

**Structured Dialogue: proposals from the ITUC**

# Towards an ACTOR BASED APPROACH in development cooperation

## Contents

Intro	3
1	Lessons from the past: time for adjusting and improving the CSO-EU development cooperation system ..... 4
2	An “ACTOR-BASED” approach in development cooperation ..... 5
3	Translating the actor based approach into new CSO support modalities..... 6
3.1	<i>A RIGHTS-BASED APPROACH/enabling environment ..... 6</i>
3.2	<i>STRUCTURED (political) DIALOGUE as organizing element of cooperation ..... 7</i>
3.3	<i>MULTILATERAL AND INCLUSIVE NETWORKING around CSOs’ core mission and their contribution to in-country impact and development effectiveness..... 10</i>
3.4	<i>A COMPREHENSIVE APPROACH: integrated the multiple tasks of CSOs in one coherent framework. .... 11</i>
3.5	<i>A LONG TERM AND CONTRACTUAL ENGAGEMENT based on dialogue, predictability, mutual accountability and governance feasibility..... 13</i>
4	12 steps to be taken ..... 15
<hr/>	
	<i>Annex: Resolution adopted the 2nd ITUC Congress Vancouver June 2010 on A sustainable and just development model for the 21st century ..... 16</i>

Glossary

See for a more extensive glossary in the field of CSO Development: CISOCH webpage

<b>ITUC</b>	International Trade Union Confederation	<a href="http://www.ituc-csi.org">www.ituc-csi.org</a>
<b>TUDCN</b>	Trade Union Development Cooperation Network	<a href="http://www.tudcnetwork.org">www.tudcnetwork.org</a>
<b>SD</b>	Structured Dialogue (also called Quadradrilogue) between EU, EP, Member States and CSO networks	
<b>CISOCH</b>	Wiki webpage support the SD: Civil Society Helpdesk <a href="https://webgate.ec.europa.eu/fpfis/mwikis/aidco/index.php/Main_Page">https://webgate.ec.europa.eu/fpfis/mwikis/aidco/index.php/Main_Page</a>	
<b>ILO</b>	International Labour Organisation	<a href="http://www.ilo.org">www.ilo.org</a>
<b>CSO</b>	Civil Society organization. This is the preferred reference term for the group of social movement, Non Governmental Organizations and other non-state actors. However, very often NGO, CSO or NSA are used as synonyms although they are not given the difference of type and scope of actors.	

## Intro

This is a draft position paper for discussion inside the ITUC following the sessions of the Structured Dialogue organised by the EU commission with Civil Society platforms<sup>1</sup>, the EU member states and the European parliament.

The SD is looking at a more effective CSO – EU cooperation and should find consensus on a number of improvements on both the programming and development instruments for CSO as well as on the content and format of the policy dialogues with CSO on the broader development agenda.

Full information on the SD is available in different languages on the Civil Society page, designed by the Commission<sup>2</sup>.

The main aim of our contribution is to propose to the different stakeholders (not only the EU commission but also the Member States, members of the European Parliaments' Development Committee and the other CSO platforms) an "ACTOR-BASED APPROACH" that is more adjusted to the needs of the trade union movement (and many other CSO actors). That idea was introduced and discussed at the TUDCN Conference in Stockholm (Runo) in October 2009 and subsequently reshaped in the Madrid and Helsinki TUDCN meetings<sup>3</sup>. It has been enriched by the findings of both the supporting documents (evaluation papers) and by the debates with other networks and SD participants.

Our proposals are based on the needs and practices we have been identifying within the diversity of the trade union development cooperation area. This may or may not be representative for other actor's experience. However, we do believe that the actor-based approach may bring responses to some of the important challenges of development effectiveness. Although it is surely not the one-size-fits-all solution, it may contribute to change the paradigm of development effectiveness away from deadlock of the technical debates of the development cooperation business, towards the politics of a people's driven, owned and sustained development.

---

<sup>1</sup> 10 platforms are currently invited: CONCORD/development NGO, Cooperatives Europe, ENoP/political foundations, Green10/environment, HRDN/human rights, ITUC, Platforma/local authorities, Red Cross, Youth Forum and Chambers of Commerce.

<sup>2</sup> see: [CISOCH \(click\)](#)

<sup>3</sup> See for reports and documents: TUDCN [Newsletters](#) "Trade Union Focus on Development" 2009, 2010

# Towards an ACTOR BASED APPROACH in development cooperation

## 1 Lessons from the past: time for adjusting and improving the CSO-EU development cooperation system

*The current system of EU/governmental engagement with CSO has proven to be problematic in terms of its quality, quantity and above all, the lack of strategy, visible results/outcomes/impact.*

That is the conclusion the limited and mainly donor/government-led analysis of the past and current practices<sup>4</sup>, seems to point at.

Identified issues are:

- Multiple **biases concerning the right of initiative** through concentration/harmonisation policies, administrative obligations, policy proscriptions (governmental priorities)<sup>5</sup> or the inclusion of CSO in geographical based and thus government controlled programming (e.g. EDF)
- The lack of **“permanent and structured” policy dialogue**<sup>6</sup>
- The **added value of the CSO channel** is not optimally used
- **Limited resources and capacities within donor/EU agencies**<sup>7</sup>, centrally and especially decentralised to deal in an adequate way with CSO related policies
- **Lack of predictability and long term strategies**
- Multiple shortcomings of the **call for proposals system**<sup>8</sup> (to address the elements above) but also
  - o The very low rate of “success”;
  - o The competition between unequal parties/organisations;

<sup>4</sup> Most of the analysis and background studies and reports are commissioned by donors/governments or EU or addressed to them. Many of the conclusions therefore address government driven policies. Very little so far has been documented from the point of view of the CSO themselves or is based on CSO led research. The Open Forum will conduct CSO led research on a number of these questions, in particular on the enabling environment. The findings and outcomes of that process are expected by 2011.

<sup>5</sup> See Mapping of Donors’ Conditions and Requirements for CSO funding, Final report Cecilia Karlstedt, Consulting AB (contract SIDA) 23/05/2010.

<sup>6</sup> See Special Report 4/2009 of the Court of Auditors on the Commissions management of Non State Actors’ involvement in EU Development Cooperation.

<sup>7</sup> See i.a. Conclusion of Evaluation of the EC aid channelled through civil society organisations ECDPM (for EU Commission), December 2008.

<sup>8</sup> See CoA Report Op. cit.

- The need of short term results and the inappropriate use of logical frameworks;
  - Proposal assessment and evaluation is biased by technocratic, often political and out-of context criteria, interpretations and judgements that are typically not opposable;
  - The total absence of dialogue and interaction between the (EU) donor and the beneficiary on the actions supported.
- The **limits of the thematic, sector and geographical based project/programme approach** in terms of sustainability of the actions and their follow up (including the provision of local resources) and their fragmentation: too many different programmes, too many individual projects, too many envelopes, too much administration; lack of oversight and lack of/very limited capacity and engagement by the donor<sup>9</sup>.
- The currently used **Planning, Monitoring and Evaluation instruments are inadequate** in coping with the specificity of CSO-led (social) development contributions.

## 2 An “ACTOR-BASED” approach in development cooperation

The multiple evidence of the shortfalls of the EU cooperation do point towards a “**systemic failure**” rather than technical short-comes. The ambition of the Structured Dialogue should therefore be to **adjust the overall structure and paradigm**. The European Consensus (2006) has brought forward workable principles and valuable political guidelines. However, the implementation through the new generation of instruments<sup>10</sup> has not yet embodied the implications of the Consensus into a radically new approach that follows the enlargement of the scope of and engagement with new CSO’s actors as partners for development<sup>11</sup>.

The new partners (trade unions, cooperatives, youth organisations, political foundations, local authorities, ...) do not only enlarge the “numbers”, they also bring with them, specific organisational (member based) and developmental approaches (based on their agenda and experience as social actors) , different from the traditional northern based CSO’s and their partners often oriented either on service delivery or on development advocacy. However, the volume of available resources has not increased and the instruments & tools were remodelled, but on the same operational (NGO) principles as before.

Through recognising civil society as “actor-based”, the **emphasis of the development process lies with the** constituency of the CSOs: the **organised people** that are called upon to be **themselves actors of their individual and collective development**. This is a very powerful

<sup>9</sup> See GSDRC and ECDPM; Op.cit.

<sup>10</sup> DCI and EIDHR, ...

<sup>11</sup> Only Development NGO’s were involved in the first “quadrilogue” process, Palermo in 2003. See report on SICOCH.

quality of civil society engagement and in many ways it does makes the difference and/or complement/supports the drive of governmental development cooperation<sup>12</sup>.

However, as reported by most of the evaluators<sup>13</sup>, this intrinsic drive of civil society is in most cases not taken as the basis for supporting a CSO-oriented development strategy and therefore the potential of civil society is often not fully supported.

“The Paradigm shift towards participatory development”<sup>14</sup> does only partially reflect the issue at stake. It is not only about the process as such; it **is about the recognition by donors and governments of the autonomy and the initiative of the civil society partners at all levels and acting consequently.** This has multiple dimensions that affect not only the political dialogue, or the instruments or the in-country strategies etc... it does affect all elements of the CSO-EU/donor/government cooperation: **it requires an ACTOR based approach.**

### 3 Translating the actor based approach into new CSO support modalities

An actor-based approach does challenge a broad variety of problems and issues of the current systems of development aid support and effectiveness through the non-state actors' channel. It places dialogue between autonomous but development committed partners at the heart of its strategy, based on shared responsibility for results and mutual accountability.

#### 3.1 A RIGHTS-BASED APPROACH/enabling environment

Although awareness is growing on the CSO contribution to development<sup>15</sup>, confusion remains in the texts and in the practices as to the exact nature of the interaction between the state and civil society. That ambiguity can be found in many ways by states, both north and south, in **the prescription of “priorities” and/or “choices”, as well as other political or practical conditionalities** and governance methods to CSO actions and activities<sup>16</sup>. It is also reflected in the existing (few) good practice examples of in-country civil society coordinating mechanisms with donors and government. Although they may be very useful instruments

<sup>12</sup> “Where unions are able to act freely, to promote collective bargaining, and to play a full role as social partners in dialogue about their nation’s policies and future, then we see democracy at work.” Helen Clark, UNDP Administrator, addressing the 2<sup>nd</sup> ITUC Congress, Vancouver, 24/06/2010.

<sup>13</sup> GSDRC, ECDPM, Consulting AB, ...

<sup>14</sup> See CISOCH pages; the emphasis on participation is the direct, positive, result of the first Quadrilogue. Besides the difficulties in implementing this new approach (see CoA report), as state above, this does not count with the conceptual and methodological needs of the enlarged Civil Society concept as a whole and with the individual new partner-networks in particular.

<sup>15</sup> See the new and important reference made to the CSO contribution in the AAA § 13 and 20

<sup>16</sup> See ref to conditionalities in Mapping of Donors’ Conditions and Requirements for CSO funding, Op. cit.

for dialogue, and/or implementation, they remain voluntary and omit to recognise a rights-based approach for the CSO existence and activities

Positive examples of rights-based CSO recognition, deriving from the Universal Declaration on Human Rights of the UN qualifying the freedom of association, can be found in the Recommendation CM/Rec(2007)14 of the Committee of Ministers to member states on the legal status of non-governmental organisations in Europe, enumerating principles and objectives.

Also, and more far-reaching from a legal point of view, as far as trade unions and employers organisations are concerned, in the ILO Conventions 87 and 98 on freedom of association and collective bargaining<sup>17</sup>.

The main characteristics of these “regulations” are

- the absence of externally imposed conditions
- the prohibition of interferences by the state with the “CSO” organisation/activities and
- an enforceable, dialogue based accountability system.

### 3.2 STRUCTURED (political) DIALOGUE as organizing element of cooperation

The organising principle for the rights based cooperation should be the **STRUCTURED DIALOGUE**, rather than the call for proposal and the fake policy consultation=information “dialogues” with CSOs. This means that both programming and policy dialogue with CSOs should be rooted in the dialogue between the CSO, individually and collectively, and the other SD partners (commission, member states and European parliament). This Structured Dialogue, unlike the current exercise, **should be rights based, be permanent, co-managed/multistakeholder-led and sufficiently resourced**<sup>18</sup>.

In order to allow such structured dialogue to take place, representative and responsive networks of CS have to be identified as permanent and self-organised interlocutors through a CSO advisory group, with the other SD stakeholders in the SD committee.

This **self-regulation by the CSO community** has to be understood as an integral part of the right of initiative of civil society<sup>19</sup>.

The dialogue with individual recognised networks on **THE PROGRAMMING** should allow for a different approach for the contractual relationship but above all, should ensure mutual

<sup>17</sup> [http://en.wikipedia.org/wiki/Freedom\\_of\\_Association\\_and\\_Protection\\_of\\_the\\_Right\\_to\\_Organise\\_Convention,\\_1948](http://en.wikipedia.org/wiki/Freedom_of_Association_and_Protection_of_the_Right_to_Organise_Convention,_1948)

<sup>18</sup> See as reference i.a.: Structured dialogue with youth at [http://ec.europa.eu/youth/focus165\\_en.htm](http://ec.europa.eu/youth/focus165_en.htm)

<sup>19</sup> Experience from other self-regulated CSO groups, does confirm the inclusive and representative outcomes of such exercises. (see Council of Europe Youth Structures, or BetterAid, Open Forum CSO platforms).

understanding and engagement on the vision and mission of the action to be launched. At the same time, this allows for an integrated programming, and for a commonly supported and implemented, monitoring, evaluation and learning methodology that focuses on the sustainable change the action produces.

This transformation of the traditional project cycle by an **integrated, long term impact planning approach based on political dialogue** between the actor/network and the government/donor, will ensure political ground for **mutual accountability** and will also allow to understand the need for the use of **innovative and more responsive financial mechanisms** to support this actions, including adjusted reporting systems.

On the **POLICY DIALOGUES**, the current SAG is considered obsolete, as it has not met the expectation. This type on NON-consultation was severely criticized by many of the stakeholders and others<sup>20</sup>. It would therefore be appropriate to include this type of policy dialogues within the larger framework of the Structured Dialogue and identify relevant development issues to be discussed in issue-centered working groups as part of a permanent, resourced and co-chaired SD process and linked to the relevant institutional decision-making.

The collective and individual structured dialogue with CSO networks has to be permanently installed as a co-chaired instrument for Programming and Policy Dialogues with full respect of the CSOs' autonomy and right of initiative, allowing shared responsibility and mutual accountability.

A successful SD involving all partners at EU level can also have a positive impact in the improvement and establishment of a more appropriate international development architecture with respect to the CSO cooperation, taking further the AAA achievements. The current parallel processes, both at the level of the CSO (BetterAid and Open Forum) as well as the leading role of the EU in the follow up of the AAA and the existence of an active CSO-Donor group of governments are all potential elements for improved and more effective support for CSOs in development cooperation.

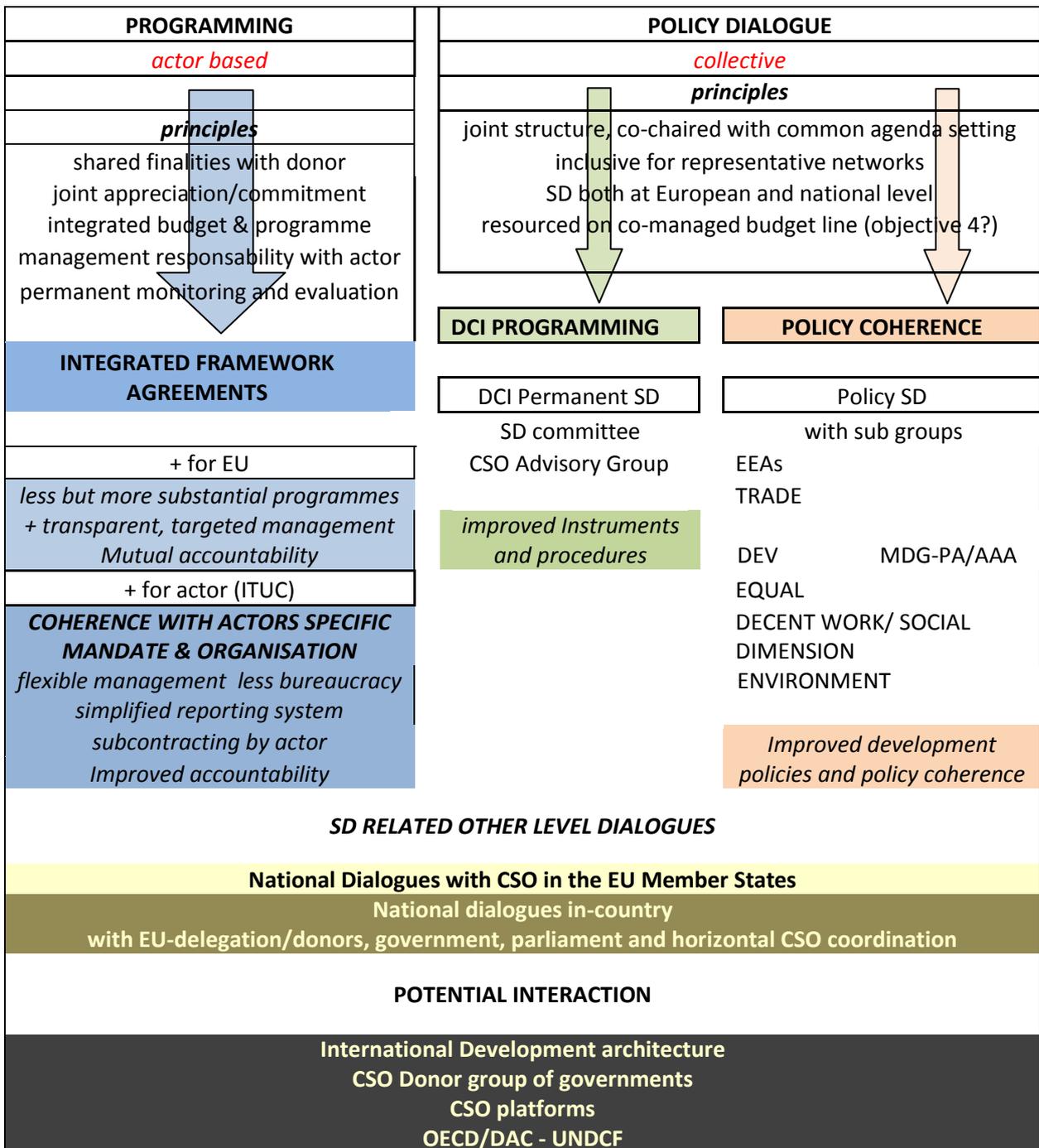
**THE STRUCTURED DIALOGUE HAS TO BECOME, AT ALL LEVELS, THE “ORGANISING PRINCIPLE” FOR THE COOPERATION WITH CIVIL SOCIETY ON DEVELOPMENT**

---

<sup>20</sup> See CoA op.cit. on the poor quality and insufficient exploitation of the potentials of the dialogues with CSO.

# STRUCTURED DIALOGUE

EU COMMISSION (Commission, EAS, ...)
MEMBER STATES
EUROPEAN PARLIAMENT
CSO PLATFORMS



### 3.3 MULTILATERAL AND INCLUSIVE NETWORKING around CSOs' core mission and their contribution to in-country impact and development effectiveness

**PEER TO PEER NETWORKING** is for many of the new CSO partners the main modus operandi in strengthening in-country developmental impact of their cooperation.

The lack of understanding of the **added value and practical development impact of international CSO Networks** on the one hand and on the other, the unconsidered implementation of new state-driven policies through localisation and in-country donor support systems for civil society, are a threat to the autonomy of CSO cooperation, since they tend to reduce the CSO contribution to merely service delivery<sup>21</sup>. In practice, in-country support for local social movements is, in many ways, most successfully operated through their own international networks, ensuring independent peer to peer support and capacity development around their societal core business<sup>22</sup>.

#### **THE OVERALL POLICY FRAMEWORK IS CONDUCIVE FOR OUR ACTION: FOR A SUSTAINABLE AND JUST DEVELOPMENT MODEL.**

For the trade union movement this means that governments should seek to integrate the decent work agenda systematically and as a matter of priority into macroeconomic policies and development assistance frameworks at a national level. This constitutes an indispensable means of addressing the challenges of eradicating poverty and sharing the benefits of growth equitably within society. The 2nd ITUC Congress in Vancouver in June 2010 adopted an informed policy resolution highlighting the contribution of the trade union movement in the quest of a new, sustainable development model based on social justice<sup>23</sup>.

**DEMOCRATIC OWNERSHIP** is a constituent element of that CSO cooperation. Representative organisations, with democratic structures and decision-making organs, independent and acting out of their own right, relying local development, from the workplace to the community, with national and international, including south-south strategies, are a major asset for the development effectiveness agenda<sup>24</sup>. The democratic

---

<sup>21</sup> Support Models for CSOs at the Country Level: A Summary of a Study Commissioned by Nordic+ Donor Countries CCIC January 2008. The document whilst indentifying non specific challenges (eg the general PD criteria) is clearly inconclusive on the added value of this in-country approach.

<sup>22</sup> The EU has dramatically reduced, whilst enlarging its partnership with international Social Movements/CSO networks, the multi-country share of the NSA budget in favour of in-country allocations to "civil society" by EU delegations, on top of the already important provisions for civil society under the geographical instruments, who's effectiveness and impact remains to be assessed.

<sup>23</sup> See document in annex.

<sup>24</sup> Examples of the role of social movement that have brought major shifts in development models in recent history are self-explanatory: Solidarnosc in Poland; trade unions as motor of civil society in Guinée, Nepal, ...

ownership agenda is inevitably linked to the freedom of association and the in-country ability of the trade union movement to act, in fine, to the quality of democracy as a prerequisite of development effectiveness.

That **multilateral capacity and in-country impact and effectiveness**, framing the right of initiative and rooted in a rights-base approach, **should be a priority focus for support through CSO networks**.

Structured dialogue, based on shared and co-chaired discussions and decision-making, may be enable a better understanding of the inclusive CSO contribution to development and relocate governmental and (the diversity of) non-governmental actors into their respective (and respected) mandates, including the interaction between the in-country effectiveness and their international modus operandi<sup>25</sup>.

### 3.4 A COMPREHENSIVE APPROACH: integrated the multiple tasks of CSOs in one coherent framework.

Many social movements/CSO, such as the trade unions, although they have specific constituencies, are involved in the multiple agenda's that affect development in their country/worldwide based on their constituency's main missions

- Capacity development, awareness raising, education and training
- Research and policy preparation, monitoring and evaluation
- Advocacy and institutional representation, on Human rights, Gender equality, Decent work, Migration and asylum, Education for all, Health, ... at local, national, regional and international level
- Visibility actions, information and communication
- Organisational development, democratic governance and networking, from the work floor, sector wide, national, regional to the international level.
- Programme management and follow-up....
- Service delivery of their members and their communities (housing, education, legal assistance, credit and financial services, health related services, ...).

Under the current system of (EU) programming many of these aspects are taken up under different instruments or programmes, with different schedules and different types of management tools (most of the time calls for proposals, sometimes contracts). As a result of this, CSO very often end up with **mutilated capacities and lack of programme coherence**.

---

have contributed to systemic change: others, through democratic policy processes they have been drivers of social and political change in Brazil, South Africa, Indonesia, ...

<sup>25</sup> Not only, but also in terms of the real value of "transaction costs".

Current system of potential project based support for ITUC Actions	
<i>Based on calls for proposals</i>	
Human Rights	EIDHR
Equality	IIP
Decent Work	IIP
HIV AIDS	IIP
awareness and information	DCI Obj 2
coordination and networking	DCI Obj 3
capacity development	DCI Obj 1
in-country	1a
regional/international	1b
administration and management	all

We therefore call for **an more integrated and framework of action and activities, based on the policy dialogue and actor-driven coherence**. That framework should contribute to the overall objective linked to the actors’ mission, allowing for consistency and coherence in the actors’ multiple functions and internal organisation structures and decision-making. It should ensure therefore overall capacity to materialise the required change in the development patterns, in-country and globally, it is working on.

Alternative ITUC Programme support	
<i>Based on integrated programming dialogue</i>	
Human Rights & Democracy	<b>framework agreement</b>
Equality	
Decent Work	
HIV AIDS at the workplace	
Awareness and information	
Coordination and networking including regions (Africa, America, Asia-P, Europe)	
Capacity development	
in-country	
regional/international	
Administration and management	
Other services	
Campaigning	

### 3.5 A LONG TERM AND CONTRACTUAL ENGAGEMENT based on dialogue, predictability, mutual accountability and governance feasibility.

The shortfalls of the current operating system based on the call for proposals is extensively documented. Also the possible alternatives have been listed and should now be examined with a view on their practicability, their contribution and utility to the proposed outcomes of CSO development cooperation and their feasibility in terms of management, quality and equity in affectation and accountability.

The use of new supporting mechanisms<sup>26</sup> for CSO-networks: core funding, framework programmes, etc should be promoted, with full respect of the integrity of the CSOs' right of initiative (ownership), long term shared engagement and accountability by donor and the CSO network, permanent progress and impact assessment and simplified management tools, are constituent elements for a new CSO support instrument.

Autonomy for CSO support should be guaranteed from the (bilateral) state to state agreements<sup>27</sup>, avoiding either the donor or the partner country or both, to impose priorities, conditionalities or political preferences upon the CSOs and their actions, infringing the right of initiative and the essential autonomy of civil society<sup>28</sup>. There is not only an "ownership" issue with partner states; there is also another, but a distinct, non contradictory, "ownership" issue that lays with CSO. The CSO ownership has to be understood as the abstention of interference by states in CSO policies and organisations whilst recognizing their right on initiative and the value of their contribution to democracy and development.

It is inappropriate to impose governmental driven strategies on CSO-networks that have, out of their own right and autonomy, and based on their own democratic decision-making, established their own geographical and thematical/sectorial priorities. It is, above all not the implementation of technical projects or programmes, that will ensure sustainable change in development patterns but **the empowerment of representative actors (in the broad sense of a lively and vibrant democracy).**

**Actor and people oriented PME methods** for assessing the CSO programmes' contribution to development should replace the imposition of inappropriate strategies and

---

<sup>26</sup> They are not "new", since they are already applied largely in the state-to-state cooperation, but also in many bilateral CSO cooperation (see comparative analysis of Framework Programmes with CSO by the Austrian Development Agency, 2010 and Mapping of Donors Conditions and Requirements for CSO funding; op.cit).

<sup>27</sup> This is, amongst other elements, one of the most important raisons for the failure in the civil society chapter of the Cotonou agreement: besides good practices based purely on good will of certain partner governments, there is NO RIGHTS BASED ground for civil society to be recognised and included as partners in their own right by partner governments (and the EU-delegations).

<sup>28</sup> See EESC Rex/296 On DCI of the EU: the role of organised civil society and social partners. Iuliano, June 2010

methodologies on CSO development programmes that are based on short term outputs and on the attribution of results to (donor)support.

A long term, **comprehensive planning, allowing for vertical integration** could be an important asset for enabling more in-country effectiveness of CSOs whilst respecting fully their autonomy and right of initiative. The actor-based programming will also allow donor harmonisation on the CSO programmes through pooled/basket funding and common PME, reporting and management systems by different donors (EU, member-states, multilaterals and private).

The use of integrated programming will also allow, together with the political and programming dialogue to establish **mutual commitment towards results and evaluation**. It could also substantially reduce the number of programme and their complex administration as well as the oversight of the contribution and interaction of the multiple actors in the development strategies and actions. More dialogue, with less actors (through horizontal or vertical networks and actor alignments); less, but integrated programmes; and alignment of donors and harmonisation of proceedings, will simplify greatly the implementation strategy and the costs for management and oversight.

However, as explained above, the key issue is to put the policy before the money, to construct the system on policy dialogue and mutual engagement first, rather than primarily optimising the affectation of resources.

#### 4 12 steps to be taken

1. Install the structured dialogue as the permanent instrument for CSO participation in both programming and policy dialogues, co-chaired and with co-managed resources.
2. Support the constitution of a self-governed CSO advisory group as part of the SD setup.
3. Recognise the self-regulating right and capacity of the CSO community as basis for the structured dialogue.
4. Integrate the SAG into a new SD structure on policy dialogues.
5. Install programme dialogues with individual CSO networks in order to assess needs and ensure shared engagement and accountability.
6. Ensure CSO's rights of initiative at all levels and revise government driven geographical, sectorial and thematic programming in order to ensure autonomy and rights based support for CSOs ("independent" CSO funding, also in geographical instruments).
7. Revise and where possible, integrate the instruments in order to ensure inclusiveness of actions and actor based coherence.
8. Promote framework agreements with global networks (including enlarged subcontracting), reducing the number of actors (programmes) in order to ensure effectiveness in management and impact assessment, as a necessary and complementary tool for in-country CSO support.
9. Acknowledge the need for diversified instruments and usefulness of donor alignment, harmonisation and cooperation/division of labour, in order to meet the diversity of needs of the different actors.
10. Adjust the short term output based PME methods to allow better and more adequate actor based progress and change measurement and impact assessment.
11. Promote in-country rights based structural dialogue mechanisms and horizontal integration.
12. Based on the expressed needs through the applications in the grant system and the extremely low rate of coverage, **ALL STAKEHOLDERS SHOULD ENSURE**, as a prerequisite and conditione sine qua non, **TO SUBSTANTIALLY INCREASE THE CSO FUNDING**.

## A sustainable and just development model for the 21st century

1. Congress affirms that the global crisis constitutes the definitive failure of the unjust neo-liberal orthodoxies which have guided development policies in recent decades.

2. Congress notes that the current model of development based on market fundamentalism with its emphasis on export-led growth has failed to deliver sustainable growth and social progress in either the developing world, emerging countries or the industrialised world. Modest gains in poverty reduction - where they have occurred - cannot be accepted as a serious international response to the shared challenge of, and responsibility for, world development. Nor do they weigh heavily against the growth of inequality, the acceleration of environmental degradation or the brutal impact of the crisis on the lives of millions of working families. Congress affirms that unregulated capitalism is ecologically destructive and unsustainable, and calls for a fundamental alternative system of global production that is humane and socially responsible. It calls on affiliates to fight against growing inequalities, underdevelopment and economic injustice in the global system.

3. Congress deplores the fact that the current development paradigm has caused inequalities and poverty and contributed to an erosion of workers' rights and a weakening of workers' organisations in many developing countries through its advocacy of labour market flexibility, privatisation, deregulation and market liberalisation. This has created a downward trend in wages through increased competition between developing countries, increased informalisation or casualisation of work, and fiscal austerity and negative corporate tax competition between states with damaging consequences for access to, and the quality of, social protection.

4. Congress condemns the global trend toward the privatisation of public services due to which millions of people have been deprived of their fundamental human rights. It reaffirms that the provision of universally accessible quality public services contributes to the reduction of poverty and inequality and the expansion of decent work and enhances social integration and cohesion. Congress further reaffirms that free, universal and public education provides opportunities for all and is a crucial underpinning for democratic societies. It is a key factor enabling individuals and communities to break out of cycles of poverty and providing them with equal opportunities.

5. Congress reiterates that trade unions play a key role in the development process. Their democratic representation confers unique legitimacy to interact with governments and employers' organisations and to hold them accountable. By their involvement in social dialogue, trade unions can change unfair government policies and contribute to social progress. By promoting and undertaking collective bargaining they ensure that wealth is more fairly distributed within society, hence contributing to the reduction of poverty and inequalities. By organising workers, including the poorest and the most vulnerable such as those working in informal employment relationships, trade unions can play a critical role in changing the dominant structures of power. The organisation of self-employed workers into union-linked cooperatives can be one way to change power relationships and formalise work. Through their struggle for social justice, trade unions are and must be recognised as full partners in the development process. Congress calls for investment in the strengthening

of free trade unions and free collective bargaining in developing countries, as these are two essential pillars for fair and sustainable development.

6. Congress calls for a new development model that is rooted in domestic market growth and focussed on decent work and income distribution and investment in people through education and health, prioritises regional integration and is respectful of the protection of the environment and of workers' rights. Congress also calls for an enabling international environment that facilitates balanced economic and social progress, including for developing countries, and offers them an equitable stake in the globalised economy. It opposes the plunder of natural resources of developing countries by multinational companies and corrupt elites and supports developing countries' own efforts at increasing their value-added production capacity in full respect of workers' rights. The extraction of natural resources by multinational companies must benefit the communities and countries concerned and be consistent with sustainable development.

7. Congress recognises that trade and investment are necessary for successful development but rejects undue reliance on export-led growth at the expense of domestic markets and local needs, or respect for workers' rights. Economic growth must be high-quality and sustainable, and rooted in domestic demand built upon decent income levels, agricultural development and industrialisation through building of diversified and productive value-added capacities. International trade and investment rules, and investment in commercial food production by corporations, must not undermine the livelihood of small scale farmers and rural women and men.

8. Globalisation has given rise to the development of global production and distribution chains. In spite of its "global" nature, the crisis has at the same time led to a resurgence of protectionist trends. In this context Congress calls for a strengthening of the relationship between trade union organisations at the national and international levels in order to work together against the effects of social dumping, especially when this results in violations of fundamental workers' rights. Congress affirms that fundamental workers' rights are critical to achieving sustainable economic recovery and an effective response to the crisis.

9. Congress affirms that the new development model must prioritise decent work opportunities for all and achieving balanced economic and social progress and environmentally-compatible development. It rejects an exclusive focus on economic growth and the assumption that social progress is an automatic outcome of economic expansion. Current calculations of GDP do not reflect the whole picture of growth and prosperity and Congress therefore supports the development of new definitions with better indicators that could provide a clearer picture of progress in the social, economic and environmental fields. Congress calls upon governments to reverse the trend toward more jobs in the informal economy and the increasing precarity of work, through the strengthening and extension of labour legislation and its more rigorous enforcement and full recognition of the role of workers' organisations. It calls for the implementation of the ILO Declaration on Social Justice for a Fair Globalisation and of an ILO Decent Work Country Programme in every developing country, which require support from both multilateral and bilateral donors as part of their development cooperation and the involvement of trade unions at all stages and in all aspects of these measures. Strengthening public labour inspectorates should be a key component, and ILO Convention No. 81, Labour Inspection and ILO Convention No. 129, Labour Inspection (Agriculture) need to be ratified and fully implemented by all governments.

10. Congress insists that fairer distribution of income is a precondition to any sustainable form of development. Reducing inequalities must be an explicit goal of national development policies including through powerful redistributive tools such as collective bargaining, progressive fiscal policies, living wages or improved minimum wages, guaranteed accessible

and high-quality public services and improved social protection. Tax justice is central to this new development model. Increased mobilisation of domestic resources for development should focus on fiscal reform, strengthening tax administration and broadening the tax base and eradicating tax fraud and tax evasion. Governments should seek to establish or strengthen the income redistribution function of their tax systems by establishing progressive regimes that require the highest tax contributions from capital gains and from the wealthy and provide tax relief for low income families and the poor. On the investment side, the focus must be on enabling measures for public finance management as well as social infrastructures including health, education for all to provide people with skills and access to knowledge so that they can take action to protect their living and working conditions, and decent work strategies.

11. Gender equality must be another specific objective and Congress calls upon governments, donors and trade unions to sharpen the focus and the impact of development policies on gender issues. The provision of basic public services is an essential prerequisite for achieving gender equality and empowering women.

12. Many multilateral and bilateral trade and investment agreements between industrialised and developing economies affect developing countries' integration processes negatively by undermining regional integration and generating and exacerbating unemployment. Congress calls for a strengthening of regional integration processes, and recognises the potential of regional markets to boost sustainable growth and that building a social dimension into regional integration remains an important challenge for trade unions and their allies.

13. Congress insists that the protection of the environment and of those most vulnerable to environmental degradation must be an integral part of the new development paradigm. Governments must ensure that their policies are respectful of the environment and that "just transition" strategies are put in place in order to provide a socially fair and environmentally responsible pathway to sustainable development. Congress calls for a full-scale transformation of global production systems and consumption patterns in order to safeguard our societies and workplaces whilst protecting and promoting decent work for all. Trade unions must play a central role in that unprecedented transformation. Congress undertakes to promote an integrated sustainable development approach including a just transition that brings together social progress, environmental protection and economic needs within a democratic governance framework in which trade union and other human rights are respected and gender equality is secured. It is a responsibility of developed countries to provide finance and to transfer the technologies necessary for the success of such strategies in developing countries.

14. Congress stresses the need to meet all basic needs and calls for an ambitious strategy to provide access to water to millions more people through comprehensive water cycle policies, including water saving and treatment and investment in dams and hill reservoirs in those countries that need them; and for a further bold strategy to facilitate access to accommodation for the majority through the construction of social housing. It draws the attention of governments to the widespread and anarchic urbanisation policies in developing countries that are upsetting societal, economic and social balances, aggravating poverty and creating new needs not in line with people's income. Congress supports sustainable agriculture and rural development and denounces the current practices, which are tantamount to agrarian neo-colonialism, of purchasing huge areas of land in developing countries for commercial food export with a potentially negative impact on indigenous food and culture. Development policies must ensure food security and increase the capacity of local producers to contribute to realising the right to food for all.

15. Congress affirms that achieving sustainable development requires achieving social justice. This needs democracy, fairness, good governance, strong and accountable institutions and the elimination of corruption, and Congress underlines the clear responsibilities of both developed and developing countries in these areas. Rigorous measures should be in place to ensure that funds from donor agencies and IFIs do not contribute to corruption and poor governance. Congress recognises the role that trade unions in developing countries have played to strengthen democracy and the application of the rule of law, and pledges continuing support to them in that work.

16. Congress deplores that despite international commitments aimed at ensuring country ownership of development strategies, today's reality remains that development policies are often driven by donor countries' political or trade priorities or by international NGOs' own agenda rather than by democratic debates taking place at the national level. Congress declares that democratic ownership of development strategies by the people through representative institutions is the main instrument in achieving effective governance of development, and that there can be no democratic ownership in the absence of social dialogue. It urges international organisations, donor agencies and developing country governments to ensure they have the necessary democratic policy space. Congress calls for a true implementation of the principle of democratic ownership, increased policy space for developing countries and insists that national parliaments, the social partners and civil society must have a say in defining development strategies.

17. Congress underlines that an enabling international environment requires financial stability and space for counter-cyclical stabilisation policies to be implemented in developing countries. Congress calls on the International Financial Institutions to contribute to the establishment of that environment rather than advance the interests of rich elites or of a minority of countries. There is need to fundamentally review not just the internal governance of intergovernmental institutions but their overall orientation, policies, goals and mandate in order to address them adequately to the urgent task of attaining development, ending inequalities and creating jobs for sustainable development, particularly in the developing countries where their devastating impacts have never been felt more. Furthermore Congress urges donors to cancel the debt of LDCs without economic policy conditionality. The creation of a fair and transparent mechanism for sovereign debt restructuring and cancellation and to review the legitimacy of the debt is urgently needed. Congress condemns the actions of so-called 'vulture funds' and welcomes legislation to ban their use of the courts to steal developing countries' money.

18. Congress calls on governments to maintain and intensify commitment to achieving the UN's Millennium Development Goals (MDGs) by 2015 and underlines that the promotion of decent work is instrumental to achieving the objective of the first MDG, the eradication of poverty. Industrialised countries must honour the UN commitment to allocate 0.7% of Gross National Income (GNI) to Overseas Development Assistance (ODA). Additional finance for development must be provided through new forms of international taxation assessments and contributions and in particular taxes such as an international tax on financial transactions, which could also be used for initiatives against climate change. It is important that aid be predictable and untied, respectful of the democratic development choices of developing countries and supportive of the role of the state. Consideration should be given to the creation of a Development Fund for poor countries for sustainable industrialisation.

19. In the event of huge natural disasters such as large magnitude earthquakes, Congress calls for the international community to establish effective and rapid arrangements for limiting human loss and assisting in the urgent reconstruction of towns and cities and their essential basic infrastructure.

**ITUC Action Programme**

20. Congress instructs the ITUC and regional organisations, working together with Global Unions partners and affiliates, to:

- (a) Defend, promote and advocate this new model of development among national and international institutions;
- (b) Work for reform of the international financial and economic institutions, economic recovery programmes that focus on stimulating domestic demand on a counter-cyclical basis, new forms of international taxation, abolition of tax havens, a review of trade and investment treaties and agreements to ensure they promote development, and a fairer distribution of wealth within and among states;
- (c) Work together, subject to respect of trade unions' role and representativeness, with other civil society organisations and movements, including women's and youth groups, that share our values in supporting the promotion of a new development paradigm that includes a new development index instead of GDP, able to measure social and environmental well-being;
- (d) Support initiatives to shift international development assistance from aid effectiveness to development effectiveness, and endorse the work being done by the Trade Union Development Cooperation Network (TUDCN) to bring greater coherence and improved coordination to trade union development cooperation;
- (e) Support affiliates on issues related to the implementation of the new development model including in their fight to reverse the trend towards casualisation and informalisation of work, and to protect workers affected by it;
- (f) Strengthen the capacity of member organisations on the issues addressed in this resolution.

---

Vancouver, June 2010