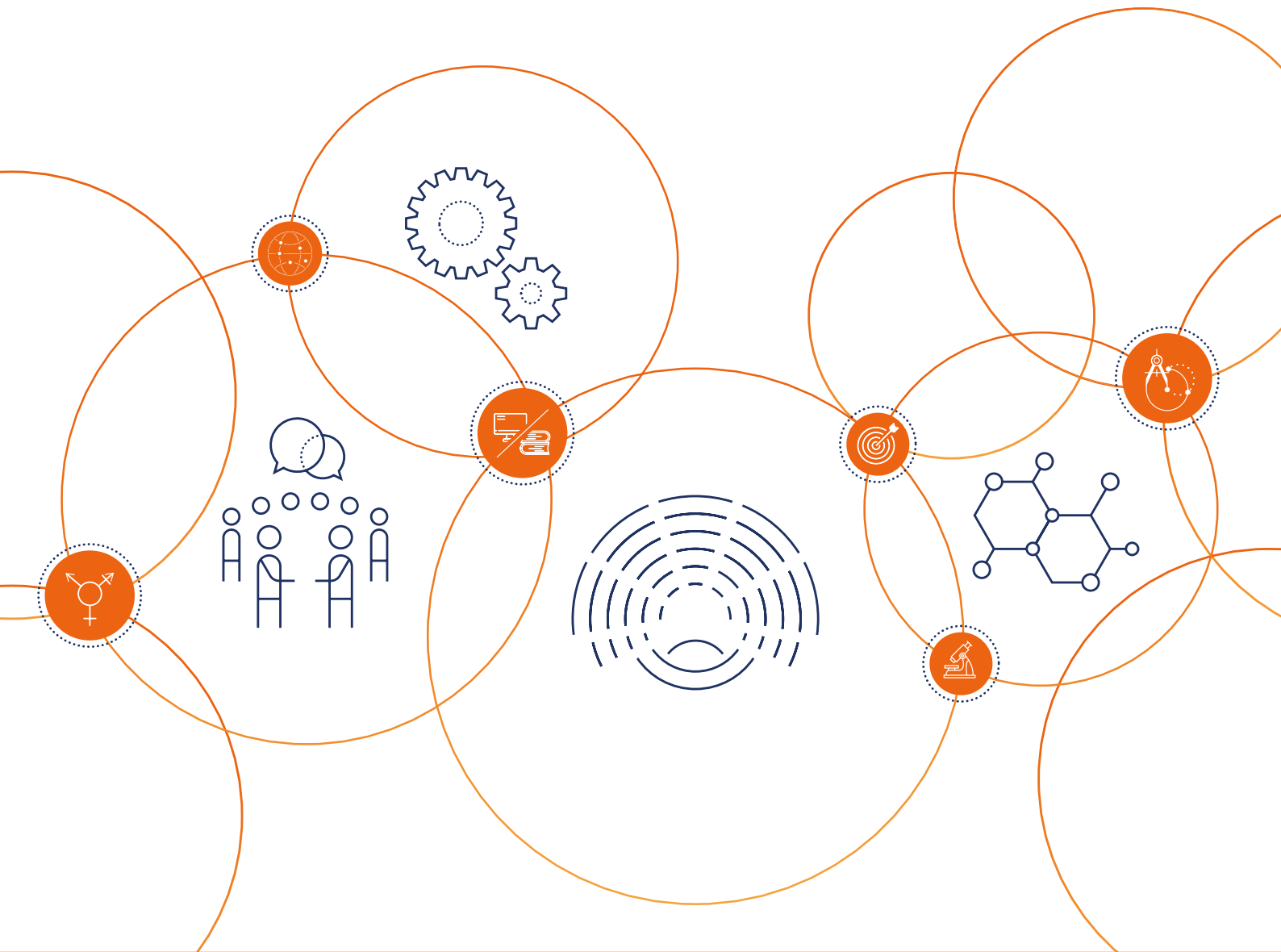


Further development of
multi-stakeholder partnerships (MSPs)

Transformation for long-term impact and sustainability



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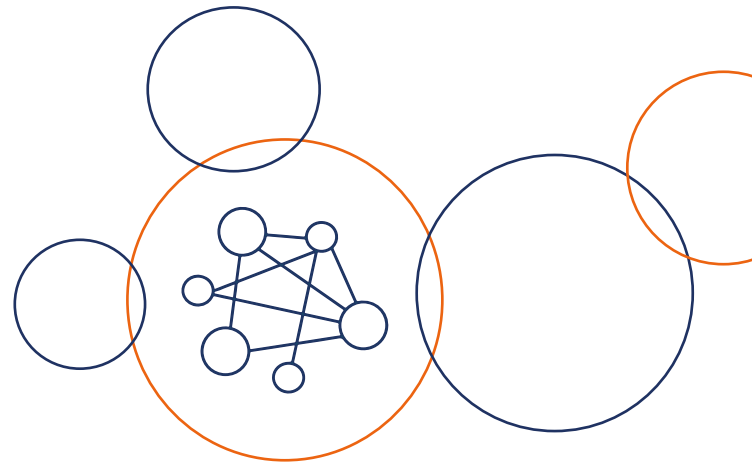
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Introduction

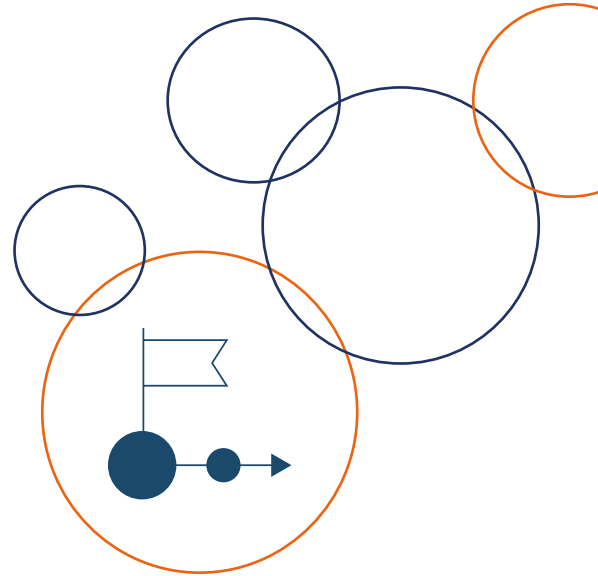
Multi-stakeholder partnerships (MSPs) operate in a constantly changing environment. Political, economic, social and technological developments require MSPs to regularly review their existing approaches, structures and ways of working. Achieving long-term effectiveness thus depends not only on establishing a partnership, but also on its ability to adapt.

MSPs bring together representatives from the private sector, civil society, academia and public institutions. This diversity enables partnerships to tackle complex challenges jointly and to initiate global change processes that individual actors would struggle to achieve on their own. At the same time, this creates particular challenges: divergent interests, plus growing expectations regarding impact, legitimacy and sustainability, make continuous development essential. Establishing an MSP is only the first step in this process. Ensuring the partnership's long-term institutional viability presents a challenge in its own right. In this context, transformation is not an exceptional occurrence, but rather part of the natural evolution of partnerships.

The present guide is designed to support this evolution. It examines MSP transformation processes as distinct processes in their own right, and offers structured guidance for a partnership's strategic and institutional development. The guide is designed for stakeholders who are already undergoing a transformation process, or are reviewing the possible need for a strategic reorientation. It also addresses organisations that wish to systematically facilitate such processes from an early stage. In this context, it views transformation as a holistic design process in which strategic and institutional changes are closely interlinked.



MSP phase 4: 'Further development' as the starting point

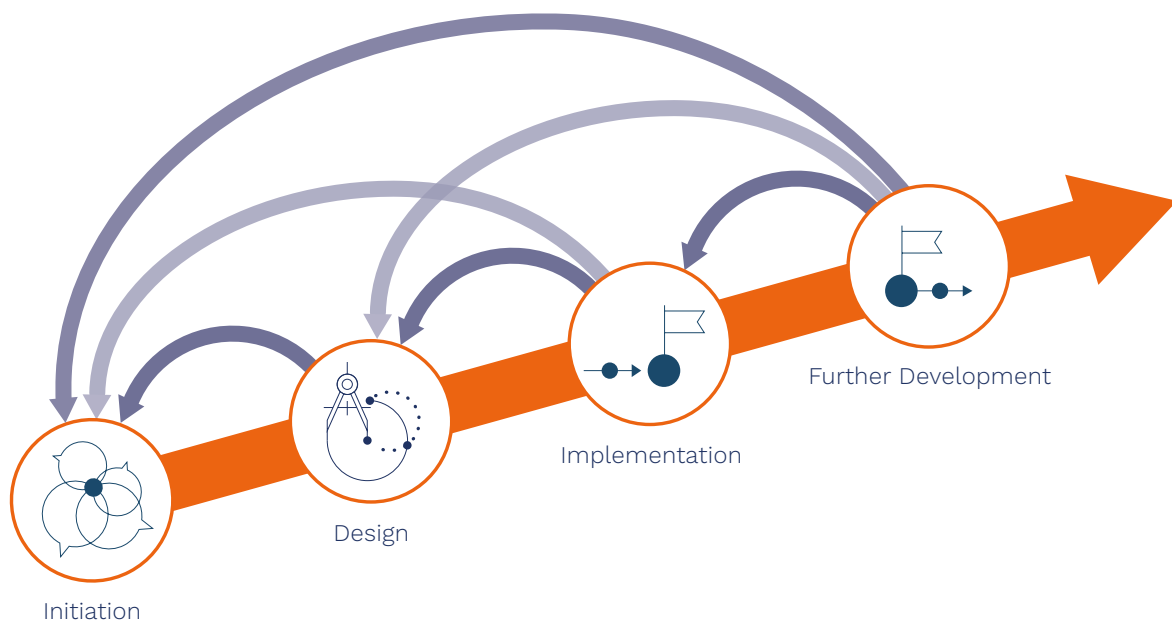


Once an MSP has been initiated and designed, a crucial question often arises during its implementation: How can the partnership be made sustainable in the long term? This is the central topic of the further development phase (phase 4).



Note: Although the present guidance relates to phase 4 – ‘further development’, in practice the issue often arises right from the outset of the partnership and should be considered at appropriate intervals.

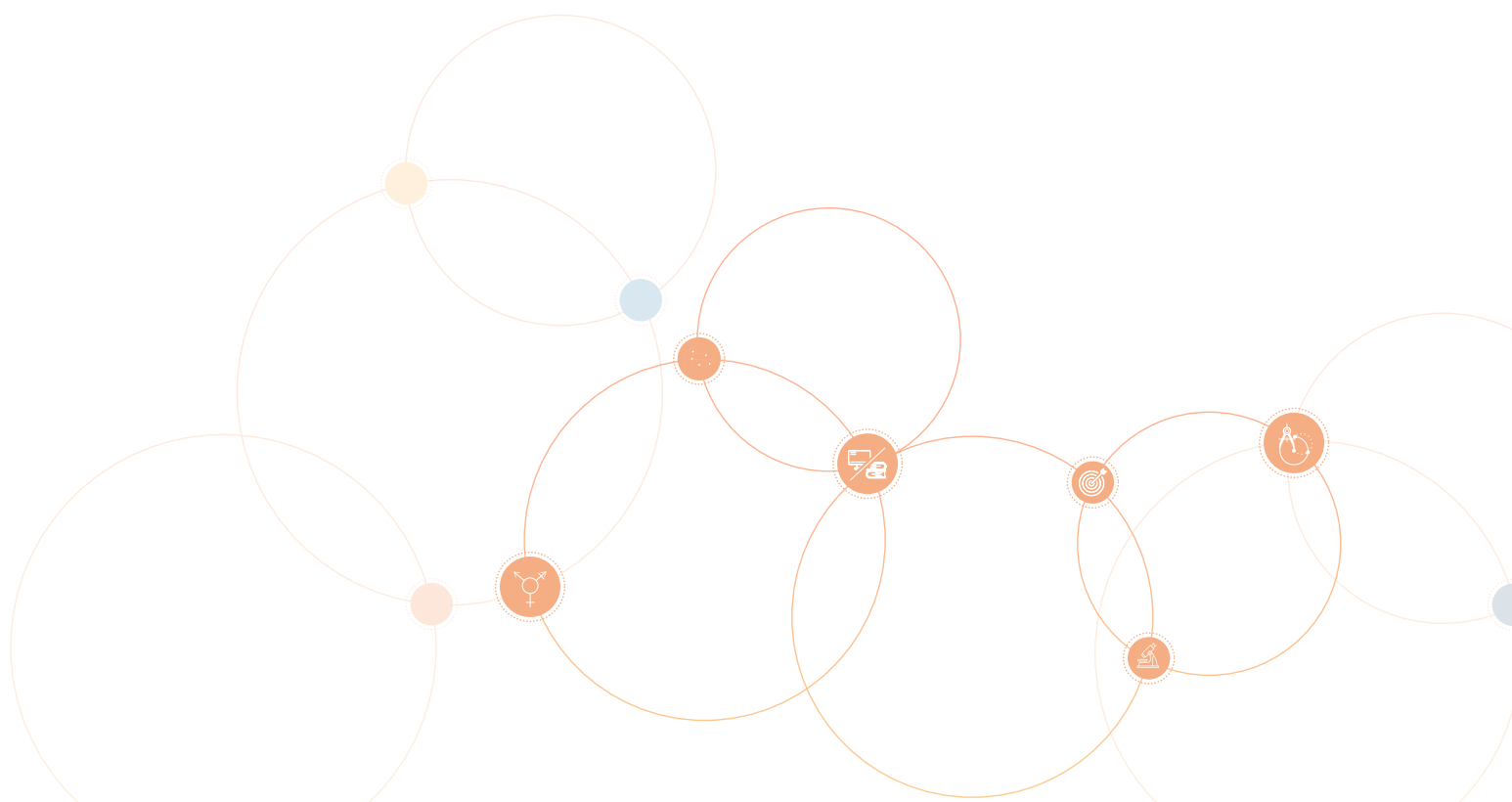
4 Phases of an MSP Process



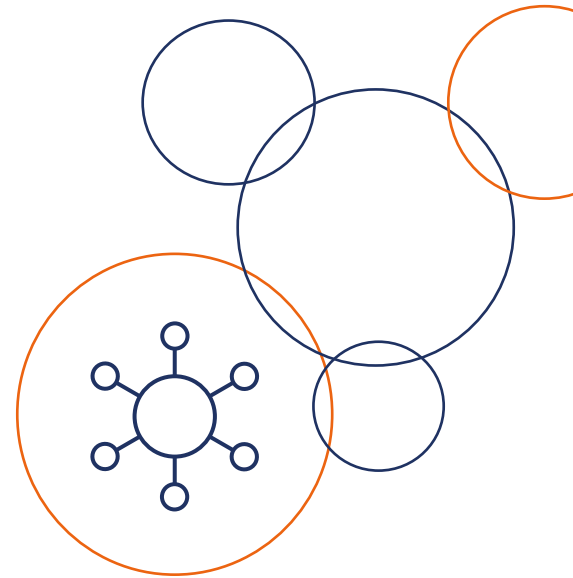
This phase focuses on consolidating success stories and assessing whether and how the MSP should continue to grow or adapt. This can be achieved for instance by expanding the partnership into new regions, strengthening its political institutionalisation or further developing a thematic focus. The foundation for this lies in transparent governance structures, clear communication and the systematic use of monitoring and evaluation findings. Equally important is for the partners to reach agreement on the structural and financial preconditions for the partnership to continue. At

the same time, it is important to note that not every MSP needs to be continued indefinitely. Rather, it should be assessed at regular intervals whether partnerships are continuing to fulfil their purpose. If it makes sense for them to continue, a decision must be made as to whether it is sufficient to consolidate their existing structures or whether a fundamental transformation is required.

To find out more about the [typical phases of MSP development](#), please see our publication on this topic.



Possible reasons for a transformation



A wide variety of factors may necessitate the transformation of an MSP. They can be of an internal or external nature, and can result from either positive developments or challenges. This makes it all the more important to address the long-term direction of travel and sustainability of the MSP at an early stage, to consider possible scenarios and to communicate key steps transparently to all stakeholders. This is the case regardless of whether these steps involve further development, reorientation or a transition to a different form of cooperation.

Internal factors

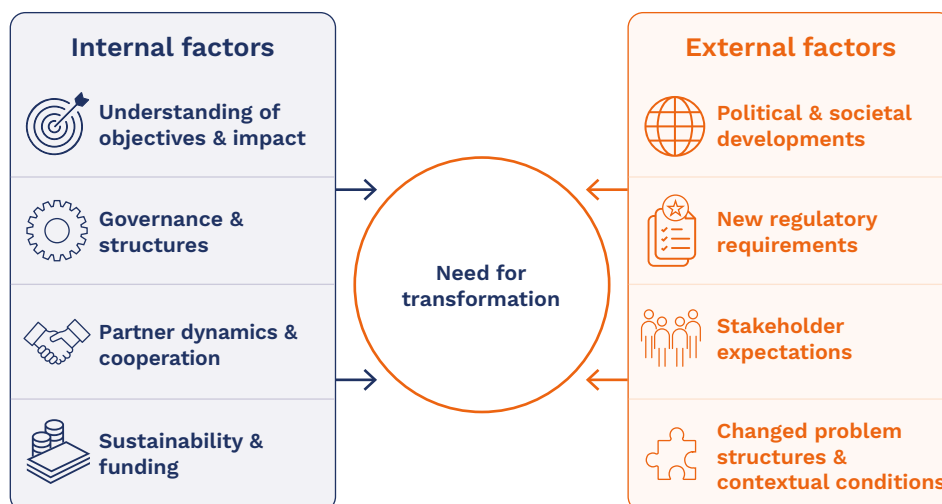
Internal factors that may necessitate a transformation include **different understandings of objectives and impact**. Within an MSP, the actors involved often have different information available to them, or interpret existing knowledge in different ways. Furthermore, they bring to the table their own perspectives on problems, risks and possible solutions. This can give rise to different priorities and different assessments of urgency and the need for action. Such differences do not necessarily become apparent when the joint work begins. Often they may only emerge over time. In such cases, it may be appropriate to carefully adjust existing structures and processes in order to (re) establish or strengthen a shared understanding, and thus ensure the long-term effectiveness of the partnership. At the same time, a need for transformation may also arise from **positive development processes** within the MSP. After several years of collaboration, a partnership is able to draw on extensive experience, established relationships and evidence of initial results. For example, when agreed action plans come to an end or have been

successfully implemented, this often creates scope to redefine shared objectives, further develop roles or set new thematic priorities. Another internal factor may be **governance and management challenges**. Examples include unclear roles and responsibilities, inefficient decision-making processes or insufficient coordination between strategic management and operational implementation. Changes within the partner organisations can also trigger a need for transformation. Staff changes, new contact persons, shifting priorities or limited capacity over a defined period can affect the commitment of individual partners and impact the MSP's ability to function. For example, if it then becomes apparent that agreed objectives or work plans can no longer be realistically achieved, it may be necessary to adjust roles, responsibilities or governance structures. At the same time, the relationships and dynamics between the partners play a pivotal role. Divergent interests, power imbalances or a lack of trust may complicate cooperation and make the partnership less effective. Ultimately, a **lack of financial sustainability across project or funding cycles** may also necessitate a transformation. If the collaboration is heavily dependent on short-term external funding, or if no viable follow-up structures exist, the question arises as to how the partnership can be structured so as to ensure its long-term stability, for example through new funding models such as membership fees or institutionalisation.

External factors

Besides internal dynamics, external factors may also necessitate a transformation of the MSP. Examples include in particular a **changed context**, such as political, economic or social developments that affect the environment in which the partnership operates. Such changes may place new demands on the MSP or call existing approaches into question. For example, if new knowledge emerges, priorities shift or the problem itself evolves, it may be necessary to adapt the MSP's objectives, strategies or ways of working accordingly. Another relevant factor is the **pressure of expectations from stakeholders**

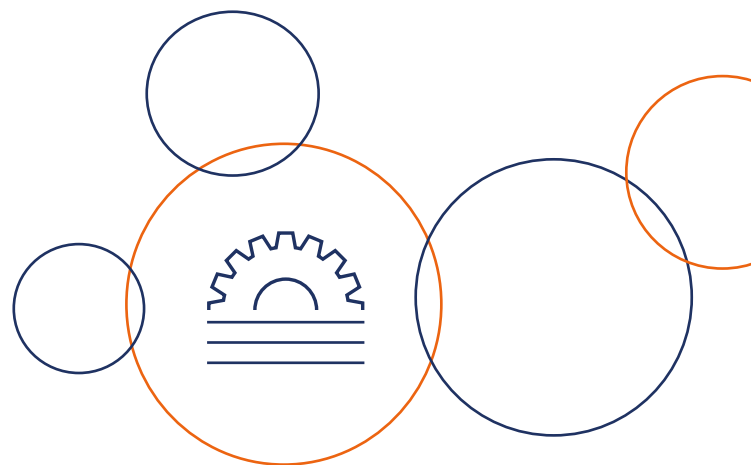
and the donor community. New requirements regarding impact, transparency or efficiency, as well as changes in funding, may mean that existing structures or approaches need to be reviewed and further developed. Such expectations play a particularly important role in the partnership's strategic orientation, especially where cooperation is externally funded. Finally, the realisation that **approaches to date will not lead to the desired outcome** may also lead to a transformation. If it becomes apparent that the chosen instruments or forms of cooperation are not bringing about the intended changes, critical reflection is called for, possibly followed by a fundamental reorientation of the partnership.



Practical example:

In response to lively trends in the industry, in April 2026, after 11 years, the Partnership for Sustainable Textiles (PST) was transformed into a new multi-stakeholder network entitled **Dialogue and Impact for Sustainable Textiles**. This transformation aims to enable a more agile and self-directed form of collaboration that is better suited to the changed circumstances and requirements. In particular, the focus is shifting more strongly towards the engagement of the participants, who can jointly develop needs-based initiatives to bring about change on the ground.

Typical levels of MSP transformation



Substantive and strategic transformation

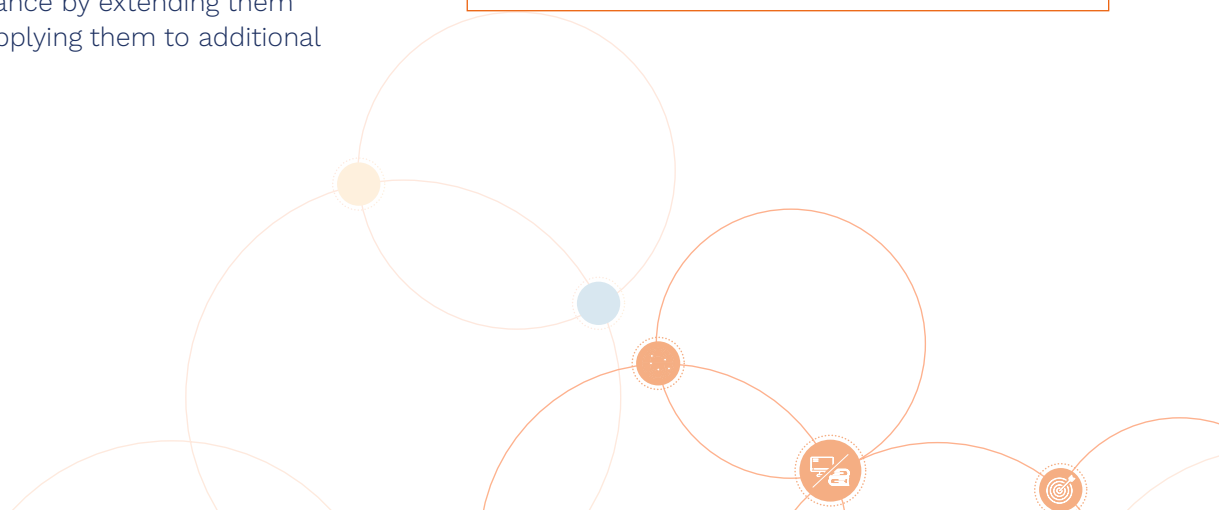
At the substantive and strategic level, transformation is manifested primarily in how an MSP defines its objectives (shared vision or Theory of Change¹), understands its role within the wider system of stakeholders, and aligns its activities accordingly. The starting point for this is often changed expectations within or outside the MSP, as well as fresh insights gained from implementation or changes in the external context. Similarly, the realisation that objectives or work plans originally set cannot realistically be implemented with the available resources may also necessitate a strategic reorientation. This can shift the shared understanding of impact and make a strategic adjustment unavoidable. Depending on the causal factors, MSPs may pursue different transformation pathways.

Against this backdrop, one key transformation pathway is the **scaling up of successful approaches**, for instance by extending them to other regions or applying them to additional sectors.



Note: In this guide, ‘transformation’ refers to a deliberately designed process of change through which a MSP adapts its strategic direction and/or its organisational and institutional structures to changing requirements, in order to safeguard its long-term effectiveness, legitimacy and capacity to act.

Not every change within a MSP constitutes a transformation. Minor operational adjustments or the routine further development of individual activities are part of the normal work of a partnership. The term ‘transformation’ is used here when changes have a fundamental impact on the MSP’s objectives, governance, funding, roles or institutional structure.



¹ A Theory of Change is a comprehensive description and visualisation of how a desired change is intended to come about, and the underlying assumptions on which this is based.



Practical example:

In the context of corporate due diligence obligations, sectoral scaling can be seen in the sector dialogues organised by Germany's Federal Ministry of Labour and Social Affairs (BMAS). The Ministry applies a systematic framework for thematically focused dialogue to various sectors, such as the **automotive industry**, the **energy sector** or the **food sector**. The aim is to address sector-specific challenges whilst establishing cross-cutting standards. By adapting to sector-specific characteristics, existing approaches can be scaled up and their impact along global supply and value chains boosted.

In other cases, approaches are further developed so that they can be **integrated into policy programmes or institutional strategies**. Such integration can significantly increase the reach and impact of MSPs, but often also requires closer coordination with policy processes and stakeholders.

Transformation can also mean that a partnership **deliberately hones or realigns its focus**, particularly when existing approaches do not help achieve overarching system objectives as desired, or when new issues gain prominence. Realignments of this sort often go hand-in-hand with a modified mandate, for example when political priorities shift or new areas of activity emerge. At the same time, transformation may be underpinned by a **stronger focus on evidence-based management**. Particularly in the face of growing pressure to demonstrate legitimacy, plus increasing demands for

transparency and measurable impact, many MSPs are finding it necessary to base strategic decisions more firmly on robust data. This can lead to the further development of monitoring and evaluation systems, the refinement of Theories of Change or the introduction of new indicators. This often also changes the way in which the partnership is managed: **decisions** are made on a more data-driven basis, learning processes are systematised and strategies are adapted iteratively. An intervention of this kind can enhance the partnership's effectiveness and credibility, but requires additional capacity as well as a shared understanding of how data should be collected, interpreted and used.

In all cases, the ultimate aim is to ensure the partnership's long-term effectiveness and relevance. However, these substantive changes rarely fail to have an impact on the organisational and institutional structure of the MSP.



Practical example:

Between 2025 and 2026, the **Gender & Chemicals Partnership (G&CP)** developed its joint **Theory of Change** in order to define objectives, assumptions and strategic priorities within the MSP more clearly. The process served to establish a shared understanding of how the activities of the various working groups contribute to the partnership's overarching strategic objectives. At the same time, the Theory of Change provides the basis for developing work plans, indicators and future monitoring, evaluation and learning approaches. In this way, the partnership is strengthening its strategic focus and creating the conditions for the long-term, evidence-based management of its activities.

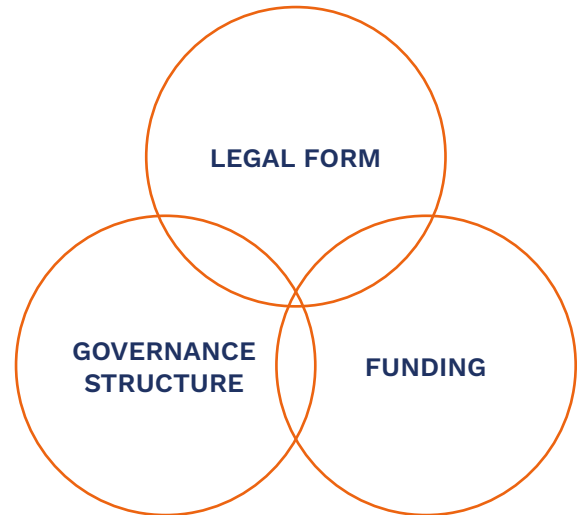
Organisational and institutional transformation

The organisational and institutional transformation level encompasses the adjustments to an MSP's structures, processes and parameters that are necessary to ensure its ability to act and its sustainability. Such changes can arise both from substantive and strategic developments, and from independent structural requirements.

A common objective here is the **(re)institutionalisation of the partnership**. This can take various forms, such as greater integration into existing public or private structures or the establishment of an independent organisation. In many cases, this is driven by the need to make the partnership less dependent on time-limited funding and to secure its long-term future. Closely linked to this is the question of legal institutionalisation: the choice of a suitable **legal form**, such as an association, a foundation or affiliation with an existing organisation, has a significant influence on decision-making structures, funding opportunities and the involvement of members. Together with governance and funding issues, this forms a triad of closely interconnected elements within which decisions in one area have a direct effect on the others.

Another important transformation scenario arises from the increasing complexity and growth of the MSP. As the partnership's membership numbers

Three elements of the institutionalisation of MSPs



rise, the thematic scope broadens or the partnership expands geographically, existing structures often reach their limits. In such cases, it may make sense **to differentiate the organisational structure**, for example by establishing thematic working groups, setting up specialist platforms or creating regional units. Forms of decentralisation can also help to better reflect different contexts and increase the partnership's ability to act, which in turn requires new forms of coordination and consultation.



Practical example:

The transition of the **Alliance for Integrity** from a global programme to an independent initiative, and its growth to embrace 11 regional hubs in Latin America, Africa and Asia, necessitated a restructuring of the Alliance's secretariat. The aim was to create a more agile, globally oriented model capable of providing all hubs with swift, context-appropriate support. The process was participatory and iterative: first, the secretariat team conducted an internal analysis of the greatest challenges; then, lessons learned by other initiatives were collected; finally, the hubs themselves were consulted. The new structure was trialled for three months and further developed on the basis of the feedback received.

At the same time, the question of the future **financing** of the MSP often arises. Whilst many partnerships are initially funded on a project-by-project basis, a transformation often aims to establish a broader and more long-term funding base. Models include introducing membership fees, involving additional donors, or developing the partnership's own sources of income. The choice of funding model is closely tied to the partnership's legal form and governance structure, and has a significant effect on its strategic leeway.

power and representation within the MSP, for example through changes to voting rights or new participation formats, in order to better accommodate divergent interests. The **secretariat** also plays an important role in this context. As the core operational structure, the secretariat bears primary responsibility for coordination, communication and often also implementation of the transformation process. Changes to the governance structure therefore generally also affect the secretariat's tasks, mandate and organisational positioning, which should be taken into account from the outset in transformation processes.



Practical example:

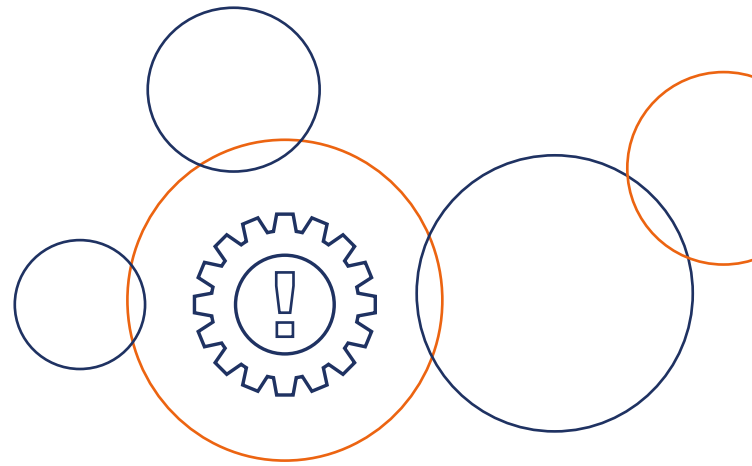
The **Forest Stewardship Council (FSC)** in Germany demonstrates how a diversified funding structure can work in practice. The organisation deliberately funds its work through multiple pillars: grants from FSC International derived from FSC licence fees, certification in Germany, voluntary membership fees, income from sponsorship, and project-related public and private funding. Furthermore, the 'Gutes Holz Service GmbH' company was established as an organisation to provide marketing and training services in the field of certified supply chains.



Note: In practice, the changes mentioned at both levels are closely interlinked: transformation is rarely linear; it is rather an iterative process in which adjustments at one level entail changes at the other level. For example, the decision to scale up a partnership geographically or to integrate it more closely into political processes may create new requirements with regard to governance, funding and institutionalisation. Conversely, changes in funding – such as the phasing out of a grant or the involvement of new donors – may mean that priorities need to be reset or regional focuses adjusted. With this in mind, it is crucial to avoid viewing transformation as a purely structural or purely substantive task. It should rather be seen as a **holistic design process**. Successful transformation is characterised by the deliberate integration of both levels, and by decisions being taken transparently and with the involvement of the relevant stakeholders.

Finally, organisational and institutional transformation often involves targeted reforms of **governance**. These may become necessary for instance if existing decision-making processes are no longer seen as efficient in light of the changes described above. Typical adjustments include restructuring committees, clarifying roles and responsibilities within the partnership, and adjusting decision-making rules. In some cases, this also involves rebalancing

Challenges and risks during the transformation phase



There are a number of structural, political and internal challenges that can significantly affect the trajectory of the transformation process and how successful it is. These challenges arise not only due to the substantive and organisational complexity of the changes, but also due to the divergent interests, expectations and scope for action of the stakeholders involved.

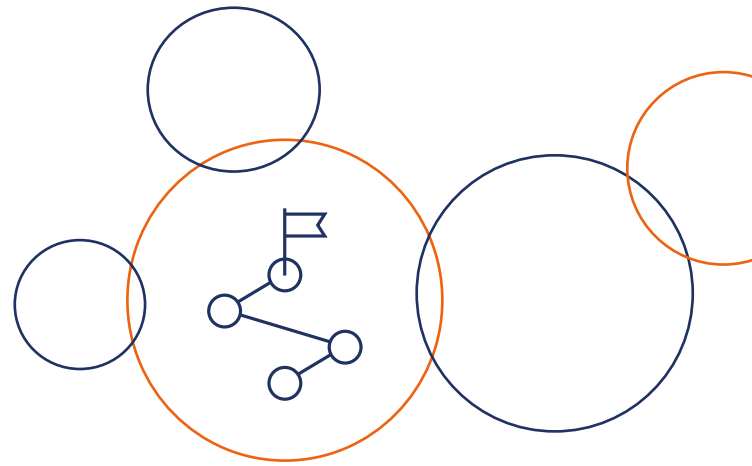
At a structural level, there is a particular risk that the **partnership may lose dynamism and momentum** during the transformation process. This can occur for instance if key processes stall, decision-making is delayed or transition phases take longer than originally planned. At the same time, external conditions often change during such processes: political priorities may shift, funding landscapes may change, or public interest in certain issues may wane. In such situations, there is an additional need for coordination and active advocacy to maintain the commitment of the MSP partners and to continue to highlight the relevance of the partnership.

Closely linked to this is the **dependence on individual key actors**. In many partnerships, committed individuals or institutions play a crucial role in driving the transformation process, whether through substantive input, political support or financial contributions. At the same time, cooperation within MSPs is based on the principles of equality and consensus. Transformative decisions therefore often require intensive consultation processes and can be time-consuming, particularly when a balance needs to be struck between divergent interests. If the support of key actors is withdrawn or changes during this phase, this can significantly slow down or destabilise the transformation process.

The **policy and financial environments** are also key influencing factors. Changes in political priorities or a reduction in funding (even in the short term) may mean that planned transformation actions have to be adjusted or postponed. Developing sustainable funding models is often particularly challenging: heavy reliance on individual funding sources without a clear diversification strategy increases vulnerability to external changes. At the same time, persuading potential funders or private-sector actors of the added value of overarching MSP structures, such as the secretariat, can be challenging. For example, donor willingness to provide funding may be limited if there is already engagement at the local level, or if the additional benefits of an overarching structure are not immediately apparent. Funding approaches based on local or regional contributions may also be associated with different expectations and acceptance issues within the partnership.

At the internal level, transformation processes are often associated with increased **coordination and resource needs**. They require not only additional human and financial resources, but also clear lines of responsibility and a shared understanding of objectives and procedures. If these requirements are not met, governance conflicts may arise, for instance due to unclear decision-making structures, a lack of transparency or rising expectations within the governing body. An insufficiently defined mandate for the MSP as a whole or its individual governance elements can also complicate process management. In such situations, there is a risk that decision-making processes will be delayed or that necessary adjustments will not be implemented consistently.

Key factors for a successful transformation



The challenges described highlight the fact that MSP transformation processes are not only demanding in terms of content, but are also structurally and politically sensitive. A successful transformation is therefore characterised in particular by the deliberate management of these challenging areas. Many of the risks can be directly translated into key success factors.

Strategic: direction and forward-looking planning

One key factor for success lies in establishing a clear **strategic direction for the transformation process** early on. Unclear objectives or ad hoc decisions increase the risk of delays, conflicting goals or a loss of momentum. By contrast, a clearly formulated transformation strategy enables all stakeholders to align their expectations and provides them with guidance. This highlights the need to **plan the transformation realistically and at an early stage**: developing a robust timetable with clear milestones can help to actively manage transition phases and avoid disruptions to the partnership's activities. Transformation processes can easily take several months or even years. Ideally, they should not then be launched right at the end of a project or funding cycle. In fact, it might be advisable to factor in initial ideas on long-term institutionalisation at the outset, when setting up the MSP or within the project context. Another important point is the early **integration of different perspectives**. Consultations with MSP members and other stakeholders before a transformation pathway is finalised help to identify potential conflicts of interest or reservations at an early stage and to integrate these into the planning process.

Institutional: governance and clear responsibilities

Many internal challenges can be traced back to shortcomings in governance structures. It is therefore essential to **clearly define responsibilities and decision-making channels within the transformation process**. This can be achieved by establishing a new body (such as a transition committee or a working group) that includes members of the steering committee with decision-making authority. A structure of this kind creates a sense of commitment, enables continuous governance and reduces the risk of delays caused by coordination issues. Furthermore, the **role of the secretariat should be designed carefully**. Even though it often has no formal decision-making authority, it can make a significant contribution to structuring the process through its coordinating function, for instance by preparing papers for decision-making or facilitating consultation processes. It is important to define a clear mandate and to make any potential conflicts of interest transparent.

Financial: sustainability and diversification

Financial uncertainties are among the most common risks in transformation processes. A **sustainable funding strategy** is therefore a key success factor, not only for the long-term operation of the partnership but also for the transformation process itself. This often entails greater resource requirements for items such as additional coordination, consultation processes, legal advice and external support. Accordingly, it is important to clarify at an early stage how these temporary additional requirements can be met, in order to avoid delays or a drop in quality during the process. At the same time, the aim should be to gradually reduce dependence on individual funding sources and instead **develop a broader funding base**. This can include various models such as the introduction of membership fees, the involvement of additional donors, or the development of the partnership's own sources of income. What is crucial here is not just the technical design of the funding model, but also its acceptance within the MSP: models must be easy to understand and compatible for the stakeholders involved. The close interconnection between funding, legal form and governance (as illustrated by the 'triad' described earlier) should always be taken into account, as decisions in one area have a direct effect on the others.

Partnership-based: trust and communication

Besides structural and financial aspects, partnership dynamics play a crucial role in the success of transformation processes. **Trust** between the stakeholders involved, plus a shared understanding of the transformation's objectives and benefits, are key prerequisites for retaining the ability to act, even in complex and protracted processes.

Transparent and continuous communication is essential in this regard. It not only helps to prevent information gaps but also creates space for participation and co-creation. Open forums for discussion enable members to contribute their own perspectives and increase acceptance of the decisions taken. At the same time, it is important to understand transformation as a process that may also entail changes in the composition of the MSP. It is not unusual for individual partners to reconsider or terminate their participation in the course of substantive or structural realignments. By the same token, the transformation may attract new stakeholders who are better suited to the partnership's future direction. What is crucial, therefore, is not so much the stability of individual memberships as the long-term viability and relevance of the MSP as a whole.

Looking at the bigger picture, it is evident that successful transformation is achieved above all where strategic clarity, viable structures, sustainable funding and the active management of partnership-based cooperation all come into play.

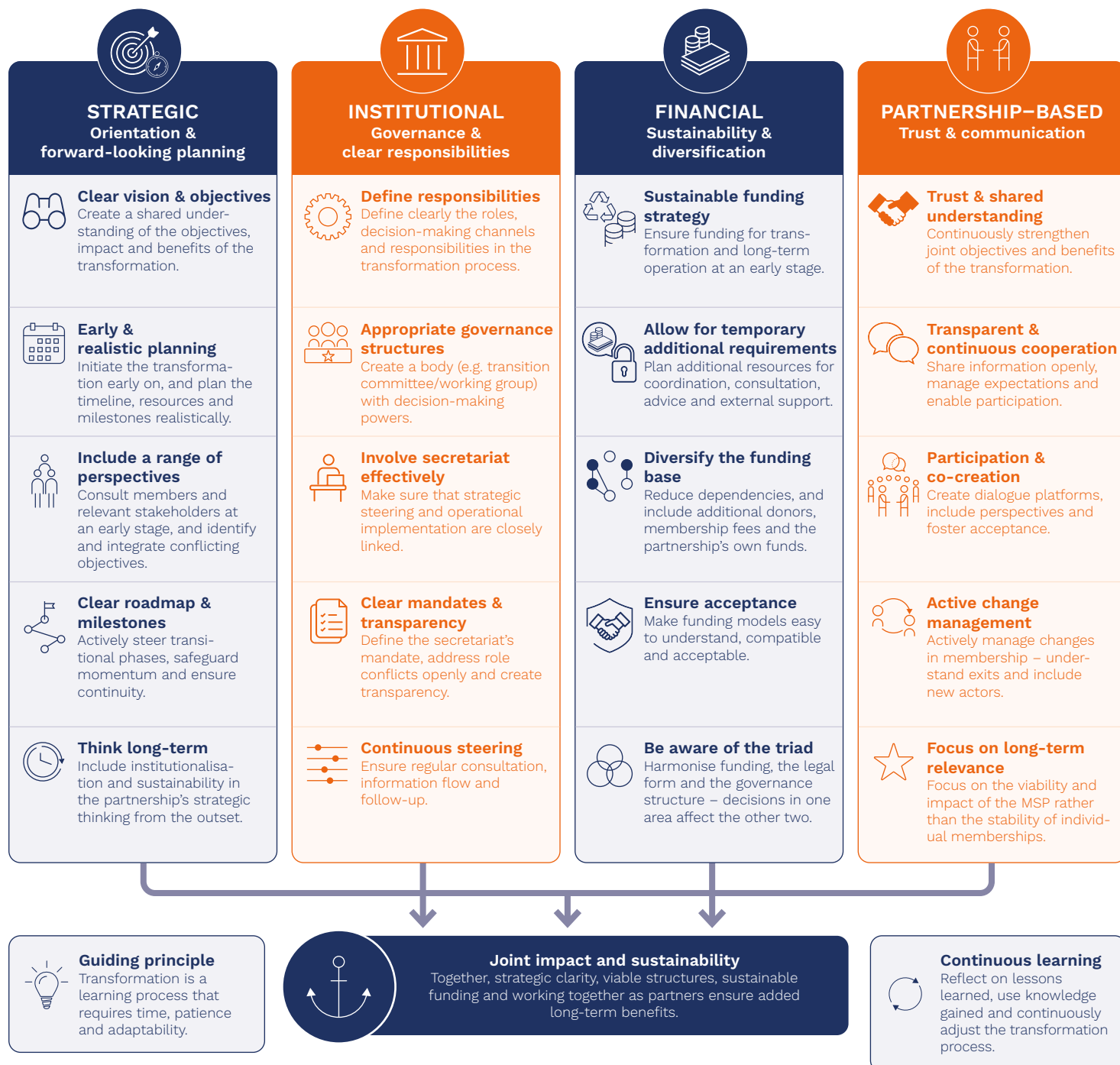


Note: The Partnerships2030 MSP self-assessment tool is recommended for regular reflection on the further development process and the MSP as a whole.

Factors for a successful transformation in MSPs

Deliberate management of central challenges and risks is key to success.

These success factors turn challenges into clear levers for an effective transformation.





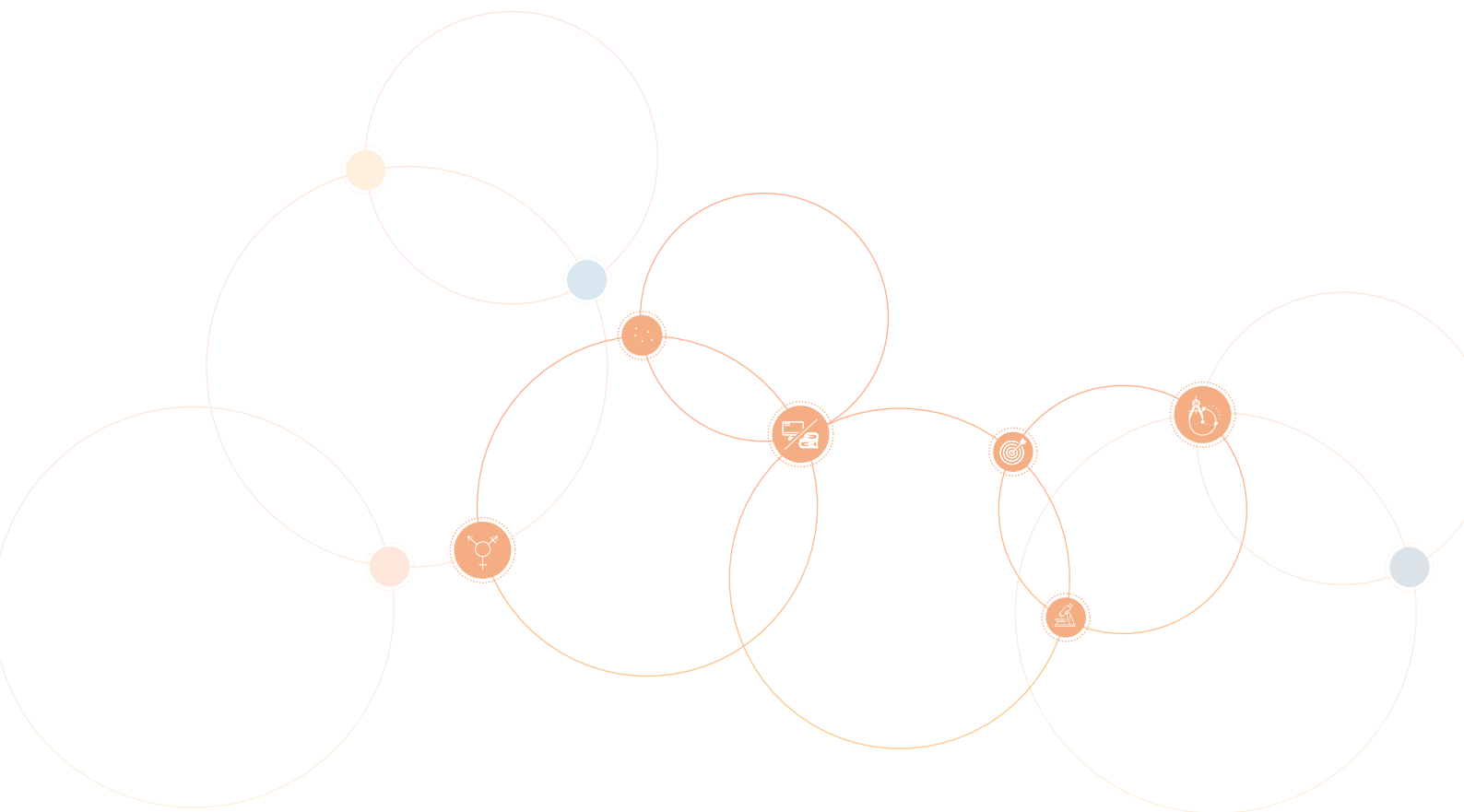
Further information and support

You can find more information on MSP-related topics on our website:

<https://partnerschaften2030.de/en/>.

Partnerships 2030 will also be pleased to provide individual advice. Feel free to contact us:

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Authors and acknowledgements

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