

SIDE EVENT AT 2010 DCF

## **Friends of the DCF**

*Phase 3 of the UN ECOSOC Development Cooperation Forum (2011-2012)*

1 p.m. – 2:30 p.m. in Conference Room 7, North Lawn Building  
United Nations Headquarters, New York

The UN Development Cooperation Forum has shown in two cycles (2007-10) that it can:

- Conduct impartial analysis of development cooperation and its impact on the IADGs;
- Provide a forum where programme countries, Southern providers, parliamentarians, local governments and civil society organisations as well as DAC providers and multilateral organizations can express much stronger voices on development cooperation issues;
- Broaden the debate on development cooperation by raising such issues as cross-country and sectoral aid allocation, effectiveness and quality issues which go beyond the Paris Declaration (eg conditionality, value for money, multi-year predictability);
- Have a significant impact on development cooperation discussions in fora such as the Doha Financing for Development Conference and the Accra High-Level Forum;
- Establish norms through a multi-stakeholder process on such issues as mutual accountability and transparency, and the gender impact of development cooperation.

In its second cycle strategy, as previewed at the “Friends of the DCF” meeting in June 2008 and agreed at Advisory Group meetings in 2009, the DCF has moved beyond a goal of presenting innovative analysis, to develop global assessments and recommendations, which are used to encourage all stakeholders to improve country level results on the ground. It has maintained an overview of broad MDG8 issues, but focused on three areas:

- Mutual accountability and transparency;
- Coherence of development policy and cooperation; and
- South-South and triangular development cooperation.

It has also covered other key issues such as gender impact of development cooperation, and impact of global crises (financial, food, climate change) on development cooperation.

In cycle 2, the DCF has been most successful in the areas of **mutual accountability and transparency** (where its analysis is forming the basis for work by many stakeholders to enhance mutual accountability and transparency at international and national level), including **gender** (where it has given additional impetus to norms and indicators for more gender-focussed aid, and including such indicators in MA and transparency initiatives). All stakeholder groups have strongly advocated that the DCF should continue this workstream (in which it has established a clear comparative advantage) in cycle 3 by:

- Conducting an annual survey and progress report on international and national mutual accountability and transparency (including gender issues), and continuing to refine indicators of progress through global discussions in High-Level Symposia;
- Facilitating peer learning among stakeholder groups and member states to ensure behaviour change by providers and programme countries to increase aid results;
- Working with UNDP, programme countries and non-executive stakeholder groups to implement best practice recommendations globally, regionally and in programme countries, so as to enhance mutual accountability and transparency.

The DCF has also continued to establish itself as a key focal point for multi-stakeholder discussion and independent analysis of development cooperation issues. This role will be further reinforced immediately after the 2010 DCF by the production and dissemination (including at the MDG Summit) of an **International Development Cooperation Report**, which will draw together all of the analysis produced by the DCF, with a particular focus on the views of multiple stakeholders and independent analysts. This flagship report will reinforce the position of the DCF as a global accountability mechanism on development cooperation, which takes full account of independent and stakeholder views.

The DCF has also made less strong progress on two objectives of its second cycle:

1. analysis and norm-setting on best practices in **coherence on "beyond aid" issues**. This includes examining how programme countries can establish clear policies, and how development cooperation can maximise impact in promoting other financing for development (budget revenue, international and domestic investment, remittances, export earnings). Beyond aid policies were initially discussed in the Helsinki Symposium on 3 June, and studies are under way on best practices and principles for aid to promote budget revenue and investment. However, this work will need to continue during phase 3, with the objective to encourage implementation of best practice at country level, making these issues the focus of a High-Level Symposium.
2. analysis and norm-setting on best practices and impact in **South-South cooperation**. Phase 1 of the DCF achieved major progress in analyzing South-South cooperation in more detail, especially its comparative advantage for programme countries. In phase

2, studies have been commissioned on cooperation in medical and agricultural technology, and infrastructure – with initial normative analysis to be followed by programme country-level case studies. The goal of this workstream in phase 3 would be to give Southern providers a technical forum to define comparative advantages of South-South cooperation based on country-level experience, such as value for money, speed of delivery, and transfer of appropriate skills and technology.

In addition, stakeholders involved in phase 2 have expressed strong demand for the DCF to analyse two types of cooperation which are not sufficiently covered by other forums:

- **“decentralised cooperation”** in the sense of cooperation going from or to sub-national or non-executive government agencies; and
- **Southern foundations**, which are increasingly vital development cooperation sources.

In phase 3, these would be two key target areas in which DCF would expand analysis, in close liaison with providers and other UN system agencies, so as to identify best practice and encourage its implementation at programme country level to maximize IADG results.

Moreover, it will be very important that the DCF cover two sets of issues which will be a key part of wider UN system debates during 2011-12:

- **Sustainable Development.** In preparation for the UN Conference on Sustainable Development in 2010, the DCF will (in close consultation with the Un Division for Sustainable Development and other stakeholders) prepare analysis and hold a High-Level Symposium during 2011 or 2012 mainly focused on the issues of best practices in development cooperation for promoting a pro-poor green economy. Under this theme, attention could be given to the link between normative and operational work of the UN system (one of the mandates of the DCF).
- **Least Developed Countries.** In preparation for the UN Conference on Least Developed Countries in 2011, the DCF will aim (in close consultation with other UN agencies) to produce a paper on the role of development cooperation in least developed countries, landlocked developing countries and small island developing states. This will build on its existing in-depth analysis to highlight issues such as trends in allocation and composition of development cooperation, and relative quality and effectiveness of development cooperation in LDCs compared to other programme countries. This will be discussed in a High-Level Symposium session during 2010.

Finally, it will be important that the DCF takes a leading role in providing UN input into the High-Level Forum on **Aid Effectiveness** to be held in Seoul in December 2011. This would imply that the DCF should hold consultations and conduct analytical work to

elucidate the views of non-DAC stakeholders. It should also cooperate closely with UNDP/UNDG to prepare UN positions on aid effectiveness issues.

A hallmark of the DCF has been the active substantive engagement of parliamentarians, civil society organizations and, to a lesser extent, local governments. This engagement could have been even stronger in the DCF itself and in some symposiums if more resources had been provided to that effect. This effort will be deepened in the coming phase of the DCF. The private sector will also be engaged more effectively.

Preparations for the DCF have benefited tremendously from the guidance of the Under-Secretary-General's Advisory Group, which comprises a mix of governments, civil society and international organizations. While this has engaged a broader range of stakeholders in guiding preparations and positioning the DCF, participation of some key advisors (especially programme countries) has not always been possible, and the group could also be more effectively engaged in mobilizing high-level participation and political commitment around the DCF.

Efficient delivery on the work programme of the DCF in 2011-2012 will be dependent on the early announcement of commitments to fund high quality analysis and support two or three high level symposiums per cycle, in particular allowing a high proportion of funds to be un-earmarked to respond to emerging priorities. Better reporting on the use of funds will also be ensured by the DCF secretariat.

To support the DCF, additional staff need to be mobilized, including Associate Experts, consultancies and temporary posts funded on extrabudgetary resources. At the moment, the DCF secretariat includes one part time D-1, one P-4 and one part-time P-2. Vital support has been provided by an Associate Expert. It will be important to ensure his continued involvement in the DCF through appropriate arrangements.

Among the issues to be discussed at the meeting of Friends of the DCF will be:

1. Do the Friends of the DCF agree broadly with the subjects proposed for analysis, norm-setting and in-country impact in the next cycle ? What are other suggestions ?
2. How can the support of the Advisory Group for the DCF be reinforced in terms of ensuring continuity of participation, and political commitment around the DCF ?
3. How can the interaction with different stakeholders (DAC and non-DAC providers and multilateral organizations, CSOs and foundations, parliaments and local governments) be further improved in the next phase ?
4. How can a more stable pool of (preferably less earmarked) funding be established to carry the DCF through its next cycle to June 2012 ?
5. Which Friends would be interested in hosting high-level symposia and providing less earmarked funding for the DCF during its next phase ?