



United Nations  
Department of Economic and  
Social Affairs



## MUTUAL ACCOUNTABILITY FOR LEAST DEVELOPED COUNTRIES: A FRAMEWORK FOR AID QUALITY AND BEYOND

Special Event at the Fourth United Nations Conference on Least Developed Countries (LDC-IV),  
12 May 2011

Organised by the United Nations Department of Economic and Social Affairs (UN DESA), the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme (UNDP).

### KEY MESSAGES AND RECOMMENDATIONS

The objectives of this special event were to discuss:

- the quality of aid and aid allocations to LDCs, and
- whether mutual accountability frameworks reflect the needs of LDCs.

Participants and high level speakers from LDCs, provider institutions and civil society organizations identified a number of key issues that could be considered for further discussion at the Fourth High Level Forum on Aid Effectiveness (Busan, 2011) and the 2012 United Nations Development Cooperation Forum (DCF):

#### ***The quality of aid and aid allocations***

*Official development assistance (ODA) continues to be essential for development and for reaching the MDGs in LDCs. Developed countries need to live up to their commitment to allocate 0.15-0.20 per cent of gross national income as aid to LDCs (Brussels Programme of Action). Country programmable aid (CPA) is a meaningful indicator to measure support to LDCs.*

*Providers of aid should improve co-ordination at country level with a view to reducing aid fragmentation in LDCs. Capacity of national institutions to deal with fragmentation is often the weakest in these countries.*

*Most aid orphans – i.e. countries that are under-aided relative to others – are LDCs. Providers of aid do not determine their aid allocations in a coordinated manner. By monitoring aid allocations, through an aid orphan watchlist, key actors can begin to address some of the worst consequences of this situation. Greater flexibility in aid allocation is especially important for LDCs to respond to external shocks.*

*Both bilateral and multilateral institutions need to improve the predictability and transparency of their aid allocations to LDCs. Regular reporting on aid with reliable and detailed data is needed to develop a culture of accountability.*

#### ***Greater mutual accountability for results***

*Mutual accountability is about honesty – by all stakeholders. Governments, funds, CSOs etc. all need to respect their commitments on aid quantity and quality in LDCs, including those set out in the Monterrey Consensus (2002), the Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action and the Doha Declaration (2008).*

*Political will and dedicated plans to ensure mutual accountability at national level are still limited.*



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*Mutual accountability can make a difference on the ground.* Greater mutual accountability can contribute to more favourable aid modalities, reduced conditionalities and the use of country systems. It can lead development actors to jointly define results and monitoring and evaluation frameworks and discuss aid allocation practices.

*Making all development actors more accountable is both particularly important and particularly challenging in LDCs.* It is important because without accelerated development in LDCs, achieving the MDGs will be impossible. It is particularly challenging because LDCs are facing a lack of human and institutional capacity, weak public institutions and civil society, and conflict. It is especially difficult for LDCs to hold providers of aid to account for their commitments. Yet, they are often more accountable to providers than to their own citizens.

*Providers of aid should consider different approaches to investment risks and better communicate their choices to the public and parliaments.*

### ***Frameworks for mutual accountability***

*Global mutual accountability mechanisms can drive change at the national level.* Strong independent global monitoring mechanisms are needed to assess progress towards more and better aid, in particular in LDCs where national accountability mechanisms can be weak. New global frameworks should build on, and streamline, existing ones. They should focus on the effect of aid on the achievement of the internationally agreed development goals, including the MDGs.

*The aim of mutual accountability in LDCs is to help achieve broad-based and long-term development results on the ground.* Providers of aid and LDC governments are accountable to all citizens on international commitments made on development cooperation for LDCs, including the Istanbul Programme of Action.

*Providers of aid and LDC governments need to be accountable for results that are challenging to measure, such as rights and empowerment.* They need, for example, to ensure that both women and men benefit equally from development results. It is about people's lives.

*Mutual accountability can help promote inclusive development partnerships.* Policy debate should place strong focus on how aid fragmentation can be reduced at country level, especially in absence of strong national institutions. Partnerships should be open to participation of parliamentarians and NGOs and also include the private sector and the media to build a culture of accountability.

*Domestic accountability in LDCs is the foundation for mutual accountability.* Parliamentary oversight and involvement of civil society in development planning, implementation and monitoring at the national level are key for effective states and for mutual accountability.

*Providers of aid need to support the capacity of LDCs.* Strong country systems and institutions – audit offices, statistical offices and others – are indispensable for accountability and effective development. Functioning institutions are what limit corruption. The capacity of individuals and organisations also needs to be strengthened. This includes providers of aid drawing on and supporting local and national expertise.

***The Busan High-level Forum on Aid Effectiveness and the 2012 United Nations Development Cooperation Forum (DCF) will present unique opportunities to keep the momentum for a strong mutual accountability framework on aid issues in LDCs. Any future review at global level should take place in a universally accepted framework, be premised on independent analysis and anchored in broad-based national mutual accountability.***