



## *The International Development Cooperation Report (IDCR)*

### **Background**

During a side event on accountability and transparency at the MDG Summit in September 2010, UNDESA launched an independent International Development Cooperation Report (IDCR) (available at [www.un.org/ecosoc/DCF](http://www.un.org/ecosoc/DCF)). The flagship report draws together analysis produced for the 2010 DCF on international development cooperation, with a particular focus on the views of various stakeholders.

The report reviews trends and coherence in development cooperation, including commitments and quality and impact of development assistance. It also analyses a broad range of issues that affect the effectiveness of development cooperation, such as the impact of the multiple crises, climate change, policy coherence and changes in the global aid architecture. Building on the DCF's work, special emphasis was placed on mutual accountability on development cooperation and aid transparency as well as South-South and triangular cooperation.

The report advocates for the United Nations to take greater leadership in the area of aid quality, building on the comparative advantages of the DCF and other aid effectiveness processes, in view of producing better development results.

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### **Key Messages**

I. To accelerate **progress towards the MDGs**, donors need to reinforce their budget commitments and make sure that their aid is targeted to countries with the greatest needs. Donors also should strengthen their forward planning to ensure aid predictability. Also, more sources of innovative financing need to be identified.

II. The report provides detailed evidence on **status and progress of mutual accountability mechanisms and aid transparency at national and international levels**. Through its

analytical work and a survey in 70 developing countries, the DCF identified a number of effective ways to enhance mutual accountability mechanisms – namely the mechanisms whereby donors and programme countries hold each other to account on their respective commitments.

At country level, the success of mutual accountability mechanisms has hinged upon, among others: the existence of a national aid policy; specific performance targets which are monitored and discussed at highest political level; strong recipient government leadership; inclusion of parliaments and civil society and independent analytical input; comprehensive databases which cover aid quality issues; and peer pressure among providers.

Despite a lot of effort, progress has been disappointing so far. Processes are rarely inclusive; they do not result in higher rates of budget support and aid predictability; and there is insufficient information on the use of aid monies.

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.

III. Progress on **policy coherence** in donor countries needs to be stepped up. Policy coherence needs to gain importance on the agenda of developed countries. 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.

IV. **South-South and triangular cooperation** are rapidly expanding. 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 comparative advantages of South-South cooperation, supporting this form of cooperation, including ways to assess quality and impact.