



The Chairman
DEVELOPMENT ASSISTANCE COMMITTEE

BA(2011)18

12 April 2011

Dear SLM Delegates,

Thank you for your contribution to a very important DAC Senior Level Meeting last week. Our discussions produced a range of important outcomes and provided some clear direction for the work that lies ahead.

In the following, I summarise what I see as some of the key outcomes of the meeting. I will limit this letter mostly to our consensus agreement to move ahead. We will start taking action on them with all deliberate speed. The summary records will cover a fuller reflection of the rich substantive discussions.

Lunch discussion on the situation in the MENA region:

This discussion was not meant to generate specific action by the DAC, but the purpose was rather to share our understanding of the situations in the different countries in the region and expected demands on our governments. I believe it will be important to recall the five points our guest speaker Les Campbell made, and I have asked that these be recorded in the summary records. I thank Les for an excellent overview and a very balanced presentation.

I would also like to take this occasion to inform you about plans to host a meeting with Arab donors, as well as representatives of MENA countries that have been undergoing transitions, in July. The UK, Secretary of State Andrew Mitchell, has kindly agreed to co-host this meeting. We believe we have a commitment from Arab donors in principle, and we hope to confirm this in the near future. We are discussing a meeting July 4-6 in London. We hope this will turn into an important opportunity to move towards a coordinated development response that goes beyond DAC members to involve development institutions from the region. Finally, I would like to note the intervention of the Indonesian representative who indicated that they have already been asked to work in the region.

Engagement:

I would like to thank you again for your endorsement of the statement on ‘New Partnerships in International Development’. This is an historic statement for the DAC and it will make a significant difference to our ability to engage with major emerging economies. The first clear indication of this was the important statement of the representative of China which recognized that their assistance, while distinct from that of DAC members, takes place in the context of a broad international effort, that they want to be part of this, and that they will be engaged and represented at a high level in Busan.

We intend to actively promote and distribute the DAC statement to relevant countries and at other international fora, such as the UN and the Bretton Woods institutions. I encourage you to share in this effort. We should now also be in a better position to record and assess triangular co-operation with a view to developing best practice or a ‘checklist’ for triangular co-operation.



Busan:

We made decisive progress towards a consensus of what we expect from Busan, and what we need to focus on in preparing for the event. Busan needs to have a single agenda, that builds on the core of aid effectiveness, and strengthens the quality of the partnership with non-DAC providers of assistance, public and private. The Busan conclusions should be evidence-based, with an unequivocal focus on development results. Moreover, the improved partnership is the necessary foundation to address jointly with developing countries a broader agenda that should be based on results and mutual accountability. Transparency, and reflecting the orientation from aid to development, will be key to taking this broader agenda forward. We agreed that our universal mandate is the MDGs, and that we should seek to link our mission to the global issues that have captured the attention of our leaders. We now need to promote and carry the message for Busan at all relevant venues, from the Bretton Woods meetings, to the LDC conference in Istanbul, to the OECD Ministerial Council Meeting and the G-8 and G-20 summits.

Another point on which I saw consensus was that the implementation of a post-Busan agenda has to be more country-based, and that the process and structure at the Working Party on Aid Effectiveness should be simplified. At the same time, the Working Party was widely recognized as the instrument that has allowed us to build a qualitatively new partnership and dialogue at country level. It is the only forum that DAC members have for a dialogue with our partners.

Results:

We knew even before the discussion about the central importance of results. In light of this, it was especially important to recall that this is not a new agenda, and that there is a good amount of experience in dealing with this intrinsically difficult issue. The key outcome of this discussion was the need for a joint but differentiated approach to working on measuring results, and that the strong participation of developing countries is crucially important.

Some of us put the emphasis on looking for a more limited, simplified and unified set of indicators, whereas others cautioned to retain context specificity and to be careful not to re-impose implicit conditionalities through a rigid, centralised set of results indicators. From what I observed, however, everybody recognised the problems and inconsistency if individual donors and development institutions were to persist in pursuing results as their own, internal organisational agenda. The room document that several of you had prepared and distributed during the meeting was a very valuable contribution to the discussion, and we will seek comments and feedback on it from all participants in working further toward defining a collective understanding and approach to results.

Aid and beyond:

We covered a broad range of issues during this discussion, and succeeded in delivering some clear outcomes: We heard a request to undertake significant work to better document flows related to development other than ODA, including through creating a new category called "Development-Related Financing." At the same time, while we heard some suggestions to revisit ODA definitions, there was a very clear message from around the table that now, and until 2015 at least, is not the time to change the definitions. There was a clear desire, on the other hand, for the DAC to start preparing for the time after 2015, without relieving the pressure to achieve the MDGs and the ODA commitments we have made. Busan will be important for laying the groundwork for this.

You also made very clear your expectation that the DAC should play a central, pro-active role in horizontal OECD work on development, and in advancing the development agenda that will flow from the MCM. The



DAC should be a provider of ideas and a driver of cross-committee work. The Committee should do this as a constructive partner, not a controller, of joint work with other policy communities, and in a good partnership with the Development Centre. Together with Ambassador Lomoy, I will express this expectation to the Secretary General, OECD Ambassadors, as well as the informal DevGoals Working Group. I would request you to also convey this expectation within your administrations.

Dinner discussion / DAC structure:

Our discussion over dinner concerned the DAC's ability to deliver what you have already agreed the Committee should deliver. The outcome was extremely constructive and helpful, and I would like to express a specific thank you for this session once again. With regard to the DAC programme of work, you were unanimous in asking for stricter prioritisation at the SLM level, and at the same time in your agreement to ensure space for the Chair to translate these priorities into a work programme, together with the DCD leadership. You also were clear about your support for flexibility in reacting to new priorities – so that, as one of you said, the DAC can work on policies before we know we need them. In spring 2012, it will be the time for the SLM to agree on the main priorities for the next PWB.

Our discussion also produced an unambiguous mandate to address the efficiency of the whole DAC structure. First, you asked for an overhaul towards a much more flexible structure. This included many calls in favour of using subsidiary bodies, with some notable exceptions, as task-based networks that do not require ongoing work programmes, but are to be tasked and activated to deliver specific products commissioned by the DAC. We also discussed the importance that you ensure that Paris-based DAC Delegates are empowered and prepared to take on the triple role of 1) representing your country; 2) possessing the experience, scope and leverage to produce movement in positions in capitals, if there is consensus in the committee; and 3) being active and effective agents in working on development issues with other policy communities, as well as within your OECD delegations. These points gain even more importance in light of your agreement that the DAC to take on an active and central role in a broader OECD development. In this regard, I appreciated very much the impressive examples several of you offered on choosing and empowering regular delegates, which demonstrated how to ensure that Paris-based delegates are equipped to take on this triple role.

Let me close by expressing again my appreciation for your participation in the SLM. I have made, and will continue to emphasise the point that your personal engagement and participation in these events is decisive for what the DAC can do for you. I know this from my own personal experience with the DAC. I should add that I found I also enjoyed coming to these meetings and seeing colleagues who shared common challenges. I hope that you found this experience equally useful. I look forward to working actively with you.

Best personal regards,

Brian Atwood