

Workshop on Multi-Stakeholder Dialogue for Transformative Change

Consolidated Notes

November 12-13, 2019

ABOUT MERIDIAN INSTITUTE

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We do this with an innovative approach that brings together three elements: our deep understanding of the issues at hand, as well as the people, politics, and power dynamics that surround them; our dedicated, expert team; and our ability to foster constructive discussions, manage decisions, and support actions that shape the world for the better. We work not only to shape meaningful consensus and action in the near term, but also to build our partners' capacity for cooperation that often continues for years, even decades.

We focus on five key services: collaboration, implementation, strategy, research, and philanthropic support. We bring our skills to bear on a diverse range of issues, including environment & natural resources, climate change, agriculture & food systems, forests, health, oceans & coasts, resilience, science & technology, and water. Across issues, boundaries, and systems, our work is a catalyst for powerful impact.

REPORT AUTHORS

Seth Blum, Project Assistant

John Ehrmann, Senior Partner

Please do not circulate these notes widely beyond meeting participants.

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Table of Contents

DAY ONE OPENING	3
GROUP INTRODUCTIONS	4
WHAT DOES THE PEER REVIEWED LITERATURE SAY?.....	4
GLOBAL ENVIRONMENT FACILITY CASE STUDIES	6
GOOD GROWTH PARTNERSHIP	6
FOSTERING SUSTAINABILITY AND RESILIENCE FOR FOOD SECURITY (IAP-FS).....	8
FOOD SYSTEM, LAND USE AND RESTORATION IP	9
AMAZON SUSTAINABLE LANDSCAPES PROGRAM.....	11
DISCUSSION	12
MOORE FOUNDATION CASE STUDIES.....	13
AGRICULTURAL MARKETS INITIATIVE	13
OCEANS AND SEAFOOD MARKETS INTIAITIVE	14
DISCUSSION	15
MONITORING AND EVALUATION	17
DISCUSSION	17
DAY TWO OPENING	18
FIRST ROUND BREAKOUTS.....	18
TPOLOGIES OF MSD APPROACHES	19
MSDs AND POWER	19
PRIVATE SECTOR ENGAGEMENT IN MSD	20
DISCUSSION	21
SECOND ROUND BREAKOUTS	22
USEFUL TYPOLOGIES	22
GUIDANCE ON DESIGN CRITERIA	22
MOVE TOWARDS EVIDENCE-BASED GUIDANCE	23
CLOSING DISCUSSION	23

The Scientific and Technological Advisory Panel (STAP) to the Global Environment Facility (GEF) hosted a workshop to inform the STAP's recommendations to the GEF on how multi-stakeholder dialogues (MSD) at the regional and global level can contribute to transformative change.

The workshop was hosted by the Gordon and Betty Moore Foundation at their offices in Palo Alto, California on November 12 and 13, 2019.

Day One Opening

Harvey Feinberg, President of the Gordon and Betty Moore Foundation (GBMF) welcomed attendees to the foundation and noted the importance of stakeholder engagement across the foundation's work.

Aileen Lee, Chief Program Officer for Environmental Conservation at GBMF, noted similar trajectories between GBMF and the GEF's work in terms of the desire to scale impact and create enduring change, as well as work to transform socio-ecological systems.

Rosina Bierbaum, Chair of the STAP, noted that while evidence is strong that participatory design on a local level improves outcomes, making the case on a global level is much more difficult. She provided background on the role of STAP and summarized outcomes of the STAP's previous work on durability, which found that institutional innovation, systems approaches, and analyzing barriers of scaling transformation were important points to take into consideration. She called upon the group to consider which boundaries and interdependencies are taken into account or disregarded in studying socio-ecological systems.

Rosina also highlighted the three key questions STAP sought to discuss during the workshop:

1. What is the **evidence** regarding the role of multi-stakeholder dialogue in influencing transformation in social-ecological systems?
2. What **lessons** can be derived from past experiences regarding strategies to build and sustain such multi-stakeholder dialogue processes?
3. What **implications** does this have for GEF and Moore programming (and more broadly for official and philanthropic financing)?

Gustavo Alberto Fonseca, Director of Programs at the GEF, noted that the Integrated Approach Pilots (IAPs) during GEF6 were an early attempt to pursue multiple benefits across mandates, and that Impact Programs (IPs), introduced in GEF7, are a continuation of this effort. Pointing out that the GEF needs to do something differently to have the impact it seeks, he was excited to attempt to more systematically consider a set of guidelines to build these stakeholder platforms according to need. Lastly, Gustavo highlighted the GEF's strength in convening because of its work with 165 countries every four years, and the difficulty of speaking the same language and working with different processes.

Group Introductions

John Ehrmann, Senior Partner at the Meridian Institute, welcomed participants and asked the group to share two questions or areas they would like to better understand through the meeting.

Participants highlighted:

- The need to develop practices and actions that could move from a theoretical understanding towards convening stakeholders with diverse interests on the ground was a key theme of the opening.
- What a realistic expectation of change is within well established processes and what actions would be needed to affect such a change in outcomes, the role of technology, context, and the disconnect between the challenge and resources available.
- A second key desired focus of the workshop was understanding different stakeholder incentives and involvement, including:
 - The role of power.
 - Engendering private sector collaboration/confrontation and connecting private sector initiatives in a meaningful way.
 - Working in a context with a non-supportive government.
 - The need to drive collaboration among NGOs and determinants of success.
 - How to spur stakeholders who cross boundaries to drive the process forward.
- The need to understand the ways in which MSD is embedded within systems and the ways that “shadow systems” occurring outside the room impact what happens within the room. How could this knowledge influence the use of MSD as part of a broader strategy to achieve transformational change?
- How to both consistently measure the impact of MSD and apply those learnings and findings consistently. Alongside this need, how to improve less successful MSD and resolving “leaps of faith” in the theory of change were also noted. Participants also asked how dialogues change over time.

What Does the Peer Reviewed Literature Say?

John Ehrmann summarized key insights from Meridian Institute’s review of the literature:

- The literature underlines the importance of understanding both the system dynamics of the projects that the GEF is convening and of the systems it hopes to affect.
- A prerequisite to building effective dialogue is providing structures for interaction that recognize established relationships and account for them in the design of the process.
- While the literature documents ways to understand the context of MSDs, research focusing on the effectiveness of responses to differing contexts is lacking.

- The literature explores network structure, interest alignment, and the depth of change sought as factors that help understand what intensity of MSD is required to achieve desired outcomes.
- Research providing practical insights into the design, implementation and effectiveness MSD focusing on transformative change is sparse and dispersed.

John further highlighted elements of the discussion draft of elements of effective MSD circulated before the meeting, including:

- The importance of understanding power dynamics and entrenched systems (context) as well as the nature of the change that the MSD seeks to affect.
- The continuum of dialogue from information sharing to investment in decision-making power, and the need to think through implementation from the beginning as well as to understand the complexity of MSD processes.
- While MSD may not fundamentally contribute to disruption, MSD may be a modality for trying to bridge different worlds within a large system.
- Building on the ways to consider the appropriate convener in the discussion draft, institutional baggage or strengths are important to consider (i.e. the Moore Foundation may have the ability to convene processes the GEF could or should not and vice versa).

Blake Ratner, member of STAP, highlighted the context of the STAP's consideration of key questions about MSD for transformation:

- The GEF is committed to transformational change across GEF-7 priorities, agreeing to “enhance **integration** across sectors, catalyze **innovation** and transformational change to alter systems that degrade the global environment, and leverage **multi-stakeholder coalitions** to influence change across scales.”
- The STAP's central proposition is that “structured dialogue processes can help build enduring coalitions to increase the likelihood of transformational change.”
 - The Independent Evaluation Office (IEO) review of IAPs found that they made important progress in setting up systems and catalyzing market transformation but noted that they added time and organizational complexity.
- The key question becomes: how do we do this well, securing private sector investment, creating horizontal and vertical integration, and better defining MSD outcomes while efficiently managing organizational complexity?
- The IPs make explicit goals of transformational change, systems approaches, innovation, and structured dialogue.
- Indicators to achieve enduring outcomes and impacts: stakeholder trust and motivation, enduring capacity and financing, resilience (adaptability and transformability)
 - How do you make the leap from saying all of these considerations need to be taken into account to implementing these successfully?
- STAP is looking to MSD to aid in: integration, scaling, exchange/learning, policy commitment, private sector engagement and financing, and enduring outcomes and impact.

- Multi-stakeholder processes (MSP) are #4 of STAP's criteria for promoting integration, innovation, and transformation. However, there is a need to understand:
 - To what extent are we investing in interventions that accept a high level of risk but also achieve a high-level, lasting impact.
 - How to manage the tension between rushing to get good things done and understanding and honoring the complexity of designing effective interventions.
 - Disentangling creating new MSD in "greenfield spaces" and creating coherence between all collective efforts in a "transformation system"
 - How things change and who is defining the scope in the first place (which in of itself should be an engagement process).

Participants asked how to bring the conversation about inertia and power dynamics from meetings, where it is openly discussed, into project design. Similarly, how do you keep participants in MSD engaged on a day-to-day level? ○ Power dynamics work both ways: some actors are so powerful that they don't see a need to be at the table, and others are marginalized and cannot be at the table or voice their concerns in a way that is influential.

The audience also asked what the action items from this workshop were and how to facilitate researchers investigating GEF programs.

Global Environment Facility Case Studies

Members of GEF agencies provided four case studies on the application of MSD within GEF projects.

GOOD GROWTH PARTNERSHIP

Andrew Bovarnick, Global Head of the Green Commodities Programme, UNDP

APPROACH TO MSC FOR SYSTEMS CHANGE

The Good Growth Partnership (GGP) focuses on commodity supply chains (A diagram of commodity value chains shows the incredible complexity of the system in practice.) The community talks a lot about win-wins, but part of MSD is about disrupting power and these power balances. It is an important concept to bear in mind as everything we do is part of a system.

The Green Commodities Program spent 10 years, homing in on need to build on multi-stakeholder collaboration for systemic change (MSCFSC), building teams of experts learning about other areas (facilitation, MSCFSCO, commodities). The program established National Commodity Platforms at the national and subnational in 12 countries across 7 commodities. The Good Growth Program itself is an MSP between UNDP, WWF, CI, UNEP, and IFC.

Andrew highlighted the GGP's MSCFSC elements based on collective impact: embrace systemic change, shared vision, participatory process, backbone support, facilitation, collective action and investment,

shared measurements, continuous communication. The key is how to manage participatory processes in practice and leverage the extensive guidance and methodology developed around all of these elements.

The advantages to MSCFSC are that it reflects the way the world works, addresses complex issues, partners can share risks and resources, results have more ownership which can lead to collaborative system change.

In his experience, the limits of MSCFSC are that it can only work with sufficient stakeholder interest and representation, it is complicated to achieve dynamics that overcome power systems, many areas have a low capacity for collaboration, there are no short term fixes that are often sought, and the difficulty of acquiring funding for open-ended processes with uncertain outcomes.

MSC WITHIN THE GOOD GROWTH PARTNERSHIP

Multi-stakeholder collaboration is used at the national level in GGP through commodity platforms, usually led by Ministries of Agriculture and based on highly participatory processes with supporting technical work. In some cases, commodity work on the subnational level helps provide vertical linkages.

Strengths and opportunities generated by MSC within the GGP include the ability to build a shared vision, relationship building that lays the foundation for further cooperation, the creation of action plans that outline systems change, the ability of government led and interministerial coordination to inform budgets and policy change, and giving a voice to local champions and marginalized groups.

However, limitations of MSC in the context of GGP include that it is a long process confined by short-term projects, the risk of an unbalanced group dynamic, political turnover, challenges in galvanizing investment, monitoring and costing collective action, and reconciling diverse interests. Andrew also noted that finding skilled and independent facilitators in-country has been difficult.

Andrew also briefly discussed integration with other collaborative processes on commodity supply chains, such as the Asia Sustainable Finance Initiative and the Africa Palm Oil Initiative. Utilizing the knowledge of participating organizations helped identify new and innovative partnerships.

LESSONS FOR PROJECT DESIGN

Andrew summarized several lessons for project design:

- Government leadership is key for systemic change.
- The private sector needs to change their mindset around “quick fixes.” Awareness raising to ensure all stakeholders understand the complexity of the systems the group seeks to change is important.
- Local development agents and NGOs need to collaborate, not compete.
- Facilitation and process design are key.
- It is critical to have platforms at all scales that are linked up from the local to the global scale.

- The need to start capturing and/or developing indicators that capture success of collaborative processes, including process indicators such as trust.

Based on these, he highlighted several recommendations for those in the room:

- Project managers need the relevant skillsets to manage flexible outcomes.
- Share control over flexible outcomes—projects need to transform as much as the world does.
- Invest more in stakeholder processes than studies.
- Technology can facilitate greater interaction and representation even in very large meeting.
- An alliance on multi-stakeholder collaboration could help fill large gaps in learning as well as developing and applying models.

FOSTERING SUSTAINABILITY AND RESILIENCE FOR FOOD SECURITY

Eric Patrick, Adaptation Specialist, IFAD

Eric summarized how facilitation of MSD towards collective action has it been useful with respect to the outcome of fostering sustainability and resilience for food security, and distilled recommendations for promoting MSD in a GEF financing environment.

MSD IN THE FOSTERING SUSTAINABILITY AND RESILIENCE FOR FOOD SECURITY PROGRAM

The Theory of Change of the Fostering Sustainability and Resilience for Food Security (IAP-FS) is to build MSPs towards integrated approaches (engage), create enabling environments and incentives and scale up interventions (act), and monitor (track). The program operates in 12 countries in Africa with different levels of financing and approaches to implementation.

The questions the presentation asks are: How do we facilitate interactions between stakeholders who all need something? How to program in a way so that we get results on the ground? How do we scale that up? How do we know that that's actually happening?

In the design phase, Eric highlighted:

- The attempt to genuinely co-design in a collaborative way;
- Building incentives for inter-program coherence into the structure;
- Involving the same actors at the program and country project level, i.e. if UNDP has several country projects, engaging them at the program level as well as a coherence incentive.

When designing the MSD, the IAP-FS considered:

- Each GEF agency brings their own network, which could be leveraged, and IAP is an attractor to potential partners, which leads to a greater ecosystem of policy influence pathways but adds complexity and effort.
- IAP increases program coherence among diverse needs through similar structure.

Hurdles to MSD in the context of the IAP included:

- How to structure the initial stage of competition for funding so that funding goes to best agency fit for purpose while not creating trust issues and providing a minimum viable share.
- Higher initial transaction costs than a one agency one project scenario.
- The need to build clarity from the beginning in the minds of people in country projects as to the purpose of cross-cutting project: some saw \$10 million sitting around, while others saw funding for program coherence, for MSD, for facilitating peer learning, for commissioning a study, or for representing the program at the African Union.
- Pre-financing would have allowed for the framework to provide greater guidance in the development of country projects.

The program also undertook an effort to map stakeholders and determine the value of boundary partners, coordinating participation and engagement at regional fora and determining the most important fora to engage.

COUNTRY CASES

Eric also provided an overview of several country cases in the attached slides.

LESSONS LEARNED

Lastly, Eric summarized lessons learned in relation to GEF processes:

- The mission must determine the coalition: The lead agency needs flexibility to make changes and adapt as necessary.
- It is important to build on existing MSDs if possible, to increase the likelihood of sustainability of the MSD process.
- Adaptive management can allow the program to seize opportunities; however, this creates tensions with project planning and value-for-money cultures.
- While transformation is the aspiration, it is important to consider what it takes to get there (“everybody wants to go to heaven, but nobody wants to die”).

FOOD SYSTEM, LAND USE AND RESTORATION IP

Madhur Gautam, Lead Economist, Agriculture Global Practice, World Bank.

While noting that the program is still in development, Madhur articulated his and his co-leads' interest in learning about best practices for MSD. The FOLUR IP has 18 country projects, with 5 more to be presented to the GEF Council in December, across 8 commodity value chains attempting to transform food and land use systems.

Noting the importance of top-down and bottom up approaches to supply chain problems, Madhur identified the missing middle of working at a regional level as a key area in need of increased learning. Many programs are focusing either at the global or local levels, but not regional.

FOLUR hopes to build on existing processes, have a global platform to function as knowledge to action platform, and work with global coalitions and organizations selected as global platform partners for strategic value and impact. At the country project level, component design will focus on stakeholder engagement and inclusiveness.

KEY STAKEHOLDERS AND CONSIDERATIONS

After outlining key stakeholders for the project (see attached slides), Madhur articulated guiding principles for country projects to achieve transformation, which include: clarity in developing a TOC, sustainability, integration and government embedding, leveraging the limited funding available to project, and the consideration of policies and incentives. The process will bring in lessons learned from World Bank portfolios/broader lessons from operations as well as lessons from the GGP and UNDP in local engagement of communities, particularly of women.

Design elements for country projects focused on engaging key stakeholders in both design and implementation as well as ensuring accountability and follow-through on actions. In particular, for each type of stakeholder, the IP asks several key strategies:

- *Producers, Gender and Marginalized groups: Articulate a clear and practical inclusion strategy, incentives to participate, who needs to do what, how they benefit*
- *Public institutions: Who (agencies, stakeholders) needs to be in the room? Are coordination mechanisms in place? Are incentives in place? What needs to change?*
- *Private sector, finance and value chain actors: How key are players engaged? What is the strategy to green the value chains? What innovation/models are proposed for sustainable sourcing? Need to manage expectations – both public and private*
- *External partners: Coordinate with active partners (MDBs, CSOs/NGOs, donors, etc.)*

BROADER LESSONS

While individual lessons from World Bank experiences are summarized in the circulated slides, several broader lessons from the combined experience of the World Bank in MSD were highlighted:

- **Country ownership:** Ensuring objectives are embedded in national strategy and policy systems to ensure commitment to long-term engagement, institutional, and funding support.

- Private sector engagement: manage expectations, ensure the commercial viability of proposed collaboration to create durability, and comply with social and environmental safeguards.
- Civil society engagement: Has improved over time and an emphasis on social inclusion has focused participatory processes, although gender inclusion remains weak.
- Coordination with external development partners is stronger in the planning stage than the implementation stage.
- This fuels a disconnect, whereby external funders and partners are more engaged at the design face, whereas local community engagement is limited to implementation.

AMAZON SUSTAINABLE LANDSCAPES PROGRAM

Adriana Moreira, Amazon Sustainable Landscapes Program, World Bank

Adriana presented the integration of MSD into the Amazon Sustainable Landscapes Program (ASL). The program functions by using a programmatic approach to bring together the projects in disparate parts of the Amazon through working to build an overarching vision of change, share lessons, create regional cooperation, form a community of practice, and create larger scale impact for individual communities that feeds back into a vision for change.

MSD in ASL functions at several different levels: At the program level, with a Steering Committee (GEF IAs, Gov, national EA) that collectively designs the TOC alongside thematic groups to identify/deliver on KM activities, at the donor level, at the beneficiary level through indirect contact through project teams, attending knowledge events, and supervision missions, and with a broader audience of observers.

Key aspects of stakeholder engagement throughout the longstanding ASL process include:

- A concerted process to build trust among the institutions, including a transparent decision-making process on the Steering Committee.
- Providing agency to members of the SC in allowing them to make decisions, request activities, and show results. As an element of this, knowledge and coordination activities are demand driven and tailored to product and client needs. Knowledge management is co-financed by projects to build ownership.
- Respect for different forms of knowledge and capacity building for key stakeholders.
- Collective monitoring and measurement of “satisfaction” within SC roles and at knowledge management events.
- Invest time and effort, and speak the language (something in between Spanish and Portuguese was invented for the process”)
- Let structures for engagement evolve over time.
- Promote engagement at a regional level in a way that considers sovereignty considerations.

The success of stakeholder engagement in ASL was seen at the political level in the explicit mention of ASL in the recent Leticia Pact agreed upon by heads of state of Amazon countries.

DISCUSSION

Geeta Batra, from the GEF Independent Evaluation Office, noted the innovation of open-ended global platforms and processes, but that donors will want to understand what the value-add of MSD platforms are. She pointed out the value of taking stock at the mid-term and learning from previous literature on public-private collaboration. She also noted the need to link beneficiary information better, i.e. social-ecological benefits.

Gustavo Fonseca, Director of Programs at the GEF, gave his perspective on the importance of MSD in GEF's work, and offered a rough typology of MSD platforms in GEF work:

- The GEF mobilizes diverse stakeholders toward delivering support to clients.
- The GEF joins forces with other partners to create new MSD platforms for transformational change.
- The GEF catalyzes new MSD to align and harness strengths or expertise of diverse entities across multiple scales toward addressing a major global challenge.
- The GEF activates or enhances MSD that already involve diverse stakeholders from public and private sector to tackle specific/relevant issue, catalyze more financing & proof of concepts.

Gustavo noted that agencies are doing a better job of working together and sharing strategies, but the barriers of financial structures, hard discussions about funding, and the speed at which projects involving MSD can be implemented. There is also a need to truly determine how to create strong MSPs.

In the question and answer following the presentation, there was discussion of the limited role that the GEF can play in catalyzing new collaborations beyond country-driven programming through unrestricted funds, the strong need to monitor and pull together learnings from various work between sectors. The example of the Amazon, which has 10+ related but unconnected initiatives, was cited.

While existing MSP focuses on a few nodes within a system, it was suggested that understanding the entire system and investing in existing platforms might be a way to address this. A theoretical frame through which to view MSD might be as responding to a governance crisis because representative governance capacity is challenged by the complexity of current stakeholder processes.

Some of the discussion centered on the tradeoff between inclusive processes and the level of ambition, noting the concern of MSD pushing a process towards the lowest common denominator. In response, participants shared ways in which they had created positive competitions between country projects in a portfolio, by bringing project leaders to sites in other countries to create a sense of pride and ability to show the team's work. However, this may be difficult to measure and justify to funders. Others highlighted the potential for mixed results even with slower processes.

The validity of different levels of inclusiveness depending on objectives was suggested as another frame of reference, alongside the need to start learning faster how to work on issues that people are uncomfortable with and reaching the point of acknowledgement that all actors are on the same boat.

MSD was framed as a means to reach an end with a very clear objective, however very much dependent on the context, objective, question. Means to an end as a concept to consider

One participant gave thought to common factors in successful platforms they had participated in and found that the best ones are uncommon collaborations focused on results, not processes, and bring whoever needs to be at the table to the table at the time they need to be brought to the table. They offered to share their written thoughts after the meeting.

These questions about inclusivity led to a fundamental question: how does change happen? One participant noted that change happens in unpredictable ways. If you get a minister and CEO in the room, they will talk. But if you get a minister in a room with a farmer or somebody he/she might not normally talk to, he/she hears something new, which can lead to a new idea in an unpredictable manner.

Others noted surprise that the SDGs were not included in any of the presentations.

Moore Foundation Case Studies

Sabine Miltner and Bernd Cordes presented two case studies from the Moore Foundation's work to integrate MSD into its programming.

The Conservation and Markets Initiative's (CMI) vision is to stop ecosystem degradation associated with commodity supply chains and seafood through a collaborative model. The framing is that if the organizations funding in the space come together collaboratively, they can build a better program and create buy-in on strategy while preserving accountability to specific outcomes that they are collectively trying to achieve and building a certain willingness to confront conflict. The CMI has three initiatives: agriculture, seafood, and finance.

Sabine noted that the goal was to design the programs as collaborations and at the same time agree on how to achieve outcomes that Moore had already committed to their Board. There is a strong emphasis on leveraging the supply chain and providing tools and enabling conditions so that private sector actors can implement commitments. This includes financial incentives to transition to sustainable production.

FORESTS AND AGRICULTURAL MARKETS INITIATIVE

Sabine Miltner, Program Director of the Conservation and Markets Initiatives, Gordon and Betty Moore Foundation

The desired outcome of the Forests and Agricultural Markets Initiative (FAMI) is to achieve zero deforestation and zero conversion production of soy and beef in the Chaco, Cerrado, and Amazon, throughout Argentina, Brazil, and Paraguay.

The scope of the program was driven by the foundation, with clear deliverables formulated for grantees but in a collaborative fashion taking care to consider the respective strengths of various grantees. This process helped create accountability.

For FAMI, there was a global ambition but a local incarnation. The audience of the work was the private sector, from brands and retailers to traders and processors. The program does not deal with farm-level execution—instead, stakeholders and grantees determine relevant players who need to be engaged. The goal at the end of the five-year program period is that a critical mass of those actors turn towards sustainable sourcing. Strategy development will change over time as we manage adaptively and work with grantees on adjustments and opportunities.

We selected a limited number of grantees with the assumption that they were aligned with the program approach, so there wasn't consensus building around the goal per se. Because we selected a small group of actors, we empowered the group with all of the money on the condition that half of it was regranted to local partners.

The early experience of creating greater buy-in into the vision and strategy of identifying local partners was somewhat difficult. Early experiences with sub granting included issues of selecting the right grantees and also gaining general comfort with a local partner receiving money from an NGO. On the whole, it has worked fairly well, but grantees may not particularly enjoy regranted. However, it has broadened the reach of the program.

Money and power did create discomfort between the grantees and subgrantees as well as the Moore Foundation sitting at the table both as a collaborator and a funder. To manage this dynamic, the Moore staff had to be skilled in active listening as to not overstep our role but also be clear with what we want to achieve.

Building buy-in with various partners using incentives that are relevant for them has been an effective approach. The strong collaboration model has led to a strong project management dimension which the Moore Foundation assumed responsibility for as convener.

OCEANS AND SEAFOOD MARKETS INITIATIVE

Bernd Cordes, Program Officer for the Oceans and Seafood Markets Initiative, Gordon and Betty Moore Foundation

FAMI and the Oceans and Seafood Markets Initiative (OSNI), were designed to be counterparts. However, OSNI was dissolved after two years for specific reasons that this presentation will elaborate.

OSNI was explicitly designed to be global in nature as opposed to focusing on specific seascapes. The program also focused on seven categories of the most internationally commercially valuable species, and Moore grantmaking focused on tuna and shrimp.

Similarly, to FAMI, the program had private sector leadership articulating the business case for the transition to more sustainable practices, with a focus on transparency and traceability in the supply chain. The program was also meant to see if philanthropy can influence the way financial institutions make investments in seafood companies.

The multi-stakeholder group was comprised of four NGOs: FishWise, World Wildlife Fund (WWF), Sustainable Fisheries Partnership, and the Monterey Bay Aquarium. Two representatives from each organization and two representatives from the Moore Foundation met twice per year in person. The second element of the group was a fiscal sponsorship arrangement, of the \$78 million allocated, \$50 million was placed in an arrangement whereby the group were co-leads in determining strategic allocation. (The remaining \$28 million was held in-house for more conventional grantmaking.)

The project charter was focused on a common mission, so the purpose of the group was to refine strategy over time rather than develop it, since the core strategy was designed by the Moore Foundation. The group was also expected to establish an M&E framework as well as provisions for data sharing and grantmaking.

The scope of the project was an attempt to decouple wild capture and aquaculture from degradation, which was broad enough that everybody was bought in.

The group struggled to build data sharing relationships and grantmaking priorities. A little over a year into the program, the group was asked to redesign a mutually agreed upon TOC, which they did do, but is unclear whether it strengthened the collaboration.

From the outset, there was conceptual agreement on purpose, relationship and data sharing, and monitoring. The Moore Foundation saw the program as an experiment. It became clear that the understanding of the problem wasn't always aligned, in terms of the role of financial institutions, policy, tactics and tools, and the worries around fisheries improvement and greenwashing.

There was an issue of uneven levels of funding—some members were very large, and some were quite small. None had strong M&E capacity, which was a core part of the short-term plan, and generally speaking, the members lacked a focus on aquaculture. Both institutional and other factors drove the difficulty in the group achieving its purpose.

Funding levels were sufficient, including resources for the members of the MSD to participate. However, there may have been large levels of funding too quickly, because organizations funded aligned efforts or existing strengths while OSNI as a program was asking them to do something fundamentally different. There was criticism that Moore funding was too inflexible in that it did not fund core operations and could not be applied to address social issues. Fiscal sponsorship and grant allocation also created another layer of communication and miscommunication.

After two years, the program continues to fund multi-stakeholder dialogue in different forms, some as pre-competitive platforms, in more direct ways than the Foundation had in the past because there was no clear signal that organizations would think outside of the box. In the case of working with private sector partners, there becomes a question of the role of philanthropy and building different incentive structures.

DISCUSSION

After Bernd's presentation, participants discussed the causes of dissolution and lessons from OSNI, including a history in the fisheries space of sharp elbows around donors, funding, and overprotectiveness of relationships with the private sector. A participant close to the space noted that

NGOs could structure their relationships with the private sector in a way that facilitated collaboration. Others noted that the absorptive capacity of the sector was not a concern with the level of the funding so much as governance.

In response to questions about how the program had continued to fund MSD after the dissolution of the original group, Bernd noted that Moore set up an executive voting group of outside consultants with industry experience to continue the value of others at the table. This group focused on a number of world regions and points in the supply chain, broadening beyond the original relationships on the retailer side. This configuration ended up supporting a diversity of organizations for more specific pieces of the overall program, who wouldn't have received funding under the old system. Bernd emphasized the importance of the original experiment despite the lack of convergence of factors that might have made it successful.

The discussion turned to the role of the funder, GEF's typology from earlier in the day, and the relative advantages of different conveners of MSD. One participant noted the importance of defining the role of the funder and the need to directly address power dynamics, as well as clarifying the deliverables for the purpose of accountability while still allowing for innovation. Another participant noted how much easier adaptive management is from Moore than for the GEF. Quoting a note from Gustavo during his earlier presentation, where he noted that the biggest wins had big ideas, they weren't 100% sure how to achieve, it was asked just how much flexibility a project could have.

In the case of the GEF, Gustavo noted that agencies can restructure during the mid-term evaluation and the GEF would assess whether the changes are a departure from the original objectives of the project. He has not heard significant opposition to project restructuring by the Board.

In the case of the Moore Foundation, the outcomes and budget are approved by the Board, but adaptive management in reaching outcomes is a default assumption. It was noted that those at a more senior level might have more contact with the Board and feel more comfortable making changes in the project than subgrantees or local partners, which leads to the importance of designing communication and feedback channels.

In thinking about goals alignment, power dynamics might influence whether buy-in is sufficient to maintain collaboration over time. Participants asked what sort of motivations could maintain organizational commitment, as opposed to simply driving the organizations to the table.

In response to a participant question on the role of conflict and willingness to confront it in various MSD processes, others cited examples in which changes about the specific person in a role either at the working or mid-level became a topic of conversation in the strategic review of the program. Others noted experience in ensuring that interests are visible on the table to shift towards experimentations with different combinations of interests as opposed to definitive agreement on goals. Trust and prior work also could create a safety net for conflict and noted the need for facilitation to disaggregate conflict between ideas and people.

Others suggested that depending on the degree of conflict, some larger issues need to be addressed outside the immediate context of the MSD. Stakeholder analysis can help determine critical conflicts and actors. Assessing who can break the process and addressing those issues head on is critical—failing to address such an issue had led to serious concerns for one participant. Part of this is determining “how

we can make every person at the table look good in front of their boss”—how does the collaboration help individuals?

In response to a question about collaboration, funders discussed their collaborations and the need for such collaboration to deliver added value beyond the sum of the parts to justify the transaction cost. In particular, the ability to send a market signal was highlighted as critical.

Others noted that the vast majority of funding is in the hands of the private sector. Given structural barriers to private sector engagement in critical regions, it was noted that an honest broker could play a key role in helping mediate political and business concerns.

In response to a question on determining the point of no return for conflicts in MSD, funders and participants in the room noted that giving MSD participants the opportunity to offer solutions and assessing when no headway was being made was one avenue.

Lastly, the importance of process facilitation in contrast to project management in all of the processes noted above was highlighted.

MONITORING AND EVALUATION

Richard Margoluis, Chief Adaptive Management and Evaluation Officer, Gordon and Betty Moore Foundation

Richard presented the Moore Foundation’s approach to monitoring and evaluation, flowing from understanding intent and assumptions to defining outcomes, to then defining indicators based on those outcomes and relationships between them.

Richard stressed the importance of pushing back against the assumption that “magic happens here” and outcomes appear out of thin air.

Since many individual things are determinants of success, identifying key points and determining measurable indicators to ensure that the project is on track is critical. Because interventions have large time scales, linking these intermediate variables to a long-term outcome through an evidence-based TOC and looking for early warning signs and signals is an important way to assess project success. Based on these learning questions, you can then select indicators.

In his presentation (attached along with the distribution of this document), Richard outlined a very rough theory of change based on the elements highlighted in the literature review.

DISCUSSION

In discussion following Richard’s presentation, participants noted that even individual elements of Richard’s draft TOC might take several months to achieve, and others noted that TOCs can have different level of definitiveness or speculation depending on the certainty the funder has about the project context.

Key points on the ability of a TOC to encompass a system, as well as how a TOC accounts for transformational change as opposed to simply reform, were also raised. Sequencing the design of the

TOC with the launch of the platform is also difficult, because a platform in many cases proceeds program design to spur investment.

The TOC was more broadly framed as an embedded set of assumptions rather than a set of answers. Others noted that the process-oriented indicators that Richard was suggesting could be helpful in certification and other voluntary standards systems.

The group noted the need for a better definition of transformation to assist in answering the questions raised in discussion. Others noted that there might be a typology of purposes for MSD that could help define more specific theories of change.

In response to a question about whether there was an accumulation of evidence of the effectiveness of MSD, it was noted that an arrow denotes an assumption and that testing those arrows might be a concrete next step.

Day Two Opening

Mark Stafford-Smith (CSIRO) summarized key points from day one, including:

- The importance of understanding that stakeholder processes fit within a transformation system.
- The continuing need to define transformative change in its different manifestations, as well as consider an ethical or normative framing, i.e. through the SDGs.
- The need to think about how to functionally classify MSDs and their contexts, which was further explored in the breakout groups (summarized below).
- The key questions of how MSDs relate to or disrupt power structures, as well as navigating conflict within MSD and engaging the private sector.
- The presentation on TOC spurred the consideration of a better picture of causal relationships, expectations, and hypotheses to understand what works well in which contexts.

First Round Breakouts

In the first round of breakouts, participants discussed three topics in relation to several key questions:

- 1. What is an appropriate typology of MSD approaches in relation to the system transformation context?**

MSD in broader context of Transformation Systems; Understanding the system we aim to influence; Understanding what is in scope for MS processes vs what is outside (e.g. demonstrations); What is needed to be prepared for when a tipping point opportunity arises; Meta-objectives of Transformation System.

- 2. How can MSD overcome/disrupt/shift power balances?**

Influencing policies and governance; also power within an MSP, e.g. role of funders; processes needed in the MSP (e.g. to manage and unpack conflicts); conscious consideration of winners and losers; how to legitimize setting of objectives

3. MSD and private sector engagement. How to incentivize private sector collaboration/confrontation and influence private investment flows?

This might include managing timeframes of patient engagement vs speeding on implementation.

In respect to each of these topics, participants discussed the guiding themes of evidence, lessons, and implications.

TYPOLOGIES OF MSD APPROACHES

The group noted that more practical, applicable principles are needed as useful typologies for MSP. As a method for narrowing the considerations that an organization initiating an MSP might consider, the group proposed:

1. Be clear about the change that you are seeking, although the initial goal does not need to be static throughout the process and should instead be thought of as an iterative construct.
2. Once the goal is clear, determine what kind of engagement might be relevant to the change that you are seeking.
3. Depending on the type of engagement you want to pursue, come up with a mapping of the situation—what are the most important variables that you want to control or that you seek to change in the status quo?
4. Based on the above, the organization would consider how to convene parties.

The group concluded that the above core questions to determine the relevant typology of MSD were relevant to incremental, reform, and transformational goals.

A matrix of confrontation vs. collaboration on one axis and creation vs. destruction on the other might help frame MSD within a broader approach to transformational change. MSD is largely in the collaboration-creation quadrant, but to drive transformation, must work in tandem with other approaches, such as advocacy. Thus, MSD should be thought of as a component of a strategy driving towards transformation.

MSDS AND POWER

The group opened by noting that questions of power are implicitly linked to the incentives and motivations of actors to participate. The convener should differentiate between internal and contextual process dynamics, although the two are linked.

Lessons:

- There must be a convener or attractor, as an institution or person, who can serve as an honest broker.
- An analysis of stakeholders as well as individual conversations to uncover interests, motivations, and potential for benefit is a prerequisite to getting them to the table. The convener should ask if a critical mass of stakeholders precipitate the path of an MSD?
- The need to consider convening power; defining the purpose of the dialogue is exerting power. It is important to have a hypothesis of a solution set entering into an MSD but be open to changing it and hearing other ideas.
- The level of (mis)trust should also inform an understanding of power dynamics. How great is the need to build trust relationships?

Evidence:

- In the convening of a process, stakeholders did not attend because they did not feel they were given adequate power within a process. Power to withhold engagement and thus impact the process is also power.
- A deeper dive on issue framing with small groups can provide greater legitimacy to a process.
- Investment in a project might lessen power dynamics internal to the convening and assist in redefining the scope/problem in a way that mitigates power dynamics.
- A key need is training or technique to manage government involvement in technical and political questions in a cross-cultural environment.
- Another issue in relation to power is the level of recognition or respect perceived or given. This can rapidly shift in a room, e.g. when a minister enters.
- Others noted the need to allow for the collaborative process outlined by the group to be followed when in practice competition for funding may create a different environment.

Implications:

- It is important, no matter what stage in the process somebody participates in, to inform them of the overarching process and how they fit.
- Tap into existing trusted relationships, individual and institutional, where possible as a faster way of neutralizing power relationships.
- The need within GEF programming to allow for flexibility in strategies and approaches that can be adapted to achieve high-level objectives, particularly given GEF's potential role as providing proof of concept for innovative approaches. This might take the form of an alternative experimental planning cycle for GEF-8.
- The group noted the need for further discussion on power dynamics during implementation as opposed to the start of the process.

PRIVATE SECTOR ENGAGEMENT IN MSD

The group discussed several points focusing on the lessons learned and implications for effective multi-stakeholder collaboration with the private sector:

First, the group noted that intra-private sector convening may be an effective tool in addition to multi-stakeholder dialogue, whether in the form of industry roundtables, pre-competitive platforms, or otherwise.

In cases such as the GEF where funding flows to governments, the group noted the importance of the government setting the envelope and then allowing work directly with the private sector.

A multiplicity of platforms creates difficulties for private sector companies, who have neither the resources nor willingness to engage in many MSDs of uncertain value. Platform organizations can engage on behalf of companies to streamline the process and ensure an ROI, and having a focused, concrete policy and agenda or plan of work can increase the value of the MSD to all actors involved. At the end of the day, companies can't engage on something that is not germane to the bottom line.

The group also discussed government and finance as the two missing elements of the present conversation on private sector engagement.

- The group noted that innovative financial mechanisms, such as banks discounting financial services for vendors who score well on sustainability, have a large potential to influence. The GEF has had success in a private sector non-granting window in tapping into commercial capital.
- In many cases, sustainable financing deals are so bespoke that the effort required to structure them is unattractive. This was contrasted with the consistent, replicable structure of green bonds.
- Determining how to provide technical assistance as part of private sector collaboration in a scalable manner is a critical element of private sector collaboration with government.
- In creating dialogue between private sector and government, participants noted the importance of engaging with multiple ministries at multiple levels to ensure true government buy in.
- Lack of regulation and inconsistent enforcement presents risks to the private sector and engagement in MSD.

DISCUSSION

Participants noted the Moore Foundation's work on markets as an example of mapping and understanding an entire system, acknowledging the importance of advocacy and other approaches, and deciding to focus on markets as using a multi-stakeholder strategy as a convener with heft. Part of building this understanding is considering how your piece of change touches other elements of the system.

The need to better understand and define transformational change and employ the concept of transformation systems was also reiterated. Some suggested that the point of reference should not be

the average GEF project, but rather a high-level ambition, such as not exceeding planetary boundaries or reversing biodiversity loss. The UNEP Inquiry into the Future of Sustainable Finance was referenced as a project that conducted an impressive, multi-year process in a power-laden sector.

Second Round Breakouts

In the second round of breakout sessions, participants focused on three areas:

- 1. What are useful typologies of MSPs and how can these aid design choices?** Of functional form? Of purpose/intent? Typologies of context?
- 2. Deepen guidance on design criteria (8 criteria in Discussion Document).** What guidance can we distill about factors that should influence the choice of options for each of these criteria?
- 3. Propose an approach to gathering and sharing evidence of MSD outcomes and developing evidence-based guidance, drawing upon experiences of diverse initiatives.**

USEFUL TYPOLOGIES

Building on a typology shared by a presenter the previous day, the group identified three types of MSD:

- 1.** MSDs that don't yet exist;
- 2.** Existing platforms that are fit for purpose and make sense economically;
- 3.** Existing multiple platform coalitions from which one can derive benefits.

Some platforms may need to be scaled up to provide transformational change. The group also identified a five-tiered classification of the purpose of MSD: information extraction; consultation; cooperation; co-learning; the highest the ultimate is co-production. An MSD should be fit for purpose in relation to the problem it is trying to solve.

The group noted that some platforms do materialize from peer pressure, and a "race to the top" among actors can lead to good outcomes as well as improving systems and processes. Platforms may also start focused on knowledge exchange, and then once stakeholder recognize the benefit, those platforms move towards collaboration and co-production.

It may be useful to have STAP review ways in which existing successful platforms and processes are formed. Guidance and principles on developing new programs well could be augmented by case studies that could help understand for example how to convene MSP for value chains, or other areas requiring horizontal or vertical integration.

GUIDANCE ON DESIGN CRITERIA

The group discussed three key points: threshold questions preceding the proposed design criteria, changes to the proposed questions in the discussion draft, and next steps in refining criteria.

- The group discussed whether one set of criteria could encompass fundamentally different situations in MSD. The guidance also does not presently include pre-conditions (i.e. avoiding duplication, etc.) to launching an MSD. Members noted that many of the design criteria listed in the discussion draft had both a pre-condition and process design component.
- Governance was not as richly addressed in the criteria as might be productive given its importance to making processes successful. Membership criteria could include softer criteria, i.e. passion and drive, particularly in designing groups for transformative change.
- On revising the design criteria, the group noted the variety of frameworks from which the document was drawn. Is there an opportunity to retrospectively apply these criteria against successes and failures?

Others in the meeting added the importance of facilitation as missing from the design criteria.

MOVE TOWARDS EVIDENCE-BASED GUIDANCE

The group discussed areas where there is common traction and evidence is most robust, including agriculture, water, and land use, as areas to build an evidence base. A topic that has concrete examples of things that the community needs to learn to apply an idea more robustly are best for initial learning and capturing lessons. To gather evidence, projects need to incentivize project managers to learn and add more time on a busy day, which requires proper incentives. There is potential in coordinating knowledge management across a portfolio of projects, which would help answer the questions of under what conditions certain interventions work rather than individual case studies. In this case, the right question to drive inquiry across the portfolio is critical.

After the meeting, a first step could be to ask evaluative questions in existing structures, processes or projects. A beginning is to better organized ways that data and information is collected, gathered, and analyzed. This effort must engage and connect both the supply and the demand side. In the experience of the group, many data generators pay attention, but many data users are often not in the room. The group asked what it would take to generate relevant data and for funders to demand it as elements of funding decisions.

Building on the above, a more proactive learning agenda that incorporates retrospective and prospective approaches into grants and project structures. However, this will require additional funding.

In the short term, the group noted that continued collaboration of the gathered participants to gather and share evidence related to MSD would be productive.

Closing Discussion

The group conducted a final closing go-around to discuss lessons learned, further unaddressed questions, or other impressions from the workshop. Unattributed points are grouped here by key theme.

Future potential for learning and collaboration moving from theory to action:

- The need to document successful processes in a more robust way.

- The potential for pragmatic next steps for the GEF, such as pre-financing MSD and sequencing it properly.
- Gratification in seeing a question to understand conditions for effective MSD and not taking it at face value.
- Looking forward to how we might draw design lessons from the conditions discussed.
- There is much further learning and improvement to be done—research and bringing it into practice with the powerful mix of people in this room.
- How to turn workshop learnings into action items and key messages to decision-makers, such as the GEF Council, moving forward.
- How to both create practical guidance in the short term while thinking in the long term about transformation systems and hold both simultaneously.
- Need to link three levels: transformation system and attendant ambition, a typology of approaches to influencing change, and more granular guidance on design.
- A commitment to continued collaboration and information-sharing.

Reaching better definitions and closing knowledge gaps:

- Continuing to consider the broader system around MSD.
- The need to understand the science around transformational change and the interaction between incremental and transformational change
- It may have been helpful to share definitions of key terms before the workshop. Moving forward, there is a need to provide working definitions of key concepts, such as transformational change.
- The need to move beyond “dialogue” towards an explicit recognition of collaboration for systemic change.
- Good to combine theory and practice and work towards codifying lessons learned.
- A continued desire to understand the useful lifespan of an MSD.

Learnings from the workshop and applications to their practice:

- Participants appreciated the explicit, pragmatic focus on transformational change, and considered how it might apply to a TOC in the context of a program.
- An “aha” moment in ways the private sector could engage not only vertically but also in horizontal processes.
- A recognition that in challenging work, whenever an outcome sticks, it is because there was an MSP behind it.
- Glad to see recognition of importance of MSD from other funders in the ecosystem.

Reflections on the scale and urgency of the problem:

- Worry about the mismatch between the scale of the challenge and available resources.
- The missing sense of urgency and the attendant willingness to go into uncharted territory and radically change the way we do work. How to push decision-making bodies to move in this direction.