



Commonwealth Workshop on United Nations Development Cooperation Forum (UNDCF)

(Facilitated by ODI)

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SUMMARY REPORT

UNDCF: Its Objectives and Evolving Role

1. Background

Last year marked the mid-point for the MDGs with clear evidence that in many countries, particularly in sub-Saharan Africa, these key anti-poverty targets are unlikely to be reached without significantly increased investment. However, in addition to the volume of resources there is a question about the effectiveness of the systems through which aid is delivered. The structure of development cooperation – and within it the aid architecture - is overly complex and elements of the development cooperation system, particularly the more powerful institutions, lack inclusive governance mechanisms or adequate processes for engaging a broad range of stakeholders. The need for a functioning system of development cooperation is all the greater at a time when the world faces a series of threats which threaten to roll back the limited progress on the MDGs. In the light of all these concerns and recognising the importance of system reform; the Commonwealth has put improved effectiveness of the international development architecture high on its agenda.

Integral to the Commonwealth's efforts to improving the international development architecture is its commitment to promote an effective United Nations Development Cooperation Forum (UNDCF). To that end the Commonwealth Secretariat organised a workshop for the Commonwealth delegations to the UN in New York in order to:

- Sensitise delegates to the UNDCF;
- Provide a forum for deliberating how to strengthen the UNDCF;
- Explore how to strengthen links between the DAC and UNDCF; and
- Discuss the potential role of the Commonwealth in strengthening the UNDCF.

This brief report summarises the presentations and proceedings for the benefit of all Commonwealth members. This summary is not an agreed position of the

Commonwealth, but the information should assist members in their consideration of the issues in the run up to the June meeting. Section 2 provides an overview of the development and structure of UNDCF, section 3 examines the opportunities, risks and strengths of the Forum. Section 4 takes this discussion to explore the comparative advantage of the Forum before outlining the potential roles it could play. Finally, section 5 briefly discusses the role that the Commonwealth could play in relation to the establishment of the UNDCF.

Two papers were prepared to the participants at the workshop. A background paper written by the Overseas Development Institute on which the majority of the key presentations were prepared, and a response to this paper prepared by the South Centre. The key presentations to the workshop are also available from Simon Burall from the Overseas Development Institute (s.burall@odi.org.uk).

2. Overview of the UNDCF

The UNDCF emerged from the report of the UN Panel on Threats, Challenges and Change. The UN Summit in 2005 first outlined its role¹, presenting the UNDCF as strengthening the role of ECOSOC. In 2007, the GA provided further detail on the activities the UNDCF should carry-out². It is these two resolutions which form the mandate of the Forum. After a preliminary meeting of the UNDCF held in Geneva in 2006, two workshops for technical experts have been held in Vienna and Cairo. There is an upcoming workshop for key stakeholders in June 2008. The DCF itself takes place at the end of the same month.

This year's UNDCF forms part of a string of events happening through-out the year. The third High-Level Forum on Aid Effectiveness, which is part of the follow-up process to the Paris Declaration, takes place in September, followed by the High-Level Meeting on the MDGs at the UN in New York at the end of the same month, followed finally by the next Financing for Development Conference (FfD) in Doha in November. As a result of a division of labour between the UNDCF and FfD, this year's Forum will focus on aid issues.

The Analytical Report from the Secretary General will inform the discussions of participants at the UNDCF. The UNDCF will be structured in such a way as to reduce the number of political statements to a minimum and to maximise the dialogue among participants. The outcome of the Forum will not be a prepared statement, though language relating to the UNDCF will be part of the Ministerial Declaration from the ECOSOC Annual Ministerial Review. Instead, there will be a President's summary of proceedings which is published.

3. Opportunities, Risks and Strengths of the UNDCF

It was noted that the current development cooperation system is complex and there is considerable duplication in activities between different organisations. There are a number of different roles being carried out by the organisations in the system. These roles were characterised under three broad headings; development goals, south-south cooperation, and financing for aid.

¹ General Assembly (GA) Resolution A/Res/60/1 (October 2005)

² GA Resolution A/Res/61/16 (January 2007)

A critical concern for the UNDCF is that it finds its own niche in the development system which strengthens the system and gives the forum credibility. This will mean avoiding duplication and building on the forum's potential strengths.

A central point in discussions was a concern that it should be recognised that the UNDCF should cover the full range of development cooperation issues and avoid being exclusively concerned with aid issues and issues of accountability within the aid system. During the discussions, a range of potential roles were suggested by individual participants for the Forum. These were that it could:

- Discuss relevant emerging issues in addition to focusing on specific aspects of the system;
- Act as an ad hoc mechanism mandated to respond to and discuss emerging crises;
- Develop an international compact for infrastructure development. Although UNIDO does some work in this area, it is not in a system-wide fashion;
- Develop an international framework on transfer of technology. Despite some elements of the architecture being present, WIPO for example, there is nothing related to development;
- Focus on MDG Assessment. Despite the international system for assessing the MDGs, there are still gaps at the national level and at the level of the indicators being used;
- Focus specifically on assessment of MDG 8, which is not being assessed elsewhere in the system;
- Focus on building the link between the UN's normative and operational roles;
- Provide a space in which understanding between partners can be built;
- Pilot projects; and
- Work on financing for infrastructure

The discussion primarily focused on the role the Forum might play in relation to the accountability of different actors in the development cooperation system in recognition of what one of the participants called 'the implementation deficit', MDG 8 was cited by a number of participants as a critical area where commitments needed to be turned into action, but that there was no mechanism to build traction. The UNDCF might have a role to play in this.

Subsequent sessions were designed so that participants could build consensus about the strengths of the UNDCF as a way of building an understanding about which of these roles the Forum might be best placed to play.

4. The Comparative Advantage of the UNDCF; defining a role for the Forum

It was noted that the UNDCF the key potential strength is its legitimacy derived from its widespread membership. However, addressing the democratic deficit in international development cooperation would require the new Forum to be **effective** in influencing the governance structures of development cooperation. To be truly effective in supporting a more legitimate system, the Forum would need to demonstrate three types of legitimacy:

- Input legitimacy, which is related to the extent to which all relevant stakeholders are able to participate;
- Throughput legitimacy, which is related to the quality – both technical and in terms of the people round the table – of the discussions; and
- Output legitimacy, which is related to the efficiency and effectiveness of the Forum.

It was proposed that all three are needed for the UNDCF to influence the international system. However, research shows there are clear tradeoffs through the inclusiveness which provide input legitimacy, and the ability to achieve throughput and output legitimacy. This is the central policy challenge for the DCF. The greatest risk is that the hopes invested in the forum encourage its participants to use it to attempt to make-up for all of the failings in the system. This is not possible. With limited resources and capacity the risk is that by trying to do too much will necessarily reduce the technical depth to which it is able to explore each issue. This in turn undermines its throughput legitimacy. It was suggested by the presenters that one approach would be to narrow focus in its early years. This will help it to produce better quality outputs, promote credibility for the forum as a whole and strengthen the quality of participation in the forum. All this could strengthen the Forum's ability to have impact on the system as a whole.

A broad role, at an early stage, would also risk that the UNDCF will duplicate the work of other bodies. Such duplication could undermine the prospect of key people attending, and further stretch the limited capacity of Southern actors. This suggests that the DCF will need to play to its comparative advantages, and be aware of its comparative *disadvantages*.

| Comparative Advantages | Comparative Disadvantages |
|--|--|
| <ul style="list-style-type: none"> • Political legitimacy; • Scope for systemic change; • Continuity as an institution; and • Placement within ECOSOC which is responsible for UN coordination | <ul style="list-style-type: none"> • No proven track record in analysis and influence • Constraints on quality of deliberation due to size • Not conducive to a mutual accountability forum |

The theme of the comparative advantage of the UNDCF was picked up during the discussion. A key concern was that the Forum should be able to generate political will for change in Northern countries. It was acknowledged that this would require the right people to attend the Forum; they should be high-level if the political commitment was to be obtained. Bringing people from across different ministries could be one way to break-out of a sterile discussion into something more fruitful.

Another risk that the UNDCF faces is a divergence in the central concerns of donor and developing countries. Donors tend to focus on the internal constraints to poverty reduction; focusing on governance as a code for economic management. In contrast, developing countries tend to focus on the external constraints as the main impediments; trade barriers and falling ODA. Arguably, the essence of development cooperation lies in bridging this divide, and without consensus on the sorts of actions

that are needed mutually, then discussions in the Forum are unlikely to have significant impact. The challenge will be in identifying an area of consensus about the need for change which also has the potential for generating systemic change, otherwise the Forum could be reduced to a talking shop.

It was noted that as a regular not one off event continuity was a potential key strength. This could allow it to develop significant knowledge and impact in a focused area. But equally meeting only biennially – consistent with its mandate – might weaken this continuity. The period between meetings might be reviewed in the light of the role the UNDCF tries to take on.

A very useful presentation was then made summarising the process leading up to the third High-Level Forum on Aid Effectiveness taking place in Accra in September. It also explored the relationship between the UNDCF and the OECD Development Assistance Committee (DAC) – see presentation 4a in Annex 1 for more detail.

In drawing the threads of the discussions together, the following were the insights which the group felt they had gained.

The UNDCF could play a role in supporting accountability for a range of commitments including the MDGs, financing for development and mutual accountability. In doing so it would play to its strengths and maximise the chances of it making an impact at the systemic level.

Two different types of role were presented.

- The first would be to attempt to hold the different actors to account for their progress in achieving the different MDGs, particularly though not exclusively MDG 8.
- The second would be to start off by assessing the current system of monitoring and building political will around how to improve the system as a way of putting increased pressure on the different actors to reform.

There appeared to be consensus amongst the participants that this second role better suits the comparative advantages of the UNDCF and that its inclusiveness prevents it being a Forum where the different actors themselves can be held to account. However, there remained a general view amongst participants that there were questions about how the international system pursued MDG8.

A series of activities were proposed which the UNDCF could carry-out in relation to assessing the strengths and weaknesses of the current monitoring system including identifying constraints to gaining sufficient political traction to catalyse behaviour change. Emphasis was placed on the ‘political’ nature of the role and for the UNDCF to act as an ‘assessor’ of systemic weaknesses of causes of the implementation deficit. Sitting at the macro level and will help the Forum to look across the system and identify obstacles to true normative change. Activities the UNDCF could play in this role included:

- Commissioning independent research and analysis
- Preparing biennial reports reviewing the quality of different accountability mechanisms

- Assessing the degree to which the accountability system is getting stronger over time
- Identifying gaps in the accountability system
- Proposing policy recommendations to strengthen individual mechanisms or the system

5. *The Role of the Commonwealth in Relation to the UNDCF*

The prime purpose of the workshop was to equip participants for the immediately coming meeting of the UNDCF. However, the following conclusions for Commonwealth activity on the development architecture emerged:

- In relation to the **DCF**, the activities of the Commonwealth should be reviewed in the light of the outcome of the June meeting. Further work could reflect the input of Commonwealth participants in that meeting.
- In relation to **mutual accountability**, it was noted that the Commonwealth was committed to 'over achieving' against the targets in the Paris Declaration and annual monitoring of progress is undertaken by Finance Ministers. There is appetite for finding similar areas in which the Commonwealth might have

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³ This summary of proceedings was prepared by the authors of the paper presented to the workshop. They can be contacted at s.burall@odi.org.uk and suefgraves@gmail.com