

Economic and Social Council

Launching the

Development Cooperation Forum

Geneva, 5 July 2007

Special Event (1:15 pm – 3:00 pm)

Background Note for Informal Policy Dialogue

“The role of civil society, legislative bodies and other stakeholders in promoting improved aid quality, including monitoring and reporting on results”

When official development assistance passed the US\$100 billion mark for the first time in 2005, a number of aid commitments were still to be fulfilled, bringing hope that additional resource flows would have significant impact on development prospects in developing countries. Along with this increase in development assistance, there is growing sense of responsibility among stakeholders that these resources need to be delivered in a cost-effective manner and in accordance with good practices and agreed standards.

Yet, the impact of development assistance is not only a function of quantity. The quality of aid plays an equally important role. An important indicator of aid quality is whether development assistance is targeted at poverty reduction. This includes the extent to which aid goes to least developed countries. Further indicators include the existence of poverty reduction strategies in partner countries and the availability and use of reliable administrative systems at the country level.

Donors, partner country governments and international institutions have traditionally been the primary stakeholders engaged in ensuring and monitoring whether development assistance is delivered and used in accordance with the principles of aid quality, including the recently agreed framework for aid effectiveness. Gradually, there has been a growing understanding that other stakeholders in society, including the public, have also a major interest in promoting aid quality, particularly with respect to the monitoring and reporting on results.

Parliamentary committees, auditor-generals and national audit offices as well as local governments at the country level are actors increasingly concerned with providing oversight of the central government in respect of monitoring of aid effectiveness and impact. In performing these responsibilities, such actors are at times at a disadvantage vis-à-vis the national government by not being privy to information on quantity, quality, allocation, distribution and results as it relates to development assistance. Continued provision for capacity-building of parliamentary committees, auditor-generals and national audit offices to perform oversight of the executive in this area is therefore important for the effective utilization of donor assistance.

Institutionalized oversight should be complemented by public accountability. Ultimately, the arbiters of whether aid is working are the people whose lives the development process aims to improve. Accountability to these constituents is thus part-and-parcel of the aid quality compact which includes making available to the public reports on progress and results. Civil society, and other stakeholders, therefore, all play a vital role in ensuring access to and dissemination of information on the results of development cooperation.

Moreover, civil society should be able to participate in the formulation of national development strategies, with the aim of promoting enhanced sustainability in the use of national resources, including development assistance. Yet, ensuring consultation with non-state actors is only the first step when governments formulate development priorities and strategies. A second step is to secure adequate representation of the said stakeholders in relevant processes since governments may sometimes be at fault for consulting primarily with like-minded non-state actors.

Stakeholder consultations should also not be limited to the design phase of development cooperation initiatives; instead it should be a continuous process conducted along the course of implementation. Permanent consultative mechanisms should ideally be institutionalized in the implementation of such initiatives. Experience has shown, however, that consultations sometimes fail because civil society organizations are not fully informed of the issues at hand.

Potential discussion questions

1. What are the most important roles for civil society organization, parliaments and other stakeholders in promoting enhanced aid quality?
2. In which areas have civil society organizations been particularly successful in promoting improved aid quality? How can civil society organizations become more engaged in such monitoring processes at the country-level?
3. What are some of the most effective approaches to building capacity of civil society organizations to monitor and report on results of development assistance?
4. What are the main obstacles to parliaments in partner countries playing an active role in monitoring of aid quality? How can parliaments ensure that public accountability is enforced through more transparent and open review of the effectiveness and impact of development aid at the country-level?
5. How can parliaments in donor countries ensure that the quality of aid is continuously subject to adequate scrutiny?