

SDC Implementation Plan of the Accra Agenda for Action (AAA), 2009 – 2011

Preamble

The 2009 Federal Council's report on Switzerland's foreign policy sets three strategic priorities with respect to Swiss development policy:

- I. To reach the Millennium Development Goals and reduce poverty*
- II. To promote human safety and reduce safety risks*
- III. To contribute to a globalisation that promotes development*

To this effect, six areas of cooperation have been identified in the report:

- I. Support poverty reduction strategies
- II. Support selected regions facing fragile statehood, conflicts and safety risks
- III. Contribution to a globalisation that promotes development, specifically in three areas: food security, climate change and migration
- IV. Financial contribution to multilateral development organisations and active participation in their steering and supervisory bodies
- V. Collaboration in Switzerland with non governmental organisations, research institutes and public-private partnerships
- VI. Coordination of Switzerland's development policy within the Federal Administration

The five principles of the Paris Declaration (PD, see below) – complemented and specified by the Accra Agenda for Action (AAA) - serve the above listed priorities defined by the Federal Council and thus are relevant to SDC as a means to enhancing aid effectiveness for development. Nevertheless, they do not constitute an additional set of goals in themselves.

SDC's reading of the PD/AAA principles

It is worthwhile recalling beforehand that SDC was committed to empowerment, accountability and what is now called democratic ownership much before the launch of the PD. It is in applying these principles that SDC has constructed its profile and reputation as a credible donor. We will carry on setting a special accent on them; it is in them that primarily lies our "comparative advantage".

Country ownership: this is an important principle to SDC; it is captured in the concept of "help for self-help" mentioned in the 2009 report on foreign policy. SDC – since the PD was issued in 2005 – has taken a consistent stand that ownership is a principle that encompasses *all* actors involved in the development of their country. It never has subscribed to equating central government ownership with country ownership, as certain donors did. Such a narrow definition is bound to raise issues of governance, legitimacy and citizenship and may run contrary to aid effectiveness. The AAA definitely contains much more helpful wording than the PD on ownership and recognises the importance of a multi-stakeholder approach, including Parliaments, Local Government and Civil Society Organisations.

On the other hand, the issue of the link with the private commercial sector remains unresolved, as is the interface with domestic fiscality and generally the mobilisation of national resources, both in the PD and the AAA. This is an area in which SDC may further invest.

Alignment: has been by and large interpreted as the use of central government systems of procurement and public finance management. This reading implicitly provides Central Government with regalian prerogatives, to the detriment of Local Government and Parliament. Alignment can not be approached simply in a technical manner; it inevitably addresses questions of legitimacy, transparency and capacity amongst national actors, starting with Central Government and its administration. There is evidence – like in Nicaragua, Mozambique, but also in Vietnam – that alignment without good enough governance does not lead to enhanced aid effectiveness.

SDC advocates for and practices an understanding of alignment that is historically rooted in the principle that beneficiaries of SDC support must be at liberty to decide on the way they organise themselves and manage their affairs, subject to transparency being ensured and a system of checks and balances being in place, combined with the necessary capacity. This is valid for all actors, be they public or private, at all tiers within a specific country.

When and where SDC is not convinced that basic necessary preconditions permitting the use of country systems exist, it appraises potentials and obstacles in particular with respect to how good enough governance standards can prevail. If sufficient scope is identified, it may support the strengthening of systems and their gradual use based on sound indicators of progress and robustness. The analysis must be differentiated: SDC may very well engage in local systems while refraining from using national ones.

With this understanding and approach, alignment can be a means of enhancing the capacities of national actors, thus contributing to sustainable development effects. Moreover, it can provide for appropriate space to jointly address issues of conducive roles distribution and understanding: what is or should be in the realm of the State (at different government tiers), of Civil Society, of the private sector; what should donors like SDC do or refrain from doing?

There may be a risk in using *national*, i.e. central country systems, in terms of de facto endorsing a government's practice and political line, which may – should a political crisis occur and governance deteriorate - run counter to the interests of the poor and of citizens in general. This is why any involvement of this nature must be combined with the ex ante elaboration of exit scenarios in case of negative developments.

Harmonisation: harmonisation per se is not a value. It makes sense to harmonise donor practices in areas about which consensus prevails as to best practices and approaches. It is important for SDC to make best use of its comparative areas of expertise and identified fields of intervention in a certain context so as to maintain an identifiable profile. In Albania or in Tanzania, this is best done by integrating a highly harmonised environment while setting accents: e.g. strengthening of local government in Albania, or health in Tanzania. In other cases, like in Georgia, SDC has not joined major donors like the EC, who accepted to heavily invest in infrastructures further to the Central government's plea. Instead, SDC carries on supporting rural development in Georgia, informally encouraged in this by others and thus maintaining a distinct profile and visibility.

Basically, SDC – like any other development agency - is faced with three options:

- I. Support promising trends, i.e. mainstream, add its resources to others'. This is a case for harmonisation.
- II. Seek and promote alternative modes or approaches that have a potential to be more effective than the mainstream. This is a case for *not* harmonising but rather seeking *complementarity* and *coordination*.
- III. Refrain from and act *against* harmonisation that serves practices or programmes not following the "do no harm" principle.

Managing for results means managing and implementing aid in a way that focuses on the desired results and uses information to improve decision-making. SDC's authorising environment and the public expect of us to more consistently identify, assess and publish results. Managing for results directly addresses capacity and efficiency in the management of aid, both on the donor and on the recipient side. This definitely is an area in which the whole aid system must improve, and SDC is committed to contribute and change its practice, as has been done already e.g. in the case of the introduction of annual results report standards.

It is not to be forgotten that we must manage for *development* results. That is, the purpose is generating poverty reduction and empowerment results.

Mutual Accountability: is a process by which two (or multiple) partners agree to be held responsible for the commitments that they have voluntarily made to each other. Mutual accountability helps build trust and partnership around shared agendas. It is supported by evidence that is collected and shared among all partners. It relies on trust and partnership around shared agendas, rather than on 'hard' sanctions for non-compliance, to encourage the behaviour change needed to meet commitments. Since Paris and Accra, both donors and partner countries are accountable for the use of development resources as well as for development results, including achievements with respect to governance, gender, environment and human rights.

Mutual accountability is a value and principle that resonates well with SDC, as we have followed since decades a strategy of promoting the empowerment of poor people, i.e. in particular ensuring that public affairs are run in an accountable and transparent manner to the benefit of citizens. For SDC, it is important to establish and foster an organic link between domestic (especially downward) accountability and mutual accountability at the national and international level. Aid is not neutral with respect to domestic accountability and the "do no harm" principle is to be applied.

Regarding information on aid flows, SDC has joined the International Aid Transparency Initiative, as a sign of its readiness to take the measures that will permit to enhance the predictability and transparency of its aid.

Guiding principles

The present SDC implementation plan is based on the "**Swiss Policy Statement regarding the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action**" approved by the SDC Board of Directors on 28 September, 2009. Principles to be applied are:

- Be country- and context-specific
- Aid effectiveness must serve development effectiveness
- Aim at development results, which are to be measured by SDC partners
- Seek the inclusion of all actors and stakeholders in the planning, implementation and assessment of results. Promote the voice of the poor, who must benefit from aid programmes
- Act and communicate in an open way as regards limitations and potentials of AAA implementation
- Be lean, economical and goal oriented in AAA implementation

Priorities

SDC (Switzerland) has committed late 2008 – in conformity with the AAA - to take specific action as regards:

- **the use of country systems**
- **conditionality**
- **predictability**

Moreover, SDC intends to take systematic action towards promoting:

- **democratic inclusive ownership** through multi stakeholder approaches
- **deconcentration, decentralisation** and the empowerment of **local government bodies**
- domestic and mutual **accountability**
- **Capacity Development** of all stakeholders for citizenship, democratic governance, voice and participation of all in partner countries' development processes

Implementation

Implementation is to be guided by **SDC's own reading of the PD/AAA**, with a view to enhance SDC's profile and visibility, in conformity with the priorities set by the Federal Council.

Implementation primarily lies with SDC line departments. Instruments (e.g. PCM) and procedures put in place by the SDC decentralisation process are to incorporate the present plan. The SDC Focal Point, Aid Effectiveness and the SDC aid effectiveness network will support, accompany and monitor implementation, in interaction with line departments. Where appropriate, elements of the implementation plan will be introduced into the work plan of specific SDC units. ***A review of progress achieved is to take place ahead of Seoul HLF-4 in 2011.***

<p>PREDICTABILITY</p> <p>Provide full and timely information on annual commitments and actual disbursements as well as on rolling expenditure and/or implementation plans (Figures are tentative when and where parliamentary approval is pending in Switzerland)</p> <ul style="list-style-type: none"> I. Publish indicative country-wise budget figures according to country support strategies and annual updates (programme- and sector-wise) II. International Aid Transparency Initiative (IATI): integrate standards into SDC systems and practice 	<p>Operat. Divisions and Statistics</p> <p>Statistics / FP, AE</p>	<p>AE net</p>	<p>Asap</p> <p>Introduced by 06/10</p> <p>Ongoing, by 06/11</p>
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DEMOCRATIC INCLUSIVE OWNERSHIP AND ACCOUNTABILITY			
a. Identify SDC and others' good practices as regards multi stakeholder approaches; mainstream	AE net / Operat. Divisions / COOFs	WP-EFF Cluster A Alliance Sud	By 02/10
b. Wherever relevant and feasible, systematically support inclusion of all stakeholders, in particular CSOs, Parliaments, Local Government Bodies and media	Operat. Divisions / COOFs	AE net	Immediate
c. Establish modus operandi on joint engagement with interested Swiss NGOs-COOFs. Launch pilots	Institutional Partnerships	AE net Alliance Sud et al.	By 06/10
d. Promote South-South NGO cooperation and mutual learning on broad-based ownership and accountability. Experiment with a few test cases	Operat. Divisions / COOFs	AE net	Test cases by 06/10
e. Advocate democratic inclusive ownership and accountability through the coordination of WP-EFF Cluster A on Ownership & Accountability	FP, AE		Ongoing
f. Support the Open Forum for CSO Development Effectiveness process towards a CSO chart on effectiveness launched by the international CSO Community in Accra	Institutional Partnerships	AE net Alliance Sud	Agreement by 12/09
g. Engage in programmes that promote deconcentration and decentralisation	Operat. Divisions / COOFs	AE net	immediate
h. Promote accountability and transparency at the local level	Operat. Divisions / COOFs	AE net	immediate
i. In fragile contexts, promote and apply "do no harm" and conflict sensitive approaches	Operat. Divisions / COOFs	AE net	immediate
j. Enable local Civil Society Organisations and the private sector as development actors in their own right	Operat. Divisions / COOFs	AE net	immediate

<p>CAPACITY DEVELOPMENT (CD)</p> <ul style="list-style-type: none"> I. Address systemic impediments to local capacity development II. Integrate into SDC supported programmes CD measures that enhance their effectiveness and sustainability. Capacity and skills development support based on needs assessment outcome and demand. Demand driven CD to be standard within SDC. III. Promote and support MfDR (Managing for Development Results) principles and instruments, through simple and just on time management of information IV. Ensure integration of capacity development priorities in national, sector and thematic strategies V. Systematically apply subsidiarity principle (local-national-regional-international providers of support); clarify / negotiate effective roles understanding and distribution VI. Make SST (South-South and Triangular Cooperation) an option, wherever scope is identified and SDC can be associated in a constructive way 	<p>Operat. Divisions / COOFs</p>	<p>AE net Alliance Sud et al.</p>	<p>Immediate Progress to be reflected in Country Annual reports</p>
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