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REPORT ON RECENT MEETINGS

Room Document 1

DAC Meeting, 3 November 2011

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REPORT ON RECENT MEETINGS

Presentation of Rio Markers to developing country participants of CCXG meeting, OECD, Paris - 21 September 2011

1. In conjunction with the OECD/IEA Climate Change Expert Group (CCXG) Meeting in September, an information session was organised by the Secretariat of the WP-STAT and ENVIRONET to present the Rio markers on climate change to the CCXG developing country participants. The presentation covered the DAC statistical framework, the Rio Marker methodology, donors' reporting in practice and extracting data from the CRS database. The Secretariat sought the views of the participants (Ethiopia, Mali, South Africa) regarding the usefulness of these data to their respective work streams; the need to collect information on the climate change focus of the domestic expenditures in the recipient countries was also discussed. The participants demonstrated great interest in the DAC CRS system and made suggestions on possible future directions for data collection on climate finance in particular as regards the results achieved.

African Climate Change Financing and Development Effectiveness Dialogue, Nairobi, Kenya - 21-23 September 2011

2. The African Climate Change Finance and Development Effectiveness Dialogue was organised by the African Development Bank and the OECD, in partnership with the United Nations, in order to strengthen lesson learning across countries on the management of climate-related finance, as well as on country-level preparations for managing scaled-up climate finance in the coming years. It brought together government officials from planning, finance, environment, climate and local government, as well as members of parliament, representatives of civil society, the private sector and development partners.

3. This African dialogue was built on six country studies undertaken in Cameroon, Ghana, Kenya, Morocco, South Africa and Tanzania and summarized in a draft synthesis report on *Realising the Potential: Making the Most of Climate Change Finance in Africa*. The report will be finalized by mid-November. The workshop focused particularly on the need to enhance the delivery of and access to finance. With respect to the country level, it focused on the need to mainstream climate change into country systems for planning and public financial management, as well as to strengthen communication and learning between different departments. With respect to the global level, the emphasis was on the need for simplified financing modalities, enhanced attention to country needs, and greater attention to lessons from development in terms of ownership, harmonization, alignment, management for results and mutual accountability. There was also a strong call for greater co-operation between climate, development and finance experts, as well as between the private and public sectors in the design of financing mechanisms.

4. One issue of potential interest for future DAC work is the strong demand by countries for further support in strengthening the tracking of finance in their domestic budgets. This includes the potential application of Policy Markers such as the Rio Markers at country level.

5. An outcome document, *The Nairobi Call for Action on Climate Change Finance and Development Effectiveness: An African Approach to accountable and effective climate finance*, articulates recommendations for further strengthening the effectiveness of climate financing instruments, particularly in an African context.

DAC Workshop on How Donors Work with Civil Society Organisations, OECD, Paris – 3 October 2011

6. The purpose of the workshop was to discuss some of the key findings from the study on “How DAC members work with Civil Society Organisations”, prepared with DAC member countries in 2010, and published in 2011. The workshop provided an informal setting in which lessons could be identified about the way in which donors and CSOs work together in development co-operation.

7. The workshop was opened by the DAC Chair, Mr. Brian Atwood, and facilitated by Mr. Richard Manning, former DAC Chair. Participants included about 20 DAC members and representatives from Northern and Southern civil society. Discussions identified challenges and best practices in the areas of donor policies and strategies, implementation and financing, and monitoring and accountability.

8. The results of the discussion will inform the drafting of a booklet on “12 Lessons from DAC Peer Reviews”. The booklet will be discussed by the Editorial Board in February 2012 and submitted to the DAC in April-May 2012.

Development Co-operation Report Launch, OECD, Paris - 4 October 2011

9. The Launch of the 2011 *Development Co-operation Report* was a great success, with over 180 registered participants, an overflowing auditorium, a very interesting discussion on The Future of Development Co-operation and a very well received product. The session was opened by OECD Secretary General Angel Gurría,

10. “It is quite a special report,” said Mr. Gurría, “firstly, because it marks 50 years of work in development cooperation. [...] In fact, the Development Assistance Committee (DAC), held its first meeting on October 5, 1961, becoming one of the first-established committees of the OECD. This report is also special because it brings together the views of distinguished and recognised global leaders in development,” he continued. “The variety of topics covered [...] reminds us of the importance of looking at all policy decisions in the light of development obstacles and opportunities.”

11. “This book is also a tribute to our DAC,” said Mr. Gurría, “an institution in itself, which has played a key role in promoting development cooperation throughout these five decades. Like the rest of the OECD, the DAC has built its contributions on time-tested methods: sharing good practice, using peer reviews to encourage mutual learning, and providing reliable, comparable statistics. The leadership and wisdom of its Chair, our friend Brian Atwood, have been key drivers in this success. I am so glad to have him on board.”

12. Following this introduction, Mr. Atwood introduced the Report, outlining its contents and contributors and then laying the ground for a lively discussion on The Future of Development Assistance. Panellists Mary-Anne Addo, Director, Ghana Ministry of Finance and Economic Planning; Richard Manning, Former DAC Chair; and Jean-Michel Severino, former Director General of the French Development Agency, exchanged ideas with Mr. Atwood on what this future might look like.

Informal Group on the Role of the Private Sector in the Context of Aid Effectiveness, OECD, Paris - 4 October 2011

13. The informal group on the private sector in the context of aid effectiveness met on 4 October to review the various inputs to Busan, including the proposed Building Block, the draft joint statement on Enhancing and improving public private cooperation for development, proposals for side events and participation from the private sector from both developed and developing countries. As a follow up to this meeting, BIAC and IBLF took part in the last WP EFF Plenary meeting on 6-7 October.

Seminar on Multilateral Aid Allocations and the Global Aid Architecture: What can we Collectively Bring Forward at Busan?”, OECD, Paris - 5 October 2011

14. The Seminar on Multilateral Aid and the Global Aid Architecture brought together senior officials from: DAC governments, multilateral development banks, United Nations (UN) agencies, global programmes, partner countries and the BRICs. The seminar was introduced by the DAC Chair (Mr. Atwood) and chaired by the Director of DCD (Mr. Lomøy). The objective was to identify the challenges and possible steps required to reform the multilateral system. Participants congratulated the DAC on its *DAC Report on Multilateral Aid*, and made suggestions on how to further improve it. Panelists included Mr. Richard Manning (former DAC Chair), Mr. Serge Tomasi (France), Mr. Axel van Trotsenburg (World Bank), Mr. Geoff Adlide (GAVI Alliance), Mr. Bruce Jenks (former UNDP) and Mr. Andrew Cassels (WHO). DAC member representatives from capitals benefited from the more informal exchange of ideas on multilateral aid, compared to more official forums.

15. Mr. Manning spoke to the advantages and disadvantages of multilateral assistance and the strong support of the donor community and CSOs for the Global Fund and GAVI. Mr. Tomasi articulated the need for a new and more inclusive global partnership whereby other sources of funding will be increasingly important. He also spoke of the need for co-ordination and harmonisation at the level of the European Union (EU), UN, and globally, where he described a shift towards the “privatisation of the multilateral system” towards members’ own objectives. Mr. Rogerson spoke of the “aid-scape” and the three reform tracks that could be adopted: (i) better and more information; (ii) better division of labour among major actors; and (iii) self-restraint on the part of donors. Mr. van Trotsenburg highlighted the Bank’s efforts to consolidate its 750 active trust funds under umbrella arrangements, the ambiguous blurring of lines between concessional and non-concessional financing, and the need for greater inclusiveness beyond the DAC. Mr. Adlide shared the unique governance and “front-loading” financing feature of the GAVI Alliance and the tension between achieving results and “over-managing” grants, the latter illustrating the failure of the development aid system to address some of the new models that actually deliver results.

16. Mr. Jenks outlined the four challenges to UN reform, including change (strong leadership); moving beyond operational effectiveness (“reform cannot be anchored solely in Delivering as One”); establishing a critical mass (“do not expect an organisation be inclusive and strategic!”); and, finally, financing (fragmentation is the flipside of funding aimed to achieve the MDGs). Mr. Cassels argued that the split constituency of the WHO – where donor ministries of health provide 20% of funding and the remaining 80% of funding is provided through donors’ aid programmes – means that WHO’s main *raison d’être* shifts between setting normative standards and being an active development agency in an already crowded field. Participants discussed the fact that donors are increasingly coming together around particular themes and initiatives (food security, maternal and child health) that may not require the creation of a new fund or programme, but that may not offer long-term solutions to reform. Participants remarked that it was becoming more difficult and yet more important – given budget constraints – to review the effectiveness of multilateral institutions and to carefully consider subsequent action.

From More Effective Aid to More Effective States and Institutions, OECD, Paris - 5 October 2011

17. Based on evidence and joint evaluations of current strengths and weaknesses in supporting stronger state institutions and policies from different policy perspectives (capacity development, governance/public sector reform, country systems), this meeting provided an opportunity for an overview of current thinking on the importance of building effective and accountable institutions for development. It focused in particular on unfinished work in this area (for example under the aid effectiveness agenda), developing a new approach to supporting more effective institutions and policies, and in particular identifying priority areas for future work.

18. The meeting concluded with an agreement that a consolidated ‘building block’ proposal would be presented to the Working Party on Aid Effectiveness (6-7 October) and that those who expressed an interest (including Korea, Ghana, UNDP, the World Bank, CABRI and NEPAD) would help to shape the High-Level Ministerial session on this topic at Busan on 1 December.

WP-EFF Plenary and Executive Committee Meeting, OECD, Paris - 6-8 October 2011

19. A draft summary of the WP EFF plenary meeting was circulated on 25 October 2011 [[DCD/DAC/EFF/M\(2011\)2/PROV](#)].