

Civil Society International Steering Group's (ISG) comments on the first draft AAA

The first consultative draft 'Accra Agenda for Action' (AAA) highlights several important issues, but lacks clear commitments and makes only limited suggestions for progress. Civil society organizations (CSOs) will be extremely disappointed if the final AAA does not set a far more ambitious, visionary agenda. The ISG believes that the following issues must be covered in a meaningful way if the AAA is to be judged a success.

1. Democratic ownership is critically important

'Ownership' should be understood as *democratic* ownership, which means that citizens' voices and concerns must be central to national, regional and local development plans and processes, through legitimate and open mechanisms involving parliaments and civil society, including women's organizations. *This needs to be explicitly stated and reflected throughout the AAA, which should deepen commitments to democratic ownership of the development process, by developing indicators and measuring the participation of citizens, civil society and parliaments in deciding, planning, implementing and assessing national plans, policies, programmes and budgets.* Donors must recognize that policy conditionality undermines democratic ownership.

We support the emerging conclusions of the Advisory Group on the importance of civil society's role.

2. Ambitious commitments must be agreed on conditionality, tied aid and technical assistance

Southern country governments and CSOs from North and South have called for a phasing out of policy conditionality; the untying of all aid; and assurances that all technical assistance will become demand-driven. We support southern government demands that concrete commitments on these issues be agreed at Accra, and were extremely disappointed with the level of ambition suggested by the AAA consultative draft. In particular, we believe that further 'codes of conduct' on conditionality would not lead to meaningful change, and that donors must demonstrate deeper commitment to supporting demand-driven TA. We suggest the following wording for the AAA:

*International commitments to human rights frameworks, gender equality, decent work and environmental sustainability form the basis for shared understanding about the purposes of aid and help define the entitlements of partner countries and citizens. **Policy conditionalities** which link disbursement to changes in partners' policies interfere with democratic ownership, and will be phased out. Partner countries do not have to meet a burdensome array of requirements before aid funds are disbursed. Donors will:*

- *Rapidly diminish the number of policy conditionalities, so that they no longer form a part of aid relationships by 2010.*
- *Negotiate aid terms fairly and transparently, with participation and accountability to partner country citizens.*
- *Improve the design of aid programmes to respect democratic ownership and partner country leadership.*

*Donors commit to extending the current DAC agreement on **untying** to include all aid, including food aid and technical assistance, with a target of reaching 100% untied aid in policy and practice by 2010, to be independently monitored. Partner country preferences for locally procured goods and services will be respected and supported.*

***Technical cooperation** efforts remain largely unaligned to partner country priorities and supply-driven; the focus and results achieved are seldom clear; and well-documented lessons learned need to be much better integrated.*

- *Donors commit to making sure that 100% of technical cooperation is demand-driven and aligned to national strategies, with recipients monitoring the extent to which this is achieved. This will require donors changing their policies, guidance and incentives, and setting out clear implementation plans that partners can monitor.*
- *Partner countries will exert stronger leadership in determining priorities and strategies for capacity development.*

On predictability, we welcome the recognition for greater medium term predictability. However, we urge the AAA to be more ambitious and call for a new target on medium term predictability at Accra.

3. Transparency is a pre-condition for democratic ownership and accountability: international transparency standards are urgently needed

Citizens, parliaments, civil society and governments in partner countries have a right to be well informed about aid in their country. At the moment there are wide variations in the amount of information that is publicly available about aid negotiations, and the degree to which donors report their aid commitments in advance, publish the conditions attached to their aid and make key documents accessible. Unfortunately, this issue, which is a critical prerequisite for improving accountability for aid, and for promoting democratic ownership, is barely touched upon in the consultative draft. We suggest the following wording for the AAA:

We will reach agreement, after consultation among and between donors, partner governments, elected representatives and civil society, by December 2010, on high international standards for aid transparency, including [standards for]:

- *Timely public dissemination of complete information on all aid committed, allocated and disbursed, including publishing reliable country-by-country timetables, based on binding agreements, for aid commitments and expenditures.*
- *Automatic, timely and proactive disclosure by donors and partners of all documents related to the planning, execution and evaluation of aid strategies and projects, subject to a limited regime of exceptions. This disclosure should include publication of information that permits public participation in decision-making, in languages and forms that are appropriate for concerned stakeholders.*
- *Mechanisms by which information not released under proactive disclosure policies can be requested and received, subject only to limited exceptions as provided for by international law.*

Partner governments, working with elected representatives and citizens' organizations, will develop open and transparent policies on how aid is to be sourced, spent, monitored and accounted for.

We commit, by December 2010, to establishing effective, independent and transparent monitoring mechanisms for international aid agreements, including the Paris Declaration.

4. A vision for the future of aid: 2010 and beyond

Development finance and the aid system face serious challenges that require a visionary response, charting urgent reforms and ensuring much stronger cooperation. There is a danger that the Millennium Development Goals will not be achieved partly due to weak increases in the volume of aid, and continued failures to improve aid quality on the ground. Aid is effective when it contributes to development effectiveness: meaningful progress on poverty eradication, human rights, gender equality, full employment and decent work and environmental sustainability. Based on this

perspective, we believe that the 'looking forward' section of the AAA must set out a clear, visionary agenda for the future addressing central concerns to aid and charting the path towards the next global aid agreement and beyond. This should include:

- The addition of a new, overriding aid effectiveness principle to the principles enunciated by the Paris Declaration on the centrality of human rights, gender equality, social justice and environmental sustainability to development. This should include a commitment to develop indicators and an inclusive process of assessment of aid in terms of its actual impact on the achievement of progress on human rights, gender equality, social justice and environmental sustainability.
- A reform of aid architecture to establish an equitable multilateral governance system in which to negotiate future agreements on the reform of aid. This should have clear and transparent negotiating mechanisms, equitable representation of all stakeholders, including civil society and women's organisations, and mechanisms for dispute settlement and independent monitoring.
- Making development central to other policy arenas, including foreign policy, environment, international trade and other economic interests, and agriculture. Other agendas must not instrumentalize or capture aid and we are particularly concerned over the language endorsing a "whole of system approach that integrates development" to other such as military and security concerns in the first consultative draft. Policy coherence should aim at promoting sustainable development, poverty eradication, human rights and gender equality.

The upcoming UN Financing for Development conference is particularly important for making further commitments to improve development finance and for developing institutional coherence in our vision for the future of aid and aid governance.