

Position of International Civil Society Organisations (ICSOs) on ACCOUNTABILITY

for the 4th High Level Forum on Aid Effectiveness

In this paper the ICSOs' Advisory Group (consisting of representatives from CARE, Civicus, Oxfam, Plan, Transparency International and World Vision) of the Open Forum for CSO Development Effectiveness lay down their position on accountability for the 4th High Level Forum on Aid Effectiveness. It is part of the key messages and proposals as adopted in April 2011 by a wide range of civil society organisations under the umbrella of the Open Forum and Better Aid platforms¹. It supplements but does not replace any activities undertaken there. The Group invites all ICSOs to sign and interested CSOs to endorse the paper.

Introduction

As a sizeable proportion of the world's population is deprived of their basic human rights, as poor people around the globe suffer from the aftermath of the financial crisis, as many of them increasingly feel the effects of climate change, their patience with ineffective aid is wearing thin. They rightly demand that aid has to be much more effective in alleviating poverty. But aid will only become more effective when it addresses the causes of poverty (such as discrimination, inequity, corruption, power imbalances, etc.) and not just the symptoms (such as hunger, lack of access to health and education services, lack of livelihood opportunities, etc.). Both donor and partner governments are challenged to make aid more effective and to ensure that it sustainably addresses poverty and secures human rights.

But not only governments are challenged, civil society organisations as well need to review the effectiveness of their engagement in the fight against poverty. For the last two years, the Open Forum for CSO Effectiveness² has carried out a global participatory process aimed at defining a framework for the development effectiveness of CSOs. In September 2010, the

¹ As reflected in the collective civil society key messages, CSOs are calling upon all development actors to achieve a bold forward-looking outcome at the Busan Fourth High Level Forum. CSOs believe substantial progress in a number of inter-dependent areas of reform is essential for a meaningful and ambitious *Busan Compact on Development Effectiveness*. These areas include: evaluating and deepening the Paris and Accra commitments; strengthening development effectiveness through practices based on human rights standards; reaffirming CSOs as independent development actors in their own right and committing to an enabling environment for CSOs as well as promoting an equitable and just development cooperation architecture.

² Open Forum for CSO Effectiveness: <http://www.cso-effectiveness.org/>

Open Forum agreed on eight common principles, the “Istanbul Principles”³. Based on these principles this paper addresses key strategic foundations of improved *aid effectiveness*.

We are aware that we will have to overcome a significant number of stumbling blocks to secure the success of the 4th HLF. We find both donor and partner governments reneging on their commitments under the Paris Declaration and the Accra Agenda for Action. We note a lack of interest amongst many governments and an increasing trend back to technocratic approaches to *aid effectiveness*. We are aware of the added complexity that “new donors” like China and India bring to the discussions.

Although the private sector clearly plays a key role in development and needs to be a part of the discussion on aid effectiveness, we need to ensure they do not, by virtue of their size and power, have an undue influence on the process and the outcomes in Busan. We also note that all too often CSOs are not regarded as equal partners in the debate with governments in preparation of Busan. Taken together, these potentially adverse influences may very well lead to a roll back on the Paris and Accra agreements. Against this background we believe that we need to:

Work together as a group of ICSSOs and in coordination with our partners in the Open Forum and Better Aid platforms, to make sure that our position is aligned and will be heard;

Focus our joint message on a small number of key aspects of the broader CSO agenda and push hard and in a well-coordinated manner in order to achieve some concrete, positive outcomes.

This paper endeavours to set a framework and to define the focus of our cooperation.

Our Expectations of the 4th HLF in Busan

The *aid effectiveness* discussions over the past few years have slowly widened their perspectives from a narrow government-to-government perspective to a more appropriate one of creating – or at least not hindering – an enabling environment for people to take their own, their families’ and their communities’ development into their own hands.

We expect the 4th High Level Forum in Busan not to fall back into simplistic and donor-centric terms such as “easy-to-measure results” and “value for money” but to take the discussion forward towards empowerment of citizens as the keystone to *aid effectiveness*. We will actively engage towards this aim by offering our own proposals, lobbying governments and showing how we are changing our own organisations in order to engage more effectively in development cooperation.

Civil society organisations help in ensuring the representation of voices that are often not heard or that don’t have access to these processes. They contribute to the development of official strategies and assist in finding innovative solutions to complex development issues. In many instances, civil society organisations take responsibility for the actual delivery of services. But most importantly, civil society groups at the local, national and international levels independently evaluate whether the objectives set by donor and partner governments

³ Istanbul CSO Development Effectiveness Principles: http://www.cso-effectiveness.org/IMG/pdf/final_istanbul_cso_development_effectiveness_principles_footnote_december_2010-2.pdf

are met, and they shape public opinion in holding government agencies to account for delivering against their commitments. Given this role, civil society organisations should be fully involved and treated as equal partners in all aspects of the Busan process.

Our Focus for Busan: Accountability – Transparency – Verification

We consider accountability an indispensable condition to make aid more effective: mutual accountability of donors and partner countries with a strengthened involvement of partner countries, civil society organisations and citizens in holding donors responsible at all points of the aid cycle from allocation, policy, implementation and delivery to monitoring and verification.

Ultimately, the most important measure of accountability is that of citizens over their own governments. Development is the product of a compact between active citizens and effective governments, and citizens must have the freedom and capacity to set development priorities and hold their government accountable, while governments must have the capacity and flexibility to meet their citizens' needs. Donors should act in ways which strengthen both the ability of citizens to hold their governments accountable and governments' ability to act accountably.⁴

Unrestricted and mutual accountability is a necessary condition for better *aid effectiveness*. At the HLF4 mutual accountability will be measured by looking at how much and what kind of progress all parties have made on targets and indicators agreed in Paris and Accra.

Accountability, however, is only possible on the basis of transparency. Only if decision making processes and their implementation, resource allocation and disbursement are fully transparent, appropriate accountability will be possible.

Furthermore, accountability is only fully valid if it can be verified. Credible verification by a third party which is equally independent from the donors and recipients of aid goes beyond monitoring & evaluation, which all too often is an internal, necessarily biased exercise.

Without transparency, accountability is not possible and without verification, accountability is not credible. Our focus therefore ties these three objectives together. The following steps should be taken in order to strengthen accountability, transparency and verification:

Accountability:

- The 4th High Level Forum must lay the groundwork for developing key accountability standards for all actors in development cooperation.⁵
- Partner and donor countries must reaffirm their commitment to mutual accountability as a key requirement for *aid effectiveness*. Partner countries and donors must implement mutual accountability at all levels of cooperation.⁶

⁴ The Paris Declaration talks about “Enhancing donors’ and partner countries’ respective accountability to their citizens and parliaments for their development policies, strategies and performance”.

⁵ Reaffirming the Paris Declaration the Accra Agenda for Action states: “Transparency and accountability are essential elements for development results.” However, both documents fail at providing appropriate accountability standards.

⁶ The Paris Declaration sees mutual accountability as essential: “A major priority for partner countries and donors is to enhance mutual accountability and transparency in the use of development resources.” However, the concept of mutual accountability still very much lacks implementation.

- All parties must support a culture of accountability at the local level by supporting the capacity of local partners to hold their governments to account.
- Partner and donor countries are called on to recognise the Istanbul CSO Development Effectiveness Principles⁷ and the INGO Accountability Charter⁸ as useful frameworks for overall accountability of ICSOs.

Transparency:

- All donors must endorse and deliver on the International Aid Transparency Initiative (IATI), including the Phase 2 commitments⁹.
- Partner countries need to develop and comply with a comparable code of transparency.¹⁰ – A possible model comes from the Collaborative African Budget Reform Initiative (CABRI), which is producing a paper on aid transparency.
- Partner and donor countries must secure an enabling environment to support CSOs' own transparency, accountability and verification. This can be done for example by enacting legislation that allows CSOs to operate independently in recipient countries and by promoting a climate of mutual trust.
- Partner and donor countries must provide free and public information on how aid is disbursed, allocated and managed to empower local partners to monitor aid.

Verification:

- Partner and donor countries must reach an agreement on a verification framework which assesses *aid effectiveness* through mechanisms of transparency, participation, evaluation and the use of complaints and response mechanisms. The framework should include specific indicators, targets and a timeline for follow-up.
- Partner and donor countries must secure meaningful civil society participation in the verification process including through an enabling operating environment, particularly at the local level.

Our own contribution to stronger accountability, more transparency and credible verification

For many years CSOs have been engaged in the struggle to secure more transparent and verifiable government aid commitments and to hold governments accountable for their promises.

⁷Please see: http://www.cso-effectiveness.org/IMG/pdf/final_istanbul_cso_development_effectiveness_principles_footnote_december_2010-2.pdf

⁸ INGO: International Non-Governmental Organisation – here usually called ICSO. The INGO Accountability Charter is the only overarching accountability framework in our sector covering international organisations active in Human Rights, Development, Environment, Children's Rights, etc. Please see: <http://www.ingoaccountabilitycharter.org/wp-content/uploads/INGO-Accountability-Charter.pdf>

⁹ Phase 2 includes information on donor conditions, forward spending data required for improved predictability and compatibility with partner country budgets.

¹⁰ The Collaborative Africa Budget Reform Initiative (CABRI) is currently preparing a position paper on aid transparency. This will detail the formal position of 22 partner countries on what both donors and recipients should do in order to implement effective aid transparency. We recommend that once the draft paper is available later this month that its contents and recommendations are taken into account.

As a key contribution of civil society to improve *aid effectiveness*, we, the signatories:

- pledge to continue our fight for more transparency and accountability of the aid sector;
- pledge to continue monitoring governments' performance in disbursing, allocating and managing aid;
- commit to contributing to a credible verification process to fully validate governments' accountability;
- pledge to continue working towards a universally-binding framework on development effectiveness that helps all actors to live up to their commitments.

Since 2004, when a number of our organisations created the INGO Accountability Charter strengthening the accountability of our own sector has been of paramount importance. With the Istanbul CSO Development Principles of September 2010, the continuous effort of our sector has generated an additional milestone on our way towards full accountability.

As a key contribution of civil society organisations to better *aid effectiveness*, we, the signatories:

- pledge to fully implement the Istanbul CSO Development Principles. Concerning transparency and accountability CSOs specifically underline principle 5 to “demonstrate a sustained organisational commitment to transparency, multiple accountability, and integrity in their internal operations”;
- commit to continue our efforts to move towards a common framework for overall accountability of ICSOs;
- affirm, without reservation, the commitment of our organisations to the IATI principles and goals. We consider that there must be a meaningful consultative process with CSOs to ensure that the IATI reporting formats provide meaningful information and reflect CSO concerns. We will work with other CSO networks to present a roadmap for IATI implementation at Busan;
- pledge to strengthen our own accountability with the aim of improving our own *aid effectiveness*. We will develop peer review mechanisms to disseminate best practice and to support each other in strengthening our performance. We will conduct a joint presentation at Busan focussing on Accountability, Transparency and Verification with examples of how we implement these in our daily practice.

Signed by

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