

Memorandum of Understanding on the “Stakeholder Approach”

**CoE INGO Health Grouping
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Background

In the Strategic and Action Plan 2006-2012 of the INGO Health Grouping of the Council of Europe, it was agreed “to develop a stakeholder approach taking into account the perspective of service providers and target groups/beneficiaries”. During the 2006 June meeting of the Health Grouping in Strasbourg, the first step in this direction was taken with a presentation on the concept. During the same meeting it was agreed to work towards a memorandum of understanding on stakeholder cooperation to be agreed by all members of the grouping in the October meeting.

What is a stakeholder?

There are multiple definitions of stakeholders, and these can differ between and even within organizations. Whilst acknowledging this difficulty, the definition used in this paper is that adopted by the World Bank (WB). The World Bank (1996) defines two types of stakeholders: primary stakeholders who are directly affected (positively or negatively) by proposed interventions/policies and secondary stakeholders who are indirectly affected by proposed interventions/policies. Secondary stakeholders include those who have technical expertise and/or links to primary stakeholders, e.g. non-governmental organizations (NGOs), various intermediary or representative organizations and technical and professional bodies. They often represent public interests.

In the field of health stakeholders are:

- Persons concerned or their representatives;
- Social service providers;
- Authorities at all levels;
- Research bodies;
- Advocacy groups.

Defining stakeholder cooperation

The emergence of stakeholder involvement in policy-making, planning and management has arisen out of a new general model which seeks a different role for the states and European institutions, which is based on pluralistic structures, political legitimacy and consensus. Stakeholder involvement in policy-making, planning and management is expected to lead to more realistic and effective policies and plans, as well as improve their implementation. The reasons for this are that greater information and broader experiences make it easier to develop and implement realistic policies and plans, new initiatives can be embedded into existing legitimate local institutions, there is less opposition and greater political support, local capacities will be developed and political interference minimized.

Stakeholder involvement can be classified into three types: i) instructive, ii) consultative and iii) cooperative. Instructive involvement is where government and institutions makes the decisions but mechanisms exist for information exchange. Consultative involvement is where government and institutions is the decision-maker but stakeholders have a degree of influence over the process and outcomes. Cooperative involvement is where primary stakeholders act as partners with governments and institutions in the decision-making processes. A high degree of shared responsibility is needed amongst the different actors.

We, as members of the INGO community enjoying participatory status should have a “cooperative involvement” in the Council of Europe decision making, but we do not for a number of reasons. We mostly swing between “instructive” and “consultative” cooperation.

Critical aspects of stakeholder involvement in policy-making, that have hampered our action until now include: the institutional capacity of the INGOs, legitimacy of the organizations and process, costs of our involvement, degree of competition between different organisations and different actors, and level(s) at which we are involved.

In the Council of Europe policy-making a stakeholder approach should lead to more effective social and human rights policies and plans, as well as their improved implementation.

Effective stakeholder involvement

One of the most critical aspects influencing effective stakeholder involvement is that the stakeholder organizations have the capacity and aspirations to match the task they wish to do!

Main factors that affect the strength of stakeholder organisations:

Factor	Description
Constitution	Democratic with clear goals and structures
Members	Representative and legitimate; high levels of membership
Financial Resources	Sufficient and sustainable to fund involvement, particular lobbying and negotiations
Staff and office holders	Appropriate competencies to carry out designated functions, including strong advocacy, networking, consensus-building and dialogue skills
Policies	Clear and achievable
Visibility	Recognition for outcomes achieved
Aspiration	Desire to actively participate in the decision-making process
Responsibility	Behaving and performing as members and other stakeholders would expect from the organisation.

The INGO Health Grouping

A. acknowledges

1. That there are different types of NGOs: NGOs representing advocacy groups, NGOs representing service providers, cultural participation, education, research, knowledge building,... Each NGO has developed its own expertise and know-

how and that should be valued and used in the Council of Europe's decision making process.

2. That it is crucial to develop a holistic and integrated approach with regard to health, social, cultural and educational issues. Such an approach would lead to more effective and coherent policies to meet the needs and challenges of our societies.
3. That conflicts of interest and/or competitions between different actors and stakeholders imply a loss in focus and effectiveness and undermines a meaningful participation. Therefore the NGOs of the Health Grouping agree on the principles of the stakeholders approach and via this memorandum of understanding aim to reinforce cooperation and shared responsibility between all actors.

B. notes

1. That society of today is complex and multidimensional. There are no actors able to implement health and social policies on their own. Only a constructive and extensive collaboration and the right balance between all different perspectives can bring sustainable solutions.
2. That all over Europe, health authorities are under pressure. In many countries, the government is abdicating from its role of health and social service provider. More and more authorities focus on regulating, financing and monitoring (the quality of) service provision while they outsource the services' delivery. They delegate the responsibility of the development and provision of services to third parties, including NGOs.

C. underlines

1. That the basis of participatory democracy is elected authorities. All parties should be involved in the decision making, but in the end decision taking is the responsibility of governments: they are democratically elected, subject to control and to sanctions.
2. That NGOs should play an essential role in the designing, implementation and evaluation of health and social policies. They bring an added value through their expertise and increase the legitimacy of the decision making process
3. That there is a clear difference between NGOs working to enhance social inclusion/cohesion and for general good and between other actors that are only ruled by market mechanisms.
4. That good governance principles (openness, participation, accountability, coherence and effectiveness) are at the heart of effective and efficient stakeholder cooperation.

D. concludes

1. That a meaningful and correctly implemented stakeholder approach is a must: it offers a fundamental contribution to policy development in health, social, cultural and educational fields. A stakeholder approach implies a realistic needs

assessment and innovative policy development that will better reflect the needs and aspirations of people, local communities, families etc.

2. That it is a clear added value to involve stakeholders in all phases of policy making and to recognize their different roles and responsibilities.
3. That – for sustainable policy making – a genuine partnership between all different actors is needed.
4. That the effectiveness and forcefulness of stakeholders as participants in policy-making, planning or management processes depends on the ability of their organization to speak with one voice

E. Calls upon

1. INGO's:

- a. To formulate the stakeholder message in their mission statement and communicate it in a clear way highlighting their role, place, responsibility in the policy-making process.
- b. To actively discuss the concept of stakeholder cooperation within their organization and with authorities

2. The Council of Europe:

- a. To develop a meaningful stakeholder approach involving all actors in all phases of policymaking.
- b. To develop instruments and tools acknowledging the specific role and responsibilities of the different actors.