Working Party on Aid Effectiveness

Preparation for the Accra High Level Forum:

ROUNDTABLES: PROPOSED CONTENT AND PROCESSES

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This document is for DISCUSSION under agenda item 4 [DCD/DAC/EFF/A(2007) 10] at the meeting of the Working Party on Aid Effectiveness.

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PREPARATION FOR THE ACCRA HLF-3:

ROUNDTABLES: PROPOSED CONTENT AND PROCESSES

Background and Rationale:

1. The Steering Committee (SC) meeting held on 24 September 2007 in Accra, Ghana, recommended that the WP-EFF take a decision on the process and content of the Roundtables. The Secretariat has been asked by the SC to provide an outline and draft terms of reference of the Roundtables for discussion and decision at the WP-EFF meeting on 28-29 November. To this end, the HLF-3 Secretariat is putting forward this proposal on 1) the content of the Roundtables; and 2) the process of establishing and managing the Roundtables.

2. The Accra High Level Forum is structured in three complementary segments: the marketplace provides room for sharing knowledge and presenting innovative ideas; the ministerial segment addresses key policy level concerns and endorses the Accra Action Agenda; and the nine Roundtables provide space for in-depth dialogue on selected topics. All three segments are integral parts of the Accra High-Level Forum. In considering topics for the Roundtable discussions, WP-EFF members should also consider the most appropriate segment for addressing key topics, bearing in mind that some issues may be more suitable for discussion at the Ministerial level, or could form the basis of a Marketplace presentation.

3. There will be nine Roundtables running for one half-day each, and it is expected that most of these will be built on the work of existing international working groups. The compendium of workstreams [DCD/DAC/EFF(2007)42] provides an overview of most of the work underway towards Accra. The Roundtables will provide an opportunity for in-depth discussion on selected issues to facilitate and support decision making and policy endorsement by Ministers, and will help articulate a way forward on a number of issues that are key to advancing aid effectiveness. WP-EFF members should be conscious - to avoid creating unrealistic expectations - of the fact that not all workstreams will lead to a specific Roundtable.

4. In reaching their decision, members of the WP-EFF should also give consideration to the pros and cons of having an all-inclusive or selective approach for the Roundtables. A more inclusive approach – matching multiple issues and workstreams to individual Roundtables - would increase the coverage of this segment of HLF-3, but would make it difficult to support in-depth and focused discussions.
Content of the Roundtables:

5. Based on the outcome of the regional partner country consultations and on its own considerations, the SC recommends that four Roundtables be organised around the pillars of the Paris Declaration, namely: ownership, alignment, harmonisation, and managing for results and mutual accountability. The SC further recommends that the fifth Roundtable focus on the role of Civil Society Organisations in advancing Aid Effectiveness.

6. Of the four remaining open slots for the Roundtables, the HLF-3 Secretariat proposes two additional topics for consideration and decision by the WP-EFF: (i) Health as a Tracer Sector; and (ii) Aid Effectiveness Considerations in situations of Fragility and Conflict.

7. The seven proposed topics for the Roundtables are:
   - Roundtable 1: Ownership; Country ownership, capacities, and leadership.
   - Roundtable 2: Alignment; Use of strengthened country systems
   - Roundtable 3: Harmonisation; Rationalising donor practices in country
   - Roundtable 4: Managing for Results and Mutual Accountability
   - Roundtable 5: Civil Society Organisation perspectives on Aid Effectiveness
   - Roundtable 6: Health as a Tracer Sector
   - Roundtable 7: Aid Effectiveness in Situations of Fragility and Conflict;

   Possible areas of focus for each of these topics are set out in annex (part 2), for illustrative purposes.

8. Members of the WP-EFF are invited to consider whether these broad headings are acceptable; whether they capture the most relevant aspects of the Paris Declaration and of the work underway on aid effectiveness; and whether they answer most of the questions expected to arise at Accra. They are also invited to propose specific areas of focus for each of the Roundtable headings.

9. Members of the WP-EFF are also invited to consider the topics for the two remaining Roundtables. Some possible topics, which are supported by existing workstreams, are given in annex (part 3). Members may wish to reach decision on these topics now, or propose that one or two of the Roundtables remain open to provide the flexibility to accommodate new issues on aid effectiveness that may arise in the next few months. The topic(s) of the remaining Roundtable(s) would then be decided at the WP-EFF meeting in April 2008.

10. Based on this agreement, the Secretariat will propose draft Terms of Reference (TOR) for each of the agreed Roundtables and will share these for comment electronically with the WP-EFF before the 20th of December 2007. These TORs will include the scope of the Roundtable, suggest key issues and questions, and identify relevant workstreams which will contribute to each Roundtable. Draft generic TORs for the Roundtables are attached in the annex (part 1).
Process of establishing the Roundtables:

11. **Roles of the Chairs of the Roundtables**: The Chairs of the Roundtables are expected to:
   - lead the preparation work up to Accra by coordinating relevant workstreams that are incorporated under the Roundtable topic;
   - organise consultations with relevant stakeholders, including participating in regional preparatory events (in 2008) to consult and mobilise engagement around the topic; and
   - ensure that partner country perspectives are adequately reflected in the preparations.

12. **Identifying the Chairs of the Roundtables**: Drawing on discussions and consultations with work-stream participants and WP members, the HLF-3 Secretariat will propose names for potential chairs of the Roundtables. The HLF-3 Secretariat will suggest two chairs for each Roundtable, one from a partner country, and one from a donor country. The names of the chairs will be proposed by **20 December**, and a final list will be circulated by **9 January 2008**.

13. **Timeframe**:

   **1st step**: By 20 December 2007: *Preparation of Roundtable Topics*:
   - The WP-EFF decides the broad headings of the Roundtable.
   - The Secretariat drafts the TOR for each of the Roundtables to be circulated and finalised with WP-EFF consent.
   - The Secretariat will propose names of the chairs of the Roundtable.

   **2nd step**: By 9 January 2008: a final list of chairs of Roundtables would be shared with all WP members.

   **3rd step**: First quarter 2008 – end of March 2008. *Identification of Key Issues*
   - For the WP-EFF plenary in April 2008, based on inputs from the relevant workstreams, the Roundtables chairs will prepare a synthesis paper which outlines what has been done, what remains to be done, practices and experiences, way forward, and achievable commitments.
   - The WP-EFF April Plenary will decide, if necessary, on the remaining Roundtable topics.

   **4th step**: Second quarter 2008: *Consultation and Consensus-Building Phase*:
   Regional preparatory events, organised by the Regional Development Banks, UNDP and other interested partners, will include discussion of the Roundtable topics in their agendas. The conclusions and recommendations of these discussions will be shared with the Roundtable organisers. Where possible, Roundtable Chairs should attend these consultations.

   - Roundtables Chairs should synthesize the main findings of the regional preliminary Roundtables and submit outputs as part of the Accra HLF documentation; and
   - Identify key contributors and speakers for Roundtables through regional consultations.

After Accra: The workstreams and outputs of the Roundtables should also be captured in a publication – along the lines of the Hanoi event on MfDR. The Secretariat will coordinate this work.
ANNEX : TERMS OF REFERENCE FOR THE HLF-3 ROUNDTABLES

1: Draft Generic Terms of Reference for all HLF3 Roundtables

Each Roundtable should be led by a partner country and a donor. These lead persons would be responsible for preparing the RT (with secretariat support);

Roundtables should consider the workstreams relevant to their theme – and other important information from the monitoring survey, progress report, regional consultations, Civil Society Organisation (CSO) consultations – in setting their agendas;

Discussions at the Roundtables should focus on:
• What has been achieved;
• What remains to be done;
• What has been successful/unsuccessful;
• Key issues emerging from the above
• Achievable commitments for donors and partners

Each Roundtable should produce a short note setting out the main points of their discussion and recommendations for action

2: Possible areas of focus for the 7 Roundtables

The seven Roundtables listed in paragraph 7 could include the elements set out below. These are initial suggestions, intended to provide more clarity on the potential coverage of these topics. Additional content and guidance is expected from WP-EFF members. Final terms of reference of the Roundtables will be shared with members by 20th of December 2007.

Roundtable 1 : Enhancing Country Democratic Ownership, Capacities, and National Leadership
Ownership is the first pillar of the Paris Declaration and is central to aid effectiveness. The purpose of this Roundtable is to identify how the concept of ownership can be translated into real engagement by all levels of civil society and government in the development process. This Roundtable could address the following questions:

• How to improve the quality, and strengthen country ownership, of development policies? What is needed: better participation of civil society and parliament, administrative reforms, capacity development, improving statistical quality? How to improve priority setting, planning, and resource management (internal as well as aid resources)?
• Does political economy analysis (whether donor or partner country driven) add momentum to dialogue and buy-in by local stakeholders towards reform processes? How to improve harmonization, closer coordination and dialogue on governance assessments, and the sharing and use of these results?
• How to support the capacity of people and community-based organisations to articulate their needs?
• What are the ground rules of engagement for supporting capacity development? How to align and harmonise technical cooperation to better contribute to capacity development?
• What is the recent experience of strengthening country leadership of the aid relationship, including through better articulation of aid policies and country-led Harmonisation &Alignment action plans?
Roundtable 2 : Using Strengthened Country Systems

The purpose of this Roundtable is to identify actions that will contribute to strengthening country systems and increasing their use by donors – one of the targets of the Paris Declaration. In doing so, this Roundtable will provide answers the following questions:

- What further actions are needed by donors and partner countries to increase quality and use of country systems so as to meet the targets agreed in Paris?
- Which reforms are most effective at strengthening country systems? What changes should donors make to better align their aid on country priorities and support country-led processes and initiatives?
- What progress has been made on improving the use of conditionality?
- How can using country systems strengthen transparency and accountability for the use of both domestic and externally funded development resources? How can the role of parliaments be reinforced?
- How to improve country capacity to assess needs over the medium term and translate these into financial frameworks such as Medium Term Expenditure Frameworks.
- (if broader focus) – Other relevant country systems included in the Paris Declaration: environment and social safeguards, monitoring, evaluation, accounting, auditing and results frameworks.

Roundtable 3 : Rationalising Donor Practices Aid Management in Countries

Donors agree it is time to do business differently. To deepen the commitments taken in Paris, the following questions should be addressed:

- Is current practice in coordinated budget support and program-based approaches adapted to strengthen partners’ development policies?
- What are the recent developments with complementarity and division of labour? Delegated cooperation, in-country division of labour, cross country coverage, complementarity among different aid modalities, etc.
- How to progress faster on collaborative assistance strategies, joint missions and joint analytical work?
- How to improve predictability of aid resources?
- Have we built adequate good practice principles on integrating global programs into in-country harmonization processes?
- What changes are needed in aid agencies’ decentralisation and management processes to adopt new ways of doing development business? How to enhance buy-in by institutional leadership, improve incentives for donor staff and reduce disconnect between HQ and field staff?

Roundtable 4 : Results and Mutual Accountability Agenda

Donors and partners are accountable for development results. They are mutually accountable, but they also are both accountable to their respective parliaments, public opinion, civil society etc. Possible questions could include:

- In partner countries, what can be done in terms of reliable data availability (statistics, surveys, poverty assessments…)?
- Are Communities of Practices (CoP) and Country Action Plans for Results relevant tools to progress in setting up and implementing results oriented policies and programmes in the countries, both at the national and sectoral level, and to monitor actual outcomes?
- Can using country systems strengthen transparency and accountability on use of both domestic and externally funded resources? Can the role of parliaments be reinforced in this area?
• How to balance donors domestic accountability needs with the need to increase partner country responsibility for the use of aid resources? How can donors better respond in a harmonised way to situations of worsening corruption?
• Is improving aid predictability a key part of donors responsibilities towards partner countries under the framework of mutual accountability?

*Roundtable 5: Civil Society and Aid Effectiveness*

HLF2 and the Paris Declaration were seen by some observers as “government focused”. Even if civil society organisations participate in all HLF-3 processes and debates, it makes sense to have a multi stakeholder Roundtable focused on civil society perspectives on aid effectiveness. The content should be defined by CSOs but the following issues may emerge:

• Better understanding and recognition of the roles of CSOs as development actors and as part of the international aid architecture, and engagement of CSOs in general discussions on aid effectiveness (recognition and voice).
• Improved understanding of the applicability and limitations of the Paris Declaration for addressing issues of aid effectiveness of importance to CSOs, including how CSOs can better contribute to aid effectiveness (applying and enriching the international aid effectiveness agenda).
• Improved understanding of good practice relating to civil society and aid effectiveness by CSOs themselves, by donors, and by developing country governments (lessons of good practice).

*Roundtable 6: Health as a Tracer Sector*

Building on a number of current workstreams (Health as a tracer sector, Integrating global programs, SPA vertical fund task team…), the Roundtable could discuss the following complementary issues:

• Holistic approaches to scale-up in health: challenges in the design and implementation of 2-3 country-designed and country-led processes towards compacts for mutual accountability.
• Indicators to better monitor aid effectiveness in the health sector: participants would endorse a set of indicators for the health sector which refer directly to the Paris Declaration principles.
• Lessons learned from the implementation of the Country Harmonisation and Alignment Tool for HIV/AIDS by UNAIDS.
• Improving predictability and sustainability of health aid: a study on donor constraints to providing the long-term funding in health that is necessary to finance long-term health strategies.
• Lessons learned from implementing aid effectiveness principles for Global Health Partnership (GHP) activities at country level: concrete examples of integration of GHP activities in a set of countries; good practices, lessons and commitments from GHPs for adapting their strategies and models to the Paris Agenda.

*Roundtable 7: Aid and Development Effectiveness in Situations of Fragility and Conflict*

In situations of fragility and conflict, the Paris Declaration should improve development outcomes not only through progress towards the Millennium Development Goals but also through other intermediate objectives which are the pre-requisites to poverty reduction: security, peace, stability, and the establishment of basic state functions. This Roundtable could deal with:

• Reinforcing the applicability of the Paris Declaration, including its specific provision on fragile states, in the most fragile and conflict-affected environments (characterised by the threat of violence, societal divisions, and fragmented national authorities with weak legitimacy, capacity and accountability).
• Tracking progress made on aid and development effectiveness in the most challenging development environments.
• Tracking commitments made by the DAC on operationalising the Principles in Fragile Situations and DAC commitments on Security System Reforms.
• Building consensus towards defining a set of international objectives and progress indicators on peace-building, conflict prevention and state building, in order to monitor and improve development effectiveness and donor impact in fragile and conflict situations.

3: **Issues for remaining Roundtables**

There are a number of other issues and sectors, which are backed by significant bodies of work, and represent strong candidates for discussion at the Roundtables – either individually or in combination. The list below presents a selection of these:

**Maximising Development Impact**

- What are the links between the PD approach and the global agreements taken by both partner and donor countries at the international level, in particular on the “Dublin” issues: Environment (Rio, 1992), Human Rights (Vienna, 1993), Gender equality (Beijing, 1995)?
- How can better aid alignment on national strategies, priorities and systems be consistent with high level attention paid to “cross cutting” issues? Does it deter donors from targeting support for these issues? Do instruments like general budget support limit effectiveness with regard to fostering policy changes?
- Are the tools promoted by the “managing for development results” approach sufficient to develop indicators to assess gender, HR or environmental issues linked to development, and mechanisms to monitor the impact of policies and programs on a regular basis?

**Changing International Aid Architecture**

- How are vertical funds, foundations, non-DAC providers of assistance, NGOs, and others contributing to the aid effectiveness agenda?
- What are the implications for partner countries in managing the expanding and increasingly complex range of donors?

**Lessons Learned From Other Sectors on Broadening the Application of the Paris Declaration.**

Other sectors have dramatically progressed towards the principles of the Paris Declaration, and can share interesting lessons. Examples include:

- Education, in particular in the framework of the Education for all – Fast track initiative
- Aid for Trade (cf. compendium)
- Infrastructures (on-going WB-Japan study)
- Agriculture and rural development, in the context of the global donor forum for rural development