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November 2016

A Greater Commitment to Effectiveness

Expectations towards the German co-chair of the Global Partnership for Effective Development Cooperation and the Second High-Level Meeting in Nairobi

The Second High-Level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC) will take place in Nairobi from November 28 to December 1. This meeting will point the way for the future work of the partnership.

The Global Partnership was founded at the Fourth High-Level Forum on Aid Effectiveness in Busan by numerous donor and partner countries. Its stated goal is to increase the effectiveness of development cooperation and to monitor the implementation of the effectiveness principles agreed upon at the international development conferences in Paris, Accra and Busan. The desired strengthening of effectiveness of official development cooperation has so far only been achieved to a very limited extent.

VENRO welcomes the willingness of the German government to take over one of the partnership's three co-chairs for the two years to come. The German government thereby commits to implementing the effectiveness principles agreed upon in Paris, Accra and Busan. By committing itself to this important task, German development policy can significantly raise its profile worldwide and lead the partnership to more effectively fulfil its tasks in the framework of the global development goals.

In Nairobi, the course must be set for a further improvement in the effectiveness of official development cooperation. Otherwise, the past decade's progress is at risk of failure due to the current crisis of multilateralism.

The Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development (*Bundesminister für wirtschaftliche Zusammenarbeit und Entwicklung*, BMZ), Thomas Silberhorn, will serve as co-chair. He needs to bring the different groups of actors together in a constructive dialogue in order to advance the common efforts towards enhanced effectiveness of official development cooperation. VENRO expects the BMZ to consult with civil society on its strategic plans in advance.

Critical decisions are about to be taken. In particular, Germany should not agree to attempts at reducing the partnership to an organisation for mere exchange of knowledge. The same applies to

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the proposal of denying the partnership the competence and capacity for commenting and correcting development policies, as described in the second draft of the Nairobi outcome document. Germany has to oppose these attempts by clearly positioning the Global Partnership as an important instrument for achieving the global development goals.

Implementing the effectiveness principles and adapting them to the 2030 Agenda

Between 2002 and 2011, the international community agreed on four principles for improving the effectiveness of official development cooperation: ownership of developing countries, transparency and accountability, focus on results and inclusive development partnerships. Although these principles offer clear guidance for qualitatively improving development cooperation, the international community has not succeeded so far in implementing the agreed goals.

It is now up to the governments to respect the existing commitments and achieve the implementation of the Accra and Busan agreements. At the core, this is about aligning the cooperation with the respective country priorities and using the countries' own procurement and reporting systems. In Accra and Busan, assurances were given that the conditionality of concrete instances of cooperation would be made transparent and gradually cut back.

VENRO therefore expects the German co-chair to take initiatives for revitalising the implementation of all effectiveness principles. The Global Partnership's system for monitoring the implementation process of the effectiveness principles will have to make an important contribution to this and needs to be strengthened accordingly.

The further success of the Global Partnership will also depend on how the partnership will be able contribute to achieving the international development goals of the 2030 Agenda. The Partnership can add value if it succeeds in better aligning the two-year monitoring cycle with the "Follow-up & Review" process of the 2030 Agenda.

Further developing the content of the Global Partnership's mandate should also be a priority. In particular, the core promise of the 2030 Agenda to "Leave No One Behind" can serve as a basis for measuring the quality of development cooperation by the extent to which it reaches marginalised groups and for giving greater weight to this in the monitoring system.

VENRO welcomes the attention that the Global Partnership has newly been paying to the financial structures since the Fourth Conference on Financing for Development in Addis Ababa, Ethiopia in the summer of 2015. Matters of public finance, of financial management at the country level, of tax revenue and its expansion, but especially also of illicit financial flows, tax evasion and corruption are important for development. An "effective financing for development" should be developed from

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the perspective of the Global Partnership's four dimensions of effectiveness and their monitoring. The existing drafts lack proposals in this regard.

VENRO demands:

- The members of the steering committee and the new co-chairs of the Global Partnership must make a clear contribution to the implementation of the effectiveness principles and existing commitments. This requires a more precise and strengthened mandate of the Partnership. The monitoring mechanism must remain an important instrument for monitoring the actual performance of implementation.
- The German government needs to ensure that the work of the Global Partnership will be adapted to the implementation architecture of the 2030 Agenda. In particular, the monitoring mechanism needs to be established as a complement to the Follow-up and Review of the 2030 Agenda. Moreover, in future, the quality of development cooperation must also be measured by whether it can reach marginalized groups. Accordingly, the data quality needs to be improved and – wherever relevant – data needs to be disaggregated according to revenue, sex, age, migration status, disability, residence and other relevant characteristics.
- As co-chair, Germany should set a positive example and, just like after the Accra conference in 2008, present a schedule and an action plan for implementing the Busan principles.
- A proposal on effective financing for development should be developed in the framework of the Partnership.

Ensuring conditions conducive for civil society

Without an active and independent contribution from civil society, an inclusive, just and democratic implementation of development goals will not be possible. In 2011, the Busan declaration therefore recognized civil society as an autonomous development actor. However, civil society organisations and actors in more and more countries are being exposed to repression and violence and restricted by legal initiatives and administrative actions. They are stigmatised and discriminated

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against in authoritarian as well as in many formally democratic states. This has now manifested as a worldwide trend.

In a multi-actor partnership such as the Global Partnership for Effective Development Cooperation, the German government bears the great responsibility of resolutely confronting this trend in dialogue with all stakeholders. If civil society is to fulfil its role as an independent actor of development cooperation and implement the Istanbul principles and other voluntary commitments, it needs a scope of action and opportunities for participation respected by all governments. In this area, Germany can contribute much positive experience with civil society exchange and should assume a leading role. We expect the German government to take a stand for the rights of civil society and to make unmistakable efforts for countering the threatening global tendency of increasing restrictions on the work of civil society.

VENRO demands:

- All governments taking part in the Second High-Level Conference in Nairobi must respect, protect and guarantee the freedom of assembly, the freedom of association, the freedom of expression, the right to information, the freedom to act without state interference as well as the right to communicate and cooperate.
- In the framework of the Global Partnership, the German government also has to push for civil society to be confirmed and respected as an autonomous and independent development actor (*Accra Action Agreement*) also in the Nairobi outcome document. Along these lines, it should also push for systematic monitoring and evaluation of the scope of action for civil society through the monitoring system of the Global Partnership. The continued participation of civil society in all structures and processes of the Global Partnership must be ensured.
- Within the structures and processes of the Global Partnership, civil society must be recognized in its various roles also at the national level as an important and autonomous group of actors. Partner governments and donors must allow for effective participation by civil society actors in drafting national development plans and implementing them. In the case of budget aid, donors as well must ensure that civil society has access to budget debates and possesses the necessary knowledge for implementing and accompanying them.
- Civil society should be consulted with its expertise and experience during the development of the “*Country Results Agreements*” in order to foster democratic ownership. However, civil society actors should not be pushed into supporting “*Country Results Agreements*”.

Democratic Ownership

Ownership is one of the five core principles of the 2005 Paris Declaration and a cornerstone of the 2030 Agenda. Fundamentally, it stipulates support and respect for the self-determination of partner countries in the development process. In addition, the Busan outcome document calls for further developing the commitment to “country ownership” towards “democratic ownership” (“deepen, extend and operationalise the democratic ownership of development policies and processes”). Yet democratic ownership is no longer mentioned at all in the two drafts for a Nairobi outcome document that have been presented so far. From a civil society perspective, it is essential that the concept of ownership extends beyond the state level and explicitly reflects the shared responsibility of all actors. This requires comprehensive participation rights for the population in recipient countries through parliaments, auditing authorities, courts, the media and civil society.

Donors need to be transparent and support capacity building so that democratically legitimised institutions and civil society organisations can actually make use of their participation rights. In this context, fostering domestic accountability in recipient countries is essential. Accountability must apply not only towards the donors, but primarily towards the population.

VENRO demands:

- The German government must commit to the principle of democratic ownership. Apart from the Nairobi outcome document, this means investing in capacity building of civil society. Civil society needs to become capable of fulfilling its role in implementing domestic accountability for poverty-reduction programs. In order to ensure this, cooperation between civil society actors from donor countries and civil society in partner countries should be more comprehensively promoted.
- Moreover, increased effectiveness of development cooperation also requires support for the capacities of independent media as important actors for domestic accountability.
- The entire development project cycle must be handed over to the partner countries.
- The German government must push for better aligning its technical cooperation with the needs of the recipient countries and the domestic systems.
- For the purpose of development cooperation based on ownership, development funds must not be misused for obtaining concessions for cooperation on migration control from countries of origin and transit.

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Strengthening transparency and accountability

Transparency and accountability form one of the core dimensions of the effectiveness agenda. Transparent cash flows and award mechanisms in development cooperation are key conditions for democratic accountability towards parliaments and civil society. Comprehensive, prompt and comparable information is required, and it must be accessible to citizens in donor and recipient countries.

VENRO welcomes the BMZ's efforts in the past years to use the uniform standard of the *International Aid Transparency Initiative* (IATI). However, the data quality and the predictability of the allocation of resources need to be improved further for the data to actually be usable in the recipient countries.

VENRO demands:

- The German government must continue its efforts to improve data quantity and quality in disclosing development funds according to the IATI standard. This allows the planning ability and thus the ownership for development processes to be enhanced significantly. This includes increased timeliness, specific possibilities for disaggregation, predictability and reporting on effects achieved.
- Capacities have to be built in parliaments, auditing authorities and civil society in the partner countries in order to make them able to trace, monitor and improve cash flows.

Responsibilities of the private sector

The private sector also shares responsibility for the effective achievement of the Global Development Goals of the 2030 Agenda. In particular, investments, productivity gains and formal employment must develop in the private sector to the extent required for implementing the development goals. In this context, environmental and social standards must be fully respected. This primarily includes the ILO Core Labour Standards, the OECD guidelines for corporate social responsibility and the Guiding Principles on Business and Human Rights of the United Nations. Their implementation serves not only to protect the population but also to create equal conditions for investment. Ultimately, private-sector initiatives have to be judged on whether they reduce poverty.

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VENRO demands:

- Donors must only support or back private-sector initiatives in developing countries if they improve the social, economic, fiscal and ecological situation in the recipient countries and demonstrably contribute to reducing poverty and implementing human rights. Criteria related to human rights, the environment and the climate as well as the impact of the initiatives on gender equality therefore require special attention. Respect for the OECD guidelines for corporate social responsibility, the Guiding Principles on Business and Human Rights of the United Nations and the ILO Core Labour Standards must be a prerequisite for cooperation.
- If cooperation agreements with the private sector are concluded, it must be taken into account that private-sector development approaches must always be supplementary and additional to existing development cooperation. Moreover, state funds must not substitute profit-orientated investments. Where public funds support private-sector initiatives, the actors must partake in the national development dialogue and in the agreements on the division of competences. The voices of the affected sectors of civil society must be taken into account.

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