Policy Toolkit: Leveraging Digital Tools for Multistakeholder Engagement

APEC Economic Committee

December 2024





Policy Toolkit: Leveraging Digital Tools for Multistakeholder Engagement

APEC Economic Committee

December 2024

APEC Project: EC 106 2024A

Produced by U.S. Representative APEC Economic Committee CanarickLS@state.gov

For Asia-Pacific Economic Cooperation Secretariat 35 Heng Mui Keng Terrace Singapore 119616 Tel: (65) 68919 600 Fax: (65) 68919 690 Email: <u>info@apec.org</u> Website: <u>www.apec.org</u>

© 2024 APEC Secretariat

APEC#224-EC-03.1

Table of Contents

1.	Introduction	4
2.	 Challenges to Implementing Multistakeholder Engagement in Policymaking Challenge 1: Lack of Multistakeholder Input in Policy Design Challenge 2: Limited Capacity & Resources Challenge 3: Lack of Trust in Digital Tools Challenge 4: Increased Digital Inequalities Challenge 5: Ensuring Accountability, Monitoring, and Implementation 	5
3.	 Policy Approach/Recommendations to Implementing Innovative Digital Tools for Multistakeholder Engagement in Policymaking Encourage Inclusive Representation Support Public-Private Partnerships and Capacity Building Efforts Ensure Transparency Using Online Platform to Expedite the Consultation Process Building On-Ramps to Digital Transformation and Engagement Promoting Accountability 	6
4.	Conclusions	11
5.	Citations/Additional Resources	12

Introduction

Effective structural reform policymaking requires an understanding of citizens' lived experiences. Historically, this understanding has relied on traditional methods, such as government- organized stakeholder consultations, to gather information for policymaking decisions. Emerging digital tools can complement these traditional methods to understand stakeholders in exponentially deeper and richer ways. Leveraging emerging digital technologies can provide valuable information that can contribute to and provide comprehensive and inclusive structural reform to policymaking for all APEC economies. Furthermore, introducing these types of technologies can not only enable a higher representational capacity of stakeholders when developing policy, it also can improve the integrity of the policymaking process, enhancing trust in government and preventing possible avenues of corruption. These methods, often used by the private sector and civil society for their own multi-stakeholder consultations, can be shared with governments to augment policy development through public-private partnerships.

APEC economies can leverage private sector and civil society expertise, networks, and resources to fully capture insights into the lived experiences of stakeholder bases (customers, employees, suppliers, etc.) and build trust between public and private sectors. These types of public-private partnerships can improve inclusion into the policymaking process, to "ensure that all groups in society have equal access to opportunities for more inclusive, sustainable growth, and greater well-being."¹ Ultimately, this document is intended for APEC economies and other stakeholders who are interested in enhancing their structural reform processes and strengthening an enabling an inclusive policymaking environment through digital innovation, collaboration, and transparency.

¹ https://www.apec.org/Groups/Economic-Committee/

Challenges to Implementing Multistakeholder Engagement in Policymaking

Implementing multistakeholder engagement in policymaking can present several challenges. These challenges must be identified to create implementable solutions that can support inclusive, multistakholder engagement in policymaking within the Asia-Pacific. The following challenges have been identified through APEC economy input and through the APEC Workshop "Using Digital Technology to Augment the Incorporation of Multi-Stakeholder Insights and Engagement in Policy Design".

Challenge 1: Lack of Multistakeholder Input in Policy Design

A significant challenge in policy design is the absence of diverse stakeholder input. The lack of multistakeholder engagement can lead to policies that are not fully informed by the lived experiences and insights of all relevant parties, particularly those at the grassroots level. This can result in a disconnect between policy intentions and on-the-ground realities, potentially leading to less effective and equitable outcomes. The incorporation of multistakeholder perspectives is not only crucial for creating comprehensive and inclusive policies but also for enhancing the integrity and trust in the policymaking process.

Governments should not be only stakeholder active in stakeholder engagement. Businesses should take an active role and be expected to facilitate multi-stakeholder engagement, leveraging the broad stakeholder base they engage with on a daily basis.

Challenge 2: Limited Capacity & Resources

Government processes can slow down stakeholder engagement efforts when developing policies. Different departments may have varying rules and regulations, causing frustration among stakeholders who are looking to engage in the process. Additionally, there is often a lack of capacity and resources, which makes it difficult to effectively engage all stakeholders that governments may want to reach for policymaking and engagement.

Challenge 3: Lack of Trust in Digital Tools

As digital technologies become more ubiquitous and influential in shaping various aspects of society, it is essential that people have confidence in their security, reliability, and accountability. However, there are many factors that can erode this trust, such as misinformation, algorithmic bias, and digital exclusion. These factors can undermine the credibility and legitimacy of digital platforms and processes that aim to facilitate multistakeholder participation and collaboration. For example, if stakeholders do not trust that their online feedback or votes will be protected and respected, they may be reluctant to engage in digital consultations or deliberations.

Challenge 4: Increased Digital Inequalities

While more people than ever have access to digital tools, according to the International Telecommunication Union (ITU), 2.6 billion people still lack access to the Internet.² According to PricewaterhouseCoopers, global inclusion on the Internet could bring 7%

 $^{^2\} https://www.weforum.org/agenda/2024/01/the-action-that-needs-to-be-taken-now-to-close-the-digital-divide/$

of the world's population above absolute poverty levels and add USD6.7 trillion to global economic output³.

The importance of policies that make it possible to operate in the ever-increasing omnichannel business environment are increasing. It has now become more important than ever to facilitate "integrative" policies that enable the seamless integration of business operations between physical and digital channels to allow for blended operations; to develop "balanced" policies that do not inadvertently favor one channel over another.

Challenge 5: Ensuring Accountability, Monitoring, and Implementation

Digital tools can be helpful to stakeholder engagement, but not if they remain static in the face of concerns from governments and the wider public. If digital tools or their operations cause issues for stakeholders and are not improved, trust in these systems will be lost.

In addition, keeping stakeholders engaged throughout the entire policy design process can be a challenge. Stakeholders may become tired or disengaged if the engagement process is too lengthy or complex, including if the digital tools utilized are not userfriendly. Ultimately, monitoring the stakeholder engagement process and implementing policies based on stakeholder input requires substantial work and professional expertise.

Policy Approach/Recommendations to Implementing Innovative Digital Tools for Multistakeholder Engagement in Policymaking

For digital tools to be trusted and effective in policymaking, they must be inclusive, accessible, transparent, and accountable. By addressing the challenges and implementing the following recommendations, policymakers can partner with private sector and civil partners to leverage digital tools to facilitate broader consultations and ensure that a wider array of voices is heard in the policy design process.

1. Encourage Inclusive Representation

Government policies should reflect the public's priorities, including underrepresented groups.

As identified in the U.S. Open Government National Action Plan, "Proactive engagement strategies build on the relationships that communities already hold – for instance, with trusted civic organizations or other intermediaries – and meet community members where they are, by using methods of communication that are familiar and accessible given individual community needs... not simply after key decisions are made."

To encourage inclusive representation in policy design, it is crucial to engage a diverse range of stakeholders, including those from traditionally marginalized groups. This can be achieved by:

³ https://www.weforum.org/stories/2024/01/the-action-that-needs-to-be-taken-now-to-close-the-digital-

divide/#:~:text=Expanding%20access%20would%20have%20a%20transformative%20impact%20on,and%20add%20%246.7%2 0trillion%20to%20global%20economic%20output.

- implementing mechanisms that allow civil society organizations and the private sector to actively participate in the process, including promoting the extension of connectivity to rural and underserved and remote regions. Local communities should be empowered to support and identify projects that are relevant to them.
- establishing multiservice offices (also known as integrated service centers).
- utilizing special facilitators to be employed to work directly with marginalized groups in their communities, ensuring their voices are heard.
- incorporating clear language in communications (both written and verbal) of the public administration.⁴

By fostering relationships at the grassroots level and ensuring that the policy design process is accessible to all, governments can create more inclusive and representative policies. Additionally, leveraging digital tools and platforms can help reach a broader set of stakeholders, making the engagement process more inclusive.

By leveraging digital tools, policymakers can facilitate broader and more effective consultations, ensuring that a wider array of voices are heard and considered in policy design.

2. Support Public-Private Partnerships and Capacity Building Efforts

To address the lack of resources and capacity in policy design, it is essential to invest in public-private capacity-building activities. Public-private engagements can support more genuine stakeholder input in policy development that is conversational and to widen and deepen stakeholder engagement.

This includes:

- Implementing a staged approach to stakeholder engagement helps build a strong foundation for both top-down and grassroots approaches. This foundation is essential for effectively weighing and extracting actions from stakeholder inputs and supporting stakeholders active participation in the bidding process.
- building relationships at the grassroots level and empowering local communities to identify and support relevant projects by ensuring they understand their role and purpose in the engagement process. This involves addressing communication challenges, both physical and structural, to enable effective participation.

By implementing these strategies, governments can enhance their capacity and resources to effectively engage stakeholders in the policy design process.

⁴ Aitor Cubo, José Luis Hernández Carrión, Miguel Porrúa, Benjamin Roseth; Government digital transformation guide; Inter-American Development Bank, 2022.

Voz de las PYMES

Voz de las PYMES (SME Voices) is a virtual platform that hosts thousands of SMEs operating in Mexico and Central America to share the barriers to growth for small companies within the Walmart supply chain. The Voz de las PYMES platform allows Walmart to hear directly from their suppliers to understand what they need to grow their business and be successful in the Americas by leveraging digital tools, like AI, to collect and synthesis their feedback and needs in real time.

In April 2024 and August 2024 Walmart held virtual Voz de las PYMES workshops to understand the barriers to growth in the region. During the workshop, SMEs were able to directly engage with Walmart via the platform by answering targeted questions on the supply chain challenges they face, and ultimately see their feedback collected and processed in real time. Through Voz de las PYMES and other digital tools, Walmart's goal is to create an open and honest dialogue with stakeholders, like SMEs, to understand their lived experiences, build trust, and find joint solutions.

3. Ensure Transparency

All aspects of the process should be transparent to stakeholders involved, including during the design process. Trust serves as the most critical infrastructure in policymaking, as distrust can erode even the best-designed initiatives.

Encouraging transparency in policy design includes:

- establishing clear rules and guidelines for engagement. Each government agency should have a civil society council that actively engages with the ministry or government authorities.
- supporting data protection regulations and ensuring that government data is more accessible.
- implementing digital tools and platforms for public consultations. This can support making the policymaking process more transparent and inclusive. By creating institutional transparency channels and simplifying regulatory processes, governments can build trust and encourage active participation from all stakeholders.

Using Online Platform to Expedite the Consultation Process

Chinese Taipei has established the online platform-Public Policy Online Participation Network Platform (Platform Join) to expedite the consultation process, and to enable people to participate in the policy development and rule-making process.

Platform Join has three main functions: (1) Let's talk! – Policies, draft of laws and regulations that are under planning would be published in this section for the public to comment and discuss online; (2) Let's supervise! – This section shows the information of the implementation progress of related policy recommendations since 2018; and (3) Let's propose! – The public could submit their policy recommendations online through this section, and people who are interested in specific issues could endorse the proposal directly. As of 27 August 2024, 19,210 proposals had been submitted, 9,724 of which have entered into the 'registration of support' stage; and among them, 343 cases reached over 5,000 expressions of support for the government to consider for further action.

To improve efficiency in conducting public consultations, the Participation Officials Network comprising representatives from 31 ministries have been adopted by Platform Join. For example, by organizing cross-ministerial working-level meetings, the Participation Officials' Network could gather a range of opinions and have a joint discussion with stakeholders. Chinese Taipei continuously monitors the effectiveness of Platform Join and upgrades relevant functions to encourage participation in the policy-developing and rule-making process.

4. Building On-Ramps to Digital Transformation and Engagement

The public and private sector can work together to leverage people-powered policy making and establish trust in using digital tools to support stakeholder engagement. Leveraging digital tools can facilitate quicker, more iterative policy conversations and reduce transaction costs for governments – which supports capacity efforts.

Some ways to support building on-ramps (or building support) to a more inclusive stakeholder engagement includes:

- providing reliable internet access to remote areas.
- investing in digital literacy programs to effectively engage in the policy design process.
- partnering with the private sector to leverage their digital tools and stakeholder networks (i.e. customers, suppliers, employees)

By leveraging technology and ensuring equitable access, governments can foster more inclusive and representative policy design processes.

5. **Promoting Accountability**

The policymaking process needs to be accountable to the concerns of both governments and the wider public. Encouraging accountability includes:

- establishing clear rules and guidelines for engagement, ensuring that each government agency has a stakeholder council (e.g., civil society council) that actively engages with the ministry or government authorities in charge of the process.
- using and operating digital tools to receive information. This process needs to be transparent and responsive to feedback from stakeholders. The processes around digital tools should be improved on a regular basis to reflect changing needs and concerns.
- supporting data protection regulations and making government data more accessible.

By fostering relationships at the grassroots level and ensuring that the policy design process is accessible to all, governments can create more inclusive and accountable policies.

The Accessible Canada Act (Bill C-81)

The Accessible Canada Act (ACA), passed into law in June 2019, was enacted to "enhance the full and equal participation of all persons, especially persons with disabilities, in society. This is to be achieved through the realization, within the purview of matters coming within the legislative authority of Parliament, of a Canada without barriers, particularly by the identification, removal and prevention of barriers."

ACA establishes standards for how organizations are to identify, remove, and prevent barriers in: employment; built environment, information and communication technologies, communication, other than information and communication technologies, procurement of goods, services and facilities, design and delivery of programs and services, and transportation. The standards requirements for ACA will be rolled out in stages, with the objective of achieving full accessibility compliance by 2040.

The Act established Accessibility Standards Canada (referred to in the Act as the Canadian Accessibility Standards Development Organization) to help create a barrier-free Canada. Accessibility Standards Canada's mandate is to:

- develop and revise accessibility standards;
- recommend accessibility standards to the Minister to be made into regulations;
- provide services and information related to its accessibility standards;
- support and conduct research on accessibility, and
- share information and best practices about identifying, removing and preventing barriers.

Canadian Parliament is to review the Act 5 years after the first regulation is made, or as soon as possible thereafter. The Minister will launch an independent review of the Act 5 years after the parliamentary review. The independent reviewer(s) must consult with the public, including people with disabilities and organizations subject to the Act. The Minister will initiate independent reviews of the Act every 10 years thereafter.

Conclusions

The recommendations provided in this document emphasize the importance of inclusive engagement for all stakeholders in policymaking, including those that have not historically been active participants. This can be accomplished by leveraging digital tools for multistakeholder engagement, among other recommendations.

APEC economies have widely diverse stakeholders and circumstances, but by supporting transparent, inclusive, and accountable policymaking processes, the Asia-Pacific can continue to support empowering all stakeholders building relationships at the grassroots level, empowering local communities, and implementing a staged approach to stakeholder engagement.

Citations/Additional Resources

- 1. OECD (2020), <u>Innovative Citizen Participation and New Democratic Institutions:</u> <u>Catching the Deliberative Wave</u>, OECD Publishing, Paris, <u>https://doi.org/10.1787/339306da-en</u>
- 2. OECD (2022), <u>OECD Guidelines for Citizen Participation Processes, OECD</u> <u>Public Governance Reviews</u>, OECD Publishing, Paris, <u>https://doi.org/10.1787/f765caf6-en</u>
- 3. Laura Romero; Mauricio Tapia; Maria Isabel Gomez-Pineda Puebla; "<u>Digital</u> <u>government driven by ESG: sustainable and inclusive public services</u>", Inter-American Development Bank, July 31, 2023.
- 4. Aitor Cubo, José Luis Hernández Carrión, Miguel Porrúa, Benjamin Roseth; <u>Government digital transformation guide; Inter-American Development Bank</u>, 2022.
- Committee on Trade and Investment, <u>APEC FTAAP Work Program:</u> <u>Multistakeholder Engagement for Trade Agreement Development</u>, APEC, March 2024.
- 6. United Nations Development Programme, Digital Strategy 2022-2025