

**Strengthening Broad-Based Inclusive Ownership and Accountability:
A Synthesis of Key Findings and Cluster A Messages
for the Working Party on Aid Effectiveness and High Level Forum 4**

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While the mapping of research focuses primarily on written contributions to the Cluster, the quality of the synthesis and the message proposals that follow have been strongly influenced by the insights provided by interviews with key informants conducted during the past month. I am very grateful to all those who made the time to share with me their ideas and proposals, some of which are also in various stages of finalization for the Cluster. While interpretation is always needed, I hope that in doing so, I have not seriously misrepresented your views in constructing this synthesis.

I have attempted to be inclusive of the perspectives that I heard and be true to the research. But in the end, a synthesis is a creation of the consultant for which I am entirely responsible. It is offered to the members of the Cluster, not as a product of the Cluster, but as a resource to assist in furthering the Cluster's collective messages on these crucial issues for the Working Party, as the latter prepares the 4th High Level Forum on Aid Effectiveness in Busan, Republic of Korea, in November 2011.

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I Introduction

1. The Working Party on Aid Effectiveness is seeking consolidated evidence-based key messages from its constituent Clusters to enable the Working Party as it sets out a menu of options for the Busan 4th High Level Forum (HLF4). These themes and options will contribute to the first draft of the Busan Outcome Document (June 2011) as well as suggest proposals for interactive sessions at HLF4, which in turn will inform the high level political debates during the Forum.¹

2. Cluster A on Ownership and Accountability brings together several multi-stakeholder Task Teams and various constituencies interested in developing an evidence-based foundation for furthering commitments in the Accra Agenda for Action (AAA) and the Paris Declaration (PD) on ownership and accountability. The Cluster is co-chaired by the Swiss Agency for Development and Cooperation, the Government of Tanzania, and the ITUC, representing the CSO BetterAid Coordinating Group (see the mandate for Cluster A in Annex 3).

3. Based on a review of the research contributions to Cluster A, supplemented by a series of interviews with key informants, this Report, conducted under the request of the Swiss Agency for Development and Cooperation, seeks to synthesize and identify,

- ❖ Findings and messages that deepen understanding of norms and principles associated with ownership and accountability, with reference to their evidential and constituency basis;
- ❖ Findings and messages for strengthening the practices of development actors in implementing AAA / PD ownership and accountability commitments, particularly country level practices; and
- ❖ Areas for further discussion and possible political debate in the Cluster and the HLF4 process.

4. The 2005 Paris Declaration established partner country and donor commitments to the overarching principle of “country ownership” whereby “partner countries exercise effective leadership over their development policies and strategies and co-ordinate development actions” as the foundation for aid effectiveness. While the PD acknowledges consultative processes and participation of non-state actors, the focus and measure of ownership in the Paris Declaration is donor alignment with the government’s “operational development strategy”.

5. Mutual accountability is the fifth Paris principle for aid effectiveness whereby “donors and partners are accountable for development results” and commit to joint assessment through country-level mechanisms. The 2008 *Phase One Evaluation of the Implementation of the Paris Declaration* concluded that “mutual accountability is the area of thinnest reporting and progress registered in the evaluations”, although it also suggested that some mechanisms were identified if not utilized (Wood *et. al*, 2008).

6. In the lead-up to the 2008 Accra High Level Forum, the multi-stakeholder Advisory Group on Civil Society and Aid Effectiveness recommended that all stakeholders “deepen their understanding and application of the Paris Declaration principles in ways that emphasize local and democratic ownership, social diversity, gender equality and accountability for achieving results of

¹ See Annex 4 for the Working Party objectives for the Busan HLF4 and for guidance in making proposals for substantive themes.

benefit to poor and marginalized populations as essential conditions of effectiveness". [Advisory Group 2008, Recommendation #4] The Accra Agenda for Action (AAA) takes up these concerns in three areas 1) Deepening broad-based country ownership for policy dialogue (paragraphs 8, 10, 13, 14 and 24); 2) Strengthening civil society as development actors (paragraphs 8, 13 and 20); and 3) Emphasizing accountability and transparency as powerful drivers of progress (paragraphs 22 and 24). (See the detail for PD and AAA commitments in Annex 2.)

7. The consultant has drawn from research presented to recent Cluster meetings (particularly its meeting, October 25, 2010 in Paris) as well as additional contributions from four areas of work brought together in the Cluster: the Broad-Based Democratic Ownership Group, the Task Team on Mutual Accountability, the Work-stream on Aid and Accountability (GovNet) and the Task Team on CSO Development Effectiveness and the Enabling Environment. Interested constituencies associated with the Cluster, such as parliamentarians (AWEPA), civil society organizations, the European Centre for Development Policy Management (ECDPM) and the Commonwealth Secretariat were also consulted (see the list interviews in Annex 4).²

8. The Report synthesizes key findings and recommendations in three broad thematic areas of Cluster work: 1) Broad-Based Ownership and Inclusive Policy Dialogue; 2) Enabling Civil Society as Development Actors; and 3) Strengthening Mutual and Domestic Accountability. It sets out some proposals for messages and further debate that follow from the review of findings and recommendations. It then concludes with some proposals for a convergence of messages for Cluster A. A mapping of the research in each of the thematic areas can be found in the accompanying document, which is Annex 1 of this Report.

9. There is a large body of highly relevant research, case studies and meta-studies on the challenges and issues for strengthening country ownership and accountability through international cooperation. This Report provides only an overview of the research, presentations and discussions provided through Cluster A over the past 18 months. Given the purposes in paragraph 3 above, the Report does not attempt a comprehensive summary of the often-detailed evidence presented; rather, the focus is on synthesizing findings and recommendations of the research as a framework for understanding potential messages for the Cluster going forward to Busan. The Report proposes messages in two aspects – messages on ownership, enabling non-state actors, and accountability for Busan that build upon the progress and experience since Busan, and some proposals of issues for interactive sessions and political dialogue.

10. The choice of findings and proposals to be highlighted has been guided by the Cluster mandate and its various sub-groups. While informed by the nuanced outcomes of case study research, a short synthesis cannot do justice to their richness; the consultant alone is responsible for the selection and interpretation of the materials. In determining messages for Cluster A, it is also clear that they cannot easily be separated from the experience of using country systems, transparency and predictable aid flows, conditionality, and the approach to strengthening capacities for financial management. Such linkages should be explored, but an in-depth discussion of research in these important areas is beyond the scope of the Cluster and this Report.

² A request for an interview with several additional constituencies were made, but could not be finalized in the time available to the consultant.

II Key Findings and Messages for Busan

A. Broad-Based Ownership and Inclusive Policy Dialogue

Findings presented to the Cluster:

11. Understanding ownership as an endogenous political process There is wide appreciation that the AAA represented progress in its elaboration of broad-based and inclusive ownership as an essential framework for improving aid effectiveness. Indeed the Paris Declaration was in part rooted donor recognition that donor money and political power gave them disproportionate power and this inequality stood in the way of sustainable development outcomes. But there remain significant differences on the meaning of “ownership” and its interpretation by various development stakeholders. Whose ownership is a very complex issue, with “inclusiveness” strongly influenced by the positioning of the stakeholder (Collins 2010, Theisohn Interview). Others make a distinction between inclusive ownership and rights-based democratic ownership (Dereymaeker Interview, Long Interview, BetterAid 2010a, Hauck & Land 2011, Hauck Interview). The latter view is that democratic ownership is more precise, focusing attention on the institutional structures and processes whereby people claim their rights and establish authority over their own development priorities and resources, while “inclusive” remains highly subjective in its meaning.

12. There are differing stakeholder views. From the perspective of developing country governments, “ownership” emphasizes their exclusive leadership in coalescing country interests and in responding to the imperatives of international cooperation (i.e. sovereignty). Paragraph 19 of the AAA sets out some principles relating to national sovereignty.³ Other partner country stakeholders seek to reflect different but legitimate interests in “country ownership”, be they parliamentarians, CSOs, social actors or community-level associations (Collins Interview, Eyben Interview, Dereymaeker Interview). “Ownership of development” is widely viewed as a values-driven political concept (Hauck & Land 2011, BetterAid 2010a), which can only be shaped through endogenous processes of citizen participation and engagement in development activities and policy deliberations. For many CSOs citizen participation is not a discretionary choice by government, but rather the right to participate is a well-established obligation in international human rights law.⁴ Within the context of the Working Party, ownership is largely understood as an aid issue inherently affected by donor-recipient power relationships, which may in various ways compromise recipient “ownership” of (or commitment to) development plans and outcomes (Eyben 2010, Whitefield 2009). Several studies however indicate that strengthened ownership should not be seen as a condition for successful aid, but rather as a means to sustainable development and a result in its own right. This is also how the Accra commitment to broadening and deepening the dialogue on development could be understood and taken forward (Keijzer et. al. 2010).

³ These principles in paragraph 19 include “non-interference in internal affairs, equality among developing partners and respect for their independence, national sovereignty, cultural diversity and identity and local content”.

⁴ For example, the obligations for social dialogue is well established in ILO Conventions 87 (the right to organize) and 98 (collective bargaining) and there is a wealth of experience in social dialogue based on these ILO conventions (Dereymaeker Interview). See also ILO Africa 2009 and ILO South Asia 2003.

13. Based on a review of 170 indicators of governance, Collins identifies five thematic areas that seem important for understanding inclusive ownership: the capacity and quality of choice available to a partner country; the legitimacy of leadership for government control and coordination of development; the freedom and capacities for participation of stakeholders; the qualities of 'donorship'; and the achievement of development outcomes (Collins 2010). From the point of view of democratic ownership, Fonteneau and Huyse point to several preconditions – the recognition of a civil society that is legitimate, representative and having strong capacities; access to political rights by all stakeholders, and legitimate political structures within which the state, civil society and donors can act in the general public interest (Fonteneau & Huyse 2010). Legitimate political structures for inclusive ownership include representative parliament, but also judiciary and other oversight bodies, local government, and consultative processes with civil society actors from local to national levels, including women's organizations. CSOs have also stressed the centrality of respecting, protecting and fulfilling human rights on the part of both partner governments and donors (political rights, freedoms of assembly and association, gender equality, decent work) as essential pre-conditions to enable civil society to be effective development actors for democratic country ownership (Open Forum 2010c).

14. Ownership and the political dynamics of the aid relationship Ownership has been described as a complex labyrinth of relationships that is characterized by a myriad of actors in constant and changing interaction with each other (Hauck & Land 2011). Given the importance of women and promotion of their rights for development outcomes, the inclusion of women is a key development constituency (AWID 2010). The political realities affecting ownership will vary significantly country by country, depending on many factors – aid dependency, government commitment to development objectives, government openness to various stakeholders. These actors include not only domestic development stakeholders, but also the proliferation of external donors as official agencies, private foundations or other non-state organizations. But five years after the Paris Declaration, most studies point to a continued and often overwhelming influence of donor-driven agendas on development policy choices for many aid-dependent partner countries (Eyben 2010; BetterAid 2010a; Whitefield 2009; Open Forum 2010a). Several studies identify increased pressures on partner country ownership arising from growing demands from constituencies in donor countries to demonstrate “value-for-money” with specific and quick results from their donor aid (Eyben 2010, Hauck & Land 2011).

15. Given these inevitable power dynamics and political drivers within the aid relationship, a key framing question for “country ownership” (mainly by donors) has been what conditions might best lead to more equitable compromises between the donors and partner countries in aid negotiations. As noted above, important country differences arise when considering this question – what is the political context for country ownership? What are the capacity realities that affect the potential for strong country leadership to propose and implement national development strategies within these negotiations (Collins Interview). Whitefield's case studies demonstrate that in a few cases high levels of aid need not lead to a significant loss of ownership: a key factor is the degree to which the partner country is vulnerable to “a state of permanent negotiations with donors”. The latter has undermined ownership through decades of austerity conditions attached to plans to reduce indebtedness, which have weakened public services, fragmented development strategies, and increased political entanglement of interests between donors and political leadership (Whitefield 2010).

16. What are some enabling conditions for inclusive or democratic ownership? Case studies reveal that progress towards more inclusive ownership can and does happen in different government/donor processes at the country level and in specific micro development activities. Despite remaining relatively dependent on aid, several developing countries show signs of increased openness in government towards alternative policy positions put forward by specialized research organizations and other actors in society that are involved in conducting policy relevant research. Studies suggests however that there are greater challenges for sustaining legitimate institutions for democratic ownership and people claiming their rights in many countries (Dereymaeker Interview, ACT Alliance 2010, Benequista 2010, ILO 2008, Keijzer et. al. 2010).

17. Opportunities for more inclusive ownership at the meso or micro level can arise from deliberate donor/partner efforts to work with or facilitate coalitions for reform with like-minded actors. These relationships often bridge state and non-state development actors, which may in turn have unpredictable influence on development outcomes in the wider policy arena (Eyben 2010, Keijzer et. al. 2010, Hauck & Land 2011, Inter-Parliamentary Union 2009). Local governments, with their roots in social, economic and political fabric of communities, have been important avenues for inclusive local processes that build ownership for transformative change from the ground up (UCLG 2010). Where parliamentary capacities are strong, parliamentarians are becoming more engaged in aid processes, and increased interaction between parliamentarians and local and national civil society, as well as other non-state development actors, tends to strengthen the performance of all stakeholder groups (Balch Interview). The basis for these practical expressions of ownership is the participation of all partners as a development actor in their own right, and not as a means to a donor or government end (Hauck & Land 2011, Advisory Group 2008).

18. There are number of summary approaches that have been recognized as essential for both inclusive and democratic ownership:

- Strengthening parliamentary processes, as the representative voice of people, and their capacities to engage in the determination of development priorities and strategies is an essential feature of democratic governance and democratic ownership of development.
- Respect for the diversity of policy perspectives from various development actors, such as civil society, whose contributions to development will inform national strategies, but as actors in their own right their development activities may not necessarily directly align with these strategies (Advisory Group 2008; Open Forum 2010a).
- Acknowledgement and strengthening of the role of local government as institutions and officials accountable to local citizens who can foster an environment of collaboration and dialogue based on local needs (UCLG 2010).
- A focus on people relationships within international cooperation is essential, with an emphasis on and the strengthening of needed capacities for cross-cultural, cross-political networking relationships on all sides (Eyben 2010).
- Access to nuanced and broad-based knowledge underlies the capacities for ownership, recognizing the existing knowledge of partners, strengthening knowledge areas identified by them and other social actors, and operating from a political informed perspective on the part of the donor (Hauck & Land 2011).

- The complex web of organizations trying to inform policy processes, of which some with support from donors, as well as the complex causal link between their contributions and actual increases in inclusive and democratic ownership, underlines the importance of moving beyond the presently inadequate investments in monitoring and evaluation (Keijzer et al. 2010).
- Donors should avoid rapid rotation of donor officials at the country level, seek out diverse perspectives from relevant development actors outside capitals, and work collectively with other development actors through a diversity of support options and modalities, while avoiding excessive fragmentation (Hauck & Land 2011).
- Donors should work from a capacity development perspective, taking on board learning in international cooperation, accepting complexity and diversity, while avoiding hands-on approaches and the accompanying power dynamics (see paragraph 21 below).

19. Can ownership be meaningfully measured? The Cluster responded and supported the Optional Survey Module on Assessing Inclusive Ownership, which is now part of the 2011 Survey on Monitoring the Paris Declaration. While acknowledging the weakness of the Paris indicator for ownership, several Cluster informants were also skeptical about both the survey process itself and the usefulness of the option module as additional indicators (Collins 2010, Eyben Interview, Theisoehn Interview). As complex processes of social and political interactions, the achievement of country inclusive or democratic ownership of development strategies is not practically measurable as such. A review of more than 170 current indicators for governance, state fragility and development outcomes provide data from which not to measure, but to better understand enabling conditions for ownership (Collins 2010). Developing this understanding will be informed through a variety of methodologies, particularly good practice case studies, but it can also benefit from careful analysis outcomes of empirical studies that utilize these and other indicators of citizen participation.

20. Similarly, Fonteneau and Huyse reviewed indicators for CSO participation in policy processes and for measuring the results of this participation as a dimension of ownership. They point to many indicators documenting the capacities of civil society, but they conclude that few measure participation. There is also little experience-based analysis applying those indicators that exit (Fonteneau & Huyse 2010). Donor agency civil society sections have also been grappling with conceptual and methodological challenges in measuring the overall impact of their civil society support programs. Donors are faced with finding a balance between encouraging monitoring and evaluation (M&E) practices that enable the organizations they support and themselves to learn, while avoiding placing excessive M&E demands which can reduce the capacity of their partners. A large numbers of donor-supported interventions are not easily aggregated and related to effectiveness indicators (Griffin & Judge, 2010, Keijzer et al. 2010).

21. Strengthening capacity development for inclusive ownership The OECD DAC Capacity Development Unit is working closely with the informal Learning Network on Capacity Development (LenCD), made up of capacity development (CD) analysts and practitioners. They are applying CD lessons to strengthen implementation of the AAA capacity development

commitments.⁵ A broad consensus on the importance and best practice on how to support CD has emerged from a decade of work by these networks as well as the work of other actors such as international CSOs. There is also broad agreement that aid practitioners do not “do capacity development”, but rather CD results from complex political and technical processes over time. Any support for CD, be it from donors, civil society or government, is one of facilitation and accompaniment (Guizzardi 2010, Guizzardi & Theisohn Interview). But there is also recognition that a large gap exists between these norms and lessons for CD and actual donor practice and incentives that drive aid programming (DCD2011B).

22. A wealth of CD experience suggests that readiness for behavioral change is an essential condition for realizing increased capacity (DCD2011B). Such readiness can be measured by both human resource and financial commitments to CD processes. But it is also noted that capacities for donor officials to engage and build relationships is often key to practices that strengthen ownerships. But such capacities are often invisible ingredients in the effectiveness of aid (Eyben 2010 and Interview).

23. Several factors have been identified as important for strengthening donor relationship building capacities: 1) Give value to these facilitation / engagement capacities in recruitment including listening skills; 2) Give organizational permission to invest officials time in relationships; 3) Create opportunities to learn country context with longer-term placements in country offices; and 4) Reduce mechanistic monitoring and reporting activities (Eyben 2010 and Interview, Whitefield 2009).

24. In an examination of CSO support for capacity building in partner countries, issues that are likely common for other CD practitioners were raised: 1) Proliferation of fragmented, short term, supply driven initiatives; 2) The lack of enabling conditions for recipients to take up CD opportunities; 3) The lack of consideration for the risks and distortions that might be created from donor-directed approaches; and 4) The difficulty in measuring the impact of CD (Guizzardi 2010). Finally, experience points to the importance of changing incentives with respect to CD initiatives in the implementation of result management frameworks commonly practiced by donors. Results frameworks and reporting requirements must provide greater flexibility and adaptation to CD approaches. They should give stronger recognition of CD skills in achieving development results, including those related to relationship building noted above (DCD2011B, Eyben Interview).

Messages and Issues for Interactive Sessions / Political Debate:

25. The following **messages on inclusive and broad-based ownership** are reflected in the evidence and discussion presented by Cluster A:

- a) Reaffirming and clarify country ownership The Working Party should reaffirm, but also clarify with all stakeholders and in practical terms, “country ownership” in international cooperation, whether inclusive, broad-based or democratic, as a crucial but elusive

⁵ The DAC’s *The Challenge of Capacity Development: Working Towards Good Practice* (2006) defines capacity as “the ability of people, organizations and society as a whole to manage their affairs successfully”. Capacity development “is the process whereby people, organizations and society as a whole unleash, strengthen, create, adapt, and maintain capacity over time”.

condition for the effectiveness of aid in delivering development results and impact, as well as a development result in its own right.

- b) Essential conditions and best practices to strengthen democratic governance The Working Party and its constituent stakeholders should focus less on trying to measure ownership as a condition, and more on multi-stakeholder processes of dialogue at the country and global level for understanding and learning about essential conditions and best practices by all stakeholders that strengthen national and local institutions and processes for democratic governance. A great deal needs to be learned, between and within donors and partner country governments, on the diversity of policy making processes encountered and how the quality thereof can be strengthened. A key question to clarify is the relationship of human rights and democratic governance to development outcomes.
- c) Political conditions for government leadership in development Governments are effective as development actors when they coalesce diverse domestic support for a development vision and strategy and provide clear leadership on priorities that follow from this strategy. The legitimacy of government development strategies therefore depends upon consistent government practices related to roles and opportunities for structured policy dialogue on development with parliament (political parties), local government, a diversity of civil society organizations voices, the media, the private sector and other domestic social actors (see also key messages on governments, CSOs and other non-state actors in the following section). Inclusive country ownership requires government and non-state development actors, including local government, to seek ways to work together for development, based on respect for the right of non-state development actors to conduct independent research and have views and activities independent of national strategies. The latter have the right to receive direct external financing for their development initiatives, consistent with the realization of human rights in these societies. These political conditions vary greatly from country to country.
- d) Institutional conditions for government leadership in development Institutional conditions for structuring developing country governments' leadership in development also vary considerable, relating to 1) a coordinated public service with specific policy objectives derived from national development plans; 2) allocation of national revenue and only accept donor aid for these priorities; 3) structuring well-coordinated (centralized) aid management systems with donors; 4) decentralization of resources and resources to local governments on an equitable basis for local development activities, and 5) enabling real parliamentary oversight.
- e) Policies and practices of donors to enable country ownership The policies and practices of donors continue to strongly influence the degree to which specific on-the-ground aid relationships respect and promote country ownership and sustainable development outcomes. Donor policies and practices, which aim to be consistent with strengthening inclusive or democratic country ownership, take account of the following enabling conditions:
- Sufficient time and space for donor officials to understand how policy works in a given country context, with resources and capacities to facilitate, not direct, local multi-stakeholder development initiatives with a shared interest in reforms;

- Agency incentives, oversight policies and officials capacities through which donors, individually and collectively, “step back” from day-to-day involvement in domestic decision-making arenas (such as the management of sector programs) and provide flexible facilitating support.
 - Sustained engagement with a wide variety of pro-poor reform-oriented development actors and networks, providing neutral convening opportunities for such actors – local policy research centers, parliamentarians, civil servants, local governments, civil society and other social actors, the private sector and other donors – to share experience, learn and form like-minded partnerships.
 - Facilitation of enabling country conditions and institutional mechanisms for the right to organize and participate in development for all citizens, and particularly for poor and marginalized populations.
 - Adequate investments in monitoring and evaluation need to be made in view of the complex theory of change behind strengthening inclusive and broad-based ownership, the need to avoid ‘one-size fits all’ approaches, and the importance of acknowledging what donors and partners do not yet know and need to learn more
- f) Incentives for effective capacity development Donors need to address internal incentives that give priority to putting capacity development objectives and proven approaches into practice, improve their own capacities, while reducing rigid institutional barriers (quick results and rigid disbursement schedules etc.). Country stakeholders must also invest in leadership to determine capacity development needs, put their own resources and the staff time to improve capacity in priority areas.

26. Several issue areas were identified as possible topics that might structure future **political debate on country ownership** as shared principle for aid and development policy:

- a) Clarifying the relationship between country ownership and national sovereignty Are conditions for “country ownership” primarily a donor-derived framework based on finding compromises for irreconcilable power dynamics and differing interests in donor-recipient aid relationships? How can practices to strengthen “country ownership” be informed by principles related to national sovereignty (see paragraph 19 of the AAA) and the implication of these principles for development cooperation, learning from the practices of developing country donors? How can partner countries, supported by donors, as genuine development partners, be concerned about and find ways to improve evidence-based policy making for development? Can principles governing national sovereignty shape an alternative development cooperation framework between donors and developing country governments, which bring on board non-DAC donors, while also retaining important human rights of peoples’ participation and empowerment essential to realizing development impacts for poor and vulnerable population?
- b) Donor practices and working in capacity development framework What are the core competencies, fundamental capacities and related resources for inclusive or democratic ownership? How can donors (official and non-state) reconcile the influence of their domestic constituencies for short-term “value-for-money”, and institutional cultures with donor practices required to deepen a capacity development culture in international cooperation? How can the need for institutional honesty about what should not be

expected to be achieved in the short-run, be reconciled with the need to prove the worth of development cooperation? What are the enabling conditions for stakeholders in partner countries to assume greater leadership in setting and responding to priorities for capacity development needs?

B. Enabling Civil Society and other Non-State Actors for Development

Findings presented to the Cluster:

27. Task Team on CSO Development Effectiveness and the Enabling Environment The Task Team has been the post-Accra multi-stakeholder forum for support and learning related to independent CSO aid and development effectiveness processes. It is also coordinating dialogue on issues in four thematic areas that follow from AAA paragraphs 13 and 20: 1) CSOs as independent development actors; 2) Donor models of support for CSOs as development actors; 3) Improved CSO accountability and transparency; and 4) CSOs and inclusive policy dialogue. The Task Team has received and discussed recent research on donor modalities for CSO support, facilitated by the “Donor Group on CSOs and Aid Effectiveness”.⁶ It has encouraged a sharing of the outcomes from extensive consultative processes by the Open Forum on CSO Development Effectiveness (Open Forum 2010a), the BetterAid Coordinating Group (BACG) and the Reality of Aid Network and other research by individual CSOs and their networks.⁷ In January, the Task Team is finalizing short papers summarizing messages in these four areas, based on its body of work and deliberations.⁸

28. CSO and donor-sponsored research highlights a core question shaping Task Team deliberations: Is there a basic tension between the priorities of the Paris/Accra aid effectiveness agenda and the commitment to support a diverse and vibrant civil society as development actors in their own right (Griffin & Judge 2010; Open Forum 2010a)? In recent years, many bilateral agencies, influenced by the Paris/Accra agenda, have shifted their policies and practices with regard to civil society. Donor research has confirmed that modalities for support of civil society have also become more oriented to perceived imperatives arising from commitment to implement the Paris Principles (DCD 2011a, Karlstedt 2010). Among these shifts, donors have given more

⁶ This Donor Group is made up of donor officials from agency civil society sections and has been meeting alongside the multi-stakeholder Task Team. While the Group has its own work-plan, it reports and contributes research and analysis as donor members of the Task Team.

⁷ The outcomes of the Open Forum consultations (Open Forum 2010a) and its first Global Assembly (2010b) have been key documents for the Task Team, which participated in a multi-stakeholder day at the Istanbul Global Assembly at the end of September 2010. The Task Team will focus attention in coming months on the Open Forum’s proposals for donor and government enabling conditions in its *Draft International Framework on CSO Development Effectiveness* (Open Forum 2010c). In parallel, CSOs in various countries will be discussing guidelines based on the Istanbul Principles to apply to their own practices as development actors. CSOs will then agree at a second Global Assembly, mid-2011, on a final *International Framework on CSO Development Effectiveness*, which will be presented at Busan. CSO overall messages for Busan will be brought together in 2011 within the CSO BetterAid Platform as the Open Forum and BetterAid coordinate preparations for Busan, while retaining their separate mandates.

⁸ This section of the Report takes advantage of preliminary drafts of several of these papers (Task Team 2011a & 2011b).

emphasis to direct support to strengthening civil societies in developing countries (Griffin & Judge 2010, DCD 2010, Nordic Plus Group 2007). However, evidence that these mechanisms against “traditional” long-standing North/South civil society or sectoral partnerships produce better outcomes for development and/or civil society has yet to be presented (Dereymaecker Interview).

29. Most donors now acknowledge in their civil society policies the importance of donor support for active and stronger citizenship participation in development in developing countries as an end in itself. According to a recent compilation of case study research by academic institutions, active citizenship contributes to more responsive states services, advances the protection and extension of human rights, and cultivates a culture of democracy and accountability (Gaventa & Barrett 2010, Benequista 2010, Hauck & Land 2010). However, at the same time, CSO research and case studies document a more constraining enabling environment for CSOs in some developing countries and in donor practices of engagement with civil society and their modalities of CSO support (Act Alliance 2010, Open Forum 2010a).

30. In applying the Paris Principles to CSOs, the Accra Agenda for Action calls for an enrichment of these principles and strengthened enabling conditions, based on an understanding of the roles of CSOs as development actors “in their own right”.⁹ However, evidence presented to the Task Team indicates that donors and governments have made little progress in addressing, and in some instances have reversed, these enabling conditions.

- Since Accra there has been thorough documentation of a narrowing in varying degrees of the democratic and legal space for CSOs to fulfill their development roles, and in particular for CSOs monitoring of government development policies and practices or seeking to influence these policies or defend human rights (Open Forum 2010a, ACT Alliance 2010, Tiwana & Belay 2010, Meja 2010, Gaventa & Barrett 2010, International Center for Not-for-Profit Law 2010, ILO 2008). These restrictions take a number of forms and degrees of severity (use of administrative regulation and restrictive legislation, threats and intimidation, use of counter-terrorism discourse and measures, and criminalization / repression of CSO work). However, there are also no easily identifiable trends, as different measures can be observed in both authoritarian states and formal democracies (ACT Alliance 2010). Based on extensive case research, important dimensions of an enabling legal framework for CSOs in developing countries have also been identified.¹⁰
- Research by Civicus and the International Center for Not-for-Profit Law has documented in

⁹ This enrichment for each Paris Principle has been elaborated by the Advisory Group on CSOs and Aid Effectiveness (Advisory Group 2008). The Advisory Group also drew together case studies that exemplify ways that CSOs are working, consistent with this enriched approach to the Paris Principles (Lavergne & Wood 2009). For an elaboration of different and widely accepted roles for CSOs as development actors see Open Forum 2010c, Annex 2 and Advisory Group 2008.

¹⁰ See International Center for Not-for-Profit Law and UNDP, “The Role of Legal Reform in Supporting Civil Society: An Introductory Primer”, August 2009, accessible at <http://www.icnl.org/knowledge/pubs/UNDP%20ICNL%20Primer.pdf>. Case studies for ACT Alliance point to the legal framework for NGOs in Malawi adopted in 2000: “The law serves the purpose of ensuring equitable sectoral and geographical distribution of NGOs activities, accountability and transparency of NGOs in their activities, coordination and consultation with the government in the implementation of NGOs activities and uniformity in the interpretation of policies. This would assist NGOs to contribute to development through the provision of social services and the creation of employment” (ACT Alliance 2010).

some instances the use of the Paris Principles to justify inappropriate regulation of foreign assistance for CSOs and to undermine legitimate activities of CSOs. Some governments have deliberately used a narrow interpretation of “country ownership” as justification to restrict international support for CSOs, particularly those who are adversarial. Similarly, “alignment” is used to control and insist on harmonization of all CSO development activities with national development strategies (Tiwana & Belay 2010, ICNPL 2010). Such measures contradict commitments made in Accra to more “inclusive ownership” bringing into “country ownership” a diversity of approaches to development (Hauck & Land 2011). It also raises serious questions concerning the application of human rights standards and democratic principles, which have been seen to be essential conditions for advancing development goals of empowerment, gender equality and decent work (BetterAid 2010a, Open Forum 2010a & 2010b, Long Interview).

- Donor policies and practices in facilitating an enabling environment for CSOs as independent development actors have been mixed at best (Task Team 2011a, Lindstrom Interview, Long Interview, Dereymaeker Interview). While donors provide significant resources for CSOs under different modalities, the Open Forum consultations in both donor and developing countries identified a wide range of concerns about current donor practices: lack of clarity about policies and expectations from CSO programming, high transaction costs, direct interference with local CSOs, highly directive and complex funding modalities, among others (Open Forum 2010a). A review of donor policies and practices by the OECD Development Cooperation Directorate (DCD), not yet finalized, confirms a number of these challenges in donor funding modalities (DCD 2011a).

The DCD is currently reviewing the degree to which there is statistical evidence regarding donor funding to CSOs for donor-determined priority areas (as implementing partners), versus CSO-designed programs based on their own determined activities (including core funding support for CSOs as actors in their own right) (DCD 2011a). A SIDA-initiated review of donor conditions and requirements associated with CSO financing found that about half of those surveyed expected CSOs to work on either donor priorities or national development plans as a condition for funding (Karlstedt 2010).

Donors can be inconsistent and overly rigid in their requirements for funding proposals, monitoring and reporting, and that this can put an unnecessarily heavy administrative burden on CSOs and on the official donors (Task Team 2011a). On a positive note, the Donor Group on CSO Development Effectiveness has been exploring areas where greater harmonization in donor conditions, aligned more closely with CSOs own systems, may be possible to ease some of the current transaction costs (Karlstedt 2010).

A Synthesis of more than 60 Open Form consultations identifies a comprehensive set of CSO proposals for donor conditions to enabling CSO development effectiveness, focusing on 1) Practical avenues of support for human rights to organize, assemble and speak, 2) Policies for respectful partnerships with independent CSOs, 3) Reform of conditions for funding, 4) Improved transparency of information, and 5) Inclusive policy dialogue, all consistent with their recognition of CSOs as development actors in their own right (Open Forum 2010c, Annex 3). The Task Team will continue in the coming months in 2011 to organize a focused multi-stakeholder dialogue based on these Open Forum proposals and the research of the Donor Group.

- Over the past four years, a group of donors (the Nordic Plus Group) have been exploring the country CSO dynamics for strategic joint models of direct support for southern CSOs (Nordic Plus Group 2007 & 2008). Increased donor coordination through country-based joint programmatic support of Southern CSO-managed funding mechanisms is expected to improve broad-based Southern CSO capacities and local CSO accountability. Interest in the use of multi-donor in-country funding mechanisms has grown as they are seen to be consistent with donor commitments to ownership and harmonization (Griffin & Judge 2010). While these modalities have been implemented in a number of African countries, a follow-up case study of donors and CSOs in Zambia challenged some of the assumptions and pointed to the importance of diverse funding mechanisms in support of CSOs (SIDA 2010).

There is a need to systematically examine the political and financial implications of these mechanisms against donor purposes and commitment in supporting CSOs as development actors. What are the impacts on the strengths and diversity of the civil society as a whole and on support for different CSO partnerships and institutions (Task Team 2011a, Dereymaeker Interview)? An emphasis on diverse funding mechanisms is also reinforced in academic literature (Hauck & Land 2011). Indeed other studies (DCD 2011a; Karlstedt 2010) document the continued use of a wide range of donor modalities largely directed towards support for CSOs based in donor countries, with many different terms and conditions, some of which are seen to undermine CSO effectiveness (as noted above).

- Donor support clearly continues for Northern-based international CSOs. But it is sometimes accompanied by a trend in questioning the role and partnerships of these international CSOs. In its most crude form, donor calculations reduce CSO international partnerships solely to considerations of “value-for-money” (Griffin & Judge 2010). Other observers, including some Southern CSOs, have challenged both the roles of international CSOs, current modalities of CSO partnerships, and the impact on domestic civil society in developing countries (Open Forum 2010a).¹¹ In agreeing to the *Istanbul Principles for CSO Development Effectiveness*, CSOs involved in the Open Forum across many countries, including those in donor countries, have committed to examining their own practices against these principles. In doing so, they will be taking account guidelines and proposals for greater CSO accountability for their implementation by CSOs as set out in the *Draft Framework for CSO Development Effectiveness* (Open Forum 2010a, 2010b, 2010c).

31. Donors and governments welcomed the Open Forum process in AAA paragraph 20. In doing so, they made specific reference to the need to improve coordination of CSO efforts with government programs, enhance CSO accountability for results, and improve information on CSO activities. Evidence of progress by CSOs in these areas is largely based on current practices in many countries and the implications and intentions arising from the Open Forum adoption of the *Istanbul Principles*. As the outcomes of the Open Forum evolve in 2011, issues of implementation and accountability will be increasingly addressed by CSOs in multi-stakeholder processes in the Task Team and the Working Party.

¹¹ NGOs in both donor and developing countries may need to take account evidence from case studies that suggest that associational or movement-oriented CSOs in developing countries were more strongly linked to positive outcomes from citizens' participation than through formal NGO participation in structured governance spaces (Gaventa & Barrett 2010).

32. Several Open Forum consultations documented existing global accountability mechanisms, which are growing in number and diversity in many developing country CSO settings. The *Synthesis* of these consultations identifies strengths and weaknesses of different approaches to improve CSO accountability; some of these are also reflected in the proposed *Framework* guidelines for implementing the Istanbul Principles (Open Forum 2010a and Open Forum 2010c). Many CSOs have always worked with a strong commitment to mutual learning to improve their development results, creating and sharing knowledge with a diversity of development stakeholders including donors, government, and the private sector.

33. The Open Forum acknowledged the importance, but also some complex issues, in improving CSO transparency, given their numbers and diversity. The *Istanbul Principles* set in motion improved practices in transparency as “the basis for public trust, while enhancing CSO credibility and legitimacy” (Open Forum 2010a & 2010c). CSOs, alongside donors and governments, have been active participants in the International Aid Transparency Initiative (IATI).

34. Inclusive Policy Dialogue The AAA calls for “broadening country-level policy dialogue on development”. Unfortunately there is not a large body of evidence from which to systematically assess progress in implementing these commitments. Some research however discusses inclusive policy dialogue as an aspect of broad-based and inclusive country ownership of development strategies (Collins 2010, Keijzer et. al. 2010; Hauck & Land 2011; Eyben 2010). While not necessarily shared by others, one informant suggests the term “policy dialogue” sometimes masks the underlying politics of relationships and suggests that “policy negotiations” or “policy diplomacy” would more accurately reflect reality (Hauck Interview).

35. Policy dialogue for inclusive or democratic ownership necessarily straddles the state/society divide, challenging stakeholders such as CSOs to explore different forms of engagement as space for dialogue becomes available with state institutions and other development stakeholders (Hauck Interview). Parliamentarians in some instances have pro-actively sought civil society voices, which require capacities and resources on all sides for effective dialogue. Local government, in the context of decentralization, can engage local constituencies, including marginalized groups, women and youth, in municipal decision-making processes that contribute to the formulation of more inclusive public policies and programs.

36. On the other hand, CSOs have identified barriers for inclusive policy dialogue (Long Interview, Dereymaeker Interview), as well as important enabling conditions. The evidence comes from the Open Forum process (Open Forum 2010a), case studies on the political and operational space for civil society development actors (Meja 2010 and case studies prepared for ACT Alliance 2010). Barriers include lack of institutionalize processes, selectivity of participants to shape the outcome, including absence of grassroots perspectives, weak capacities for listening and engaging respectfully on all sides, participants ill-prepared for strategic compromises, the absence of timely and relevant information for preparation, and uncertain receptivity to diverse input particularly those that challenge government policies (Meja 2010, Long Interview; Sherlock Interview). Parliamentarians working through AWEPA have made strong representation about the exclusion of parliament and its centrality in policy dialogue that should be (but is normally not) determining and monitoring national development strategies (Balch Interview, AWEPA nd, Folscher 2009). A

number of donors, coordinated by DANIDA, have launched a joint evaluation on donor support to civil society engagement in policy dialogue, with a report to be prepared for later in 2011.

37. Enabling broad-based participation in policy processes requires not only access to formal and informal channels for consultation, but also enabling conditions of political freedoms derived from human rights (assembly, speech, organization) and stakeholder capacities to take advantage of these opportunities (Collins 2010, Sherlock Interview, Dereymaeker Interview). Several informants pointed to important civil society and government capacities that may lead to more “constructive engagement” between stakeholders (analytical and logistical preparation skills, influencing and organizing capacities, communications skills) (Sherlock Interview, Guizzard & Theisohn Interview).

38. Independent policy analysis based on access to information and government/donor transparency is an essential enabler for effective policy dialogue. But whose analysis is relevant, how are stakeholders able to use information, and who assesses the relevance and quality of analysis, are key questions (Keijzer in Cluster meeting discussion). Several factors affect the effective use of independent research generated by research organizations in policy making processes: 1) These processes must be transparent and open to incorporate policy research; 2) Policy research must be context-appropriate and able to be taken into policy processes; 3) Research is inclusive by linking broader constituencies to the policy process; and 4) Research is supported in ways that preserve the independence and legitimacy of the research organization (Keijzer et. al 2010; Sherlock interview). These considerations are likely to resonate with CSOs and other development stakeholders as they structure their engagement with policy processes.

39. Case studies on the actual experience of development stakeholders in policy dialogue provide a few modest examples of trends towards good practice, but most suggest that progress has been minimal since Accra (and perhaps moving backwards) (Long Interview). ACT Alliance case studies point to some positive experiences of inclusive policy dialogue and processes in the peace process in Guatemala, in Brazil with respect to Councils and Conferences on Rights and Politics, and in initiatives in Indonesia and the Philippines. Another study pointed to improved quality of dialogue in Ghana where CSOs have created a platform to monitor the implementation of the Paris / Accra agenda. But these examples are often very context-specific and are overwhelmed by cases where political space for civil society in inclusive policy dialogue is narrowing, as noted above. Even where seen as positive, CSOs comment that multi-stakeholder consensus is often not implemented, minimal government resources are put to promising consultative efforts, spaces are transitory, as they are often come from imposed requirements by donors, and leadership and capacity in civil society is sometimes weak.¹²

40. A study of three African countries revealed that CSO-official donor dialogue on policy issues is virtually non-existent, with the justification that such engagement might undermine government ownership. At the same time the researcher found that often CSOs were not monitoring donors at the national level (Meja 2010). On the other side, a DCD study of donor policies found that all donors were committed to consulting civil society and the latter reported that they believed CSOs to be satisfied with these processes. However, CSOs in many of the same donor countries reported

¹² Derived from case studies associated with ACT Alliance 2010 and Meja 2010.

that the processes were inadequate in terms of timeliness, meaningfulness and ongoing feedback on the outcomes of the consultations (DCD 2011a).

41. Finally, parliamentarians are increasingly concerned that they have been systematically excluded from the aid process. Where they are effective and balanced in their representation (Huack Interview), parliaments are uniquely situated to undertake outreach and draw upon local constituency experiences to work with governments and donors to determine national development policy and strategies (Hudson & Tsekpo 2009). Similarly case studies of local governments and aid effectiveness establish some examples where local governments effectively coalesce local constituencies for policy engagement with national governments (UCLG 2010).

42. More work is required on case studies on inclusion in policy-making processes. There is a need to draw out more systematically the practices that contribute to success and those that reinforce barriers, including sensitive questions on how donors strengthen or not inclusive domestic policy processes. Indeed, case studies should also focus on practices in donor countries, examining with domestic stakeholders, these same success factors and barriers for effective democratic inclusion of these stakeholders in donors' own development policy-making processes.

Messages and Issues for Interactive Sessions / Political Debate:

43. The following **messages on enabling civil society and other non-state actors for development** are reflected in the evidence and discussion presented by Cluster A:

- a) Civil society as independent development actors Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. The Working Party should reaffirm the AAA recognition of CSOs as independent development actors, whose roles in development complement but are distinct from those of government and the private sector, whether in the provision of services, or contributing to policy dialogue or monitoring policies and laws related to development.
- b) Acknowledgement of the Open Forum process and endorsement of the *Istanbul Principles*
The Working Party should acknowledge the outcomes of the CSO-led Open Forum on CSO Development Effectiveness by endorsing the *Istanbul Principles for CSO Development Effectiveness* as the basis for CSOs to realize their full potential as development actors. As CSOs commit to strengthen their own practices and accountability to the *Istanbul Principles*¹³, donors and government should agree to continue a structured engagement with CSOs at country and global levels on proposals for creating corresponding enabling environments for CSO development effectiveness. Among some proposals to be considered:
 - Continue efforts to harmonize donor terms and conditions that align to CSO systems and ownership by CSOs' local partners and communities, in consultation with CSOs;
 - Support increased autonomy and local CSO capacity through multi-donor trust funds in developing countries, under the management of CSO platforms or joint initiatives,

¹³ CSO commitments to strengthen their practices and accountability in relation to these Principles will be found in the CSO International Framework for CSO Development Effectiveness, which will be presented by the Open Forum to the HLF\$4.

where local CSOs initiate and demonstrate democratic ownership and management of these funds.

- Undertake a review of the effectiveness of different donor funding mechanisms for CSOs, their terms and conditions, for enabling CSO roles in development, using the *Istanbul Principles* as a basis for assessing CSO development outcomes. This review should aim to increase core/programme support to CSOs that have the capacity to manage such resources. An appropriate mix of funds and mechanisms should operationalize the principles of diversity, outreach and accessibility in donor support models.
- Strengthen donor support for peer-to-peer initiatives (trade unions, parliamentarians, south-south exchanges) to increase opportunities for shared learning and relevant capacity development.

c) Work with the Special Rapporteur on the Freedom of Peaceful Assembly and Association

All governments have an obligation to uphold basic human rights – among others, the right to association, the right to assembly, the freedom of expression and gender equality. The Working Party should reaffirm the importance of these basic rights as a pre-condition for effective development. The Working Party members should welcome the intent of the Human Rights Council to appoint a Special Rapporteur on the Freedom of Peaceful Assembly and Association.¹⁴ Working Party members should work with this office and should encourage multi-stakeholder processes, work with country-based monitors, to deepen engagement on the conditions and best practices in laws, regulations and policies governing CSOs, which in their implementation strengthen the diversity of CSOs and fully accommodate their agreed roles in development. As noted earlier in the text (paragraph12), the ILO also has considerable experience in reporting and supervisory mechanisms as well as evidence of both good practices and violations of these rights.

d) Make more inclusive and open country level policy dialogue Building on the AAA

commitment to broadening country level policy dialogue on developing strategies and their implementation, Working Party members should encourage pilot initiatives in a select number of developing countries, based on

- Investment in improved stakeholder capacities for systematic and institutionalized policy dialogue, including trust funds at the country level that are independently managed to provide financial support;
- Transparency and access to timely information for informed policy dialogue;

¹⁴ At its 15th Session, the Human Rights Council passed a resolution (A/HRC/15/L.23*) on September 27, 2010, reaffirming the importance of the rights to freedom of peaceful assembly and of association. The same resolution decides to appoint for a three year term a Special Rapporteur “to gather all relevant information, including national practices and experiences, relating to the promotion and protection of the rights to freedom of peaceful assembly and of association, to study trends, developments and challenges in relation to the exercise of these rights, and to make recommendations on ways and means to ensure the promotion and protection of the rights to freedom of peaceful assembly and of association in all their manifestations”. The Rapporteur in his/her first report will identify best practices that promote and protect these rights, will identify violations of these rights, and will consult widely with all relevant stakeholders. At the time of writing the Special Rapporteur has not yet been appointed. See www.icnl.org/knowledge/news/2010/FOA%20Final.pdf.

- Recognition of the responsibilities and contributions of parliament and local government, as appropriate to their roles, mandates and legal obligations;
- Extension of CSO engagement to assure inclusion of views from grassroots-based organizations, social organizations, faith-based organizations; and
- Creation of country-level multi-stakeholder structures with a clear mandate to monitor donor, government and CSO commitments made in Busan to aid and development effectiveness.

44. Several issue areas were identified as possible topics that might structure future **political debate on enabling CSOs and other non-state actors for development:**

- a) What actions are needed to enable CSOs to contribute more effectively to development?
How do different Working Party stakeholders (national governments, parliamentarians, local governments, private sector, CSOs and donors) understand and work with the Accra recognition of CSOs as “development actors in their own right”, in relation to both the Paris Principles for aid effectiveness and the *Istanbul Principles for CSO Development Effectiveness*? What mechanisms can donors, government, the international community put in place to enable CSOs in their roles as development actors, but also provide safeguards for space for civil society to play appropriate roles in development cooperation that are also acceptable to governments? What conditions would enable greater CSO coordination amongst themselves, and with other development actors, including government? How can donors and other development actors support a state that is more inclusive of parliamentarians, local government and local private sector actors in development?
- b) Drawing lessons and good practice from the experience of social dialogue What lessons and good practice can be drawn from the rich experience of social dialogue at country and global levels, which have been inclusive of the private sector on issues affecting the public welfare? What are appropriate mechanisms for institutionalizing broad-based policy dialogue and negotiation for development that respect the rights of affected populations, but also the need for government leadership on strategic priorities for development? How can such policy dialogue be structured so as to bring to the table the interests and contributions of various private sector to development outcomes?

C. Mutual and Domestic Accountability

Findings presented to the Cluster:

45. Accountability is understood as the ability of the governed to hold to account those who govern. Both the Paris Declaration and the AAA place strong normative emphasis on accountability in the use of development resources as a key driver for progress in aid and development effectiveness for poverty reduction (GovNet 2010a, ADB 2010). But the PD/AAA offers little in the way of guidance for putting this principle into practice, beyond nonspecific references to parliamentary oversight, strengthened civil society, and better transparency.

46. Within Cluster A, the Task Team on Accountability has been working closely with DCD/GovNet and its Work-stream on Aid and Accountability. The Task Team has been drawing out

key lessons from current practice for domestic and mutual accountability towards framing an agenda on accountability for Busan. The DCD/GovNet has been contributing through the elaboration of lessons from four case studies. GovNet will produce a policy paper on the impact of aid on domestic accountability in 2011, accompanied by an operational Guidance Note for donor. The Cluster Task Team is also taking into account recent work by AWEPA, the Commonwealth Secretariat, EDCPM and the UN Development Cooperation Forum (DCF) (see summaries in Annex 1, section C).¹⁵

47. A central finding in the literature and Task Team reflections is the need for a holistic approach to accountability, one which is sensitive to linkages between inclusive or democratic ownership, domestic accountability and mutual accountability (Whitty 2010, Busia 2010, Dereymaeker Interview, Attridge Interview). On the other hand, it is also evident that stakeholders in development assistance are often caught up in complex and multiple webs of accountability, few of which are mutually reinforcing and often pull in different directions (ADB 2010). The Paris/AAA has focused donor attention to mutual accountability, but within these webs of accountability it may be a more important priority to strengthen institutions for domestic accountability for improved practices that safeguard democratic ownership (Hauck & Land 2011, Hauck Interview). Case studies by the Commonwealth Secretariat point also to systemic issues, influenced by the realities of power relations. They point to inherent incompatibilities arising from political imperatives for both the recipient and the donor, which create degrees of tensions and constraints in the actual practices and mechanisms for accountability (Whitty 2010, Attridge Interview). Work for the UN DCF have pointed to important linkages between domestic processes of mutual accountability and regional/global mutual accountability forums (ECOSAC 2010).

48. Several analysts and commentators put forward approaches that acknowledge and build upon the notions of “accountability chains” (Busia 2010) or “mutual accountabilities” (in the plural) involving multiple stakeholders (Eyben 2010, Hauck & Land 2011). Taking this framework of multiple accountabilities, what does the evidence suggest in terms of issues and entry points for strengthening the Paris/AAA commitment to be more accountability for development results?

- Measuring progress Background work for the UN Development Cooperation Forum concludes that progress on donor/recipient mutual accountability has been very limited, while in a few countries the research noted some initial foundations for future engagement (Martin 2010). Little has changed since the 2008 independent evaluation of the Paris Declaration commitments noted earlier. Other UN studies point to some mechanisms at global and country level, but note that even the best functioning mechanisms continue to have significant gaps (ECOSOC 2009).

The Commonwealth Secretariat and other case research are confirming the absence and/or significant weakness in country-level mutual accountability mechanisms. The incompatibility of expectations and constraints of both donors and recipient governments create an environment that can be highly conflictive (Whitty 2010, ECOSOC 2010). While national level processes remain important, these studies point to practical areas for mutual accountability that are working in assessing performance and outcomes. They happen in

¹⁵ The Task Team summary of lessons and messages was not available at the time of writing this Report. The consultant relied on written documentation produced for GovNet and documents available to the Task Team, along with a series of interviews.

numerous sub-national interactions between donors and governments in sectoral programming or sometimes project levels of engagement (Attridge Interview; Long Interview). The advantage of the latter is that alignments of interests and plans are potentially more manageable and therefore the expectations of accountability are seen as less coercive and donor / government discussions can be more constructive (Whitty 2010; GovNet 2010b Uganda Case Study). Eyben argues that there is too much stress on getting the right mutual accountability *mechanism*. The emphasis should be on building trust and strengthening the quality of people relationships for constructive engagements, which is more possible at the meso sector or project level (Eyben Interview).

- Linkages between domestic and mutual accountability are political The work of GovNet and other case study research are stressing the importance of dynamic linkages between the quality of domestic accountability and conditions for mutual accountability (GovNet 2010a, Hauck & Land 2011). Accountability of government to its citizens is a deeply political issue, strongly associated with democratic culture, the rights of association, media, decentralization policies, the means for independent oversight and parliamentary process (BetterAid 2010a, Dereymaeker Interview; Eyben Interview; Folscher 2009, UCLG 2010).

Ownership requires genuine inclusive domestic spaces for debate, socio-political contestation, and social dialogue on development policies and strategies. The Paris/AAA principle of accountability for development outcomes is essential for assessing the effectiveness of aid, but it immediately poses fundamental questions about accountability by whom, to whom, and for what ends (GovNet 2010a, Eyben 2010, BetterAid 2010a). Unless avenues for these domestic spaces and downward accountabilities of government to citizens ultimately buttress processes for mutual accountability, mutual accountability for development results cannot easily and legitimately be achieved (Busia 2010).

Domestic accountability processes are often absent or very fragile in many aid recipient countries and should be given priority for strengthening (Eyben Interview, Hauck & Land 2011). While not disputing the importance of these fundamental relationships to citizens for sustainable outcomes, others suggest that meaningful dialogues between governments and donors on development outcomes can and do happen at different levels and in different political environments, rooted inside diverse aid modalities (Collins Interview, Sherlock Interview).

The conditions for domestic accountability are highly context specific in recipient countries (Hauck Interview). Given this reality, donor perceptions of quality of governance issues in a given country often shape their choice of aid instruments and therefore the context for mutual accountability (Whitty 2010). The use country systems by donors is affected by many factors, but transparent financial management systems, inclusion of diverse non-state actors in state-managed processes, and financial accountability through parliamentary oversight, all build greater trust and confidence in using country systems. But the research does not examine how much relative importance should be given to these various factors.¹⁶

¹⁶ Use of country systems by donors is an essential condition for strengthening country ownership, but this topic falls under a different Cluster within the Working Party and the literature examined for Cluster A did not focus in detail on factors affecting donor adherence to their Paris/AAA commitments in this area.

On the other hand, recipient country's experience of these same aid modalities – sector and budget support – are seen to have high donor-required accountability transaction costs, policy conditionalities and strong emphasis on supply-side accountability in financial management systems and audits for donors.¹⁷ They are often seen to undermine domestic accountability and important demand-side accountability institutions, such as parliaments, media, CSOs, social actors, or political parties (Busia 2010).

Largely absent from this discussion of links between domestic and mutual accountability is the impact of changing political dynamics and failures in accountability in donor countries (Eyben 2010, Eyben Interview; Attridge Interview, Long Interview). Political oversight and parliaments in donor countries create expectations for reporting on aid results and create restrictive conditions for government regulations controlling spending modalities. These can deeply affect the ways in which donors honour their Paris/Accra commitments. Donor country imperatives are further compounded by weaknesses in the ways that donors publish information, communicate and manage relationships with their domestic constituencies (Eyben Interview, Dereymaeker Interview). Few donors face these constituencies, and in particular their own civil society, in regular inclusive processes for accountability. Finally donors' own internal accountability systems between country offices and headquarters can limit the programmatic scope and restrict relationship-building at the field level, which affects both mutual and domestic accountabilities at country level (Eyben 2010, Attridge Interview).

- Aid modalities and accountability While the Paris/AAA focus has been on program-based aid modalities, for many reasons, project aid remains a strong, and perhaps growing, aid instrument for many donors. The implications of resulting fragmentations from project aid, along with vertical funds, remains largely unexamined in terms of feasible processes for domestic or mutual accountability for development results (Sherlock Interview; Attridge Interview). A GovNet background paper concludes that there is no simplistic division between project and new aid modalities when assessing their impact on domestic accountability (referenced in Hauck & Land 2011). In some countries governments are able to coordinate different aid modalities (budget support to projects) for harmonized sector engagement, which improves alignment and related accountability. Another dimension of accountability in this regard is the “projectization” of accountability strengthening, with the resulting uncoordinated proliferation of donor support domestic accountability. Joint donor trust funds for this purpose might be explored for greater coordination.
- Parliament and accountability The AAA acknowledges the critical role and responsibilities of parliament, and particularly its oversight functions, but little attention has been given to specific commitments to strengthening this role within the aid system.

¹⁷ While somewhat beyond the scope of Cluster A's mandate, several of the case studies and research commented on the issues raised by policy conditionality for both inclusive or democratic ownership and accountability. Views ranged from those who saw evidence or experienced important gains at country level as a result of well-targeted “positive” conditions that can strengthen the hand of domestic “reformers” for inclusive ownership (Attridge Interview; Long Interview), to those argued that while inclusiveness should never be an aid condition (Hauck & Land 2011), there could be particular instances where outside pressures stimulate change (Hauck Interview), to the CSO BetterAid position that all forms of policy conditionality contradicts and undermines domestic processes and institutions for democratic ownership (BetterAid 2010a and 2010b).

Since Accra, parliamentarians have highlighted their marginalization by all aid actors, and their inability to fulfill their constitutional mandate with respect to oversight in public financial management (ADB 2010, Balch Interview). On the other hand, the quality of parliamentary oversight is highly country-context specific. Robust oversight is not only a question of serious capacity constraints (which are critically important), but is also affected by the representivity in parliament of diverse socio-economic groups affected by development, a focus on narrow localized political interests, and high turnover rates (ADB 2010, Hauck Interview).

Parliaments are playing increasing roles in accountability in some countries where they have given themselves greater legislative tools for the oversight of the executive branch and public finance, where they can call upon independent audit facilities, and where they have developed mutually engaging relations with civil society (Folscher 2009, AWEPA nd, Balch Interview). Donor and government transparency, alongside early engagement in aid relationships, are essential factors for parliamentary oversight (Folscher 2009). As noted earlier, some case evidence points to the value of peer North/South parliamentary exchanges to strengthen both parliamentary capacities in the South and provide political support in the North for donor country programming (AWEPA nd, Balch Interview).

There is also an obvious nexus between political parties, as the institutional connection between politics and society, and parliaments' role in domestic accountability. Donors have been looking at ways to address weaknesses in the reality of political parties' functions in the political system. These revolve around approaches to strengthen the central functions of parties and the need to integrate such support with other areas of democracy support programs (Caton 2007). It is noted that such assistance can be controversial (Busia 2010), and often lacks clarity of purpose, coherent standards and principles with regard to appropriate activities to support (Caton 2007).

49. Research has identified a number of essential enabling conditions and factors affecting progress in mutual accountability (Martin 2010; Sherlock Interview, ECOSOC 2009):

Mutual accountability is more likely where there is

- Clear 'rules of the game' through a partner governments' national aid policy (or similar) and sector level strategic plans with clear performance targets for both donors and partners, including targets relating to gender equality;
- Progress with donors in putting aid on budget, using country systems, and providing predictable aid flows;
- Improved aid transparency (including aid programmed via civil society organizations) and an aid database independently accessible to donors, aid recipients and the public (implementing the International Aid Transparency Initiative standards);
- Clear country institutional structures for aid management and for reviewing agreed performance targets of both donors and partners, recognizing the challenges in Sub-Saharan African countries and countries with special needs;
- Partner government and parliament capacities to monitor, analyze and negotiate changes in donor behaviour;
- Partner governments and parliament actions to improve Public Financial Aid

- Management and Procurement systems;
- Deepening engagement by donors and partner governments with non-state actors, parliaments, and local governments and their effective integration into accountability processes.
 - Strengthening mutual accountability processes through systematic reviews and independent analysis of country aid trends from civil society, country-level think-tanks and other monitoring groups;
 - Strong South/South peer processes, including accountability modeled by the African Peer Review Mechanism (Busia 2010), and processes for greater involvement of non-DAC aid providers.

Messages and Issues for Interactive Sessions / Political Debate:

50. The following **messages on mutual and domestic accountability** are reflected in the evidence and discussion presented by Cluster A:

- a) Strengthening a culture of accountability Meeting the Paris/AAA commitments on mutual accountability for development results will require the creation of a genuine “culture of accountability” on the part of all stakeholders. A culture of accountability implies attention to the following approaches by all aid actors:
- Focused resources, pilots and learning to strengthen the particular conditions that promote mutual trust and inclusive mutual accountability (as noted in paragraph 49 above).
 - Establishment of regular multi-stakeholder mechanisms to review annually progress on mutual accountability in the DAC and/or DCF.
 - A culture of mutual accountability may be more achievable in the short term in sub-national sectoral, local government or other programs in development cooperation, recognizing that there may be greater donor/partner country divergence of goals and political interests in national-level mutual accountability mechanisms,
 - Work with legislatures, local government, media and civil society as “accountability actors in their own right” with constitutional and human rights expectations for domestic accountability, while also working to improve coherence in donor efforts in governance programming to strengthen these institutions for these roles.
 - Explicit assessment of impacts on domestic and mutual accountability in the choosing of aid instruments, always acknowledging potential incompatibilities of interests and inherently unequal power dynamics of international development cooperation.
 - Acknowledgement that transparency is a fundamental condition for accountability. Early and full implementation of all phases of the International Aid Transparency Initiative (IATI) globally, and other transparency initiatives at country level, are essential to dramatically improve accessibility of timely information on development cooperation (strategies, resources, implementation of initiatives) for legislatures, local government, CSOs and other social actors. Transparency needs to be accompanied by opportunities for dialogue and capacity development to improve the analytical skills of parliamentary oversight committees and non-state actors.

- b) Further research and analysis of good practice Collaborative research through GovNet and related organizations has brought together lessons and directions for good practice in donor support for domestic accountability, as has the DCF and the Commonwealth Secretariat for mutual accountability. However, key areas and complex linkages remain largely unexplored. How can aid actors achieve improved accountability, caught as they are within complex and different webs of relationships for mutual accountability, domestic accountability, and country ownership? Are new forums for accountability required, or can existing national and international institutional and legal bodies for accountability be strengthened to consider commitments in development cooperation? What are the political boundaries for donor engagement with domestic accountability in the context of country ownership, understood by developing countries as sovereignty? How do trends and demands for accountability in donor countries affect mutual and domestic accountability for development results in partner countries? How can non-DAC donors, vertical funds and other aid and development actors, including international CSOs, be encouraged to participate in more inclusive processes of accountability?
- c) Inclusive accountability Accountability is not just about processes to identify “what has gone wrong or off-track”, usually after the fact; accountability systems can be up-front processes that involve a range of development stakeholders, including local government and in particular excluded communities, in development decisions that affect their lives. This requires thinking differently about accountability, not as mechanisms, but as development relationships. It means bringing parliament, local government and civil society into aid decision-making at important early stages. Through peer processes involving counterparts in both North and South (or South/South), knowledge and capacities for accountability in aid relationships become mutually reinforcing in both donor and partner countries.

51. Several issue areas were identified as a possible topic that might structure future **political debate on mutual and domestic accountability**:

- a) Do accountability mechanisms improve aid’s impact on development outcomes? The Paris Declaration and AAA make assumptions that since commitments are mutual and can be assessed by all stakeholders these assessments will lead to improvements in development outcomes. This assumption seems largely untested in current practice. . How can we accelerate progress in national mutual accountability to produce major behaviour changes and enhance the development results of aid? A recent ECDPM workshop during European Development Days added some further questions: What are key processes to ensure that aid is delivered in ways that support rather than undermine or “do not harm” to domestic and mutual accountability? How can the tensions between accountability in donor and partner countries be resolved in favour of inclusive ownership of development outcomes in partner countries? Are there practical ways to create synergies between domestic accountability and mutual accountability, as well as connect international and national level mutual accountability processes (and through which mechanisms)?

III Conclusions

52. The purpose of this synthesis of documentation and interviews has been to examine findings and recommendations of research in order to identify messages for the Cluster. Cluster messages should revolve around several questions, “What is working that can be enhanced, and what is not working, and what can be done about the challenges identified through the Working Party mechanism?” There are a number of conclusions or ways forward that might help answer these questions.

- a) The process and outcomes of the Busan High Level Forum (HLF4) must continue to build upon and deepen the notion of country ownership in development cooperation. Institutions and practices for mutual accountability for development results should rest upon a strong foundation of domestic accountability at the country level.

The High Level Forum and Working Party has been a highly innovative informal multilateral process for establishing important norms or principles for effective aid that have been derived from four decades of aid practice. Having established principles, donors and governments have committed to changing their practices to conform to these norms. Following the 2008 HLF3 the process took an innovative step further. The Working Party opened itself to a range of non-governmental aid actors, local government, and parliamentarians, to assist in monitoring and proposing further reforms for more effective aid for poverty reduction, consistent with gender equality, human rights and sustainable development (AAA para 3).

The principles of country ownership, accountability for development outcomes, and inclusion of non-state actors such as CSOs as development actors “in their own right” became crucial norms affecting all dimensions of the effectiveness of aid for development.

The Cluster should develop and contribute to themes for interactive sessions in Busan and high-level political debate that further clarifies the Paris/AAA norms for country ownership, accountability, and CSOs as development actors, based on documented challenges in implementing these norms and important achievements in deepening our collective understanding.¹⁸ Some ideas were set out in the previous sections of this paper.

- b) Thematic proposals from the Cluster for HLF4 should explore the linkages between deepening country ownership, through democratic norms and practices, working with non-state actors, local government, parliamentarians, as development actors in their own right, and strengthening the country dynamics for mutual/domestic accountability.

The separate Task Teams, and independent actors (e.g. Open Forum/BetterAid, parliamentarians) within the Cluster may pursue their own thematic initiatives. But it is clear from the research that challenges in country ownership, working with non-state actors in development cooperation, and accountability for development results, while not identical, are inexorably linked. In part, these linkages speak to development outcomes for poor people through commitments to expand and protect the space for democratic norms, human rights and sustainable development at Busan. Proposals for thematic debates made by the Cluster as a whole therefore should be framed in ways that acknowledge these linkages and are inclusive of

¹⁸ The CSO Open Forum’s *Framework for CSO Development Effectiveness*, work on deepening inclusive ownership as democratic ownership, and best practices in mutual accountability by the DCF, or guidance for donors in support of domestic accountability, are examples of content upon which to build these sessions.

the interests of the various stakeholders in the Cluster.

- c) A short-term Cluster process is needed for determining some thematic ideas to go forward to the Working Party for its Menu of Options for Busan

Proposals from the Cluster for the Busan process and outcomes can be informed by this Report, but require a Cluster process to reach agreement. It may be possible to determine some summary thematic proposals as a next stage, which could be agreed in a conference call with the leadership of the component task teams in the Cluster. These ideas for themes can take account of proposals coming from individual Task Teams as well as ideas set out in this Report. But there must be collective support for a Cluster theme to go forward.

- d) The Cluster might consider a product that summarizes its deliberations, messages and contributed research, to be finalized by September/October 2011, which is oriented to the actual Busan agenda, sessions at Busan relevant to the Cluster's mandate, and the draft July Busan outcomes document for discussion.

It is apparent that the various members of the Cluster over the coming six months will produce a wealth of additional synthetic documentation. This material will explore hopefully in more depth than this Report was able to do, ways forward for a post-Busan agenda for aid reform. The Cluster might consider a further synthesis in mid-2011 oriented to the Busan agenda and outcome document and as more research is completed. Several informants for this Report suggested a post-Busan agenda that is more focused and coherent across the range of possible issues and implemented through deliberate cross-stakeholder processes.

Annex 1: Mapping Research Contributions to Cluster A on Ownership and Accountability: Summary Notes on Key Findings and Recommendations

See the accompanying document.

Annex 2: Paris Declaration and Accra Agenda for Action Commitments

A. Paris Declaration

The 2005 Paris Declaration (PD) established partner country and donor commitments to the overarching principle of “**country ownership**” whereby “partner countries exercise effective leadership over their development policies and strategies and co-ordinate development actions” as the foundation for aid effectiveness. Donors committed to “respect partner country leadership and help strengthen their capacity to exercise it”. Partner countries committed to “exercise leadership in developing and implement their national development strategies through broad consultative processes” and to “take the lead in co-ordinating aid at all levels in conjunction with other development resources in dialogue with donors and encourage the participation of civil society and the private sector”. [paragraphs 14-15] While the PD acknowledges consultative processes and participation of non-state actors, the focus and measure of ownership in the Paris Declaration is donor alignment with the government’s “operational development strategy”.

Mutual accountability is the fifth Paris principle for aid effectiveness whereby “donors and partners are accountable for development results” and commit to jointly assess through country-level mechanisms “mutual progress in implementing agreed commitments on aid effectiveness, including the Partnership Commitments”. Donors agree to “provide timely, transparent and comprehensive information on aid flows”, while partner countries commit to “strengthen as appropriate the parliamentary role” and “reinforce participatory approaches by systematically involving a broad range of development partners when formulating and assessing progress in implementing national development strategies”. [paragraphs 47 – 50] The Declaration, however, provides little guidance on how to put this principle into practice. The measure of these commitments is merely the number of mutual assessments of progress. The *Phase One Evaluation of the Implementation of the Paris Declaration* concluded that “mutual accountability is the area of thinnest reporting and progress registered in the evaluations”, although it also suggested that some mechanisms were identified if not utilized (Wood *et. al*, 2008).

B. Accra Agenda for Action

The Phase One Independent Evaluation suggested that ownership should be seen as a process and as such its practical meaning and boundaries were difficult to define (Wood *et. al*, 2008). In the lead-up to the 2008 Accra High Level Forum, the multi-stakeholder Advisory Group on Civil Society and Aid Effectiveness recommended that all stakeholders “deepen their understanding and application of the Paris Declaration principles in ways that emphasize local and democratic ownership, social diversity, gender equality and accountability for achieving results of benefit to poor and marginalized populations as essential conditions of effectiveness”. [Advisory Group 2008, Recommendation #4] The Accra Agenda for Action (AAA) takes up these concerns and calls for deeper engagement with non-state actors on national policies, with stronger domestic accountability, resulting in a more inclusive country ownership.

Deepening broad-based country ownership for policy dialogue The AAA reasserted that “country ownership is key” whereby “developing country governments will take stronger leadership of their own development policies, and will engage with their parliaments and citizens in

shaping these policies” [paragraph 8]. Paragraph 13 elaborates a “broaden country-level dialogue on development” through deeper and more inclusive engagement with all development actors, support for increased capacity of all actors, and respect for international human rights norms. Paragraph 14 goes on to underscore the importance of “robust capacity” with “strong institutions, systems and local experience” to enable developing countries to fully lead and manage their development. Donors commit to strengthen their own capacities to be more responsive. The AAA commits donors and governments to strengthen the role and capacities of parliaments in both preparing national strategies and in holding governments to account for aid spending and development results [paragraphs 8, 10, 13 and 24]. It also identifies the importance of local governments to ensure their active role in development policy dialogues [paragraph 13]. (See text for paragraph 13 in the accompanying Box 1, page 31.)

Strengthening civil society as development actors Donors and governments have acknowledged the importance of engaging with their parliaments and citizens for country ownership [paragraphs 8 and 13]. Paragraph 20 built on this acknowledgement with a commitment to “deepen our engagement with CSOs [civil society organizations] as independent development actors in their own right whose efforts complement those of governments and the private sector”. With this recognition the AAA also accepts that the five Paris principles cannot simply be applied to CSOs, but must be enriched to take into account the nature of CSOs and their varied roles in development (see also Advisory Group 2008). Paragraph 20 welcomed CSOs’ initiative to develop their own principles of CSO development effectiveness and goes on to assert a shared interest “in ensuring that CSO contributions to development reach their full potential”. (See text for paragraph 20 in the accompanying Box 1, page 31.)

Emphasizing accountability and transparency as powerful drivers of progress The AAA reiterates the importance of accounting for development results and clearly situates these results: “we will be judged by the impacts that our collective efforts have on the lives of poor people” [paragraph 22]. Paragraph 24 deepens Paris commitments to transparency and donor/government accountability “to each other and to their citizens” by making aid more transparency, by stepping up efforts for mutual assessment reviews, by “drawing on emerging good practice with stronger parliamentary scrutiny and citizen engagement”, strengthening existing international accountability mechanisms, and by increasing adherence to the UN Convention against Corruption.

Box 1: Accra Agenda for Action

Paragraph 13:

We will engage in open and inclusive dialogue on development policies. We acknowledge the critical role and responsibility of parliaments of ensuring country ownership of development processes. To further this objective we will take the following actions:

a) Developing country government will work more closely with parliaments and local authorities in preparing, implementing and monitoring national development policies and plans. They will also engage with civil society organizations (CSOs).

b) Donors will support efforts to increase the capacity of all development actors – parliaments, central and local governments, CSOs, research institutes, media and the private sector – to take an active role in dialogue on development policy and on the role of aid in contributing to countries development objectives.

c) Developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with the agreed international commitments on gender equality, human rights, disability and environmental sustainability.

Paragraph 20:

We will deepen our engagement with CSOs as independent development actors in their own right whose efforts complement those of governments and the private sector. We share an interest in ensuring that CSO contributions to development reach their full potential. To this end:

a) We invite CSOs to reflect on how they can apply the Paris principles of aid effectiveness from a CSO perspective.

b) We welcome the CSOs proposal to engage with them in a CSO-led multi-stakeholder process to promote CSO development effectiveness. As part of that process, we will seek to i) improve co-ordination of CSO efforts with government programs, ii) enhance CSO accountability for results, and iii) improve information on CSO activities.

c) We will work with CSOs to provide an enabling environment that maximizes their contributions to development.

Annex 3: Mandate of Cluster A on Ownership and Accountability

The Working Party in 2009 mandated six multi-stakeholder and operationally oriented Clusters to monitor progress and the challenges in country-level implementation of the Accra Agenda for Action, to bring together knowledge and expertise to advance the AAA commitments, and to pave the way towards HLF4.

Cluster A on ownership and accountability brings together donors, partner countries, civil society, parliamentarians and local government in four streams of work¹⁹ focusing on

- Supporting democratic ownership by
 - Developing guidance for donors and all national stakeholders, including parliamentarians and local governments, to improve democratic ownership at country level;
 - Seeking and synthesizing good/bad practices in capacity development for country leadership, policy dialogue and support/incentives to ensure that development programs are consistent with international commitments on gender equality, human rights, disability and environmental sustainability.
- Promoting CSO development effectiveness and enabling environment by
 - Support CSO regional and country level multi-stakeholder consultations;
 - Promote minimum standards for enabling environments and donor models of support for CSOs;
 - Document progress and lessons in implementing AAA paragraphs 13 and 20 in this area.
- Improving mutual accountability at local, regional and international level by
 - Promote political commitment and common understanding of mutual accountability;
 - Review, support and draw lessons from current practices in mutual accountability;
 - Review proposals for strengthening international accountability mechanisms.
- Improving donor support to domestic accountability (GOVNET) by
 - Research the impact of aid on domestic accountability in developing countries
 - Develop guidance for donors and all national stakeholders, relating to the AAA aim to improve capacity support for broad ownership structures in relation to national development strategies;

¹⁹ See the Development Cooperation Directorate, “Working Party on Aid Effectiveness: Cross Cluster Overview”, December 2-3, 2009, DCD/DAC/EFF(2009)7.

Annex 4: Working Party on Aid Effectiveness: Road to Busan

Stated Purposes for the Busan High Level Forum 4:

- Draw conclusions on whether the 2010 commitments and targets of the Paris Declaration (2005) and the Accra Agenda for Action (2008) have been achieved or not, and why;
- Draw on evidence to identify characteristics of high quality aid to be reaffirmed and taken forward towards implementation by 2015 and beyond;
- Frame actions around “aid quality in the broader context of development effectiveness” to situate the role and impact of aid in the broader development contexts, challenges and partnerships.

Working Party Guidance on Substantive Themes (December 17, 2010):

Proposals for HLF-4 Substantive Themes should to be submitted no later than **28 January 2011**. Themes should address the key questions of: what worked (evidence), what did not work (why), and what is next (the “how-to”)? The Secretariat will mould these proposals into a preliminary draft menu of options for discussion at the **March 2011 ExCom**. Proposals can be further amended and updated until **June 2011** when the menu of options will be replaced by a first draft outcome document for discussion at the July WP-EFF. Evidence for the specific “Progress since Paris Report” is **March 31, 2011**, but evidence related to thematic areas can be received **up to October 2011**.

Submissions for Substantive Themes need to respond to the following points:

- The specific question to be addressed (beyond just the general theme);
- Rationale to have this particular discussion in Busan (bulk of text should be here);
- Examples of inputs;
- Required decisions on this topic in the Busan Outcome Document (if any);
- Organiser (s) and possible contributors; and
- Proposals should be no longer than one page.

Why we need evidence? Evidence is needed for several purposes:

- Documenting progress on PD/AAA commitments to inform the HLF-4 Report on “Progress since Paris” and the HLF-4 Document presenting “Key Findings and Recommendations” on PD/AAA implementation.
- Informing key themes/political messages and concrete commitments for political debates and the HLF-4 outcome document; and
- Showcasing knowledge and good practice for thematic interactive sessions at HLF-4.

Evidence should document:

- Achievements and actions fulfilled / behaviour change addressing specific areas of the Paris / Accra commitments (rather than describing process);
- Progress and challenges in specific sectors and through specific lenses (country situation, gender, environment, etc.);
- Innovative and good practices and approaches (particularly developing country initiatives);
- Benefits of changing behavior and costs of not changing behavior;
- Present issues representing collective views / concerns and multi-stakeholder perspectives on actual experience at country level; and
- “New” issues (e.g. non-OECD/DAC donors; role of private sector; climate change financing, etc.).

Annex 5: Persons Interviewed

1. Samantha Attridge, Commonwealth Secretariat
2. Jeff Balch, Association of European Parliamentarians with Africa (AWEPA)
3. Laura Collins, University of Cambridge
4. Jan Dereymaeker, International Trade Union Confederation
5. Rosalind Eyben, University of Sussex
6. Silvia Guizzardi, Capacity Development Unit, Development Cooperation Directorate
7. Volker Hauck, European Centre for Development Policy Management (ECDPM)
8. Camilla Lindstrom, SIDA
9. Carolyn Long, Interaction
10. Paul Sherlock, Irish Aid
11. Thomas Theisohn, Coordinator, Learning Network on Capacity Development

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