

Unclassified

DCD(2011)5

Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

08-Dec-2011

English - Or. English

DEVELOPMENT CO-OPERATION DIRECTORATE

CHINA-DAC STUDY GROUP'S WORK PROGRAMME FOR 2011-12

IMPROVING AID QUALITY THROUGH INCREASED MUTUAL LEARNING

The China-DAC Study Group was formed in 2009 to share knowledge and exchange experiences on promoting growth and reducing poverty in developing countries, including how international assistance can be effective in supporting this objective. Facilitating mutual learning on poverty reduction is the Study Group's key principle.

The International Poverty Reduction Centre in China (IPRCC) and the OECD's Development Assistance Committee (DAC) form the joint secretariat of the Study Group and provide its co-chairs.

This note sets out the China-DAC Study Group's work programme for 2011-12.

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JT03313124

Complete document available on OLIS in its original format



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CHINA-DAC STUDY GROUP'S 2011-12 WORK PROGRAMME:

IMPROVING AID QUALITY THROUGH INCREASED MUTUAL LEARNING

Introduction

1. This note sets out the conceptual framework for the China-DAC Study Group's work programme for 2011-12. Consensus has emerged that, in this phase of activities, the Study Group should build upon its past successes and move into new areas of inquiry, attract new members and change its format from large-scale international events to a smaller, more flexible approach. The note consequently also sets out how these ambitions may be realised, including through two specific proposals for "Roundtables".

Background

2. The China-DAC Study Group was formed in 2009 to share knowledge and exchange experiences on promoting growth and reducing poverty in developing countries, including how international assistance can be effective in supporting this objective. Facilitating mutual learning on poverty reduction is the Study Group's key principle.¹

3. During 2009-11, the Study Group organised four major international events on important topics related to promoting growth and reducing poverty: i) development partnerships (held in Beijing); ii) agriculture, food security and rural development (held in Bamako); iii) infrastructure (held in Beijing); and iv) the enabling environment for enterprise development (held in Addis Ababa). These emphasised the varied experiences of China, Africa and OECD countries and focused on China's recent development experience and on how economic transformation and poverty reduction can be promoted in Africa. The main findings drawn from these events were discussed at a Policy Symposium in Beijing on 8 June 2011.

4. Among the possible new areas of inquiry for the Study Group, the broad concept of improving aid quality² in a changing global development context clearly attracted interest. It also provides a useful framework for the Study Group to investigate specific sectors and development themes. In addition, studies on improving aid quality will be timely because they can feed into the work programmes of the International Poverty Reduction Centre in China (IPRCC) and of the Chinese Academy of International Trade and Economic Co-operation (CAITEC), a research arm of the Chinese Ministry of Commerce.

Objectives

5. Overall, the China-DAC Study Group provides an international platform for increasing mutual understanding by sharing knowledge and exchanging experiences on promoting growth and reducing poverty in developing countries, including how international assistance can provide effective support.

1. Further information on the Study Group and its activities is available on the Internet at: www.iprcc.org or www.oecd.org/dac/cdsg

2. "Quality aid" is well-managed aid. It is strategic (i.e. provided in support of developing countries' own strategies and implementation processes), is implemented effectively (i.e. is good value for money, has low transaction costs, is delivered promptly and does not duplicate or overlap with the actions of other external partners), pays attention to sustainably (i.e. to the environmental impact and social consequences) and has a development impact (i.e. contributes to promoting economic growth and reducing poverty).

6. During 2011-12, the Study Group will pursue this objective by facilitating mutual learning between China and members and observers of the OECD's Development Assistance Committee (DAC) on how to deliver quality aid to support more effective development and poverty reduction in developing countries. Improving the quality of foreign assistance is an objective for both China and the DAC. As highlighted in its 2011 White Paper on Foreign Aid, China is working actively to optimise the country's foreign aid structure and improve the quality of its foreign aid. As part of its mandate, the DAC seeks to enhance the quality and effectiveness of development assistance, particularly regarding pro-poor economic growth and poverty reduction.

7. Specifically, during 2011-12, the Study Group aims to:

- i) Prepare studies in priority sectors – such as agriculture and food security - based mostly on field visits to the development activities supported by a range of countries in a small number of developing countries, to study the different approaches to supporting developing countries and the results that have been achieved.
- ii) Share what DAC members/observers and China have learnt over the last decades on improving the quality of aid so that China and other development partners can take stock of these lessons to improve their own aid strategies, policies and management systems.
- iii) Initiate discussions on China's and DAC members' future foreign aid programmes.

Activities

8. In its activities, the China-DAC Study Group will continue to bring together national and international officials, experts, private sector and civil society participants on a flexible basis to generate mutual learning on topics of common interest, thereby helping to inform policy making. The Study Group will be demand-driven, responding to expressed interests. The focus will remain predominantly on Africa but there is an opening to include Asia and the Pacific in this new phase of the Study Group's work. The Study Group will pursue its objectives through activities at two levels.

Roundtables

9. During 2011-12, the Study Group's main modality will change from large-format thematic conferences to a limited number of action-oriented Roundtables. The Roundtables will be flexible in terms of subjects, modalities and participants. They can take the form of: i) platforms for sharing existing knowledge and experience; ii) focal points for joint studies and field work at the country or regional level; or iii) joint assessments/evaluation workshops. The Roundtables may be organised on a one-off basis or as part of a series on a specific topic. Findings from Roundtables may be synthesised and discussed at a Policy Symposium (see below).

10. Two Roundtables will be developed in the first instance:

- Thematic studies on improving aid quality: Agriculture and food security (the initial focus will be on sharing experiences with supporting agricultural development in Tanzania).
- Improving aid management to improve aid quality (the initial focus will be on strengthening evaluation capacity by raising awareness of good practices in the evaluation of aid activities and promoting greater familiarity with their application).

11. Other Roundtables may be developed in the future. There has notably been interest in developing a Roundtable, in association with an African institution, on Economic Transformation and Poverty

Reduction in Africa, which would build on the findings from the Study Group's first phase of work in 2009-11. The main lessons drawn from the Study Group's first phase of work will also continue to be disseminated during 2011-12, including at the 4th High-Level Forum on Aid Effectiveness in Busan.

Policy Symposia

12. Following up on the Policy Symposium that took place in Beijing on 8 June 2011 involving officials from key ministries and agencies from China, Africa and OECD countries, further Policy Symposia may be held from time to time to share broad perspectives and findings emerging from the Roundtables (see above) or on other topics.

Expected outcomes

13. By learning together and from each others' experiences and practices, China and DAC members will increase their mutual understanding and trust. This will provide an improved basis for policy dialogue and for exploring how China and DAC members can work more closely together in the future.

Membership of the China-DAC Study Group

14. The China-DAC Study Group comprises experts from China and DAC members/observers with detailed knowledge and operational experience of DAC donor support as well as of China's aid to foreign countries. Study Group members are expected to contribute actively and substantially to implementing the Study Group's agreed work programme.

15. The Study Group also seeks to involve African institutions in its activities, building on the extensive participation by Africans in activities to date. In this context, the interest of the African Union and the African Development Bank in the activities of the Study Group provides a possible basis for deepening African involvement.

Organisational structure and operations

16. The China-DAC Study Group operates on an informal basis, setting up structures and assigning responsibilities in ways that will enable the Study Group to implement its agreed work programme. The International Poverty Reduction Centre in China (IPRCC) and the OECD's Development Co-operation Directorate (DCD) form the joint secretariat of the Study Group and provide its co-chairs.

17. During 2011-12, each Roundtable will be organised by a core group of Study Group members ready to lead, contribute actively to their preparation and fund them, in association with other key stakeholders invited to participate on an ad hoc basis.

18. Roundtables organised under the auspices of the China-DAC Study Group, Policy Symposia and the internal meetings of the Study Group will take place in Beijing or other appropriate locations, determined on a case-by-case basis. In between its face-to-face meetings, contact among members of the Study Group will be maintained through electronic means (including video conferences and via e-mail).

Financial support

19. The China-DAC Study Group is self-funded on a cost-sharing basis. It is expected that the Study Group members will mobilise the necessary in-kind resources and financing required to implement the Study Group's agreed work programme.