperation (Atkinson, 2000:6). Hafteck (2003:336) observes that DC comes from a fusion of the quest for donors to find alternative aid delivery channels on the one hand, and a drive for local government associations and their members to diversify their collaborative relationships with foreign partners on the other. He also suggests that the

concept be defined in terms of (a) the lead actors (local governments), (b) an overarching objective (sustainable local development), and (c) the nature of activities carried out (exchanges and support). “Today, decentralised cooperation continues as an evolving concept located at the intersection of its two parent fields: development cooperation and international municipal relations” (Hafteck, 2003:333). In short, it can be seen as linking or twinning for development.

But the concept of DC was first embodied in the European Union's Lomé Convention in 1990 and “embraces a wider range of actions for development carried out by non-state actors, locally based institutions and voluntary associations of all kinds” (UN-Habitat, 2001b:4). These policies are based on “the principle of partnerships and cooperation between public authorities, non-governmental organisations, community-based organisations, cooperatives, the private sector and informal sector” (UN-Habitat, 2003a). It is also referred to as “decentralised development cooperation” and “joint action”. The concept is mostly applied in the context of development assistance by Northern hemisphere countries to Southern hemisphere developing nations. “Joint action” is “about achieving common development objectives, and strengthening local democracy. Specifically, it challenges local governments and civil society organisations to work together on an equitable basis with participatory decision-making, planning, execution and evaluation. It emphasises capacity building and the importance of 'process' in developing new institutional arrangements” (Materu, Land, Hauck, & Knight, 2001:25). It is also defined as: "Cooperation between different institutions in order to implement local-level development activities in partnership" (Materu *et al.*, 2001:27).

The International Union of Local Authorities (IULA) defines decentralised cooperation as: “Development-focused activities which involve direct participation and funding of non-state organisations and/or international partnerships between locally based bodies” (IULA, 1997:1).

According to the UNHSP, decentralised cooperation is a concept “whereby cities (and indeed other institutions) work together on defining their problems and devising appropriate solutions on the basis of shared experience among peer groups and it is increasingly recognised as a powerful means of advancing collective know-how” (UN-Habitat, 2003a:4).

Decentralised cooperation is different from twinning as “it is carried out over a precise period of time and can sometimes involve an entire network of local authorities on a given theme, geographical sector or specific project” (FMCU-UTO, 2003b).

The term decentralised cooperation, however, has been used in different ways and very broadly one can postulate three "schools" of decentralised cooperation (*Development Collection*, 1996):

- The first draws upon the experience of European integration, and sees decentralised cooperation as “horizontal cooperation” between sections of civil society in the Member States and third countries (local authorities, economic groups, higher education institutions, etc). “This form of cooperation involves mainly cultural, economic, technological and scientific exchanges, possibly with an element of ‘democratic engineering’, with countries which are generally at an intermediate development level or undergoing economic transition”;
- The second, “the participatory model”, originated from traditional development aid aimed at least developed countries and those undergoing democratisation. “It emphasises the need to give civil society a voice and a role in the development process. In treating civil society as a principal - an agent, not just a ‘beneficiary’ of development - decentralised cooperation calls into question both traditional development aid instruments and the relationship between civil society and the public authorities in developing countries”; and
- Finally, a third form of decentralised cooperation, which might be called the “surrogate model”. This comes into play in countries where official cooperation has been suspended and aid is maintained only for priority needs and channelled by decentralised agencies.

The conclusion of this source is that “[t]his diversity of situations, along with the supremely qualitative, subjective nature of the decentralised approach, render it impossible to establish a hard and fast definition, or identify one "standard" body of practice” (*Development Collection*, 1996).

Hafteck (2003:333) also refers to the thin body of academic publications on the topic of decentralised cooperation and the fact that no single definition exists, although the definitions that do exist fall in specific categories:

- Some organisations such as the European Union (EU) and the IULA use very broad definitions that tend to focus on the actors involved (the who). The EU, for instance, adopts the view that "[a]ll possible project-implementing entities other than central administrative structures can carry out DC activities - even private businesses, as long as they engage in non-profit activities";
- Other organisations like the UNDP give the concept a geographical meaning that focuses more on the where - restricting it to international cooperative links between actors belonging to two particular (subnational) geographical areas. "These refer to areas of jurisdiction of specific local authorities, where the actors of DC are not necessarily the local authorities themselves";
- For the French, however, the concept implies the mandatory involvement of both local governments. The World Bank shares the French view and defined DC in 1994 as: "A formal partnership between local authorities in different countries, who engage in a programme of exchange and collaboration aimed at improving the social and economic circumstances of their respective communities and enhancing the skills and competence of the partners involved." This definition is similar to the idea of the twinning of regions or municipalities (Hertogs, 1999:1) and falls within the definition of municipal international cooperation (MIC) as proposed by this study.

Hafteck (2003:336) proposes to define DC as follows: "Decentralised Cooperation consists in substantial collaborative relationships between sub-national governments from different countries, aiming at sustainable local development, implying some form of exchange or support carried out by these institutions or other locally based actors."

According to Hafteck (2003:336), DC can further be described by:

- Its lead actors: essentially local governments (chiefly municipalities), but also regional governments, districts, etc.;
- Its broad purpose: development at the local level (DC implies carrying out activities in one or several developing countries - referred to by UNDP as the 'South' - or in countries in transition (the 'East');
- The means involved: exchange of people and know-how, monetary or in-kind contributions (including advisory services, supplies and training);
- The expression 'substantial collaborative relationships' excludes from DC those superficial linkages with unclear objectives; and

- The participation and contributions of civil society, the non-profit and private sectors and their organisations.

DC developed from twinnings, as already mentioned, and Hafteck (2003:339) also points out the importance in DC of funding by donors: "The open-ended cooperation twinnings of the past are now replaced by time-bound 'cooperation conventions' and 'partnership agreements' co-funded by donors." The actors in DC thus now also include international development agencies and international donors, as depicted in Figure 2.4 below.

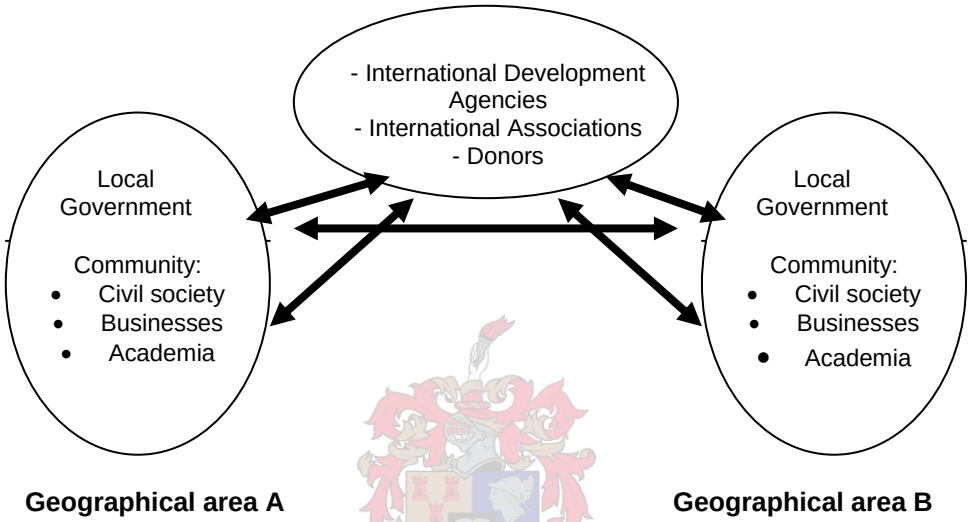


Figure 2.4: A conceptual model of the actors involved in decentralised cooperation

Hafteck (2003:339-340) describes a number of successful DC programmes, which include:

- The Municipal and Community Problem-Solving Program (MCPSP) that builds upon city linkages between US municipalities and localities in the former Soviet Union;
- The US-based International City/County Management Association (ICMA) manages the International Resource Cities program, a USAID-funded programme;
- The Federation of Canadian Municipalities (FCM), with the Canadian International Development Agency-sponsored Municipal Partnerships Program;
- The Swedish Association of Local Authorities, with the EU-funded Phare Baltic Project Facility and TACIS Small Project Facility; and
- Eurocities and UTO, with the TACIS City Twinning Programme of the EU.

Hafteck (2003: 341) maps the field of DC in Figure 2.5 in terms of the two originally unrelated fields of development cooperation, and local governments' international relations, and indicates DC as an area where these two fields intersect:

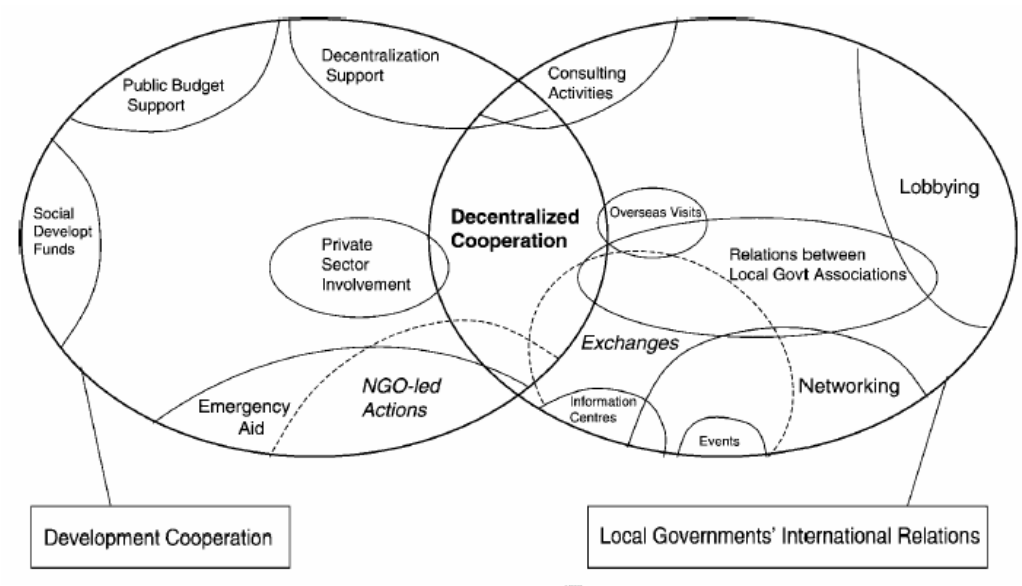


Figure 2.5: A conceptual map of decentralised cooperation

In Table 2.3 below, a summary is presented of the three main forms of relations discussed in this chapter (MIC, twinning and DC), differentiated by four factors: the actors involved, the content of their interaction, the timespan, and main source of funding.

Table 2.3: Differentiating factors of partnering types

Term	Actors involved	Scope	Timespan	Funding
• Municipal international cooperation (MIC) • Transnational networking	Two or more local governments	Specific projects	Short	Donor or self
• City-to-city cooperation (C2C)	Two or more local governments	Wide	Long term	Self
• Twinning/Sister-city	Two communities	Widest possible diversity of activities	Long term	Donor or self
• Decentralised cooperation	Development agencies Large number of local governments	Often technical programmes	Specific period	Donor

Three broad types of relationships are further outlined below in Table 2.4. It is important to note that relationships might progress from one type to another over a period a time, and that variations exist in each category.

Table 2.4: Broad categories of relationships

Type	Names	Differentiation factors
Municipal relationships	• Municipal international cooperation (MIC) • Municipal international relations (MIR) • City-to-city cooperation	• Number (one-on-one or more – networks) • Geographical orientation (local/international, North/South/West/East, developed/developing) • Funding (self-funded, government-funded, donor-funded) • Area of cooperation
Community relationships	• Twinnings • Sister-cities • City-to-city cooperation • *Jumelage* • *Partnerstadt*	• Number (one-on-one or more) • Geographical orientation (local/international, North/South/West/East, developed/developing) • Funding (self-funded, government-funded, donor-funded) • Area of cooperation
International development orientated relationships	• Decentralised cooperation • Joint action	• Donors involved • Area of cooperation • Actors involved

It is clear that the concepts of municipal international cooperation, twinning, and decentralised cooperation as set out in this section are very closely related. A twinning could be funded by an international development agency, such as in the case of the twinning between Port Elizabeth (Nelson Mandela Metro) in South Africa and Götenborg in Sweden which is funded by SIDA. This then clearly is a case of decentralised cooperation where the twinning is used as a development tool. Should SIDA, however, discontinue its funding, the twinning might continue between the two cities, reverting back to a pure twinning relationship.

2.5.5 Actors and responsibilities

In the definitions presented in the previous section, the actors involved in twinning relationships have already been briefly identified. Successful relationships are highly dependent on the involvement of all relevant actors. The UNHSP for instance states: "[t]he sustainability of partnership projects is conditioned by the capacity of each local authority to

design and maintain them effectively, through engaging the active participation of a wide range of stakeholders" (UN-Habitat, 2001b:21). The UNDP observes that although "The responsiveness of the town leaders is vital, the management of the link is usually shared with the community at large" (UNDP, 2000:8). "It is often a community-based organisation that will take the lead and manage the link, with the town council providing its offices in support. Equally often, the council plays the lead role and draws community groups and institutions into the link."

Sister Cities International also emphasises the importance of wide involvement and states that sister-city programs, by definition, inherently involve a unique kind of partnership and involvement of the three main sectors of a vibrant, productive community, county or state – the local government, business and private voluntary sectors (civil society or non-profit organisations and individual citizen volunteers) (SCI, 2004). This is also reiterated by various authors such as Ahmad (2001), who remarks: "Twinning is about developing with the people rather than for the people, thus twinning requires sufficient citizen empowerment to embark on such projects successfully."

The actors or participants that can be identified are described below.

2.5.5.1 The local government, local authority or municipality

The local government or municipality may at times initiate a twinning relationship whilst in other instances it might be initiated by community groups in the area. In all cases, however, the role of the municipality is to play a facilitating role in the formation of the twinning through its endorsement and the initiation of formal interaction with its international counterpart, and to provide resources for the management and implementation of the twinning.

There are further two types of participants within the local government that are involved in twinning relationships: firstly politicians, and secondly, officials. These two groups play vastly different roles in setting up and maintaining the relationship.

Cremer *et al.* (2001:378) develop the concept of "municipal-community entrepreneurship" and suggest that a mix of community- and municipal-level action is needed to unlock the

opportunities that the sister-city arrangement present for the mutual advantage of economic and social actors in both cities. According to them, "The inclusion of a dual terminology – 'community' and 'municipal'- effectively communicates the need for active community participation together with an explicit, overarching support provided at a local governmental level rather than that of central government" (Cremer *et al.*, 2001:390).

The United Nations also acknowledges the growing importance of civil society in governance issues: "The rise of civil society is indeed one of the landmark events of our times. Global governance is no longer the sole domain of Governments. The growing participation and influence of non-State actors is enhancing democracy and reshaping multilateralism" (UN, 2004:3).

2.5.5.2 The business community or private sector

According to the UNHSP, the extent to which local private sector interests become engaged in twinning activities varies greatly according to the nature of the subject matter of the cooperation and the shared interest of business in the good functioning of cities and quality-of-life issues is increasingly recognised (UN-Habitat, 2001b:21). They also suggest that "[t]he capacity of private sector concerns to contribute resources of money and skilled staff to projects, often upon a more dynamic and flexible basis than the public authorities, makes them particularly attractive partners" (UN-Habitat, 2001b:20).

In South Africa the involvement of the private sector is crucially important, as "eighty per cent of economic development (employment and fixed investment) within South African municipalities depends on the private sector" (CDE, 2003:31). It is suggested that pragmatic coalitions (cooperative agreements towards realising joint projects and purposes) offer the best prospects for positive interaction between business and local government. Municipalities in South Africa have, however, not been able to forge the necessary public/private partnerships that are required (CDE, 2003).

2.5.5.3 Community members

In many successful twinning relationships community groups are the drivers of the initiative. According to the UNHSP, NGOs are often key partners of the city authorities in assessing

local communities' needs and communicating these to officials, whilst their own international links and networks can be utilised for advancing twinning initiatives. This joint approach is also what is referred to as "joint action". This is an approach promoted by UTO that focuses on bringing together the respective strengths of cities and NGOs in combined-action programmes. The research of the UNDP into city-to-city cooperation concludes that: "Stakeholders in the private sector, NGOs/CBOs and academia are playing an increasingly active part in C2C practices. Their commitment is essential to the ongoing sustainability of projects" (UN-Habitat, 2001b:39).

2.5.5.4 Academic and training institutions

According to the UNHSP, the involvement of academic and training institutions in twinning practices is a particularly promising development, although one which must depend a great deal for its quality upon the particular strengths and focus of the institutions concerned (UN-Habitat, 2001b).

2.5.5.5 National associations of local authorities

National associations of municipalities have a long tradition. The UNHSP (UN-Habitat, 2001b:21), observes that these associations are less often primary cooperating parties in the operation of twinning relationships as they are not usually in a position to participate closely in the projects of individual member cities, but have a key role in helping to initiate relationships and ensuring the most favourable support framework. There are, however, according to the UNHSP, many examples of national associations taking the initiative in creating opportunities for linking to take place and, in some cases, administering a support scheme. The local association in South Africa is the South African Local Government Association (SALGA) and their role is discussed later in the study.

2.5.5.6 International associations of local authorities

The first international association of municipalities, the International Union of Local Authorities (IULA), essentially a union of associations, was founded in 1913 in Ghent, Belgium. The establishment of IULA can be seen as a reaction to the development of national associations of municipalities that had set in since the beginning of the century in many

European countries (Kern, 2001:3). At the time IULA was a predominantly European organisation but this changed with Asian and African decolonisation, which brought IULA many new members.

The most important other associations formed in Europe since the 1950s are:

- The Council of European Municipalities and Regions (CEMR) in 1951 - in the 1990s, CEMR became the European Chapter of the International Union of Local Authorities (Hafteck, 2003:339);
- The Congress of Local and Regional Authorities of Europe (CLRAE), which advises the Council of Europe; and
- The Committee of the Regions in which local authorities are also represented.

The World Federation of United Cities, also known as the United Towns Organisation (UTO), evolved from the 1957-born World Federation of Twinned Cities, which itself took over the activities of an association created in France in 1951 (Hafteck, 2003:339).

According to Kern (2001:4), associations and networks of local authorities can be distinguished by two criteria:

1. A distinction can be made between organisations in terms of territorial scope:
- National subnational organisations (e.g., German Association of Towns and Municipalities) and
- European and regional organisations (e.g., International Union of Local Authorities).
2. The functional specialisation of these organisations which can differ considerably:
- There are umbrella organisations, in other words, associations of associations (e.g., World Association of Cities and Local Authorities Coordination, WACLAC).
- There are member organisations in which municipalities are direct members, and which cover all important local authority functions (e.g., Eurocities or the Union of the Baltic Cities).
- Networks have arisen, especially in recent years, that are also composed of municipalities, but which restrict their activities to a specific policy field (e.g., the Italian Local Agenda 21 Network).

Kern (2001:7) suggests that aside from the structural changes, there have been functional changes in transnational local authority associations and networks over the past years and these associations and networks now generally perform four functions:

1. They provide members with information and advice;
2. They promote the exchange of ideas among members;
3. They set own norms that are binding for members' cities; and
4. They represent members' interests, in which role they are usually granted NGO status.

But whilst the representation of members' interests is usually the focus of the older international (and national) associations of municipalities (representation function), "[t]he main function of specialised networks is to promote the exchange of experience and direct cooperation between member municipalities to stimulate learning processes (transfer function)" (Kern, 2001:7).

These associations and network organisations can be differentiated in terms of functional specialisation and territorial scope as set out below in Table 2.5

Table 2.5: Territorial scope and functional specialisation of associations and networks of municipalities

Territorial Scope				
Functional specialisation		National, Subnational	European, Regional	Global, International
	Umbrella organisations	National Union of Local Authority Associations (Germany) (1953)	Council of European Municipalities and Regions (CEMR) (1951)	International Union of Local Authorities (IULA) (1913)[1] World Association of Cities and Local Authorities Coordination (WACLAC) (1996)
	Member organisations	German Association of Towns and Municipalities (1910/1922)	Eurocities (1986) Union of the Baltic Cities (UBC) (Baltic Sea) (1991)	World Federation of United Cities/United Towns Organization (UTO) (1957)
	Specialised networks (e.g., on Local Agenda 21)	CAF-Agenda-Transfer (1996) Local Agenda 21 Network Italy (1999)	European Sustainable Cities & Towns Campaign (1994) Baltic Local Agenda 21 Forum (Baltic Sea) (1997) Local authorities network "Alliance in the Alps" (Alps) (1996) Medcities (Mediterranean)	International Council for Local Environmental Initiatives (ICLEI) (1990) Healthy Cities Network (WHO) (1986) Climate Alliance (1990)

1. IULA is really a cross between an umbrella organisation and a member organisation, since it assembles not 200 municipalities but also over 100 associations.

Source: Kern, 2001:21

Substantial conflict between these organisations has also been reported but there are attempts to integrate overlapping networks such as with the European Sustainable Cities & Towns Campaign, initiated by the European Union, which is supported by ten transnational city networks (Kern, 2001:15).

The most recent and significant development in this area has been the formation of a new global organisation representing local government throughout the world, called United Cities and Local Government (UCLG).

The mission of this new organisation is: "To be the united voice and world advocate of democratic local self-government, promoting its values, objectives and interests, through cooperation between local governments, and within the wider international community" (UCLG, 2004). Its objectives are to:

- Promote strong and effective democratic local self-government throughout the world;
- Promote unity and cooperation amongst members;
- Ensure the effective political representation of local government to the international community, in particular the United Nations and its agencies;
- Be the worldwide source of key information regarding local government;
- Be the worldwide source of learning, exchange and capacity-building;
- Support the establishment and strengthening of free and autonomous local governments and their national associations;
- Promote economic, social, cultural, vocational and environmental development and public service based on the principles of good governance, sustainability and social inclusion;
- Promote race and gender equality and combat all forms of discrimination;
- Be a strong democratic organisation reflecting the diversity of the local spheres of governance;
- Promote decentralised cooperation, international cooperation, twinning and partnerships between local governments and their associations; and
- Develop programmes and initiatives.

UCLG has been recognised by the United Nations as the official representative of local government globally and the importance of local authorities in the global arena has only recently been strongly acknowledged: "Local authorities have been playing a growing role in both United Nations policy debates and in achieving global goals; they are a key constituency for the United Nations, but they are not non-governmental. A particular area of growth has

been the networking among cities and towns across regions and countries focused on specific issues" (UN, 2004:51).

2.5.5.7 Membership organisations

Many countries, such as the USA, Australia and New Zealand, have membership organisations involved in twinning that not only involve the local authorities as members, but also NGOs, organisations and individuals. Sister Cities International in the USA is such an organisation. The revised mission of this organisation in 2003 is to: "Promote peace through mutual respect, understanding and cooperation - one individual, one community at a time" (SCI, 2003e:2). The Australian Sister Cities Association's (ASCA) purpose is: "To assist its members to establish, maintain and continually improve Sister City relationships and to link people and organisations with similar goals and values". Its vision is: "To achieve greater understanding, friendship and community benefit from sister-city relationships", and its key strategic goals for 2004-2007 are (ASCA, 2004:3):

1. To facilitate sharing of programs and ideas and reward and recognise members who achieve excellence in their programs;
2. To facilitate, promote and develop national and international alliances;
3. To promote economic development between sister cities;
4. To assist in ensuring that Australia is represented consistently in international relations;
5. To encourage the involvement of young people in sister city programs;
6. To broaden Australian Sister Cities Association membership and its funding base; and
7. To promote and further develop Australian Sister Cities Association.

Most of the international organisations have formed partnerships again between themselves and are involved in joint projects. Sister Cities International for instance has partnership agreements with other similar organisations throughout the world and runs different boundary-spanning programmes such as the Sister Cities Network for Sustainable Development, aimed at "advancing the concepts of sustainable development and improving the quality of life for citizens of both new and long-standing sister city communities" (SCI, 2002c:2). It also has joint programmes with US-Aid and UN-Habitat and states that "SCI is proud to promote the goals of UN-Habitat and sustainable development to the sister cities network". SCI co-hosted the official US celebrations of World Habitat Day at the United Nations headquarters in New York City on October 7, 2002, "and the theme, 'City-to-City

Cooperation', highlighted the importance of sustainable urbanisation and the unique role sister-city partnerships can play in advancing the commitments agreed to at the World Summit on Sustainable Development" (SCI, 2002c:3).

2.5.5.8 Multilateral organisations

The United Nations and its agencies have also recently become active in the promotion of city-to-city links. UN-Habitat has been working with many other international organisations and associations of local authorities to encourage city-to-city cooperation, such as the World Association of Cities and Local Authorities Coordination (WACLAC), the United Nations Advisory Committee of Local Authorities (UNACLA) and United Towns Organisation (UTO) (UN-Habitat, 2005a:1). It also manages a number of programmes aimed at local authorities and cities globally such as the Cities Alliance, which consists of a coalition of cities and development partners committed to address urban poverty reduction, and the Urban Management Programme (UN-Habitat, 2004:4). Within the Cities Alliance programme for instance, Johannesburg in South Africa has formed a partnership with Addis Ababa within the framework of the New Partnership for Africa's Development (NEPAD) and the city of Durban (Ethekweni Municipality) is involved in the Three Cities Project with Mumbai and Manila to upgrade slums (UN-Habitat, 2004:8).

2.5.5.9 Intergovernmental structures

Besides all the actors listed above, other neighbouring municipalities or communities could also participate as there could be cross-border impacts, such as in the case of tourism. Regional or provincial, and national governments could also be important actors depending on the intergovernmental situation in the country.

2.6 The evolution of twinning

2.6.1 Recent developments in twinning

According to the United Nations Development Programme, "Linking has evolved in an unstructured way, with few if any guidelines" (UNDP, 2000:7). "It has moved a long way from traditional twinning into many areas of development cooperation" (UNDP, 2000:24).

The United Nations Development Programme also stresses its importance: "It is being said that the twenty-first century will be the century of partnerships, involving central governments, local governments, civil society organisations and the private sector" (UNDP, 2000:6). The move to increasing decentralisation and a more "people-centred" approach is embodied in the statement by the World Federation of United Towns (UTO), "....the international community as a whole is convinced that, to establish the conditions for sustainable development, action initiated on the local level is vital" (UNDP, 2000:6).

According to Weyreter (2003:37), "Town twinning seems to have secretly undergone a near-metamorphosis in the recent past, reflecting its position in an ever more rapidly changing world. Yet is has retained all its original values". The City of Bonn (2003:7) observes that the interest of twinnings has shifted to Eastern and Southern countries and to concrete projects as the centre of activities. "Such relations do not so much serve the personal exchange of citizens but rather are project related."

Global society has seen many changes over the past fifty years and has been confronted with numerous new challenges which have impacted on the international relations of local communities. Specifically, during the past two decades of the twentieth century cities have become active participants in international relations as never before (except for the Middle Ages), for three reasons: urbanisation, globalisation, and "the fact that city governments have taken initiatives to assert their place in the world and to develop international links which will contribute to their future economic and social well-being" (UN- Habitat, 2001b:3). Cities have also increasingly been recognised as key players in our globalising world during this period, and the importance of local government as the level closest to the interface of delivery has been elevated.

The field of twinning has also been changed radically by the recognition of various civil society stakeholders as partners in policy formation at local, national, regional and global levels during major United Nations conferences in the 1990s (UNDP, 2000; UNHSP, 2002a):

- The Rio Earth Summit 1992, and the acceptance of Agenda 21 which recognised that global problems have their roots in local actions and that cities are thus key actors in the quest for sustainable development.

- The Istanbul City Summit 1996. The "Habitat Agenda" adopted in Istanbul underlined the role of cities in socio-economic development at local and national levels, and set out an extensive Global Plan of Action, drawn up in an evolving partnership with representatives of local authorities. Here, the United Nations recognised, for the first time, the status of local governments officially as the closest partners of national governments for the implementation of the Habitat Agenda.
- This was followed by the Summit on Sustainable Development in Johannesburg during 2002.

The concepts and practice of city-to-city cooperation and decentralised cooperation, practised by local authorities with the support of their associations for more than half a century, have therefore in recent years become an important focus area for the United Nations (UN-Habitat, 2001b:1), although according to the Johannesburg declaration on Local Government: "The exclusion of local government as a recognised sphere of government within the United Nations system continues to pose a significant barrier to the ability of local governments to achieve sustainable development."

The UNHSP also refers to the changing nature of twinning: "While inter-city exchanges continue, linking has branched out in various directions, sometimes as a result of a community initiative, sometimes after a move made by the mayor, and on occasions as a result of 'marriage brokering' by a bilateral or multilateral donor" (UNDP, 200:8). The scope of these activities has widened considerably, on the initiative of city leaders with the encouragement and assistance of international associations and networks of local authorities (UN-Habitat, 2003a). There has also been a noticeable convergence between the growth of city-to-city practices initiated by local authorities and an increasing focus on urban issues among international institutions (UNHSP, 2002a).

According to Kern (2001:10), twinning has changed radically in recent years. As with associations and networks of local authorities, it has undergone both structural and functional change:

- The modality of twinnings has changed from predominantly twinnings between Northern Hemisphere cities and towns with one another, to twinning between partners from all parts of the world; and

- Multilateral relations between towns and cities are increasingly complementing and overlapping bilateral relations and this means that bilateral city-to-city relations are modified and overlaid by horizontal networks.

Kern (2001:11) observes that "[f]ormalised cooperation between twin cities is being more and more strongly supplemented and substituted by limited-term, project-related city-to-city cooperation. This means that formal-legal and long-term relationships between municipalities are being increasingly superseded by limited-term institutional arrangements." Her definition of twin cities, though, concerns a relationship between municipalities and not between communities, which influences this observation considerably.

A number of important policy papers were formulated and declarations made by associations of local authorities in the past ten years concerning the international relations of its members. The most significant of these include the following:

- The IULA Policy Paper on Decentralisation (Undated). In this paper, decentralisation is described as "the process of distributing and sharing power, responsibilities and resources between central, regional and local governments with the aim of dealing with governance issues in an effective manner". Three important stakeholders are identified in decentralisation: firstly, governmental bodies at the national, regional and local level; secondly, a variety of civil society organisations (profit and non-profit); and thirdly, the international community (donor and support agencies).
- The IULA World Wide Declaration on Local Self Government (1993), in which the right of local authorities to belong to international associations of local authorities is acknowledged and also the right to maintain links with counterparts in other countries for the purpose of interchange and cooperation and promoting international understanding.
- The WACLAC Final Declaration made at the United Nations Conference on Human Settlements in Istanbul (1996), in which the signatories committed themselves to strengthen direct cooperation between local authorities with the support of the national, regional and international associations of local authorities, and to draw full advantage from the transformation potential of new technological developments in setting up better targeted forms of decentralised cooperation by means of technical assistance, transfers of technology, and collaboration between practitioners.

- The IULA International Cooperation Policy Paper (1997), which strongly promotes the concepts of decentralised cooperation and municipal international cooperation.
- The 2nd World Assembly of Cities and Local Authorities in Rio de Janeiro (2001), where states were again asked to recognise and support the development of direct cooperation between local governments, as well as other bilateral and multilateral cooperation programmes.
- The Local Government Position Paper prepared by the World Association of Cities and Local Authorities Coordination at the Internal Conference on Financing for Development in Mexico (2002). Here, a call was made to governments to make Official Development Assistance (ODA) more effective and the United Nations system acknowledged as the fundamental pillar for the promotion of international cooperation.
- The Local Government Declaration to the World Summit on Sustainable Development in Johannesburg (2002). In the local government declaration of this summit, states acknowledged that: "National states cannot, on their own, centrally manage and control the complex, fast-moving, cities and towns of today and tomorrow - only strong decentralised local governments, in touch with and involving their citizens, and working in partnership with national governments, are in a position to do so." At the summit, local governments committed themselves to "undertake City-to-city / Municipal International Cooperation activities and partnerships, aimed at mutual learning, exchange of good practice, and the development of capacity for sustainable development, in particular in the context of growing urbanisation", and they requested international associations of cities and local governments to "promote and organise programmes for local government strengthening, mutual learning and capacity-building, via City-to-city / Municipal International Cooperation and sustainable cities networks, including local government exchanges of experience in support of sustainable development". National governments were also requested to "promote and establish relevant, demand-driven programmes for local government strengthening, mutual learning and capacity-building, via City-to-city / Municipal International Cooperation and networks, ensuring that legal powers, financial resources and appropriate monitoring and evaluation mechanisms are in place".
- United Cities and Local Governments (UCLG, 2004) founded in Paris 5 May 2004 states in its constitution: "That Municipal International Cooperation and decentralised cooperation, partnership, twinning, international local government diplomacy, sister city links, and mutual assistance through capacity-building programmes and international

municipal solidarity initiatives, are a vital contribution to the construction of a peaceful and sustainably developed world."

The importance of local government and civil society across the world was also recently even more strongly acknowledged by the United Nations in the so–called Cardosso Report on UN-Civil Society relations: "Civil society is now so vital to the United Nations that engaging with it well is a necessity, not an option. It must also engage with others, including the private sector, parliaments and local authorities" (UN, 2004:9).

Sister-city organisations have also changed their views on the nature of these relationships. For instance, the Australian Sister City Association (ASCA, 2000) in their strategic plan for 2001 to 2003 states that:

> For many years ASCA has been focussed very clearly on Sister City relationships in their purest form. The Executive Committee of ASCA following consultation with members now believe it is time ASCA embraced many of the other types of alliances that are building a tapestry of international understanding and friendships across communities. These include friendship agreements, joint economic development agreements, international exchanges of students and professionals, and various memoranda of understanding between cities and regions established for the mutual benefit of both parties. To this end, this plan assumes that the term Sister City includes a rich diversity of relationships that may continually evolve or may stay much the same for long periods of time.

Ramasamy and Cremer (1998:449-450) confirm that initially sister-city relationships were based on some form of similarity or simply based on individual contacts or private initiatives. More recently commerce and economic development in an international arena have become more important, and they also argue that the relationship between culture and commerce is a two-way relationship in that cultural understanding is conducive to trade, and business provides cultural understanding. O'Toole (2001:403) concurs and observes that where sister-city relations initially focused on cultural exchange in Australia, they are being reinvented to include economic activity. But he cautions that the idea of introducing commercial activities is not shared by all partners, especially the Japanese: "The Australian experience has three major elements: associative, reciprocative and commercial, whilst the Japanese cities have a different order." Consequently many of these relationships are mismatched (O'Toole, 2001:404).

The UNDP maintains that links that observe "best practices" “are a reflection of modern thinking towards development away from traditional and paternalistic support schemes towards a new system, based on a contractualist philosophy, and favouring the participation of numerous government and civil society players, as well as the responsibilisation, autonomy, self-esteem and citizenship-awareness of beneficiaries" (UNDP 2000:24).

2.6.2 A new entrepreneurial role for local government

According to Lemon (2002:27) there has been a notable shift in urban governance from managerialism to entrepreneurialism, which is echoed by Cremer *et al.* (2001) who report that more recently greater recognition has been given to the economic foundations and benefits of twinning connections, also with a shift from “managerialism” to “municipal entrepreneurialism” (e.g. the identification of economic development opportunities and their exploitation through public/private partnerships). In this context they define the notion of entrepreneurship as simply “to convey the specific, proactive steps to organise, establish, maintain and foster relationships and opportunities that directly or indirectly present at various levels within the sister-city arrangement”, and they argue that “successful sister-city relationships are one manifestation of municipal entrepreneurship” (Cremer *et al.*, 2001:388). Twinning now also follows a more integrated approach, which strives for a balance of cultural, political, social and economic developments and insists on tangible results in all of these priority areas. Hsu (2003:58) also suggests that “[s]ister-city relations is an entrepreneurial strategy underlined by neo-liberal governmentality to seek out cities’ competitiveness and to maintain or improve cities’ position in the global economy”.

Fox and Maas (1997:2-3) also refer to this shift: “It (public service) must change from being a closed system dedicated to fulfilling the whims of government to an open system responsive to the environments in and to which it delivers goods and services.”

In a study of successful American local governments, Osborne and Gaebler (1992:19) found common threads running through their success, which may be attributed to the adoption of entrepreneurial management principles. These institutions:

- Promote competition among service providers;
- Empower their citizens by returning control to the community;

- Measure performance of their substructures by focusing on their outcomes rather than their inputs;
- Are driven by their missions, goals and objectives rather than by their rules and regulations;
- Redefine their clients as customers and offer them choices;
- Prevent problems before they occur, rather than merely offering services afterwards;
- Put their energies into earning, and not spending, money;
- Decentralise authority by adopting participative management;
- Prefer market mechanisms to bureaucratic mechanisms; and
- Focus not only on delivering public goods and services, but on acting as agents who involve all sectors (public, private and voluntary) in solving their community's problems.

Besides the notion of municipal entrepreneurship, Cremer *et al.* (2001:389) also develop the concept of "community entrepreneurship" which is essential for twinning success. According to them, municipal entrepreneurship activities should be complemented by entrepreneurship activities in the community, and they propose a new hybrid form of entrepreneurship called "municipal-community" entrepreneurship. In South Africa, the same ideas have been proposed under the term municipal-community partnerships (MSPs) as new forms of engagement between state, civil society, markets and households (Khan & Cranko, 2002:267).

Johnson (2002:764) uses the concept of "civic entrepreneurship" as a strategy to compete successfully in the new knowledge-based global economy. "But to foster and enhance community competitiveness, the local government has to assume the role of managing partner" (Johnson, 2002:774). Civic entrepreneurship means changing governmental cultures "[f]rom a social welfare-oriented to a business-oriented model of operation, with an eye toward enhancing the community's stock of financial, physical, human, cultural, and social capital assets. In turn, these assets are deployed in innovative ventures designed to alleviate poverty, create jobs, and foster community development."

Bishop (cited in Johnson, 2002:766) has shown, however, that to secure the resources needed to compete in the new economy,

> Cities have moved toward a 'network governance model' - a coalition of business, government, and community leaders - who 'skillfully blend new business models of venture capital and networking with

> the job of solving public problems'. In such cities, the local government actively and aggressively pursues strategic alliances with business enterprises and/or nonprofit organisations - domestically and internationally - that will lead to the development of both cultural ties and profit-centered activities that generate revenue, create jobs, and enhance their overall image and attractiveness as places to live and do business.

Hsu (2003:10) also posits that twinning can be seen as an entrepreneurial response by local governments to pressure and opportunities generated by the structural forces of globalisation. Municipalities and cities need to be more competitive and at the same time the internal need exists to better manage cities. Therefore "[t]winning is transformed into a municipal entrepreneurial strategy with an emphasis on economic spin-offs" (Hsu, 2003:22).

To assist municipalities worldwide to forge closer ties between their municipality and business sectors to achieve this objective, the "Bremen Initiative" was launched whose goal is to "promote partnerships between municipality and business to achieve a sustainable future for cities" (Bremen Initiative, 2005:5).

But this new entrepreneurial approach also necessitates that the city or town package and promote itself actively through sound marketing, and includes networking and cooperation "which are the key to success of cities in globalisation" (Hsu, 2003:69-71). The CEMR also concludes that "without communication on your twinning, there is no twinning! … Therefore a good communications strategy is essential" (CEMR, 2002b:39). May and Newman (1999) argue convincingly that municipalities need to move away from the organising principle of the public service ethos which has fallen into disrepute, and replace that by the marketing concept. Local governments must adopt five strategies for developing relationship marketing: the core service strategy, relationship customisation, service augmentation, relationship pricing, and internal marketing.

The target groups for a marketing campaign, the objectives and the marketing tools to use are as follows (CEMR, 2002b:39-59):

The first target group is citizens and the objective is citizen participation. The second is the media and the objective is the creation of a positive image. The third target group is experts (e.g. organisations such as museums and schools) and the objective is the creation of

partnerships. Marketing tools and activities to reach these groups include public relations, websites, direct mailings, events, publishing of best practices, promotion of topics, personal exchanges, fax, e-mail, exhibitions, and providing incentives. In addition, marketing is also essential for fundraising purposes (CEMR, 2002b:49). As marketing of a twinning seems to be imperative to its success, one of the hypotheses developed and tested later in the study relates to this success factor (see page 331).

Twinning has therefore transformed substantially from its friendship and cultural exchange roots to also incorporating social and economic dimensions, in many cases with a developmental focus. In this new, more comprehensive form of twinning, Cremer *et al.* (2001:383) strongly argue for an integrated approach which strives for a balance of tangible cultural, political, social and economic development benefits for both cities.

2.7 The extent and significance of twinning worldwide

The phenomenon of twinning and its related manifestations have a very wide global impact. The United Nations Development Programme estimates the number of official city-to-city links of all types worldwide at being somewhere between 15,000 and 20,000 (UNDP, 2000). According to the CEMR (2004a), there are nearly 30,000 twinning links in Europe that involve all sections of the community. In the UK, there are over 2,000 formal twinning links, 50% of which are with France and 25% with Germany and the remaining 25% with communities all over the world, including the USA, China and countries of the Commonwealth. These are complemented by numerous informal partnerships and project-based activities (LGIB, 2001:5). SCI in the USA claims that 1,200 states, counties or communities are involved in sister-city relationships in 125 countries (Hafteck, 2003:339). Of these, only about 2 percent are in the Middle East, about 5 percent are in Africa, more than 33% are in Europe, and about 33% are in Asia (SCI, 2002d:1). Netherlands municipalities have 170 links with developing countries, 240 with Central and Eastern Europe and 400 with the rest of the world (VNG International, 2002:32). In 1998 it was reported that New Zealand had 128 relationships (of which 65 were active) involving 68 cities or local governments. Of these none were with Africa and only 22 were concluded after 1990 (Ramasamy & Cremer, 1998:450). These relationships have since grown to 145 (NZIER, 2003:1).

According to UN-Habitat (2005c), 70% of the world's cities have developed city-to-city international cooperation and 68% of these cities are affiliated to one or more international association of local authorities.

The exact total number of relationships worldwide is difficult to establish because there is no single, comprehensive international database and it is difficult for country databases to identify those links which have become inactive or lapsed, as well as links which exist but have yet to be discovered.

Countries where twinning is active, however, have existing databases and examples include the following:

- Sister Cities International has a database available on its website.
- The Council of European Municipalities and Regions (CEMR) and United Towns Organisation (UTO) issue a twinning directory listing all twinnings in Europe.
- The national databases such as those of the UK's Local Government International Bureau (LGIB), the Netherland's Association of Netherlands Municipalities (VNG), and most other Northern national associations of local government.

Differing percentages of all communities in a country are involved in twinning. In France and Germany this percentage is the highest but in the United States, for instance, only about one sixth of the total number of approximately 12,000 cities and towns, have links of one kind or another (UNDP, 2000). In the Netherlands three quarters of all Dutch municipalities are in some way or another involved in municipal international cooperation (UNHSP, 2000).

Twinning relationships may also be classified according to the development status of the partners, for instance Developed-Developed, Developed-Developing, Intranational-twinning (within a country) or Developing-Developing (Risstrom, 2001:1).

If one looks at the countries involved in twinning and the geographic orientation of twinning using the different possibilities of combinations between the Northern Hemisphere, Southern Hemisphere, East and West, the following patterns emerge:

2.7.1 North-North linkages

North-North linkages, which make up the bulk of place-twinnings in the world, are based upon more or less equal resources and the principle of reciprocity, with the primary focus on socio-cultural issues and exchanges of people and groups of all kinds. These links are also used to forge European unity. In recent years, however, many of the links between larger towns also include technical/professional cooperation activities and, increasingly, economic development components (UNHSP, 2002a).

2.7.2 North-South linkages

North-South links are most often initiated from the North, frequently on the basis of previous colonial links (UNDP, 2000), and these links are often aimed at development cooperation. Besides the North-South links between cities in nearly all the European countries and countries of the South, there are many North-South links involving partners in North America, Japan and Australia (UNHSP, 2002a). But, according to the UNDP, the number of links between North and South is small compared to the worldwide figure, totalling an estimated 2,000 to 3,000 links (of the total of 15,000 to 20,000), and in only a few Northern countries, for instance France and the Netherlands, is North-South linking common practice (UNHSP, 2002a).

According to the UNDP, linking when looked at from a Southern perspective, creates a frustrating picture as there is a massive imbalance between the interest of Southern communities in establishing links with the North as compared with the number of Northern communities who are actively seeking partners in the South. So much so that UTO reports receiving at least fifty requests from the South for Northern partners for every one request coming from the North (UNDP, 2000). In the UK, the situation is similar and UKOWLA reports that they receive ten to twenty requests for every successful twinning concluded.

The UNDP therefore concludes that the impact of North-South linking is marginal as too few towns are linked to have any significant effect at the national level. They also suggest that South-North C2C is a largely untapped concept but has significant potential in facilitating sustainable development.

According to the CEMR, the following lessons have been learnt regarding twinning as an instrument for capacity building in North-South exchanges (CEMR, 2002b:62-63):

- International cooperation between local authorities North-South needs to be based on "reciprocity" and "mutual learning". Both partners have to benefit from the collaboration. Local authorities in the North can, for instance benefit from staff development and for local authorities in the South, the partnership can lead to an improvement of their local administration and to an increase in the quality of the services they deliver to their population. "This type of cooperation is not about charity nor can it be quantified in financial terms. It should be based on clear agreements between both partners and on realistic expectations."
- International cooperation between local authorities needs to be based on "ownership". In both cases there should be sufficient community support. "A wide variety of organisations has to be involved: the civil society, the local administration, economic agents, NGO's, schools and other relevant partners. If the local communities in both municipalities feel committed to the cooperation, it will be more sustainable on a long-term basis."
- Local authorities are also becoming actors in the field of development cooperation. "As such they contribute to the decentralisation processes that are taking place worldwide."
- International cooperation between local authorities needs to be based on an "integral approach" involving a comprehensive analysis of the local situation and forward planning for issues such as capacity building, training, exchange of expertise, and work visits. "Cooperation between local authorities North-South requires a long-term commitment and stability. Additional funding for a period of three years appears to be a minimum."
- International cooperation between local authorities is "complementary" to support provided by other institutions.
- International cooperation between local authorities North-South aimed at capacity building is a relatively new phenomenon. Therefore it is important to "share experiences" and to publicise examples of good practices.

2.7.3 West-East and North-South-East linkages

According to the UNDP, the development of West-East links started before the end of the Cold War, and was primarily being promoted through the embassies of the USSR. These links were controversial at the time.

Links between North and East are becoming increasingly common following the establishment of the Commonwealth for Independent States.

2.7.4 South-South linkages

The concept of South-South links has been strongly promoted in recent years although the number of such direct links is still limited. The idea behind these links is that communities from Southern areas are dealing with the same type of problems, and therefore can learn from solutions developed by one another. This knowledge is then disseminated through networks such as Citynet in Asia (Atkinson, 2000:14). These linkages include the transfer of knowledge and experience, issues of urbanisation and environmental damage, innovations in health care and education, and bringing about good governance. The UNDP observes that these relationships are difficult to initiate and sustain at city level, owing to limitations of resources and/or legal powers, and are most often advanced through involvement in support programmes (UNDP, 2000).

According to the UNDP, "Notwithstanding the multitude of efforts being made to promote the concept of South-South networking, active South-South links are still very few and the achievements modest. The funding needed to establish some minimum of face-to-face dialogue would appear to have been a major constraint" (UNDP, 2000). The UNDP therefore visualises there being North-South-South links in the future, "where the Northern town facilitates the link up of its Southern partner with another Southern town as well and thus each partner having, as it were, the benefit of both worlds" (UNDP, 2000).

The potential importance of South-South linkages in the building of continental and intercontinental solidarity in Africa, as happened in Europe, must be acknowledged.

2.8 The external and internal forces influencing twinning

In Section 1.11.1 it was stated that context addresses the question “why” and necessitates the investigation of external and internal triggers or forces driving twinning. In previous sections, a number of the external influences on twinning were described and in this section, further external, as well as the internal triggers of alliances in the private sector and twinnings will be discussed.

2.8.1 The forces driving strategic alliances

Underlying the motives for entering into alliances are a number of strong dynamic forces in the environment that favour the formation of alliances and explain the increased cooperation in the last decade. Harbison and Pekar (1997:15) for instance list three forces that are shaping alliances:

- The globalisation of markets, to which can be added the turbulence and uncertainty of international markets (Faulkner & De Rond, 2000:6);
- The blurring of industry boundaries, where “[c]ompetitive boundaries have blurred as technology advances have created crossover opportunities merging formerly distinct industries” (Harbison *et al.*, 2000:4); and
- Scarce resources and intensifying competition. Faulkner and De Rond (2000:6) refer to “the need for vast financial resources to cope with fast technological change and the shortening of product life cycles”.

To these forces, Harbison *et al.* (2000:4) have added advances in communications (voicemail, e-mail and e-business) and the trend toward global markets linking formerly disparate products, markets and regions.

Dussauge and Garette (1999:33) state that the 1980s were marked by an unprecedented wave of mergers and acquisitions worldwide. But, unfortunately, the success rate of these operations has proved to be quite low. According to them acquisitions present two main kinds of disadvantage. The first is "indigestion". Once acquired, the day-to-day management of the target company is very often disrupted by the new parent company. The second problem with mergers and acquisitions is that acquired companies in most cases include activities or assets

of little or no value to the acquirer. “The disenchantment that has followed many mergers and acquisitions seems to be one of the reasons behind the recent development of strategic alliances.” They further suggest that alliances make it possible to avoid the culture and organisational shock coming in the wake of a merger by proceeding step by step, and by gradually adapting the content and structure of the agreement, What is more, an alliance is, by definition, limited to a specific area of cooperation laid down in the agreement. This represents a substantial advantage over a merger.

Harbison and Pekar (1994:3) observe that “[a]lliances are most appropriate when there are strategic gaps in critical differential capabilities that are too expensive (or will take too long) to develop internally; they are also best when it is desirable to access a subset of the partner's capabilities. Finally, they make sense when the prospective partner that controls the desired capability is too big to consider seriously as an acquisition.” They further propose that alliances are an excellent solution to fill critical gaps where the company lacks the resources and/or the time to build its own capability to world-class levels.

According to Nooteboom (1999:60), “The main drive towards alliances is the need to cooperate in order to maintain flexibility, core competence and the incentives that arise from autonomy, while utilising complementary resources for both efficiency and learning.” Related to this is the need to utilise economies of scale and scope. A third motive is the need for speed: one may need partners because it would take too much time to develop all relevant (non-core) competencies.

He suggests that there are a number of more specific motives and goals for alliances, besides the core motive of concentrating on core competencies and seeking complementary resources from others. In many cases the motive is connected with a strategy of internationalisation; hence the importance of international alliances.

Some of the internal drivers or reasons for seeking an alliance are listed below:

- To accelerate revenue growth (Palermo, 2003:19);
- Risk sharing (Harbison & Pekar, 1994:3; Palermo, 2003:19; Nooteboom, 1999);
- Economies of scale (Harbison & Pekar, 1994:3; Nooteboom, 1999);

- New market access/market segment access/accelerating the pace of entry into new markets (Harbison & Pekar, 1994:3; Varadarajan & Cunningham, 1996:282);
- Technology access (Harbison & Pekar, 1994:3);
- Geographical access (Harbison & Pekar, 1994:3);
- Funding constraints (Harbison & Pekar, 1994:3);
- Management skills (Harbison & Pekar, 1994:3);
- Value-added barriers (Harbison & Pekar, 1994:3); and
- Acquisition barriers (Harbison & Pekar, 1994:3).
- Sharing of research and development, manufacturing (Varadarajan & Cunningham, 1996:282; Palermo, 2003:19);
- Marketing costs/decreasing costs (Varadarajan & Cunningham, 1996:282; Palermo, 2003:19; Faulkner & De Rond, 2000:6);
- Broadening the product line/filling product line gaps (Varadarajan & Cunningham, 1996:282);
- Learning new skills and competencies (Varadarajan & Cunningham, 1996:282; Palermo, 2003:19). The need for specific assets or capabilities not currently possessed (Faulkner & De Rond, 2000:6);
- To create new industry standards: "Changing the rules of the game & even the game itself!" (Palermo, 2003:19); and/or
- The need for speed to market not achievable by other means (Faulkner & De Rond, 2000:6).

In addition, research by Harbison *et al.* (2000:4) found that the top two reasons stated for forming alliances are:

1. To accelerate the growth trajectory (75% of survey); and,
2. To gain access to external core capabilities (67%).

They found that the core business of companies generates over 60% (US) and 67% (Europe) of these companies' revenue. "It is critical to effectively identify, protect and enhance one's core without giving up the key elements of the value chain where one's core is not positioned. As competition intensifies, alliances fill in capability gaps to protect the core business". More and more alliances are thus formed as companies focussed on their core business.

International alliances have additional contextual drivers (Nooteboom, 1999:204):

- To prevent transportation costs;
- To follow customers;
- To adapt a product to the local market;
- To circumvent entry barriers (in markets for products or inputs);
- Speed of market entry;
- Political legitimacy;
- Restrictions on the repatriation of profits;
- To pre-empt the competition from entering first;
- To attack a competitor in his home market;
- The joint need to set a market standard; and
- To limit the competition by instituting a cartel.

Varadarajan and Cunningham (1996:285) use Ansoff's conceptualisation of major growth alternatives available to a firm to list the underlying motives of entry of firms into strategic alliances, as set out in Table 2.6 below.

Table 2.6: Motives for entering into alliances

Motivation	Alternative ways of achievement
1. Market entry and market position-related motives	• Gain access to new international markets • Circumvent barriers to entering international markets posed by legal, regulatory, and/or political factors • Defend market position in present markets • Enhance market position in present markets
2. Product-related motives	• Fill gaps in present product line • Broaden present product line • Differentiate or add value to the product
3. Product/market-related motives	• Enter new product/market domains • Enter or maintain the option to enter evolving industries whose product offerings may emerge as either substitutes for or complements to, the firm's product offerings
4. Market structure modification-related motives	• Reduce potential threat of future competition • Raise entry barriers/erect entry barriers • Alter the technological base of competition
5. Market entry timing-related motives	• Accelerate pace of entry into new product-market domains by accelerating pace of R&D, product development, and/or market entry

6. Resource use efficiency-related motives	• Lower manufacturing costs • Lower marketing costs
7. Resource extension- and risk-reduction related motives	• Pool resources in light of large outlays required • Lower risk in the face of large resource outlays required, technological uncertainties, market uncertainties, and/or other uncertainties
8. Skills enhancement-related motives	• Learning new skills from alliance partners • Enhancement of present skills by working with alliance partners.

Source: Varadarajan & Cunningham, 1996

Varadarajan and Cunningham (1996) also list the factors that may have an impact on the propensity of firms to enter into strategic alliances. These factors can be categorised into firm characteristics, industry characteristics and environmental characteristics, as indicated in Table 2.7 below.

Table 2.7: Factors influencing the propensity of a firm to enter into strategic alliances

Category	Characteristics
1. Firm Characteristics	• Product-market diversity of firm • Firm's size and resource position (ability to mobilise resources independently) • Prior involvement in strategic alliances • Top management's attitudes towards strategic alliances • Corporate culture
2. Industry Characteristics	• Minimum efficient scale • Convergence of industries and associated costs of product development • Importance of speed of entry into market • Cost structure • Threat of new entrants • Threat of competition from substitutes
3. Environmental Characteristics	• Changes in buying patterns • Degree of market uncertainty • Rate of technological change • Breadth of competencies/skills/capabilities required to capitalise on environmental opportunities • Political, legal and regulatory environment

Source: Varadarajan & Cunningham, 1996:291

According to Nooteboom (1999:204), when there is a choice between going it alone or employing a partner, the decision depends on:

- Required speed of entry;
- One's experience, knowledge and access to local resources;

- Availability of partners; and/or
- Need to evade duplication of fixed costs in a saturated, high fixed-cost industry.

There are many forms of alliance and the choice between them depends on the motives of the partners and contingencies of market and technology. It is obviously very important that the goals of partners are complementary and that they must be reconcilable. Nooteboom (1999:60) observes that "[c]learly, the choice of partner should match the objective. If a product needs to be differentiated to fit local demand, the partner should have the requisite local knowledge, experience, market acceptance and access to distribution channels to help achieve that fit."

According to Connell *et al.* (1996:9-14), alliances are not strategic unless they contribute to the achievement of a company's overall objectives. They suggest that there are a number of possible strategic objectives for a manufacturing company that can be achieved by developing alliances, and seven of the most common goals they identify are listed below:

Table 2.8: Strategic goals of alliances

Number	Goal
Strategic Goal 1:	Identify and access new technologies and competencies
Strategic Coal 2:	Exploit new market opportunities quickly and effectively
Strategic Goal 3:	Build market position rapidly
Strategic Goal 4:	Survive by specialising
Strategic Goal 5:	Re-establish critical mass
Strategic Goal 6:	Achieve cost leadership
Strategic Goal 7:	Withdraw from the market in an orderly fashion

Source: Connell *et al.*, 1996

In this section the reasons or motivations for the formation of alliances in the private sector were discussed. Obviously not all of them are applicable to the public sector, but most of the principles apply to the formation of a wide variety of alliances that a municipality can enter into in the field of public/private partnerships or even public/public partnerships or municipality/community partnerships. In the next section, the motives for twinning, which is a specific type of strategic alliance, are discussed.

2.8.2 The motives for twinning

Keating (1999:3-5) suggests that there are three main motivations why regions enter the international relations arena. These could be for economic, cultural or political reasons:

- Economic (e.g. investment promotion, tourism promotion, markets for their products, and technology for modernisation);
- Cultural (e.g. regions with their own language or culture also seek resources and support in the international arena); and
- Political (e.g. those with nationalist aspirations seek recognition and legitimacy as something more than mere regions).

Political motives might also include protesting against national government foreign policy such as Seattle's twinning with Managua in Nicaragua (Hsu, 2003:6), as well as a strategy driven by central government, such as in the case of China. Twinnings are one of the policy instruments for the Chinese to open themselves to the outside world to project a positive external image, as well as to provide developmental opportunities to catch up with the West (Hsu, 2003:39). According to the Australia-China Chamber of Commerce and Industry of New South Wales, "The main objective of the Sister City arrangement is economic cooperation, which, in the Chinese context, implies a commitment to enhance economic and commercial interests in the two cities on a mutually beneficial basis. Exchanging import/export information, as well as information about projects for which foreign investors are invited to participate, is a major consideration" (ACCCI, 2001). Further to this, sister-city arrangements are also viewed by the Chinese as a centre or starting point for a wider network of cooperative arrangements, and the Chinese view is based largely on their ancient practice of *guangxi*, or network of personal relationships.

According to Zelinsky (1991:26), "A given country's array of twinnings tends to reflect the national interest. Under the benevolent gaze of the central regime, the sister-city programme usually serves to advance politically acceptable commercial and diplomatic aims, or is at worst neutral."

But there are many more reasons, which are also influenced by city or community size, as highlighted in Table 2.9 below that depicts international activities in American cities:

Table 2.9. Levels of internationally relevant activity by city size

	Very Active/Active responses (%)		
	Small	**Medium**	**Large**
• Attracting foreign investment	27.5	50.6	94.5
• Promoting exports of local products	42.8	60.5	88.9
• Sister-city relations	41.4	68.2	83.4
• Working with state officials	31.3	29.7	55.5
• Cultural exchanges	27.2	51.7	77.8
• Working with business partners	28.0	48.4	100.0
• Idea and technical exchanges	22.7	49.5	77.7
• Improving international education	22.4	35.2	44.4
• Enhancing foreign language education	22.1	34.1	44.4
• Working with civic groups	22.1	29.7	72.2
• Attracting foreign tourists	18.8	37.4	61.1
• Working with neighbour cities	16.4	28.6	55.6
• Working with federal officials	16.4	25.3	61.1
• Advertising city abroad	14.9	29.7	44.4
• Recruiting protocol person	11.4	24.2	72.2
• Conducting trade missions abroad	10.9	29.7	61.1
• Attracting foreign immigrants	4.6	11.0	5.6
• Foreign office or representative abroad	3.8	13.2	22.3

Source: Kincaid, 1999:128

Cities and towns would not twin were it not for some perceived benefit that they hope to achieve from these activities and the relationships developed as a consequence thereof. Different partners could, however, have different motives for twinning and might hope to achieve different benefits. O'Toole (2001) for instance points out the differences in motives and expectations between twinning partners in Australia and Japan that have a negative impact and could jeopardise the success of such relationships.

Twinnings on or between different continents might also be driven by different motives. According to the UNDP (2000:9-10), the following motives for community linkages (North-South), which may originate in the community at large, inside the municipality, or on the initaive of a humanitarian-based organisation, were encountered in their research:

- To learn and gain from each other;

- To enter into a relationship centred on areas of mutual interest (social, cultural, economic, technological or environmental);
- The frustration of the continuing increase in Third World poverty, despite the multitude of efforts governments and society have made to overcome it;
- The need by local leaders for development education and raising their community's awareness of global issues;
- Friendship exchanges, leading to understanding and respect for one another;
- To exchange ideas on environmental issues under the aegis of Local Agenda 21;
- The exchange of knowledge and experience at the Southern local government with the objective of strengthening the institutional capacity; and
- Local economic development.

Cremer *et al.* (2001:378) concur with the last point and suggest that there has been a shift from "managerialism" to "entrepreneurialism" in local government. This has resulted in "local government being involved in enterprise initiatives and the searching out of other proactive means of promoting their particular sites or cities as desirable locations for economic and social activity". The element of public/private partnership is a very important feature of this new entrepreneurialism.

According to the CEMR (2004b:3) there are many reasons why European communities and cities should twin:

- Twinnings contribute to the development of European unity through building awareness among populations concerning the importance of European construction and through concrete forms of international cooperation;
- A twinning can enable a town, its associations, its citizens, to exchange experiences, to confront problems, and to help each other in looking for solutions... Transport, protection of the environment, education, health, heritage protection, the fight against racism and xenophobia, equal opportunities, initiatives for employment... constitute themes that twin towns can work on together; and
- Twinning is a way of exchanging, of learning, and building knowledge. Through meetings of young people, the elderly, and professionals, twinnings are the best opportunity of opening up to different cultures, languages and societies.

The *Economist* (2002) also notes as another motive for twinning that towns with many immigrants see twinning as a way to maintain cultural ties with their homeland. But there is no

single rationale for deciding on a link and there is no single way to set up a link. According to the UNDP (2000), "Linking's ad hoc-ism to date should not be seen as a drawback. On the contrary, we believe the greater success of linking in the future depends in large part on drawing on the wide experiences of the different approaches taken so far."

It is clear, however, that motives for twinning have changed over time, with a shift to economic development.

2.9 The advantages of involvement in twinning

The advantages of twinning for the actors involved add another important contextual dimension to the phenomenon. From the literature study that follows, it is clear that there are many benefits inherent in the formation of strategic alliances. But there are also costs involved, and beneficial relationships are ones where the benefits outweigh the costs.

2.9.1 The benefits of strategic alliances

Alliances can be financially rewarding. Harbison *et al.* (2000:9-11) for instance quotes research by Anand and Khanna which shows that alliances outperform mergers in terms of stock market value creation. The reasons are as follows:

- They can fill single and multiple gap deficiencies;
- They may lead to the creation of integrated products and services; and
- They may lead to the formation of a breakout offering.

The benefits cited by Connell *et al*. (1996:1-2) are as follows:

- Entry into markets that were previously inaccessible by partnering with a company that already has a strong presence in that market, especially in the case of cross-border or international alliances;
- Collaboration on the development of new technologies allowing both companies to bring a better product to market in less time;
- Collaboration to market products or services together and so provide a large range of offerings with the flexibility and low cost of a small business;

- Improving cycle time and service to customers by developing collaborative relationships with suppliers; and
- Managers in both companies can increase their knowledge of effective techniques and practices. “In Japanese companies, where the concept of strategic alliances has been practiced for a long time, an exchange of knowledge is often one of the primary motives for developing an alliance.”

According to Day (1995:297), there are as many possible benefits to the formation of an alliance as there are motives for entering into these cooperative agreements. “At best they are an economical and flexible way to cope with increasing market turbulence, uncertainty, and scope.” To these overt benefits can be added the more intangible benefits that come to firms as they test their capabilities in new and more demanding contexts and absorb new insights and methods from their partner. Day states that the growing recognition of these benefits has led to a rate of growth in alliance formations of 25% annually.

Harbison and Pekar (1997:4) further list the circumstances in which cross-border alliances can be more advantageous than acquisitions:

- Distance - “Acquisitions are difficult to integrate when spanning great distances and crossing borders”;
- The empty-shell syndrome - “Too often the best people leave when a foreign parent becomes the new owner and moves to constrict local management's manoeuvrability”; and
- Cultural differences - “Trust-building and strategy formation are harder in foreign acquisitions because of the cultural differences that have to be overcome.”

Alliances help avoid these pitfalls by making the partners work together in a disciplined manner, building trust at all levels of the organisation.

According to Mockler (1999:6) strategic alliances, if planned and managed effectively, can:

- Enable overseas expansion and provide access to new markets;
- Add value to a firm's product line;
- Expand distribution and provide access to materials;

- Develop and improve operations, facilities and processes, and provide access to new capabilities, new knowledge and new technologies;
- Provide additional financial resources;
- Decrease risks and enable relatively rapid adaptation to changing competitive market forces;
- Create new opportunities when faced with increasingly intense global competition; and
- Reduce competition.

These benefits are summarised in Table 2.10 below:

Table 2.10: Benefits of strategic alliances

Area of benefit	Specific benefits
Strategy	• Add value to a firm's product line or products by adding items or features to a line • Bringing new or existing items to market more quickly • Expanding overseas markets • Increasing service availability • Enhancing research and development
Distribution	• Provide new marketing channels • Better control over channels and improved supply
Operations	• Creating capacity in new locations • Improving efficiency • Adding new technologies and developing new processes
Other	• Provide additional financial resources • Penetrate new overseas markets more quickly • Create synergies • Decrease market risks • Provide knowledge that expands a company's skill base • Overcome market barriers and reduce competition

Source: Adapted from Mockler, 1999:52

But alliances do not only lead to benefits. There are costs involved and many of the costs are never accounted for in performance assessment. Day (1995:297) identifies significant costs from:

1. The time spent by management to negotiate, implement, and integrate the alliance;
2. The loss of flexibility and freedom of action in the areas of joint interest;
3. Leakage of proprietary knowledge to the partner, who may later use this knowledge to erode the firms advantage; and
4. The atrophying of firm capabilities in areas of alliance activity that have been ceded to the partner.

Day (1995:297) states further that the greatest costs are undoubtedly incurred when the alliance is liquidated or fails to live up to expectations and one partner sells out to the other.

A strategic alliance is therefore a financially rewarding organisational form which can be utilised to deliver many benefits to participating partners. There are, however, also costs involved in the establishment and management of the alliance and firms should ensure that the benefits outweigh the costs.

2.9.2 The benefits of city/town twinnings

Cremer *et al.* (2001:393) state that a wide range of benefits, both tangible and intangible, accrue to cities involved in sister-city relationships. Among these are the benefits of:

- International trade;
- Cultural exchanges;
- Educational exchanges;
- Migration;
- Investment; and
- Tourism.

Sister Cities International believes that a sister-city programme is one of the most important organisations a community can have and that they offer many benefits. “Sister city programmes lead their communities toward global integration, using new technologies and techniques to support trade, health care advancement, democratisation and the environment” (SCI, 2003a:2).

It is very important for a relationship to offer very specific benefits and the Local Government International Bureau (LGIB) for instance supports all kinds of partnerships between local governments, whatever their objective, label or nature, “provided that they demonstrate a clear public benefit, facilitate true learning and understanding, and use public money in a proper way” (LGIB, 2001:3). This is important as local authorities could easily be criticised for improper spending of public funds through extensive overseas travel.

Shabbir Cheema from the UNDP believes "[c]ity-to-city cooperation may offer us an innovative approach to grasp unusual opportunities for impacting significantly on human development while at the same time deepening cross-cultural understanding and thus contributing to peace-building among nations" (UNDP, 2000:1).

According to the World Health Organisation (WHO, 2001:2), the benefits of twinning include:

- Capacity building;
- Exchange of best practices;
- Effectiveness;
- Relationship building;
- Network; and
- Solidarity in the community.

The United Nations Development Programme (UNDP, 2000:2-3) conducted research into the phenomenon of city-to-city relations and its influence on development, and has found the following:

- Some links are making important contributions to combating poverty;
- Links are fostering greater international understanding and so helping to create a global culture of peace and enhanced prospects for global governance;
- Concrete improvements to the lives of poor communities in the South have come about through their links with the North. (E.g. clean water, better child and maternal health, literacy and education, vocational training, income generation and waste disposal);
- Southern municipal leaders have been drawing on the knowledge and experience of their partner municipality to address needs in management and administration. As a result, gains have been made in such areas as financial management, tax collection, environmental management and urban planning;
- Moreover, many links are proving effective in addressing local concerns for greater civil awareness and good governance; and
- Some links are proving effective in promoting greater civil awareness and democratising city decision-making.

The UNHSP (UN-Habitat, 2001b:38) points out that linking builds trust between the partners and also encourages communication between a community and its leadership, which enhances the relationships between them. They conclude that: “Cities see tangible benefits for themselves and their citizens in engaging in international exchange. The development of C2C from the original culturally-based town twinning concepts to the present much broader range of motivations could not have occurred without the keen interest and active commitment of elected members and officials.”

Specific results by sector from the UNDP study are listed in Table 2.11 below.

Table 2.11: Examples of positive results achieved in five key sectors

Sector	Examples
Health	Many links incorporate health issues in their development agendas, typically with emphasis on child and maternal health. Other aspects of the link’s support for the local community health programme include drinking water, sanitation, responsible parenthood, nutrition and inoculations
Education and literacy	Links have increased child and adult literacy, especially for women.
Environment	The two environmental projects under Guelph (Canada)’s link with Jinja (Uganda) are reporting positive results.
Municipal management	Link projects within city hall and the municipal administration are a relatively recent, yet promising addition to the range of activities to be found within North-South links. It is becoming increasingly evident that municipal links can be highly cost-effective in terms of strengthening local-level institutional capacity as well as contributing to good governance. Better planning and financial management, as well as critical improvements in the application of information technology, are features of many of these links.
Governance	Issues of governance are rapidly gaining ground in the ‘development debate’. The Middlesborough (UK)/Masvingo (Zimbabwe) link protocol, signed in 1988, is thought to have been one of the first to explicitly include governance issues in its agenda. The protocol describes the link as being "...dedicated to the growth and preservation of local democracy in local government administration to ensure honest and efficient service to our two communities." Since then, improved governance has been receiving attention, explicitly and implicitly.

Source: UNDP, 2000

Besides quantifiable benefits, there are also benefits that are difficult to quantify and awareness-raising and development education are regarded as the most valuable intangible benefits (UNDP, 2000:15). The value of learning about another culture is seen as a major benefit as through forming friendships and building trust, mutual understanding is achieved. The UNDP study also found that school links have proven particularly effective in

development education not only with children but also indirectly with their parents. According to Doebel (2002) in research conducted for the Council of Europe, "The most striking result of virtually all twinning activities has been the feeling that the exchange of experiences with participants from other countries created not only links but emotional bonds with like-minded people."

The Local Government International Bureau identifies a large number of benefits, differentiated into general benefits, and people-to-people benefits, that are listed in Tables 2.12 and 2.13 below:

Table 2.12: People-to-people benefits

Benefit area	Description
Promoting tolerance	• Twinning links between local authorities can forge links between communities of different countries and cultures, increasing understanding of the world, broadening horizons and helping to combat insularity. • Community contact can promote tolerance and respect for others, combating racism and xenophobia. • It provides an opportunity to bring together the whole community, regardless of age, ethnic or religious background, gender, disability, social or economic status. It can contribute to breaking down barriers and increasing understanding within the home community, as well as between the two different communities.
Promoting stronger community partnerships	• Twinning links provide an opportunity for a local authority to forge partnerships with members of the wider community, such as central government departments. They can also be an effective conduit for establishing links between commercial organisations, voluntary bodies and the non-governmental sector. • Local authorities can use transnational partnerships and twinning to motivate key sections of the community, such as ethnic minorities, young people and disadvantaged groups, who may not always be involved in local authority activities or have contact with overseas communities. • By looking outward at other communities, people are encouraged to look more closely at their own environment and social structures. This can increase civic pride, self-esteem and confidence.
Enhancing youth activities	• Twinning links can give young people their first international experience through youth exchange or work experience. • They provide an environment in which young people can explore social and political issues with their counterparts from other countries, deepening their awareness and increasing self-confidence.
Improving service delivery and problem solving	• Best value legislation requires local authorities to provide services that are cost effective, of a good quality and that meet the demands of the local community. Transnational partnerships can link directly into this work by giving local authorities the opportunity to work collaboratively with counterparts overseas and to share information and experience in a number of service areas.

	• Practitioner-to-practitioner exchange of experience is a cheap and effective way of delivering technical assistance and can be more sustainable than one-off projects, enabling local authorities to compare problem solving, exchange skills and learn from one another.
Increasing global and European awareness	• Globalisation means that local authorities are operating in an increasingly international environment and dealing with European and international businesses on a regular basis. Transnational partnerships and twinning links increase awareness of European and international issues and can help local authorities to participate more effectively in a global environment. • International links forge important partnerships that can be of substantial assistance in preparing for political changes such as European enlargement.
Accessing EU funding	• European Union funding programmes require local authorities to work collaboratively with partners from other countries. Twinning links provide local authorities with an excellent source of potential partners to enable them to unlock funding for technical projects.
Effective staff development and training	• Through the challenges of resolving technical issues in a new environment transnational partnerships and twinning links can provide innovative training opportunities for all levels of staff and in a number of areas, ranging from management development to more practical skills. • Better understanding of another culture can also help local authority officers and others to work more effectively within their own community. • Transnational partnerships and twinning links provide an opportunity for staff to work with different colleagues within their own organisation, or with other UK local authorities and organisations, thus creating good links and networks within this country.
Effective member development and training	• The wide personal development opportunities from transnational partnerships and twinning links are also available to elected members, enhancing skills, experience and learning through the exchange of experience with counterparts.

Source: Adapted from Local Government International Bureau (LGIB), 2001

Table 2.13: General benefits

Benefit area	Description
Promoting community well-being	• By bringing together counterpart organisations, experts and interest groups in the areas of health and social welfare, improvements can be made to social policy and community services and facilities. • Sharing expertise and experience on issues such as unemployment, drug and alcohol dependency, and comparing facilities for the young and elderly can contribute to the 'well-being' of the community.
Public awareness and learning	• Twinning links can be used to promote public debate of major global issues such as the environment, Local Agenda 21, the European Union, racism, and social exclusion related to drug abuse, poverty and unemployment; • Local authority links can be used as a learning tool for all age groups in understanding the social, political, environmental and economic issues that face other parts of the world.
Education	• Twinning links can contribute to the enhancement of formal and informal education and lifelong learning for all members of the community. They can provide a realistic context for learning, bringing text books to life and acting as a resource for many subjects; • Activities relating directly to the National Curriculum or an examination syllabus can improve educational achievement while general participation in twinning links can also enhance key skills such as communication and organisation.

Economic and business development	• Transnational partnerships and twinning links provide an opportunity for small and large organisations, in both the public and private sectors, to explore potential economic benefits. This may lead to commercial transactions and trading, or to the exchange of technical knowledge to improve business efficiency and service delivery.

Source: Adapted from Local Government International Bureau (LGIB), 2001

According to Sister Cities International, sister-city relationships are beneficial to both partners as they enable participants to (SCI, 2002a:2):

- Exchange ideas and develop friendships with their counterparts in another culture on a direct, personal basis;
- Establish an identity as members of the global family involved in the constructive process of building world peace;
- Develop a way for the many and diverse elements of each community to come together to enjoy and profit from a cooperative programme;
- Open new dialogues with the people of another culture to find unique solutions to improving the quality of life of all citizens;
- Participate in a programme with a real partner in another country so all members of the community can feel they are contributing to international understanding in a direct, personal way; and
- Better understand their own community by sharing their way of life with the people of another culture.

More specific benefits cited by Sister Cities International are (SCI, 2002b:3-4):

- Increased tourism (e.g. more than 100,000 people from the US travel abroad under the sister cities umbrella annually);
- Reliable business contacts;
- Cross-cultural expertise;
- Forums for discussing complex global trade and development issues;
- Legitimacy: community-wide and city hall support; and
- Community and company image.

But most of the benefits cited are "soft" issues which are difficult to quantify. The New Zealand Institute of Economic Research (NZIER, 2003:iii) found that sister-city relationships in that country have delivered economic benefits to local economies. "However, from a macroeconomic perspective (i.e. compared to total economic activity in New Zealand), these benefits are small." The broad ranging economic benefits typically arising from these relationships include (NZIER: 2003:iv):

- Establishing business contacts;
- Providing a gateway into new markets and product lines;
- Enhancing the overseas reputation of both individual firms, and New Zealand as a whole;
- Reducing transactions and search costs in business negotiations;
- Attracting foreign fee-paying students;
- Facilitating knowledge; and
- Increasing tourism.

But they also observe that there is substantial potential for extracting further economic benefits from sister-city relationships and that councils and businesses need to take better advantage of the opportunities that such links provide.

As is the case with strategic alliances, however, there are also costs involved in twinning and it is important that the benefits outweigh these costs. Cremer *et al.* (2001:394) for instance state that "[s]ustaining sister-city relationships is something of a balancing act in New Zealand's current tight economic climate. The continuation of these relationships is often cast in local body political debate as more of a frills concern, rather than the core business of a city council."

Criticisms usually fall into three categories (Dupuis & de Bruin, 2000):

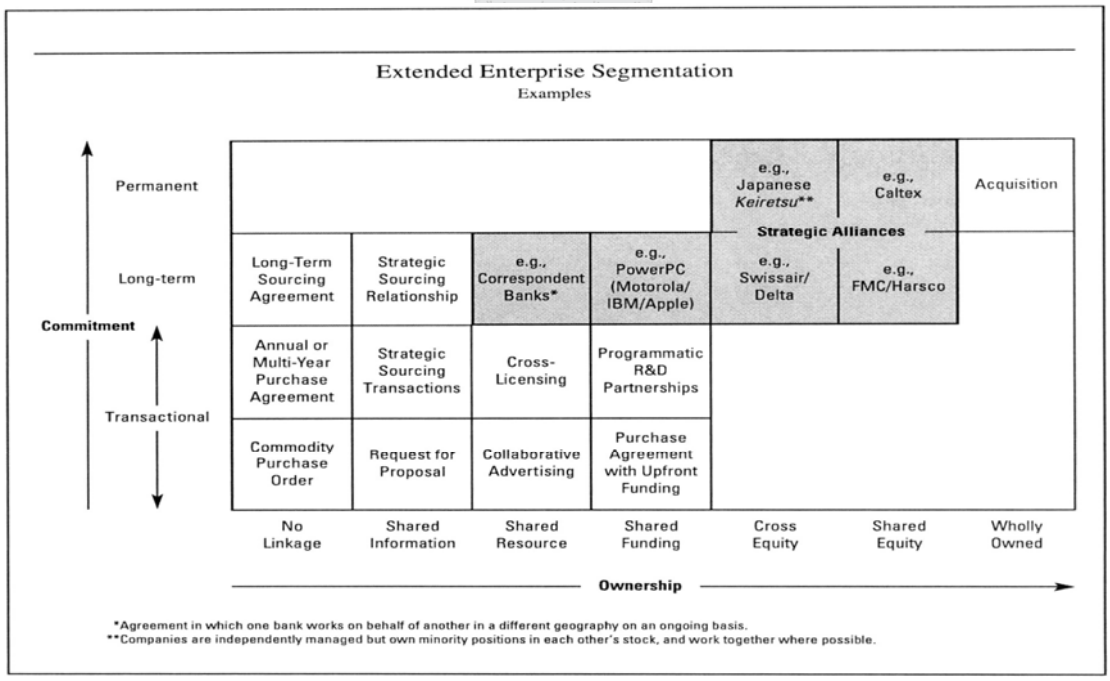
- The first suggests that people are either unaware of or apathetic about these relationships;
- The second centres on the "strange choice" of the cities selected; and
- A third commonly voiced criticism is that the sister-city connection represents little more than a "junket for politicians" financed from ratepayers' money.

2.10 Types of alliances and twinning agreements

In previous sections in this chapter, the context of alliances and twinning was investigated in some detail. In following sections of this chapter, the attention will now turn to the content of alliances and twinning, focussing more on the "what" question.

Many different approaches have been used to categorise the various forms of alliance relationships in the private sector. Harbison *et al*. (2000:20) further suggest that different flavours of alliances have different characteristics and that each type of alliance needs to be treated differently with regards to such issues as best practices, governance, success measurements, and implementation.

Harbison and Pekar (1994:4) point out that within the broad world of "Extended Enterprises", in a similar continuum suggested by Webster (1992) and mentioned in Section 2.2.2, alliances fill the middle ground between strategic sourcing and acquisitions. "These relationships run from conventional transactional sourcing and servicing arrangements at one extreme to acquisitions and mergers at the other. In the middle of the spectrum are what we call strategic alliances" (Harbison *et al*., 2000:3). They categorise alliances on the basis of their strength of commitment, and ownership, which is clearly illustrated in Figure 2.6 below (with strategic alliance shaded in grey):



Source: Harbison & Pekar, 1994:4

Figure 2.6: Extended enterprise segmentation

Strategic alliances are therefore characterised on the one hand by a long-term commitment, and on the other by shared resources, shared funding, or even cross equity or shared equity.

Besides following the above portfolio approach suggested by Harbison and Pekar and Webster, many authors categorise alliances according to their modality of connection. Scholtz (2001:35-48), for instance, provides a summary of:

- Vertical alliances – relationships between companies in the supply chain;
- Horizontal alliances – relationships between competitors or partners carrying out the same activity in the supply chain; and
- Cross-industry alliances – cooperative activity between companies in different industries.

These types are further subdivided as follows:

Table 2.14: Alliances categorised on the basis of modality of linkage

Alliance modality	Sub-division
Vertical alliances	• Joint research and design • Collaborative planning • Strategic suppliers • Transportation • Distribution and assembly
Horizontal alliances	• Shares supply alliances • Distribution alliances • Complementary alliances
Cross-industry alliances	• Cross-industry alliances

Source: Adapted from Scholtz, 2001

Starnes (2000:18) proposes the use of the Raadt-Self system as a tool for identifying and classifying relationships between non-profit organisations into four categories:

- Horizontal alliances (which can be further broken down in regional, product/service, investment, promotional, trade and professional organisations, and networks);
- Vertical alliances (including suppliers, regulators and end users);
- Internal alliances (staff); and
- Osmotic alliances (including outsourcing and relationships with facilitators).

Varadarajan and Cunningham (1995:288), on the other hand, categorise the different types of alliances using three different criteria, namely the functional, industry, and geographic scope of strategic alliances. They point out that the functional scope of alliances describes the focus or objectives of the relationships. Certain strategic alliances tend to be extensive in scope, encompassing several functional areas or several activities in the value chain; others tend to be more limited in scope, restricted to a few functional areas or a single activity in the value chain. The scope of an alliance may therefore either be limited to a specific functional area (value chain activity) or encompass a number of functional areas (value chain activities).

Categorisation based on industry scope makes a clear distinction between intra-industry alliances and inter-industry alliances. In intra-industry strategic alliances the alliance partners tend to be rivals competing for market share in the same product class - either in the same market segments, different market segments, or different geographic markets. According to Varadarajan and Cunningham (1995:288), the partners in an intra-industry strategic alliance can either be market followers, market leaders, or a market follower and a market leader.

Inter-industry strategic alliances exist when firms enter into alliances with firms in other industries than their own. Varadarajan and Cunningham (1995:289) explain that "[i]nter-industry strategic alliances are often propelled by the convergence of industries and the complexity and multiplicity of technologies underlying the products of these emergent industries".

Dussauge and Garette (1999:49) also make a distinction between intra-industry and inter-industry alliances. Alliances between rival firms would, for instance, include:

- Shared-supply alliances;
- Quasi-concentration alliances; and/or
- Complementary alliances.

Inter-industry alliances would include the following sub-categories:

- International expansion joint ventures;
- Vertical partnerships; and/or
- Cross-industry agreements.

Another way of categorisation would be according to the growth and expansion options a company is seeking to pursue:

- International expansion;
- Vertical integration; and/or
- Diversification.

As already mentioned, the objectives of an alliance create a basis for categorisation. Varadarajan and Cunningham (1995:292) suggest that all strategic alliances can be broadly categorised in terms of:

1. Those that pool different and complementary resources and skills to create advantage, and
2. Those that pool similar resources and skills to lower cost.

The choice would depend on the objectives of the alliance. When firms have complementary abilities, each partner can concentrate on the part of the value chain where it can make the greatest contribution. According to this view it is thus possible to envision the product-market offering of a strategic alliance under two scenarios (Varadarajan & Cunningham, 1995:293):

1. An alliance in which the individual partners focus on specific stages of the value chain where they can contribute the most toward cost and/or differentiation advantage given their distinctive skills and resources; and
2. An alliance in which the partners pool their skills and resources in order to jointly perform one or more value chain activities (e.g., technology development, manufacturing, marketing) to achieve a competitive positional advantage.

Kuglin and Hook (2002:6) suggest a distinction between five different alliance types. These categories are set out in Table 2.15:

Table 2.15: Alliance categories

Category	Description
Sales alliance	A "sales alliance" occurs when two companies agree to go to market together to sell complementary products and services. Exclusivity is not a requirement around a sales alliance and the focus is to create sales.

Solution-specific alliance	A solution-specific alliance evolves when two companies agree to jointly develop and sell a specific marketplace solution. Exclusivity may or may not be "in play" with a solution-specific alliance. The focus of the solution-specific alliance is joint selling of a jointly developed solution. Usually this type of alliance has specific parameters and incentives to maximise the return to both parties for their part of the joint development effort.
Geographic-specific alliance	A geographic-specific alliance is developed when two companies agree to jointly market or co-brand their products and services in a specific geographic region.
Investment alliance	An investment alliance occurs when one company makes an investment in another company while at the same time developing an agreement to jointly market their products and services. It also involves some sort of joint effort to co-market and/or co-develop the products and services.
Joint venture alliance	In a joint venture alliance, two companies come together and form a third company to specifically market and/or develop specific products and services. It usually means setting up a separate organisation and financial structure, with ownership interests and incentives specified as the joint venture is established.

Source: Adapted from Kuglin & Hook, 2002

The authors correctly point out that in many cases, alliances between companies can involve two or more categories or types of alliances.

Many different types of alliances exist, with different goals and focuses. According to Connell *et al*. (1996:41), “Alliances for services firms are distinct in certain ways from the alliances typically entered into by manufacturing and product-oriented companies. The major distinction is that service companies generally focus on the marketing and distribution benefits of alliances, while manufacturing firms usually focus on the technology transfer benefits of alliances”. They suggest four different types of strategic partnerships which manufacturers can use to build market position rapidly (Connell *et al.*, 1996:11):

- The supply of product on an OEM basis for rebadging and resale by other companies (vertical supply alliances);
- The creation of value-added reseller networks, where a range of different companies are involved in tailoring or augmenting the product for distribution to specialised users in various vertical markets;
- The establishment of local joint ventures, with or without a manufacturing capability, to access export markets; and
- Strategic investments in local partners.

For service companies they also identify four major types of alliances (Connell *et al.*, 1996:41):

- Alliances for new-to-the world services development or working together to develop new service offerings not currently offered by anyone;
- Alliances for service offering expansion, or working together to improve or expand the types of services available from the alliance partners to their existing customers;
- Alliances for customer base expansion, or working together to expand service provision to new customers, new markets, or new countries/regions; and
- Alliances for coordination of sequential service offerings which happen when small specialised firms team up to offer expanded services to a single client.

The range of partnering relationships as suggested by Lendrum (2000) was introduced in Section 2.2.2. Of these, specifically types eight to ten are alliance relationships and these three types are described in more detail in Table 2.16 below:

Table 2.16: Partner relationship types (8-10)

Relationship type	Description
Type 8 - Partnering relationships	Partnering or alliance type 8 relationships are, above all, about mutual trust. They are based on competence, character, interdependence, honesty and integrity in working together, in good faith, as individuals and teams to achieve shared visions and common goals for mutual benefit. These relationships live in a world of transparency, seamless boundaries, frictionless commerce, performance-based remuneration and joint benchmarking, absent of tenders or competitive bidding in the traditional sense, leveraging core competencies around a broad balanced scorecard of performance measures. Type 8 relationships would normally involve one-on-one or simple cluster relationships more than the virtual or extended networks and supply chains applicable to pioneering and community relationships. This *is* the transition point from being a traditional customer and supplier to being a partner. These relationships are not only strategic but are seen as critical to the long-term well-being and success of the partner organisations. The basis for this is having a shared vision, common goals and jointly agreed performance indicators for which the alliance partners hold themselves mutually accountable. There will be a formal relationship development process and strategy or action plan in place. Cross-organisational teams and not individuals manage the relationship with involvement, commitment and leadership from senior management and the executive teams. The application of the moral agreement has taken prominence over, but not necessarily displaced, the traditional contract. In many cases they are one and the same.

Type 9 - Pioneering relationships	Pioneering type 9 relationships capture those paradigm shifters and pioneers daring to seek new boundaries and break old rules. They are often spoken of as brave, bold and different relationships, and are at the next level of maturity, interdependence and complexity for partnerships and alliances, sometimes called virtual relationships, virtual companies, co-producers, clusters, and consortia networks; they are truly seamless and transparent environments in every respect, often involving public and private sector organisations.
Type 10 - Community relationships	Community relationships are reserved for the extended networks, supply and value chains that are starting to develop in the airlines, business and financial services, computers and communications, pharmaceuticals, auto-motive, entertainment and leisure, healthcare and chemicals, energy and resource sectors and elsewhere. Sometimes called extended enterprise relationships, these communities share the same principles and concepts as type 8 and 9 relationships but are now extended up and down complex supply and value chains.

Source: Adapted from Lendrum, 2000

Many initiatives that go under the name of twinning would not qualify as one of the above relationship types simply because real bonding and cohesion has not been achieved, but a true long-term twinning partnership would fall into these descriptions. Provision is also made for membership of extended networks. Network organisations already exist in the twinning and municipal international relations field, as previously highlighted, but, as can be deduced from the above, much more value can be extracted from them than is currently the case.

As the objectives of an alliance are so important in the alliance type that will develop, it is crucial that the intent of both parties be clearly established right at the start of the relationship. According to Connell *et al.* (1996:45), another way to categorise alliances is by their planned lifetime or survival and where the results of the alliance will reside. They quote Professor Peter Lorange and his colleagues at the Norwegian School of Management who propose that it is possible to define a continuum of the type of alliances based on this notion. At the less intense end of the continuum are “ad hoc” and “consortium” alliances in which each alliance partner contributes resources on a temporary basis, and all of the output is given back to the partners. At the more intense end of the continuum are “project-based ventures” and “full-blown joint ventures”, in which the main outputs of the alliance are retained in the venture.

To summarise, alliances can be categorised into different types based on the following criteria:

- Ownership type and level of commitment (e.g. short or long time frame);
- Modality of connection (vertical or horizontal);

- Scope (functional, industry or geographic scope);
- Based on growth and expansion options;
- What the main objective is (either to create advantage or to lower costs);
- Where in the value chain activities are focused (either jointly in one area or separately in complementary areas); and
- Whether the alliance is based on risk, human resources or costs (Segil, 1996).

Nooteboom (1999:64) sees alliances categorised on a continuum between the extremes of full integration within a single, centralised firm and fully independent firms engaged in pure market contracting. "Usually, the spectrum is indicated along a single dimension of concentration or integration." Integration, according to him has at least two dimensions:

- Financial integration of ownership, entailing claims to profit, and
- Organisational integration, entailing decision rights.

But this distinction can be too simple. Nooteboom (1999:66-67) suggests that there are not just two but actually at least nine dimensions, compressed into the two mentioned above. The nine dimensions that differentiate different types of alliances are specified as follows:

1. Legal form: "Limited company, legal partnership, society, foundation, contract. A joint venture (JV) will generally be a company; an association might be a foundation";
2. Number of participants: "In a JV it is typically two, in a consortium several, in a franchise or association many";
3. Duration: "A single project, latent relations that are activated for projects as they come along, continuous ongoing cooperation";
4. Range of joint assets: "A full range as in a JV, or a range focused on some specific activity such as co-makership, or next to no shared assets as in most associations";
5. Distribution of asset ownership among the participants: "A simple measure would be the share of the largest participant";
6. Range of activities in which cooperation takes place: "A systematic classification would be on the basis of Porter's value chain. In an association this is typically very limited, in co-makership it is considerable, in a JV it is extensive";

7. Intensity of cooperation: "Mutual adjustment by dedicated investments, the type and extent of knowledge exchange, frequency of meetings, exchange of staff";
8. Distribution of decision rights: "Who has decision power over what activities?"; and
9. Network pattern of relations between participants: "This becomes more salient as the number of participants increases. One pattern is the hub and spoke: a central firm has relations with all others, who have no relations among themselves. That is the typical pattern of an association. Another is that all participants have connections with all others."

As there are a diversity of types of strategic alliances in the private sector, city-to-city activities differ in many important ways, "reflecting the tremendous diversity of interests, purposes, institutions, resources, and situations" (UN-Habitat, 2001b:2). Although we focus specifically on twinning in this study, Uijen (2000) investigates relationships between regions in Europe and proposes that contacts across the state border on a subnational level of administration can take many different forms, as listed below:

1. *Jumelage* (twinship) is a form of cooperation between two or more communities in different states. "The purpose is a more international orientation of the inhabitants of the local community and to promote a better mutual understanding. It is developed through personal relations and friendship and comprises cultural exchange."
2. Adoption is a form of twinship in different states, where one community is supported in a material way by the other. "The purpose is the expression of solidarity, combined with material efforts, in the form of exchange of experience and know-how, playing an intermediary role in economic contacts and the provision of technical assistance."
3. Translocal cooperation is a form of cooperation between communities to promote a shared interest. "An example of this is the Eurocities Network of 40 cities in Europe. The objective of this form of cooperation is the formulation of a single opinion on issues concerning these cities and to gain influence in European institutions."
4. Transregional cooperation is the cooperation between regional associations of communities, or of regional authorities across state borders. "Like the Eurocities Network, these regions formulate a single opinion in order to promote the interests of the regions. Economic interests are the dominant purpose of this cooperation."
5. Euregional cooperation is "transfrontier cooperation between subnational communities or authorities, located in one border region and, together, forming a region in itself". The purposes of this type of cooperation are diverse, "varying from cultural exchange, to the

solution of a crossborder regional problem to the promotion of the economic interests of the whole region. Euregions have taken many forms of organisation and differ widely in objectives."

According to the UNDP a very wide diversity of inter-connections between cities exist "ranging from enduring city twinnings through technical cooperation partnerships to individual ad hoc contacts". But a distinguishing feature is whether each city's own local government body is formally committed to the link. In their view, such a commitment need not necessarily be to a long-term or indefinite relationship, it can simply be related to the undertaking of a specific time-limited programme of cooperation (UN-Habitat, 2001b:19). Many sources suggest that there has been a move from long-term twinning relationships to short-term project-orientated agreements. Sister Cities International, however, sees these relationships as a first stepping-stone for a long-term twinning and has launched its "International Partners" programme as an alternative to the traditional, long-term sister cities partnership. According to them, "This type of affiliation allows sister-city partners to undertake shorter-term (perhaps two- or three-year) projects to address issues like economic development, healthcare or municipal cooperation, with an international partner. These partnerships provide an opportunity for both sides to assess their compatibility and hopefully build the foundation for an official, long-term sister-city partnership" (SCI, 2002d:7).

The UNHSP has, in its research, differentiated linking relationships by using five different segmentation variables as illustrated in Table 2.17 below. The starting point of this analytical framework is a basic distinction between the practices of city-to-city linkages on the one hand, and support activities on the other. Such a framework offers many important benefits (UN-Habitat, 2001b:11):

- It becomes possible to see more clearly the defining characteristics of individual practices (or support activities);
- Being based on a common set of descriptive categories, the information generated is more readily comparable across otherwise highly divergent cases; and
- This approach demonstrates the richness and wide range of different city-to-city practices which might otherwise appear quite similar.

Table 2.17: Linking segmentation

Segmentation criteria	Possibilities
Geographic orientation	▪ North-North ▪ West-East ▪ North-South ▪ South-South ▪ Global
Linking modality	▪ One-on-one ▪ Groups ▪ Networking
Primary cooperating parties	▪ Local authority services ▪ NGOs and CBOs ▪ Private sector ▪ Academia ▪ National associations of local authorities ▪ Others
Focus in the urban management process	▪ Technical information and expertise ▪ Strategy formulation / decision- making ▪ Strategy implementation ▪ Management of change / institutional reform
Thematic focus	▪ Municipal finance ▪ Environment ▪ Infrastructure and services ▪ Health ▪ Housing / shelter ▪ Employment / economic development ▪ Security / disaster management ▪ Social / cultural ▪ Other

Source: UN-Habitat, 2001b:11

Another one of the primary ways to differentiate between twinning agreements would be to ascertain the objectives of the partnership agreement. In Chapter 1 it was suggested that in order for a relationship to qualify as a strategic alliance, there has to be agreement on common objectives with the purpose of increasing the competitive position of both partners. Below are listed some of the objectives of current twinning agreements:

- "To promote friendship, goodwill, education, economics and tourism." (City of Camrose).
- "Cities all over the world have been twinning for various reasons, be it economic, social, political and cultural purposes. City twinning also covers a broad range of exchanges, projects and initiatives, which benefit all levels of community including business, education, culture, social, sports, youth and women. More opportunities and avenues in city twinning may well be explored in the near future, with exciting and favourable outcomes. Business opportunities have also flourished through twinning initiatives

including packaged holiday tours, commercial activities and port trading" (Zelinsky, 1991).

- The Bulgarian Technical Twinning Programme lists objectives in primary and secondary areas. Primary areas are citizen participation, economic development, environment, finances and budget, housing policy and construction, infrastructure management and planning, sustainable development, strategic planning, and urban development. Secondary areas are culture, education, healthcare, police, economic development, environment, social care/ welfare, municipal transportation systems, establish contacts between NGOs, and municipal/ city administration (Bulgarian Government, 2002).
- In South Africa, the objectives of the partnership between South African and Swedish towns include the following (SIDA, 1999): "Activities to promote poverty alleviation, economic growth, socio-economic and gender equality and consideration of the environment. The overall objectives of twinning, or partnership between cities, are to strengthen local democracy and use the transfer of knowledge to develop the municipalities concerned." The primary areas for cooperation are municipal organisation and administration, development of local enterprises, international contacts and trade, waste disposal systems and techniques, overall municipal planning/development planning, city centre commerce and inner city issues, educational and training institutions and cultural exchange.

Another way of differentiation is by the nature or modality of the linkage. When the twinning movement started, activities were fairly limited, consisting of "goodwill exchanges and similar social-cultural relationships, often based on shared language, language learning or historical background and typically with an objective to raise mutual awareness and understanding" (UN-Habitat, 2001b:). This was achieved through personal exchange, with groups and individuals (youth, sports teams, musical groups, etc.) visiting each others' cities, supported by exhibits and information displays, films, and media coverage. Although these practices are still used today, many new approaches have been introduced, specifically in partnerships involving developmental work. Some of these new approaches include (UN-Habitat, 2001b:35-37):

- Documentation of good practice and related matchmaking activities (e.g. the leading example is the Best Practices Programme of the United Nations Centre for Human Settlements (UNCHS-Habitat);

- The exchange of specialised staff;
- The exchange of information and technical knowledge;
- The rapidly growing emphasis on networking - the establishing of flexible systems of communication and exchange among large groups of cities; and
- Demonstration-replication, together with the creation and dissemination of guidelines and working tools or toolkits.

Individual cities have also developed their own classification schemes. The City of Bonn, for instance, differentiates between their international linkages as follows (City of Bonn, 2003:27):

1. Twinning (long-term relations aimed at exchanges at most varied levels);
2. Friendship between cities (preliminary stage for city partnerships which may end up in twinning);
3. Project partnerships (temporary and sectoral cooperation in specific areas, for instance in the fields of culture, and youth work); and
4. Project partnership networks (project-orientated and sectoral cooperation of several partners in one region).

2.11 The content of twinning agreements

According to the UNHSP, the strengthening of the capacity of cities to deal with their own problems is now an acknowledged international policy goal and partnerships between cities are increasingly gaining recognition as a cost-effective and sustainable strategy. Areas of cooperation include an exchange of experience, transferring and adapting successful practices, and more involvement of cities as direct participants in international programmes addressing problems of urbanisation and sustainable development (UNHSP, 2002a).

The key objectives of municipal international cooperation (MIC), according to the International Union of Local Authorities, are (IULA, 1997):

1. The design of national policies and programmes for decentralisation;
2. The (re)structuring of democratic local government systems (including legal, financial and staffing frameworks and arrangements for human resource development);

3. Building the indigenous management and institutional capacity of local governments, including their capacity to participate as partners in MIC programmes and to make effective use of external donor funding;
4. Improving the skills of local government practitioners and the management of services delivered to local communities;
5. Strengthening local government institutions at the national level (e.g. democratically controlled national associations, professional networks and training institutions);
6. Assisting development of effective democratic processes at the local level (including the role of local government in promoting civic education and empowerment of local citizens);
7. Strengthening the role of women in local government and local decision-making;
8. Strengthening the role of local governments as facilitators and leaders of sustainable local development with the capacity to contribute significantly to poverty alleviation and cohesion in society; and
9. The development of decentralised fiscal systems.

But modern twinning goes much further by focussing not only on the strengthening of the municipality, but on the development of the social and economic development of the whole community. According to Sister Cities International, sister-city programmes involve the widest possible diversity of exchanges and projects. "Basically, anything that goes on in a community can become – and has, in one city or another – the subject of a sister-city project, including healthcare, environment, arts, education, economic and business development, public safety, municipal training, youth, and much more" (SCI, 2004).

The Sister Cities International database is, for instance, categorised into a vast number of different themes, as set out in Table 2.18:

Table 2.18: Sister Cities International: database themes

Category	Theme
Innovation themes	• Arts and culture • Disabilities • Economic development • Education • Environment • Health • Humanitarian assistance • Municipal cooperation • Sports • Technology and communication • Women's issues • Youth

Excellence themes	• Board of directors • By-laws and Articles • Fundraising • Media and public relations • Membership development • Organisational structure • Relationship with City Hall • Strategic Planning • Technology • Youth involvement
Partnership themes	• Chamber of commerce • Colleges and universities • Corporate • Municipal departments • Religious organisations • Secondary schools • Service organisations • Tourist organisations

Source: SCI, 2004

According to SCI International (2003a:4), the following are popular sister-city activities:

1. School affiliations;
2. Performing/visual art exchanges;
3. Community development programmes;
    - Health, Environment
    - Humanitarian Assistance
    - Tourism, Economic development
    - Telecommunications
4. Business/trade delegations;
5. Foreign language instruction;
6. Club or organisational links;
7. Newspaper column exchanges;
8. TV station links;
9. Video exchanges;
10. Community service projects;
11. Museum exchanges; and
12. Radio station links.

In their research project, the UNCHS found that cooperation in those partnerships where the emphasis is on development, in the case of city networks concerned with sharing information and experience in upgrading their urban development planning and management processes focus on (UN-Habitat, 2001b:11):

- Technical information and expertise;
- Strategy formulation and decision-making;
- Strategy implementation; and
- Management of change and institutional reforms.

They also note that: "Clearly, the scope of substantive topics addressed through C2C practices can span the whole range of local government activity - as well as encompass areas which are largely outside the responsibility of local government" (UN-Habitat, 2001b:25). They therefore identified the following sectoral themes of involvement that are found in these partnerships:

- Municipal finance;
- Urban renewal;
- Health;
- Security;
- Environment;
- Water supply;
- Solid waste management;
- Transport;
- Housing;
- Public health;
- Economic development; and
- Education, etc.

The World Health Organisation (WHO, 2001:3) lists a number of activities undertaken as part of a twinning. These are:

- Training exchanges, which include internships, on-site training or study tours;

- Information exchanges;
- Technical exchanges; and
- Collaboration on technical initiatives

Cremer *et al.* (2001:378) also observe that "[s]pecific to the phenomenon of sister-cities is that these links are made for a range of identifiable purposes and largely outside the auspices of any central government involvement".

2.12 Summary

In this chapter, the context of twinnings worldwide was discussed from a multidisciplinary perspective, also within the context of strategic alliances in the private and non-governmental sectors. Further to this, the content of such twinnings was analysed by looking at twinning as a special form of strategic alliance, defining the concept, tracing its history, evolution and extent worldwide, as well as describing its scope of activities.

In the next chapter, the process of twinning is investigated in detail, and a conceptual model of twinning is developed on which the primary research that follows, is based.

CHAPTER 3: THE PROCESS OF TWINNING AND DEVELOPMENT OF A CONCEPTUAL MODEL

3.1 The alliance formation process and the alliance lifecycle

Entering into alliances and managing alliance relationships constitutes a process and alliances, once established, go through a lifecycle which should also be carefully managed. The next section will therefore present a discussion on pertinent issues in the process of formulating an alliance strategy, identifying and selecting partners, negotiating and entering into agreements, managing the alliance, and measuring its success.

In order to achieve success in transnational relationships, it is important to follow the right process, based on experience and best practice. According to the Local Government International Bureau: "There is no single correct model, but there are general principles that need to be followed" (LGIB, 2001:3). According to this organisation, the majority of local authorities have some involvement in international cooperation either directly or, in some cases, through a community led-twinning association.

Putting together a transnational partnership between cities or towns does not happen overnight. Zelinsky (1991:4) observes that "normally many months or even some years of exploration, courtship and mutual foreplay must pass before the union is consummated". According to Sister Cities International (2003a:4) it takes one to two years to make the necessary contacts, to build solid sister-city programmes on each side and to develop good communication links (SCI, 2003a:4). The period taken to twin South African cities and towns is also investigated in the primary research that was conducted for this study, and reported in Chapter 6.

3.1.1 The alliance formation process

Entering into alliances comprises a process and according to Lendrum (2000), "[f]or strategic partnering to be successful, the three critical elements of environment, process and people must be understood and effectively integrated". The process starts with the formulation of an alliance strategy, setting criteria for partner selection, then selecting candidates, concluding the agreement, and managing the relationship.

In the next sections, the process of twinning is investigated in more detail. Although Sister Cities International suggests the following six steps in setting up a new twinning (SCI, 2003a:4), it is evident that more is involved than the simple selection of a partner as suggested:

1. Selecting a sister-city;
2. Incorporating the programme;
3. Building membership;
4. Forming committees;
5. Designing the budget; and
6. Generating publicity.

Another, broader and better, framework regarding these steps is as follows (Risstrom, 2001:3):

1. Needs assessment;
2. Identify potential twinning partner;
3. Choose a partner;
4. Sign commitment to exchange; and
5. Develop work plan and timeline.

Biggs (2003:3) proposes the following ten steps which will lead to alliance success:

1. Strategic business alternatives and selection;
2. Alliance strategy development;
3. Valuation of alliance options;
4. Target partner due diligence;
5. Alliance plan development (alliance structure, management processes and measures of success);
6. Pre-negotiation alliance strategy and post-alliance communications plan;
7. Negotiate agreement (doing the deal);
8. Alliance organisation, announcement and implementation;
9. Alliance monitoring and measurement; and

10. Continuous improvement plan.

From these suggestions, it is clear that a systematic process must be followed in order to achieve alliance success. The first steps are to conduct a needs analysis and to formulate an alliance strategy.

3.1.1.1 The alliance strategy

Management's challenge, in the view of Palermo (2003:21), is to determine its alliance priorities based on the magnitude of the opportunity, the relative strength or weakness of a particular link in the value chain, and equally important, its internal alliance skills capabilities. Developing an alliance strategy to guide decisions about alliance issues is critical. "An alliance without a coherent strategy behind it is doomed to fail" (Gomes-Casseres, 1998:1). It is important to realise that it is the strategy behind the deal that matters, not the deal itself.

According to Gomes-Casseres (1998:2), a coherent alliance strategy has four elements:

1. An underlying business strategy that shapes the logic and design of individual alliances;
2. A dynamic view that guides the management and evolution of alliances;
3. A portfolio approach that enables coordination among alliances and enhances flexibility; and
4. An internal infrastructure that supports and strives to maximise the value of external collaboration.

Bamford *et al.* (2003:3) list the most important issues in developing an alliance strategy in Table 3.1 below.

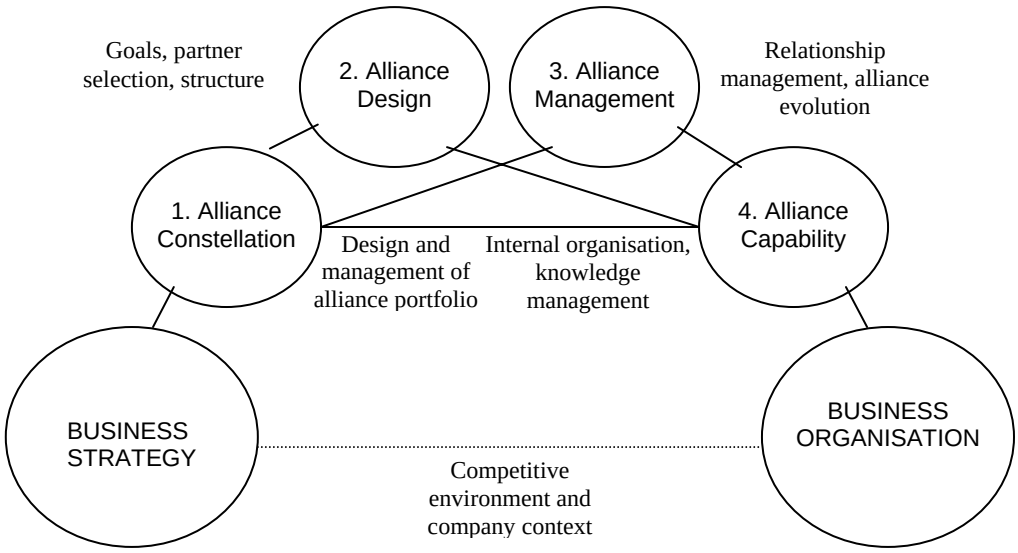
Table 3.1: Important issues in developing an alliance strategy

Design of an alliance
• Why use an alliance, as opposed to relying on internal resources, acquiring a company, or buying services and products on the market? • What is the scope of the alliance, that is, what is included and excluded? Which markets or products, technologies, and business systems does it include? • What are the criteria and methods for selecting a partner? • What are the options for structuring the alliance, and what effects will these structures have on governance and value sharing? • How should the alliance be negotiated, that is, what are the priorities, who should be on the negotiating team, how will the relationship be affected by bargaining, and so on?

Management of an alliance
• How should the relationship be launched, that is, what should be done in the first 30 to 180 days? • What is the process for making decisions in the alliance when issues arise that have not been resolved in advance, as they surely will? • How will operational decisions be made within the alliance, on both routine business and new strategic directions? • How will the performance of the alliance and the relationship between the parents be measured and monitored, and how will these measures be linked to individual incentives? • What is the process for adjusting the alliance design (or even terminating the alliance) as the partners accumulate experience working together?
Design and management of an alliance constellation
• Where in the business value chain and in the market space of the company should the alliances be formed, how many alliances should there be, and of what type? • What should be the relationship among the various alliances and partners in the constellation? • How will interactions among alliances of different divisions be identified and managed? • How should the company's multiple linkages be structured; for example, should there be a loose network, a stand-alone consortium, or an equity joint venture? • How will the company's constellation compete with rival constellations and to whom will added value ultimately flow?
Development of an internal alliance capability
• Who in the corporation should be responsible for specific tasks in alliance design, alliance management, and in coordinating the alliance constellation? • What skills, human resources, processes, tools, and systems are needed in each area? • How centralized or decentralized and how formal or informal should the alliance capability be? • How will the corporation capture and disseminate learning from its own experience with alliances? • What will encourage incorporation of alliance thinking into the general management of each business?

Source: Bamford, Gomes-Casseres & Robinson, 2003:3

They suggest that their model as depicted in Figure 3.1 below be used to integrate the above-mentioned elements and issues into best-practice principles.



Source: Bamford *et al*., 2003:10

Figure 3.1. The arc of alliance strategy

The alliance strategy must essentially cover the four areas of (1) alliance constellation (strategies for the design and management of the alliance portfolio), (2) alliance design (goals and strategies for partner selection and alliance structuring), (3) alliance management (strategies for relationship management and alliance evolution), and (4) the building of alliance capability (internal organisation and knowledge management). Bamford *et al*. (2003:9) maintain that within the arc, the strongest links are between alliance design and alliance management.

As can be seen from the model, the alliance strategy forms an integral part of the business strategy and the business organisation. The alliance constellation and alliance capability elements apply to the collection of alliances of the firm. Constellation design often sets the stage for the design of individual alliances, because it influences goals and partner selection criteria, whereas alliance capability often determines how the firm will tackle alliance management. Weaker links exist between the management of alliance constellations and the management of individual alliances, and between capability and design (Bamford *et al.*, 2003:10).

Mockler (1999:55-56) also concurs about the importance of alliance strategy. He states that it is necessary for companies to craft a detailed alliance strategy that will translate overall strategies into action. According to Mockler (1999:55-56), this can be done by studying an enterprise's operations from different detailed viewpoints:

- Analyze and evaluate the key activities of the value chain involved in implementing the firm's stated enterprise-wide strategy;
- Determine which of the activities might be done separately, either by different alliances with different partners or in stages over time;
- Specify which activities can be done through alliances while protecting core competencies and technologies that are competitive advantages;
- Study ways to leverage each firm's resources synergistically, that is, ways to maximize each partner's strengths;
- Do not focus so exclusively on the possible synergies that insufficient attention is given to studying the operational fit;
- Keep lawyers informed and consult them for guidance, but where possible be careful not to introduce them into the negotiations before relationships have been developed and basic strategic issues settled;

- Prepare contingency plans that allow for forming new alliances that will not be limited by existing alliances; and
- The alliance must add value, that is, it must be worth more to each partner to enter the alliance than to go it alone, and each partner must learn something from the alliance.

Harbison and Pekar (1997:13) propose that alliance capability influences alliance success positively. They have found in their research that, depending on the level of institutionalisation of alliance skills, three broad strategies are utilised:

1. Most companies evolve their alliance approach and capability over time (ad hoc approach);
2. The learning of the corporation resides in one or two specialists who get called in during negotiations to act as the gun-slingers of alliance knowledge (lone ranger approach); and
3. The most skilled level is the institutional level. Here, there is a normalisation of procedures, often a dedicated staff with a high degree of sharing, and in general some established repository of knowledge for future use.

It is therefore clear that a sound alliance strategy is essential for the building of successful strategic alliances and that the development of alliance capability at the institutional level will further contribute greatly to success. One of the hypotheses developed and tested later in this study deals with alliance strategy and its role in twinning success (see page 322).

It is obvious that an NCG or community also need an alliance strategy before specific relationships are entered into. Such a twinning strategy should spell out answers to questions such as why do we want to twin, what do we want to achieve with a twinning, how is it going to benefit both parties, and so on. Kern (2001:12) suggests that a local government and local community in Europe need a “local authority foreign policy” through which two strategies are pursued:

1. Transnational learning, promoted by both direct – often project-related – cooperation with (sister) municipalities in other countries and by participation in local authority networks; and
2. Networking, mediated by associations and networks of local authorities, directly concerned with policy processes and programme development in the European Union.

This “foreign policy” is by no means restricted to membership of urban associations and networks like Eurocities. “There are also direct relations between municipalities, typically in the form of twinning. The Hanseatic city Rostock, for example, which belongs to the UBC, ICLEI, and the Climate Alliance, has 13 partner cities, maintains friendship with 6 further cities and runs a ‘foreign ministry’ with a staff of 4 answerable directly to the mayor” (Kern, 2001:9).

But the UNHSP concludes from their research that “[c]ities may need to take care not to multiply their international commitments beyond a manageable level. Partnerships require consistent and reliable inputs from both parties” (UN-Habitat, 2001b:39).

Besides deciding on a policy and what needs to be achieved through international linkages, it also needs to be decided through what types of organisations or modalities of alliance these goals will be realised. The Local Government International Bureau, for instance, observes that: “Some local authorities believe strongly that traditional twinning remains an important way of learning and sharing experience. Others prefer relationships based around specific projects for more limited periods of time, and many authorities take part in various kinds of partnerships, covering both twinning and project partnerships” (LGIB, 2001:3).

An example would be Leeds City Council in the United Kingdom who uses its twinning links to contribute directly to the city’s European and international relations strategy, which consists of four aims (LGIB, 2001:5):

- Influencing European policy;
- Assisting international business;
- Creating opportunities for young people; and
- Marketing the city internationally.

Their twinning and other links have work programmes with the following objectives:

- Building school partnerships;
- Building community links and exchanges;

- Building business contacts: and
- Promoting further- and higher-education cooperation.

Another example is the City of Bonn, whose aim is to use international relations to position the city as the "Centre of International Cooperation" globally. Their specific goals are for Bonn to become (City of Bonn, 2003:9):

- A city of North-South dialogue and of sustainable and workable development;
- A Europe-oriented city;
- An East-West meeting point and a city of international science and research as well as a future-oriented economic structure.

An alliance strategy or "foreign policy" is therefore critical as it provides the foundation for the type of relationships the community will enter into to achieve the vision, aims, or goals that have been set. It also ensures learning and the development of alliance capability necessary for alliance success.

3.1.1.2 Alliance type and structure

Once the company has an alliance strategy in place, it can start contemplating specific alliance possibilities. The logical place to start is with what the company wants to achieve with the alliance. Connell *et al.* (1996:39) suggest a number of steps to guide the formation of alliances of service firms and to audit current relationships:

1. Determine the appropriate type of alliance (the first step in the alliance formation process should be to clarify the purpose and nature of the relationship); and
2. Determine customer requirements and establish audit criteria (they suggest an audit of alliance effectiveness must carefully identify, and if possible quantify, the factors that are of value to the end customer. These requirements should direct the establishment of criteria for evaluating the alliance).

The structure of the alliance should also be contemplated at this point. Mockler (1999:14) suggests that there seems to be an infinite variety of permutations and combinations in the

way alliances can be structured, and that loose alliance agreements were found in surveys to be a major cause of alliance failure.

The best structure is obviously the organisational arrangement which most effectively meets strategic fit, operational fit and personal chemistry situation requirements and which is accepted through negotiation by all parties concerned.

In the specific case of twinnings, Sister Cities International (SCI, 2003c:4) has the following comments to make:

- In most countries in the world, sister-city programs are formally managed by an international relations division or some other official representative at city hall. There are obvious historical and practical reasons for this.
- The U.S., with its tradition of more individualistic volunteerism, is more the exception than the rule. It is therefore critical, as a matter of basic protocol and to tap the full potential of their sister-city program, that the local government in the U.S. city maintains an active interest and involvement in the sister-city programs. In practical terms, this means the mayor taking time to visit with delegations; designating a contact person/support staff for sister cities at city hall. At that same time, U.S. communities need to request that their counterparts abroad set up a committee of interested volunteers in their community, if they do not already have one.
- There is often a very strong interest in "economic development" on the part of international cities who are seeking a U.S. partner. While U.S. cities also have an increasingly strong interest in this area, both will need to carefully discuss with each other exactly what they mean by "economic development." In many cases, a compromise will have to be reached between those interested more in business activities, versus educational and cultural exchanges.
- You need to realize that most local governments in the U.S. do not have large budgets for international affairs – that volunteers are the backbone of most U.S. sister-city programs. Some local governments in the U.S. do not contribute any funds at all to their local sister-city programs, which means that all sister-city program efforts will be carried out by volunteers, requiring a great deal of their time and many out-of-pocket expenses.

3.1.1.3 Finding a candidate partner

Segil (1996:118) proposes a number of critical steps necessary for good alliance creation which include developing partner criteria, developing a prospect list, conducting strategic fit analysis, evaluating candidates, getting to know the individuals involved, and the creation of an implementation plan. These steps are briefly discussed below.

Step 1: Developing qualitative and quantitative partner criteria

These criteria could be deduced directly from the alliance strategy of the organisation and typically address the ideal characteristics of a potential alliance partner, in terms of size, market share, corporate personality, and position in the relevant industry. For international alliances, Elg and Johansson (2001:100) propose the following guidelines:

- The firms' goals and strategies should be compatible;
- The character of the firms' resources and strengths should be different;
- Beware of cultural and organisational differences;
- Agreement on how the parties perceive the alliance and strategies for managing it; and
- Relative size should not be too different.

Step 2: Developing a prospect list

It is critical that partner analysis be proactive, not reactive. Even if a potential partner has approached you, you may nevertheless want to search for a comparable partner. Searches for potential partners can take different forms through a multitude of different channels, as listed below (Segil, 1996:119; Connel *et al.*, 1996:52):

- Firms with which you do business (e.g. customers, suppliers, distributors, and competitors);
- Partners you already have, by extending a relationship with a known entity;
- Large scans of the industry in which you are interested;
- Consulting the venture-capital community;
- Consular trade offices and government agencies for leads for international introductions;
- Consulting industry experts;
- Trade publications;
- Visits to trade shows and conferences;
- Buyer's guides;
- Electronic (database) literature searching; and
- Trade associations.

The initial screening of candidates could be done in the following way (Connell *et al.*, 1996:26):

- Interview the company's major customers;
- Obtain a credit report for each of the final candidates;
- Evaluate the distribution of sales for each of the candidates;
- Establish the potential partner's reputation in the industry;
- Establish whether the prospective partner seems interested in and committed to making an alliance work; and
- Establish if the potential partner's goals for the alliance match up with the objectives of the initiating company.

Step 3: Strategic fit analysis

The concept of strategic fit is very important in partner selection. Mockler (1999:200) suggests that the best strategic fit is not always readily apparent. It is therefore necessary to explore the operational fits, as well as the relative present and future competitive positions, of the partners. Segil (1996:121) proposes that the following questions be asked at this stage:

- Does the potential partner fit the quantitative and qualitative criteria you have developed?
- Will the relationship meet the mission statement goals you have created?
- What are the details of the partner's business, such as their management capabilities and the intention of key managers or project champions to remain in the partner company?
- What do you know about the key champion in the partner company?
- Have you diligently collected information on the company - its business history, financial background, and general position in the industry?
- What is the strategic potential for your company of a partnership with this candidate?
- Is there another partner in the same industry that would be a better candidate?
- In this relationship, what would the risk exposure for your company be in terms of both embedded and migratory knowledge transfer?

Connell *et al.* (1996:21-22) suggest that alliance partners should he assessed according to the following dimensions as set out in Table 3.2:

Table 3.2: Partner assessment criteria

Criteria	Description
Company size and strength	Alliances that are entered into with the purpose of strengthening the weaker partner have a high risk of failure. The dynamics of such an arrangement often lead to the domination of the alliance by the stronger partner. Partnerships tend to fail unless each partner has an equal stake in (and contribution to) the alliance.
Culture	In order for partners to cooperate effectively, the companies must have compatible values and beliefs. Some cultural values lend themselves better to alliances than others. Two of the values that are conducive to good alliances are described below. • *Flexibility.* The mark of a good alliance is one that can change as conditions evolve. • *Ability to transfer skills.* Companies involved in a partnership must be able to transfer skills, and implement the skills derived from the knowledge base offered by the other company. An ideal alliance partner can both receive and transfer skills.
Complementarity of businesses	Alliances tend to be ineffective when they centre on the core business of either of the partners. Likewise, they are more useful for breaking into new markets, rather than operating in markets where both companies already have a strong presence with competing products. Some of the best partnerships result when one company contributes a unique technology and the other partner provides access to a market previously untapped by the technology-bearing company.
Management compatibility	Management must be compatible.

Source: Adapted from Connell *et al.*, 1996:21-22

Step 3 (the strategic fit analysis) is followed by step 4 which entails ranking the strategic fit of candidates. Step 5 entails meeting and evaluating candidates, step 6 getting to know the corporate champion of the partner, step 7 looking out for potential problems, step 8 obtaining internal approval. This is followed by step 9, the creation of an implementation plan.

Connell *et al.* (1996:51) propose that potential partners should also be evaluated according to their ability to contribute equally to the alliance, as "[a]lliances in which one partner is consistently strong in the functions it brings to the venture while the other is not strong have a high failure rate." Alliances where one partner has a much greater commitment to the relationship should also be avoided. According to them, "The most effective partnerships seem to develop when the largest company is no more than three times the size of the smaller company, when all partners are equally committed to the alliance, and when the strengths and weaknesses of the partners complement each other rather than overlapping." A further

important criterion is that the partners have common and compatible values, beliefs and business priorities. Hypotheses that deal with management commitment and shared values were therefore also developed and tested later in this study (see page 330).

Connell *et al.* (1996:54) suggest that once the two or three most suitable partners have been identified, due diligence research should be completed covering the following areas:

- Interview the candidate partner's customers to establish how well the company meets its customers' needs.
- How healthy are the candidate partners? Are they too dependent on one customer? How stable is their financial performance?
- Do the candidates have a good reputation?
- Is there the potential for a good personal relationship between executives from the candidate partner companies?
- Do their goals for the alliance match up with those of the initiating company?
- What other alliances are the candidate partners involved in?

Kuglin and Hook (2002:232) also point out that when selecting alliance leaders and employees, companies need to first look for character and integrity as important selection criteria in a potential partner.

Mockler (1999:202) states that in one survey, poor partner selection was listed as the principal cause of alliance failure by 85% of the 500 CEOs questioned, and that the process of getting to know partners continues both during and after selection. The criteria for partner selection proposed by him are congruent with those of other sources:

- The compatibility of strategic goals: what each partner intends to get from the alliance;
- The degree of commitment that can be expected;
- The compatibility of values, cultures and personalities;
- "Personal chemistry" as an important basis on which to build trust; and
- Competency, both in relation to the strategic match of partner competencies with strategic needs and in relation to the effective operating of the alliance.

As far as twinning is concerned, once the ideal alliance type and structure have been decided, the search for a partner can begin. Zelinsky (1991:21-22) identifies many different criteria used for partner selection from real case studies. These are:

- Geographical factors;
- Politics in a historical perspective (e.g. previous armed conflicts);
- Historical connections between countries (e.g. immigrants);
- Long-lasting cultural sentiments (e.g. linguistic, ethnic);
- Philanthropic reasons (e.g. North-South twinnings);
- Common social or economic interest (e.g. ports or business sector such as wine, shared music or art);
- Major universities;
- Presence of archaeological sites;
- Political ideologies;
- Similar names; or
- Personal connections.

Cities find each other in many different ways and Sister Cities International (SCI, 2003a:4) describes various ways in which this could happen:

- Sometimes it is a top-down process, where two mayors meet and become friends, then involve the rest of their community;
- Other times, it is a bottom-up process where a group or individual in the community, an educator, a businessman/woman, a service club or an ethnic association, take the lead and organize a sister-city committee, then request that their elected leaders form an official partnership;
- Some cities link because they share the same name, or celebrate the same famous festival;
- Charming odd coincidences or chance meetings sometimes also lead to a sister-city affiliation;
- Some twin due to a common ethnic heritage;
- A number of sister-city ties have been formed after a U.S. or foreign company opened a factory in a city abroad, or when two cities have very similar economic bases, such as two ski resort communities or sister ports; or
- SCI introduces cities to each other through requests that come directly to the national headquarters through individuals or organizations with which SCI works.

They emphasise that: "Once two cities have found each other, it is very important that they not rush the formalization process. Sufficient time should be taken to develop a strong base of support for the partnership in both communities" (SCI, 2003b:3). This could be done through:

- The two cities sharing information, including their best brochures, city reports, and videos, if available;
- Each community developing strong city hall and business support and, most importantly, a broad-based committee made up of a wide-range of citizens who are interested in supporting the partnership. This committee should not consist of only one ethnic group, nor be dominated by a single individual;
- Official delegations should visit both communities. These official delegations should include, but not be limited to: the mayor (or another high-ranking city official); representatives of the business community; the acting president, chair and/or city liaison for the sister-city program; an educator; and a person or group to highlight local culture, such as a performing artist; and
- It is often desirable to carry out a specific, substantive exchange or project of interest to both sides prior to formally linking as sister cities. These projects then become a concrete success story to build on – a statement that the program will be active and meaningful for both sides. Such first exchanges could include an exchange of children's artwork, an internship involving city officials focused on city planning or the environment, hosting a business delegation, and/or a cultural arts performance.

But what are the criteria for selecting a partner? Sister Cities International suggests that the composite of different factors as set out in Table 3.3 should be taken into account when selecting a sister-city. The choice depends entirely one's your objectives, which could, for instance, include economic development, diverse cultural exchange, humanitarian assistance, and so on.

Table 3.3: Factors to consider when selecting a partner

Category	Factors
A. Overall factors to consider	• Genuine interest on both sides • Long-term commitment to the relationship • Adequate financial support for exchanges and maintenance of the relationship • Realistic assessment of what makes a successful sister cities relationship • Focus on best results which will capitalize on existing strengths • Separation of personal beliefs from political, economic, commercial and cultural realities • The awareness that a desire to learn from and share experiences with a sister-city can, in many cases, balance the lack of any similar characteristics with a potential sister

B. General	• Exchange goals/objectives • Population • Geographic location (mountains, desert, lake, port) • Comparison of key industries • Local ethnic population • Existing linkages (university, business, YMCA, Rotary) • Does the city have sister cities in other countries? Are they successful? • Role of the city and the sister cities committee in the relationship
C. Cultural, civic, educational	• Museums • Theatres • Symphony/orchestra • Libraries • Civic organizations (Rotary, Lions, Kiwanis, Scouts, Women's Clubs) • Newspapers/television/radio • Sports teams (amateur or professional) • Hospitals • Primary and secondary schools • Post-secondary educational institutions (colleges, universities, technical, training institutes)
D. Economic	• Socio-economic conditions • Language/cultural patterns and barriers • Market analysis of industries • Investment climate/present investment levels • Liberal versus restrictive trade climate • If a port city – port connections • Invisible trade (education, high-tech, service, exports) • Trade exchange potential • Number of tourists • Presence of foreign businesses/factories locally • Local businesses engaged in international activity
E. Political	• History of diplomatic relations • Present degree of cooperation between U.S. and international country in political, economic, commercial and cultural fields • Level of government bureaucracy • Diplomatic presence • Honorary consuls

Source: SCI, s.a

The CEMR (2004b:2) in Europe suggests that the following criteria should be taken into account in partner search:

- The size of the town;
- The geographical situation;
- The main economic activity;
- The town's cultural and/or sports activities; and

- Local associations.

The Local Government International Bureau (LGIB) in the UK uses broadly the same criteria to match up partners, but adds the following few items to the list (LGIB, 2003):

- Population;
- Make-up of the population;
- Industry/business/farming;
- Historical background;
- Places of interest/amenities; and
- Educational facilities.

Zelinsky (1991:1) proposes that the selection of a partner is not a random process and that historical connections, shared economic, cultural, recreational and ideological concerns, and, to a certain extent distance, all play meaningful roles.

Risstrom (2001:2) suggests that the most profitable way of beginning twinning would likely be by linking cities with existing relationships. "Existing relations offer established relationships, community support and links, existing council support and a greater likelihood that staff can gauge whether positive outcomes are likely."

3.1.1.4 Formatting the relationship (negotiation and agreement)

Once the partner has been selected, negotiations can get underway. According to Mockler (1999:201), effective negotiating skills are needed during all phases of multinational alliance planning, creation, management, and implementation. He maintans that the key is not the amount of time spent in alliance negotiations, however, but how the time is used. This is a very important phase, as he states that "[s]urveys indicate that lack of relationship building and failing to bridge partners' styles and cultures are key reasons for alliance failure". Best-practices guidelines proposed by Mockler (1999:88) during this phase include:

- Allow ample time during negotiations for partners to get to know each other and to test and develop personal chemistry;

- During negotiations, face and resolve as many critical issues as possible before the venture contract is signed;
- Make an effort to anticipate and resolve possible problems through operational planning in key areas;
- Allow time to move from suspicious bargaining to mutual concern;
- During negotiations and partner selection, make certain partners share values, have high standards, and have a spirited commitment to the venture;
- Identify potential champions and nurture them during the early phases of the strategic alliance formulation process;
- Make an effort to understand and adapt to cultural differences;
- Expect crises to occur;
- Maintain flexibility as alliances are developed in order to reshape the alliance strategy and its implementation as the process evolves;
- During the negotiation and partner selection processes, as in subsequent strategic alliance processes, it is useful to make written records of informal oral commitments and agreements to be referred to at a later date to refresh memories of earlier commitments;
- Resist promising more than you can deliver in sales, costs, profits, or project completion dates in order to control expectations and avoid over-optimism and disappointments;
- Be frank and open during negotiations, but avoid being blunt; and
- Have a profile of the qualities wanted in a partner to use as a benchmark during negotiations.

Connell *et al*. (1996:57) propose the following issues to be addressed in the courtship process:

- Is the prospective partner trustworthy?
- What are the readily apparent benefits of the alliance to each partner?
- How will the corporate cultures (ethics, operating style, objectives) of the prospective partners mesh or clash?
- Will the relationship be accepted by the key executives, managers, and employees of both partners?
- Will the alliance be accepted by key players in the industry or market?
- Have the details of the venture been sufficiently explained to all concerned?
- Has a team structure been established to work on the alliance?
- Has a joint business plan been prepared and reviewed?

Connell *et al*. (1996:58) also stress that one of the critical elements of this phase of alliance development is the establishment of a one-on-one relationship between key individuals on both sides. The individuals negotiating the agreement and establishing the relationship should

possess strong interpersonal skills, which is critical to alliance success. Hsu (2003:140) also emphasises the importance of informal personal communication in order to ensure trust and reciprocity beyond the formal, legal, contractual context in the twinning between Montreal and Shanghai.

Once a partner has been selected, the next step would be to compile and sign a letter of intent (also called a "Memo of Intent" by Kuglin and Hook, 2002). Such a letter should outline the general goals and objectives of each of the parent companies for the alliance, it should describe the form of the alliance and the contribution of each parent in general terms, and it should be agreed upon by the executives from both companies (Connell *et al.*, 1996:27).

Kuglin and Hook (2002:143) state that the process should then shift to constructing an alliance agreement. They point out, however, that besides entering into an agreement, it is also essential to compile an alliance business plan. This plan, which supports the overall alliance agreement, should be compiled and revised on an annual basis and should contain the following six sections:

1. The types of work to be performed by both parties to the alliance;
2. The revenue targets that each alliance partner commits to achieve in the given fiscal year;
3. The dedication of personnel to support the achievement of the agreed-to revenue targets;
4. The cross-training of personnel needed to achieve the revenue targets;
5. The marketing or advertising efforts needed to support the types of work needed to drive the revenue targets; and
6. Any other items necessary to achieve the business plan goals.

Connell *et al.* (1996:27) also suggest that such a plan should include information that would be provided in the plan for any new venture, including market analysis, a marketing plan, financial projections, descriptions of the management team, and a detailed description of what the contributions of each of the partners will be. A hypothesis linking the existence of a business plan to twinning success is developed later in the study for empirical testing (see page 329).

Lendrum (2000) proposes the concept of a "partnering charter" which contains the partnering vision, mission, critical success factors and key performance areas. This charter is signed at a

mutual planning workshop and is not designed to be a legally enforceable contractual agreement. "Its purpose is to focus on the working relationship and intent between the customer and supplier, not the legal relationship."

The next step would be the compilation of the final agreement. Connell *et al.* (1996:27) posit that if the final agreement grows out of a well-researched business plan the success of the venture is more likely and that the agreement should be based on the needs of the venture rather than on the political manoeuvring of the respective partners. But as will be discussed in more detail in Section 3.2, the formal agreement plays no significant role in the most effective alliances. Although it provides a starting point for the alliance, the alliance agreement is a notoriously ineffective tool for resolving problems. "In most alliances that are effective over the long run, changes are negotiated on the basis of personal relationships between representatives from each company rather than on the technicalities of the alliance agreement." Lendrum (2000:195) also emphasises downplaying the importance of the legal contract. He observes that in the spirit and practice of "no-contract, no-term" relationships, organisations are now complementing or even substituting the legal, contractual agreements with a partnering agreement or "memorandum of understanding" (MOU) which incorporates the partnering charter that he suggests.

Faulkner and De Rond (2000:28) also make reference to the key behavioural aspects of cooperative arrangements which play a role in this phase, which are mainly found in three areas. These are (1) differing cultures and the management behaviour they give rise to, (2) the quality of trust which is so important for all joint endeavour, and (3) the nature of commitment to the alliance made by the partners. These issues are discussed in more detail in Sections 3.3.3 and 3.3.4.

In the twinning arena, once the partner has been selected, the courting process will start and the possibilities of a relationship investigated. According to SCI (2003a:5) some of the questions community members should consider when establishing their sister-city programmes are:

- What is our mission?
- How do we accomplish it?
- What are our short-term and long-term goals?

- Why are we important in our community?
- What do we have to offer our community?
- With whom should we partner abroad?
- What are our criteria for choosing a sister-city?
- What do we have to offer our sister-city?
- Do we want more than one sister-city?
- If we have multiple affiliations, will we structure an umbrella organization?
- Who is in the program now?
- Who would we like to join our organization?
- How can we build a diverse, multi-generational membership?
- What provisions have we made to have people with disabilities participate in our program?
- What provisions have we made to have people of all socio-economic levels participate in our program?
- How can we include ethnic and racial minorities in our program?
- Who are the leaders?
- Whom would we like as leaders?
- How can we design our program so that people will want to join and leaders will get a chance to lead?
- What are the responsibilities of the leaders?
- Who chooses the leaders?
- Who makes decisions?
- Who gives them authority to make decisions?
- Who does the work?
- How can we share the work?
- How can we teach new people the skills we already have and learn the ones they have?
- How will we raise money?
- From whom do we solicit funds?
- Can we design a structure that is flexible enough to change when our members, goals or community changes?
- Do we want to design a structure that is flexible enough to change if our sister-city counterparts change their priorities?
- Does the state's statute covering non-profit corporations allow the formation of a corporation to participate in the type of activity the group envisions?
- Are there any operational problems that can be foreseen?
- What are the tax consequences arising from the organization or operation of the group?

The agreement needs to be formulated and then signed by both parties, usually at a symbolic ceremony through which the intention of the agreement is communicated to the communities involved.

3.1.1.5 Implementation

According to Segil (1996:185), a company needs to formalise an alliance-implementation, or operating plan, working jointly with the partner. The plan will generally be a written document, with its formality level dependent on the personality of the companies involved, and it will outline both parties' expectations. Attention will be given in the plan to staffing, resources allocation, monitoring of the alliance, expectations, and financial considerations and it will address the following type of issues:

- Who will do what?
- How will contributions be made?
- What time constraints and milestones can be agreed on?
- What communications mechanisms will be in place for approvals?
- How will the information flow?
- Who will be the liaison from each company?
- What incentive programmes are appropriate?
- How will the partnership fit with the existing relationships of both companies?

Implementation is critical, as everything could have been done well up to this point. Greenhalgh (2001:26) emphasises the importance of visible ceremonial interactions during implementation. "We shouldn't underestimate the importance of ceremonial interactions in accomplishing this transition. From an anthropological point of view, ceremonies create, signal, and reinforce relationship changes." According to Greenhalgh (2001:26), the corporate "marriage ceremony" where the alliance agreement is signed:

- Involves a public commitment to the relationship which makes it more likely for both parties to really believe in it and to act in accordance with it; and
- Lets the community know that these individuals are no longer available as potential mates - or entertainment partners - for others, and they'll henceforth operate (that is, make decisions, incur debts, and have a social identity) as a couple rather than as individuals.

He suggests that the corporate marriage ceremony sends out a similar message.

The steps that should therefore be followed after the courtship process has been concluded are:

1. Signing of a “letter of intent”;
2. Compilation of a business plan (which includes an implementation plan); and then
3. Signing of the final agreement (called a “memorandum of understanding” or MOU for short by some).

Some authors (e.g. Kuglin & Hook, 2002) suggest that the agreement first be signed and the business plan drawn up thereafter.

Once the relationship has been conceptualised, a partner selected and terms negotiated, it is time for implementation. One of the first implementation issues is that of structure. This depends very much on the size of town or city. According to Sister Cities International, the three basic types of structures sister-city programmes use are: the association, the city commission and the corporation (SCI, 2003a:6). The structures used by South African municipalities and communities for twinning are also investigated in more detail later in this study as part of the primary research, and will be discussed in Chapter 6.

As mentioned before, these programmes need to involve both local government and the whole community. Sister Cities International (SCI, 2003a:6) proposes eight techniques for strengthening the sister-city relationships with municipal government:

1. Involve local elected officials to participate in the sister-city program. Invite officials on exchange programs to the sister-city;
2. Appoint city government officials to the sister-city board;
3. Provide sister-city officials the opportunity to speak at sister-city events;
4. Provide the opportunity for an elected official to serve as a host family of a visiting delegate;
5. Establish a liaison in the mayor’s office or in city hall. Recruit an employee at city hall to participate on the program's board of directors;
6. Address financial and other issues up front with the local government. Obtain financial commitments from the city council, city manager or mayor’s office;
7. Develop projects with the city’s chamber of commerce, economic development and parks and recreation department; and
8. Create a partnership between the sister-city program and local government. Ask the city council or mayor to help choose sister-city programs that are of interest to them. In doing this, be cautious that city

hall does not completely control the sister-city agenda and do not allow the sister-city program to become too political.

Twinning would be structured differently in each country. In North America, for instance, a typical twinning would be structured as follows (SCI, 2003b:5):

- Choose the mayor as the honorary chairman;
- Provide a staff person at city hall as the liaison person to the sister cities committee. "The level of administrative and programmatic involvement by this person also varies from city-to-city. This position can be found in a wide variety of departments, such as the mayor's office, the economic development department, international relations office, the city manager's office, the parks and recreation department or the cultural affairs department";
- Appoint an executive director or coordinator of the non-profit organisation. "Some cities have a full-time or part-time non-city hall staff person to administer part of the work of the program. This person works on behalf of the legally incorporated Sister Cities non-profit organization (on behalf of the city government and the various volunteer committees";
- Appoint a president and board members. "Many cities have an overall president of their sister cities program. These people are volunteers who rise up to these leadership positions inside the volunteer sister-city program";
- Appoint committee chairpersons and individual volunteers. "Many/most U.S. cities have chairmen or chairwomen of each of their sister-city committees. Almost all U.S. sister-city programs are heavily dependent on many volunteers to support their program."

In Europe, the role of a twinning committee is substantial. The CEMR (2004b:2) states that the establishment of a local body in charge of running the twinning is very important and that both local elected representatives and citizens of the town should sit on this structure known as the twinning committee. This structure should ensure:

- The active participation of the population;
- The animation of activities;
- The representation of the town;
- The continuity of activities;

- Regardless of local political changes.

At the Antwerp twinning congress of the CEMR, the following criteria were identified that such a twinning committee must adhere to in order to be efficient (CEMR, 2002b:34):

1. Composition: not only elected officials and town administrative personnel. It is important that the population is involved on a large scale. It is necessary to make sure that the Committee includes elected officials, representatives from Associations, from the professional environment and above all, young people. A twinning that is not based on the young is doomed to failure. At the same time, the involvement of charities will ensure without doubt the good working and continuity of a twinning.
2. Financial barrier : one cannot deny the town governing body to inspect the financial aspect and budgetary impact. The town governing body should give the twinning committee sufficient financial means. On the other hand, the twinning committee will have to obtain external funds to the town budget.
3. Working: a twinning committee could not function suitably without giving itself a structure . This can be done in the form of a constitution, a convention, or internal rulings. The committee must remain a single body even in the case of several bilateral twinnings in order to avoid conflicts of competence and competition. To maintain the interest of the population, the committee is obliged to adequately inform the public of the programme. It is desirable to use for this purpose modern means of communication. A twinning committee does not exclude the creation of an executive committee and several specific work groups.

Ahmad (2001) observes that experiences from abroad have provided some indicative guidelines on how to approach, conduct and manage twinning programmes. These could be used whilst adapting the programmes to suit the local conditions in terms of norms, values and cultures of specific twinnings. In Table 3.4 below some of his conclusions are summarised.

Table 3.4: Issues and concerns in city twinning and partnership

Commencing stage	Power & responsibility	Management
• Assess concepts, content & capacity of partners	• Assess shares of funding & power relations	• Effective communication & work culture
• Give incentives for partnering	• Empower responsibility & leadership	• Interpersonal relations & cultural differences
• Formalise partnership through MOUs	• Assess organisational structures	• Match outputs with objectives
• Envision the future but start small	• Build relationships with organizations, not individuals	• Create transparency & accountability
• Reasonable time frame	• Internal dynamics & conflicts	• Profit & failure sharing

Source: Ahmad, 2001

The CEMR also points to the importance of the twinning ceremony in signalling the commitment of the relationship to both the partner and the community. “The official twinning ceremony is important as it marks the start of the history of the link between the two towns, which will go from strength to strength thanks to initiatives and joint actions” (CEMR, 2004b:3).

Sister Cities International (SCI, 2003d:3) proposes the following factors to consider in strengthening the capacity of a sister-city programme:

- Implement outstanding programs;
- Build positive working relationships with City Hall/County Government;
- Create an effective non-profit sister-city organization that is capable of both working in concert with local government and attracting an outstanding volunteer base;
- Implement a growing membership base that is engaged and committed to implementing excellent sister-city programs, and which is paying dues and receiving membership benefits;
- Create an organizational structure that encourages new leadership to emerge, and where volunteers know there are many leadership opportunities for them. Effectively communicating and networking within the organisation;
- Work in partnership with other organizations, such as schools, colleges, Chamber of Commerce, Rotary to implement sister-city programs and activities;
- Implement fundraising activities that keep “raising the bar” in terms of fundraising potential and success;
- Create staff or volunteer assistance that keeps the administrative structure of the organization functioning with excellence. This includes financial management, communications, project implementation;
- Create visibility throughout the community which makes the community proud of its sister-city programs and activities;
- Promoting inclusiveness by reaching out to diverse sectors of the community to welcome their ideas and invite their active participation; and
- Being active with Sister Cities International (SCI) and taking advantage of the many benefits and opportunities that are offered through SCI.

3.1.1.6 Monitoring and evaluation

Performance of the alliance, once established, has to be regularly measured and the alliance examined for meeting its aims.

Lendrum (2000:297) proposes that an alliance be measured using the balanced scorecard approach. “I have found the balanced scorecard approach to be the ideal format to effectively represent the hard and soft, leading and lagging nature of partnering and alliance performance measures.” He argues that the balanced scorecard approach to performance measurement is appropriate at any level or in a business unit in the organisation where there is a strategy in place to support a vision and/or mission. According to him, measuring joint performance in a partnering or alliance relationship:

- Is a shared process between the alliance partners, producing a shared vision, mission and key goals/ objectives;
- Each key goal/objective will have an associated set of initiatives, milestones or action plans; and
- The success of each goal/objective will be determined by actual performance as measured against jointly agreed key performance indicators (KPIs) and associated targets.

Connell *et al.* (1996:61) observe that the greatest challenge in managing an alliance effectively is to change it in a way that responds to the evolution of the conditions that affect it. Assessment should thus be made on a continuing basis and the following are some of the questions that need to be asked:

- Does the alliance have a clear identity? Do employees, customers and suppliers know who or what the alliance really is? Has the identity changed over time to address the changing needs of customers and other stakeholders?
- Is there too much focus on internal alliance issues and not enough focus on the customer and competition?
- Have the key marketing and sales issues been adequately addressed? How will the new service be sold?

Segil (1996:194) also suggests a continued re-examination of the alliance and proposes that the following questions be contemplated:

- Does the benefit of the alliance outweigh the cost of participation?
- Is the alliance achieving the return on investment - the strategic migratory, contracted and embedded, implicit goals of the partners?
- Does the alliance conform to its business plan?

- Is teamwork an issue?
- Are there leadership or champion problems?
- Is conflict resolution being well handled?
- Might there be a need for internal mentoring?
- What is the consensus regarding strategic fit - is the alliance still the "right" one?

As already suggested, measurement or re-examination needs to take place on a regular basis. According to Segil (1996:194), who recommends a regular review of alliance achievements every three to six months, some companies use a confidential team-assessment tool for this purpose. Each member fills it out and evaluates his or her perception of the alliance, how it is or is not working, and the participation of particular team members in it. But it is important to remember that this performance-evaluation process is used for continuous improvement and that proposed changes emanating from it should be implemented.

Another way of measuring the success of an alliance and learning at the same time is by "alliance benchmarking". This implies researching successful alliances, making field visits and comparing with own alliances.

But Zelinsky (1991:23-24) points out that measurement is difficult. It could be looked at on two levels: “The immediate number of personal exchanges; and the less tangible contribution to transnational and local social, cultural and political change.” Other measures could be through direct or indirect economic fallout, which could include stimulating commercial or tourism links.

Twinnings are long-term relationships and therefore have to be carefully managed over a period of time. It is also important to regularly monitor the success of the relationship in order to decide whether to make changes, or even to end the relationship if it has lost its mutually beneficial character.

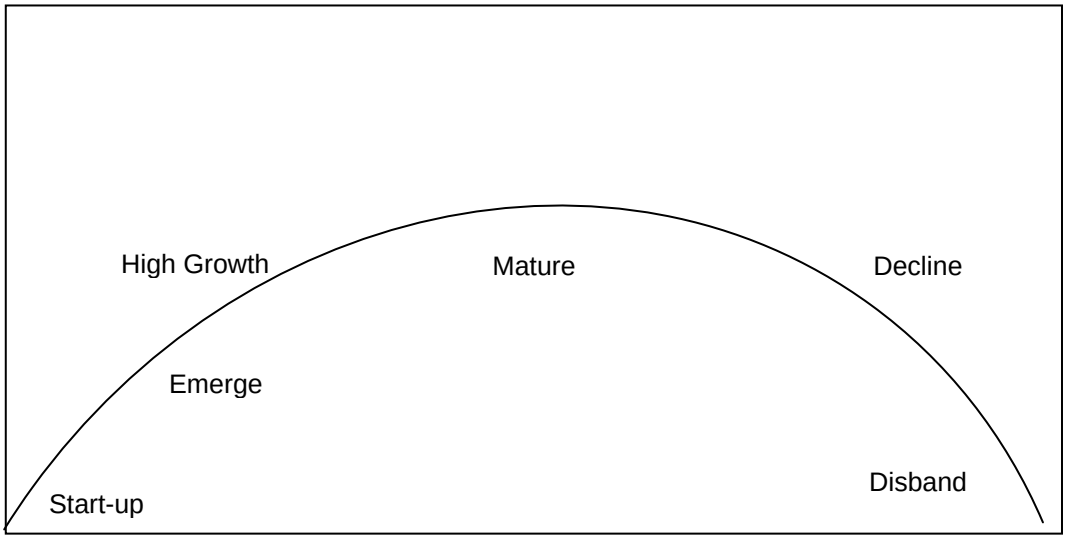
3.1.2 The alliance lifecycle

In previous sections, the process of alliance formation from formulating alliance strategy to implementation has been outlined. Strategic alliances, although meant to last long-term, do not last forever and go through different phases through their lifetime.

The Lared Group observes that 55% of alliances fail at 3.5 years (Lared Group, 2003c). According to Connell *et al.* (1996:62), the average life expectancy of a strategic alliance is seven years. The most common reasons for ending are listed below:

- Some alliances end in acquisition, usually by one of the partners;
- Others fail and are disbanded by the partners;
- Others are designed to be temporary, and are systematically ended when their objectives have been accomplished; or
- In many cases, however, alliances end because they do not change to meet evolving needs.

Kuglin and Hook (2002:217) posit that alliances follow a lifecycle curve similar to that of organisations and observe that the lifecycle of an organisation (and that of an alliance) has six distinct stages. These stages are start-up, emerge, high-growth, mature, decline, and disband, as illustrated below in Figure 3.2.



Source: Kuglin & Hook, 2002:217

Figure 3.2: Lifecycle of alliance management

Each of these phases has different characteristics and pose different challenges to management. Kuglin and Hook (2002:218) also suggest that there are different "trigger points" that cause an alliance to progress or regress from one stage to another. These phases and their characteristics are described in more detail in Table 3.5 below.

Table 3.5: Lifecycle stages of alliances

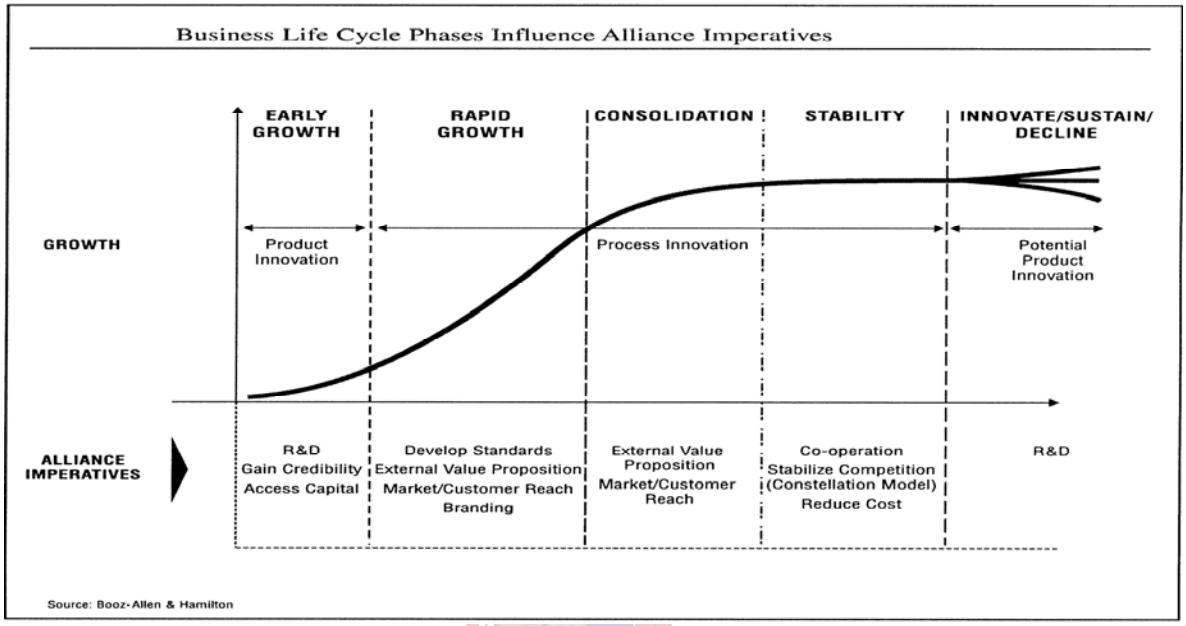
Lifecycle phase	Characteristics
Start-up	• The start-up of alliances begins with the recognition of need. • The anchor of the start-up stage of alliances is the proper definition of the need for an alliance. Once the need for an alliance is confirmed, the companies then must determine what type of alliance is needed. Once this process is complete, the two companies are prepared to initiate the start-up of the alliance. • The start-up stage can begin with a Memo of Intent (MOI). The MOI can be used for a specific period of time to allow for the start-up of the alliance and a faster grounding in marketplace activities.
Emerge	• The emerge stage of alliances is perhaps the most critical of all the stages. It is in this stage that the formal alliance agreement is negotiated and executed. This alliance agreement, which lays the groundwork for all other stages in the lifecycle, will govern the behaviour of the alliance parties throughout the lifecycle of the alliance. • The completion of the alliance agreement should have a definite timetable attached to it. The alliance parties can achieve this by establishing a time frame for the expiration of the Memo of Intent. • One item for a successful emerge stage is quick wins. Nothing sells like success.
High growth	• The next stage of the lifecycle is high growth. In this stage, alliances need to start focusing on those activities/items that will help produce results for both parties. The development of a business plan guides the activities and enables growth to occur in a structured manner. • Alliances that are lucky enough to enter into a high-growth stage need structure. Structure allows for the growth to be channelled in a direction that supports the intent of the alliance.
Mature	• As alliances evolve into the mature stage, there is a need to focus on developing high-performance teams. The selection of the right people for alliances doesn't just happen. • Another key success factor is shared accountability for common performance measurements. This calls for a mutual commitment to each other's performance metrics and their common performance metrics.
Decline	• Inevitably, one or more forces may cause alliance partners to drift in different directions and the alliance into decline.

Source: Adapted from Kuglin & Hook, 2002

Segil (1996:50) also observes that alliances move through lifecycles and that certain specific kinds of strategic alliances predominate at each stage of the corporate lifecycle. She states that although many kinds of strategic alliances are appropriate at any one of the stages, the

organisational issues at different stages mean that some structures are used more commonly than others.

Harbison *et al.* (2000:6) also state that "[t]he business life cycle phase is a key driver of alliance imperatives and suggests at least five growth engine trigger points". These points are clearly indicated in Figure 3.3 below:



Source: Harbison *et al.*, 2000:6

Figure 3.3: Business lifecycle phases influencing alliance imperatives

From the above in Figure 3.3 it is clear that in each stage of the business lifecycle alliances are needed for different reasons and purposes. In the early growth phase, for instance, the imperatives driving alliance formation is to gain credibility, to access capital, and to find research and development partners. As the organisation grows and moves through its lifecycle phases, these imperatives also change.

Segil (1996:50) also describes the different types of alliances found in the different business lifecycle stages:

- Strategic alliances that are commonly seen in start-up organizations are equity investments, research and development relationships, collaborative bidding and development joint ventures, and distribution, marketing, and licensing alliances;
- Strategic equity alliances are common in earlier stages, but acquisitions are more common in later stages; and

- Finally, organizations in the decline stage often try to make the transition into sustaining companies by means of new joint ventures in research and development or licensing.

Lendrum (2000:47) also comments on the stages in the lifecycle. He observes that a paradigm shift is found 2.5 years into the partnership. New opportunities are being discovered and new problems will be fed via the incoming partnering paradigm. A first period of consolidation occurs from 2.5 to 3.5 years, and a second period of consolidation at 3.5 to 4 years. He cites a number of reasons for this, such as changes in key personnel and the building of new technology. Apathy, arrogance or complacency can also be encountered during this phase and could hasten the demise of the alliance if not managed correctly. A third-phase change is entered into at a point four years beyond time zero.

It is therefore evident that organisations move through phases over time in a changing environment, and that alliance imperatives and relationship dynamics will also change as a result. No specific information could be found on the lifecycle of twinnings but Uijen (2000) observes that in Europe there are five distinguishing phases of development in the development of Euregions, from low informal contact to public law-based organisations in the development of cross-border linkages, as described in Table 3.6 below.

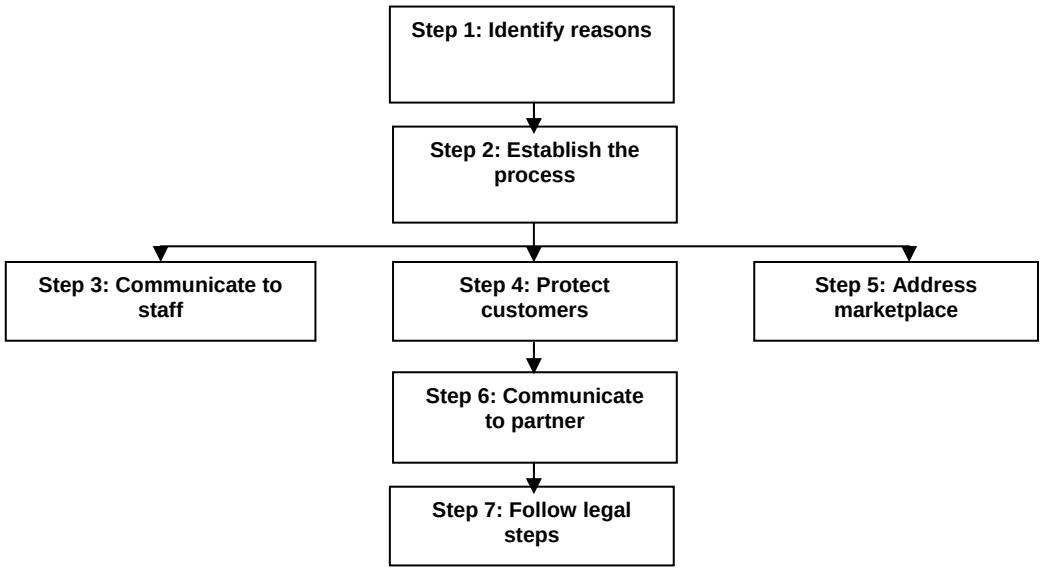
Table 3.6: Five phases of Euregional development

Phase	Characteristics
1. Informal contacts	No organisation; irregular contacts; relations based on personal initiative.
2. Low institutionalisation	Agreements on political-moral basis (good neighbour); regular contacts; ad hoc working groups; relations carried by few persons.
3. High institutionalisation	Agreements on political-moral basis (good neighbour); regular contacts in formal organisation (though without legal status); relations carried by more persons; no formal democratic representation in a public body possible.
4. Private law based	Tasks can be delegated; legally defined rights and duties of members; well-defined organisational structure; cooperation formally arranged, continuity is assured; no democratic representation in a public body.
5. Public law based	Administrative tasks possible; legally defined rights and duties of members; well-defined organisational structure; cooperation formally arranged, continuity is assured; democratic representation in a public body possible.

Source: Adapted from Uijen, 2000

Although the intention is that strategic alliances and twinnings will last for a very long time, in reality all partnerships come to an end at some point. When the partners decide that the alliance has served its purpose and that the costs outweigh the benefits, it might be time to end the alliance and exit the relationship. The process is, however, very important and must be conducted in an orderly and civil fashion. Lendrum (2000) observes that a partnering relationship should be ended in the same way that it was entered into, "in a spirit of openness, trust, mutual benefit and assistance".

When the alliance is in decline, it is necessary to determine whether the alliance needs to be disbanded. Kuglin and Hook (2002:227) provide a useful framework to disband an alliance, as illustrated in Figure 3.4 below.



Source: Kuglin & Hook, 2002:227

Figure 3.4: Framework for disbanding an alliance

The process depicted above should be followed in an orderly fashion and the steps involved are explained in more detail below.

Once the reasons to disband the alliance have been identified, the process to disband the alliance should be established. The executives from both alliance partners need therefore to agree on the reasons to disband the alliance and they need to then proceed to map out the process to disband. The next step entails communicating to and reassignment of alliance employees. At the same time, customers should be protected from any negative impacts of the disbandment. The concerns of security analysts and the marketplace press must also be

proactively addressed at this stage to ensure minimal negative effects to investors and marketplace confidence. Next, information about the disbandment should be communicated to each alliance organisation and it is only after following all these steps that the lawyers are called in to go through the necessary legal steps to disband the alliance.

Alliances are therefore not static phenomena and they change over time. That is also why they are so difficult to measure, as any observation is time bound by its very nature.

3.2 The twinning agreement

Mention was already made of the “alliance agreement”, “letter of intent”, “partnering charter” and “memorandum of understanding” in previous sections.

Normally, a letter of intent would be the first written undertaking to enter into an alliance. Mockler, however, cautions against this practice when he says that: “Early feasibility/discussion documents exchanged with potential partners should not be called 'letters or statements of intent', since this may make them legally binding in some nations and cultures” (Mockler, 1999:203).

Gomes-Casseres (1998:4) points out that “[i]n fact, alliances by their very nature are open-ended and ever-changing. If all the terms of an exchange between two firms can be completely specified and agreed upon at the outset, they need not form an alliance; a simple purchase order or legal contract would do. An alliance is a way of sharing control over future decisions and governing future negotiations between the firms - it is a recognition that the initial agreement is in some sense incomplete.”

Many issues and considerations should be contemplated for insertion into the alliance agreement. Harbison and Pekar (1997:8) point out, for instance, that a successful alliance requires that communication processes, arbitration, penalty clauses and divorce conditions be agreed upon at the start. All these issues were therefore addressed in the primary research that is presented later in this study.

Connell *et al.* (1996:59) list the following questions as crucial when negotiating and drawing up the alliance agreement:

- Can the contribution of each party be structured so as to avoid conflicts?
- Are there adequate exit provisions? If the alliance fails, what does each party retain?
- Do both sides understand what each party is trying to achieve from the alliance?
- Who will be the key competitors?
- Who is to do what, and by when, and what will happen if it is nor done?
- If licensing or royalty agreements arc involved, estimating the value of these agreements is difficult. Have the agreements been carefully defined, with consideration for guaranteed minimum, maximum royalties, audits, penalties if payments are delayed and taxation issues?
- Intellectual property rights are critical. Have they been clearly addressed?.

The process of negotiation and drawing up the agreement is also of great importance and it is pointed out by Faulkner and De Rond (2000b:183) that common ground is likely to be a precondition for the implementation of flexible incomplete contracts allowing specific commitments. They state that the stronger the common ground between the collaborators, the more incomplete their contracts can be.

Lendrum (2000) points out that "[p]artnering or alliance agreements are quite different documents from the traditional contract in intent, language and format. They are positive, collaborative, interdependent, performance-based, continuous-improvement agreements, sharing risks and benefits via gain-sharing, pain-sharing mechanisms." He believes that conventional contracts cannot adequately capture the complexity and ambiguity of genuine partnering and alliance relationships.

Greenhalgh (2001) also observes that the normal Western legal contract is not the best tool to forge a successful alliance relationship, as it has three different problems:

1. The person who writes the contract is rarely the same person who negotiates the agreement. "This can lead to different understandings of what is expected of each party. Attorneys who write contracts are trained to be good adversaries and tend to stress rights and penalties. Their approach can undermine the relationship."
2. The contract specifies responses in advance and tries to anticipate anything that could happen. "The problem here is that contingencies are becoming less foreseeable."
3. Because of these issues, a comprehensive written contract is a necessity only if the relationship is bad.

The contract therefore serves as a substitute for trust and goodwill but it is not a good substitute. Managers would be better off fixing the relationship than relying on the clauses in the contract. Malhotra and Murnigham (2002) also confirmed in their research that contracts not only impeded the development of trust, but also diminished existing trust.

Kuglin and Hook (2002:27) provide extensive guidelines for the construction of an alliance agreement and state that without the right amount of planning and construction of an alliance agreement, the risk of failure with an alliance increases significantly. Important issues during this process are:

- The construction takes time and involvement from both the leaders of the parties and the lawyers;
- The business terms must be defined before the lawyers work on the legal terms; and
- Companies must also have a solid process to approve alliance agreements.

In Table 3.7 below, more information is provided about each section of the agreement and its content:

Table 3.7: The alliance agreement

Section	Description
Opening paragraph	The opening paragraph should state the legal names of the parties entering into the alliance agreement. It should also identify the agreed-to execution date of the agreement.
1. Background	The background statement should clearly state the intent of the alliance agreement.
2. Definitions	Agreement, products and services and "proprietary information"
3. Authorisation	In this section, the two parties come to agreement on several items, such as the authority to use each other's names. Another item covered in "Authorisation" is the subject of exclusivity. A third item, which is very important, is the subject of contracting with customers.
4. Services and responsibilities of company A	Here the specific services and responsibilities of company A are described.
5. Services and responsibilities of company B	Here the specific services and responsibilities of company B are described.
6. Services and responsibilities of both parties	There are several items that need to be covered under services and responsibilities of both parties such as the sharing of pertinent market information, development of a joint business plan, how often the business plan should be reviewed and modified..

7. Representations, warranties, disclaimers, and limitations	The representations and warranties section represents and warrants that each party has the right and power to enter into the agreement. This section also covers limits of liability.
8. Term and termination This section usually covers four main items.	The first item is the initial term of the agreement. The second item to be covered in this section is the renewal term. The third item covered is termination of the agreement. The fourth item is the terms covering the effect of expiration of the agreement or termination.
9. Relationship of parties	There are a few items in this section that are critical to how the two parties behave in the marketplace. The first item covers whether the two parties are "business partners" or "independent contractors." The second item builds on the first item and refers to distribution rights.
10. Intellectual property rights	The protection of trademarks, service marks, and logos could be critical to the protection of the intellectual content behind these items.
11. Confidentiality of proprietary information	In some cases, this task may be easy, when one or both companies provide lists of specific products or materials identified as "confidential information".
12. General provisions	There are several items that need to be included in an alliance agreement that do not fall into sections 1 through 11. The following items are meant to be representative and not all-inclusive. • The first item is non-solicitation. • The second item involves notices. • The third item is governing law, where the companies usually agree that the laws of a specific country will govern the agreement. • The fourth item is alternative dispute resolution. • The fifth item is amendments. • The sixth general provision item is severability. • The seventh item, non-assignment, means that alliance agreements cannot be assigned or transferred to a third party without the written agreement of the other company. • The eighth item is waiver. • The ninth item in the general provisions is limitation on damages. • The tenth item is publicity and press releases.
13. Signatures	Every alliance agreement has to be signed to be effective.
14. Attachments	Attachments to alliance agreements are usually reserved for specific, detailed procedures governing one or more of the items in the agreement.

Source: Adapted from Kuglin & Hook, 2002

Connell *et al.* (1996:28) remind us that while “it (the agreement) provides a starting point for the alliance, the alliance agreement is a notoriously ineffective tool for resolving problems that arise in the partnership as it grows and evolves”. Lendrum (2000) also stresses the role of the agreement in different phases of the relationship. “Many relationships start with formal, lengthy contracts written and often driven by lawyers. Over time, as trust is developed, the legal contract gives way to a moral agreement written and driven by the stakeholders. As the relationship develops the traditional contract becomes a safety net only, or irrelevant altogether.”

For this reason, Lendrum (2000) argues for the compilation of a “partnering charter”, which:

- Is a written document containing the agreed vision and mission and a list of 8-12 major objectives and critical success factors (CSFs);
- Is signed by all who was involved with its development (including senior management);
- Is the foundation document by which the success of the partnership is evaluated;
- Is not a legally enforceable contractual agreement (its purpose is to focus on the working relationship and intent);
- Acknowledges that the more mature the relationship, the less reliance there is on legal rights and obligations;
- Can complement an existing legal contract; and
- Can accompany any legal contract as an umbrella document of understanding, with the traditional contract seen as a safety net in the event of the partnering relationship failing.

An example of a partnering charter is attached as Appendix A.

Lendrum (2000), however, warns one to be careful when using separate partnering and legal documents to avoid partnering for convenience. Switching between one document and the other to assert authority or for short-term gain or advantage will not be sustainable, and is not consistent with the principles and practice of partnering and alliancing. His preference is for a single partnering or alliance agreement combining both the moral agreement (i.e. principles, objectives, intent) and the legal framework, rights and obligations and other commercial considerations.

The discussion above is wholly applicable to the topic of twinning as such a relationship is concluded via a written agreement involving the NCGs of both communities. According to the UNDP (2000), it is usual for a link to have started out by identifying matters of mutual interest and to be grounded, sooner or later, on a formal partnership agreement.

A twinning or sister-city relationship does not exist if there is no formal written agreement. Sister Cities International, for instance, posits that: “An official sister-city relationship does not exist in a community without a document, a sister-city agreement, signed by the

respective mayor of each city and ratified by each city council, or its equivalent" (SCI, 2003a:6).

The signing of an agreement is also preceded in many instances by:

1. The signing of a latter of intent; and/or
2. A memorandum of understanding (MOU).

According to the Bulgarian technical twinning programme, "The Memorandum of Understanding is an official document which reflects the partners' willingness and commitment to share experiences and to cooperate in certain areas of local government. The Memorandum of Understanding is signed after the first 'diagnostic' visit of the American city officials to the Bulgarian technical twin municipality." On the second visit, the second document, the Action Plan, is signed. This document specifies the projects to be developed and implemented jointly by the partners, as well as talks, the deadlines, the people responsible, and the expected outcomes (Bulgarian Government, 2002).

If the suggestions from the various sources that have been discussed thus far are taken into account, it can be concluded that the contents of the agreement would ideally include:

1. The parties involved;
2. The partnering vision or aim;
3. Areas (sectors) of cooperation (and priorities);
4. Projects descriptions;
5. Time constraints and milestones;
6. Organisation (e.g. establishment of management committee);
7. Roles and responsibilities (who will do what, also nomination of individuals);
8. Communication (procedures and frequency);
9. Funding and responsibility for costs;
10. Conditions of funding (if sponsored);
11. Reporting and reporting obligations;
12. Evaluation, review and audit;
13. The budget;
14. Languages used;

15. Addresses for notifications;
16. Duration of agreement;
17. Commencement date; and
18. Dispute resolution and termination.

A number of example agreements are included in Appendix E.

According to Brand (2002:680), provincial governments have the constitutional right to enter into different kinds of agreements than treaties as defined in terms of international law. "Cooperation agreements, minutes of understanding and protocols between provincial governments and other institutions, such as other regional governments, local or national governments, on issues pertaining to the jurisdiction of provinces and within the framework of national foreign policy may thus validly be concluded." The same would hold true for local governments within their area of jurisdiction.

3.3 Management of the twinning agreement

Mockler (1999:6) states that: "The essential concept of sharing control and management on a continuing basis is what makes managing strategic alliances such a critical, difficult and demanding task." This concept is relatively new for many companies and management of the alliance takes effort and perseverance. The path to successful alliance management is a journey, not a one-time event (Kuglin & Hook, 2002:236). In this regard, Mockler (1999:192) proposes some best-practice guidelines:

1. Work ethics differ between cultures and need to be addressed in advance;
2. A balance should be attained regarding cultural differences;
3. Constant communication and management attention are needed to bridge cultural differences;
4. Problems should be dealt with immediately;
5. Time may be needed when trying to transfer Western business practices;
6. A big emphasis should be placed on training;
7. Prepare for substantial problems in marketing in countries with controlled economies;
8. Develop supplier and distribution relationships;
9. Take language differences into account;

10. Different accounting and control systems could pose problems;
11. Conduct periodic reviews;
12. Allow adequate time to get alliance up and working;
13. Define and control technology transfer and development well;
14. Use champions to help with sustained commitment, enthusiasm and momentum; and
15. Work together to solve problems.

Connell *et al.* (1996:29-33) again stress the following as crucial issues in alliance management:

1. Establish a relationship of mutual trust between the partners;
2. Anticipate strategic conflicts;
3. Establish clear strategic leadership;
4. Learn flexible management (manage without the kind of control to which staff are accustomed);
5. Accommodate cultural differences;
6. Orchestrate technology transfer; and
7. Learn from the partner's strengths.

Van Aken (2001:78) suggests that one should distinguish in alliance governance between management charged with formation of a certain alliance and strategic management, and the operational management of the alliance, and separate the two.

Management of the alliance is no easy task as, specifically in transnational alliances, partners are geographically far apart. Cultural and language barriers could further complicate matters. Nooteboom (1999:205) lists the following five general dilemmas in the management of alliances:

1. Unity and division. “The most obvious problem is that on the one hand partners must cooperate to achieve maximal joint added value, but the proceeds also need to be divided between them. The problem is most pronounced in a relationship between competitors”;
2. Contract and cooperation. “To reduce risks of dependence some degree of contracting is needed, but too detailed contracts are expensive and impossible to the extent that contingencies are complex and variable”;

3. Opportunism and trust. “Trust is indispensable and makes for cheap and flexible governance, but it can cause confusion (it can have diverse meanings) and has its limits. It is important to know what is the basis for trust”;
4. Durability and flexibility. “One wants to maintain flexibility to make novel combinations of partnerships which are geared to novel projects or conditions, but the relationship must be of sufficient duration to recover specific investments, to adapt sufficiently to each other (reduce 'cognitive distance'), to understand each other sufficiently to achieve joint production and to build trust”; and
5. Openness and closure. “When partners do not share knowledge they cannot cooperate and utilize complementary knowledge and the potential of the relation is not realized. But such openness may carry the danger of loss of core competence due to spillover to competitors via the partner and can jeopardize bargaining position.”

Problems will always occur at some or other point in any relationship. Greenhalgh (2001) proposes several tactics for healing a damaged relationship:

1. Apologise (it is also the single most important thing you can do to begin healing a damaged relationship and an important component of apology is the “expression of regret”. This signals that you are sad about the strain in the relationship);
2. Don not avoid (avoidance can have very high relationship costs: it can make the situation much worse);
3. Bond with their friends;
4. Induce empathy;
5. Find a scapegoat (pinpointing a scapegoat can be an effective way to heal the relationship but sometimes causes greater problems than benefits); and
6. Hold out an olive branch.

3.3.1 Portfolio management

Many firms are involved in a portfolio of alliances and networks, as briefly discussed in Section 2.2.2. The model of cooperation should be chosen carefully, and managed accordingly. Gomes-Casseres (1998:5) observes that “[a] poorly designed, mismanaged network can entangle the firm and waste scarce managerial bandwidth - the conflicts among

partners will overwhelm any potential value to be gained from multiple partnerships. Good coordination, on the other hand, can save resources and diversify options for growth."

Creating a portfolio of alliances is becoming more and more important. Harbison *et al*. (2000:8) state that: "Real alliance power comes not from discrete alliances, but from using a group of alliances in a concentrated manner, i.e., creating a string or class of interconnected alliances to rapidly overpower the competition."

3.3.2 Governance structure

Alliances, as joint organisational entities, have to be governed in order to operate according to the expectations of the partners. For this reason, management resources have to be allocated and a governance structure implemented to conduct planning for the alliance, and to manage implementation. The governance structure would normally entail the type of organisational and/or legal entity created, the partner share therein, as well as the resourcing, organisational and management issues involved.

Mockler (1999:205) observes that there seems to be an infinite variety of permutations and combinations in the way alliances can be structured, and according to Varadarajan and Cunningham (1995:284), a strategic alliance could be structured as either:

1. A distinct corporate entity to which the alliance partners commit agreed upon skills and resources and in which each of the alliance partners holds an equity position (i.e., an equity joint venture); or
2. A distinct interorganizational entity to which the alliance partners commit agreed upon skills and resources (e.g., a non-equity venture such as a joint technology development centre or joint product development team).

Mockler (1999:14) provides more detail and states that developing detailed alliance structures involves defining:

- Percentage of ownership;
- Mix of financing;
- Kinds of material, technology, and machinery to be contributed by each partner;
- Division and sharing of activities;

- Staffing;
- Location;
- Autonomy;
- Controls (not just for operations but also for measuring and controlling each partner's contributions over time); and
- Guidelines for management after alliance inception.

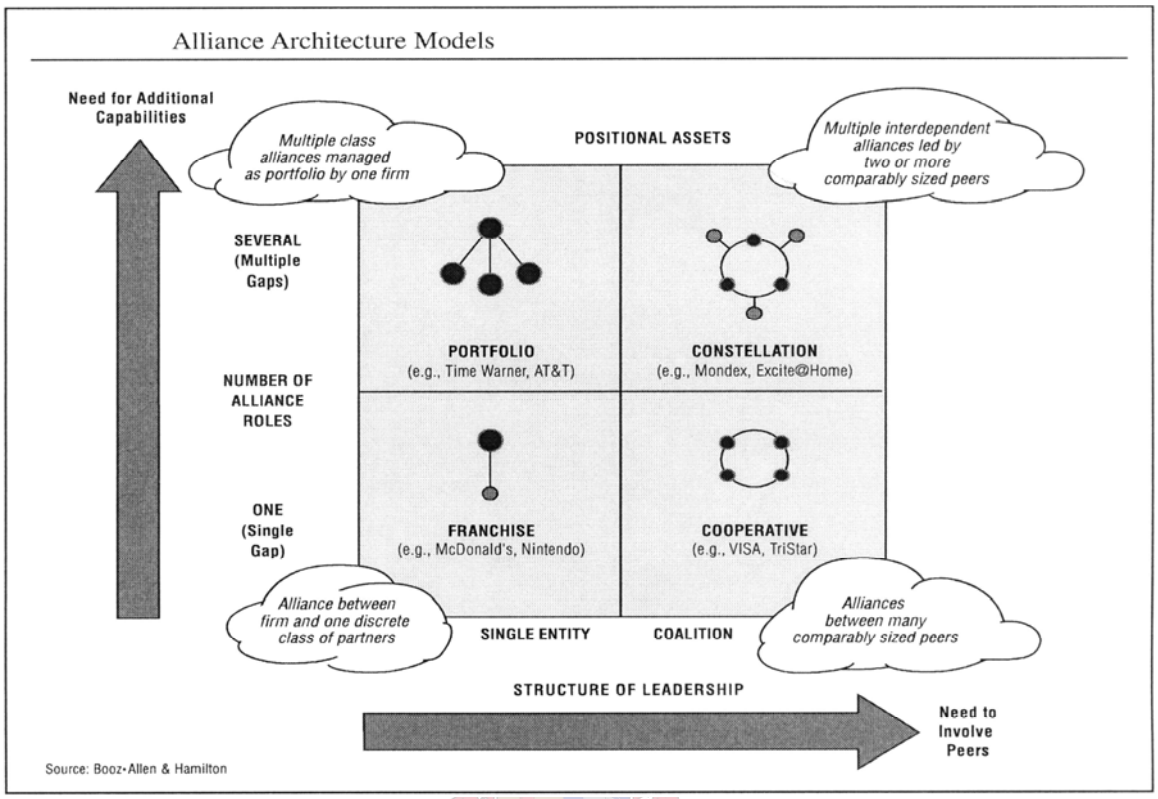
According to Mockler (1999:14), “The best structure is the organizational arrangement which most effectively meets strategic fit, operational fit and personal chemistry situation requirements and which is accepted through negotiation by all parties concerned.” But alliance managers need a degree of autonomy (balanced with control) because of the many entrepreneurial problems and challenges that can arise.

Nooteboom (1999:4) lists the aims of alliance governance as the joint creation of value, the control of relational risk concerning the achievement of that value, the distribution of that value, the set-up, development and break-up of an alliance. But he admits that there are many problems inherent in the management of alliances.

A firm must adopt the right structure for the alliance or the array of alliances that are being entered into. But internal structuring is also important for good governance. Gomes-Casseres (1998:5) highlights the importance of internal structuring for sound alliance management. “In case after case, it has now become clear that the internal organization of a firm is critical to the success of its external partnerships. Without a supportive internal infrastructure, every alliance strategy will fail, no matter how ingenious the external deals.”

Many companies are involved in an array of alliances and this poses many challenges to the management and structure of such relationships. Harbison *et al.* (2000:12) posit that “[t]he traditional "command and control" organizational model is inadequate to manage the complex set of relationships forming outside the direct control of the corporation and a new organizational model called for”. They identify four new possibilities emerging for companies with multiple alliances as set out in Figure 3.5, each requiring its own governance model. These models are characterised by the need for additional capabilities, and the need to involve

peers. They are the "portfolio", "constellation", "franchise", and "cooperative" models as illustrated below in Figure 3.5.



Source: Harbison *et al.*, 2000:12

Figure 3.5: Alliance architecture models

The quadrants represent different modes of relationship structure differentiated by the:

- Need for additional capabilities; and
- Structure of leadership.

In the franchise model, the alliance is formed between one organisation and a discrete class of partners (i.e. franchisees). In the portfolio model, different types of alliances are managed as a portfolio by the organisation. In the constellation model, multiple independent alliances are formed, led by two or more comparable sized peers, and in the cooperative model, alliances are formed between many comparable sized peers (e.g. banks belonging to the VISA network or airlines belonging to the Star Alliance).

Careful consideration should thus be given to the type of governance model that will be applied to the alliance as set out above.

3.3.3 Managing cultural differences

Biggs (2003:2) reports that most of the reasons cited for alliance failure result from a cultural mismatch between the partners. Segil (2003b) also confirms in a research study, that 75% of those surveyed felt that alliance failure was caused by incompatibility of corporate culture or personality. But besides corporate culture, country culture can also play a decisive role in success or failure. Sister Cities International, for instance, observes that India's culture is very different from that of the United States and they provide the following etiquette tips when dealing with an Indian partner (SCI, 2003c:5):

- Never address Indians by their given name unless you are familiar with Hindu, Sikh, or Muslim greeting customs;
- Indians generally allow an arm's length space between themselves and others. Never stand too close;
- Use only your right hand to touch someone, eat, pass money, or pick up merchandise; and
- Gifts are not normally opened in the presence of the giver.

Ramasamy and Cremer (1998:447) propose that sister-city relationships is a policy instrument which could be used to reduce this cultural distance in order to facilitate business relations. "Sister cities relationships is an avenue through which local government can play an active and positive role as a facilitator" to contribute to stronger economic links between different cultures.

In most cross-border or transnational alliances, therefore, cultural differences have to be acknowledged and managed. As mentioned, when reference is made to culture the term could either refer to country culture, or to organisational or corporate culture. Both these manifestations of culture have to be accommodated in successful alliance management. Biggs (2003:4) expands on this differentiation and identifies the following three types of culture that have to be taken into consideration:

1. National/ethnic culture - "The norms and values that create the society in which the partner organization is based. These cultures drive thinking, communications styles, attitude towards hierarchy, gender roles and other aspects of individual and group behaviour";

2. Industry/organisational culture - "Reflects the norms and values that permeate the organization. It is distinguished by: orientation towards risk, collaborative management style, maturity, corporate arrogance, level of centralization and market focus, among others." Starbucks, for instance, gravitates to partnerships with partners that have similar attitudes, demeanour, business philosophy, honesty, integrity, and informality (Segil, 2003b); and
3. Professional culture - "Considers the norms and values embodied by professionals of a specific discipline. People in different occupations usually incorporate the professional biases associated with their roles within the organization."

Mockler (1999:233) states that: "Culture refers to shared values, beliefs, attitudes, expectations and norms found within countries, regions, social groups, industries, corporations and even departments and work groups within a business firm." He provides an interesting comparison of cultural differences between Americans, Japanese, and Arabs in Table 3.8 below:

Table 3.8: Cultural contrasts

Variable	American	Japanese	Arab
Group Composition	Medium-sized; Mixed level OK	Smallest group; Grouped for functional harmony	Largest group; Very level-conscious
Time	8-5 with breaks	9-6 with breaks; May go until 8 or continue informally after-hours	9/10-3 maximum; No lunch break
Preparation	Individual reading; Written homework	Group orientation	Not necessary or important
Getting Started	Self-introductions; Random or by seating order	Introductions emphazising company/belonging; Senior goes last	Introduction by status; Senior goes first
Process	Emphasize 'how to' and practical applications; Self-reliance; Specialization, reading	Emphasis on doing/discussion; Sharing experiences; Intragroup discussion; Role play; Rotation	Memorizing general skills; Coaching; Demonstration by leader; Minimal reading
Training Materials	Written; Self-explanatory	Visual with group discussion and by doing	Visual; Coaching by team leader
Tests of Knowledge	Direct questions to individual; Spontaneous, open questions	Group questions; Intragroup discussions; Directed questions	No direct, individual questions; Need preparation
Cultural Values	Self-reliance; Competition; Time conscious	Relationship; Group achievement; Group harmony	Seniority; Reputation; Individual achievement

Management Style	Leadership; Friendliness	Persuasion; Functional group activities	Coaching; Personal attention; Parenthood
Control	Independence; Decision-making; Space; Time; Money	Group harmony	Of others/parenthood
Emotional Appeal	Opportunity	Group participation; Company success	Religion; Nationalistic; Admiration
Recognition	Individual contribution	Group identity; Belonging to group; Group contribution	Individual status; Class/society; Promotion
Material Rewards	Salary; Commission; Profit-sharing	Annual bonus; Social services; Fringe benefits	Gifts self/family; Family affair; Salary increase
Threats	Loss of job	Out of group	Demotion; Reputation
Cultural Values	Competition; Risk-taking; Material possession; Freedom	Group harmony; Achievement; Belonging	Reputation; Family security; Religion; Social status
Objective	Review based on pre-set goals; Identify personal strengths/weaknesses	Find out why performance is not in harmony with group	Set employee on track; Reprimand for bad performance
Structure	Formal procedure; Every 6 to 12 months in manager's office	Informal, ad-hoc with employee; Frequent reporting to administration; In office, coffee shop, bar	Informal, ad-hoc; Recorded in manager's office
Interaction	Two-way, both sides present openly own point of view; Manager as leader/advisor; Employee independent, self-motivated	Employee answers manager's concerns; Manager gives advice as parent, mentor, senior employee; Part of group/family; Continuous feedback	One-way; Manager guides subordinate; Authority figure. mentor; Random feedback; Child in family
Evaluation	Success measured by performance stated goals	Success measured by contribution to group harmony and output	Success measured by major personal contribution
Outcome	Promotion; Salary increase; Bonus; Commission; Salary freeze; Loss of title; Loss of power	Mainly affects amount of semi-annual bonus; Less important job; Job rotation; Dock bonus/salary	Bonus of 1/2-day salary; Promotion; Salary decrease
Closing	Stress agreement on expectation; Document review	Performance continually forward to personnel; Open door	Admiration or threat of punishment; One-way door
Cultural values	Openness; Equality; Fairness	Group achievement; Relationship	Privacy; Authority; Parenthood

Source: Mockler, 1999:179-181

Faulkner and De Rond (2000a:29) observe that the literature agrees on one aspect of culture as: “A deep-seated, sense-making medium, allowing for the allocation of authority, power,

status, and the selection of organization members, providing norms for handling interpersonal relationships and intimacy, and criteria for dispensing rewards and punishments, as well as ways to cope with unmanageable, unpredictable, and stressful events." They point out that although the demarcations between corporate culture and national culture conceptions appear somewhat vague, national culture is thought by some to reside mostly in values, whereas corporate culture is lodged primarily in practices. It is therefore very important to have a thorough understanding of both corporate and national types of culture in conceptualising and forging successful international partnering relationships. Strategic fit is crucial in partner selection and Faulker and De Rond (2000a:29) further observe that alliances that fail appear to do so frequently because of poor cultural fit.

Mockler (1999:233) examines the following aspects of potential cultural differences:

1. Whether business or people are put first in relationships - "The social context and human aspects of a situation are emphazised differently in various cultures. They are, for example, very important to Asians, who prefer to develop personal relationships with the parties involved before negotiating the specific alliance terms";
2. Whether the focus is on the individual or on the group - "Americans for instance are very extreme in the value they place on individualism, whereas cultures with a high social conscience, such as in China, prefer to work in teams and for group consensus";
3. The issue of status and the value of equality - "Some cultures, such as those in Asia, Northern Europe and South America, place great value on social status, whereas people in the USA and Australia have a more informal society and believe people are created equal. The importance of formal protocols and use of titles and first names also differ across nations";
4. Communication and language play a big part in cultural differences - "Besides language differences, body language interpretations (e.g. eye contact and physical proximity) can also vary among cultures"; and
5. Perceptions of time and the value associated with time also vary between nations - "Western nations typically have a monochromic time perspective which is linear, where time is compartmentalized, organized and controlled. Polychromic time found in Arab countries, Central and Southern Asia and Latin American countries on the other hand, is circular and is endless."

Corporate culture is mostly characterised by practices and Lendrum (2000) lists the characteristics of the partnership culture under nine headings:

1. Autonomy - “The ability of individuals to exercise initiative in their jobs, initiative is directly connected with innovation, ownership and commitment”;
2. Control - “The nature of the coordination procedures used in the organisation”;
3. Recognition and reward for performance - “The behaviours that are valued and rewarded in the organisation”;
4. Change tolerance - “The willingness and capability of the organisation to change”;
5. Conflict tolerance - “The manner in which conflict arises and how it is managed”;
6. External coping - “The manner in which the organisation understands and responds to its external environment”;
7. Internal organising - “The nature of collaboration and cooperation within the organisation”;
8. Identity - “The manner in which employees identify with the organisation”; and
9. Communication - “The pattern and extent of information exchange within the organisation.”

Connell *et al.* (1996:64) propose that the following questions should be addressed in the management of cultural differences:

- What are the similarities and differences between the culture of the initiating company and those of its prospective alliance partners?
- How will these differences affect the business of the particular alliance?
- Have mechanisms been discussed for resolving cultural differences?
- How does their partner make decisions and where do the limits of authority lie?
- What are a partner's procedures for planning and measuring performance?
- What are its rules for social and business behaviour?

Biggs (2003:5) suggests the cultural differences can be managed by:

1. Defining differences;
2. Research;

3. Simplification; and
4. Management through “alliance champions” on both sides.

Transnational relationships could span different continents and different cultures. The cultural divides and language difficulties could pose major problems for relationship building as trust and commitment are normally dependent on interactive human communication.

International protocol, local traditions and customs should be observed. Distinguished, high-ranking officials from abroad need to be formally recognised as such – rank and seniority are very important in many cultures (SCI, 2003c:5).

More often than not, English is the mode of communication in international meetings, but a consideration of non-native speakers is important. In this regard Sister Cities International (SCI, 2003c:5) suggests:

- Explain key vocabulary words and concepts in advance;
- Give easy-to-understand summaries and clear analogies and metaphors for long explanations;
- Give time to formulate questions;
- Build in opportunities for rest – listening to a foreign language is hard work;
- Provide quality interpretation and/or translation when critical for deeper understanding; and
- Make every effort to learn as much as possible of the language of your sister-city – three new words a day should be considered a minimum to be a true global citizen.

International relations in many cases implies crossing language and cultural barriers. This implies, firstly, deciding in the alliance strategy how similar or dissimilar partners should be and secondly, if a partner with a vastly different culture and language is chosen, that one should adequately prepare for the problems such a relationship might pose. As cultural differences seemingly play a huge part in the success or failure of strategic alliances and twinnings, the topic is also investigated in the primary research presented later in Chapter 6.

3.3.4 Trust and commitment

Trust is critical in twinning relationships. Hsu (2003:142) for instance confirms that “[t]rust is another pillar that sustained the Montreal/Shanghai relationship in the 16 years of development.”

The theory of social capital formation, which is widely used in research on partnering relationships, generally refers to the "mobilisation of actual or potential resources through social relationships" (Gray, 2000:284). In this theory, the concept of trust plays a central role and evidence that parties in a network or domain have created social capital through collaboration can be seen in the emergence of trust and norms of reciprocity among members of a community. Although trust is normally thought to be a precondition for successful relationships, Faulkner and De Rond (2000) propose that trust and norms of reciprocity are actually outcome dimensions of successful relationships. Jarratt (1998:42) concurs with this view.

Mockler (1999:206) reminds us that "trust is built in small steps over years". It is suggested, however, that mutual trust is both a precondition for cooperation, as well as a product of successful cooperation (Sztompka, 1999:62 cited in Hsu, 2003:144).

Various studies on relationships and relationship marketing have emphasised the importance of trust and commitment in forging sustainable relationships. Sin, Tse, Yau, Lee and Chow (2002:658) for instance identify relationship marketing orientation as a multidimensional construct consisting of six behavioural components:

1. Trust;
2. Bonding;
3. Communication;
4. Shared value;
5. Empathy; and
6. Reciprocity.

Trust and goodwill have been found to be vital in alliances of all kinds (Faulkner & De Rond, 2000:30). Sako (1998) in Faulkner (2000:344) posits that "Whatever the formal governance structure, the higher the level of mutual trust, the better the performance is likely to be" (Faulkner & De Rond, 2000:31). Barney and Hansen (1994) further identify trust as a source of competitive advantage (cited in Faulkner & De Rond, 2000:31).

Child and Faulkner (1998) in Faulkner (2000:341) break trust down into:

1. Calculative trust - “Which sees synergies between firms and takes the risk that the new partner will behave appropriately”;
2. Predictive trust - “That is built over time through both firms keeping their promises and meeting their deadlines”; and
3. Affective trust - “Which comes about as friendship develops between the partners”.

Faulkner (2000:344) states that affect-based trust is founded on the emotional bonds between people. It is, however, difficult to achieve, and “[i]f it develops at all this is only likely to be the case after the alliance has been operating successfully, and up to the partners' expectations, over a period of some time”. Cultural and associated language differences tend to impede communication and understanding, and may stand in the way of the development of affect-based trust. The importance of good communication at both the institutional and interpersonal levels in order to build trust is also confirmed by Hsu (2003:17).

Sako (1998), similarly, in Faulkner (2000:344), has a threefold categorisation of trust:

1. Contractual trust - “Which means the expectation that the partner will carry out its contractual agreements”;
2. Competence trust - “That is, that the partner is capable of doing what it says it will do”; and
3. Goodwill trust - “In which the partner makes a commitment to take initiatives for mutual benefit while refraining from taking unfair advantage of the other partner”.

Lewicki and Bunker (1995), in Gray (2000:248), propose three further general types of trust which can be linked sequentially in that the first is a precursor to the second and the second to the third:

1. Calculus-based trust - “Derived from consistency of behaviour that leads to expectations that the other party will behave predictably”;
2. Knowledge-based trust - “In which there is a willingness to rely on the other person because of direct knowledge about their behaviour”; and
3. Identification-based trust - “In which parties develop a social bond with each other based on mutual appreciation of each other's needs”.

Many of these typologies of trust are operationalised on the individual level. Powell (1995), however, in Gray (2000:249), offers a typology of trust-based collaboration that leads to social capital formation at the network level and suggests that trust may be built on:

1. Norms of reciprocity and civic engagement;
2. Common professional membership;
3. Shared historical experiences and group membership; and
4. Mutual dependencies.

Olk and Earley (2000:315) observe that "[e]mpirical evidence is inconclusive, however, on the importance of interpersonal trust relative to interorganizational trust". They argue that trust is not an inherently central aspect of an alliance. In fact, "trust may likely be an outcome variable, resulting from a particular exchange relationship, rather than a predictor of relationship success as has been argued by others".

Building trust should be done right from the start of the relationship. According to Harbison and Pekar (1994) this would be based on:

- Understanding and articulating each other's objectives, as well as
- Ensuring that the right amount of trust is reflected in the partnership agreement (an overly short or long agreement typically starts a cooperative off on the wrong foot).

More importantly, they emphasise that one must never forget that "[t]rust and understanding are the defining features of an alliance". Therefore the lawyers and corporate staff should be kept away from the negotiating table until most elements are worked out by line managers.

The concept of commitment differs from trust. "It is possible to be very committed, even dependent on a partner, but not to trust it" (Faulkner & De Rond, 2000:31). They observe that this situation is not uncommon in alliances. Commitment can be signalled in a number of ways:

1. "Through committing large capital investments to a project;

2. By demonstrating a determination to stick with the deal even when the going gets rough, and profits are hard to come by;
3. By providing free technical assistance to another, thus incurring costs; and
4. The disclosure of proprietary information to a partner";

Faulkner and De Rond (2000) point out, however, that it is not sufficient to only show commitment at top management level, since its absence lower down the partner company may nullify the beneficial effect of the commitment at the top.

According to Day (1995:299), the foundation of mutual commitment is "a recognition by each partner that the other partner brings assets and capabilities that will enable the alliance to accomplish what neither can do alone". The specific commitments made include:

- Investments in each other and the relationship - "Through equity swaps, cross-ownership, or mutual board service, that are very tangible demonstrations of their long-run commitment";
- Sharing information in both directions;
- The development of linkages between people at different levels in the two organisations;
- Giving the partnership formal status - "With well-defined authority, responsibilities, and decision process, to ensure the alliance can extend beyond those who formed it"; and
- Demonstrating the integrity of the relationship by behaviours that enhance mutual trust.

Another important related concept in alliances is that of control. Faulkner (2000:341) observes that: "Control in alliances must be limited, if the alliance is to realize its creative aims." He defines control in strategic alliances as "the process by which the partners influence, to varying degrees, the behaviour and output of the other partners and the managers of the alliance itself". Control can be analysed and planned within a framework of three dimensions:

1. Mechanisms of control;
2. The extent of control; and
3. The focus of control.

According to Faulkner (2000) there is considerable dispute about the link between control and performance, but alliances in which each party has equal control tend to perform the best. When, however, alliances are formed between developed and less-developed country partners, there tends to be an association between satisfactory performance and less-dominant control by the foreign partner, the argument being that sharing of control with local partners will lead to a greater contribution from them.

Trust and commitment are essential foundations for a successful long-term relationship such as a twinning. Whereas both parties need to be committed from the start, trust seems to be an outcomes dimension, which is built up over a period of time. Trust and commitment are, according to the literature discussed in previous sections, two such important contributors to the success or failure of alliances that hypotheses were also developed and tested later in this study to ascertain their role in alliance success (see page 324).

3.3.5 Structuring and the alliance manager

Successful alliance management is highly dependent on the structuring and management resources deployed to manage the alliance. The alliance manager is employed in many successful organisations and in the next section, the role and characteristics of such a position, amongst other options, are discussed.

Mockler (1999:206) proposes that each partner firm needs a liaison manager and champion, who not only should be involved from the start in initiating interest in the alliance, but also to actively and continuously work at making the alliance work as it is implemented. According to him, “Poor communications were found in surveys to be a major cause of alliance failure; such problems can often be overcome by effective liaison management.”

In some cases, and specifically when the alliance is set up as a separate legal entity, the alliance may be headed a Chief Executive Officer or CEO. The authority the CEO will have and the procedure for CEO selection are normally outlined in the alliance agreement (Mockler, 1999). This role, however, could be different from that of the alliance manager at the partner level, who might be responsible for managing a whole portfolio of alliances.

The alliance manager should be highly skilled in alliance management and Mockler (1999:207) suggests the following key alliance management and leadership skills needed by such a person:

- Being comfortable with a collaborative, team-oriented environment;
- Having the ability to deal positively with conflict;
- Being able to delegate;
- To govern by persuasion in a situation where one does not always have full authority;
- A sense of humour;
- Excellent communication skills;
- The ability to build trust; and
- A mix of leadership styles, even though the concept of alliance places focus on collaborative styles.

Character and integrity are also essential traits that lead to trust through honour and loyalty. Kuglin and Hook (2002:232) emphasise that these traits are not found in all employees, and that the selection of the right alliance people must include a screening for character and integrity.

Lynch (2001:81-85) also proposes that alliance managers must have four critical skills to be successful. These are:

1. The skills to manage differences - “Having vision, create synergies and integrating through ability to translate across cultural-boundaries”;
2. Skill in managing breakthroughs - “Goal setting, energise creative forces”;
3. Skill in managing speed of decision-making; and
4. Skill in managing transformation.

Finding the right person is critically important. Greenhalgh (2001) suggests that this person should really care about the joint effort. Furthermore, the best champion should have persuasive abilities and a network of internal relationships that will facilitate getting the program implemented. Lendrum (2000) describes alliance managers as unique individuals, highly sought after but rarely seen in business today, and professional trouble-shooters. Harbison and Pekar (1994:8) concur when they say: “It takes the best, most energetic people to succeed in these ventures outside the company's mainstream.”

Lendrum provides a list of the competencies required by the alliance manager (see Appendix I) and proposes the following job description (Lendrum, 2000:341):

Job purpose:

To lead and manage the overall well-being and continuous improvement of the strategic partnership, in the short, medium and long term.

Responsibilities:

- Partnering team leader;
- Management and leadership role over people and teams that don't report directly;
- In conjunction with the partnering team is responsible for the development, implementation and delivery of short-, medium- and long-term strategies;
- Owns the partnering charter and is responsible for delivering;
- Periodic progress reporting to senior management;
- Member of the senior management steering group;
- Master trouble-shooter and problem solver;
- To be innovative and creative in developing technical and non-technical opportunities;
- Maintains and develops internal and external relationships of importance to the partnership;
- Works with coaches, counterparts, other teams and individuals for continuous improvement;
- Persuader, influencer, coach, facilitator at all levels from senior management to shop floor;
- Development of and delivery against partnership key performance indicators (KPIs);
- To understand and improve partner organisational alignment opposite culture, strategy, structure, process and people;
- Leads the development of new ideas, incentive programs, training and development programs;
- Builds trust, respect and credibility within the partnership;
- Links the immediate partnering relationship to the “bigger picture” and the achievement of longer-term organisational and partnership goals;
- Balances company and partnership loyalties;
- “Champion of the cause” in taking strategic partnering from rough concept to practical application; and
- To take calculated and educated risks.

The job of alliance manager is not an easy one and these managers face many challenges (Segil, 1996). Senior managers may put unrealistic pressures on alliance managers. They face a continuing challenge to create an environment that can respond to change in each of the alliance partners. Learning and the transferring of only the contracted skills are an added complication which adds stress to normal project management tasks.

The structure and sound management of a twinning are vital and the UNDP (2000:9) emphasises the importance of the allocation of responsibility to a specific person on each side: "At each end of the link there will usually be a 'link person' who plays a crucial role. She or he coordinates the link and is, de facto, the person primarily responsible for making the link a success."

Structuring and resources deployment could differ from partner to partner. One of the oldest participants in twinning, Bristol in the UK, for instance, has twinning agreements with six foreign cities. In Bristol itself, these relationships are managed as a partnership between (Bristol City Council, 2002):

- Bristol City Council who provide a grant and manage the civic elements;
- Bristol International Twinnings Association (BITA), which is an umbrella group representing all six voluntary associations or registered charities who manage the community elements; and
- The University of the West of England (UWE), who provide the office space.

The United Nations Human Settlements Programme concludes in their research that: "Cities need to have constitutional stability and some core financial and human resources capacity in order to be able to make best use of C2C opportunities. Cities are best able to engage in C2C initiatives where they have the ability to apply resources of their own and/or those generated within the local community to this purpose" (UN-Habitat, 2001b:39).

Besides the alliance manager, in the case of twinnings, politicans also play two important but interrelated roles: ambassador, and networker. In the case of the twinning between Montreal and Shanghai, for instance, the mayor had to play the following roles (Hsu, 2003:129-130):

- Ambassador: "E.g. act as representative of government, promote or market the city, negotiator, symbolic role"; and
- Networker: "E.g. manage network, share and offer information, encourage coordination, develop further networks, facilitate communication."

3.3.6 Funding

No link or twinning can function without funding, whether from official or voluntary sources. According to Sister Cities International, it is sometimes the case that the more city hall-driven programmes in international cities, even in developing countries, have more resources for sister cities than their more volunteer-based US counterparts. This is due to the voluntary nature of twinnings in that country, where funding is normally obtained through sources such as (SCI, 2003c:4):

- Fundraising through city hall support;
- Major corporate support;
- Recruitment of additional individual members;
- Appropriate service fees; and
- Fund-raising events that have an impact.

Sister Cities International (SCI, 2003a:14-15) also provides the following guidelines for funding:

- The annual budget for a sister cities program should include both cash-on-hand and donated in-kind services;
- Membership dues for the local sister cities program are a way to raise some of the basic operating expenses for the program;
- In general, expenses for trips to the sister-city are not included in the annual budget since participants pay their own way (the program, however, may want to support some type of annual travel expense from the annual budget for special types of exchanges, such as youth exchange scholarship or technical assistance); and
- The program should consult with an accountant to determine which expenses qualify as tax deductions.

The typical expenses that the sister-city programmes can expect to incur are listed below. Many are one-time costs only, and many may be donated as in-kind contributions from members (SCI, 2003a:14-15):

- One-time setup fee;
- Publicity and printing (newsletter, brochures, advertisements);
- Hosting visiting delegations;

- Copying/postage/courier cost;
- Telephone/fax/e-mail/Internet services;
- Website design and hosting fees;
- Annual membership fees to SCI;
- Gifts for sister-city;
- Scholarship assistance for youth exchange programmes;
- Technical assistance projects; and
- Fundraising expenses (to cover the initial outlay).

Sources of income include:

- Annual membership fees;
- City government contributions;
- Corporate donations;
- US government and foundation grants;
- SCI grant programmes;
- Direct mail solicitation;
- Sale of items (recipe books, T-shirts, bumper stickers);
- Fundraisers (auction, raffle, international dinner); and
- In-kind contributions (printing, complimentary hotel rooms for visitors, legal services, meals, home-stays).

The UNHSP has identified the following sources of funding in their research (UN-Habitat, 2001b:11):

- Own budgets;
- Local partner contributions;
- Development project / programme funds;
- Grants and loans;
- Self-funding activities;
- Foundations, trust funds; and
- Other.

The UNDP also observes that the most sustainable and successful links have a track record of raising their link's core contributions from within the community/municipality itself, through official or private channels, and they note that the enthusiastic support of the media is an essential element. Other examples of innovative funding include the following (UNDP, 2000:16):

- Besançon (France) generates the core funding for its link through levying a modest add-on to water consumption charges;
- Boston (UK) raises its entire core funding from the public. This is done through special events and street collections;
- In some Northern countries, the central government will add to a town's core contributions, often with a generous multiplier. In others, it will provide a tax-break on individual contributions;
- In many countries, additional resources are being obtained from international sources, such as the European Union and the World Bank, with the assistance of national associations of local governments; and
- In North-South twinnings the Southern partner's contribution is typically a mix of cash and in-kind support, with the latter predominant.

In Europe, twinning programmes are funded by the European Commission. A programme for aid to twinning actions was established at European Union level in 1989, following a decision by the European Parliament and on the initiative of CEMR. The programme is managed by the European Commission and gives financial assistance to the travelling municipality and organisational aid to the host town. It also enables the organisation of training seminars and conferences on themes concerning twinning and European citizenship. The programme's conditions are laid out in the call for proposals published each year by the European Commission (CEMR, 2004b:4).

3.3.7 Support structures

There are numerous national and international organisations available to help communities find partners and to assist in establishing and maintaining transnational relationships. The UNHSP observes that support for C2C includes a wide range of different activities, approaches and organisations, and they propose an analytical framework to help these to be seen more clearly. Three main categories (or sets of characteristics) for comparing support options for C2C are proposed, as seen in Table 3.9 below (UN-Habitat, 2001b:9):

Table 3.9: Support options

Category	Support options
Facilitating structures	▪ Individual city authorities ▪ Associations of local authorities ▪ National governments ▪ Bilateral and multilateral aid organisations ▪ Professional associations ▪ NGOs ▪ Other
Funding and resources	▪ Own budgets ▪ Local partner contributions ▪ Development project / programme funds ▪ Grants and loans ▪ Self-funding activities ▪ Foundations, trust funds ▪ Other.
Support modality	▪ Documentation of best practices, match-making ▪ Exchange of specialised staff ▪ Exchange of information, technical knowledge ▪ Networking support ▪ Demonstration, replication, guidelines ▪ Specialised expertise and tools ▪ Other

Source: UN-Habitat, 2001b:9

Various organisations exist to facilitate transnational relationships. Associations of local governments at the national and international levels have already been discussed under Section 2.5.5. In addition to these organisations, a number of countries have NGO-type organisations that fulfil the supportive role. In the USA this would be Sister Cities International, in Australia the Australian Sister Cities Association and in New Zealand, Sister Cities New Zealand.

Sister Cities International (SCI) was founded in 1956 by President Dwight D. Eisenhower, and is a national, non-profit, volunteer membership organisation representing the sister-city programmes of more than 1,100 US cities and their 2,000 partners in more than 120 countries worldwide (SCI, 2003a:3). The goals of SCI are to:

- Develop municipal partnerships between U.S. towns, cities, counties, states and similar jurisdictions in other nations;
- Create opportunities for the citizens of sister cities to experience and explore other cultures through long-term community partnerships;

- Create an atmosphere in which economic development and trade can be developed, implemented and strengthened;
- Stimulate environments through which U.S. and foreign communities can creatively learn, work and solve problems together; and
- Collaborate with organizations in the United States and other countries sharing similar goals.

The United Nations Development Programme, however, observes that "[a]lthough there are international, regional and national associations with mandates to support city-to-city cooperation, the majority of these associations do not yet have the capacity they need to promote linking comprehensively among their members" (UNDP, 2000:3).

National governments in most countries also support linkages at the local level and according to the UNDP, "Government encouragement of city-to-city cooperation is a prerequisite for the spread of linking" (UNDP, 2000:4).

The role of governments differs in different parts of the world. In Northern countries some local governments are providing the core funds for specific links whilst in others "top-up" funds are provided to supplement the core contributions made by the community itself. In the South, "there is evidence to suggest that governments see the potential usefulness of linking and would like to facilitate its spread" (UNDP, 2000:4).

The support structures for twinnings in South Africa are also discussed later in this study in the presentation of the primary research findings.

3.3.8 Marketing of the twinning

Marketing a strategic alliance could be important to companies in the private sector, but it is critical in the case of twinnings. As a twinning is characterised by high levels of community involvement, marketing communication, and specifically publicity, is very important in communicating to members of both partner communities. This medium can also be used for marketing's other purpose, that of fundraising. A hypothesis on the role of marketing in twinning success is therefore also developed and tested later in Chapter 6 of this study (see page 331).

Sister Cities International (SCI, 2003a, 16-17) provides guidelines on the marketing tools that could be used for a twinning in local and other media:

Local media

- News (or press) release;
- Press conferences or direct media contact;
- Feature story;
- Local access television (in the USA);
- Opposite editorial (Op-Ed) (In the USA);
- Letters to the editor;
- Public service announcements;
- Regular or guest column;
- Endorsement articles;
- TV/radio appearances;
- Editorial board meetings;
- Press kits; and
- Video news release.

Other media

- Newsletters;
- Internet;
- Brochures and leaflets;
- Reprints of articles;
- Board minutes;
- Posters;
- Return cards;
- Annual report;
- Postcards;
- Fact sheet;
- Questionnaire;
- Self-mailer;
- Photos and artwork;
- Public speaking engagements;
- Work with other local organizations;
- Hold seminars, roundtables and workshops;
- Notices in church bulletins;
- Notices in other organizational and community newsletters;

- Participation in community affairs and events such as panel discussions;
- Floats in parades/fair booths/street banners;
- Announcements of meetings in town club rosters;
- Favours on hospital trays;
- Placing the program's newsletter in doctor's and dentist's offices;
- Exhibits/displays; and
- Bumper stickers/lapel pins/T-shirts.

A strategic alliance and a twinning involve relationships between people and these are dependent on excellent communication. Successful twinnings also involve all the actors of the community in a specific area and without marketing and communication no one will know about the relationship, reducing it to an exercise on paper only.

3.4 Twinning success factors and measurement of relationship outcomes

Strategic alliances are a complex phenomenon. Their success depends not only on the structuring, but also on the people involved, as all relationships are primarily forged and maintained at the personal level. According to Mockler (1999:13), this includes their personal characteristics, values and capabilities - as well as the personal chemistry among partners. Faulkner (1995:186), in Faulkner and De Rond (2000:28), also stresses the personal aspects and suggests that: "Positive attitudes in managing the alliance, and actions to stimulate bonding and organizational learning during the evolution of the alliance, were strongly associated with its effectiveness." The specific attitudinal and behavioural characteristics most strongly associated with alliance success in his research are high levels of trust and commitment. Other factors mentioned that will lead to an effective operational fit through the alliance structure include (Mockler, 1999:13):

- The type of business (different industries have different characteristics and pose different demands);
- The specific organisations involved;
- The potential for misuse of proprietary knowledge;
- The people involved;
- The importance of the alliance to each party; and
- Potential rivalry.

Broadly speaking, an alliance must fulfil four basic criteria for each partner. It must:

- Add value;
- Enable learning;
- Protect and enhance core competencies and competitive advantages; and
- Enable the operational flexibility needed for the venture to be successful.

3.4.1 Alliance failures

It has already been mentioned in Section 3.1.2 that the average life expectancy of a strategic alliance is seven years (Connell *et al.*, 1996:62). Some alliances end in acquisition, usually by one of the partners. Others fail and are disbanded by the partners. Still others are designed to be temporary, and are systematically ended when their objectives have been accomplished.

Connell *et al.* (1996:3) quotes a study of 880 joint ventures and cooperative arrangements which found that only 45% were found to be successful by all sponsors. Only three out of five ventures lasted for more than four years, and only 14% lasted more than ten years.

Bain and Company also reported that in 48% of the alliances they studied the cause of failure was inadequate strategy development (Mockler, 1999:198). Further surveys quoted include the one reported by Troy (1994:19) in Mockler (1999:198):

Table 3.10: Reasons for alliance failure

Reason for failure	Percent of respondents
• Drastic changes in environment	56
• Cultures too different	44
• Poor leadership	43
• Ambiguous leadership	43
• Overestimated market	35
• Poor integration process	34

Source: Mockler, 1999:198

Biggs (2003:2) reports that in a study that involved 450 CEOs, the following reasons for alliance failure were found, which were mostly as a result of a cultural mismatch:

- Overly optimistic;
- Poor communication;
- Lack of shared benefit;
- Slow results for payback;
- Lack of financial commitment;
- Misunderstood operating principles;
- Cultural mismatch; and
- Lack of alliance experience.

Mockler (1999:198) quotes studies by Booz Allen Consulting over a six-year period involving 500 CEOs also giving reasons for alliance failures such as the following:

- Selected wrong partner;
- Overly optimistic expectations;
- Lukewarm commitment;
- Poor communication;
- Undefined roles;
- Unclear value creation;
- Loose agreement;
- Little relationship building;
- Weak business plan; and
- Lack of alliance experience and not bridging partners' styles.

Developing a core competency in alliance capability provides a company with a competitive edge and this can only be achieved by learning from both successful and unsuccessful alliance experiences. The failure of strategic alliances, however, need not always be seen in a negative light. Gomes-Casseres (1998:4) reminds us that: “The attention to termination rates misses the central point that the survival of the alliance is not the goal, only the success of the alliance strategy is.”

Twinning failures have not been researched as extensively as alliances is the private sector, but Hsu (2003:34) cites some of the reasons found in the literature:

- Geographical distance;
- Unbearable travel expenses;
- Linguistic barriers;
- Cultural barriers;
- Lack of substantial friendship and mutual trust;
- Conflict between national states;
- Differences in political systems; and
- Change of municipal council/officials with different priorities.

Lempäälä Municipality (2000) in Finland also identified at an Africities conference certain practical problems which partners must overcome to ensure success:

- No mutual understanding of objectives between partners;
- Unrealistic financial / cash-flow planning (no instruments to facilitate own/national contributions);
- Lack of morals and transparency;
- No internal professional expertise for implementation in municipal organisations (no experience - implementation always outsourced);
- Bureaucracy of the development/financial programmes; and
- Low participation of the community.

In his study of relationships between Euroregions, Uijen (2002) also identifies potential problems to avoid:

- The enthusiasm for cooperation is often demonstrated by few persons, in many cases only the mayors. When they go away cooperation also ends abruptly;
- The differences in distribution of competencies, different sectoral legal commitments and differences in legal protection between the participants' countries;
- The lack of knowledge about transborder co-operation, at the national level as well as the local level;
- The change in the distribution of administrative powers and territorial division of local and regional administration, caused by national processes of regionalization;
- A failure of authorities to involve the local population in the cooperation process;
- The lack of financial means and human resources for the deepening and broadening of cooperation;
- A one-sided attention to socio-economical subjects for which European subsidies can be obtained, to the detriment of, for example, urban and regional planning;

- Differences in administrative culture; and
- Differences in the orientation of policies.

Major lessons can be learnt from alliance and twinning failures. These failures and the reasons mentioned in this section should be considered carefully, as identifying and recognising failures is critical in building alliance capability in an organisation.

3.4.2 Alliance success factors

But why are some alliances successful and others not? In this section the factors that lead to alliance success are explored. According to Harbison *et al.* (1994:14), they have found it necessary to tailor the approach to alliances based on organisational complexity - the nature and capabilities of a business. The priority of alliance skills and requirements differ across groups, and "mixed" alliances between "complex" and "simple" firms generally fail.

Many researchers confirm the importance of learning and gaining experience in alliance management as an important contributor to success. Gomes-Casseres (1998:6) suggests that "A firm needs to create an organizational process that incorporates alliances as a natural option for the firm, much as investing in this or that market or opening or closing this or that plant. Such a process recognizes that alliances are not a panacea; they have risks and rewards, and they will work for some things but not for others." In addition, the firm needs to have a way of evaluating the costs and benefits and a system for defining and tracking goals for the alliances. Success also depends on the alliance governance structures and on the ongoing relationship between the firms, including the personal relationships between managers (Gomes-Casseres, 1998:4).

Different authors provide different lists of success factors for alliances, but most of these factors are common amongst them. Gomes-Casseres (1998:4) points out that the alliance strategy creates the context for the success of individual partnerships, but that the following factors pertaining to the deal itself are critical:

1. Have a clear strategic purpose. "Alliances are never an end in themselves - they ought to be tools in service of a business strategy";

2. Find a fitting partner. “This means a partner with compatible goals and complementary capabilities”;
3. Specialise. “Allocate tasks and responsibilities in the alliances in a way that enables each party to do what he does best”;
4. Create incentives for cooperation. “Working together never happens automatically, particularly not when partners were formerly rivals”;
5. Minimise conflicts between partners. “The scope of the alliance and of partners’ roles should avoid pitting one against the other in the market”;
6. Share information. “Continual communication develops trust and also keeps joint projects on target”;
7. Exchange personnel. “Regardless of the form of the alliance, personal contact and site visits are essential for maintaining communication and trust”;
8. Operate with long time horizons. “Mutual forbearance in solving short-run conflicts is enhanced by the expectation of future gains”;
9. Develop multiple joint projects. “Successful cooperation on one project can help partners weather the storm in less successful joint projects”; and
10. Be flexible. “Alliances are open-ended, dynamic relationships that need to evolve in pace with their environment and in pursuit of new opportunities.”

The following critical success factors for strategic alliances were found by Biggs (2003:3):

1. Clear and common vision;
2. Shared objectives;
3. Mutual needs;
4. Strategic fit/complementary strengths;
5. Senior management/champion commitment;
6. Shared risks;
7. Shared rewards;
8. Appropriate scope;
9. Shared control;
10. Team problem solving;
11. Shared decision-making;
12. Cultural compatibility;
13. Mutual trust;

14. Measurable goals; and
15. Partner accountability.

Lendrum (2000), who investigated strategic alliances in the construction industry, found the following success factors:

1. Commitment from the top managements;
2. All stakeholders having equal equity in the relationship;
3. Jointly creating mutual goals and focusing on win-win outcomes;
4. Trust;
5. Techniques for conflict resolution;
6. Review of progress via continuous evaluation; and
7. Timely communication and responsiveness to avoid disputes.

Kuglin and Hook (2002:241) investigated alliances in the software industry, and they provide the following success factors:

1. A strong vision for alliances;
2. An alliance message that combines passion and focus;
3. A commitment to succeed without the fear of failure;
4. The strength of the process to enter into meaningful agreements;
5. The knowledge of how to partner;
6. The fortitude to stick with alliances through good times and bad times; and
7. The ability to know when to hold, and when to fold alliances.

They also suggest that: “Honour, loyalty, and trust are the critical success factors that govern the behaviour within alliances throughout their life cycles” (Kuglin & Hook, 2002:234). Some of their important lessons learnt from their alliance experience are listed below (Kuglin & Hook, 2002:190):

1. Alliances are structured at the corporate level, but are made or not made at the local, or deal, level;
2. Conflict resolution on key issues must be done on a timely basis;
3. If divisions of a company compete with the alliance partner, trust is constantly in jeopardy;

4. Alliances flourish best when both sides have differentiating attributes and when they determine whether their alliance is strategic or tactical;
5. Tactical alliances can be just as successful at driving additional revenue as so-called strategic alliances;
6. Successful alliances rely on the definition of added responsibilities of both parties;
7. Conflict resolution: behaviour in the field must be monitored;
8. Check your ego at the door;
9. Aligned compensation: tt helps, but only so much;
10. Leadership builds relationships; and
11. Software-consulting alliance programs must be customer-focused.

According to Harbison and Pekar (1994:3), the success rate of alliances for companies is higher than for acquisitions and venture capital but about 40% of alliances are still considered failures. Importantly, however, they conclude: "Our research indicates that returns improve as a company gains more experience with alliances."

They propose the following key success factors that are based on their experience and are confirmed by documented results of a five-year study of more than 250 American companies that have formed nearly 1,200 alliances:

1. Preparation of a realistic feasibility study;
2. Anticipation of business risks and mitigating them (including anticipating key obstacles such as resistance to change, anticipating issues with the interchange of proprietary intellectual assets, anticipating possible breakdown of communications, and customising management systems and processes to alliance requirements);
3. Linking budgets to resources and priorities;
4. Conducting realistic partner assessment and selection - "Inexperienced firms appeared to emphasize objectives and rationales rather than detailed analysis, proactive selection/in-depth understanding of potential partners whilst successful firms have knowledge of the partner's management culture, previous alliance experience, and strategic objectives before entering into any agreement. They also make allowances to accommodate these differences. They clearly understand the partner's core strengths and fundamental weaknesses. And no matter what the time pressure, they avoid rushing into situations where the homework and preparation are not complete. And successful partners always give appropriate consideration to divorce procedures, penalties for poor performance, and arbitration";
5. Adopting superior resource strategy/planning;

6. Coupling investment and rewards with performance; and
7. Clearly defining roles - “Successful companies avoid the typical committee-type decision-making process, they fix the responsibilities and authority of alliance managers and adopt a periodic structured review process.”

Other guiding principles for successful alliances are (Harbison and Pekar, 1994:14):

- Alliances should always be formed on a "strength-to-strength" basis, not "strong-to-weak" or "weak-to-weak";
- Adoption of incremental value focus by not placing too much emphasis on learning the partner's skill instead of building skills incremental to the combined entity;
- Employ step-by-step relationship building to develop consensus and trust right from the start; and
- Flexibility and structural adaptation is applicable across all situations.

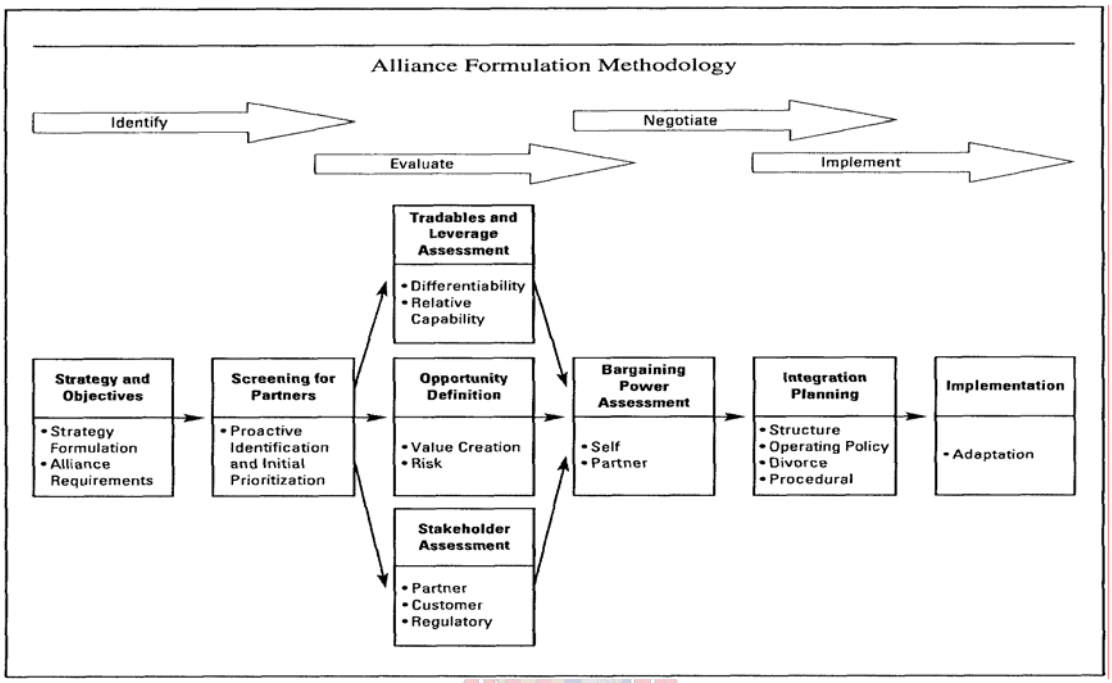
Harbison and Pekar (1994:7-8) also list further success factors through highlighting some of the factors that lead to unsuccessful alliances and should be avoided. Factors that facilitate successful alliances include:

1. Focusing on mutual instead of individual benefit;
2. Developing the right amount of trust;
3. Understanding of the cultural dynamics;
4. Clear, open, and periodic communications;
5. Attracting the best individuals to the alliance;
6. Taking the time to select the right partner;
7. Explicitly agreeing on mutual objectives and goals; and
8. Not imposing you one’s own culture and philosophy on the alliance.

Harbison and Pekar (1997:9) further suggest that the fundamental four phases of alliance activity of “identification”, “evaluation”, “negotiation” and “implementation” involve eight steps and that successful companies cover each of the eight steps in order, while less-experienced companies either skip steps or proceed in random order through the sequence, with disastrous results. These four phases are illustrated in Figure 3.6 and listed in more detail below:

1. Identify (steps are formulating strategy and objectives, and screening for partners);

2. Evaluate (steps are tradeables and leverage assessment, opportunity definition, and stakeholder assessment);
3. Negotiate (bargaining power assessment); and
4. Implement (steps are integration planning, and implementation).



Source: Harbison & Pekar, 1997:9

Figure 3.6: Alliance formulation methodology

In addition, Harbison & Pekar (1997:11) have identified the critical success factors in each phase as follows:

Table 3.11: Critical success factors for alliances

Phase	Critical Success Factors
Phase 1: Identification	• Rationale of alliance versus going alone • Judging alliance impact on organisation
Phase 2: Evaluation	• Realistic feasibility study • Knowing partner's alliance history • Clarity of partner's capability gaps
Phase 3: Negotiation	• Negotiating team's alliance experience • Linkage of investment to performance • Plan to build on relationship
Phase 4: Implementation	• Plan for flexibility and change • Organisational structure for alliance needs • Clear management roles and empowerment • Lessons learned available in real time

Source: Adapted from Harbison & Pekar, 1997

To this list of success factors, Gulati and Zajak (2000:370) add the following observations:

- There is some evidence that alliances with embedded ties may perform better or last longer than others;
- The most effective alliances tend to be those that show a positive evolution over time, rather than a mere pursuit of initial objectives;
- Success is determined by architecture and good architecture is characterized by longevity;
- Terminating an alliance can be evidence of successful learning rather than failed collaboration, particularly when learning was a primary objective; and
- Success has been achieved when a partner emerges from an alliance stronger and more competitive than when it entered.

Day (1995:298) states that the purpose of a strategic alliance is to create competitive advantage. The sustainability of any advantage depends on the sources of the advantage - the assets and capabilities that yield a positional advantage that delivers superior customer value. For competitive advantages to be sustainable, they must conform to the following criteria:

- Be valuable (they must offer mutual value);
- Be durable (through mutual commitment);
- It must be unclear to the competition how the source of advantage works (barriers to imitation);
- Even if the competitors understood the advantage, they still could not duplicate it; and
- Be able to protect first-mover advantage.

Connell *et al.* (1996:62) make the following observations about success:

- Alliances usually work best when ownership of the new venture is shared equally;
- Partners must be able to learn from each other in order to allow the alliance to grow; and
- Cultural compatibility is important. They remark that differences in company management styles are one of the major causes of difficulty in strategic alliances and that these differences occur not only across national boundaries, but within countries as well.

Ohmae (1989:149) lists the following success factors identified at the company ICL:

1. Treat the collaboration as a personal commitment;
2. Anticipate that it will take up management time;
3. Mutual respect and trust are essential;
4. Mutual benefit is vital;
5. Make sure you tie up a tight legal contract;
6. Recognise that during the course of a collaboration, circumstances and markets change. Recognise your partner's problems and be flexible;
7. Make sure you and your partner have mutual expectations of the collaboration and its time scale;
8. Get to know your opposite numbers at all levels socially;
9. Appreciate that cultures - both geographic and corporate - are different;
10. Recognise your partner’s interest and independence;
11. Even if the arrangement is tactical in your eyes, make sure you have corporate approval; and
12. Celebrate achievement together.

According to Gresser (1998a), the keys to alliance success are clarity of purpose, trust, synergy, and integrity in the face of constant change. The most successful alliances are also coherent, not only in strategy, operations, and human chemistry, but also in their legal structure and rules. In order to forge successful alliances, he provides the following guidelines:

1. Recognise the necessity for a significant philosophical shift;
2. Keep the terms simple, efficient, and adaptive to fast time;
3. Establish principles of effective collaboration;
4. Avoid corporate joint ventures/ favour corporate partnerships and limited liability companies;
5. Allocate control to capture synergy;
6. Design profit sharing and risk allocation based on the joint value proposition;
7. Turn differences and disputes into opportunities by alliance mediation.

Segil (2003b) lists the following keys to successful partnering based on her extensive experience:

1. Common culture is key to alliance success;
2. Tiering is an effective method of organising large volumes of alliances;
3. An alliance process forges stronger relationships;
4. Open communication between alliance partners is essential;
5. Monitoring customer responses and service complaints helps ensure success;
6. Managing the collaboration/competition dilemma is vital;
7. Linking alliance managers and their rewards to alliance success proves beneficial;
8. Flexibility throughout the alliance relationship is key;
9. Individual personalities must be prevented from affecting the alliance relationship; and
10. Measuring, monitoring, and reviewing must continue throughout the life of the alliance.

Strategic alliances in the public sector and initiators of twinnings can learn from this wealth of experience in the private sector. Selecting the right partner is of the utmost importance in the relationships we have outlined. According to Sister Cities International, it is wise for cities to pursue a relationship with a community that is as similar as possible in terms of geography, population, industries and interests, but on the other hand, there are many successful "marriages" of opposites (SCI, 2003c:3).

Government support is also important in a twinning's success and the UNDP concludes that: "Encouragement of city-to-city cooperation is a prerequisite for the spread of linking. Our research leads us to believe that governments generally favour linking and support its continued growth" (UNDP, 2000:4).

Organisations like Sister Cities International who have facilitated thousands of twinning relationships have built up a comprehensive database of the successes and problems of its members. According to this organisation, "Although a program can have unexpected difficulties during any of its sister-city activities, strong sister-city programs endure." Such programmes have several common attributes (SCI, 2003a:5):

1. Memorandum of understanding: "This is a clear, concise statement of the program's goals, objectives and planned activities. Memorandums are updated and revised throughout the lifetime of the sister-city relationship, often every two to three years";

2. Diversity and innovation: “Integral to the success of a sister-city program is its ability to develop beneficial, needs-specific projects that lead to deeper ties between the two communities”;
3. Reliable communications: “Strong sister-city programs establish and sustain reliable communication links that utilize the best technology available (phone, fax and e-mail) and professionally trained staff (whether volunteers or city officials) who have a good understanding of the cross-cultural dynamics of the relationship”;
4. Broad-based community involvement: “Linking as many organizations (newspapers, service clubs, scout troops) and institutions (schools, universities, hospitals) in the two communities as possible strengthens the sister-city program”; and
5. Evaluation and follow-up: “Periodically, successful sister-city programs re-evaluate their partnerships to reaffirm commitment, to discuss minor problems each side might be experiencing and to plan for new, innovative projects, which are adapted each year to reflect the changing needs of the communities.”

In another publication, Sister Cities International lists the following success factors (SCI, 2002b:5-6):

- Broad-based participation;
- A good balance of realistic thinking and big dreams;
- Sustainable development;
- Deep cross-cultural understanding and experience;
- Listening and two-way learning;
- Considering who benefits? Why? When? In what way? For how long?;
- Trouble-shooting;
- Realising that “economic development” is a complex web of interaction; and
- A sense of humour, patience, and determination.

On a more practical level, Sister Cities International suggests that the following be kept in mind when structuring and managing a successful twinning programme (SCI, 2003c:6-8):

1. Solid support and involvement from both city hall and the business sector - “The mayor as honorary chair; a staff person designated at city hall; direct involvement of various city departments…; various direct and indirect (in-kind) support for sister-city activities”;
2. A broad-based sister-city committee (According to SCI the best long-term indicator of success for a sister-city program, since elected officials come and go, “is a broad-based sister-city committee, made up of many individual citizens who are enthusiastic supporters of the sister-city program”);
3. Forming alliances “Every effort should be made to form additional alliances within the overall sister-city program, such as sister schools or twinned Rotary and Lion’s clubs”;
4. Excellent communication links (including phone, fax and Internet communications);
5. Sensitivity to cultural differences;
6. Clear objectives - “To maintain excellent, two-way communication and to keep the program active, it is important that cities meet at least every other year to develop a Memorandum of Understanding about what they plan for their partnership, including frank discussions about areas of interest, realities of budgets and other important details in carrying out proposed exchanges or projects”;
7. A variety of low-cost exchanges should occur every year such as an annual “state of the city” letter between the two mayors, an exchange of the city annual reports, exchanges of children’s artwork, letters or sister school programmes through the Internet, exchanges of newspaper articles reflecting the city, and cultural festivals, movies or speeches that celebrate the culture of the city;
8. Regular exchanges - “It is essential to agree on regular, sustainable exchanges of people that will take place every year or, at the very least, every other year”; and
9. The willingness to take risks.

The United Nations Development Programme concluded in their research survey that: “There are four characteristics of a link which, we find, are essential to a link’s ultimate success” (UNDP, 2000:16-17). These characteristics are:

1. Commitment: “Communities involved in a successful link will have committed themselves, in terms of time and resources, to contribute as much as they can. Time is almost always provided on a volunteer or *pro bono* basis”;
2. Community-wide participation: “The wider the participation, the more a link succeeds. If a link is to reach its potential, the town or city’s schools, university, hospital, fire service,

library, associations for the handicapped and other local institutions, as well as business and community groups, will all be involved in their town's link. In each of the partnered towns, the community and its institutions will be represented on a management board or its equivalent. Parliamentarians generally take part too, as well as the town council. The mayor, while leaving the link's management to others, is likely to be a strong supporter. The local press likewise. Thus the roots of a successful link can be seen in its inclusiveness in each of the two partnered communities";

3. Understanding: "As with other development modalities, dialogue and the reaching of a good understanding between the parties take time. The communities have to build trust and respect for one another and then go forward, on the basis of equality, to develop a clear, unambiguous agenda together"; and
4. Reciprocity: "We found that people who link successfully were placing reciprocity high on their agenda. Each side, it was said, has something to give and something to receive. Benefits should flow in both directions, bringing satisfaction to both sides."

The UNDP report also discusses unsuccessful links where relationships have failed or not developed to their full potential. This could obviously be due to the inherent difficulties of language, culture and long-distance communication, but the most common reasons for a link's lack of success are the following:

- Its failure to meet the success criteria of commitment, community-wide participation, understanding and reciprocity;
- Where paternalism is present, a spirit of partnership cannot function;
- Where there is a mistaken assumption that all the expertise needed to make a success of a development project is already present in one or other of the partner communities;
- Many, if not most, community-based projects are likely to require some additional technical support;
- Failure of a link can stem from a lack of political will on the part of the respective city leaders or from the concentration of the link's management in the hands of a single elected local leader or senior official.
- While a link may be successful inside the municipal administrations, it may have overlooked the opportunity to widen in scope to encompass the communities the local authorities serve. The opportunity to realise the full potential of the link is thus denied.

The UNDP (2000:19) concludes that many of these failures are the result of a lack of alliance skills and capability: "We believe that errors in going about linking are occurring mainly as a result of the difficulty which many linked towns, especially in the South, have had in gaining ready access to knowledge and information on what works and what does not. Unlike development agencies and NGOs, there has been little or no opportunity for most town halls to exchange views on linking and find out about linking's best practices."

Other lessons learnt from specific linkages investigated by the UNDP include:

- Statistics on the impact of the partnership on the population should be recorded;
- Relationship building takes time;
- A regular flow of information, news and human interest stories are vital for sustaining interest and enthusiasm;
- Community participation with the support of politicians and administration is needed to make the necessary improvements. A twinning relationship between partner cities in the North and the South is not only a matter of municipalities. NGOs and individual citizens should also be involved to create and maintain broad public support on both sides;
- It is also very important that the media covers the changes, in order to communicate this to the community at large;
- Three prerequisites for a successful link: willingness on the part of both partners; complementarity of the partner cities' technical skills; and takeover of the link's outputs by the users; and
- It is necessary to take cultural factors thoroughly into account.

According to NZIER (2003:iv), goal-setting and effective planning are the keys to success and although objectives will differ across relationships, it is important that each one is planned and that the aims are explicit. But flexibility is also important, to accommodate changing objectives as relationships evolve and develop.

NZIER (2003:vii-viii) also identified different success factors and guidelines for councils and businesses:

Councils:

- Identify your targets and exploit the comparative advantage of your locality;
- Planning is vital – "have a strategic plan for each relationship. Build in regular reviews, and ensure that changing objectives can be accommodated";
- Define the roles – "councils are not always the best agency to conduct business negotiations, and roles should be delineated accordingly";
- Include local businesses in trade promotion activities;
- Don't rush things – "sister-city relationships thrive on continuity of contact and the building of trust between local and overseas local bodies. Ensure that continuity of contact is not over-reliant on individuals";
- Evaluation is essential;
- Savings are benefits too – "information and technology exchange can be a valuable, low cost source of information";
- Make use of technology - "the internet provides an effective, low-cost vehicle for advertising your region and its comparative advantages"; and
- Details matter – "councils can help business by providing important cultural and background information."

Business:

- Use the sister-city relationship as a springboard;
- Planning is vital;
- Treat it like any other investment - "don't expect to reap the rewards straight away";
- Savings are benefits too - "contacts made through sister-city relationships and delegations can reduce transactions and search costs"; and
- Don't expect Council to do all the work "be pro-active in following up contacts and seeking out the information you need."

Four other key success factors are evident when the twinning involves a DC or joint action component (Materu *et al.*, 2001:41-48):

- The importance of an “enabling” policy and institutional environment to facilitate joint action in the form of supportive legislation, appropriate instruments, and evidence of political commitment at the national level;
- The key role of a change agent in fostering joint action;
- Incentives are critical in drawing wider participation and commitment in joint action: and
- A capacity-development approach that emphasises process facilitation, working through local organisations, encouraging ownership through participation and providing a long-term perspective, is necessary. Clear targets need to be set, new structures and procedures need to be created, and training is required, but all these things should be brought about in a consultative and iterative manner.

The City of Bonn, one of the actors that have been involved right from the start of twinning, observes the following criteria that are essential for their successful cooperation between municipal partners worldwide (City of Bonn, 2003:26-27):

- The cities must have a strong interest in cooperation;
- Support by the German Embassy in the chosen country should be assured;
- Support by the respective embassies of the partners in Germany should also be assured;
- There must be persons or groups within the political bodies and the administrations of the cities who are able to support and to advance the projects;
- The contacts should also be supported by civil society organisations - “The corresponding German-foreign associations or non-governmental organisations should already exist or there should be a good perspective for the foundation of a partnership association”;
- The exchange should present long-term possibilities of widespread involvement of the population;
- Joint projects should be put forward in a format which allows for applying for their funding in the framework of existing programmes (e.g. TACIS City-Twinning, Carl Duisberg-Society (CDG), SIS);
- Relations between cities should not bind municipal budget funds for long terms;
- Special attention should be paid to sustainability in terms of Local Agenda 21;
- The partnership should specifically add to the profile of Bonn “[a]s a Centre for International Cooperation, as a City of Culture and Science, as a city with a forward looking business structure, as a city working for sustainable development, specially in

view of measures to combat desertification and its consequences"; and

- Planning of projects should also take into account "[t]he shaping of the specific profile of the city by choosing cities in countries where there are few partnerships so far with German cities. One should break new ground both concerning the partners and the projects to be chosen."

Although community participation is critical to twinning success, Zelinsky (1991:24) points out that larger cities may have more difficulty in obtaining high community awareness and involvement: "The larger the place, the less likely the average inhabitants will participate in sister-city activities or even be aware that the relationship exists."

Finally, Ramasamy and Cremer (1998:458), in their study of New Zealand sister-city relationships, found the following success factors:

1. Formulation of an explicit strategic plan setting out the vision, quantified objectives, the investments in human resources and facilities, and the organisational structures and processes required to manage the sister-city affiliation;
2. An integrated approach in formulating the objectives (cultural, international understanding, education and commerce);
3. Concentration of resources for smaller cities by limiting the number of affiliations;
4. Commitment and support of the city leaders and involvement of community groups and businesses at all stages of the affiliation; and
5. Budgeting and dedicated staff establishment.

To summarise, the success factors from the literature study (divided into success factors from the strategic alliance literature as presented in Table 3.12 and the twinning literature as presented in table 3.13) are listed below:

Table 3.12: Critical success factors: strategic alliances

Category	Success factors	Sources
Selecting suitable partner through: identification, evaluation, negotiation and implementation	• Identifying valuable alliance opportunities and good partners • Partner interdependence • Feasibility study	Harbison & Pekar, Segil, Mockler

Partner compatibility	• Company size and strength • Compatibility of strategic goals • Expectations of outcomes by each party • Management compatibility • Level of commitment expected • Strategic fit/Complementary relationships – how each can add value to the other – clear value creation. Also w.r.t. strengths and weaknesses • Country culture • Company culture, styles and values • Personalities (personal chemistry) – strong interpersonal linkages • Competency (skills and experience) • Language compatibilities	Segil, Connell *et al.*, Mockler
Joint planning and investment based on mutual needs	• Partnering/alliance strategy • Appropriate scope • Clear and common vision • Mutual goals and objectives • Well-researched business plan • Anticipating business risks and mitigating them • Linking budgets to resources and priorities • Coupling investment and rewards with performance • Shared risks and rewards • Clearly defined roles • Measurement of KPIs	Gomes-Casseres, Lendrum, Mockler, Harbison & Pekar, Kuglin, Connell *et al.*
Solid agreement/contract	• Tight alliance agreement	Harbison & Pekar, Kuglin & Hook, Mockler
Governance and management	• Management commitment and shared values • Shared decision-making • Team problem solving • Mechanisms for conflict resolution • Continuous evaluation (measuring, monitoring and reviewing) • Crisis management • Initiating necessary changes to the partnership as it evolves • Managing partner expectations • Integration of environment, process and people • Partner accountability	Lendrum, Connell et *al.*, Lendrum, Segil, Materu *et al.*, NZIER
Attitudes	• Trust • Commitment • Flexibility • Innovation • Integrity in the face of constant change	Faulkner, Gray, Lendrum, Day, Harbison & Pekar, Segil, NZIER, Gresser
Skills	• Entrepreneurial skills, and contingent thinking	Segil, Connell *et al.*, Mockler, Harbison & Pekar

Learning	• Experience of alliances • Capturing and sharing interfirm alliance knowledge • Training and building capacity	Faulkner & De Rond, Kuglin & Hook, Nooteboom, NZIER
Relationship building	• Alignment of five relationship components: culture, strategy, structure, process and people	Lendrum
Timely/continuous communication and responsiveness	• Frequency of contact • Multiple contacts	Lendrum, Segil, Harbison & Pekar, Mockler
Allow adequate time	• Long term relationships are built over time	Lendrum, Gomes-Casseres
Senior management/champion involvement	• Individual involvement • No overreliance on one person	Lendrum, Segil
Equal ownership of alliance/ shared control	• Shared control	Connell *et al.*

Table 3.13: Critical success factors: twinnings

Category	Success factors	Source
Explicit strategic plan and management capability	• Alliance capability • Vision • Agreement or MOU • Clear and quantified goals and objectives • Focusing on identifying and exploiting the region's competitive advantages • Following a municipal/community entrepreneurship approach • Concentration of resources for smaller cities by limiting the number of affiliations • Integrated approach in formulating objectives - cultural, international understanding, education, political, social, and economic • Investments in human resources and facilities • Organisational structures and processes required • Regular review of plans, evaluation, and follow-up • Capacity-development programme with long time scale	UNDP, Cremer *et al.* O'Toole, SCI, NZIER
Marketing	• Marketing communications	CEMR, SCI
Partner selection	• Partner compatibility	SCI, UNDP
Governance structures	• Broad-based sister-city committee • Key role of change agent supported by key local individuals • Dedicated staff establishment	SCI
Attitude	• Commitment to the link partnership (solid support from local government as well as business sector) • Reciprocity • Understanding on both sides • Sensitivity to cultural differences • Willingness to take risks • Flexibility	SCI, UNDP, NZIER

Community wide participation	• Involvement of NGOs and business sector • Formation of sub-alliances • Incentives are critical in drawing wider participation and commitment	SCI, Materu *et al.*, UNDP
Interaction	• Excellent communication links • Regular exchange including a variety of low-cost exchanges • Roots in person-to-person links	SCI
Enabling environment	• Enabling national government policy and institutional environment to facilitate joint action • Assistance of transnational facilitator • Assistance of embassies	Materu *et al.*, City of Bonn

3.4.3 Alliance capabilities

According to De Man (2001:70), in the 1970s, alliance capability was the key critical success factor for many companies. In the 1980s, many firms developed that into a core competency and in the 1990s, with the advent of the network economy, alliance capability became a qualifier in many industries, meaning that to qualify for a position in that industry, a firm had to have alliance capability.

Most authors are in agreement that superior alliance skills lead to more alliance success. Gulati and Zajak (2000:370), for instance, posit that "[t]here may be systematic differences in the cooperative capabilities that firms build up as they have more experience with alliances and that the extent of this learning may affect the relative success of those firms with alliances". Palermo (2003:7) goes as far as to state: "We believe that alliance 'know-how' will prove to be THE management skill of the 21st century." But different terms are used to describe these capabilities, including alliance skills, alliance competence, and alliance capabilities (Lared Group, 2003a).

Gulati and Zajac (2000:370) list the following abilities as important in alliances:

- Identifying valuable alliance opportunities and good partners;
- Using appropriate governance mechanisms;
- Developing interfirm knowledge-sharing routines;
- Making requisite relationship-specific asset investments;
- Initiating necessary changes to the partnership as it evolves;
- Managing partner expectations;

- Managing the portfolio and addressing conflicting demands from different alliance partners; and
- If the firm is at the centre of a network, it must pay particular attention to a series of strategic and organisational issues.

To acquire alliance skills, capabilities and competence, Kuglin and Hook (2002:246) emphasise the importance of knowledge management for alliance success and they suggest that one of the answers lies in a strong knowledge management programme which should be structured to capture all templates and knowledge objects to be reused in the future, including completed frameworks, alliance agreements, non-disclosure agreements, memos of intent, and definitive agreements. Further suggestions for such a knowledge system include:

- Recording success stories. These success stories should detail the process of how a successful alliance was created, the performance metrics used, and the value delivered to clients as well as the alliance partners;
- Including client testimonials and alliance partner testimonials in success stories;
- The construction of "failure stories";
- Obtaining information through a formal 360-degree anonymous, open, third-party-facilitated feedback process from alliance employees and alliance partners; and
- The final step is to convert all this information into knowledge.

De Man (2001:68) suggests that there are a number of tools available through which alliance capabilities may be built, but that besides these tools, the experience of individuals and the attitude of employees are at the core of alliance capability. The proposed tools are listed below:

- Alliance training (basic knowledge about the structural, relational and legal aspects);
- Evaluation (evaluating performance, and benchmarking);
- Alliance specialist (with tasks of finding best practices, organising workshops, and documenting and disseminating knowledge);
- Database (access to experiences, tools, checklist and information about partners);
- Partner programmes; and
- Portfolio analysis (allows firms to optimise entire alliance portfolio).

Alliance capability leads to competitive advantage and one aspect of competitive advantage is that it should not be easy to imitate. In a truly alliance-competent firm, according to Day (1995:299), "The essential skills and knowledge are embedded so deeply into the people, the tacit knowledge about alliances, the culture, and the supporting processes that they cannot be directly observed."

3.4.4 Measurement of alliance outcomes

With regards to the measurement of the success of alliances, Gulati and Zajak (2000:369) observe that this area is under-explored as: "The performance of alliances has received less attention than other areas because of some onerous research obstacles, which include the difficulty of measuring alliance performance and the logistical challenges of collecting the rich data necessary to assess these issues in greater detail."

But managing partnerships is also not easy; and many alliances are frequently unstable and fail to achieve the ends the partners initially sought (Gray, 2000). Measuring their success therefore becomes even more important. Looking at alliances in their wider context, Gomes-Casseres (1998:3) points out that "[b]ecause the alliance is a tool in a broader strategy, its effect must be measured in terms of its contribution to that strategy". Other authors have different suggestions for such measurements.

According to Gulati and Zajak (2000), many other activities besides alliances can also influence the performance of firms. It can be difficult to empirically link the alliance activity of firms with their aggregate performance and as a result, scholars have looked for a variety of direct and indirect means to test this relationship, such as analyses of the stock market effects of alliance. But performance can be difficult to measure with financial outcomes and owing to the dyadic nature of alliances, one firm may achieve its objectives while the other fails to do so.

Nooteboom (1999:75) points out the difficulty with the measurement of performance of alliances and that using financial measures are problematic when the objective of collaboration is long-term. If financial measures are used measurement by return on investment (ROI) is difficult due to problems of accounting, but return on sales is better. According to him, "It is better to assess the achievement of objectives more widely and to a

large extent qualitatively, on the basis of participants' perceived objectives and their realization."

Kuglin and Hook (2002) propose that the performance of alliances be measured in two equally important ways, firstly with hard numbers on both the investment and the return sides, and secondly in a more subjective way by answering the question whether the firm is better off with the alliance than without it.

Lendrum (2000) addresses the issue more specifically and proposes that the success should be measured against agreed key performance indicators (KPIs) decided at the start of the relationship that are regularly revised. He suggests using measures of performance, based on a form of the balanced scorecard developed by Norton and Kaplan (1991), "…which is a mixture of hard and soft, leading and lagging indicators, quite different from conventional measures". It is thus not only the financials that are important, but also a wide range of measures reflecting the broad outcomes of the relationship.

Gray (2000:245) states that several scholars have suggested that no single approach to assessment is sufficient. She therefore proposes several approaches to the assessment of collaborative relationships, with "[e]ach approach based on a different conceptual orientation towards collaboration and [offering] a different focus for assessing the extent of collaboration and/or its impacts". She lists five conceptual perspectives on assessment, each focusing on a different key outcome:

1. Problem resolution or goal achievement;
2. Generation of social capital;
3- Creation of shared meaning;
4. Changes in network structure, and
5. Shifts in the power distribution.

These perspectives are set out in more detail in Table 3.14 below:

Table 3.14: Criteria for judging the success or failure of types of collaboration

Theoretical focus	Key concept	Indicator of collaboration
Problem-focused	Problem resolution or goal achievement	• Extent to which problem is resolved • Goals achieved
Relational	Trust	Degree of three types of trust: • Calculus-based trust • Knowledge-based trust • Identity-based trust
Cognitive	Shared meaning	Degree to which parties have consistent interpretations
Structural	Structure of network	Degree to which parties have consistent interpretations about the network density
Political	Power sharing	• Degree of diversity of contributions • Extent of active participation by multiple groups • Redistribution of resources

Source: Gray, 2000:245

The problem-focused perspective "[f]ocuses on the extent to which collaborative activities have ameliorated the negative aspects of the domain problem". In strategic business alliances, outcome measures typically include traditional measures of organisational performance (e.g. ROI, market share, and number of new products developed). Other recommended measures of performance include:

- Achievement of objectives;
- Achievement of specific contract provisions; and
- More general satisfaction measures.

The relational perspective focuses on social-capital formation, where social refers to "[t]he aggregate of actual or potential resources that can be mobilized through social relationships and membership in social networks". Evidence that parties in a network or domain have created social capital through collaboration can be seen in the emergence of trust and norms of reciprocity among members of a community. Gray also suggests that since trust and norms of reciprocity are conceptually distinct, they should be treated as separate outcomes of collaboration.

The cognitive perspective derives from social constructionism. In this view collaboration occurs "when the various stakeholders share a common interpretation about the problem domain and what actions should be taken with respect to it". Assessment of the extent of

collaboration focuses on the degree of shared meaning among stakeholders. The techniques of cognitive mapping can be used to ascertain the extent to which the interpretations of stakeholders about the problem have changed and the extent to which they have been influenced by other stakeholders' views or arguments.

In the structural perspective, “the focus evolves around changes in the network relationships among the stakeholders”. Collaboration is considered in terms of the number and type of connections that exist among organisations and one possibility here is that an increasing density within the network of stakeholder interactions represents an increased organisation of the domain. This is consistent with Gulati's (1995a) research on strategic alliances in Gray (2000) that shows that as trust builds among alliance partners, “their inter-organizational networks tend to become less formal; their governance systems are based more on personal interactions and less on formal, contractual arrangements”. Using a structural perspective, therefore, the degree of institutionalisation within a domain can be tracked by mapping the density of interactions among the stakeholders.

The political perspective focuses on “the power dynamics among the stakeholders and considers the extent to which a more equal distribution of power emerges as the domain develops”. Gray (2000:246) suggests that if shared power is to emerge, some allocation of power among the stakeholders may be a necessary component of successful collaboration. She also remarks that assessing collaborative efforts in terms of power dynamics may be the most difficult of the approaches as a result of the unlikeliness of the weaker parties to admit to cooptation, especially if they are dependent on more powerful parties for survival resources.

Gray (2000:246) also makes an important observation about the problem of assessment. According to her, “Measurement or assessment in itself presupposes an epistemological position, which is that collaboration exists as a uniform, objective phenomenon that can be apprehended by independent, external observers, rather than only as a subjective interpretation in the minds and experiences of the stakeholders. In the latter case, measurement, as such, is inappropriate.” Serous consideration therefore also has to be given to the role of the researcher in research and measurement and the nature of the observations in the research process.

There are numerous documented cases of the success of twinnings (Ahmad, 2001; UNDP, 2000) but many of these cases are anecdotal and not based on empirical research. NZIER, for instance, observes that: "Quantifying the precise economic benefits of sister-city relationships is fraught with difficulty. It is difficult to identify and attribute specific economic benefits to any one sister-city relationship. Local-level data is often scarce, and in many cases commercial confidentiality restricted the information available to us" (NZIER, 2003:iii). Martin (2003:54) finds, for instance, that studies that link export levels to overseas economic development activities show mixed results.

According to Sister Cities International, "The successful sister-city program builds on the history of cooperation between the two cities, incorporates the present needs of the program and prepares for the needs of the program as it matures, adapts and expands" (SCI, 2003a:2).

Cremer *et al.* (2001:377) also reports that drawing on New Zealand examples of twinning arrangements, "[i]t is demonstrated that the emergence and development of embedded partnership ties is vital to deriving sustainable economic and social benefits". But they also observe that it is difficult to measure these benefits precisely owing to the fact that too many factors are involved and too little data exists on this level of analysis.

Gray (2000:247) suggests that the first approach to assessing the extent to which collaboration has occurred in an alliance relationship adopts a problem-centred focus: "It emphasizes the extent to which collaborative activities have ameliorated the negative aspects of the problem (e.g. reduced illiteracy or limited the spread of illness) or produced positive outcomes (such as the creation of new jobs or the increased self-reliance of communities, in the case of public/private partnerships)".

Brown and Ashman (1995), for instance, in Gray (2000:247), clustered 13 community development collaboratives using three criteria to assess their substantive impacts:

1. The scope of their problem-solving impact (e.g. how many people were affected by the initiative);
2. The availability of resources to sustain the projects over time; and
3. The development of local capacity (e.g. grassroots people have acquired skills, participated in problem solving, etc.).

They concluded that the most successful collaborative development projects were those that created strong norms of reciprocity among the stakeholders.

But success can only be established if it can be measured in some way or another. Although benefits might be quantifiable or non-quantifiable, measures have to be instituted to ascertain the success or failure of the relationship.

The UNDP suggests that although the cost-benefits of linking may require more detailed research, their tentative conclusion is that successful links "in terms of poverty reduction in developing country communities" can be cost-effective. Linking thus becomes more cost-effective than traditional development cooperation, for the following reasons (UNDP, 2000:19):

- Local government as facilitator is relatively unbureaucratic;
- There is the spirit of volunteerism (virtually all of the effort which most link partners put into their links is contributed on a *pro bono* basis);
- Since decisions are being taken at the local level, the actors can be reached easily.

They therefore believe that links have an inherent potential cost-effectiveness in terms of their delivery of benefits, owing to the direct and short channels of communication between the partners, and the voluntary nature of contributions in time and effort.

The Norwegian Association of Local and Regional Authorities proposes a useful list of possible indicators from which municipal international cooperation projects may choose to be measured. They are divided into three categories as "output", "input" and "sustainability" indicators (please see Appendix H).

3.5 A conceptual model of twinning relationships

It is clear from the preceding literature study that a number of best practices and success factors for strategic alliances and twinning can be identified and that these can be combined into an iterative conceptual model of best practice. In Figure 3.7 on page 238 such a model is presented that incorporates the process and practices of successful alliances and twinnings. The research questionnaire used for the primary research that is discussed in Chapter 5, is

based on this model. Faulkner and De Rond, (2000a:26) criticise the sequential orientation typical of earlier linear frameworks and suggest that, due to the vast complexity of alliance life, iterative process models be adopted, but that these are still inadequate.

The model on page 238 proposes six sequential but iterative steps in managing and maintaining successful twinning relationships and building alliance capability as follows:

Step 1. Strategise;
Step 2. Identify;
Step 3. Evaluate;
Step 4. Negotiate;
Step 5. Implement and learn; leading to
Step 6. Alliance capability.

The steps in the model are broadly based on the alliance formation methodology suggested by Harbison and Pekar and presented on page 209 (Figure 3.6), but the content has been adapted from information gained from the literature study. The different elements of the model on page 238 are discussed in more detail below as they appear from left to right in Figure 3.7.

3.5.1 Alliance capability

In the literature study, it was proposed that alliance capability (also called alliance competence) plays an important part in alliance success and alliance capability was discussed in detail in Sections 1.5.3, 3.1.1.1 and 3.4.2. Although alliance capability is the last step in the process and is an outcome thereof, it is presented first in the model, as this is what ensures success in the formation and maintenance of twinnings in the long term. The process is iterative as alliance ability enables partners to engage the process in a more informed fashion, which results in the building of even more alliance capability.

The municipality and/or community learns from the twinning process and it is essential that this learning be captured by a knowledge management programme. Capability is developed through:

- Increased alliance knowledge;

- Increased skills (specifically entrepreneurial skills);
- Increased experience;
- Development of appropriate attitude;
- Development of appropriate alliance tools;
- Development of appropriate alliance systems;
- Development of staff;
- Development of appropriate organisational structures; and
- Training.

3.5.2 Twinning strategy (Strategise)

Before a strategic alliance is entered into, an organisation needs a twinning strategy to spell out the rationale, aims and vision of why such relationships should be promoted and developed. Such a strategy, as discussed in Section 3.1.1.1, should include the vision and goals for twinning, guidelines for partner selection, guidelines for senior management/ champion involvement, and how learning will be captured. The strategy should also include guidelines for capacity building, the municipal and/or community structure/s that will be set up to facilitate twinning relationships, as well as guidelines on the desirable number of affiliations sought.

The twinning strategy is directly influenced by the community profile of the area, the Integrated Development Plan (IDP), and the national and provincial governments' MIR policies.

3.5.3 Partner search (Identify)

From the twinning strategy it will be clear what type of partners in which parts of the world will be sought to form alliances with, as discussed in Section 3.1.1.3. Such search activities could entail the use of consultants but would normally consist of a community or city approaching an international matchmaking organisation such as SCI if relationships are, for instance, sought with communities in the USA. Besides specifically seeking out strategic partners, a city or community might also be approached by other cities or communities with

twinning requests. Such requests can, however, only be considered if they fall within the parameters of the twinning strategy.

3.5.4 Partner approach and evaluation (Evaluate)

Once a partner has been selected from a list of possibilities, such partner must be approached and the possibility of a relationship must be investigated in depth. In some cases it will be evident from the start whether the possibility of a fruitful relationship exists or not. The potential partner might, for instance, already be involved in so many relationships that not enough resources would be available to make another one a priority. The following investigations therefore need to be conducted in this phase:

- A due diligence to get to know the potential partner's alliance history and to obtain clarity of the partner's capability gaps; and
- A realistic feasibility study.

3.5.5 Partner selection (Negotiate)

Partner selection, as described in Section 3.1.1.3, should be based on the investigation suggested above and also in terms of compatibility with the municipality and/or community. Compatibility issues that need to be considered are:

- Relative sizes of area and population;
- Whether mutual goals exist;
- Whether outcomes expectations are the same;
- Compatibility of management;
- Whether commitment exist on both sides;
- Whether a strategic fit exists in terms of the strengths and weaknesses of both partners;
- Compatibility of culture, styles, values, personalities, competencies, and language; and
- Extent and nature of bilateral country agreements with partner national government.

3.5.6 Planning (Negotiate)

At this stage, the partner has been selected and the negotiations have started. In order to achieve success in the relationship upfront planning is crucial, as described in Section 3.1.1.4. Commitment will be shown through the signing of a "letter of intent" to enter into a long-term relationship. Decisions at this stage include the formulation of a common vision, goals and objectives, as well as a decision on the scope of the relationship. A business plan is then compiled for the relationship which should spell out such vision, goals and objectives as well as strategies and actions to achieve them. This document should also include a role clarification, decisions on broad-based management structures, processes, use of staff, and plans for active community participation.

Integrated project plans, including budgets and resource allocations, could also be developed at this stage.

3.5.7Agreement/MOU (Negotiate)

The relationship is then formalised through the signing of an agreement or a memorandum of understanding, as previously discussed in depth in Section 3.2. Such a document is normally signed in public at a public ceremony, adding symbolic value to the relationship whilst at the same time obtaining publicity and community awareness. The agreement or MOU normally spells out the areas of cooperation as well as the duration of the agreement and many other issues, such as divorce conditions.

3.5.8 Implementation (Implement)

Many relationships progress to this point and then fall flat due to lack of implementation. Implementation issues were discussed at length in Sections 3.1.1.5, 3.3.2, 3.3.6, and 3.3.8. Successful implementation entails:

- Top management commitment on both sides;
- Shared control/risk and rewards;
- Regular exchange of people;

- Active and frequent communication;
- Community-wide participation;
- Strong relationship building;
- Conflict resolution;
- Extensive alliance marketing; and
- The formation of sub-alliances.

3.5.9 Maintenance and measurement (Implement)

Once the relationship is implemented, its success or failure needs to be reviewed regularly. This can only be done if specific measurements have been agreed on in the planning phase. These issues were discussed in detail in Sections 3.1.1.6, 3.3.3, 3.3.5 and 3.4.4.

Besides the iterative steps as set out in the model in Figure 3.7, successful twinning can only take place if internal and external conditions are conducive to such relationships. Various positive attitudes have been identified as imperative for alliance success internally in the alliance. Externally, the most important factor that will lead to twinning success is an enabling environment in both countries in terms of the necessary legislative environment, and adequate institutional support.

3.5.10 Attitude

A large part of alliance capability has to do with attitudes that need to be active during the twinning process. The literature study, mainly in Sections 3.3.3 and 3.3.4, clearly points out that the following attitudes are positively related to alliance success:

- Trust;
- Commitment;
- Reciprocity;
- Understanding;
- Cultural sensitivity;
- Risk taking;
- Flexibility;

- Innovation; and
- Municipal/community entrepreneurship.

3.5.11 Institutional support

Hsu (2003:12) suggests that it is important to contextualise twinning within intergovernmental relations (IGR) and that twinning cannot take place outside of the intergovernmental context (this meso level of twinning in South Africa is discussed in the next chapter). Many organisations related to IGR exist to support municipalities or communities in their twinning activities, as discussed in Section 3.3.7. These exist locally or internationally and include:

Locally *(e.g. in South Africa)*

- National government (e.g. the Department of Provincial and local Government (DPLG));
- National associations of local governments (e.g. the South African Local Government Association (SALGA));
- Foreign Affairs departments (e.g. the Department of Foreign Affairs); and
- Regional governments (e.g. the provincial governments in South Africa).

Internationally

- National associations of municipalities (e.g. VNG from the Netherlands);
- Country development institutions (e.g. SIDA from Sweden);
- Membership organisations such as Sister Cities International (SCI); and
- The United Nations through UN-Habitat and its best-practices programme.

VNG International, for instance, supports local governments, their associations and training institutions, with financial support from the Netherlands Ministries of Foreign Affairs and Home Affairs, the EU, the World Bank, United Nations agencies, and a variety of other organisations (VNG International, 2002:3), and reports that over the past years professional agencies for international municipal assistance and funding have been developed by local

government associations in Canada, Sweden, Denmark, Norway, Belgium, Finland, France, Germany and the UK (VNG International, 2002:7,32).

These organisations have a vital role to play in building alliance capability amongst municipalities and communities and the UN-Habitat website (www.bestpractices.org) already lists 2,150 best-practice case studies on how cities, people and their communities are solving critical social, economic and environmental problems. This information has been sourced from 140 countries in the following areas:

- Housing policies and practices;
- Women empowerment practices;
- Social services practices;
- Poverty reduction practices;
- Urban planning and development practices;
- Combating racism and discrimination;
- Children and youth;
- City-to-city cooperation;
- Urban governance practices;
- Urban economic development;
- Environmental planning and management;
- Urban infrastructure and services;
- Sustainable biodiversity;
- Water and sanitation; and
- Urban-rural continuum.

3.5.12 Learning

The alliance outcomes will determine whether goals and objectives are met and whether resources have been well spent. Over time, learning about alliances will take place which will, with the right knowledge management process, lead to increased alliance capability (and alliance success).

3.6 Summary

In this chapter, which reviewed existing literature on alliances and twinning, the processes of alliance formation and twinning were discussed and a conceptual model of twinning was developed to identify best-practice behaviour and success factors that are used later in the study for empirical analysis.

In the following chapter the background to non-central government twinning and international relations in South Africa is discussed on a meso level of analysis, which includes issues of intergovernmental relations in the country. This is followed in further chapters by a descriptive analysis of the primary research data, followed by various analyses to test the hypotheses proposed.

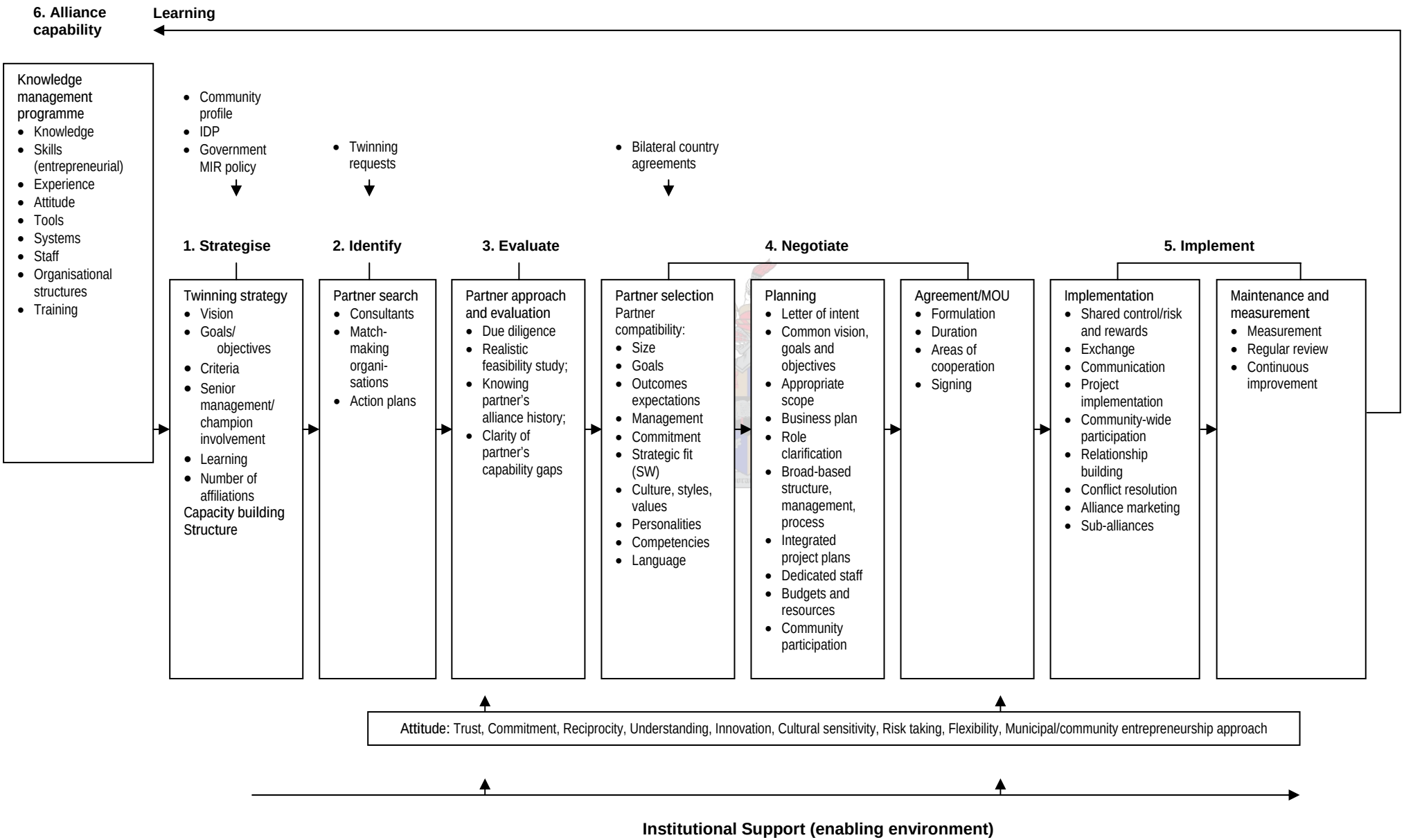


Figure 3.7: A model of twinning at the provincial/district/local/community level

CHAPTER 4: THE CONTEXT OF TWINNING IN SOUTH AFRICA

4.1 Introduction

Whereas in Chapters 2 and 3 the twinning phenomenon was discussed on a macro level in terms of the context, content and process, in this chapter the concept of twinning is discussed on a meso level in the context of South Africa's three spheres of government and its intergovernmental relations.

Conventionally, national governments are regarded as the primary actors in international relations and the involvement of NCGs in international affairs is "often regarded as insignificant, confrontational, or trespassing against their domestic responsibilities" (Hsu, 2003:92). In South Africa, however, all three spheres of government (national, provincial and municipal) are actively engaged in international relations (also called multi-level or multi-layered diplomacy), and such engagement is fully supported by the national government.

The concept of twinning and other forms of local international cooperation have grown dramatically since 1994 when the new democratically elected government came into power in South Africa, and the world opened up to a country long isolated by international sanctions.

After the adoption of a new Constitution in 1996 which instituted a three-sphere government system on the national, provincial and local levels, various pieces of new legislation were passed to reorganise and transform the local government system in the country. This process necessitated the merging of 843 transitional local authorities into 284 new municipalities.

In the research survey conducted for this study, a total of 224 municipalities (78.9% of the total) reported no international relationships. Altogether 55 municipalities have a total of 130 international relationships. Since the year 1988 a further 35 were entered into but were subsequently cancelled or lapsed. A further 41 relationships are currently being negotiated and are at different levels of finalisation.

These current and planned South African links at the local and provincial levels represent formal relationships at the non-central government level with 45 different foreign countries.

4.2 The South African context

Traditionally, only national governments are subjects of international law and domestic constitutional arrangements are not recognised. Constitutional recognition in South Africa is given by Section 232 to customary international law (Brand, 2002:671,674).

In the South African Constitution, Section 40. (1) stipulates that: "In the Republic, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated." Although international relations at the national level is the domain of the Department of Foreign Affairs, provinces and municipalities are allowed to enter into international relations and this behaviour is actually encouraged by national government through its Policy Framework for Municipal International Relations (DPLG, 1999).

The South African Constitution (Republic of South Africa, 1996) further lists the objects of local government in Section 152. (1) as:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government.

The decentralised system of government established by the Constitution has three basic elements with the first, the "distinctive" element, referring to the "autonomy" that both the provincial and local governments enjoy. Secondly, local government and the provinces are "interdependent" in the sense that the exercise of autonomy by a municipality is "supervised" by provincial and national government, which includes four types of activities (regulation; monitoring; support; and intervention) (DPLG, [S.a.]:1). Thirdly, provincial and local governments are "interrelated" in the sense that each must exercise its autonomy to the common good of the province and the country as a whole by "cooperating" with one another, and "[i]ntergovernmental relations are the sets of relationships established by the three elements of decentralisation" (DPLG, [S.a.]:2). It is also mentioned that a critical

shortcoming in the current IGR system is “the lack of properly coordinated and structured information systems to facilitate provincial monitoring” (DPLG, [S.a.]:2). International activities are therefore justified if they help municipalities to achieve the objectives for local government in the Constitution, but not in isolation. Local government must conduct these activities in close cooperation with the other two spheres of government.

The role of municipalities with regards to their international relations is further eluded to in the White Paper on Local Government of 1998 (Republic of South Africa, 1998a:65-66) that states:

- Inter-municipal cooperation may take many varied forms, including: exchange of learning experiences; sharing of staff, technology and equipment; joint investment projects; and collective purchasing;
- Municipalities can also engage with municipalities in other countries, through a range of mechanisms from informal linkages to formal twinning arrangements and membership of international municipal institutions;
- Public-public partnerships or public joint ventures allow for horizontal cooperation between municipalities to exploit economies of scale. Public-public partnerships are common internationally in areas such as joint purchasing consortia, training initiatives, technical support and information service; and
- Partnerships with community-based organisations and non-governmental organisations can be effective ways of gaining access to external expertise and experience. They can also stimulate local economic development.

The White Paper therefore proposes municipal international relations (MIR) as one of the strategies municipalities can follow to achieve their objectives. Others include inter-municipal cooperation between local municipalities as well as partnerships with CBOs and NGOs.

South Africa now has three types of municipalities, as prescribed in the Local Government Municipal Structures Act no. 117 of 1998 (CDE, 2003:8):

- Category A municipalities are governed by councils with autonomous executive and legislative authority and there are six category A municipalities, encompassing South Africa's largest metropolitan areas: the City of Johannesburg, the City of Cape Town, the City of Tshwane (Pretoria), eThekwini Metropolitan Municipality (Durban), Ekurhuleni

Metropolitan Municipality (East Rand), and Nelson Mandela Metropolitan Municipality (Port Elizabeth). They are commonly known as “metros”, or metropolitan municipalities.

- Category B municipalities, commonly known as “local municipalities”, are governed by single councils, but do not exercise autonomous powers as all of them fall under a category C (or district) municipality. There are 231 category B municipalities throughout the country including municipalities centred on secondary cities, such as Buffalo City (East London), Mangaung (Bloemfontein), and Mzunduzi (Pietermaritzburg); large towns, such as Polokwane (Pietersburg), Mbombela (Nelspruit), and Sol Plaatje (Kimberley); and small towns, such as Emalahleni (Witbank), and Moqhaka(Kroonstad). Many category B municipalities encompass several towns.
- Category C municipalities are regional authorities with certain overarching powers over category B municipalities. For example, the Bojanala District Municipality in North West has authority over five local municipalities: Moretele, Madibeng, Rustenburg, Kgetleng Rivier, and Moses Kotane. They are commonly referred to as district municipalities, or district councils, and there are 47 category C municipalities in South Africa.

No full agreement exists on all aspects of the current system and the national treasury, for instance, contests the financial viability and sustainability of the three-tier municipal government system, particularly in respect of the inclusion of South Africa's secondary cities in larger local municipalities, done mostly for political reasons (CDE, 2003:23).

The Centre for Development and Enterprise (CDE) also observes that: “District municipalities are new institutions with restricted capacity, and remote from the communities they serve. Since there are no ward councillors at the district level, democratic accountability to municipal citizens has been diminished” (CDE, 2003:8). District and local council officials also do not understand the different roles they must play in the new system. “District and local municipalities have become areas of contestation and wasteful duplication” (CDE, 2003:6).

There are still many problems experienced with the new local government system. According to the Centre for Development and Enterprise, “The process of establishing new municipalities is still incomplete, and the local government system has not been fully stabilised” (CDE, 2003:4). It is also acknowledged that the proper implementation of the new local government system could take up to 10 to 15 years (CDE, 2003:33). Problems that are being experienced include the following:

- Lack of the capacity, skills, and experience needed to produce realistic and achievable integrated development plans (IDPs) aligned with national, provincial, local, and district municipal budgets (CDE, 2003:10). These IDPs have raised enormous expectations and challenges, and the process has revealed just how little capacity new municipalities in South Africa have (CDE, 2003:27). Many municipalities, as currently structured, funded, and supported, simply cannot become the developmental agencies that the White Paper on Local Government envisaged them to be (CDE, 2003:28);
- At the same time the scope of IDPs should be broadened to include social, economic, and capacity enhancement projects, greater sectoral integration, and integrated and aligned government fiscal processes (CDE, 2003:19);
- Municipalities are expected to assume greater responsibility for a growing range of government programmes without receiving more resources and support from national or provincial government. "Unfunded mandates", "devolution by stealth", and the "creeping assignment" of functions are evident in many areas of municipal activity (CDE, 2003:5);
- The growing debt of municipalities. "The underlying causes of the staggering debt situation of municipalities are largely administrative. There is an urgent need to attend to the political leadership at the local level" (CDE, 2003:12);
- Municipal financial capacity is alarmingly poor: only 6% of category B and 10% of category C municipalities are able to bring their financial records up to date in the following month (CDE, 2003:14). Municipalities rarely have the administrative and managerial skills they need to grow their revenues, bill consumers for services and collect the payments, effectively use the public and private resources available, and distribute resources and services to poorer and more rural populations (CDE, 2003:38); and
- There are also concerns about the leadership capacity of the new municipalities, both political and administrative (CDE, 2003:38).

The Centre for Development and Enterprise concludes that the most important issue facing all local governments in South Africa is economic development, but their Round Table workshop "has revealed a disturbing lack of focus among national and local officials on economic issues, a growing disillusionment with the current Local Economic Development (LED) approach, and an ambivalent attitude towards the private sector". They reiterate that the

capacity and skills constraints of local governments need to be more clearly recognised (CDE, 2003:41).

The Department of Provincial and Local Government (DPLG) views the local government transformation process after the December 2000 local government elections in three phases (CDE, 2003:21):

1. An establishment and stabilisation phase (from the local government elections up to 2002);
2. A consolidation phase centred on extending core systems, accelerating service delivery and infrastructure investment, and creating financially viable local governments (2002–5); and
3. A sustainability phase (2005 and beyond).

The goals of phase two have not yet been achieved and two key challenges remain: "Addressing the backlog in basic services and infrastructure, and achieving integrated development planning" (CDE, 2003:21).

The question can therefore be raised whether South African provinces and municipalities have the competencies and capacity to engage in international activities constructively, if they cannot even perform their local duties adequately.

Press reports support the CDE view that South African local government needs serious attention to fulfil its mandate successfully. The *Sunday Times* (2004) reports, for instance, that "[m]ore than half of KwaZulu/Natal's municipalities are so badly managed that they cannot balance their own books or meet deadlines" and "[s]taff in many newly-created municipalities did not have the skills needed to perform their jobs and needed training to get up to speed". John Kane-Berman from the South African Institute for Race Relations also confirms that the state has in recent years diminished its capacity for services delivery. According to him, "Most of the local councils do not have the capacity to deliver services and they probably will also not develop it." He also mentions that one quarter of the government's procurement budget is spent on consultants (*Die Burger*, 2004a).

4.3 Local government legislation and policy

In order to implement the new municipal system in South Africa, a number of new laws have been passed since 1998 and these include:

- The Municipal Demarcation Act, no. 27 of 1998, which provides for the redrawing of municipal boundaries;
- The Local Government Municipal Structures Act, no. 117 of 1998, which defines the different types of municipalities; outlines their structures, powers, and functions; and prescribes municipal electoral systems;
- The Local Government Municipal Systems Act, no. 32 of 2000; and
- The Municipal Structures Amendment Act, no. 33 of 2000, which shifts control over the four “primary” powers and functions (water, electricity, municipal health, and waste/sanitation) from the local to the district municipality level.

In addition, the Organised Local Government Act, no. 52 of 1997, formally recognises the South African Local Government Association (SALGA) and the nine provincial local government associations.

SALGA (2005) has a mandate to represent the interests of organised local government in the country's intergovernmental relations system with a united voice, and it sets out its role as follows:

- To represent, promote and protect the interests of local government
- To transform local government to enable it to fulfil its developmental role.
- Enhance the role of provincial local government associations as provincial representatives and consultative bodies on local government.
- Raise the profile of local government.
- Be recognized by national and provincial governments to be the national representative of local government and consultative body in respect of all matters concerning local government.
- Ensure full participation of women in local government.
- Act as the National Employers' Organization for the municipal and provincial member employers.
- Regulate the relationship between the members and the employers within the meaning of section 213 of the Labour Relations Act, No. 66 of 1995.

- Provide legal assistance to its member in its discretion in connection with matters, which affect employee relations.

SALGA is funded through a combination of sources including a percentage share of the national revenue allocated to local government, membership fees from provincial and local government associations that are voluntary members, and donations from the donor community that funds specific projects. Cameron (2001:108) reports that SALGA has been a weak defender of local government and that its lacks the capacity to fulfil all its functions effectively.

At SALGA's recent conference in Cape Town during September 2004, the conference resolution adopted included the following points concerning international relations (*Voice*, 2004:7):

1. That SALGA actively participate in the governance and programmes of UCLGA and UCLG by providing political leadership and technical support wherever possible and actively seeking election to office;
2. That the inter-linking principles and objectives of developmental local government be actively pursued by integrating the activities of UCLG,UCLGA and NEPAD to this end;
3. That SALGA actively promote and pursue the African agenda through its continental and international participation;
4. That SALGA and its members actively engage in the global dialogue on the nature and the role of local government with a view to promoting decentralisation and democratisation in particular by advancing the South African model as an ideal;
5. That SALGA and its members, through engagement with the national government and through UCLG and UCLGA, shall promote and support the adoption by the UNO of those portions of the CARDOSO report relating to local government;.
6. That SALGA implement a programme of action to actively encourage its members to develop South / South relationships in their international activities, with focus on relationships in Africa and the SADC region in particular;
7. That SALGA implement a program of action focused on ensuring that every municipality has a councillor and an official who include international relations amongst their responsibilities;
8. That SALGA in partnership with DPLG and DFA develop and distribute to members a practical guide on all aspects of developing international relationships;
9. With regard to UCLGA and its founding congress:
    - That SALGA actively oppose the location of the Headquarters in Morocco.
    - That SALGA actively oppose the entrenchment in the constitution of the role of the MDP.

- That SALGA implement a process to identify councillors to seek election to office in UCLGA and develop and implement a strategy to campaign for their election.
- That SALGA identifies the political issues for resolution at the founding congress and develops and implements a strategy to ensure they are adopted.
- That SALGA facilitate a pre-conference preparation workshop to promote unity of purpose amongst its members.

10. That SALGA develop and implement a committed programme of participation in the programmes of NEPAD, through the UCLGA and the activities of the member municipalities.

But besides these policy directives and pieces of legislation, national government also has an official policy on the international relations of municipalities, which is discussed in the next section.

4.4 National government MIR policy

National government in South Africa takes a very positive view of community-to-community or "people-to-people" cooperation. The Department of Foreign Affairs, for instance, in their Strategic Plan states: "People-to-people cooperation occurs largely on a bilateral basis and is important in forging the closer ties that support cohesion at a political level, particularly within the context of South-South collaboration. Moreover, such cooperation serves to build and project a positive image of SA. The development of bilateral mechanisms for cultural, scientific, technical, sporting and other exchanges is paramount" (Gauteng Province, 2003:2).

The Foreign Policy priorities are also geographically cascaded down in the following order (DPLG, 2003b):

1. Southern Africa (domestic priorities are at the core for the benefit of poverty alleviation);
2. SADC Region;
3. The African continent;
4. The Southern Hemisphere (South-South twinnings); and then
5. North-South bridge building.

In 1999, a Municipal International Relations (MIR) Framework Policy was drafted by government and approved by cabinet. This was not seen as a prescriptive document but rather more as being of a facilitative nature. According to this Policy Framework (DPLG, 1999:13-

18), the approach of national and provincial government and organised local government to MIR should be facilitative rather than regulatory, for the following reasons:

- International cooperation projects are increasingly part of the business of municipalities and they often need to respond quickly and flexibly to the MIR opportunities that become available. The range, scale and scope of such projects will also increase rapidly in the future. A tight regulatory or control framework for MIR in this context would undermine and stifle the potential of MIR activities;
- It is not appropriate in the context of the constitution that national or provincial government should seek to tightly regulate the involvement of local government in international programmes or associations or to approve all international involvement before it can proceed; and
- A number of mechanisms already exist to control mismanagement, unnecessary and wasteful expenditure and corruption.

The Municipal International Relations (MIR) Policy of South Africa (DPLG, 1999:3) defines MIR as: "A link between two or more communities from different nation-states, in which at least one of the key actors is a municipality. Such links may include local non-governmental organisations, community-based organisations or private associations." The range and scope of municipal international relations have expanded rapidly over the past decades.

This is however, contrasted by the foreword in the same policy document where it is stated that: "This Policy Framework on Municipal International Relations promotes partnerships between South African municipalities and municipalities across the world in ways which will ensure maximum learning, synergy and promotion of our national interests, including investment promotion." The Ekurhuleni Metropolitan Municipality (Ekurhuleni, 2004) also confuses the terminology. A twinning, for instance, is defined as "the linking of two municipalities by agreement in writing and the terms 'sister-city' and 'twinning', shall have a corresponding meaning", whereas municipal international relations (MIR) "means a link between two or more communities from different nation-states, in which one of the key actors is a municipality".

Clearly, in the above examples, the issue of municipality versus community is confused. Obviously the term "Municipal International Relations" implies relationships between municipalities and not whole communities.

The MIR Policy Framework (DPLG, 1999:19) suggests that the following should be the priority areas that MIR activities by South African Municipalities should be focused on:

1. Local economic development;
2. Environmental management;
3. Poverty alleviation; and
4. Management development.

It also spells out a number of principles for the implementation of MIR at the local level in South Africa (DPLG, 1999:10-12). Firstly it is suggested that all spheres of government should be informed by the following "internal" principles when engaging in MIR activities related to municipal international cooperation and action:

1. Engagement in MIR is an important developmental and strategic instrument for local government and should be encouraged and supported;
2. MIR should be focused on supporting the successful implementation of the strategic priorities of local government; and
3. MIR should be developmental and outcomes orientated and should add value to municipal programmes.

Secondly, all spheres of government should be informed by the following "external" principles in engaging in MIR activities:

1. MIR should be used to develop stronger relationships with developing Southern hemisphere countries;
2. MIR should emphasise links between African countries and should support the development of an African Renaissance;
3. MIR should help build the influence of developing countries in the global policy-making process; and
4. MIR should contribute to a international culture of human rights, global solidarity and understanding.

In addition, the Policy Framework spells out the following guidelines for MIR (DPLG, 1999:11-12):

1. The impact and sustainability of municipal international cooperation are enhanced where they are based on shared issues and commitments;
2. Care should be taken to establish strategic relationships with municipalities offering leadership in the field of effective municipal governance and local development;
3. Municipal international cooperation projects should be framed in such a way as to be of mutual benefit

to the participating municipalities;

4. International cooperation programmes should be used to foster common purpose within the municipality;
5. MIR programmes should be used to build and expand a culture of learning;
6. Successful international cooperation projects require strong management and adequate resourcing; and
7. Other local stakeholders should be involved in municipal international cooperation arrangements where appropriate.

The Framework then spells out the following purposes and objectives of relationships between municipalities:

1. To facilitate information and knowledge sharing;
2. To build managerial and technical capacity;
3. To promote a region or city as an attractive location for investment and tourism;
4. To develop project partnerships for mutual benefit;
5. To address regional and global challenges that have local impact but which need to be tackled on a broad basis; and
6. To contribute to global understanding, solidarity and peace.

Although the ruling party in South Africa, the African National Congress (ANC), has a national foreign policy in place of which the principles are listed below, a lack of party policy concerning MIR remains a problem: "The ANC is the majority party in most cities and municipalities, yet we have no policy on this matter" (ANC, 2002). The national foreign policy is based on the following principles (Gauteng Province, 2003:2):

- A belief in, and preoccupation with human rights which extends beyond the political, embracing the economic, social and environmental;
- A belief that just and lasting solutions to the problems of humankind can only come through the promotion of democracy, worldwide;
- A belief that justice and international law should guide the relations between nations;
- A belief that international peace is the goal to which all nations should strive. Where this breaks down, internationally agreed peaceful mechanisms to solve conflicts should be resorted to;
- A belief that our foreign policy should reflect the interests of the continent of Africa;
- A belief that South Africa's economic development depends on growing regional and international economic cooperation in an independent world; and
- A belief that our foreign relations must mirror our deep commitment to the consolidation of a democratic South Africa.

Although the above principles sound very idealistic, the South African government also has extremely strong international aspirations. As reported by *Thisday* (2004), "South Africa has announced officially that it is willing to serve on the UN Security Council once it is restructured". South Africa therefore want to become a leader, not only in the African Union (AU) and the African continent, but also in a global context. The role of local communities and their governments will be crucial in achieving these bold ideals.

4.5 The municipality as facilitator

We have already pointed out in the definition of twinning that local government is an essential actor in such relationships. This is also important as the municipality is in a better position than civil society to amass required organisational resources to develop urban international relations (Hsu, 2003:153). Hertogs (1999:2) also argues that local governments have recently been gaining recognition as agents of development, and that democratic local government should occupy a central place in decentralised cooperation.

Hsu (2003:162) observes that the traditional mechanism to ensure citizen participation in twinning has been through setting up a committee outside the bureaucratic structure of the municipality. Such a committee is a "creation of a public sphere which functions as the primary connector between people and power, and as a space of opposition, accountability and policy influence" (Hsu:2003:163). Zelinsky (1991:27) even observes that there is a slight tendency, as each twinning develops, to become less dependent on the local authority as well as the national authority.

But over the past decade, the role of local government worldwide has changed from its traditional role as service provider to being more deeply involved in the management of the affairs of the community it represents. In the United Kingdom, for instance, major emphasis is placed on the concept of "community governance" and Sullivan (2001:10) differentiates between three frameworks of this concept. In "community governance", elected local government is fundamental to the system of community governance. In the "local governance" framework, elected local government is only one of many important actors at the local level. In the "citizen governance" framework, "elected local government can be damaging to community governance and this can be rectified by applying communitarian

principles to enhance the power of citizens and correspondingly limit the power of elected officials".

Systems of local government can also be differentiated according to the degree to which they operate autonomously from central government, or to which they are integrated with central government in the implementation of central government polices and programmes. Cameron (2001:102) argues that in South Africa, although local government is constituted as a separate sphere of government, both these approaches apply at the local level. The South African Constitution makes local government responsible for social and economic development of communities, which creates a new culture of developmental local government (Lemon, 2002:28). With regards to local economic development, which is the focus of many newer twinning relationships, the essence of local economic development (LED) is that it gives local authorities "more responsibility and scope for local development planning, which often involves partnerships with the private sector, community organisations, unions or NGOs" (Lemon, 2002:27). Chipkin (2002:76) also observes that the developmental role for local government today implies a greater political and policy-making role for municipalities. "In this regard, municipalities are charged with the responsibility for building local alliances and partnerships, deploying non-state bodies (including private for-profit agencies and non-governmental organisations) and, when possible, marshalling their own resources to fulfill their obligations in terms of the Constitution."

In light of the above, it is clear that local government cannot fulfil its mandate on its own and that it has to partner with various groupings to make this possible. But it is also clear that, to be successful, it is preferable that local government take the lead and, specifically in the case of international community partnerships, act in a facilitative capacity.

4.6 The community as partner

Public participation and strong grassroots community involvement are regarded as an integral part of twinning relationships, and this dimension makes these relationships distinct from traditional diplomacy carried out by professional diplomats: "Constituents become diplomats and foreign policy is turned into the responsibility of urban residents" (Hsu, 2003:14).

According to Hsu (2003:152), twinning creates space for citizen participation and community involvement in order to facilitate intercultural communication between people in sister cities. "The ideal fails if twinning solely resides in official visits and government exchanges without the inclusion of ordinary citizens." She also suggests, however, that: "Most twinning nowadays entails overt municipal entrepreneurialism to pursue international connectivity and urban competitiveness."

Citizen participation is therefore critical and VNG International (2001) observes that this is only possible if a context conducive to such participation exists in a country, along the following dimensions:

- Cultural context: "Wherever there is a tradition of people's participation in collective decision-making, citizens' participation has been both highly successful and sustainable";
- Political context: "Citizens' participation tends to be more successful in pluralistic, transparent, democratic settings";
- Legal context: "There has to be a legal basis for local citizens and community-based organisations to have a say in policy design otherwise it would undermine citizens' participation";
- Economic context:" Very poor people might not participate in participation as they do not have the time available"; and
- Leadership: "In successful cases of citizens' participation success could be attributed in large measure to strong leadership, either within the local authority or among the citizens."

It would seem that South African municipalities have not yet succeeded in forging strong links with the business community, which is also a necessary condition for twinning success. According to *Die Burger* (2004b), private sector investment in municipal projects is almost non-existent on account of bad financial management of municipalities and non-payment for services. This is worsened by politically motivated appointments of incompetent municipal managers, outrageous remuneration packages for top officials and the retrenchment of thousands of competent officials as part of the government's affirmative action policy.

It is therefore important that the above factors be taken into account when contemplating, designing or implementing twinning relations between different communities.

4.7 Institutional support for twinning in South Africa

It is acknowledged by the South African national government that there is critical role for national government, provincial government and organised local government to play in supporting municipalities and communities in their international relations and that the quality, impact and extent of these programmes can be considerably enhanced by appropriate facilitation and support.

In the South African MIR Policy Framework of 1999, the major elements of an effective programme of facilitation and support for MIR are listed, which include the responsibilities of organised local government as well as the role of municipalities and national government. Although the policy framework was approved by cabinet, unfortunately very few of these recommendations were actually implemented. In Table 4.1 below, the main elements of the policy are summarised.

Table 4.1: Elements of the South African MIR support programme

Elements	Description
Priority setting and direction	Organised local government, in conjunction with national and provincial government, needs to set a direction for municipal international relations. This should involve identifying the most important issues that municipal international cooperation programmes should address, formulating appropriate objectives and providing guidance regarding which forms of MIR can best achieve these objectives.
Mobilising funding	There are, however, considerable amounts of funding available internationally to support MIR activities. SALGA, in collaboration with national and provincial government, should actively mobilise both local and international funding to support the agreed MIR priorities and approaches. Such resources should be used in a equitable manner that ensures that smaller cities, towns and the rural municipalities also have access to MIR opportunities and their associated benefits
Facilitating relationships between South African and international partners	Organised local government, in collaboration with national and provincial government should facilitate and co-ordinate the establishment of appropriate relationships between South African municipalities and international partner municipalities. Individual local governments generally do not have the contacts and capacity to do this effectively on their own. In addition, it would represent duplication and inefficient use of resources if many individual municipalities were to build their own capacity. The task of facilitating relationships would involve:

	• entering into arrangements with other international and national municipal associations, governments and other international agencies which are in a position to support these priorities; • identifying, in collaboration with these international partners, appropriate networks, initiatives and partner municipalities with which local governments in South Africa can engage; • maintaining a database of South African municipalities and their needs in regard to municipal international relations and putting them into contact with appropriate partners; and • following up municipalities to ensure that agreed linkages are being developed and to identify any additional support needs that an individual municipality might have. In particular, organised local government should consider establishing a section to support the development of an extensive system of municipal international cooperation within Africa to support the development of strong institutions for local democracy and development across the continent.
Information provision	A further critical role for national and provincial government and organised local government is the collection and distribution of appropriate information. Organised local government should make the following information widely available: • a database of international and regional municipal organisations and relevant international initiatives relevant to local government; • a guide to useful websites and other electronic networks internationally; • a database of all MIR initiatives involving South African municipalities; • evaluative reports on MIR initiatives involving South African municipalities; • relevant IULA, UN and other publications; • a directory of South African embassies and consulates across the world and how they can assist local governments with international programmes; • detailed guidelines for municipalities on how to conduct international cooperation programmes; and • a directory of trade fairs, trade missions and other economic and tourism promotion activities of the Department of Trade and Industry, Department of Foreign Affairs, Satour and other relevant agencies which might be relevant to particular local governments. This information should be accessible electronically and the publications of organised local government should give appropriate coverage to MIR programmes. In addition, the Department of Foreign Affairs should provide country briefings to any high-profile municipal delegation visiting a foreign country to advise them on the political and economic situation in the country to be visited and of any diplomatic or foreign policy issues that they should be aware of.
Coordination	It is necessary to co-ordinate MIR activities in order to use the limited resources to the best effect. The activities need to be in harmony with the strategic objectives of South Africa's foreign policy. To assist this process, it is suggested that a MIR Co-ordination. Group comprising representatives of organised local government. Department of Constitutional Development, Department of Foreign Affairs and the Department of Trade and Industry be established. This Group should facilitate cooperation between the spheres of government and should liaise

	on a regular basis to ensure effective coordination of MIR activities. To support this process, all municipalities should provide the secretariat of this Coordination Group with the following information: • a list of all proposed MIR activities for a particular financial year; • notice of any official international visit involving councillors or senior officials of the municipality at least one month prior to the visit, indicating whether any assistance from the Departments of Foreign Affairs or Constitutional Development or SALGA is required; • notice of any official visit to South Africa involving councillors or senior officials of a foreign municipality; and • notice of any intended twinning relationship with a foreign municipality prior to any formal process of concluding a twinning agreement.
Training	It is suggested that regular MIR training involving the Departments of Foreign Affairs and Constitutional Development be arranged by SALGA. Such training should equip the provincial local government associations and municipalities themselves with the necessary information and material to run train and brief councillors and officials who will be travelling internationally in an official capacity.
Ensuring accountability	Mechanisms to ensure that local authorities conduct international municipal relations in an accountable and transparent manner should be established. The primary mechanism for this should be a requirement that each municipality must prepare an annual record of all international cooperation arrangements and events they have been involved in. This record should detail the purpose, the outcomes, benefits and costs of these arrangements and events. Such reports should be made available for public scrutiny and should be submitted to the Department of Constitutional Development, the Department of Foreign Affairs, the Office of the Auditor-General and organised local government for information.
Research, evaluation and monitoring	No systematic research and evaluation of the diverse and rapidly growing field of MIR including its successes and failures has been done in South Africa. This results in the repetition of mistakes and considerable duplication of effort. SALGA, in collaboration with national and provincial government needs to support an on-going programme of research and evaluation and should ensure that the information is effectively disseminated.

Source: Adapted from SA MIR Policy Framework of 1999

The Policy Framework further spells out the roles of the different actors when it comes to MIR, with the responsibilities of the two most important actors (municipalities and organised local government) listed below:

Organised local government

- To represent South African local government in IULA and other relevant international and regional forums;
- To act as initiator, intermediary, facilitator and priority setter for municipal international cooperation programmes; and

- To research and evaluate municipal international cooperation programmes; and to make information widely available.

SALGA will consequently need to create significant MIR capacity in terms of information management, relationship facilitation, coordination and research.

Municipalities

- To prepare a plan for MIR to support their municipal priorities as part of the IDP process;
- To submit this plan and details of any official international visit or MIR agreement to the proposed MIR Co-ordination Group;
- To prepare an annual record and evaluation of all international cooperation arrangements and events they have been involved for public scrutiny and for submission to national, provincial government and organised local government; and
- To ensure that MIR activities are adequately managed and resourced and that councillors and officials participating in MIR activities are properly briefed and trained.

Although the Policy Framework spells out excellent principles and looks good on paper, it has failed, which seems to be due to four reasons:

1. Organised local government (SALGA) has failed totally in their role and providing the support to municipalities as envisaged in the policy framework;
2. Municipalities have mostly ignored the policy framework and have not adhered to any of it;
3. The policy does not include the substantial international relations of provincial governments and take the synergies between provincial and municipal relations into consideration; and
4. No differentiation is made between municipality and community in the Policy Framework.

4.8 NEPAD and the African context

For the first time in history, local governments are starting to organise themselves on the African continent. At the third Africities summit in Yaoundé, Cameroon, in December 2003, it was resolved by mayors of African local authorities that a new umbrella organisation be

formed provisionally called the Council of Cities and Regions of Africa (CCRA) to speak with one voice for Africa. This name was later changed to United Cities and Local Governments of Africa (UCLGA). The New Partnership for Africa's Development (NEPAD) was launched to address the problems of poverty on the continent, as it is clear that earlier initiatives and frameworks have not worked as well as they were intended to address this issue (NEPAD, 2002:3). Local government and local communities have a major role to play in the attainment of the NEPAD objectives. In the following section, the objectives and strategies of NEPAD are set out in more detail, and the importance of twinning as an instrument to create unity on the African continent is discussed.

4.8.1 NEPAD

South Africa, being the largest economy on the African continent, has a major role to play in intercontinental relations and development cooperation especially in sub-Saharan Africa. International relations at the local level is thus also seen as a priority by the South African government and a better comprehension of NEPAD is important for understanding how South African municipalities and communities can become engaged in constructive intercontinental relations at the local level.

The origin of NEPAD goes back to the participation of Presidents Obasanjo, Bouteflika and Mbeki at the G8 Summit in Okinawa in 2000, which gave birth to the Millennium Partnership for African Recovery Programme (MAP) document (NEPAD, 2002:4).

The goals for NEPAD are as follows (NEPAD, 2001:14):

1. To achieve and sustain an average gross domestic product (GDP) growth rate of over 7 per cent per annum for the next 15 years;
2. To ensure that the continent achieves the agreed International Development Goals (IDGs), which are:
   - To reduce the proportion of people living in extreme poverty by half between 1990 and 2015;
   - To enrol all children of school age in primary schools by 2015;
   - To make progress towards gender equality and empowering women by eliminating gender disparities in the enrolment in primary and secondary education by 2005;
   - To reduce infant and child mortality ratios by two-thirds between 1990 and 2015;
   - To reduce maternal mortality ratios by three-quarters between 1990 and 2015;
   - To provide access for all who need reproductive health services by 2015; and

- To implement national strategies for sustainable development by 2005, so as to reverse the loss of environmental resources by 2015.

In order to reach these goals, NEPAD is based on a three-pronged strategy (NEPAD, 2002):

1. Establishing conditions for sustainable development (including peace, security and improved governance) in order to sustain and strengthen effective states while, at the same time, strengthening regional cooperation (by the pooling of African resources) so as to increase international competitiveness;
2. The identification of priority sectors that could reverse the marginalisation of Africa and lay the basis for sustainable long-term development; and
3. The mobilisation of resources from within and outside the continent for effective implementation of policies, programmes and projects.

Sustainable development will be achieved by:

- Strengthening of conflict prevention, management and resolutions;
- A declaration on democracy, political, economic and corporation governance;
- Economic and corporate governance standards;
- A framework for the implementation of banking and financial standards; and
- An instrument for eliminating money laundering.

The priority sectors for sustainable long-term development that have been identified for NEPAD are:

- Education;
- Health;
- Regional infrastructure (IT, energy, transport, water and sanitation);
- Agriculture;
- Market access (mining, manufacturing, tourism, private sector, and export promotion);
- Environment.

But the above can only be achieved if the neccesary resources are available, and the programmes to mobilise resources will focus on:

- Improving domestic savings;
- Improving the quality of public resource management;
- Enhancing capital flows (including debt relief and ODA reforms);
- Improved performance of Africa in global trade;
- Role of Africans in the *diaspora*; and
- Capital repatriation.

The success of NEPAD depends greatly on how well African leaders can sell the above goals to the world's financial and investment community, as well as on the degree to which countries who are partners to NEPAD keep to the initiative's own principles and guidelines. NEPAD also has to be marketed and implemented on local levels for it to have an impact. In South Africa, for instance, a NEPAD Outreach Programme is being implemented by the President's office, aimed at creating broad-based participation in 13 rural nodes which will focus on (DPLG, 2003a):

- Skills transfer;
- Eradication of poverty;
- Empowerment of women; and
- Establishment of strong management and governance.

4.8.2 The future role of twinning and decentralised cooperation in Africa

The MIR Policy in South Africa puts great emphasis on South-South cooperation. Mr. Gavin Lobelo, Executive mayor: Bophirima District Municipality, reports that a joint MIR conference was held organised by ALAN, SALGA and VNG to create an MIR platform for SADC, and that South Africa is the only country in the region and continent with an MIR policy (DPLG, 2003a). The challenges mentioned that are specific to South-South relations are:

- Lack of resources in the region and developing world;
- High travel costs;
- Potential for dependency;

- Colonial attitudes; and
- Possible substandard assistance.

An MIR database is needed and an attempt in this regard was made in the establishment of the International Information Centre in Harare funded by the Commonwealth Development Forum, but it does not really function properly.

According to Hertogs (1999:1), the European Commission intends to make decentralised cooperation a major component of future relations between the European Union and countries in Africa, the Caribbean and the Pacific (ACP).

Vashee (1997) also makes the point that the position of the ACP countries in decentralised cooperation should be aimed at poverty eradication and not at just poverty alleviation. "The two concepts are different, since one is more about relief and the other is more about creating jobs." He sees decentralised cooperation as an effective instrument to establish grass-roots development projects which will be participatory, with a culture of human rights, but will cooperate with the state to carry out its functions.

In Africa, therefore, there is an important role for decentralised cooperation (DC) to play in North-South developmental projects, and for municipal international cooperation (MIC) to create much-needed capacity in Africa's local governments.

Twinning could play an important role in both the areas indicated above, but also has the potential of becoming a powerful tool in the arsenal of the African Union (AU) in building a more united Africa in line with the NEPAD objectives and ideals. The European Union has already developed twinning as a tool to achieve such unity on that continent and many best-practice examples already exist, which could make implementation easier in Africa.

4.9 Networks and decentralised cooperation in South Africa

Some South African cities belong to international networks of cities. Johannesburg, for instance, is a member of the international city network "Metropolis". Various international agencies are active in South Africa and networks of cities have also been formed over the

years. A few of these are briefly described below, without endeavouring to discuss the future role they might play in South Africa.

4.9.1 The South African Cities Network

The South African Cities Network is a network of South African cities and partners that encourages the exchange of information, experience and best practices on urban development and city management, and is an initiative of the Minister for Provincial and Local Government and nine city municipalities, in partnership with the South African Local Government Association (SALGA).

The goals of the South African Cities Network (2003) are to:

- Promote good governance and management of South African cities;
- Analyse strategic challenges facing South African cities, particularly in the context of global economic integration and national development;
- Collect, collate, analyse, assess, disseminate and apply the experience of large city government in a South African context; and
- Promote a shared-learning partnership between different spheres of government to support the governance of South African cities.

The members of the network are:

- Buffalo City (East London);
- City of Cape Town;
- Ekurhuleni Metropolitan Municipality (East Rand);
- City of eThekwini (Durban);
- City of Johannesburg;
- Mangaung Municipality (Bloemfontein);
- Msunduzi Municipality (Pietermaritzburg);
- Nelson Mandela Metropolitan Municipality (Port Elizabeth); and
- City of Tshwane (Pretoria).

4.9.2 Australia/South Africa Local Governance Partnership (ASALGP)

The Australia/South Africa Local Government Partnership (ASALGP) is funded by the Australian Government and aims to support the continued development and enhancement of South African provincial and local government to fulfil its developmental role for the country. The broad goal of the project is (ASALGP, 2003:6): "To enhance the contribution of South African Local Government to socio-economic development, poverty alleviation and improving the quality of life of the people of South Africa", and the objective is: "To build capacity for efficient, effective and equitable provision of essential services and infrastructure by municipalities, in cooperation with provincial agencies and other key stakeholders."

The ten outputs as identified in the Project Design Document are:

1. More productive relationships between provincial and local spheres of government;
2. Increased capacity within key provincial agencies to monitor and support municipalities;
3. Strengthened provincial local government associations;
4. Effective financial and performance management frameworks for municipalities;
5. Appropriate development planning systems and processes;
6. Models for efficient, effective and equitable service delivery;
7. Demonstration projects to improve management and service delivery in municipalities;
8. Information sharing and dissemination of project experience amongst stakeholders throughout South Africa;
9. Sustainable partnerships between South African and Australian counterparts; and
10. Strategic project management.

4.9.3 Norwegian Municipal International Relations Programme

The Norwegian Municipal International Cooperation programme is supported by NORAD, the Norwegian development agency. The funds are channelled through KS (the Norwegian Association of Local and Regional Authorities), which plays an advisory role, and the projects are run by municipality pairs in Norway and Malawi, Madagascar, Uganda, Namibia, South Africa, and Zambia. From its start in 1999 the programme has expanded to eight active partnerships. "The aims of the programme are to strengthen the capacity of local governments

in the cooperating countries, as well as strengthen the international understanding within Norwegian local governments through mutual exchange of experience" (NALRA, 2004).

This programme sponsors a twinning between Vest-Agder County in Norway and Thembisile Municipality in South Africa.

4.9.4 Swedish International Development Agency (SIDA)

There are currently five municipalities in South Africa that are twinned with Swedish municipalities. These twinnings are funded by various organisations including SIDA, the Olaf Palme International Centre, and the Swedish Association for Local Authorities International Development Agency (HCMTA, 2003).

The overall objectives of these twinnings, or partnership between cities, are to strengthen local democracy and use the transfer of knowledge to develop the municipalities concerned. The primary areas for cooperation are (SIDA, 1999):

- Municipal organisation and administration;
- Development of local enterprises;
- International contacts and trade;
- Agenda 21;
- Waste disposal systems and techniques;
- Overall municipal planning/development planning;
- City-centre commerce and inner city-issues;
- Educational and training institutions; and
- Cultural exchange.

4.9.5 South Africa/Canada Programme on Governance

This is a partnership between six South African and six Canadian provinces and between the Departments of Public Works in the two countries. It initially ran from 1993 to 2000 but has since been renewed and is currently in force. The experience of this project was that it had both strengths and weaknesses, and "[i]ts major advantage was that it provided a constant supply of committed and experienced Canadian public servants available to work with South

Africans on specific projects" (Proctor, 2000:322). Although "twinning" is used to describe this project, it is clearly a case of MIC.

4.10 Problems and obstacles for twinning in South Africa

Since the formulation and approval of the MIR Policy Framework (1999) in South Africa, many provinces, local governments and communities have entered into international relations with some success, but major obstacles and problems also became evident during this process (DPLG, 2003a):

- Owing to ignorance, agreements have been signed in foreign languages, committing municipalities to unfavourable international agreements without the necessary sanctions;
- There has been little coordination of overseas visits, with some foreign governments lodging official complaints about South African delegations visiting and duplicating the same issues and requests, which bordered on sight-seeing trips in some cases;
- There is no proper coordination of MIR relations in most provinces and no feedback because there is no proper management of these arrangements;
- Delegates are not briefed and trained on protocol issues, country particulars and specifics, e.g. that in Thailand "hugging in public" is unacceptable. In specific countries certain types of gifts may not be given, e.g. in Arab countries animal or human artefacts will be considered an embarrassment. There is therefore a lack of adherence to Foreign Affairs (FA) policy;
- Municipalities do not submit reports after visits as stipulated in the MIR Policy Framework, which are necessary to avoid duplications of future visits;
- Lack of monitoring and evaluation;
- Visits not informed by IDP priorities;
- SALGA does not have the capacity to assist in international relations;
- There is a need for sustainable partnership and not only visits; and
- MIR should form part of the intergovernmental relations (IGR) agenda.

But the question is also asked by Mr. Gugile Nkwinti, MEC: Housing and Local Government in the Eastern Cape Province: "Do we have the resources and money for MIR? Is it a luxury to find partners given our local challenges?" (DPLG, 2003a).

4.11 Summary

Although local-level twinning and municipal international relations are relatively new in South Africa, having grown from only seven relationships in 1988 to 130 in 2004 (with a further 41 in process of formation), these developments took place in a rapidly evolving political and legal environment within South Africa, strongly influenced by the context of a new democratic government, and a rapidly changing global world, as set out in Chapters 2 and 3.

The new local government system in the country has not yet stabilised and the policy towards the international relations of municipalities and communities will still evolve as more experience about these activities is gained. From this chapter it is clear that there are major challenges to be faced, not only for local government in South Africa, but also for its international relations.

In the following chapter the research methodology of the primary research is presented.

CHAPTER 5: RESEARCH DESIGN AND METHODOLOGY

5.1 Introduction

In the previous chapter, the scope and dynamics of strategic alliances and twinning worldwide were discussed from an interdisciplinary perspective. This information was then used to develop a conceptual model of twinning at the district or municipal/community level.

In this chapter, the model is used to develop research hypotheses and a questionnaire is developed to obtain descriptive data on the state of twinnings in South Africa, as well as to test a number of the proposed hypotheses. Mouton (1996:107) emphasises that a well-defined research problem is a precondition for any study and that the development of a research design thus follows logically from the research problem. A research design is defined as "a set of guidelines and instructions to be followed in addressing the research problem".

The research problem was defined in Chapter 1 on page 27 as:

What are the guidelines that communities in South Africa can follow to ensure the forging of successful strategic alliances through twinning with other districts, towns and cities internationally?

The sub-problems were identified as:

1. What benefits does a place-twinning agreement offer to a community involved in such a relationship?
2. What is the scope (content) of a place-twinning agreement and the context in which it is concluded?
3. What are the dynamics (processes) involved in entering into a place-twinning agreement and managing it successfully?
4. What are the factors that contribute to the success of a twinning?
5. What are the organisational capacity problem issues, that is, who are the stakeholders involved in twinning agreements, and what are their roles and responsibilities?

Various attempts have been made over the past five years by provinces, the Department of Provincial and Local Government (DPLG) and the South African Local Government Association (SALGA) to establish the state of twinnings and international relations of municipalities and communities in South Africa. Over this period, however, no relatively complete database or list of such relationships could be compiled.

The aim of the primary research therefore was to ascertain the scope and dynamics of twinning at the municipal and community levels, and more specifically to establish:

- Which municipalities or communities have formal international relationships;
- What structures they have in place to deal with these international relationships;
- The number of relationships per authority;
- Who they are partnered with;
- The goals and objectives of the relationships;
- The scope of the relationships (what is covered by them);
- The formality of the agreements (e.g. are they verbal or in writing);
- The stakeholders involved in the agreements;
- The projects, plans and activities associated with the relationships;
- How the relationships are managed;
- The costs of setting up these relationships; and
- How the activities associated with the relationships are funded.

As set out under Section 1.5.2, a distinction has to be made between the international "activities" of municipalities and the international "relations" of municipalities. Many South African municipalities engage, for instance, in international activities that do not lead to a relationship being actively pursued or developed. As the purpose of the research was to focus on long-term twinning relationships, all international activities of municipalities or communities were not researched. Besides looking only at the local level, an attempt was also made to establish what the current state of affairs was at the provincial level in the country.

In Section 1.11.2, reference was made to the importance of participatory research that uses the techniques of traditional quantitative and qualitative research with fundamental differences on the level of research design and methodology. This research study used both quantitative

survey research as well as qualitative research through selected personal interviews, but aimed to be as participatory as possible, which was achieved in the following manner:

- Authentic involvement of research subjects in the design and execution of the project (staff from the DPLG, international relations staff from the provinces and municipal managers and mayors were involved from the start in the project through interaction at three Municipal International Relations (MIR) workshops in three provinces of South Africa (Gauteng, KwaZulu/Natal and Eastern Cape) where the researcher was a guest speaker. Three municipalities were also involved in the testing of the pilot questionnaire);
- Equality in research roles (an attempt was made to involve research subjects as equal partners, but this proved to be difficult, as explained in later sections);
- Accountability and responsibility (the researcher attempted throughout the study to be accountable to the community where research was done and all results were shared with municipalities and DPLG staff wherever possible);
- Empowerment of the social actors (the results of the study will make a major contribution to municipalities and communities entering into or maintaining twinning relationships which will be beneficial to all members of the communities involved).

Although the study included both quantitative and qualitative research, the quantitative component is discussed in more detail in the following sections. Qualitative research procedures are discussed in Section 5.9.

5.2 The hypotheses

From the conceptual model of twinning, a number of hypotheses were generated in order to explore what the characteristics of successful twinning relationships were. These hypotheses are as follows:

Firstly, two hypotheses concerning the municipality or community as a twinning entity:

Hypothesis 1: Communities that have a twinning strategy in place have more alliance success (as discussed in Section 3.1.1.1 and listed in Tables 3.12 and 3.13).

Hypothesis 2: Communities with more alliance experience have more alliance success (as discussed in Sections 1.5.3, 3.1.1.1 and 3.4.2 and listed in Tables 3.12 and 3.13).

Secondly, a number of further hypotheses concerning the twinning relationships themselves:

Hypothesis 3: Twinnings where positive attitudes (including trust, commitment and reciprocity) are high have more alliance success (as discussed in Section 3.3.4 and listed in Tables 3.12 and 3.13).

Hypothesis 4: Twinnings where community involvement is high have more alliance success (as discussed in Section 3.4.2 and listed in Tables 3.12 and 3.13).

Hypothesis 5: Twinnings with higher levels of contact (exchange and communication) have more alliance success (as discussed in Section 3.4.2 and listed in Tables 3.12 and 3.13).

Hypothesis 6: Twinnings with more resources and infrastructure have more alliance success (as discussed in Sections 3.3.7 and 3.4.2 and listed in Tables 3.12 and 3.13).

Hypothesis 7: Twinnings that followed a structured planning process (from partner selection to business planning) have more alliance success (as discussed in Section 3.4.2 and listed in Tables 3.12 and 3.13).

Hypothesis 8: Twinnings where leadership and management is strong have more alliance success (as discussed in Sections 3.3.2, 3.3.5 and 3.4.2 and listed in Tables 3.12 and 3.13).

Hypothesis 9: Twinnings that do active marketing have more alliance success (as discussed in Sections 2.6.2 and 3.3.8 and listed in Tables 3.12 and 3.13).

Hypothesis 10: Twinnings where the partners have similar characteristics have more alliance success (as discussed in Section 3.1.1.3 and listed in Tables 3.12 and 3.13).

In the next section, these hypotheses are operationalised in terms of specific constructs that were included as scale items in the questionnaire.

5.3 Operationalisation

The unit of analysis (cases) in the study is the twinning or linkage between specific communities in provinces, municipalities, cities or towns. The data sources are the provincial and municipal authorities. The definition of a respondent in the survey is as follows: "International relations manager at provincial level, and city/town manager or person responsible for twinnings at local government level."

In order to test the hypotheses as set out above, a construct "alliance success" had to be developed first. Two questions were included in the questionnaire to measure the success of the relationship; firstly, a question on the perceived success against the original objectives, and secondly, what the state of the relationship was currently.

Although Van De Ven, in Bucklin and Sengupta (1993:33), suggests that perceived effectiveness should be defined to be the extent to which both parties are committed to the alliance and find it to be worthwhile (see page 22), logistical and cost considerations for this study prohibited measuring the perceptions of both South African and partner communities. A second measure, that of the current state of the relationship, was thus used to add more substance to the construct "alliance success".

For all of the other hypotheses, a number of further constructs had to be operationalised and question items developed to measure these. Listed below in Table 5.1 are these constructs and the measures that were developed and included in the questionnaire.

Table 5.1: Constructs and measures

Hypotheses	Constructs	Measures
1	Twinning strategy	• Existence of twinning strategy
2	Alliance experience	• Stability of political leadership (years council in office) • Number of twinnings • Number of years since first twinning
3	Positive attitudes	• Trust • Reciprocity • Commitment • Understanding • Cultural sensitivity • Risk • Flexibility

4	Community involvement	• Twinning type (whether community is involved) • Community actors involved • Community awareness of the twinning
5	Intensity of communication	• Actors involved in communication • Frequency of communication
6	Resources and infrastructure	• Budget • Donor-funded or not • Structural arrangements
7	Structured planning process	• Existence of formal partner selection process • Existence of written business plan
8	Leadership and management	• Professional management available • Involvement of twinning champion
9	Active marketing	• Marketing taking place • Level of media exposure of twinning
10	Partner similarity	• Languages spoken • Religion (s) • Geographic terrain • Historical background • Places/facilities/amenities • Educational facilities • Organisations, associations • Key industries • Mother country culture • Community value system • Goals for twinning • Expectations of outcomes • Commitment of management • Strengths and weaknesses • Personalities involved

The constructs, which were based on the success factors identified in the literature study, and measures as indicated in the table above, were then included in the questionnaire that was developed as the primary measurement instrument.

5.4 The measuring instrument

In order to address the primary elements of the research problem, it was decided to employ a questionnaire administered by mail and supplemented by personal interviews. The measuring instrument in the form of a questionnaire was divided into two sections. One section measures aspects about the municipality and community involved, and the second measures aspects of each twinning relationship.

Questions included dichotomous questions and open-ended questions as well as attitudinal questions measured by Likert scales. Scales used are either 3-point, 5-point, or 7-point scales, depending on the level of differentiation that was required.

The questions were phrased on the success factors and based on the conceptual twinning model suggested by the literature study (see page 238) and operationalised in the previous section, and included measurable differentiation characteristics between community twinning relationships as set out in Table 3.1. More specifically, questions were formulated to address:

- The size of the cities/towns;
- The number of twinned cities involved in the agreement;
- Level and nature of organisation mandated by the agreement;
- Stability of political leadership;
- Agreement scope (areas covered in the agreement);
- Dormancy/activity of relationship;
- Budget provision for implementation;
- Equality of size of twinned city;
- Level of formality of the agreement;
- Who initiated the agreement;
- Time of courtship;
- Region of twinning (local/overseas/Africa);
- Period of existence of the twinning;
- Duration of the agreement;
- All-encompassing twinning or project-based;
- Number and nature of stakeholders involved in the twinning;
- Objectives in agreement;
- Measuring system in agreement;
- Structure of interaction;
- Frequency of contact;
- Languages of twins; and
- Magnitude of cultural differences.

Other surveys were also investigated for ideas on questionnaire content and design. Two of these were:

1. A study in New Zealand where a postal questionnaire which was mailed to local authorities, used 24 questions centred around four themes (Ramasamy & Cremer, 1998:451):

- Objectives of the sister-city relationship;
- Financial, human and management aspects;
- Expected and actual outcomes; and
- Miscellanea.

2. A study in Australia and Japan where a postal questionnaire was used that consisted of ten sections (O'Toole, 2001:409):

- The types of activity undertaken by sister-city relationships (SCRs);
- The importance of SCRs in terms of international understanding;
- Culture, education, tourism, trade and investment;
- How SCRs were established;
- The initial expectations;
- The extent to which expectations had been fulfilled;
- The amount of money expended on SCR activities;
- The major benefits;
- Problems of SCRs;
- Evaluation processes; and
- Complaints about SCRs.

According to Johns and Lee-Ross (1998:77), self-completion questionnaires should always be subjected to a pilot study before the main survey takes place. Such a pilot study is "an exploratory phase which aims to identify and eliminate problems before the full questionnaire survey is carried out". They list the reasons for pilot testing as follows:

- To check whether questions are relevant to (all) members of the particular sample;

- To check whether respondents understand all the questions;
- To check the logic of the question order;
- To check whether any questions have double meanings, or lead or confuse respondents;
- To get an idea of the likely refusal rate;
- To find the best time of day to conduct the full survey;
- To suggest ways of rephrasing open-ended questions as closed or multiple-choice ones;
- To show how long it takes to complete a questionnaire (or an interview);
- To indicate whether answers accord with design expectations:
- To check the reliability of questions using various statistical tests; and
- To indicate whether further instructions are necessary.

Questions must also make sense to the respondent and be easy to answer, preferably in a way that generates respondent interest and involvement. Respondents must be told clearly how to enter their answers (for example, in an introductory section of the questionnaire).

The questionnaire was therefore first developed in a pilot form and this pilot questionnaire was tested by it being subjected for scrutiny to the senior management of Stellenbosch Municipality, and minor changes were made based on their advice. In order to further validate the questionnaire it was sent out to five municipalities early in 2004, in order to conduct final testing. These were Stellenbosch, George, Boland District Municipality, Berg River and Buffalo City. Three of these completed the pilot questionnaire and provided inputs that were used for final refinement, before questionnaires were mailed to all provinces and municipalities in South Africa.

Common mistakes mentioned by Johns and Lee-Ross (1998:78-79) that were avoided in the design of the questionnaire include:

- Imprecision;
- Loaded questions;
- Two questions in one;
- Double negatives;
- Hypothetical questions;
- Delicate and unclear questions;

- Convolution/vagueness;
- Insufficient detail;
- Use of colloquialisms;
- Use of jargon;
- Meaningless concept;
- Doubtful communication;
- Assuming prior knowledge; and
- Unclear frequency assessment.

Please see Appendix G for the letter that accompanied the test questionnaire and for a copy of the letter that accompanied the final questionnaire. The final questionnaire is attached as Appendix F.

5.5 Sampling

As the total universe (population) of provinces and municipalities in South Africa are less than 300, it was decided to include them all in the survey. The total population of South Africa's nine provinces and 284 municipalities was therefore included in the study (including six metropolitan municipalities, 47 district municipalities, and 231 local municipalities).

5.6 Data collection

Before primary research commenced, secondary research was conducted through a large-scale internet search of all associations of local governments worldwide as well as press–clippings, to establish the state of twinnings with South African municipalities and communities. From this information a preliminary database of twinnings in South Africa was compiled. This was supplemented by secondary information received from the DPLG, SALGA and a few provinces.

In-depth interviews were also conducted with representatives from the DPLG as well as with representatives of selected provinces and municipalities in South Africa. During the process of this research, the researcher was also invited to do presentations at the municipal international relations training workshops of all municipalities in three provinces in South

Africa (Gauteng, KwaZulu/Natal and Eastern Cape) through which extensive interaction took place with potential respondents.

In addition, a large number of twinning agreements were obtained which could be scrutinised for in-depth information on scope, duration, and so on.

The primary research questionnaire was sent out on 21 May 2004 to all provinces and municipalities in South Africa, addressed to the international relations manager at the province and the municipal manager at municipalities. A covering letter was included which was printed on the letterhead of the Graduate Business School of Stellenbosch University and signed by its Director, Prof. Eon Smit.

In the questionnaire, the word "twinning" was used in a broad sense to describe "a formal relationship between two communities in different countries in which at least one actor is a local government".

Collecting the information was much more difficult than anticipated. Altogether 293 questionnaires were mailed on 21 May 2004 to all provinces and municipalities in South Africa, followed by a reminder letter two weeks later. The questionnaire was accompanied by a covering letter personally addressed to the municipal manager (whose names were obtained from the DPLG), and a reply-paid envelope. Municipalities were asked to complete and return the questionnaires within a three-week period. After eight weeks, however, none of the provinces and only 96 municipalities had responded, which translates to a response rate of 34%. This is dismal compared to similar international studies in New Zealand with response rates of 85% and 77%, Australia (50%), Japan (64%), and Switzerland (84.5%) (Ramasamy & Cremer, 1998; O'Toole, 2001; Steiner, 2003). Nel, Rädel and Loubser (1988) also report that under the previous government (pre-1994) the response rate of local authorities to mail surveys were the highest of all respondent groups surveyed by the Bureau of Market Research (BMR), and averaged 69.9% in two surveys.

Some of the obstacles encountered among the South Africa municipalities were as follows:

- Responsible persons out of the country and nobody else has knowledge to help;
- Too busy to respond (understaffed, not enough capacity);

- Some only receiving questionnaires late (although the questionnaire was received by the municipality, it took weeks to reach the right person);
- Some did not receive it at all (in some cases, e.g. Johannesburg, the questionnaire just disappeared along the way and never reached the correct person/s);
- Some received letters without the questionnaire and reply-paid envelope (somehow these were separated by the division handling incoming mail at the municipality);
- Archive system makes it impossible to collect and report on information (some municipalities do not have a separate filing category "twinning");
- Newly appointed persons (in most municipalities, the person handling international issues is relatively new to the position and knows nothing or very little about previous dealings and activities related to the relationships); and
- Problems with place and municipal names (names of municipalities and places have been changed without informing twinning partners, making it extremely difficult to identify and match certain places and communities in South Africa).

The municipalities and provinces that had not responded adequately were therefore followed up numerous times by telephone and e-mail. As a result, the broad status of the international relationships of 279 (out of 284) municipalities and eight provinces (out of nine) could be established. The secondary research, however, indicated that non-respondents did not have any such relationships.

Of the 53 municipalities that have current international relationships, 28 completed usable questionnaires to assess issues about the municipality (52.8% of these municipalities) and 26 of these 28 could be used to assess 37 of their international relationships (28.5% of current international relationships). Only one of the nine provinces returned the questionnaire and although the overall information for provinces is given in the study, this low response meant that no analysis of the characteristics of provincial twinnings could be done in this study.

5.7 Methods of data analysis

Careful analysis of the gathered data was essential to uncover not only the extent and scope of the twinning phenomenon in South Africa, but also the relationships between variables to ensure the success of these linkages.

According to Mouton (1996:95), "Researchers are typically, and perhaps ultimately, interested in the way that 'things' in the social world relate to each other. The aim of social research might even be defined as 'the search for enduring patterns or regularities in relationships among phenomena'."

Some of the basic analytical issues are discussed below. The appropriate statistical technique depends on (Churchill, 1979:420):

1. The type of data (nominal, ordinal, interval, ratio);
2. The research design (sample independence, number of groups, number of variables, variable control); and
3. The assumptions underlying the test statistic and its related consideration, the power of the test (e.g. normal distribution).

The statistical analyses employed further in the study cover:

- Descriptive statistics (e.g. characteristics, how many twinnings, with which countries, its scope, etc);
- Multivariate analysis (testing differences and associations).

More specifically, correlation analysis and analysis of variance (ANOVA) were used to establish whether significant relationships exist between "alliance success" and the factors already mentioned.

The unit of analysis, as already mentioned, is the twinning or linkage: "Cases are defined as the actual concrete instances of the unit of analysis" (Mouton, 1996:92). The data sources are the municipalities and provinces. Mouton (1996:92) also points out that "[i]t is clearly important to distinguish between variables and the attributes or categories of which they

consist". This will be done in Chapter 6, where the results of the research are presented in detail.

5.8 Steps and maximising validity

In each step of the research process the researcher must guard against any form of bias that could influence the validity and reliability of the survey results. Below is a table setting out the stages in the research process, the sources of error that might occur, the strategy to prevent this from happening, the outcomes of such strategies, and the epistemic criterion.

Table 5.2: Maximising validity in the research process

Stage in research process	Sources of error	Methodological "move" or '"trategy" (objective research)	Outcome/goal/ end-product	Epistemic (validity-related) quality or criterion
Conceptualisation (conceptual analysis)	• Complex notions • Vagueness • Ambiguity • Abstract concepts	• Thorough literature review • Clear and logical definitions	Concepts/ definitions	Theoretical validity (clarity/scope)
Operationalisation	• Poor sampling of items • Leading questions • Scaling errors	• Scale validation • Face validity • Pilot test	Measuring instruments	Measurement validity (construct validity)
Sampling	• Bias • Heterogeneous populations • Incomplete sampling frame	• Probability sampling • Stratification • Optimal sample size	Sample	Representativeness
Data collection	• Observation effects • Interviewer bias • Respondent bias • Context effects	• Multi-method • Proper training of fieldworkers	Data sets	Reliability
Analysis/ interpretation	• Competing/rival conclusions or explanations	• Appropriate techniques of analysis • Thorough understanding of literature	Conclusions/ results/findings	Inferential validity

Source: Mouton, 1996:111

A concerted effort was made to ensure validity throughout the research process, as explained below:

5.8.1 Theoretical validity

Theoretical validity (clarity/scope) refers to conceptual clarity. According to Mouton (1996, 109), "Conceptualisation refers to both the clarification and the analysis of the key concepts in a study and also to the way in which one's research is integrated into the body of existing theory and research." This was obtained in the study through:

- A thorough interdisciplinary literature review; and
- Clear and logical definitions of all key terms used in the study.

The literature review is of tremendous importance as, according to Mouton (1996:119-121):

1. A literature review serves as a "map" or "maps" of the terrain;
2. A review of previous research also provides guidelines, or at least suggestions, on the design of one's own project;
3. An intensive study of the existing body of knowledge yields various resources;
4. Literature studies are sometimes done by researchers who intend to replicate previous research;
5. Anyone planning to research a field which has hitherto enjoyed limited attention, either worldwide or locally, can learn a great deal by studying related fields and from the designs and methods used; and
6. It also provides the ideas, hypotheses and conjectures for one's own research.

Three primary research studies that were investigated in advance of the research design were:

1. A study carried out by Ramasamy and Cremer (1998) among all New Zealand cities who had sister-city affiliations in Asian countries;
2. A study carried out by O'Toole (2001) among all Australian municipalities listed by the Australian Sister Cities Association as having one or more sister-city type relationships (SCTR). In addition, all Japanese municipalities listed as having an SCTR with an Australian partner were also surveyed; and
3. A study by the New Zealand Institute of Economic Research into the economic benefits of sister cities in that country. It was conducted in two stages, firstly through a scoping survey to 26 local authorities who had active sister-city relations in order to select five case studies for in depth analysis, and secondly, face-to-face interviews with these five cities.

5.8.2 Measurement validity (construct validity)

Measurement error was limited through careful questionnaire design and pilot testing of the questionnaire before use.

5.8.3 Representativeness

Representativeness was assured through targeting and selecting all instances in the population thereby eliminating sampling error. According to Market Research Africa, response rates for mail surveys to private households vary between 7% and 27%, but amongst local governments in South Africa (pre-1994) it was as high as 69.9% (Nel *et al.*, 1988:187). After extensive follow-up, a response rate of 52.8% of municipalities with twinnings was achieved for a total 28.5% of current international relationships. It was clear from the study that the 28.5% reported twinnings are also the most successful of reporting municipalities. Buffalo City, for instance, has 19 relationships but only completed questionnaires for the two active ones. Seeing that the aim of the study is to uncover factors that can contribute to success in twinnings, this response rate is totally acceptable.

In Table 5.3 below, the 26 municipalities are listed that submitted usable completed questionnaires about their twinning relationships. A further two, Amatole District Municipality and Randfontein Municipality, submitted questionnaires through which characteristics of their municipality could be ascertained but which did not include sufficient information about their twinnings. In the second column the number of twinnings of the municipality is indicated, and the number of questionnaires received in the third column. Of the 80 twinnings of these 26 municipalities, 37 completed questionnaires were received.

Table 5.3: Municipalities that responded fully to the questionnaire

Municipal name	Total twinnings	Completed questionnaires received
Berg Rivier Municipality	2	2
Boland District Municipality	4	1
Buffalo City Municipality	19	2
City of Cape Town	15	1
City of Johannesburg	7	1
Ekurhuleni Metropolitan	2	1

Emfuleni Municipality	3	2
Emnambithi-Ladysmith Municipality	1	1
Emthanjeni Municipality	1	1
George Municipality	2	2
iLembe District Municipality	3	3
Lephalale Municipality	1	1
Letsemeng Municipality	1	1
Makhado Municipality	2	2
Matzikama Municipality	1	1
Messina Municipality	1	1
Mogale City Municipality	2	1
Nelson Mandela Metro	4	4
Newcastle Municipality	1	1
Nkonkobe Municipality	1	1
Saldanha Bay Municipality	1	1
Stellenbosch Municipality	2	2
Swartland Municipality	1	1
Thulamela Municipality	1	1
uMhlathuze Municipality	1	1
Witzenberg Municipality	1	1
TOTAL (26 municipalities)	80	37

In Table 5.4 below, the municipalities that have international relations but who did not respond to the survey with usable questionnaires are listed.

Table 5.4: Municipalities that did not respond to the questionnaire

Municipal name	Total twinnings
Amatole District Municipality	2
City of Tshwane	2
Drakenstein Municipality	2
Emalahleni Municipality (Eastern Cape)	1
Endumeni Municipality	2
eThekwini Metropolitan	10
Govan Mbeki Municipality	1
Greater Tzaneen Municipality	1
Hibiscus Coast Municipality	2
Karoo Hoogland Municipality	1
Khara Hais Municipality	1
Kungwini Municipality	1
Mafikeng Municipality	1
Mangaung Municipality	1
Mbombela Municipality	8
Metsweding District Municipality	1
Naledi Municipality (North West)	1
Oudtshoorn Municipality	1

Potchefstroom Municipality	1
Randfontein Municipality	1
Sedibeng District Municipality	1
Sol Plaatjie Municipality	3
The Msunduzi Municipality	1
Theewaterskloof Municipality	1
Thembisile Municipality	1
Waterberg District Municipality	1
West Rand Cross Boundary District Municipality	1
TOTAL (27 municipalities)	50

The total number of 284 South African municipalities were included in the study. This number consists of six metropolitan municipalities, 47 district municipalities, and 231 local municipalities. If the 53 municipalities that have international relations are analysed according to these categories:

- Six out of six metropolitan municipalities (100%) have international relations, and four of them (66.7%) responded to the survey;
- Seven of the 47 district municipalities (14.9%) have international relations, and two of them (28.6%) responded to the survey; and
- Forty of the 231 local municipalities (17.3%) have international relations, and 20 of them (50.0%) responded to the survey.

From the above stratified breakdown it can be deduced that the response to the survey was representative of all three categories of municipalities in South Africa.

5.8.4 Reliability

Reliability should be assured during data collection. This was achieved through multi-method observations, i.e. collecting information through various secondary sources, the primary research questionnaire, as well as through personal interviews. According to Mouton (1996:156), "A first general principle in data collection is that the inclusion of multiple sources of data collection is likely to increase the reliability of the observations." This approach is also called triangulation.

Nel *et al.* (1988:189-196) also suggest techniques for improving the effectiveness of mail surveys. These are listed below, with an indication of the usage of the technique for this study:

- Prenotification (All municipal managers in three provinces where workshops were being conducted during late 2003 and early 2004 were prenotified that they would be receiving a mail questionnaire and made aware of the importance of completion);
- Rewards and incentives (No tangible rewards or incentives were provided as the respondents were government officials, but they were incentivised through a promise that the results of the survey would benefit their own municipality directly);
- Covering letter, research organisation and sponsor (A covering letter was included on the letterhead of the Graduate Business School of Stellenbosch University, signed by its Director. In the letter it was also mentioned that the study was fully supported by national government and the DPLG);
- Personalisation (All covering letters to municipalities were personalised. The letters to the provinces could only be personalised where contact names were known; others were sent to the Premier of the province);
- Anonymity (As a database was being compiled, anonymity of the respondent could not be assured. It was, however, mentioned in the covering letter that all information would be treated with confidentiality);
- Questionnaire, reproduction and colour (The questionnaire was printed in black and white on a laser printer. Budget restrictions made colour reproduction impossible);
- Postage and return envelopes (All questionnaires were accompanied by a reply-paid envelope pre-addressed to the researcher);
- Follow-up (Extensive follow-up took place. Two reminders by mail were sent out and some municipalities were followed up further up to eight times by telephone and e-mail; and
- Deadline dates (A deadline date for return of the questionnaire was provided in the initial covering letter).

As is evident above, most of the suggested techniques to increase the response rate of the mail survey were employed to ensure an acceptable response rate and reliability.

5.8.5 Inferential validity

This type of validity was assured through:

- Appropriate techniques of analysis (e.g. using techniques applicable to the nature of the data (nominal, ordinal, interval or ratio), and the statistical tests used to test hypotheses); and
- A thorough understanding of the literature.

It is thus clear that all possible steps were taken, under the specific circumstances, to ensure the validity of the research.

5.9 Qualitative research

As already stated, qualitative research consisted of personal interviews with selected academics, DPLG staff, and provincial and municipal twinning managers, participation in international relations workshops and obtaining copies of those presentations, as well as a study of the content and nature of a number of twinning agreements.

The personal interviews were conducted in a semi-structured manner and a short discussion guide was drawn up before each interview to ensure the information that was needed was obtained. Most of these interviews (specifically with academics) focused on specific topics. Dr. Groenewald at the Department of Sociology of the University of Stellenbosch was, for instance, specifically consulted on a definition of the term community, in relation to a municipality.

5.10 Summary

In this chapter, the research philosophy, research design and steps taken in the research process were spelt out. The research, which can be classified as participatory research, included both quantitative and qualitative components. As the validity of the research had to be ensured, various steps were taken to make sure that the research complied with best-practice principles in research design and implementation.

In the following chapter the twinning phenomenon is investigated from a micro perspective and a descriptive analysis of the primary research data is presented first, followed by various analyses to test the proposed hypotheses.

CHAPTER 6: RESEARCH RESULTS

6.1 Introduction

In Chapter 4, the context and extent of the twinning phenomenon on the meso level in South Africa was discussed and in this chapter, the micro level will be discussed in more detail, based on the results of the primary research. It is at this level where "agency, trust, capacities, and power are also crucial determinants of the character of sister-city relationships" (Hsu, 2003:118). Twinning on the micro level can also be seen as "international communication for development, operated at both the institutional and personal levels" (Hsu, 203:197).

According to Zelinsky (1991), there were only seven twinnings between South African cities/towns and international partners in 1988. Since 1994 and South Africa's reintegration into the global society, however, international relationships at the subnational level have grown significantly as will be illustrated in more detail in this section of the study.

In the next sections the information on the international relations of South African provinces and local authorities and their communities are set out in more detail. Relationships that existed in 1988 and others formed after that date but which have since been terminated or which have simply lapsed are listed first, followed by a list of current relationships. This is then followed by a list of planned relationships or ones that are in the process of being formalised. More information is then presented on the characteristics of local governments engaged in international relations as well as the characteristics of these relationships themselves.

6.2 Descriptive analysis: state of twinnings in South Africa

In the following sections the current state of twinnings in South Africa is described in more detail, followed in the next section by a more detailed analysis of the data.

6.2.1 Local international relationships (lapsed or cancelled)

A number of affiliations (35 relationships) that are listed on overseas databases of cities or associations of local authorities seem to have lapsed without the partner being informed, as

the following relationships were uncovered in the secondary study but do not exist any more according to the feedback received from the South African local governments concerned. These relationships are listed below in Table 6.1:

Table 6.1 Lapsed or cancelled local international relationships

International city/town	Country	Twinned with in SA	SA Municipal Name
City of Pasadena	USA	Boland DM	Boland District Municipality
Bad Nauheim	Germany	BR/Winelands	Breede River/Winelands Municipality
Leewenwarden	The Netherlands	BR/Winelands	Breede River/Winelands Municipality
Les Eyzies de Tayac	France	Clanwilliam	Cederberg Municipality
Nice	France	Cape Town	City of Cape Town
Haifa	Israel	Cape Town	City of Cape Town
Funchal	Madeira	Cape Town	City of Cape Town
I'lan County	Taiwan	Cape Town	City of Cape Town
Hackney	UK	Alexandra	City of Johannesburg
Bethlehem	Israel	Pretoria	City of Tshwane
Sutton	UK	Hammanskraal	City of Tshwane
The Hague	The Netherlands	Ekurhuleni Metropolitan	Ekurhuleni Metropolitan
Nashville	USA	Alberton	Ekurhuleni Metropolitan
Saint Paul, Minnesota	USA	Lawaaikamp	George Municipality
Kallithea, Athens	Greece	Tzaneen	Greater Tzaneen Municipality
Gemeentes Vlissingen	The Netherlands	Highlands Municipality	Highlands Municipality
Karlstad	Sweden	Llingeliche	Inxuba Yethemba Municipality
Daqin	China	Brits	Madibeng Municipality
Berkeley, California	USA	Oukasie	Madibeng Municipality
Fisciano, Salermo	Italy	Grahamstown	Makana Municipality
East Palo Alto, California	USA	Grahamstown	Makana Municipality
Copenhagen	Denmark	Nelspruit	Mbombela Municipality
Miaoli	Taiwan	Mossel Bay Municipality	Mossel Bay Municipality
Lobatse	Botswana	Port Elizabeth	Nelson Mandela Metro
Tianan	China	Port Elizabeth	Nelson Mandela Metro
Wolfsburg	Germany	Uitenhage	Nelson Mandela Metro
Ashqelon	Israel	Port Elizabeth	Nelson Mandela Metro
Utrecht Vakantiebeurs	The Netherlands	Northern Free State DC	Northern Free State District M
Adelaide	Australia	Adelaide	Nxuba Municipality
Herbastadt	Germany	Adelaide	Nxuba Municipality
Hualien	Taiwan	Oudtshoorn Municipality	Oudtshoorn Municipality
Berkeley, California	USA	Mathopestad	Rustenburg Municipality
Grabouw	Germany	Theewaterskloof	Theewaterskloof Municipality
Sogndal	Norway	Eshowe	Umlalazi Municipality
Furstenfeldbruck	Germany	West Coast DM	West Coast District Municipality

Most lapsed relationships were with the USA, Germany, the Netherlands, Israel and Taiwan, as is evident in Table 6.2 below:

Table 6.2 Local lapsed or cancelled international relationships by partner country

Partner country	Number of lapsed relationships
USA	6
Germany	5
The Netherlands	4
Israel	3
Taiwan	3
China	2
France	2
UK	2
Australia	1
Botswana	1
Denmark	1
Greece	1
Italy	1
Madeira	1
Norway	1
Sweden	1
TOTAL	**35**

If the data is analysed with regards to its geographical orientation, the following pattern emerges:

Table 6.3 Lapsed or cancelled local international relationships by geographical orientation

Geographical orientation	Number of relationships	Percentage
North-South Relationships	25	71.4%
South-East Relationships	8	22.9%
South-South Relationships	2	5.7%
TOTAL	35	100.0%

6.2.2 Local relationships (current)

Altogether 130 current relationships were identified at the local government level in South Africa and are listed in Table 6.4 below:

Table 6.4 Local international relationships (current)

International city/town	Country	Twinned with in SA	SA Municipal Name
Oxfordshire County	UK	Amatole DM	Amatole District Municipality
Glasgow	UK	Amatole DM	Amatole District Municipality
Maarkedal	Belgium	Porterville	Berg Rivier Municipality
Wotegem-Petegem	Belgium	Velddrif	Berg Rivier Municipality
Padua Province	Italy	Boland DM	Boland District Municipality

Kalmar DM	Sweden	Boland DM	Boland District Municipality
Culemborg local mun	The Netherlands	Boland DM	Boland District Municipality
Zaanstad	The Netherlands	Boland DM	Boland District Municipality
Francistown	Botswana	East London	Buffalo City Municipality
Daqiing	China	East London	Buffalo City Municipality
Qinhaungdao	China	East London	Buffalo City Municipality
Fuzhou	China	Buffalo City	Buffalo City Municipality
Ningbo	China	Buffalo City	Buffalo City Municipality
Jilin	China	Buffalo City	Buffalo City Municipality
Jinhua City	China	Buffalo City	Buffalo City Municipality
City of Changchun	China	Buffalo City	Buffalo City Municipality
Jinhua City	China	King William's Town	Buffalo City Municipality
Grenoble	France	Buffalo City	Buffalo City Municipality
Brenen	Germany	Buffalo City	Buffalo City Municipality
Hanover	Germany	Hanover	Buffalo City Municipality
Livomo	Italy	Buffalo City	Buffalo City Municipality
Gavue	Sweden	Buffalo City	Buffalo City Municipality
City of Keelung	Taiwan	East London	Buffalo City Municipality
Leiden	The Netherlands	East London	Buffalo City Municipality
Camden	USA	East London	Buffalo City Municipality
Milwaukee County	USA	King William's Town	Buffalo City Municipality
Cleveland, Ohio	USA	East London	Buffalo City Municipality
Antwerp	Belgium	Cape Town	City of Cape Town
Zibo City	China	Blaauwberg	City of Cape Town
City of Xuzhou	China	Blaauwberg	City of Cape Town
Guangzhou City	China	Cape Metro Council	City of Cape Town
Marseilles	France	Cape Town	City of Cape Town
Aachen	Germany	Khayalitsha	City of Cape Town
St. Petersburg	Russia	Cape Town	City of Cape Town
Cadiz	Spain	Cape Town	City of Cape Town
Zaanstad	The Netherlands	Cape Town	City of Cape Town
Bizerte	Tunisia	Cape Town	City of Cape Town
Torfaen Municipality	UK	Oostenberg	City of Cape Town
Mansfield District Council	UK	Blaawberg	City of Cape Town
Orlando	USA	Cape Town	City of Cape Town
City of Charlotte, NC	USA	Cape Town	City of Cape Town
Birmingham	USA	Cape Metro Council	City of Cape Town
Addis Ababa	Ethiopia	Johannesburg	City of Johannesburg
Val-de-Marne	France	Johannesburg	City of Johannesburg
Arcueil	France	Johannesburg	City of Johannesburg
Berlin	Germany	Johannesburg	City of Johannesburg
Birmingham	UK	Johannesburg	City of Johannesburg
London	UK	Johannesburg	City of Johannesburg
New York	USA	Johannesburg	City of Johannesburg
Delft	The Netherlands	Tshwane	City of Tshwane
Algiers	Algeria	Tshwane	City of Tshwane
Huimin County/ of Binshon City	China	Drakenstein Municipality	Drakenstein Municipality
Ueno City	Japan	Drakenstein Municipal	Drakenstein Municipality
Harbin	China	Ekurhuleni Metropolitan	Ekurhuleni Metropolitan
Lewisham Borough	UK	Ekurhuleni Metropolitan	Ekurhuleni Metropolitan
Dordrecht	The Netherlands	Dordrecht	Emalahleni Municipality

Weifang	China	Emfuleni Municipality	Emfuleni Municipality
Eindhoven	The Netherlands	Emfuleni Municipality	Emfuleni Municipality
Tilburg	The Netherlands	Emfuleni Municipality	Emfuleni Municipality
City of Yung Ho	China	Ladysmith	Emnambithi-Ladysmith Mun
Karlstad	Sweden	De Aar	Emthanjeni Municipality
Chu Li	Taiwan	Dundee	Endumeni Municipality
East Grinstead	UK	Dundee	Endumeni Municipality
Oran	Algeria	eThekwini Metropolitan	eThekwini Metropolitan
Guangzhou City	China	eThekwini Metropolitan	eThekwini Metropolitan
Alexandria	Egypt	eThekwini Metropolitan	eThekwini Metropolitan
Nantes	France	eThekwini Metropolitan	eThekwini Metropolitan
Bremen	Germany	eThekwini Metropolitan	eThekwini Metropolitan
Rotterdam	The Netherlands	Durban	eThekwini Metropolitan
Leeds	UK	Durban	eThekwini Metropolitan
Chicago, Illinois	USA	Durban	eThekwini Metropolitan
New Orleans	USA	eThekwini Metropolitan	eThekwini Metropolitan
Bulawayo	Zimbabwe	eThekwini Metropolitan	eThekwini Metropolitan
Tamsui	Taiwan	George	George Municipality
Tacoma, Washington	USA	George	George Municipality
Gemeentes Vlissingen	The Netherlands	Govan Mbeki	Govan Mbeki Municipality
Suburb in Maputo	Mozambique	Tzaneen	Greater Tzaneen Municipality
Oskarshamn	Sweden	Port Shepstone	Hibiscus Coast Municipality
Margate	UK	Margate	Hibiscus Coast Municipality
Rovaniemi	Finland	iLembe	iLembe District Municipality
Mugello	Italy	iLembe	iLembe District Municipality
Mobile, Alabama	USA	iLembe	iLembe District Municipality
Fort Davis, Texas	USA	Sutherland	Karoo Hoogland Municipality
Temora, NSW	Australia	Upington	Khara Hais Municipality
Croydon	UK	Kungwini Municipality	Kungwini Municipality
Windhoek	Namibia	Lephalale Municipality	Lephalale Municipality
Barrosa	Australia	Letsemeng Municipality	Letsemeng Municipality
Concord, NSW	Australia	Mmabatho	Mafikeng Municipality
Dandong	China	Makhado Municipality	Makhado Municipality
Gwanda	Zimbabwe	Louis Trichardt	Makhado Municipality
Ghent	Belgium	Mangaung Municipality	Mangaung Municipality
Wuhan City	China	Matzikama Municipality	Matzikama Municipality
Baolou	China	Mbombela Municipality	Mbombela Municipality
Ghandhun	China	Mbombela Municipality	Mbombela Municipality
North Rhine Westphalia	Germany	Mbombela Municipality	Mbombela Municipality
Xai-Xai	Mozambique	Nelspruit	Mbombela Municipality
Matola	Mozambique	Mbombela Municipality	Mbombela Municipality
Oslo	Norway	Nelspruit	Mbombela Municipality
Mbabane	Swaziland	Mbombela Municipality	Mbombela Municipality
Worchester County	UK	Mbombela Municipality	Mbombela Municipality
Beit Bridge District	Zimbabwe	Messina	Messina Municipality
Dondo District	Mozambique	Metsweding DM	Metsweding District Municipality
Wu Chang City	China	Krugersdorp	Mogale City Municipality
Kariba	Zimbabwe	Krugersdorp	Mogale City Municipality
Assen	The Netherlands	Vryburg	Naledi Municipality
Ningbo	China	Nelson Mandela Met	Nelson Mandela Metro
Götenborg	Sweden	Port Elizabeth	Nelson Mandela Metro

Stichtine Stelin Mnnn	The Netherlands	Nelson Mandela Met	Nelson Mandela Metro
Jacksonville, Florida	USA	Nelson Mandela Met	Nelson Mandela Metro
Zibo City, Shangdeng	China	Newcastle	Newcastle Municipality
Oxfordshire County	UK	Nkonkobe Municipality	Nkonkobe Municipality
Alphen aan de Rijn	The Netherlands	Oudtshoorn	Oudtshoorn Municipality
Vajo & Kronoberg DM	Sweden	Potchefstroom	Potchefstroom Municipality
Zibo City	China	Randfontein	Randfontein Municipality
Morsin	Denmark	Saldanha Bay	Saldanha Bay Municipality
Tilburg	The Netherlands	Vaal Metro Council	Sedibeng District Municipality
Jwaneng	Botswana	Sol Plaatjie Municipality	Sol Plaatjie Municipality
Faulan	Sweden	Kimberley	Sol Plaatjie Municipality
Borlänge	Sweden	Kimberley	Sol Plaatjie Municipality
Leuven	Belgium	Stellenbosch	Stellenbosch Municipality
Dijlbeeck	Belgium	Franschhoek	Stellenbosch Municipality
Malmesbury	UK	Swartland Municipality	Swartland Municipality
Wuhan City	China	Pietermaritzburg	The Msunduzi Municipality
Culemburg	The Netherlands	Villiersdorp	Theewaterskloof Municipality
Vest-Agder fk.	Norway	Thembisile Municipality	Thembisile Municipality
Oshakati	Namibia	Thulamela Municipality	Thulamela Municipality
Maiola	Mozambique	Richardsbay	uMhlathuze Municipality
Kgatleng DC	Botswana	Bosveld District Council	Waterberg District Municipality
Hualan DM	China	West Rand Cross Boundary DM	West Rand Cross Boundary District Municipality
Essen	Belgium	Witzenberg Municipality	Witzenberg Municipality

The local current relationships are listed by partner country in Table 6.5 below, from which it is clear that a small number of foreign countries are dominant in these international relationships:

Table 6.5 Current local international relationships by partner country

Partner Country	Number of relationships	Cumulative %
China	26	20.0
The Netherlands	14	30.8
UK	14	41.5
USA	13	51.5
Sweden	8	57.7
Belgium	8	63.8
Germany	6	68.5
France	5	72.3
Mozambique	5	76.2
Zimbabwe	4	79.2
Australia	3	81.5
Botswana	3	83.8
Italy	3	86.2
Taiwan	3	88.5
Namibia	2	90.0
Norway	2	91.5
Algeria	2	93.1

Denmark	1	93.8
Egypt	1	94.6
Ethiopia	1	95.4
Finland	1	96.2
Japan	1	96.9
Russia	1	97.7
Spain	1	98.5
Swaziland	1	99.2
Tunisia	1	100.0
TOTAL	**130**	

It can be seen in Table 6.5 that over half (51.7%) of the international relationships at the local level in South Africa were established with just four countries (China, the Netherlands, the United Kingdom and the United States of America). Three quarters (76.2%) are with those countries already mentioned and Sweden, Belgium, Germany, France, and Mozambique. The importance of China as a partner is confirmed by the fact that 370 South African companies have already invested around US$370 billion in the Chinese economy (*Die Burger*, 2004c).

If the data is analysed with regards to its geographical orientation, the following pattern emerges:

Table 6.6 Current local international relationships by geographical orientation

Geographical orientation	Number of relationships	Percentage
North-South Relationships	76	58.5%
South-East Relationships	31	23.8%
South-South Relationships	23	17.7%
TOTAL	130	100.0%

6.2.3 Provincial relationships (current)

Besides the relationships at the local level, a number of relationships also exist on the broader regional or subnational level.

Altogether sixty (60) international relationships have been identified at the provincial level in South Africa (excluding Free State Province from whom no response could be obtained). The number of relationships per province are listed below:

Table 6.7 Number of provincial international relationships (current)

Province	Number of relationships
Mpumulanga	14
Western Cape	10
Eastern Cape	10
Limpopo	8
Kwazulu Natal	7
Gauteng	7
North West	3
Northern Cape	1
Free State	Unknown
TOTAL	**60**

Three provinces (Mpumulanga, Western Cape and Eastern Cape) have over half (56.7%) of all the provincial relationships, and the partners in these relationships are listed in more detail per province in Table 6.8 below:

Table 6.8 Provincial international relationships (current)

Twinned district/region	Country	SA Province
Lower Austria	Austria	Eastern Cape
Varna	Bulgaria	Eastern Cape
British Columbia	Canada	Eastern Cape
Zhejiang	China	Eastern Cape
Baden-Wurttemburg	Germany	Eastern Cape
Niedersachsen	Germany	Eastern Cape
Padova	Italy	Eastern Cape
Oxfordshire	UK	Eastern Cape
Massachusetts	USA	Eastern Cape
State of New Jersey	USA	Eastern Cape
Ontario	Canada	Gauteng
Beijing	China	Gauteng
Havana City Province	Cuba	Gauteng
Ile de France	France	Gauteng
Bavaria Province	Germany	Gauteng
Province of Kyonggi	Korea	Gauteng
Malaysia	Malaysia	Gauteng
Walloon Region	Belgium	KwaZulu-Natal
Shanghai	China	KwaZulu-Natal
Aarhus	Denmark	KwaZulu-Natal
Baden-Wurttemberg	Germany	KwaZulu-Natal
Poland	Poland	KwaZulu-Natal
Reunion Island	Reunion Island	KwaZulu-Natal
Rotterdam City	The Netherlands	KwaZulu-Natal
Anhui	China	Limpopo
Holguin	Cuba	Limpopo
Rhône- Alpes	France	Limpopo
Punjab	India	Limpopo

Ireland	Ireland	Limpopo
Gaza	Mozambique	Limpopo
Varmland	Sweden	Limpopo
Matebeleland South, North and City of Bulawayo	Zimbabwe	Limpopo
States of Austria	Austria	Mpumalanga
Province of Carithia	Austria	Mpumalanga
Bourgas District	Bulgaria	Mpumalanga
Alberta	Canada	Mpumalanga
Province of Sichuan	China	Mpumalanga
Municipality of Chongqing	China	Mpumalanga
Giza Governorate	Egypt	Mpumalanga
Province of Bretagne	France	Mpumalanga
North Rhine	Germany	Mpumalanga
North Rhine Westphalia	Germany	Mpumalanga
Kangwon Province	Korea	Mpumalanga
Maputo Province	Mozambique	Mpumalanga
Province of Gaza	Mozambique	Mpumalanga
Province of Taiwan	Taiwan	Mpumalanga
Santiago de Cuba Province	Cuba	North West
Drenthe Province	The Netherlands	North West
Groningen Province	The Netherlands	North West
New Brunswick	Canada	Northern Cape
Upper Austria	Austria	Western Cape
Shandong	China	Western Cape
Burgundy	France	Western Cape
Bavaria Province	Germany	Western Cape
Pusan	Korea	Western Cape
Madeira	Portugal	Western Cape
St. Petersburg	Russia	Western Cape
Tunis	Tunisia	Western Cape
Florida	USA	Western Cape
California	USA	Western Cape

It is evident from the list above that the highest number of provincial relationships were with China and Germany, and the country affiliation on the provincial level are presented below in Table 6.9:

Table 6.9 Provincial international relationships by partner country

Country	Number
China	7
Germany	7
Austria	4
Canada	4
France	4
USA	4
Mozambique	3
Cuba	3
Korea	3

The Netherlands	3
Bulgaria	2
Belgium	1
Denmark	1
Egypt	1
India	1
Ireland	1
Italy	1
Malaysia	1
Poland	1
Portugal	1
Reunion Island	1
Russia	1
Sweden	1
Taiwan	1
Tunisia	1
UK	1
Zimbabwe	1
TOTAL	**60**

Half (50%) of all these affiliations at the provincial level are with six foreign countries (China, Germany, Austria, Canada, France and the United States of America), and the geographical orientation of these relationships are still predominantly North-South orientated, as illustrated in Table 6.10 below:

Table 6.10 Provincial international relationships by geographical orientation

Geographical orientation	Number of relationships	Percentage
North-South Relationships	35	58.3%
South-East Relationships	15	25.0%
South-South Relationships	10	16.7%
TOTAL	60	100.0%

6.2.4 Local international relationships (planned or being implemented)

Besides lapsed and current relationships, South African municipalities are also actively pursuing a number of new relationships of which 41 have been identified and are listed below:

Table 6.11 Local relationships (new)

International city/town	Country	Twinned with in SA	SA Municipal Name
Unspecified District	Brazil	Amatole DM	Amatole District Municipality
Unspecified City	India	Amatole DM	Amatole District Municipality
Unspecified City	UK	Amatole DM	Amatole District Municipality
Kluisbergen or Oudewaarde	Belgium	Piketberg	Bergrivier Municipality
Florence	Italy	Buffalo City	Buffalo City Municipality
Fort Worth	USA	Buffalo City	Buffalo City Municipality
Mutare	Zimbabwe	Buffalo City	Buffalo City Municipality
Hangzhoo	China	Cape Town	City of Cape Town
Havana City	Cuba	Cape Town	City of Cape Town
Liverpool	UK	Cape Town	City of Cape Town
Sao Paulo	Brazil	Johannesburg	City of Johannesburg
Xi'an	China	Johannesburg	City of Johannesburg
Havana City	Cuba	Johannesburg	City of Johannesburg
Governate (province) of Cairo	Egypt	Johannesburg	City of Johannesburg
Paris	France	Johannesburg	City of Johannesburg
New Delhi	India	Johannesburg	City of Johannesburg
Nairobi	Kenya	Johannesburg	City of Johannesburg
Mexico City	Mexico	Johannesburg	City of Johannesburg
Matola	Mozambique	Johannesburg	City of Johannesburg
Windhoek	Namibia	Johannesburg	City of Johannesburg
County of Mews	Germany	Eastvaal DM	Eastvaal District Municipality
Devola	Cameroon	eThekwini Metropolitan	eThekwini Metropolitan
Mumbai	India	eThekwini Metropolitan	eThekwini Metropolitan
Maputo	Mozambique	eThekwini Metropolitan	eThekwini Metropolitan
Astrakham	Russia	eThekwini Metropolitan	eThekwini Metropolitan
Burdekin Shire, Queensland	Australia	iLembe	iLembe District Municipality
Zhanjiang City, Guangdong	China	iLembe	iLembe District Municipality
City to be identified	China	Lephalale Municipality	Lephalale Municipality
Kirinyanga County Council	Kenya	Makhado Municipality	Makhado Municipality
Kwara State Council	Nigeria	Makhado Municipality	Makhado Municipality
Brisbane	Australia	Mangaung Municipality	Mangaung Municipality
Ananba	Algeria	Nelson Mandela Metro	Nelson Mandela Metro
Sao Paulo	Brazil	Nelson Mandela Met	Nelson Mandela Metro
Amiens	France	Nelson Mandela Met	Nelson Mandela Metro
Fuging City	China	Newcastle	Newcastle Municipality
Budweis	Czech Republic	Potchefstroom	Potchefstroom Municipality
Salshen Anahit	Germany	Swartland Municipality	Swartland Municipality
Gaberone	Botswana	Thabazimbi Municipality	Thabazimbi Municipality
Border Municipality	Lesotho	Ukhahlamba DM	Ukhahlamba District Municipality
Chinchilla	Australia	Utrecht	Utrecht Municipality
Bourgogne	France	West Coast DM	West Coast District Municipality

The profile of these new relationships is very different from that of current relationships and exhibits a strong trend to more South-South relationships, as is evident in Tables 6.12 and 6.13 below:

Table 6.12 New local international relationships by partner country

Country	Number of relationships	Cumulative %
China	5	12.2
Australia	3	19.5
France	3	26.8
India	3	34.1
Brazil	3	41.5
Cuba	2	46.3
Germany	2	51.2
Kenya	2	56.1
Mozambique	2	61.0
UK	2	65.9
Algeria	1	68.3
Belgium	1	70.7
Botswana	1	73.2
Cameroon	1	75.6
Czech Republic	1	78.0
Egypt	1	80.5
Italy	1	82.9
Lesotho	1	85.4
Mexico	1	87.8
Namibia	1	90.2
Nigeria	1	92.7
Russia	1	95.1
USA	1	97.6
Zimbabwe	1	100.0
TOTAL	**41**	

Almost half (46.3%) of these new local international relationship are being concluded with six countries (China, Australia, France, India, Brazil and Cuba).

Table 6.13 New local international relationships by geographical orientation

Geographical orientation	Number of relationships	Percentage
North-South Relationships	10	24.4%
South-East Relationships	10	24.4%
South-South Relationships	21	51.2%
TOTAL	41	100.0%

6.2.5 Characteristics of local governments with international relationships

As already mentioned, only 53 of the 284 local governments in South Africa are currently actively engaged in international relations. This section describes in some detail a number of the key characteristics of these municipalities.

Below is a list of municipalities with three or more relationships (current and new ones) and from this list it is clear that the metropolitan municipalities are responsible for the bulk of international relationships:

Table 6.14 Local governments most active in international relations

Municipality	Number of relationships	Cumulative %
1. Buffalo City Municipality	22	19.5
2. City of Cape Town	18	35.4
3. City of Johannesburg	17	50.4
4. eThekwini Metropolitan	14	62.8
5. Mbombela Municipality	8	69.9
6. Nelson Mandela Metro	7	76.1
7. Amatole District Municipality	5	80.5
8. iLembe District Municipality	5	85.0
9. Makhado Municipality	4	88.5
10. Boland District Municipality	4	92.0
11. Emfuleni Municipality	3	94.7
12. Sol Plaatjie Municipality	3	97.3
13. Bergrivier Municipality	3	100.0
TOTAL	**113**	

The thirteen most active municipalities in South Africa listed above in Table 6.14 are responsible for 113 of the current and planned international relationships in the country. Three of these municipalities (Buffalo City, Cape Town and Johannesburg) together are responsible for half (50.4%) of all these relationships. The top six (which include the three mentioned as well as eThekwini Metro, Mbombela and Nelson Mandela Metro) together represent more than three quarters (76.1%) of relationships.

To summarise, therefore 13 of the 284 municipalities (4.6%) in the country represent 113 of the current and planned 171 relationships, which totals two thirds or 66.1% of such international relationships.

6.3 Descriptive analysis: Assessment of the municipalities with twinnings in South Africa

Below follows information about the characteristics of municipalities with international relationships at the local level. The information is based on the 26 municipalities that submitted completed questionnaires.

6.3.1 How long has the dominant political grouping/council been in office?

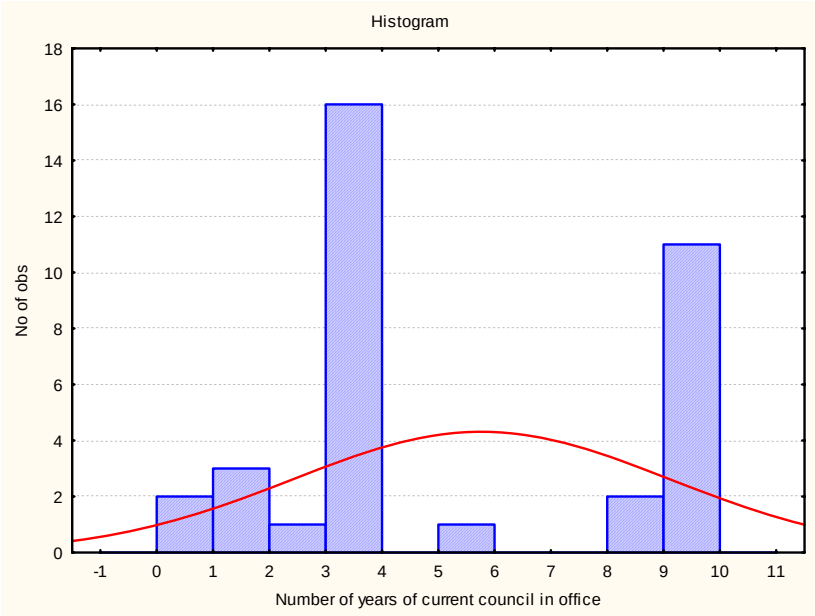


Figure 6.1: Duration of council in office

The dominant political grouping/council has been in office for an average period of 5 years (maximum of 10 years reported and minimum of 2 months). Two peaks, however, are evident, one at 10 years and one at 4 years. This period is important, as many relationships rely on continuity of leadership.

6.3.2 Does your authority have a written linking or twinning strategy?

Of the 28 municipalities that responded to this question, 53.6% reported having a written linking or twinning strategy in place and 46.4% reported that they have none.

6.3.3 If you have a linking or twinning strategy in place, to what an extent does it include the following:

Base (respondents with twinning strategy)	Not at all %	To some extent %	Fully %
• Vision	6.7	46.7	33.3
• Goals	0.0	46.7	40.0
• Criteria for partner selection	20.0	33.3	33.3

Of the municipalities that have a linking or twinning strategy in place, only a third have fully developed a vision, goals and criteria for partner selection. In only 26.7% of cases is the linking or twinning strategy fully integrated with the municipality's Integrated Development Plan (IDP).

6.3.4 Who are the main drivers of links or twinnings in your authority?

The drivers of linkages and twinnings in South African twinnings were mostly politicians and officials (politicians in 80% of cases, officials in 76% of cases and community members in only 24% of cases).

6.3.5 How would you describe the section responsible for managing the linkages of your authority?

International relations is managed through a part-time function in 53.6% of municipalities, 25% have no function, and 4 municipalities (14.3%) have a permanent function (mostly at the larger metropolitan municipalities).

6.3.6 How many persons are employed in this function and work with twinnings?

The number of persons working on international relations issues varies from 0 to 5 people per municipality.

6.3.7 To what degree do you have a linking methodology process in place (for partner search, evaluation, screening and selection) and provide training to staff?

	Not at all %	To some extent %	Fully %
Linking methodology process in place (e.g. for partner search, evaluation, screening and selection)?	50.0	39.3	7.1
Provision of relevant training for staff responsible for linkages?	64.3	28.6	7.1

Only 7% of municipalities have a formal linking methodology in place and provide comprehensive training to staff.

6.3.8 To what degree do you have a separate filing/archiving system in place for international relations and twinnings?

	Not at all %	**To some extent %**	**Fully %**
Separate filing/archiving system in place for international relations and twinnings?	35.7	46.4	17.9

Fewer than one in five municipalities operate a separate filing system for international relations.

6.3.9 Please list any international municipal links besides twinnings, by your authority? (e.g. membership of municipal networks)? Responses included the following:

- Networks like Newcastle (other towns called Newcastle throughout the world);
- Cities Alliance, SA Cities Network;
- Associations of Local Authorities (e.g. UCLG);
- Fire Services (specific focused networks);
- Business Organisations (e.g. with the SA Netherlands Chamber of Commerce, China Chambers of Commerce);
- Memberships (e.g. Sister Cities International);
- UN Programmes (United Nations Institute for Training and Research, World Bank projects);
- Donor sponsorship (GTZ, ASALGP, Norway, VNG, LGIB, SIDA, CIDA, USAID);
- Translimpopo spatial initiatives;
- ICLEI (International Council for Local Environmental Initiatives), Sustainable Cities Initiative (SCI); and
- Great Wine Capitals Network.

6.3.10 In which year was your first linkage/twinning concluded?

It is clear from Figure 6.2 below that most South African twinnings were formed relatively recently and most are only a few years old, with the highest frequency having been signed in 2001 and 2002. This could possibly be due to the South African MIR Policy Framework having been adopted in the country in 1999, which promoted such relationships.

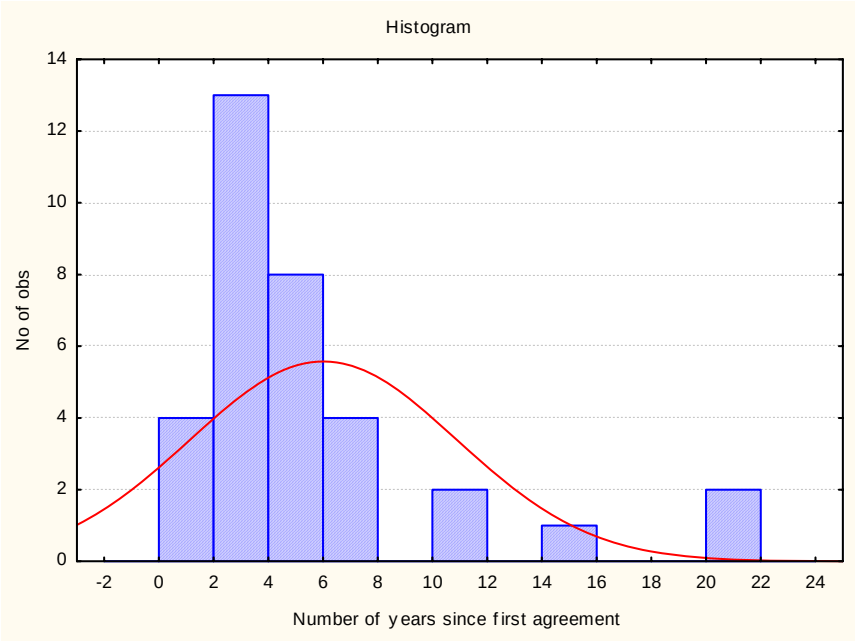


Figure 6.2 Year since first linkage

6.3.11 What are the most important critical success factors in order of priority, in your opinion, for linkages or twinning? Also indicate how you rate your own relationships on these factors.

These critical success factors were identified in different rankings and weighted as follows: first mentioned was given a score of 5, second mentioned 4, third mentioned 3, and further in decreasing order of 1 increments. This was done to calculate an overall score per critical success factor to establish not only the ones that were listed first (as the most important) but also the ones most frequently mentioned. When the data was analysed in this fashion, the following most important factors for success (with scores of more than 5) could be identified (full-table responses can be found in Appendix J):

Table 6.15 Critical success factors

Critical success factors	Score
1. Must have economic LED benefits (e.g. must offer investment, tourism growth and/or trade opportunities)	45
2. There must be socio-economic interaction, including citizen and business involvement (community to community)	20
3. Promotion of cultural ties and exchange	17
4. Must fit into council IDP	15
5. Must result in concrete projects and programmes, action plans and targets (implementation plan)	15
6. Dedicated staff in both municipalities (specific section to manage linkage). And good coordination.	14
7. There must be knowledge sharing/education	13
8. Must choose districts with similar characteristics (common ground)	12
9. The needs of the relationship must be identified. Activities must be based on actual needs	10
10. Be beneficial to both parties and their respective communities	10
11. Mutual goals (agreement on areas of cooperation)	10
12. Must offer exchange programmes	9
13. Must promote health (AIDS& STD awareness)	9
14. Must promote academic exchange/cooperation	8
15. There must be political will & commitment and local municipal buy-in/support	6

Respondents view economic (LED) benefits as the most important critical success factor, followed by socio-economic interaction, including citizen and business involvement.

6.4 Descriptive analysis: characteristics of international relationships

In the previous section, a summary was presented of the characteristics of 28 municipalities that have international relationships. In this section, the relationships themselves of 26 municipalities are scrutinised in order to understand the scope and management thereof in more detail.

6.4.1 Are your capabilities complemented or duplicated by this partner?

In two thirds of relationships (67.6%) it was felt that the relationship is complementary rather than duplicating capabilities on both sides.

6.4.2 Is the relationship between municipality and municipality and/or community and community?

Of the relationships investigated, 51.4% were municipal-to-municipal relationships, 40.5% included both the municipality and the community, and 10.8% were community-to-community relationships.

6.4.3 Who initiated the relationship?

Most of the relationships (56.8%) were initiated by politicians, 37.8% by officials and only 8.1% by others (donors or community).

6.4.4 What were the most important reasons for entering into the linking/twinning agreement? (in order of importance)

When summarised and each reason weighted in a similar manner as described in 6.3.11, the following most important reasons (with scores more than 5) can be identified:

Table 6.16 Main reasons for entering into relationship

Reasons for entering into relationship	Score
1. To provide access/share knowledge & information & capacity building for local government/ Sharing of best practices	68
2. Economic spin-offs/ links/development	31
3. To promote mutual understanding & friendship/social interaction	28
4. Market & promote the area in terms of tourism & investment	20
5. To promote educational & cultural cooperation/ Exchanging of expertise between local universities	19
6. Community development/ Social welfare	11
7. Original reasons not known (new government)	10
8. To obtain funding (e.g AIDS grant of R400 000/ soft loan/municipal bond)	10
9. Cooperation & exchanges in the fields of science, technology & related industries	6

The main reasons for entering into the relationship revolved around sharing knowledge and capacity building (which is primarily a municipality-to-municipality activity) to economic spin-offs, promoting mutual understanding and friendship, and promoting educational and cultural cooperation.

6.4.5 Please indicate the importance of your objectives in the areas indicated below in your twinning *(1 is not important , whereas 5 is very important):*

	Not important				*Very important*
• International understanding	0	2	5	12	14
• Culture	1	4	11	10	6
• Education	0	1	8	13	12
• Tourism	0	1	5	14	13
• Trade	1	1	5	13	13
• Investment	1	1	5	11	14

Under "Other" sport, housing, agriculture, health, economics, political and the environment were also mentioned.

This table shows that in South African twinnings, an integrated approach is followed as all areas, with the exception of culture, were marked as very important.

6.4.6 Was a due diligence study conducted to ensure the strategic fit of the twinning?

A due diligence study was conducted in 56.8% of the reported cases.

6.4.7 At which location was the agreement signed?

The final signing of the agreement occurred:

- In South Africa 12
- Abroad 14
- In South Africa and abroad 5
- Not yet signed 1

6.4.8 How long was the time period since first contact to conclusion of the agreement? (*in years*)

The time period to negotiate the agreement until it was finally signed was on average 1.4 years, but varied from 6 months to 4 years.

6.4.9 How much in total (Rands) was spent by yourselves?

Of all the respondents, 15 municipalities listed the amount spent to conclude the agreement, which amounted to an average of R143,165 (lowest R0, highest R900,000).

6.4.10 How many visits did it entail?

It took an average of 2.35 visits to conclude the agreement (highest 15 visits across border to Zimbabwe, lowest 1).

6.4.11 How many separate people went on these visits?

An average of 7 persons went on these visits (least 1, most 20 across the border to Zimbabwe).

6.4.12 Who are the main role players involved in the linking/twinning agreement or sister city committee in your area/city/town and what are their main roles and responsibilities:

In the table below, all the role players involved in the twinnings are listed, ranked according to a score compiled from awarding 5 points to the first response, 4 to the second, 3 to the third, 2 to the fourth and 1 to the fifth. The main responsibilities of role players are also listed, where mentioned. A full list of the responses is available in Appendix J.

Table 6.17 Role players involved in twinning

Role player 1st description	Score	Main role & responsibility
1. Local authority/municipality (also various departments such as planning &development, MIR)	70	Coordinate, to structure agreement, to facilitate, provides monitoring and funding, promote industrial development and economic growth (initiate and overall responsibility for partnerships). Waste-management plan of action, infrastructure, land use planning, etc.
2. Executive mayor	39	Initiate the twinning, overall strategy & direction, facilitating and negotiating relationship to both parties' benefit
3. Educational institutions	32	Support/exchange and involvement from University and Schools
4. Community organisations	23	

5. Partnership management committee	23	Overseas work of partnership
6. Private sector	21	Investment and trade
7. Municipal manager	21	MIR
8. Officials, mayoral staff, administrative process	16	Logistics & technical services, administrative process
9. Project manager/ Coordinator/Facilitator	12	Partnership facilitation and coordination
10. Local Authority &Youth Committee/Schools	10	Youth development
11. Councillors	9	Represent council & opposition party, facilitating and negotiating relationship
12. Province	6	
13. Sector Champion & Sector project leaders	6	Identification, implementation & review of projects
14. Consulate-Generals	5	Facilitation role (e.g. translation service)
15. Individuals from civil society	5	Personal relationships
16. Developmental organisations	5	
17. District Municipality	4	
18. Researcher	3	Research knowledge /information management
19. Consultant	3	Golf project marketer
20. Hockey club	3	
21. Sport club (soccer)	3	
22. SALGA & VNG(Dutch), local government structure	2	In support of twinning
23. EXCO	2	
24. Tourism Association	1	
25. Office of the Speaker	1	

It is clear from the table above that a wide variety of actors are involved in the reported twinnings, with the local authority playing the leading role.

6.4.13 Who assisted you with the twinning?

Table 6.18 Bodies who assisted with twinning

Assisting body	Responses	% of Twinnings
• Department of Foreign Affairs	14	37.8
• None	9	24.3
• Provincial department of Provincial and Local Government	8	21.6
• Municipal International Relations (MIR) Coordinating Committee	7	18.9
• Department of Provincial and Local Government (DPLG)	7	18.9
• South African Local Government Association (SALGA)	7	18.9
• Consultant	7	18.9
• Your Premier's Office	6	16.2
• Other	4	10.8
• Aid organisations	1	2.7
• Professional associations	0	0.0

In cases where the category "Other" was indicated, municipalities were assisted by SIDA (2), Sister Cities International (SCI), the Department of Trade and Industry, and SANCO.

6.4.14 Is the agreement in writing?

Out of the 35 of the 37 international relationships for which responses were received to this question, 34 (97.1%) were concluded in writing.

6.4.15 What is the nature of the agreement?

Table 6.19 Nature of the agreement

Nature of agreement	Responses
• A formal twinning agreement listing specific areas of cooperation, objectives and programmes	19
• A written memorandum of understanding	8
• A traditional Sister-city agreement establishing friendship and cultural ties	7
• A written letter of intent to enter into serious agreements w.r.t specific projects/programmes	5
• Informal communication and correspondence	3
• An exchange of notes (written correspondence on official letter-heads).	3
• Other	1

Most twinnings were formally concluded with written contracts, and the largest group were formal agreements listing specific areas of cooperation, objectives and programmes.

6.4.16 What is the duration of the agreement? (*in years*)

In 27 of the 37 questionnaires, a response to this question was provided. Of these 18 (48.6% of total) had no duration specified in the agreement. In the 9 cases where a duration was specified, it was on average 4.6 years, and varied from 3 years to 7 years.

6.4.17 How can the state of the relationship best be described?

Table 6.20 State of the relationship

State of the relationship	%
• Increasing levels of commitment and performance	35.1
• New programme	18.9
• Dead	10.8
• Stagnant and living off past performance	10.8

• Robust (expanding and improving)	10.8
• Outstanding	13.5
• Cruising and unsure where the future will take us	8.1
• Need to immediately jumpstart or will be defunct	5.4
• Declining	5.4
• Never got off the ground	2.7
• Defunct	0

Based on the responses in Table 6.20 above, it can be deduced that of the 37 twinning relationships studied, 7 (18.9%) are newly formed, the state of 3 (8.1%) are uncertain, 22 (59.5%) were evaluated positively and 13 (35.1%) negatively (more than one response to the question was allowed).

6.4.18 What categories of activities does this twinning focus on?

Activities in 75% + of municipalities

Areas of Activities	%
• Citizen participation	92
• Exchange of information and expertise	85
• Exchange of officials	82
• Symbolic exchange	79
• Exchange of politicians	77

Activities in 50% to 75% of municipalities

Areas of Activities	%
• International exchange programmes	72
• Exchange of teaching institutions' staff	64
• Other exchanges	59
• Youth exchange initiatives	56
• Business/Industry	56
• Tourism	56
• Education and culture	56

Activities in 25% to 50% of municipalities

Areas of Activities	%
• Other economic development	49
• Agriculture	44
• Arts and culture	44
• Management practices	41
• Employment	41
• Health care	41
• Environment	41
• Municipal finance and budget	33
• Urban renewal	33

• Social care	33
• Sport	33
• Municipal council issues	31
• Strategic planning	31
• Infrastructure and services	31
• Housing/ shelter	31
• Waste management	28
• Government institutions	26
• Other municipal services	26
• NGOs	26
• Construction	26
• Information technologies	26

Activities in 25% or less of municipalities

Areas of Activities	%
• Science and technology	23
• Conservation	23
• Infrastructure	23
• Security/ disaster management	18
• Fire-fighting services	15
• Regional development	15
• Transport	15
• Legislation	8
• Electrical supply	8
• Municipal property	5
• Other	3

Some twinnings focussed on a very wide number of areas, but a few were more specific. Most twinnings, however, focus on some form of exchange.

When analysed, however, according to different categories of activities grouped together, with an average percentage score calculated (based on the number of municipalities participating in that activity) for all activities falling in a specific category, the following picture emerges:

Table 6.21 Activities of relationships

Category	Average score	Specific activities above the average
Friendship and cultural ties	85.5%	Citizen participation (92%)
Exchange	70.7%	Exchange of information and expertise (85%), Exchange of officials (82%) and Exchange of politicians (77%)
Economic development	39.4%	Tourism and Business/Industry (56%), Other economic development (49%), Agriculture (44%), and Employment (41%)

Community development	36.6%	Education and culture (56%), Arts and culture (44%), Health care (41%)
Natural environment	29.0%	Environment (41%)
Infrastructure and housing	26.5%	Housing/ shelter (31%)
Municipal governance issues	26.0%	Management practices (41%), Municipal finance/ budget and Urban renewal (33%), Strategic planning and Council issues (31%)
Municipal services	21.0%	Infrastructure and services (31%), Waste management (28%)

So although municipalities viewed economic (LED) benefits and socio-economic interaction (including citizen and business involvement) as critical success factors in Table 6.15, most relationships still revolve around friendship, cultural ties and exchange when the actual activities of these municipalities are analysed.

6.4.19 Is there a written business plan in place which spells out the twinning programmes and activities for the agreement?

In only 29.7% of cases is there a written business plan that spells out programmes and activities.

6.4.20 How frequently is contact made, by whom, and in what way?

In the Figure 6.3 below, the number of actors involved in the relationship locally is indicated:

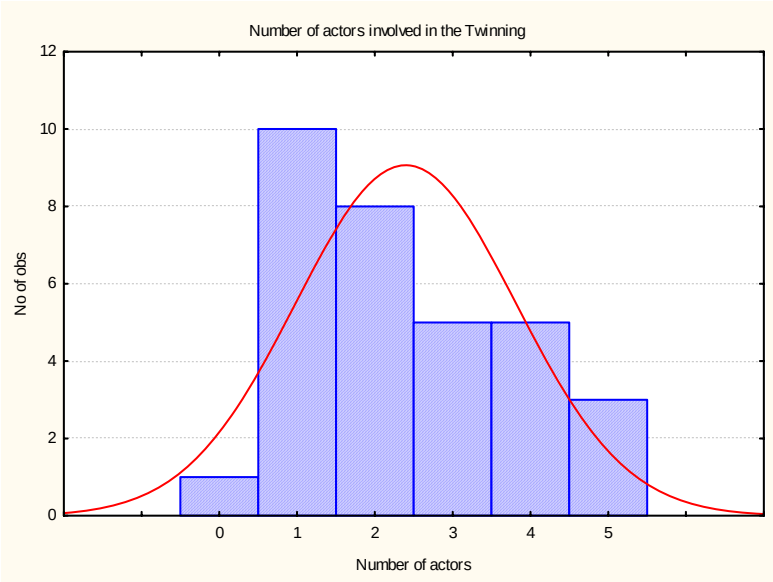


Figure 6.3 Number of actors involved in twinning

Contact by the mayor seems to be the primary form of contact. From the 28 responses received on this topic, almost 40% indicated annual contact by the mayor, 28.6% quarterly or more frequent, and almost 18% ad hoc or no contact. The most popular form of contact was through visits (34% of responses) and letters (30%), followed by e-mail (20.5%), telephone (9%) and fax (7%).

The second most important contact were by councillors, following the same pattern and frequency of contact as set out above. Contact by schools, NGOs and civil society organisations, and particularly the business community, was limited. Other categories of persons making contact were listed as Officials, Director, Department of Planning and Development, Sister-city (SCI) committee, IR Coordinator and the University.

6.4.21 In your estimation, what percentage of inhabitants in your area know about the agreement and its content?

An average of 29% of citizens was estimated know about the relationship (varying from 1% to 70%).

6.4.22 Which statement best describes the management structure of the twinning?

Table 6.22 Structure

Structure	Responses
• Sister-city association	13
• Loose association (without formal structure)	6
• No structure	5
• City commission (appointed by mayor)	5
• Other	4
• Corporation (separate legal entity).	2

6.4.23 Is there a senior person or champion driving the twinning on your side?

In 75.7% of the cases there is a senior champion driving the relationship. This person is a senior official in 54.1% of cases, city/town manager in 29.7% of cases, and executive mayor in 18.9% of cases.

6.4.24 What additional structures have been set up to manage the relationship?

- Inclusion of tourism bureaus in management structure;
- Platform in both municipalities comprising all role players in the twinning activities (Sister-City Committee);
- A special SIDA committee in Buffalo city - focusing on all activities supported by BCM & SIDA/Gavue;
- Intergovernmental relations forum;
- Partnership management committee consisting of 3 portfolio councillors. The partnership project leader is the coordinator for MIR. The sectors consist of sector champions which can be BCMs or SIDA managers;
- Enterprise iLembe - a regional development agency;
- Core forum, individual city forum, Mayor's planning and tracking meeting;
- Technical working committees.

6.4.25 Do you fully comply with the following statements?

Table 6.23 Characteristics of twinning

Statements	"Yes" response %
• Both parties are fully committed to the twinning	50
• There is a clear policy on travel costs (e.g. travel & hotel class)	50
• Have the best calibre of management to manage the twinning	26
• Active marketing of the twinning takes place	18
• The twinning receives extensive media coverage in both areas	16
• All participants are held financially accountable	13
• There is a clear policy in place dealing with gifts	13
• A code of conduct is in place for everyone that takes part	5
• There is a clear "young people" policy (e.g. safety, behaviour)	5

From the responses listed in Table 6.23 it is clear that in only half the twinnings are both parties fully committed to it. Municipalities clearly also do not have the best calibre of management to manage the twinning, very little marketing of the twinning takes place and a lack of accountability and travel policy is evident.

6.4.26 What further assistance do you need to enter into new relationships or manage current ones better?

Table 6.24 Assistance needed

Resources needed	Mentions
• More qualified staff/ Human resources	5
• Financial resources to follow up on a more regular basis	2
• Total commitment & cooperation with provincial MIR section	1
• More formalised working arrangement with clear project development/business plans to monitor activities	1
• South Africa needs an organisation similar to Sister Cities International in the USA	1
• Assistance by Department of Foreign Affairs	1
• Office of the premier & DPLG	1
• Marketing of twinning/Clear strategy	1
• More commitment from project leaders	1
• Development agency needs to be finalised to move forward	1
• Structure	1

From Table 6.42 above it is clear that additional capacity at the municipality level is necessary to make twinnings more effective, although this is an area where volunteers could provide assistance.

6.4.27 Is this twinning funded by an international donor agency?

In 18.9% of cases the relationship was funded by a donor organisation (almost 1 in 5). These included VNG from the Netherlands, the Swedish SIDA, and the Local Government International Bureau in the United Kingdom.

6.4.28 How much is annually budgeted for implementation of the agreement (*in total by both parties*)?

Altogether 18 responses were received for this question and the average annual budget is R429,778 per relationship. Only 2 relationships are funded partly through fundraising and none are funded by contributions from the business sector.

6.4.29 What are the main positive outcomes of the agreement (if any):

Table 6.25 Positive outcomes

Positive outcome	Responses
1. Knowledge sharing and training (by officials and members of NGOs), learning, best practice, empowerment, new ideas, capacity building.	9
2. Financial assistance for charity/schools through gifts, equipment and goods	5
3. LED participation (Economic Development)	5
4. Financial investments	3
5. Cultural exchange	3
6. Tourism exchange and knowledge	1
7. Realisation of information technology system	1
8. Housing support & development	1
9. Community participation in a variety of activities	1
10. Friendships developing between individuals/families/community.	1
11. International understanding	1
12. None	1
13. Exchange of knowledge between universities	1
14. Sponsored participation on overseas trade fair	1
15. Assistance with IDP development	1
16. Community development	1

6.4.30 What are the main problems experienced in the relationship (if any):

Table 6.26 Main problems of twinning

Main problems	Responses
1. Lack of finance/funding to follow up/ launch new projects/ Getting funding into country once landed/ Inability to speedily secure donor funding	6
2. Distance	4
3. Bureaucratic procedures / Decisions take too long	3
4. Language is a problem	3
5. Communication channels/procedures could be improved	2
6. No proper structure was put in place to manage this partnership/ No management committee	2
7. Educational exchanges not so easy due to legislation	1
8. Not enough clear agreements in place	1
9. Time to focus on twinning activities	1
10. Depends on volunteers & their available time and financial resources	1
11. Political lifespan of initiators/no clear succession plan	1
12. No commitment from partner staff	1
13. No policy guidelines	1
14. Overburdened by other European twinning agreements by partner	1
15. New agreement was developed & designed without due consideration of all implications	1
16. Youth development	1
17. Poor facilitation and coordination	1
18. Possible lack of commitment from role players after initial enthusiasm	1
19. No guidance or assistance from SALGA	1

20. Poor linkages with corporate sector, business and industry	1
21. Visas of Zimbabwe citizens when visiting SA/ Fuel shortage in Zimbabwe/ State of Zimbabwe economy	1

6.4.31 Do you measure and evaluate the outcomes of the agreement from time to time?

Altogether 57.9% measure and evaluate the outcomes of the agreement from time to time, although the methodologies for measurements are indicated as mostly informal feedbacks at management meetings.

6.4.32 How would you rate the success of the twinning up to now, in meeting all of the goals and objectives specified at the start of the relationship? (where 1 is total failure and 7 is absolutely successful):

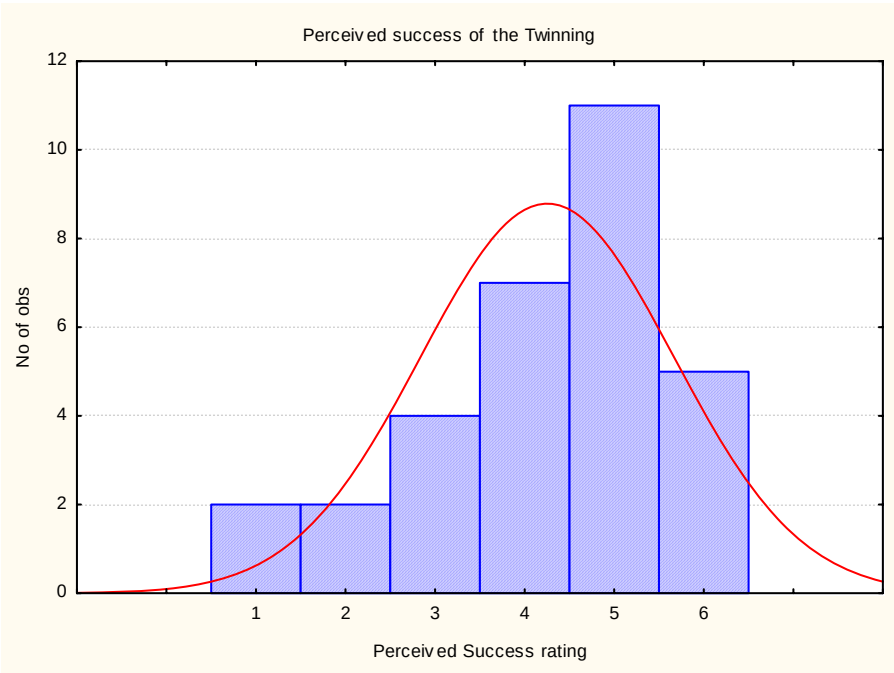


Figure 6.4 Success of the relationship

A response was received from 31 of the 37 cases for this question, although one did not identify the twinning partner. The average success rating of these twinnings in meeting its initial objectives was 4.2 on a 7-point scale. It is evident from Figure 6.4 that no twinning achieved a 7 (meeting all goals), but altogether 16 (43.2% of the total) were rated as having met a large portion of the goals. In Table 6.27 below, the success ratings (perceived) of these twinnings are provided.

Table 6.27 Success ratings of South African twinnings

Municipality	Partner	Success rating
Enthanjeni	Karlstad	6
Nelson Mandela Metropolitan	Goteborg	6
Emfuleni Local Municipality	Eindhoven	6
Nkonkobe Municipality	Oxfordshire County	6
Stellenbosch	Dilbeeck	5
Witzenberg Municipality	Essen	5
Lephalale	Windhoek	5
Buffalo City	Gavue	5
George Municipality	Tocoma	5
Nelson Mandela Metropolitan	Ningbo	5
iLembe District Municipality	Rovaniemi	5
iLembe District Municipality	Mobile,Alabama	5
Johannesburg City	Birmingham	5
Makhado Municipality	Dandong City	5
Makhado Municipality	Gwanda	5
Bergrivier Municipality	Wortegem-Petegem	4
Bergrivier Municipality	Maarkedal, Oos-Vlaandere	4
Newcastle Municipality	Zibo	4
Stellenbosch	Leuven	4
Buffalo City	Leiden	4
iLembe District Mun	Mugello	4
Emfuleni Local Municipality	Tilburg	4
Emnambithi/Ladysmith M	City of Yung Ho	3
Matzikama Municipality	Wuhan	3
Nelson Mandela Metropolitan	Jacksonville,Florida	3
Ekurhuleni Metro	Harbin	3
Nelson Mandela Metropolitan	Stichting Steun Uitenhage	2
Saldanha Bay Municipality	Morso	2
Boland District Municipality	Padua	1
Thulamela Municipality	Oshana	1

6.4.33. If not "absolutely successful", which goals have not been met?

Goals not met are listed below:

Table 6.28 Goals not met in twinning

Goals not met	Responses
1. Economic (investment, funding)	6
2. No implementation of agreement	3
3. Organised business not involved/ Development of business links in terms of partnership agreement has not been successful	2
4. New relationship/ no time to achieve goals	2

5. No goals achieved	2
6. No educational exchange	1
7. Tourism not involved	1
8. Initial focus on municipal-to-municipal activities. Need to develop more community/external activities in the future where the municipality play a facilitating role	1
9. Continuity in the relationship	1
10. Problems with foreign travel meant that visit to partner was delayed	1

6.4.34 To what an extent do you believe the advantages of twinning outweigh the costs?

(where 1 means not at all, and 5 totally):

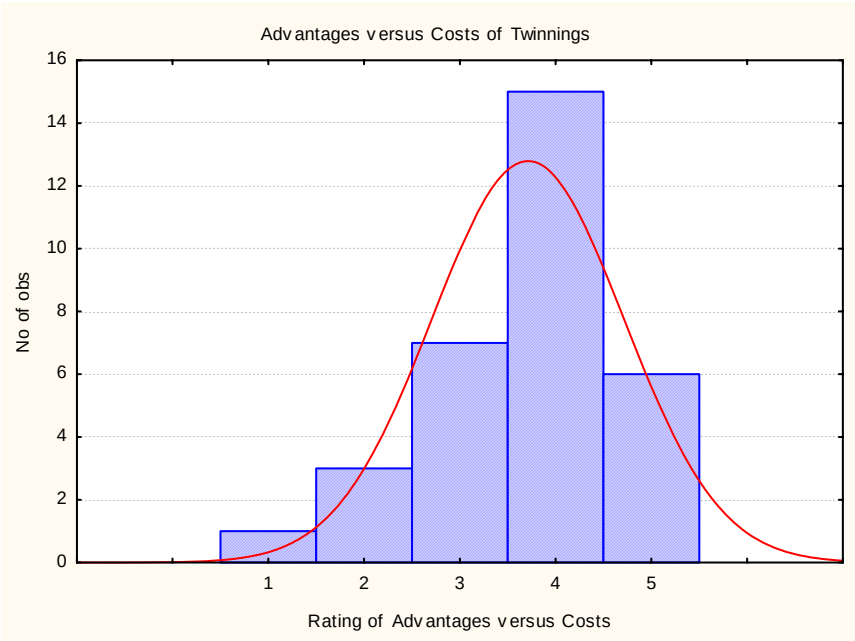


Figure 6.5 Benefits of twinning versus the costs

In 6 of the twinnings (16.2%) it was thought that the benefits totally outweigh the costs and a further 15 (40.5%) thought that costs are mostly outweighed by the benefits. In 7 of the cases respondents were neutral about the benefits and 4 respondents thought the costs were more than the benefits received.

6.5 Hypothesis testing

In the previous section, a descriptive depiction of the data was provided which already supplied us with a vast amount of information about the extent and scope of the twinning relations of South African municipalities and communities.

In this section the hypotheses that were generated from the literature study and derived conceptual model are tested in order to understand the twinning phenomenon better, and specifically to identify those factors that can play a role in or might contribute to greater success in twinning relationships.

In all tests, the assumption was that the data is independent, and tests were conducted using the Statistica computer programme version 7.

6.5.1 "Alliance success"

In order to ascertain which variables influence the success of twinnings, a measure of alliance success is necessary. In the primary questionnaire there were two questions concerning the success of each relationship. The first was about the state of the relationship. This question used a scale suggested by Sister Cities International as part of an audit to check the health of sister-city relationships, and it included the following eleven categories:

- Dead;
- Defunct;
- Need to immediately jumpstart or will be defunct;
- Declining;
- Never got off the ground;
- Stagnant and living off past performance;
- Cruising and unsure where the future will take us;
- New programme;
- Increasing levels of commitment and performance;
- Robust (expanding and improving); and
- Outstanding.

These were classified and coded into the following three categories on an ordinal scale: Negative, Neutral and Positive.

The second measure of success of the twinning relationship was a question about the perceived success of the relationship when compared to the initial objectives, which respondents were asked to rate on a 7-point interval scale.

It was then decided to combine these two measures into a composite measure of success called “alliance success”. In order to do so, the reliability of the scores were checked by calculating Cronbach *Alpha* to estimate the proportion of true score variance that is captured by the items by comparing the sum of item variances with the variance of the sum scale. If all items are perfectly reliable and measure the same construct, then coefficient *Alpha* is equal to 1 (Statistica, 2004). In this case *Alpha* was 0.780, which indicated an acceptable level of reliability (Nunnally & Bernstein, 1994). The Spearman rank order correlation that was calculated also measured a significant correlation of 0.697 ($p < 0.01$) between the two measures.

The two measures were therefore normalised and combined with equal weighting into one new measure of success called “alliance success”.

A number of hypotheses were tested using the well-known six steps in significance testing, which are as follows (Nel *et al.*, 1988:353):

1. Formulate the null hypothesis;
2. Select the appropriate statistical test;
3. Decide on a particular significance level;
4. Determine the observed value of the test statistic;
5. Determine the critical value of the test statistic; and
6. Calculate the p value for significance.

A significance level of 5% was used in all tests and all test values were rounded off to three decimal places where relevant.

6.5.2 Hypothesis 1: Twinning strategy and alliance success

In this test the variable “twinning strategy” which simply indicates whether a municipality has a twinning strategy or not (measured on a nominal scale) is examined, to ascertain whether

there is a significant difference in the success of the two groups (success being measured on an interval scale).

In general, the purpose of analysis of variance (ANOVA) is to test for significant differences between means and it is assumed that the dependent variable is measured on at least an interval scale (Statistica, 2004).

In Table 6.29 below, the particulars of the test in terms of the six steps of significance testing are set out in more detail:

Table 6.29: Twinning strategy and alliance success

Steps	Detail
1. Null hypothesis	The means of the groups are the same
2. Statistical test	Analysis of variance (ANOVA)
3. Significance level	5% significance level ($p = < 0.05$)
4. Observed value of the test statistic	$F = 0.611$
5. Value of p	$p = 0.441$
6. Compare the observed value with the critical value and significance value (p)	As the p level is greater than 0.05 the null hypothesis cannot be rejected.

From the table above, it is evident that the hypothesis that the existence of a twinning strategy by a municipality or community leads to more alliance success, cannot be proven.

6.5.3 Hypothesis 2: Alliance experience and alliance success

In this test the construct “alliance experience” is proposed to consist of three components, which are all individually correlated against “alliance success”. These components, which were all measured separately in the questionnaire, are:

1. The length of time in years that the current council is in office, i.e. the stability of political leadership (it is assumed that the longer the council is in office, the more experience they would have with alliances);
2. The number of twinnings (it is assumed that the more twinnings the municipality has, the more experience it would have with alliances); and

3. The number of years that the municipality has been involved in twinning, measured by a question about the year of first twinning (it is assumed that the longer a municipality has been involved in twinnings, the more experience it would have).

These correlations are listed below:

Table 6.30: Alliance experience and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Length (years)	29	0.030	0.157	0.876
Success & Number	30	0.019	0.099	0.922
Success & Year of first twin	28	0.042	0.217	0.830

According to the results in the table above, no significant correlation could be found between any of these three component variables of "alliance experience" and the success of twinning.

6.5.4 Hypothesis 3: Positive attitude and alliance success

It was evident from the literature study and the conceptual twinning model that certain attitudes by alliance partners could influence the possible success of alliances. It was therefore postulated that twinnings where positive attitudes are high have more alliance success. The attitudes that are important in alliances are trust, reciprocity, commitment, understanding, cultural sensitivity, attitude towards risk, and flexibility.

Two series of questions in the questionnaire probed the attitudes displayed in the relationship, firstly of the respondent (self), and secondly the perception of the partner attitude (partner). These attitudes, measured on a five-point Likert Scale, are listed below:

Table 6.31: Positive attitude and alliance success (individual scores)

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Trust (self)	28	0.231	1.211	0.237
Success & Trust (partner)	27	0.360	1.934	0.065
Success & Commitment (self)	29	0.164	0.865	0.394
Success & Commitment (partner)	28	**0.551**	3.366	**0.002**
Success & Reciprocity (self)	27	0.158	0.799	0.432
Success & Reciprocity (partner)	26	0.251	1.271	0.216
Success & Understanding (self)	28	**0.459**	2.636	**0.014**

Success & Understanding (partner)	27	**0.476**	2.707	**0.012**
Success & Cultural sensitivity (self)	27	0.204	1.040	0.308
Success & Cultural sensitivity (partner)	27	**0.391**	2.121	**0.044**
Success & Risk (self)	28	0.368	2.020	0.054
Success & Risk (partner)	27	0.277	1.441	0.162
Success & Flexibility (self)	26	0.264	1.342	0.192
Success & Flexibility (partner)	27	0.280	1.454	0.158

Not all attitudinal measures can be positively linked to the success of alliances. Of the measures, the following showed significant correlations with alliance success at the 5% significance level:

- Commitment (of the partner);
- Understanding (by yourself);
- Understanding (by the partner); and
- Cultural sensitivity (of the partner).

Further measures that were not significant at the 5% level but at the 10% level were:

- Trust (of the partner); and
- Risk (of yourself).

It was also investigated whether one combined measure for "positive attitude" of both the respondent (self) and the partner could be compared to alliance success. In order to test the reliability of the different measures for self and partner, Cronbach *Alpha* was used. For the measures for own attitudes a strong *Alpha* of 0.939 was obtained, with the combination of partner attitudes delivering an equally strong score of 0.921. It was therefore decided to combine the individual attitudes into a single measure of attitude for self and partner.

Table 6.32: Positive attitude and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Attitude (self)	24	0.273	1.330	0.197
Success & Attitude (partner)	26	**0.437**	2.378	**0.026**

In the table above, the attitudes for self and partner are combined and correlated with alliance success. Although the correlation for overall attitude of self was not significant, the overall

attitude of the partner is significantly correlated with alliance success on the 5% significance level.

6.5.5 Hypothesis 4: Community involvement and alliance success

In the literature study, the importance of community involvement was stressed by numerous sources as an important factor in the success of alliances. Various measures of community involvement were therefore built into the questionnaire and tested in this section. These were measures of:

1. Twinning type (whether community is involved or not). One question asked for the role players involved in the twinning and this was coded as a simple yes/no response for community (individuals, NGOs and business);
2. Community awareness of the twinning (it is postulated that the more people in the community as a percentage of the total know about the twinning, the more successful it should be); and
3. Number of actors involved (it is postulated that the more actors are involved in the twinning, the more successful it should be).

Firstly it was postulated that alliance success would be higher in twinnings where community involvement is high.

Table 6.33: Community involvement and alliance success

Steps	Detail
1. Null hypothesis	The means of the groups are the same
2. Statistical test	Analysis of variance (ANOVA)
3. Significance level	5% significance level ($p = < 0.05$)
4. Observed value of the test statistic	$F = 0.341$
5. Value of p	$p = 0.564$
6. Compare the observed value with the critical value and significance value (p)	As the p level is greater than 0.05 the null hypothesis cannot be rejected.

As indicated above in Table 6.33, no significant correlation on the 5% significance level could be found to support the hypothesis that twinnings are more successful where community involvement is high.

In Table 6.34 below, community awareness and the number of actors involved in the twinning are correlated to alliance success.

Table 6.34: Community awareness, number of actors and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**T(N-2)**	**p-level**
Success & Awareness	24	**0.511**	2.790	**0.011**
Success & Number of Actors	29	0.138	0.722	0.476

It is evident in the table above that the number of actors involved in the twinning does not provide a significant correlation on the 5% significance level with alliance success, and therefore no conclusion can be made about the role of this variable. Awareness of the twinning, however, was positively correlated to alliance success on the 5% significance level.

6.5.6 Hypothesis 5: Communication and alliance success

In the literature study, it was suggested that frequent communication by a large variety of actors is necessary for alliance success, as alliances are formed and maintained also at the personal level. It is therefore logical to assume that the more actors are involved in a twinning, and the more frequently they communicate, the more successful the relationship would be. The two variables that are used for the test are:

- Actors involved in communication; and
- Frequency of communication.

These two variables were therefore investigated, and the actors involved were also broken down into groups in order to ascertain whether specific groups are more important for alliance success. These results are presented below:

Table 6.35: Frequency of contact and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Contact (Businesses) & Success	5	**-0.811**	-2.402	0.096
Contact (NGOs and CS) & Success	9	0.000	0.000	1.000
Contact (Schools) & Success	12	0.375	1.281	0.229
Contact (Mayor) & Success	24	0.220	1.056	0.302
Contact (Officials) & Success	12	**-0.670**	-2.853	**0.017**

Although no significant positive relationships were found at the 5% significance level between any of the actors and alliance success, a significant negative relationship was found between the communication of officials and alliance success. In the twinnings where officials communicated more, twinnings were less successful. The same negative relationship is possible with regards to contact by businesses and alliance success, although this trend is not significant on the 5% level.

6.5.7 Hypothesis 6: Resources and infrastructure and alliance success

The literature study also pointed to the fact that twinnings with more resources in terms of human resources, funding and infrastructure have more alliance success. Three variables to measure this construct of resources and infrastructure were therefore chosen as follows:

- Donor-funded or not (yes/no dichotomous question);
- Budget (annually committed to the twinning in Rands); and
- Structural arrangements (whether the municipality had a permanent function for twinnings, a part-time function, or no function at all).

Table 6.36: Donor funding and alliance success

Steps	Detail
1. Null hypothesis	The means of the groups are the same
2. Statistical test	Analysis of variance (ANOVA)
3. Significance level	5% significance level ($p = < 0.05$)
4. Observed value of the test statistic	$F = 0.288$
5. Value of p	$P = 0.596$
6. Compare the observed value with the critical value and significance value (p)	As the p level is greater than 0.05 the null hypothesis cannot be rejected.

As far as donor funding is concerned, the results in the table above indicate that it cannot be proven that there is a significant relationship between donor funding and alliance success.

Below follows a table investigating the relationship between alliance success and the other two variables:

Table 6.37: Budget, structure and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Budget (Rand)	18	0.439	1.953	0.069
Success & Structure (at municipality)	30	0.280	1.542	0.134

The type of structural commitment at the municipality did not seem to make a significant difference to alliance success but the budget allocation might. Although budget amount is not significantly correlated to alliance success on the 5% significance level, it is on the 10% significance level.

6.5.8 Hypothesis 7: Structured planning process and alliance success

It is postulated here that twinnings that followed a structured planning process (from partner selection to business planning and formalised in a written agreement) have more alliance success. As most cases had written agreements, this variable was not included in the test. The planning process therefore consisted of two variables:

- The existence of a formal partner selection process (on a three-point ordinal scale); and
- Existence of written business plan (yes/no dichotomy).

Firstly, the test below was conducted to ascertain whether there was a significant correlation between having such a process and alliance success.

Table 6.38: Methodology and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid	**Spearman**	**t(N-2)**	**p-level**
Success & Methodology	29	0.310	1.696	0.101

As can be seen above, although there is no significant relationship on the 5% level, there is a trend as a relationship exists bordering on the 10% significance level.

Table 6.39: Business plan and alliance success

Steps	**Detail**
1. Null hypothesis	The means of the groups are the same
2. Statistical test	Analysis of variance (ANOVA)
3. Significance level	5% significance level (= < 0.05)

4. Observed value of the test statistic	F = 5.597
5. Value of p	p = 0.025
6. Compare the observed value with the critical value and significance value (p)	As the p level is smaller than 0.05 the null hypothesis can be rejected.

There was a significant difference (p= 0.03) in alliance success between the two groups, who had a business plan and those who had not. The existence of a business plan therefore can be seen to influence alliance success positively.

This relationship is clearly depicted in Figure 6.6 below:

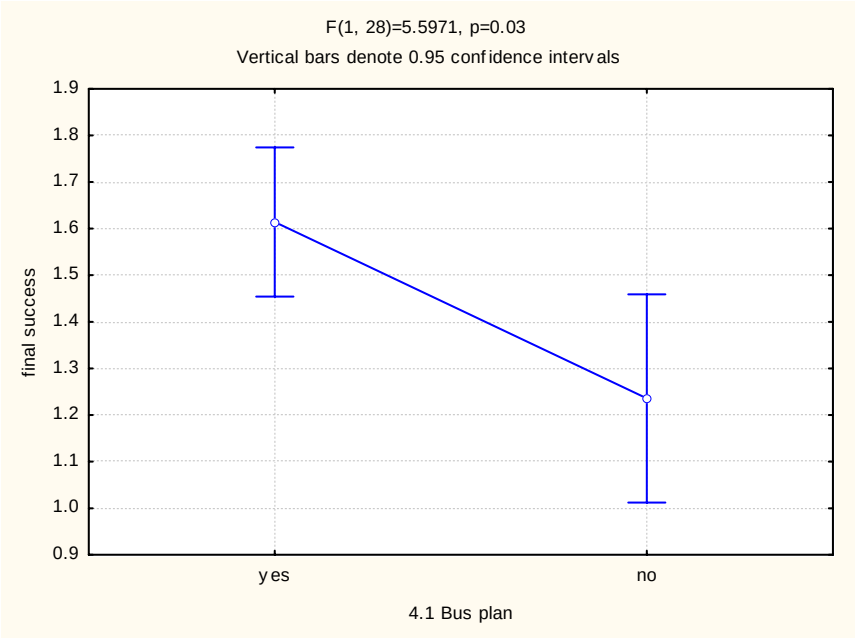


Figure 6.6: Business plan and alliance success

6.5.9 Hypothesis 8: Leadership and management and alliance success

It is also proposed in the literature study that leadership and quality of management are important in achieving alliance success. The variables listed to test this construct are listed below:

- Professional management available (question on three-point scale);
- Management commitment on both sides (question on three-point scale);
- Involvement of twinning champion (yes/no dichotomy); and

- Complexity of management structure (e.g. No structure, Loose association (without formal structure), Sister-city association, City commission (appointed by mayor), Corporation (separate legal entity)).

Table 6.40: Management, commitment, structure and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman r**	**t(N-2)**	**p-level**
Success and Management	30	**0.645**	4.463	**<0.01**
Success & Management Commitment	29	**0.385**	2.167	**0.039**
Success & Twinning Structure	29	0.354	1.969	0.059

As is evident from the above, there exists a significant positive relationship on the 5% significance level between quality of management and alliance success, and between management commitment and alliance success. Although the relationship between a dedicated structure for the twinning and alliance success is not significant on a 5% level, there is a trend, as such a significant relationship exists on the 10% significance level.

The involvement of a champion driving the twinning is reportedly also important for alliance success, and this relationship is tested below:

Table 6.41: Champion and alliance success

Steps	Detail
1. Null hypothesis	The means of the two groups are the same
2. Statistical test	Analysis of variance (ANOVA)
3. Significance level	5% significance level (p = < 0.05)
4. Observed value of the test statistic	F = 1.395
5. Value of p	p = 0.247
6. Compare the observed value with the critical value and significance value (p)	As the p level is greater than 0.05 the null hypothesis cannot be rejected.

From the test, it can be deduced that the relationship between the involvement of a champion and alliance success cannot be proven.

6.5.10 Hypothesis 9: Marketing and alliance success

The hypothesis that better marketing is associated more with successful alliances than unsuccessful ones was also investigated. This construct was measured in two ways:

- Marketing taking place (the level of marketing activity on a 3-point scale); and
- Level of media exposure of twinning (on a 3-point scale).

These two measures were combined into one measure for active marketing of the twinning. As the Cronbach *Alpha* for these two measures was very strong at 0.795, this was deemed totally acceptable. In the table below, the combined score is correlated with alliance success:

Table 6.42: Active marketing and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success and Active Marketing	29	**0.638**	4.311	**<0.01**

It is evident from the above that there is a strong correlation of 0.638 between success and active marketing on the 5% significance level.

6.5.11 Hypothesis 10: Similarity and alliance success

In the literature review is suggested by various sources that similarity of twinning partners is important for success, but it was noted that in some cases, "marriages" of opposites also work. It was therefore investigated whether similarity on a number of dimensions identified in the literature study as important in selecting a twinning partner, correlates with alliance success.

Respondents were asked to rate how similar or different the two partners in the twinning were on the dimensions listed in Table 6.43 below.

Table 6.43:Similarity and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Languages spoken & Success	30	0.299	1.656	0.109
Religion (s) & Success	30	0.002	0.009	0.993
Geographic terrain & Success	29	-0.322	-1.766	0.089
Historical background & Success	28	-0.102	-0.521	0.606
Places/facilities/amenities & Success	30	-0.046	-0.245	0.808
Educational facilities & Success	30	-0.061	-0.322	0.749
Organisations, associations & Success	28	-0.210	-1.093	0.284
Key industries & Success	30	**-0.384**	-2.199	**0.036**
Mother country culture & Success	29	0.047	0.242	0.810
Community value system & Success	28	0.121	0.623	0.538
Goals for twinning & Success	30	0.231	1.255	0.220
Expectations of outcomes & Success	30	0.187	1.008	0.322
Commitment of management & Success	30	**0.517**	3.193	**0.003**

Strengths and weaknesses & Success	30	0.234	1.273	0.213
Personalities involved & Success	27	**0.406**	2.219	**0.036**

From the above table it is evident that it cannot be proven conclusively from the data that similarity on most of the dimensions relates positively with alliance success. There were, however, a few individual dimensions that were exceptions. A significant positive correlation of 0.517 ($p < 0.01$) was found between alliance success and management commitment. Another positive and significant correlation was found between the similarities of the personalities on both sides. Another correlation, although only significant on the 10% level, was between the similarity of geographical terrain and success. What was interesting though, was that a significant negative correlation was found between the key industries in the two areas, implying that in the twinnings that were successful, the key industries in the two communities were different.

6.5.12 Other measures and alliance success

Besides the questions used for the purposes of hypothesis testing in the previous sub-sections, there were a number of other questions in the questionnaire that can also be related to alliance success, to ascertain whether a relationship exists. These are briefly discussed below.

Intensity of agreement

The questionnaire included a question on the intensity of the agreement arranged on a scale from informal communication and correspondence, to a formal twinning agreement listing specific areas of cooperation, objectives and programmes. No significant relationship could be found on the 5% significance level between the type of agreement, and alliance success (Spearman = 0.188 and $p = 0.329$).

Relationship focus

A question was also included on the importance of objectives in different focus areas of a twinning. This question was based on Ramasamy and Cremer (1998:452) who included the same question in their questionnaire in New Zealand and found significant differences between these when it came to economic objectives. In our study, however, no significant

correlations were found with the strength of the objectives in any of these focus areas and alliance success on the 5% significance level. The correlations were as follows:

Table 6.44:Objectives and alliance success

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Importance of International understanding	28	0.159	0.820	0.420
Success & Importance of Culture	27	0.186	0.945	0.354
Success & Importance of Education	29	0.237	1.268	0.216
Success & Importance of Tourism	28	-0.003	-0.017	0.987
Success & Importance of Trade	28	-0.233	-1.219	0.234
Success & Importance of Investment	27	-0.173	-0.876	0.390

Municipal type

It was also investigated whether significant differences existed between the type of municipality involved in the twinning (i.e. metropolitan, district, or local municipality) and alliance success, but for this variable, no significant differences could be found (p = 0.49).

Relationship type

A relationship could be either strictly between a municipality and a municipality, or between a combination of actors which also involves a municipality (as the definition of twinning states that a municipality has to be involved). It was therefore also investigated whether a significant difference could be found between these two groups and alliance success. The conclusion is, however, that no such difference can be proven from the data and that no significant difference exists between these two groups and alliance success (p = 0.444).

5.5.13 Alliance success and perceptions of advantages versus costs

The last question in the questionnaire asked respondents to rate to what degree they thought the advantages of a twinning outweigh the costs. A correlation test was then done to see to what degree the response correlated with their rated perceptions of success of the twinning, and the results are listed below in Table 6.45:

Table 6.45:Perceived success and perceptions of advantages versus the costs

Spearman Rank Order Correlations Marked correlations are significant at p <.05000				
	Valid n	**Spearman**	**t(N-2)**	**p-level**
Success & Advantages versus Costs	30	**0.671**	4.794	**<0.01**

As can be seen above, a significant correlation of 0.671 was found between these two constructs on the 5% level.

This positively correlated relationship is presented graphically below in Figure 6.7:

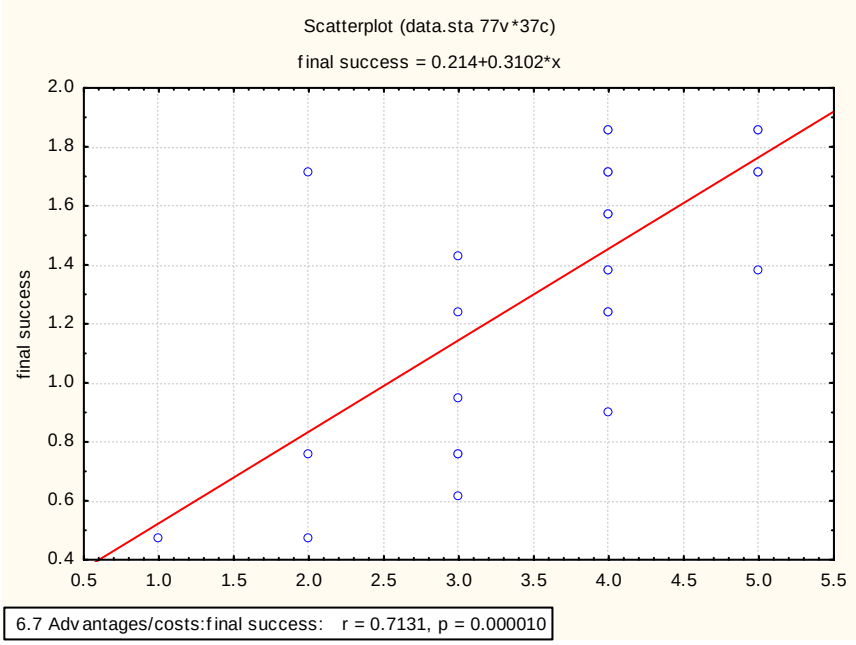


Figure 6.7:Alliance success and perceptions of advantages versus the costs

6.6 Implications for research problem and research hypotheses

The findings in the preceding section address the research problem and sub-problems directly and offer answers to the questions posed at the inception of this study. From the findings and recommendations presented in the next chapter, clear guidelines can be established for successful twinning relationships. The research also offers clarity on:

1. The potential benefits that a twinning relationship can have for a municipality and/or community;
2. The scope and content of twinning agreements and the context in which they are concluded;

3. The dynamics and process involved in entering into a twinning agreement and managing it successfully;
4. The factors that contribute to the success of twinning; and
5. The stakeholders involved in twinning and their roles and responsibilities.

6.7 Relationship to literature review

The primary research in the study can be related back directly to the literature review as the methodology followed started with the literature study from which a conceptual model of twinning was developed. Based on this model, primary research was conducted to establish the context, content and process of international twinnings in South African communities, both on the local and provincial levels. Success factors were also identified in the literature study and from these, hypotheses were developed and tested with the data that was gathered from local governments in South Africa.

In the final chapter, the conclusions and recommendations of the study are presented.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

The strategic alliance is one of the major organisational phenomena of the last twenty years of the twentieth century and all indications are that its importance in organisational strategy will increase further in years to come. Many different variations of strategic alliances exist, as the term has become an "umbrella name" for many different partnering relationships. One such variation, the twinning of communities at the local level with other communities in foreign countries, was the topic of this research study.

In Chapter One, the research problem was stated as:

What are the guidelines that communities in South Africa can follow to ensure the forging of successful strategic alliances through twinning with other districts, towns and cities internationally?

Although the research problem was stated primarily on the micro level of the individual twinning and communities involved, in order to address this problem, analyses of the macro and meso levels were also necessary. The conclusions and recommendations in following sections will therefore address the twinning phenomenon on these three levels.

7.2 Conclusions and recommendations on the macro level

7.2.1 Conclusions at the macro level

The last two decades of the twentieth century have been characterised by opposing forces of globalisation on the one hand, which leads to the centralisation of decision-making that manifests in regional organisations becoming more prominent in governance issues such as the European Union (EU) in Europe and the African Union (AU) in Africa, and decentralisation on the other hand. Decentralisation is a powerful force that empowers people at the local level to lead their lives with more autonomy, and it makes it possible for them to participate directly in the global society through twinning and paradiplomatic relationships.

The importance of the local level of society is also increasingly being recognised by the United Nations and its sub-agencies.

Another trend that was evident during the past twenty years was the shift in emphasis in the private sector from purely competitive strategy to cooperative strategy. Companies realised that to be competitive in the new technological, fast-changing environment, they had to cooperate in order to compete. One of the strongest and most successful cooperative organisational forms that emerged from this trend was the strategic alliance. The strategic alliance is seen in many cases to be a more effective organisational model than other alternatives, and has grown into networks of strategic alliances, also called constellations. But strategic alliances are not only being utilised in the private sector, but also by NGOs and public sector organisations.

The literature study therefore covered not only the twinning phenomenon, but also investigated research on the characteristics and success factors of strategic alliances. On the basis of this analysis, it was concluded that a strong twinning relationship between two communities could also be seen as a transnational strategic alliance. In practice, however, many twinnings are probably tactical alliances as their goals are short term and they have not been properly conceived, and are not properly managed to achieve the full advantage that is possible for the communities involved.

The twinning phenomenon has not only grown tremendously since its inception but it has also changed significantly in character. It has evolved from its beginnings of focussing on citizen exchange and cultural and friendship ties to a powerful instrument for regional unity building, learning, and economic development. Its scope has therefore changed significantly. Besides the twinning between communities, other forms of international partnering at the local level have also evolved in the form of municipal international cooperation (MIC), which involves two or more municipalities and normally focuses on technical cooperation and capacity building, and decentralised cooperation (DC), which involves international donors and usually has a development-orientated focus.

The field is, however, underresearched, and no real measurements are being conducted on the efficacy of twinnings, and in the literature no large-scale attempts have been made to establish whether the benefits of these relationships outweigh the costs.

There is also confusion in the terminology used to describe the twinning and related phenomena, no central global twinning database exists, and with the exception of the European Union (EU) funding scheme and ad hoc funding by Northern countries' development aid organisations, no formal global funding scheme for twinning exists.

7.2.2 Recommendations at the macro level

At the macro level, the various role players need to clarify and standardise the terminology and concepts of twinning and related relationship types. A coordination role is therefore needed in the world and it is proposed that the United Nations (UN) through UN-Habitat play a much more active role in this regard. Such involvement could also include:

- Facilitating communication and exchange between global and national associations of local government, and twinning organisations;
- Creating and maintaining a global database of formal relationships;
- Sponsoring research; and
- Setting up a global funding scheme for twinnings.

7.3 Conclusions and recommendations on the meso level

7.3.1 Conclusions at the meso level

Although many twinnings exist between other local African communities and partners on other continents, South Africa was internationally isolated before 1994 and therefore very few international twinnings existed with South African communities. After 1994, however, provinces and local communities have entered into a large number of such relationships and even more are currently being negotiated. Most of the current relationships are relatively young, having been formed since the MIR policy of the South African government was conceived and implemented in 1999.

Many of these relationships are not active or successful, and most of the twinnings investigated by this study generally did not comply with the success factors for strategic

alliances as identified in the literature study. It was also found that South African municipalities who are normally the facilitators of twinning do not have the capacity to properly manage twinning relationships, and that the national government's Municipal International Relations (MIR) policy adopted in 1999 has been a failure, as it was never implemented by all parties concerned. The impact of twinning in South Africa in the communities involved, as well as community involvement, has been so small that most twinnings cannot truly be called strategic alliances between communities. But a twinning per definition is a strategic alliance if applied and implemented in the right way, and many of these relationships could be used to forge stronger ties and become true twinnings that would benefit their communities.

There are multiple reasons why twinnings in South Africa are not being utilised to their full potential and some of these are listed below. Some of the reasons reside within the micro environment (community or municipality) and others within the meso environment, which includes government policy and support structures. The reasons on the micro level will be described in the next section. Reasons at the meso level include:

- Lack of back-up and support;
- Lack of coordination and synergies between local, provincial and national levels;
- Lack of marketing of the twinning;
- Lack of municipal capacity at local level;
- SALGA failing to fulfil its role as spelt out in official policy; and
- Non-compliance of municipalities with official policy.

Overall, there has been a huge growth in the number of twinnings and other forms of international relationships forged at the local level since 1988, and particularly since 1998. This relatively young profile of twinnings in the country made it difficult to measure twinning success, as a number of relationships are relatively new and have not matured yet. An estimated 130 relationships currently exist at the local level through 53 municipalities, and 60 at the provincial level. In addition, 35 relationships that were entered into at the local level have been cancelled or lapsed, and at least 41 new ones are currently being finalised. But although a large number of twinnings have been formed in recent years, only a small number

are active and truly successful (of the 19 current relationships of Buffalo City, for instance, only 2 are active. All the 18 relationships of Cape Town are currently under consideration).

Three municipalities (Buffalo City, Cape Town and Johannesburg) together are responsible for half (50.4%) of all international relationships. The top six (which include the three mentioned as well as eThekwini Metro, Mbombela and Nelson Mandela Metro) together represent more than three quarters (76.1%) of relationships. A small percentage of municipalities in South Africa (4.6%) represent 113 of the current and planned 171 relationships, which represents two thirds or 66.1% of such relationships.

The official South African policy on MIR states that local governments should pursue South-South relationships as a priority, and the geographical orientation of South African international relationships has moved as a result from mainly North-South relationships to more South-South relationships. Of current relations in South Africa, only 16.7% are South-South relationships, but this percentage has increased to 51.2% of new relationships that are in the process of being concluded.

Twinning relationships are normally intended to last indefinitely and the majority of agreements therefore have no specified duration. Most of the twinning agreements investigated in this study also had no specific duration. Another issue that was investigated was that of the time it takes to negotiate and conclude a twinning agreement, and it seems to take an average of one and a half years to negotiate the agreement and a further three years to establish the relationship before any positive outcomes can be expected.

The quality of management seems to be a problem at South African municipalities, as only 26% of twinning relationships reported that they have the best quality of management for the relationship. This finding confirms comments about the lack of capacity at local governmental level as revealed in the literature study. The majority of twinnings in the study were also municipality-to-municipality relationships and did not significantly involve the wider community.

No study was made of the national Foreign Affairs agreements with foreign countries at the national level, but it is logical to assume that it might be easier to form provincial links in countries where South Africa already has national links, and again for local governments to

form links where provincial ones already exist. Provincial relationships exist, for instance, with Austria and Canada whereas no local relationships with these countries exist, and there seems to be no coordination, interaction and synergy between relationships at the provincial and local levels.

Relationships are not formed according to the priorities identified by municipalities themselves. Although economic benefit is listed as the key critical success factor, for instance, measurement thereof does not really take place and when asked what the main reasons were for entering into the relationship, learning and exchange of best practice was reported as the number-one reason. Another stated critical success factor was that the relationship must fit into the Integrated Development Plan (IDP), but in most cases it does not.

As far as content of the relationships was concerned, most agreements focus heavily on all forms of exchange. But it was also evident that most relationships focus too broadly, covering wide areas that are impossible to convert into manageable programmes and activities that are beneficial, sustainable, and measurable.

Although the importance of implementation plans is highlighted by a large number of participants, only one in four (29.7%) have a written business plan in place which spells out programmes and activities.

The main positive outcomes of the relationships are listed in the areas of:

- Knowledge sharing and training; and
- Financial assistance and financial benefits.

The most important problems identified in the relationships are issues such as language, distance and bureaucracy, which are issues that are controllable to some extent through partner selection. But the main problem seems to be lack of funding for the twinning.

Other major problems that can be deduced from the data gathered centres on:

- Lack of capacity at the local level;

- Lack of continuity in the management of the relationships; and
- Lack of support from government departments and specifically SALGA that is also raised as a problem that needs to be addressed. In the current MIR Strategy Framework (1999) it was mostly left up to SALGA to assist local government in the area of MIR.

In cases where the relationships were not completely successful, goals not met were reported as: “not achieving financial expectations” and “no implementation” and “non-involvement of private sector”.

Name changes of towns and cities in South Africa without consideration for the wide impact of such changes on stakeholders residing outside the area has also been identified as a problem in international relations. Place names are changed without communicating such changes widely, and frequently causes confusion amongst international partners (most still list old place names) and other stakeholders.

It can therefore be concluded that, although twinnings are encouraged by the South African government, many factors are inhibiting the success of these relationships on the meso level.

7.3.2 Recommendations at the meso level

International relationships at the local level pose a major opportunity for provinces, local governments and local communities in South Africa, if they are correctly structured and managed. It must, however, be remembered that international relations is not a primary function of local government. For municipalities to enter into agreements with other municipalities or communities, real value must be added to the community or municipality otherwise scarce resources would be wasted.

Firstly, it is recommended that “community” be put back at the centre of the focus of twinning and that the municipality play a facilitating role in ensuring its success. The twinning phenomenon should be placed outside the domain of local government in the field of public-private partnerships, as it is important that all stakeholders participate in the relationship to make it effective and sustainable in the long term. Twinning must therefore move from its current mode where it is primarily seen as a municipality-to-municipality relationship, to a true community-to-community partnership. Twinning must, however, first be recognised as a

different type of relationship from pure municipal-to-municipal (MIC) relationships, which are also important for technical cooperation exchange purposes, but distinctly different from twinning. MIC can be seen as municipal-to-municipal diplomacy, whereas a twinning between two communities comprises true citizen-to-citizen diplomacy.

Secondly, major potential exists to use twinnings to build closer links between communities on the African continent as part of the NEPAD initiative and to assist in capacity building for their municipalities. Although these South-South relationships are encouraged by the South African government, they still pose many challenges and will be difficult to implement without external sources of funding and support. The African Union (AU) should consider twinning as one of its policy implementation strategies and should also support organisations that enable communities to form links on the continent.

The International Marketing Council, which markets Brand South Africa, could also consider using the established network of twinning relationships with 45 foreign countries as a channel in the marketing of South Africa abroad. This marketing channel could be more cost effective than using overseas media for specific purposes.

The use of the term "Municipal International Relations" (MIR) should be reconsidered to describe twinnings, as the term puts the emphasis on the municipality and does not refer to community. South Africa is also the only country in the world in which the term MIR is used and the term excludes the international relationships of the provinces.

To be successful, twinnings should be better managed by municipalities and more formalised support should be provided. This enabling environment could be based on one of two models, both incorporating as many of the role payers as possible.

One possibility is that a voluntary membership organisation such as Sister Cities International be formed to assist not only in South Africa, but also to serve the other countries in the SADC region. Although SALGA might like to play the primary role in this regard, it would be preferable to have an organisation that represents not only municipalities, but all the actors that are participants in twinnings including the business sector, NGOs and private citizens. Such an organisation can serve a multitude of roles including that of matchmaker, keeper of database information, consultant, trainer, coordinator, fundraiser, etc., and add real value to

the current twinning relationships as well as new ones that will be forged as a result. Partners in this public/private partnership by membership could include:

- The DPLG;
- SALGA;
- The International Marketing Council of SA (IMC);
- The Provinces;
- Foreign Affairs;
- The Department of Trade and Industry (DTI);
- SA Tourism;
- SA Chambers of Business;
- NGOs;
- Business representatives; and
- Private individual members.

The other model is more government orientated and is not built around voluntary membership but rather on official government policy or legislation regulating the conduct of provinces and municipalities. The organisation that this would necessitate can be a Section 21 or NPO (not-for-profit) organisation operating on all three levels or governmental spheres.

At the *national* level the body would provide assistance through a helpdesk, resource centre, and website. It would also monitor and coordinate all international relations activities of municipalities and provinces in the country. To ensure quality standards in the participation of international relations for a municipality or province, registration and accreditation with the proposed body is an option. Registration could be based on:

- Submission of an acceptable international relations strategy;
- Submission of each specific international relations proposal of current and new relationships if public funds are used;
- Details of responsible persons who will work with international relations; and
- Other relevant information such as proof of community involvement, annual travel schedule, and international relations budget paid from public funds.

Accreditation of staff and management would take place after registration, to ensure that they are competent and resourced before the municipality would be certified to operate in officially approved international relations activities.

At the *provincial* level the international relationships of provinces are mostly run from the premier's office, whilst coordination of local international relations is the responsibility of the section responsible for local government. Currently, there seems to be little or no communication between these departments, and it would therefore be necessary to combine these two functions at this level.

Al the *local* level, international relations should be managed like any other alliance or partnership that the municipality has entered into (including also local alliances with other municipalities in the country). Therefore it should, once signed and concluded by the Council, reside in the office of the municipal manager, with accountability for the implementation made the responsibility of section heads or business unit managers. Planning should also be fully integrated into the IDP development process.

The national organisation should provide support to communities and municipalities and disseminate best-practice information amongst its members. Training is also important and a relevant international relations qualification should be formulated and instituted at a reputable university.

Funds are needed to forge and maintain successful relationships and new innovative sources of funding must be found, as most links in South Africa rely only on public funds or donor support. Fundraising could involve volunteers (e.g. through a community committee) and the private sector. Funding possibilities on the national, provincial and local levels are set out below:

Organisation at the national level funded by:

- Central government contribution;
- Contributions by NGOs (e.g. the Business Trust, foundation sector);
- Contributions by donors (e.g. VNG International);

- Sponsorship (e.g. in most countries the national airline is a sponsor, IMC, Proudly South African, etc.); and
- Membership fees (of participating municipalities and/or communities).

Twinnings at the provincial level funded by:

- Provincial government contribution;
- Local business; and
- Sponsorships.

Twinnings at the local level funded by:

- Local government contribution;
- Partner contributions;
- Fundraising activities;
- International donor contributions;
- Volunteer participation; and
- Local business.

In the area of twinning management the following is recommended:

- Twinnings at the local level, either at the municipality or through a twinning committee, should be driven by individuals who are both capable and competent;
- The local community and private sector should be actively involved in twinnings;
- Sound and effective management processes should be followed (e.g. incorporating proper partner identification, partner selection, business planning, etc.);
- Involving many individuals and officials over a broad front should ensure continuity in the relationship over a long period of time;
- Besides management capability at the municipality, each twinning could also have its own management structure which could vary from a loose association to a separate company (joint venture) set up to manage the relationship and incorporate members from both country's communities and donor organisations. These structures would therefore vary

according to the needs and nature of the relationship and some might co-opt or even be dominated by community members;

- Capacity problems could be addressed through proper public/private partnerships at the local level; and
- Dormant agreements or ones that are not successful should be cancelled, thereby opening the door for others to partner with those cancelled.

Capacity at the local level also needs to be strengthened in the areas of training, marketing and media exposure and a dedicated filing system should be created for twinnings and international relations at each province and municipality.

Specific written implementation plans which spell out programmes and activities for international relations as part of IDPs should also be produced, focusing on core areas. Agenda 21 also needs to be promoted more strongly as awareness of Agenda 21 seemed to be low amongst South African municipalities.

Finally, the success and continuance of twinnings should be reviewed and reconsidered from time to time and there should be concrete measurement systems implemented to measure the outcomes and benefits of all twinnings frequently.

7.4 Conclusions and recommendations on the micro level

7.4.1 Conclusions at the micro level

On the micro level, a number of hypotheses were tested and some of these were found to be supported by the data gathered. The results of these tests are briefly listed below.

The hypothesis that the existence of a twinning strategy by a municipality or community leads to more alliance success could not be proven.

No significant correlation could be found between any of the three component parts of “alliance experience” as defined in the study, and the success of twinning.

Although not all attitudinal measures could be positively linked to the success of alliances, the following attitudes showed significant positive correlations with alliance success:

- Commitment (partner);
- Understanding (self);
- Understanding (partner); and
- Cultural sensitivity (partner).

Partner commitment, understanding by both partners, and cultural sensitivity of the partner were thus important in successful relationships. All attitudes combined showed that overall, attitude of the partner is significantly positively correlated with alliance success.

No significant correlation could be found to support the hypothesis that twinnings are more successful where community involvement is high. The number of actors involved in the twinning also did not provide a significant correlation with alliance success, and therefore no conclusion can be made about the role of this variable. Awareness of the twinning, however, is positively correlated with alliance success.

Although no significant positive relationships were found between the actors involved in the twinning and alliance success, a significant negative relationship was found between the communication of officials and alliance success. In the twinnings where officials communicated more, twinnings were less successful. This anomaly cannot be explained by the current data and further qualitative research into the twinnings responsible for this negative relationship will be necessary to find possible explanations.

As far as donor funding is concerned, it could not be proven that there is a significant relationship between donor funding and alliance success. Although budget amount is not significantly correlated to alliance success on the 5% significance level, it is on the 10% significance level.

There was a significant difference in alliance success between the two groups, those who had a business plan and those who had not, and the existence of a business plan therefore can be seen to influence alliance success positively.

There exists a significant positive relationship between quality of management and alliance success, and between management commitment and alliance success. The relationship between the involvement of a champion and alliance success, however, could not be proven.

There is a very strong correlation between alliance success and active marketing.

As far as similarities in partners were concerned, a positive correlation was found between alliance success and management commitment and between the similarities of the personalities on both sides.

In summary, the success factors that were supported by the hypothesis testing thus are:

1. Partner commitment;
2. Understanding (self);
3. Partner understanding;
4. Cultural sensitivity (of partner).
5. Positive partner attitude;
6. Community awareness of the twinning;
7. Business plan;
8. Quality of management;
9. Management commitment;
10. Active marketing; and
11. Similarities of the personalities on both sides.

Alliance success was also significantly positively correlated with a response of whether the advantages of a twinning outweigh the costs. This could imply that in cases where twinning success is high, the perception that the advantages outweigh the cost is also higher.

7.4.2 Recommendations at the micro level

Twinning succeeds or fails at the micro level and the findings of the primary research should be used as guidelines for the forging of twinning relationships. These include:

1. Proper partner selection is very important. The partners should be committed, show understanding and cultural sensitivity, and display an overall positive attitude. Similar personalities on both sides are also important;
2. Marketing to all stakeholders is very important to make everyone aware of the twinning;
3. As far as management is concerned, management quality and management commitment are very important success factors; and
4. Twinnings need to be supported by a well-conceived business plan spelling out objectives and plans for their achievement.

In addition, municipalities reported that the top two critical success factors were:

- Socio-economic interaction, including citizen and business involvement; and
- Economic benefits to twinning partners.

The factors mentioned above are incorporated in the conceptual process model of twinning as depicted in Figure 3.7 and it is recommended that this model be used at the micro level to increase the possibility of twinning success.

7.5 Linkages to the conceptual model of twinning

As indicated previously, the conceptual model of twinning that was developed based on the literature study and depicted in Figure 3.7, is primarily a process model on the micro level of twinning specifying the process through which alliance capability is built through learning. Although the model operates at the micro level, the process is hugely influenced by the context and content of the macro and meso levels as described in Chapters 2, 3 and 4.

7.5.1 Steps in the twinning model

The model consists of six steps and brief comments will be made on the relation of the outcomes of the research findings to the stages of the conceptual model:

Step 1. Strategise

During this first phase, the importance of a twinning strategy which contains a vision, goals/objectives, criteria for partner selection, senior management/champion involvement, capturing of learning (e.g. in the form of a filing system), as well providing capacity and structure was highlighted from the literature study. In this step, cognisance should also be taken of external influences on the macro and meso levels. The descriptive research provided further information on some of the characteristics of these issues in South Africa.

A number of these issues were highlighted for hypothesis testing. It could, for instance, not be proven that a significant relationship existed between a twinning strategy and alliance success or that champion involvement influences twinning success. Although these hypotheses could not be proven from the data that was gathered, it is recommended that this step be retained in the model and that further research be conducted to investigate the significance of the alliance strategy in alliance success in more depth.

Step 2. Identify

The importance of this step was emphasised in the literature study, and as identification of potential partners is a logical prerequisite to any relationship activity, this step in the model is essential.

Step 3. Evaluate

The literature study indicates that successful alliances are based on a thorough investigation of potential partners, which might include a due diligence and realistic feasibility study. The incidence of due diligence was therefore measured in the descriptive research. As the outcome of the research conducted leads to the next phase, partner compatibility issues will be discussed in the next section.

Step 4. Negotiate

The content and process of this step were derived from the literature study and include three distinctly different areas: partner selection, planning and conclusion of an agreement.

Only a selected few of the compatibility issues raised by the literature study were tested and it was found that partner selection is very important for success as a number of variables individually make a contribution. Relative sizes of area and population could not be tested as respondents could not provide this information but it was found that partner commitment, partner understanding, cultural sensitivity of the partner, positive partner attitude, and similarly of personalities on both sides have a significantly positive relation to alliance success.

Planning forms a very important part of the process as described from the literature study and culminates in a business plan which should contain a common vision for the specific twinning, goals and objectives, appropriate scope, role clarification, staff requirements, budgets and resources, and plans for community participation. This step is absolutely essential and a significantly positive relationship between the business plan and alliance success was demonstrated in the study.

Thirdly, an agreement needs to be concluded and signed by both parties. Almost all twinnings that were the subject of this study had a formal agreement in writing.

Step 5. Implement and learn

The literature study suggested a number of important implementation issues that could lead to alliance success and this included top management commitment on both sides, shared control/risk and rewards, regular exchange of people, active and frequent communication; community-wide participation, strong relationship building, conflict resolution, extensive alliance marketing, measurement and regular review.

A number of these issues were addressed in the hypothesis testing and it could be concluded that management commitment, quality of management, active marketing and community awareness of the twinning relate positively to alliance success. It could, however, not be proven that community involvement relates significantly to alliance success.

Step 6. Alliance capability

According to the literature study, alliance capability is built and developed through increased alliance knowledge, skills (specifically entrepreneurial skills), experience, and development of appropriate attitudes, appropriate alliance tools, appropriate alliance systems, staff, organisational structures, and training.

The hypothesis that alliance experience, which is a substantial part of alliance capability, relates positively to alliance success could not be proven in the study, but this could possibly be ascribed to the young age of South African twinnings, as well as to changes in the political management of municipalities. Experience is built up over time and most local twinnings were formed relatively recently or have been subject to changes in management.

7.5.2 Attitude

The literature study suggests that the whole process of twinning needs to be underpinned by the right attitudes for it to deliver successful outcomes. These attitudes are trust, commitment, reciprocity, understanding, cultural sensitivity, risk taking, flexibility, innovation, and entrepreneurship.

In this regard it has already been pointed out under Step 4 above that a number of these attitudes were found to be significantly positively related to alliance success.

Although all elements of the proposed conceptual twinning model could not be tested, the hypotheses that were tested and which showed significant positive relationships with alliance success indicate that the basic model can be used as a point of departure for implementation, as well as for future research and further refinement.

7.6 Contributions of the study

This study was conducted in an interdisciplinary manner and had to cover a very wide terrain as the field of the twinning of communities worldwide is highly under-researched. Various problems identified in the literature study, such as the lack of conceptual clarity of the terminology, also had to be resolved before the research problem could be adequately

addressed. Although this study could not address all the problems that the various authors have identified in the literature, this study makes a substantial contribution to the body of academic literature on the subject of twinnings and the international relations of local communities in the following ways:

- It provides a comprehensive and holistic overview of the twinnings and the international relationships of regions, communities and local governments;
- It provides conceptual clarification with regards to the terminology used to describe the twinning phenomenon worldwide, as well as clarification of related concepts;
- A conceptual model of twinning was developed in the study;
- The study provides information on the scope and extent of twinning in South Africa;
- The study identifies success factors for twinning relationships;
- The study provides empirical proof for the testing of hypotheses that were generated from the literature study; and
- The study makes concrete recommendations which could benefit communities in South Africa and Africa.

7.7 Areas where further research is indicated

Owing to the large need for research about twinning worldwide, this study touched on many issues regarding the phenomenon, but much more specialised research is needed that has not been addressed by the study. Similar comparable research also needs to be done in other countries with larger samples to substantiate the findings of this study. Some of the areas that can be identified for further research are:

- Research concerning the municipality/community dialectics raised in the study;
- Research concerning why the current MIR policy in South Africa has failed;
- Local research concerning the reasons for the weak response to the study questionnaire by South African provinces and municipalities (e.g. is this due to attitude and capacity problems?);
- Research on ways to promote and implement successful South-South twinning programmes;

- Research on the benefits of twinning in specific sectors or to specific partners. How are schools, for instance, benefiting from twinning, what are the economic impacts on tourism, what specific investment spin-offs result from twinnings, etc.;
- Research that focus on the development of a concrete measurement system of twinning success; and
- Research on the structuring, overlaps and possible synergies between international relations on different levels of government.

7.8 Conclusion

In conclusion it can be stated that twinning is a large-scale international partnering phenomenon that has the potential to result in large-scale social and economic benefits if the relationship is properly conceived and managed, and it operates within a national and global enabling environment.

Relationships revolve around people, however, and new structures and systems may be created to facilitate more effective international partnering relationships, but ultimately the quality of management and entrepreneurship at the local level will be decisive in whether local communities will derive the full benefit from this form of international "people-to-people" partnership.

Twinning can therefore play an important part in linking South African communities at the local level to others in Africa, and elsewhere across the globe, bridging the so-called "global/local" divide.

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APPENDIX A

Partnering charter

Strategic partnering agreement between company A and company B

1. Intention

The purpose of this strategic partnering agreement is to detail the underlying principles and values; the critical success factors (CSFs) and their key performance indicators (KPIs); the operational guidelines, product and service requirements and commercial considerations applying to the strategic partnering relationship between company A and company B. A "strategic partnering relationship" is not intended as a reference to a formal, legal partnership with all the associated implications.

This document, whilst binding on both parties, does not seek to focus on legal terminology or punitive requirements but rather to indicate the spirit and practice in which the two partner organisations have agreed to conduct business together in the future. The key to the interpretation and practice of this document and therefore the success of the relationship does not lie in detailed knowledge of the law but in understanding the nature and level of trust required between the partners. This is a trust based on competence, character, openness, honesty and personal friendship in working together, in good faith, as individuals and teams, to achieve common goals for mutual benefit.

2. Definitions

- "'Strategic partnering relationship" refers to ... the cooperative development of successful, long-term, strategic relationships, based on mutual trust, world-class and sustainable competitive advantage for all the partners; relationships which have a further separate and positive impact outside the partnership/alliance.
- "Team" refers to a small number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach for which they hold themselves mutually accountable.
- The "partnering team" refers to a team comprising cross-functional, highly-skilled individuals who, together with the partnering manager as team leader, are responsible for the success and well-being of the strategic partnership. The partnering team is accountable to the executive steering board.
- 'Executive steering board' refers to a small group of senior executives from each partner organisation, including the partnership manager, and whose role it is to mentor, coach and ultimate review body to the partnering team. They also provide the last internal step in the issue resolution process. (Include other legal and non-legal definitions as appropriate.)

3. Critical success factors (CSFs) and key performance indicators (KPIs)

The vision, mission and CSFs for this partnership form the partnering charter which in itself is part of this strategic partnering agreement. key performance indicators (KPIs) are the measures of performance associated with the CSFs, in determining the success or otherwise of the strategic partnering relationship. It will be the responsibility of the partnering team to develop, manage, review and modify as appropriate these KPIs on an ongoing basis. It is also recognised that these measures of performance will be a mix of hard and soft, leading and lagging indicators. The detailed KPIs shall appear as an appendix of the partnering agreement.

4. Operational guidelines

- Strategic partnering process: The process will provide the road map for managing the short, medium and longer term activities associated with the partnering relationship. This process should be detailed in an appendix. It is flexible and can be modified or adapted to the changing needs of the partners, customers and suppliers. As part of this process, a separate strategic partnering strategy and action plan will be developed by the partnering team.
- Partnering team: The partnering team is responsible for the short-, medium- and long-term management and leadership of the partnership and is accountable to the executive steering board. The partnering team will initially meet on a monthly basis at a nominated location. decisions will be made via consensus and the team will operate under agreed team dynamics.
- Partnering manager(s): As team leader of the partnering team, the partnering manager has a critical role in managing the complexity of such a relationship and has overall responsibility for its well-being. This is a senior position with the appropriate levels of authority, empowerment and career opportunity to make the strategic partnering relationship a success. The partnering manager(s) is/are to be selected jointly by the partners opposite agreed qualities and competencies.
- Communications: Communications at all times will be open, honest, timely and accurate. A communications framework or matrix will be established by the partnering team to reflect the multilevel and team-based networks that are essential for effective communications and information sharing. This framework is to be reviewed on a regular basis as agreed between the partners and the appropriate improvement actions implemented. Partnering workshops and review meetings will be held at least annually as part of the formal process of reviewing progress, sharing information, agreeing on future plans and strategies, and rewarding and recognising individual and team performance. The partnering team will meet every quarter with the executive steering board or as agreed, to review progress against the CSFs and other relevant issues associated with the strategic partnering relationship.
- Issue resolution: Every effort will be made to resolve issues proactively and promptly at the lowest and most appropriate level. In all cases a total quality, win/win approach shall be used. It is recognised however that the nature of the issue may necessitate the initiation of the issue-resolution process. This is detailed in another appendix. As a strategic partnering relationship, it is the expectation that all issues will be resolved internally to the mutual satisfaction of the partner organisations. Introducing independent facilitators and mediators, or either party taking up their legal rights under legislation or at law, is seen as a direct violation of the spirit, principles and values upon which this partnering agreement is based.

Source: Lendrum (2000)

APPENDIX B

European declaration on twinning

8th EUROPEAN CONGRESS OF TWINNED TOWNS TWINNING IN EUROPE : BEYOND EXCHANGE * ANTWERP 22 - 24 MAY 2002

FINAL DECLARATION

To this end, the elected representatives and twinning co-ordinators gathered in Antwerp expressed their wish to give twinning a new boost so that closer links can enable the citizens of Europe:

- To live together, in harmony, solidarity and mutual understanding,
- To make "the art of twinning" an instrument of bringing together the people of Europe called to live together within an enlarged Union,
- To make twinning a tool of co-operation favourable to a Europe that is concerned by the well being of its inhabitants,
- To benefit from and develop the richness and assets of the "learning cities".

Having debated these four broad themes, the representatives from the European local and regional authorities gathered in Antwerp analysed the twinning movement in order to consider the role that twinning can play in the future of Europe.

1. Living together infers the respect a mutual understanding, core values of our society which from now on are identified in the Charter of Fundamental Rights. If twinning is to make its contribution to this, it has to be particularly involved in:

- The fight against racism, xenophobia, prejudice and all forms of extremism and ignorance;
- Construction, at ground level, of a Europe that is culturally rich and respectful of its diversity;
- The definition of a European social model of reference that answers the expectations of Europeans;
- The preparation of enlargement of the European Union;
- The promotion of citizenship and local democracy on our continent;
- The inclusion of weak and less privileged populations in exchanges between twinned towns;
- A stronger mobilisation and contribution of the young and their initiation to mobility.

2. "The art of twinning", one of CEMR's core values ever since the end of the Second World War, remains an ideal way of bringing European citizens closer together. Conscious of the importance of people to people exchanges, the elected representatives and officers in charge of twinning of European local and regional authorities called on their European colleagues to:

- Recognize the role of community input and create and support voluntary structured local bodies - committees / twinning association - specifically in charge of promoting, leading and strengthening relations between two local authorities;
- Formulate exchange projects and co-operation that favours personal enhancement of those involved and benefit the general local interest;

- Create effective promotional strategies to improve the image of twinning;
- Increase participation in the networks of towns that currently exist in Europe;
- Give priority to exchange projects with the aim of increasing intercultural communication and strengthening the training of those responsible at local level in this domain.

3. Economic co-operation and sustainable development now constitute many aspects of a relationship between twinned towns. This allows the towns to exchange experience and know-how, and to increase, as key players of sustainable development, the means available to them to improve the well-being of their inhabitants. On the basis of their work, local elected representatives and twinning officers ask the representatives of European twinned towns to:

- Encourage, among key local players, co-operation within the powers of local authorities, in those fields;
- Attain the human, operational financial and cultural means to fulfil the requirements of quality and performance of the actions implemented within the framework of twinning;
- To use twinning and transnational partnerships to support local employment, and local sustainable development;
- Involved the inhabitants of the twinned towns in the activities of co-operation in these fields and promote those activities as widely as possible;
- Use twinnings as to propose models of safeguarding peace in countries -European and beyond, faced with conflicts and civil wars.

4. "The learning city" constitutes an accurate model in Europe where the citizens of all ages can aspire to education, training, apprenticeship, and the benefit of knowledge throughout their life. This concept contributes to the strengthening of values which have always formed the basis for the European model of society. In this perspective, the elected representatives and twinning officers gathered in Antwerp seek to:

- Make the educational institutions aware of the benefit of twinning, and encourage them to take part in twinning schemes with the appropriate means so that relations between the cities take on an educational dimension for the awareness of European citizenship;
- Establish at local level, the decompartmentalised practices between educational institutions in order to establish a European and intercultural appreciation in the field of youth and adult education, apprenticeship and training;
- Introduce within the activities of twinning new teaching methods in order to more effectively meet the needs of exchange participants with regards to training, education , apprenticeship and personal culture;
- Use twinning as a means of mutual learning, including within the framework of the contribution of Europe to the development and the optimisation of resources between the North and South;
- Make twinning a framework for the promotion and the education of democracy and citizenship, these being the universal values and ways of life that, if learnt and implemented on a local level, find all their force on the European level through the encounters organised between the inhabitants of twinned towns.

APPENDIX C

UN resolution on twinning

UNITED NATIONS GENERAL ASSEMBLY
Resolution 2861 (XXVI)
2861 (XXVI), Town twinning as a means of international cooperation

The General Assembly,
Considering that:

(*a*) It is a function of the United Nations to serve as the nodal point of the efforts of all peoples to achieve peace and international co-operation,
(*b*) It is necessary therefore to establish active co-operation between the Secretariat and collaborating local and regional bodies whose objectives are the same as those of the Organization.

Convinced that:

(*a*) Town twinning is an *exceptionally* valuable means of co-operation in that between countries, it brings into contact not only local leaders but also whole populations,
(*b*) If carried out between towns in industrialized countries and those in developing countries, twinning affords, in addition to the intellectual and spiritual enrichment of those parties to it, technical and material support for growing towns which is sometimes considerable and can be brought to bear without administrative expenditure and without detriment to the sense of equality between the partners,
(c) The international co-operation of local bodies can play an important role in bringing peoples together,

Recalling:

(*a)* Economic and Social Council resolution 1028 (XXXVII) of 13 August 1964, in which the Council considered town twinning as one of the means of co-operation that should be encouraged by the International Organization,
(*b)* General Assembly resolution 2058 (XX) of 16 December 1965 in which the Assembly requested the Economic and Social Council, in collaboration with the appropriate non-governmental organizations in consultative status, to prepare a programme of measures through which the United Nations and the United Nations Educational, Scientific and Cultural Organization might take concrete steps to encourage further the achievement of the largest possible number of twinned towns,
(c) Economic and Social Council resolution 1217 (XLII) of 1 June 1967, in which the Council considered that there are non-governmental organizations in consultative status which can assist in promoting town twinning as a means of co-operation and recommended that the United Nations Development Programme bear in mind the experiences of those non-governmental organizations when arranging for the implementation of such projects,

Noting that:

(*a)* Member States support the principle of international co-operation between local bodies, and that the twinning already undertaken throughout the world has had positive results,
(*b)* The United Towns Organization, a non-governmental organization in consultative status, in category I, with the Economic and Social Council and in consultative status, in category A, with the United Nations Eeducational, Scientific and Cultural Organization, has acquired unquestionable competence

in the field of twinning co-operation, was expressly described by the Fifteenth General Conference of the United Nations Educational, Scientific and Cultural Organization, in its resolution 9.11 of 15 November 1968 on peace, as an instrumentality which mobilizes public support in communes for understanding and international co-operation, and has been recognized by a number of States as serving the public interest,

(c) The resources available to the United Towns Organization for the implementation of such twinning are not commensurate with the corresponding needs,

1. *Considers* that world cooperation between municipalities is a natural complement to co-operation between States and intergovernmental organizations;

2. *Invites* the Secretary-General:

(*a)* To study, in liaison with the United Towns Organization and those non-governmental organizations whose orientation is essentially communal and municipal with the same universalist character and having the same objectives, the means by which the United Nations and its specialized agencies can contribute effectively to the development of international cooperation between municipalities;

(*b)* To study any suggestions for world co-operation between municipalities;

3. *Requests* the Secretary-General to report to the Economic and Social Council at its fifty-fourth session on the results of the measures taken by him, pursuant to the present resolution, to revitalize methods of co-operation and facilitate the participation of local and regional bodies in development.

2027th plenary meeting,
20 December 1971.

APPENDIX D

Memorandum of understanding

Memorandum of Understanding for Technical Cooperation Between:

Municipality of Vidin, Bulgaria
and
City of West Carrollton, OH, USA

I. THE BULGARIAN TECHNICAL TWINNING/RESOURCE CITIES PROGRAM:

The Bulgarian Technical Twinning/Resource Cities Program (the Program) is sponsored by the Foundation for Local Government Reform (FLGR) and International City/County Management Association (ICMA) with funding provided by the United States Agency for International Development (USAID). The goals of the Program are to assist local governments to strengthen municipal management, improve the delivery of public services and encourage democratic participation by their citizens.

II. PARTIES TO AGREEMENT:

The Parties to this agreement are:

A. Municipality of Vidin, Bulgaria (Bulgarian Partner City)
B. City of West Carrollton, OH (USA Partner City)
C. Foundation for Local Government Reform - (Co-Sponsor - Facilitator)
D. International City/County Management Association - (Co-Sponsor - Facilitator)

III. THE TECHNICAL EXCHANGE PARTNERSHIPS:

WHEREAS, the Municipality of Vidin and the City of West Carrollton have reviewed the goals of the Bulgarian Technical Twinning/Resource Cities Program and have indicated their desire to form partnerships for an exchange of technical information, management practices, and technical expertise regarding:

- Local Economic Development and
- Green Areas Development

as primary areas of cooperation.

The two partner cities also recognize potential opportunities for exchange of experience in the field of:

- Consulting Services on As Needed Basis,
- Establishment of Partnerships between NGOs and Youth Organizations,
- Business Twinning Efforts with Special Regard to Tourism,
- Education, Culture and Drug Prevention

as secondary areas of cooperation, and

WHEREAS, each partner is committed to pursuing opportunities to build linkages for, and actively engage a broad array of participants, including citizens, community-based and cultural organizations, and the private sector within the framework of municipal activities, in the exchange of municipal development expertise; and

WHEREAS, each partner seeks to promote enhanced public management and private enterprise development by maintaining efficient systems that provide an equitable level of opportunity to all of their citizens; and

WHEREAS, each partner has recognized the need for, and is committed to, sustaining the exchange of information and expertise after the Bulgarian Technical Twinning/Resource Cities Program has formally concluded.

NOW, THEREFORE, Let it be agreed: that the Municipality of Vidin and the City of West Carrollton having identified general areas of technical assistance and exchange which meet their needs and the criteria of the Bulgarian Technical Twinning/Resource Cities Program, will work cooperatively to develop and carry out the specific action plan to be set forth, and approved by both cities after the Vidin delegation visit to the City of West Carrollton.

This Memorandum of Understanding will promote not only a commitment to the technical exchange of expertise, but a relationship bond between the Municipality of Vidin and the City of West Carrollton.

IV. FLGR/ICMA - USAID SUPPORT:

FLGR/ICMA agree to assist the Partners to carry out the technical exchange by providing program guidance, assistance in the development of the Action Plan, liaison with USAID, funding for approved travel and other support cost to be determined.

V. REPORTING:

The Partners agree to complete the following: an Action Plan, trip reports, and technical updates during implementation. In addition, the Partners agree to share their experience at a final seminar in Bulgaria at the end of the period of FLGR/ICMA - USAID financial support.

Mr. Ivan Tzenov Mayor Municipality of Vidin	Mr. Tracy Williams City Manager City of West Carrollton
Ms. Ina Raicheva Program Coordinator FLGR	Ms. Judit Deilinger Partnership Manager ICMA

Agreed this 2-nd day of March, 2001, Vidin, Bulgaria

The alliance agreement outline

Section	Description
Opening paragraph	The opening paragraph should state the legal names of the parties entering into the alliance agreement. It should also identify the agreed-to execution date of the agreement.
1. Background	The background statement should clearly state the intent of the alliance agreement. It is advisable to state the intent of the alliance agreement from more than one viewpoint. The more specific the statement describes the intent of the alliance agreement, the less chance there is to dispute the intent in the future.
2. Definitions	“Agreement date” represents the official date of the execution of the document. “Products and services” describe in detail the products and services involved in the alliance agreement. These two are critical items, because the next item - "proprietary information" -builds on the detailed description of the products and services and identifies how each party can ascertain the nature of what is "proprietary".
3. Authorization.	In this section, the two parties come to agreement on several items. The first item is usually an agreement on the authority to use each other's names. This authority can be given for internal communications, for external marketing programs, or for external sales-related activities. Usually, the authority granted to use each other's name is governed by communications standards provided by each partner and is subject to the terms of the overall agreement. Another item covered in "Authorization" is the subject of exclusivity. The parties in the agreement can enter into one of three types of arrangements - exclusive, preferred, or general - depending upon the business need and the competitive environment. A third item, which is very important, is the subject of contracting with customers. This section provides the language that covers how each party in the agreement will work with the other when contracting with customers.
4. Services and responsibilities of company A	Here the specific services and responsibilities of company A is described.
5. Services and responsibilities of company B	Here the specific services and responsibilities of company B is described.
6. Services and responsibilities of both parties	There are several items that need to be covered under services and responsibilities of both parties. The sharing of pertinent market information should be included, as well as the process to communicate this information on a timely basis. In addition, new product information and other pertinent events should be shared as they occur. The development of a joint business plan is a solid example of a joint responsibility. This section should detail how the joint business plan should be developed, what it should contain, and the goals of the plan. The parties should also agree on how often the business plan should be reviewed and modified, and how the business plan should be communicated throughout each other's organizations.

7. Representations, warranties, disclaimers, and limitations	The representations and warranties section represents and warrants that each party has the right and power to enter into the agreement. It also ensures that entering this agreement does not violate the terms and conditions of other agreements. It also provides for each party to warrant that the information provided does not infringe upon any proprietary. This section also covers limits of liability. This is especially important for alliance partners as they join forces to jointly sell solutions to the marketplace. Frequently, liability is limited to direct damages, lost profits, and other damages to a specific level. The exceptions are for breach of confidentiality, unauthorized use of proprietary or confidential information, death or personal injury due to negligence or willful misconduct, and other related events and actions.
8. Term and termination This section usually covers four main items.	The first item is the initial term of the agreement. The initial term commences on the agreement date, or agreed-to execution date (see opening paragraph). The initial term expires on an agreed-to date, frequently on a yearly anniversary (one year, two years, etc.) of the agreement date. It is not uncommon to have the term of an alliance agreement run five years or longer. The second item to be covered in this section is the renewal term. Usually there is a period of time preceding the expiration date (say thirty days) during which the two parties will decide to renew or terminate the alliance agreement. Renewal can depend upon the success in attaining the goals in the joint business plan or upon the continued potential value of the alliance partnership. Some alliance agreements call for expiration of the agreement unless the two parties agree to renew the agreement. Other alliance agreements call for the reverse -automatic renewal of the alliance agreement unless the two parties agree to review potential expiration or termination of the agreement. Either approach will work, depending upon the business needs of the companies and the past practice of their legal departments. The third item covered is termination of the agreement. One area that must be included in the agreement is termination due to cause or material breach of the agreement. Frequently, one company will give the other company a period of time (thirty, sixty, or even ninety days) to fix the material breach before exercising the termination option. This notice to fix a material breach is almost always done in writing. Another cause for termination is the material change of the company. Mergers, acquisitions, investments into each other and into competing companies and substantial asset sales are all material changes to a company. Sometimes, after a merger or acquisition, a company will "assign" alliance agreements to the new corporate entity. However, when the new entity takes on a different corporate identity and or its mission is not aligned with the old company's identity and mission, it may significantly alter the value of the alliance relationship and agreement. Beyond the events mentioned above, there is usually an exit clause that allows either party to terminate the agreement without cause. There is normally a lengthy written notice clause attached to this clause (90 to 120 days) to protect one company from the other's actions. The fourth item is the terms covering the effect of expiration of the agreement or termination. The wording in this item usually calls for the cessation of all joint marketing and advertising, in addition to any activities that suggest a continuing relationship under the agreement.

	The return of materials furnished to each party is also covered in this item. Under these terms, there are usually clauses that protect the alliance relationship on an ongoing basis when customers are involved.
9. Relationship of parties	There are a few items in this section that are critical to how the two parties behave in the marketplace. The first item covers whether the two parties are "business partners" or "independent contractors." Business partners have the right to either represent or commit to the performance or delivery by the other party. There are tight restrictions that usually govern this behaviour (e.g., schedule of rates for agreed-to products and services). Independent contractors do not have the right to represent or commit the other party. Sometimes, there is language that governs the use of the words "partner" and "joint venture," which may indicate the authority to commit the other party. The second item builds on the first item and refers to distribution rights. Frequently, this section of the alliance agreement covers the issue of pricing with customers. The two parties can either agree to negotiate pricing with customers for each other (again on a mutually agreed-to schedule of rates for defined products and services) or specify that each party has the sole responsibility to negotiate their own pricing.
10. Intellectual property rights	The protection of trademarks, service marks, and logos could be critical to the protection of the intellectual content behind these items. Frequently, authority is granted to use certain items that are involved with co-marketing or joint advertising of products and services. There is usually a clause that calls for written permission to use each other's trademarks, service marks, or logos beyond the identified boundaries described in this section. There is also language in this section that should cover the joint creation of new intellectual property that relies on existing intellectual property owned by either or both parties. This language should consider this intellectual property as "confidential or proprietary information."
11. Confidentiality of proprietary information	In some cases, this task may be easy, when one or both companies provide lists of specific products or materials identified as "confidential information." In other cases, this task may not be so easy. There should be language that refers to materials that are reasonably understood to be confidential. The more specific the two parties can be, the better for the agreement and the alliance. The two parties need to agree on language that acknowledges receipt of the specified information and agree not to publish, copy, or disclose the confidential information outside the boundaries of the alliance agreement (e.g., outside joint customer needs.) The issue surrounding confidential information is serious. Once the two parties agree on what constitutes "confidential information," each company should be proactive in communicating this information to all involved, including providing instructions on how to handle this information when an individual comes in contact with it or receives it.

12. General provisions	There are several items that need to be included in an alliance agreement that do not fall into sections 1 through 11. The following items are meant to be representative and not all-inclusive. • The first item is non-solicitation. Most of the time, alliance partners agree that personnel working directly or indirectly with each other under an alliance agreement will not be recruited or "solicited" for employment by the other party. • The second item involves notices. Notices are official exchanges of information that are intended to change, modify, terminate, or extend the alliance agreement. For this item, the parties agree to exchange notices in writing, and to specify to whom and at what address such notices are to be sent. • The third item is governing law, where the companies usually agree that the laws of a specific country will govern the agreement. • The fourth item is alternative dispute resolution. The two parties can agree on almost any combination of dispute resolution that is legal and which is acceptable to both parties. • The fifth item is amendments. Simply put, modifications to the agreement are usually not acceptable unless they are in writing and signed by both parties. • The sixth general provision item is severability. If any item is found to be invalid, the item will be considered severed from the agreement. All other items and provisions would then be interpreted using the "intent" of the parties for the agreement. • The seventh item, non-assignment, means that alliance agreements cannot be assigned or transferred to a third party without the written agreement of the other company. • The eighth item is waiver. The failure of either party to enforce the terms and conditions of any part of the agreement is usually not construed as a waiver of the future performance of the terms and conditions. • The ninth item in the general provisions is limitation on damages. • The tenth item is publicity and press releases. For the most part, most alliance agreements call for the two parties to agree on publishing advertising or press releases only with the prior written approval of the other party.
13. Signatures	Every alliance agreement has to be signed to be effective. Signatures must be from individuals that have the specific authority to execute agreements on behalf of companies..
14. Attachments	Attachments to alliance agreements are usually reserved for specific, detailed procedures governing one or more of the items in the agreement.

Source: Adapted from Kuglin and Hook (2002)

APPENDIX E

Twinning agreements (South Africa)

Simple agreements

Agreement of Establishment of Sister City Relationship between The City of Port Elizabeth, Republic of South Africa and The City of Jacksonville, United States of America

In accordance with the basic principles of the Communique which established diplomatic relations between the Republic of South Africa and the United States of America, officials of the City of Port Elizabeth, East Cape Province, in the Republic of South Africa, and the City of Jacksonville, the State of Florida, the United States of America, have approved a resolution to establish a sister-city relationship in order to intensify the exchange and the cooperation between the two cities, to contribute to the flourishing of both cities, and to promote mutual understanding and friendship between the people of the two cities.

Based on the new links of friendship, the cities of Port Elizabeth and Jacksonville will, on the principle of equality and mutual benefit, support exchanges and cooperation in the fields of economy, trade, culture, education, science and technology, as well as other fields of mutual interest, in manifold ways. This includes communication between leading personalities of the cities of Port Elizabeth and Jacksonville, to take place according to the requirements in order to facilitate consultations on concrete matters of the exchange and cooperation of both cities.

The present agreement has been signed on the 24th day of February 2000, in Jacksonville, Florida, U.S.A. and Port Elizabeth, Republic of South Africa taking effect on the date of signing.

Agreement on Friendship and Co-Operation entered into by and between Boland District Municipality and the Regional Council of the Kalmar County

Herein represented by CLARENCE WILLIAM JOHNSON (ID.NO.5510125081086) duly authorized thereto in his capacity as Executive Mayor of the Boland District Municipality; in terms of a resolution taken by the Executive Mayor together with the Mayoral Committee at Item C.11.1.1 on 19 February 2004; AND

Herein represented by ANDERS AKESSON (ID. NO. 5811282978) duly authorized thereto in his capacity as Executive Mayor of the Regional Council of the Kalmar COUNTY, Sweden, in terms of a resolution taken by the board of the Regional Council at its meeting on 29 April 2004.

DRIVEN by the desire for the strengthening and multilateral development of economic, social, human resource development, education, trade, scientific, cultural relations; etc.
ASSURED in the belief that firm and friendly relations between the two local government entities will help in the mutual understanding between the District Municipality and the Regional Council AND bearing in mind that the Boland District Municipality and Region of Kalmar County constitute two local government entities of independent states, the parties hereby agree to the following:

CLAUSE 1
The strengthening of friendly relations and co-operation that aims to improve knowledge between the citizens of the respective local government entities.

CLAUSE 2
The exchange of experience and knowledge on the following levels of local government administration e.g., institutional transformation and change management.

CLAUSE 3
The development of co-operation on the levels of economic development and tourism .This will focus on encouraging co-operation between the business community, especially medium and small-size businesses of both local government entities.

CLAUSE 4
The two local authorities will co-operate on the level of social development, education and health with the view to alleviate poverty and having a pro-poor biased.

CLAUSE 5
The co-operation between the two local authorities will be based on future programmes, projects and joint activities that will be agreed upon based on mutual interest. These activities will target marginalized groupings e.g. youth, women, rural dwellers, disabled persons and persons living with HIV/AIDS.

Complex agreement with funding

CONTRACT of PARTNERSHIP
between
The Municipality of the City of Goteborg
("Göteborg")
and
The Municipality of the City of Port Elizabeth
("Port Elizabeth")

BACKGROUND

In furtherance of Sweden's support for the establishment and continuous development of democracy in South Africa, the Municipalities of Göteborg in Sweden and Port Elizabeth in South Africa have agreed to work closely together to establish a mutually beneficial partnership between the two cities that promotes economic growth, economic and social equality, economic and political independence, democratic development, environmental protection and gender equality

The two cities have agreed that the partnership shall be for the period 22 November 1999 to 31 December 2002 and that further co-operation shall depend on results achieved and the availability of resources.

The Swedish International Development Co-operation Agency ("Sida") has confirmed that it is willing to assist in developing a sustainable, mutually beneficial relationship between the two cities by playing a facilitating role and by making finance available for Goteborg and Port Elizabeth.

NOW THEREFORE IT IS AGREED SIDA TO PROVIDE FUNDING FOR SIDA APPROVED PROGRAM

1 Goteborg and Port Elizabeth record that in promotion of the partnership between Goteborg and Port Elizabeth, Sida has confirmed its willingness to make available during the period 22 November 1999 to 31 December 2002, not more than

1.1 SEK 5.200.000 for Goteborg; and
1.2 SEK 2.500.000 for Port Elizabeth
to fund a Sida approved program, a draft copy of which program is annexed marked A1 with clearly identified priorities that promotes in Port Elizabeth:
1.2.1 economic growth
1.2.2 economic and social equality
1.2.3 economic and political independence
1.2.4 democratic development
1.2.5 sustainable development
1.2.6 gender equality
1.3 SEK 300.000 to fund unforeseen needs
upon terms and conditions that Sida will record in correspondence with Goteborg and Port Elizabeth.

MANAGEMENT COMMITTEE ESTABLISHMENT

Goteborg and Port Elizabeth shall establish a Management Committee to manage the fund as they become available and to drive the program.
The Management Committee shall consist of two to three members from each City The Management Committee shall meet at least once every six months.

Each city shall appoint, from its members of the Management Committee a project leader to be the local focal point for steering and managing the work of the Management Committee and implementing the program.

TOP PRIORITY TASK: A SIDA APPROVED PROGRAM

5.1 The first task and top priority of the Management Committee shall be to adopt the draft program, amplified as needs be referred to in Clause 1.
5.2 The program (and any subsequent programs) shall be drawn up in a practical way setting out proposed activities and plainly recording goals and objectives.
5.3 All goals and objectives must be measurable to make evaluation easy.

TOP PRIORITY TASK: A SIDA APPROVED BUDGET

At the same time that the Management Committee adopts the program (Annexure "A1") the Management Committee shall adopt the Sida approved budget set out in Annexure"A2", which generally follows these guidelines:

6.1 Working visits will mainly be made by civil servants, and to a lesser extent, by elected officials. Working visits and consultancies shall always be undertaken for the purpose of promoting the goals and objectives of the partnership and according to the partnership program.
6.2 Budget lines for working visits should allow for six to ten visits per 12 - month period comprising a total of 18 to 22 working weeks in each direction.

6.3 Budget lines for consultancies are all intended for the benefit of the partnership cooperation between Port Elizabeth and Goteborg. They include fees and all other relevant costs. They should allow for approximately four or five consultants during one month each, procured by Goteborg and approximately two or three local consultants during one month each, procured by Port Elizabeth.

6.4 Costs for working visits, consultancies and fees for consultants should be kept at economically sound levels.

6.5 While it is hoped that the partnership will be mutually beneficial to both parties, the benefit in terms of development will be mainly focused on Port Elizabeth at the initial stage of the cooperation. These initial costs (e.g. costs of workshops to be held in South Africa, coordination and operational costs) shall be apportioned between Goteborg and Port Elizabeth by the Management Committee in terms of guidelines to be adopted by the Management Committee. Sida shall pay such costs to Goteborg and thereafter Goteborg will administer the cost of handling.

MANAGEMENT COMMITTEE: RESPONSIBILITY AND FUNCTIONS

7.1 The Management Committee shall be responsible for:

7.1.1 budgeting
7.1.2 authorising expenditure
7.1.3 setting goals
7.1.4 putting in place a time table of activities for co-operation
7.1.5 reporting in terms of Clause 9

7.2 The functions of the Management Committee shall include:

7.2.1 setting goals for co-operation
7.2.2 developing principles to guide co-operation
7.2.3 developing systems to implement the program
7.2.4 defining priorities
7.2.5 allocating funds
7.2.6 monitoring and reviewing co-operation
7.2.7 monitoring and reviewing expenditure
7.2.8 facilitating co-operation within and between sectors
7.2.9 facilitating the identification of projects
7.2.10 facilitating the source of funds for projects

Goteborg shall make available for the work to be undertaken, Goteborg's own experts and resources at no or nominal cost. An exception shall be made for personnel specifically appointed for the co-ordination and administration of the partnership program. The base of the Goteborg City Administration works for free. Consultants and Specialists shall be paid at nominal costs.

REPORTING OBLIGATIONS

9.1 Goteborg and Port Elizabeth shall plan, implement and report to Sida on the partnership with Port Elizabeth and specifically on the progress of the partnership program,

9.2 Goteborg and Port Elizabeth shall, in cooperation, prepare annual reports including financial and a narrative part. The first report shall cover activities up to December 31 1999 and shall be submitted to Sida by 15

February 2000. The following reports shall cover the following calendar year. The reports shall be submitted to Sida no later than February 15, 2000 and 2001 and 2002.

9.3 The financial part of the reports shall describe how the contribution from Sida has been used. The report shall also show against which budget line expenditures were made and compare original estimates against actual costs. Goteborgs's and Port Elizabeth's expenditures shall be presented separately. Accrued interest shall also be accounted for Accrued interest may be utilized for partnership activities.

9.4 The narrative part of the report shall present performed activities and obtained results and compare these to outlined objectives and goals. It shall be analytical in approach, include a presentation of difficulties and shortcomings, and a discussion of possible remedies. It shall highlight different viewpoints from Goteborg's and Port Elizabeth's perspectives.

The reports for 1999, 2000, 2001 and 2002 shall also present a plan of activities. Plans of activities shall be included in every annual report. For the period from 22 November 1999 to 15 February 2000 Goteborg and Port Elizabeth shall submit a work plan and budget as soon as this contract has been signed by the parties.
The financial part of the final report submitted by February 15, 2003 shall include financial statements, separate for Goteborg and Port Elizabeth, for the total period 1999 - 2002. Such statements shall be audited by a Chartered Accountant in accordance with internationally accepted audit standards. The accountant shall be external and independent.
Goteborg and Port Elizabeth undertake to provide Sida with any information on the partnership and on the use of Sida's contribution which Sida may request in addition to information contained in the reports specified above.

Audited accounts and other relevant documentation shall be kept for ten years.

EVALUATION

At the beginning of 2002 Sida will assess the results of the partnership and decide on possible continuation of support. However, Sida's intention is that the support shall be phased out and substituted by municipal resources and/or contributions resulting from commercial, cultural, or other, interactions.

AUDIT

The project shall be audited annually. The audits shall be carried out by an independent and qualified auditor (e.g. Auditor General. Certified Public Accountant, Chartered Accountant) in accordance with generally accepted international standards on auditing.
The audit report shall certify whether submitted financial reports are correct and give a true and fair view of the administration for the Project in accordance with generally accepted international accounting standards.
The audit report shall comment on the management and the internal control system of the Project
Either party shall have the right to terminate this contract after three (3) months written notice to the other party. If this happens, both parties shall stop escalation of the project and try to minimise damage to all interested parties.

APPENDIX F

The research questionnaire

QUESTIONNAIRE NO 1: THE LOCAL AUTHORITY

To be completed by the Municipal Manager or person who is responsible for international relations and/or twinning activities in your municipality.

District/local municipality name: _____ Demarcation number: _____

Name of person completing: _____ Date: _____

Are there any international linkages or twinnings by your district or local authority with international partners? By international linkages or twinnings we mean "*formal relationships* ***between your municipality/community or a part thereof, and international partner districts/cities/towns".***

Yes	No

If "yes" proceed, if "no" please indicate so above and return this page in the enclosed pre-paid envelope.

Questions (please mark appropriate choices clearly):

1.1 What is the size of your authority area (in km2)?	Km2
1.2 Number of inhabitants?	
1.3 Name of person responsible for twinning issues?	
1.4 Since what year has this person been responsible for twinnings?	
1.5 His/her telephone no?	
1.6 His/her e-mail address?	
1.7 How long has the dominant political grouping/council been in office?	Years

1.8 Does your authority have a written linking or twinning strategy? **(if so, please attach a copy thereof)**	Yes	No

If "yes" in 1.8, which of the following is covered in it, and to what extent?

	Not at all	**To some extent**	**Fully**
1.9 Vision			
1.10 Goals			
1.11 Criteria for partner selection			
1.12 Provisions for capturing alliance knowledge			

1.13 If "yes" in 1.8, to what degree is this strategy integrated with your Integrated Development plan(IDP)?

Totally separate _____ Fully integrated

1 2 3 4 5 6 7

1.14 Who are the main drivers of links or twinnings in your authority? **(please tick one or more)**	• Community members	
	• Municipal officials	
	• Politicians	
	• Other (please explain)	

1.15 How would you describe the section responsible for managing the linkages of your authority? **(please tick one box)**

- A dedicated fulltime function ☐
- A part-time function ☐
- No function (not structured) ☐
- Function outsourced ☐
- Other (please specify) ☐

1.16 How many persons are employed in this function and work with twinnings? _____ persons

Please indicate the degree to which you:	**Not at all**	**To some extent**	**Fully**
1.17 Have a linking methodology process in place (e.g. for partner search, evaluation, screening and selection)?			
1.18 Provide relevant training for your staff responsible for linkages?			
1.19 Have a separate filing/archiving system in place for international relations and twinnings?			

1.20 How many areas/cities/towns are twinned with your authority? ☐

1.21 How many agreements are there where more than two places are involved? ☐

1.22 Please list any international municipal links besides twinnings, by your authority? (e.g. membership of municipal networks)?

_____
_____
_____
_____
_____
_____
_____
_____
_____

1.23 In which year was your first linkage/twinning concluded? ☐

1.24 What cities/towns are linked/twinned with which overseas partners? (Note: District Municipalities to list only twinnings at their level. Indicate partner region/city/town and country please. Also indicate with "yes" or "no" in the last column if a written agreement or twinning oath exists.)

Local area		**Partner district/city/town**	**Country**	**Agree-ment/ Oath?**
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			

	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			
	with			

1.25 Which further twinnings are planned or are currently in progress?

Local area		Partner district/city/town	Country
	with		
	with		
	with		
	with		
	with		
	with		
	with		
	with		
	with		

1.26 Please list the most important critical success factors in order of priority, in your opinion, for linkages or twinnings. Also indicate (**by marking the relevant blocks**) how you rate your own relationships on these factors.

Critical success factors	Do not meet	Meet partially	Meet fully
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Please copy and complete a separate version of Questionnaire 2 <u>for each linkage or twinning</u> where an agreement or oath exists in writing.

Please complete one of these forms for each formal linkage/twinning.

QUESTIONNAIRE NO 2: THE RELATIONSHIP/TWINNING

Your demarcation number: _____

Part 1: Details about the partner/twinned district, city/town/community

Relationship between : _____ in South Africa and:

1.1 Country?		
1.2 Name of partner district/city/town?		
1.3 Number of inhabitants?		Persons
1.4 What is the size of the partner area (in km2)?		Km2
1.5 Are your capabilities complemented or duplicated by this partner?	Complemented	Duplicated

1.6 Is this relationship/twinning essentially between: (**please mark one**):

• Municipality and Municipality;	
• Community and Community; or	
• Municipality and Community, and Municipality and Community	

Please indicate how similar or different characteristics of the partner are to the South African counterpart area *(where a 1 stands for totally different and a 5 for totally similar):*

	Totally different		*Neutral*		*Totally similar*
1.7 Main languages spoken	1	2	3	4	5
1.8 Main religion (s)	1	2	3	4	5
1.9 The geographic terrain of the two areas?	1	2	3	4	5
1.10 The historical background of the two areas?	1	2	3	4	5
1.11 Places of interest/facilities/amenities of the two areas?	1	2	3	4	5
1.12 Educational facilities of the two areas?	1	2	3	4	5
1.13 Organizations, associations, societies in the two areas?	1	2	3	4	5
1.14 Key industries in the two areas?	1	2	3	4	5
1.15 The mother country culture of the two areas?	1	2	3	4	5
1.16 The community value system of the two areas?	1	2	3	4	5
1.17 The goals for twinning	1	2	3	4	5
1.18 The expectations of the outcomes of the twinning	1	2	3	4	5
1.19 The commitment of management	1	2	3	4	5
1.20 The strengths and weaknesses of the two areas	1	2	3	4	5
1.21 Personalities involved on both sides in the twinning	1	2	3	4	5

Part 2: The linking or twinning process

(**please tick one**)

2.1 Who initiated the twinning?	Your Province	or	The Partner	or	Other
(**please tick one**) 2.2 Who initiated the twinning?	Government structure	or	Community structure	or	Other
(**please tick one**) 2.3 Who initiated the twinning?	Politicians	or	Officials	or	Other

2.4 List the most important reasons for entering into the linking/twinning agreement? *(in order of importance):*

1.
2.
3.
4.
5.
6.
7.

2.5 Please indicate the importance of your objectives in the areas indicated below in your twinning *(1 is not important , whereas 5 is very important):*

	Not important		*Neutral*		*Very important*
• International understanding	1	2	3	4	5
• Culture	1	2	3	4	5
• Education	1	2	3	4	5
• Tourism	1	2	3	4	5
• Trade	1	2	3	4	5
• Investment	1	2	3	4	5
• Other (please specify)	1	2	3	4	5

2.6 Was a due diligence study conducted to ensure the strategic fit of the twinning? | Yes | No |

2.7 If the agreement was concluded before December 2000, has the newly demarcated Municipality ratified the twinning? | Yes | No | No decision |

2.8 At which location was the agreement signed? | |

2.9 How long was the time period since first contact to conclusion of the agreement? (*in years*) | Years |

2.10 How much in total (*Rands*) was spent by yourselves to enter into and conclude the agreement? | R |

2.11 How many visits did it entail? | |

2.12 How many separate people went on these visits? | |

2.13 Who are the main role-players involved in the linking/twinning agreement or sister city committee in your area/city/town and what are their main roles and responsibilities? (*e.g. local authority, non governmental organizations, community based organizations, private sector, academia, schools, national associations of local authorities, development organizations, etc):*

Role-player description	**Main role & Responsibility**
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	

2.14 Did you check with Foreign Affairs what the content of national bilateral agreements with the mother country were prior to entering into the relationship?

Yes	No	Unknown

2.15 Please indicate who assisted you with the twinning? *(please mark one or more):*

- Municipal International Relations (MIR) Coordinating Committee ☐
- Your Premiere's Office ☐
- Department of Provincial and Local Government (DPLG) ☐
- Provincial department of Provincial and Local Government ☐
- Department of Foreign Affairs ☐
- South African Local Government Association (SALGA) ☐
- Consultant ☐
- Aid organisations ☐
- Professional associations ☐
- None ☐
- Other (please specify) ☐

2.16 How strong are the following attitudes displayed by yourself and your partner in the relationship? *(please indicate on the following scale where 1 is non-existent and 5 very strong):*

Attitude	Your authority					Partner				
• Trust	1	2	3	4	5	1	2	3	4	5
• Commitment	1	2	3	4	5	1	2	3	4	5
• Reciprocity	1	2	3	4	5	1	2	3	4	5
• Understanding	1	2	3	4	5	1	2	3	4	5
• Cultural sensitivity	1	2	3	4	5	1	2	3	4	5
• Risk taking	1	2	3	4	5	1	2	3	4	5
• Flexibility	1	2	3	4	5	1	2	3	4	5

Part 3: The relationship agreement

3.1 Is the agreement or twinning oath in writing?

Yes	No

3.2 How can the relationship best be described? *(please mark one):*

- Informal communication and correspondence. ☐
- An exchange of notes (written correspondence on official letter heads). ☐
- A written memorandum of understanding. ☐
- A written letter of intent to enter into serious agreements w.r.t specific projects/programmes. ☐
- A traditional Sister City agreement establishing friendship and cultural ties. ☐
- A more formal twinning agreement listing specific areas of cooperation, objectives and programmes. ☐
- Other (please specify) ☐

3.3 Date on which the agreement was signed? ☐

3.4 What is the duration of the agreement? (*in years*) ☐ Years

3.6 How can the state of the relationship be best described? *(please mark one):*

• Dead	
• Defunct	
• Need to immediately jumpstart or will be defunct	
• Declining	
• Never got of the ground	
• Stagnant and living of past performance	
• Cruising and unsure where the future will take us	
• New programme	
• Increasing levels of commitment and performance	
• Robust (expanding and improving)	
• Outstanding	

3.7 What categories of activities does this twinning focus on *(please mark more than one if appropriate):*

Category	**Area of involvement**	***Please mark with X***
Friendship and cultural ties	• Symbolic exchange	
	• Citizen participation	
Exchange	• Exchange of information and expertise	
	• Exchange of officials	
	• Exchange of politicians	
	• Exchange of teaching institutions' staff	
	• International exchange programmes	
	• Youth exchange initiatives	
	• Other exchanges	
Municipal governance issues	• Government institutions	
	• Legislation	
	• Management practices	
	• Municipal council issues	
	• Municipal finance and budget	
	• Municipal property	
	• Strategic planning	
	• Urban renewal	
Municipal services	• Electrical supply	
	• Fire fighting services	
	• Infrastructure and services	
	• Other municipal services	
	• Security/ disaster management	
	• Waste management	
Economic development	• Agriculture	
	• Business/Industry	
	• Employment	
	• Other economic development	
	• Regional development	
	• Tourism	
	• Transport	

Community development	• Arts and culture	
	• Education and culture	
	• Health care	
	• NGO's	
	• Science and technology	
	• Social care	
	• Sport	
Natural environment	• Environment	
	• Conservation	
	• Other	
Infrastructure and housing	• Construction	
	• Information technologies	
	• Infrastructure	
	• Housing/ shelter	

Please list Other (if any):

	•	
	•	
	•	
	•	
	•	
	•	

How specific are the following issues covered in the signed agreement or oath?	**Not at all**	**To a certain extent**	**Very specific**
3.8 Communication processes?			
3.9 Arbitration procedures?			
3.10 Penalty clauses?			
3.11 Divorce conditions?			

Please indicate to what extent the agreement or oath complies with the statements below:	**Not at all**	**Partially**	**Fully**
3.12 Focuses on individual ***and*** mutual needs and benefits of the parties?			
3.13 Spells out explicit, measurable shared goals and objectives?			
3.14 Reflects a high amount of mutual trust?			
3.15 Couples investment and rewards with performance?			
3.16 Clearly defines roles and responsibilities?			
3.17 Has a clear and common vision?			
3.18 Contain shared risks and rewards?			
3.19 Allows shared control?			
3.20 Makes provision for partner accountability?			
3.21 Reflects solid support & involvement from local government ***and*** the business sector?			

Part 4: Management of the linkage/twinning

4.1 Is there a written business plan in place which spells out the twinning programmes and activities for the agreement?

Yes	No

4.2 How frequently is contact made, by whom, and in what way?

Person/institution?	**Frequency?** (e.g. daily, weekly, monthly annually, etc)	**Method?** (e.g. visits, telephone, fax, letter, e-mail, etc)
• Mayor		
• Councillors		
• Chambers of Commerce		
• Business community		
• NGOs and civil society organizations		
• Schools		
• Other (please specify)		

_____
_____
_____
_____

4.3 In your estimation, what percentage of inhabitants in your area know about the agreement and its content?

%

4.4 Which statement best describes the management structure of the twinning?

- No structure ☐
- Loose association (without formal structure) ☐
- Sister City association ☐
- City commission (appointed by mayor) ☐
- Corporation (separate legal entity). ☐
- Other (*please specify*) ☐

_____

4.5 Is there a senior person or champion driving the twinning on your side?

Yes	No

4.6 If the answer to 4.5 is "yes", what is the position of this person?

- Executive mayor ☐
- City/town manager ☐
- Councillor ☐
- Senior official ☐
- Other (*please specify*) ☐

_____

4.7 What additional structures have been set up to manage the implementation of the agreement?

_____
_____
_____
_____
_____
_____

To what an extent would your link/twinning comply with the following statements?	**Not at all**	**Partially**	**Fully**
4.8 You have the best calibre of management to manage the twinning			
4.9 You employ team problem solving			
4.10 You practice shared decision making			
4.11 Both parties are fully committed to the twinning			
4.12 Active marketing of the twinning takes place			
4.13 The twinning receives extensive media coverage in both areas			
4.14 A code of conduct is in place for everyone that takes part			
4.15 All participants are held financially accountable			
4.16 There is a clear policy on travel costs (e.g. travel & hotel class)			
4.17 There is a clear "young people" policy (e.g. safety, behaviour)			
4.18 There is a clear policy in place dealing with gifts			

4.19 What further assistance do you need to enter into new relationships or manage current ones better?

_____
_____
_____
_____
_____
_____

Part 5: Funding

5.1 Is this twinning funded by an international donor agency?

Yes	No

5.2 If the answer is "yes" to 5.1, which agency?

_____

5.3 How much is annually budgeted for implementation of the agreement (*in total by both parties*)?

R

5.4 Please indicate the percentage contribution of the main sources of funding for the twinning (*to add up to 100%)?*

• Own budget	%
• Partner budget	%
• Development organizations	%
• Contributions from business sector	%
• Fundraising	%
• Other (please specify)	%

Total = 100%

_____

Part 6: Relationship success

6.1 List the main positive outcomes of the agreement (*if any*):

1.
2.
3.
4.
5.
6.
7.

6.2 List the main problems experienced in the relationship (*if any*):

1.
2.
3.
4.
5.
6.
7.

6.3 Do you measure and evaluate the outcomes of the agreement from time to time?

Yes	No

6.4 If so how frequently and how?

Method?	**Frequency?** (e.g. monthly, quarterly, annually)

6.5 How would you rate the success of the twinning up to now, in meeting all of the goals and objectives specified at the start of the relationship?

Total failure _____ Absolutely successful

1 2 3 4 5 6 7

6.6 If not "absolutely successful", which goals have not been met?

_____

_____

_____

_____

6.7 To what an extent do you believe the advantages of twinning outweigh the costs? *(where 1 means not at all, and 5 totally)*

Not at all		*Neutral*		*Totally*
1	2	3	4	5

Thank you very much for your support. It is greatly appreciated!

APPENDIX G

Covering letters

Pilot study

Dear Mr. Chetty

The phenomenon of city and town twinning has grown dramatically in South Africa over the last ten years but very little academic research exists in this field. As part of a Ph.D. study at Stellenbosch University about the topic I will shortly be sending out questionnaires to all provinces and municipalities in South Africa to ascertain the extent of twinning in South Africa, as well as success factors and other valuable information. As mentioned in the covering letter to the questionnaire, it carries the full support of national government.

Stellenbosch Municipality has already viewed the first draft questionnaire and their input was used to develop the pilot questionnaire attached. In order to finalise the questionnaire, I have selected 5 municipalities to test this measuring instrument firstly before it is finalised.

As you have been selected for this purpose, would you please be so kind as to:

Fill in the two questionnaires for one of the twinnings you are involved in (for details about your municipality and the twinning) and return this to me before 31 January 2004.

Also briefly provide feedback in writing concerning the following:

- Are all questions relevant?
- Did you understand all the questions. If some were not understood which are they?
- Are the questions asked in a logical order?
- Which questions, if any, have double meanings, or lead or confused you?
- Any suggestions of rephrasing open-ended questions as closed or multiple choice ones?
- How long did it take for you to complete the questionnaire?
- Are the instructions for completing the questionnaire adequate?
- Any other comments?

Your support in this regard is greatly appreciated.

Thanking you in advance

Kosie de Villiers

Final covering letter

10 May 2004

To: All International Relations Managers at provincial authorities, and
All Municipal Managers at local and district municipalities in South Africa

Dear International Relations or Municipal Manager

PhD study questionnaire

Attached are two questionnaires that deal with twinning and municipal international relations activities of your government structure. The information that is requested is substantial but absolutely essential for the completion of a Ph.D. study at the Graduate School of Business of Stellenbosch University. The study is fully supported by the national Department of Provincial and Local Government and the MIR Coordinating Committee at the national level. All your information will, however be dealt with confidentially as far as possible.

The intention is to provide you with better guidelines and support in your partnering endeavours and your participation will contribute greatly towards this aim.

Please note that there are two questionnaires:

1. Questionnaire number 1 with questions about your province or local authority (one copy needs to be completed).
2. Questionnaire number 2 about specific linkages or twinnings (a ***separate copy*** must be completed ***for each twinning***).

Please complete as soon as possible and send back in the included reply paid envelope to Kosie de Villiers, P.O. Box 1471, Stellenbosch 7599 to **reach him by 31 May 2004 at the latest**. If you have any questions, he may be reached on 082-449-9097.

Kind regards

Prof. Eon Smit
Director
Graduate School of Business
University of Stellenbosch

APPENDIX H

Sustainability indicators

Output indicators

1. Municipal taxes and fees
- % increase municipal incomes
- % increase in payments of different taxes and fees
- poverty sensitive systems for taxes and fees (GPO)

2. Municipal services
- % of inhabitants with access to clean drinking water
- % inhabitants with latrine
- % of children attending school at each grade
- % of children passing from one grade to the next
- % children vaccinated, for measles etc.
- % of budget earmarked for services for women and vulnerable groups (GPO)
- Services for persons with HIV/AIDS and orphans (GPO)

3. Private sector activity
- % of population in formal employment, i.e. paying taxes and fees
- number of registered local firms
- % of municipal incomes from private sector

4. Good governance
- empowerment of councillors – e.g. activity in public meetings, information sharing, proposals to assembly meetings, etc.
- financial accountability
- timely internal and external audit reports
- wage share of total LG expenditure
- population's perception of municipal service delivery (quality and responsiveness)
- % of women and representatives from vulnerable groups in assembly (GPO)
- influence of women and vulnerable groups in assembly meetings
- % of women committee leaders – apart from gender/womens' committee

Input indicators

5. Central government transfers/donor funds
- % increase in transfer from the central /regional government to the municipal
- % increase in donor funding of municipal services
- % of project funding earmarked for women and vulnerable groups (GPO)

6. Political and administrative capacity building
- Capacity building for mayors and committee leaders – number and programmes
- Capacity building for councillors – number and programmes
- Capacity building for managers and executives, number and programmes
- Capacity building for administrative staff – number and programmes
- Local government programme for staff with HIV/AIDS (GPO)

7. Facilitation for private sector growth
- Reduction of unnecessary bureaucracy
- Effective and efficient collection of taxes and fees
- Efficient municipal spatial planning for building and transport

8. Stimulation of civil society participation and trust
- Citizen, NGO/CBO and private sector participation in public meetings
- Quantity and quality of newspaper letters and articles, radio programs, etc.
- Budget and expenditure figures available at ward and village level
- Participation of women and representatives from vulnerable groups in public meetings (GPO)

<u>Project sustainability indicators</u>

9. Institutionalisation
- Integration of project content or practice in the local government policy or decision-making procedures

10. Up-scaling
- An interest in learning from or even replicating project activities from other local governments in the country or outside the country

11. Civil society "ownership"
- Effect on the behaviour of organisations in civil society or private sectors and their interaction with local government.

12. Financial independence
- % of project budget financed locally – in the north and in the south municipality respectively

Source: Norwegian Association of Local and Regional Authorities (2003)

APPENDIX I

Partnership/alliance manager competencies

Competency	Description
Business effectiveness	• Has a comprehensive understanding of the supply chain, including all external influences, and a sound understanding of competitors and their strategies. • Has a full understanding of the internal relationships in the organisation's business units and functions, within customers and suppliers, and of the interrelationships between them, within country and globally as appropriate. • Has a high level of technical understanding of markets and is regarded as an expert within the partnership marketplace. • Is consulted at all levels (breadth and depth) of the organisation and the customer/supplier partner on specific partnership issues and partnerships in general.
Management effectiveness	• Leads, manages and coaches the partnering team and overall is responsible and accountable for the well-being of the partnership(s) in the short, medium and long-term. • Makes a significant contribution to the development of the marketing and business plans in respect of the partnership, and to the linkages and influences in other areas of strategy and general business activities. • Makes a significant contribution to the organisation’s broader strategy and vision. • Has a role that also includes developing and implementing remedial plans, individually or within teams, in the event that partnerships are at risk or other key strategic accounts need to be retrieved. • As appropriate, takes a management and leadership role over people and teams that don't report directly.
Personal effectiveness	• Leads the process and significantly influences senior management within the organisation, customer and/or supplier partner in gaining their agreement to the partnership strategy and action plans. • Communicates effectively at all levels and is widely consulted and respected on partnerships (principles and practice); also consulted in areas of general knowledge and experience by the business units/functions, customers and suppliers. • Is regarded as a master trouble-shooter and coordinator in areas of problem and conflict resolution on major and critical issues. • Has the ability to mobilise and utilise a wide range of internal and external resources for the resolution of problems or the development of opportunities. • Is a team player and a supporter of the team approach and its associated benefits; however, can also act independently as required, capable of managing, and effectively working within complex and diverse team structures and is well versed in team dynamics.

Partner relations and communication	• Manages critical customer relationships of strategic long-term importance the organisation, specifically partnerships; is fully accountable and responsible for the development and management of those relationships. • The skills of a high-level trouble-shooter, is able to turn a crisis (inter-or external) into an opportunity, to build or rebuild the relationship to mutual benefit of both parties. • Able to extend this influence and skill to other partnerships, acting in a 3rd-party consulting capacity.
Business	• Identifies long-term strategic opportunities at a national/international level. • Contributes to new business strategies at a corporate level within or external to the partnership.
Administration and selling	• Operates within a complex environment from a structural, geographical, product, customer/supplier profile, relationships perspective. • Fully developed professional selling skills to persuade, influence, and facilitate at all levels from senior management to the shop floor. Exercises appropriate judgment, independently or as part of a team, on a range of business issues. • Possesses a clear understanding of the short/medium/long-term objectives and strategies of the partnership and how to achieve them.
Health and environment	• Works closely with senior customer management in the development of strategies.
Debt collection and financial risk assessment	• Works with customer/supplier partners to develop financial strategies to protect and add value to the financial interests of customer, company and supplier.
Professional expertise	• Has a broad understanding of target industries and markets and their international environment and relates strategic issues for the partnership to that understanding. • Is sensitive to company and customer/supplier cultures, organisation issues and market pressures, and is able to integrate them at a strategic level. • Possesses high-level negotiation and leadership skills, and industry/market specialist skills that are recognised at a national/international level. • Has a high level of trust, respect and credibility within the partnership and throughout the supply chain. • Understands what is required to develop and sustain partnerships and has the capability, skills and commitment to make them work.

Source: Lendrum, 2000:335

APPENDIX J

Selected tables from research survey

What are the most important critical success factors in order of priority, in your opinion, for linkages or twinnings. Also indicate how you rate your own relationships on these factors *(1= Does not archive, 2= achieve partially. 3= achieve fully).*

Critical success factor 1	Number reporting	Average achievement
• There must be socio economic interaction, including citizen and business involvement (community-to-community)	3	2
• Must have economic LED benefits (e.g. must offer investment, tourism growth and/or trade opportunities)	3	2
• Dedicated staff in both municipalities (specific section to manage linkage)	2	2
• Be beneficial to both parties and their respective communities	2	2
• Promotion of cultural ties and exchange	2	1.5
• The needs of the relationship must be identified	1	3
• Must fit into council IDP	1	3
• Must result in concrete projects and programmes	1	3
• Observation of municipal elections	1	3
• Must have mutual goals	1	3
• There must be knowledge-sharing	1	2
• Must focus on urban development	1	2
• Must have strong leadership	1	2
• Must lead to poverty alleviation	1	2
• Must offer exchange programmes	1	2
• Communication	1	2
• There must be political will &commitment and local municipal buy-in/support	1	1.5
• Must benefit conservation	1	

Critical success factor 2	Number reporting	Average achievement
• Must have economic LED benefits (e.g. must offer investment , tourism growth and/or trade opportunities)	3	2
• Must choose districts with similar characteristics (common ground)	3	2
• Promotion of cultural ties and exchange	1	3
• Memorandum of understanding must be in place	1	3
• Democratic municipal systems	1	3
• There must be socio-economic interaction, including citizen and business involvement (community-to-community)	1	2
• Must result in concrete projects and programmes, action plans and targets (implementation plan)	1	2
• Funding for projects/programmes must be available	1	2
• Trust & commitment	1	2
• Must promote health (AIDS& STD awareness)	1	2
• Dedicated staff in both municipalities (specific section to manage linkage)	1	1
• Must offer exchange programmes	1	1
• Must have linking methodology process	1	1

• Focus on women and children's issues	1	

Critical success factor 3	Number reporting	Average achievement
• Must have economic LED benefits (e.g. must offer investment , tourism growth and/or trade opportunities)	3	2
• Must fit into council IDP	2	2
• Must promote academic exchange/cooperation	2	2
• Activities must be based on actual need	1	3
• Focus on development & planning/housing &development	1	3
• Must benefit conservation	1	3
• Agreement on areas of cooperation	1	3
• Must result in concrete projects and programmes, action plans and targets (implementation plan)	1	2
• There must be knowledge-sharing/education	1	2
• Must improve public administration	1	1
• Focus on strategy	1	1
• Staff training	1	1
• Must promote health (AIDS& STD awareness)	1	

Critical success factor 4	Number reporting	Average achievement
• Must have economic LED benefits (e.g. must offer investment , tourism growth and/or trade opportunities)	4	2
• Must fit into council IDP	2	2
• Activities must be sustainable with tangible results (value-adding must be measurable and visible)	2	2
• There must be knowledge-sharing/education	2	1.5
• Activities must be based on actual need	1	3
• Focus on development & planning/housing & development	1	3
• Must benefit conservation	1	3
• Agreement on areas of cooperation	1	3
• There must be policy and strategy on international relations	1	3
• Must result in concrete projects and programmes, action plans and targets (implementation plan)	1	2
• Must promote academic exchange	1	2
• Promotion of cultural ties and exchange	1	2
• There must be a separate filing system	1	2
• There must be coordination from both sides, must have management team	1	2
• Must improve public administration	1	1
• Focus on strategy	1	1
• Staff training	1	1
• Must focus on technical assistance	1	1
• Political structure/mining & mineralogy	1	1
• There must be a business plan	1	1
• Relations between council and disadvantaged businesses	1	1
• Transport	1	1
• Must promote health (AIDS& STD awareness)	1	

Critical success factor 5	Number reporting	Average achievement
• Focus on solid waste management	1	3
• There must be political will & commitment and local municipal buy-in/support	1	3
• There must be socio-economic interaction, including citizen and business involvement (community-to-community)	1	2
• Must result in concrete projects and programmes, action plans and targets (implementation plan)	1	2
• There must be knowledge-sharing/education	1	2
• Focus on culture & sport	1	1
• Similar history	1	1
• Must have performance system for measurement	1	1
• Must benefit primary and secondary education	1	1
• Must have economic LED benefits (e.g. must offer investment , tourism growth and/or trade opportunities)	1	
• Must have funding allocated	1	2
• Manage global joint ventures	1	2

What were the most important reasons for entering into the linking/twinning agreement? (in order of importance):

Reasons for entering into the relationship : mentioned 1st

Reasons	Mentions
• To provide access to knowledge & information & capacity building	6
• Economic spin-offs	3
• Original reasons not known (new government)	2
• To promote educational & cultural cooperation	2
• To obtain funding (e.g. AIDS grant of R400 000/ soft loan/municipal bond)	2
• To acknowledge the role played by industrialist from the ROC in the prosperous growth of Ladysmith	1
• Job creation & improving social status of communities	1
• To promote mutual understanding & friendship	1
• We share a common border	1
• Mutual support	1
• Better communication enables efficiency with opportunities and challenges	1
• To advance agricultural interest in iLembe	1

Reasons for entering into the relationship : mentioned 2nd

Reasons	Mentions
• To provide access/share knowledge & information & capacity building for local government	5
• To promote mutual understanding & friendship	2
• Social interaction	1
• Continuous stimulation & refinement of educational syllabus	1
• Tourism & sport promotion	2
• Environmental health promotion	1

• Market & promote the area in terms of tourism & investment	3
• Port capacity	1
• Community development/ Social welfare	2
• Get water from the Limpopo river	1
• Cooperation with regards to knowledge in South Africa on integration matters	1

Reasons for entering into the relationship : mentioned 3rd

Reasons	Mentions
• Economic spin-offs/ links/development	4
• To promote mutual understanding & friendship/social interaction/cultural heritage	4
• To provide access/share knowledge & information & capacity building for local government/ Sharing of best-practises	3
• To promote educational & cultural cooperation/ exchanging of expertise between local universities	2
• Cooperation & exchanges in the fields of science, technology & related industries	2

Reasons for entering into the relationship : mentioned 4th

Reasons	Mentions
• To provide access/share knowledge & information & capacity building for local government/ sharing of best practises	4
• To promote educational & cultural cooperation/ exchanging of expertise between local universities	1
• Economic spin-offs/ links/development	1
• To promote mutual understanding & friendship/social interaction/cultural heritage	1
• Assistance in national disasters	1
• Community development	1

Reasons for entering into the relationship : mentioned 5th

Reasons	Mentions
• Economic spin-offs/ links/development	2
• To provide access/share knowledge & information & capacity building for local government/ sharing of best practises	1
• To promote educational & cultural cooperation/ Exchanging of expertise between local universities	1
• To promote mutual understanding & friendship/social interaction/cultural heritage	1
• Assistance in national disasters	1
• Community development	1

Who are the main role-players involved in the linking/twinning agreement or sister city committee in your area/city/town and what are their main roles and responsibilities:

Role-player 1

Role-player 1 description	Responses	Main role & responsibility
1. Local authority/municipality (also various departments such as planning & development, MIR)	12	Coordinate, to structure agreement, to facilitate, provide monitoring and funding, promote industrial development and economic growth (initiate and overall responsibility for partnerships).
2. Executive mayor	7	Initiate the twinning, overall strategy & direction, facilitating and negotiating relationship to both parties' benefit
3. Local authority & youth committee/schools	2	Youth development
4. Community organisations	2	
5. Partnership management committee	2	Overseas work of partnership
6. Educational institutions	2	
7. Councillor	1	Represent council & opposition party
8. Consulate Generals	1	Facilitation role (e.g. translation service)
9. Private sector	1	Investment and trade
10. Individuals from civil society	1	Personal relationships
11. Developmental organisations	1	

Role player 2

Role-player 2 description	Responses	Main role & responsibility
1. Municipal manager	5	MIR
2. Educational institutions	3	Support/exchange and involvement from university and schools
3. Project manager/ coordinator/facilitator	3	Partnership facilitation and coordination
4. Local authority/municipality (also various departments such as planning & development, MIR)	2	Waste-management plan of action, infrastructure, land use planning, etc.
5. Partnership management committee	2	Overseas work of partnership
6. Private sector (also Chamber of Commerce)	2	Investment and trade
7. Officials, mayoral staff, administrative process	2	Logistics & technical services
8. Community organisations	1	
9.	1	HIV/AIDS-health care, research & development/training
10. District municipality	1	
11. Councillors	1	Facilitating and negotiating relationship to both parties' benefit
12. Province	1	

Role player 3

Role-player description	Responses	Main role & responsibility
1. Educational institutions	2	Support/exchange and involvement from university and schools
2. Private sector (also Chamber of Commerce)	2	Investment and trade

3. Community organisations	2	
4. Sector champion & sector project leaders	2	Identification, implementation & review of projects
5. Partnership management committee	1	Overseas work of partnership
6. Officials, mayoral staff, administrative process	1	Logistics & technical services
7. Researcher	1	Research knowledge /information management
8. Consultant	1	Golf project marketer
9. Hockey club	1	Exchange programme
10. Sport club (soccer),	1	Youth development programme
11. Executive mayor	1	MIR

Role player 4

Role-player description	Responses	Main role & responsibility
1. Educational institutions	2	Support/exchange and involvement from university and schools
2. Officials, mayoral staff, office of the municipal manager	2	Logistics & technical services, administrative process
3. Private sector (also Chamber of Commerce/Sakekamers)	1	Investment and trade
4. Community organisations	1	Agricultural association
5. Partnership management committee	1	Overseas work of partnership
6. Provincial official	1	Coordinator
7. EXCO	1	MIR
8. SALGA & VNG (Dutch), local government structure	1	In support of twinning
9. Local authority	1	

Role player 5

Role-player description	Responses	Main role & responsibility
1. Officials, mayoral staff, office of the municipal manager	1	Participate in working committee
2. Community organisations	1	Church projects
3. Municipal manager	1	Leadership and support
4. Tourism Association	1	
5. Office of the speaker	1	

Role Player 6

Role-player description	Responses	Main role & Responsibility
1. Executive mayor	1	Political leadership and support