

**A Comparative Study  
of the National Development  
Strategies of five DAC Members:  
*Sweden, Denmark, UK, Canada,  
Netherlands***

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## **Introduction and Purpose of the Study**

Unlike several major European countries, France has still not managed to unify its device development cooperation around a public policy response to clear objectives to fight poverty and inequality. Development policies are defined by the government and national representation, and truly controlled by the government members in charge of development cooperation.

The reform of French development cooperation initiated in 1998 and continued in 2004-2005 and in 2008 with the General Revision of Public Policy (RGPP), sought to remedy this structural problem of French ODA. The stated goals were to streamline and modernize the institutional French development cooperation. The implementation of the reform of the state budget, under the Organic Law on the Financial Laws (LOLF), has also helped bring more clarity to the budget, bringing together the majority of the funds of Official Development Assistance (ODA) of the Ministry of Foreign and European Affairs (MFA), Ministry of Economy, Industry and Employment in a mission - "ODA". However, the fundamental problems remain. The French ODA still suffers from a lack of coherence in its objectives around the fight against poverty and a lack of unified driving, which is detrimental to its effectiveness and readability. The development and implementation of French ODA is fragmented between different actors with different objectives acting in contradiction. The emergence in 2007 of a Ministry for Immigration, Integration, National Identity and Co-development-renamed Development Partnership (MIIIDS) - has certainly not helped to clarify the policy objectives of French development cooperation. Similarly, transfer of shares to AFD to strengthen its role as a pivotal operator was not accompanied by a reform of this agency, which is largely marked by a logical bank to the detriment of what should be a real government agency for development cooperation.

Finally, this blurring of objectives and confusion among players failed to make the strategic tradeoffs necessary for any public policy. In particular, the lack of strategic coordination between the different channels of French ODA (bilateral, European and multilateral) or lack of reflection on the respective value of various instruments weaken the whole system of French ODA phenomenon exacerbated by an environment with limited funds. In 2008, in its peer review, the Committee of Development Assistance OECD recommended that France adopt a medium-term policy of development cooperation. This is the recommendation of the Interdepartmental Committee on Cooperation and Development (CICID) intends to implement in announcing the development of a framework document for the overall policy of development cooperation of France. This decision also responds to a longstanding request of French NGOs. French NGOs will be required to contribute to the development of this strategic document. To prepare their contributions, Coordination SUD wanted a study that will compare the medium-term strategies of development cooperation existing in other member countries of the European Union and Assistance Committee OECD Development and to withdraw the proposals and recommendations for French politics really focused on the fight against poverty and inequality in respect of the democratic process.

This study provides a comparative analysis of development strategies adopted (in the medium term) by five DAC member countries. It shall provide Coordination SUD references, arguments and proposals to ensure that the strategy of France meets the objectives of the fight against poverty and inequality in respect of the democratization process in countries receiving aid.

## **Executive Summary**

This comparative study gives an opportunity to analyse the DAC member's processes to create and review a development cooperation strategy. The five DAC members, Sweden, Canada, UK, Denmark and the Netherlands have established different processes to review and update their strategies for development cooperation.

Looking at all development strategies in detail, only Canada has an overall mid-strategy for foreign affairs that includes the area of development cooperation. Sweden, unlike Canada, has no strategy, yet an overarching foreign affairs policy document covering all policies of all ministries in one document being the first DAC country establishing a coherent policy document linking all ministries and clearly indicating their efforts to Policy Coherence for Development. Denmark is the only country out of the five that has a long-term strategy for development cooperation covering a period of 10 years. A new Danish strategy will be adopted in May 2010.

Three out of the five countries compared use annual papers defining their priorities and actions in the different priority areas of the mid-term strategy. These annual papers are linked to the mid-term strategy of the country concerned and indicate in detail what the country assumes to achieve a particular year on top of the mid-term strategy, that gives a rather broad idea where the countries aims to strengthen their development efforts.

All DAC member countries have set different timetables to review their strategies and policy documents. In the case of the Netherlands for example, the mid-term strategy is only reviewed upon government change, in other countries such as Canada, Sweden and the UK, a review takes place every two years to take the global challenges into account and to be able to respond to changes in an adequate way. Denmark reviews its strategy only every 4 years.

In most countries the review is a formal procedure requested by the parliament as a means to check the ministries performance in the development cooperation, in other countries, the strategy will be only reviewed and updated when a government change occurs. As mentioned above this happens in the case of the Netherlands, where the new development Minister write a letter that sets out the ministries priorities and actions in development cooperation.

Consultations on the review of the strategy differ from country to country. Many countries have formally created a consultation mechanisms where they are required to consult different stakeholders on development oriented issues, however not all countries do this to a full extent. The UK for instance, uses a web portal, giving space to all actors interested to comment on a draft version of their mid-term strategy. These comments are published on the website; however it is unknown what comments have been actually taken on board. In addition to the web consultation, DFID organizes informal and formal meetings to discuss the draft. In Canada and in Denmark that consultation of civil society actors looks rather poor. The government tends to hold formal meetings, does not share draft documents, if they do only to selective civil society organisations that seem to be known as less critical. Sweden has had an intensive consultation process with its first Global Policy report – the overarching policy document covering all ministries vision. Unlike to other countries that have a very short period for consultation, Sweden had a consultation process for a number of years for its first Global policy report with various stakeholders, including numerous civil society organisations. The Swedish civil society seems to value the degree of involvement in SIDA and other ministries and enjoys a rather open government to civil society engagement.

All DAC member countries that were analysed have poverty reduction and the MDG agenda as their main objective in their mid-term strategies or policy documents. Canada for example has approved a new law in 2008, the ODA Accountability Act, requiring all federal departments providing official development aid to comply with three distinct criteria: poverty reduction, ownership and human rights when drafting future policies. This law has been a milestone for Canada's development cooperation. In the UK, the goal

of poverty reduction was adopted as legislation with the 2002 Development Cooperation Act. Moreover, DFID has specific interim targets towards realising the MDG agenda. They can be held against these targets by the Parliament as they are required to report what has been achieved annually. For other countries like Sweden, Denmark and Netherlands, poverty reduction is not a legal Act but highlighted as a major guideline for their development strategy.

Every country has an average of four to five priority areas stated in the mid-term strategy. Most of them are quite similar as for example peace and security, governance or human rights. Climate Change and environmental issues seem to be only mentioned in the newest mid-term strategies, but increasingly visible and gaining importance. Priority areas are chosen on different grounds. In the UK, past experience and lessons learnt might affect the choice of future priority areas as well as consultations with various stakeholders. Current global challenges, such as climate change, are of course featured prominently. The UK, Denmark and Sweden also limit their priority areas on where the needs are greatest and where the countries can make the most impact. Important therefore for most DAC members compared in the study is their comparative advantage and strength in certain development areas. Sweden targets especially five global challenges that the government has identified as being central to achieving the policy objective and where Sweden has the change to contribute in an efficient and effective manner. Every year Sweden focuses on a number of issues that will receive special attention. Out of the six global challenges, 3-4 are chosen with a special focus for one year. Importantly, the DAC members do not choose too many priority areas to focus on, so they can concentrate on particular and distinct development policy issues.

Gender and environment seem to have received more attention in some of the countries. Sweden and the UK have a particular focus on this area, highlighting their efforts to increase funding in this particular field. In addition, both countries have set their core objectives around climate change working with the department for environment and energy closely together. This shows their commitment to Policy Coherence for Development and their willingness to do development aid beyond the traditional development agency or foreign ministries. The UK in particular stipulates in its White Paper the significance of gender and ensures that all programmes have to monitor and report on how gender is taken into consideration. Others do mention gender as an important priority, however they indicate little how they promote gender in other areas than development. Canada makes sure to have enough fund allocated to environment and gender, other countries have these priority areas as their core objectives and thus contribute the same funds as for peace and security for instance.

With regard to global public goods not much information could be found as this topic seems not to be central for the DAC member countries. Only Sweden's policy document "Policy for Global Development" declares that development cooperation is based on eight guiding principles one of them being Global Public Goods. SIDA, for instance, aims at supporting the global public goods agenda by assisting developing countries to implement environmental conventions and use their historic assets sustainably. They support efforts to reduce vulnerability and improve resilience to natural and manmade disasters. Support includes development and implementation of national and local environmental strategies. The environmental legal framework shall be supported and include capacity development. Canada supports the idea of Global Public Goods through other multilateral organisations that are implementing 40% of Canada's aid. Other countries have not stated anything about global public goods in their strategies.

Sweden, Canada, and Netherlands have indicated in their strategy papers or policy documents that they make use of SWAPs. Canada, for example, is involved in program-based approaches of different sorts including numerous SWAPs in Africa. Sweden uses SWAPs in particular in health programmes, water and sanitation and education. The Netherlands in contrast uses budget support to selected partners/governments and is one of the few donors to promote SWAPs, in particular in the sectors such as health.

As mentioned above, some DAC members seem to be forerunners in promoting and implementing Policy Coherence for Development and thus can be taken as further examples for future strategies and policy documents. Coherence and aid effectiveness in Canada is mentioned in the Strategic Planning and Reporting Framework, however the strategy does not mention Policy Coherence for Development (PCD) as such. One reason for this might be that the term is used in the European development jargon and less in the transatlantic area. Yet Canada channels most of its funds to multilateral organisations and thus

strongly supports organisations with an emphasis on aid effectiveness and PCD. CIDA is following the six identified OECD areas of being particularly important to achieve policy coherence<sup>1</sup>. Canada is reporting on its efforts in these areas in its Memorandum to the Development Assistance Committee of the OECD, which is undertaking a Peer Review of Canada in 2002.

UK in comparison is much more experienced in Policy Coherence for Development. The last White paper clearly promotes UK as a forerunner for PCD and commits to promote in all ministries. Reporting on Policy Coherence for Development is a requirement for DFID and other governments since the 2006 International Development Act as a means for transparency and accurate reporting. The Act came into force through an initiative of a Parliamentarian based on a report by the International Development Select Committee. Unlike other countries, UK has created a Cabinet Committee that oversees PCD in several units, such as Cabinet Committees on Foreign Affairs and Defence, and sub-committees on conflict and EU trade policy, International Development Committee of the UK Parliament, Cabinet Ministerial Committee on asylum and migration with sub-committee on migration and Remittance Task Force - Overseas Corruption Unit. On top of this, DFID established an Inter-departmental Working-Group on Development (IWGD), chaired by DFID.

Swedish government has established a '*Secretariat for Development and Coherence*' that is responsible for development analysis and for the development of analysis methodologies. The secretariat also ensures that SIDA's work follows the guidelines for Sweden's Global Development Policy. It also coordinates SIDA's dialogue with the EU, UN agencies and other global organizations. Prior to 2007, Sweden attempted a whole-of government approach to PCD but this proved to be ineffective as the policies of individual government offices were not always coherent with each other. The problems stemmed from a lack of ownership, a poor understanding of PCD means in practice and the absence of a guiding strategy to implement PCD. The six global development challenges are one example for enhancing PCD inside the ministry structures. There, each government office is responsible for developing the necessary policies and management processes for meeting the objectives. SIDA has created a Unit for Development Policy that follows up PCD related issues. A global development policy forum has been established within the government office to enhance coordination and coherence. In addition, an interdepartmental working group for each of the six global challenges was created. Now every policy that has an impact of global development are subject to an impact assessment assessing if the policy reflects the perspective and right of the poor. The first performance evaluation of Sweden's new PCD approach will be due in 2010.

The Netherlands has also created several mechanisms to promote Policy Coherence for Development. The Dutch Policy Coherence Unit (PCU) was first set up as a dedicated task force in May 2002, partly based on the experience of an earlier ad hoc PCD group within the Ministry of Foreign Affairs. The PCU is part of the Directorate General for International Cooperation (DGIS), and reports directly to the director general of DGIS and the Minister for Development Cooperation. Thus, the Dutch government makes use of directorate General for European Cooperation (DGES), an advisory body for PCD, has an interdepartmental coordination mechanisms on EU policies beyond aid and an independent/ informal EU policy coherence for development network. The Netherlands undertakes regular external evaluations of the work of its PCD Unit. These evaluations assess the relevance, added value and results of the Units three objectives (PCD screening of Dutch positions in the EU, pro-active networking and lobbying with other directorates). In addition, the Dutch government holds intensive dialogues with a wide range of stakeholders on PCD related subjects.

Little information could be found about the financial strategy accompanied by the mid-term strategy and policy documents. One reason is that most if the mid-term strategies and policy documents have a greater emphasis on content, given little information how the funds and development aid budget is distributed. In the case of Canada, 40% of the budget is allocated to multilateral organisations. The rest of the aid budget is managed by the International Assistance Envelope (IAE). In the case of the UK, a Comprehensive Spending Review (CSR) was launched in 2007 that identifies what further investments and reforms are needed to equip the UK for the global challenges. The CSR represents a long-term

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<sup>1</sup> international trade and foreign direct investment; international finance; food and agriculture; natural resources and environmental sustainability; social issues (e.g. labour standards, immigration, public health, illegal drugs); and governance and conflict

development expenditure for 3 years. The Danish, the Dutch and the Swedish government are using a Finance Act that stipulates where the funding goes to for the priority areas mentioned. In Sweden the government's annual letter of appropriation officially states how the money should be divided between the agency's various activities such as national and regional cooperation, specific sector issues and administration.

With regard to a multi-annual programming, the DAC members give little indication in their strategies. Most of the countries compared follow the Accra decision to make multi-year predictable and guaranteed aid based on clear and transparent criteria. Canada uses multi-annual programming only for certain sectors such as MDG or health. DFID disburses at least 75% of the relevant aid according to agreed annual and multi-annual schedules. The Netherlands also supports sectors like education, HIV/AIDS, environment through multi-annual programming. In the future the government will work more with development contracts where they are intending to provide multi-year aid for development priorities of poor countries.

With regard to Civil Society involvement and engagement, the Swedish government values the discussion and the broad participation of non-state actors. By adopting a policy on actor-driven cooperation in the sphere of development cooperation, the Swedish government has focused on the importance of encouraging self supporting relations between Swedish actors and actors in developing countries. Thus, the government has introduced measures aimed at enhancing knowledge of Sweden's policy for global development with a view to promoting broad-ranging social dialogue in Sweden on various development policies and its implementation phase and processes.

The government guidelines also describe how SIDA should assist the government, which organizations it should co-operate with and how it should organize its work in partner countries. Prior to the submission of communications and strategies to the *Riskdag* for adoption, the government invites various representatives, Riskdag members and civil society actors (such as researchers, private sectors, NGOs) to a hearing presenting their views and recommendations for a policy or strategy. Those hearings are an attempt by the government to contribute to the achievements of greater transparency and citizen participation and promote greater knowledge about the policy for global development and its implementation. Different actors have the chance to discuss future policies and strategies on development cooperation and thus have a direct impact on its adoption. CSOs, in general, have been very pleased with the consultation and the transparency of the process. The Ministry seems to share the draft documents with the civil society organisations and allow them to give comments and recommendations. Thus, a possibility to impact and influence the process is present. Although not all consultations meetings are constructive and influential, the Ministry tries to engage with the civil society as much as possible to the satisfaction of the CSOs. Nevertheless, it is observed that more physical meetings have taken place with the first Global Policy paper than the forthcoming ones. One reason might be that the past Global Papers are being just updated instead of completely rewritten. To the dissatisfaction of the Swedish NGOs, the Ministry has cut a big amount of financial aid to the Swedish CSOs in particular in the area of 'Information on Global Development Policy' that is normally the budget line where CSOs can obtain the financial help to engage effectively in the process towards a new Global Development policy paper. Less money will also mean to be less able to impact the policy paper in the future.

In the case of Canada, the engagement with the Civil Society at all levels is seen as pre-condition to achieve sustainable development. In 1993, CIDA has published its Policy on Consultation with Canadian Civil Society and other stakeholders. In this policy, the Canadian government stresses the need to engage all stakeholders, especially the Canadian Civil Society, at all levels of decision-making. The new ODA Accountability Act that came into force on June 28 2008 applies to all federal departments providing official development assistance, including the Canadian International Development Agency and forces the Canadian government to have a stronger interaction with actors in the implementation and review process of development assistance. In fact, the Act has been, according to the CSO national platform, a milestone for development cooperation in Canada pushed by the minority party of the Canadian government. For the Canadian CSO this could have shift development cooperation to a different dimension, yet to their surprise the Canadian government has not done much since the adoption of this Act. Canadian CSOs have organized a workshop on the consequences of this Act inviting the Ministry to



comment on the little change since its adoption. This meeting seem to be rather disappointing, with the Ministry only sending one official. A problem of the Canadian government is the prioritization of development cooperation that seems to be still 'blurry' and 'little concrete'. The Foreign Ministry holds back information, in particular with CSO but also with CIDA. Canadian development agency has in some point been unable to programme their development aid under certain priority areas. This has forced the government to come up with three priority areas: food security, gender and economic growth. Where and why these priority areas have been chosen is still unclear to some of the civil society organizations. Meanwhile the ministry insists that civil society organisation have to comply with the three priority areas. No intensive consultations on the Sustainable Development Strategy and Plans and Priorities have taken place from the Ministry side and thus no space was given to CSOs to express themselves on the draft versions of each of the documents. Yet, the CSOs seem also not ask for it as such. According to the CSOs, consultations happen only by invitation, are thus very controlled indicating a rather closed process.

Ahead of each British strategy, the White Paper, there has always been a comprehensive consultation with UK and international civil society. In the UK the minimum statutory requirement is for a 12 weeks consultation process for any White Paper. In the 2009 case, the ministry claims to have done much more than just the advised consultation procedure. DFID had over 2500 comments from different actors concerned with development. For this purpose DFID had created a website where civil society, non-state actors, private sectors and individuals could leave their comments and recommendations on a draft version of the White Paper. Another opportunity for CSO to influence DFID's development policy is by contributing to a Parliamentary inquiry. DFID also organized regular dialogue and meeting where they can be hold accountable for their commitments. The UK Parliament's formal involvement in the development of a White Paper includes: (i) the Minister responsible has to inform other Parliamentarians about the plans for development of a White Paper. Normally this involves a 'Statement to the House' informing Parliament about the purpose of the Paper and what it intends to cover and the timeline; (ii) at the end of the process Minister's have to present the finalised paper to both Houses of the Parliament and there is usually a chance to make a statement and deal with any questions. Although not a draft version is shared with the Parliament, in most White Paper processes it is usual for Ministers to share a near finalised version to the Chair of the relevant Parliamentary Committee (eg International Development Committee) to get their views and comments before the paper is finalised. With regard to the engagement with local civil society, it is claimed the UK needs to develop a more systematic and strategic approach to local civil society, especially given the DFID tendency to work at the high end of development co-operation, particularly at the level of policy dialogue and budget support and frequently with high level government officials. According to the OECD DAC Review, it is vital that such high level dialogue be nourished by a substantive dialogue with the lower levels of the development spectrum, particularly as the UK aims to promote results and real ownership of locally informed poverty reduction programmes.

Denmark can look back on a separate document guiding the governmental relationship with civil society is the '*Strategy for Danish Support to Civil Society in developing Countries including Cooperation with the Danish NGOs*' that has been reviewed in December 2008. One of the objectives of the strategy is to ensure that the Danish civil society organizations will be involved in the implementation of the goals of this strategy and other Danish development policies. In terms engagement of civil society and other actors in the review process of the strategy, the Danish government values the involvement of the civil society. In 2000, the government initiated a consultation process in preparing of Danida's Development strategy. The 2010 strategy is undergoing, however it seems that the consultation process is less open than the one in 2000. Since the new development strategy is drafted, the CSO is very keen to be engaged and involved. Yet, the dialogue between CSOs and government seems to be cool. There have been four 'café meetings' in an informal setting represented by government officials and CSO representatives. There was little feedback from the government on the content of the newly-drafted strategy and little willingness to inform the representatives on specific content related questions.

The draft is not shared with all civil society organisations. This time, the ministry has chosen only 3 organisations to share the draft and allows only these selected once to comment and give recommendations. It is expected that the draft version will be available for all stakeholders in the upcoming months, however the CSOs are certain that their comments and recommendations will have only a limited impact. Criticism is being expressed that the ministry is leading a very closed and selected process with little transparency. In particular some CSO representative see it as important to comment

on the draft, as the previous version had no information on EU related development cooperation. The review would therefore be a good opportunity to push Danish development policy to another dimension with a greater international dimension. The Plans and Priorities document allows the Parliament to be more active as it is obligatory for the Ministry to present this document every year. The CSOs thus can be active to lobby the Parliamentarians.

# **In depth Comparative Analysis of Five DAC Countries**

## **Case Study 1: Sweden**

### **Background on Swedish Development Cooperation**

In the case of Sweden, the Swedish International Development Cooperation Agency (names hereafter SIDA) is an authority under the jurisdiction of the Swedish Ministry for Foreign Affairs. The Swedish government manages the operations and subsequently SIDA performs the assignments they receive to achieve the targets of Sweden's development assistance policy. Thus, SIDA operates within the framework laid down by the Swedish parliament and government that determines the annual budget and the focus of Swedish development aid.

In the case of Sweden, the *Shared Responsibility: Sweden's Policy for Global Development*, developed in 2003, serves as an overarching long term vision focusing on various foreign related issues including development cooperation. This policy is updated and reviewed from time to time with no distinct review pattern, however it is the overarching strategy where most policies are based on. It can be subject to global developments and also government change. Unlike other countries, Sweden's Global Development policy paper does not cover only development oriented issues, yet all policies in the ministries. This policy paper is therefore coordinated by the Foreign Ministry with the contribution of all other government entities such as SIDA.

The *Shared Responsibility: Sweden's Policy for Global Development* was a four-year process of formulating a new, coherent policy to cover both goals for development aid and Sweden's wider development cooperation. Although most legislative proposals put before the Riksdag (Swedish parliament) are initiated by the Government, some bills may be based on suggestions put forward by the Riksdag or by private citizens, special interest groups or public authorities. Each bill requires the government to circulate the draft report for comments to relevant consultation bodies. These bodies may be central government agencies, local government authorities or other bodies, including non-governmental organizations, whose activities may be affected by the proposals.

This new bill calls all Swedish policy areas to contribute to poverty reduction and the realisation of the Millennium Development Goals (MDGs). It has made Sweden one of the first countries to establish a coherent and integrative policy system integrating all policy areas to achieve sustainable global development. This approach shows Sweden's commitment to EU's action on Policy Coherence for Development.

Sweden released its last development cooperation communication in 2008 that is known under the name of *'Sweden's Policy for Global Development'*. The 2008 communication is partly based on the parliaments passed law called *'Shared Responsibility: Sweden's Policy for Global Development'*- the government strategy for foreign affairs and is a policy communication updated every 2 years according to the global challenges facing development cooperation. It is primarily based on the objectives and values of the *Shared Responsibility: Sweden's Policy for Global Development*.

### **Objectives of Swedish development cooperation**

The government's annual letter of appropriation defines the main objectives that SIDA should achieve in its work. Overall, Sweden wants to contribute to equitable and sustainable development as its prime objectives. On the bases if this prime goal, it has identified six development strategies, which must be

addressed at each level to reach the goal of sustainable development. Those six global development strategies are:

1. Oppression
2. Economic exclusion
3. Climate Change and environmental impact
4. Migration flows
5. Communicable diseases and other health threats
6. Conflict and fragile situations

All these objectives claim for cooperation and coherence between different policy areas to achieve the best outcome. Swedish policies are required to contribute to global poverty reduction and the realisation of the Millennium Development Goals (MDGs). The fight against poverty and inequality is therefore Swedish main development goal.

The Government stresses the importance of focusing on policy implementation as well as policy content. The bases of Sweden's global development policies are the six global challenges, for which the Government has defined 18 focus areas. Objectives specifying the aims and direction of future work have been drawn up for each focus area. The clearer focus thus afforded also creates the necessary conditions for shared responsibility and coherent action with regard to policy implementation. The focus areas do not constitute an exhaustive inventory of action areas; their aim is to give greater impetus to focused, concrete implementation of Sweden's coherence policy and thus contribute subsequently to Policy Coherence for Development. The Government Offices are collectively responsible for transforming the 18 focus area objectives and the specific implementation objectives outlined into ongoing policy design processes and programme management.

The focus area objectives establish the overall direction of the Government's work across policy areas and must be linked to existing processes including the work of translating policies into government bills, activity planning and agency management.

In the case of development aid, the global development policy is translated into separate policies, strategies and methodological guidelines. The management process requires that the objectives be activity-specific and capable of being followed up through outcome indicators developed for each objective. This makes for a clearer definition of the division of responsibility and forms of cooperation within and across policy areas in the course of policy implementation. Work in this area is now under way in the Government Offices.

## **Priority Areas of Swedish development cooperation**

Sweden has a bottom-up approach and a right-based perspective. Subsequently, the priority areas are solely based on the needs and views of poor populations. The 2008 Development policy papers sets out five priority areas that should make real effort to put the policy for global development into practice. Those are:

1. Democracy, Human Rights and Gender Equality
2. Economic Opportunities
3. Knowledge, Health and Social Development
4. Environmentally Sustainable Development
5. Peace and Security

SIDA's work during the current electoral period will thus specifically target five global challenges that the Government has identified as being central to achieving the policy objective and where Sweden has the chance to contribute in an effective manner.

Every year, SIDA focuses on a number of issues that will receive special attention. In 2009 in particular, the Swedish Government has chosen four special priority areas in addition to the five mentioned above,

such as democracy and human rights, gender equality and the role of women in development, and climate and environment. These special priority areas identify the kind of development the Government wants to see and the demands placed on the development process.

When a decision taken in a given policy area is deemed to have an impact on the goal of equitable and sustainable global development, an impact assessment will be undertaken. The policy's guiding principles are its two perspectives, *a rights perspective* and *the perspective of poor people on development*.

With regard to synergies between the various priority areas, Sweden's policy for global development must be aimed at helping poor countries to meet challenges specific to them, in promoting synergies between policy areas and dealing with policies in Sweden and the EU that constrain development, as well as at tackling global challenges that hinder equitable and sustainable development. Both development cooperation and other policy areas must contribute to these aims. Synergies must be sought and conflicting objectives dealt with. Also included in this totality is development aid, parts of which need to be adapted so that it can more effectively support and supplement global development initiatives in other policy areas, in accordance with the global development policy

As mentioned above the Policy for Global Development declares that development cooperation is based on eight guiding principles one of them being Global Public Goods. SIDA, for instance, aims at supporting the global public goods agenda by assisting developing countries to implement environmental conventions and use their historic assets sustainably. They support efforts to reduce vulnerability and improve resilience to natural and manmade disasters. Support includes development and implementation of national and local environmental strategies. The environmental legal framework shall be supported and include capacity development.

## **Gender**

The Government considers that Sweden's international contribution to the promotion of gender equality and better conditions and opportunities for women and girls, as part of the effort to achieve equitable and sustainable global development. This effort has been enhanced and mainstreamed in a number of policy areas. In 2009, gender was chosen to be a special priority area indicating the importance of the cross-cutting issue in Swedish development assistance.

## **Environment**

Environment and climate change is not only Sweden's priority area, but also one of the global objectives to achieve sustainable development. Sweden believes that climate change and environmental impact is one of the greatest challenges facing developing countries and thus needs special attention. Essential for this cross-cutting area is the close cooperation between policy areas.

The OECD review revealed that Sweden faced some challenges in mainstreaming environmental issues. An internal evaluation suggested that environmental concerns could be integrated better into SIDA's work, and highlighted a problem of inadequate environmental impact assessments (EIAs) in particular. Sweden plans to finalise a new overarching environmental policy in 2010, in to which climate change will be integrated and linked to broader environmental issues.

## **Geographical concentration**

To achieve a better result in poverty reduction and MDGs, the Swedish government concentrates on range of selective countries. It will reduce the number of partner countries from 67 to 33 over the next three years. It will increase assistance to sub-Saharan Africa and Eastern Europe, while decreasing the focus on Latin America and Asia.

The focus on sub-Saharan Africa and post-conflict countries helped to increase the proportion of Swedish ODA to poorer countries and therefore better align allocations with the Policy for Global Development's overarching goal of poverty reduction.

### **Policy Coherence for Development (PCD)**

Sweden is one of the forerunners in contributing to Policy Coherence for Development. In Sweden's point of view, Political coherence in pursuit of development is thus a cornerstone of Sweden's policy for global development.

Thus, it is not remarkable that the Swedish government has established a '*Secretariat for Development and Coherence*' that is responsible for development analysis and for the development of analysis methodologies. The secretariat also ensures that SIDA's work follows the guidelines for Sweden's Global Development Policy. It also coordinates SIDA's dialogue with the EU, UN agencies and other global organizations.

Prior to 2007, Sweden attempted a whole-of government approach to PCD but this proved to be ineffective as the policies of individual government offices were not always coherent with each other. The problems stemmed from a lack of ownership, a poor understanding of PCD means in practice and the absence of a guiding strategy to implement PCD. The six global development challenges are one example for enhancing PCD inside the ministry structures. There, each government office is responsible for developing the necessary policies and management processes for meeting the objectives.

SIDA has created a Unit for Development Policy that follows up PCD related issues. A global development policy forum has been established within the government office to enhance coordination and coherence. In addition, an interdepartmental working group for each of the six global challenges was created.

Now every policy that has an impact of global development is subject to an impact assessment assessing if the policy reflects the perspective and right of the poor. The first performance evaluation of Sweden's new PCD approach will be due in 2010.

Thus, the government takes a collective approach to the framing of development policy priorities. A review of internal procedures in the Government Offices is undertaken with a view to enhance analytical capabilities, exploiting synergies more effectively and improving the capacity to handle conflicts of objectives as these arise. With the Secretariat, the Swedish Government has adopted measures to improve the effectiveness of development cooperation. More rigorous results-based management, guidelines for bilateral cooperation strategies, a policy for aid-funded multi-actor cooperation and a strategy for multilateral development cooperation helps ensure that development aid in conjunction with other policy areas more effectively meet the global challenges.

### **Relationship with Civil Society Organisations and other actors**

Swedish civil society organisations have participated as important actors ever since Sweden started its bilateral development programmes. Historically, Sweden has always had a strong popular movement, and thus the formulation of Sweden's development policy has been influenced by all parts of civil society. From the mid-1970s, SIDA funds allocated to NGOs increased for the first time to above 1% of the total budget. Since the 1980s, budget support for NGOs has comprised about 10% of SIDA's total.

SIDA's co-operation with NGOs is unique in that it is centered around a number of umbrella organisations (e.g. Forum Syd), which in turn co-operate with local civil society partners. The umbrella model was established to give the NGOs greater freedom and a long-term perspective in the planning and implementation of their activities and to provide an opportunity for the reallocation of resources. It was intended that this model should contribute to enhancing the quality and impact of Sweden's NGO co-operation activities. However, a lack of criteria for the selection of umbrella organisations and the allocation of funds has led to concerns that they can appear to be arbitrary. As a result, criteria for the

selection of umbrella organisations – as well as detailed audit instructions – have been drawn up in recent years.

The Swedish government values the discussion and the broad participation of non-state actors. By adopting a policy on actor-driven cooperation in the sphere of development cooperation, the Swedish government has focused on the importance of encouraging self supporting relations between Swedish actors and actors in developing countries. Thus, the government has introduced measures aimed at enhancing knowledge of Sweden's policy for global development with a view to promoting broad-ranging social dialogue in Sweden on various development policies and its implementation phase and processes.

The government guidelines also describe how SIDA should assist the government, which organizations it should co-operate with and how it should organize its work in partner countries. Prior to the submission of communications and strategies to the *Riskdag* for adoption, the government invites various representatives, Riskdag members and civil society actors (such as researchers, private sectors, NGOs) to a hearing presenting their views and recommendations for a policy or strategy. Those hearings are an attempt by the government to contribute to the achievements of greater transparency and citizen participation and promote greater knowledge about the policy for global development and its implementation. Different actors have the chance to discuss future policies and strategies on development cooperation and thus have a direct impact on its adoption.

In 2003, with the first Global Policy, an intensive consultation process has taken place. CSOs, in general, have been very pleased with the consultation and the transparency of the process. The Ministry seems to share the draft documents with the civil society organisations and allow them to give comments and recommendations. Thus, a possibility to impact and influence the process is present. Although not all consultations meetings are constructive and influential, the Ministry tries to engage with the civil society as much as possible to the satisfaction of the CSOs. Nevertheless, it is observed that more physical meetings have taken place with the first Global Policy paper than the forthcoming ones. One reason might be that the past Global Papers are being just updated instead of completely rewritten.

To impact the development cooperation agenda of the foreign ministry, the NGOs produce 'shadow reports'. These reports are not part of the official CSO dialogue yet they seem to have an impact on policy making and decisions.

The Ministry has to submit a progress report to the Parliament that will be introduced in March 2010. This process is binding and allows the parliament to comment on certain development policy areas.

To the dissatisfaction of the Swedish NGOs, the Ministry has cut a big amount of financial aid to the Swedish CSOs in particular in the area of 'Information on Global Development Policy' that is normally the budget line where CSOs can obtain the financial help to engage effectively in the process towards a new Global Development policy paper. Less money will also mean to be less able to impact the policy paper in the future.

## **Follow-up/ Reporting/Evaluations**

Each year, SIDA submits an annual report to the government, with information about costs, revenues and results. The government carries out follow-up work and evaluates the agency's operations based on this annual report. SIDA submits a results supplement to the government together with the annual report. This supplement contains several examples of how Swedish development aid has contributed towards reducing poverty. The annual report and government agency budget information form the basis for the government budget for the coming year and the government's letter of appropriation.

The Swedish National Audit Office and the Swedish Agency for Development Evaluation (SADEV), an independent entity, are two authorities that examine SIDA's operations. The results of their examinations help SIDA improve its operations and become even better at achieving results.

## **Multilateral aid**

Sweden does work with multilateral partners, such as World Bank, IMF, UNDP, WHO and the European Union to combat poverty in the world. Multilateral aid is also seen as one of the priorities in the strategy. A major part of Sweden's funding to multilateral organisations is core support, which is in line with the government's new Strategy for Multilateral Development Co-operation and Sweden's commitments under the Good Humanitarian Donorship initiative (GHD). Yet, effective engagement requires time and good knowledge of each organisation and Sweden has limited staff available for strategic engagements with multilateral organisation.

## **Financial strategy**

The government's annual letter of appropriation also officially states how the money should be divided between the agency's various activities, such as national co-operation, regional co-operation, specific sector issues and administration. Sweden's development aid budget for 2009 totalled about SEK 34 billion. About SEK 16.8 billion of this is allocated to SIDA. The remainder principally goes through the Swedish Ministry for Foreign Affairs.

There are different ways how SIDA provides funding to its partners.

- Direct funding to corporate venture where cooperation partners manage the selection and administration.
- Guarantees, loans or financing that is granted to a company's customer, often a government, government agency or state company. These are granted by SIDA directly, or in the event of substantial amounts, by Sweden's government. Other amounts can be granted by SIDA's partner organisation, PIDG.
- Investments in or loans for companies in developing countries that are provided by the venture capital organisation like 'Swedfund', and by IFC, International Finance Cooperation, a company within the World Bank Group.
- Financing of a project of one of SIDA's cooperation partners where companies from any country can be subcontractors. Most of the projects that SIDA finances are procured by the organisations, countries and government agencies with which SIDA regularly works

SIDA provides in most cases loans and guarantees as in the case of major projects and infrastructure projects that are often provided via loans or guarantees. The loans are always given to a government agency or to the government in the country involved, but guarantees can also be given to companies. The purpose of this is to pave way for investments that are important to the society, and that otherwise would not take place. In April 2009, the system of credits and guarantees was re-organized, and special environmental loans and guarantees were established. They are for environmental-, climate- and energy-related investments.

## **Conclusion and Recommendations**

Due to many reforms domestically, government and parliamentary reviews and public interest have encouraged Sweden to establish a clearer division of labour between the MFA and SIDA. However, according to the last OECD DAC Review in 2009, a number of additional policies and other documents have created additional layers of complexity. Six global development objectives, 18 focus area and every year special priority areas have certainly added to the complex Swedish development architecture. On the basis of this, the Ministry for Foreign Affairs (MFA) intends to introduce 12 new thematic policies by 2011 to replace gradually the "forest of policies" noted in the last DAC peer review. The OECD review has also encouraged the Swedish government to avoid producing excessive additional guidelines and guidance documents and to ensure that SIDA's guidance and other documents do not encroach on policy.

With regard to civil society engagement, Sweden has placed an increasing emphasis on communicating development results to parliament and the public, however it should do it more often and on a regular



basis as these actors play a pivotal role in stimulating constructive commentary and public communication.

Sweden is a forerunner in Policy Coherence for Development, however it has faced problems in implementation. This is because it lacked other essential building blocks — namely the co-ordination mechanisms and monitoring and reporting. In particular, the MFA has limited tools and capacity to co-ordinate and arbitrate between different parts of government. The OECD DAC review of 2005 has encouraged Sweden to use the Swedish Agency for Development Evaluation (SADEV) for PCD monitoring and reporting purposes, but policy coherence for development is not currently within the agency's mandate. SADEV may be able to contribute to regular reporting to parliament on progress against all policy coherence objectives, or evaluate progress against one of the global challenges in detail every year to complement the government's overall report.

## **Case Study 2: Canada**

### **Background on Canadian development cooperation**

Canada's development assistance programme is a key element of foreign policy and currently based on a number of federal statutes. The Minister for International Cooperation leads Canada's development programme and oversees the Canadian International Development Agency (CIDA).

CIDA is responsible both for policy and for implementing the major portion of Canada's development assistance. Until 1968, the majority of Canada's development assistance was managed by the External Aid Office, within the former Department of External Affairs. Following an Order in Council, the External Aid Office's name was changed to CIDA. While not established under its own statute, CIDA is designated as a government department for the purpose of the Financial Administration Act.

CIDA's vision is to be among the most effective and accountable development agencies in the world. Its mission is to manage Canada's support and resources effectively and accountably to achieve meaningful, sustainable results and engage in policy development in Canada and internationally, enabling Canada's effort to realize its development objectives. The mandate is to manage and coordinate Canada's support and resources effectively and accountably to achieve meaningful, sustainable results and engage in policy development in Canada and internationally, enabling Canada's effort to realize its development objectives.

As such, Canada has no separate long-term development cooperation vision as development objectives are included in the Foreign Ministry strategy plan. However, the Canadian government does produce mid-term strategies and reports for foreign objectives focusing on development cooperation. One of the strategic frameworks for development cooperation is the '*Sustainable Development Strategy 2007-2009*' covering a period for 2 years. It is currently the 4<sup>th</sup> version. Every year CIDA produces an annual report – known as CIDA's Report on Plans and Priorities – that defines the strategies and plans for each year.

The Sustainable Development Strategy is updated annually through CIDA's Report on Plans and Priorities and reported on through its Departmental Performance Report.

### **Objectives of Canadian development cooperation**

CIDA's prime aim is to reduce poverty by helping developing countries satisfy their basic needs and improve their quality of life without compromising that of future generations. These objectives constitute a formidable agenda for CIDA's programming. To achieve the goal of sustainable development and poverty reduction in the poorest countries, CIDA's has established four objectives:

1. Support equitable economic development;
2. Support social development, with particular emphasis on people living in poverty;

3. Support environment and natural resources management; and
4. Support progress in democratic governance and human rights.

CIDA's goal is to be among the most effective and accountable development agencies in the world, lead Canada's international effort to help people living in poverty and manage Canada's support and resources effectively and accountably to achieve meaningful, sustainable results and engage in policy development in Canada and internationally, enabling Canada's effort to realize its development objectives.

In order to make implementation more effective, the sustainable development model constitutes three traditional sustainable development pillars- economic development, social development and environmental management – the fourth is governance. The four objectives, together with cross-cutting issues such as gender and environment, are in CIDA's point of view forces for long-term sustainability in developing countries.

Each pillar of the sustainable development strategy is substantiated by one objective and one or two activities to support the objective. The Millennium Development Goals (MDGs) are continuously providing a global roadmap for CIDA's development cooperation.

Canada supports the idea of Global Public Goods through other multilateral organisations that are implementing 40% of Canada's aid.

### **Priority areas of Canadian development cooperation**

CIDA's priorities are grouped as, first, those responding to key priorities of the Government of Canada, to key risks, and to the evolving international context; and, secondly, those related to the management of the Agency. The Canadian government's development priority is to reduce global poverty. Accountability and the effectiveness of aid are a hallmark of CIDA's agenda.

Since the 1990s, CIDA's aid has historically focused broadly on eight different assistance sectors. These seven areas of focus are:

1. Improving Health
2. Private Sector Development
3. Strengthening Basic Education
4. Environment, Emergency Assistance
5. Peace and Security
6. Democratic Governance
7. Other types of assistance, including support to civil society

In 2009, Canada's development assistance strategy introduced yet another priority area of CIDA, namely Aid Effectiveness Agenda.

In addition to the seven focus areas that constitute the basis of Canada's development assistance since 1990, CIDA's annual Report on Plans and Priorities defines special priority areas for each year. For the period 2009-2010, CIDA identified four areas they want to have a particular emphasis on. These are:

1. Strengthen the effectiveness of Canada's aid program and implement the Paris Declaration on Aid Effectiveness
2. Canada's strategic role in Afghanistan and other fragile states
3. Support the government's commitment to the Americas
4. Contribute to mitigating the food security crisis

CIDA is identifying the priority areas by using sector-based results that shows the immediate relationship between CIDA's mandate and the MDGs.

In the last years, it has moved from a project- to a program-based approach (PBA) to development assistance as this is more holistic, comprehensive, multilateral, accountable, and results-based, and involves host countries and local ownership to facilitate a 'change and accompaniment' model as opposed to a 'resource transfer' model of change. Thus, the Canadian government is involved in program-based approach including a dozen SWAPs and numerous non-sectoral program based initiatives. Most SWAPs are operated in Africa.

## **Gender**

Gender substitutes on the main priority areas of Canada's development assistance being not only one of the objectives but also one of the six priority areas since 1990. Gender equality will be a central area of leadership and among the key criteria in decision making of the Agency selects and shapes future initiatives and selects its partners. It is also a cross-cutting theme that is taken into consideration at all policy and programming phases. Through specific programming, CIDA targets key gaps and challenges to achieve better gender equality and women's empowerment and promotes an enabling environment to achieve these results at the country level, among partners, and abroad.

Gender equality is therefore systematically integrated into all policies, programs and projects across all sectors.

## **Environment**

Environmental sustainability and degradation are vital global concerns in today's world. However, those most affected by the conditions of the environment are the poor, the displaced, and the underdeveloped.

For this reason, CIDA is dedicated to improving the environment around the world and coupling environmental sustainability with all of its major goals. The main focus of the majority of these programs is placed upon land degradation, mainly in sub-Saharan Africa, climate change, freshwater supply and sanitation, and addressing the global impacts of urbanization. These issues are currently devastating much of the developing world and have become program priorities for CIDA.

## **Geographical concentration**

In addition to the focus on Africa, CIDA is also currently in the process of targeting its assistance on countries that need it most and are able to effectively and productively make use of the aid. More than three-quarters of CIDA assistance is dedicated to supporting 20 key countries. This is designed to enhance the effectiveness of Canadian aid and begin to bridge the unacceptable gap between developed and developing countries. A very similar approach to the Swedish government

Within these long-term programs, a more comprehensive approach will be taken toward local involvement, good governance, and other aspects which support the three themes of CIDA's work: increasing food security, stimulating sustainable economic growth, and securing the future of children and youth. Also, overarching all of these themes is the goal of moving toward and/or attaining the Millennium Development Goals.

Furthermore, Canada's ODA became redefined following the inception of the new ODA Accountability Act on June 28, 2008. This Act set up three conditions that must be met in order for international assistance to qualify as ODA. Assistance must:

1. Assist in poverty reduction
2. Incorporate the perspectives of the poor
3. Uphold international human rights standards

Thus, all countries to receive aid have to been screened according to the conditions above.

## **Policy Coherence for Development (PCD)**

Policy Coherence and aid effectiveness are given a prominent place in Canadian development assistance. CIDA's Sustainable Development Strategy recognizes aid effectiveness and policy coherence as a means for better aid and to achieve long-term and sustainable development. Therefore, CIDA recognizes the need for a more effective sectoral and geographic focus and the significance of greater donor and development policy coherence and coordination in its strategy.

In company with other forward-looking development agencies, CIDA is working to promote policy coherence in the policies adopted by the Government of Canada. It has recently taken steps to enhance its policy capabilities in trade and the environment, in part to bring the development perspective to bear on the policy position taken by the Canadian government in the negotiations of multilateral agreements that have major implications for the nature and magnitude of investment flows to developing countries.

CIDA is following the six identified OECD areas of being particular important to achieve policy coherence<sup>2</sup>. Canada is reporting on its efforts in these areas in its Memorandum to the Development Assistance Committee of the OECD, which is undertaking a Peer Review of Canada in 2002. Canada is the first country to report in detail on its efforts towards policy coherence and anticipates that the OECD report will provide useful guidance in charting future directions. CIDA wants to continue assessing opportunities to improve policy coherence in the Government of Canada's policies affecting developing countries and is committed to working with other governmental agencies towards this end.

## **Relationship to Civil Society and other actors**

Engagement with the Civil Society at all levels is seen as pre-condition to achieve sustainable development. In 1993, CIDA has published its Policy on Consultation with Canadian Civil Society and other stakeholders. In this policy, the Canadian government stresses the need to engage all stakeholders, especially the Canadian Civil Society, at all levels of decision-making. The Government should initiate consultations to gain from other stakeholder's knowledge, expertise and experience in the field. The Policy is relevant for all policies initiated by the government, and thus also applies for the Sustainable Development Strategy.

The new ODA Accountability Act that came into force on June 28 2008 applies to all federal departments providing official development assistance, including the Canadian International Development Agency and forces the Canadian government to have a stronger interaction with actors in the implementation and review process of development assistance. The act also stipulates that aid decisions have to comply with three distinct criteria: poverty reduction, ownership and human rights.

The Act identifies three groups, governments, international agencies and Canadian civil society organizations, that must be consulted at least once every two years as part of the decision-making process relating to official development assistance as defined in the Act. To facilitate transparency in reporting on official development assistance, the Act requires Ministers to report on official development assistance, including through an annual report to Parliament. This, according to CSOs, has not happened yet.

Moreover, all relevant consultations with governments, international agencies and Canadian civil society organizations should be documented with an indication of how the views and recommendations of these groups were considered. CIDA is currently working on developing a new public engagement strategy that should give civil society and non-state actors more space to impact Canada's development cooperation at all levels.

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<sup>2</sup> international trade and foreign direct investment; international finance; food and agriculture; natural resources and environmental sustainability; social issues (e.g. labour standards, immigration, public health, illegal drugs); and governance and conflict

In fact, the Act has been, according to the CSO national platform, a milestone for development cooperation in Canada pushed by the minority party of the Canadian government. For the Canadian CSO this could have shift development cooperation to a different dimension, yet to their surprise the Canadian government has not done much since the adoption of this Act.

Canadian CSOs have organized a workshop on the consequences of this Act inviting the Ministry to comment on the little change since its adoption. This meeting seem to be rather disappointing, with the Ministry only sending one official.

A problem of the Canadian government is the prioritization of development cooperation that seems to be still 'blurry' and 'little concrete'. The Foreign Ministry holds back information, in particular with CSO but also with CIDA. Canadian development agency has in some point been unable to programme their development aid under certain priority areas. This has forced the government to come up with three priority areas: food security, gender and economic growth. Where and why these priority areas have been chosen is still unclear to some of the civil society organizations. Meanwhile the ministry insists that civil society organisation have to comply with the three priority areas.

No intensive consultations on the Sustainable Development Strategy and Plans and Priorities have taken place from the Ministry side and thus no space was given to CSOs to express themselves on the draft versions of each of the documents. Yet, the CSOs seem also not ask for it as such.

According to the CSOs, consultations happen only by invitation, are thus very controlled indicating a rather closed process. One of the reasons of a less progressive Canadian development strategy and little consultation is certainly the current conservative government in place that does not allow many changes to happen. Therefore, Canadian CSOs are hopeful for a government change this year that could enforce a more liberal government and thus more interaction and involvement of CSO in the processes of development cooperation.

## **Follow-up/Reporting/Evaluation**

Every new Sustainable Development Policy builds upon the experiences made in previous years through reporting, evaluations, assessments of projects and programmes and discussion and debates with other actors involved in development cooperation and beyond.

CIDA reports systematically on results to Parliament and to the public through its annual Departmental Performance Report and a new annual report on development results.

## **Multilateral aid**

Canada strongly values a multilateral approach to global problems, whether they relate to development, humanitarian issues, economic and financial matters or political disputes. According to CIDA, multilateral systems provide the best prospects for an inclusive process to set the "rules for international conduct" and a forum to promote values important to Canada, including democracy, human development and social justice.

Multilateral Programs Branch is CIDA's window on the multilateral system and manages the development aspects of Canada's relations with these organizations. It provides financial support for multilateral organizations and helps determine their policies and programs throughout the world. Foreign Affairs Canada manages the political relationship with the UN system, Finance Department manages the relationship with the IMF and shares with CIDA the management of the relationship with the World Bank.

## Financial strategy

The Government of Canada manages the International Assistance Envelope (IAE), which funds international assistance activities through ODA. CIDA is responsible for managing the development pool accounting for most of the IAE funding. CIDA's 2009-2010 budget plan allocates \$3.334 billion to undertake its program activities and contribute to its strategic outcomes. Looking at the Sustainable Development Strategy and Canada's Plans and Priorities 2009-2010 document, the Government of Canada decides on development aid and funding every year through a budget plan.

CIDA uses loans and grants through various channels and different ways. For middle-income countries, CIDA financing for development happens through the World Bank and regional development banks, as countries make the transition from aid to market-based financing. In the case of stable but poor countries, development financing goes through the grant and concessional-loan facilities of the World Bank and regional banks; and for failed and fragile states supports the specialized UN agencies and regional organizations involved in peace and security, targeted capacity building and humanitarian assistance.

The Department of Finance held a web consultation process in December 2008 to comment on whether the department's ODA payments satisfy the criteria specified in the ODA Accountability Act. The consultation was open to all actors interested.

Despite a repeated commitment to improved accountability, CIDA has published no official statistical report on its aid transactions since 2004-05. The last *Report on Plans and Priorities* is another backward step in transparency, as it no longer provides a breakdown of the International Assistance Envelope for CIDA or other Departments. According to the report of CCIC, there is therefore no longer any basis for independent verification of the government's claims on achieving its commitments on aid.

## Conclusion and Recommendations

Canada's development assistance programme is a key element of foreign policy and should be given a stronger foundation. Canada would benefit from a clear, simple and consistent vision for development assistance focusing on reducing poverty and achieving the MDGs, and using the Paris Declaration as the guide for effective implementation.

CIDA plans to have a better policy alignment with the Ministry for Foreign Affairs (MFA), however that seems not to bear any fruit. Reform has been undergoing for some time, yet there is still not effective and efficient management system in place that identifies clear role for the Ministry and CIDA. Surprisingly, the MFA report on Plans and Priorities for 2009-2010 does not mention 'poverty reduction' once in its 75pages report.

CIDA has written a Sustainable Development Strategy that is a requirement of all federal departments. However, its relationship to CIDA's other policy or thematic documents is unclear.

The agency's mandate and reporting requirements to parliament are weak, and it is particularly vulnerable to changing political circumstances and leadership. In order to provide a clearly designated focal point with an unambiguous mandate to tackle global poverty, CIDA should be strengthened to become an autonomous and well-resourced agency, with a clear role and specific objectives that are monitored by parliament.

Considering the level of resources CIDA devotes to developing sector policies and strategies, the review team encourages the agency to make more efforts to link them to field realities and to submit its key strategic documents to debate in parliament to make them more visible and accountable to the Canadian public.

## **Case Study 3: United Kingdom**

### **Background on UK's development cooperation**

The Department for International Development (DFID) is responsible for planning and implementing the United Kingdom's development co-operation. DFID was created in 1997 by the new Labour government to replace the Overseas Development Administration, which had been a functional wing of the Foreign and Commonwealth Office.

The UK's development policy has been strengthened significantly since the establishment of DFID. White Papers on international development published in 1997 and 2000 developed innovative poverty reduction strategies that set new standards for the international donor community. The ultimate and overarching goal of poverty reduction was adopted as legislation with the 2002 Development Co-operation Act. In 2001, the UK was one of the first countries to only provide 'untied' aid that is not conditional on the purchase of goods and services from the donor country.

In 2000, DFID acknowledged the crucial role of the Millennium Development Goals (MDGs) in reducing poverty and improving the health and living conditions of people in developing countries. Today, all of DFID's activities are strategically oriented towards achieving the MDGs.

The 2009 overall development strategy is the *White Paper on International Development – Eliminating world poverty: Building our Common Future* replacing UK's *White Paper in 2006 Making governance work for the poor*.

With every government change, a new White Paper can be drafted and thus influenced by the current party in place. The party in power also influences the direction of DFID in development assistance. The Parliament can also ask DFID to publish a new White paper when it feels its necessary.

### **Objectives of UK's development cooperation**

DFID's objective, ambition and determination is to eliminate poverty, create diversity and the need to balance work and private life, be able to work effectively with others and initiate the desire to listen, learn and be creative.

DFID is in the lead of poverty reduction and the MDG agenda, while the global effort to avoid dangerous climate change is led by the Department of Energy and Climate Change. The Foreign and Commonwealth Office leads the objective to reduce the impact of conflict through enhanced UK and international efforts.

The ultimate and overarching goal of poverty reduction was adopted with the legislation 2002 Development Cooperation Act.

Every government office has its Public Service Agreements (PSAs) that set out specific interim targets towards certain policy areas. DFID is responsible for realising the MDG agenda and can be held accountable by the public.

### **Priority areas of UK's development cooperation**

DFID's White Paper 2009 has seven key priority areas:

1. Poverty reduction

2. Promoting Economic Growth
3. Sustaining a Common Future
4. Peace and Security
5. Aid Delivery
6. Global Action
7. Transforming Impact and Ensuring Value for Money

All priority areas have to be line with DFID's prime objectives of achieving MDGs, reduce poverty and other international agreements that UK believes in. The experience from previous White Papers and consultation processes have an impact on developing process of the priority areas for DFID.

DFID believes that donors should commit to progressive reliance on government procedures to disburse and account for funds. Therefore, DFID makes use of sector wide approach (SWAPs) as it offers potential advantages over stand-alone projects, including greater government ownership and leadership, greater alignment of donor activities with government sector policies and budgets and greater opportunities to link sector support to national policies and poverty reduction.

## **Gender**

The 2009 White Paper stipulates the importance of gender and ensures that all programmes monitor and report the impact on women and girls. The White Paper underlines the importance of gender and equality aiming at integrating gender equality into development policy and practice. A gender and social exclusion analysis assessment tool has been adopted. As part of our approach to tackling social exclusion DFID will take account of the views of disabled people's organizations.

DFID wants to extend its work on the gendered impacts of climate change and involving women in decision-making on adaptation can reduce the impact on women.

## **Environment**

Environment and climate change are at the core of the 2009 White Paper. The UK is committed to integrating climate change into its development policy and practice. Staff expertise in DFID has been expanded and new tools and approaches developed for aid programmes, including a new climate risk assessment tool and making climate assessment part of mandatory environmental screening.

DFID will, in collaboration with country partners, conduct a strategic review of the UK's development programme to assess how it can improve our efforts on climate change. We will pilot the approach in eight flagship countries and roll it out to all our priority countries by 2013.

DFID plans to make its operational activities, both in the UK and overseas, environmentally efficient and fully carbon neutral by 2012 by implementing office environmental management plans to increase energy efficiency and by offsetting our remaining carbon emissions.

The White Paper clearly indicates that environment and climate change are crosscutting issues that have to be mainstreamed in all priority areas.

## **Geographical orientation**

The White Paper does not clearly stipulate a clear geographical orientation. However, DFID wants to channel its development assistance to developing countries with the most needs focusing on fragile states.



## **Policy Coherence for Development (PCD)**

According to DFID, aid only works if it can be allocated efficiently and effectively with resources channelled systematically to countries and regions where it can make a difference and have the greatest impact. On this ground, the White Paper says the UK will work to make sure poverty eradication is the primary aim of EU external policies, not only of development policies, effectively promoting policy coherence for development.

Reporting on Policy Coherence for Development is a requirement for DFID and other governments since the 2006 International Development Act as a means for transparency and accurate reporting. The Act came into force through an initiative of a Parliamentarian based on a report by the International Development Select Committee.

In response to a demand of the Parliament, the DFID's Annual Report includes a chapter on '*Working with others on policies beyond aid*' underlying DFID's commitment to Policy Coherence for Development. This chapter – along with sections of other chapters on fragile states, conflict, the environment and climate change – sets out how DFID has worked across Whitehall and with international partners including the EU in an effort to ensure that UK and wider international policies on beyond-aid issues are supportive of, are at least do not harm, international development. In response to the Prime Minister's call for closer alignment between our aid, trade and debt policies "to ensure a more strategic input into trade policy and strengthen the UK's voice in international fora", trade policy became a shared responsibility of both DFID and BERR.

A joint DFID/BERR Trade Policy Unit was created in November 2007, reporting to the first ever UK Trade and Development Minister, and a new Cabinet Committee on trade was established chaired by Secretary of State Douglas Alexander – to give strategic guidance to UK trade policy and ensure full coherence between our aid and trade agendas. In May 2007, the UK government's Justice Assistance Network was launched by the Attorney General and Ministers from DFID, the FCO and the Ministry of Justice to ensure UK justice sector assistance to developing countries is coherent and effective. Unlike other countries, UK has created a Cabinet Committee that oversees PCD in several units, such as Cabinet Committees on Foreign Affairs and Defence, and sub-committees on conflict and EU trade policy, International Development Committee of the UK Parliament, Cabinet Ministerial Committee on asylum and migration with sub committee on migration and Remittance Task Force - Overseas Corruption Unit. On top of this, DFID established an Inter-departmental Working-Group on Development (IWGD), chaired by DFID

UK's International Development Act requires the Secretary of State for International Development to report to Parliament each year on the implementation of PCD policies.

To raise awareness on PCD UK continues to Fund the Centre for Global Development's Commitment to Development Index (CDI) as part of their effort to make PCD more visible within the government's and among the general public.

## **Relationship to Civil Society and other actors**

The White Paper has a special section on the role of the civil society '*A new approach to civil society*'. There is stipulates to double the central support to civil society organisations to 300 Million pounds a year by 2013, expand the partnerships agreements for civil society organisations in developing countries, offer new funding mechanisms and expand work with the private sector.

In addition, the White Paper promises to increase the engagement by establishing a network of development professionals working with UK government teams in key emerging economies to address global development issues more effectively and strengthening links to private sector, research networks and civil society organizations. The White Paper recognizes the need to integrate all kind of actors at different phases of development assistance reflecting the expertise and knowledge of all actors in DFID's work. Thus DFID acknowledges civil society organizations as an important force to bring social change.

DFID is publishing an Annual Report every year about its performance against the Public Service Agreement targets. This report is presented to Parliament and the International Development Committee always does an inquiry/ consultation about it. NGOs are not officially involved in agreeing the Public service agreements but can impact the process through lobbying.

Ahead of each White Paper, there has always been a comprehensive consultation with UK and international civil society. In the UK the minimum statutory requirement is for a 12 weeks consultation process for any White Paper. In the 2009 case, the ministry claims to have done much more than just the advised consultation procedure. DFID had over 2500 comments from different actors concerned with development. For this purpose DFID had created a website where civil society, non-state actors, private sectors and individuals could leave their comments and recommendations on a draft version of the White Paper. Another opportunity for CSO to influence DFID's development policy is by contributing to a Parliamentary inquiry. DFID also organized regular dialogue and meeting where they can be held accountable for their commitments.

The UK Parliament's formal involvement in the development of a White Paper includes: (i) the Minister responsible has to inform other Parliamentarians about the plans for development of a White Paper. Normally this involves a 'Statement to the House' informing Parliament about the purpose of the Paper and what it intends to cover and the timeline; (ii) at the end of the process Minister's have to present the finalised paper to both Houses of the Parliament and there is usually a chance to make a statement and deal with any questions.

Although not a draft version is shared with the Parliament, in most White Paper processes it is usual for Ministers to share a near finalised version to the Chair of the relevant Parliamentary Committee (eg International Development Committee) to get their views and comments before the paper is finalised.

With regard to the engagement with local civil society, it is claimed the UK needs to develop a more systematic and strategic approach to local civil society, especially given the DFID tendency to work at the high end of development co-operation, particularly at the level of policy dialogue and budget support and frequently with high level government officials. According to the OECD DAC Review, it is vital that such high level dialogue be nourished by a substantive dialogue with the lower levels of the development spectrum, particularly as the UK aims to promote results and real ownership of locally informed poverty reduction programmes.

## **Multilateral aid**

Multilateral assistance has always been a prominent feature of UK development co-operation. Consequently, a large share of DFID's development funding is channelled through multilateral agencies for assistance (39% in 2004/5). DFID's co-operation with multilateral organisations and agencies (e.g. the World Bank, UNDP) is based on multi-annual Institutional Strategy Papers that set out DFID's objectives and approach in working with these institutions.

The 2009 White Paper emphasizes the importance of International Organisations. Therefore, it wants to put more money through the UN system, provide core funding for individual UN agencies to have greater impact on specific sectors and work with other organisations such as the European Union and the World Bank. The emphasis on the European Union seems to be quite strong aiming at more effective and efficient EU development assistance.

## **Financial strategy**

Each year the British Parliament votes funds to DFID on the basis of proposals made by the Chancellor of the Exchequer through spending reviews. Most funds are governed by the 2002 International Development Act.

In 2008-2009, DFID spent 5.5 billion pounds on aid to poorer countries and the budget will increase to 7.8 billion pounds by 2010/2011. Over half of UK's aid (57% in 2008/2009) was spent on developing countries either directly or through an international body.

DFID primarily works with the "concessional lending arms" of the Regional Development Banks, generally referred to as Funds. These are the parts of the banks that provide grants and loans to the regions' poorest countries. (Concessional loans are loans that are provided at low interest rates and which countries have a long time to repay.) DFID's aim is to ensure that grants and loans from the banks' concessional lending arms genuinely reach the poorest and assist the primary millennium development goal of eradicating poverty. The concessional lending arms of each bank are:

- The African Development Fund (ADF)
- The Asian Development Fund (ADF)
- The Special Development Fund (SDF) of the Caribbean Development Bank, and
- The Fund for Special Operations (FSO), the concessional lending arm of the IADB.

## **Follow-up/Reporting/Evaluation**

Evaluations are one alternative to enhance accountability to the Parliament and the public and its impact in reducing world poverty. The 2009 White Paper has a special section on its commitment to independent evaluations.

An Independent Advisory Committee (IACDI) on evaluation has been established in 2007 reporting to the Secretary of State for International Development. This Committee, represented by diverse members of different backgrounds (academic, consultants, civil society representatives) advises DFID on its overall strategy, approach and priorities being adopted in the evaluation work. It also has been given the specific task of deciding which topics should be covered by DFID's independent evaluations. This means that every year the IACDI decides on the evaluations that should be covered for forthcoming three years so all actors are aware and can subsequently influence and add to the process. IACDI and DFID have also worked on a new Evaluation Policy, setting new standards of quality and independence.

DFID's Evaluation Department (EvD) thus works very closely with the IACDI. It often involves external partners in steering groups for their evaluations. Individuals are normally chosen to represent particular institutions for example NGO consortia asking for comments on draft documents. This is certainly an important change in UK's approach to transparency and accountability.

## **Conclusion and Recommendations**

The UK is currently seen by many aid practitioners and donors as one of the bilateral models for today's evolving world of development co-operation.

Engagement and involvement of the civil society organisation is quite advanced and well organized in the United Kingdom. The Independent Advisory Committee is certainly a unique establishment creating new space to influence DFID's policy-making. However, often the consultation processes have rather a short time frame although being advertised before. In addition, civil society organisations seem to be unsure what recommendations are really taken on board.

In 1997 it created a freestanding Department for International Development (DFID) and a seat in Cabinet for the Secretary of State for International Development. A strong political alliance was formed with the Prime Minister, the Secretary of State and the Chancellor of the Exchequer that has ensured consistent clarity of vision and the resources required to address this large and complex issue.

The UK Government has made global poverty reduction a national priority. The 2002 International Development Act provides a clear legislative mandate around poverty reduction (DFID's "ONE" aim) and gave the UK its current strategic orientation on issues of development, not only aid. This has been further refined by DFID at the policy level through a series of regular "White Papers".

In keeping with the Paris Declaration, DFID is encouraged to avoid setting additional aggregate sector and thematic spending targets, so as not to undermine partner country ownership and aid effectiveness.

Although UK is one of the forerunners in PCD, it has to articulate a more clearly prioritised action agenda for policy coherence for development. DFID should make use of its significant headquarters and field resources in identifying and working on specific policy inconsistencies. Policy coherence actions should be fully integrated into DFID's approach to results monitoring and reporting, if at all possible in concert with other similarly motivated international partners.

## **Case Study 4: Denmark**

### **Background on Danish development cooperation**

Denmark's development policy is a central and integrated part of the country's foreign and security policy. The Agency for Danish International Development Assistance, Danida, is responsible for planning and implementing Denmark's cooperation programme with developing countries.

Unlike in Sweden and Canada, Danish development policy is based on a long-term vision published in 2000 – *Danish Development Strategy* – that identifying key principles for Danish development cooperation. Currently the government is formulating a new strategy for Danish development cooperation to be published in March 2010 covering the next 10 years. It shall address the key challenges that the developing countries will face in the coming years and the major changes in development cooperation. Through the strategy, the government aims to emphasize the central role of the development policy in Denmark's international engagement. Thus, the current prime document is under review.

Supplementary to the prime strategy document for Danish development cooperation, Denmark has a mid-term development strategy published every year. The last strategy covers the period 2010-2014 presenting the government's development policy priorities. It is based on the Government platform (regerings- grundlag) from February 2005 and further develops the development policy stance set out by the Government in the numerous policy papers: *A World of Difference* (2003), *Security, Growth – and Development* (2004-2008), *Globalisation – Progress through Partnership* (2005-2009), *Globalisation – Progress through partnership* (2006-2010), *Commitment to Development* (2007-2011), *Priorities of Danida* (2008-2012), *Priorities of Danida* (2009-2013) and finally the latest *Priorities of Danida* (2010-2014).

Thus, the strategy is reviewed every 10 years while the Plan and Priorities are updated every year. In addition, the Danish government publishes every 2 years the civil society strategy. A new development strategy is therefore not necessarily subject to government change. The last government has kept the strategy, and has not made any review process for the last 10 years.

### **Objectives of Danish development cooperation**

Poverty reduction forms the overriding objective of all Danish development efforts. However, since 2001 the Danish government has re-oriented and re-prioritized the country's development assistance to better reflect the Millennium Development Goals (MDGs) and new global challenges such as international terrorism. Over the last years, the government has also increased its efforts regarding debt relief and an untangling of Danish aid.

The overriding objective is therefore to create lasting improvements in the living conditions of the poorest sections of the world's population through poverty reduction. The way to reduce poverty is to give people rights and access to social, economic and political resources

They are three objective that are laid down in the Danish Development Strategy of 2000:

1. Sustainable development through broad-based, pro-poor economic growth with equal participation by men and women
2. Human development through expansion of the social welfare sectors, including education and health
3. Democratization and popular participation in the development process, the establishment of a rule of law, and good governance as prerequisites for the stability of economic, social, and political progress.

Denmark will contribute to reducing poverty in the world through long-term and binding partnerships with developing countries. The object of these partnerships is to strengthen the ability of the developing countries to create sustainable development processes that will benefit the poor.

### **Priority areas of Danish development cooperation**

In addition to Denmark's Development Strategy of 2000, Danida publishes every 4 years its mid-term development strategy based on the principles identified in the 2000 strategy. The current strategy is the Government Plan on Priorities for Danish Development policy covering the period 2010 until 2014.

In order to strengthen Danish development assistance, the Government will assign special priority to four areas, all of which are crucial for sustainable development in the world's poorest countries:

1. Climate Change
2. Gender equality and women's rights and opportunities
3. Democratic rule of law
4. Fragile states

In order to strengthen the long-term effort, the Government will continuously adjust the Danish development assistance to new global challenges. Danish development assistance constantly relate itself to a changing world, in order to ensure that the Danish efforts are focused, effective and up-to-date – and thus support the countries that possess a strong commitment to development.

The priority areas are chosen on the basis of global challenges facing developing countries and where Denmark can have the best impact to achieve sustainable development. As part of the government's efforts to enhance the effectiveness of Danish aid, future bilateral assistance will be concentrated on a maximum of 20 programme countries, with 2-4 priority sectors in each country.

Denmark makes also use of SWAPs. New sector programmes within health, water and sanitation, and education have recently been established in eight programme countries. These sectors also represent the priority areas of Danish development policy 2010-2014. It is noteworthy, that special emphasis will be placed on taking women and children's needs into account in both the design and implementation of sector programmes, including special efforts to promote sexual and reproductive health and discontinue the practice of female genital mutilation.

According to Danida, *sector programme support* is a pivotal point for co-operation with the programme countries. Sector programme support should take its point of departure in national strategies and policies and attach importance to the co-operation between governmental and municipal authorities and actors in the private sector and civil society. Sector programme support must be ensured the necessary flexibility, and along with the development of the partnership it can gradually be translated into general support for financing the individual sectors.

### **Gender**

The 2000 Development strategy puts a particular emphasis on the equality of men and women in development assistance. The strategy promotes equality between men and women and wants to ensure equal participation of both genders in the development process. According to the strategy, the promotion

of women's status and position is a key element in poverty reduction and an important goal for development co-operation. In order to attain development goals it is vital to draw upon the resources of both women and men.

Gender is also one of the priorities areas of the 2010-2014 Priority Plan of Danish development policy. Danish development assistance should actively contribute to strengthening women's rights – in working, political and family life. In all major bilateral development assistance programmes, the Government will place particular focus on improving the situation of women.

## **Environment**

In order to promote sustainable development, it is necessary to strengthen the capacity of the developing countries to show the necessary concern for the environment. The 2000 Danish development strategy clearly takes this point forward giving environment special attention. Thus the strategy emphasized that Denmark's development policy must contribute to the solution of national, global and cross-border environmental problems as part of Denmark's general policy of promoting sustainable development and reducing poverty.

The 2010-2014 Priority Plan addresses the importance of environment and climate change when combating poverty. The Government plans to carry out targeted efforts to a sustainable management of the environment and natural resources and mainstream environment in the programming of aid.

## **Geographical orientation**

Denmark's bilateral development assistance is focused on a selected number of developing countries (so-called programme countries). In 2003, the administration of Danish development assistance was decentralized, with more capacity being transferred to Danish missions in partner countries, which now handle most bilateral day-to-day co-operation. As part of the government's efforts to enhance the effectiveness of Danish aid, future bilateral assistance will be concentrated on a maximum of 20 programme countries, with 2-4 priority sectors in each country. Programme countries that have shown a willingness to take responsibility for their own development will receive more aid in the future. A larger share of budget support will be allocated to countries that are committed to sound public administration and the fight against corruption. In the future, Denmark aims to formulate joint strategies in co-ordination with other donors which are increasingly based on the partner country's own Poverty Reduction Strategy.

Tanzania, Mozambique and Ghana were the top recipients of Danish aid in 2005. Co-operation with Egypt and Bhutan will be gradually phased out.

Sub-Saharan Africa will remain the main recipient of Danish aid, with bilateral assistance increased to around two-thirds of total Danish aid in 2008. Moreover, the government is expected to nominate a new African programme country soon.

## **Policy Coherence for Development (PCD)**

Since it took office in 2001, the Government has significantly enhanced the effectiveness of Danish development assistance and streamlined the associated administration – e.g. by untying and decentralising the Danish assistance. The efforts made to streamline and focus the assistance will be further strengthened in the coming years – both in the delivery of bilateral Danish assistance and in the cooperation with multilateral institutions.

Although Policy Coherence for Development is not mentioned in the strategy document, as it is from 2000, Denmark seems to be actively thinking how non-development policies can support development policies and build synergies.

## Relationship to Civil Society and other actors

Support to the activities of the civil society organisations has always been an important part of Denmark's development assistance. The 2000 Danish Strategy for Danish Development Strategy reflects the need to involve the civil society and other actors in development policies. There, it claims that in the developing countries and in Denmark partnership will be based on a broad dialogue with governments, the public sector, municipal authorities as well as representatives of different interests in the private sector and civil society.

The strategy aims at supporting the development of an active civil society through support for and co-operation with local organisations in civil society, traditional representational structures and groups in local society working for the needs and rights of the poor. This will also be achieved by strengthening the will and ability of Danish NGOs to enter into partnerships with organisations in civil society in developing countries

The first separate document guiding the governmental relationship with civil society is the '*Strategy for Danish Support to Civil Society in developing Countries including Cooperation with the Danish NGOs*' that has been reviewed in December 2008. One of the objectives of the strategy is to ensure that the Danish civil society organizations will be involved in the implementation of the goals of this strategy and other Danish development policies.

Therefore, Danida wants to

1. Set clear targets for, and regularly assess their contributions to, promoting local ownership in the partnerships with civil society organisations in developing countries.
2. Set clear priorities for their interventions with respect to country focus, sector and partner choice, with a point of departure in their professional competencies.
3. Strengthen their results-orientation, including evaluation of the impact of activities in relation to the achievement of this strategy's long-term objective.
4. Set clear goals for, and regularly assess the strengthening of their popular foundation and networks in Denmark.

In terms engagement of civil society and other actors in the review process of the strategy, the Danish government values the involvement of the civil society. In 2000, the government initiated a consultation process in preparing of Danida's Development strategy.

The 2010 strategy is undergoing, however it seems that the consultation process is less open than the one in 2000. Since the new development strategy is drafted, the CSO is very keen to be engaged and involved. Yet, the dialogue between CSOs and government seems to be cool. There have been four 'café meetings' in an informal setting represented by government officials and CSO representatives. There was little feedback from the government on the content of the newly-drafted strategy and little willingness to inform the representatives on specific content related questions.

The draft is not shared with all civil society organisations. This time, the ministry has chosen only 3 organisations to share the draft and allows only these selected once to comment and give recommendations. It is expected that the draft version will be available for all stakeholders in the upcoming months, however the CSOs are certain that their comments and recommendations will have only a limited impact.

Criticism is being expressed that the ministry is leading a very closed and selected process with little transparency. In particular some CSO representative see it as important to comment on the draft, as the past version had no information on EU related development cooperation. The review would therefore be a good opportunity to push Danish development policy to another dimension with a greater international dimension.

The Plans and Priorities document allows the Parliament to be more active as it is obligatory for the Ministry to present this document every year. The CSOs thus can be active to lobby the Parliamentarians.

## **Multilateral aid**

The long-term strategy as well as the mid-term strategy emphasise the need for multilateral aid. The 2000 strategy however does not mention the European Union as a preferred partner for multilateral aid.

Denmark's contribution to multilateral organisations was subject to a critical review by the government as part of the efforts to re-focus and streamline Danish development co-operation. Consequently, Denmark has reduced the multilateral share of its ODA and will focus its multilateral assistance on a smaller number of international organisations and programmes. The 2010-2014 Priority Plan therefore plans to harmonize aid programmes and to promote a more coherent EU development policy and a stronger focus on EU development policy.

## **Financial strategy**

Every year, the Danish government prepares a Financial Act indicating how much aid will be disbursed per year. In the Finance Act for 2007, the Danish Government allocated approximately a further DKK 800 million in development assistance compared to the Finance Act for 2006. With the increasing level of Danish development assistance also follows greater international responsibility.

Denmark's development assistance will continue to amount to at least 0.8 per cent of GNP. With the present growth level of the Danish economy, this will mean that the Government in the Finance Act for 2007 will set aside approximately a further DKK 800 million in development assistance compared to the Finance Act for 2006. Consequently, the total Danish development assistance will amount to approximately DKK 13.6 billion, which will maintain Denmark's position as one of the world's largest donors.

In 1988, the Danish Parliament decided to abandon the distinction between tied and untied bilateral assistance and also to phase out the Danish state loan programme per 1st January 1989. Further, the grant assistance was to be concentrated on 20 programme countries as opposed to the more than 60 countries that had previously received bilateral assistance. The Danish tied aid mainly consisted of state loans and grants (tied 100% subsidies), with grants given to the LDCs and state loans to developing countries with a Gross National Income (GNI) not exceeding an agreed limit. State loans had subsidy elements of between 76% and 86%. A total of 185 state loans for 60 countries and a total of 56 tied grants for 26 countries were given between 1963 and 1988, of which 29 tied grants and only two loans were given in 1987 and 1988. The state loans or tied grants could be combined with credits on commercial terms, called mixed credits, but unlike the present Programme. These credits were only given to creditworthy, poor countries and were administered by the EKF. No new state loans, tied grants or mixed credits were entered into after 1988, but commitments under already agreed loans were disbursed in the following years. These changes left Danida without an aid instrument for financing specific projects of Danish interest in countries outside of the programme countries and outside the selected sectors in the programme countries. The DMC Programme was intended to act as such an aid instrument contributing to phasing out former Danish assistance in non-programme countries and to support non-prioritised sectors in programme countries.

Apart from Japan, only Spain, France, Austria, and Denmark have retained a significant mixed credit loan profile into the 21st century. In terms of mixed credit loan notifications as a proportion of Gross National Product (GNP), however, Denmark's contribution is second only to Spain. Similar trends have occurred in the case of de minimis tied mixed credit loans, with the exception of Japan that is a relatively minor donor in the context of small projects. Denmark introduced the untied mixed credit in 2002 and the combined budget for tied and untied mixed credits in 2002 is DKK 275 million.

## **Follow-up/Reporting/Evaluation**



The Danish government has established an evaluation department in the Ministry for Foreign Affairs responsible for commissioning evaluations of development cooperation efforts. These evaluations are also presented to the Parliament to inform about the results and outcomes.

A Board for International Development Co operation (Danida Board) provides the minister with independent professional and technical advice on strategies, action plans and activities related to development co operation. This set-up adds continuity and stability to Denmark's development policy; it results in strong involvement and deep knowledge on the part of the various stakeholders, and also heightens public trust in the process.

## **Conclusion and Recommendations**

Stronger dialogue with Civil Society and other actors would enhance Danish development aid and profit from the experience that various actors have collected through their work. Although there is a civil society strategy which is quite unique, the government has a very closely consultation process sharing rarely draft documents with civil society organisations. A more transparent process would allow for more engagement.

Danish development co-operation benefits from a solid legal basis. The 1971 Act on International Development Co-operation is its political foundation and the Danish Parliament's statement, Partnership 2000, confirms poverty reduction as its overarching objective. However, Danida needs some stronger experience in mainstreaming cross-cutting issues and its approach to capacity development, and to disseminate its good practices.

In fact, like other countries, Denmark faces difficulties of ensuring that all relevant policies are in line with its development objective of reducing global poverty. An asset for Denmark in this context is the grouping in the Ministry of Foreign Affairs of responsibility for international financial institutions, the United Nations system, humanitarian assistance and trade together with political relations. Denmark's support for international policy coherence, including within the European Union, is helped by the intensive co-ordination of its policies in the European Union and by the positive attitudes and involvement of Danish industry and farmer associations.

In that regard, the OECD has encouraged the Ministry of Foreign Affairs/Danida to increase further interaction within government and with Parliament and civil society on these issues. Ministry of Foreign Affairs/Danida should have the capacity to play a stronger leadership role in analysing and promoting the development coherence of policy decisions.

## ***Case Study 5: The Netherlands***

### **Background on Dutch development cooperation**

Development co-operation is one of the most prominent pillars of Dutch foreign policy headed by the Minister for Development Co-operation. Unlike most other donors, the Netherlands does not have a separate ministry or agency in charge of development co-operation. The Foreign Ministry's Directorate-General for International Co-operation (DGIS) is responsible for the formulation, co-ordination, implementation and funding of Dutch development assistance, while regional and policy theme departments are in charge of geographical and thematic programmes. More responsibilities have been delegated to Dutch embassies in recent years, which play an important part in implementing Dutch development projects.

As other EU members, the Dutch government has no long-term strategy paper, but uses a policy strategy document to define its development cooperation goals reviewed every 4 years. In October 2007, Minister for Development Cooperation Bert Koenders presented his new development policy, 'Our Common

Concern: investing in development in a changing world', outlining the general framework for development cooperation. The new policy emphasises more Dutch investment in fragile states and in countries, which have the most ground to make up in achieving the Millennium Development Goals.

A change of the policy strategy is subject to government change in the country that happens normally every 4 years. The new Development Minister publishes a letter defining and reformulating the government's new approach to development cooperation. This letter is the basis for Dutch development cooperation in the upcoming years. The last letter is dated back in 2007. It is expected to have another policy strategy letter in 2011.

## **Objectives of Dutch development cooperation**

In 2003, a policy memorandum entitled 'Mutual interests, mutual responsibilities: Dutch development co-operation en route to 2015' defines sustainable poverty reduction as the overarching objective of Dutch development co-operation and the realisation of the Millennium Development Goals (MDGs) as the means to achieve this objective.

The government as a whole is committed to bringing about a powerful common strategy to reduce the backlog in achieving the MDGs, and will focus more attention on social and economic development for the poorest section of the world's population. Long-term economic growth will not be possible without integrating poor people into the economy. Everyone in developing countries must be able to benefit from economic development. The human rights approach to development cooperation is key, and is based on the indivisibility of political and socioeconomic human rights. The equal distribution of wealth should be at the top of the world's political agenda. Development experts have rightly pointed out that poverty is the Achilles' heel of globalization.

In the last policy letter 'Our Common Concern: investing in development in a changing world', development minister Bert Koenders announced that the Netherlands is stepping up investment in fragile states, which have the most ground to make up in achieving the Millennium Development Goals'. Global changes and trends make development cooperation indispensable' and 'Fairer worldwide distribution of welfare, ownership, environmental space and security is a shared priority. Globalisation has necessitated political repositioning and a rethinking of development cooperation in the Netherlands.

## **Priority areas of Dutch development cooperation**

The last speech, the Development Minister has identified four priorities:

1. Security and development
2. Growth & equity
3. Gender and sexual and reproductive health and rights
4. Sustainability, climate and energy

The four enhanced policy focuses announced in the Government Agenda 2015 and the Explanatory Memorandum are based on the objectives of Dutch Development cooperation and insufficient progress towards achieving the Millennium Development Goals. The Dutch government in particular chooses those priority areas where they have a comparative advantage and knowledge. The global development challenges are in particular taken into consideration when the choice for priority areas is made.

The government wants to take the lead with a coherent foreign policy. Development cooperation as a catalyst for development has become more political, with a greater focus on human rights, particularly those of women, and a more integrated approach to resolving conflict. Greater effort is placed in international negotiations on trade and the environment to ensure that developing countries and poor people enjoy their share of global economic development.

With regards to bilateral approaches and instruments, the Dutch government is offering budget support to selected partner governments and is one of the first donors to support sector-wide approaches (SWApS). An example is the Dutch health sector support in Ghana, which is considered one of the oldest and most successful SWApS in Africa. Among the most important channels for Dutch bilateral aid are civil society organisations, which are supported through several funding mechanisms (see 'Co-operation with NGOs'). These features of Dutch bilateral aid, in addition to the promotion of host country ownership and the delegation of authority to the field, have been recognised internationally and have served as a role model for other donors. Top recipients of Dutch ODA in 2003/4 were DR Congo (debt relief), Ghana, Iraq (debt relief), Tanzania and India, which is no longer a partner country. Geographically, the bulk of Dutch assistance is concentrated on sub-Saharan Africa. The OECD Development Assistance Committee (DAC) 'education, health and population' sector receives the largest share of Dutch ODA.

## **Gender**

Respect for human rights, gender equality, and good governance are important cross-cutting issues of Dutch foreign and development policy, and also to the 2007 Minister letter. According to the government strategy, poverty reduction and the promotion of human rights have to go hand in hand, and the Netherlands aims to hold national governments accountable to fulfil internationally recognised human rights standards. With regards to gender issues, the Netherlands promotes the position of women in its bilateral and multilateral co-operation and through support for relevant non-government organisations (NGOs.). The Dutch government has also played an important role in the negotiations on the Optional Protocol to the Convention on the Elimination of Discrimination Against Women (CEDAW), and the Netherlands was one of the first countries to sign it.

## **Environment**

As gender, environment constitutes one of the main priority areas of Dutch development aid. The Minister for Development Cooperation bears responsibility within the government for coordinating international sustainability. The government will call for more cohesion between international agreements on trade, environment and climate, and poverty reduction. The strategy strives over the coming years for intensive international climate diplomacy to call countries with high-energy consumption, including rapidly growing economies, to account. It has also reserved extra resources for sustainable energy.

## **Geographical orientation**

The Netherlands has a structural development relationship with 36 partner countries in order to ensure that the development budget is spent as effectively as possible. For several years now, substantial aid has also been given to four other countries in conflict or in a post-conflict situation: Sudan, Burundi, the Democratic Republic of the Congo and Kosovo. Every partner country has its own set of problems and is progressing towards the Millennium Development Goals (MDG) at a different pace. The Dutch effort in terms of aid volume and type of cooperation therefore differs from country to country. The partner countries, indicated on the world map below, fall under one of three profiles. Select a continent and click on it to read more about Dutch development cooperation there.

### **Profile 1: Accelerated achievement of MDGs**

This profile applies to poor countries (the least developed countries – LDCs – and low-income countries) with a reasonable level of stability and improving governance. They are lagging behind in their achievement of the Millennium Development Goals, far behind in some cases, but if we make an extra effort and work closely with the government and other donors, they could catch up. These countries are often highly dependent on donors. Harmonisation, alignment (bringing donor aid in line with policy and procedure in the partner country) and a better allocation of responsibilities are key issues in these countries, and as such there is little or no scope for donors to raise their own profile (no 'flag waving'). The policy effort focuses on achieving the MDGs.

#### Profile 2: Security and development

This profile applies to countries with a pressing security problem or sharp divisions in society that could potentially spill over into conflict. The problems in these countries generally mean they will be unable to achieve the Millennium Development Goals in the near future. The policy effort is geared mainly to creating the right conditions to bring them closer to achieving the MDGs, with a focus on basic services to guarantee people's security and enhance the legitimacy and capacity of the government and its institutions.

#### Profile 3: Broad-based relationship

This profile applies to countries that have already achieved middle-income country status or are likely to do so in the foreseeable future. They are on target for achieving most of the Millennium Development Goals. The Dutch effort focuses on the MDGs on which they are lagging behind and on broadening the development of the country. Other forms of cooperation, particularly economic cooperation, will grow in importance. The policy effort will focus on specific niches, on the principle that these countries will need less and less ODA to fund their development efforts and that development cooperation can therefore be phased out in the long term.

### **Policy Coherence for Development (PCD)**

In the Netherlands, a minister with full cabinet status is responsible for international development cooperation. Having responsibility at this level allows the minister to negotiate on policy coherence for development (PCD) issues with fellow ministers from a position of equality. This means PCD issues can be discussed and interests properly weighed at the cabinet level. Unlike some EU member states, the Netherlands has no formal legal framework in place to address PCD in government policies; neither does it have a statute law underpinning development cooperation.

Nonetheless, in addition to the priority on policy coherence that has been confirmed in Dutch policies for development cooperation, PCD has increasingly featured in joint policy statements issued by various ministries.

The Dutch Policy Coherence Unit (PCU) was first set up as a dedicated task force in May 2002, partly based on the experience of an earlier ad hoc PCD group within the Ministry of Foreign Affairs. The PCU is part of the Directorate General for International Cooperation (DGIS), and reports directly to the director general of DGIS and the Minister for Development Cooperation. Its principal features can be summarized as follows:

1. It has a staff of six, comprised of a director, a senior policy officer/deputy director, three senior policy officers, and one assistant.
2. The unit reports to and advises the Minister for Development Cooperation. The director participates in the formal policy and management structures of DGIS.
3. The unit works on PCD dossiers in close cooperation with other divisions within the Ministry of Foreign Affairs. The unit involves its specialists in dedicated project teams that are mostly led by the unit.

The PCU can draw on DGIS funds for impact research, lobby activities, strategic support and coalition building with developing countries, nongovernmental organisations (NGOs) and other stakeholders.

The PCU applies three intervention strategies. It provides inputs related to development cooperation in the interdepartmental committee that formulates positions for decision-making in government on proposed European rules and legislation. In a project mode, it works towards concrete results on a limited number of topical PCD dossiers in collaboration with departments within the Ministry of Foreign Affairs and other relevant sectoral ministries. In addition, it strengthens attention to PCD within the European Union, the European Commission and the OECD, by participating in evolving groups of like-minded countries on specific PCD dossiers.

Thus, the Dutch government makes use of directorate General for European Cooperation (DGES), an advisory body for PCD, has an interdepartmental coordination mechanisms on EU policies beyond aid and an independent/ informal EU policy coherence for development network.

The Netherlands undertakes regular external evaluations of the work of its PCD Unit. These evaluations assess the relevance, added value and results of the Units three objectives (PCD screening of Dutch positions in the EU, pro-active networking and lobbying with other directorates). In addition, the Dutch government holds intensive dialogues with a wide range of stakeholders on PCD related subjects.

## **Relationship to Civil Society and other actors**

Strong co-operation with civil society actors is one of the most prominent features of Dutch development co-operation, with around 15% of Dutch ODA currently channelled through NGOs. Conditions governing the provision of grants from the Dutch government have changed in recent years.

Up to 2006, the so-called Dutch 'co-financing organisations' received almost € 500 million annually under co-financing and theme-based co-financing programmes for implementing development projects in Dutch partner countries in close co-operation with local partners. The bulk of this amount was channelled through the following six Dutch NGOs: ICCO, Hivos, Cordaid, Oxfam Novib, Plan Netherlands, and Terre des Hommes Netherlands.

For the 2007–2010 grant period, the Dutch government has decided to combine the two separate grant programmes into a single co-financing system (MFS) guided by a coherent policy framework. This new system is partly inspired by new international developments and a policy debate between the Dutch government and civil society in 2004. The new MFS is designed to support strategic, multi-annual development programmes of both broad-based and theme-based Dutch NGOs and ensure complementarity and coherence with overall Dutch development objectives.

Local partner organisations play an important role in capacity building and implementing the activities on the ground. As international NGOs are not eligible to apply for the MFS, the Dutch government has recently launched the scheme 'Strategic Alliances with International NGOs' (SALIN) to supplement its partnership with Dutch NGOs.

Moreover, the Dutch government supports local civil society organisations in developing countries through its local embassies. NGOs from the South are advised to contact the Dutch embassy in their country to explore funding opportunities. Most embassies have a so-called 'Civil Society and Small Grants Programme Officer' who is responsible for dealing with local civil society.

## **Multilateral aid**

The Dutch government channels approximately a third of its development aid through multilateral organisations. As a member of influential donor groups such as the Nordic Plus countries (together with Denmark, Finland, Ireland, Norway, Sweden, and the UK) and the Utstein group (together with Canada, Germany, Norway, Sweden, and the UK), the Netherlands is also regarded as an important voice contributing to the international development agenda. Within the European Union (EU), the Netherlands has been actively involved in enhancing the coherence of the EU's foreign and development policy and improving the effectiveness of European aid.

The Netherlands also stresses the importance of donor harmonisation and alignment and has supported the Paris Declaration on Aid Effectiveness. The importance the Dutch government attaches to the United Nations (UN) is highlighted by the fact that The Netherlands is the second largest donor to the UN agencies (behind Japan), spending US\$ 446 million in 2004. Other multilateral recipients of Dutch ODA are the World Bank group (US\$ 545 million), the European Commission (US\$ 383 million), and the regional development banks (US\$ 73 million). The Dutch government has developed an appraisal

framework to measure the impact of its multilateral aid and is increasingly allocating its resources based on the performance of recipient agencies.

## **Financial strategy**

Dutch Official Development Aid (ODA) was approximately US\$ 5.1 billion in 2005, up 20% compared to 2004. This figure represents 0.82% of Dutch gross national income (GNI), which exceeds the United Nations (UN) target of 0.7% and is well above the OECD average of 0.47%. The bilateral share of Dutch ODA was 64% in 2004, of which 36% went to Least Developed Countries (LDCs).

In future the government will work more with 'development contracts', whereby the Netherlands – and other donors – will provide multi- year aid for the development priorities of poor countries. Agreements will be made concerning good governance, involving the local population in setting priorities and monitoring the implementation of policy. This is not a new precondition, but a broadening of the concept of ownership as laid down in the Paris Declaration. Examples of contracts such as this include the memorandums of understanding setting out joint donor efforts. In the spirit of the Paris Declaration, it is not so much a matter of bilateral agreements as of laying down the mutual obligations of several parties, of monitoring whether they are met and of partners being able to call each other to account. Even where there is no joint framework with other partners, bilateral relationships will be shaped along these lines, with modifications to take account of the form and substance of each. The government will also examine whether an ombudsman-type instrument, adapted to the field of intergovernmental relations, might play a role in restoring the balance in donor-recipient relationships.

Intra alia, the Dutch government makes use of a Homogeneous Budget for International Cooperation (HGIS), which is a separate budgetary construction in the central government budget which makes it possible to see at a glance the most important areas of Dutch expenditure on international cooperation each year. A distinction is made within the HGIS between spending that meets the criteria for Official Development Assistance (ODA) and other, non-ODA, spending on international policy. The Minister of Foreign Affairs coordinates foreign policy, and thus the HGIS. The Minister for Development Cooperation coordinates ODA funds.

## **Follow-up/Reporting/Evaluation**

The Dutch government has also placed increasing emphasis on demonstrating results of its aid and measuring the impact of its interventions towards specified development targets.

The Foreign Ministry has also a Policy and Operations Evaluation Department (IOB). The objective of this Department is to increase insight into the implementation and effects of Dutch foreign policy. IOB meets the need for independent evaluation of policy and operations in all policy fields falling under the Homogenous Budget for International Cooperation (HGIS). IOB also advises on the planning and implementation of the evaluations for which policy departments and embassies are responsible.

## **Conclusion and Recommendations**

The current policy framework gives the MFA a clear mandate and provides geographic and sector focus.

Critics have been issued on the use of sector-wide approach that all the attention has focused on the policy dialogue with governments concerning budgets, planning and control at national level. The more a country depends on foreign aid, the more time it spends on talking to donors, and the less on its own parliament and people. Donors, in their turn, do too little in the way of talking to civil society organisations, local authorities and the private sector about the government's national development plans.

In comparison with some other DAC member countries, the MFA does not have a systematic and strategic approach to domestic policy dialogue beyond the co-financing and contractual arrangements with various civil society organisations. The MFA has delegated the task of promoting public support for development to the National Committee for International Cooperation and Sustainable Development (NCDO) while the MFA's own communication and reporting targets the parliament. Therefore, the MFA has been encouraged by the OECD DAC Review to pursue broader public communication efforts showing both the complexity of development and the results being achieved. This will require building on initiatives such as the Results in Development report to communicate the policy objectives and achievements of Dutch development co-operation

## **Recommendations**

This comparative study demonstrated what other DAC countries are doing when developing their own national and mid-term development strategies, what tools they are using and more importantly what stakeholders they allow to be part of the review process. In addition, this study should also highlight the main objectives and priority areas of each of the countries. Certainly there are differences between the five DAC countries however some DAC members seem to be more successful than others.

### ***A coherent strategy involving all ministries***

Comparing all countries, each of the DAC members have created different mechanisms to review or update the strategy. Only Denmark and Sweden have an overarching long-term vision, others seem to review their development policy documents, in particular mid-term strategy, every two to four years. These reviews are subject to government election and global development changes that force the countries to re-orient their development strategies every couple of years.

Clearly Sweden's approach has been defined to be the forerunner. One reason is that Sweden development policy is linked to all foreign related sectors and areas the government works on, so strengthening Policy Coherence for Development in all areas, but also it has developed a long-term vision defining their objectives and values in all areas to insure a coherent foreign policy. All ministries prepare one document in a cooperative manner known as the Shared Responsibility. Every 2 years, Sweden develops a policy paper stipulating its priority areas for development cooperation in the upcoming years.

Therefore, it is important that the long-term strategy and its supporting documents (mid-term strategies, annual strategies and policy papers) are linked to the prime document to ensure that there is a coherent foreign policy. This has been certainly lacking in some countries. Moreover, it is substantial to link a long-term vision and a medium-term strategy or strategies and integrate those into national development strategies.

### ***Why the timeframe of the strategy matters***

All countries compared have chosen different timeframes in which their strategies operate. Usually they cover a period of 2-4 years with the exemption of Denmark that has adopted a strategy of 10 years. However, the Danish strategy of 10 years has been contested by the civil society organisations, as 10 years seem to be far too long as development cooperation is changing on a constant basis.

Clearly it depends on the country and its procedures when a strategy will be reviewed and for how long it remains valid, yet analysis shows that mid-term strategy under 5 years gives more space for changes that might occur in development aid in general. Sweden has an overall strategy document, known rather as a policy document stating Sweden's vision for development. This policy document is supported by a mid-term strategy reviewed every 2 years. This timeframe has been certainly been applauded by many evaluators as Sweden does not only define its vision for development but also gives enough space to adjust to global development changes.

Therefore, it matters if the country aims for an overarching long-term vision for all policies and ministries or a long-term strategy for development cooperation only. In the case of Sweden, the overarching policy for global development was a well-consulted and long process of 4 years thinking intensively how to combine the various visions of all ministries of the government in one document. This certainly takes a lot of time internally, but gives opportunity to align the policies of the various ministries and ensure coherence among them. This document is a clear effort for better cooperation between the various ministries of the Swedish government and a more coherent approach to foreign affairs. This overarching policy document has been applauded by the OECD by stipulating that Sweden is the first country that



aimed for an overarching foreign relations policy linking all policy areas and committing to policy coherence. This approach can also be repeated in other countries, such as France.

Many countries have also chosen to publish Plans and Priority documents every year stating their priorities for each year and thus be much more flexible to changes in development cooperation.

Therefore, it is recommended to have an overall policy framework document for development cooperation or foreign aid with the possibility to cover all areas of the ministry (as in the case of Sweden showing their commitment to Policy Coherence for Development) in addition to the planned mid-term strategy. The mid-term strategy should not be operated for too long to be able to respond to changes that affect development aid. Plans and Priority documents are a good opportunity to inform the public and other actors about the development priorities and plans for each year and thus support the efforts of transparency and accountability in the country. The Plans and Priority documents can also serve other actors to check and observe Ministries' actions on development cooperation without waiting for the next review of the mid-term strategy.

### ***A need for a clear mandate, geographic and sector focus***

Remarkable is that all countries in this comparative study have poverty reduction and the achievement of the Millennium Development Goals as their prime objective for sustainable development in development countries. The number of priority areas differs from country to country, but is usually between four to seven areas that the country is focussing on.

Some countries seem to orient their priority areas towards global problems, others such as the Netherlands, prefer to choose those priority areas where they have a comparative advantage and a long term experience. The Netherlands strives for less donor competition but better coordination and has therefore chosen only a selected number of priority areas and priority countries.

This approach has also been applauded by the OECD DAC review. It is therefore important to be aware of what is feasible or not, what priority areas can be successfully implemented and where can the country's development aid have the most impact. When defining a new long-term or short-term development policy, it is significant to have a clear mandate providing a clear geographic and sector focus to reduce poverty.

The long-term vision and medium-term strategy should identify objectives and targets linked to the MDGs but tailored, with some specificity, to country circumstances. The medium-term strategy should focus on a prioritized set of targets. It adequately addresses cross-cutting issues such as gender, HIV/AIDS, the environment, and governance.

### ***Emphasizing Gender and environment as priority areas and core objectives***

All DAC countries have Gender and Environment as their main priorities. For the DAC members these areas are not only cross-cutting areas but also significant to poverty reduction. Clear strategies are laid down in their mid-term strategy stipulating how gender and environment can be linked to other priority areas and how essential they are for poverty reduction. The UK for example indicates how peace and security is linked to environment and gender and where UK intends to strengthen its research and efforts.

Remarkable is also that some DAC members clearly emphasize how they intend to work with other ministries on the cross-cutting areas and how can they maximise their development efforts. Particular examples in the mid-term strategy give a clearer indication how the government intends to approach the gender and environment areas.

### ***Adequately promoting Policy Coherence for Development***

Most of the DAC members analysed are certainly forerunners for Policy Coherence for Development. Almost all have established mechanisms to improve the coordination between the foreign ministry and other ministries so that development aid profits from and is supported by non-development policies. To ensure that this happens, there is not only a need for mechanisms and policy for coherence tools, but also a clear leadership stipulated in the strategy. Netherlands, Sweden and the UK emphasize Policy Coherence as being at the core of its medium development strategy; others have devoted a whole chapter on this issue.

A clear strategy towards Policy Coherence for Development has to be formulated linking all ministries and establishing clear mechanisms. Those countries that are successful have created inter-governmental committees and departments/unit to ensure that all non-development policies support development aid. A strategy should clearly state what the government intends to do in the PCD area, how the government intends to link with other ministries on development oriented topics and what are the mechanisms to be put in place to be successful in promoting Policy Coherence for Development. Closer work with the Environment and Energy Ministry on Climate Change would be one example.

### ***Creating space for civil society in the strategy and review processes***

In some of the DAC countries, a clear consultation system has been established to allow all stakeholders to present their views and comments on priority areas and the overall strategy.

An independent body, like in the case of UK, that coordinates the consultations and determines the timetable, gives CSO the chance to comment on poor policies that need some improvement. This independent body, sets a timetable for 3 years, so all stakeholders can adequately prepare for upcoming consultations. The timetable of 3 years gives all actors to be involved to be adequately prepared for future consultations and to seek information for a qualitative response.

In addition, a consultation process on the web can certainly improve accountability and transparency of the government and create yet another possibility for stakeholders interested to comment on draft documents. Although an Internet consultation has been contested by some of the civil society organisation, as the government does not publish what comments are taken into consideration and what has been rejected. Yet, civil society could insist on a government mechanism that requires the government to document what comments have actually been taken on board and have influenced the review of the strategy. A simple table what comments were considered would help.

Another opportunity would be to extend the informal or formal consultation meetings to various developing countries in order to engage local stakeholders in the review of the strategy. This would give various stakeholders a possibility to engage having no access to internet/modern facilities.

Many of the DAC members organize informal or formal consultation meetings; some are open to all civil society organisations, others only to selected groups. It is therefore important to ensure that all stakeholders are allowed to be part of consultation processes. In addition, it should be made sure that not the finalised strategy is shared with other actors, but the draft document so that a possibility of change and impact exist.

It is therefore important that the mid-term strategy has a systematic and strategic approach to domestic policy dialogue beyond the co-financing and contractual arrangements with various civil society organisations indicating where and how civil society is involved in the various priority areas.

### ***A strategy intended only for the Civil Society***

Denmark seems to be the only DAC member that has dedicated a mid-term strategy for the dialogue with civil society nationally and internationally. This can also be repeated in other countries as this strategy

clearly states the areas of cooperation and how and where the government intends to involve the civil society organisations in their priority areas. However, the Danish government fails to link the civil society strategy with the mid-term strategy or long-term strategy.

For other DAC countries, it would be useful to create a separate comprehensive civil society strategy clearly indicating the areas of cooperation and specific guidelines for involvement. This document should be clearly linked to the mid-term strategy. The mid-term strategy could serve as the basis to stipulate the engagement with the civil society, while the Civil Society strategy can offer a more comprehensive analysis of the involvement of various actors in development cooperation.

### **A strategy that informs the public about financing and programming**

All DAC Members have given little indication or now information about their financing and programming methods in the strategies and policy documents. Therefore it is highly recommended that the future strategies give more information on financing of the strategies and how the budget is programmed. This would help the national Parliament and the public to oversee the work of the aid agencies and ministries. This process would also allow the ministries to be more accurate in their financing.

Yet it would also be useful for all stakeholders to be informed how the funds are used for the developing countries, what kind of funds and financing mechanism are used for what purpose and explain why this particular method is being processed.

### ***Implementing the Accra agenda***

All donors have supported Accra's decision to make multi-year, predictable and guaranteed aid commitments based on clear and transparent criteria.

Thus, it is significant to move to a results framework linking long-term goals to outcomes and outputs. The government is progressing toward performance-oriented budgeting to facilitate a link of the strategy with the medium-term fiscal framework and the budget, and helps focus capacity and resources at the national and local level on national objectives.

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## Annex I: Comparative Table of all Questions and ODA countries

Questions	Canada	UK	Denmark	Sweden	NL
The ambitions of the strategy to ensure priority to the fight against poverty and inequality					
1) Duration and review					
What is the period covered by the strategy?	Sustainable Development Strategy (SDS): 2007–2009 covers a period of 2 years and is Canada's mid-term strategy for foreign affairs issues including development cooperation. This presents the 4 <sup>th</sup> version.	Mid-term Development strategy is the 2009: White Paper on International Development: Eliminating world poverty -Building our Common Future (2006: White Paper on Making governance work for the poor). The Legal basis for development cooperation is the Public Service Agreements covering a period of 2008-2011.	Long-Term strategy is the Danish Development Strategy developed in 2000 Covering a period of 10 years. (A new strategy shall be adopted in 2010)  In addition, every year the government publishes its priority policy paper of the Danish Government for Danish Development Assistance 2010-2014 covering a period of 4 years.	<i>Shared Responsibility: Sweden's Policy for Global Development'</i> – Sweden's national foreign affairs strategy  The Sweden's Policy for Global Development (2008) - A 2 years communication and an overarching policy communication for development cooperation.	Our Common Concern: investing in development in a changing world 2007-2011covering a period of 4 years.
Can the strategy be reviewed? If yes, how often and how?	The Foreign Affairs Strategy is updated and reviewed every two years – with a new topic (Sustainable Development Strategy 2004-2006: Enabling Change.) While doing so, Canada's aims at incorporating its programming the findings of audits, evaluations, and related assessments of projects, programs, sectors, and institutions. Every SDS builds upon	White Paper is normally updated due to Parliament request or government change. In addition there is a Autumn Performance Report (APR) published every year, along with the Annual Report, provides an overview of progress towards 2008-11 Public Service Agreement 29, on which DFID leads, and our seven Departmental Strategic Objectives (DSO).	The national development strategy is updated every 10 years.  The Priority papers are reviewed annually covering a period of 4 years. On top of this, Denmark publishes policy-oriented papers.  Informal and formal consultation procedures with all relevant stakeholders.	<i>Shared Responsibility: Sweden's Policy for Global Development was developed in 2003.</i>  Policy for Global Development is updated and reviewed every two years reflecting the current challenges of development cooperation.  Updates and reviews happen on the request of the Parliament. Foreign	Yes, reviewed with every new incoming office. (4years)  The new minister coming to office encourages a new strategy providing his own input and views. This happens with a so-called 'development letter' presented by the incoming development minister.

Questions	Canada	UK	Denmark	Sweden	NL
	such lessons and the many changes that the Agency has made since its third SDS.	Online consultation for all stakeholders that are interested initiated by an Independent Development Committee established for this purpose.		Ministry coordinates the reviews together with other related agencies and ministries. Consultation procedures with all stakeholders.	
<b>2) General objectives and cross cutting issues</b>					
<b>What are the objectives and directions of the strategy?</b>	<p><b>Core objective:</b>  <i>"To achieve sustainable development to reduce poverty in the poorest countries, as measured through progress on the development goals of economic well-being, social development, environmental sustainability, and governance"</i></p> <ol style="list-style-type: none"> <li>1. Support equitable economic development;</li> <li>2. Support social development, with particular emphasis on people living in poverty;</li> <li>3. Support environment and natural resources management; and</li> <li>4. Support progress in democratic governance and human rights.</li> </ol>	<p><b>Core Objectives:</b>  Poverty reduction and MDG agenda (led by Dfid)</p> <p>Avoid dangerous climate change (led by the Department of Energy and Climate Change)</p> <p>Reduce the impact of conflict through enhanced UK and international efforts (led by the Foreign and Commonwealth Office).</p>	<p><b>Core objectives:</b>  Poverty reduction is the overriding objective of Danish development policy.</p> <ol style="list-style-type: none"> <li>1. Sustainable development through broad-based, pro-poor economic growth with equal participation by men and women</li> <li>2. Human development through expansion of the social welfare sectors, including education and health</li> <li>3. Democratization and popular participation in the development process, the establishment of a rule of law, and good governance as prerequisites for the stability of economic, social, and political progress.</li> </ol>	<p><b>Core objective:</b>  Overall objective is to contribute to equitable and sustainable global development. The government's annual letter of appropriation defines the main objectives that SIDA should achieve in its work. Those six global development strategies are:</p> <ol style="list-style-type: none"> <li>1. Oppression</li> <li>2. Economic exclusion</li> <li>3. Climate Change and environmental impact</li> <li>4. Migration flows</li> <li>5. Communicable diseases and other health threats</li> <li>6. Conflict and fragile situations</li> </ol>	<p><b>Core Objective:</b>  Poverty reduction and MDG agenda.</p> <p>Netherlands is stepping up investment in fragile states, which have the most ground to make up in achieving the Millennium Development Goals. <i>'Global changes and trends make development cooperation indispensable'</i>, says Mr Koenders. 'Fairer worldwide distribution of welfare, ownership, environmental space and security is a shared priority. Globalisation has necessitated political repositioning and a rethinking of development cooperation.</p>

Questions	Canada	UK	Denmark	Sweden	NL
<b>What importance is given to the fight against poverty and inequality?</b>	<p>1<sup>st</sup> priority – poverty reduction in those countries they operate</p> <p>The new ODA Accountability Act that came into force on June 28 2008 applies to all federal departments providing official development assistance aid decisions have to comply with three distinct criteria: poverty reduction, ownership and hum rights.</p>	<p>1<sup>st</sup> priority – eliminating world poverty</p> <p>The ultimate and overarching goal of poverty reduction was adopted as legislation with the 2002 Development Co-operation Act. Public Service Agreements (PSAs) set out specific interim targets towards realising the MDGs, against which, DFID can be held accountable by the public.</p>	<p>1<sup>st</sup> priority – reducing poverty</p> <p>The overriding objective of Denmark's development policy is to create lasting improvements in the living conditions of the poorest sections of the world's population through poverty reduction. The way to reduce poverty is to give people rights and access to social, economic and political resources.</p>	<p>Swedish policies are required to contribute to global poverty reduction and the realisation of the Millennium Development Goals (MDGs). The fight against poverty and inequality is therefore Swedish main development goal.</p>	<p>1<sup>st</sup> priority: poverty reduction</p> <p>The MDG agenda is a major guideline for Dutch development policy.</p>
<b>How are gender issue taken into account?</b>	<p>Together with environment, Gender - equality between women and men are at the core of CIDA's work.</p>	<p>The 2009 White paper stipulates the importance of gender and ensures that all programmes will monitor and report the impact on women and girls.</p>	<p>Gender equality and human rights are central in Danish development policy.</p>	<p>The Government considers that Sweden's international contribution to the promotion of gender equality and better conditions and opportunities for women and girls, as part of the effort to achieve equitable and sustainable global development, has been enhanced in a number of policy areas.</p>	<p>One of the 4 priority areas.</p> <p>With regards to gender issues, the Netherlands promotes the position of women in its bilateral and multilateral co-operation and through support for relevant non-government organisations (NGOs.)</p>
<b>How are issues of environmental protection taken into consideration ?</b>	<p>Canada supports environment and natural resources management is one of CIDA's core values and objectives.</p>	<p>White paper has a strong emphasis on environment and climate change and its impact on the various priority areas.</p> <p>DFID is also a delivery</p>	<p>Danida takes environment very serious and is one of its priority areas.</p>	<p>Environment and climate change is not only Sweden's priority area, but also one of the global objectives to achieve sustainable development.</p>	<p>One of the 4 priority areas.</p>



Questions	Canada	UK	Denmark	Sweden	NL
		partner on Public Service Agreement (PSA) framework 27: Lead the global effort to avoid dangerous climate change (led by the Department of Energy and Climate Change).			
<b>Are other cross-cutting issues taken into account in the strategy? If yes, How?</b>	Yes, environment and gender are emphasized in particular, having a special place in the strategy.		The gender issue, the environmental issue and the democracy issue are therefore cross-cutting issues in Denmark's development policy. The strategy ensures the necessary flexibility in the country strategies for the programme countries by allocating funds to <i>cross-cutting activities underpinning the sector programme support</i> , e.g., reforms to promote democratic control and administrative effectiveness, decentralisation and general budget support.	The document Shared Responsibility underlines the importance of cross-cutting issues taking all sectors and ministries into consideration.	Respect for human rights, gender equality, and good governance are important cross-cutting issues of Dutch foreign and development policy. According to the government strategy, poverty reduction and the promotion of human rights have to go hand in hand, and the Netherlands aims to hold national governments accountable to fulfil internationally recognised human rights standards.
<b>3) Geographical and sectoral objectives</b>					
<b>Does the strategy cover SWAPs?</b>	Yes, It is also involved in program-based approaches of different sorts, including about a dozen SWAPs, and numerous non-sectoral	Not mentioned in particular in the strategy but used – a particular emphasis on specific and the most vulnerable sectors (such as agriculture, fisheries)	Yes, with a particular emphasis on health. New sector programmes within health (including sexual and reproductive health and rights (SRHR) and	N/A	With regards to bilateral approaches and instruments, the Dutch government is offering budget support to selected partner

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	program-based initiatives. Most SWAPs are in Africa.	"Investing in vulnerable sectors".	HIV/AIDS), water and sanitation, and education have recently been established in eight programme countries. It is noteworthy, that special emphasis will be placed on taking women and children's needs into account in both the design and implementation of sector programmes, including special efforts to promote sexual and reproductive health and discontinue the practice of female genital mutilation.		governments and is one of the first donors to support sector-wide approaches (SWAPs). An example is the Dutch health sector support in Ghana, which is considered one of the oldest and most successful SWAPs in Africa.
<b>Does the strategy define priority areas? If yes, On what basis?</b>	<p><b>FOUR KEY AREAS</b></p> <ol style="list-style-type: none"> <li>1. Strengthen the effectiveness of Canada's aid program and implement the Paris Declaration on Aid Effectiveness</li> <li>2. Canada's strategic role in Afghanistan and other fragile states</li> <li>3. Support the government's commitment to the Americas</li> <li>4. Contribute to mitigating the food security crisis</li> </ol> <p>CIDA is using a sector-</p>	<p><b>SEVEN KEY AREAS</b></p> <ol style="list-style-type: none"> <li>1. Poverty reduction</li> <li>2. Promoting Economic Growth</li> <li>3. Sustaining a Common Future</li> <li>4. Peace and Security</li> <li>5. Aid delivery</li> <li>6. Global action</li> <li>7. Transforming Impact and Ensuring Value for Money</li> </ol> <p>Experience from last White paper and consultation process that have appointed at new ideas and priority areas. Limit their priority areas on where the needs</p>	<p><b>FOUR KEY AREAS</b></p> <ol style="list-style-type: none"> <li>1. Climate Change</li> <li>2. Gender equality and women's rights and opportunities</li> <li>3. Democratic rule of law</li> <li>4. Fragile states</li> </ol> <p>As part of the government's efforts to enhance the effectiveness of Danish aid, future bilateral assistance will be concentrated on a maximum of 20 programme countries, with 2-4 priority sectors in each country.</p>	<p><b>FIVE KEY AREAS</b></p> <ol style="list-style-type: none"> <li>1. Democracy, Human Rights and Gender Equality</li> <li>2. Economic Opportunities</li> <li>3. Knowledge, Health and Social Development</li> <li>4. Environmentally Sustainable Development</li> <li>5. Peace and Security</li> </ol> <p>Targets especially five global challenges that the Government has identified as being central to achieving the policy objective and where Sweden has the chance to contribute in an</p>	<p><b>FOUR KEY AREAS</b></p> <ol style="list-style-type: none"> <li>1. Security and development</li> <li>2. Growth &amp; equity</li> <li>3. Gender and sexual and reproductive health and rights</li> <li>4. Sustainability, climate and energy</li> </ol> <p>The four enhanced policy focuses announced in the Government Agenda 2015 and the Explanatory Memorandum are based on development priorities and</p>

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	based results, which showed the relationship between CIDA's mandate and the MDGs.	are greatest and where the UK can achieve results. Elsewhere The UK will work primarily within the multilateral system to provide support. Priority areas have to be in line with the MDG agenda and other international agreements that UK believes in.		effective manner. Every year, SIDA focuses on a number of issues that will receive special attention. In 2009, the Government has chosen for special priority - democracy and human rights, gender equality and the role of women in development, and climate and environment - identify the kind of development the Government wants to see and the demands placed on the development process.	insufficient progress towards achieving the Millennium Development Goals.
How is the relationship between the various priority sectors?	CIDA approaches the priority in a holistic manner integrating environmental, economic, social, and governance-related aspects of development.	All priority actions have the long term goal to reduce poverty through different angles of development (climate change, peace and security, governance).	All priority areas have an immediate effect on poverty reduction through different angles. Danida combines social and economic development factors with cross-cutting areas.	The Government's overall development policy includes <i>effective development cooperation</i> of high quality and a <i>coherence policy</i> which embraces all policy areas. Many other policy areas have access to instruments, which can have a bigger impact in terms of reducing the extent and depth of poverty than those within the policy area of development cooperation.	The Dutch government in particular chooses those priority areas where they have a comparative advantage and knowledge. The global development challenges are in particular taken into consideration when the choice for priority areas is made.
4) Policy Coherence for Development (PCD)					
Is policy coherence covered by the strategy?	Mentioned in the CIDA's Strategic Planning and Reporting Framework: Increased effectiveness of	UK cross government strategies for engagement in all fragile states where a large programme by June	Policy coherence is not a central part of the national development strategy of 2000. However, it is	Political coherence in pursuit of development is a cornerstone of Swede's policy for global	Main focus of the development strategy. The Netherlands has been actively involved

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<b>If yes, how?</b>	Canadian development cooperation, as a result of engagement with multilateral and global organizations, to address global cooperation issues.	2010 sets out to ensure policy coherence. Reporting on Policy Coherence for Development is a requirement for DFID and other governments since the 2006 International Development Act as a means for transparency and accurate reporting. The Act came into force through an initiative of a Parliamentarian based on a report by the International Development Select Committee.	claimed to be one in the new one for 2010.	development. The Secretariat for Development and Coherence is responsible for development analysis and for the development of analysis methodologies. The secretariat also ensures that SIDA's work follows the guidelines for Sweden's Global Development Policy. It also coordinates SIDA's dialogue with the EU, UN agencies and other global organizations.	in enhancing the coherence of the EU's foreign and development policy and improving the effectiveness of European aid.
<b>Is there a monitoring system in place for policy coherence?</b> <b>If yes, which one?</b>	Agency's Program Activity Architecture (PAA) and its Management, Resource, and Results Structure (MRRS) inspired by the corporate Logic Model. Reports to the OECD PCD network on its achievements in the area.	UK has created a Cabinet Committee that oversees PCD in several units, such as Cabinet Committees on Foreign Affairs and Defense, and sub-committees on conflict and EU trade policy, International Development Committee of the UK Parliament, Cabinet Ministerial Committee on asylum and migration with sub committee on migration and Remittance Task Force - Overseas Corruption Unit. On top of this, DFID established an Inter-departmental Working-Group on Development (IWGD), chaired by DFID.	Not known	Yes, Secretariat for Development and Coherence that monitors the PCD in the ministries A global development policy forum an interdepartmental working group.	The Dutch Policy Coherence Unit (PCU) was first set up as a dedicated task force in May 2002, partly based on the experience of an earlier ad hoc PCD group within the Ministry of Foreign Affairs. Thus, the Dutch government makes use of directorate General for European Cooperation (DGES), an advisory body for PCD, has an interdepartmental coordination mechanisms on EU policies beyond aid and an independent/

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					informal EU policy coherence for development network.
<b>Does an improved system for PCD lead to better management by foreign ministries?</b>	Canada's aid program is said to be more strategic and more effective, especially in the use of Agency resources, and clear accountability for results, including an annual report on development results.	Stronger focus on PCD has made DFID one of the forerunners in taking policy coherence for development seriously.	Not known	Yes – the coordination mechanisms have introduced better coordination among ministries to link non-development policies with development policies so they can profit from each other.	According to EU PCD report in 2009, Netherlands is one of the best PCD practitioners.
<b>5) Is the defined strategy consistent with the ambitions and the period/duration?</b>					
<b>Is the strategy accompanied by a financial strategy? If yes, how?</b>	The Government of Canada manages the International Assistance Envelope (IAE). The IAE is structured into five distinct pools to provide a coordinated and flexible approach to Canada's international assistance. CIDA is responsible for managing the development pool, accounting for most of the IAE funding, and for co-managing the crisis pool along with the Department of Foreign Affairs and International Trade (DFAIT), in consultation with the Department of Finance, Privy Council	In July 2005, the government launched a second Comprehensive Spending Review (CSR), reporting in 2007, to identify what further investments and reforms are needed to equip the UK for the global challenges of the decade ahead. A decade on from the first CSR, the 2007 CSR will represent a long-term and fundamental review of government expenditure. It will cover departmental allocations for 2008/09, 2009/10 and 2010/11.	Finance Act for Danish development assistance. Policy paper on DK priorities for development assistance emphasized its commitments for each of the priority areas in the document.	No. The Shared Responsibility Document is a policy document.  Sweden has a finance act stipulating the amounts to be spent on development.  The government's annual letter of appropriation also officially states how the money should be divided between the agency's various activities, such as national co-operation, regional co-operation, specific sector issues and administration.	Yes, every year Financial Act or Budget.

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	Office, and the Treasury Board Secretariat (TBS).				
<b>Is there a multi-annual programming of the state budget devoted to official development assistance strategy?</b>	<p>Yes, for certain countries and sectors that improve the achievement of MDGs.</p>	<p>Follows Accra's decision to make multi-year, predictable and guaranteed aid commitments based on clear and transparent criteria.</p> <p>DFID to disburse at least 75% of the relevant aid according to agreed annual or multi-annual schedules by 2010.</p> <p>In addition, where Poverty Reduction Strategies are working well, and DFID provides PRBS, they increase rolling multi-year PRBS arrangements. Where appropriate they will look to develop long-term agreements with other countries that are committed to poverty reduction and good governance, building on the experience of the agreements signed so far.</p>	<p>Seven large Danish NGOs are currently operating under multi-annual Framework Agreements with the Ministry of Foreign Affairs.</p> <p>Follows Accra's decision to make multi-year, predictable and guaranteed aid commitments based on clear and transparent criteria.</p>	<p>Sweden was among the first donors to adopt multi-year funding commitments and a recipient-oriented approach to designing projects – especially those ones that are key to reduce poverty and for the achievement of the MDGs.</p> <p>Follows Accra's decision to make multi-year, predictable and guaranteed aid commitments based on clear and transparent criteria.</p>	<p>Sectors like education, health, HIV/AIDS, water, environment, private sector development and good governance remain key to development cooperation. In these sectors major investments are being made in multi-year programmes in all these fields, as seen in the 2008 budget.</p> <p>In future the government will work more with 'development contracts', whereby the Netherlands – and other donors – will provide multi- year aid for the development priorities of poor countries. Agreements will be made concerning good governance, involving the local population in setting priorities and monitoring the implementation of policy.</p>

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<b>6) Multiple stakeholders and their diversity</b>					
<b>Who are the actors involved in the implementation of the strategy?</b>	Civil society, non-state actors.	Civil society, non-state actors, private sectors and any other actors that liked to be involved (volunteers).	Civil society, non-state actors.	Civil society, non-state actors.	Civil society, the private sector.
<b>How is the relationship between the various channels of aid (multilateral, European, bilateral) in the strategy?</b>	Canada supports all major multilateral organisations such as World Bank, United Nations etc. Less emphasis is played on the EU.		The strategy promotes co-operation with the <i>international organisations in a broad international co-operation for poverty reduction on a sustainable basis</i> , which is built on partnership with the developing countries and takes its point of departure in their own national priorities and in an effective distribution of tasks among the organisations in an individual country.	Very strong – Sweden wants to coordinate better on multilateral level and with the European union in particular.	Strong relationship towards multilateral actors: EU, WB etc on PCD, aid effectiveness to make aid better managed.
<b>What place and what role are granted to national NGOs in the framework of the strategy?</b>	Engagement with the Civil Society at all levels is seen as pre-condition to achieve sustainable development. In 1993, CIDA has published its Policy on Consultation with Canadian Civil Society and other stakeholders. In this policy, the Canadian	UK looks beyond its traditional partners. There are many small UK community groups and individuals with fresh ideas to tackle poverty who struggle to access seed funds. It is also clear that faith groups and trade unions have different yet	The “Strategy for Danish Support to Civil Society in Developing Countries - including Co-operation with the Danish NGOs” (2000) is the guiding policy document for the government’s relations with development NGOs. According to this strategy, Denmark’s support	Swedish civil society organisations have participated as important actors ever since Sweden started its bilateral development programmes. Historically, Sweden has always had a strong popular movement, and thus the formulation of Sweden’s	The active participation of local stakeholders such as local authorities, civil society organisations, companies and trade unions is promoted in the strategy.

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	<p>government stresses the need to engage all stakeholders, especially the Canadian Civil Society, at all levels of decision-making. The new ODA Accountability Act that came into force on June 28 2008 applies to all federal departments providing official development assistance, including the Canadian International Development Agency and forces the Canadian government to have a stronger interaction with actors in the implementation and review process of development assistance.</p>	<p>potentially powerful roles in development. And as civil society grows in strength in partner countries, we should do more to extend trusting relationships towards them</p> <p>UK will consult with the UK Office of the Third Sector and CSOs to define the parameters of a new development "compact" between the UK and civil society organisations.</p>	<p>for civil society focuses on several priority areas:</p> <ol style="list-style-type: none"> <li>1. Mapping and analyzing local civil society and fostering their environment</li> <li>2. Dialogue with and support of the capacity building of NGOs</li> <li>3. Strategic project support to deliver services in priority areas, such as education and health care</li> <li>4. Support to the creation of international civil society networks and increased civil society co-ordination</li> </ol>	<p>development policy has been influenced by all parts of civil society. From the mid-1970s, SIDA funds allocated to NGOs increased for the first time to above 1% of the total budget. Since the 1980s, budget support for NGOs has comprised about 10% of SIDA's total.</p>	
<p><b>What place and what role is reserved for local CSOs as part of the strategy?</b></p>	<p>Informal and Formal consultations during the review (however very limited). CSO and other actors seen as the bridge between government and local development.</p>	<p>UK helps partner governments to improve the way in which they work with local and international civil society with support from the Charity Commission.</p>	<p>Danish NGOs are viewed as important partners for the Danish government to strengthen and stimulate civil society in developing countries and to engage and sensitize the Danish public on development issues. They act as intermediaries for the Danish government to reach out to local populations and establish dialogue and co-operation with civil society in the South.</p>	<p>Important partners to implement the global challenges. Prior to the submission of communications and strategies to the <i>Riskdag</i> for adoption, the government invites various representatives, Riskdag members and civil society actors (such as researchers, private sectors, NGOs) to a hearing presenting their views and recommendations for a policy or strategy.</p>	<p>The active participation of local stakeholders such as local authorities, civil society organisations, companies and trade unions is promoted in the strategy.</p>