

# The World Commission on Dams as a multi-stakeholder process

## *Some future challenges*

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Business as usual, government as usual, and perhaps even protest as usual are not giving us the progress needed to achieve sustainable development. Let's see if we can't work together to find better paths forward.

— Paul Hohnen, former director of  
Greenpeace International<sup>1</sup>

### Multi-stakeholder processes and their benefits

Designing and conducting multi-stakeholder processes is a great challenge. The World Commission on Dams process — an effort undertaken in the face of great conflict between a multitude of actors all over the world and at all levels — has stood up to the challenge in a remarkably successful way. The process has been hailed as a precedent for dealing with other controversial global policy issues. It has attracted attention to a number of new approaches to governance, including multi-stakeholder processes (MSPs). At all levels, organizations and networks are experimenting with MSPs, which can be defined as “processes which aim to bring together all major stakeholders in a new form of communication, decision-finding (and possibly decision-making) on a particular issue. They are also based on recognition of the importance of achieving equity and accountability in communication between stakeholders, involving equitable representation of three or more stakeholder groups and their views. They are

based on democratic principles of transparency and participation and aim to develop partnerships and strengthen networks between stakeholders.

MSPs cover a wide spectrum of structures and levels of engagement. They can comprise dialogues on policy or grow into consensus-building, decision-making, and implementation of practical solutions. The exact nature of any such process “will depend on the issues, its objectives, participants, scope, time lines, etc.”<sup>2</sup> In addition, it is important to differentiate between processes linked to official decision-making and independent processes. In brief, the benefits include:

- **Quality:** Stakeholders add specific experiences and knowledge of issue areas that are not as easily accessible to others. Their inclusion adds to the quality of opinion-forming and decision-making (e.g., on norms and standards). Paired with requiring participants to base their arguments on facts, MSPs can deliver results of high factual authority.
- **Credibility:** MSPs include groups that do not represent the same interests. People know that collaborating across interests groups is difficult, the result of identifying common ground, building trust, and, often, compromise. All of that, if done in an equitable, transparent, and democratic manner, can create results that gain respect and are more likely to be seen as legitimate than efforts that are undertaken by one group. This adds to the moral authority of MSP results.
- **Likelihood of impact and implementation:** Being part of an MSP and thus partly responsible for its outcomes can increase people's commitment to the

outcomes and enhance their efforts to communicate and implement them.

- Societal gains: Democratic participation, equitable involvement and transparent mechanisms of influence create ownership and support among stakeholder groups and individual citizens. Successful communication across interest groups and competitors as well as consensus-building and joint decision-making can increase mutual respect and tolerance and lead societies out of deadlock and conflict on contentious issues.

### **Participation in MSPs**

“Stakeholders are those who have an interest in a particular decision, either as individuals or representatives of a group. This includes people who influence a decision, or can influence it, as well as those affected by it.”<sup>3</sup> This sounds easy enough. Yet this very broad and open definition makes it difficult to say who would not be a stakeholder.

Questions of choice of participants, inclusion, and representation accompany the design and the critique of all MSPs, particularly as regards their legitimacy. At the global level, one tends to work with international associations and networks of business, trade unions, non-governmental organizations (NGOs), and so forth. However, the extent to which associations can speak for their members varies greatly, and more often than not several networks could play the representational role. Thus, initial design of the process should involve a number of principal stakeholders, who then have a say in choosing additional participants in a fashion nominally intended to balance both interest and influence.

With regard to the inclusiveness and practicality of MSPs, many nowadays argue to use a trilateral or tri-sectoral approach, which would include governments, the private sector, and “civil society.” Particularly within sustainability-related fora this practice seems inappropriate; Agenda 21 and subsequent international agreements since Rio work on the basis of nine “Major Groups,” so as not to squeeze everybody but business into one group or to give business by default as much voice as everybody else together. While it might accurately reflect existing power relations, the tri-sectoral approach may not serve the representation of perspectives varied enough to assure quality and earn credibility. Definition of stakeholder groups has more successfully been based on care-

ful analysis of an issue area (e.g., via social mapping) and on thinking “outside the box” of established “lists” of stakeholder groups. The answer to practical questions of group size, length of meetings, and amounts of documentation to be digested has proved not to be exclusion but, rather, creativity. As the WCD has shown with its Commission and Forum structure and layered process of meetings at different levels, large numbers of people, organizations, and views can indeed be included.

The question of legitimacy extends to the stakeholder groups themselves and the way they work within their constituencies. Edwards has put forward some criteria on the legitimacy of NGOs and their ability to speak for their constituencies at international meetings.<sup>4</sup> However, the legitimacy of business, trade unions, and other stakeholders and their associations has not similarly been scrutinized as to transparency, internal democratic consultation and decision-making, and constituency representativeness. Within stakeholder associations, there is competition — for example, for markets and funding — and this will also impact the ability to come to common positions and speak for all members.

Another important aspect of relations between representatives and constituencies is what the Environment Council has labeled “constituency drift”: the fact that through the dynamics within the MSP group mutual learning and changes of perspective take place that are not shared by the wider constituencies.<sup>5</sup> Representatives may “drift” away from those represented, risking ultimate rejection by the very groups supposedly participating by proxy. Therefore, participants must assure that their constituencies remain involved and that the process remains transparent to them.

### **Role and status of MSPs**

Many international agreements — particularly in the area of sustainable development but also legally binding instruments such as multilateral environmental conventions — make clear that stakeholders need to take an active role in implementation. For example, decisions of the United Nations Commission on Sustainable Development “call upon” and “urge” stakeholders to engage in various activities, outlining their responsibilities, and the need for partnerships. However, stakeholders are referred only to an advisory role when formulating decisions. There are problematic governance implications implied when discussing stakeholders’ involvement in

decision-making. Yet such involvement is happening anyway, through lobbying, which places resourceful groups in very advantageous positions. A transparent, equitable, predictable process of engagement — including support, as needed, to allow meaningful participation — would likely appear more legitimate in the view of the general public. A simple checking back with stakeholders when formulating decisions — for example, as regards their capacities to do what they will be asked to do in a final settlement — could prove pivotal.

It is interesting to note that in preparation for the 2002 World Summit on Sustainable Development, the UN Secretary General has referred to the need for involvement of stakeholders in decision-making.<sup>6</sup> This is one indication among many that a substantial political debate on the relationship of governments and intergovernmental institutions to stakeholders has yet to occur. If this relationship is not clarified — and, to some extent, made more efficient — then stakeholders will in the long term withdraw their engagement. People participate to impact policies, not to endorse the policy-making process.

Steps toward more formal authority for MSPs would include designing them to be integral parts of decision-making processes and creating transparent and predictable mechanisms for the use of their outcomes. For example, in 1999, at the Seventh Session of the UN Commission on Sustainable Development (CSD), the chair of the negotiations forwarded a summary of the stakeholder dialogues to government delegations, allowing governments to use the text as an official input document and transfer parts of it into the CSD decision document where they wished. Such a procedure would seem to be a first step towards inclusion of MSPs in decision-making beyond a purely informational role, the outcomes of which can be discarded without consequence.

Another interesting example is the committee overseeing the implementation of the UN Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW). Parties to CEDAW have to report every few years on progress made. The CEDAW Committee expects reports from governments and invites stakeholders to comment upon them, both in written form and at hearings held to scrutinize these reports. In other words, NGOs are officially consulted by the committee monitoring the convention. As such, a dialogue with civil society — assuming broad consultations within NGO constituencies — is an integral part of the compliance mechanism.

An MSP, whether independent or linked to an official process, can develop joint stakeholder action plans including their own mechanisms for monitoring and for management of non-compliance. The Stakeholder Forum's process and event, *Implementation Conference: Stakeholder Action For Our Common Future*, is an example.<sup>7</sup> Such mechanisms are under discussion for all partnership initiatives coming out of the Johannesburg Summit ("type 2 outcomes"), and the UN CSD may in future serve as a forum for such activities.

Monitoring follow-up is essential. As Patrick McCully of International Rivers Network has pointed out in relation to the WCD, "it is one thing to get a good report and it will be quite another for the report actually to make a difference to real-world practices."<sup>8</sup> However, if "getting a good report" has become a common goal, then some change may already have occurred in relationships among the people involved.

## Research prospects

The WCD assessment report undertaken by the World Resources Institute, Lokayan, and Lawyers' Environmental Action Team is a valuable contribution to the body of data and knowledge available on MSPs<sup>9</sup> and considerably advances the development of assessment methodology. More such reviews would be helpful, as would meta-analytical complements to serial case studies. Much can be built on the growing body of research examining participatory mechanisms, including those applied in the development field. There is a possibility that MSPs, which are fashionable at the moment in some circles, will be replaced by a subsequent fashion or be pushed aside in a shift towards the political right.

Many now seem to be experimenting with "engagement." Across the United Nations, a variety of practices have arisen, largely uncodified, which may be one reason "newcomers" have had difficulty contributing. Moreover, those already involved in these experiments cannot confidently predict the circumstances and dynamics of future "engagements," further complicating the maintenance of constituency commitment.

For social scientists, processes of communication, consultation, facilitation, decision-making, and documentation, both within and between stakeholder groups and official bodies, present a range of research opportunities. As examples, the UN Department for Economic and Social Affairs has recently commissioned the

Consensus Building Institute to review stakeholder dialogues at the Commission on Sustainable Development,<sup>10</sup> and Stakeholder Forum's Implementation Conference is being linked with research efforts at universities in the United States and Switzerland.

MSPs have presented opportunities for life scientists as well, such as Novartis Germany's annual "Forum" events and the 2000 OECD Edinburgh Conference on the Scientific and Health Aspects of Genetically Modified Foods.<sup>11</sup> Yet these were open discussion events staged after conflict had already grown embittered; more useful might have been discussions staged much earlier. However, these would have required scientists, governments, and businesses to engage with other stakeholders during the research-and-development planning phase. While this may not seem a likely prospect, movement toward it has been seen within some international scientific circles.<sup>12</sup>

### Political realities

The multi-stakeholder process is a political phenomenon, in certain ways recapitulating the development of democratic forms and republican institutions. It is, though, an unregular process and also a surprisingly unregulated one. It is beginning to affect major political controversies and has itself, accordingly, become a prime object of manipulation. Its future and our own may by now, though, be inextricable.

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