



Economic and Social Council

2010 Development Cooperation Forum

High-level Symposium

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3-4 June 2010 – Helsinki, Finland

“Coherent Development Cooperation: Maximizing Impact in a Changing Environment”

Mandate

The 2005 World Summit mandated the United Nations Economic and Social Council (ECOSOC) to convene a biennial high-level *Development Cooperation Forum (DCF)* to *review trends and progress in international development cooperation*, including strategies, policies and financing; *promote greater coherence* among the development activities of different development partners and *strengthen the normative and operational link* in the work of the United Nations.

The DCF aims to advance the implementation of the Internationally Agreed Development Goals (IADGs), including the MDGs. It is mandated to give policy guidance and recommendations to promote coherent and effective development cooperation. It is also meant to provide a platform for Member States to exchange lessons learned and share experiences in formulating, supporting and implementing national development strategies and to be open to participation by all stakeholders.

Background

Since the first DCF in 2008, the global economic landscape has changed dramatically. A confluence of crises threatens to derail the development process. Hard-won development gains are already showing reversals. Yet, there are stories of progress. Political momentum and a focus on turning pledges into implementation are urgently needed. With limited resources and competing demands, any type of development assistance must show tangible results at the national and local level. In this new landscape, the DCF has a unique value as a universal and authoritative forum where the various stakeholders can come together.

The second biennial DCF will take place on 29 and 30 June in New York as part of the High-level Segment of the Economic and Social Council (ECOSOC). It is poised to produce agreement on priority actions to advance the implementation of commitments on development cooperation, based on impartial and forward looking analytical work and consultative processes involving national practitioners. Looking ahead at the United Nations September 2010 Summit on the MDGs, the Forum will also discuss how to enhance development cooperation to accelerate progress towards the MDGs.

To that end, the 2010 DCF will be structured around the following themes: (i) Promoting greater policy coherence; (ii) Accountable and transparent development cooperation; (iii) The role of various forms of cooperation including South-South and triangular cooperation; (iv) The impact of multiple crises: allocating resources among competing needs; and (v) achieving the MDGs by 2015.

The Helsinki High-level Symposium

To facilitate an effective consultation process and solid substantive and technical inputs into the DCF, the United Nations Department of Economic and Social Affairs (UNDESA) is supporting the organization of several high-level symposia. The first high-level symposium took place in Vienna in November 2009 and focused on “*Accountable and Transparent Development Cooperation: Towards a More Inclusive Framework.*”

The second high-level symposium will be organized on 3 and 4 June 2010 in Helsinki, in cooperation with the Government of Finland. Focusing on “*Coherent Development Cooperation: Maximizing Impact in a Changing Environment*”, this symposium will be organized as a multi-stakeholder event with the participation of senior technical experts in aid management and development cooperation from governments, parliaments, local governments, civil society organizations, foundations and the private sector.

Building coherence is an integral part of the mandate of the United Nations Development Cooperation Forum. It is also a key goal of the Monterrey Consensus on Financing for Development, which notably called for efforts at national level to enhance coordination among all relevant ministries and institutions.

The need to pursue more coherent development cooperation has also come to the fore against the backdrop of the multiple crises and their impact on development. Greater coherence is seen as a condition to maximizing the impact and effectiveness of development cooperation. However, there has been little progress in promoting coherence, and institutional support in this area often remains weak. The symposium will discuss the multifaceted challenges towards building coherence in the range of policies affecting development cooperation.

The Symposium will also highlight the significant role of foundations, civil society and the private sector in development cooperation; discuss the positive impact that national mutual accountability mechanisms can have on effective aid delivery and development partnerships; and promote a more concerted effort in achieving gender-related development goals.

The perspectives shared at the Helsinki symposium will be used as a substantive input for the Development Cooperation Forum in June 2010. The purpose of the symposium is to produce concrete outputs and tangible results relevant for development cooperation at the country level.

Symposium sessions

The Symposium will be a two-day meeting with four main sessions. The sessions will be structured around panel discussions based on case studies and a series of analytical background papers.¹ Following the opening of the Symposium, the sessions will be organized around the following key areas: 1. Keeping a development focus: the challenges in ensuring policy coherence for development; 2. Working together towards the internationally agreed development goals: the role of foundations and Civil Society Organizations; 3. Accountable and equal partnerships in development cooperation: national experiences and next steps; 4. The impact of development cooperation in reaching the MDGs on gender equality: Challenges and solutions.

On the second day of the conference three parallel stakeholder caucuses will be organized by (i) The G77 and China, (ii) other countries and (iii) civil society organizations, parliamentarians, and founda-

¹ The opening and the four main sessions of the symposium will be interpreted in English and French.

tions. This will be the occasion for participants to brainstorm on their positions on the various issues addressed by the symposium.

Session 1. Keeping a development focus: the challenges in ensuring policy coherence for development

Mounting global crises have stretched national and international resources, exacerbating existing challenges in scaling up aid and its effectiveness. There is also increasing concern about the impact on development cooperation of the contingency policies in other sectors, such as the stimulus policy to address the economic crisis and the mitigation of climate change. Formulating a coherent and harmonized response between the various stakeholders in the international aid architecture is critical to maximize the efficiency and effectiveness of aid to developing countries.

The process of working towards greater policy coherence for development is one of ensuring that policies are formulated bearing in mind development priorities. Yet, some policies in certain areas such as agriculture, trade, climate change, migration undermine development objectives.

The debate at the symposium will place a special focus on challenges related to the donor community's efforts to ensure that development policy objectives are supported by such "non-aid" or "beyond aid" policies

Donor countries are working towards greater policy coherence. Acknowledging that its policies in areas other than development were having some unintended impacts on third countries and building on the OECD work in this area, the European Union (EU) formulated a concept of Policy Coherence for Development (PCD) aimed at strengthening synergies between non-aid policies and its development objectives. To this end, the EU committed itself to PCD in twelve policy areas in 2005² and has worked to strengthen PCD procedures, instruments and mechanisms at all levels since then. A growing number of Member States have officially committed themselves to PCD. The lessons learned from this process suggest that it is important to build a more conducive policy framework for a "whole of the government" approach and to focus on fewer priority areas.

In spite of the increasing visibility of the PCD agenda, there is recognition that the voice of developing countries has been consistently missing in this process. A developing country perspective on actions taken by donors at the field level is vital. There does not exist enough data that can give an in-depth analysis of this essential component. The symposium will allow developing countries to provide feedback on donor policy coherence.

This session will also discuss how developing countries themselves are applying coherent policies across different policy areas and government agencies, especially in fragile states and least developed countries. Moreover, a special effort has to be made to effectively incorporate views of civil society organizations and parliaments as well as the executive and local donor agencies.

Discussions in Helsinki will also build on the Monterrey Consensus' call for intensifying efforts to promote the use of ODA to leverage additional financing for development, partly to help programme countries reduce their dependence on aid. While increased attention has been given to aid for trade, greater clarity is needed on how to use aid to generate other types of development financing.

Ultimately political will is vital, as is the inclusion of all stakeholders in development. PCD is a complex task as national priorities and international obligations compete for attention, both in developed and developing countries. The DCF is poised to ensure that these critical issues are addressed.

² The twelve policy areas are: Trade, Environment, Climate Change, Security, Agriculture, Fisheries, Social Dimension of Globalization, Employment and Decent Work, Migration, Research and Innovation, Information Society, Transport and Energy.

The following questions may be examined:

1. How can policy coherence be addressed in the international aid architecture to improve development effectiveness? What are lessons learned and key challenges?
2. What are the different global policies that affect developing countries? What impacts do these policies have on development? What are the stakeholders' experiences? How can such global challenges as trade, climate change, food security, gender equality, migration and security be addressed so that we will also boost development? How can we make Policy Coherence for Development work better for the achievement of the MDGs?
3. What are good examples of coherent responses of development actors in the context of fragile and conflict situations, in particular with regard to gender equality as one of the central features in this context?
4. How can ODA be better used as a catalyst for other sources of development finance? How can coherence be ensured between ODA and other financing flows and mechanisms?

Session 2. Working together towards the internationally agreed development goals: the role of foundations and CSOs

Over the last decades a raft of new actors in development cooperation has emerged and the need for strategic, cross-sector partnerships has increased dramatically in response to changing ideas about how best to produce solutions to social and environmental problems while advancing economic opportunities for the world's poor. This is especially true at a time when major corporations and foundations are accepting the challenge of no longer being just the providers of funds, but rather active participants in addressing the complex challenges of persons living in extreme poverty in developing countries.

Contributions from civil society organizations to international development have increased remarkably. A UN study finds development oriented flows from voluntary contributions and foundations rising sharply, from US\$7 billion in 2000 to US\$ 12 billion in 2005 (11% of total ODA).³ Recent data indicate that in 2007 international giving by U.S. foundations alone reached a record \$5.4 billion. One important trend which could be expected to accelerate in future is that of South-South private philanthropic flows. These are already of major significance in responding to natural disasters.

Each development cooperation actor has unique skills and resources to bring to bear on today's most difficult challenges. Non-profit organizations and other independent players have the on-the-ground knowledge, theories of change and the local manpower to ensure that the right services are delivered. Private foundations bring subject matter expertise and funding. Community members add a nuanced understanding of the cultural strengths that can be harnessed to turn challenges into opportunities. The United Nations provides unparalleled access to leaders and policy makers as well as long-established country presence, while in addition to funding, corporations bring expertise in marketing, logistics, research and development and project management.

When managed well, these collaborations are dynamic and powerful vehicles for accomplishing shared goals. But like all successful alliances, effective partnerships must be tangibly strategic, create value for all stakeholders, involve a process of continuous learning, and be based on a long-term commitment to shared objectives. At their best, partnerships allow public, private and non-profit organizations to tackle hard problems together, share best practices and lessons learned, and "co-produce" sustainable solutions that they could not achieve acting alone.

For recipient countries, foundations bring new resources, but can also bring new challenges to the overall picture. By better coordinating the activities of foundations and international CSOs with interna-

³ DAC estimates of 2004 adjusted for higher disbursements by Gates in 2005 and an estimate of US\$500 million of South-South philanthropic flows.

tional organizations, national government plans, policies and procedures, duplication of efforts, high administrative costs, fragmentation of aid, as well as unbalanced sectoral or regional priorities, or unpredictable and unsustainable funding will be reduced. At the same time, mutual accountability, capacity development, and country ownership will improve.

Undoubtedly, the private sector, foundations and other civil society organizations are already contributing towards the accomplishment of development priorities. It is nevertheless important to improve further the coherence and impact of all actors that are part of the international development cooperation community to bring about the desired results and benefits for those that need it most.

It is of essence to ensure that efforts of foundations and civil society organizations are brought in line with national development cooperation strategies. These non-traditional development partners should also be seen both as advocates and as development partners to be held accountable.

The following questions may be examined:

1. What is the comparative advantage of foundations in international development cooperation? For instance should they be focusing on more research in developing countries or provide innovative solutions to major service delivery problems, especially in underserved areas?
2. How can the activities of civil society organizations and foundations better be coordinated with countries' national development priorities?
3. How can coherence be increased between the activities of foundations and those of other development cooperation partners? What is the role of the Development Cooperation Forum?
4. How can the international community collaborate to help bring a more standardized approach to aid accountability and aid delivery? Is it possible to pool civil society organizations in a loose net alliance, so they agree on standardized procedures on commitment and reporting?
5. How can smart philanthropy⁴ best contribute to the MDG agenda?
6. How can we use the commitment of smart philanthropy to create concrete training programs?

Session 3. Accountable and equal partnerships in development cooperation: national experiences and next steps

Aid flows to developing countries will reach record levels in dollar terms in 2010, but are still falling short of the promises made at the Millennium Summit, the Monterrey Conference on Financing for Development as well as at the Gleneagles and Aquila G8 Summits. Aid is also still highly volatile and unpredictable, making it difficult for aid dependent countries to develop long-term development plans.

Against this backdrop, it is widely recognized that it is important to hold providers and recipients of international development cooperation to account on their aid commitments. This is also expected to ensure more timely and effective delivery and use of development assistance, and thus to increase the impact of development assistance on the well-being of the poor. This is of special importance as the global economic crisis jeopardizes the achievement of agreed development goals, including the MDGs.

Many providers monitor closely the performance of recipient countries in order to determine the quantity of their development assistance. On the other hand, their aid allocation mechanisms remain often opaque and recipient countries have limited scope to hold providers accountable for their commitments on

⁴ For many years philanthropy was widely understood as the effort to increase the well-being of humankind by charitable aid or donations. Today corporate philanthropy is moving away from traditional charitable giving towards 'investing' in social programmes in a way that uses the sector's business acumen and expertise. Foundations are rethinking their strategy and looking for ways to create a lasting impact. And increasingly, we see a marriage between philanthropy, Corporate Social Responsibility, aid, and investment that offers better prospects of converting poor from being recipients to being consumers, employees, and manufacturers. All of these things attempt to produce new forms of cooperation – all of what can be defined as the implementation of smart philanthropy.

the scale, quality and coherence of their contributions. This imbalance in mutual accountability relationships should be rectified.

Overall, while there has been encouraging progress, there is still a need to improve the systems to promote accountability and transparency in development cooperation and make them more effective.

This is particularly true at country level. The DCF preparatory high-level Symposium held in Vienna in November 2009 concluded that national mutual accountability mechanisms should be improved so that recipient countries can better monitor the performance of providers of development cooperation, including their support to national development priorities. This session will provide an opportunity to present the results of a recent synthesis report on status and progress of mutual accountability mechanisms at all levels, based on a national survey conducted jointly by the DCF secretariat and UNDP.

Recent DCF analysis confirmed that a robust national development strategy, and a widely-agreed aid policy with clear objectives and performance targets, including on gender-specific issues, represents the backbone of effective mutual accountability. Generally, more emphasis needs to be placed on regular and well-informed consultative processes at a high political level.

Such processes need to benefit from adequate resources and all stakeholders need to have the capacity to conduct thorough and interactive reviews of all providers of development cooperation. The availability of high-quality and timely data on development assistance is also critical. While much information is usually provided through national budgets or information systems tracking the volume and effectiveness of aid, more comprehensive information is needed from all providers, including on funding priorities, conditionalities, tied aid and impact.

Political dialogue mechanisms as well as sector working groups provide platforms to jointly review progress on aid management and aid quality based on such information. They must be embedded in a culture of domestic accountability where oversight bodies are fully involved in national policy-making and aid management processes. Parliaments need to approve and appropriate external assistance, which should be fully accounted for in the national budget. Independent audit offices also have an important role. Relevant civil society organizations should also be consulted.

Yet, mutual accountability mechanisms often suffer from lack of active participation of parliamentarians and NGOs, partly because of the weak capacities of these stakeholder groups. These mechanisms, through their scrutiny of recipient countries' performance, may also lead to conditional aid allocation practices.

Since the 1990s, the increase in the share of General Budget Support (GBS) has enabled major progress in strengthening national ownership and made aid less fragmented and supply-driven. The concerns of some NGOs about this aid modality need to be better understood.

Strong national leadership is critical in all these fora and initiatives so that both providers and programme countries speak with one voice in negotiating concrete action plans to improve aid management and quality. A centrally steered process that sets the national agenda and ensures the involvement of all relevant stakeholders seems most promising in this regard. This suggests that efforts in enforcing mutual accountability might go hand-in-hand with those to strengthen coherence to make national planning more development-friendly.

The following questions may be examined:

1. Which processes have proved most effective in enabling providers and recipients of development cooperation to hold each other accountable for honouring commitments made?
2. What can be/has been done to address issues such as lack of political will, transparency and capacity development, especially in fragile states?

3. What are best practices in involving parliaments, civil society organizations, local governments, and all providers of development cooperation, in national accountability and transparency forums?
4. To what degree has more accountable and transparent aid led to more effective aid and results?
5. What can the DCF contribute towards building more equal partnerships in development cooperation?

Session 4. The impact of development cooperation in reaching the MDGs on gender equality: Challenges and solutions

Gender equality and women's empowerment and leadership are vital to achieving the internationally agreed development goals, including the MDGs. Member States commitments to these goals are anchored in normative frameworks such as the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (1995) and Security Council Resolution 1325 and affirmed through recent commitments to strengthen women's economic and social empowerment, political participation and the fight against violence against women, among others.

Deeply entrenched inequality suffered by women and girls remains a fundamental barrier to meeting the MDGs.⁵ Thus despite ongoing efforts, progress on gender equality indicators is uneven at best. Although over 100 countries have national gender action plans, few have mobilized the financial resources, technical capacity and programmatic expertise needed to implement them

In addition, the ongoing economic and financial crisis has compounded the crises in food and energy in many parts of the world, threatening some of the hard-won gains for gender equality, particularly in terms of employment and livelihoods, health and education. In this context, the call to translate gender-related commitments into practical results is taking on added urgency. One key challenge at present is to better integrate gender equality and women's empowerment dimensions into international development cooperation to make progress on all MDGs.

Gender equality needs to be an integral part of national development priorities. This means, for example, that the growing number of country action plans on gender equality and women's empowerment should be embedded in national development strategies, SWAps (Sector-Wide Approaches) and other aid policies. This would enable full national ownership and leadership over such plans.

The sustainability of long-term gender-specific development assistance has an impact on progress towards gender equality and women's empowerment. This is particularly the case for aid-dependent and post-conflict/fragile states that lack effective national institutions and have to handle a large number of funding mechanisms. In this regard, harmonized donor practices are generally a good entry point to ensure that gender inequalities are addressed.

In middle-income countries, gender inequalities and women's rights have to be better addressed as part of the fight against poverty. Policies that impinge upon financing for gender-specific goals need to be part and parcel of growth and investment strategies and budgets which are designed to deliver improved outcomes for both women and men.

Also, the introduction of new conditionalities linked to gender-specific goals need to be avoided in the context of foreign assistance. The proposed United Nations entity for gender equality and women's empowerment and a more gender-responsive delivery of United Nations operational activities for development are also expected to set a standard in this regard.

The current changes in development cooperation should be taken as a timely opportunity to introduce gender-disaggregated results frameworks and monitoring indicators. Examples as seen in some cases of basket funding for sector programmes have to be built upon. A thorough consultative process

⁵ Cf. Agenda 2010 DFID Conference "The Turning Point on Poverty": Background Paper on Gender.

with national women's machineries (NWMs), parliament and civil society should be an integral part of such initiatives. This can best be done by establishing or expanding accountability mechanisms with clear performance indicators that track the contribution of aid to gender-sensitive development.

It is clear that there is a lack of capacity among government ministries (especially statistical divisions), authorities at sub-national level, NWMs, parliamentarians and civil society to ensure coherent gender equality throughout national development policies. All require training in gender-sensitive macroeconomic analysis to carry out gender mainstreaming and responsive budgeting in the context of public financial management reforms. At the same time, the importance of including all these stakeholders into policy debate, decision-making processes on aid issues and monitoring and evaluation can not be overemphasized.

The High-level Symposium in Vienna concluded that it is particularly difficult to hold governments accountable for their development efforts in gender equality as long as sex- and age-disaggregated data remains unavailable. Adequate statistical information is of the essence to track whether development cooperation is adequately supporting the achievement of gender-related development goals.

UNDESA's statistical division reports that severe gaps in the collection, compilation and reporting of gender-sensitive data makes it difficult to monitor progress. Lack of data must not become a justification for lack of or limited programming for gender equality. While more data is becoming available on MDG 3 and other goals, this is not capturing all relevant dimensions of gender-related development needs. Sector-specific sex-disaggregated information is becoming available in some cases, such as in the area of water and sanitation. Some countries and regions have also introduced gender monitoring units to develop their own repositories of information (notably Rwanda and SADC), but there persists a tremendous need to invest in measures to improve the capacity of national data collection systems in this area.

At the same time comprehensive and independent information on where gender-specific aid is originating and spent is largely missing. This is seen as a constraint for more gender-responsive policy-making – both in programme countries and among providers. It is critical to monitor flows of aid targeted to activities related to gender equality and women's empowerment through tools such as the gender equality policy marker system of the OECD Creditor Reporting System.⁶ UNDP adapted the marker to track allocations and expenditures and has begun to rate its own operational activities for gender-equality results.

Moreover, regular interactions should be promoted between relevant line ministries and women's advocates/civil society organizations, who can complement data with qualitative, bottom-up information and play an important accountability role.

In the lead up to the MDG Summit in September 2010, this session will discuss ways to improve gender-specific information on aid and its contribution to achieve relevant internationally agreed development goals, including the MDGs.

The following questions may be examined:

1. What are the most critical issues which need to be urgently addressed to achieve MDG3 and the gender specific aspects of each of the MDGs? Where has aid helped and where should it now be focused? How can the impact of development assistance on gender equality and women's empowerment be tracked more effectively?
2. What improvements in data and statistics are most urgently needed to strengthen the capacity of policy makers in ensuring that gender equality and women's empowerment policies and programmes are appropriately designed and targeted? What 'good practice' examples can be built on in

⁶ The CRS indicates that DAC-donors and several multilateral organizations, such as the IDA or the European Commission, provide ODA commitments exclusively attributed to the area of gender, totaling \$10.5b in 2008. The number tripled from 2006, partly due to the progress in marking ODA for gender-specific purposes.

- the collection, compilation, analysis, dissemination and use of data disaggregated by sex and age? What are effective principles to assess performance and monitor progress in gender equality at national level? What are major challenges in this regard, and how can they be addressed?
3. What is needed to develop capacity for developing and implementing more gender-responsive aid strategies and management practices? For example, how can gender equality considerations be institutionalized when setting up new aid delivery mechanisms?

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