



United Nations

DEPARTMENT OF ECONOMIC
AND SOCIAL AFFAIRS



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Key Messages from the Side Event during the High-level Plenary Meeting of the General Assembly on the MDGs

“Accountability and transparency to reach the MDGs: Key mechanisms and initiatives”

i. Launch of the DCF’s International Development Cooperation Report

- ❖ To accelerate progress towards the MDGs, donors need to reinforce their budget commitments on ODA and make sure that their aid is targeted to countries with the greatest needs. Donors have to strengthen their forward planning to ensure aid predictability. More sources of innovative financing need to be identified urgently.
- ❖ Accountable and transparent delivery of aid is critical to improve the quality and effectiveness of aid in achieving better development results. The success of mutual accountability mechanisms at national level has hinged upon:
 - (i) the existence of a national aid policy;
 - (ii) specific performance targets which are monitored and discussed at highest political level;
 - (iii) strong recipient government leadership;
 - (iv) inclusion of parliaments and civil society and independent analytical input;
 - (v) comprehensive databases which cover aid quality issues;
 - (vi) and peer pressure among providers.

Many mutual accountability mechanisms at the global level, such as independent reports or review processes, for example in Africa, have led to the implementation of commitments among aid recipients. But provider performance remains disappointing.

- ❖ Policy coherence for development in provider countries needs to be stepped up. Recipient countries need to draw up clear and coherent “beyond aid” policies to define the role of external and domestic development financing in supporting their national development strategies.
- ❖ South-South cooperation has many advantages such as relevance, cost-effectiveness, fast disbursement, simple procurement and few conditions, as well as predictability. The international system needs to capitalize fully on the unique value and comparative advantages of South-South cooperation, supporting this form of cooperation, including ways to assess its quality and impact.

ii. Pioneering initiatives on accountability and transparency and associated challenges

- ❖ All development cooperation actors must join forces (i) to make the fulfillment of provider commitments more reliable; and (ii) to maximize impact of aid in terms of development results, value for money and progress towards individual MDGs by 2015. Acceleration frameworks at country level are key instruments in this regard and should be based on lessons learned and knowledge about remaining gaps.
- ❖ International development cooperation has reached the age of transparency and accountability. The concept of mutual accountability encapsulates a necessary shift in mentality, which gives recipient countries more responsibility to determine the course of national development and aid management. Evidence shows that mutual commitments should be aligned with the Paris principles, but may well go beyond and need to be adapted to the national context.
- ❖ All providers should support reliable needs assessments and aid policies with concrete targets in alignment with recipient country priorities. They are encouraged to reflect their aid commitments in legislation, test/use existing country systems and provide timely and clear information on aid flows, as a basis for effective accountability. A wide range of effective instruments are in place at national level to evaluate donor behaviour. Yet, an international index to score individual pro-

vider commitments to recipient countries could be useful to bring partners at eye level, instill peer pressure and enhance compliance.

- ❖ Recipient countries need the capacity to make mutual accountability an integral part of aid management, enabling a regular process of monitoring, discussion and adjustment. At country level, results of mutual accountability are particularly meaningful at sectoral and sub-sectoral level, such as education or health. Statistical information on the status of these sectors and poverty overall are a vital prerequisite, and are yet fundamentally nebulous. Thus, urgent investment in empirical tools for evidence and strengthening of country statistical systems is critical.
- ❖ Donor pledges are often ambiguous, disguising the level of additionality of new commitments, and thereby constricting development planning on the ground. Donor reports often fall short of explaining whether set targets were achieved or not. As critical tools to disclose such information, independent international mutual accountability reports are in dire need of better statistical information from the ground and better global coordination. Greater transparency in the European Union is a key objective in this regard. Simple language and de-jargonization are also key for true accountability to citizens.
- ❖ At international level NGOs are key players in holding providers to account on their promises. Close engagement with governments is important to reduce levels of distrust. NGOs also make an effort to improve their own effectiveness as part of their input to the Fourth High-level Forum on Aid Effectiveness in 2011. Providers should dedicate funds to help civil society to hold national politicians to account, as announced by the UK Government.
- ❖ Parliamentarians need to be better engaged and equipped with resources, in order to hold government and other actors to account and execute independent oversight. Also, decentralized accountability is critical to feed information bottom-up from communities and districts to the national, regional and international level.
- ❖ At the same time the rise of policy coherence for development as a key issue in global policy dialogue shows that the awareness about the complexity of international development cooperation has gained momentum. Mutual accountability for coherence between development and other sector policies requires more attention on the road to 2015.
- ❖ Recipients need to invest in the reform of their national financial sectors and ensure that budgets and disbursements are clearly outlined. Transparent procurement systems under the leadership of line ministries are key to avoid corruption and increase the value for money of development cooperation.
- ❖ With natural resource revenue flows by far exceeding aid flows, in particular in Africa, more emphasis should be placed on transparency in the payments made by the extractive industries and accountability of how these funds are spent by developing country governments, including in forestry. Progress in legislation for the private sector to publish what they pay, as spearheaded by the United States, should urgently be replicated in the European Union and elsewhere. Specific efforts should be made to link wider accountability initiatives to the issue of tax evasion.
- ❖ It is vital to instill lessons from development financing into the climate change dialogue. This would ensure that debates are anchored in what works and what is needed at country level and thereby transform overall development trajectories and sustainable development.
- ❖ The International Aid Transparency Initiative (IATI) is vital to resolve concerns of developing countries for more accurate transparent and timely information on aid flows from providers, both with regard to predictability and strings attached to the aid flows. The DCF, working effectively with the OECD-DAC's Working Party on Aid Effectiveness, is the adequate global forum to continue inclusive and balanced global policy dialogue on aid quantity, quality and effectiveness issues, with special focus on mutual accountability and aid transparency. Other UN bodies play a key role in ensuring multilateral accountability, tracking and reporting, eg. in the context of G8's Maternal, Newborn and Child Health (MNCH) initiative.

Speakers included:

Mr. Thomas Stelzer, Assistant-Secretary-General for Policy Coordination and Inter-Agency Affairs, UNDESA (moderator)

H.E. Ms. Beverly J. Oda, Minister of International Cooperation, Canada

H.E. Mr. Andrew Mitchell, Secretary of State for International Development, United Kingdom of Great Britain and Northern Ireland

H.E. Mr. Amara Konneh, Minister of Planning and Economic Affairs, Liberia

Mr. Martin Dahinden, Director-General, Swiss Agency for Development and Cooperation

Mr. Momad Piaraly Jutha, National Director of Planning, Ministry of Planning and Development, Mozambique

Sir Bob Geldof, MDG Advocate and Advisor to the ONE Campaign