

Part I

Building-blocks

Terms, Variety and Goals

CLARIFICATION OF TERMS

Certain terms that are related to communication and decision-making are used throughout this book. The meanings we give to them here are similar to those in general use, but we use some terms in a more differentiated manner. For example, we believe that it is very important to distinguish between dialogue, discussion and debate. These terms are often used interchangeably. For the MSP approach, however, engaging in dialogue for the purpose of understanding between stakeholders is essential, whereas discussion and debate refer to clarifying differences and arguing who is right or wrong.

To help clarify the meanings we intend, Box 2.1 lists some key terms and some of the meanings generally associated with them.

All of the above-mentioned terms refer to mechanisms and modes of stakeholder communication. To clarify the concept of MSPs and our classification of different types of MSPs, we will use the following definitions of these terms:

Communication. Our primary use of this term is on the exchange of views (opinions) among stakeholders in an MSP. It includes the expression of views in combination with the understanding of views to the point that there is mutual understanding. 'Meta-communication' is a useful tool for successful communication.

Consensus-building. In a consensus-building communication process, participants state their views and explore their views with one another in dialogue in order to develop mutual understanding. Then, based on mutual understanding, they seek to come to a consensus on future common action. 'A consensus process is one in which all those who have a stake in the outcome aim to reach agreements on actions and

BOX 2.1 TERMS USED TO DESCRIBE MULTI-STAKEHOLDER AND SIMILAR PROCESSES

Communication: an act of transmitting; exchange of information or opinions (*Merriam-Webster's Pocket Dictionary*)

Conflict: 'The perceived incompatibility of goals between two or more parties' (Smith and Mackie, 1995, Glossary)¹

Consensus: general agreement; unanimity; the judgement arrived at by most of those concerned; group solidarity in sentiment and belief (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Consult: to have regard to; consider; to ask the advice or opinion of <consult a doctor>; to refer to <consult a dictionary>; to consult an individual; to deliberate together; confer; to serve as a consultant. *Synonyms:* confer, advise, colloque, confab, confabulate, huddle, parley, powwow, treat. *Related words:* cogitate, counsel, deliberate; consider, examine, review (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Consultation: council, conference; the act of consulting or conferring

Debate: to discuss or examine a question by presenting and considering arguments on both sides; to take part in a debate (*Merriam-Webster's Pocket Dictionary*)

Dialogue: a conversation between two or more persons; an exchange of ideas and opinions; a discussion between representatives of parties to a conflict that is aimed at resolution (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Discussion: consideration of a question in open and usually informal debate; a formal treatment of a topic in speech or writing (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Forum: the marketplace or public place of an ancient Roman city forming the centre of judicial and public business; a public meeting place for open discussion; a medium (as a newspaper) of open discussion or expression of ideas; a judicial body or assembly; court; a public meeting or lecture involving audience discussion; a programme (as on radio or television) involving discussion of a problem usually by several authorities (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Meta-communication: [from Greek 'meta' = higher] communication about communication; exchanging information, views, opinions about the way we communicate in a given situation and structure. An important

tool in communication processes, particularly in groups of high diversity of language, culture and background

Process: progress, advance; something going on; proceeding; a natural phenomenon marked by gradual changes that lead toward a particular result <the process of growth>; a natural continuing activity or function <such life processes as breathing>; a series of actions or operations conducting to an end; the series of actions, operations or motions involved in the accomplishment of an end <the process of making sugar from sugarcane>. *Synonyms:* procedure, proceeding. *Related Words:* fashion, manner, method, mode, modus, system, technique, way, wise; routine; operation (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Statement: *Synonyms:* expression, utterance, vent, voice. *Related words:* outgiving; articulation, presentation, presentment, verbalization, vocalization (*Merriam-Webster's Collegiate Dictionary and Thesaurus*)

Understand: to grasp the meaning of; comprehend; to have a sympathetic attitude. Understanding: knowledge and ability to apply judgment; ability to comprehend and judge (*Merriam-Webster's Pocket Dictionary*)

outcomes that resolve or advance issues related to environmental, social, and economic sustainability. In a consensus process, participants work together to design a process that maximizes their ability to resolve their differences. Although they may not agree with all aspects of the agreement, consensus is reached if all participants are willing to live with 'the whole package' (Canadian Round Tables, 1993, p6). In other words, they can 'accept' the decision, even if they are not in complete agreement, and, more importantly, they are willing to do their part in implementing the decision. Consensus-building 'brings together different parties with the aim of finding mutually satisfactory solutions to which all are committed. It is based on 'win-win' outcomes rather than on traditional 'win-lose' outcomes' (The Environment Council).

Consultation. The term has been used to refer to a communication situation where an institution, such as a government body, calls for stakeholders to share their views with the institution (similar to hearings). The link of this input into decision-making is loose or remains unclear in many cases. The term is therefore too loaded with reference to a situation which does not represent our concept of MSPs (multi-party decision-finding).

Debate. The term refers to stakeholders stating their views, both arguing 'their case'. Debates imply a party-political approach and are usually 'won', meaning that they don't lead to an integration of views.

Dialogue. In a dialogue of stakeholders, representatives not only state their views but listen to each other's views for the purpose of developing mutual understanding, including each other's value-base, interests, goals and concerns. Dialogue requires the willing participation of all participants; even one person whose primary orientation is towards getting her or his way can destroy the dialogue.

Discussion. The term can be used to describe a frank exchange of views, followed by mutual exploration of the benefits and shortcomings of those views. More than 'dialogue', the term 'discussion' recognizes the differences between views and people and is less focused on mutual understanding in order to open possibilities to consensus-building.

Global public policy (GPP) networks. A term used by Reinicke et al (2000) in their work with the World Bank Global Public Policy Program. GPP networks are described as multisectoral collaborative alliances, often involving governments, international organizations, companies and NGOs. They 'take advantage of technological innovation and political liberalization'; 'pull diverse groups and resources together'; 'address issues that no single group can resolve by itself'; and, by doing so, rely on 'the strength of weak ties' (ibid).

Hearing. The term refers to processes where governments or inter-governmental bodies invite stakeholders to state their views on a particular issue. Listening to stakeholders is meant to provide the decision-making bodies with information that they otherwise might not have. Hearings may or may not allow for questions and answers and discussion following presentations.

New social partnerships. A term used primarily in Europe, for example by the Copenhagen Centre: 'People and organizations from some combination of public, business and civil constituencies who engage in voluntary, mutually beneficial, innovative relationships to address common societal aims through combining their resources and competencies' (Nelson and Zadek, 2001, p14). Similar to MSPs (but in more of a 'business-type language'), new social partnerships are characterized by societal aims, innovation, multi-constituency, voluntary participation, mutual benefit and shared investment, and what is described as the 'alchemical effect of partnerships'.

Stakeholder forum. This is a rather broad term and can refer to various settings where views are stated and discussed. Forum-type events tend to make use of various forms of interaction (plenary presentations, break-out groups, panel discussions, and so on) and allow a lot of space for informal exchange.

Statements. Stakeholder statements are communications through which stakeholder groups make public their views on a certain issue, in oral or written form. Statements do not necessarily lead to anything further – such as a discussion of views or consensus-building. (Statements, hearings and consultation tend not to be *multi*-stakeholder processes as they usually involve each stakeholder group separately rather than bringing them together.)

Understanding, to understand. Stakeholder statements are true communication only if they are understood by those to whom they are directed. And by ‘understanding’ we mean comprehending another person’s views (without regard to one’s own and specifically without regard to ‘agreement’).

Win-win, win-lose and all-win. These terms refer to the attitudes that people have towards others when seeking to resolve conflicts, and to the results of conflict resolution. ‘Win-win’ means that people care about others as well as themselves. They seek to resolve conflicts so that others and themselves ‘win’ – so, in the case of multiple stakeholders, they seek an ‘all-win’ resolution. And when all stakeholders achieve what is important to them, those results can be described as ‘all-win’. When people care only about themselves and their views, their attitudes are ‘win-lose’. They will tend to ‘debate’ in order to determine who is ‘right or wrong’. When right and wrong cannot be determined, – or no one can win the ‘fight’, people end up with a ‘lose-lose’ situation where no one achieves what is important to them.

Multi-stakeholder processes. We use the term to describe processes which:

- aim to bring together all major stakeholders in a new form of communication, decision-finding (and possibly decision-making) structure on a particular issue;
- are based on recognition of the importance of achieving equity and accountability in communication between stakeholders;
- involve equitable representation of three or more stakeholder groups and their views;
- are based on democratic principles of transparency and participation; and
- aim to develop partnerships and strengthened networks between and among stakeholders.

MSPs cover a wide spectrum of structures and levels of engagement. They can comprise dialogues or grow into processes that encompass consensus-building, decision-making and implementation.

A VARIETY OF PROCESSES

MSPs vary with regard to the issues they address, their objectives, participants, scope, time lines and degree of linkage into official decision-making. These characteristics are described below. They do not form the basis of distinct categories and some processes will evolve over time.

Issues

The examples we have looked at range from the development of a regional environmental convention, to the implementation of a global plan of action on gender equity, global, national and local development policies, to water, large dams, energy, tourism, sustainable agriculture, environmental health, biotechnology, paper, mining, the decommissioning of an oil platform, corporate conduct, environmental reporting, and so on.

So it seems that MSPs can be used to address all kinds of issues. However, when there is too much conflict to allow dialogue, or when issues are too broad and abstract to allow concrete outcomes, MSPs would not be an appropriate tool.

Objectives

MSPs can be designed to inform decision-making of governments or intergovernmental bodies, businesses, trade unions and NGOs, among others. Such processes sometimes take the form of dialogues, often held as a single event, with more or less extensive preparations. In dialogues, there is no need to come to a consensus. Compared to separate hearings with stakeholders, the advantage of a multi-stakeholder dialogue is that it challenges stakeholders to debate the pros and cons of their analysis and suggestions in more detail. A dialogue will comprise questions and answers between the groups which will deepen the information provided to decision-makers. It will also offer insights into some practical consequences of decisions – possible partnerships as much as likely opposition. Multi-stakeholder dialogues held for the purpose of obtaining information should be held, of course, *before* decision-making processes commence, otherwise they will become ‘fig-leaf’ or token exercises. Stakeholders increasingly oppose processes which they perceive as merely ‘rubber-stamping’ decisions that have already been taken. Most of the examples we have looked at are informing processes. Others seem to begin with developing

information, such as the corporate guidelines being developed in the Global Reporting Initiative (GRI), but can/will develop into implementation or monitoring mechanisms.

MSPs can also be used to conduct monitoring: decision-making bodies can establish an ongoing process of dialogue with stakeholders to obtain information on the effects of the implementation of their decisions (or lack thereof). This can be developed into accountability mechanisms, initiated by stakeholders independently. Such monitoring and evaluation of decision-making bodies is particularly powerful when it takes the form of an MSP.

At the local level, participatory monitoring and evaluation has been developed over more than 20 years. Instead of externally controlled data-seeking evaluations, participatory monitoring and evaluation recognize the processes for gathering, analysing and using information which are locally relevant or stakeholder-based (Estrella, 2000). At the international level, SocialWatch is an excellent example of an advanced monitoring process.² SocialWatch regularly updates its research on progress made towards implementing the agreements of the Copenhagen Social Summit and the Fourth World Conference on Women. However, this is being conducted by an NGO cooperating with other NGOs and with women's organizations; it is not a multi-stakeholder effort integrating very different viewpoints. To monitor labelling schemes, stakeholders can work together to set standards independently from governments (for example the Forest Stewardship Council (FSC); the Marine Stewardship Council (MSC)).

MSPs can also be used to further the implementation of existing agreements and policies. The international community has increasingly included recommendations in their resolutions and agreements which address not only governments and intergovernmental bodies, but also a range of stakeholders such as business, trade unions, local authorities and NGOs.

At the community level, Local Agenda 21 processes can include not only participatory planning mechanisms but also components of joint implementation. At the international level, UNED Forum's planned Implementation Conference around the 2002 summit is another example. The conference plans to gather key stakeholders to work out what roles stakeholders at the local, national and international levels will take in implementing the agreements, and to devise implementation tools and plans.

Participants

MSPs can involve different numbers of stakeholder groups and different degrees of diversity. Some processes work on the basis of the nine Major

Groups in Agenda 21. Others use customized definitions of relevant stakeholder groups, depending on the issues at hand. Some use a trisectoral approach of governments, business and civil society as stakeholders.³

For example, Local Agenda 21 processes ideally involve all Major Groups as of Agenda 21, but including the elderly, faith communities and teachers might be desirable. Stakeholder Dialogues at the Commission on Sustainable Development have involved four or five stakeholder groups (plus governments). The Ministerial Dialogues in Bergen, Norway (in September 2000) involved four stakeholder groups during the preparations (local authorities, business, trade unions and NGOs), with women providing input into the NGO paper, and six stakeholder groups at the dialogues themselves (local authorities, business, trade unions, NGOs, women and Indigenous Peoples), plus governments.

Scope

MSPs can be conducted at different levels: local, national or international, or a mix of those. For example, the World Commission on Dams (WCD), a global process, conducted regional hearings and commissioned studies into single dam projects. Including involvement at several levels can be a very useful option, and feedback loops between different levels (eg local, national, regional and international) can be an important part of the strategy. This can work to build on local and national experiences to inform dialogue or decision-making at the regional or international level, or it can serve to allow the practical implications of global agreements being worked out at the local level.

Time lines

MSPs can range from single, one-off events to processes going on over several years. This will depend on the issues, the objectives, the participants, the resources available and possibly the willingness of an official body to engage with stakeholders in a sustained fashion. For example, the UN Global Compact is an open-ended process, the WCD conducted its process over a period of two years, whereas CSD Stakeholder Dialogues continue for two days after several months of preparations.

Linkage to official decision-making

Principally, we can distinguish between those processes which are linked to official decision-making and those which are developed by stakeholders at their own initiative, operating independently.

Most processes which are linked to official decision-making are purely informing. At the moment, it seems that different bodies and organizations, for example at the international level, are experimenting with different structures and mechanisms. Given this variety, it is indeed sometimes difficult for stakeholders to understand what is expected of them, what they are being invited to do and how reliable that role will be. In the past, stakeholders have tended to put forward separately their respective ideas on participation in official decision-making processes. It can be expected that they will begin to develop common positions on desirable procedures and take them forward together.

Examples for independent MSPs, designed by a group of stakeholders, are the Global Reporting Initiative (GRI) or the WCD. Such processes often operate on the basis of long-negotiated, detailed parameters, an effort that pays off in terms of credibility, legitimacy and quality of outputs. Multiple funding sources are an important component of securing independence. Consequently, these very elaborate examples have over the last few years attracted a lot of attention.

THE GOALS

MSPs are an important tool for sustainable development. They aim to create space where such communication can take place that will help (maybe not immediately but in the future) to bring about agreement so that concrete action can bring about change.

MSPs aim to bring together all relevant stakeholders in order to:

- promote better decisions by means of wider input; integrate diverse viewpoints;
- bring into the process those who have important expertise pertaining to the issues at hand;
- allow for groups un- or under-represented in formal governance structures to have their say in policy-making;
- create trust through honouring each participant's contribution as a necessary component of the bigger picture;
- create mutual benefits (win-win rather than win-lose solutions);
- develop shared power with a partnership approach;

- create commitment by enabling participants to identify with the outcome and to value it, thus increasing the likelihood of successful implementation;
- put issues of concern to stakeholders on to the political agenda; and
- allow for clear and shared definitions of responsibilities in the implementation of change.

In a real sense, they are designed to put people at the centre of decision-finding, decision-making and implementation.

MSPs are a new species in the complex biodiversity of governance and decision-finding structures. However, they are not fully evolved or defined. The task of improving their role and effectiveness falls to all such processes. In this regard, it is essential to experiment with MSPs for all to learn how to carry them out successfully.

MSPs serve to build trust and can provide a basis for dealing with other complicated issues in the future. MSPs should be used to:

- look into alternative measures to develop viable frameworks of participation at all levels;
- increase the impact of un- or under-represented groups and protect their interests;
- identify stakeholders' roles in policy-making and implementation;
- identify viable strategies of implementation of existing agreements (and MSP outcomes in line with these agreements);
- develop indicators of good and bad practice;
- create monitoring and evaluation mechanisms and collective review procedures;
- enhance learning from the MSP experience;
- create and implement effective techniques for increasing commitment (when possible) and overcoming impediments to compliance (when necessary); and
- create and carry out joint action plans.

By holding the potential to reach goals that would be unattainable if each participating sector worked alone, MSPs also provide a foundation for broader change. Finally, successful MSPs also help to build larger coalitions and thus create political power and advantage.

For different stakeholder groups, MSPs hold different potential: for those under-represented they offer an entry point into the political process; for governments, they offer much needed expertise and engagement in the refining of broad policies and their implementation; for NGOs, they provide new opportunities for campaigning (towards all participants; see Hohnen, 2000a); while for the academic com-

munity, they offer opportunities to contribute up-to-date findings to the political process.

For those wielding considerable (unelected) power (such as industry and NGOs), MSPs offer opportunities to increase transparency, accountability and in the long run acceptance of their often contentiously debated activities – particularly as, or if, they change through such processes. Engaging in MSPs is the logical next step for corporations adopting a wider perspective which they need to do in increasingly globalizing markets. The fierce debate around the WTO, the Bretton Woods Institutions and the World Intellectual Property Organization (WIPO), for example, has brought inequalities and injustice to the attention of a wider public, and the already considerable pressure on Northern governments and on trans-national corporations (TNCs) to address these injustices are likely to increase. The virtual vacuum of international regulation, monitoring and enforcement will not remain as large a ‘playing-field’ as it is at the moment.

MSPs are not the mechanism of choice for all situations or problems, not even for all those that need stakeholder participation. An essential prerequisite is the presence of at least one common goal, or at least a reasonable probability that one such goal will emerge as a result of the process. If the goal is not shared by everybody who should be involved, other mechanisms such as bilateral interaction, traditional lobbying and campaigning will be more appropriate.

MSPs are not a panacea for any kind of problem, contentious issue, conflicts of interest, and so on. They are a tool or catalyst which will be applicable in some situations and not in others. Being guided by agreed principles of governance and experimenting with various forms of MSPs will help us to learn when and how best to use that tool.