

UNITED NATIONS



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**Statement
by
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**‘MAKING MUTUAL ACCOUNTABILITY OPERATIONAL: FINDINGS OF SURVEY
FOR THE DCF’ 2012 UNITED NATIONS DEVELOPMENT COOPERATION FORUM**

New York, 5 July 2012

Excellencies,
Ladies and Gentlemen,

At the MDG Summit in 2010, world leaders stated that mutual accountability is key to achieving the MDGs. Then last month, at Rio+20, delegates affirmed once again the need to strengthen international cooperation in regards to transparency and accountability.

Applying accountability with a view to further enhancing the relationships between development cooperation actors remains a challenge for each one of us.

Since its inception, the DCF has been called upon to clarify and strengthen mutual accountability between development partners. The DCF has been seen as having great potential to improve transparency on commitments related to development cooperation.

In 2008, the DCF concluded that *mutual accountability* processes at the country-level should be strengthened through sharing good practices and reinforcing national capacity and leadership.

A preparatory High-level Symposium in Vienna in 2009 helped clarify and strengthen transparency and accountability relationships between all stakeholders. It also urged the forum to set in motion a process to review progress on accountability and transparency made at national, regional and global levels.

The 2010 DCF encouraged the international community to set high standards for international and regional mechanisms to ensure mutual accountability between development partners. This was once again reiterated in Luxembourg in 2011.

Throughout the DCF preparations, different stakeholders have emphasized the need to ensure active strengthening of mutual accountability mechanisms.

They have called for:

- capacity development and empowerment of institutions responsible for mutual accountability;
- transparent and accessible aid information; and
- the promotion of exchange of experiences and peer learning.

In response to these requests and mandates, the Department of Economic and Social Affairs has prepared a number of studies on mutual accountability of aid issues, since the last DCF took place.

I will return to these shortly.

The ultimate goal of mutual accountability is to enhance the impact of development cooperation. Mutual accountability has to be two-way, balanced and inclusive. Only then can it help to improve the quality of aid.

It will do so, for example, by making aid more predictable, promoting more cost effective modalities such as budget support, and facilitating donor coordination.

To date, programme countries are tasked to report on a very large variety of performance targets.

Donors promote accountability for results, but they are not effectively held answerable by the recipient countries. Issues such as conditionality, tied aid or predictability are not fully addressed.

Hence, mutual accountability, if fully implemented, is an important tool to strengthen the engagement of programme countries with donor governments.

Let me now turn to the key findings of DESA's analytical work.

The analysis of survey data clearly demonstrates one key point: countries with strong mutual accountability systems are in a good position to negotiate aid compacts that are aligned with national development strategies.

Strong national-level mutual accountability mechanisms have a major quantifiable impact on aid delivery.

Mutual accountability has contributed to improvements in:

- results-based planning, monitoring and evaluation;
- reforms to Public Financial Management and procurement systems;
- management of development finance resources, including domestically-mobilized revenue; and

- more comprehensive reporting on aid and results information.

The survey analysis helped to identify critical elements for such full-fledged mutual accountability mechanisms.

Let me mention five key elements:

First, an agreed national policy that spells out how aid should be delivered, allocated and monitored with a clear description of related governance processes, such as chairing and reporting arrangements for sectoral working groups and national level discussion fora.

Second, a locally driven framework with performance targets for individual providers and the government to monitor quality and results.

Third, a yearly analysis of progress towards these results and a high-level setting to discuss them.

Fourth, meaningful participation of parliamentarians and national civil society.

And *fifth*, comprehensive information on the quantity and quality of development cooperation.

Pulling all of these elements together depends critically on both:

1. political leadership at Ministerial level in programme countries; and
2. on participation of senior officials from donor countries in high-level annual meetings to review progress.

Unfortunately, in practice, these elements are not yet broadly in place.

Developing countries face different challenges, but they would all benefit from greater technical support, capacity-building and knowledge exchange in strengthening mutual accountability.

Efforts to enhance accountability between countries are only legitimate if they build on strong and inclusive ownership.

Ladies and Gentlemen,

How can global accountability be strengthened?

How can existing mechanisms at sectoral, national and global levels best complement one another for impact and results?

It is my strong belief that the Forum should continue to play a leading role in this area.

As we convene here at the third biennial DCF, we are fully aware that the impact of aid often hinges on whether developing countries truly own and lead their development process.

Whether this principle is respected, however, depends on donors' trust in the ability of recipient countries to utilize their aid monies efficiently.

Let us make mutual accountability a tool that is fully owned by all DCF stakeholder groups.

I look forward to your deliberations.

Thank you.
