

First Consultative Draft
ACCRA AGENDA for ACTION

{ This First Draft is designed for consultative purposes and will be revised in the light of comments made in various international fora. A Revised Draft will be circulated by the middle of June for approval by the Working Party on Aid Effectiveness on 9-10 July 2008. For more information on this process please consult the Accra High Level Forum website: www.accrahlhf.net }

Preamble

1. At the Paris High-Level Forum in 2005, a broad segment of the international community committed to reform the delivery and management of aid. Today, 4 September 2008, we Ministers of developed and developing countries who are responsible for promoting development and Heads of multilateral and bilateral development institutions, meeting in Accra, have assessed progress and identified needed action to broaden and deepen the implementation of the commitments many of us undertook in the Paris Declaration (2005). We welcome all the countries that have associated themselves with this undertaking. We recognise the large, substantive, and distinctive role played by civil society organisations as development actors. We value the contributions being made by global funds, including private foundations, and their support for and engagement with country-led assistance programs; and we welcome the financial aid and cooperation offered by countries that are drawing on their own recent development experiences as aid recipients.
2. We recognise that the increasing diversity of development approaches and development partners, together with the ongoing efforts of the partner countries, bilateral donors, and the multilateral institutions, has enriched the process of development. We welcome in particular the opportunities for south-south cooperation that have grown in recent years. We believe that the Paris principles provide a solid platform for accelerated progress on gender equity, environment sustainability, respect for human rights, and good governance that is fundamental to good development results.
3. We look ahead to the Doha meeting on *Financing for Development* later this year (2 December 2008), to the upcoming G-8 meetings in () next year, the MDG Call to Action, and the Monterrey Consensus Review to join common cause with these international efforts to strengthen the underpinnings for an inclusive and sustainable development and meet the Millennium Development Goals.

STATEMENT OF RESOLVE

4. We have reviewed progress in implementing the Paris Declaration, measured ourselves against the commitments and targets that we had set for 2010, shared good practice in increasing the impact of aid, and identified bottlenecks that hamper further progress. We have agreed on this Accra Agenda for Action to strengthen the Paris Declaration framework and respond to the emerging opportunities and challenges of the complex international aid system.
5. We believe that the framework to improve aid effectiveness and development impact offered by the five Paris principles — ownership, alignment, harmonisation, managing for results, and mutual accountability — is fundamentally sound. At the same time, we take these principles as a useful guide that requires flexibility and adaptation, when applying to the differing needs of individual country circumstances. Thus this Accra Agenda for Action should be read as supplementing, and not substituting for, the Paris Declaration framework.

PRIORITY ACTIONS

6. While we resolve to continue promoting progress on all the commitments of the Paris Declaration, we have drawn on the 2008 Paris Monitoring Survey, the Progress Report on implementing the Paris Declaration, the Paris Declaration Evaluation Report, the work underlying the preparation of the nine Roundtables, the reports from the regional preparatory events for Accra and the CSO and multistakeholder regional consultations, and input from the Accra Consensus Group to identify a set of Priority Actions for focused attention.

Strengthening country ownership of development

{List of suggested actions:}

7. Partner countries determine to deepen their **ownership** of the development process by engaging their **citizens and parliaments** more fully in planning and assessing their development policies and programmes. To this end, we will increase our efforts to **record all external as well as domestic resources in budget documents**. In this connection, we will work to (i) strengthen linkages among annual budgets, medium-term expenditure frameworks, and national development policies; and (ii) facilitate parliamentary and public reviews. Parliaments and civil society organisations are encouraged to pay increasing attention to national development budgets and the aid recorded therein.
8. **Conditions on aid** disbursements are being set not only to ensure that aid is used for the purposes intended, but also to meet donor national interests. Many partner countries have to meet an array of conditions and a plethora of benchmarks measured by layers of indicators before aid funds are disbursed. Thus we will focus on ensuring that conditions respect country ownership and are essential to deliver mutually agreed outcomes. We will build on the efforts of the Bretton Woods institutions to amend their conditionality practice in important ways by reaching agreement by December 2010 on an **International Code of Conduct for transparently implementing conditionality** with a view to (i) improving the design of conditions so as to make them more effective at promoting reforms agreed by partner countries; (ii) diminishing the number of conditions required by donors; and (iii) streamlining and harmonising the application of conditions that support more predictable disbursements.

Improving alignment with country priorities, systems, and procedures

{List of suggested actions:}

9. **Capacity-building** efforts remain largely uncoordinated and supply-driven; their linkage to the needs assessed through diagnostic tools and analytical studies remains weak; the focus on results to be achieved is seldom clear; and well-documented lessons learnt need to be better reflected in operational projects and programmes. We will develop clear guidance and decisions to address these long standing issues.
10. We will work together to develop policies and strategies to strengthen, **build the capacity of, and increase the use of country systems** (including in public financial management, procurement, safeguards, and managing for results). Donor governments and multilateral institutions agree to support such strategies, and related action plans, in ways that foster harmonisation and alignment. In the area of public financial management, we recommend adopting the Public Expenditure and Financial Accountability framework as the core tool for assessing performance and measuring progress within a multiyear plan for public financial management diagnostics.
11. **Improving aid predictability** is of interest to both partner countries and donors. Partner countries' fiscal and aid management will benefit when donors provide multiyear commitments and narrow the gap between disbursements and commitments. We will address the factors that lead to unpredictability of aid: for example poor information provided by donors and recorded by partner governments; and excessive requirements by donors—indicators, benchmark, paperwork, complicated approval processes, and conditions for disbursement. We will strive to distinguish clearly between committed funds that are not

disbursed because of a failure to comply with financing agreements and those that are not disbursed because of administrative failings in donor agencies.

12. To improve **predictability** we will work to secure medium-term funding of development programmes by (i) increasing the proportion of aid committed on a rolling three-year basis and improving the timeliness of disbursements; (ii) proposing practical modalities for publishing reliable country-by-country timetables for aid commitments and expenditures; and (iii) designing innovative disbursement modalities, including pooling of donor funds to smooth out agreed financing flows.
13. [In **situations of fragility and conflict**, we commit to better aid allocation in terms of (i) mobilising staff more rapidly; (ii) making resource flows more predictable; (iii) ensuring continued support for a sustained period of time; and (iv) ensuring the deployment of high-quality staff to these situations.]
14. Partner countries continue to identify tied aid as a critical aid effectiveness issue, despite the commitment in the Paris Declaration. Donors will strengthen their efforts to untie their aid in accordance with the 2001 DAC Recommendations on Untying Official Development Assistance to the Least Developed Countries. Donors will continue to make **progress on untying aid** by [Expanding their use of locally sourced procurement] / [Extending the current DAC recommendation on the Untying of aid to non-LDC HIPC countries] / [Establishing and monitoring progress towards reaching a target for Paris Declaration Indicator 8 on Untying Aid].

Harmonising and streamlining aid delivery at country level

{List of suggested actions:}

15. The Paris Declaration seeks to curb the excessive fragmentation of aid at the global, country, or sector level by promoting a pragmatic approach to **division of labour** that increases complementarity and reduces the transaction costs of managing and delivering aid. To help secure the benefits of more effective division of labour, address aid fragmentation, and deliver aid more effectively at the sector and country levels, we will work to agree by December 2010 on Good Practice Principles for Complementarity and Division of Labour.
16. Donors will support partner countries in developing their **aid management systems**, including mapping donors to country priority sectors in national development strategies.
17. We will develop and implement harmonised methodologies for assessing **climate risks** in the sectors that are most vulnerable to climate change risk and variability. We will take further action to institutionalise and broaden the use of Strategic Environmental Assessments (SEAs).
18. We will create a flexible, shared template for **joint financing operations** associated with sectorwide approaches and multidonor trust funds, and will set up a rapid response mechanism among senior lawyers in all agencies to facilitate quick resolution of legal aspects on these issues.
19. [In **situations of fragility and conflict**, we will pursue the **achievement of international objectives** on state-building and peace-building and to adopt a whole-of-government and whole-of-system approach to development that integrates all relevant actors, both national and international, in the areas of diplomacy, development, and defense.]

Achieving and demonstrating development results

{List of suggested actions:}

20. Stronger **incentives** are needed in donor organisations and in partner countries to articulate the clear and concrete outcomes that are expected from alignment and harmonisation plans and to focus on time bound actions to achieve these outcomes. We will improve management oversight and support at headquarters and

in country so that staff time and effort to improve aid effectiveness lead to concrete decisions and results instead of being lost between field and headquarters and encumbered with high transaction costs.

21. We will invest more in measuring, delivering, and **communicating results** from development activities and in demonstrating that the role of donor and partner country leadership and political will is very important. We agree to develop a template that provides an overview of the national budget and of output indicators and outcomes taken from the country's national development strategy. The template will be designed to be customised to specific country circumstances and to promote harmonisation and alignment, foster improved aid predictability and management of aid resources, and improve reporting to parliaments and citizens. [We will also invest more in gender disaggregated data as a way of increasing the impact of aid].

Strengthening mutual accountability for development

{List of suggested actions:}

22. At the country level, we will implement strengthened **mutual accountability mechanisms**, drawing on such emerging best practice as institutionalised reviews of local harmonisation action plans and country assistance strategies, Results & Resource Partnerships (RRPs), and independent advisory groups; and we will also broaden participation in the process to include parliaments, civil society, and other stakeholders.
23. At the international level, we will work to reach agreement by December 2010 on ways to review and examine existing **international monitoring mechanisms** to create a collaborative, complementary, and credible system of mutual accountability, while strengthening the voice of partners and the use of evidence based analysis.

LOOKING FORWARD

24. We are directing the senior management of our respective Ministries, institutions, and organisations to organise, implement, and closely monitor these actions. At the international level, we call on the Working Party on Aid Effectiveness, an international partnership hosted by the OECD-DAC, to propose by March 2009 arrangements for **taking forward the Accra Agenda for Action**, including monitoring its progress.
25. Consistent with the focus on implementation, we plan to meet again for a **Fourth High-Level Forum in December 2011** to review progress in achieving the commitments and targets agreed in the Paris Declaration and in carrying out the actions agreed in the Accra Agenda for Action. We request the Secretariat of the Working Party on Aid Effectiveness to table a progress report in time for the Fourth High-Level Forum, and we call on all participants to continuously improve the framework for the implementation of the Paris Declaration in order to respond to the challenges that arise both before and after that event.