

The Working Party on Aid Effectiveness – Transforming Global Partnerships for Development

When the Millennium Development Goals were formulated in 2000, world leaders pledged to work together to 'make the right to development a reality for everyone'. The eighth goal (MDG8) of 'forming a global partnership for development' is in recognition that it would be impossible to make progress on these goals without partners in development working closely together. The Working Party on Aid Effectiveness (WP-EFF) is one such '**partnership for development'**. It is the most inclusive and wide reaching initiative in which developing and developed countries, grassroots organisations, parliamentarians and global funds come together, with the ultimate aim of making aid work better. Hosted by the OECD/DAC, the Working Party on Aid Effectiveness is the forum behind the Paris Declaration on Aid Effectiveness, which has partnership at its core.

Why Aid Effectiveness?

At the beginning of the 21st century, it became apparent that promoting widespread and sustainable development was not only about amounts of aid given, but also about **how** aid was given. Some donor practices were proving problematic for developing countries to deal with. Whilst annual volumes of aid were increasing again - they have gone from around 60 billion US\$ in 2002 to close to 120 billion US\$ in 2008¹, after a decade of aid "fatigue" - it was increasingly clear that a new approach had to be agreed to manage these resources better.

Interest in the effectiveness of development cooperation is not new; what is new is the broad consensus - embodied in the Paris Declaration on what needs to be done to produce better development results (Box 1).

Box 1: The Paris Declaration – Partnership for Better Development Results

Ownership: Developing countries set their own strategies for development, improve their institutions and tackle corruption.

Alignment: Donor countries/organisations bring their support in line with these strategies and use, where possible, local systems.

Harmonisation: Donor countries/organisations co-ordinate their actions, simplify their procedures and share information to avoid duplication.

Managing for Results: Developing and donor countries/organisations at all times focus on producing (and measuring) development results.

Mutual Accountability: Donors and developing countries are mutually accountable for development results.

¹ Source: DAC

Where does the Working Party on Aid Effectiveness come from - How did it all start? The story of the Working Party on Aid Effectiveness is the story of a small open forum that grew into a large coalition of the willing. The Working Party on Aid Effectiveness started as a donor-only grouping in 2003, evolved into a joint partnership of donors and developing countries in 2005, and is now the international partnership for aid effectiveness with 80 drawn from bilateral participants and multilateral donors, aid recipients, emerging providers of development assistance, civil society organisations, global programmes, private sector and parliaments.

These members have voted with their feet – requesting to participate in the Working Party on Aid Effectiveness and contributing to international agreements on how to improve the quality of aid to development through changes in their own behaviour.

In 2005, participants at the second High Level Forum on Aid Effectiveness in Paris committed themselves to a bold new initiative. **The Paris Declaration on Aid Effectiveness** included a series of *specific measures of implementation*, with *performance indicators* for assessing progress. It was not just another statement of intent: it was a declaration with teeth. The subsequent Paris Declaration Monitoring Survey had 34 participants in 2006 and attracted 55 in 2008. The in-country discussions of the results of the survey are the strongest and most WORKING PARTY ON AID EFFECTIVENESS



widespread process of mutual accountability in existence.

A further deepening of accountability to development stakeholders was achieved during the Third High Level Forum on Aid Effectiveness in Accra in 2008. Some 1700 participants from more than 100 countries attended and endorsed the **Accra Agenda for Action** which committed all to strengthening the partnership for effective aid. This has set a standard for an inclusive approach to development – with greater honesty and trust between partners.

Since Accra, the current shape of the Working Party on Aid Effectiveness has changed in order to reflect the commitments. It is now led by two co-chairs; one from a developing country, another from a donor organisation. Its participants now include 24 aid-recipient countries; 8 countries which both provide and receive aid; 31 donors; 9 multilaterals; 6 civil society and other institutions (CSOs, parliamentarians).

After the Accra meeting, members of the Working Party on Aid Effectiveness volunteered to take forward work in key areas where more progress is needed in order to meet the Paris Declaration targets ahead of the next High Level Forum in Seoul in 2011 (Box 2).

Box 2: The Working Party's Current Area of Focus

In order to advance the Paris and Accra commitments, the Working Party hosts several working groups 'clustered' around five overarching topics. The 'cluster approach' allows the Working Party to benefit from the knowledge of dedicated networks and groups of global experts on the following topics:

Ownership and Accountability: addressing how developing countries strengthen their own development strategies and how all relevant actors are associated and can hold the government accountable.

Country systems: how donors and developing countries can further strengthen and use developing country institutions and management systems in order to reinforce them and contribute to state building.

Transparent and Responsible Aid: how to improve complementarity among donors, aid predictability and the use of conditionality linked to aid flows.

Assessing progress: documenting, monitoring and

evaluating the implementation of the PD/AAA commitments, which were set up for 2010.

Managing for Development Results: providing a platform at regional and global level to mainstream results-based public sector management and policies.

In addition, the Working Party hosts or engages with a range of other initiatives that play a role in the global development partnership:

The **Task Team on South-South Cooperation** is an inclusive platform to document and discuss how SSC practices enriches the aid effectiveness agenda.

The **Task Team on Health as a Tracer Sector** follows how the health sector is implementing the PD/AAA and how this impacts on health results.

What's next?

The Working Party is looking ahead to the next High Level Forum, which will take place in Seoul, Korea. The 2011 monitoring survey and the second phase of the Paris Declaration evaluation will take stock of successes and identify areas where further change is needed.

In order to accelerate progress in advance of Seoul, the Working Party's focus has shifted to the country-level: how can all parties change their behaviour to meet challenges such as making aid more predictable, or strengthen incountry checks and balances on aid? Some countries now work directly with the Working Party to push the implementation of the Paris Declaration principles within their country.

The High Level Event on South-South Cooperation and Capacity Development in Bogota, Colombia in March 2010 is also an example of how the southern partners are raising their voice and capitalising on their experiences to enrich the aid effectiveness agenda with diverse views and perspectives.

The success of the Working Party to date can be measured in the **changes we see in behaviour and thinking about how aid is delivered, received and managed.** Its goal - a significant improvement in the lives of women, men and children in the developing world - will continue to be a target for development partners far beyond the fourth High Level Forum in 2011.





How can you get involved with the Working Party on Aid Effectiveness? Please visit us at : <u>www.oecd.org/dac/effectiveness</u> Communications contact: <u>Stacey.Bradbury@oecd.org</u>

MARCH 2010