OECD GLOBAL FORUM ON DEVELOPMENT

Informal Working Lunch to discuss the governance of the Global Forum on Development with the Development Assistance Committee and the Governing Board of the Development Centre

Informal Working Lunch, 14 November 2007

This document provides background and issues for DISCUSSION at the Informal Working Lunch

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OECD GLOBAL FORUM ON DEVELOPMENT

Informal Working Lunch for DAC Delegates and DEV Governing Board
Salle George Marshall, 14 November 200, 13:00 to 15:00

Purpose

• Update on progress to date and forthcoming activities.

• Update on the External Relations Committee review of the OECD’s Global Forums, including governance arrangements.

• Describe the co-operation between the Development Centre and the Development Co-operation Directorate in managing the Forum and provide an update on funding.

• Discuss the focus of the multi-annual cycle beyond April 2009 and themes within it.

Agenda

1. Brief Introduction: Richard Carey, Director DCD, and Javier Santiso, Acting Director DEV


3. Discussion

Background

The OECD Global Forum on Development (GFD) was launched in mid-2006 to promote informal dialogue between OECD members, non-member economies and a variety of non-state actors.

Jointly led by the Development Centre (DEV) and the Development Co-operation Directorate (DCD), the GFD has been designed around stable, multi-annual themes. The GFD’s thematic cycle for mid-2006 to mid-2009 is the international development finance architecture. Annex I provides the calendar of GFD events.

In the second year, we are focusing our events on developing-country ownership and in the third year we will focus on matching instruments to needs. We have scheduled four informal GFD events for 2007-08 (see Annex II for further information). The annual plenary meetings will be held back-to-back with the DAC High-Level Meeting to draw together the lessons from the individual events and set the forward agenda.

The GFD also aims to provide substance for important dialogue processes throughout 2008: the UN ECOSOC Development Cooperation Forum (July, New York), the Third High-Level Forum (HLF-III) on Aid Effectiveness (September, Accra, Ghana), and the UN Monterrey Follow-up Conference on Financing for Development (2nd half, Doha, Qatar).

Annex III lists a number of achievements in the first year. The Development Centre has published some findings in its first annual report on Financing Development: Aid and Beyond (April 2007).

1 Several of these achievements are highlighted in the recent Independent Evaluation of the Effectiveness of the OECD Global Forums [see CCNM(2007(4), in particular paragraphs 104-5, 111, 115].
For administrative simplicity, DCD and DEV have developed a division of labour for organising individual events, while sharing the organisation of the annual plenary. The two Secretariats hold regular meetings to plan future events, ensure synergies and avoid overlaps. This informal lunch discussion provides an opportunity for a mid-point stocktaking by the DAC and DEV Governing Board.

Each Secretariat holds its own budget for the GFD. DCD has some €200k left for the 2007-08 biennium – to pay for organisation and participation in the two policy workshops held back-to-back with the DAC SLM and a share of the 2008 plenary. DEV has a funding requirement of some €300k for its planned events in the remainder of the 2007-08 biennium, as detailed in Room Document 1 at the Governing Board meeting on 22 October.

Discussion

Participants are invited to:

a) Provide guidance on the themes for the events in 2008-09, including organisation of the Second and Third Annual Plenary meetings.

b) Advise if they agree to keep international development finance architecture as the broad focus of the forum for the 2009-12 multi-year cycle, given its continuing relevance in the coming years (especially following the 2008 Financing for Development Conference in Doha) and in order to build on the work of the first cycle.

c) Respond to the questions posed by the External Relations Committee (adjusted to be forward looking as the GFD has run for only one year):

- How can the Global Forum on Development best help the Committee/Board to create (or maintain) stable networks of member and non-member stakeholders in the field of development?
- How can it help improve the exchange of views between the Committee/Board and non-members and help generate consensus on important issues?
- Do you see scope for a closer involvement of the Committee/Board in, or even a more formal link with, the Global Forum on Development, in particular in assuming responsibility for the Forum agendas, agreeing on the non-members and others to be invited, etc.?

d) Consider providing voluntary contributions to DEV’s GFD activities in Years II (2007-08) and III (2008-09) and to including the GFD in the list of DCD activities for financing in the PWB for 2009-10. (Most of the funds are required for participation of developing country representatives—an essential feature of the Forum.)
## ANNEX I: CALENDAR OF EVENTS

### Year I (06/07): Understanding the present development finance system

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<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Organiser(s)</th>
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<tbody>
<tr>
<td>5 October 2006</td>
<td>Aligning Global Programmes</td>
<td>Technical Workshop, Paris [Organised by DCD with the World Bank]</td>
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<td>4 December 2006</td>
<td>Global Health Partnerships</td>
<td>Pre-Workshop, Paris [Organised by DCD with the World Bank and World Health Organisation]</td>
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<tr>
<td>5 December 2006</td>
<td>Global Programmes and the Paris Agenda</td>
<td>Policy Workshop, Paris [Organised by DCD with the World Bank and World Health Organisation]</td>
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<tr>
<td>29-30 January 2007</td>
<td>Performance and Coherence in Multilateral Development Finance</td>
<td>Informal Experts’ Workshop, Berlin [Organised by DEV with the German Ministry for Economic Co-operation and Development]</td>
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<tr>
<td>22-23 March 2007</td>
<td>Developing Partnerships for a Developed World: Foundations and Governments Learning to Work Together</td>
<td>International Conference, Lisbon [Organised by DEV &amp; DCD with the European Foundation Centre and Portuguese Ministry of Foreign Affairs]</td>
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### Year II (07/08): Putting Ownership into Practice

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<th>Date</th>
<th>Event</th>
<th>Organiser(s)</th>
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<tr>
<td>28-29 February 2008</td>
<td>Banking on Development</td>
<td>Roundtable, Switzerland [Organised by DEV with the World Economic Forum, and with Swiss Development Co-operation]</td>
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### Year III (08/09): Matching instruments to needs

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<th>Date</th>
<th>Event</th>
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<tr>
<td>September 2008</td>
<td>Matching Instruments to needs</td>
<td>Informal Experts’ Workshop (venue tbc) [Organised by DEV]</td>
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<tr>
<td>December 2008</td>
<td>Policy Workshop, Paris</td>
<td>[Organised by DCD]</td>
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<tr>
<td>Jan / Feb 2009</td>
<td>Informal Experts’ Workshop (venue tbc)</td>
<td>[Organised by DEV]</td>
</tr>
<tr>
<td>April 2009</td>
<td>3rd Annual Plenary: Reshaping International Development Finance: What have we Learnt?</td>
<td>[Organised by DEV &amp; DCD]</td>
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ANNEX II: EVENTS IN GFD YEAR II

- **An Informal Experts’ Workshop on Ownership in Practice** was held in Sèvres, near Paris, on 27-28 September 2007, with more than 30 experts from developing countries and more than 40 countries represented. Discussions, based on country case studies, focused on the crucial role of non-state actors in ensuring democratic accountability in development finance and on the changing nature of donor-recipient relationships. The results will be of key value to preparations for the Accra HLF-III. The Workshop was supported by the French Ministry of Foreign Affairs.

- **A Policy Workshop on the Challenges of Scaling Up at Country Level: Predictable Aid Linked to Results** will be held in Paris on 11 December 2007, on the eve of the DAC SLM. The Workshop will examine three aspects of scaling up from a country perspective: dealing with a growing number of actors; improving the medium-term predictability of aid finance; and linking discussion of medium-term resource provision to national priorities and results, as set out in national development strategies, in order to accelerate progress towards the MDGs. The “BRICS” will be invited to attend, in order to encourage their involvement as donors in these country-level processes.

- **A Public-Private Roundtable on Banking on Development**, co-organised with the World Economic Forum, will be held in Geneva on 28-29 February 2008. The event will focus on the increasing availability of private development finance for many developing countries. It will identify challenges and best practices in mobilising and harnessing private finance flows and examine the implications of new private finance flows for official providers of development finance, including the MDBs.

- **An Informal Experts’ Workshop on Supporting think tanks for fiscal legitimacy** will be held in Paris in late March 2008 to identify the needs of developing-country think tanks working on fiscal issues; explore how official and private donors, especially foundations, can best help think tanks act as watchdogs for better fiscal policy; and examine the viability of permanent endowments in satisfying the resource-needs of think tanks while allowing them to operate independently. We hope to organise the Workshop back-to-back with a meeting of the Development Centre’s Governing Board.

These events constitute important stepping stones towards the **Second Annual Plenary** of the GFD which will be held on 21 May 2008, on the day before the annual DAC HLM.
ANNEX III: ACHIEVEMENTS OF THE GFD IN YEAR I

In the first year of the Global Forum, the main issues tackled have been:

- **Global Programmes and the Paris Declaration agenda.** This discussion concluded that there was important value in both global and “horizontal” programmes, but that it was essential to strike the right balance between them at country level. It was agreed to refine proposed draft good practice guidance for the integration and effectiveness of global programmes at country level, which include criteria about selectivity (i.e. criteria that any new proposals for global funding mechanisms should meet) and governance. Participants noted that partner country views needed to be brought in to discussions on global programmes more strongly. The workshops laid the basis for the agreement that, given the number of actors and the scale of global funding mechanisms, the health sector would be used as a “tracer sector” in looking at the application of the Paris Declaration at the Accra HLF-III. The focus on health has also contributed to new efforts to shape coherent and sustainable support to health systems, which the UN Secretary General has just adopted as a priority.

- **Performance and Coherence in Multilateral Development Finance.** The workshop focused on the lack of a consistent framework for assessing the performance of multilateral agencies, and the consequent tendency of donors, or groups of donors, to apply individual and quite diverse approaches. In the context of the issue of multilateral coherence at both country and global levels, participants examined diverse proposals for the reduction of transaction costs through better coordination and division of labour among the various actors in development finance. Participants also agreed on the need to discuss further the regional dimension of the development finance architecture. Further work will develop an assessment framework and map the many multilateral channels used to deliver aid to countries and regions.

- **Relations between official donors and foundations.** This conference enabled both sets of actors to learn about each others’ perspectives, and to identify the potential scope for working together more purposefully, for example on issues of importance to development but where no commonly-agreed approach has yet been validated.

- A central element of the dialogue has been the recognition of the increasingly diverse flows of resources to developing countries, including non-aid flows and the increasing significance of donors outside the OECD-DAC. Participation of such donors has been significant, and will be further developed as the Global Forum proceeds.

- The GFD has become a leading example of cooperation across directorates, coupling the Development Centre’s analysis and expert networks with the DAC’s political decision-making processes. In order to maximise the participation of senior policy-makers, we hold events back-to-back with the annual DAC High-Level and Senior-Level Meetings.

- A special website (www.oecd.org/development/globalforum) was established to help promote the work of the GFD and disseminate its messages.

- Complementing DEV’s in-house research on the growing complexity of the development finance system, we established a global network of think tanks (DeFiNe) to ensure that GFD discussions are supported by cutting-edge analysis.

- In April 2007, the Development Centre published its first annual report on “Financing Development: Aid and Beyond”.