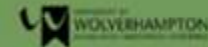


**Strengthening non-state actor involvement in forest
governance in Indonesia, **MALAYSIA**, The Philippines and
Papua New Guinea**

**Forest Governance Zonal Workshops
(Zone: Northern)**

**Session 2: MY forest project –
Multi stakeholder process in forest governance
21- 23 June 2019
Alor Setar**





What is a Multi-stakeholder Process (MSP)?

Multi-stakeholder Process

Key principals of Multi-stakeholder Process

Stakeholder identification

Designing the Multi-stakeholder Process

Developing Multi-stakeholder strategy

Facilitating Multi-stakeholder Process

What is a Multi-stakeholder Process



A **Multi-stakeholder Process (MSP)** is fundamentally about **participatory decision-making** and information sharing at the **local level**. Key stakeholders should be represented and decide what issues to focus on and what actions to take.

MSPs range from simple processes, such as one-off consultations, to more complex ones such as multi-stakeholder networks and partnerships.

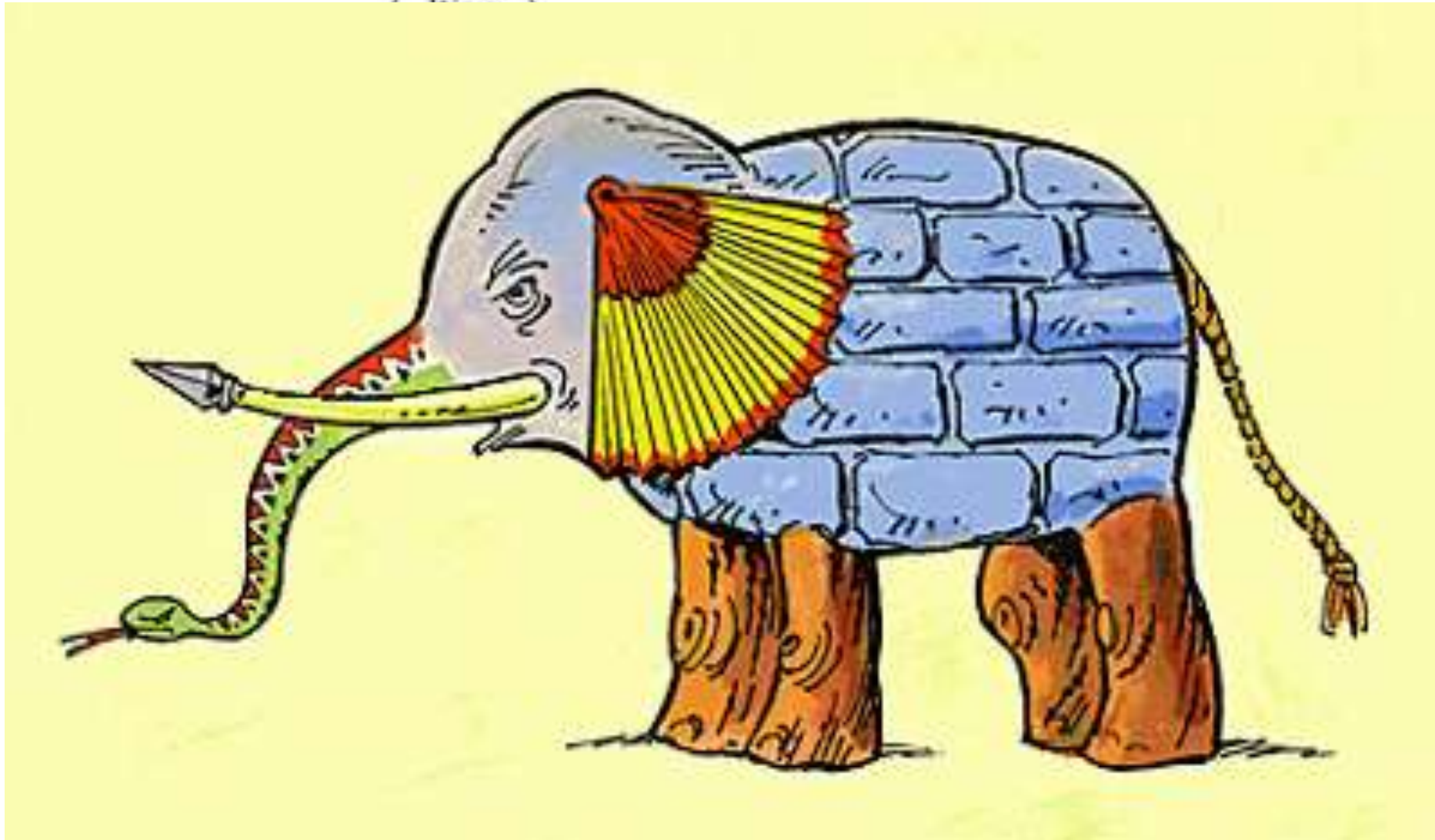
What are the benefits of MSPs?

Relevance: Local stakeholders best understand which activities are truly **relevant** to their needs and **realistic** in a specific context.

Ownership and sustainability: Local stakeholders share information and jointly decide what actions to take. This leads to greater local ownership of activities and outcomes – which makes them more sustainable.

Builds partnerships and alliances: Having a common goal strengthens partnerships and creates opportunities for dialogue and sharing resources.

Why is multi-stakeholder process important?



Multi-stakeholder Process

Phase 1: Initiate the process

- i. Clarify **common objectives** and the **scope** of the initiative
- ii. Do an initial **situation analysis** (i.e. who are the key stakeholders? What are their interests, fears, expectations, issues and power relationships? What politics are involved?)
- iii. Establish a **coordination team**
- iv. Select **milestones**

Phase 2: Build sustainable collaboration

- i. Build consensus on a **shared future vision**
- ii. Make sure consultations and decision making processes are **inclusive and participatory**
- iii. **Create trust** by sharing each other's values, concerns and interests
- iv. **Communicate outcomes** to stakeholders regularly.
*refer to comms strategy

Phase 3: Manage collaboration

- i. Develop detailed and concrete action plans
- ii. Secure resources and support
- iii. Develop capacities and build on existing talent of each stakeholder
- iv. Establish management mechanisms (with built-in conflict-resolution mechanisms)

Key principals of Multi-stakeholder Process



Accountability

Legitimacy

Effectiveness

Ownership

Equity

Participation & Engagement

Flexibility

Partnership / Cooperative management

Good Governance

Societal Gains

Inclusiveness

Strength of (inter)governmental institutions

Learning

Transparency

Stakeholder identification



IMPACT

Those who can impact or are impacted by our business

INFLUENCE

Those who can influence the way we operate

DIVERSE PERSPECTIVES

Stakeholders who can further organization's understanding of an issue

INTEREST

Those who are interested in our success or whose wellbeing is of interest to us
We also looked at three additional factors while finalizing our stakeholders.

URGENCY

Stakeholders with a relationship or claim of a time-sensitive nature

LEGITIMACY

Stakeholders with legitimate claims, either contractual or ethical



Stakeholder prioritisation matrix



		Stakeholder influence & dependency matrix			
		No influence	Low influence	Some influence	Formal power / High influence
Stakeholder dependence on the organisation (or project, objective or business line)	High dependence				
	Low dependence				
		Stakeholder influence on the organisation (or objective, project or business line)			

Stakeholder prioritisation (BURSA Malaysia)



1) Steps for Stakeholder Prioritisation

- i. Determine the criteria for consideration in the prioritisation process (e.g. influence and dependence). [A set of sample criteria are provided in (2) for your reference]
- ii. Develop a rating system to assign to the list of considerations for each identified stakeholder (e.g. A scale of 1 to 4 for level of influence or level of dependence)
- iii. Input the ratings into the table to plot the position of each stakeholder in the prioritisation matrix. [A sample template is provided above]

2) Sample criteria to determine stakeholders' prioritisation

A. Influence

- i. Does this stakeholder group have the power to grant/ revoke or influence your organisation's social licence to operate?
- ii. Does this stakeholder group have the capability to affect your organisation's image/ reputation?
- iii. Does this stakeholder group restrict or provide your organisation's access to investment funds?
- iv. Does this stakeholder group restrict your organisation's access to resources or operating sites?
- v. Does this stakeholder group have influence over other stakeholders in your organisation? (e.g. non-governmental organisations have an influence on consumers to some extent)

B. Dependence

- i. Does this stakeholder group have direct financial dependence on your organisation? (e.g. employees for salary)
- ii. Does this stakeholder group have indirect financial dependence (e.g. whose livelihood depends on your contribution to the economy; low income customers who rely on purchasing low income goods provided by your organisation)
- iii. Can this stakeholder group potentially be impacted by non-financial impairment or risk from your operations (e.g. surrounding communities exposed to emissions from your plant / effluent channeled into their water sources)

C. Willingness to engage

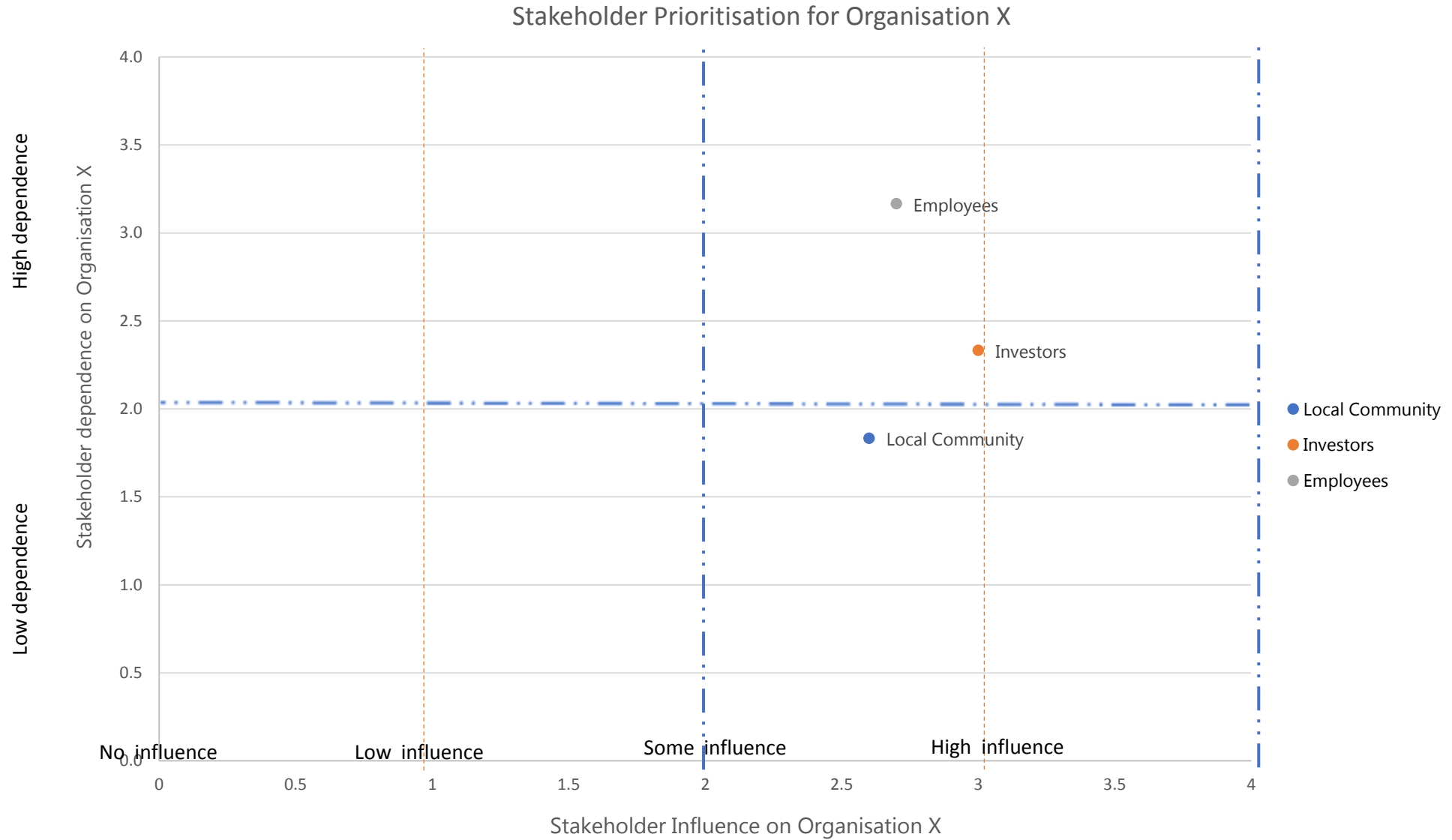
(can be considered concurrently with the two essential considerations above)

- i. Is this stakeholder group hostile?
- ii. Is this stakeholder group more often than not, uninterested in your operations?
- iii. Has this stakeholder group already engaged through some formal mechanism? (e.g. regulation)
- iv. Is this stakeholder group your competitor?

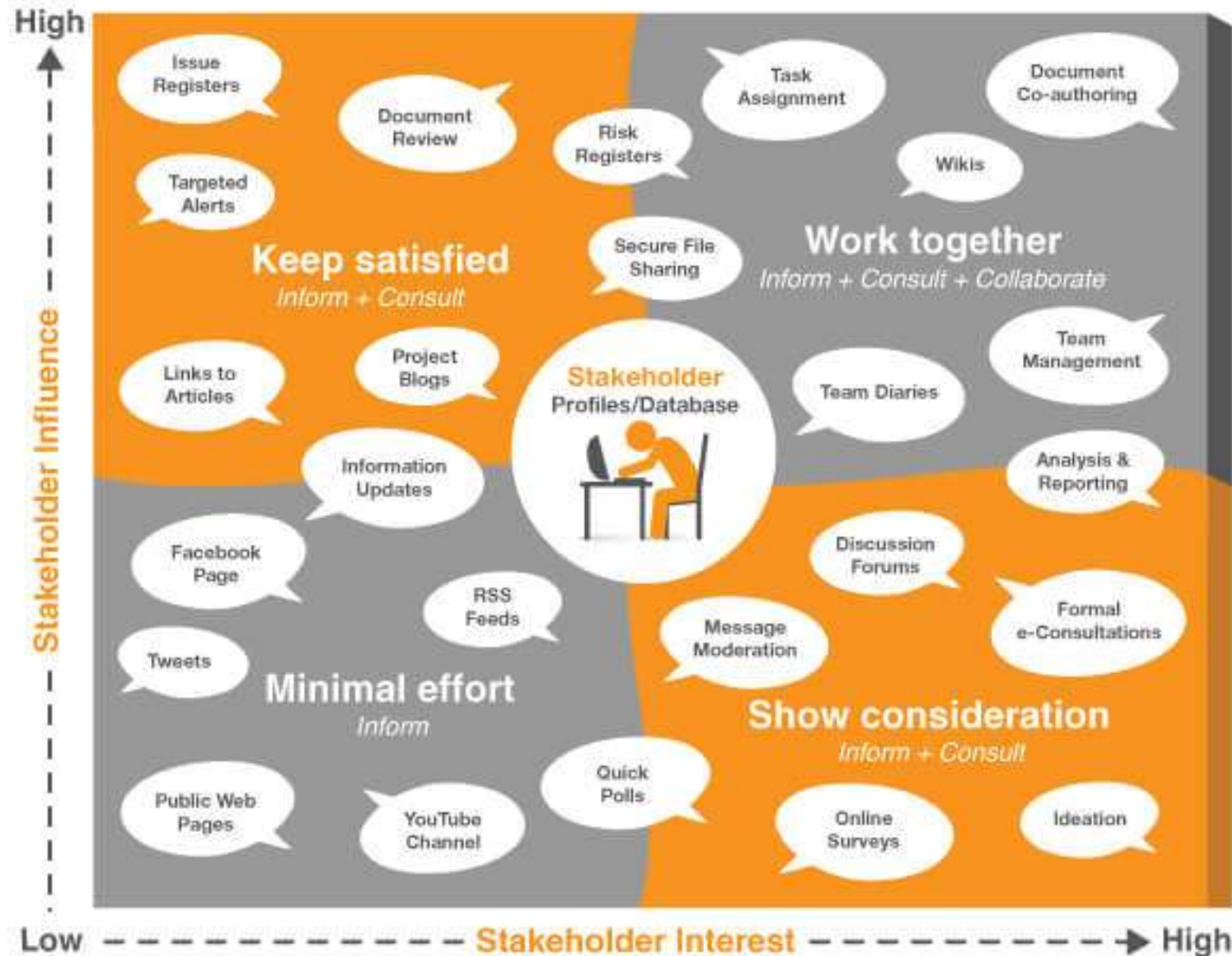
Example Stakeholder Ranking Table

Stakeholder	Local Community	Investors	Employees
Rating	(1 for very low and 4 for very high)		
i.	4	1	3
ii.	3.5	3	3
iii.	0	4	1
iv.	3	4	4
v.	2.5	3	2.5
Avg. Score	2.6	3	2.7
i.	0	4	4
ii.	2.5	0	3
iii.	3	3	2.5
Avg. Score	1.8	2.3	3.2

Plotted Stakeholder prioritisation



Stakeholder engagement



Case Study



City of BE on the shore of the river WOP, showing key activities in the catchment

