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REPORT ON RECENT MEETINGS

Room Document 1

DAC Meeting, 28 June 2010

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REPORT ON RECENT MEETINGS

Joint DAC-EPOC Task Team on Governance and Capacity Development for Natural Resources and Management - 21 May

1. Task Team members discussed the draft chapter on *Capacities for Integrating Environment within Budgetary Processes* and agreed that it constituted a solid basis from which to develop chapter 3 of the forthcoming Policy Guidance.
2. Task Team members also discussed two background sectoral reports on capacity development for environmental sustainability in the i) agriculture and ii) energy sectors. They agreed to the publication of these background reports as OECD (Environment Directorate) Working Papers following incorporation of delegate comments and final review by the joint Task Team.
3. Task Team members also discussed preliminary material on *Capacity Development for Environment for Donor Agencies* and provided wide-ranging input to further develop this material into a draft chapter on Capacity Development for Donor Agencies for the forthcoming guidance.
4. It was agreed that team members will provide written comments and additional relevant materials (in particular evaluations of experience with Capacity Development for Environment initiatives) to the Secretariat by **15th June 2010**
5. The next meeting of the Task Team will take place on the **24th of November 2010** at the OECD Conference Centre in Paris, France.

PARIS21 Steering Committee - 2- 4 June

6. From 2 to 4 June 2010, the PARIS21 Partnership held a series of meetings in Paris to consolidate the results of its Consortium meeting held in Dakar the previous November. On 2 June, the PARIS21 Steering Committee endorsed the proposal to dissolve, and then reconstitute itself, into a Board. The following morning, at its first annual meeting, the PARIS21 Board agreed the election of its new officers and the Secretariat's programme of work and budget. In the afternoon session, the Partnership held a meeting of statistical capacity building followed in the morning of 4 June by a PARIS21 seminar on the Partner Report on Support to Statistics, which draws heavily on data from the OECD's Creditor Reporting System. The main thrust of PARIS21 work will continue to be promoting and providing advice on the design and implementation of national strategies for the development of statistics (NSDS). In addition, the Board approved a proposal for supporting adapted NSDS approaches in fragile and post-conflict states and encouraged the Partnership to liaise closely with the OECD International Network on Conflict and Fragility (INCAF) and to respect the principles of the Dili Declaration.

Joint Meeting of the DAC and the WP/Trade Committee on Aid for Trade - 7 June

7. On 7 June the joint meeting of the DAC and the Working Party of the Trade Committee discussed how to assess the performance of aid for trade interventions, how to increase the impact of trade expansion on economic growth, how to strengthen the links between aid for trade and green growth, the 2008 aid for trade flows and the next "Global Aid for Trade Review". The discussions took place against the background of recent correspondence between DG WTO Lamy and SG OECD Gurría to advance the next "Global Aid for Trade Review" to 2011 instead of 2012.

8. In order to make time for the preparation of the accompanying joint OECD/WTO “Aid for Trade at a Glance” publication, ongoing work on aid for trade and green growth and on strengthening aid for trade performance assessment frameworks (management for results, how to evaluate aid for trade and a meta-evaluation on aid for trade in Ghana and Vietnam and in the transport and storage sector) will not be developed much further. The results of the work stream on performance assessment will be brought together in a publication to meet most of the requirement of the 2009 – 2010 PWB. In addition, a discussion is being planned to agree on a menu of indicative indicators to measure progress in aid for trade. Furthermore, work on developing a taxonomy of binding constraints will continue to complete earlier studies on how to identify these constraints and how to strengthen the impact of trade expansion on economic growth.

WP on Statistics Plenary Meeting - 9 - 10 June

9. This 61st formal meeting of the DAC Working Party on Statistics discussed data collection and dissemination, and reached agreement on several statistical policy issues relating to ODA eligibility, reporting formats and classifications.

10. **Data collection and dissemination of aid data** The Secretariat congratulated members on improved timeliness and quality of DAC (aggregate) and CRS (activity level) reporting. Nevertheless, increased efforts are needed to ensure that meaningful descriptive data are reported, as these are in high demand from users accessing the data online (i.e. using text searches). Progress in reporting to the DAC by multilateral organisations was also noted, although there remains room for improvement. Members noted the rapidly increasing use of DAC statistics and the Secretariat demonstrated innovative presentational tools available to showcase aid data (e.g. dynamic graphics). Over the next few weeks, the Secretariat will engage in further dissemination work when presenting CRS data to recipient countries around the July WP-EFF meeting. To improve transparency, the Secretariat will also shortly seek members’ approval to declassify some documents on data quality issues.

11. **Statistical policy** Discussions advanced in several key areas. These included: the annual revision of the Annex 2 of the DAC Statistical Reporting Directives (List of ODA-eligible organizations); a new list and definitions for channels of delivery; implementation of the new typology of aid, reporting of in-donor refugee costs, and clarifications of Statistical Reporting Directives in the area of international peace operations. After negotiation, the meeting agreed on a revised purpose code – suggested by Belgium – for reporting aid in support of mine action. Several of these issues will now be prepared for presentation to the DAC for approval under the written procedure.

12. A constructive exchange took place on the issue of untying and several members supported the need to address the tying status reporting and classification issues raised by Canada, Austria and Switzerland in DCD/DAC/STAT/RD(2010)1/RD4. There was broad support for involving the DAC in these discussions because of the policy implications, including for the Untying Recommendation. The Secretariat will therefore work with interested members to prepare a proposal for review by the DAC.

UNEP-DAC ENVIRONET: Joint meeting on Sustainable Consumption and Production: Support Poverty Alleviation and Building a Green Economy - 10 June

13. The first joint OECD-DAC/ENVIRONET - UNEP workshop on Sustainable Consumption and Production (SCP) took place on 10 and 11 June 2010 in Paris. Participants welcomed this effort by OECD and UNEP to find synergies between existing work streams under the broad title of “SCP for development” and noted the progress that had been made in advancing the discussions on SCP in fora such as the UN Commission for Sustainable Development, the Marrakech Process, and in the preparations for Rio +20.

14. The workshop objectives were:

- building cooperation and exploring synergies between sustainable consumption and production (SCP)¹ capacity building activities and policies and development cooperation programmes;
- exploring ways to facilitate and mainstream the implementation of SCP/resource efficiency activities in development cooperation activities and support for policy making at country level;
- highlighting SCP contributions to achieve the Millennium Development Goals (MDGs), including through green jobs initiatives, which contribute to poverty alleviation and the construction of a resource efficient, low carbon economy;
- exploring the linkages between SCP and green economy/green growth as well as between SCP and climate change in a development context.

15. It was clear from the discussions that the current implementation cycle of the UN Commission on Sustainable Development and the Rio +20 process present opportunities that should not be missed to achieve something concrete on shifting to SCP and transitioning to Green Growth and a Green Economy. The draft 10-Year Framework of Programmes (10YFP), to be discussed at CSD 19 in May 2011, should build on countries' needs, be bottom up and deliver on existing national and regional priorities.

16. The Marrakech Process was recognized as a successful multi-stakeholder initiative establishing priorities, building capacity and piloting policies, information tools and private sector and consumer action to make the shift to SCP. This was achieved with limited financial resources.

17. The workshop agreed that the process to provide a draft 10 YFP would benefit from a mapping of activities of all actors enhancing capacities for the shift to SCP, especially at country level. A database encompassing successful policies and projects with indicators of success, demonstrating the social, economic and environmental benefits of SCP could provide good input to the 10 YFP. The workshop noted that a 10 YFP should take into account the programmes that have been successful and need to include timelines and reporting criteria.

18. Participants were invited to consult within their organizations and suggest 5-6 programmes that they would like to see developed as input to the 10 YFP. Those inputs will be used to further develop the input on the 10 YFP to inform its design at CSD 19, and at the intervening Inter-sessional and Intergovernmental Preparatory Meetings. The dialogue established at this workshop will be further developed through these meetings, and in other venues and where members of the OECD/DAC ENVIRONET and Marrakech Process stakeholders have the opportunity to collaborate.

¹ "The use of goods and services that respond to basic needs and bring a better quality of life, while minimizing the use of natural resources, toxic materials and emissions of waste and pollutants over the life cycle, so as not to jeopardize the needs of future generations." Symposium: Sustainable Consumption. Oslo, Norway; 19-20 January 1994.

Fifth Meeting of the DAC INCAF Financing and Aid Architecture Task Team, Brussels, Belgium - 14 June

19. The Fifth meeting of the INCAF Financing and Aid Architecture Task Team was hosted by the EC in Brussels on 14 June. The meeting took stock of progress in delivering the INCAF PWB, made important advancements towards delivering Draft Guidance on Transition Financing by the end of 2010, and facilitated further engagement with the 2011 World Development Report. More specifically, the following three issues were discussed:

- Risk management study: Participants discussed a first draft of this ongoing study, which was commissioned in early 2010. The meeting agreed that the following six propositions should guide the future development of the study: (i) Donors are sometimes too risk averse; (ii) lack of agreement on concepts and terminology prevents collaboration on risks; (iii) increased focus on results and accountability decreases risk tolerance; (iv) unrealistic reporting and accountability requirements prevent effective risk management and acceptance; (v) institutional attitudes are not geared towards effective risk mitigation; and (vi) accepting specific risks does not mean accepting risk outcomes.
- Forthcoming Guidance on Transition Financing: Participants broadly agreed to the draft outline that had been tabled, and agreed that further outreach is needed to generate buy-in and acceptance, both from INCAF members and multilateral actors.
- 2011 World Development Report: The brainstorming with the WDR team highlighted the synergies between the work of the TT and that of the WDR, in particular related to lessons learned related to use of aid instruments and modalities to engage in situations of conflict and fragility. There was agreement on the need to continue joint work on these issues, and to ensure that both processes push in the same direction.

Joint EU-INCAF Conference on Risk Management in Fragile and Conflict-affected situations, Brussels, Belgium - 15 June

20. This joint conference aimed to present the key findings from the draft INCAF risk management study to a wider audience of EU delegations, CSOs and UN agencies, and to have a targeted discussion about implications for specific financing instruments (budget support, multi-donor trust funds). Participants welcomed the risk management study and the opportunity to engage in discussions around how to manage and mitigate risks associated with specific funding instruments. The budget support panel saw the introduction of the final version of the joint EC, African Development Bank, World Bank Common Approach Paper on Budget Support to Fragile States, which had just been agreed between the different institutions.

21. In conclusion, the conference highlighted the need to change attitudes to improve risk management and acceptance. Behavioural change is needed at both the analytical and strategic levels as well as in the design and operation of specific instruments and modalities. Participants also suggested that key conclusions from the budget support paper should be integrated into the forthcoming Guidance on Transition Financing. Finally, the EC offered to host a larger event later in the year to continue dissemination of the key conclusions from the risk study.

8th Meeting of the DAC Network on Gender Equality - 16-18 June

22. The 8th GENDERNET meeting reviewed progress on the key deliverables for the 2009-10 work programme. The meeting featured two workshops – the first, a day-long workshop on women and international trade; and the second, on women, peace and security. In addition to external experts, the trade workshop included speakers from TAD, the OECD-MENA initiative and DCD/Aid for Trade. INCAF staff and some INCAF members participated in the workshop on the practical implementation of the UN Security Council resolutions on women, peace and security and of the Accra Agenda for Action (para. 21(b)). The discussions and outcomes of the workshops will provide the basis for preparing a detailed work programme for 2011-2012. With the MDG Summit only a few months away, the preparations and key messages for the Summit were threaded throughout the discussions over the three days. Members recognise the need to intensify donor efforts in a few catalytic areas over the next five years, such as keeping girls in school, reproductive health, women’s leadership and control over productive assets and resources, including through access to financial and banking services. On the margins of the meeting, UNIFEM hosted a presentation and discussion on the UN Trust Fund in Support of Action to Eliminate Violence against Women. DFID and NORAD, with support from SIDA, hosted a special session on Evidence for Action – gender equality, women’s empowerment and the MDGs. Senior World Bank staff briefed the meeting on the outcomes of the second IDA Deputies meeting in Bamako and congratulated Network members for their successful efforts to ensure that gender equality will be one of three themes of IDA16 replenishment. For the first time, both Chile and the People’s Republic of China participated in the GENDERNET meeting.

Informal Meeting on Private Sector and Aid Effectiveness - 22 June (a.m.)

23. Reflecting the increasing need to make the debate on aid effectiveness more inclusive and bring together all relevant stakeholders – including the private sector – within the Working Party on Aid Effectiveness and also leading up to the Fourth High Level Forum on Aid Effectiveness, an informal meeting brought together DAC members and twelve representatives from for-profit companies, private foundations and multilateral development banks to have a frank discussion on common issues and challenges. The meeting discussed incentives for engaging with and coordinating work with developing countries, as well the importance of having shared objectives and results. While diverse in experiences, interests and modalities, the discussion revealed emerging shared values on the focus on achieving results and development impact and building a sound basis for further sustainable growth. The meeting was a first in a potential series of further exchanges and lesson-learning opportunities with the private sector, an important dialogue in evolving from aid effectiveness to “development effectiveness”.