# Increasing the effectiveness of development cooperation

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The Committee on Development adopted the own-initiative report by Cristian Dan PREDA (EPP, RO) on increasing the effectiveness of development cooperation.

Members recalled that the aid effectiveness principles have clearly contributed to progress towards the Millennium Development Goals in many countries, but progress remains uneven. They insisted on the fact that Official Development Assistance (ODA) can play a crucial role in delivering on the 2030 Agenda, in particular in low-income countries, if it is better targeted and if it respects the principles of effective development cooperation, namely **democratic country ownership**.

Members also called on all development actors to build on the commitments made from Paris to Busan, and to renew and reinforce their efforts to make development cooperation as effective as possible with a view to achieving the ambitious goals and targets set out in the 2030 Agenda.

In brief, the Paris Declaration on Aid Effectiveness, adopted at the Second High Level Forum on Aid Effectiveness in 2005, followed by another Forum lunched in turn the Global Partnership for Effective Development Cooperation (GPEDC).

**Sufficient funding of development policy**: overall, Members recommended the use of all development policy tools for **poverty eradication** and the promotion of the Sustainable Development Goals (SDGs). However, sufficient funding is a prerequisite for effective development cooperation. Most **Official Development Assistance** (ODA) providers have not met their commitment to allocate 0.7 % of GNI to development assistance by 2015, resulting in more than **USD 2 trillion not being made available to developing countries for attaining the Millennium Development Goals**. Members urged the EU and its Member States to meet their long-standing commitment to devote 0.7 % of GNI to aid, to step up their development assistance, including through the EU budget and the European Development Fund (EDF).

**Global Partnership for Effective Development Cooperation (GPEDC)**: Members noted with concern that as of mid-2015, only five EU Member States had published Busan implementation plans. They urged Member States to publish implementation plans and report on their efforts prior to the **Second High Level Meeting of the GPEDC,** which will take place in Nairobi from 28 November to 1 December 2016.

They called for the outcome document of this meeting to clearly address and assign differentiated roles and responsibilities of development actors and institutions for implementing the agenda and applying the principles, in order to enhance progress and facilitate future cooperation.

The GPEDC ought to play a leading role in ensuring progress on SDG 17, namely on monitoring and accountability, increased effectiveness of aid, quality and capacity aspects of finance for development, tax and debt sustainability.

This partnership should support the **full implementation of the SDG by all actors at national level**.

**Improve transparency and development aid**: whilst welcoming the efforts made to ensure that all actors concerned have access to information on transparency of development cooperation programming, funding mechanisms, projects and aid flows, in particular in the context of the International Aid Transparency Initiative (IATI) and the setting-up of the ‘EU Aid Explorer’ website. Members stated that major steps

still need to be taken in this regard, and called for further significant efforts be urgently made by all donors to make information and data more accessible, timely and comparable.

Given that monitoring, review, and knowledge-sharing about progress in development are of paramount importance, Members called on the Commission to submit reports, at least every 24 months, on the efforts and action plans of both the EU and the Member States with a view to comprehensively implementing the Busan principles. Moreover, they demanded to be informed regularly and in a timely manner on the positions taken by the Commission in the GPEDC Steering Committee.

**Responsibility of donors**: Member stressed that assistance can only be sustained when recipients are strongly committed and in charge. They insisted on the importance of **shared responsibility for development results**. They recalled that democratic ownership requires **strong institutions** that can ensure the full participation of local actors in the implementation, monitoring and evaluation of development programmes.

More generally, Members encouraged recipient countries' parliaments to adopt national policies on development aid in order to improve the accountability of donors and of recipient governments, including that of local authorities, enhance public financial management and absorption capacity, and **improve conditions for receiving budget support**, as well as, in the long run, reducing dependence on aid.

They invited the Commission and the Member States to engage with national parliaments of partner countries with a view to constructively supporting the development of such policies, complementing them with **mutual accountability arrangements**.

The report welcomed the OECD's initiatives potentially contributing to reducing illicit financial flows, and called on the international community to enhance cooperation in order to increase the **transparency of tax regimes and financial flows** more generally. It insisted on the crucial role and responsibilities of **multinational companies** and financial institutions in this regard.

**Combat against corruption**: Members recalled that corruption in recipient countries, whether directly linked to development assistance or not, constitutes a **serious violation of democratic legitimacy** and harms public support for development assistance in donor countries. They welcomed, therefore, all measures taken to promote sound financial management and eradicate corruption once and for all, while noting that the situation in many partner countries by definition implies a certain degree of risk.

**Civil society**: Members underlined the role in development of citizens, local communities, elected representatives, faith-based organisations, civil society organisations (CSOs), academia, trade unions and the private sector, and stresses that all these actors need to be involved in furthering and implementing the effectiveness agenda at various levels. They stated that their effective contribution requires their participatory involvement in planning and implementing, mutual accountability and transparency, and that donors should improve predictability and speediness when working with these actors as implementing partners.

**Complementarity of aid**: Members recalled their request for the codification and strengthening of the mechanisms and practices for ensuring better complementarity and effective coordination of development aid among EU Member States and institutions, providing clear and enforceable rules for ensuring democratic domestic ownership.

**Private sector**: lastly, Members firmly believe that the private sector is an important partner in achieving the SDGs and mobilising further resources for development.