

Lessons Learned from Multi-Stakeholder Partnerships Supported by German Development Cooperation

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Shared responsibility for managing worldwide economic and social development and the collective responsibility to uphold the principles of human dignity, equality, and equity at the global level are key principles of the Millennium Declaration, adopted by Heads of States in 2000 during the United Nations Millennium Summit in New York.² The Declaration also emphasizes the importance of partnerships and alliances, noting that the United Nations and member governments should “(. . .) develop strong partnerships with the private sector and with civil society organizations in pursuit of development and poverty eradication.”

The concept of partnerships among governments, the business community, and civil society received a large boost from the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg. Partnerships reflect different sides of the globalization process. They take advantage of the new and transformed global environment, but they can also be interpreted as a reaction to widespread public concern about the negative effects of globalization and the need to address problems of global reach. Partnerships can complement those multilateral agreements and international regimes where multi-stakeholder coalitions exist that are willing to advance towards sustainable global solutions that go beyond the minimum common denominator governments are willing to agree upon.

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² See United Nations Millennium Declaration, 8 September 2000, accessible at <http://www.un.org/millennium/> (accessed 15 November 2002).

In German development cooperation, multi-stakeholder approaches have rapidly gained momentum over the last few years. One important starting point has been the facilitation of pilot projects with individual companies under the Public-Private-Partnership Program (PPP).³ The main objective of these pilot projects was to demonstrate good practice in socially and environmentally responsible supply chain management, thereby setting standards for future activities. In some cases, civil society organizations were included from the beginning, in others at a later stage, once cooperation between the company and development cooperation had proven successful and trust between project partners had been built up.

Based on this experience, there was a growing consensus that cooperation had to be upgraded from the micro firm level to the industry or branch level. At that point, a number of representatives from the private sector, trade unions, and NGOs asked the government to facilitate an institutionalized forum for dialogue. The various groups participating in the “Round Table on Codes of Conduct” (established in early 2001) agreed to develop a common understanding of how voluntary codes of conduct for corporate social responsibility can be introduced and applied – effectively, transparently, and in a spirit of participation.

A special working group was set up for the textile sector which advanced the dialogue to such a degree that, on the basis of the consensus achieved, a project for the sector-wide implementation of a Code of Conduct in the clothing trade industry was initiated. The first stage of that project covers 15 developing countries and will reach approximately 16,000 suppliers.

For the coffee industry a dialogue among green coffee producers and traders, trade unions, and NGOs was established on the basis of a field study on the social conditions of coffee plantation workers in Central America. The objective is to reach an agreement among the German Coffee Association, trade unions, fair trade organizations, and NGOs on how to improve the ecological and social conditions of green coffee production and to establish a Code of Conduct for sustainable coffee production.

³The program is financed by Federal Ministry for Economic Cooperation and Development and administered through the “Gesellschaft für technische Zusammenarbeit” (GTZ). See <www.gtz.de/ppp/english> for more information.

Another important multi-stakeholder dialogue forum has emerged in the context of the Johannesburg Summit with the support of the government: A joint working group of the informal network “Friends of the Global Compact,” involving German companies, trade unions, and NGOs. There are many other fields of development cooperation where voluntary multi-stakeholder initiatives have proven dynamic and successful, e.g. the Forest Stewardship Council and the World Commission on Dams.

What Lessons Learned Can be Derived From Such Partnerships?

Multi-stakeholder alliances emerge in an evolutionary manner, based on the shared perception of various groups in society that a specific problem can only be solved in a joint effort. In such situations, governments can foster progress by proactively providing dialogue forums and support for pilot projects which demonstrate that cooperation among various players having different interests is beneficial to all participants and that trust among partners can be built up.

In many cases multi-stakeholder initiatives were created or advanced following the model of concentric circles – starting with relatively small pilot projects of individual firms, which were then imitated by other companies, taken to the business association level, including more and more companies, and finally gradually extended to other players, such as trade unions, and NGOs.

Because of their voluntary character, multi-stakeholder initiatives by players committed to finding sustainable solutions for specific social and environmental problems may pave the way out of difficult situations.

This experience is also valid for multilateral processes where unsatisfactory results no longer justify the resources dedicated to long and hard negotiations that eventually end in a deadlock. In such cases, “coalitions of the willing,” supported by progressive stakeholders in society, may foster a political climate supporting a “race to the top” and set standards for replication via examples of good practice. In specific cases, they may be more conducive than international soft law or treaties, if these fall victim to lack of political interest and UN routine. A two-track strategy of voluntary

partnerships where standstill and blockades can be overcome only through new approaches, on the one hand, and multilateral agreements where solutions go beyond minimum consensus on the other, might turn out to be a new paradigm of international cooperation also within the framework of the UN.

The multi-stakeholder initiatives described above fall under the rubric of "Public Policy Networks." They are directed towards achieving a common understanding of complex policy issues among diverse stakeholders, reflecting the different interests of the participants, and towards creating ownership of common efforts in support of the public interest. Through continuous interaction, these networks permit mutual learning at each step of the process towards implementation, thus broadening the basis of consensual knowledge and opening ways towards far-reaching processes of change.

From a constitutional point of view, multi-stakeholder initiatives and Public Policy Networks do not necessarily conflict with one another, but can be supportive of democratic systems, as long as they respect the rules of decision-making processes by representative bodies. That is what also makes them an important instrument for global governance in the future, complementary to intergovernmental activities. Hence, the partnership initiatives agreed upon in Johannesburg as "Type II" outcomes, initially considered by many as an attempt to undermine multilateral agreements ("Type I" outcomes), might after all serve as a positive step into the future.