

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

DCD/DAC/RD(2010)3/RD6
Unclassified

REVISED DRAFT DAC MANDATE

Room Document 6

DAC Meeting, 16 March 2010

This Room Document is submitted for Item 7 of the Draft Annotated DAC Agenda [DCD/DAC/A(2010)3].

At the Senior Level Meeting, it is intended that Participants be provided with a draft new mandate for reference in the context of the discussion on Implementing the Reflection Exercise.

The text for the draft new DAC mandate contained in this document is a revision of the version dated 25 February, incorporating elements from the discussion held at the informal meeting of 9 March 2010.

The Secretariat is arranging a shared electronic forum through which Members can make general comments and any drafting suggestions. For the 16 March DAC Meeting, therefore, this revised draft is essentially for INFORMATION.

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Introduction

1. As part of the decision to re-examine the mandates of all the committees of the Organisation, the OECD Council carried out an In-Depth Evaluation of the Development Assistance Committee (DAC) in 2007-8. As a result, it concluded that the DAC was highly relevant but that it needed to undertake a Reflection Exercise in order to maintain its relevance in a rapidly changing development landscape. The intention was for the Reflection Exercise to provide the basis for a revised mandate proposal starting 2011 with a duration of five years.

2. The Reflection Exercise was carried out in 2008-2009, resulting in a report¹ that was endorsed by the DAC High Level Meeting and accepted by the Council in mid-2009. Subsequently, informal meetings were held by DAC Delegates to draft the new DAC mandate. Annex 1 provides the latest text. Once the DAC approves the draft mandate proposal, it will submit to the Council for approval before the summer of 2010.

Original Mandate

3. The DAC was preceded by the Development Assistance Group (DAG), which was formed on 13 January 1960 as a forum for consultations among aid donors on assistance to less-developed countries by the Organisation for European Economic Co-operation. On 23 July 1960, an OECD Ministerial Resolution decided to constitute the DAG as the DAC and gave it its original mandate, which is included in Annex 2.

¹ DCD/DAC(2009)23/FINAL

**ANNEX 1
DRAFT NEW DAC MANDATE**

The Council :

Committed to supporting developing countries in their efforts to achieve improving standards of living for their peoples in a sustainable manner, including those embedded in international targets such as the Millennium Development Goals;

Convinced that sustainable and broad-based development of developing countries is essential for global progress and stability;

Convinced that members of the Development Assistance Committee should make it their common objective to work for increased resources for development and to improve their effectiveness;

Convinced of the need to adapt development assistance to the specific context and challenges of each developing country and region;

Aware that the coherence of policies of OECD and emerging countries as well as policy challenges relating to global public goods significantly affect development results;

Convinced of the need for the Development Assistance Committee to work with other policy communities and development stakeholders beyond its membership with a view to enhancing development results;

Recognising that the ability to generate wealth, human capital and financial resources through access to a broad range of private and public finance has enabled a significant number of developing countries to sustain their own development; at the same time, that many developing countries still require for the foreseeable future official development assistance (ODA) as well as non-concessional official finance to help overcome development challenges and improve standards of living;

Agrees:

The mandate of the Development Assistance Committee is to contribute to sustainable development, poverty reduction and improvement of living standards in developing countries. To that end, the Committee shall:

- a) monitor the provision of resources to developing countries, including ODA and other official and private flows that are relevant to development and poverty reduction by collecting and analysing data and information;
- b) assess development co-operation policies of Members and their individual and collective implementation and promote mutual learning;
- c) provide analysis, guidance and good practice with a view to enhancing the quality and impact of development assistance;
- d) promote perspectives on global public goods and the coherence of national policies in terms of development results both in its work and in the work of other policy communities in OECD;

- e) have power to make Recommendations on matters within its competence to Members of the Committee, as well as to the Council;
- f) engage governmental, international organisation, and civil society representatives from beyond its membership in its work, with a view to assuring the inclusiveness, reach, and relevance of its work.

Notes:

The Development Assistance Group (DAG) was formed on 13 January 1960 as a forum for consultations among aid donors on assistance to less-developed countries by the Organisation for European Economic Co-operation. On 23 July 1960, a Ministerial Resolution decided to constitute the DAG as the Development Assistance Committee of the OECD, once this was created, and gave it its original mandate.

On the question of the association of OECD countries which were not Members of the DAC with its work, it was suggested that these countries should be given an opportunity to participate in areas which were of real interest to them and where they might contribute to the work of the Committee [DCD/DAC/M(91)12] and, as required, Council was informed of this decision by the Secretary General [C(92)45].

ANNEX 2
THE CURRENT DAC MANDATE AND
THE RESOLUTION OF THE COMMON AID EFFORT²³

Mandate:

Paragraph 14 of the Report by the Preparatory Committee

“14. As decided by the Ministerial Resolution of 23rd July 1960 [OECD(60)13], the Development Assistance Group shall, upon the inception of the OECD, be constituted as the Development Assistance Committee, and given the following mandate:

a) The Committee will continue to consult on the methods for making national resources available for assisting countries and areas in the process of economic development and for expanding and improving the flow of long-term funds and other development assistance to them.

b) The Development Assistance Committee will acquire the functions, characteristics and membership possessed by the Development Assistance Group at the inception of the Organisation. (See below, “Resolution of the Common Aid Effort”)

c) The Committee will select its Chairman, make periodic reports to the Council and its own Members, receive assistance from the Secretariat as agreed with the Secretary-General, have power to make recommendations on matters within its competence to countries on the Committee and to the Council, and invite representatives of other countries and international organisations to take part in particular discussions as necessary.

d) The Development Assistance Committee may act on behalf of the Organisation only with the approval of the Council.

e) In case the responsibilities of the Development Assistance Committee were to be extended beyond those set forth under a), any Member country not represented in the Development Assistance Committee could bring the matter before the Council.”

RESOLUTION OF THE COMMON AID EFFORT

(adopted by Development Assistance Group, 29 March 1961, London)

The Development Assistance Group:

Conscious of the aspirations of the less-developed countries to achieve improving standards of life for their peoples;

² The predecessor to the Development Assistance Committee, the Development Assistance Group (DAG) was set up on 13 January 1960 by the Special Economic Committee and approved by Council on 14 January 1960 [CM(60)2(Final) Item 14C].

³ OECD countries that are not members of the DAC are entitled to participate in all meetings of the DAC and its Subsidiary Bodies in areas of mutual interest.

Convinced of the need to help the less-developed countries help themselves by increasing economic, financial and technical assistance and by adapting this assistance to the requirements of the recipient countries;

Agree to recommend to members that they should make it their common objective to secure an expansion of the aggregate volume of resources made available to the less-developed countries and to improve their effectiveness;

Agree that assistance provided on an assured and continuing basis would make the greatest contribution to sound economic growth in the less-developed countries;

Agree that, while private and public finance extended on commercial terms is valuable and should be encouraged, the needs of some of the less-developed countries at the present time are such that the common aid effort should provide for expanded assistance in the form of grants or loans on favourable terms, including long maturities where this is justified in order to prevent the burden of external debt from becoming too heavy;

Agree that they will periodically review together both the amount and the nature of their contributions to aid programmes, bilateral and multilateral, keeping in mind all the economic and other factors that may assist or impede each of them in helping to achieve the common objective;

Agree to recommend that a study should be made of the principles on which governments might most equitably determine their respective contributions to the common aid effort having regard to the circumstances of each country, including its economic capacity and all other relevant factors;

Agree that the Chair, assisted by the Secretariat, shall be invited to give leadership and guidance to the Group in connection with the proposed reviews and study.