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## REPORT ON RECENT MEETINGS

### Room Document 1

DAC Meeting, 30 June 2011

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## REPORT ON RECENT MEETINGS

### GOVNET Plenary Meeting - 6 June (am) and 8 June (pm)

1. The **OECD-DAC-GOVNET** meeting held on 6-8 June was composed of three main segments: i) a plenary update on all GOVNET work, preparations for Busan and future streams on demonstrating results and on democracy dialogue; ii) an international consultation on aid, accountability and democratic governance; and iii) a Joint WBI/BBC World Service Trust/Internews/DAC-GOVNET Seminar on Trends in Accountability: Media Assistance Today”.

#### The GOVNET Plenary

2. René Holenstein of Switzerland was re-elected as Chair, along with David Yang, Director of Democracy and Governance, USAID, who was newly elected to be GOVNET’s Co-Chair. The emerging results of the **GOVNET Survey of Democratic Governance Support in the MENA Region** were presented, an activity which followed on from the SLM lunch in April on this issue. The group appreciated the detail of the replies provided and agreed that the survey should be an ongoing co-ordination tool to which members can provide regular updates. The item on MENA included useful presentations from the MENA programmes in GOV, DAF and SIGMA, along with an overview of the upcoming High-level Dialogue with Arab and DAC donors on 4-5 July in London. The aim is to have a fuller GOVNET MENA Survey to be made available at the July dialogue.

3. In addition, updates were provided on **work-streams on accountability, anti-corruption, taxation and human rights**: The Co-Chair of the Management Group on **Aid and Domestic Accountability**, Martin Chungong, Democratic Governance Director in the Inter-Parliamentary Union (IPU) presented progress on this central work stream. Work on **Anti-Corruption** is advancing on (i) country level support to joint donor responses to corruption (ii) development of an analytical tool to help development partners address the International Drivers of Corruption; (iii) development of a OECD-wide report to assess OECD country mechanisms to prevent illicit flows from developing countries and (iv) a report on progress against AAA donor commitments to “track, freeze and recover illegally acquired assets”. The GOVNET reviewed and welcomed proposals from the **Task Force on Tax and Development** for the joint DAC/CFA tax and development work plan 2011/12, noting the importance of retaining a strong link to the GOVNET as the joint work proceeds. Members also noted the importance of a strong developmental perspective in the work plans as implementation begins. The **Human Rights Task Team** is preparing evidence-based messages for Busan through a survey on aid effectiveness and human rights and an update of its 2006 book on how development agencies integrate human rights into development, working essentially virtually, to prepare for the HLF4 and ensure the presence of key champions at Busan.

4. During the discussion on **draft messages on Governance for HLF4**, members proposed using the "domestic accountability" concept as a unifying framework, and welcomed discussion on how to better link GOVNET's work with that of INCAF and WP-EFF under an Effective States umbrella as a building block post-Busan. GOVNET members strongly endorsed the Secretariat's proposal to build on and advance the initiative on **Measuring Results on Governance** in partnership with the Evaluation Network, noting the importance of improving communication of evidence-based results on governance, including for feeding into Busan.

#### International Consultation on Aid, Accountability and Democratic Governance

5. The **International Consultation** covered emerging evidence from the case studies, largely presented by those involved in each process, including the Aid Co-ordination Authority of Peru and

country programme officers supporting the studies, as well as CSO representatives such as the Center for Public Integrity, Mozambique. The consultation demonstrated how gathering evidence in-country, and promoting multi-stakeholder dialogue with the DAC's convening role, can help build sound, evidence-based policy work. The case work and other key donor innovations are included in a first draft of Guidance on Aid, Accountability and Democratic Governance, which Members welcomed as being of high quality and useful to improving governance policy and practice. A revised version will be distributed for further comments and a plan developed for finalisation of this first phase through the GOVNET and the DAC, as this work is an important GOVNET evidence-based input to Busan.

6. In the context of democratic accountability work, GOVNET discussed possible future collaboration with the "**Transatlantic Dialogue on Strengthening Cooperation on Democracy Support**" – which last met in March 2011 - is a multi-year process launched by NDI and Chaired by Madeleine Albright and the President of the European Parliament. This is in line with the new DAC openness and SLM statement on welcoming new partnerships. GOVNET agreed to work with members and NDI to prepare a first high-level event on sharing lessons from countries with experience in democratic transition in the first week in October at the Rockefeller's Bellagio Center.

#### **The Joint WBI/BBC World Service Trust/Internews/OECD-DAC-GOVNET "Seminar on Trends in Accountability: Media Assistance Today"**

7. The "**Seminar on Trends in Accountability: Media Assistance Today**" was opened by Daniel Kaufmann, currently Senior Fellow at the Brookings Institute and former WBI Director and developer of the World Governance Indicators. The seminar was the first real dialogue on media support among developing country media experts, implementing agencies and donors about ways to improve support based on greater links to accountability and governance strategies. Like the first roundtable on electoral assistance, the seminar on political party support, it demonstrated how GOVNET can be a platform for improving work on a range of aspects of democratic accountability. The seminar provided a space for high quality, active interaction between the GOVNET policy community and this emerging community of practice. The group began to agree principles for media assistance as part of the GOVNET guidance on aid and accountability, and a side event at Busan may be one other follow-up area.

#### **Economic Transformation and Poverty Reduction: How it happened in China, Helping it happen in Africa" – Policy Symposium organised by the China-DAC Study Group, Beijing, China - 8 June**

8. For over two years, the China-DAC Study Group has provided a platform for sharing experiences and learning lessons about economic growth and poverty reduction in China and African countries, drawing implications from this for international assistance. Over 500 participants from China, Africa and OECD countries have shared their knowledge and insights at policy-dialogue events on: i) development partnerships; ii) agriculture, food security and rural development; iii) infrastructure; and iv) the enabling environment for enterprise development. The Main Lessons drawn from these events were discussed at this Policy Symposium in Beijing (and will be presented at a lunchtime session at the OECD on 12 July 2011).

9. This process has expanded knowledge about China's development experience over the last 30 years. It was not a "miracle" and depended on a lot of hard and detailed work. Committed leadership was important, as was China's ownership of its development process; the articulation of a national project for economic transformation within a generation motivated and activated support across the country. China developed sound systems for planning and implementing reforms, which were introduced progressively with successful experiments scaled up rapidly. International assistance helped to accelerate the development process, particularly through the introduction of new ideas, technologies and approaches. At the same time, China's transformation has generated social tensions, linked to income and regional disparities, and environmental damage; challenges that are now being addressed.

10. The main message from this experience for other developing countries is that rapid economic and social transformation can happen, in a context of globalisation. What counts is strong,

development-oriented and accountable leadership, focussed on development performance rather than entrenched policies and interests, as well as the participation of the people. Today, Africa's development can build on new advantages including access to information technologies, the emergence of African-led and owned policy frameworks (e.g. at the African Union) that will increase regional integration, thereby making markets larger and more attractive, as well as increased access to capital (including from China).

11. For DAC members, findings point towards a need for a greater focus on supporting economic transformation processes, including by scaling up support for agriculture and infrastructure development and by promoting stronger linkages between investment, trade and development co-operation. African institutions and policy frameworks, at both continental and regional levels, should be supported as these are playing an important role in encouraging the emergence of more responsible, development-oriented states in Africa and can help to promote regional integration.

12. There was general recognition that the China-DAC Study Group had achieved its mutual learning objectives and generated useful lessons for all. There is a strong interest in continuing this collaboration but in different ways, in order to learn more about improving aid quality to achieve better development outcomes, a common objective for China, African countries and DAC members.

#### **Working Party on Statistics (WP-STAT), 8-10 June**

13. The Working Party had a productive meeting, reaching agreements and making progress on numerous practical issues.

14. The WP-STAT updated the **list of ODA-eligible international organisations**, decided on an ODA coefficient for un-earmarked contributions to the OSCE (74%) and agreed on how to handle codes for INGOs in DAC systems.

15. With one reserve, now being resolved, the meeting agreed on an ambitious **transparency strategy** for the WP-STAT, in order to make DAC statistics more visible and more useful to partner countries. Members also agreed to **declassify the Secretariat's report on its collection of multilateral data**, and asked the Secretariat to prepare a similar report suitable for public distribution on their own reporting. Both of these will be placed on the OECD website to help users understand the data and the work behind them.

16. The **technical workshop** that preceded the WP-STAT allowed members and the Secretariat to clarify a number of practical questions related to the implementation of the typology of aid. It also provided members with an in-depth demonstration of aid statistics available on the internet.

17. Work on new integrated **reporting directives** for the converged CRS/DAC system is advancing well, and a review of members' practices in reporting **in-donor refugee costs** is nearing completion. The Secretariat reported on its initial work on **non-ODA flows** and received useful feedback from members.

18. The World Health Organisation reported on recent pledges on **maternal, newborn and child health**, and Canada offered to lead a task team to consider possible means to more closely identify aid to MNCH within DAC statistics.

19. Members considered a draft document on the **triennial review of the DAC List of ODA Recipients. The DAC will be invited to take decisions on this List in the autumn.** Several members expressed concern at the possible withdrawal of ODA status from Croatia with effect from flows received in 2011, so the document submitted to the DAC will ask whether to delay implementation of the new list.

20. Members noted that the usage of DAC statistics was continuing to expand. The **DAC statistics website attracted nearly a million page views in 2010**, and currently accounted for 43% of traffic on the

DAC site as a whole. Data visualisation tools were improving rapidly and the joint [www.aidflows.org](http://www.aidflows.org) website provided excellent graphics on aid and development indicators.

21. Mr Hitoshi Shoji of Japan announced his retirement as Vice-Chair later this year. The meeting elected Mr Maher Mamhikoff of Canada to replace him until end-2012. It also re-elected Ms Hedwig Riegler of Austria as Chair and Ms Catherine Graf of Switzerland as Vice-Chair for 2012.

### **9th DAC Network on Gender Equality (GENDERNET) Plenary Meeting - 14-16 June**

22. Preparations for the Busan HLF-4 infused discussions at the 9<sup>th</sup> GENDERNET meeting, with the focus on using the principles of the Paris Declaration to advance gender equality and women's empowerment. The Secretariat reported on the findings from the gender equality module of the 2011 Paris Declaration monitoring survey. These, along with the existing commitments of the Accra Agenda for Action and the emerging priorities for Busan, became the basis for a few key messages and monitorable action points/indicators for potential inclusion in the Busan outcome document. The meeting also produced an action plan for integrating gender equality dimensions into key elements of the HLF-4, including its follow-up.

23. Responding to the renewed global attention to agriculture, the meeting featured an in-depth workshop on women and agriculture, which presented innovative case studies from Ethiopia, Zambia, Kenya and the Kyrgyzstan, supported by JICA, Sida, UN Women and Finland. The "state of the art" was presented by keynote speakers from the FAO, the World Bank and Kenya, along with agriculture advisors from Sida and GIZ. This workshop is a stepping stone towards the Network's 2012 joint biennial workshop with the UN's Inter-Agency Network on Women and Gender Equality which will focus on rural women in preparation for the 2012 UN Commission on the Status of Women.

24. Presentations on the strategic plan for the newly established UN Women and on the 2012 World Development Report on gender equality provided platforms for "strategic conversations" with UN Women and with the Multilateral Development Banks on mutual expectations and on how GENDERNET members can best support multilateral efforts.

25. Other key 2011-2012 deliverables discussed included: progress on the OECD-wide gender equality project; on the Creditor Reporting System study on aid focussed on gender equality and women's empowerment; and, on INCAF's plans for integrating gender equality dimensions into work on peace-building and state-building.

### **INCAF Director Level Meeting, Monrovia, Liberia - 14 June**

26. The second INCAF Director Level Meeting was co-chaired by newly elected Co-Chairs Tobias Nussbaum (Canada) and Jordan Ryan (UNDP).

27. Members discussed the draft Guidance on Transition Financing. There was general consensus that the Guidance should be finalised as quickly as possible, and that focus should shift towards implementation of key recommendations. Several members suggested that this should begin with the application of Transition Compacts to define joint priorities, measures of progress, and ways to manage risks. Such arrangements should not impose additional bureaucracy but should be flexible to adopt with the country context. It was agreed that a policy statement should be prepared to communicate key elements of the Guidance in the lead-up to Busan.

28. Members discussed the draft action plan and international objectives, prepared for the meeting of the International Dialogue on Peacebuilding and Statebuilding on the following two days. There was strong support for the proposed peacebuilding and statebuilding objectives. Several members underlined the "game-changing" effect that adopting these objectives (with the G7+) could have in orienting national and

international strategy in fragile states. Several members highlighted the importance of using the objectives as a framework to define results at country level and measure progress over time.

29. Finally, members noted overall appreciation for the high quality work that gets done through INCAF. Key success factors include high levels of trust among members, good networks with other policy and expert communities, as well as active involvement of members in developing and advocating for policy ideas and guidance. Moving forward, members stressed the continued role of INCAF to help address the policy-practice gap and to set and maintain norms and standards for international engagement on conflict and fragility. INCAF support to the International Dialogue should continue, and members welcomed emerging work on global factors that influence the risk of conflict and fragility as a critical piece of future policy work.

### **International Dialogue on Peacebuilding and Statebuilding, Monrovia, Liberia - 15-16 June**

30. The International Dialogue global meeting was hosted by the Government of Liberia and brought together over 130 participants from conflict affected and fragile countries, international partners and civil society organisations. These included ministers from nine fragile countries, Directors from several donor agencies and Assistants to the UN Secretary General, among others. The meeting was preceded by meetings of INCAF and of the g7+ group of fragile countries.

31. The main objectives of the meetings were to: i) discuss the draft Action Plan on Peacebuilding and Statebuilding, which had been prepared by the International Dialogue Secretariat and included a set of peacebuilding and statebuilding objectives and recommendations based on the work of the four International Dialogue working groups on political dialogue, planning, capacity development, and aid instruments; ii) agree on key inputs for Busan and on a strategy to ensure broad buy in for these on the way to Busan and at the high level forum; and iii) discuss the role of the International Dialogue beyond Busan.

32. The meeting achieved a ground-breaking agreement on five peacebuilding and statebuilding objectives as pre-conditions to work towards the MDGs in fragile and conflict affected states. These are legitimate politics, security, economic foundations, justice, and revenues and services. Participants also agreed on the need to develop indicators to enable monitoring progress towards the objectives. Critical areas around which commitments should be developed for Busan were also agreed. These include an agreement to support nationally led assessments of fragility as a basis for the development of national strategies and plans, stronger emphasis on leadership and inclusive political dialogue, a new country level agreement (or compact) between a government and international partners and better ways of delivering aid.

33. Participants agreed on the critical importance of pushing for better ways to assess and manage risks associated with working in fragile environments, stronger use of country systems, transparency and accountability, and achieving and monitoring results. A core group of International Dialogue members will take this work forward between now and Busan.

### **Joint Meeting of the DAC and Working Party of the Trade Committee on Aid for Trade - 17 June – [COM/DCD/TAD/A(2011)1/PROV]**

34. The joint meeting of the DAC and the Working Party of the Trade Committee Working Party (TC/WP) on Aid for Trade was co-chaired by Mr. Bert van Geel (DAC) and Mr. Andrew Jenks (TC/WP). The meeting was also attended by Ambassador Anthony Maruping (Lesotho), the Chair of the WTO Committee on Trade and Development, and Dr. Talaat Abdel-Malek, the Co-Chair of the OECD Working Party on Aid Effectiveness. The objectives of the joint meeting were to seek comments on i) the draft chapters of the 2011 edition of the joint OECD-WTO publication “*Aid for Trade at a Glance: Showing Results*”; ii) the final outputs of the joint 2009-2010 work programme; and iii) proposed work streams for the biennium 2011-2012.

35. Members expressed support for both the structure and the substance of the third joint OECD-WTO aid-for-trade monitoring report. The publication will be presented by the Secretary-General Gurría at the Third Global Review of Aid for Trade hosted by the WTO on 18 July in Geneva. In addition, the documentation for the Third Global Review will also include three reports providing a regional aid-for-trade perspective – “*A Snapshot of Aid for Trade in Africa, in Asia and the Pacific, and in Latin America and the Caribbean*” – published jointly by OECD, WTO and the respective Regional Development Banks. Members also welcomed the final outputs of the 2009-2010 PWB: the study on “*Strengthening Accountability in Aid for Trade*” and the study on “*Estimating the Binding Constraints to Trade Development*”. Both studies will form part of the OECD’s contributions to the Third Global Review.

36. There was general support for the inclusion of aid for trade in the Fourth High Level Forum on Aid Effectiveness (Busan HLF-4). The note was introduced by Dr. Talaat Abdel-Malek, the Co-Chair of WP-EFF, who argued for the inclusion of ‘aid for trade’ in the plenary discussion as well as for a possible side event on showcasing aid-for-trade case stories. The WTO representative announced the participation of the Director-General Pascal Lamy at the Busan HLF-4 and urged Members to make the maximum use of his presence.

37. Finally, Members supported the preliminary directions proposed for the post-Global Review work for the biennium 2011-2012. They welcomed in general a proposal to deepen the OECD work on the binding constraints to trade expansion by looking at the agriculture sector and exploring the contribution of aid for trade in supporting trade in agriculture. They also endorsed further work on country-based aid-for-trade pilot projects on management for results.

#### **Joint Session of the DAC and the Agriculture Committee - 21 June (am)**

38. The Development Assistance Committee (DAC) and Agriculture Committee (COAG) held a joint meeting on **21st of June** and agreed ways to move forward to build stronger and more effective partnerships between the two policy communities in order to best combine expertise, efforts and resources to support the food security agenda and deliver a joint contribution towards the OECD strategy on development. The Secretariat (TAD and DCD) presented the findings of recent work on the economic importance of agriculture in developing countries, on agriculture policy choices and on the contribution of agriculture to pro-poor growth).

39. The meeting identified a number of entry points for collaboration, e.g. strengthening the enabling environment and institutional capacities in developing countries, strengthening policy coherence (including by developing good indicators), supporting agriculture production and productivity, promoting private sector investment and involvement, helping developing countries to meet the Maputo Declaration (of spending a minimum of 10% of the budget on agriculture), promoting higher take up of existing innovations and technologies, and developing more policy useful indicators of food insecurity). Proposals are to be developed for the next exchange between the Committees, which should take account of what other major player are doing in this regard, e.g. FAO, WFP. G20.

40. A senior food security expert from the Dutch Ministry of Foreign Affairs, Mr. Hans vanden Heuvel of the Development Co-operation section, briefed the joint meeting on how such collaboration is being taken forward in the context of expanding Dutch initiatives and financial support for food security. The Netherlands is giving priority attention to food security, limiting the number of partner countries and has prepared a joint policy note on behalf of both Ministries on how to support food security. Mr. Bert van Geel, Deputy Permanent Representative of the Netherlands and DAC delegate, in his capacity as co-Chair of the joint DAC-WPTC meeting on Aid for Trade, informed the meeting of the work the group on agriculture and food security and outlined the modalities of a very successful co-operation between the Trade Committee and the DAC in this work.

## **EVALUATION Network Plenary - 23-24 June**

41. The network held a focus session on **communicating evaluation findings**, centered around three topics: connecting with policy makers - including responding to mounting pressure for better results information and the challenges of dealing with negative findings; innovative approaches to sharing evaluation findings (including film clips, podcasts, web tools, etc.); and a “communicator’s perspective on evaluation” which featured presentations from development communicators/DEVCOM members.

Findings from the **Evaluation of the Paris Declaration** – a critical contribution on the road to Busan and beyond – were shared and members discussed emerging lessons from this experience and uses of the evaluation in donor and partner countries.

42. The network has developed a new methodological approach to **evaluating the effects of budget support**, as a contribution to meeting the strong political demand for better results information in this area. The methodology was tested in Tunisia, Mali and Zambia; it was agreed that a synthesis of the findings from these three studies will be prepared and the methodology further elaborated based on these experiences. Through an ongoing collaboration with INCAF, the draft guidance on **evaluating donor engagement in situations of conflict and fragility** has been used to evaluate peacebuilding efforts in Sri Lanka, the Democratic Republic of Congo, and South Sudan. The network took stock of this experience, and the guidance will be finalized following a round of consultation with members of both networks.

43. The group discussed how to strengthen the synergies between ongoing **joint evaluations in the areas of governance and aid effectiveness** and decided to attempt to draw evidence from these major evaluations to inform policy discussions on the road to Busan and beyond, in collaboration with DAC GOVNET. The network reviewed progress with work on multilateral effectiveness; pilot reviews have been carried out aimed **at improving information on the development effectiveness of multilateral institutions**, providing a complementary tool to MOPAN’s assessments of organisational effectiveness. The network noted the interest of several UN agencies to undertake peer reviews of their evaluation functions building on the fruitful collaboration with United Nations Evaluation Group (UNEG) in conducting six such reviews previously. The Network discussed how to deepen and broaden **engagement** with new development actors and partner countries, building on the recently adopted DAC statement on new partnerships, and agreed that further exploration of mutual interest and topics would be useful.

44. The network welcomed the interventions by the DAC Chair, Brian Atwood, and the Evaluation Network Facilitator, Frode Nergaard, and the useful linkages the information provided to current DAC policy issues and priorities, and noted the messages to the network developed by the DAC facilitators.

45. The meeting was chaired by Nick York, Head of Evaluation, DFID. The network elected two new vice-chairs; William Carlos, Head of Evaluation and Audit, Irish Aid, and Henri Jorritsma, Deputy Director of the Policy and Operations Evaluation Department, Ministry of Foreign Affairs, the Netherlands.

## **Joint DAC and CFA Meeting to discuss the Joint Tax and Development Programme Work Plan 2011/12, 28 June, Paris.**

46. The DAC and CFA met on 28<sup>th</sup> June to discuss progress with the design of the joint Tax and Development Programme and to agree an implementation plan for 2011/12. The CFA and DAC Chairs introduced the topic, noting the heightened political profile of the tax and development work, with important links to the OECD’s forthcoming development strategy, the recent OECD Ministerial, the G20, and the next High Level Forum on Aid Effectiveness in Busan. The work plan proposals were presented by the Co-Chairs of the Task Force on Tax and Development, Edwin Visser (the Netherlands) and Franz Tomasek (South Africa, on behalf of Oupa Magashula, South Africa, President of the African Tax Administration Forum) who noted the integrated package of the proposals and the need to avoid duplication with other organisations. The Co-Chairs reported full support from the GOVNET and BCNOE, both of which had reviewed the proposals prior to the joint DAC/CFA meeting.



47. The meeting agreed the work plan proposals set out in COM/CTPA/CFA/DCD/DAC(2011)1.

48. Questions, points of discussion and clarifications from the Secretariat included the following. Although prioritisation may be needed in terms of resources, work on all four pillars would be required to ensure an integrated package of work. The agreed proposals (in COM/CTPA/CFA/DCD/DAC(2011)1) would ensure practical progress on specific transparency issues and the Task Force would provide the venue to track the broader debate on ‘country-by-country reporting’, on which divergent views were heard. In terms of governance, the Task Force would remain informal; oversight would be provided by the GOVNET and BCNOE; decisions would be made by the Committees (in keeping with the CFA and DAC January 2011 agreement in COM/CTPA/CFA/DCD/DAC(2010)2/REV2/CORR ). Other issues included the timetable of completing mapping work; links with the International Tax Compact; support to the Global Forum on Transparency and Exchange of Information for Tax Purposes at field level; the importance of the voice of developing countries and the principles of aid effectiveness as set out in the Paris Declaration; and ensuring transparency in reporting by international organisations to the G-20 on tax and development matters. The Chairs thanked the Committees for their support, noting further detailed points could be made in writing by 5 July.