

## **ACCRA AGENDA FOR ACTION**

*Ministers of developed and developing countries responsible from promoting development and Heads of multilateral and bilateral development institutions, adopted the following statement in Accra, Ghana, on 4 September 2008.*

### ***This is a moment of opportunity***

1. We are committed to tackling poverty by building stronger more effective partnerships that enable developing countries achieve their own development goals.
2. Progress has been made. Fifteen years ago, one of every three people lived on less than one dollar a day; today, that figure has been reduced to one in five. Yet one billion people still live in extreme poverty. Just as many lack access to safe drinking water. Nearly six thousand people die of AIDS each day. And more than 750 million adults cannot read or write. Climate change and rising oil and food prices are hitting the world's poorest people hardest.
3. We need to achieve much more if all countries are to meet the Millennium Development Goals by 2015. In 2008, three international conferences will help us accelerate the pace of change: the Accra High-Level Forum on Aid Effectiveness, the United Nations MDG Summit in New York and, the Financing for Development follow-up meeting in Doha. Today at Accra, we are leading the way and are united by a common objective: to unlock the full potential of aid to achieve lasting development results.

### ***We have made progress, but it is not enough***

4. Learning from our past successes and failures in development assistance, we adopted the Paris Declaration on Aid Effectiveness in March 2005. In it, we recognised that developing countries must fully exercise leadership over their own economic, social and environmental objectives and sustain their achievements over time. We also recognised that donors can and must support country-owned development processes by aligning aid with countries' own development priorities, using countries' systems and making more cost-effective use of aid. We also agreed to hold each other accountable for concrete development results. Three and a half years later, we are reconvening in Accra to review the situation and address the challenges that now face us.
5. Evidence shows we are making progress. The Paris Declaration has created powerful momentum to change the way developing countries and donors work on the ground. According to the 2008 monitoring survey, more than a third of the countries surveyed have improved their management of public funds. And donors are increasingly coordinating their activities at country level. Yet the evidence is also clear that the pace of progress is too slow. Without further reform and faster action we will not meet our 2010 targets for improving the quality of aid. Meeting three major challenges are critical to accelerate progress:
6. *Country leadership is key.* Developing countries must take stronger leadership of their own development policies, and actively engage their parliaments and citizens in shaping them. Donors must support them by respecting countries' chosen priorities, investing in their capacities, making greater use of countries' own systems to deliver aid, and making aid flows more predictable.
7. *Achieving development results — and openly accounting for them — must be at the heart of all we do.* More than ever, citizens and taxpayers of all countries expect to see the tangible results of development efforts. We need to demonstrate that our actions translate into real impact on people's lives, and that we are accountable to each other and to our respective parliaments and governing bodies for these outcomes.
8. *We must build stronger, more inclusive partnerships with all development players.* In recent years, many new development actors have joined us. A large number of additional countries are now providing development assistance, as are global funds, foundations, the private sector and civil society organisations. This is enriching the development process with additional resources and valuable experience. We need to work closely with all these development actors and marshal their strengths so that our collective efforts have greater impact.
9. We also recognise that persistent inequalities, discrimination and social exclusion undermine development. Likewise, gender equality, respect for human rights and environmental sustainability are cornerstones for achieving enduring impacts on the lives of poor women and men. These issues need to be addressed in a more systematic and responsible way to ensure that our investments ensure sustainable development.

## THREE RESOLUTIONS TO ACCELERATE PROGRESS:

10. Without addressing these obstacles to faster progress we will fall short of our commitments and miss opportunities to improve the livelihoods of the most vulnerable people in the world. To help achieve this, we are reaffirming our commitments to the principles embodied in the Paris Declaration and have agreed concrete and monitorable actions to accelerate progress:

### 1. Strengthening Country-Owned Development Processes

11. Developing countries must shape their own development policies and manage their implementation to achieve their own economic, social and environmental goals, and sustain these achievements over time. We agreed in Paris that this would be our first priority. Today, we are taking additional actions to strengthen country-owned development processes and turn this resolution into a reality on the ground:

#### *We will re-energise country-level policy dialogue on development*

12. In order to broaden and deepen ownership of development processes, we will pursue broad-based country dialogue on development policies and the role of aid. To this end:

- a) Developing countries will engage with parliaments, civil society actors and local governments in the preparation, implementation and monitoring of national development policies and plans. These policies and plans, will define, enable and monitor the role of aid in supporting development with the aim of improving its impact and reducing aid dependency.
- b) Donors will support developing countries' efforts to increase the capacity of all development actors – including parliaments, local governments, universities, trade unions, non-government organisations, research institutes and the private sector — to take an active role in dialogue on development policy and how aid can better contribute to it.
- c) Together we will ensure that development programmes are implemented in ways consistent with agreed international commitments on gender equality, human rights, disability and environmental sustainability.

#### *Developing countries will strengthen their capacity to formulate and implement development programmes*

13. We recognise that without capacity – strong institutions, systems and local expertise—developing countries cannot fully own and manage their development processes. And we recognise that donors must support countries' efforts to develop their own capacity, and deliver aid in ways that promotes this aim. Together, we will step-up our efforts to transfer the management of aid to developing countries by taking the following actions:

- a) Developing countries will integrate capacity development requirements at all relevant levels — national, sub-national and sectoral. Donors will support these efforts by aligning under country leadership technical assistance with developing countries' capacity development strategies.
- b) Donors will strengthen their own capacity to deliver responsive support for capacity development; and will design technical cooperation in ways that develop local expertise by establishing mechanisms for (i) jointly selecting and managing technical co-operation to support country priorities and (ii) opening technical co-operation to sources of local and South-South expertise.

#### *We will make the use of country systems the norm rather than the exception*

14. Donors agreed in Paris to the use country-level systems to the maximum extent possible. But evidence shows that they are not currently on track to meet the agreed commitments and targets. We will significantly step-up efforts to use country systems by taking the following actions:

- a) Developing countries will strengthen country institutions and systems, working towards established international standards and best practices.
- b) At the international level, we call upon all donor agencies to use — where circumstances allow — country systems by default; and to formulate by [September 2009] policies explaining how they plan to meet the Paris Declaration commitments for using country systems in the programmes and projects they support.
- c) At country level, donors and developing countries will establish plans that allow donors to use country systems; and will use existing diagnostic tools to measure and improve the performance of country systems over time.
- d) Donors will support country-level efforts to develop capacity, strengthen country systems and will work towards removing obstacles that prevent the use of country systems. When donors continue to rely on their own systems, including on parallel implementation units, they will explain transparently their reasons.

## 2. Building Stronger, More Inclusive, Partnerships for Development

15. We are acting in a rapidly changing international aid landscape. We welcome the increasing number and diversity of donors that are joining in our efforts to combat poverty and support development. Today, our collective challenge is for all providers of development assistance – bilateral and multilateral donors, private foundations, global funds and civil society – to act in concert to support partner countries’ efforts to realise their development goals. To achieve this objective we will take the following actions:

### ***We will better coordinate aid so that it goes where it is most needed and useful***

16. Aid works best when it is coordinated and directed towards countries, regions or sectors where it is most needed and useful. Effectiveness is reduced when there are too many duplicating development initiatives. In order to improve the way aid is coordinated and allocated, we will take the following actions to improve division of labour:

- a) At the country level, developing countries will lead in determining the role of donors in supporting their own development efforts at various levels — national, regional and sectoral. Donors will respect developing countries’ priorities and preferences, avoid duplication and make best use of development resources at all levels. In doing so, donors commit to maintaining, and where possible increasing, the volume of aid they provide.
- b) At the international level, developing countries and donors will cooperate to improve allocation of aid between countries, to make sure it is going where it is most needed and respond to the challenges of reaching the MDGs.
- c) In order to help guide better allocation of aid at all levels, we call upon the Working Party on Aid Effectiveness to establish by [September 2009] good practice principles on effective division of labour.

### ***We will increase aid’s value for money***

17. We note that since the Paris Declaration was agreed in 2005, OECD-DAC donors have made progress in untying their aid. We will pursue, and accelerate, these efforts by taking the following actions:

- a) OECD-DAC donors will extend coverage of the 2001 DAC Recommendation on untying aid to non-LDC HIPC.
- b) They will promote more local and regional procurement by building on examples of good practice to help improve local firms’ capacity to compete successfully for aid funded procurement.
- c) By [September 2009], donors will elaborate individual plans to further untie their aid with the aim of untying all aid and improve their reporting on the 2001 DAC Recommendation.

### ***We welcome and will work with all development actors***

18. We welcome all sources of financing, expertise and development support including that from other bilateral and multilateral donors, South-South cooperation, the private sector, global funds. We invite all partners to collaborate in improving the way we all contribute to countries’ own development by taking the following actions:

- a) We will include and draw on the experience of all donors present at country level. We encourage all such donors and providers of South-South cooperation to use the Paris Declaration principles as a guide in designing their programmes. We recognise also that all donors can learn lessons from the flexibility and responsiveness of effective South-South cooperation.
- b) We value both vertical and horizontal approaches to development, and to scaling up to resources for development. We encourage all global funds to support country ownership, to align and harmonise their assistance pro-actively, and to make good use of mutual accountability frameworks, while continuing their emphasis on achieving results. As new global challenges emerge, donors should first ensure that existing channels for aid delivery are used before creating separate new channels that risk further fragmentation and cost.

### ***We will engage with civil society organisations***

19. We acknowledge the importance of civil society organisations (CSOs) as development actors in their own right. Their full involvement and accountability are critical to aid and development effectiveness. To this end:

- a) We will deepen our engagement with CSOs as valued partners whose contributions to development complement those of government and of the private sector, and invite CSOs to explore with us ways to maximise their value added.
- b) We invite CSOs to consider how the Paris principles of aid effectiveness can best be applied to CSOs, while acknowledging that these principles need to be understood and enriched from a CSO perspective.

c) We will work with CSOs to better understand the enabling conditions and funding models that condition CSO performance and make necessary adjustments to ensure that CSOs are able to reach their full potential in different settings.

### ***We will adapt aid policies for countries in fragile situations***

20. In the Paris Declaration, we agreed that the principles of effective aid apply also to fragile situations, but they need to be adapted to environments of weak ownership and capacity. To improve aid effectiveness in these environments, we will take the following actions:

a) At country level, donors will jointly conduct and share country-specific assessments of governance and capacity and examine the causes of conflict, fragility and insecurity.

b) At country level, donors and developing countries will agree and work to a set of realistic peace and state building objectives. This will be informed by international dialogue between partners and donors on these objectives as prerequisites for development.

c) At the country level, donors will provide demand-driven, tailored and coordinated capacity development support (preferably locally or regionally recruited) for core state functions and for early and sustained recovery. Interim measures should be appropriately sequenced and lead to sustainable capacities of local institutions.

d) Donors will work on flexible and rapid funding modalities, on a pooled basis where appropriate, to (i) bridge humanitarian, recovery and longer term development phases and (ii) support stabilisation, peace building and state building.

## **3. Delivering and Accounting For Development Results**

21. We will be judged by the impacts that our collective efforts have on the lives of poor people. This will require making much greater progress towards countries' agreed development objectives. We also recognise that greater transparency and accountability for the use of domestic as well as external development resources is a powerful driver of progress. We will pursue these efforts by taking the following actions:

### ***We will focus on delivering results that improve peoples' lives***

22. We will improve management for results by taking the following actions:

a) Developing countries will improve the quality of policy design and delivery by establishing and using information systems relevant for policy purposes including by disaggregating, where appropriate, data by sex, region and socio-economic status.

b) We will work together to develop cost-effective results management instruments to measure the impact of development policies and adjust them accordingly. In doing so, we will better coordinate and link the various sources of information, including national statistical systems, budgeting, planning and monitoring policy performance. Donors will support and invest in strengthening national statistical capacity development plans and information systems for managing aid.

c) We will remove legal or administrative impediments that prevent implementation of international commitments on aid effectiveness. Donors will delegate sufficient authority to country offices to support developing country leadership. Donors will apply internationally agreed guidance for establishing incentives to promote implementation of the Paris Declaration and will review their policies, procedures and regulations against these standards.

### ***We will be more accountable and transparent***

23. In the Paris Declaration, we agreed on the importance of making countries and donors more accountable for how all development resources are used and how results have been achieved. One of our targets was to establish mechanisms for mutual accountability in all developing countries that endorsed the Paris Declaration. According to the 2008 monitoring survey, less than a quarter of these countries currently have such mechanisms in place. To this end:

a) Developing countries and donors will establish mechanisms for mutual accountability [in all countries that endorsed the Paris Declaration]. In doing so, they will ensure that all mechanisms are led by developing countries and are guided by internationally agreed good practice.

b) We will continue to improve transparency at country level. Developing countries will support greater transparency in public financial management, including revenues, budgets, expenditures and procurement and audits to facilitate parliamentary oversight. Donors [and developing countries] will disclose regular and timely information on all their development activities so that partners can accurately budget, account systems and audit them in accordance with international standards.

c) We will make fighting corruption a top concern. Developing countries and donors will respect the principles to which they have agreed, for instance those set out in the UN Convention on Anti-Corruption. Developing countries will address corruption by improving systems of investigation, legal redress, accountability and transparency in the use of public funds. Donors agree to take steps in their own countries against individual or corporations complicit in corruption in developing countries, and to track, freeze and recover illegally acquired assets.

### ***Donors will not impose conditions***

24. In the Paris Declaration, donors agreed to draw conditions from developing countries' own development policies and to link funding to a manageable set of performance indicators. To step-up these efforts aimed at changing the nature of conditionality:

a) Donors will work with partner countries to reduce conditions to a set that are critical in achieving mutually agreed objectives and outcomes.

b) Developing countries will develop and donors will align with country-owned performance assessment frameworks. These will focus on elements critical to mutually agreed objectives and will monitor donor as well as partner country performance in meeting commitments. Donors will transparently communicate all conditions linked to disbursements to enable country monitoring.

c) At the international level, donors and developing countries will agree by [September 2009] good practices on conditionality that enhance domestic accountability and ownership.

### ***We will increase medium-term predictability of aid***

25. To enable developing countries to effectively plan, budget and monitor the results of their development programmes, we will take the following actions:

a) Developing countries will strengthen their budget planning processes for use of domestic and external resources and will improve the linkages between expenditures and results over the medium term.

b) By [2010], donors [and developing countries] will provide regular and timely information on 3-5 year estimated commitments and aid expenditure plans, and on actual aid disbursements at country level.

c) Donors [and developing countries] will explore ways and means to increase medium-term predictability and the share of aid committed on a 3-5 year basis.

## **LOOKING FORWARD**

26. We accept that the reforms suggested at Accra will require continued high-level political support, peer pressure and coordinated actions at the global, regional and other levels. We need effective mechanisms to take forward the actions we agreed today. To this end, we call upon the Working Party on Aid Effectiveness to establish by [2009] means to assess, qualitatively as well as quantitatively, our mutual progress in implementing our commitments in this Agenda for Action and to report progress being made in time for the 4<sup>th</sup> High-Level Forum on Aid Effectiveness in December 2011.

27. We renew our commitment to achieve the commitments and targets established in the Paris Declaration and to continue assessing progress in achieving them. This will require strengthened monitoring and evaluation mechanisms. In 2011, we will undertake the third and final round of monitoring that will tell us whether we have achieved the targets we agreed in Paris in 2005. We will, in addition, implement independent evaluation processes to provide a more comprehensive understanding of how increased aid effectiveness contributes to improving peoples' lives.

28. At the international level, we will strengthen existing international monitoring mechanisms to build a collaborative, complementary, and credible system of mutual accountability. We ask the Secretary-General of the United Nations to transmit the conclusions of the Third High-Level Forum on Aid Effectiveness to Financing for Development Review meeting in Doha in December 2008.