

11 April 2011

Gunilla Carlsson, Minister for International Development Cooperation
Ministry for Foreign Affairs
Gustav Adolfs torg 1SE-103 39 Stockholm

Dear Mrs. Carlsson,

Re.: “A Common Agenda for Development Results” produced by the “like-minded group”

Representatives from Better Aid are sending you this letter prior to your meeting as the “like-minded group” on Friday, April 15 in Washington, DC. BetterAid, a platform of more than 900 organizations, represents civil society on the Working Party on Aid Effectiveness. We would like to address your “Common Agenda for Development Results” and ask you to consider some alternative policies that complement your approach. Representatives from the platform would be pleased to meet with you in DC to discuss these proposals further.

BetterAid shares and supports a number of the concerns you highlight in the “Common Agenda”. These include ensuring sufficient public attention for aid and the political will for provision of budgets. It includes making aid more effective, promoting a common agenda for ownership and leadership by developing countries and for sustained cooperation outcomes, giving special attention to situations of conflict and fragility and the changing development context. We also share your analysis that aid should help promote domestic resource mobilization, growth and employment, and that partner governments must be responsive to the needs of the poor, reduce corruption and improve delivery of public services. However, in some cases we do not see the correlation between this shared analysis and the solutions you propose through your four-pronged approach.

Instead, BetterAid feels that the following elements could enhance the four areas of focus in your common approach:

Value for money and results orientation: If your intention is to “not neglect the need for complex, long-term solutions” in designing more effective aid programs, then aid interventions should take place within a longer-term plan for promoting sustainability, including using and strengthening country systems; and when not feasible using program-based approaches, negotiated with transparency and the participation of all development actors, including local governments and parliaments. Innovation and empowerment of recipients to lead development programs is also important, which will require a degree of risk to be accepted. Democratic ownership is a precondition for achieving results and country-led and innovative approaches to aid may therefore be hindered by a narrow focus on immediate results and value for money. Therefore such a focus needs to be balanced with attention on how to achieve results and sustainable transformational change in the long-run, including through consistency with effectiveness principles, human rights norms, promotion of ownership and accountability and innovation.

Transparency: We support the like-minded group’s approach to “ushering in a new age of aid transparency”. Full transparency is perhaps one of the most cost-efficient ways of enhancing the effectiveness of aid for the near and long term. It is the basis for strengthened accountability and good governance. This means adhering to and implementing the highest standards of openness and transparency by all aid actors. For those among the like-minded group who have not already done so, we strongly urge you to sign up to and implement the IATI standards, linked to public budget accountability for all government resources for development. When aid information is publicly accessible in local languages, important IATI goals will be achieved. Donors and partner governments must ensure that information will be comprehensive, timely, gender-disaggregated, with comparable aid information for developing country governments, fully accessible to all citizens in both donor and developing countries. Civil society has a role to play. This role however, needs to move hand in hand with developing the capacities for all civil society actors, providing an enabling environment for engagement. From our side, CSOs are working with the *Istanbul Principles on CSO Development Effectiveness* and with country-specific and global initiatives to put in place standards for CSO transparency and accountability.

Accountability: “The Common Agenda” continues to prioritize donor accountability to taxpayers over partner country accountability to beneficiaries and citizens. As much as the taxpayers in donor countries, the citizens of the recipient country have a right to know the plans and outcome of development initiatives. Unfortunately there has been little progress on the Paris Declaration indicators for mutual accountability for development results. Few development cooperation agreements set out explicit accountability targets for individual donors or plan for exit strategies to reduce aid dependency.

BetterAid asks donors and partner countries to create and work with a clear and inclusive accountability framework at the global and country levels. These should be rooted in country-led processes and mechanisms, and based on the implementation of the UN Convention against Corruption and on strategies to promote good governance and reduce aid dependence. Development cooperation agreements must set out explicit and public targets for individual donors and governments, to which they can be held accountable. Democratic mechanisms for accountability require capacities for robust parliamentary scrutiny and respect for the rights of all development actors, with full inclusion of primary stakeholders. Such mechanisms and capacities are essential for equitable and mutual donor/government accountability.

Private Sector Engagement: The private sector and private investment clearly have a role to play in development, but this should be with an orientation towards promoting strong and sustaining livelihoods. Initiatives must ensure that private sector participation in development programs respects democratic ownership and supports internationally agreed development goals, sustainable development, decent work and human rights standards. Public funds, especially aid funds, should be prioritized for livelihood and productive economic development with cooperatives and small-scale enterprise, rather than large for-profit initiatives. Private sector support should not undercut (i.e. through privatization conditionality) the legitimate and necessary role of the state in promoting the equitable provision of public goods and services for all. The provision of technical assistance to promote locally driven business initiatives should also be demand-driven.

Development outcomes for poor and vulnerable people require much more than aid and economic growth. Unleashing the development potential of partner countries to overcome poverty requires development cooperation practices that promote human rights standards and focus on the eradication of the causes of poverty and inequality.

An Enabling Environment for Civil Society

Although the Accra Agenda for Action clearly states that both donor and recipient countries will deepen engagement with CSOs and provide an enabling environment that maximises their contributions, we are deeply concerned about worrying trends with regard to shrinking space for civil society in far too many places across the globe through restrictive legislation and policies, motivated prosecution of activists, arrests, physical attacks and worse. We therefore urge you to ensure that the protection of civil society members and their inclusion in policy making debates remains high on the agenda. Civil society's role in representation of a wide range of voices in the policy debate surrounding disbursement, utilisation and monitoring of aid cannot be overemphasized. We therefore urge you to advance protection of civil society freedoms of expression, association and assembly as an important aspect of the discourse surrounding development cooperation.

We attach our recently finalized paper setting out Key Asks from Civil Society towards the Fourth High Level Forum on Aid Effectiveness, which elaborates on the above points.

Yours,

The BetterAid Coordinating Group

*The **BetterAid** unites over 900 development organisations from civil society working on development effectiveness. The **BetterAid Coordinating Group** consists of 31 national and global networks and platforms working on aid and development effectiveness. The BetterAid Co-chairs are Mr. Antonio Tujan of IBON and Ms. Cecilia Alemany of AWID.*