

Civil society voices for  
**Better Aid**

**CSOs on the Road to Busan:  
Key Messages and Proposals**

**January 2011**

## **CSOs on the Road to Busan: An Executive Summary of CSO Key Messages and Proposals**

CSOs in the *BetterAid Platform*, with the *Open Forum on CSO Development Effectiveness*, are calling upon all development actors in the *Working Party on Aid Effectiveness* to work together for an ambitious forward-looking outcome at the Busan High Level Forum that addresses critical issues in development cooperation. Progress in three mutually dependent areas of reform is essential for a meaningful and ambitious *Busan Declaration on Development Effectiveness*:

- a) Complete and deepen current aid effectiveness commitments;
- b) Operationalize development effectiveness;
- c) Promote an equitable and just development cooperation architecture.

Each area will require negotiated specific, time-bound and measureable commitments. When taken together, they will build development partnerships, mutual trust and accountability for actions that can realize the goal of aid and development effectiveness: deepening the impact of aid and development cooperation on the capacities of poor and marginalized people to realize their rights and achieve the internationally agreed development goals (IADGs).

### **Development partners must**

#### **A) Complete and deepen current aid effectiveness commitments by ...**

##### **1. Taking stock of commitments:**

1.1 Implement an inclusive assessment of Paris and Accra commitments that takes account of and specifies the underlying reasons for the lack of more significant progress.

##### **2. Carrying forward and strengthen the Paris and Accra aid effectiveness commitments:**

2.1 Promote democratic ownership of development policies and actions through full engagement with, and accountability to, all development stakeholders (most importantly the intended beneficiaries and local communities, but also parliaments, CSOs, private sector, local government and media).

2.2 Carry out regular broad and inclusive multi-stakeholder country-level policy dialogues on development strategies, policies and programs.

2.3 Strengthen and realize the Paris commitment towards the use of program-based approaches, while realizing the Accra commitment to increase the use of country systems as the first option by donors in bilateral government-to-government cooperation.

2.4 End donor policy conditions attached to aid negotiations and disbursements, including implicit and indirect policy conditions by International Financial Institutions.

2.5 End all formal and informal practices of aid tying.

2.6 Make technical assistance fully demand-driven, responsive to country needs, ensuring an integrated human rights and gender equality perspective, with precedence given to local knowledge sourced through transparent and inclusive processes.

2.7 Deliver on the Accra commitment to improve aid predictability by providing recipients with, and delivering on, predictable three to five year funding tranches.

2.8 Ensure that support to the private sector does not undermine agreed development goals and human rights standards but supports their realization.

### **3. Implementing full transparency as the basis for strengthened accountability:**

- 3.1 Create and strengthen clear accountability frameworks at global and country levels, based on existing country-led processes, with strategies to reduce aid dependence, the inclusion of all stakeholders, and the respect for human rights obligations of each development actor.
- 3.2 Adhere to and implement the highest standards of openness and transparency by signing up to and implementing the International Aid Transparency Initiative (IATI) standards, and by recognizing civil society initiatives to improve CSO accountability and transparency.

## **B) Operationalize development effectiveness by ...**

### **4. Giving centrality to human rights, eradicating the root causes of poverty and inequality:**

- 4.1 Commit to and implement rights-based approaches to reforms in development cooperation and its practices, as the basis for concrete measures to eradicate the root causes of poverty and inequality and to promote democratic ownership.

### **5. Promoting and implementing gender equality and women's rights:**

- 5.1 Place gender equality and women's rights at the center for achieving development effectiveness, by strengthening implementation and monitoring of current gender equality and human rights obligations and commitments of donors and governments, and through the allocation of dedicated resources for their realization.

### **6. Implementing the Decent Work Agenda as the cornerstone for socially inclusive and sustainable development strategies.**

- 6.1 Implement economic development strategies based on the recognition of social rights, with social inclusion, social protection and social dialogue to address the needs of vulnerable and marginalized segments of society.

### **7. Ensuring the full participation of CSOs as independent development actors in their own right:**

- 7.1 Recognize the *Istanbul Principles for CSO Development Effectiveness* (see Annex Three) as the basis for assessing CSO contributions to development and for donor and government policies that enable these contributions.
- 7.2 Engage CSOs through the Open Forum on CSO development effectiveness to agree on minimum standards for government and donor policies, laws, regulations and practices that create an enabling environment for CSOs to reach their full potential as development actors.

## **C) Promote an equitable and just development cooperation architecture by ...**

### **8. Proposing and implementing fundamental reforms in the global governance of development cooperation:**

- 8.1 Propose an inclusive multilateral process to consider a binding agreement on development effectiveness, negotiated within the United Nations and the framework of United Nations human rights conventions and covenants.
- 8.2 Promote inter-institutional collaboration between the OECD Working Party on Aid Effectiveness and United Nations mechanisms, such as the Development Cooperation Forum (DCF), to strengthen UN institutions for policy dialogue on development effectiveness.

## CSOs on the Road to Busan: Key Messages and Proposals<sup>1</sup>

### I Introduction

CSOs organized under the *BetterAid Platform*, with the *Open Forum for CSO Development Effectiveness*, call for urgent and essential reforms of the global development cooperation system, which is experiencing profound crisis (see Annex One for a brief description of each initiative). The Fourth High Level Forum in Busan, Republic of Korea, in November 2011, will be an important opportunity for collaboration to lay the ground for these reforms. All development actors in the Working Party on Aid Effectiveness must work together in the coming months for an ambitious forward-looking outcome at Busan that addresses critical issues in development cooperation.<sup>2</sup>

A *Busan Declaration on Development Effectiveness* must set out ambitious commitments for renewed partnerships for a development cooperation system that focuses on human rights, recognizing the centrality of poverty reduction, gender equality, social justice, decent work and environmental sustainability. Busan must also deliver an implementation framework with specific, time-bound, measurable benchmarks, which can be independently and regularly monitored, for these commitments.

The context for CSOs' appeal for ambition is the overarching failure by the international community to give priority to actions that were needed "to spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty" and "to making the right to development a reality for everyone". These aspirational words from the Millennium Declaration gave hope that the international community would make the hard decisions for reform. These reforms were to give attention to the needs of the people living in poverty, and of developing countries, which is required to achieve internationally agreed development goals (IADGs), including those combined in the Millennium promise.

Despite agreements reached in 2002 at the Monterrey Consensus on Financing for Development, and in the Paris Declaration (2005) and the Accra Agenda for Action (2008) to make aid more effective, donor and developing country governments have made only patchy progress towards their stated goals, and many donors are now abandoning their aid volume promises. This lack of progress demonstrates an alarming absence of political will to deal coherently and effectively with the major development challenges confronting the world.

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<sup>1</sup> BetterAid's key messages and proposals were developed through group discussion at the BetterAid Coordinating Group's October 2010 meeting in Paris, followed by further consultations within the BACG, the Open Forum Global Facilitating Group, and the BetterAid Platform. They are also derived from four BetterAid background policy papers: 1) An Assessment of the Accra Agenda for Action from a Civil Society Perspective (November 2009); 2) Development Effectiveness in Development Cooperation: A Rights-based Perspective (October 2010); 3) Making Development Cooperation Just: Governance principles and pillars (December 2010); and 4) Policy Paper on South-South Development Cooperation (March 2010). These papers are available at [www.betteraid.org](http://www.betteraid.org). BetterAid key messages will continue to develop based on further CSO consultations and the Working Party agenda for Busan in 2011.

<sup>2</sup> Annex Two sets out some useful definitions as employed by BetterAid in this paper for aid, development cooperation, aid effectiveness and development effectiveness.

The last decade witnessed unrelenting and growing inequalities within and between countries, exacerbated by the failure to address the systemic causes behind deepening crises of global finance, climate change and hunger. In the face of these crises, millions of poor and marginalized populations experience weak social protection mechanisms, along with shrinking political space to realize their social, economic, cultural and political rights. There has been severe challenges to realize the IADGs, including the MDGs, particularly for those who need them most.

Millions of civil society organizations (CSOs) worldwide contribute in unique and essential ways to development as innovative agents of change and social transformation. They play key roles in representing a wide range of voices in the policy debates at country and global levels on the implementation of the Paris/Accra commitments. As full members of the Working Party on Aid Effectiveness, they have been active in building a multi-stakeholder agenda on development effectiveness. Nevertheless, despite recognition as “development actors in their own right” in Accra, CSOs are facing policies and practices that restrict their role as development actors. As CSOs work to improve their own effectiveness, an enabling environment is essential to “maximize their contributions to development” (AAA).

Drawing on this rich experience, CSOs have focused their proposals on three mutually-dependent areas of reform essential for realizing a meaningful and ambitious *Busan Declaration on Development Effectiveness*:

- a) Completing and deepening current aid effectiveness commitments;
- b) Operationalizing development effectiveness; and
- c) Promoting an equitable and more just development cooperation architecture, with systemic changes in the global governance of international development cooperation.

Each requires negotiated, specific, time-bound and measureable commitments. When taken together, they will build mutual trust and accountability for actions that can realize the goal of development effectiveness: deepening the impact of aid and development cooperation on the capacities of poor and marginalized people to realize their rights and achieve the IADGs.

## II All development partners must ...

### A) Complete and deepen current aid effectiveness commitments by ...

**1. Taking stock of commitments:** An honest and realistic assessment of the progress achieved on the Paris and Accra commitments by donors and developing country governments will only be possible if the Survey and Evaluation draw evidence at country level from transparent consultations with all development actors, including civil society, parliamentarians and local government bodies.

**1.1 CSOs Ask: Implement an inclusive assessment of Paris and Accra commitments that takes account of and specifies the underlying reasons for the lack of more significant progress.**

The determination of key issues for HLF4 should be based not only on the Synthesis of the Survey and Evaluation key findings by the OECD Development Cooperation Directorate, but also take into account evidence-based proposals from all the stakeholders with standing in

the Working Party, including Cluster A on democratic ownership and accountability. This Synthesis should document not only the evidence for relative success in realizing commitments, but clearly set out both immediate and systemic reasons why more progress was not achieved.

**2. Carrying forward the Paris and Accra commitments on aid effectiveness:** The Accra Agenda for Action broadened the Paris Declaration commitments in a number of important areas for aid effectiveness – engagement with all development actors, including recognition of CSOs as development actors in their own right, the centrality of gender equality, human rights and environmental sustainability, the use of country systems, on conditionality, technical assistance, transparency and mutual accountability. These commitments must not be rolled back, but rather sustained, clarified and deepened. Their realization is an essential foundation for aid’s contribution to the effectiveness of development initiatives for poor and marginalized populations.

**2.1 CSOs Ask: Promote democratic ownership of development policies and actions through full engagement with, and accountability to, all development stakeholders (most importantly the intended beneficiaries and local communities, but also parliaments, CSOs, private sector, local government and media).**

The AAA elaborates country ownership of development policies and programs not simply as government ownership, but as inclusive democratic ownership. This means that citizens’ voices and their concerns – of women, men, girls and boys – must be the primary basis for national development plans, policies and processes. Donors and governments should therefore give priority to, protect and deepen open and inclusive processes for engagement and accountability with all development actors, especially beneficiary populations, ensuring that grassroots community needs are reflected in national plans. Development actors such as parliaments, local government or civil society organizations, including women’s organizations and membership based organizations, must be fully engaged in all stages of planning, budgeting, implementation, monitoring and assessment of development plans.

**2.2 CSO Ask: Carry out regular broad and inclusive multi-stakeholder country-level policy dialogues on development strategies, policies and programs.**

Donors and governments should commit to actions that strengthen roles for CSOs, parliamentarians, local government and the media in the formulation and approval of poverty and development cooperation strategies, including multi-stakeholder oversight structures open to all development actors. Development partners must address, proactively and effectively, the current shrinking political space for citizens to act and speak collectively in many countries around the world.

**2.3 CSOs Ask: Strengthen and realize the Paris commitment towards the use of program-based approaches, while realizing the Accra commitment to increase the use of country systems as the first option by donors in bilateral government-to-government cooperation.**

The utilization of program-based approaches (PBAs) to aid and use of country systems creates important synergies with the use of country systems, building country capacities and avoiding parallel donor systems. While vital for country ownership and reduced transaction costs, donors have yet to move significantly towards PBAs, with myriads of

projects still the norm in most countries and donors controlling their own programs. Donors should agree on common and transparent criteria for determining when, and when not, to use country systems. They must justify decisions publicly when they choose not to use country systems. The use of country systems should fully respect the autonomy and independence of civil society as actors in their own right, and should not be a justification for interference by government with CSOs.

The implementation of commitments on using country procurement and financial management systems lags far behind and needs new impetus in Busan. Donors and developing country partners should commit to reform procurement policies in order to award contracts that take into consideration criteria for pro-poor development outcomes, social inclusion, environmental impacts, and decent work, including compliance with ILO Conventions. Effective country systems for governance of aid and development require more than good practices in procurement and public financial management. While these are important, all development actors should also promote participatory, accountable, transparent and responsive country systems to prevent corruption.

**2.4 CSOs Ask: End donor policy conditions attached to aid negotiations and disbursements, including implicit and indirect policy conditions by International Financial Institutions.**

Policy conditionality and tied aid undermine democratic country ownership, the overarching principle of aid effectiveness, and the right to development. These practices must end. Current policy conditionalities must be made transparent and phased out within one year after Busan, with no such conditions in new aid agreements. This must also include indirect conditions from International Financial Institutions and other multilateral organizations. Only fiduciary conditions, which are negotiated in a transparent and inclusive manner with mechanisms for public monitoring, ought to be attached to development assistance. Donors should work with developing countries to jointly meet human rights obligations as signatories of human rights covenants and conventions, including gender equality, women's rights, children's rights, the rights of indigenous and tribal peoples, decent work, environmental sustainability, and anti-corruption. Consultations for budgetary and other forms of sector support should be negotiated with reference to broad-based and open fora that allows for all affected groups and persons to participate, including parliamentarians, local governments, and CSOs.

**2.5 CSOs Ask: End all formal and informal practices of aid tying.**

Donors should review all of their aid and development cooperation practices (including technical assistance and food aid) to remove any terms and conditions that result in the effective tying of aid, while giving preferences to local and regional procurement.

**2.6 CSOs Ask: Make technical assistance fully demand-driven, responsive to country needs, ensuring an integrated human rights and gender equality perspective, with precedence given to local knowledge sourced through transparent and inclusive processes.**

A more robust commitment to demand-driven technical assistance should include measurable indicators for demand-driven technical assistance and full transparency on the terms and conditions for technical assistance that is provided in an aid agreement. Donors,

if requested, should strengthen capacities for developing country counterparts to identify appropriate technical knowledge needed to implement their poverty strategies.

**2.7 CSO Ask: Deliver on the Accra commitment to improve aid predictability by providing recipients with, and delivering on, predictable three to five year funding tranches.**

In the AAA donors committed to provide partner countries with “regular and timely information on their rolling three- to five-year forward expenditure and/or implementation plans”. Such an approach to delivering aid is vital to ensuring that recipients can plan for the long-term investments in their social systems and economy that are vital to their development prospects. However, few donors are yet to fulfill this commitment and their aid is still highly unpredictable leaving development strategies underfunded.

**2.8 CSOs Ask: Ensure that support to the private sector does not undermine agreed development goals and human rights standards but supports their realization.**

When awarding private sector contracts, the primary criteria should be development goals, human rights advancement, including decent work, and poverty reduction, not “value-for-money” or economic efficiency. Private sector support should not undercut the legitimate and necessary role of the state in promoting the equitable provision of public goods and services and of ensuring social inclusions and social protection for all. In support of pro-poor sustainable economic growth through development cooperation, the focus should be on not-for-profit enterprise and local entrepreneurs.

**3. Implementing full transparency as the basis for strengthened accountability:**

Full public disclosure of aid information – revenues, expenditures, procurement, audits, and all terms and conditions, including indirect conditions, for projects – is an essential precondition for public accountability. In the AAA, donors committed to openness and transparency and making their aid more predictable (paras 24, 25 and 26). Under the leadership of DFID a number of donors separately committed to the International Aid Transparency Initiative (IATI), which to date has drawn up phase-one common standards for the provision of aid information mostly available to donors in their own systems. More ambitious phase-two has get to begin, with the emphasis on implementing phase one standards and making this information available prior to Busan.

**3.1. CSOs Ask: Create and strengthen clear accountability frameworks at global and country levels, based on existing country-led processes, with strategies to reduce aid dependence, the inclusion of all stakeholders, and the respect for human rights obligations of each development actor.**

Limited accountability has been one of the main weaknesses of the current development cooperation system. There has been little progress in putting into practice the principle of mutual accountability for development results set out in the Paris Declaration. Few development cooperation agreements at national level set out explicit and public targets for individual donors, to which they can be held accountable. Nor do they address “exit strategies” to reduce aid dependency. The AAA committed to strengthen donor/government accountability “to each other and to their citizens” by making aid more transparency, by stepping up efforts for mutual assessment reviews, and by “drawing on emerging good practice with stronger parliamentary scrutiny and citizen engagement”.

The foundation for mutual accountability between donors and governments at the country level is strengthened national accountability mechanisms and capacities, with full transparency and support for inclusive processes involving all stakeholders.

**3.2. CSOs Ask: Adhere to and implement the highest standards of openness and transparency by signing up to and implementing the International Aid Transparency Initiative (IATI) standards, and by recognizing civil society initiatives to improve CSO accountability and transparency.**

The realization of IATI goals will be achieved when aid information is publicly accessible in local languages for developing country governments and citizens. Systems for accessing information should start from peoples' needs and donors and governments should enable mechanisms to ensure that information will be comparable, timely, comprehensive and usable by citizens. All governments must work with elected representatives and citizens' organizations to set out open and transparent policies, including those that look at how aid is related to domestic resources, spending, monitoring and accountability systems. CSOs are working with the Open Forum's *Istanbul Principles on CSO Development Effectiveness* (see Annex Three) as well as other initiatives to put in place standards for CSO accountability and transparency.

## **B) Operationalize Development Effectiveness by ...**

**4. Giving centrality to human rights, eradicating the root causes of poverty and inequality:** Applying a human rights based approach to the development crisis, based on international human rights standards, offers a holistic and universally recognized framework to guide the implementation of social, economic and financial policies, including the contributions of aid to the empowerment of people to claim their rights. A human rights approach is inclusive of political, social, economic and cultural rights as well as the right to development. Development cooperation should only be assessed for the real impacts it has on the well-being of all people, particularly poor and marginalized groups and individuals, many of whom are women and girls. With this approach, the root causes of poverty and inequality (such as gender inequality or the inequalities between and within countries) will be addressed systematically. International development cooperation must aim towards eliminating the dependence of developing countries on external assistance.

**4.1 CSOs Ask: Commit to rights-based approaches to reforms in development cooperation and its practices, as the basis for concrete measures to eradicate the root causes of poverty and inequality.**

Both donors and developing country governments should conduct aid and development cooperation relationships and practices that are consistent with human rights principles and standards. These include non-discrimination (paying attention to the most marginalized and poor), due diligence (systematically considering the conditions affecting capacities of poor people to claim their rights), enabling participation and empowerment (of affected populations and more broadly democratic rights), and democratic ownership (through respect for political rights, accountability and transparency). Donors and governments should respect the principle of free, informed and prior consent of rights-

holders, by enabling conditions for voluntary local participation in consideration and implementation of proposed development initiatives.

**5. Promoting and implementing gender equality and women's rights:** While the Paris Declaration is gender-blind, the AAA acknowledges the importance of gender equality, together with human rights and environmental sustainability as “cornerstones for achieving enduring impact on the lives and potential of poor women, men and children” (para 3). But it fails to propose concrete goals and timelines, allocation of resources and establishment of indicators to track progress.

**5.1. CSOs Ask: Place gender equality and women's rights at the center for achieving development effectiveness, by strengthening implementation and monitoring of current gender equality and human rights obligations and commitments of donors and governments, and through the allocation of dedicated resources for their realization.**

Development cooperation priorities, policies and practices should be derived from human rights obligations to respect, protect and fulfill women's rights. These policies and practices should not only focus on gender mainstreaming, but also create specific monitoring mechanisms and target capacities and resources for women's rights organizations in development. Supporting women's organizations and movements is key to advancing women's rights, gender equality and justice.

**6. Implementing the Decent Work Agenda as the cornerstone for socially inclusive and sustainable development strategies:**

**6.1. CSOs Ask: Implement economic development strategies based on the recognition of social rights, with social inclusion, social protection and social dialogue.**

Consistent with the inclusion of Decent Work in the objectives of the first MDG, economic development and growth strategies should be based on the ILO Decent Work Agenda. This Agenda recognizes the need for a rights-based approach to economic development, the imperative of social inclusion and protection, preventing growing socio-economic gaps within societies and between countries. It gives priority to social dialogue as the instrument for establishing participation and consultation with social partners concerned.

**7. Ensuring the full participation of CSOs as independent development actors in their own right:** The AAA recognized CSOs as “independent development actors in their own right ... whose efforts complement those of government and the private sector”. Donors and governments committed themselves to work with CSOs “to provide an enabling environment that maximizes their contribution to development”. In spite of these commitments, CSOs have experienced marginalization and repression by governments, or have been instrumentalized as service delivery channels for international donors.

**7.1. CSOs Ask: Recognize the *Istanbul Principles for CSO Development Effectiveness* (see Annex Three) as the basis for assessing CSO contributions to development and for donor and government policies that enable these contributions.**

In Paragraph 20 of the AAA governments and donors recognizes “CSOs as independent development actors in their own right whose efforts complement those of governments and

the private sector”. The global CSO-led Open Forum on CSO Development Effectiveness, which is also recognized in the AAA, reached consensus on eight Istanbul Principles that are the foundation for the effectiveness of CSOs as development actors in their own right. These principles were the agreed outcome of more than 60 inclusive national and sectoral consultations by hundreds of CSOs around the world.

**7.2. CSOs Ask: Engage CSOs working through the Open Forum to agree on minimum standards for government and donor policies, laws, regulations and practices that create an enabling environment for CSOs to reach their full potential as development actors.**

Paragraph 20 of the AAA affirmed a shared government-donor-CSO interest to engage “in ensuring that CSO contributions to development reach their full potential”. The Open Forum has elaborated in a *Draft International Framework on CSO Development Effectiveness* conditions for CSOs as well as minimum standards for donor and government laws, policies and practices, based on the Istanbul Principles.<sup>3</sup> Without a multi-stakeholder agreement on some basic minimum enabling standards, it will be difficult for CSOs to be true to CSO development effectiveness principles. CSOs increasingly confront measures in which CSOs are harassed, intimidated and criminalized, undermining the development effectiveness of all development actors. Donors and governments must allow the independence and autonomy of CSO actions for development and refrain from interference in CSO development cooperation activity. They have human rights obligations to create legal and policy frameworks for the exercise of the freedom of association, freedom of assembly freedom of speech, and access to information, in accordance with international human rights law.

**C) Promote an equitable and just development cooperation architecture by ...**

**8. Proposing fundamental reforms in the global governance of development cooperation:** Currently decision-making and standard setting on development cooperation is falling short on many fronts. It is not made within a truly multilateral, inclusive and participatory forum. Developing and developed countries, as well as civil society and other development actors, are not equally represented. Following HLF4, the aim should be to move towards a more fully coordinated global architecture, within the framework of the United Nations. The focus of this new architecture should be not only on aid quality and effectiveness, but also on all contributing resources for development – trade, foreign direct investment, other development finance, debt and climate change financing. It should clearly address policy coherence for development.

**8.1. CSOs Ask: Propose an inclusive multilateral process to consider a binding agreement on development effectiveness, negotiated within the United Nations and the framework of United Nations human rights conventions and covenants.**

A binding agreement would form the basis for an accountable and legitimate international system of governance for development cooperation. It would confirm that all states and development actors have a duty and commitment to mutual cooperation and respect. One such option for such an agreement could be the creation of a Convention under the auspices

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<sup>3</sup> See [http://www.cso-effectiveness.org/IMG/pdf/version\\_2\\_november\\_framework\\_for\\_cso\\_dev\\_eff\\_final.pdf](http://www.cso-effectiveness.org/IMG/pdf/version_2_november_framework_for_cso_dev_eff_final.pdf).

of the United Nations. This mechanism would focus on strengthening commitment to the IADGs, addressing common standards for adherence and common comparable standards for effectiveness. It would establish an independent accountability mechanism and a dispute settlement mechanism, with improved international coordination among all development actors, including specific guarantees for an enabling and participatory environment for civil society. A binding agreement on development effectiveness would be negotiated by all development actors (including civil society), each of whom will have full membership in the system.

**8.2. CSOs Ask: Promote inter-institutional cooperation and collaboration between the OECD Working Party on Aid Effectiveness and United Nations mechanisms, such as the Development Cooperation Forum, to strengthen UN institutions for policy dialogue.**

An equitable and just development architecture, which promotes sovereignty and policy coherence, should be rooted in a multilateral and multi-stakeholder body that ensures legitimacy through the representation of all development actors. The foundation for this new architecture will be guided by the obligations and accountabilities of all countries to universally accepted human rights conventions and norms, including gender equality, decent work and environmental sustainability. UN-based policy-making and dialogue should be inclusive, with strong representation of developing country perspectives. The OECD DAC should concentrate on its original mandate, which is to collect and make available statistical information on development cooperation and identify best practices through structured dialogue with key development stakeholders.

## Annex One: What are the BetterAid Platform and the Open Forum?

Coming out of Accra, the Better Aid Platform and the Open Forum are two distinct, yet complementary global CSO-led processes.

**The BetterAid Platform:** BetterAid is a diverse global platform that brings together hundreds of civil society organizations (CSOs) that engage in development cooperation. It enables their voluntary pro-active participation in dialogue and policy influencing opportunities. BetterAid has its origins in the lead-up to the third High Level Forum on Aid Effectiveness in Accra (HLF3). At Accra, CSOs played a critical role. Their participation in the debate was primarily organized by the CSO International Steering Group (ISG) of the BetterAid Platform. After Accra, the ISG was renamed the BetterAid Coordinating Group (BACG). It facilitates the Platform and participates in the official process as full members of the Working Party on Aid Effectiveness.

BetterAid's objective is to monitor and influence the implementation of the Accra Agenda for Action (AAA) – with specific focus on issues in democratic ownership – while broadening the agenda to development effectiveness. The latter focuses attention on the impact of aid and development cooperation on democracy, human rights, social and gender justice, and includes proposals for reform of international development cooperation architecture.

Through regional and national workshops BetterAid has supported local CSOs to develop plans for monitoring and encouraging implementation of the Accra Agenda for Action. The BACG has developed policy position papers on a variety of related subjects that are available on its web site – [www.betteraid.org](http://www.betteraid.org).

**The Open Forum for CSO Development Effectiveness:** The Open Forum is a CSO-led global process, which was initiated prior to the 2008 Accra High Level Forum, to deepen CSO accountability to principles and guidelines that will improve CSO effectiveness as development actors. The Open Forum has held national consultations with hundreds of CSOs in over 60 countries in 2010. These consultations culminated with endorsement of the *Istanbul Principles for CSO Development Effectiveness* at the Open Forum's first Global Assembly in Istanbul in September 2010 (see Annex Three). Work is ongoing with CSO constituencies at country level on a *Draft Framework for CSO Development Effectiveness*, which includes guidelines, indicators and accountability mechanisms for the Principles that CSOs will be able to tailor to their country contexts.

The Open Forum also continues to engage in dialogue with donor and developing country government stakeholders around the world on the Forum's proposals, contained in the *Draft Framework*, for minimum standards for these actors to enable CSOs to realize development practices consistent with the *Istanbul Principles*. Following a second Global Assembly in 2011, an *International Framework for CSO Development Effectiveness* will be presented to the Busan High Level Forum in November. The Open Forum engages with members of the Working Party in its own right and through the BetterAid Platform. The *Principles* and *Draft Framework* are available on the Open Forum web site – [www.cso-effectiveness.org](http://www.cso-effectiveness.org).

## Annex Two BetterAid Definitions

**Aid:** BetterAid uses the term “aid” synonymously with “Official Development Assistance” (ODA). ODA is made up of concessional resource transfers for development and humanitarian assistance between a donor and a partner in a developing country. The donors meeting in the OECD Development Assistance Committee have established the specific criteria for determining whether a particular resource transfer can be considered ODA. While CSOs can receive ODA, ODA does not include direct resource transfers by civil society organizations or other non-state actors. Similarly, developing country donors, who are not members of the DAC, also provide development assistance, most of which currently is not reported to the DAC, and is not included in ODA.

**Development Cooperation:** Development cooperation is sometimes used inter-changeably with “aid” or “development assistance”, but includes more than ODA resource transfers. BetterAid uses “development cooperation” to include a range of international relationships between governments or people for the purposes of achieving the internationally-agreed development goals (IADGs) in developing countries. It can include civil society cooperation and growing cooperation between developing countries (South-South Cooperation) for the purposes of development.

**Aid Effectiveness:** Aid effectiveness relates to measures that improve the quality of the aid relationship, primarily focusing on the terms and conditions of the resource transfer itself. The Paris Declaration defined five principles that should guide official donors and developing country governments to improve the effectiveness of this resource transfer.

**Development Effectiveness:** There is no accepted definition of “development effectiveness”. For BetterAid, development effectiveness has been understood as policies and practices by development actors that deepening the impact of aid and development cooperation on the capacities of poor and marginalized people to realize their rights and achieve the IADGs. Conditions for realizing development effectiveness goals must include measureable commitments to improve the effectiveness of aid.

**Internationally-Agreed Development Goals:** The IADGs are a set of specific goals, many with concrete time-bound targets, which form the United Nations Development Agenda. They summarize the major commitments of the UN global summits held since 1990 on different aspects of global development challenges. Some of these commitments were combined in the *Millennium Declaration* adopted by all governments at the Millennium UN Summit in 2000. The IADGs include the eight specific Millennium Development Goals (MDGs), but are a much broader set of objectives. The latter include challenges of economic growth at country level, equitable social progress, decent work, sustainable development, human rights (including women’s rights children’s’ rights, indigenous peoples rights), global economic governance, trade, debt and migration.

**Development Cooperation Architecture:** Development cooperation architecture refers to the established systems and institutions of global governance for development cooperation. Among these current structures are the OECD Development Assistance Committee (DAC), the informal Working Party on Aid Effectiveness (WP-EFF) (facilitated by the Secretariat at the DAC), and the United Nations Development Cooperation Forum (UN DCF), which is a biennial multi stakeholder Forum within the UN Economic and Social Council (ECOSOC) aiming at providing an inclusive platform for dialogue on aid effectiveness and international development issues. But other multilateral bodies also play important roles in development cooperation architecture, such as the World Bank and regional development banks, other UN bodies, the G20, the IMF and the European Union, or should play more important roles, such as the UN Human Rights Council.

### **Annex Three: Istanbul Principles for CSO Development Effectiveness<sup>4</sup>**

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 girl's 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.

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<sup>4</sup> 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](http://www.cso-effectiveness.org).

## **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**