



Europe Ambition 2030 webinar in the framework of the ASVIS Festival 2020.

September 28<sup>th</sup>, 2020.

**Multi-stakeholder partnerships in support to Multilateralism.**

**A New Generation of Multi-Stakeholder Partnerships**

**Summary.** Recommendations related to a 'new generation of multi-stakeholder partnerships' in support to multilateralism following a webinar aiming to address elements of a *Winning Organizing System* to secure the efficiency of the multilateral agreements as the SDGs and the Paris Climate Agreement in the context shaped by the EU Recovery Plan and the European Green Deal as well as the new factors shaping the post-Covid and post-Brexit era. Multi-stakeholders partnerships need to :

1. **Contribute to the strengthening of European Resilience in a XXIst century where the EU will have to face crisis and shocks.**
2. **Rebuild the strategic effectiveness of European States. Governments have to 'reinvent themselves' to meet societal needs. It should be done with multi-stakeholder partnership and alliances contributing to the implementation .**
3. **Catalyze systemic innovation and be transformational.**
4. **Use system mapping to accelerate implementation and evolution of partnership frameworks.**
5. **Develop new financial method i.a. a Blockchain Winning Organizing System in relation with European Public Funds and Blended Capital**
6. **Strengthen trust by adopting an EU Law on due diligence requirements through the supply chain.**
7. **Reshape the agenda of the *Conference on the Future of Europe* or convene a parallel conference to fix a *multi-stakeholder partnership open method of coordination* to be presented at Rio+30 in 2022.**

Conclusions of a webinar aiming to address elements of a Winning Organizing System to secure the efficiency of the multilateral agreements as the SDGs and the Paris Climate Agreement in the context shaped on one hand by the EU Recovery Plan and the European Green Deal as well as the new factors shaping the post-Covid and post-Brexit era<sup>1</sup>.

*As the UN noted **The SDGs can only be realized with strong global partnerships and cooperation. A successful development agenda requires inclusive partnerships — at the global, regional, national and local levels — built upon principles and values, and upon a shared vision and shared goals placing people and the planet at the centre.***

We want to contribute to system leadership for transformational change, by addressing together three revolutions: the green revolution and planetary boundaries, the inclusive and sustainable finance revolution, the digital revolution and empowerment.

To ‘recover in the right way’, to become more resilient and regenerate our planet and societies is an organizational challenge.

We need a new generation of partnerships towards system change and resilience for a new, fair and inclusive multilateralism<sup>2</sup> which should be inclusive and effective over the entire policy-making cycle of designing, advising, implementing, financing, and assessing policy making as well as tracing commitments implementation.

### **Here are our recommendations.**

#### **1. Resilience, the new European Compass**

In line with the European Council March 2020 conclusions towards increasing resilience of our system to face a 21<sup>st</sup> Century full of shocks and crisis requesting to rethink governance to manage crisis we need a new generation of multi-stakeholders partnerships.

*Multi-stakeholders partnerships needs to contribute to ‘the strengthening of the social resilience (in relation to employment, skills and social policies), in particular when it comes to the most vulnerable groups, the health and care systems, the safeguarding of key value chains and critical infrastructure, ensuring access to critical raw materials, strategic autonomy, improved connectivity, the diversification and resilience of their key economic ecosystems, and the fitness of their business environment.’<sup>3</sup>*

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<sup>1</sup> With the participation of Bruno Colmant, Virgilio Dastoli, Enrico Giovannini, Heinz Werner Engel, Stuart Hutton, Harald Rauter, Madelene Tyson , Dasa Silovic, Raymond Van Ermen

<sup>2</sup> <https://www.fepsunitedfor.eu/>

<sup>3</sup> SWD(2020) 205 final

## 2. Multi-stakeholder partnership and governance in the digital age.

Green deal with its European Climate Pact as well as the SDGs - all resulting of 'multilateral' processes - are requiring multi-stakeholders commitments towards carbon neutrality and long term objectives (2050) .

Governments have to 'reinvent themselves' to cope with the needs. We must rebuild the strategic effectiveness of European states. This rehabilitation is necessary in many areas, through public investments and social spending: education, mobility, climate transition, financing of social transfers and health care, securing public services, etc. It should be done in partnership with the interested parties.

## 3. Catalyse systemic innovation and be transformational

Climate-KIC is working on how to use system innovation and what are the new model of innovation to catalyse systemic innovation and be transformational. The innovation model for system innovation of Climate-KIC and the Deep Demonstrations as a test-bed for system innovation have been presented.

System innovation capabilities in a context which is not mechanistic, not linear, needing to make the invisible visible and embrace & navigate complexity requires emphasis on relationships, accept to not-know, embrace uncertainty, adopt learning and experimentation mindset, adopt testing culture.

## 4. System Mapping

The Rocky Mountain Institute observes the number of multi-stakeholder partnerships (including collaborations between governments, businesses and civil society organizations) that address the United Nations Sustainable Development Goals (SDGs) has [rapidly expanded since 2015](#). Many of these partnerships are working to transform complex systems from an unsustainable to a sustainable pathway. Experts in systems change and multi-stakeholder partnering emphasize the need for partnerships to use systems thinking to develop a shared understanding of the system they're working in before and during partnership implementation.

Systems mapping, with clear objectives and boundaries, helps drive successful partnerships, and multi-stakeholder partnerships along the value chain. There are many types and approaches to system mapping and choices should reflect partnership priorities. The different approaches offer opportunities for developing a systems perspective on incorporating change levers and exposing gaps or overlap in change models, which can maximize the value of systems mapping.

Systems mapping can be used to improve inclusivity because it depicts the critical parts in a system, and can highlight where stakeholders are not being engaged. It can also accelerate implementation and evolution of partnership frameworks as stakeholders develop a common understanding for how they work together towards a common goal.

## 5. New financial methods

We need new financial methods, a financial revolution in the digital age where citizens as retail investors and tax payers are empowered. A new generation of Multi-stakeholders partnerships will be needed to build trust, redirect finance, follow 'blended capital' initiatives (public-private finance partnerships) in line with the UN report of the Task Force on Digital Financing and the SDGs. *Digitalization must democratise the governance of finance to democratise finance itself*" stated the United Nations Secretary-General António Guterres.

From a European standpoint, while the EU has adopted an EU Recovery Plan strategy and the principles of a European Green deal, a new generation of multi-stakeholders partnerships is needed to implement the **citizens-centric finance vision** of the UN Task force report.

A consortium which includes EPE, European Movement Italy, KIC-Climate will propose a **Blockchain Winning Organizing System** in relation with European Public Funds (as green bonds, grants, equity, blended capital etc) in the framework of the European Recovery Plan and in support to the green deal and climate action with specific value chains initiatives as food systems, building retrofits, raw materials as well as a partnership Africa-Europe.

## 6. Transforming Market and Future Business

In her book 1%, take back power in the face of the power of the rich, Vandana Shiva gives us a very clear vision of where the world goes: the merger of the interests of the ultra-rich in the digital, financial and products and services. This joins MEP Philippe Lamberts' analysis on the concentration of companies and finance to become (or remain) too big to fail, so that - whatever the profitability - they are unassailable and the failures, the deficits, the job cuts are the responsibility of the state (whose tax base is reduced) and therefore citizens-taxpayers who impoverish themselves.

The shift to Stakeholder Capitalism should be transformative and not simply limited to incremental Improvement. KIC-Climate, future business driven, aiming to shape a business agenda which would be inclusive, climate just, equitable for all within the planetary boundaries is paving the way. These new businesses will be multi-stakeholder driven.

Critics are focusing on what they call multi-stakeholder initiatives (MSIs) which now cover almost every major industry, from certifying food or consumer products as "sustainable," "fair," or "ethical," to establishing good practices for internet companies in respect of privacy and freedom of expression online.<sup>1</sup>

The report Not Fit-for-Purpose reflects on a decade of research and analysis into international standard-setting MSIs. It concludes that this grand experiment has failed in its goal of providing effective protection against abuse. While MSIs can play important roles in building trust and generating dialogue, they are not fit-for-purpose to reliably detect abuses, hold corporations to account for harm, or provide access to remedy.<sup>4</sup> To launch this

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<sup>4</sup> <https://www.msi-integrity.org/not-fit-for-purpose/>

discussion, the authors partnered with Harvard Law School's International Human Rights Clinic in the blog series, "Rethinking Multi-Stakeholder Initiatives."

**Multi-stakeholder partnership are needed not to 'replace' a legal framework but to contribute to their fast implementation. We support the project of an EU Law on due diligence requirements through the supply chain announced by Commissioner Reynders.**

## **7. Conclusion : Open Method of Coordination to be in place by 2022.**

The contribution that EPE seeks to bring by proposing governance initiatives that link the three revolutions that are the green revolution (of the planetary limits), the revolution of the citizens-centric and sustainable finance and the revolution of the digital, aims at creating the conditions of a reappropriation by all actors in the value chain, each called to use their rights, powers, means to redirect finance (the first domino) and businesses, communities and consumers towards the common good, taking the SDGs as a carrier framework of the seeds of a new civilization and therefore a new mode of development.

We want to develop a Winning Organizing System, which requires a new form of leadership and empowerment to make a leap in societal capabilities, dealing in holistic manner with finance, biodiversity, climate, inequality and health.

Since the 1992 Rio Conference Empowerment has been a major objective. 'Commitments' were made, often not follow through as we were missing the technological tool to succeed in monitoring progress. While preparing Rio + 30 in 2022 we recommend to host a conference to fix an open method of coordination.

Prepared by an audit of multi-stakeholders partnerships and alliances, including EIPs and KICs as well as the Batteries Alliance, developed along the years by the Commission. Such audit should make use ,i.a., of system mapping methodology complementing existing recommendations<sup>5</sup>. Some partnerships where including 'commitments' as in the framework of the European Innovation Partnerships. The commitment monitoring should be key. ( Which institution should manage this audit is an open question. The European Parliament ? The European Court of Auditors which has a mandate related to the Commission implementation of the SDGs ? )

**The Conference on the Future of Europe or a parallel conference should shape such open method of coordination to be presented at Rio+30**

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<sup>5</sup> RECOMMENDATIONS ON INCREASING THE EFFICIENCY OF IMPLEMENTATION OF PARTNERSHIPS Final report by the ERAC Ad-hoc Working Group on Partnerships 2018