

IMPROVING AID QUALITY

THE PARIS DECLARATION AND THE ACCRA AGENDA FOR ACTION

INTRODUCTION

For years, those working in development have known that poorly structured aid relationships and inadequately designed aid delivery mechanisms adversely impact development goals. Global levels of aid financing had risen steadily over the past decades, but by the turn of the 21st century, it became clear that these increases in aid volume were not producing the impacts expected, sparking a growing global consensus that the issue of aid effectiveness deserved closer scrutiny.

Drawing from their first-hand experience on what does or does not work with aid, leading development practitioners came together to adopt the **Paris Declaration** in 2005, a landmark event that brought together a vast wealth of practical knowledge about aid effectiveness under a single set of concise principles for the first time. Several years later, in 2008, an even greater number and wider diversity of stakeholders endorsed the **Accra Agenda for Action** (AAA), which both reaffirmed commitment to the original Paris Declaration principles, while also redefining the relationship between different parties working on aid and development—calling for greater partnership between donors, recipients, governments, and civil society organisations.

Who

The aid effectiveness principles embodied in these two documents have given rise to an unprecedented alliance: more than 80 developing countries, civil society platforms and OECD donors representing no fewer than 3 000 different organisations from around the world have joined representatives of emerging economies, the United Nations, multilateral institutions and global funds to participate in this process.

What

More than a statement of general principles, the Paris Declaration lays out a practical, action-

In Busan in 2011, an unprecedented mix of development actors will meet again to take stock of achievements on commitments made in Paris and Accra and outline a future agenda for aid effectiveness.

orientated roadmap designed to improve the quality of aid and increase its impact on development. It outlines a series of specific measures for implementation, establishes performance

indicators to assess progress, and sets distinct targets to be met by 2010. The declaration also creates an international monitoring system to ensure that donors and recipients hold each other accountable—a feature that is unique among international agreements.

The Accra Agenda for Action (AAA) resulted from a broad-based dialogue at both country and international levels following the Paris Declaration. Serving as a mid-term review of the monitoring results of the Declaration, the AAA highlights ways to accelerate the achievements made since Paris and unblock obstacles to areas that were lagging behind.

Why

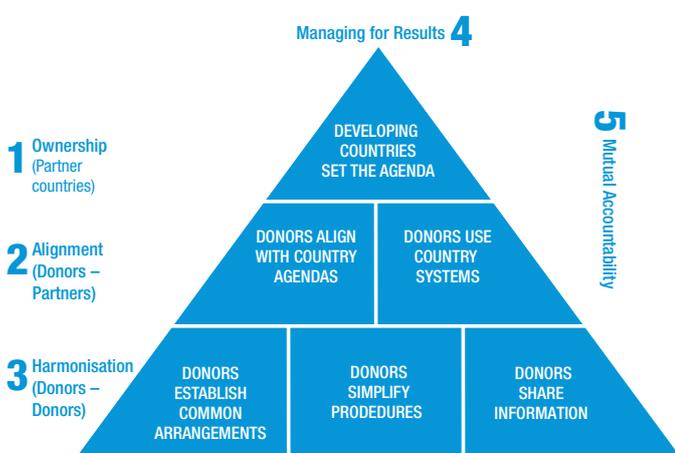
The independent evaluation has affirmed that the Paris Declaration principles do make a positive impact on development. These principles have provided the foundations for subsequent agreements, such as the Bogotá Statement on South-South Co-operation (2010), the Dili Declaration on Fragile States (2010) and the Istanbul Principles for CSO Effectiveness (2010).

Given the changing development landscape, the Fourth High Level Forum on Aid Effectiveness (HLF-4) in Busan will provide an opportunity for the international community to assess all of the work done on aid effectiveness since the Paris Declaration and to form a consensus on how to improve the quality of aid going into the future.

Monitoring the commitments

The Paris Declaration establishes targets that countries have committed to achieve by 2010. In 2011, around 80 countries took part in the Paris Declaration Monitoring Survey, which measures progress on achieving the Paris principles against 12 indicators. The results of the survey will provide evidence on how the implementation of the Paris Principles have advanced around the world and will help to identify where additional efforts need to be concentrated to achieve the goal of more effective aid. The broad participation in this process not only demonstrates that participants are strongly committed to achieving better results with aid, but also the value of the survey as a tool that enables international development partners to hold each other accountable to commitments.

FIVE PRINCIPLES FOR MORE EFFECTIVE AID



OWNERSHIP

What is it?

Ownership means that developing countries determine and implement their own development policies to achieve their economic, social and environmental goals. All development actors—parliaments, central and local governments, CSOs, research institutes, media and the private sector—should actively participate, and donors should respect country decisions and support efforts to increase local capacity.

Why is it important?

Development cannot be externally driven. Any process led by donors without country ownership is not sustainable.

ALIGNMENT

What is it?

Donors base their overall support on partner countries' national development strategies, institutions and procedures. This implies, among other things, committing to use country systems as the first option for aid programmes in support of activities managed by the public sector. In return, developing countries will improve the quality and transparency of their public financial management system.

Why is it important?

A lack of alignment, not only brings about non-sustainable outcomes, but also undermines national institutions and processes.

HARMONISATION

What is it?

Donors make their actions more coordinated, transparent and agile. They make common arrangements at country level to simplify and unify procedures to avoid overburdening developing countries. Donors—in consultation with developing countries—should also make full use of their comparative advantages by concentrating their efforts on countries or areas of work where they make a significant contribution to development.

Why is it important?

Harmonisation drastically reduces transaction costs and facilitates the coherent implementation of development work.

MANAGING FOR RESULTS

What is it?

Managing for results means managing and implementing aid in a way that focuses on desired results and uses information to improve decision-making. Developing countries should strengthen linkages between national development strategies and budget processes.

Why is it important?

Focusing on results avoids aid being lost in processes rather than directed towards outcomes

MUTUAL ACCOUNTABILITY

What is it?

Developing countries and donors will enhance accountability and transparency in the use of development resources. Developing countries will strengthen parliament and civil society's role in overseeing the development process. Donors will make aid predictable by providing timely, transparent and comprehensive information. All development partners will undertake mutual assessments of progress in implementing agreed commitments.

Why is it important?

Accountability and transparency are excellent ways to ensure implementation of agreed commitments.