

# The Reality of Aid

An Independent Review of Poverty Reduction and Development Assistance

The Reality of Aid Network - Global eNewsletter

Apr-Sep 2017

## CONTENTS

Global Updates	1
Asia-Pacific	3
Africa	4
Latin America and the Caribbean	5
European OECD	6
Non-European OECD	7

## DAC-CSO Reference Group holds strategy meeting amidst ongoing reform processes



On 14-15 September 2017, almost 50 CSO delegates from all over the world gathered in Paris. The meeting aimed to build a broad coalition interested in engagement with the DAC; to explore shared advocacy priorities; to dialogue with senior DAC stakeholders; and to plan how best to engage collectively with the DAC going forward.

A very diverse group of CSOs attended the meeting: those from the South (Africa, Asia, Latin America and the Pacific) and the North (Europe and North America); those with many years' experience working on the DAC and those who were newly engaging; and those representing groups working on women's rights, indigenous peoples' and migrants' rights, and trade unions, among others.

The discussions first highlighted the challenging context: chronic failure to meet UN targets on ODA volumes; a consensus-based decision making process beset by both technical complexity and political sensitivity; and an evolving development finance landscape in which the DAC's very legitimacy and relevance is sometimes called into question. However, panelists pointed out that these challenges also create an opportunity for greater CSO engagement with the DAC since, without meaningful dialogue with CSOs, the DAC's accountability will be in even greater jeopardy.

CSO participants looked in depth at several substantive areas that they had identified as immediate priorities for advocacy. First, the DAC's reform process presents opportunities to advance key CSO asks on transparency, accountability, and aid impact. Next, on-going reforms to the ODA definition (including Private Sector Instruments, In-Donor Refugee Costs and Peace and Security) risk diluting the quality of ODA - and perhaps even putting

its very credibility under threat: these risks require robust CSO responses. Finally, the new statistical metric, Total Official Support for Sustainable Development, presents opportunities (e.g. improved transparency) and also risks (e.g. shifting incentives and attention away from increasing ODA).

The CSO participants had a meeting with the DAC Chair and the DCD Director, which centered around the Chair's and DCD Director's visions as to the DAC's future role in the context of the SDGs and the changing development cooperation landscape. Focus areas included: fostering development impact; mobilisation of resources (including TOSSD and the role of the private sector); outreach beyond the DAC (including CSOs and southern governments); increasing accountability within the DAC; and the challenges facing countries graduating from the list of ODA-recipient countries (the MICs trap). There was also a short discussion on the Chair and DCD Director's views on the best ways for CSOs to engage in policy dialogue with donors.

There was also a meeting between CSOs and some DAC delegates. The panel comprised the delegates from Australia; Canada; Ireland; the Netherlands; the UK; and the US. The discussion began with insights into the delegates'

roles: the different activities and platforms that they engage in (e.g. subsidiary bodies of the DAC, peer review); the decision making process, the interplay between delegates and colleagues in capitals, and the significant impact of DAC decisions on members' aid policies. We then moved on to hear delegates' views on major DAC agenda items - including the proposal for greater CSO engagement (with a particular focus on Southern engagement); the current ODA reforms, and the appetite within the DAC to embark on additional reforms after this round concludes.

There is now a unique window of opportunity to establish better engagement between the DAC and CSOs. At the meeting, DAC representatives expressed strong willingness for a more structured and regular dialogue to take place, and CSOs in the room showed appetite to step up their advocacy efforts towards the DAC, building on the work that they have already done and the collective expertise of their diverse group.

In the immediate future, CSO participants also agreed on next steps to coordinate CSO engagement and media work around the DAC's High Level Meeting on 30-31 October - a critical opportunity to capitalise on the coalition's diversity and energy, and to call on the DAC to ensure the priorities of the poorest are driving its work.

## Reality of Aid Network holds 2017 Global Assembly in Paris, France



The Reality of Aid Network holds a Global Assembly for RoA members once in its two-year Report cycle. Its purpose is to engage members to debate key issues for the theme of the upcoming Global Report and to share national and regional experiences with other RoA members. It seeks interchange on crucial issues and builds capacities and ownership for common key messages to be developed in the Report.

The 2017 Global Assembly, held on 13 September 2017 in Paris, is a space to discuss emerging challenges and opportunities amidst global developments that threaten the integrity of development aid. It aimed to discuss and elaborate potential themes for the 2018 Global Report,

provide inputs for the theme statement that will guide the content of the Report, share country and regional experience among members, and provide information on the logistics of the Report.

Participants examined trends, practices and areas in the development cooperation that need the attention of civil society. The potential themes for the 2018 Report are: development assistance and climate financing; security, peace and development; and aid and private instruments.

Participants were divided into breakout groups for each theme to discuss which theme should be chosen. However, at the end of the day, they all came to a resolution to incorporate all themes into one topic, which is on the issue of the changing face of ODA. The next RoA Report will delve on how the integrity of ODA (focus on poverty reduction) is being compromised due to conflation with climate finance, private sector in development, and militarized forms of aid.

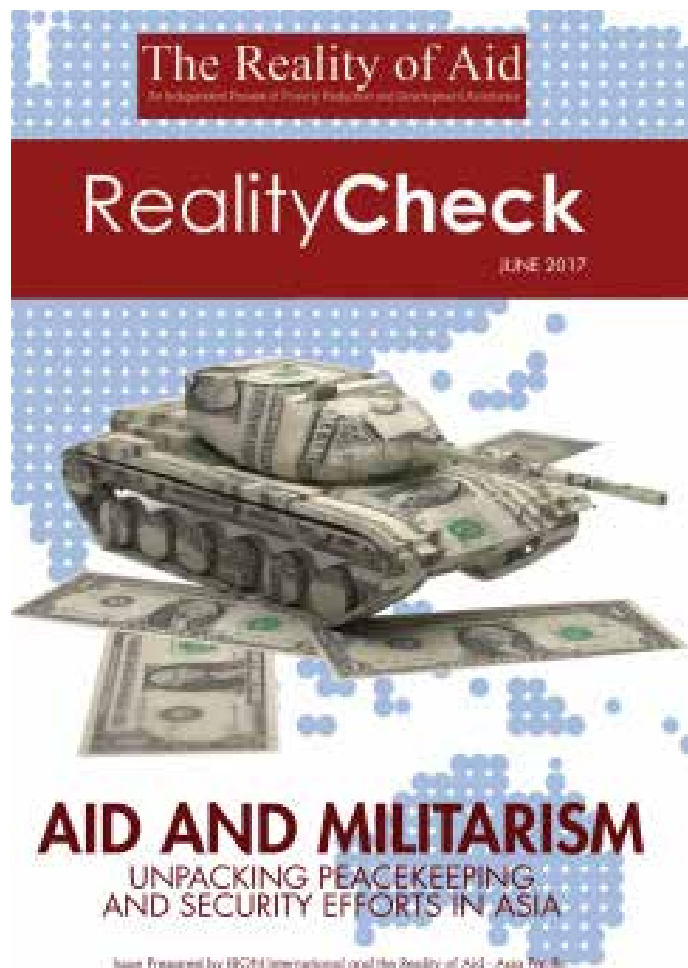
The RoA Assembly ended with the synthesis and the discussion on the logistics of the report. ROA will publish the Global Report by the 4th quarter of 2018.

### RoA Asia-Pacific discusses militarization of aid in new Reality Check issue

Reality of Aid Asia Pacific published the Reality Check on Aid and Militarism: Unpacking Peacekeeping and Security Efforts in Asia in June. This Reality Check aims to contribute to strengthening and popularizing the discourse on militarization of ODA in Asia Pacific. Through unique perspectives from CSOs in the region, this issue discusses the changing mandates of ODA and how it is being diverted from poverty reduction to foreign policy priorities and global security interests of donor countries.

This issue consists of contributions from Aid Watch Palestine, IBON International, and People's Solidarity for Participatory Democracy.

The Reality Check is already available for download on the Reality of Aid website at [http://www.realityofaid.org/reality\\_check/reality-check-june-2017-aid-and-militarism-unpacking-peacekeeping-and-security-efforts-in-asia/](http://www.realityofaid.org/reality_check/reality-check-june-2017-aid-and-militarism-unpacking-peacekeeping-and-security-efforts-in-asia/) or contact Yodhim Dela Rosa at [ydelarosa@realityofaid.org](mailto:ydelarosa@realityofaid.org) to request for printed copies of the issue.



### RoA Asia-Pacific launches the 2016 RoA Report alongside ADB 50th anniversary in Yokohama



Technical cooperation remains one of the most heavily used forms of aid. However, to date, it seems that technical cooperation remains largely insulated from donors' efforts to improve the quality and effectiveness of aid, largely ignoring the principles of democratic ownership and partnership.

Continuing the network's efforts in increasing awareness on technical cooperation issues, ROA Asia-Pacific held a country launch of the 2016 *Reality of Aid Report on Technical Cooperation as an Aid Modality: Demand-led or donor-driven?* on 6 May 2017 at the Pacifico Yokohama Hotel in Yokohama, Japan. RoA members from the region and other CSOs attended the event, which was held in time for the 50th ADB Anniversary Meeting that is also being held in Yokohama.

## RoA Africa participates in the Inclusive Partnerships Multistakeholder Validation/Workshop in Cameroon

The High-Level Busan Forum on Aid Effectiveness (HLF-4) was crucial in consolidating the principle of inclusion as a central element of effective cooperation for development. The Busan Partnership document specifically highlighted a set of common principles for all development actors that are essential to ensuring effective development cooperation, namely: (i) ownership of Development priorities by developing countries, (ii) results orientation, (iii) inclusive development partnerships, and (iv) transparency and accountability.

The principle of inclusive partnerships emphasizes that development depends on the participation of all actors and recognizes the diversity and complementarity of their functions. This is a key principle that guarantees equal access and participation, and the meaningful inclusion of the voice of the people in the development agenda. It unites all the other commitments outlined in the Busan Partnership and opens up new roads to development effectiveness.

Inclusive development is today a key commitment of the Global Partnership for Effective Cooperation for Development. It aims to ensure that development programs and policies are designed to benefit all through a human rights-based approach that involves all relevant actors in development.

Cameroon has participated in the development effectiveness process and is committed to the Busan principles that guide effective development cooperation in general and the development of inclusive partnerships in particular. In order to strengthen the contribution of each family of development actors to the achievement of sustainable development goals, Cameroonian civil society through the Collective of NGO for Food Security and Rural Development (COSADER) carried out, with the support of Reality Of Aid Africa Network / CPDE, the inclusive partnerships Cameroon monitoring. This study is a contribution of civil society to improving access to basic services, inclusive local economic development and better management of national resources

Ensuring inclusion suggests that the policies and practices of each stakeholder group (government, PTF, private sector, non-state actors, local elected representatives, etc.)

should reflect an understanding and respect for distinct roles, Priorities and approaches, so that all stakeholders can maximize their contribution to development. It is within the framework of sharing of knowledge and experiences in order to reinforce the mobilization of the various stakeholders of the development in partnerships for the development open to all that COSADER organizes this inclusive partnerships multistakeholder validation workshop Which aims to collect the different types of partnerships developed in Cameroon, as well as the interaction of the various actors in these partnerships.

### *Objectives*

The workshop aims to improve the results of the Cameroon inclusive partnerships monitoring conducted by COSADER.

Specifically,

- To present the results of the Cameroon inclusive partnerships monitoring to the different development stakeholders (government, TFP, private sector, non-state actors, local elected representatives, etc.);
- To brainstorm among the different stakeholders with a view to strengthening inclusive partnerships in Cameroon;
- To make recommendations from which actions and guidelines will emerge to improve the implementation and results of inclusive partnerships in Cameroon.

### *Results*

- The various stakeholders took ownership of the results of the Cameroon inclusive partnerships monitoring and made their contributions and amendments;
- The forms of collaboration to be considered and the actions to be taken towards an effective, efficient, fair and lasting inclusive partnership are analyzed;
- Recommendations for the improvement of an inclusive development partnership are formulated.

### *Participants*

- Representatives of the Government (MINEPAT, MINADER, MINSANTE, MINEPIA, MINJEUN, MINPROFF MINREX, etc.)
- Representatives of the Donors (European Union, GIZ, S-CAC/France, ADB, WB, JAPAN etc.)
- Private sector (GICAM, ECAM, MECAM, Patronat Féminin

du Cameroun(PAFEC,) Cameroon Women Business Leader  
• CSO representatives (youth, human rights, public policy monitoring, etc.)  
• Media (audio-visual, line, online, etc.)

### Methodology

The workshop is highly participatory, characterized by presentations in plenary, followed by questions and answers, experiences sharing and work in syndicates groups.

Around thirty (30) participants took part in this workshop, which took place on 9 May 2017 at the Yaoundé-TOU'NGOU hotel from 9:00am.

Link to original article: <http://roafrica.org/index.php/media-center/news-features/item/233-inclusive-partnerships-multistakeholder-validation-workshop-in-cameroon>

## Latin America and the Caribbean

### On Debt: How are we in Latin America?

Originally posted on [Latindadd.org](http://Latindadd.org)

Public and private external indebtedness in the region amounts to approximately US \$ 1.6 billion.

At present, public external debt and private external debt in Latin America amount to approximately US \$ 1.6 billion, or almost 40% of average GDP; with a trend towards increasing indebtedness.

Public debt and private sector levels have increased in the world, reaching their highest point in 2015 at US \$ 153 billion, equivalent to 225% of GDP, according to the IMF's 2016 fiscal report, of which two third parties correspond to private sector debt.

\*Access the report (in Spanish) at the following link: [http://www.latindadd.org/wp-content/uploads/2017/08/Otra\\_vez\\_la\\_deuda.pdf](http://www.latindadd.org/wp-content/uploads/2017/08/Otra_vez_la_deuda.pdf)

At the beginning of the 1980s, public external debt reached almost US \$ 328 billion, exceeding 90% of GDP in the region, mainly due to repeated increases in interest rates, which led many music

The exit of many countries to this crisis was to sign agreements with international organizations such as the International Monetary Fund (IMF) and the World Bank (WB) to obtain credits that allowed payment of the debt, and to be subscribed to structural adjustment plans that led to profound economic and social impacts, such as the privatization of state-owned enterprises, cuts in public services, and more.

These data and analyzes are collected in "Debt Again. Risks of indebtedness in Latin America," a report prepared by Patricia Miranda (Jubilee Foundation - Bolivia), which is part of the Political Papers series edited by the Latin American



Network on Debt, Development and Rights (Latindadd), where the network expresses its vision and analysis on the issues it works, while containing policy recommendations at the national and global levels.

#### THREATS OF DEBT

The main threat is the absence of criteria to measure how close countries are to a problem of over-indebtedness, inability to pay, and the social impacts of debt.

Also, it is striking to know the destination of funds obtained through debt, since there is a tendency to finance infrastructure works with these mechanisms, and may cause socio-environmental impacts and in some cases the violation of human rights, as with megaprojects of IIRSA and COSIPLAN.

As Latindadd, we envisaged the creation of an international arbitration tribunal to serve as an instrument that could contribute to sovereign debt resolution processes, such as audits, to avoid vulture funds.

We believe that it is necessary to have sustainability criteria that reflect the new debt context in an aggregate way, as an instrument to prevent the risk of over-indebtedness

Link to original article: <http://www.latindadd.org/2017/08/02/otra-vez-la-deuda-como-estamos-en-america-latina/>

# “Financial globalization does not show a responsibility for the next generations”



Originally posted on [Latindadd.org](http://Latindadd.org)

“Financial globalization, which is based on speculation and concentration of wealth in a few hands, does not show a responsibility for the next generations”

Patricia Miranda is a member of the Civil Steering Committee20 and works for the Bolivian NGO Fundación Jubileo, member of Latindadd (Latin American Network on Debt, Development and Rights). In this interview he warns about the reduction of space for civil society organizations and about the increasing violations of economic, social and cultural rights. Speaking about the C20 summit, he stressed that civil society organizations would remind the

G20 of its role and the various alternatives that effectively contribute to the 2030 Program.

Question: The globalization model of recent years is obviously massive inequality and destruction of the environment. What problems do civil society organizations face in the world? And how can they influence global policy to achieve sustainable development at the global level?

Patricia Miranda: “The neoliberal model of globalization - which has caused a deep, structural and systemic crisis - has been exhausted. Financial globalization, which is based on speculation and the concentration of wealth in a few hands, does not reflect policies that prioritize the eradication of poverty and inequality, nor a responsibility for the next generations.

Read the full interview at this link: <http://venro.org/index.php?id=1813>

Link to original article: <http://www.latindadd.org/2017/06/26/la-globalizacion-financiera-no-muestra-una-responsabilidad-para-las-proximas-generaciones/>

## European OECD

# Can official development assistance be reformed to help the poorest countries?

Originally posted on [blogs.oxfam.org](http://blogs.oxfam.org)

The rules defining official development assistance, a key poverty reduction tool, are currently being revised by the OECD. But if governments and citizens from the South are not consulted more, this reform is likely to be in their detriment.

The Organisation for Economic Co-operation and Development (OECD) is currently revising the rules defining what can be counted as official development assistance (ODA), which is a key poverty reduction tool. If this reform is not combined with the required criteria and safeguards – established in consultation with governments and citizens in the South – it is likely to be to the detriment of the poorest.

Read the full blog here: <https://blogs.oxfam.org/en/blogs/17-04-21-can-official-development-assistance-be-reformed-help-poorest-countries>



Photo credit: [blogs.oxfam.org](http://blogs.oxfam.org)

# Unravelling Tied Aid: Why aid must never be tied to donor country companies at the expense of women and men living in poverty

Originally posted on Eurodad.org

Tied aid – aid that can only be used to buy goods or services from the country providing the aid – puts donors' commercial priorities before the priorities of women and men living in poverty.

In general, tied aid costs more than untied aid. Tied aid is thought to increase costs by 15-30% for many goods and services - more still in the case of food aid. Not only are the costs of tied aid higher; the quality of goods and services can often be lower, because they are less well suited to local contexts and preferences (Section 2.1). So on average every dollar of tied aid goes less far than a dollar of untied aid, robbing people in poverty of essential goods and services that would have been perfectly affordable if the aid was spent a different way.

Tied aid also holds back the long-term development of communities in the South, depriving them of the chance to make their own purchasing decisions that fit their own priorities. Specifically, tying aid means foreclosing the possibility of procuring locally – even though local procurement has the potential to create a 'double dividend':

not only delivering project results, but also building up a stronger local economy for the future.

Yet despite donor agreements on untying, tied aid continues to make up a significant share of bilateral aid - a share that is likely to grow further unless current commercial and political pressures are resisted.



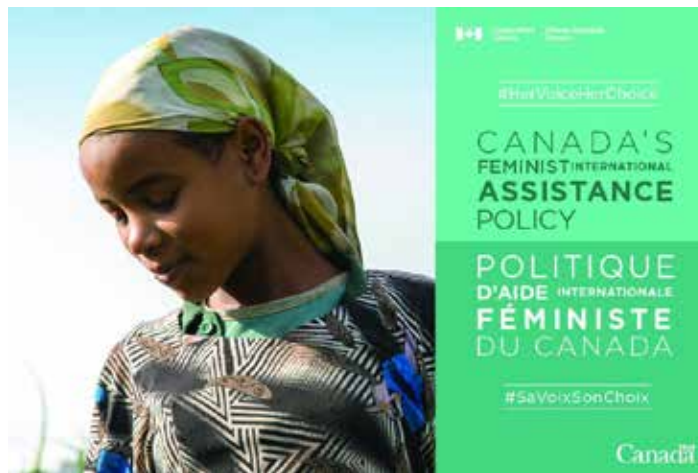
Download the full report here: <http://www.eurodad.org/files/pdf/1546810-unravelling-tied-aid.pdf>

## Non-European OECD

### CCIC Analyzes Canada's FIAP

Originally posted on CCIC.ca

In late August, CCIC released its analysis of Canada's Feminist International Assistance Policy (FIAP). This document builds on CCIC's work during the International Assistance Review (IAR) last year, including its formal submission, as well as the submissions CCIC members and other civil society organizations made to the government.



The paper applauds the important commitments contained in the new policy – most notably an encouraging and positive shift forward towards gender transformative change. The analysis also notes continued challenges in terms of substance, process, and funding that CCIC believes will need to be addressed as the new policy is implemented.

This policy paper provides a short overview of the key elements in the new FIAP, situates the policy within the broader context of the government's foreign policy statement and new defence policy, and analyses the FIAP both independently and comparatively.

View full document here: [http://ccic.ca/resources/IAP\\_Analysis.pdf](http://ccic.ca/resources/IAP_Analysis.pdf)

Link to original article: <http://mailchi.mp/ccic.ca/flash-june-july-1393865?e=2a3ad94356>

# When it comes to aid, Canada is back – far back

Originally posted on CCIC.ca

CCIC CCCI  
CANADIAN COOPERATION TO END GLOBAL POVERTY  
ENSEMBLE POUR ÉLIMINER LA POUVRETÉ DANS LE MONDE

BRINGING CANADA BACK IN GLOBAL DEVELOPMENT  
BRIEF  
JANUARY 2017<sup>1</sup>

**ISSUE:** Official Development Assistance (ODA) is one essential way in which Canada contributes to building a better world. This brief outlines some priority opportunities where Budget 2017 can make meaningful and practical contributions to Canadian and global objectives in the areas of global development and humanitarian assistance – working in collaboration with all development actors to improve the effectiveness of Canada’s development cooperation. This brief touches upon five areas where we can do this: through a ten-year timetable for increasing our ODA; greater transparency over spending; a strong focus on the poorest and most marginalized, in particular women and girls; a humanitarian response commensurate with growing needs; and a commitment to new and additional climate finance.

**INTRODUCTION**

Canadians care. Whether in response to the Syrian refugee crisis or the threat of catastrophic climate change, Canadians are and wish to be generous, constructive, and cooperative global players and leaders. In [poll](#) after [poll](#), Canadians want their country – and their government – to help build a fairer, more sustainable, and safer world by making development cooperation a priority in Canada’s foreign policy.

There is no clearer way of doing so than through sustained and predictable annual increases to our official development assistance (ODA). ODA is a key metric of global engagement, and allows Canada to support effective global development cooperation and humanitarian responses in developing countries through smart, strategic and impactful investments, working in collaboration with all development actors including civil society organizations. By ensuring Canada’s ODA reaches those in greatest need, in particular women and children, the government can support an inclusive and sustainable development agenda, and – as noted in the Minister of International Development’s

<sup>1</sup> An earlier version of this brief was submitted to the House of Commons Standing Committee on Finance as CCIC’s submission to consultations on Budget 2017.

After a year of consultations during the International Assistance Review (IAR), and heightened expectations, the absence of a costed funding framework in Budget 2017 for implementing the IAR and no new increases to the Canadian international assistance envelope (IAE) – the principal source of programmable aid – is deeply disappointing. Looking forward, CCIC estimates that Official Development Assistance (ODA) in 2016-17 will be roughly \$5.67 billion (or 0.28% of GNI), up from \$5.28 billion in 2015-16 (or 0.27% of GNI), and \$5.2 billion (or 0.25% of GNI) in 2017-18. A few weeks after the release of the Budget, the Organization for Economic Cooperation and Development (OECD) released its provisional numbers for 2016. While overall net ODA from 29 OECD countries continued to increase in 2016, rising by 8.9% percent to \$142.6 billion, aid to the least developed countries in the world actually fell by an average of 3.9% from 2015, and was down by fully 0.7% to sub-Saharan Africa. Canada was one of seven countries to see its ODA fall - from USD\$4,277 in current dollars in 2015 (or 0.28) to USD\$3,962 (or 0.26). Relative to other countries, Canada sits 11th out of 29 in figures and 15th out of 29 in terms of ODA to GNI ratio. The government of “Canada is back” could now become the government with the lowest average GNI ratio in Canadian history.

ISSUE: Official Development Assistance (ODA) is one essential way in which Canada contributes to building a better world. This brief outlines some priority opportunities where Budget 2017 can make meaningful and practical contributions to Canadian and global objectives in the areas of global development and humanitarian assistance – working in collaboration with all development actors to improve the effectiveness of Canada’s development cooperation. This brief touches upon five areas where we can do this: through a ten-year timetable for increasing our ODA; greater transparency over spending; a strong focus on the poorest and most marginalized, in particular women and girls; a humanitarian response commensurate with growing needs; and a commitment to new and additional climate finance.

Read CCIC Budget analysis for more details: [http://www.ccic.ca/\\_files/en/what\\_we\\_do/Budget\\_Brief\\_2017\\_January\\_2017.pdf](http://www.ccic.ca/_files/en/what_we_do/Budget_Brief_2017_January_2017.pdf)

Link to original article: <http://mailchi.mp/1ba88f52e6f3/flash-april-1269561?e=1da8dd86d8>



# The Reality of Aid

An Independent Review of Poverty Reduction and Development Assistance

The Reality of Aid Network exists to promote national and international policies that will contribute to a new and effective strategy for poverty eradication, built on solidarity and equity.

Established in 1993, The Reality of Aid is a collaborative, not-for-profit initiative, involving nongovernmental organisations from North and South.

The Reality of Aid publishes regular and reliable reports on international development cooperation and the extent to which governments in the North and South, address the extreme inequalities of income and the structural, social and political injustices that entrench people in poverty.

The Reality of Aid International Coordinating Committee is chaired by Leo Atakpu of Africa Network for Environment and Economic Justice. The International Coordinating Committee is composed of coordinators of component regional networks (RoA Africa, RoA Asia/Pacific, and LATINDADD for Latin America), Canadian Council for International Cooperation, European Network on Debt and Development (EURODAD), and the Global Secretariat Coordinator.

## International Coordinating Committee

### Leo Atakpu

#### Chairperson

Africa Network for Environment and Economic Justice  
39 Oyaide Street, off Benoni Road, G.R.A  
Benin City, Edo State, Nigeria  
Tel: +234-8187674339  
Email: ohiroatakpu@yahoo.co.uk  
www.aneej.org

### Fraser Reilly-King

#### Vice Chairperson/Representing non-European OECD

Canadian Council for International Cooperation (CCIC)  
450 Rideau Street, Suite 200, Ottawa, Ontario, K1N 5Z4  
Tel: +01 613 2417007  
Email: freillyking@ccic.ca  
www.ccic.ca

### Vitalice Meja

#### Reality of Aid Africa

Wanandegé Flats Apt 4D Kirichwa Road Kilimani  
P.O.Box 36851 - 00200 Nairobi Kenya  
Tel: + 254 202345762/ 254 704353043  
Email: roafrica-secretariat@realityofaid.org  
www.roafrica.org

### Yodhim Dela Rosa

#### Reality of Aid – Asia Pacific

3/F, IBON Center, 114 Timog Avenue, Quezon City 1103,  
Philippines  
Tel: +632 927 7060 to 62 loc 201  
Telefax: +632 927 6981  
Email: ydelarosa@realityofaid.org  
www.realityofaid.org

### Jeroen Kwakkenbos

#### Representing European Country CSO members

European Network on Debt and Development (EURODAD)  
Rue d'Edimbourgh 18-26, 1050 Brussels, Belgium  
Tel: +32 2 8944645  
Email: jkwakkenbos@eurodad.org  
www.eurodad.org

### Alberto Croce

#### Representing Latin American CSO members

Red Latinoamericana de Deuda, Desarrollo y Derechos  
(LATINDADD)  
Fundación SES, San Martín 575 6°A  
Buenos Aires, Argentina  
Tel: +54 11 5368 8370  
Email: dir@fundses.org.ar  
www.fundses.org.ar

### Erin Palomares

#### Global Secretariat Coordinator

3/F, IBON Center, 114 Timog Avenue, Quezon City 1103,  
Philippines  
Email: epalomares@realityofaid.org  
Tel: +632 927 7060 to 62 loc 201  
Telefax: +632 927 6981  
www.realityofaid.org