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MULTI-STAKEHOLDER INITIATIVES: LESSONS LEARNED

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APRIL 2018

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ACRONYMS AND ABBREVIATIONS

APRM	African Peer Review Mechanism
ARTEIG	Accelerating Responsive Transparent Extractive Industry Resource Governance
CSO	Civil Society Organization
DI	Democracy International
EITI	Extractive Industries Transparency Initiative
MSI	Multi-Stakeholder Initiative
NAP	National Action Plan
NPoA	National Program of Action
OGP	Open Government Partnership
SAIIA	South African Institute of International Affairs
USAID	United States Agency for International Development

INTRODUCTION

Multi-Stakeholder Initiatives (MSIs) are voluntary partnerships between governments, civil society, and the private sector that have emerged over the last 15 years to address development challenges collaboratively, entrench democratic practices, and strengthen regulatory frameworks. MSIs operate on the premise that governance outcomes can be improved by increased transparency and enhanced stakeholder participation in policy reforms.

The Accelerating Responsive Transparent Extractive Industry Resource Governance (ARTEIG) Project,¹ implemented by Democracy International (DI) and the South African Institute of International Affairs (SAIIA) between October 1, 2016 and April 30, 2018, focused on three prominent MSIs: the African Peer Review Mechanism (APRM), the Extractive Industries Transparency Initiative (EITI), and the Open Government Partnership (OGP). These initiatives share principles of voluntarism, peer learning, and involvement of civil society. Openness and transparency are prioritized through the implementation of and adherence to common standards.

The aim of this project was to learn lessons from the three MSIs, explore their evolution and dynamics, and recommend ways of closer collaboration on shared objectives. In doing so, it also sought to inform the United States Agency for International Development (USAID) on how it could best engage with MSIs going forward.

The project produced five reports based on the following research themes:

- 1) [Multi-Stakeholder Initiatives: What have we learned? An overview and literature review](#)
- 2) [Multi-Stakeholder Initiatives in Africa: Case studies of the APRM, OGP and EITI by Ghana, Liberia, Sierra Leone and Tanzania](#)
- 3) [Peer pressure and peer learning in MSIs](#)
- 4) [Multi-Stakeholder Initiatives and the Media](#)
- 5) [Civil society participation in the Open Government Partnership \(OGP\)](#)

This synthesis distills the conclusions and lessons learned from these reports to provide a concise, high-level summary of the project findings.

¹ This project falls under Democracy International Subcontract No 40140003-SAIIA-I, related to Order No. AID-OAA-TO-16-00019, Contract No. AID-OAA-I-13-00030 with USAID/DCHA/DRG on Accelerating Responsive Transparent Extractive Industry Resource Governance (ARTEIG).

MSIS: A BRIEF BACKGROUND

The African Peer Review Mechanism (APRM) is the most comprehensive of the three MSIs. Open to all members of the African Union, the APRM adopts a holistic view of governance, prioritizing democracy and political governance, economic governance and management, corporate governance, and socio-economic development. Established in 2003 as a voluntary mechanism, it currently has 37 member countries, 21 of which have completed their first reviews. Only Kenya and Uganda have undergone second reviews. The key impetus driving the APRM is that it allows countries at different levels of democratic and socio-economic development to cooperate toward common goals through non-adversarial peer reviews, which encourage learning from each other, capacity building, and sharing of best practices.

The Extractive Industries Transparency Initiative (EITI) was established in 2003 with the purpose of addressing many resource-rich countries' inability to transform their natural resource wealth into developmental benefits for their citizens. The EITI began by establishing a set of principles and rules to promote minimum transparency requirements in the oil, gas, and mining sectors and later developed these rules into an EITI Standard, which requires countries to publish timely, accurate information on natural resource management, including the way licenses are allocated, corporate tax rates, and government spending. Adherence to the Standard is required, but the process is flexible enough to take into account a member state's specific requirements. Currently, 51 countries implement the EITI worldwide. Six are suspended, for reasons varying from failing to meet reporting deadlines to political instability.

The Open Government Partnership (OGP) was established in 2011 by eight founding members (Brazil, Indonesia, Mexico, Norway, the Philippines, South Africa, the United Kingdom, and the United States). Thematically similar to the APRM, the OGP's narrower focus includes fiscal transparency, access to information, income and asset disclosure, and citizen engagement. Countries that achieve ratings of 75% against these criteria are given the green light to join. The OGP creates partnerships between government and civil society to improve governance and accountability by promoting transparency, empowering citizens, and fighting corruption by harnessing new technologies. The OGP currently has 70 member states, and 15 sub-national governments have recently joined. Member states undergo reviews every two years, with countries embarking on a new National Action Plan (NAP) as soon as they have completed the previous one.

MAIN FINDINGS AND CONCLUSIONS

Countries join MSIs for different political reasons, which include a desire for legitimacy with domestic stakeholders for committing to the goals of improving transparency and accountability, and increasing the participation of civil society. Member states also often use MSIs as foreign policy tools or to enhance their regional or international reputations.

The effectiveness of the APRM, EITI, and OGP in promoting significant governance reforms is so far questionable. There is little evidence linking participation in these initiatives to improvements in governance and accountability. Countries that participate in MSIs endorse the lofty ideals of open governance, public access to information, freedom of the press, transparency, and accountability, but most member countries have so far failed to make the necessary reforms to achieve them. Importantly, whenever member states introduce governance reforms, however limited, it is hard to attribute these reforms to the country's participation in these international platforms. In other words, it is difficult to prove that MSIs made a difference.

As voluntary partnerships, MSIs have limited power to oblige countries to comply with their international commitments. The APRM has no mechanism to delist or suspend countries that fail to comply with their commitments. The APRM's 2016 Statute makes no mention of any provisions to deal with non-compliant members and it has never introduced sanctions in its 15 years of existence. By contrast, the OGP and EITI can exert greater pressure on non-compliant members by suspending and/or delisting countries. In 2016, the OGP Steering Committee declared Azerbaijan and Turkey inactive members, and in 2017 it added

Montenegro to the list. Azerbaijan, Hungary, Turkey and Russia later withdrew from OGP. Similarly, the EITI delisted the Central African Republic, Equatorial Guinea and Yemen. In 2017, it suspended Iraq, Kyrgyzstan, the Solomon Islands, and Tajikistan.

Nevertheless, peer pressure has had mixed results. While the EITI and OGP have upheld their foundational principles by delisting or suspending non-compliant countries, the costs of withdrawal and/or suspension from these initiatives is mostly reputational, and has failed to either promote greater governance reforms in member countries or to induce suspended countries to make greater efforts to comply with commitments and be re-admitted. The voluntary nature of MSIs makes it difficult to bring errant members to account.

Of the three MSIs reviewed, the EITI, which is also the narrowest in focus (on transparency around the extraction of natural resources), has been the most rigorously evaluated. These evaluations conclude, however, that there is no measurable evidence that membership in the EITI improves governance results or that EITI member countries outperform non-member countries in terms of government accountability, transparency or economic development metrics.² Even where some improvements were made in fiscal transparency, public debate, trade, and investment climate or even fighting corruption, it could not always be legitimately attributed to the EITI.³

The APRM has produced the least evidence of all MSIs for promoting governance reforms. During the past 15 years, governments have failed to take action to address governance issues raised in the APRM reports. Political leaders have not always taken the process seriously, as indicated by low attendance at APRM Forum meetings – the highest decision-making body of the APRM –, widespread arrears in subscription payments, and lack of critical engagement with APRM reports. Moreover, member governments in general have retained a closed attitude toward civil society involvement in APRM meetings, preparation of country reports, and monitoring and evaluating the implementation of national action plans. In all, most member countries have failed to engage civil society as an equal partner. The APRM has a low media profile and few citizens in Africa actually know about this initiative or take any public interest in it.

*Georgia is recognized as an OGP success, especially for its establishment of the **Open Government Georgia's Forum**, which brings civil society together with other stakeholders for meaningful dialogue. In other countries, civil society engagement via OGP structures has achieved more mixed results. In **South Africa and Ghana**, for example, low levels of civil society representation and participation and public accessibility of information have been identified as major hurdles to realizing OGP goals.*

While broad in its international commitments, the OGP is also more rigorous in its admission requirements and review standards. To become a member, countries need to pass a qualification threshold and undergo an evaluation that considers the level of completion as well as the transformational potential of each individual commitment. An assessment of the OGP's overall impact is, however, difficult to make. The sparse research on the OGP focuses on compliance rather than on impact, partially because the initiative is too recent to establish patterns and trends.⁴ Moreover, according to Joe Foti, Director of the

² Benjamin K. Sovacool, GötzWalter, ThijsVan de Graaf, and Nathan Andrews "Energy Governance, Transnational Rules, and the Resource Curse: Exploring the Effectiveness of the Extractive Industries Transparency Initiative (EITI)." <https://www.sciencedirect.com/science/article/pii/S0305750X16000188>

³ German Development Institute (2016). "Assessing the Effectiveness and Impact of the Extractive Industries Transparency Initiative (EITI)." http://www.bmz.de/rue/includes/downloads/EITI_Impact_Study_GIZ_2016.pdf

⁴ Brandon Brockmyer and Jonathan Fox, "Assessing the Evidence: The Effectiveness and Impact of Public Governance-Oriented Multi-Stakeholder Initiatives" (Transparency and Accountability Initiative, September 2015), <https://eiti.org/document/assessing-evidence-effectiveness-impact-of-public-governanceoriented-multistakeholder>.

Independent Reporting Mechanism of OGP, only 5% of all commitments were seen as transformative.⁵ Finally, as is the case with other multi-stakeholder initiatives, there is a risk that governments, lacking political will for reform at the highest levels, may use membership in the OGP for “open-washing,” that is, maintaining the appearance of openness without being committed to actual reforms.⁶

OGP IN NUMBERS: GHANA, GEORGIA, AND SOUTH AFRICA				
Country	Number of commitments	Commitments considered potentially transformative	Degree of completion (100% complete based on two full years of implementation)	Did it open government? Number of outstanding commitments (ranking goes from outstanding to major, marginal, none or worsening open government)
Ghana	19	4/19 (21%)	0	0/19
Georgia	65	10/65 (15.3%)	18/65	2/65
South Africa	23	1/23 (4.3%)	1/23	0/23

Source: OGP Explorer, an IRM interactive database. <https://www.opengovpartnership.org/about/independent-reporting-mechanism/ogp-explorer-and-irm-data>

MSIs have so far failed to demonstrate greater effectiveness in promoting governance reforms due to the absence of stronger incentives for voluntary compliance with international commitments; the frequent resistance of stakeholders to commit to reform; the weakness of civil society organizations to demand greater compliance; and the lack of public awareness about MSIs, indifference, or lack of understanding of their overall goals.

While MSIs have so far fallen short of expectations, anecdotal evidence suggests that, in some countries, they have contributed to the opening up of political space – the avenues, opportunities, and entry points available for citizens to express their voice and influence political processes and outcomes. Evidence also suggests civil society organizations have successfully used MSIs to promote policy reforms. The EITI, for instance, provided a previously excluded civil society groups a platform to engage with government and corporations on issues related to the disclosure of revenues from extractive industries. Liberia and Sierra Leone, for example, both used EITI and the OGP to prevent conflicts, regulate extractive industries, promote transparency, and attract foreign investment. The EITI also played a significant role in informing public discourse and promoting cooperative dialogue in the Democratic Republic of Congo, Liberia, Mali, Nigeria, and Peru.

Similarly, the OGP has given CSOs an institutional platform to demand greater access to public information. Brazil, Croatia, and Georgia all passed access to information laws after joining the partnership. Initiatives around electronic governance, such as making information available online, have also been common outcomes of OGP processes.

The capacity of MSIs to adapt to changing international and national dynamics has been crucial to maintaining their relevance. The EITI has undergone extensive changes to reflect a changing local and

⁵ Joe Foti, Program Director: Independent Reporting Mechanism, Open Government Partnership. Interviewed on 9 November 2016 in Washington, DC

⁶ Brandon Brockmyer and Jonathan Fox, *op. cit.* p. 11; 25. For an interesting discussion on the risks of using OGP as a window dressing opportunity in Brazil, see Greg Michener blog post, Christian Science Monitor. <https://www.csmonitor.com/World/Americas/Latin-America-Monitor/2011/0713/The-Open-Government-Partnership-a-new-direction-for-US-foreign-policy>.

international context and issues in extractive industries. It has played a careful balancing act in ensuring that compliance with its Standard is rooted in local circumstances. The OGP also set specific, ambitious criteria for membership but is still grappling with ways to make members choose more transformative commitments. It has been innovative by accepting sub-national governments as members, as they are important governance actors. Both the OGP and EITI recognize top-performing members through awards. The APRM, in contrast, has essentially stayed static since 2003.⁷

LESSONS LEARNED

The potential of MSIs to promote reform depends on sustained political commitment at the highest level. Without political buy-in at the highest level, no MSI can be effective. Supporting champions of reform in government is essential. Governments are central and indispensable stakeholders to MSIs. They conclude accession agreements, provide human and financial resources to enable dialogue and deliberation among different stakeholders, compile reports, and implement action plans. However, many governments struggle both to implement and report, mostly due to weak commitment, lack of capacity to implement reforms, and/or inadequate funding. These factors are exacerbated when a country is a member of multiple MSIs. African examples have shown that membership in multiple MSIs can be onerous in terms of implementation and reporting, causing unnecessary competition and placing strain on officials. Governments must therefore be careful not to join multiple MSIs and overcommit in an effort to enhance their international status or reputation when they lack the capacity to fulfil requirements.

Maintaining initial commitment of partner governments has proved challenging. The African case studies show that enthusiasm and support for MSIs can wane when new leaders or new parties assume power. Ghana was a keen APRM early-adopter, but with a change of government its commitment noticeably declined. Tanzania withdrew from the OGP in 2017, in an apparent effort to distance itself from a former President (Kikwete) seen as an OGP supporter. The new Liberian government under President George Wean has requested that its APRM report be “re-validated” before committing to it.⁸

African countries are not unique in their weak commitment to international standards. In 2013, Russia decided to withdraw from the OGP, perhaps as critics noted, because it was afraid of “too much transparency.”⁹ In 2016, in response to a critical OGP report raising concerns of the space offered to civil society for operating in their country, Hungary decided to withdraw from the OGP. Similarly, in 2017, Turkey decided to withdraw from the OGP after the Steering Committee placed the country on “inactive status” for failing to deliver a National Action Plan.

Civil society involvement is critical to MSIs, but faces constraints. In some cases, the participation of civil society organizations (CSOs) has been tokenistic, serving as a façade of consultations and openness



⁷ This is the case despite a comprehensive review of the APRM questionnaire in 2010/11. APRM's new leadership is exploring new areas for improvement, including the “expanded mandate” to oversee monitoring of the UN Sustainable Development Goals and the AU's 50-year development vision, Agenda 2063.

⁸ This was publicly stated by an advisor to the Liberian government at the second APRM Methodology Forum, March 14-15, 2018, Kigali, Rwanda.

⁹ Alex Howard “Russia Withdraws from Open Government Partnership. Too much transparency?” <https://www.opengovpartnership.org/stories/russia-withdraws-open-government-partnership-too-much-transparency>

created by governments with no real intention to reform. In the APRM, civil society involvement falls away during implementation and reporting phases. Egypt, for example, has pushed to exclude civil society participation, as civic space shrinks in the country. Both the OGP and EITI attempt to protect civic space with their respective Response Policy and Rapid Response Committee and decisively deal with member states that try to curtail it. Finally, civil society can redress its relative weakness by forming coalitions and working with the media to build momentum around governance questions.

An overall weakness of MSIs is that **governments remain reluctant to criticize one another**. The APRM aspired to frank conversations between leaders. In practice, APRM peer reviews mostly praised rather than criticized fellow presidents. Power dynamics in MSIs need to be acknowledged: sovereignty is highly prized, and relationships are unequal among governments, as well as between governments and other domestic stakeholders. Instruments that seek to address these dynamics – such as the APRM Panel of Eminent Persons composed of highly respected African figures or the EITI Multi-Stakeholder Groups that include representatives from government, the private sector and civil society – create avenues for a more balanced, non-threatening engagement.

More focused MSIs have greater potential to be more effective. The APRM's over-ambitious scope has meant overly lengthy reports (on average 350 pages per report), and action plans that contain many unfunded commitments which are, in turn, poorly integrated with national programs. The narrower scope of both the EITI and the OGP has helped both initiatives become in some cases more effective in translating into transformative, tangible governance policies.

MSIs have contributed to the production of a **large volume of comprehensive, insightful, and honest reports**. However, most of these reports tend to be lengthy, overly technical, and their conclusions are not well publicized or understood by the general public. **Shorter reports, firm standards, and faster reporting cycles could generate greater public interest, media coverage, and civil society engagement.** The reports need to be readable and accessible to the media and non-experts, and produced in a timeframe that sustains the reform momentum. A gap of more than a decade between APRM reviews is not conducive to effective implementation. The EITI is particularly strict, suspending countries for both missing reporting deadlines and making inadequate progress.

Without broader public support, MSIs will struggle to remain relevant. To that end, greater media coverage of MSIs performance and relevance in member countries is critical. MSIs have remained mainly “elite” initiatives, interesting mostly to governments, companies and established think tanks and CSOs. More work needs to be done to promote and popularize them by reaching out top and cultivating relationships with journalists to ensure more informed and consistent reporting on MSI progress.

The selection of the government agency that drives the engagement with MSIs makes a difference in the MSI's performance. Agencies that have authority to convene government entities and the power to hold them accountable are potentially more effective in ensuring the implementation of international commitments. The office of the president, prime minister, or the planning ministry is most effective in gaining traction than are foreign ministries. The worst location for an MSI is the foreign ministry.

The role of MSI secretariats is important. The secretariats are primarily administrative bodies, but they play a major role in the daily operations of these initiatives. They provide technical assistance to member states, improve capacity of in-country stakeholders, navigate the often-difficult political undercurrents, and act as information hubs that track country adherence with national commitments to the MSIs. Both the EITI Secretariat and OGP Support Unit are well-resourced and perform these functions efficiently. Their APRM counterpart is much weaker. The secretariats of the three MSIs examined here could be more active in promoting and transmitting learning among themselves and to member states. Relations among the MSIs could be strengthened. The informal engagements between the different secretariats could develop into more formalized exchanges going forward.

MSIs are undoubtedly useful governance-improvement tools, but measuring their effects and outcomes is not straightforward. They contribute to reforms, but cannot claim exclusive credit for them. Research has shown that MSIs have helped in adoption of new laws and policies, such as access to information laws or public disclosure standards for natural resources revenues, but it is difficult to assess their practical effect on citizens' lives. **The value of MSIs resides in their ability to act as levers of reform, or what some analysts have called “accelerants.”**¹⁰ They can provide impetus to reform efforts and programs by establishing a platform for policy dialogue among civil society, government, and corporate stakeholders and by generating standards and international obligations against which government can be pressed and held accountable.

WHAT CAN DONORS DO?

Investment in training civil society organizations, journalists, and government officials is worth pursuing. MSI secretariats need to ensure that government officials and civil society representatives receive adequate training when their country becomes a member and as it progresses through various stages. Sharing experiences builds communities of practice, highlights successes, and points out potential pitfalls. Dialogue is an intrinsic part of MSIs and it should be encouraged. It is also beneficial to organize international and regional peer-learning events so new members can learn from their counterparts. Peer learning works best when it is embedded in the MSI at all levels.

Donors should support civil society organizations interested in engaging in MSIs. CSOs provide checks and balances as well as independent views on progress achieved. However, many capable organizations struggle to justify their participation without core funding or a dedicated project. Participation in MSIs becomes something “nice to have,” but not always possible given limited resources. Supporting meaningful engagement of a few established organizations can have a cumulative effect on smaller groups that would not otherwise be involved.

It is important for donors to support research on the outcomes and impact of MSIs to better understand how they can act to foster reform and move beyond anecdotal evidence.

Donors that support good governance should try to direct their country funding to issues highlighted in MSI action plans, as these issues have already been prioritized by national stakeholders as crucial to success. Support can range from assisting countries attempting to improve aspects of their governance through membership in MSIs, encouraging reforms, and working with governments to consolidate democratic processes and build durable institutions. Direct interference, however, tends to be seen as “neo-colonial” meddling by many countries in the global South, especially African states.

¹⁰ Brandon Brockmyer and Jonathan Fox, *op. cit.*

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