

*Background paper for*

Civil Society FfD Group's Strategic Planning Session organized in cooperation with CPDE  
FAO Headquarters, Rome, Italy, December 11-13 2017

**Towards the universal application of the effectiveness principles**

**What is the role of the effective development framework in the universal development agenda?**

Development effectiveness provides a comprehensive framework for sustainable action in the fight against poverty, climate change, inequality and marginalisation. As such, it helps to advance the rights and welfare of people and communities sustainably and with optimum participation.

Towards achieving development effectiveness, better development cooperation remains crucial. Effective Development Co-operation (EDC) allows for a partnership that ensures ownership, accountability and delivery of results to people, includes all the different sectors of society and uses development cooperation policies and tools. This partnership is consistent with agreed international commitments on human rights, decent work, gender equality, environmental sustainability and disability.

In the overall process of the implementation of the 2030 Agenda and the Financing for Development commitments, the CSO Partnership for Development Effectiveness (CPDE) calls for the universal application of EDC in order to apply principles of democratic ownership, results focus, inclusive partnerships, transparency & accountability to all interventions. This corresponds to the Addis Ababa Action Agenda's emphasis on the primary role of national policies and development strategies and on the need to maximize the impact of development cooperation through these principles<sup>1</sup>. It means that all development co-operation actors must be held accountable that they accomplish their commitments, respect each country's leadership and policy space and sufficiently raise the bar to effect change.

**How does CPDE<sup>1</sup> contribute to the development cooperation agenda through the GPEDC?**

Following a decade of high level engagements on aid effectiveness (Rome Declaration on Harmonisation, Paris Declaration on Aid Effectiveness, Accra Agenda for Action), the Busan High Level Forum in 2011 has seen a shift from a northern donor driven arrangement to an inclusive international framework and led to the creation of the Global Partnership for Effective Development Co-operation (GPEDC).

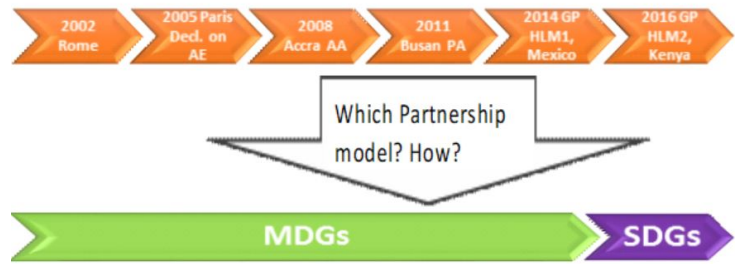
The Global Partnership is a multi-stakeholder platform<sup>2</sup> to advance the effectiveness of all forms of co-operation for development. GPEDC's work is focused on the delivery of long-lasting results that contribute to the 2030 Agenda, Sustainable Development Goals (SDGs), and monitor progress in the implementation of the EDC principles by providing practical support, guidance as well as sharing knowledge to boost development impact with a strong country focus.



1 AAAAA, key principles, Par.53 & Par.58

2 It brings together governments, bilateral and multilateral organisations, civil society and representatives from parliament and the private sector

The CPDE has been engaged at all levels of the GPEDC since its outset and is an active member of the Steering Committee alongside governments and other stakeholders; its engagement is mostly focused on the monitoring framework and how this feeds into/complements the implementation of the 2030 Agenda.



CPDE has continuously ensured internationally agreed principles and a human rights based approach are not lost in an increasingly private sector and market focused development landscape.

In their role as distinct development actors, civil society organisations are guided by the Istanbul Principles which should ensure that their contributions to development reach full potential, pursue equitable partnerships and are fully accountable. Mandated following the 2008 High Level Forum in Accra in order to determine which principles, guidelines and enabling environment was needed to fulfil this role, the eight principles were endorsed following a global and inclusive consultation process in 2010. Since progress in maximising the CSO contribution to development depends largely on enabling government policies, the Global Partnership monitoring framework dedicates one of its ten indicators to assess the creation of an "enabling environment for CSOs".

### What was at stake at the Second High Level Meeting of the Global Partnership in Nairobi?<sup>3</sup>

The 2nd High Level Meeting of the Global Partnership (HLM2), hosted by the Government of Kenya from 28 November to 1st December 2016, was crucial to ensure previous aid/EDC commitments and accountability standards for all stakeholders do not lose track. CSOs, organized through CPDE, were actively engaged throughout the negotiation process of the HLM2 Outcome Document (NOD) with a view to ensuring that key asks were met and previous commitments defended. Such a successful outcome did not seem in reach at the outset of the negotiations, when early drafts contained only loose language around human rights and civil society and constrained Official Development Assistance (ODA) to a catalyst role for private sector investment.

The final Outcome Document renews its full engagement to uphold and monitor commitments made since the Paris Declaration (2005), commits to reversing the trend of shrinking civic space as well as to ensuring an enabling environment for civil society, and strengthens the role of Global Partnership as an inclusive multi-stakeholder platform with mutual accountability relations.<sup>4</sup> The inclusive character of the platform is reflected in its representation and in the commitment to a fourth non-executive Co-chair into the Global Partnership governance arrangements.

The relationship between development cooperation (concessional finance in particular) and the private sector proved to be one of the most difficult issues on the table. On the one hand, efforts to constrain the role of the private sector as a "miracle cure" towards development were highly debated in the negotiations and will require continued attention over the coming years. The final outcome document does include some criteria to ensure the business sector is accountable and respects international principles (e.g. EDC, ILO standards UN Principles on Human Rights, OECD Guidelines on Multinational Enterprises); however, it is alarming that the complex challenge to leave no-one behind is being promoted as an opportunity for private capital to develop markets and that the purpose of poverty eradication vs. business' primary goals of maximising profits remains unclear.

On the other hand, a most contentious element of the Nairobi conclusions is Paragraph 23 as it suggests that a key purpose of development cooperation (public finance; ODA) should be to attract private investment. This runs in contrary to the CPDE's positions, which stress that in order for development cooperation to be effective in the current landscape, the donor community must fulfill 0.7 percent ODA

<sup>3</sup> For more information: CPDE, Civil Society Assessment of the Nairobi Outcome Document, 02/2017

<sup>4</sup> See NOD Paragraphs 36 and 18

contributions directed to addressing poverty elimination, inequalities, human rights and sustainable development.

### What has happened since Nairobi?

Experience has shown that fulfilling the engagements made since 2005 requires close follow up at different levels. CPDE strongly advocates for the implementation of §36 of the NOD which commits to "develop time-bound action plans in relation to [EDC] commitments". Following active CPDE engagement, this commitment was then introduced in the work-streams of the Global Partnership's 2017-2018 Programme of Work. CPDE is part of all working groups that support these outcomes; it co-chairs the stream on unlocking the potential of effectiveness and monitoring for 2030, together with Bangladesh. The results of such work-streams are planned to be released together with the findings of the 2018 monitoring round.

Work-stream 4 on scaling up private sector engagement through development co-operation should ensure the private sector is held accountable, but stays far from the commitments of the NOD to establish appropriate safeguards and align private sector participation to poverty-reduction and sustainable development. CPDE remains alert and actively advocates for inclusion of all NOD commitments<sup>5</sup>.

This tendency to divert the crucial pro poor role of international public finance/development co-operation towards business interests and unchecked globalization is also observed in other global fora and needs our intensified action:

- **DAC and ODA modernization:** The October 2017 High Level Meeting of the OECD Development Assistance Committee (DAC) pushed back the worst aspects of the proposed ODA reform and renewed its commitment to effective development co-operation. Nevertheless, the prominent role of the private sector without appropriate safeguards against diverting ODA, tied aid and the limitation of country ownership remains alarming. Far from establishing stricter rules for Private Sector Instruments (PSI) both, the communiqué as well as the Policy Principles on Blended Finance, remain vague and seem to open the door for increased reporting of PSIs as ODA<sup>6</sup>.
- During the meeting DAC members also approved clarified rules on **in-donor refugee cost** (IDRC). This may lead to more cautious reporting practices, but the absence of any discussion on the substance of qualifying IDRC (15.4 billion USD in 2016, hence higher than the 14.4 billions USD of all humanitarian aid elsewhere in the world combined) as ODA remains of great concern<sup>7</sup>.
- The May 2017 **EU Consensus on Development**, in principle a "blueprint which aligns the Union's development policy with the 2030 Agenda", acknowledges EDC principles and an integrated and rights-based approach for only some of the most urgent development challenges. Yet, especially in the area of peace and security, conflict in fragile states and migration, it leaves a lot of leverage for EU members to use ODA to solve internal challenges rather than addressing poverty and underlying causes. Its unrestrained promotion of blended finance, of a "responsible" - instead of an "accountable" - private sector lacks clarity and poses a threat to the achievement of the 2030 Agenda<sup>8</sup>. The fact that the EU focus on repatriation and stronger borders instead of opening up safe and legal ways of migration is accompanied by such obvious threats on ODA to the poorest is alarming. This was reiterated by the recent EU-Africa Summit which also provided an unprecedented example of further limiting the space for CSO participation<sup>9</sup>.

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5 For more information: CPDE Issue Paper, October 2017

6 Joint Civil Society submission to the 2017 OECD DAC HLM ; An OXFAM/EURODAD assessment of the meeting can be found here

7 Ibid

8 For more information: CPDE Statement on EU Consensus

9 See Concord, Civil Society barred from Speaking at the Africa-Europe Summit, November 2017

## Way forward

Two years into the 2030 Agenda, the implementation on common grounds of the universal development agenda lacks clarity and perspective. Civil society, commonly acknowledged as an equal and important partner in development, increasingly sees the space for participation diminished and is confronted with a fading focus on human rights, democratic ownership and LNOB . Accountability processes continue to rely to a large extent on bilateral reporting lines<sup>10</sup>, voluntary reviews and the responsible conduct of some partners instead of clear accountability frameworks towards governments and the concerned citizens. The Global Partnership's monitoring of EDC commitments, whenever rolled out under national leadership, with appropriate participation and as a mechanism for dialogue at all levels, is a unique framework to hold governments and development stakeholders accountable for their internationally agreed commitments.

The ECOSOC Financing for Development Follow up needs to warrant that such accountability lines apply to all financing modalities and that the current shift towards profit-generating schemes does not lead to a further increase of tied aid, weakening of democratic ownership and of human rights principles. In line with the commitments of the AAAA, financing for sustainable development needs to safeguards country leadership and policy space, align all kinds of cooperation with effectiveness principles, boost the implementation of the effectiveness agenda, keep ODA focused on poverty reduction, and enjoin the private sector to effectiveness, human rights and safeguard mechanisms.

As joint implementation of the SDGs and a true reform of the current global governance system becomes increasingly urgent, the Global Partnership model may well become a practical example of inclusive dialogue and decision-making to ensure the 2030 objectives are more than just an ambitious plan.

*Back ground paper drafted in Dec 2017 by Esther Schneider - esschnei@yahoo.de*

### About

The CSO Partnership for Development Effectiveness (CPDE) is an platform that unites CSOs from around the world on the issue of development effectiveness. We strive to make development more effective by reshaping the global aid architecture and empowering CSOs working on the ground. Since 2011 CPDE represents Civil Society Stakeholder in the Steering Committee of the Global Partnership for Effective Development Co-operation (GPEDC).

In promoting development effectiveness in all areas of work, both our own and the work of others, we are guided by a human rights-based approach. We work with a strong focus to support country, regional, and sectoral civil society, combining this with the coordinated regional and global work on development effectiveness.



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10 See GPEDC Monitoring Report 2016 and CPDE, How effective are International Non-Governmental Organizations, 2016 on how principles are enhanced/undermined in line with donor's accountability standards