



FOKUS

KVINNER SAMMEN

WOMEN UNITED no. 1 - 2011

Aid effectiveness – is there Gender Equality?

EDITOR

Aid effectiveness and transparency



The world has changed since 1969 when the report by the Pearson Commission, "Partners in Development" outlined the challenges of the post-colonial era and ODA (Official Development Assistance) became a major plank of international relations. And it continues to change with shifting global players and transnational relations. From a time when many former colonies had secured political independence, we now live in an era of economic globalization. This has brought us economic interdependence but with an albeit less visible hierarchy among states and policies, and a weak or non-existent governance structure that fails to ensure fair rules of the game. Rather than keeping a balance among winners and losers, the rules seem to perpetuate imbalances and favour the winners.

As we approach the 4th High-level Forum on Aid Effectiveness in Busan, fewer countries are now dependent on ODA and the traditional donors are becoming more explicit about securing their own interests as donors – through trade, property rights and support to their own economic actors in the private sector.

Transparency about aid and investment flows has long been demanded by women's groups and CSOs as they monitor who benefits from ODA flows and procedures and advocate for greater fairness. Their advocacy has contributed to securing more, albeit limited, financing for constituencies that are socially excluded and whose rights have identified through UN processes and promoted in legal instruments.

Transparency and inclusiveness are also cited by advocates in efforts to move the governance of ODA to the UN, as the most inclusive global governance body. Does the UN want this role? Should it want it? Does the UN have the institutional independence or collective courage to adopt an exit strategy from aid as the organizing principle for ODA effectiveness? Does it risk being co-opted into propping up a failing industry.

And industry it surely is. Today we speak volumes of the finance sector and its innovation in many financial instruments. These in turn have become an industry of their own, divorced from the economic activities they were designed to support. Can we extend this analogy to the aid industry? Do we know how to separate the derivatives and their related infrastructure from the good practices?

Nearly all players agree that the key to development results is ownership and accountability. Do local communities have the space and support to own the development processes? Do women's communities design the development strategies?

Aid effectiveness is the latest iteration in the evolution of the aid industry. Driven by some to save development cooperation from less internationally minded sectors, it has nevertheless had to satisfy their scrutiny and has been innovative in this pursuit.

Today we are not only economically independent, but also ecologically and socially connected. The ability of a government to provide its peoples with economic security, through decent work and social protection has to be negotiated and brokered through a myriad of rules that are all too often not accountable to national political processes. ODA should be governed by a process of restoring that accountability to the people. Not of choosing winners and losers and placing some peoples' rights higher than others.

We have had evidence for many years to show that placing women's empowerment in the centre of these development strategies is the most effective way to go. Development cooperation will be effective when it takes the lead in this direction and structures its governance, programmes, metrics and monitoring accordingly.

BARBARA ADAMS



Women United is published in Norwegian 4 times a year. Free subscription

Women United covers international environmental and development issues from a woman's perspective. Prioritization is given to issues related to women in the global south, women in development cooperation, and international solidarity between women. The authors are responsible for the views and opinions expressed. Women United operate by Norwegian editorial guidelines.

Published with support from Norad

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ISSN: 0803-8589

Publisher:
FOKUS – Forum for women and development

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Design: OKTAN

FOKUS is a knowledge and resource center for international women's issues. FOKUS' primary goal is to contribute to the improvement of women's social, economic, and political situation internationally.

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Beyond Aid Effectiveness to Owning Development

— issues and players

Photo: Elin Hoyland

The links between gender equality and sustainable development are many and long-standing. Increasingly, however, they are receiving greater attention, particularly as the 2015 deadline for achieving the Millennium Development Goals approaches. These links are both expanded and highlighted by the process of development cooperation—as implemented through the Paris Declaration on Aid Effectiveness, and both challenged and broadened by the arrival of significant new players on the development canvas.

AS THE IMPLEMENTATION OF the Paris Declaration principles has evolved, along with the debate, all players – including donor and partner governments, the UN system and a range of civil society organizations-- agree that the challenges centre around two major principles underlying the Paris Declaration (see Box 1) – national ownership of development, and mutual accountability. The debate about what these mean, how they should be measured, and how they should be achieved, involves at least three issues, all of which are critical for women's rights advocates: transparency, results, and the institutional aid architecture.

TRANSPARENCY

While all players agree that inclusive national ownership and mutual accountability are the most critical issues in development effectiveness—especially in achieving the MDGs—they way they define these terms varies widely. The OECD and the World

Bank (WB) tend to restrict ownership to governments and CSOs (and some UN agencies) insist on inclusivity. The OECD and WB prefer to see mutual accountability as between donor and recipient governments and CSOs insist it must also include citizens and communities. This has been hard to realize in practice. For one thing, the commitment of donors to enhance the capacity of developing countries to lead in defining and measuring results has rarely been realized. Aid is rarely fully aligned to national priorities and targets. Moreover, some donors allocate aid based on their own assessments of country level priorities and performance-, particularly in the case of LDCs, to say nothing of geopolitical considerations. This undermines national ownership and sustainability of development results. And despite agreement on mutual accountability, surveys and studies conducted for the Development Co-operation Forum (DCF) have shown that there has

been little progress in ensuring accountability on aid commitments at national or global level.

RESULTS

While the MDGs have become the overarching framework to guide development cooperation, donors and partner countries use different measures of development results. Some focus on aid management performance while others seek to link development cooperation to broader development outcomes. Civil society activists/ analysts have concluded that while most countries have accepted development effectiveness they have not accepted its human rights content. They have interpreted development effectiveness as relating to achieving the MDGs but not in terms of people being able to realize their rights.

ESSENTIAL TO GENUINE DEVELOPMENT results is inclusiveness. A measure of the success of

civil society organizations in creating space in the development debate for themselves is that fact that many governments are now talking to civil society platforms at national, regional and global levels about their development policies and aid programmes. In some countries – Indonesia, Philippines, Senegal, civil society organizations are not simply consulted but have been made members of bodies that oversee aid.

THE THIRD ISSUE GOES to the question of the global architecture—should this be limited to development effectiveness, separate not only from rights but also from sustainability and the climate change challenges? How will it involve the new players? Will it enhance the role of UN and link back to economic governance? Should OECD be the convener? Can OECD be a credible convener of global issues? How can the role of OECD be related to a more inclusive process?

HOW THESE ISSUES ARE negotiated and agreed in the outcome document, and how they play out on the ground, go to the different interests, goals, and political clout of the major players. So who are they?

TO BEGIN WITH THEY include members of the OECD DAC (notably the EU, US, Canada, Australia, Japan, S. Korea and the Nordic countries), their partners in the partner

country Partner Group as well as the World Bank and the UN development system. Other important players include Russia and the emerging economies such as China, Brazil, India, South Africa, private philanthropy and a wide range of CSO networks and coalitions, and many of which are represented in this publication.

« Civil society activists/ analysts have concluded that while most countries have accepted development effectiveness they have not accepted its human rights content. »

THE EXPANDED COUNTRY sources of financing reflects the growing experience of South-South cooperation and a possible gradual shift to a situation in which mutual interest becomes explicit, replacing a system in which foreign aid masquerades as development while facilitating quite different donor objectives, including the export of (expensive) technology and expertise, and in some situations, national security interests.

THE ENGAGEMENT OF CIVIL society has steadily expanded over the course of implementing the Paris Declaration principles and defining and redefining the aid effectiveness agenda. Essential to the way civil society groups have operated is their focus

on consultations, giving space for multiple perspectives and voices and finding common ground on which to move forward. In so doing they have succeeded in surfacing a wide range of alternatives to the current development model—showing that unlike the mainstream orthodoxy of TINA – “There Is No Alternative—there

are a multiplicity of alternatives to the dominant development paradigm, alternatives which are now being embraced by more and more developing countries, particularly those in Latin America and other middle income countries, such as India. To illustrate this widening debate this section also includes a joint statement from the UK and the US as well as from the Partner Country Contact Group. Additional position statements, including an excerpt from the EU Communication for Busan an critique of that document by WIDE, are included in Section 3, while analysis from an African perspective is included in Section 4. □



THE PARIS DECLARATION: FIVE PRINCIPLES TO PROMOTE AID EFFECTIVENESS

- **OWNERSHIP**, which commits developing countries to take leadership in implementing nationally defined development strategies and ensure inclusiveness in defining priorities;
- **ALIGNMENT**, which commits donors to support national development strategies;
- **HARMONIZATION**, which commits donors to harmonize aid based on country priorities; **managing for results**, which commits donor and partner countries to focus on results;
- **MANAGING FOR RESULTS**, which commits donor and partner countries to focus on results;
- **MUTUAL ACCOUNTABILITY**, which commits donors and partners to measure aid performance through systems, procedures and capacities

The U.S.-UK Partnership for Global Development

Combating poverty, mitigating disasters and preventing conflict is morally right and is firmly in line with our respective national interests and fundamental values. Our joint interventions to achieve the best results for the world's poorest people will focus on ways to—advance economic growth, prevent conflict in fragile states, improve global health particularly for girls and women, and mitigate the effects of climate change.

ECONOMIC GROWTH

The private sector is the key to stimulating sustainable economic growth, which helps countries pull themselves out of poverty. We will help create the right environment for business, markets and investments in education, skills and innovation, in addition to building capable and accountable institutions and governments. Together, we will tackle corruption and bribery that prevent resources from reaching the people they are intended to help. We will renew our efforts to stimulate trade and regional integration – especially in Africa, where the potential is immense.

We will redouble our collaboration with other countries in the G-20 to promote sustained economic growth through the Seoul Multi-Year Action Plan for Development and commit to the promises made at L'Aquila to invest heavily in agriculture and nutrition, and ensuring young children have adequate nutrition during the initial phase of their lives. Over the next five years, we will: help 18 million vulnerable women, children and family members escape the grip of hunger and poverty; prevent stunting and child mortality in seven million undernourished children; generate \$2.8 billion agricultural GDP through research and development activities; and leverage \$70 million in private investment to improve market opportunities and links with small-holders.

AID EFFECTIVENESS – ACCOUNTABILITY, TRANSPARENCY AND RESULTS

The United States and the United Kingdom believe the quantity of our aid must be seen as equal in importance to its quality and we must be open, transparent and accountable in how we are spending our taxpayers' money. Together, we have

put in place mechanisms such as the UK Aid Transparency Guarantee and the U.S. Foreign Assistance Dashboard so the public – both at home and abroad – are able to access clear, comparable information about our aid programs. In so doing, we will help individuals understand the results being achieved, provide developing countries a stronger voice, and encourage other donors to follow our lead. We will ensure that the Fourth High Level Forum on Aid Effectiveness in November 2011 transforms the way bilateral aid is delivered around the world and we will continue to work together to strengthen multilateral organisations.

GLOBAL HEALTH

Twenty first century technology and innovation can help us achieve our development goals. We will continue to work together, not least at the Global Alliance for Vaccines and Immunization (GAVI) Replenishment Conference in June, and to ensure the GAVI Alliance has the resources it needs to do its job. The introduction of new and underused vaccines could result in another 250 million children being immunized and prevent four million childhood deaths by 2015. We will also work to increase the level of care given to pregnant women and newborn babies by supporting the UN Secretary-General's Global Strategy for Women and Children. Our alliance with Australia and the Gates Foundation should help 100 million more women meet their need for modern family planning by 2015.

GIRLS AND WOMEN

Women disproportionately bear the burden of poverty as they own only 10 percent of the world's property and represent two-thirds of the developing world's illiterate. But we know that investing in girls and women has transformative impacts on growth and poverty reduction. It is

also cost-effective as women tend to invest returns in their families and communities. Over the next five years, our investments alone will: save the lives of at least 50,000 women in pregnancy and childbirth; get more than five million girls into primary and secondary school; help 18 million women to access financial services and; do more to prevent violence towards women in at least 15 countries.

CLIMATE CHANGE

Without urgent global action, climate change could reverse our hard-won gains and increase the risk of insecurity and fragility in many parts of the world. The United States and the United Kingdom therefore continue to seek to hold the increase in temperature below two degrees Celsius above pre-industrial levels. We also continue to work towards implementing the key agreements reached in Cancun, including making the very best use of the climate financing and encouraging innovation that will help the poorest countries get on a climate resilient, low emissions path to sustainable economic growth and development. By employing existing technologies, such as drought and flood resistant crops, and new ways of delivery clean and affordable energy, we will work with the private sector and other stakeholders to ramp up investments in clean technologies while protecting the world's precious forests and rich biodiversity. Our support for the REDD+ partnership will increase the incomes of the 1.2 billion of the world's poorest people who depend on forests for their livelihoods. □



Partner countries' vision and priority issues for hlf 4

THE CHANGING CONTEXT OF DEVELOPMENT COOPERATION

1. International development co-operation has been evolving at a relatively fast pace, particularly during the past decade. The following are some key aspects reflecting this evolution and issues requiring attention:

- The volume of Official Development Assistance (ODA) has on the whole increased, but questions persist about its effectiveness in contributing to sustainable development outcomes;

- Non-DAC (Development Assistance Committee) aid providers, including global funds and private foundations, have increased their role in terms of volume and delivery modalities, but tend to follow their own rules and, where they do not have country offices, add to transaction costs;

- South-south co-operation has become a tangible source of development co-operation, with middle-income countries (MICs) building horizontal partnerships to share development experiences and knowledge playing a key role in the new co-operation architecture; but more needs to be learned about SSC modalities and practices;

- Aid delivery agencies have proliferated multilaterally and bilaterally, causing more competition and greater specialization, but also making aid management more complex and costly; and

- Persistent dissatisfaction with ODA performance has led to a series of international High Level Fora (HLF): in Rome (2003), Paris (2005) and Accra (2008) to examine these and other issues affecting the quality of aid and propose actions to improve its outcome.

2. There is an urgent need to deal with these issues and take into consideration at least three more key challenges: first, how to cope with the negative impact of recent global crises (food shortages and resulting price increases, international financial meltdown, global economic slowdown) on the pace and quality of development outcomes; second, how to address pressing global challenges including climate change, other forms of development co-operation besides ODA (trade, foreign direct investment, technology transfer, and development finance) which are affecting the pace and pattern of future development; and third, how to reform the architecture for international development co-operation to make it more effective, transparent and inclusive in terms of involving and benefiting from the experiences of non-DAC assistance providers (public and private) and various delivery modalities. Underlining these challenges is the critical importance of mobilizing domestic and international resources for development and improving complementarity and combined impact.

3. It is methodologically difficult to accurately measure the implementation of the principles of the Paris Declaration as well as the impact of development co-operation. However, efforts made for this purpose, including recent monitoring surveys, evaluation reports, and preliminary findings from the 2011 Monitoring Survey, indicate that progress has been achieved by our countries and our development partners (DPs), but that such progress remains inadequate in meeting commitments and contributing to sustainable outcomes. □

1 This paper was prepared by members of the Drafting Team charged with the task of preparing a position paper representing Partner Countries' visions and priorities for discussion at the High Level Forum 4 (HLF4) in Busan, Republic of Korea in November/December 2011. Drafting Team members include Talaat Abdel Malek (Egypt), Helen Allotey (Ghana), Lidia Fromm Cea (Honduras), Sandra Alzate Cifuentes (Colombia), Helder da Costa (Timor Leste), Cao Manh Cuong (Vietnam), Modibo Makalou (Mali), and Alfred Shuster (Pacific Islands Forum Countries). This position paper is based on inputs received from 19 partner countries in addition to feedback from 15 countries on the draft position paper. It draws also on the emerging findings of the independent evaluation of the results of implementing Paris Declaration and online surveys carried out by the Capacity Development for Development Effectiveness Facility (CDDE) to identify priority issues as viewed by partner countries.

Aid in the best interest of women after Busan?

In late November, non-governmental organizations and governments from around the world will meet in Busan, South Korea, to agree on principles of, and the way forward for, global development. Women's organizations demand drastic changes to the proposed agreement. The question is whether they will be heard.

TEXT: ODA GILLEBERG AND ANITA SÆBØ

THE MEETING IN BUSAN is a follow-up on the efforts to improve aid effectiveness initiated in 2005 with the Paris Declaration. Civil society did not take part in drafting or signing the declaration. Instead, the Organization for Economic Cooperation and Development (OECD) and its Development Assistance Committee (OECD DAC) laid the basis for a consensus on effective development assistance, for which they have received both criticism and compliments. The principles are quite easy to agree upon. Their effects, however, are controversial.

THE PARIS DECLARATION asserts that development priorities are to be decided by the developing countries themselves. The responsibility lies with the recipient countries—not the donor ones. A recent evaluation, The Evaluation of the Paris Declaration - Phase 2, shows that the principle of national ownership is the one which, so far, has achieved the best results. Recipient countries have shown much progress in defining their own development goals and creating plans for achieving them. In theory, this is doubtlessly desirable and represents the only viable way to sustainable development. In practice, however, it appears that the principle of national ownership can have a negative impact on the lives of women and their participation in development. This is exemplified by the fact that many countries' development plans lack targets for women's rights and gender equality.

ANOTHER UNFORTUNATE CONSEQUENCE of the principle of national ownership is that civil society's latitude has been limited by the requirement to follow official national

plans. The focus on the recipient countries' autonomy can lead to reduced assistance to NGOs, and, in turn, threaten their survival. The constraints on NGOs and their reduced access to financial resources can weaken the work done in opposition to the authorities in various countries, as well as the work not prioritized by governments. We can assume, for instance, that women's and gender equality organizations, as well as organizations for sexual minorities, will suffer in places where the authorities disagree with the organizations' agenda.

« The Paris Declaration is generally criticized for being gender-blind. This crucial point was strongly emphasized by civil society during the high-level meeting (HLF3) in Accra in 2008. »

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CIVIL SOCIETY GETS THROUGH IN ACCRA

During HLF3 in Accra, the Paris Declaration's impact thus far was evaluated and a plan of action for the future adopted. The Accra Agenda for Action requires the parties to intensify efforts to reach the Paris Declaration targets by 2010. The results of the plan of action will be publicly disclosed at the high-level meeting (HLF4) for effective development in Busan, South Korea, in late November/early December 2011.

IN ACCRA, CIVIL SOCIETY participants were actively involved. They demanded that

both donor and recipient countries fully recognize gender equality, environmental sustainability and human rights as cornerstones of development, and that the Paris Declaration be coordinated with other international agreements and goals.

ALTHOUGH GENDER EQUALITY was accepted as a key prerequisite for development, the Accra commitments on women's rights are difficult to measure. This may indicate a lack of political will on the part of both donor and recipient countries, as well as multilateral

institutions, to prioritize the improvement of women's situation when it comes to aid effectiveness. The Accra Agenda for Action does recognize the need to collect sex-disaggregated data in order to make visible the impact of policies on women. However, no funds have been set aside for this purpose.

AFTER ACCRA, CIVIL SOCIETY was recognized as an important player and was included in the Working Party on Aid Effectiveness, a group working on the implementation of the Paris Declaration and preparing HLF4 in South Korea. In Busan, a special three-day NGO Forum will be held ahead of the main meeting. Civil society organizations have already put forward various demands for changes in the Paris Declaration and in the agreements to be adopted in Busan.

FROM BLINDNESS TO SILENCE

Women's organizations involved in the aid effectiveness process are critical of the draft agreements to be adopted in Busan. While the Paris Declaration is gender-blind, they argue, the Busan documents are gender-silent.

THESE ORGANIZATIONS DEMAND that the agreed-upon goals on gender equality, human rights, decent work, and sustainable environment must play a key role.

FURTHERMORE, THEY DEMAND that national action plans be coordinated with previously adopted international human rights and equality standards, such as The Beijing Action Plan (1995), the Convention on the Elimination of Discrimination Against Women (CEDAW), and the UN Security Council Resolution 1325.

IN ADDITION, CLEAR MECHANISMS for including civil society must be developed. If civil society organizations are excluded from the formulation and implementation of development plans, efficient and sustainable development aid, democracy and international cooperation will be undermined.

THE PARIS DECLARATION FOCUSES on institutional reform within governments in order to increase aid effectiveness. However, according to civil society, government action alone will not reduce poverty. The Evaluation of the Paris Declaration - Phase 2 shows that recipient countries have done much to reform aid management systems. Yet, this has not benefitted the poorest segments of society. Furthermore, the evaluation points out that the political will to prioritize the needs of the poorest people, especially women and children, has not increased. Women's organizations and other NGOs must be given space to exert their political influence and prioritize other issues than the ones for which there is political goodwill at present.

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CIVIL SOCIETY ALSO DEMANDS flexibility in regards to the donor countries' choice of aid mechanisms, (such as giving direct support to UN agencies or supporting local NGOs) in order to secure funding for controversial projects involving issues such as family planning, abortion and the rights of sexual minorities.

OECD VS. UN

The Paris Declaration was developed by the OECD, while the World Bank is responsible for monitoring the indicators. Currently, civil society and women's organizations have little influence on the work done in the wake of the Paris Declaration, despite their important role in creating social, economic and political change, reducing poverty, and ensuring gender equality. Critics question why international development priorities were defined by the OECD, and not by multilateral fora, such as the UN.

CIVIL SOCIETY CLAIMS THAT OECD DAC and the major donor countries have historically been in charge of developing aid effectiveness principles, yet they have, unlike the UN, no tradition of including civil society in the process.

CIVIL SOCIETY WAS NOT invited to Paris and hence had limited influence on the contents of the Paris Declaration. Participation in Accra and in the Working Party was, therefore, especially important for women's organizations. Yet, in the OECD context, the space for civil society is still quite limited.

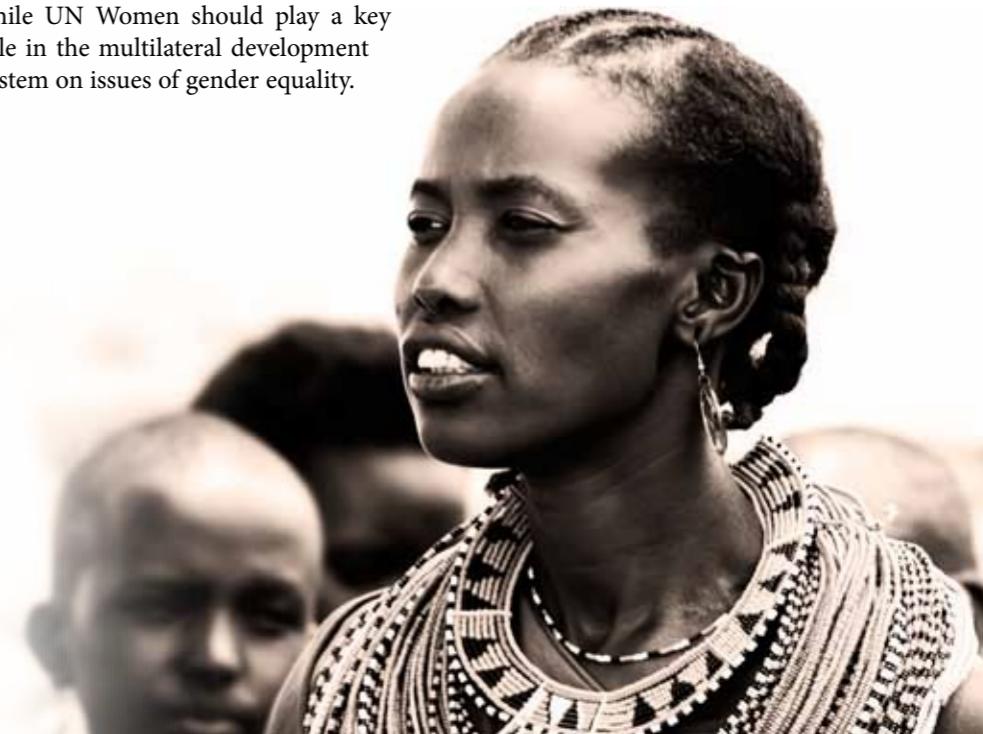
SOME ARGUE THAT THE UN is currently the only legitimate venue for participation on equal ground. It should, therefore, constitute the core pillar of development cooperation, while UN Women should play a key role in the multilateral development system on issues of gender equality.

BUSAN 2011

During the run-up to HLF4 in Busan, women's organizations have been extremely critical of the draft agreements to be adopted. They have challenged governments and other development actors involved in HLF4 to make the following necessary changes:

1. All new frameworks for development cooperation to be adopted in Busan must be based on human rights, including women's rights.
2. A democratic development cooperation must be based on the UN framework. The UN has an established system of gender equality and women's rights.
3. Aid effectiveness requires democratic ownership by women and meaningful and systematic participation by civil society, especially by women's and feminist organizations.
4. Several evaluation systems for women's rights and gender equality must be established and existing monitoring mechanisms must be improved.
5. Financing for development: Gender equality and women's rights must be understood as more than mainstreaming.
6. Development cooperation and aid to conflict and post-conflict countries must recognize the impact conflicts have on women's lives and rights.

The impact of civil society in Busan is crucial not only to the organization's own survival, but, more importantly, to global development, especially in relation to the respect of human rights in general and women's rights and sustainable environment in particular. □



SECTION 2



Key Demands from Women's Rights Organizations and Gender Equality Advocates

PHOTO: VERONICA MELÁ

The six comprehensive demands for the Busan Outcome Document were put forward by feminists, gender equality and women's rights activists during two days of consultations among global women's rights organizations in June 2011 [International Women's Organizations Consultations on Development Cooperation, Women's Rights and Gender Equality]. These have been endorsed by a long list of women's rights and social justice organizations around the world.

The broad vision of gender, social and climate justice articulated in this document, along with its clear analysis of gender equality concerns and perspectives, makes clear that the demands are connected to society as a whole. They call on governments and other development actors to consider six imperatives, which together should constitute a new development cooperation framework. The document illustrates the way in which women's rights perspectives have expanded in the three years since the 3rd HLF at Accra as well as the challenges these pose to their civil society colleagues. It is therefore reproduced here virtually in entirety.

To the Fourth High Level Forum on Aid Effectiveness (Busan 2011) and the Development Cooperation Forum (2012)

As feminists, gender equality and women's rights activists and organizations mobilizing on the road to the Fourth High Level Forum on Aid Effectiveness (HLF-4), this document reaffirms our vision for transformation and offers concrete recommendations for improving the international development cooperation architecture.

While the commitments made in the Accra Agenda for Action (AAA) on gender equality (paragraphs 3, 13c, 21b and 23a) were important advances beyond the largely gender-blind Paris Declaration (PD), women's groups and gender equality advocates urge all PD and AAA signatories to translate their words into concrete actions and deepen these commitments.

HLF-4 must produce an outcome document that provides the basis for a new development cooperation architecture that is inclusive and just and thus also responsive and sensitive to women's rights and gender equality. This architecture should be situated within the UN, with full participation of all relevant actors, including the Organisation for Economic Co-operation and Development (OECD) countries, as well as civil society organizations (CSOs), including women's groups. The Working Party on Aid Effectiveness (WP-EFF) has significantly strengthened its inclusion of civil society actors following the Accra HLF-3. This experience should be applied in other, broader spaces, such as the UN DCE, under the Economic and Social Council (ECOSOC). There need to be clear and effective mechanisms for on-going CSO participation and formal representation in development cooperation debates and processes.

1. The UN General Assembly adopted resolution 41/128 on 4 December 1986 and issued the Declaration on the Right to Development; relevant provisions are stated in Articles 1, 3 and 4.
2. As stated in the International Covenant on Economic, Social and Cultural Rights, part II, article 2 and Universal Declaration of Human Rights, article 22.

Vision Women's rights and gender equality advocates and organizations...

...reaffirm their vision of a world where aid is no longer necessary, where transformed power relations and the democratic redistribution of wealth counter norms and structures of injustice and war and create new forms of relations based on respect, solidarity, equity, inclusion, nonsubordination and justice for all.

...believe in development as a right, as stated in the International Covenant on Economic, Social and Cultural Rights and in the United Nations (UN) Declaration on the Right to Development¹. This includes recognizing the right of all people to define their own understandings of development, based on their local experiences, needs and responses, in ways that are sustainable for the planet and promote human rights, peace and justice for all.

...believe that international solidarity through sustainable international cooperation has a crucial role to play in fulfilling states' responsibility to ensure that all people realize their rights², thereby contributing to redistributive justice and the eradication of inequalities at the global level. Development cooperation and gender equality should not be instrumentalized to benefit market or military interests unrelated to the promotion of sustainable development and human rights.

...challenge mainstream economic development models based on unsustainable patterns of consumption and production, the privatization of public systems, exploitation and unequal gender and social relations.

...aim to shift the dominant development discourse towards an inclusive, sustainable, and just paradigm that recognizes and values reproductive and care work, promotes decent work and promotes the empowerment, autonomy and emancipation of women and girls.

...underscore that women, feminists and women's organizations and movements play key roles in development at all levels. Women and girls carry the bulk of unpaid care work (including food-production), are active in peace-building and in the management, conservation and use of natural resources. Women must be recognized as key development actors in their own right, not as passive victims in need of protection and rescue, nor as consumers to be instrumentalized for economic growth.

...stress that the full realization of women's rights as human rights are essential to any development cooperation framework. Human rights are universal and inalienable, indivisible, interdependent and interrelated. Moreover, the implementation of gender equality and women's rights commitments are cornerstones for development. Women's empowerment and full and equal participation in all spheres are fundamental for the achievement of social and economic justice, substantive democracy and peace for all.

1 A new development cooperation framework to be agreed in Busan must be based on human rights, including women's rights

1.1 INTERNATIONAL COOPERATION, of which aid is a part, should not increase divisions and inequalities in developing countries, but instead provide the basis for the achievement of human rights, including women's rights, and of commitments on gender equality, decent work and environmental sustainability. It is crucial to move beyond aid effectiveness towards human rights-based development cooperation as a new framework for international solidarity to advance development and poverty eradication in ways that are coherent with international human rights standards and give adequate attention to women's rights, the right to development and environmental justice.



1.2 DEVELOPMENT COOPERATION policies and nationally-owned country strategies must align with international human rights and gender equality standards. States and other duty-bearers must comply with legal norms and standards enshrined in international human rights legal instruments and related standards, as has been reaffirmed in the AAA. This includes gender equality standards, such as the Beijing Platform for Action (BPfA), the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the Program of Action of the International Conference on Population and Development (ICPD), UN Security Council Resolution 1325, among others, including those at regional levels. Such standards should be used to determine the suitability and effectiveness of development cooperation policies and approaches, particularly their impact on highly discriminated and excluded people, especially women and girls in all their diversity.

1.3 GOVERNMENTS SHOULD SUPPORT the inclusion of non-sexist education for all throughout the life-cycle, considering the role education plays in the transformation of gender norms and stereotypes. Moreover, governments should assume their obligation to comprehensively review and revise the sexist content of curricula at all levels of education and support CSOs specialized in that subject.

1.4 HUMAN RIGHTS LEGAL standards, principles, and the legal obligations of governments should be used to hold all donors and governments accountable for the impact and outcomes of Official Development Assistance (ODA) and

development policies. An example could be to use the Inter-American Human Rights System³ (a regional body) or the Universal Periodic Review (UPR)⁴ (an international mechanism) to hold donor and partner governments accountable for their commitments and the negative impact of inappropriate aid prioritization, disbursement and/or implementation.

1.5 POLICY COHERENCE for development and gender equality is essential so that economic policies (e.g. trade, migration, energy etc.) and social policies are not working at cross purposes, resulting in the perpetuation of or increases in social and gender inequalities.

2 A new equitable development cooperation system for gender equality and women's rights under the United Nations is in place

2.1 SITUATING THE DEVELOPMENT COOPERATION SYSTEM within the UN will facilitate more democratic, equal participation of all countries, which have been traditionally excluded from decision-making processes at the regional and international levels. Currently the UN is the only legitimate space meeting the minimum equal participation criteria. The UN DCF should be strengthened as the main space for standard-setting on development cooperation, ensuring clear, effective and on-going mechanisms for CSO participation in international development cooperation of all kinds, including South-South cooperation.

2.2 A DIFFERENT, CLEAR AND TRANSPARENT system for ODA allocation is urgently needed. Criteria should not solely include economic growth indicators, but also social, economic, gender and environmental indicators that also account for inequalities within a particular context

2.3 UN WOMEN HAS A KEY ROLE to play in advancing gender equality and women's rights as part of the multilateral development cooperation system. UN Women's high-level political status should be used to champion gender equality and women's rights in development cooperation processes within the DCF, the OECD-Development Assistance Committee (DAC), and other key spaces at international, regional and national levels. At the same time, clear, effective and on-going mechanisms for CSO consultation and participation as part of UN Women's agenda-setting are vital.

2.4 DEVELOPMENT PROGRAM / PROJECT implementation at country level is a joint responsibility between recipient countries and development partners, including CSOs, and must address inequalities and build on human rights legal standards and principles. As reflected in evaluations of the PD, tools guiding country level implementation, such as country compacts, Millennium Development Goals (MDGs), or others, must not place the responsibility for implementation solely on recipient countries.

2.5 RECOGNIZING THE INCREASING importance and value of financial flows channeled through South-South and Triangular cooperation, governments should include in their technical assistance good practices related to gender equality and women's rights strategies. Governments engaging in South-South cooperation initiatives should implement mechanisms to ensure adequate access to information and space for CSO participation in cooperation processes.

3 Development effectiveness requires democratic ownership by women and meaningful and systematic participation by civil society, especially women's and feminist organizations

3.1 THE PARTICIPATION OF WOMEN'S ORGANIZATIONS in policy dialogues at local, national and international levels must be ensured. Governments should support development actors' (including women's and feminist organizations and movements) effective participation at local, national and international levels and at all stages of the development process (planning, implementing, monitoring and evaluating), as well as in setting and debating priorities and in aligning development and women's human rights commitments. In some cases this may require the creation of relevant spaces and institutional mechanisms.

3.2 MOVE AWAY FROM POLICY CONDITIONALITIES towards consistent application of concepts of multiple responsibility, accountability and transparency among both donor and developing countries. This could be advanced, for example, by supporting democratic scrutiny of development goals, policies and results. Policy conditionalities can have negative impacts on people, particularly on women and girls. They undermine the principle of ownership and contradict the right to development and self-determination.

3.3 DONORS SHOULD BE ACCOUNTABLE for the aid that they deliver by ensuring transparent, open, predictable and participatory opportunities for dialogue on aid processes, priorities, agreements and progress assessments. Transparency is key to democratic ownership and accountability and ensures CSOs' meaningful participation in policy and political dialogues. It is therefore crucial that all development partners, including the private sector, adopt policies of automatic and full disclosure of relevant information and submit to the norms and direction-setting of the UN. Existing aid transparency initiatives, such as the International Aid Transparency Initiative (IATI) which applies the gender marker and complements it with additional data, are a promising step forward.



3.4 DEVELOPING COUNTRIES SHOULD have the opportunity to choose among the range of aid-modalities, based on what is most appropriate to their context. For example, in countries where social sectors are less likely to receive adequate funding, sector budget support should be considered for gender equality, women's rights and health issues in particular.

3.5 THE DEVELOPMENT OF A FRAMEWORK that ensures all stakeholders engage in broader health planning, implementation and monitoring processes, building on successful experiences of the Global Fund Country Coordination Mechanisms.

3.6 HUMAN RIGHTS-BASED DEVELOPMENT is primarily the responsibility of states, although the private sector can also play a relevant role in development. There is no direct correlation between stimulating the private sector and positive impacts on sustainable development. If the private sector is to play a role in development, it must commit to human rights legal standards, including those relevant for women's rights, decent work, and environmental sustainability.

3.7 CREATE AN ENABLING ENVIRONMENT for CSOs and particularly for women's human rights defenders. All states have the responsibility to implement and respect all provisions of the UN Declaration on Human Rights Defenders⁵, which clearly establishes what contributes to an enabling environment for women's human rights defenders as individuals and their organizations and outlines a series of principles and rights based on human rights standards enshrined in international legal instruments.

4 Promote multiple accountability systems for women's rights and gender equality, improving existing monitoring systems.

4.1 SHIFT TO A "MULTIPLE ACCOUNTABILITY" APPROACH, which recognizes and includes diverse development actors such as CSOs (including feminist and women's rights organizations), parliamentarians, local governments, the private sector and others. Multiple accountability is stronger than mutual accountability, which is based on bilateral development relationships that no longer reflect the reality of the complex development cooperation system.

4.2 ACCOUNTABILITY MUST NOT BE BASED on a new OECD monitoring system and should go beyond measuring outputs (aid delivered) to examine the level of outcomes (results). Improve aid and development cooperation monitoring systems by building on and improving the existing country or regionally relevant indicators and accountability mechanisms, such as: MDG targets and indicators, CEDAW reporting requirements, reporting on the BPfA, the ICPD, and other international mechanisms such as the Human Rights Council UPR.

4.3 THE MONITORING AND EVALUATION SYSTEM established as part of the new development cooperation architecture should make reporting on gender equality outcome indicators mandatory for all governments. This includes the current optional module on gender equality and aid effectiveness⁶, developed by the DAC Network on Gender Equality (GENDERNET), and other – indicators, such as those measuring countries' budget allocations to women's rights and gender equality. **ALL AID (INCLUDING MULTILATERAL AID) SHOULD BE SCREENED AGAINST THE DAC GENDER EQUALITY MARKER.**

4.4 ACCOUNTABILITY OF THE PRIVATE SECTOR must include respect for international human rights standards, including women's rights and gender equality legal standards. Governments must be responsible for holding private sector development interventions accountable through regular reporting. In addition, CSOs must hold their

3. Further information: www.cidh.oas.org/DefaultE.htm

4. Further information on the UPR: www.ohchr.org/en/hrbodies/upr/pages/BasicFacts.aspx

5. UN Declaration on Human Rights Defenders: [www.unhcr.ch/huridocda/huridoca.nsf/\(symbol\)/a.res.53.144.en](http://www.unhcr.ch/huridocda/huridoca.nsf/(symbol)/a.res.53.144.en)

6. The optional module has been integrated into the 2011 Paris Declaration monitoring survey on a voluntary piloting basis. Further information: http://www.oecd.org/document/6/0,3746,en_21571361_39494699_46642822_1_1_1_1_00.html

↓ governments accountable in their duty to protect citizens from potential harm caused by private sector actors.

4.5 ALL PARTIES AND SIGNATORIES of the Busan outcome document should leave with concrete responsibilities (goals, targets, indicators) and be held accountable for undertaking their agreed commitments. We welcome new actors to the Busan HLF-4, however, their participation should not “water down” the previous commitments made.

5 Financing for Development: Gender Equality and Women’s Rights Beyond Mainstreaming

5.1 FUNDING MUST BE DIVERSIFIED to ensure that gender mainstreaming and division of labor approaches do not dilute women’s rights commitments or exclude other targeted work that is critical for advancing women’s rights, gender equality and poverty reduction. Mainstreaming should be accompanied by direct and specific actions (twin-track approach) aimed at achieving women’s rights and gender equality, and include direct support to local women’s groups.

5.2 ADEQUATE INVESTMENT SHOULD be ensured for certain controversial and sensitive women’s rights issues, such as sexual and reproductive health and rights, which are loaded with debates around access to family planning/contraception, safe abortion and sexual orientation. There are countries where government support for sexual and reproductive rights is weak or nonexistent. In these cases it is recommended to use a mix of funding mechanisms including general and sector budget support, direct support to UN agencies and CSOs (including feminist and women’s rights organizations), as well as project-specific funding.

5.3 GOVERNMENTS SHOULD SUPPORT local women’s groups to build awareness and capacities in their societies and communities and to provide oversight for local, regional and national development policies and projects. All development actors should prioritize and invest in capacity building for women’s organizations strengthening their participation and, as a result, democratic ownership of development agendas at local level.

5.4 GOVERNMENTS SHOULD ENSURE increased, substantial, flexible, predictable and multi-year core funding for women’s rights organizations and effective mechanisms in place to guarantee that funding reaches these organizations in all their diversity.

5.5 DONOR AND PARTNER COUNTRIES should ensure that public financial management systems are genderresponsive and include more rigorous tracking of expenditures for the achievement of women’s rights, gender equality and women’s empowerment. In the long-term, this will ensure that budgets and plans address the needs of all people equitably and promote accountability and transparency in the determination of priorities for public spending.

5.6 TAKE STEPS TO SET UP democratic and innovative financing for development mechanisms: All states should agree on a clear process under the UN to establish additional and innovative financing mechanisms for development by 2015. The “Robin Hood Tax”, is one innovative funding mechanism that could contribute to creating a more democratic international system to finance development and overcome the disparities inherent in the current development cooperation system.

5.7 AS A KEY NEW PLAYER in development cooperation, UN Women must be equipped with adequate, immediate, long-term, predictable and multi-year core funding comparable to the commitments made to other UN funds and programs.

6 Development cooperation to the countries in situations of fragility and conflict must acknowledge the differential and disproportional impact of armed conflict on the lives and rights of women and girls.

In Accra, governments committed to work and agree on a set of realistic peace and state- building objectives to address the root causes of conflict and fragility and help ensure the protection and participation of women (AAA §21b). This process was to be informed by international dialogue between partners and donors on these objectives as prerequisites for development. However, there have not been substantial improvements in this area.

6.1 ALL GOVERNMENTS SHOULD WORK towards implementation of UN Security Council Resolutions 1325, 1820, 1888 and 1889. In countries in situations of fragility or that are emerging from conflict, donors must support state and civil society actors (including women’s organizations) to develop national action plans to operationalize the UN resolutions on women, peace and security.

6.2 ALL GOVERNMENTS SHOULD ACKNOWLEDGE the differential and disproportionate impact of armed conflict on the lives and rights of women and girls. This means guaranteeing cooperation to address these issues and to ensure equality, justice, reparation and guarantees of non-repetition for women who are victims, as well as effective participation in peace processes and post conflict reconstructions.



6.3 DONOR AND DEVELOPING country governments should commit to support feminist and women’s organizations as part of achieving sustainable, peaceful and lasting solutions for women and girls in conflict-affected or fragile states.

6.4 GOVERNMENTS MUST NOT SELL ARMS TO COUNTRIES ENGAGED IN ARMED CONFLICT.



■ These women’s key demands for Busan and the 2012 DCF process were elaborated during the International Women’s Organizations Consultation on Development Cooperation, Women’s Rights and Gender Equality held in Brussels, Belgium, 9-10 June 2011. The consultation was hosted by WIDE Network and co- organized with the other women’s organizations of the BetterAid Coordination Group: the Association for Women’s Rights in Development (AWID), the African Women’s Development and Communication Network (FEMNET), the Asia Pacific Forum on Women, Law and Development (APWLD) and Coordinadora de la Mujer from Bolivia.

The event was supported by

Civil society voices for
BetterAid

The key demands were reviewed by many, also beyond the participants of the June consultation and the current document was updated based on comments received to the July 2011 version and lists below the endorsements received:

- Action Aid International Amur Temir micro rayon women council
- Articulación Feminista Marcosur
- Asia Pacific Forum on Women, Law and Development - APWLD
- Association for Women’s Rights in Development -AWID
- Association of Issyk-kul women in Kazakhstan
- Association of disabled women Kyrgyzstan
- Association of women artists and art critics Kyrgyzstan
- Banúlacht -Women in Ireland in Global Solidarity
- Centro de la Mujer Peruana Flora Tristán
- Coordinadora Andaluza de ONG de Desarrollo
- Coordinadora de la Mujer - Bolivia
- Cotidiano Mujer
- Crisis center Altnai
- Daughters of Mumbi Global Resource Center
- “DIA” (Karassuu) Kyrgyzstan
- Ene Nazary (Gulcha) Kyrgyzstan
- Equilibres & Populations: Eurodad Federación Catalana de ONG para el Desarrollo
- Feminist League from Kazakhstan
- FEMNET- The African Women’s Development and Communications Network
- FOKUS –Forum for Women and Development
- Fondo Centroamericano de Mujeres FMICA
- Forum of women’s NGOs of Kyrgyzstan
- Fundación Suma Veritas GCAP
- Feminist Task Force
- Global Initiative for Economic, Social and Cultural Rights
- Grupo Propuesta Ciudadana- Perú
- Gulnar Yessirgepova (as individual) - Organization for Security and Co-operation in Europe Kazakhstan office
- Initiative group «Demilge»
- International ecological association “Women of East”
- “Kyrk-Kyz” Foundation of Social Protection of Women of the Republic of Karakalpakstan
- K.U.L.U.-Women and Development
- La Alianza - Colombia
- L’Association des Femmes Africaines pour la Recherche et le Développement (AAWORD/AFARD)
- NETRIGHT NGO Asteria
- NGO Demilgeluu insandar
- NGO «Demoor» Kyrgyzstan
- NGO «Gulmaidan» Kyrgyzstan
- NGO «Leilek ayalzaty»
- NGO Mammological center
- Onor Bulagy Public Foundation Kyrgyzstan
- Osh media resource center
- Public Association Jarandyk Demilge Network Kyrgyzstan
- Public Association “Otandastar”
- Reality of Aid
- Red de Género y Comercio - Capítulo Latinoamericano
- Réseau des Organisations Féminines d’Afrique Francophone- ROFAF
- Research Centre “SEDEP” Kyrgyzstan
- Rural Women’s NGO “Alga” Kyrgyzstan
- Sisma Mujer
- Social Union Epkin, Kyrgyzstan
- Solidarité des Femmes Burundaises pour la Lutte contre le Sida et le Paludisme
- WILDAF - Women in Law and Development in Africa
- WIDE network


 SECTION 3

Agenda for Busan:

Widening the Framework

As with most high level intergovernmental meetings, much of the work of advocacy and negotiation goes on during the preparatory process.

USING SUCCESSIVE DRAFTS of the outcome document, still being negotiated, along with the various responses (by BetterAid and others), this section explores the issues identified in the previous section—and the process through which they are being articulated and engaged—showing the persistent gulf between those who maintain a narrow focus on development cooperation and those that regard ODA as having to have some potential to stimulate fundamental change. At the same time, it illustrates how civil society, and women's groups more recently, have been increasingly successful in engaging in and influencing an intergovernmental process, which is also quite significant.

INDEED AT THE TIME OF writing, a “political sherpa drafting committee” was being established that includes representatives of 3 low income countries, 3 middle income countries, 5 from OECD DAC member countries, one representative of conflict affected states, one representative of the UN Development Group and one representative of civil society networks. These will be joined by a representative from the Republic of Korea, and one from the World Bank, who together with the co-chairs of the Working Party on Aid Effectiveness will coordinate the final drafting process.

IN ORDER TO PROVIDE a context for this exchange over the outcome document draft, the section also draws on the discussions and agreements of a series of civil society consultations together with the results of three OECD implementation surveys and independent country studies, including those carried out by FEMNET and Reality of Aid in 11 African countries (see below).

OWNERSHIP AND TRANSPARENCY


The concept of ownership has long been the principle under which women's rights and other representatives of civil society have worked to expand the notion of country ownership as vital to development effectiveness. A special Reality of Aid report for Busan, discussed in more detail below, points out that while welcoming the agreement in Accra to expand the notion of ‘country ownership’ towards ‘more inclusive ownership,’ many CSOs now consider that this concept lacks rigor, arguing that the concept of ‘rights-based democratic ownership’ more clearly places people at the center of aid and development effectiveness.

In the section on ownership, the draft outcome document does recognize the importance of fully engaging with a wide range of non-government actors what in what has in many cases been a process limited to donor representatives and developing

country planning ministries. With regard to the role of parliamentarians, it states that participants will [para 18]:

a) Accelerate and deepen the implementation of existing commitments to strengthen the role of parliaments in ensuring ownership of development processes, including by supporting capacity development – backed by adequate resources and clear action plans.

b) Further support local government to enable it to assume more fully its role going beyond service delivery, enhancing participation and accountability at sub-national levels.

THE DRAFT ALSO RECOGNIZES the vital role CSOs play in shaping development policies and overseeing their implementation, and agrees that participants will fully implement commitments to enable them to exercise their roles as independent development actors and to support their efforts to strengthen their own effectiveness, as per the “Istanbul Principles”. These principles, laid out at a Global Assembly of the Open Forum for CSO Development Effectiveness in Istanbul in September 2010 form the basis of the Open Forum's Draft International Framework on CSO Development Effectiveness. 

« Democratic ownership is not only about inclusive participation which largely remains at the discretion of governments or donors. Rather, democratic ownership centers the legitimacy of development priorities and processes on the rights of people to access democratic institutions. These institutions must fully engage all citizens – from women and girls to men and boys – in processes for determining and implementing national development plans and actions. Development results will be sustainable if partnerships to implement development are inclusive of all aid actors, with particular attention to the rights of affected and vulnerable populations. »

Istanbul CSO Development Effectiveness Principles¹

Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. CSOs collaborate with the full diversity of people and promote their rights. The essential characteristics of CSOs as distinct development actors – that they are voluntary, diverse, non-partisan, autonomous, non-violent, working and collaborating for change – are the foundation for the Istanbul principles for CSO development effectiveness. These principles guide the work and practices of civil society organizations in both peaceful and conflict situations, in different areas of work from grassroots to policy advocacy, and in a continuum from humanitarian emergencies to long-term development.

1. RESPECT AND PROMOTE HUMAN RIGHTS AND SOCIAL JUSTICE

CSOs are effective as development actors when they ... develop and implement strategies, activities and practices that promote individual and collective human rights, including the right to development, with dignity, decent work, social justice and equity for all people.

2. EMBODY GENDER EQUALITY AND EQUITY WHILE PROMOTING WOMEN AND GIRLS' RIGHTS

CSOs are effective as development actors when they ... promote and practice development cooperation embodying gender equity, reflecting women's concerns and experience, while supporting women's efforts to realize their individual and collective rights, participating as fully empowered actors in the development process.

3. FOCUS ON PEOPLE'S EMPOWERMENT, DEMOCRATIC OWNERSHIP AND PARTICIPATION

CSOs are effective as development actors when they ... support the empowerment and inclusive participation of people to expand their democratic ownership over policies and development initiatives that affect their lives, with an emphasis on the poor and marginalized.

4. PROMOTE ENVIRONMENTAL SUSTAINABILITY

CSOs are effective as development actors when they ... develop and implement priorities and approaches that promote environmental sustainability for present and future generations, including urgent responses to climate crises, with specific attention to the socio-economic, cultural and indigenous conditions for ecological integrity and justice.

5. PRACTICE TRANSPARENCY AND ACCOUNTABILITY

CSOs are effective as development actors when they ... demonstrate a sustained organizational commitment to transparency, multiple accountability, and integrity in their internal operations.

6. PURSUE EQUITABLE PARTNERSHIPS AND SOLIDARITY

CSOs are effective as development actors when they ... commit to transparent relationships with CSOs and other development actors, freely and as equals, based on shared development goals and values, mutual respect, trust, organizational autonomy, long-term accompaniment, solidarity and global citizenship.

7. CREATE AND SHARE KNOWLEDGE AND COMMIT TO MUTUAL LEARNING

CSOs are effective as development actors when they ... enhance the ways they learn from their experience, from other CSOs and development actors, integrating evidence from development practice and results, including the knowledge and wisdom of local and indigenous communities, strengthening innovation and their vision for the future they would like to see.

8. COMMIT TO REALIZING POSITIVE SUSTAINABLE CHANGE

CSOs are effective as development actors when they ... collaborate to realize sustainable outcomes and impacts of their development actions, focusing on results and conditions for lasting change for people, with special emphasis on poor and marginalized populations, ensuring an enduring legacy for present and future generations.

Guided by these Istanbul principles, CSOs are committed to take pro-active actions to improve and be fully accountable for their development practices. Equally important will be enabling policies and practices by all actors. Through actions consistent with these principles, donor and partner country governments demonstrate their Accra Agenda for Action pledge that they “share an interest in ensuring that CSO contributions to development reach their full potential”. All governments have an obligation to uphold basic human rights – among others, the right to association, the right to assembly, and the freedom of expression. Together these are pre-conditions for effective development.

Istanbul, Turkey
September 29, 2010

¹ Please note, the Istanbul Principles, as agreed at the Open Forum's Global Assembly in Istanbul, September 28 -30, 2010, are the foundation of the Open Forum's Draft International Framework on CSO Development Effectiveness. These principles are further elaborated in Version 2 of this Framework, which is being updated and will be found on the Open Forum's web site, www.cso-effectiveness.org.



LAUNCHING THE PRINCIPLES at a meeting of the Working Party on Aid Effectiveness in October, a spokesperson for the Government of the Republic of Korea acknowledged the Istanbul Principles and endorsed the International Framework, adding: “Furthermore, I would like to take this opportunity to invite other governments to endorse the Istanbul CSO Effectiveness Principles and support various CSO initiatives to improve aid and development effectiveness.”

With regard to gender equality, the October 10 draft outcome document incorporates comprehensive commitments on gender equality and its importance to development, noting that participants must “accelerate efforts to achieve gender equality and women's empowerment through credible development programmes grounded in country priorities. Reducing inequality is a prerequisite for sustainable and inclusive growth and development” [para 17]. To this end, it states that participants will:

- a) Accelerate and deepen efforts to collect, disseminate and make full use of data disaggregated by sex to inform policy decisions and guide investments, ensuring in turn that public expenditures are targeted appropriately to benefit both women and men.
- b) Address gender equality systematically as part of mutual reviews of performance, grounded in international and regional commitments.

c) Systematically address gender equality and women's empowerment in all aspects of our efforts to support peacebuilding and statebuilding.

HOWEVER, AS THE BETTER Aid network points out in its Submission to the Working Party on Aid Effectiveness with regard to the draft outcome document in September, the draft still fails to address some key issues. Concerning results, for example, it lacks concrete and time-bound targets as well as a sense of political urgency, which reports from implementation surveys suggest will make it difficult to achieve further results. It does little to advance the concept of development effectiveness, as it lacks the kind of rights based approach that would bind all actors, including new state sources of development finance as well as the private sector, into a human rights framework—one which includes regulatory frameworks and accountability mechanisms for all actors.

THE BETTER AID CRITIQUE also argues the draft must be strengthened on the need for greater transparency in the allocation and disbursement of all development resources, pointing out that information must be timely, gender-disaggregated and comparable, and fully accessible to all citizens in both donor and partner countries.

FROM MUTUAL ACCOUNTABILITY TO MULTIPLE ACCOUNTABILITIES

Throughout the Paris Declaration process, civil society and gender equality advocates

have consistently pointed out that both donor and partner countries need to recognize that real ownership—and better long term results-- require inclusive and democratic accountability, which they have recently articulated as ‘multiple accountabilities’--going beyond accountability between donor and partner countries to embrace accountability of both donor and partner governments to their citizens.

SOME GENDER EQUALITY advocates have gone so far as to say that conditionalities related to gender equality and other so-called “positive conditionalities” should be removed and replaced by this kind of expanded transparency and accountability. The Women's Working Group--Busan, a coalition of diverse women's groups, argues that ODA should be a contribution that “truly supports national economic and social development within a framework of a vibrant and robust democratic society and transparent and accountable governments propelled by their own empowered political actors.”

TO ENSURE THAT THE benefits of additional financing benefit gender equality, social justice, and inclusion, they add, ODA processes must uphold the mutual responsibility and obligations of governments to fulfill the internationally agreed development norms, goals, targets and actions which have been identified in the Beijing Platform for Action, and other international agreements.

THEY FURTHER POINT out that monitoring and evaluative tools and methodologies need to be developed to assess the extent to which aid allocations address or fail to address the achievement of redistributive, social and gender goals. The categorization of gender, along with human rights and environmental sustainability, as cross cutting issues has led to difficulty in tracking outcomes within basket funds and sector-wide programming. They insist that the development of gender-informed tools and methodologies must be carried out in a participatory process and should involve both traditional and emerging sources of development finance and across several aid modalities. Moreover such exercise should take place across all levels, with resources being allocated to enable women's rights advocates to meaningfully participate in national, regional and international processes.

THESE GROUPS BELIEVE that the UN system, including its various entities charged with promoting women's rights and gender equality, must be



the location of this process in the multilateral sphere. They argue that genuine development requires supporting governments to become accountable to their citizens and have the kind of participatory governance mechanisms in place that can create the necessary enabling environment. Such states must bring together all economic actors in order to generate economic development focused on job creation and social protection. Beyond this, they argue that new providers of development finance, public and private, should respect the OECD aid effectiveness principles and learn from South-South cooperation.

AID ARCHITECTURE

Following the previous HLF, at Accra, virtually all parties had agreed that the more appropriate forum for discussion on aid effectiveness and development should be the UN Development Cooperation Forum, where low income countries have an equal voice, rather than the OECD. However, their motives may not have been the same. Donors may be eager to shift responsibility for development results to recipient country governments, while developing countries see it as a way to be able to fully shape development strategies, which donors often dismissed as overly ambitious or unrealistic. At present, moreover, they do not all see a shift to the UN as the essential next step. “The trouble with the UN is that it is an ineffective actor,” a Rwandan ambassador said. “The UN can be good in some situations, but not in others.” (see Poverty Matters excerpt, Section 4).

CIVIL SOCIETY FOR ITS part, notes that “in order to avoid potential duplication and building parallel processes with respect to the UN, which has a key mandate in development policy and practice, the Busan Outcome Document should ensure that the proposed Global Development Partnership acknowledges, harmonizes and coordinates with UN bodies such as the UNDCP. Indeed, the UN should play a central role in the Global Development Partnership, as the multilateral institution where all countries are represented and with a clear mandate to support, promote and coordinate development work, and with specific institutions to support and play different key roles in this process, such as the DESA, the UN DCF and ECOSOC” [para27]

AT THE TIME OF WRITING, the decision on the role of the DCF was still being contested, although there was broad agreement that signatories of the Busan outcome document will form a new, inclusive Global Partnership for Effective Development Cooperation to oversee and support the implementation of commitments at the political level [para 11].

A RELATED AND IMPORTANT context is the shifting environment for development financing as well as the big- picture challenges, particularly the need to address recurring global financial and food crises and the intensifying crises of climate change and environmental degradation.

THE CURRENT DRAFT outcome document notes that “aid is only part of the solution

to development. It is now time to broaden the collective focus and attention from aid effectiveness to the challenges of effective development. This calls for a new vision for development. Within this vision [para 24:

- Development is driven by strong, sustainable and inclusive growth;
- Governments raise their own revenues to finance their development needs and, in turn, are accountable to their citizens for the development results they achieve;
- Effective state and non-state institutions design and implement their own reforms and hold each other to account.

HOWEVER, ONE OF THE key points civil society groups are raising is that while the draft outcome document acknowledges the paramount importance of poverty eradication, it fails to address what perhaps is the most significant driver of its persistence, namely: growing inequality, not only among and within countries, but within different population groups, such as children--and women. Paragraph 7 of the Better Aid response states:

“GROWING INEQUALITY, being one of the major challenges for the current development model, is not addressed adequately. Concerted action for gender-responsive social protection and decent work including livelihood creation should be promoted as building blocks for a socially sustainable development strategy that can lift people out of poverty and tackle social and gender

inequalities. This should be a key dimension of the Busan outcome document’s expression of development effectiveness.”

BETTER AID ALSO TAKES up need for “new, modern and effective approaches to development.” Their response states, among other things, that [paragraph 10]:

- Growing inequality, between rich and poor and men and women, should be expressly highlighted as a disturbing outcome of the current development model and therefore a priority challenge.
- New financial instruments, such as the Financial Transaction Tax, should be developed over and above existing ODA engagements and commitments.
- Partner countries should be in a position to use their policy space fully, without constraints generated through donors’ conditionality, but subject to international human rights standards.

THEY ALSO REITERATE the need for all players to respect the framework of previous commitments on development effectiveness, including existing internationally agreed commitments on human rights, gender equality, decent work, disability, and environmental sustainability as common principles for engagement and accountability.

IN SHORT, THE BETTER AID GROUPS insist that the Busan outcome document must go beyond “aid effectiveness plus” to genuine and inclusive “development effectiveness”. They argue that development effectiveness should not be confused with, or reduced to economic growth, but instead be able to address the root causes of poverty, inequality, discrimination, violence and conflict. While growth is necessary, growth alone without substantially changing the human condition for the better is meaningless. To realize development effectiveness, measurable commitments must be taken to improve the effectiveness of aid and its impact on the lives of all people. This means explicitly integrating rights-based and gender specific approaches into the Busan outcome document in order to ensure that they are strengthened and implemented.

EVALUATING AID EFFECTIVENESS AT COUNTRY LEVEL

The Paris commitments were subjected to two official assessments: independent evaluations in 2008 and 2010, and an OECD Survey of progress in implementing the Paris Declaration principles issued in May/June 2011.



REALITY OF AID finds development results hard to demonstrate

The Paris Declaration is part of an international push for results that was initiated with the Millennium Summit in 2000, including the adoption of a set of targets and indicators to measure progress in achieving the Millennium Development Goals. The Accra Agenda for Action affirmed this linkage, stating: “Gender equality, respect for human rights, and environmental sustainability are cornerstones for achieving enduring impact on the lives and potential of poor women, men, and children. It is vital that all our policies address these issues in a more systematic and coherent way.”

However, none of the evaluation surveys developed a methodology for measuring the degree to which aid reforms contributed to this impact on the lives and potential of poor women, men and children. At best, proxy indicators suggest some overall trends, but clearly such trends cannot address highly differentiated experiences in each country context. The lack of evidence and country-specific analysis of impacts on development outcomes is unacceptable. The Reality of Aid Report therefore calls for a comprehensive and systematic approach by all development actors to continue to strengthen systems for evaluating impact.

In addition, new resources and efforts must also be invested to develop and examine country-level evidence on the development outcomes of reforms. The presumed intent of these reforms is country ownership, improved aid modalities and greater accountability for achieving gender equality and better conditions for poor and vulnerable populations – the intended beneficiaries of these efforts to reduce poverty and inequality.

“Gender equality and women’s rights, including their empowerment and equal participation in decision-making and in all aspects of the development process, are prerequisites for substantive democratic ownership and development effectiveness. Similarly, development effectiveness cannot ignore the implementation of the Decent Work agenda7 as the cornerstone for sustainable livelihood-focused economic development strategies and social inclusion.”

Achieving Progress for Development Effectiveness in Busan: An Overview of CSO Evidence, Reality of Aid report, 2011



THE OECD REPORT “Aid Effectiveness 2005-2010: Progress in Implementing the Paris Declaration”, finds that donors have made less effort and less progress than developing countries in implementing aid effectiveness commitments since 2005, even though the commitments demanded less from donors.

LITTLE PROGRESS HAS been made on donors untying their aid, delivering promised aid, and being more transparent with regard to aid flows. Donors have only met 1 of the 9 global targets that they are primarily responsible for meeting. Furthermore, donors are perceived as ‘bottlenecks’ that stop developing countries making even better progress.

A SPECIAL REPORT by the Reality of Aid coalition, Achieving Progress for Development Effectiveness in Busan: An Overview of CSO Evidence also examined progress in selected countries, 32 in all. The findings confirm many of the results of the OECD study and also indicate slow progress in broadening space for civil society participation and achieving more inclusive development results.

IN PARTICULAR THE Reality of Aid report focuses on “democratic ownership” of national development plans and “development results for people,” pointing out that the former gives attention to the empowerment of people most affected by development initiatives, including their capacities and access, while the latter evaluates the ability of aid to reduce poverty and promote social and gender justice.

TWO-THIRDS OF the countries studied by Reality of Aid indicate that the Paris Declaration / Accra Agenda for Action have had some positive influence on an improved relationship between many country governments and their international cooperation partners. However, there is little evidence of strengthened democratic ownership. There is also increasing concern that political space for CSOs as development actors is being undermined and is shrinking in many countries.

WHAT IS MUCH more difficult to determine is the impact, if any, of aid reforms on development results for poor and vulnerable communities. All the country studies conclude that aid resources rarely affect

the structural underpinnings of poverty, such as inequality in access to land and other economic assets. Nevertheless, there is mixed evidence in these studies that suggests some improved trends in the conditions of poverty as measured by school enrolment and completion, maternal and child health, participation of women in the formal economy and political process.

REALITY OF AID authors looked beyond participation and consultation to see if there were inclusive institutions mandated to develop and monitor development strategies. They were able to identify bodies for development planning in most countries. But in at least half the cases, they were not multi-stakeholder bodies, but were typically composed only of government officials, who saw their task as elaborating plans and coordinating these plans with donors.

THE OECD SURVEY, Independent Evaluation, and many of the Reality of Aid country studies confirm that coordination with donors has improved since 2005, and has often resulted in the elaboration of an aid management policy by the government. By contrast, in all country cases, donor

engagement with CSOs at the country level is episodic at best. Furthermore, in many cases CSOs see donors as potential or actual development partners (for funding) and not targets for advocacy and policy dialogue.

IN MANY CASES, however, the authors found space for civil society as genuine actors in development was closing. They note that this conclusion reinforces the “global crisis of shrinking CSO space” that has been documented by the global civil society coalition, Civicus. In a survey of CSOs in 25 countries (4,122 organizations), Civicus recently found that 11% perceived they were operating in a highly restrictive environment, 36% quite limiting and 45% moderately limiting. Almost 60% reported having experienced illegitimate restrictions or attacks by authorities.

THE BETTER AID REPORT also found limitations on practical access to information, even where legislation exists. “CSOs see a close relationship between transparency and democratic ownership. Without transparency in information, parliaments and citizens have few tools with which to hold governments to account; when the government and its bureaucracy tightly limit ownership and control accountability, a culture of corruption flourishes, and the political will to fully implement mechanisms for transparency and accountability will be weak.”

THE BETTER AID COUNTRY studies also found limited evidence of linkages between aid effectiveness policies and better conditions for people in poverty and progress on women’s rights (see box).

While not assessed in detail, a cause for concern in many of the country studies is the deterioration of ecological indicators and unabated exploitation of natural resources as the “development model” for many of the countries studied. This may yet prove to be the major challenge to all players moving forward to a post-2015 world.

Traditional and emerging sources of development assistance along with recipient country governments and CSOs meeting in Busan will seek to find a way to manage the development process in order to meet this and other challenges. And the UN itself must decide whether it can be an effective as well as an inclusive forum in accelerating the ability of all players to deliver on results. ■

Aid effectiveness:

OECD must invite newcomers to the table

Posted by Mark Tran 7 July 2011. Poverty Matters Blog, The Guardian

The conference on aid effectiveness in Busan, South Korea, needs to produce a political declaration that deals with the fragmentation of the international system, according to a top development official.

“The international system is broken and there is a need for a new agenda and policy coherence,” Brian Atwood, who chairs the OECD’s Development Assistance Committee (DAC), the club of aid donors, said on Wednesday. “We need broader participation.”

Atwood’s call for a rethink of the world’s “aid architecture” development cooperation comes at a time when China, India and Brazil have emerged as aid donors in their own right. Yet Atwood believes that Dac is an inclusive enough organisation to retain its leading role in development efforts. Rejecting the idea that Dac is a rich man’s club, he pointed out that for the first time Chinese officials had attended an annual senior meeting in April, and that other non-Dac member donors, including Brazil, Indonesia and South Africa, have taken part.

The debate on DAC might seem relevant only to policy wonks, but a lot of money is at stake. Total aid from OECD countries came to \$128bn (£79bn) last year and taxpayers want to know where their money is going and whether it is well spent. The debate takes place against a backdrop of similar discussions as to whether leadership of the World Bank and the International Monetary Fund

– and the composition of the UN security council – should reflect the shift in power away from the west.

Atwood, the former head of USAID and a veteran of the Carter administration, said the OECD DAC Working Party on Aid Effectiveness (WP-EFF), which is toiling on a draft of the set of principles for Busan, willingly listened to aid recipients and was willing to engage with all comers.

His defence of DAC at a committee room in parliament followed a blog on the Global development site by Jonathan Glennie, a research fellow at the Overseas Development Institute, in which he questioned the OECD’s lead role in the debate on effectiveness. For Glennie, who was also at Wednesday’s debate on aid effectiveness, that role should fall to the UN, which played an effective and inclusive role in pushing the most important globally agreed targets in history, the millennium development goals.

While giving OECD DAC credit for its work on aid effectiveness, Glennie said it was time for a more inclusive forum on aid effectiveness to reflect the changing global balance of power. “It is a new era and it is time recipients have a lead role,” Glennie told the audience, pointing out that south-south trade has grown enormously in the last few years.

“Recipients demand more and want a leadership role.”



“New development chapter”: Where is the EU development agenda heading?



Photo: Kirsten Mellin-Olsen

TEXT: KASIA STASZEWSKA AND LUISA ANTOLIN, WOMEN IN DEVELOPMENT EUROPE (WIDE)

“TODAY WE OPEN A NEW CHAPTER in EU development policy.” These were the opening words of EU Development Commissioner, Andris Pielbalgs, as he launched the “Agenda for Change” in October, outlining the EU development policy in the next decade. “I’m proposing today that we refocus our aid priorities to ensure that countries are on track to achieving sustainable and inclusive growth,” Pielbalgs said.

HIS NEW EU AGENDA MEANS a clear shift in the language relating to development, one which is much more business and economic growth oriented than the previous “EU Consensus on Development.” This new “Agenda for Change” reflects the current geo-political situation of the EU and builds on the statement by José Manuel Durão Barroso, President of the European Commission, a year ago when he stated: “European Union development policy needs to modernise aid. We need to make it work stronger by acting as a catalyst for growth and focus on private-sector activity, regional integration and international trade.”

SHOULD HUMAN RIGHTS and feminist organizations then be concerned? “Agenda for Change” refers to gender equality and women’s rights. Yet even though both are made high priorities for development, they evaporate as one looks at implementation (e.g., the meagre political commitment and budget for the “EU Plan of Action on Gender Equality and Women’s Empowerment for Development 2010-2015”). Furthermore, the approach to gender equality is highly instrumentalist; gender equality as smart economics is back.

EU COMMON POSITION FOR BUSAN

The launch of “a new chapter in EU development policy” is a worrying sign for the EU Common Position for the High Level Forum on Aid Effectiveness (HLF-4) in Busan. After the progressive EU stand on human rights and gender quality in Accra, one might have expected the same at Busan. Indeed, the EU had recently dropped its objection to development effectiveness as a necessary complement to aid effectiveness reform. However, it appears that the development effectiveness language has

been co-opted, dropping human rights in favour of inclusive growth.

IT IS NO SECRET THAT enlarging the tent by getting the BRICS and the private sector on board is a priority for HLF-4. The world has moved on and it might be not realistic to stick to the old categories of North and South. Yet enlarging a tent comes with a price. Still, when even the official evaluation of Paris Declaration indicates little progress in prioritizing the needs of the poorest people, particularly women and girls, one can’t help but wonder; how much of an ‘old’ human rights and gender equality agenda EU donors are willing to compromise?

THE EU HAS THE CAPACITY to continue to be a driving force on gender equality and women’s rights. Therefore, as a network of women’s organizations in Europe, WIDE regrets to see that the document outlining the basis for joint EU position for HLF-4 (COM (2011) 541) fails to address gender equality as a goal in itself as well as a cross-cutting issue in development cooperation.

It even falls short of gender equality language in the draft outcome document, definitely a step backward as compared with the EU position for Accra in 2008. This also means that the aid and development effectiveness process needs a new gender equality champion – a role, surprisingly, South Korea and the US are eager to play.

THE FUTURE OF EUROPEAN DEVELOPMENT COOPERATION?

Today aid is threatened in a EU badly weakened by the financial crisis. The threat is real: Commissioner Pielbalgs defends aid in every forum he attends, as he did when launching the “Agenda for Change” in October. But what kind of aid is he actually advocating?

It seems that the ‘traditional’ poverty reduction MDGs approach can no longer be defended in Europe, either in the G20 process or the HLF-4 in Busan. Instead, the modernization of EU development policy refers to development as a catalyst for growth, best value for money, incentives for government reforms and creating market opportunities for private European stakeholders. Development objectives become increasingly subordinated to the neo-liberal market agenda and human development and women’s empowerment are streamlined towards market integration.

SHOULD WOMEN’S ORGANIZATIONS in Europe stand up for the MDGs then? Probably not, as they do not reflect a feminist approach nor the complexities of today’s world. Yet

we should be concerned given the changing dynamics as reflected in the European recent policy reforms.

IN WIDE WE BELIEVE that the EU has a too significant record to give up on gender and human rights. According to Commissioner Pielbalgs at the launch of “Agenda for Change,” “Human rights are, by their very nature, universal. They form part of the human race’s basic value set. As such they should be defended, regardless of their benefit to development efforts.” In the same way, gender equality and women’s rights remain part of discourse, which is crucial for accountability efforts. The latter, however, may become even more of a challenge, as the EU embarks on implementing its “new development chapter” reform. □

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On 7 September 2011, as input to the EU Common Position for Busan, the EC issued a Communication to the European Parliament, the Council and relevant committees. Following are excerpts from that Communication.

Excerpts from the EC Communication on the 4th High Level Forum on Aid Effectiveness

1. Introduction

The objective of the 4th High Level Forum is to assess progress against agreed commitments, review the aid effectiveness agenda and link it with the wider agenda on development financing. The focus is on supporting strengthened development results in the context of new global development challenges and partnerships, including the engagement of emerging economies. ...

The purpose of this Communication is to propose the EU Common Position for Busan to be followed by the EU and its Member States.

2. Evidence of Progress

The evidence suggests there is a need to identify key commitments to strengthen aid reform and provide a basis for future focus, in line with priorities identified by partner countries:

OWNERSHIP: Partner country ownership is fundamental for aid to achieve development results. It needs to be deepened to democratic ownership to address the importance of inclusive dialogue and strengthened capacities among local stakeholders and institutions.

TRANSPARENCY AND PREDICTABILITY: Reliable, well-communicated aid flows are fundamental to increasing partner countries' ability to implement development strategies. Transparency and predictability also strengthen democratic ownership and accountability. They enable donor coordination and results reporting. The study suggests that the lack of predictability of EU aid costs around €1 billion a year.

ALIGNMENT: Aligning with partner country priorities and using country systems are important in supporting partner countries'

ownership and leadership. Use of country systems supports the overall capacity development of partner countries to provide effective services.

ACCOUNTABILITY FOR RESULTS: Supporting development results is the overall justification for the aid effectiveness agenda. Accountability for results, in turn, should be addressed by increasing capacity to monitor, measure and report results and use them for making subsequent decisions.

REDUCED FRAGMENTATION AND PROLIFERATION: Proliferation and fragmentation lead to duplication and unnecessary transaction costs. The EU could save more than €700 million a year by reducing aid fragmentation.

Countries in fragile situations: Evidence shows that aid effectiveness principles are relevant to countries in fragile situations, but enhanced implementation of good practices, adaptations and flexibility are needed.

3. Future effectiveness commitments

The Busan outcome document should be the future framework for aid effectiveness encompassing the Paris Declaration and the Accra Agenda for Action while directing future implementation in priority themes and commitments. The Commission proposes that the EU Common Position should include the following themes and proposals for commitments by partner countries and donors including multilateral organisations and vertical funds.

OWNERSHIP

The Busan outcome document should address ownership as a combination of commitments on democratic ownership, capacity development, strengthened country systems and results based conditionality.

TRANSPARENT, HARMONISED AND ALIGNED PARTNERSHIPS

In Busan, donors should reaffirm their commitment to publicly disclose regular, detailed and timely information on aid volumes, conditions and the results of development expenditure. This should be done on an annual and rolling three- to five-year basis to enable accurate budgeting, accounting and auditing by partner countries.

ACCOUNTABILITY FOR RESULTS

The EU acknowledges that continuous political support has not fully materialized, noting that country level implementation has not been adequately supported by global structures and that monitoring of the Paris commitments has not been adapted to country contexts.

COUNTRIES IN FRAGILE SITUATIONS

The results of monitoring the 10 specific Fragile States Principles show that, while aid effectiveness principles remain relevant, the way they are implemented in situations of fragility needs more fine-tuning.

4. Extending aid effectiveness principles to other sources of development finance and actors

The evidence suggests that aid effectiveness commitments are relevant beyond their present scope in terms of actors and sources of development financing. The increasing importance of non-DAC donors calls for their wider participation in the aid effectiveness agenda and in the Busan Forum. The following sections addressing development effectiveness include the actors and sources of finance which can bring added value to effective development cooperation and which should be a priority in the Busan Forum.

ROLE OF THE EMERGING ECONOMIES AND SOUTH-SOUTH COOPERATION

Emerging economies are playing a rapidly growing role in supporting partner countries, including through South-South cooperation. It is important that Busan is used as an opportunity to strengthen the global development partnership based on the diverse approaches to and experiences of development.

Contributing to development results is relevant to all stakeholders providing development financing. The Busan Forum should include an exchange between partner countries, donors and emerging economies to share experiences in achieving results. Based on this the Busan Forum could build towards shared principles and differentiated commitments. Aid effectiveness principles can provide added value in formulating them.

The relevance of South-South and Triangular cooperation should be reaffirmed in Busan. To strengthen the results of these cooperation channels, the Busan outcome should address complementarities between North-South and South-South partners based on transparency regarding development financing flows. The Busan outcome should also emphasise the role of regional platforms for knowledge-sharing on successful development experiences as well as capacity development and aid management practices.

CIVIL SOCIETY ORGANISATIONS, LOCAL AUTHORITIES AND PRIVATE FOUNDATIONS

Building on the Accra Agenda for Action and the results of the EU Structured Dialogue, the Busan outcome should reaffirm the recognition of civil society organisations (CSOs) as independent actors in their own right and acknowledge that CSOs complement the roles of governments and the for-profit private sector. In addition, the Busan outcome should recognise the role of local authorities when they have autonomy and the right to initiate specific interventions supportive of local development needs.

In Busan, civil society organisations and local authorities from donor and partner countries should be called on to continue their ongoing efforts to enhance accountability, transparency and integrity in their operations based on self-regulatory mechanisms such as the Istanbul CSO development effectiveness principles¹⁰.

The Paris principles are also applicable to private foundations that have an increas-

ingly important role as donors. Foundations should be called upon to make adaptations to the Istanbul principles to fit their activities and partnerships.

Finally, when acting as donors, international CSOs and private foundations should promote local ownership by acknowledging the lead of local civil society in taking the initiative in identifying local development needs.

WORKING TOGETHER WITH THE PRIVATE FOR-PROFIT SECTOR

The emergence of private actors offers different viewpoints and solutions to development challenges. This calls for closer involvement of the private sector in development cooperation to strengthen the catalytic role of aid. Increased cooperation should be based on the aid effectiveness principles.

Blending of loans with grants and further use of innovative financial instruments (risk capital, guarantees, risk-sharing) in cooperation with multilateral and bilateral institutions offers means to leverage additional development funding from the private sector. In Busan, development partners should be called on to further develop and

increase the use of blending and innovative financial instruments. Furthermore, the private sector should be called on to take an active role in development cooperation through public-private-partnerships and corporate social responsibility practices.

INTERNATIONAL CLIMATE CHANGE FINANCE AS PART OF OFFICIAL DEVELOPMENT ASSISTANCE

The Copenhagen-Cancun process agreed on substantial finance to address climate change: so-called Fast Start Finance amounting to \$30 billion over the years 2010-2012 and an increase in public and private funding to reach \$100 billion per year by 2020.

The Busan outcome should i) endorse the application of the aid effectiveness principles to climate change finance and target similar endorsement in the Copenhagen-Cancun-Durban process, ii) ask the United Nations Framework Convention on Climate Change Transitional Committee to include the aid effectiveness principles in the design of the Green Climate Fund, and iii) make a commitment to assess the application of the aid effectiveness principles regularly through the Monitoring, Reporting and Verification mechanism on climate finance. □




 SECTION 4

In engaging the aid effectiveness agenda, women's rights and civil society organizations, have successfully expanded the definition of aid effectiveness to mean development effectiveness, proposing a number of targets against which this should be evaluated. In addition to women's rights and gender equality measures, they have consistently joined with developing country governments in demanding an end to two donor practices, which despite many promises, are still quite prevalent: namely tied aid and policy conditionalities.

ODA:

strategic potential and (ultimate) limits

A case study of Afghanistan, included in this section illustrates the benefits of untying aid, while the recently released Eurodad study of aid effectiveness in six countries shows how the practice continues to operate.

The issue of policy conditionality raises wider issues, some of which are touched on in the CIVICUS article on hopes for a new deal for Africa reproduced in this section.

As the aid effectiveness process has continued, many of these groups have viewed the aid effectiveness agenda as part of a broader process of social transformation, developing strategies to make development policies and practice people-centered, sustainable and responsive to women's rights and gender equality.

For most, the rights-based approach is central to their analysis and advocacy, and this provides an overall framework not only for policy positions but also for accountability mechanisms, metrics for achieving goals, who are the key actors in implementation and decision-making, and which governance forums have credibility and legitimacy.

The main linchpins for linking rights and development have been the Covenant on Economic, Social and Cultural Rights (CESCR) and the Convention on the

Elimination of All Forms of Discrimination against Women (CEDAW). Supporters of the rights/development agenda have explored how these rights instruments provide strategies for implementation in the face of resources constraints. Several of them have articulated the need for country level support to a strategy of 'progressive realization', relevant in all countries not only developing countries. This strategy moves the rights and development agenda forward at the pace resources allow, but maintaining it as a priority, and insisting that countries must use the maximum resources available.

A number of feminist economists are mobilizing around the idea that rights must be linked to macroeconomic policies (fiscal and monetary), which affect the operation of the economy as a whole, and shape the availability and distribution of resources. Building on these analyses, the Center for Women's Global Leadership (CWGL) has issued a brief called "Making Macroeconomics Work for US: A Feminist Perspective," which highlights the links between macroeconomic policy and human rights, particularly economic and social rights.

The UN conventions do not carry the same weight or accountability/reporting

requirements with the OECD, which has been set up primarily as a think-tank for its members, who are mainly the aid donors from Europe, North America, Japan, South Korea, Australia and New Zealand. Other countries and governments are not willing to make commitments for which they will be held accountable in a forum where they do not have full membership. The limited membership and limited vision of the OECD have led many CSOs to challenge OECD's leadership role in the future of development cooperation and these groups are advocating a shift in the locus of decision-making on development cooperation to the UN, to the Development Cooperation Forum (DCF) in particular. Some have proposed a two track approach, in which the OECD continues to monitor the implementation of the Paris Declaration principles, while the DCF becomes the key forum for the wider discourse on development and developing financing.

Protecting economic, social and cultural rights, including financing social protection, brings the spotlight to fiscal space, and international trade and investment regimes that often constrain or re-direct the use of resources away from these priorities. The CWGL piece shows how the policies of fiscal austerity adopted in US and UK as well as in several EU coun-





tries fail to mobilize maximum resources available to protect basic economic and social rights.

Gender budget initiatives have been developed and used by feminist economists and gender equality advocates—both in government, parliamentary caucuses as well as civil society – as an analytical and advocacy tool to ‘follow the money,’ that is, to track how resources are raised and spent.

Recently these tools have also been used to follow how aid money is allocated and spent—the first step in demanding accountability from both donor and partner governments to their citizens

At a high-level meeting in Kigali in July 2011, where a number of such initiatives were reviewed, government and civil society leaders were able to see how national institutions could meaningfully integrate gender equality into their development planning and management systems. They emphasized the importance of partnerships among gender equality advocates from government planning ministries, donor agencies, national and local legislatures and civil society to shape policy frameworks and identify development priorities for direct budget support.

Another example of gender-responsive budgeting being used for policy advocacy is in WIDE’s monitoring of the EU as donors, EU Donors Under Women’s Watch. This mapping study on the EU donors’ compliance with their ownership and mutual accountability commitments made in the Paris Declaration and Accra Agenda for Action was based on five country studies: Austria, Netherlands, Poland, Spain and the UK. In its findings, the study highlights that resources for gender equality need to be better tracked and more effectively distributed.

In most cases, the effectiveness of policies and their implementation will define development results, and these depend critically on resource allocation and re-allocation. However, on many occasions donor and recipient government pledges are not followed up with new and additional resources or are handicapped by very slow disbursement. For this reason, a number of civil society initiatives are increasingly focusing on making financing decisions and resource allocations more transparent.

The WIDE study confirms that since 2005, transparency has improved, but reiterates the serious lack of gender-disaggregated data or regular reporting practices on the impact and outcomes of aid. “The gender marker, used by most of the [OECD] DAC, is a step in the right direction, yet not enough to provide comprehensive information on budget allocations (who is getting the money and for what), and without any reference to the impact or quality of the process.”

Also working at the EU level, Concord Aid Watch monitors the quantity and quality of aid from the EU and its member states. Its recommendations include: independent monitoring and evaluation; establishing a complaints mechanism open to aid recipients; supporting in-country mechanisms for holding donors to account. It calls for the EU to commit to good practice standards of openness and transparency of their aid budgets and activities.

An initiative by the Global Campaign for Aid Transparency called ‘Publish what you fund’ points out that particularly since the global financial crisis there has been a resurgence of commitment to financial aid transparency and greater focus on the effectiveness of spending in all areas. Governments in recipient countries need to

get a clear idea of how much aid is invested in their countries and how it is being spent in order to decide how best to allocate their own resources. Even in the most aid dependent countries, domestic resources remain greater than external support [www.PublishWhatYouFund.org]

Recognizing the interrelationships between revenue sources and achieving economic and social justice, the call for openness and transparency now extends well beyond ODA budgets and decision-making to national budgets, multilateral programmes and private sector activities. Another Global Campaign initiative, called “Publish what you pay” for example, puts the spotlight on the oil, gas and mining industries whose revenues are the basis of development plans in so many countries.

Using rights as the key to development results, rather than partial or minimal development targets, momentum has been building behind the UN-endorsed Social Protection Floor. This floor would guarantee basic income in the form of social transfers in cash or kind, such as pensions, child benefits, employment guarantees and services for the unemployed and working poor, while providing universal access to essential affordable social services in health, water and sanitation, education, food, housing, and other services. While all of these would go a long way in relieving women’s unpaid care burden, feminist economists and women’s rights advocates point out that essential to include in the ‘other services’ category is child care. □

PUBLISH WHAT YOU PAY

■ Despite billions of dollars of incoming revenues from oil, gas and mining extraction, citizens of more than 50 resource rich countries around the world remain steeped in poverty.

■ The call for companies to “publish what you pay” and for governments to “publish what you earn” is a necessary first step towards a more accountable system for the management of natural resource revenues. If companies disclose what they pay, and governments disclose their receipts of such revenues, then members of civil society in resource-rich countries will be able to compare the two and thus hold their governments accountable for the management of this valuable source of income.

■ Revenue transparency will also help civil society groups to work towards a democratic debate over the effective use and allocation of resource revenues and public finance in order to meet development objectives, improve public services, and redistribute income. □

Beyond Busan to financing women’s rights and sustainable development

WHILE MANY CIVIL SOCIETY groups agree on the strategic value of engaging with the ODA processes, they also recognize that ultimately, nationally owned and inclusive development depends on countries being able to mobilize their own resources – both public and private – as the main source of development financing. This goal of strengthening domestic resource mobilization was adopted as a priority in the Monterrey Consensus on Financing for Development in 2002. Central to realizing it is the ability of governments 1) to develop and implement efficient and fair systems of taxation; and 2) to direct public expenditure in ways that benefit all sectors of society.

Developing these capacities is very much influenced by the flexibility allowed by the international trade and investment rules as well as the policy framework promoted by the international financial institutions (IFIs).

In making this point in 2009, at the height of the global financial and economic crisis, equality advocates from both the North and the South, allied in the Women’s Working Group on Financing for Development, urged governments and IFIs to:

1. Promote participatory and gender responsive budgeting;
2. Strengthen the national commitment to Decent Work, through public employment schemes as well as private sector incentives and
3. Adopt progressive and fair taxation measures including tax rebates and tax relief to support poor households

TWO YEARS LATER, with economic recovery threatened and little having been done to protect countries from the next financial crisis, world leaders will take up these themes in the latest of a series of dialogues mandated by the Monterrey Consensus review process. The 5th High Level Dialogue on FfD, entitled “The Monterrey Consensus and Doha Declaration on Financing for Development: status of implementation and tasks ahead” will highlight the following themes:

1. The reform of the international monetary and financial system and its implications for development;
2. The impact of the world financial and economic crisis on foreign direct investment and other private flows, external debt and international trade;
3. The role of financial and technical development cooperation, including innovative sources of development finance, in leveraging the mobilization of domestic and international financial resources for development.

Gender equality advocates, through the list-serv gender-in-ffd, have joined with members of the global-social-economy-group (GSEG) to mobilize civil society for a Civil Society Forum to accompany this meeting. In an effort to “reignite multilateralism,” they will bring civil society voices, especially from the South, to not only protest the status quo but also point to alternative ways forward; offer some suggestions on how to regulate the financial sector to serve the real economy; and insist on greater coherency between the UN, G20 and the Rio +20 Conference.

“Inclusion, transparency and accountability must be factored into any changes being discussed.” □



Can Busan Forge a New Deal for Africa?

In the hope for a fairer deal on aid for the continent, discussions among the African Union, New Partnership for Africa's Development (NEPAD), and private sector and civil society representatives on how to improve the impact of aid for the most vulnerable and marginalized have produced the 'African Consensus and Position on Development Effectiveness.'

TEXT: MANDEEP TIWANA AND NETSANET BELAY, CIVICUS, JOHANNESBURG, SOUTH AFRICA

As 2000 high-level delegates and experts converge on Busan, to review global progress on the impact and effectiveness of aid, it is imperative that the needs of Africa take centre stage. Present aid policies are failing Africa, as evidenced by the fact that 33 of the world's 48 Least Developed Countries (LDCs) are on the continent. UN estimates of progress on the Millennium Development Goals show that Africa is lagging behind the rest of the world in reducing poverty. According to 2005 estimates, which are still quoted by experts, half the people in Sub-Saharan Africa live on less than USD 1.25 a day.

Civil society is hoping for enhanced commitments in Busan from donor and recipient countries to set a new agenda for development that maximizes the benefits of aid for those most in need. It is thus imperative from an African perspective that political leaders and senior government officials coming to HLF 4 reiterate their commitment to implementing principles agreed to in previous high level forums on aid effectiveness at Accra (2008) and Paris (2005).

At Busan, Africa needs developed donor countries to live up to their aid commitments and ensure the predictability of aid flows to allow recipient countries to plan for the future on the basis of aid that has been promised for development. Following the global financial crisis of 2008, a number of developed countries reneged on official development aid commitments by drasti-

cally slashing the amount of aid that had been promised for Africa, putting to waste the efforts of African countries who had spent considerable time and resources in formulating extensive plans for the utilization of the projected aid.

«At Busan, Africa needs developed donor countries to live up to their aid commitments and ensure the predictability of aid flows to allow recipient countries to plan for the future on the basis of aid that has been promised for development.»

Additionally, the failure of developed countries to allocate a minimal 0.7 percent of GNI to aid to developing countries to meet their development goals must be in the spotlight. This figure was agreed through a UN General Assembly resolution back in 1970. Sadly, only a handful of developed countries have met this target while most fall woefully short.

Moreover, if official aid is to work, it must be de-linked from political or economic considerations of donor governments. Despite commitments to reduce this kind of policy conditionality, aid flows remain dependent on the strategic and geopolitical priorities of donor governments, including security concerns. It is an open secret that some LDCs in Africa have received more aid than others not on the basis of the actual needs of their populations but because of to

their governments' willingness to cooperate militarily in the global 'war on terror'. There is a strong demand from civil society that conditionality be focused only on 'development results', including a commitment to the protection of human rights, social justice, and transparency.

From Africa's perspective, while it is important to spur economic development on the continent, there is also an equally pressing need to re-orient global economic governance towards meeting the needs of the impoverished and the marginalized. The World Bank and the International Monetary Fund (IMF), from which many African states have borrowed huge amounts of money, continue to be governed by (and serve the economic agenda of) a handful of traditionally rich countries. Discussions at Busan cannot be divorced from reform and democratization of international financial institutions whose work has a powerful resonance on the continent.

Another key principle of the aid effectiveness agenda is that of 'national ownership'. Many African states have sought to interpret this as 'government ownership', as evi-

dent in the proliferation of policy pronouncements and legislation to allow governments to maintain hegemony over aid money to the detriment of other stakeholders, such as parliamentarians who sit in the opposition, civil society, and local communities.

Since the last High Level Forum in Accra in 2008, a number of efforts to prevent civil society groups from demanding accountability from governments have taken place across the continent, through legal and policy measures that restrict the advocacy work of

NGOs and force them to bring their activities in line with national development plans decided by governments. The serious crisis of shrinking civil society space on the continent is exacerbated by the fact that many vocal civil society advocates exposing corruption and human rights violations are being intimidated through motivated prosecutions, threats, attacks on their reputations, and extreme physical violence.

There is also a worrying paucity of information from African countries regarding the

impact that aid is having on the lives of the impoverished. This is linked to the lack of democratic institutions that can independently verify the actions of governments.

In Busan, the world cannot afford to fail Africa, and nor can African leaders. □

A slightly different version of this article also appeared in IPS, September 2011

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Boomerang Aid

In the run-up to Busan, the Eurodad network has issued the results of a study of aid effectiveness it carried out in six countries-- Namibia, Ghana, Uganda, Bangladesh, Nicaragua and Bolivia. The study, called "How to spend it: smart procurement for more effective aid," investigates how aid is actually spent, who the beneficiaries are and what the local economic impact is. What it shows is that two-thirds of all aid-funded contracts are awarded to firms in developed countries in a phenomenon called 'boomerang aid'.

TEXT: BODO ELLMERS, EURODAD

THIS CONCLUSION EMERGED from our examination of donor procurement practices, which refers to the awarding of contracts to private companies for aid projects such as building roads, supplying medicines or delivering schoolbooks to poor countries. In 2001, OECD countries signed the first of many agreements to untie aid from the condition that all countries go to firms from the donor country that provides the funding. Yet 10 years later, the study found that 20% of all bilateral aid is still tied to contractors in the donor countries.

TIED AID REDUCES value for money. A study done earlier in Ghana for example, found that there is a significant mark-up on the prices of the tied-aid inputs, and that the mark-up translates to a significant cost to Ghana. OECD estimates are that aid tying increases the costs of projects by 15 to 30%, in the case of food aid it can be up to 40%.

BUT THE STUDY SHOWED that even when aid is formally untied, the majority of contracts also go to firms from rich countries, regardless if it is bilateral or multi-lateral aid. Fully half of the contract value in World Bank-funded projects in the case study countries in the last decade went to foreign firms, with the share increasing with the size of the contract. Owing to Bank procurement practices, 67% of all World Bank-financed contracts in 2008 went to firms from just 10 countries.

THE CONTINUATION OF procurement practices which do not take developmental criteria into account is one of the main reasons why aid is not optimally contributing to better development results, including the creation of decent jobs and sustainable

livelihoods. The continuation of bad procurement practices also undercuts country efforts to improve their Public Finance Management systems, including procurement, one of the key measures of aid effectiveness identified in the Paris Declaration. In Ghana the Public Procurement Act, passed in 2003, now provides a comprehensive legal framework for public procurement. New institutions such as the Public Procurement Authority (PPA) and the Appeals and Complaints Panel have been set up to formalize and improve procurement processes.

YET WHILE DONORS commended this progress, the 2011 OECD Survey on Monitoring the Paris Declaration showed that the proportion of aid using country procurement systems increased just slightly from 52% in 2005 to 56% in 2010, the proportion of aid using country public financial management systems actually decreased—from 62% in 2005 to 60% in 2007. When donors opt for using their own systems and procedures - side-lining country systems - they undermine ownership of recipient countries as they keep the decision-making power over how aid is actually spent.

EURODAD ALSO FOUND harmful impact of donors' conditionality and technical assistance had on procurement systems in developing countries. Donors often press developing country governments to liberalize their procurement policies, to open the government procurement market to transnational and foreign companies. The message often is: we will give you aid if you open up your market for international competition. Part of the reason for this is

the assumption that corrupt local governments will make sure contracts are awarded only to supporters. However, while in many cases this means that the company that offers the best value for money is awarded the contract, it also undercuts the very process of development it is meant to support enhancing local productive capacity and creating decent jobs in developing countries themselves.

SO WHAT SHOULD BE DONE? Eurodad believes that for aid to contribute to more effective development, donors need to practice 'smart procurement,' giving preferential access to local or regional companies. If they want to build a road in Ghana or Nicaragua, they should give the contract to a Ghanaian or Nicaraguan construction company. That yields a double dividend: not only will the road be built, but local workers will be hired and trained for the new construction jobs, earning more income and generating a wider tax base.

SMART PROCUREMENT ALSO means imposing conditions on contractors that ensure that they take social and environmental criteria into account. It contributes nothing to development if a project employs local people but the wages they receive mean they stay poor. Similarly, the country is no better off if the aid project ruins the environment.

EURODAD BELIEVES THIS study carries a strong message about donor co-responsibility in making aid work. The hope is that the message is strong enough to make donor countries and development banks rethink their policies. □

Afghanistan: Untied Aid Really Works

Donors have promised, and largely failed, to truly untie aid. The European Network on Debt and Development (Eurodad), a network of 54 NGOs from 19 countries, reports that at least 20% of all bilateral aid remains formally tied, while an even larger amount is informally tied. Even when development agencies are free to spend their money wherever they want, they rarely spend it in the country that is being assisted. It is not spent in Liberia or Timor-Leste, but rather on development experts in international hubs like Brindisi and Singapore.

TEXT: SCOTT GILMORE, PEACE DIVIDEND TRUST

IN AFGHANISTAN, for example, where donors have disbursed more than USD 36 billion in aid over the last 10 years, research by the Peace Dividend Trust found that even when the aid money was technically untied, only 37% of it entered the local economy. Most of the aid spending went elsewhere: to fly in foreign experts, or provide bottled water and building materials. The money might have been spent on Afghanistan, but it was not spent in Afghanistan.

NOT SURPRISINGLY, the development technocrats and mandarins, whose salaries are paid out of these international aid budgets, have accepted this as merely a curious paradox of aid. Namely, those who give the money tend to benefit from it more than those whom it is supposed to help. However, untied aid is now starting to reach the ground because of a new "Afghan First" policy that donors have implemented in Kabul. They believe that Afghans who have work are less likely to join the Taliban, and have decreed that aid procurement should use local labour and local goods to rebuild Afghanistan, whenever possible.

THE IDEA HERALDS a conscious effort by the international community to "spend the development dollar twice." By channelling aid money through Afghan entrepreneurs, donors can double their impact: if USD 1 million is spent on building a school, an additional USD 1 million can be generated locally in profits and taxes by using a local construction company. Most important, though, this approach moves jobs from Dubai to Kabul and Kandahar.

A JOB CAN BE TRANSFORMATIVE, especially during a war. A single salary will feed a family, send a child to school, and provide a mother with medical care. It will generate taxes, pay police wages, and build hope.

THE WORLD BANK estimates the unemployment rate in Afghanistan is 8%, but this does not account for the high levels of underemployment. For the most part, jobs in Afghanistan are seasonal, sporadic and unskilled. Creating jobs is difficult, and expensive. For example, the Aynak Valley copper mine (at USD 3 billion, the country's largest foreign investment project) is expected to directly employ only 4,500 Afghans. It will be a small drop in the sea of underemployed.

BY CONTRAST, the "Afghan First" approach has supported far more jobs with far less money. A Peace Dividend Trust survey of job creation found that aid contracts totaling USD 441 million, and ranging in size from USD 1,000 to USD 5 million, created or sustained more than 118,000 new jobs. Untied aid spending, using local entrepreneurs, had created jobs at a rate 170 [times] greater than the money invested in the copper mine.

THE JOBS BEING created through donor procurement are the jobs that Afghans want -- skilled jobs in a wide range of sectors, including manufacturing, solar panels, bottled water, fruit exporting, logistics and construction. At the same time, since a business must be registered

before it can bid on an international tender, the contracts are generating millions in badly needed local taxes.

DONOR CONTRACTS WITH Afghan businesses? typically lead to businesses expanding their employee base by more than 300%, mostly in skilled jobs. For a typical aid contract spent locally, one month of employment is created or sustained for every USD 600 spent. Furthermore, the majority of businesses invest profits in both physical capital and in training staff.

THE CONCEPT OF genuinely untying aid - to allow it to be spent locally and to create jobs - has spread to other development missions, most notably in Haiti. In Port au Prince local officials are now talking about a "Haiti First" policy, and are pressuring aid agencies to spend their money in Haiti, not just on Haiti. The impact can be seen on the ground already, as local entrepreneurs are allowed to compete for international contracts, to create employment, to pay taxes, and to build a peaceful future. □

This is a slightly edited version of an article that appeared in The Guardian, 24 October 2011.



CSO Statement on the DCF Strategy

2010 – 2012: crucial time for the UN Development Cooperation Forum to become the “main global forum” for development

April 2011

As development actors and stakeholders in international development, civil society recognizes the imperative for sustained engagement in all forums for international cooperation and the need to voice its views. This statement is a response to the draft strategy for Phase III of the United Nations Development Cooperation Forum (DCF) released on 24 March 2011.



CSOS WELCOME THE AMBITION of DCF to become “the main global forum where developed and developing countries hold each other to account” on international development cooperation commitments. On the other hand, there are some concerns regarding the breadth of the commitments as well as regarding some key substance areas, which are presented below.

ACCORDING TO THE DRAFT STRATEGY, the DCF in 2010-2012 will aim “to promote development cooperation, improve its quality and maximize its impact and value for money”. CSOs find value for money an unacceptable barometer for effective development cooperation. It is a donor-centric concept that frames aid from an ‘investor’ point of view relegating partner countries as manufacturers of value. This framing takes away the poverty focus and perpetuates what is wrong in development aid: it is provided according to the economic, political and security interests of donor countries, and not according to what is needed by the poor and marginalized in developing countries. This underscores the fact that essentially donors own and control development aid despite much rhetoric on developing country ownership, in contradiction to the aid effectiveness principles agreed to in Paris (2005) and Accra (2008) and the overall objective to ensure a country’s sustainable development.

CSOS WOULD LIKE TO CALL ON DCF to define its own way “to promote development cooperation, improve its quality and maximize

its impact” independently of the concept of value for money, which can be seriously misleading. The current emphasis on results combined with the push for value for money elicit basic questions that strike at the very framework of what aid is – Whose value? Whose money? What results will demonstrate value for money? We fear that this will mean more of the same “development” that has been promoted thus far: projects that produce economic returns but with unclear or no anti-poverty impacts and even worsen poverty and inequality.

ON THE ISSUE OF COHERENCE, it is to be noted that DCF’s call for development cooperation to be more coherent with non-aid policies (such as trade, investments, migration, etc.) is a source of concern as these policies have been largely molded by neoliberal interests and are seen to be responsible for plunging the world into multiple crises.

CSOS WOULD LIKE DCF to assert that the discourse on policy coherence must be guided by principles of human rights, gender and social equity, ecological sustainability, solidarity, and accountability. It must address the whole policy environment to ensure that economic relations are not harmful. As coherence will only emerge when non-aid policies are developed within a human rights framework, it may be more important for now to ensure that developing countries have the policy space to determine priorities for democratic and sustainable national development.

DCF MENTIONS IN THE SAME paragraph on policy coherence the “catalyzing” or leveraging role of aid, which CSOs fear may further exploit aid resources for the benefit of commercial investments. While the private sector has a role to play in economic growth, the assumption that supporting private sector activities with official aid will reduce poverty begs scrutiny and proof. It also would require actions that are transparent, accountable and characterized by integrity to ensure that efforts are done in the public interest and for vested interests.

DCF IDENTIFIES TWO CHALLENGES in moving forward with its work – its influence in changing donor behavior and its role as “the main global forum where developed and developing countries hold each other to account on international development cooperation commitments”. Indeed, CSOs would like to see that DCF can actually effect change in donor practices. In holding countries to account on their commitments, it is also important to recognize that developed and developing countries have shared but differentiated responsibilities. Developed countries have the primary responsibility to support poor countries amid global challenges, while respecting democratic and local ownership of the development process.

CSOS WELCOME THE ROLE that South-South development cooperation might play in development partnership, but it is critical to guard against creating or reinforcing existing dependencies. It is also important

that this support encourages the broader principles necessary for development – human rights, participation, decent-work and good governance. Thus, CSOs urge the DCF to work on further improving the quality of aid in South-South cooperation through strengthening of democratic ownership and national self-reliance. We call for an integrated approach to South-South cooperation with governments committing resources to engage CSOs because the cooperation of Southern peoples is critical for achieving meaningful development partnerships.

THE POST-BUSAN SCENARIO appears crucial for DCF as it promotes itself as the stock-taking venue in 2012 of the Busan outcome, especially amid the uncertainty of whether the DAC Working Party on Aid Effectiveness will continue its current function. However, DCF’s ambition to shape the post-Busan set-up remains unclear as reflected in how it mentioned the future of the aid architecture at the very end of the strategy’s narrative, presenting it as a distant process where the DCF is not actively engaged. This is disappointing as the feasibility of the DCF being the UN forum where discussions on aid architecture will take shape is an important issue because of its level of openness to non-state stakeholders.

CSOS WOULD LIKE TO SEE a major role for the DCF as the main space for standard-setting on development cooperation, as the platform to promote discussion and help set

the agenda on development issues by promoting systematic coherence among global policies for development with human rights, gender equality and democracy. We hope clear steps to this role are taken and go in depth after Busan.

THE STRATEGY DOES NOT mention development effectiveness, even if last year’s DCF conference explicitly agreed that the DCF would explore its potentials. CSOs

performance by both donor and recipient governments has shown.

THE ONLY WAY TO ENSURE that commitments undertaken by governments are respected is through a legally binding international convention on development effectiveness with its own process to ensure compliance. An important aspect of this international treaty needs also to be the guarantee of an enabling environment for currently embat-

« The only way to ensure that commitments undertaken by governments are respected is through a legally binding international convention on development effectiveness with its own process to ensure compliance. »

reiterate the need for a framework for development cooperation that will truly change aid relationships – development effectiveness, which puts human rights, social justice, gender, equality, anti-corruption and sustainability at the core of development.

AN ADVANTAGE OF THE DCF is the presence of both DAC and non-DAC actors. But there is little use in this if DCF resolutions have no binding element. CSOs have raised this point in the past, but there seems to be little progress made. A major reason for governments failing to live up to their commitments is that there is little disincentive for not following through. Effective and meaningful development cooperation cannot be achieved without strong accountability mechanisms as the current mediocre

tled CSOs whose role is critical in ensuring that development cooperation policies are shaped in a transparent, just and fair manner that is respectful of human rights.

ON THE PROGRAMME of work, it has to be acknowledged that it includes several meetings and the production of up to twelve different reports covering from mutual accountability to policy coherence, in addition to a SG report, the International cooperation report and mutual accountability surveys; all of this in less than eighteen months. CSO would like to recommend UN Member states to support DCF in delivering such a remarkable workload, which at the moment raises issues of capacity and absorption, namely whether or not there is time, opportunities and resources to get the target audience really on board. □

SECTION 5



Beyond ODA to the Big Picture

PHOTO: VERONICA MELÁ

IN LIGHT OF CHANGING economic and political power dynamics, the strategies through which groups have engaged with the aid agenda to bring about broader change are going through a re-examination: How is aid (old and new) relevant to the shifting picture? Can it address the financial and economic crisis and the urgent need for decent work for all? Is a new aid architecture made more or less relevant by the need for a new financial architecture? Is the shift from the OECD to the DCF a marginal move in light of the growing dominance of the G20 in global governance and decision-making? Can the HLF4 and its follow-up push consensus to move beyond growth to focus on job creation—especially by SMEs—decent work and need for increased tax base?

In essence, these are political challenges, involving not only OECD and the United Nations but also the BRICS, especially China and other developing countries not dependent on ODA flows. Will these countries accept a Busan compact that is premised on South-South cooperation when their commitments to economic assistance and development financing have been of a national and regional nature and have not been made under OECD leadership? Can the inclusive nature of the United Nations enable countries to agree on a framework that links rights, sustainable development and financial and trade policies?

THESE GLOBAL GOVERNANCE challenges also confront the IMF. This traditional IFI was

given a new lease on life following financial crisis in 2008 by governments unwilling to trust new players with their money. Will the 'kinder-gentler' IMF live up to the pledges it made at that time to expand its loan policies to allow recipients more policy space? Or will it continue to impose fiscal restraint and austerity measures around sovereign debt and financial systems, as seen most recently with terms of Greece loan negotiations? How will the attention now given to inequalities translate into loan agreements and conditions?

A new integrated policy framework—now or in future—will change the role of the OECD—giving rise to new institutional spaces where aid can be mediated in a more

equitable fashion. The UN's regular reviews of development cooperation and activities, held on a quadrennial basis, may provide a strategic opportunity to discuss this as the next review will be in 2012.

Presenting enormous opportunities for women's rights groups, changes in institutional and policy frameworks also pose challenges to these and other civil society groups to broaden the focus at the global level beyond working with OECD donors to influence aid delivery and allocations. As these donors form a smaller part of the development financing picture, strategies to strengthen commitments to—and resources for—gender equality and women's rights must be broadened to match the vision laid out in the Key Demands (see Section II) and embrace stronger alliances with those seeking to hold the financial system and global economic governance processes accountable to commitments to rights and sustainability.

Many, particularly in developing countries, have already done this, pointing out that climate justice is inseparable from gender justice, and gender justice is inseparable from economic justice.

This captures two faces of women's reality: on the one hand, women are the most affected because of long-standing patterns of gender relations that make women responsible for household provisioning—including food, fuel and water; on the other, they are also active agents in addressing immediate and strategic solutions to recurring economic crises, climate change, and food security.

Food security for all and food sovereignty cannot be secured in any sustainable way without the front line of strategies, policies and resources addressing the central role of women in the household, in the field and in the market.

Yet the official discourse on aid and even development makes passing reference to these issues and continues to call on donor countries to live up to their commitment to increase ODA to 0.7 percent of GDP—a commitment which is unlikely to be met except by a handful of countries—and to find ways to make sure that aid quantity is matched by 'aid quality', which is almost never defined, while arguing about the most appropriate indicators to measure development ownership and effectiveness.

The World Bank's 2012 World Development



Report illustrates this problem. It marks what UNRISD calls 'an important turning point in the World Bank's thinking on gender equality: by acknowledging the intrinsic value of gender equality (over and above any instrumental value it may have for the achievement of broader development objectives), by questioning the "growth is good for gender equality" orthodoxy underpinning the World Bank's earlier work, by drawing attention to women's unpaid reproductive work and the need for public investment in water and sanitation, and by highlighting the persisting gender biases in family laws and "segregations" in labour markets.'

« Climate justice is inseparable from gender justice, and gender justice is inseparable from economic justice »

However, as critics point out, the report's policy conclusions ignore and at times contradict some of its own major findings, which highlights the engrained institutional resistance those seeking change face in practice. In particular, UNRISD says, the report fails to 'engage seriously with the gender biases of macroeconomic policy agendas that have defined globalization, and their adverse outcomes for women's work, both paid and unpaid, within the context of rising inequalities and extensive labour market informalization.'

The same is true of the report's emphasis on

the importance of strengthening women's access to and control over property, including land, the lack of which so often prevents their ability to access capital. However, this insight does not inform the World Bank's approach to climate finance.

The 2012 World Development Report underlines the reality that development has long been separated not only from rights but also from economics. Calls for a new aid architecture go some way to address these gaps, particularly with regard to development. However, they do not challenge global economic governance, which is driven by trade and finance considerations and is directed by the G20.

Economic governance, development, and the global financial architecture are fundamental issues that define global power relations as well as the lives of everyone on the planet. However they continue to be pursued in separate frameworks and forums, with some attempts at coordination at different levels—global, regional, national, sub-national. But coordination does not fill normative and policy gaps, nor does it command resources. And there is a hierarchy among the frameworks, with those most critical for the financial sector and developed countries seemingly higher up the ladder. Accountability

mechanisms are weighted in favour of trade and property rights, not economic rights or ecological sustainability. Development players from all sections of society are beginning to frame the agenda beyond 2015, the deadline for achieving the MDGs. Actors from CSOs, social movements, academics, UN agencies, and governments are placing the reduction of inequalities and redistribution policies squarely on the agenda as can be seen in the Secretary General's report "Accelerating progress towards the Millennium Development Goals: options for sustained and inclusive growth and issues for advancing the United Nations development agenda beyond 2015". These are likely to include the core values of the Millennium Declaration that are not currently part of the MDG framework, such as sustainable global development, and the responsibility of governments to make the benefits of growth more equal for all.

As part of this movement, DAWN has joined other CSOs and networks in a call for embedding human rights in financial regulation and climate change.

Background

More than three years after the beginning of the global financial crisis the world economy faces an uncertain situation. The continuing economic malaise calls into question the real extent of the recovery so highly celebrated last year. At the same time, the world was at no point close to a

"recovery" from the human rights toll of the financial crisis. Poverty and inequality have increased, and economic growth, where it did take place, has been largely jobless, wageless and unevenly distributed to the wealthiest sectors of society. As the world braces for what seems like another coming economic recession, countries and households barely able to cope last recession are now in an even worse situation, with negative consequences for fundamental human rights in rich and poor countries alike.

G-20 Leaders' duties to place human rights norms at the center of their financial policies and regulations cannot be exhausted with a merely rhetorical recognition (however much such recognition would be an improvement over current practice). States' human rights obligations embedded in the International Bill of Rights require that governments carefully assess their respective choices and courses of action against the human rights consequences in transparent, participatory, non-discriminatory and accountable ways. Only an enduring commitment to respect, protect and fulfill legally-binding human rights obligations enshrined in the Universal Declaration of Human Rights and core international human rights treaties can provide the basis for reforms to ensure a more sustainable, resilient and just global economy. Large-scale deprivations of human rights stemming from the financial and economic crises are not inevitable, natural phenomena.

The G20 agenda in Cannes in fact provides several actionable opportunities for governments—individually and in concert with one another—to choose alternative, human rights-centered paths to a sustainable economic recovery.

Stimulus measures:

First, the seriousness of the problems threatening the world economy today warrant a cohesive and coordinated response from Group of 20 countries to stimulate their economies. The premature move towards austerity and the consequent reductions in aggregate demand have been the main reasons why the world is falling back into an economic crisis. Austerity policies threaten to continue to deprive people of access to finance, jobs, and services, while their governments for the most part refuse to establish fair systems for the private sector to share the burden of public debt restructurings.

We call on the G20 to implement economic stimulus measures within a human rights framework. Human rights standards and principles provide a framework for the design and implementation of stimuli measures which are participatory, transparent, accountable and non-discriminatory. We are not in favor of blind stimuli measures, especially those that would place new strains on public budgets to benefit private risk-taking. Gender- and environmentally-sensitive public infrastructure programs, transformational universal social protection systems and household debt restructuring that restores spending power, as well as measures to increase disposable income of the poorest, are among the measures that should be undertaken to ensure any recovery benefits those most in need.

Speculation in financial markets:

Second, in spite of the continued surges in speculative activity in financial markets, there is still limited progress in the regulation of commodity derivatives trading. Near 60 studies have been produced showing that speculation in commodity derivatives is either a good part or the main reason behind the spikes in food and energy prices that have increased hunger and malnutrition.

The Group of 20 should commit to the immediate implementation of reforms to bring Over-the-Counter derivatives to public exchanges, and establish meaningful position limits on derivatives in exchanges under their jurisdiction. The

setting of circuit-breakers, compulsory delivery or banning of certain types of derivatives trading, in accordance with human rights standards and principles, should be given explicit individual and collective support.

Large and complex financial institutions:

Third, regrettably, there is no guarantee that companies that took undue risks will not again have to be bailed out with public funding. Large and complex financial firms, some of them operating in dozens of jurisdictions, have successfully resisted calls to reduce their complexity or size. They are able to profit from the tax and regulatory arbitrage that such position makes possible, while their complexity and size limits the chances that they can be successfully resolved without disrupting vital banking activities in the event of a collapse.

The Group of 20 should undertake measures to reduce the size and complexity of systemically important financial institutions, including through direct regulatory intervention to break up large firms. Strict separation between traditional banking activities such as deposit-taking and credit provision to households and small companies and proprietary trading should be enforced. Cross-border banking resolution agreements should be pursued. Yet, given the presumably long time it will take to develop them, it is urgent to ensure banks are incorporated and separately capitalized in every jurisdiction where they operate.

Bank capital requirements:

Fourth, the reforms to the Basel Agreement on capital requirements amount to too little and are too slow in implementation. Above all, they amount to more of the same—a reliance on a bank capital regulation model that banks have proven they can manipulate to hide the true extent of their risks. Financial companies that have produced record profits in the last decade and that claim to operate on a highly efficient basis due to their large size have no justification for their persistent complaint that they will reduce credit if such capital requirements are implemented.

Governments in the long term should lend support to replacing Basel requirements with a framework for banking regulation that fully recognizes the duty of States to prevent and protect against and provide effective remedy for human rights infringements by private actors,



including the financial sector. In the short to medium term, governments must be fully empowered to consider regulations of banking services as one essential tool to enhance enjoyment of human rights for all, including by taking proactive steps to ensure substantive equality in financial regulatory policies to protect the poor and disadvantaged and allow for where necessary the direct engagement of the State in the provision of banking services.

Financial sector taxation:

Fifth, governments' obligations to take steps "to the maximum of their available resources" to fulfill their economic and social rights responsibilities cannot be upheld without a thorough evaluation of the contribution that the financial sector makes to public budgets through taxation. In general, the liberalization of capital of the last two to three decades has meant more indirect and regressive taxes, disproportionately raising fiscal pressure on poorer and middle-income households.

The G20 should take measures which ensure their financial sectors pay their fair share. Governments should commit to transparent, participatory and accountable taxation systems that introduce greater progressivity overall, and increase in particular the relative weight of fiscal pressure on the banking sector. Specifically, we demand G20 members to agree on the implementation of financial transaction taxes and to express a clear commitment to use this newly-generated revenue to fulfill their human rights obligations—at home and abroad. We further

call on governments to take decisive steps to cooperate internationally in order to ensure transparency and mutual accountability in domestic revenue mobilization, putting an end to actions or omissions which prevent governments from raising the resources needed to fulfill their human rights obligations.

Climate change:

Lastly, the absence of serious commitments from G20 governments to reduce greenhouse gas emissions and adopt greener technologies is fast becoming a huge human rights issue. Emissions continue to trigger weather-related natural disasters, subjecting vulnerable and marginalised communities to increased risk as well as threatening the earth's fragile biodiversity.

As the world's largest economies and emitters of greenhouse gas emissions which are imperiling the planet, it is imperative that G20 governments take the lead in arriving at consensus solutions to drastically reduce greenhouse gas emissions at the 17th Conference of the Parties of the UN Framework Convention on Climate Change at Durban in November-December 2011. A fair, ambitious and binding treaty on addressing climate change is the planet's last hope which needs to be supported by G20 governments. □

WIDE on new model for global finance; DAWN on economic governance Action Aid critique on WB development model (Rachel M., Guardian) Social Watch – Basic Capabilities Index and inequalities article

JOINT CIVIL SOCIETY STATEMENT TO THE GROUP OF 20 LEADERS ON EMBEDDING HUMAN RIGHTS IN FINANCIAL REGULATION AND CLIMATE

The Center for Economic and Social Rights—together with Center of Concern, CIVICUS, Development Alternatives with Women for a New Era (DAWN), IBASE and Social Watch has elaborated this Statement to urge G-20 leaders ensure the centrality of human rights norms and principles in their decision-making on financial regulation and climate change.

We are writing to the Group of 20 Leaders, in advance of their upcoming Summit in Cannes, to remind them that even in the policies of a most eminently economic nature, their duties to respect, protect and fulfill the economic, social, cultural, civil and political human rights, including the right to development, do not cease, but should take primacy in every commitment they undertake.

In particular, we are demanding action on the following issues on the agenda of the G20:

- Endorsement of worldwide stimuli measures according to human rights principles;
- Reforms to prevent speculative activity in financial markets from undermining the enjoyment of human rights;
- Action to limit the damage to public funding of financial institutions that collapse due to excessive risk-taking
- Regulations of bank capital requirements consistent with human rights standards;
- Agreement to increase the relative fiscal pressure on the banking sector and to cooperate to increase transparency and mutual accountability in revenue mobilization;
- An agreement to drastically reduce greenhouse emissions which contribute to climate change.

The World Bank's world development report on gender makes some bold findings, but misses an opportunity to push the discussion on gender equality beyond economic growth.

Gender equality is not just tied to economic growth - analysis

TEXT: RACHEL MOUSSIE

THE EXECUTIVE SUMMARY of the World Bank's world development report (WDR) on gender trots out one of the organisation's most familiar refrains: "Gender is smart economics." This is both misleading and unfortunate, because the data included in the report is much more nuanced. At times, it even questions the bank's usual argument that economic growth leads to gender equality and gender equality leads to growth. There seems to be a pattern with WDR reports whereby the executive summary brushes over or ignores key findings that may contradict the bank's policies.

THE REPORT'S KEY MESSAGE is that economic growth does lead to gender equality, but with the exception of a few "sticky" issues. These issues arise when gender inequality persists despite economic growth. Women and girls are still more likely to die than men and boys. Women continue to be over-represented in low-paying, low-skill and informal employment. Rates of violence against women remain stubbornly high in both high-income and low-income countries, while the number of political positions held by women is disproportionately small.

RATHER THAN SIMPLY "STICKY" ISSUES, these are fundamental areas of resistance that the women's rights movement around the world has been fighting against. They are sites of deep-seated conflict and tension which economic growth alone cannot address.

THE BANK'S ECONOMIC AND POLITICAL approach is evident, however, in the issues the report addresses and those it chooses to ignore. In a step forward, the WDR recognises the important work women do caring for children and the elderly: cooking, cleaning, and collecting firewood

and water. These activities, performed alongside other work, are a heavy burden for women and act as a barrier to accessing higher earning jobs or participating in politics. The report notes that "women work more than men", but does not then consider that their workload increases significantly during an economic crisis. At such times, when family incomes drop and public services are cut, women and girls produce essential domestic goods that they can no longer afford to purchase such as food and clothes. When medical bills become too expensive or public healthcare services are not available, it is women and girls who care for the ill at home. Women's labour not only replaces household income, but also subsidises the state.

THE REPORT CLAIMS THAT EVEN in the wake of the most recent financial crisis there is "no evidence that women were more affected than men" in terms of employment. In previous crises, research has found that, while both women and men may lose their jobs, the impact on women is under-reported because their work in the home remains invisible. In addition, women are disproportionately represented in the informal economy. With so little information available, how can the bank be sure that women are not unduly affected?

THE WORLD BANK'S FAITH in the market to pick up the pieces after a crisis is evident in its treatment of social protection, or lack thereof. The report reduces this multifaceted issue to conditional cash transfers, completely neglecting the important role programmes such as South Africa's child support grant have played in lifting households and women out of poverty. The bank seemingly fails to recognise that poverty is chronic in the current economic system and the shocks frequent. Stop-gap meas-

ures are just not enough if governments are to prevent these shocks from reversing the gains made on gender equality.

THE WDR DOES STRESS the pressing need for women's ownership of and control over assets, particularly land. There is unfortunately no mention of communal forms of land ownership, but it is still significant that the bank has emphasised women's control over land as a source not only of income, but also of status – and, more importantly, as a right.

THE REPORT FAILS TO FACE the new and unavoidable challenges confronting countries. Take natural resources. In a world where land, water, seeds and forests are increasingly contested, how will women fare in the power struggle? What new challenges do climate change and diminishing natural resources pose for women, and what economic and social policies do governments need to adopt in response?

IF THE 2012 WORLD DEVELOPMENT report succeeds in putting gender at the top of the bank's agenda, it's a good starting point. The bank's development committee is scheduled to discuss the report and its implications for bank practices at next week's annual meetings, and we can hope that some of the analysis will trickle down and influence their programmes and lending policies. But because the WDR has shied away from some of its own more controversial findings, the bank ultimately misses an opportunity to push the discussion on gender equality beyond economic growth and make even bolder decisions. □

Rachel Moussié is women's rights adviser on economic policy at ActionAid International

The Boom and the Busted

On the eve of the High Level Forum on Aid Effectiveness, Social Watch figures on poverty reduction and social well-being underline growing doubts about how we measure 'effectiveness.'

TEXT: ROBERTO BISSIO, SOCIAL WATCH

IN FACT, SOCIAL WATCH, in line with well known analysts such as Amartya Sen, Joseph Stiglitz and others, has long questioned the value of GDP as a measure of progress. The Social Watch Basic Capabilities Index, which measures well-being according to social performance, rather than income, shows that over the last 20 years, improvements in social well-being have not kept up with income growth. Between 1990 and 2011 the average world per capita income more than doubled between 1990 and 2011 and the percentage of people living below US\$ 1.25 was cut in half between 1980 and 2005. By contrast, social indicators, based on key capabilities that are essential for human dignity as well as survival, grew 10% in 20 years, from 79.3 to 87.1.

MOREOVER, IN THE 10 YEARS since 2000, when global economies were booming, progress on education, health and nutrition actually slowed down compared to the previous decade, when average growth was slower. While average world per capita income increased only by 25% between 1990 and 2000, it has risen sharply since – from 5.300 dollars in 2000 to 9.116 in 2010.

BCI INDICATORS CAN ALSO be used to measure progress on the Millennium Development Goals: the index averages under-5 child mortality, proportion of births attended by skilled health personnel, adult literacy rate and a combination of enrolment in primary education and completion up to grade 5. On these measures, progress has actually slowed down during the decade that followed the Millennium Declaration of 2000, compared with the decade before. Between 1990 and 2000, while average world per capita income increased only slightly, from 4.100 dollars to 5.300, the world's index of basic capabilities improved 5 points (from 79 to 84); by contrast, between 2000 and 2010, while per capita income grew from 5.300 to 9.116, the world index of basic capabilities increased only 3 points, reaching 87.

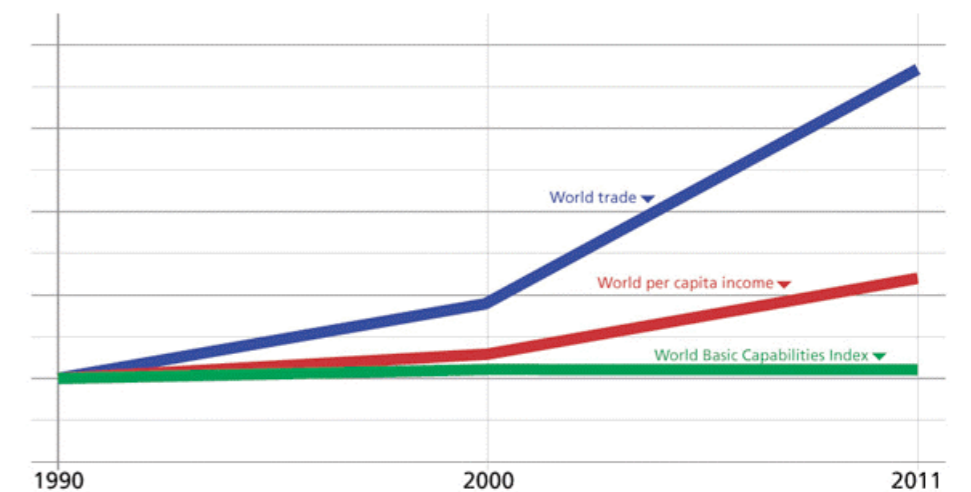
COUNTRIES WITH BASIC BCI level have reached a reasonable level of human development and have basically met the MDG targets way ahead of the 2015 deadline.

Countries with medium BCI level have achieved a certain level of momentum to address key human development concerns and have a fair chance of meeting the MDG targets by 2015. Countries with low BCI level are still struggling to provide basic services for their citizens and will more likely miss the MDG targets by 2015. Countries with very low and critical BCI levels will certainly miss the MDG targets. Most of these countries, particularly those with critical BCI level, are experiencing severe economic difficulties, social unrest or wars. Some have just emerged from armed conflict and are still transitioning to normalize government operations and public services.

times are appropriated by those at the top, while the concentration of power that results ensures that the losses are socialized during the crisis, thus widening the gap even more.

WHILE THE FULL IMPACT of the economic and financial crisis will not be calculated for another 5 years or so, since social indicators are not measured as frequently as economic ones, it is becoming apparent that adding to the crisis is the impact of the response to it. Already Social Watch member organizations are reporting that austerity measures now being put in place are affecting disproportionately the most vulnerable sectors.

THE INDEX ALSO CASTS doubt on the notion



THE COUNTRIES RANKING the highest according to BCI values this year are Japan, Norway, Netherlands, Switzerland and Iceland. The countries that rank lowest are all in Africa: Chad, Sierra Leone, Niger, Somalia and Guinea Bissau. On average, however, Sub-Saharan Africa, departing from very low levels, registered slightly higher increments in BCI levels in the period 2000-2011 compared to the previous decade. By contrast, figures for Latin America, East Asia, the Middle East and North Africa show a significant slow down in progress over the last decade.

Unlike what mainstream economists and central bankers would have us believe, prosperity does not trickle down. As growth has expanded so too has inequality. This means that the gains during the good

that eradicating poverty and achieving basic well-being requires a model of development that destroys the environment. From 1990 to 2000 the world per capita emissions of CO2 actually decreased from 4.3 tons to 4.1, whereas in the 10 years that followed, world CO2 emissions moved up to 4.6 tons per capita.

THUS IN SPITE OF THE declared commitment to poverty eradication and sustain-able development, the year 2000 was a turning point for the worse: social progress slowed down while environmental destruction accelerated. □

A slightly different version of this article appeared in the Social Watch Newsletter, Issue 59 – 14 October 2011 and was reproduced by Third World Network (twonet@po.jaring.my)

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Who's Who

ACTION AID is an international organisation working with over 25 million people in more than 40 countries for a world free from poverty and injustice.

AWID (The Association for Women's Rights in Development) is an international, feminist membership organization committed to achieving gender equality, sustainable development and women's human rights.

BETTER AID unites over 700 development organisations from civil society in working on development cooperation and challenging the aid effectiveness agenda.

BRICS is an international political organization of leading emerging economies consisting of Brazil, Russia, India, China and South Africa.

CIVICUS (World Alliance for Citizen Participation) is an international alliance of members and partners which has worked for nearly two decades to strengthen citizen action and civil society throughout the world, especially in areas where participatory democracy and citizens' freedom of association are threatened.

DAWN (Development Alternatives with Women for a New Era) is a network of feminist scholars, researchers and activists from the economic South working for economic and gender justice and sustainable and democratic development.

DEVELOPMENT COOPERATION FORUM (DCF) is a biennial high-level event hosted by the Economic and Social Council (ECOSOC). The forum brings together all key development cooperation actors, including UN member states, multilateral organizations and players from the United Nations system as well as civil society organizations, parliamentarians, local governments and the private sector.

EURODAD is a network of 58 non-governmental organizations (NGOs) from 19 European countries that researches and works on issues related to debt, development finance and poverty reduction.

ODA, Official Development Assistance OECD DAC (Development Co-operation Directorate of the OECD) is a forum for coordinated development efforts between the members of the OECD (Organisation for Economic Co-operation and Development).

PEACE DIVIDEND TRUST (PDT) is a unique non-profit organization dedicated to making peace and humanitarian operations more effective, efficient and equitable so that they deliver cheaper, faster, smarter missions - resulting in a stronger peace and a larger peace dividend.

REALITY OF AID (RoA) is the only major North/South international non-governmental initiative focusing exclusively on analysis and lobbying for poverty eradication policies and practices in the international aid regime.

SOCIAL WATCH is an international network of citizens' organizations in the struggle to eradicate poverty and the causes of poverty, to end all forms of discrimination and racism, to ensure an equitable distribution of wealth and the realization of human rights.

WIDE (Women in Development Europe Network) is the only network in Europe striving specifically for gender equality, women's rights and social justice in development, trade and macroeconomic policies and practices in the EU.

WORKING PARTY ON AID EFFECTIVENESS is a part of the OECD and is an international partnership for aid effectiveness with 80 participants including bilateral and multilateral donors, aid recipients, emerging providers of development assistance, civil society organisations, global programmes, the private sector, and parliaments.

