



# **BOND Submission to the DFID White Paper 2009**

## **List of contents**

1. Introduction	p. 2
2. Executive summary and key recommendations	p. 3
3. Overarching issues	p. 9
4. The role of civil society in development	p. 12
5. Public support for international development	p. 18
6. Global economic growth	p. 20
7. Climate change	p. 29
8. Conflict and fragile states	p. 35
9. International institutional reform	p. 39

## **1. Introduction**

*BOND (British Overseas NGOs for Development) is the UK membership body for NGOs working in international development. Established in 1993, BOND now has over 330 member organisations, from large organisations with a worldwide presence to smaller, more specialist organisations working in specific regions or with specific groups of people.*

BOND welcomes DFID's initiative to develop a new White Paper on International Development to respond to current global challenges. This is also an opportune time both to reinforce progressive policies and address shortcomings in the UK Government's approach to international development.

In light of the enormity of current challenges such as the financial and economic crisis, BOND considers this new White Paper an important opportunity for DFID and other government departments to engage more effectively with civil society organisations as sources of fresh and progressive thinking based on NGO and wider civil society experiences in developing countries, in the UK and in international decision-making processes.

This submission is based on BOND network policies and incorporates inputs and contributions from BOND members, BOND groups and partner networks.

The BOND secretariat would like to thank the BOND Development and Environment Group, the BOND Policy and Lobbying Group, the BOND Latin American and Caribbean Group, the BOND Disability and Development Group, the UK Water Network, the BOND European Policy Group, the BOND Governance Group, ad hoc BOND drafting groups on conflict and on international institutions, and BOND partner networks, including the UK Aid Network and Bretton Woods Project, for their valuable input to this submission. We also would like to thank all BOND members for their valuable comments and contributions.

### *For more information*

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## **2. Executive summary and key recommendations**

Global multiple crises demand coherent and progressive responses. Climate change, the financial crisis, the global economic downturn, the ongoing food crisis, demographic changes and energy security all represent enormous challenges.

Following the London G20 Summit, now is the time to leave behind old development models based on the Washington Consensus, with its harmful deregulation and forced and inappropriate liberalisation policies, and work together with developing countries on implementing nationally developed policies to face these crises.

Development aid will continue to play an important role. However, the international development community needs to look beyond aid to find forms of international cooperation that support developing countries to achieve more self-sufficient financing of their own growth strategies, their own natural resource management and their own public policies. A just international trade and tax system and democratic international institutions play a key role in lifting developing countries out of poverty.

The Millennium Development Goals (MDGs) present a very relevant framework for poverty eradication; however, DFID must go beyond their basic needs focus and address the underlying structural causes of poverty. The new White Paper needs to present a vision of international development which focuses on promoting social justice, equitable growth, environmental sustainability, conflict prevention and building effective democratic international institutions regulating international affairs.

DFID has achieved a lot since its formation in 1997 and BOND would like to congratulate the UK Government on its significant contribution to promoting progressive development policies and high reaching goals. Yet, there are many more challenges to confront development processes and to promote long term change and this new White Paper needs to address them.

Interconnectedness as the key theme of this White Paper shows to be very timely as the global economic crisis has clearly underlined how interconnected our world is today. The British public needs to understand that UK consumption patterns as well as economic, trade and environmental policies, impact on the life of the poor.

The four areas of the White Paper - economic growth, climate change, conflict and international institutional reform - reflect well the challenges the world is facing today. However, there are several cross cutting issues which also need to be considered in this White Paper, foremost the importance of human rights and a rights-based approach to development.

**BOND would like to draw DFID's attention to the following key concerns and recommendations which are described in more detail in the following chapters:**

### ***Overarching issues***

- The White Paper must be owned and implemented across government promoting policy coherence among departments.

- The White Paper must highlight the interdependence between countries as well as the interconnectedness of economic and political decisions taken in the UK and globally and their impact on the poor.
- The White Paper needs to lay out DFID's vision for the future of development addressing a post MDG framework and enshrining in law the UK commitment to achieve 0.7% of GNI by 2013.
- Human rights need to be a central theme of the White Paper. Social protection and access to food, water and sanitation, shelter, health, education and basic social services need to be seen as fundamental rights and essential to promote development.

### ***The role of civil society in international development***

- The White Paper must clarify and reiterate cross governmental support for civil society's role in development, as well as clearly stating DFID's ongoing financial and political commitments to civil society organisations. This includes promoting a legal and regulatory environment in which civil society in the UK and abroad can flourish.
- The White Paper should stress a sufficiently strong and visible commitment to funding CSOs with good quality grant-giving practices and a strong sense of partnership and open dialogue between DFID and UK NGOs.
- The White Paper should commit to an agenda that ensures UK NGOs can realise UK public action in solidarity to communities worldwide that will scale up the UK contribution to development through UK/global advocacy and campaigning (along with individual giving and other personal commitment and involvement to the benefit of the poor worldwide and, indeed, civil society in Britain).
- The White Paper must acknowledge that NGOs have a crucial role in future policy formulation and dialogue due to the ability to bring direct knowledge on development through their own, their partners and beneficiaries' experiences. Furthermore, the White Paper should set out that this policy dialogue and processes will be enhanced in order for DFID to both (i) strengthen its accountability to taxpayers on how public resources are used to tackle global poverty and inequality and (ii) as a key route to improve British government policy and practice carried out in the name of UK citizens.

### ***Public support for international development***

- The White Paper needs to commit to moving UK public support for international development up the political agenda, including delivering strategic communications programmes on why UK Government spending on international development is necessary and showing that development does work.
- The White Paper must highlight the need for a close partnership with UK NGOs and across government to build broad and deep support for, and

understanding of, global interdependence and international development amongst the UK public.

- The White Paper must highlight that the way to entrench the case for development is to invest in and empower key multipliers, capable of educating communities, and responding to critics. Key multipliers include journalists, teachers, faith activists, student activists, trade unionists, community organisations and NGOs.

### ***Global economic growth***

- The current economic crisis highlights the need for systemic changes to democratic governance of the global economy, including tackling tax havens and reforming the governance structures and conditionality policies of the World Bank and the International Monetary Fund (IMF). The White Paper must commit to providing sufficient emergency funding to developing countries to cope with this economic crisis, focused on social protection and without harmful economic policy conditions attached.
- Economic growth should be seen as a means to eradicate poverty and promote equality and social justice, including an active role for the state to promote and direct pro-poor growth. DFID's focus on pro-poor growth should not only be on increasing GDP and per capita incomes but on human development and wellbeing, and equal distribution of wealth. The White Paper must reframe the economic growth model around social and economic rights and environmental sustainability including a strong focus on support for national social security programmes.
- The White Paper must acknowledge that the gender dimension is absolutely crucial to any pro-poor growth strategy and interventions should focus on women's economic activities, and also on improving public services to remove the huge burden of care which prevents further integration by women into the economy.
- The White Paper must promote an expanded concept of low carbon and environmentally sustainable development and green growth.
- Food security must be a key objective of DFID's fight against poverty supporting nationally-developed strategies. The White Paper must promote a new approach to sustainable agriculture which has the right to food at its heart and combines enhanced productivity with improved resilience of the natural environment.
- The White Paper must commit to rejecting processes that force through inappropriate global and regional trade deals, such as the WTO Doha trade round or EU regional trade agreements under the current conditions. The White Paper should also highlight trade policies that promote the local and regional markets small-scale producers depend upon, support the maintenance of strategic grain reserves and reject the dumping of subsidised imports and speak out strongly against forced trade liberalisation policies

- The White Paper needs to address the slow progress in debt cancellation and take into account the threat of a new debt crisis in developing countries as a result of the economic crisis.

### ***Climate change***

- BOND emphasises the urgency of the climate change crisis and the need for the UK Government to play a leading role at the EU and international level to ensure an effective deal at Copenhagen.
- The White Paper must consider climate change in the context of global justice, equity, and interdependence, and in the wider context of the natural environment and the ecosystem goods and services we all depend on. Poverty eradication and sustainable development depend upon ensuring environmental sustainability; otherwise, any gains will be transitory and inequitable.
- In the White Paper, the UK Government must commit to pay its fair share of the costs of climate change while supporting the creation of a democratic multilateral climate change architecture that is accountable to the UN Framework Convention on Climate Change (UNFCCC) as the primary mechanism for disbursing climate change funding to developing countries.
- The White Paper must highlight that UK support for adaptation in developing countries must learn the lessons of the past, taking into account subsidiarity as one of the key principles to be followed. There should also be a genuinely long-term approach, in which climate change is considered within the local political and development context, reflecting existing knowledge and capacity of poor communities to adapt and respond.
- The White Paper must clearly articulate that poor management and unequal allocation of natural resources are central to inequality and can lead to instability and conflict as there is a significant risk that climate change will interact with other factors to exacerbate the causes of conflict.
- The White Paper must emphasise that climate change plays out first through the natural environment and the ecosystems goods and services it provides, and that their health and integrity are vital to climate change adaptation and resilience. It should also make clear proposals to value ecosystem services and natural capital in policy and decision-making and enable developing country partners to do this.
- The White Paper should re-acknowledge and prioritise conserving the remaining natural forests as well as refocus on water, which is even more significant in light of climate change.

### ***Fragile and conflict-affected countries***

- DFID must accept the fundamentally political nature particularly of its work in fragile and conflict-affected countries, and adapt its culture, systems and structure accordingly. The new White Paper should point to a substantial

culture shift to ensure that conflict and fragility is on everyone's agenda within DFID rather than confined to a specialist sub-set of staff.

- The White Paper must prioritise the establishment of constructive relationship between the state and its citizens by supporting improved accountability of states to citizens. Particularly in fragile states, DFID must develop a better understanding of the context through a participatory conflict analysis, which directly engages a broad range of stakeholders for all countries DFID works in.
- The White Paper must highlight the need to provide tailored and flexible long-term support that addresses the causes of conflict, responds quickly to events on the ground and makes supporting capable, accountable and responsive states a central plank of its work. This includes working closely with local civil NGOs in fragile states in addressing the needs of the poor.
- DFID should take the lead in supporting integrated services for survivors of sexual violence in the context of conflict but also to build women's capacity to engage with the peace building process and to stop the cycle of violence.
- The White Paper should highlight that poor peoples' access to justice and security are basic rights and firmly situated within the focus on pro-poor development and poverty reduction. However, it needs to be considered that the right to security is interlinked with social and cultural rights which are just as relevant in conflict situations.
- Cross departmental coherence and closer cooperation in fragile and conflict situation is needed, however DFID's focus on poverty eradication needs to be incontestable and not diverted by military or security interests.

### ***International institutional reform***

- The White Paper must outline a reform agenda for international institutions based on democratisation, accountability and poverty eradication.
- The White Paper must highlight UK support for the UN to play a greater role in global economic and aid effectiveness policy as well as in environment, food and conflict policy, including managing and coordinating climate change financing. The reform of the UN towards "One UN" needs to be supported and promoted.
- The World Bank and IMF are governed undemocratically, impose harmful conditions on poor countries and their development effectiveness is questioned. Further UK support for the World Bank and IMF should be dependent on ambitious reforms of both institutions.
- It is vital that poverty eradication remains the primary objective of European Development Policy and that coherence is ensured between the EU external affairs and development objectives, as stated in the European Consensus on Development. The White Paper should commit to supporting a separate and independent administrative structure within the European Commission responsible for development policy, including maintaining the post of commissioner for development.

- To improve global aid effectiveness, the White Paper must focus on how to develop mutual accountability mechanisms, promote independent monitoring and evaluation (M&E) of aid programmes and effectively allocate aid. The White Paper should also reinforce commitments on the quantity and quality of aid made in the European Consensus, at the Gleneagles G8 Summit and in other international agreements, as well as in the Paris Declaration and the Accra Agenda for Action.

### **3. Overarching issues**

#### **Key recommendations:**

- **The White Paper must be owned and implemented across government promoting policy coherence among departments.**
- **The White Paper must highlight the interdependence between countries as well as the interconnectedness of economic and political decisions taken in the UK and globally and their impact on the poor.**
- **The White Paper needs to lay out DFID's vision for the future of development addressing a post MDG framework and enshrining in law the UK commitment to achieve 0.7% of GNI by 2013.**
- **Human rights need to be a central theme of the White Paper. Social protection and access to food, water and sanitation, shelter, health, education and basic social services need to be seen as fundamental rights and essential to promote development.**

#### **3.1 Cross-departmental support for the new White Paper**

The new White Paper needs to highlight strongly the benefits of DFID's position as a cabinet level department. However, in order to further improve its performance, the capacities of DFID as a separate department need to be strengthened, particularly in regard to sufficient staffing and knowledge management.

Concerns are strongly felt among BOND members regarding the cross-governmental leverage of this new White Paper. DFID needs to make sure that this really will be a whole government owned White Paper, not only relevant for DFID but also for Number 10 and other key departments such as the Foreign and Commonwealth Office, the Treasury, the Department of Energy and Climate Change, the Department for Business, Enterprise & Regulatory Reform, the Department of Health and the Department for Work and Pensions.

Cross-Whitehall responsibility and coherence remains an ongoing concern for NGOs. This is particularly important given the growing trend for development expenditure to be spent by other departments.

At the same time, DFID staff in country will be on the front line in delivering the promises of this White Paper; so support for translating policy into practice via implementation and monitoring will be critical.

#### **3.2 The theme of interdependence**

We consider interdependence to be a very relevant theme for this White Paper, highlighting that the people and problems of the world are all interlinked as much as the solutions must be – a theme that BOND members have stressed for many years in their work.

However, it is very important to highlight that interdependence does not refer to securing the UK's self-interest. The White Paper must rather reflect the interconnectedness of economic and political decisions taken in the UK and globally and their impact on developing countries and the poor, thus reinforcing the moral responsibilities and political commitments by countries in the global North to countries in the global South.

This is the opportunity to push forward on international development through a new approach to economics and governance based on interdependence, ethical foundations, and the realisation of social justice and human rights.

### **3.3 The UK commitment to international development**

DFID's core objectives and purpose must be poverty eradication and the pursuit and promotion of social justice and human rights. More widely, DFID must ensure that UK Government action in pursuit of economic and foreign policy interests are coherent with development policies and objectives.

The poorest must be at the centre of DFID's allocation of aid. The White Paper must clarify and specify DFID's commitment to supporting all regions including Latin America and the Middle East.

DFID published very strong and influential White Papers in 1997, 2000 and 2006 and it needs to ensure that commitments made in previous White Papers and elsewhere, for example in international agreements, are closely monitored and reflected in this new White Paper.

BOND appreciates the UK Government's continued aid commitments, which is particularly needed by developing countries in the current circumstances of dealing with different crises. However, we encourage the UK Government to introduce legislation on the 0.7% target, so that it is met by 2013 while protecting the absolute values of aid in the context of potentially shrinking GDP.

BOND recognises the UK Government's commitment to other sources of finance for development, such as through debt relief and fairer trade rules. However, the recent UN Review Conference on financing for development in Doha highlighted the need for a major re-engagement with these issues, if countries are to raise more funds domestically for development. In this context, it is important to acknowledge the role of innovative sources of finance to generate new revenue streams, with particular regard to the potential of measures such as a levy on currency transactions.

### **3.4 The Millennium Development Goals and beyond**

Despite shortcomings such as their basic needs focus and the exclusion of marginalised groups, the Millennium Development Goals (MDGs) remain at the core of the international development discourse and must continue to guide DFID's work.

The UK Government needs to set out a clear roadmap of its own contribution to achieving the MDGs to ensure that any action is sensitive to inequalities and exclusion, that the positive traction of the MDGs is utilised to realise further gains towards the 2015 targets and that the development proposition is re-asserted effectively in a time of global economic downturn.

The White Paper should commit the UK Government to accelerating international consensus on the post-MDGs paradigm for development, including promoting an optimum framework from 2015 for international action towards global social justice, long term peace and against poverty and inequality. Such a process must give a central role to the UN, include civil society participation and be established with a recognition of the greater interconnectedness of citizens with global markets, a shifting world order, climate change threats, the risk of violent conflict, demographic changes, migration and urbanisation.

### **3.5 Human Rights in Development**

BOND members are very concerned about the glaring absence of rights in the White Paper Consultation Document. DFID has had a long history of promoting human rights and the rights based approach in its work. This needs to be reflected in the new White Paper.

Social protection and access to food, water and sanitation, shelter, health, education and basic social services need to be seen as fundamental rights and essential to promote development and progress sustainable economic growth in every country, with a particular focus on reaching vulnerable and disadvantaged groups.

Social exclusion remains a key challenge in developing countries and should be mainstreamed in DFID's development work, rather than addressed through patchy programme work. DFID needs to ensure that women and vulnerable groups, such as children, disabled people, older people and minority groups, are particularly considered in their development approach. DFID should always undertake a social exclusion analysis when developing regional or country strategies including an assessment of the situation of disabled people.

Furthermore, proactive promotion of gender equality and women's rights needs to be integrated into all areas of DFID's work, including in responses to emerging challenges. Evidence from past crises shows that women are liable to be hit hardest by an economic downturn with likely negative impacts on poverty and women's rights.

DFID must adopt a child rights approach to development that includes specific references to the protection of children, young people and those that care for them. DFID needs to fully incorporate child and youth rights and protection into all elements of its work including programmes that are not aimed directly at children as beneficiaries. Provision of free child education must be included as an essential component to achieve short, medium and longer term development goals. This White Paper presents the opportunity to do so.

### **3.6 Demographic changes and urbanisation**

It is of concern that key trends in international development are not mentioned in the White Paper Consultation Document. Important contexts, such as demographic changes, ageing populations and increasing urbanisation and migration, need to be taken into account while drafting a response to the challenges ahead.

In particular, DFID should focus on supporting countries to plan for urban growth and prevent new slum formation. DFID needs to adopt an approach that differentiates

between rural and urban challenges, whilst recognising the linkages and responding accordingly.

#### **4. The role of civil society in international development**

##### **Key recommendations:**

- **The White Paper must clarify and reiterate cross governmental support for civil society's role in development, as well as clearly stating DFID's ongoing financial and political commitments to civil society organisations. This includes promoting a legal and regulatory environment in which civil society in the UK and abroad can flourish.**
- **The White Paper should stress a sufficiently strong and visible commitment to funding CSOs with good quality grant-giving practices and a strong sense of partnership and open dialogue between DFID and UK NGOs.**
- **The White Paper should commit to an agenda that ensures UK NGOs can realise UK public action in solidarity to communities worldwide that will scale up the UK contribution to development through UK/global advocacy and campaigning (along with individual giving and other personal commitment and involvement to the benefit of the poor worldwide and, indeed, civil society in Britain).**
- **The White Paper must acknowledge that NGOs have a crucial role in future policy formulation and dialogue due to the ability to bring direct knowledge on development through their own, their partners and beneficiaries' experiences. Furthermore, the White Paper should set out that this policy dialogue and processes will be enhanced in order for DFID to both (i) strengthen its accountability to taxpayers on how public resources are used to tackle global poverty and inequality and (ii) as a key route to improve British government policy and practice carried out in the name of UK citizens.**

##### **4.1 Civil society organisations as development actors**

A vibrant and active civil society is a cornerstone of a strong democracy. Civil society organisations (CSOs), including NGOs working on international development issues both in the UK and in developing countries, are some of the key actors in the fight against global poverty. The White Paper must clarify and reiterate the UK Government's support for civil society's role in development, as well as clearly stating its ongoing financial and political commitments to civil society organisations.

UK NGOs<sup>1</sup>, often in partnership with Southern CSOs, play many vital roles. They aim to empower citizens and organisations, including those who are marginalised or hard

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<sup>1</sup> Since BOND members are primarily NGOs, this section focuses on the role of NGOs in development.

to reach, to hold their governments to account to deliver on their policies and promises. They also deliver essential services, particularly in health, education, and water and sanitation, to poor communities in the absence of functioning state apparatus.

Furthermore, UK NGOs engage in research and policy dialogue, applying local knowledge and undertaking public education, promoting values of solidarity and social justice. They monitor the policies and practices of governments and donors. BOND calls on DFID to recognise the numerous and diverse activities undertaken by NGOs as development actors by ensuring there is cross-governmental support to a wider range of NGOs working across broad geographical areas, marginalised communities and neglected issues.

DFID needs to focus systematically on strengthening the capacities of civil society organisations, particularly in the South, to enable them to go beyond their traditional focus on service delivery and engage in advocacy to hold their own governments and donors, including international financial institutions, to account.

This is particularly relevant in countries where the UK Government is providing budget support. Civil society can provide the necessary checks and balances to monitor government spending, if appropriate resourcing can be achieved.

DFID should promote 'bottom up' approaches in state (re)building, with greater emphasis on a strong role for citizens and citizens' participation in creating democratic states. This is particularly important in fragile and post-conflict states.

## **4.2 Funding for UK NGOs**

DFID support and funding for UK NGOs is considered to be generous and progressive by much of international civil society, yet there is still progress to be made. BOND welcomes the new DFID fund, managed by Comic Relief, which will target small NGOs and Diaspora-led organisations, seeing this as a positive attempt to broaden DFID support to a wider range of NGOs. BOND also welcomes the close working relationship that has developed between DFID and holders of Programme Partnership Agreements (PPAs). However, there is still much to do to ensure sufficient funding for UK NGOs with good quality grant-giving practices and a strong sense of partnership and open dialogue between DFID and UK NGOs.

This is particularly important in light of the ongoing economic downturn, whose impacts are being felt on fundraising income and the diminished value of sterling, as well as in the increased needs of people living in poverty in developing countries. BOND urges DFID to work more closely with other government departments, for example with the Office of the Third Sector, to mitigate the impact of the financial crisis and provide a better base for UK NGOs working for international development.

DFID rhetoric is very supportive of civil society, in both the North and South, and of the role CSOs play in development. However, this rhetoric is not matched by a sufficiently strong and visible commitment to funding CSOs. In comparison to the generous flows to multilateral institutions, particularly the World Bank, and to direct budget support for Southern governments, DFID's financial commitment to civil society, at 4-5% of its budget, is relatively low and does not adequately reflect the vital role CSOs play in holding to account, delivering services and building capacity.

DFID's funding role is pivotal in enabling strong and effective partnerships between DFID and UK NGOs, as well as between UK NGOs and their Southern partners. However, some of DFID's current grant-giving practices can hinder good development practice, particularly the reliance on the logframe as a planning tool, the focus on short-term outcomes and metrics, rather than qualitative change over a longer period, and the lack of attention to learning as a vital component of evaluation. DFID should pro-actively be engaged in the learning that is generated from its grant programmes and use and share this knowledge effectively.

BOND calls on DFID to re-examine its policy of outsourcing grant management to private consultancies to prevent learning from grant management being held outside the department and potentially lost. DFID should work closely with civil society to improve these processes in order to further development goals. BOND fully supports DFID's aims to improve accountability to the taxpayer but would welcome the opportunity to work more closely with DFID on grant-giving practices to ensure accountability requirements are not implemented at the expense of good development practice and accountability to beneficiaries in the South.

BOND welcomes DFID's renewed emphasis on building support for development amongst the UK public (see section 5) and associated stipulations in funding agreements, notably in PPAs and the Civil Society Challenge Fund. However, these requirements should be funded with additional money, rather than being undertaken using existing funds, to ensure that programme delivery in the South is not impacted adversely.

BOND calls on DFID to work with NGOs to tackle some of the more restrictive EC funding practices, such as matched funding, which the majority of progressive donors have abandoned or reduced to small percentages. The recent fall in the value of sterling makes this requirement even more onerous.

BOND members would also welcome support from DFID in ensuring that EC funding for international development focuses on the needs and rights of those living in poverty in the global South, and is not driven by political concerns in Europe regarding migration and security.

### **4.3 Legal and regulatory frameworks for civil society organisations**

NGOs rely on their governments to provide legal and regulatory frameworks which support and enable them to work without undue restriction. DFID needs to play a key role in safeguarding and improving these frameworks. It should work closely with other government departments such as the Office of the Third Sector, the Treasury and the Home Office to ensure policy coherence and maximum facilitation of NGOs' interests.

When consulting with NGOs, DFID should recognise that they may require more time than is set out in the Compact<sup>2</sup> in order to be able to consult in a meaningful fashion with their partners in the UK and the global South, and should build this into the consultation timetable.

DFID should support the Charity Commission staff to understand the very difficult operating environments of NGOs working in the South, so that they make the

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<sup>2</sup> The Compact is an agreement between the UK Government and the voluntary sector which sets out guidelines on how the parties should work together.

necessary changes to charity regulation and guidance in the UK. In the White Paper, DFID should highlight the need to safeguard the right for NGOs to campaign on development goals and the root causes of poverty.

At European level, DFID should encourage the development of a positive enabling environment for NGOs in EC member and non-member states. Efforts should be focussed on the exchange of information and promotion of good practice among national governments and other key stakeholders, rather than the creation of a new European level of regulation.

The recent proliferation of counter-terrorism measures, at UK and European level, at the UN, and in many national regimes, has caused significant problems for NGOs. DFID needs to liaise more closely with NGOs and key agencies at all levels in order to minimise the negative impact of these measures, and should also consider employing dedicated legal advisers to assist NGOs with compliance. If such measures are implemented without attention to NGOs' concerns, there is a very real risk that essential humanitarian and development work will be severely curtailed.

Internationally, there has been an increase in legal restrictions and harassment targeted at civil society organisations.<sup>3</sup> These developments could have a significant impact on the ability of DFID-funded and other NGOs to carry out their programmes. The White Paper should commit the UK Government to using its influence, especially where it is providing budget support, to ensure that civil society space is protected. (See also 4.4 below)

#### **4.4 Supporting the role of NGOs in advocacy**

BOND welcomes the priority DFID has increasingly given to engaging and understanding the role of NGOs in advocacy and campaigning. NGOs, along with other CSOs, now have decades of experience to draw upon including high points such as Make Poverty History in 2005 and the recent mobilisation ahead of the G20 London Summit as Put People First. NGOs see advocacy and campaigning as key components of the fight against the structural causes of poverty.

Yet for NGOs to be engaged in productive advocacy, they require transparent and timely information – and the UK Government has some way to go in this area. For example, DFID must improve communicating the allocation and impact of its funding and strengthen its monitoring and evaluation systems (also see section 9.8).

Whilst neither DFID nor UK NGOs can claim to represent the poor of the South (given only poor people themselves, and their legitimate representatives, can do this), the role of both DFID and UK NGOs should therefore be to assist Southern organisations in having their voices heard. This is likely to entail both building the capacity of Southern organisations to develop advocacy skills and using our influence to help them to reach a wider audience. Sustainable responses and accountability systems require local capacity to be built in this area.

DFID can support Southern governments by building the capacity of their delegations to international forums. DFID can also offer access to such forums to civil society

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<sup>3</sup> For example, in Ethiopia, Uganda and Zimbabwe. New legislation is also being discussed in Cambodia, and the Nicaraguan government has recently increased investigation of civil society. See Jones, Beverley (2009), 'Leading civil society up the governance path: Civil society as an instrument of democratic structural adjustment' – a case study from Ethiopia'.

actors. Recent examples such as access to the London G20 Summit can be cited by civil society of the UK Government not offering best practice to ensure Southern voices at international decision-making moments. This is unfortunate as it undermines the ability of NGOs to push for high standards internationally.

The number of development NGOs active in advocacy and awareness raising is still not as high as many BOND members would like. The main cause of this continues to be a shortage of funds available for this work. As government, donors and an increasing majority of the public view this work positively and as complementary to programme work in the field, an increasing number of NGOs and CSOs have moved into advocacy and public campaigning work. The UK Government should support this trend, especially given cuts have been falling in this area of vital work due to the UK recession. BOND believes DFID and wider UK Government should build on the significant remaining possibilities for indirect funding of advocacy and providing an enabling environment for public campaigning.

UK NGOs have vast amount of experience in advocacy and campaigning, both individually and collectively, often providing other CSOs with information and resources for their own development advocacy work. Working on a wide range of issues and with a wide range of constituencies, Northern NGOs can support to build the advocacy capacity of Southern CSOs, to enable them to speak directly to local and national government and to multilateral organisations. This can best be achieved by developing joint working strategies which promote participation and which respect CSOs diversity, autonomy, and international links. NGOs also do advocacy work in the South raising awareness of various rights within communities, or within local and national Governments.

Northern NGOs also work as part of international networks to build international movements for change. These international links enable organisations in the North to speak up for the interests of Southern partners where they are unable to do so themselves, whether due to a lack of capacity or political constraints. Northern NGOs' international links inform an internationalist outlook, enabling NGOs to make the connections between what happens in the North and in the South and to couch much of their advocacy in the language of international solidarity and universal human rights.

It remains the case that the legitimacy and credibility of both NGOs and DFID advocacy work rests on their autonomy from one another and on their ability to disagree with each other. This makes it vital in most circumstances that they engage in complementary, rather than joint, advocacy work. In either case, open discussion on degrees of common ground is important to effective work. A framework in which disagreement is accepted as a healthy aspect of a debate is essential.

Many BOND members still have concerns that speaking out will not always be in their interests or that of their partners across other area of relations with government. A key principle for these relationships is that genuine advocacy should not affect any organisation detrimentally.

#### **4.5 Promoting policy dialogue**

We very much welcome the key interlocutor role DFID has assigned to BOND on policy dialogue where the shared views of development NGOs can be offered.

The White Paper must acknowledge that NGOs have a crucial role in policy formulation, due to their ability to bring direct knowledge through partner and beneficiary experiences and a huge development knowledge base. Given NGOs' ability to influence national, European and global decision-making, we want to see ministers and civil servants supporting and championing NGOs more publicly.

The voice and expertise of UK development NGOs should be of importance right across DFID. BOND sees the recent move of DFID's Civil Society Department to the Directorate of Policy and Research as heralding a new era of increased dialogue with civil society organisations around policy issues. It is time to more fully realise the potential of this reconfiguration with its promise of a new dynamic in civil society relations with DFID.

BOND and its members stand ready for deeper engagement with and beyond DFID. We recognise that British development policy – both UK Government and NGO positions - can be improved by such processes and that policy challenges enable the UK development community to widen its knowledge base, generate better and new ideas and ensure its experience is utilised.

The role of UK NGOs in policy dialogue will always be primarily to ensure the government has access to their expertise and adopts the independent recommendations set out in our best policy. The global crisis should underline again that too many times government has been slow to take up solutions NGOs offer.

We recognise that NGOs can do more to work together to improve international development policy and behaviour. NGOs believe in the power of collective voice and can join with voices in government to get heard when appropriate and where we have some agreement on policy outcomes.

We appreciate that DFID's relationship with BOND and its members is valued and recognised to be a critical part of what can make DFID a more effective organisation.

## **5. Public support for international development**

### **Key recommendations:**

- **The White Paper needs to commit to moving UK public support for international development up the political agenda, including delivering strategic communications programmes on why UK Government spending on international development is necessary and showing that development does work.**
- **The White Paper must highlight the need for a close partnership with UK NGOs and across government to build broad and deep support for, and understanding of, global interdependence and international development amongst the UK public.**
- **The White Paper must highlight that the way to entrench the case for development is to invest in and empower key multipliers, capable of educating communities, and responding to critics. Key multipliers include journalists, teachers, faith activists, student activists, trade unionists, community organisations and NGOs.**

### **5.1 Ensuring greater public and political support for development**

DFID and UK NGOs have an ongoing shared interest in ensuring greater public and political support for development issues. We are supportive of DFID's commitment to developing understanding of and engagement in development issues amongst the UK public. It is vital that the different advantages we have are understood in government and that a productive dynamic and 'division of labour' emerges in targeting key groups and institutions to influence.

BOND recognises that recent times have seen two UK prime ministers promoting the cause of development on the international stage and providing reassurances on UK commitments on aid, debt relief and the MDGs. However, the UK Government now needs to scale up and refocus its efforts to ensure appropriate and wider political momentum both here in the UK and internationally.

DFID and the UK Government more widely must step up its support to create an environment of public action in support of international development commensurate with the scale of the challenges on development and related issues.<sup>4</sup> DFID must move beyond development awareness studies and related activities to enabling and supporting, with cross-Whitehall effort in key departments, public participation in positive action on global issues, including development at a scale that will generate the impacts needed through viable channels, including civil society.

For public support for development to be sustainable, it is vital to show that development is necessary and that it works. This requires a cross governmental communications strategy and programme that embraces the need for issues such as debt cancellation, trade justice and tax justice as well as aid.

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<sup>4</sup> Across the spectrum of concrete actions, from giving time or money to lifestyle choices, such as buying ethically, or democratic participation, such as involvement in NGO campaigns.

The White Paper must highlight that the way to entrench the case for development is to invest in, and empower, key multipliers in the UK, capable of educating communities, and responding to critics. Key multipliers include journalists, teachers, faith activists, student activists, trade unionists, community organisations and NGOs.

It is critical that the White Paper stresses the continued need for DFID to invest in long term and deepened UK public understanding about international development and the overall interdependence of peoples across the world. The UK Government should continue work on schools education, but also broaden out to non-formal education for young people (e.g. Global Youth Work) and also support global learning interventions in further education, higher education, and through the work of civil society. This education work also supports wider government agendas around, for example, community cohesion and sustainable development.

Work must also be scaled up to include more workplaces, places of worship as well as social and cultural nexuses. This will require a strategic, massive and sustained public outreach on global learning and participation in solutions to global issues on a scale not seen in any government programme for decades. However, increases in funding for development education and building public support and action for development in the UK must not come at the expense of civil society programme funding for work in developing countries.

## **5.2 Close cooperation with civil society**

Civic engagement by individuals is key to meeting development goals. DFID must work in close partnership with UK NGOs to build broad and deep support for and understanding of international development amongst the UK public. NGOs already generate much support from the British public, for instance in fundraising and in democratic citizen action (campaigns – see also 4.4 above). However, this support may be weakened with threats associated with this time of economic crisis.

Whilst initiatives such as the Development Awareness Fund (DAF) and the explicit public support elements of the Programme Partnership Agreements (PPAs) and the Civil Society Challenge Fund are welcomed by NGOs, there is concern that they are being co-opted into an ad hoc strategy on NGO engagement in building public support. More dialogue on how DFID and NGOs, as well as other government departments, can work together to engage the public would contribute to improved relations and higher quality work in building the UK public's support, whilst maintaining UK NGOs' political independence.

From our experience BOND would welcome DFID supporting innovative schemes such as:

- Supporting the 'embedding' of journalists in development programmes led by both DFID and NGOs, to report the effects of development first hand;
- Funding localised training courses, developed by voluntary organisations, aimed at potential key multipliers in the UK, covering the origins and causes of poverty, and examining what can be learnt from past campaigns to defeat poverty;
- Extending support for peer-to-peer development education in universities and FE colleges, delivered through democratic, student-led organisations;
- Supporting representatives of Southern civil society to meet with Northern civil society through exchanges and New Media connections;

- Introducing project grants for community groups wishing to raise awareness about, and campaign on, development issues;
- Introducing living grants for capable grassroots community activists (potentially channelled through NGOs) wishing to reduce other paid work, in order to spend more time building public support for development.

## **6. Global Economic Growth**

### **Key recommendations:**

- **The current economic crisis highlights the need for systemic changes to democratic governance of the global economy, including tackling tax havens and reforming the governance structures and conditionality policies of the World Bank and the International Monetary Fund (IMF). The White Paper must commit to providing sufficient emergency funding to developing countries to cope with this economic crisis, focused on social protection and without harmful economic policy conditions attached.**
- **Economic growth should be seen as a means to eradicate poverty and promote equality and social justice, including an active role for the state to promote and direct pro-poor growth. DFID's focus on pro-poor growth should not only be on increasing GDP and per capita incomes but on human development and wellbeing, and equal distribution of wealth. The White Paper must reframe the economic growth model around social and economic rights and environmental sustainability including a strong focus on support for national social security programmes.**
- **The White Paper must acknowledge that the gender dimension is absolutely crucial to any pro-poor growth strategy and interventions should focus on women's economic activities, and also on improving public services to remove the huge burden of care which prevents further integration by women into the economy.**
- **The White Paper must promote an expanded concept of low carbon and environmentally sustainable development and green growth.**
- **Food security must be a key objective of DFID's fight against poverty supporting nationally-developed strategies. The White Paper must promote a new approach to sustainable agriculture which has the right to food at its heart and combines enhanced productivity with improved resilience of the natural environment.**
- **The White Paper must commit to rejecting processes that force through inappropriate global and regional trade deals, such as the WTO Doha trade round or EU regional trade agreements under the current conditions. The White Paper should also highlight trade policies that promote the local and regional markets small-scale producers depend upon, support the maintenance of strategic grain reserves and reject the**

### **dumping of subsidised imports and speak out strongly against forced trade liberalisation policies**

- **The White Paper needs to address the slow progress in debt cancellation and take into account the threat of a new debt crisis in developing countries as a result of the economic crisis.**

#### **6.1 A new global economic model**

Now is the time for developing a new and progressive economic model based on democratic accountability, transparency, fair trade and equitable and sustainable growth.

Efforts must be diverted to better management and regulation of risk in the global economy. The crisis has shown how the exposure of economically vulnerable countries to global markets can go terribly wrong. Intelligent management of global integration must be just one part of a development strategy. Domestic and regionally generated development policies are strong bulwarks against global economic shocks and must now be actively supported by the UK Government.

The White Paper must take into account the vision being put forward by progressive civil society<sup>5</sup> so UK Government action focuses on ensuring systemic changes to the economic system and promoting democratic governance of the global economy including tackling tax havens, governance and conditionality reforms of the World Bank and the International Monetary Fund (IMF) and the adequate regulation of financial institutions, markets and products.

The financial crisis has opened a window to crack down on international tax evasion and avoidance that costs poor countries an estimated \$160 billion per year - four times the cost of meeting the MDGs. This must include a new global agreement on automatic tax information exchange between all jurisdictions in addition to an International Accounting Standard on country-by-country reporting, to provide investors, regulators and tax authorities with a powerful tool to assess risks and highlight abuses.

The UN must be the unifying forum for governments where all countries can be part of creating a reformed economic and financial system. The G20 excludes, but the UN includes all the fragile, conflict and least developed states – places DFID is most concerned about. However difficult, these countries need to have a say in the creation of the ‘new world order’ if it is to be progressive and become established and endure.

#### **6.2 Emergency funding for developing countries<sup>6</sup>**

Developing countries are hardest hit by the financial and economic crisis and must be given the emergency funds necessary to pursue counter cyclical policies and ease the impact of the financial crisis on the poorest, of whom the hardest hit will be

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<sup>5</sup> For example, see the Put People First policy paper, available at: <http://www.putpeoplefirst.org.uk/wp-content/uploads/2009/03/ppf-policyplatform.pdf>

<sup>6</sup> Also see the joint UK civil society statement on emergency financing: <http://www.ifwatchnet.org/sites/ifwatchnet.org/files/UK%20Civil%20society%20statement%20on%20emergency%20financing%20-%2020%20March.pdf>

women. The White Paper must commit to these goals. Yet, the provision of emergency funding should not only focus on short-term gains but be sustainable and build up national systems.

The establishment of a Vulnerability Financing Facility (VFF), including a Rapid Social Response Facility (RSRF), by the World Bank and supported by DFID, to provide immediate financial support for social protection measures can only be a first step in the right direction.

These initiatives come at a time when a number of developing countries are putting in place the foundations for national social protection systems.<sup>7</sup> In providing short term, emergency assistance based on the safety-net model through a global fund such as the proposed RSRF it is imperative that this complements these long term developments and helps build country level capacity and resilience against future large-scale economic challenges.

Emergency funding needs to be provided to governments without the economic policy conditionality that has characterised interventions in developing countries over the past three decades. Insisting on deregulation, liberalisation and privatisation interferes with countries' own policy choices, has frequently led to serious and damaging impacts on poverty reduction, women's rights and the environment, has undermined social security provision, as well as core labour standards, and has contributed to the spread of the current financial crisis.

Further conditionalities on macroeconomic policies included in IMF loans have pushed developing countries to adopt pro-cyclical policies. It is now widely recognised that these policies are harmful, particularly at a time of economic downturn. The UK Government committed to ending economic policy conditionalities in 2005 and the White Paper must commit DFID to work closely with other donor countries to ensure that developing countries are not forced to adopt pro-cyclical policies in order to access IMF financing.

Additional resources for emergency funding must be delivered as much as possible in grants, rather than loans, and any lending must be highly concessional, taking into account debt sustainability. Many countries are facing a renewed debt crisis in the current downturn, and emergency funding must not exacerbate this further.

Provision of additional resources needs to mainstream mechanisms to ensure support specifically reaches the most vulnerable women and girls, through country level gender analysis and gender-specific monitoring. Funding allocated to address women's immediate needs should not compromise the longer term objective of promoting women's rights.

### **6.3 Towards fairer, equitable and sustainable pro poor growth**

Economic growth can only be one motor of development and needs to be seen as a means to eradicate poverty and promote equality and social justice, rather than an end in itself. Yet, a sole focus on poverty reduction through growth ignores such key tradeoffs as those between reducing current and future poverty, and between addressing the causes and symptoms of poverty.

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<sup>7</sup> At a meeting of the African Union in November 2008 a new Social Policy Framework (SPF) - ratified by African Heads of Government – was introduced and provides an important point of departure for many African countries.

The White Paper should not imply, by omission, that economic growth is a substitute for genuine human development and poverty eradication as they are very clearly not the same thing. History has shown that pro-poor and equitable growth is predicated on a focus on land reform, promotion of smallholder agriculture and small and medium enterprises, based on a foundation of both substantial social investment in free education, health, water and sanitation and of social protection. The White Paper needs to focus on real pro poor growth taking into account the links between growth and poverty reduction.

Developing countries need to have the space and resources they need to invest in public services, human security and sustainable development. An effective and active state is a decisive factor in promoting pro-poor growth regard to certain sectors and jobs creation.

Fairer, sustainable pro-poor growth in the global economy will reduce inequality between regions, as well as within countries, between capital and labour, between high and low income earners, between the young and the old, and between men and women.

The White Paper needs to recognise explicitly that inequality is multidimensional, including gender and age differences or regional and local differences. Inequality is not only about opportunity but also about outcomes.

DFID should support national tax policies which are fair, responsible and progressive which aim to curb excessive inequality and removes incentives for the pursuit of speculation, and contribute to sustainable development. This would also reduce developing countries' dependence on international lending by helping to build domestic sources of finance for development.

#### **6.4 Economic growth that is ethical and promotes wealth distribution**

Economic growth needs a strong ethical framework to ensure that it serves human well-being rather than becoming an end in itself. The core social values of our societies must be placed at the heart of the international economy.

Poverty and, for that matter, economic growth, should not only be measured by GDP or per capita income but by social and human development indicators (multi-dimensional poverty indicators) to take into account the well being of people throughout life as well as the impact on the world's natural life-support systems. By doing so, there is a greater chance of ensuring economic growth will be inclusive, benefiting even the most marginalised in society.

Economic growth cannot continue to be considered an appropriate measurement for developmental needs. Developing a better understanding of the characteristics of poverty, how it is linked to development and economic growth, who is trapped in it and how it is transmitted across the generations, is crucial to invest in inclusive development approaches and this information should be shared and used throughout the UK Government.

The discussion should not be limited to talking about growth and poverty, but focus much more on equity and risk. There has been insufficient attention to exploring what real sharing of the world's wealth and resources might mean. Talking about real

interconnectedness and interdependence requires highlighting and action to address how unsustainable development and patterns of consumption in the North are.

This White Paper must signal the global impact of our lifestyles in the UK and that international leadership on solutions for sustainable development can only succeed with consumption changes here in the UK and other developed countries. Government action to support consumption levels, such that the UK population lives within our overall environmental means and enables populations in other countries to meet their basic needs must be part of both public narrative and policy contained in the White Paper.

The new White Paper therefore needs to accept the challenge and discuss consumption patterns, distribution of wealth and resources in the UK and abroad. Equity and redistribution approaches need to be promoted to developing country governments as well as within the UK Government.

### **6.5 Strengthening social and economic rights and promoting social protection**

As stated above, the White Paper needs to reframe its economic growth model around social and economic rights and environmental sustainability. Social security provision and access to water and sanitation, shelter, education and health are not only motors of economic growth but fundamental rights enshrined in international agreements. DFID needs to acknowledge the links between these essential services and shape its development policy accordingly.

DFID is urged to continue to assist as well as scale up support to developing countries to invest in and strengthen public provision of essential services to ensure universal access to education, basic health care, water and sanitation, social protection and housing. The design and delivery of services needs to meet the needs of women as well as men and play a critical role in stimulating agricultural and other economic activity that leads to improved rural as well as urban livelihoods. Ensuring universal access in a context of economic pressure on households will mean including a specific focus on ensuring women and girls benefit equally to men.

DFID needs to limit the impact on the poorest by supporting developing countries to implement national social security programmes to particularly support women, children, disabled people, older people and the unemployed. These programmes need to be set up and resourced through a mix of national and international revenue which are gender sensitive and specifically address the needs of women and girls.

Social protection is a key response to enabling pro poor growth. Yet, since the 2006 White Paper, which recognises social security as an essential public service, little progress has been made in extending effective social security provisions to the most vulnerable. The White Paper must commit to supporting developing countries to introduce national social security systems including social pensions. Progressive realisation of the International Labour Organisation's (ILO) proposed social security floor - a basic minimum package including a universal pension, universal child grant and disability grant - is a good starting point.

There is a strong need for DFID to support greater coherence of EU messages on social protection. This vision of social protection should be 'cross-cutting' in all EU policies relating to international development. Moreover, in order to ensure policy coherence, member state governments should support the development of a clear strategy (such as an EC Communication on Social Protection) that addresses how

social protection should be integrated into EU development cooperation with a focus on the ILO's social security floor.

However social protection programmes will be ineffective if developing countries are forced to cut back on education and health spending in the context of the current economic crisis. DFID should direct emergency funding towards bolstering these key sectors and support countries to adopt counter-cyclical policies that will protect social spending.

Protecting teachers and health workers from budget cuts will also generate employment opportunities. Meanwhile, safeguarding and prioritising investment in pro-poor infrastructure and transport services remains an essential catalyst for the delivery of social protection and health and education programmes for all, particularly for the 75% of the world's poor who live in rural areas.

### **6.6 Specific attention to gender impacts and vulnerable groups**

Women play an important and central role in promoting economic growth and human well being but their contributions are rarely recognised or accounted for in macro economic models used to measure performance. Not only through their substantial role in formal employment, but also through their unpaid and unacknowledged work in households, have women subsidised governments' in their responsibility to provide basic services.

Gender is absolutely crucial to any pro-poor growth strategy and interventions should focus on women's economic activities, and also on improving public services that will remove the huge burden of care which prevents further integration by women into the economy. DFID needs to revise its economic models to include the unpaid, undervalued work done almost exclusively by women, without which economic growth would not be possible, and which is at the heart of achieving social and economic rights.

This implies that it is women and girls who will stand to benefit the most from distributional gains from sector investments. In addition, the needs of vulnerable people, including disabled people, older people and HIV/AIDS infected and affected people, have often been ignored in sectoral programmes and attention is needed to make access to water and sanitation, shelter, education and health easier and appropriate for such groups.

It is more important than ever that DFID implement its own Gender Equality Action Plan both in the negotiation of trade agreements and in its approach to the current economic crisis. Whilst the development community has been impressed with the programme, we fear that it has not yet had the desired impact externally and it suffers from under resourcing and implementation.

Large wage disparities in all sectors are evidence of discrimination against women across the board. Development programmes must include sustainable job creation opportunities, stimulate local industries and support women entrepreneurs.

### **6.7 Building a low carbon economy**

DFID should become a stronger voice across government, pushing for articulation, coherence and commitment to a 'green' economic growth and prosperity model,

building on the government's low carbon agenda. This is not limited to low carbon growth but an expanded concept to low carbon and environmentally sustainable development and green growth that does not undermine the Earth's natural life support system.

The White Paper must highlight the need for reducing carbon dependency and environmental degradation, aiming at more equitable distribution of wealth and benefits, respecting environmental limits and valuing nature's true importance.

Green infrastructure investment programmes need to be brought forward that can stimulate demand growth in the short term and raise productivity growth in the medium term. New jobs can be created in green construction, green energy, green transport and green financing and investment in job creation should include traditionally male and female employment sectors and incentivise the movement of women into traditionally male-dominated sectors and vice versa through methods including training. DFID should promote infrastructure construction and low-tech transport solutions that often provide a greener and more appropriate response to people's mobility and access needs.

### **6.8 Ensuring food security and promoting sustainable agriculture**

Hunger and food insecurity should be at the heart of DFID's fight against poverty – particularly focusing on the half of the world's hungry who live on small farms yet don't produce enough food to feed their families year round. New commitments and approaches to food and hunger are urgently required, to ensure that tackling hunger is given the political importance it merits, and that the policies adopted to tackle it are resilient to global food shocks.

Nationally-developed hunger and right to food strategies should provide the basis for support from all donors and organisations. DFID should support this rationalisation and work to ensure full participation of civil society groups in developing this national right to food strategies.

The new White Paper should lead the way in calling for a new approach to agriculture, as set out in the IAASTD (International Assessment of Agricultural Science and Technology for Development), which combines enhanced productivity with improved resilience of the natural environment. This approach must have the right to food at its heart.

Recognising this, DFID should help developing countries increase their own productive capabilities, including through supporting research and development into ways to sustainably increase yields and reduce post-harvest waste.

Food production systems and the environment are inter-dependant and key to attaining genuine food security. The recently published UN and World Bank sponsored IAASTD report, which DFID is signatory to, has made it clear that conventional, industrial agricultural systems have degraded the environment to such an extent that 'business as usual is not an option'. This model of agriculture is not sustainable and should clearly not be pushed upon developing countries.

Higher investment in small holder agriculture is needed by states, donors and private sector as a route out poverty for 1.5 billion people and as a means of addressing hunger, particularly in a carbon- and credit-constrained context. DFID should also consider innovative ways to demonstrate the positive business case for companies to

proactively include smallholders in their supply chains, especially through fair trade programmes which have been demonstrated to have a positive impact in empowering producers, tackling poverty and catalysing community investment.

Aid resources should be allocated according to actions that promote food production and security. DFID should consider a similar target to that proposed to the Irish government in the recent Hunger Task Force report - progression to 20% of Official Development Assistance to actions that alleviate and eradicate hunger. Furthermore, DFID needs to ensure that poor farmers have a say through consultation with farmers' organisations and agencies while also supporting investments and social protection schemes that provide poor farmers with the services and support to build resilience and reduce vulnerability now and in the future.

The White Paper must acknowledge that women play a critical role in national and household food security, and DFID's policies on sustainable agriculture should have an explicit gender focus and analysis running throughout it. Despite women's pivotal role in food production and provision, women have little control of the resources needed to conduct these tasks, particularly land. Women's lack of access to land underpins and reinforces hunger. Without secure tenure or control it is difficult for women to access credit to buy seeds and other inputs.

DFID's policies on sustainable agriculture should recognise that women are often excluded from the use of modes of transport and transport technologies limiting their mobility which enhances time poverty, reduces productivity, and reinforces hunger.

Women are also often excluded from training and rural extension services, and farmers' organisations and co-operatives tend to be dominated by men and fail to reflect women's particular needs. Hence, the White Paper should explicitly take into account the different needs of poor women, men and children. It must be geared towards working with and empowering poor, indigenous, rural and urban women's groups and communities, and actively promote enhanced mobility and greater access to land and other natural resources.

## **6.9 Promoting a just trade system**

The White Paper must be clear on how DFID's commitment to supporting the trade needs of developing countries will be realised in a time of global crisis when the UK and all world leaders must take the opportunity to step back and develop a fresh approach to the global trading system that prioritises justice and equity.

Trade can play an important part in contributing to poverty reduction. But trade is a 'means to an end' rather than an 'end in itself' to be pursued through export-led growth policies. Trade can damage the environment (e.g. greenhouse gas emissions from trade-related transport) and the costs of adjustment to more open international trade policies frequently fall most heavily on the poor and vulnerable who are least likely to be able to take advantage of new market opportunities.

If the trade system is to benefit all on a long-term basis, the UK Government has to take into account more visibly its positive and negative outcomes.

For years before the current crisis, the fundamental problem with the WTO Doha trade deal has been was that it calls on developing countries to renounce their own

trade policy instruments (largely tariffs), while rich countries are allowed to retain their trade-distorting subsidies.

The WTO negotiations failed in 2005, 2006 and 2008 because the USA and the EU consistently put their own needs above those of developing countries, particularly in relation to agriculture. The developing countries there were right to defend the livelihoods of their small scale and subsistence farmers. Pushing for trade agreements that curtail the scope for developing countries to protect their industries and farmers at a time when they need it most should be rejected.

DFID should encourage trade policies that promote the local and regional markets that small-scale producers depend upon, support the maintenance of strategic grain reserves and reject the dumping of subsidised imports. The forced trade liberalisation policies of the past have no place in a future system. The UK Government should prioritise smallholders within agricultural aid and trade policy, and also champion fair and ethical models of trade.

DFID should develop an in-depth gender analysis, based on sex-disaggregated data, of the impact of previous Free Trade Agreements on women and men, in order to avoid repeating negative impacts in current Association Agreements between the EU and other regions. DFID should actively challenge stereotypes that the economy and trade are 'men's issues' and that women contribute little to the economy.

### **6.10 Reforming the international debt system**

Debt relief, where it has been delivered, has had a hugely beneficial effect in developing countries. However, to date it has been extremely slow, insufficient, and for too few countries. There has been no attempt to reform the international lending and debt system at a structural level. Moreover the current financial crisis threatens to push dozens of poor countries back into debt crisis. The White Paper must address this issue.

Further debt cancellation is urgently needed to release funds in developing countries for economic stimulus and social protection. Eligibility for debt cancellation should be based on a human development measure of sustainability, which would mean much broader, wider debt cancellation, and cancelling *illegitimate* debts – those that have arisen from bad lending decisions, for which creditors need to share responsibility.

As part of international institutional reforms, an international, fair and transparent debt work-out process and internationally agreed, binding responsible lending standards, should be created. This would help to ensure a more just, sustainable lending environment and prevent debt crises in the future.

## 7. Climate Change

### Key recommendations:

- **BOND emphasises the urgency of the climate change crisis and the need for the UK Government to play a leading role at the EU and international level to ensure an effective deal at Copenhagen.**
- **The White Paper must consider climate change in the context of global justice, equity, and interdependence, and in the wider context of the natural environment and the ecosystem goods and services we all depend on. Poverty eradication and sustainable development depend upon ensuring environmental sustainability; otherwise, any gains will be transitory and inequitable.**
- **In the White Paper, the UK Government must commit to pay its fair share of the costs of climate change while supporting the creation of a democratic multilateral climate change architecture that is accountable to the UN Framework Convention on Climate Change (UNFCCC) as the primary mechanism for disbursing climate change funding to developing countries.**
- **The White Paper must highlight that UK support for adaptation in developing countries must learn the lessons of the past, taking into account subsidiarity as one of the key principles to be followed. There should also be a genuinely long-term approach, in which climate change is considered within the local political and development context, reflecting existing knowledge and capacity of poor communities to adapt and respond.**
- **The White Paper must clearly articulate that poor management and unequal allocation of natural resources are central to inequality and can lead to instability and conflict as there is a significant risk that climate change will interact with other factors to exacerbate the causes of conflict.**
- **The White Paper must emphasise that climate change plays out first through the natural environment and the ecosystems goods and services it provides, and that their health and integrity are vital to climate change adaptation and resilience. It should also make clear proposals to value ecosystem services and natural capital in policy and decision-making and enable developing country partners to do this.**
- **The White Paper should re-acknowledge and prioritise conserving the remaining natural forests as well as refocus on water, which is even more significant in light of climate change.**

### 7.1 The UK's immediate responsibilities in addressing and funding for climate change challenges

BOND welcomes that DFID has done much to promote climate change as a development issue. Yet, the UK Government needs to recognise, through this White Paper, that climate change must be considered in the context of global justice,

equity, and interdependence, and in the wider context of the natural environment and the ecosystem goods and services we all depend on - but the poorest most directly.

BOND would like to stress the urgency of the climate change crisis and the need for the UK to play a leading role at EU and international level to ensure an effective deal in Copenhagen. This White Paper should send strong political messages across Whitehall. It should explicitly highlight the UK Government's recognition of the imperative to cut UK emissions to help prevent further disastrous climate impacts on hundreds of millions of people across the world.

This White Paper also needs to articulate a clear strategy for how greater coherence will be built, within DFID and across HMG, on climate and climate related issues and that ensures that the poverty dimensions of climate change will be emphasized in all relevant policy and work across HMG.

The UK Government needs to ensure developing countries have "space to grow" and that our consumption, growth and emissions do not undermine developing countries needs and futures. Addressing UK consumption pattern and emissions need to be explicitly recognized in the White Paper as a key part of a coherent international development strategy.

In the White Paper, the UK Government needs to commit to pay its fair share of the costs of climate change also acknowledging the EU responsibility for at least one-third of the share of financing for developing countries (at least €35 billion a year) and the UK's individual responsibility within this of approximately €4-5 billion a year, additional to existing commitments on development aid.

The UK should support international efforts to agree new predictable, sufficient, transparent, accessible sources of finance for mitigation and adaptation in developing countries and targeted on the poorest and most vulnerable within these countries. These must be additional to ODA commitments (0.7% of GNI by 2013), take the form of grants not loans and should follow good practice with respect to aid effectiveness. Examples of new and innovative sources include the auctioning of countries emissions allowances or a tax on international shipping or flights.<sup>8</sup>

DFID should support the creation of a democratic multilateral climate change architecture that is accountable to the UN Framework Convention on Climate Change (UNFCCC) as the primary mechanism for disbursing climate change funding to developing countries. This will mean ensuring that interim funding provided through the World Bank does not undermine this objective. Support for ecosystem resilience and inclusive local community engagement needs to be built into the international climate change architecture at all levels.

Without these commitments being very clear, we risk developing a technocratic response to climate change that fails to acknowledge its true nature and will fail to develop the level of global trust also required to achieve a successful conclusion to the UNFCCC Copenhagen talks at the end of 2009.

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<sup>8</sup> See Stamp Out Poverty Paper: <http://www.stampoutpoverty.org/?lid=10939>.

## 7.2 Long term strategies in tackling climate change

Looking beyond the UNFCCC negotiations and the Copenhagen conference, we would like to see the White Paper to deliver concrete outputs and progress in several climate change related areas.

Firstly, DFID should commit to do more in-country, to help support developing country governments and civil society engage in climate change, the emerging science and what it means for them, their natural resource base and their future - including through briefing and training its own in-country staff.

DFID also needs to recognise the need for a global portfolio of 'pilot' programmes, based on north-south transfer of finance and technology, addressing climate change actions that provide learning, capacity and institutional development, not just in terms of technical knowledge and delivery, but also in terms of building appropriate institutional capacity and governance systems.

The White Paper needs to highlight how HMG will facilitate the 'voice of poor' in addressing climate change, both supporting but also reflecting existing knowledge and capacity of poor communities to adapt and respond. UK Government could work to facilitate South-South transfer of community-appropriate technology and knowledge, and explore the potential of the Climate Change Centres as a forum for the promotion of these transfers. The UK should also help ensure full involvement of those most affected by climate change in the development and implementation of national plans that seek to address these impacts.

DFID should enable developing country officials and practitioners within the country to engage more actively with the scientific community, who should provide easily accessible and up-to-date climate risk information relevant to the demands of different sectors and providing relevant knowledge getting to poor and vulnerable communities.

The White Paper must highlight actions that integrate adaptation and risk reduction. These actions should be targeted to increase the resilience of the most vulnerable communities, and ecosystems on which they depend. All efforts should build on and strengthen existing experiences, processes and activities such as the Hyogo Framework for Action, outputs from the Ad Hoc Working Group on Biodiversity and Climate Change (under the UN Convention on Biological Diversity).

Any climate change strategies must address the underlying causes of risk and vulnerability of communities and build resilience of communities to the impacts of climate change. Disaster risk reduction, water resource management, climate resilient agriculture and food security must all be priorities for adaptation funding and support, and should recognise the underlying importance of healthy functioning ecosystems.

Support for adaptation must be provided in ways that learn the lessons of the past. One of the key principles to be followed is subsidiarity. There should also be a genuinely long-term approach, in which climate change is considered within the local political and development context, rather than as a new and urgent add-on. For example:

- DFID should pilot a civil society adaptation fund independent of government, that channels resources directly to the poorest, supports local level capacity building for climate change and showcases bottom up, locally led approaches to climate risk.

- DFID should support and promote ecosystem-based adaptation in national planning processes, in support of no regret and multiple benefit measures, avoiding mal-adaptation.

The White Paper needs to make clear what strategies it will promote to ensure that the Multilateral Development Banks (MDBs) will be influenced to shift their entire investment portfolios away from their current unsustainable pattern<sup>9</sup>. Strategies should include adopting a clear system for monitoring and reporting the carbon impact of investments and use of a shadow carbon price, or other methodology specifically designed to phase out investment in fossil fuel technology and promote a shift in public investments towards socially and environmentally sustainable low-carbon technologies.

### **7.3 Climate change and its links to conflict and natural resource management**

There is a significant risk that climate change will interact with other factors to exacerbate the causes of conflict and lead to an increase in violence, locally, nationally, and between states. Therefore, the White Paper needs to clearly articulate that poor management and unequal allocation of natural resources are central to inequality and can lead to instability and conflict – and is indeed often the root cause of it – and that this will be exacerbated by climate change.

DFID should take a preventative approach to conflict through support and capacity building for sound natural resource management, good environmental governance and climate science awareness. This could be a core aspect of DFID's International Climate Change Knowledge Network/Centre and done in partnership with the FAO.

### **7.4 Valuing and managing natural capital – biodiversity and ecosystems**

We welcome DFID's emphasis on climate change, but would like to stress that this should not be at the expense of investments into other critical natural resources including freshwater, forests, marine, biodiversity and soils. The White Paper needs to highlight that climate change plays out first through the natural environment and the ecosystems goods and services it provides, and that their health and integrity are vital to climate change adaptation and resilience.

Healthy ecosystems are crucial to the livelihoods, food security and climate resilience of the poor. The White Paper needs to recognise explicitly that the poorest rely first hand on natural resources, ecosystem services and biodiversity for their lives and livelihoods. Protecting and maintaining ecosystems is both a moral imperative and in human beings long-term interest.

The importance of supporting farming practices that promote biodiversity and ecosystems needs to be taken into account. Agroecological approaches have been proven to play a positive role in preserving biodiversity and ecosystems and need to be adopted by DFID.

A healthy natural environment with functioning goods and services is critical to provide resilience, to reduce risk and vulnerability from climatic impacts and to support adaptation. Sound environmental management can enable ongoing natural

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<sup>9</sup> 'Why the World Bank is still far from being an environment bank', WWF-UK, June 2008: [http://assets.wwf.org.uk/downloads/world\\_bank\\_report.pdf](http://assets.wwf.org.uk/downloads/world_bank_report.pdf)

resource use as well as provide a vital buffer for coping with social, economic and environmental shocks, including climate change and global recession. It is vital that the close links and interdependence between climate change, people, poverty reduction, biodiversity and ecosystems are articulated and integrated in the White Paper.

In support of this, we believe that this White Paper should make clear proposals to value ecosystem services and natural capital in policy and decision-making and enable developing country partners to do this, including through providing resources, capacity and technical support that build on the TEEB, the MA and other important global ecosystem initiatives.

DFID should also commit to greater and more sustainable and predictable long-term funding that can be delivered at the local level to support investment in the productivity, restoration and protection of biodiversity and ecosystem services. Such investment should generate critical resources for livelihood security and underpin development, as well as support systems that improve and guarantee poor people's access and rights to natural resources in ways that ensure sustainable use and long-term conservation.

Better support for the management and sustainable use of critical natural resources is needed including freshwater, forests, marine, biodiversity and soils. All of these systems are under increasing pressure and their degradation represents significant losses to national economies that must be balanced against economic growth. DFID should commit to working with national governments to ensure that capacity is in place to monitor and address ecosystem degradation and climate change impacts.

Because women are overrepresented among the poor, have a key role in the management of natural resources and are being more severely affected by the impacts of climate change (disasters, water, food, energy) as research and practice show, the White Paper should support and promote the integration of a gender perspective in adaptation and mitigation interventions at all levels and ensure its own capacities are strengthened in this respect.

Specific emphasis should be placed on supporting the development of local capacity, in government and civil society, to develop and disseminate local solutions to sustainable environmental management and ensure good governance of natural resources at a local level.

## **7.5 Conserving the natural forests**

Stern showed that conserving the remaining natural forests is one of the best ways to limit climate change, support sustainable development, and benefit the poor who rely on forest resources.

The White Paper should re-acknowledge and prioritise this through providing immediate bilateral support for sustainable pro-poor forest management on the ground; ahead of any REDD deal coming out of Copenhagen (i.e. before any climate related finance become available post 2012, and in addition to REDD capacity building).

Linked to this, considerable resources are needed to address energy poverty and support decentralised energy systems and alternatives at the local level, to help

alleviate poverty, improve health and conserve natural resources degraded and destroyed for charcoal and wood fuel.

## 7.6 Renewed focus on water

DFID needs to focus back on water – this is particularly significant in light of climate change. Water is a key sector, underpinning all other development sectors – including agriculture and food security – however, already today 700 million people are facing water scarcity and 900 million people lacking access to safe drinking water. Climate change threatens to worsen this situation significantly.

The poorest members of society, who often live in more fragile, less productive environments, are highly vulnerable to climatic impacts on water resources and are hit first and hardest. Water has also been identified as possibly the most limiting factor in increasing food production. Therefore, the White Paper should prioritise water for climate change adaptation funding and view them as closely interlinked sectors. Climate risk-based approaches, which address climate variability and climate change, need to be integrated within water policy frameworks, and not develop separate frameworks, tools and approaches.

There also needs to be a focus on linked-up cross-sectoral approaches to water resources planning and implementation including sectors, such as land, agriculture and mining, systematically considering climate risks and seek synergy and integration between the sectors.

DFID should support the decentralisation process for managing water resources, including support of efforts to strengthen related institutional, legal and regulatory components, and technical and financial capacity at the local level. Localised water resources approaches should be supported, and options for replication and scale-up investigated.

Communities should be empowered to participate in water resource planning and management, which must encompass a two-way flow of information between government and communities. Communities that are particularly vulnerable to climate change should be targeted and appropriate sustainable solutions that reflect their needs and interests should be prioritised over stand-alone infrastructure investments.

DFID should prioritize work around integrated water resource management (IWRM)<sup>10</sup> which provides a fundamental basis for providing the long-term environmental security necessary for sustainable development and the provision of water and sanitation required to meet the MDGs. It should support equitable sharing between individuals, communities and nations of commonly managed resources to alleviate poverty, avoid conflict and make agriculture more sustainable.

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<sup>10</sup> As defined as *a process that promotes the co-ordinated development and management of water, land and related resources, in order to maximise the resultant economic and social welfare in an equitable manner, without compromising the sustainability of vital ecosystems*. In Global Water Partnership 2000. *Towards water security: a framework for action*. GWP, Stockholm, Sweden.

## **8. Fragile and conflict-affected countries**

### **Key recommendations:**

- **DFID must accept the fundamentally political nature particularly of its work in fragile and conflict-affected countries, and adapt its culture, systems and structure accordingly. The new White Paper should point to a substantial culture shift to ensure that conflict and fragility is on everyone's agenda within DFID rather than confined to a specialist subset of staff.**
- **The White Paper must prioritise the establishment of constructive relationship between the state and its citizens by supporting improved accountability of states to citizens. Particularly in fragile states, DFID must develop a better understanding of the context through a participatory conflict analysis, which directly engages a broad range of stakeholders for all countries DFID works in.**
- **The White Paper must highlight the need to provide tailored and flexible long-term support that addresses the causes of conflict, responds quickly to events on the ground and makes supporting capable, accountable and responsive states a central plank of its work. This includes working closely with local civil NGOs in fragile states in addressing the needs of the poor.**
- **DFID should take the lead in supporting integrated services for survivors of sexual violence in the context of conflict but also to build women's capacity to engage with the peace building process and to stop the cycle of violence.**
- **The White Paper should highlight that poor peoples' access to justice and security are basic rights and firmly situated within the focus on pro-poor development and poverty reduction. However, it needs to be considered that the right to security is interlinked with social and cultural rights which are just as relevant in conflict situations.**
- **Cross departmental coherence and closer cooperation in fragile and conflict situation is needed, however DFID's focus on poverty eradication needs to be incontestable and not diverted by military or security interests.**

### **8.1 Addressing the causes of conflict and promoting good governance**

The White Paper needs to focus on how to strengthen a constructive relationship between the state and its citizens, and to put greater emphasis on addressing the causes of fragility in states, rather than the notion of 'fragile states'.

This must include elaborating relationships between states and citizens, the nature of the contract between them and the nature of the structures and processes through which the state-citizen relationship takes place. States may be motivated by things other than the interests of citizens, therefore support to states needs to be

undertaken with great care on the basis of up to date and high quality analysis of the context, and for direct support to be only a part of the state-building strategy.

Improving the accountability of states to citizens, and strengthening the demand for accountability and responsiveness from citizens are both crucial elements of building effective states. Social security systems are not only the key way to reduce poverty but also are vital in strengthening the contract between the state and its citizens.

In several countries that are significant recipients of DFID assistance, particularly in fragile states, weak governance and high levels of corruption undermine sustainable development for present and future generations. DFID must continue to support sustained efforts to improve governance and reduce corruption in these countries, focusing in particular on areas like public financial management, parliamentary oversight of budgets, strengthening supreme audit institutions, revenue and budget transparency, public procurement, particularly in the infrastructure and transport sectors, and civil service and judicial reforms. DFID has a key role to play in UK efforts to ensure a robust review mechanism for the UN Convention Against Corruption (UNCAC).

DFID's development interventions would be more effective if greater and concerted efforts were made in other parts of government to prosecute foreign bribery by UK companies and nationals, strengthen the UK's defences against money laundering and assist developing countries in identifying and recovering stolen assets and the proceeds of corruption. An Anti-Bribery Law, as is currently being discussed in Parliament, can only be a first step towards these objectives. Focusing on the supply side of bribery by tackling it in the UK only is not enough to fight bribery in developing countries; to promote good governance that would have positive impact on the social and economic development in developing countries, DFID should focus on building the capacity of countries to tackle the demand side for bribery.

In the White Paper, DFID's analysis of 'fragile states' needs to be broadened to take account of both formal structures of state and non-formal/informal structures (such as civil society and traditional structures of power/authority). Much of the governance in some of the more difficult contexts where states are less effective happens through traditional structures and institutions that need to be engaged, however, taking into account that traditional governance may not necessarily have a pro-poor or developmental intent.

The building of social capital and strengthening of cohesive societies at local level is a fundamental building block of an effective state, and DFID should consider how it can support this alongside the more familiar elements of institution building.

Political elites might not see much benefit in reforms necessary for developing accountable and responsive states, which would necessarily reduce their hold on power. DFID needs to develop a practical and reality-focused analysis of the ways in which it can address the issue of incentivising elites to support reforms aimed at meeting citizens' needs.

DFID must develop a sound understanding of the context through participatory conflict analysis, which directly engages a broad range of stakeholders for all countries DFID works in. This analysis should inform the development of all subsequent country strategies and DFID should ensure it has a mechanism for this.

## **8.2 Delivering assistance in fragile and conflict-affected countries**

Reaching the MDGs in conflict-affected and fragile countries will require more than just an increase in spending - standard aid modalities are simply not appropriate for these contexts. The White Paper must highlight the need to provide tailored and flexible long-term support that addresses the causes of conflict, responds quickly to events on the ground and makes supporting capable, accountable and responsive states a central plank of its work. Budget support for instance may neglect the immediate needs of poor people in conflict-affected or fragile countries, or even help reinforce conflict dynamics. DFID should link its budget support to context-specific requirements for a minimum level of effort towards addressing factors such as governance, access to justice, inequality, and human rights.

Building on the progress of the basic package of health services to rapidly scale up access to healthcare in the absence of state capacity, DFID should explore the wider application of this approach to further countries in post conflict settings.

In countries where the state is not responsive to its citizens, supporting local NGOs to provide essential services will help meet peoples' immediate needs whilst also developing the capacity of a politically aware and active segment of society able to advocate for reform. Local civil society also has a role to play in preparing the ground and gathering support for peace agreements, helping resolve localised conflicts and holding governments to account before budgetary support is given. However, NGOs should be encouraged to be more inclusive on the ground and DFID should remember that community groups may also be a part of the conflict dynamic.

## **8.3 Taking into account the situation of most vulnerable groups in conflict**

The humanitarian system currently fails women and girls, older people and disabled people in conflict and needs to ensure that a full range of reproductive health services is included in relief programmes. The White Paper must highlight the gender and age dimensions of humanitarian responses – for instance, by committing to support a thorough gender and age discrimination analysis in humanitarian settings and to provide the full range of care needed by women and girls. To often assistance for anything other than the most basic survival needs, rather than assistance which is able to assure “life with dignity”, is predominant.

The context of modern-day conflict is particularly dangerous for women and girls, with evidence that rape and sexual violence increases during conflict due to the breakdown of social norms and in some cases the use of rape as a weapon of war. To tackle this, we are calling on DFID to take the lead in supporting integrated services for survivors of sexual and other forms of violence in the context of conflict, to address their immediate physical, sexual and mental health needs, to support them to reintegrate into their communities, but also to build women's capacity to engage with the peace building process, to stop the cycle of violence. As women are often the care-givers in the family, their well-being has a direct impact of that of their children.

DFID should champion and promote the implementation of UN Security Council Resolution (SCR) 1820 in addition to UN SCR 1325 at the international level and in countries, in order to bring women into all peace processes and post-conflict reconstruction.

#### **8.4 Providing security and access to justice for poor, vulnerable, or marginalised populations**

A focus in the White Paper on poor peoples' access to justice and security as basic rights would be an extremely positive step forward, so long as it is firmly situated within the focus on pro-poor development and poverty reduction. However, it needs to be considered that the right to security is interlinked with social and cultural rights which are just as relevant in conflict situations.

It is important to think about justice and security from the perspective and experience of poor and marginalized people and not just from the state perspective. This means going beyond the top level of 'police and criminal justice' and 'military and defense', to paying attention to implementation issues, in ways that will make a difference locally to people's lived experience of justice and security. The interaction of national systems and structures with quality local delivery will be paramount for that. Supporting the rule of law is the correct focus if the laws are just ones, but it should not be forgotten that some laws can mean injustice.

Actors capable of absorbing funds for 'security and justice' programming will perhaps not always be those with a focus on or understanding of development, poverty reduction and state-building but instead be those actors already working in this area and who may have a very narrow understanding and conceptualisation of security and justice. This not only leads to concerns over the securitisation of aid but may also undermine the concurrent processes of state-building.

DFID should support local civil society groups in working with security providers to identify and develop their own analysis of the security and justice issues they face. DFID should encourage decision makers to understand that, without addressing the diverse concerns of different communities, they risk leaving unaddressed the underlying factors driving conflict.

DFID must lead debate and discussion at the level of both policy and programming on security and justice, and do so by also engaging with a wide variety of actors who have not traditionally been associated with the justice and security agenda at the programme level.

#### **8.5 Coordinating UK diplomatic, defence and development efforts**

DFID should ensure that its in-country conflict and context analyses are conducted jointly or at least shared with other HMG departments, and used to inform joint strategic planning. DFID should also do more to promote sharing of or joint analysis internationally.

The Cabinet Office should ensure that appropriate linkages are made between existing strategies covering conflict and fragility, (such as the 2008 National Security Strategy; PSA 30; the cross-Whitehall conflict policy), individual departmental strategies and this White Paper. However, it needs to be ensured that development assistance will not be diverted to serve military or security purposes.

The Conflict Prevention Pool (CPP) not only provides important dedicated funding streams, but also a valuable forum for the DFID, FCO, and Ministry of Defence (MOD) to learn from each other and ensure they are working coherently towards conflict prevention goals. However, recent cuts to the CPP represent a worrying shift away from long-term conflict prevention. The White Paper should commit to

continued support for the CPP (and encourage other donors to look at similar mechanisms). However, DFID needs to realise that engagement with the CPP is not the same as integrating conflict prevention and peacebuilding into country and thematic budgets, which is what is needed.

There is more potential for DFID to play a constructive role in working with other UK Government departments to address areas where the UK continues to be complicit in allowing corruption, capital flight, irresponsible arms deals, and the 'war on terror' to undermine its development efforts.

## **9. International Institutional Reform**

### **Key recommendations:**

- **The White Paper must outline a reform agenda for international institutions based on democratisation, accountability and poverty eradication.**
- **The White Paper must highlight UK support for the UN to play a greater role in global economic and aid effectiveness policy as well as in environment, food and conflict policy, including managing and coordinating climate change financing. The reform of the UN towards "One UN" needs to be supported and promoted.**
- **The World Bank and IMF are governed undemocratically, impose harmful conditions on poor countries and their development effectiveness is questioned. Further UK support for the World Bank and IMF should be dependent on ambitious reforms of both institutions.**
- **It is vital that poverty eradication remains the primary objective of European Development Policy and that coherence is ensured between the EU external affairs and development objectives, as stated in the European Consensus on Development. The White Paper should commit to supporting a separate and independent administrative structure within the European Commission responsible for development policy, including maintaining the post of commissioner for development.**
- **To improve global aid effectiveness, the White Paper must focus on how to develop mutual accountability mechanisms, promote independent monitoring and evaluation (M&E) of aid programmes and effectively allocate aid. The White Paper should also reinforce commitments on the quantity and quality of aid made in the European Consensus, at the Gleneagles G8 Summit and in other international agreements, as well as in the Paris Declaration and the Accra Agenda for Action.**

## 9.1 Principles of multilateral support

Multilateral institutions could potentially deliver aid more effectively by coordinating efforts; but presently have weaknesses in terms of effectiveness, governance and promoting country led development. DFID must drive a reform agenda for international institutions based on democratisation, accountability and poverty eradication.

UK financial and political support to multilateral institutions should be based on an assessment against the following criteria:

- Performance in promoting country-led development
- How democratic their governance system is
- How effective their operations are at eradicating poverty and promoting equitable development and rights

## 9.2 The role of the United Nations

The UN has such legitimacy and expertise in the most challenging development areas – post conflict, humanitarian crises, fragile states and the environment, that the long-term goal should be for donors to help the emergence of an effective UN that can coordinate and manage global development efforts in these and other areas.

Further UN reform is urgent and will support the UN to become more effective and take on a greater leadership role in coordinating global development efforts in the future. Recognising the UN's unparalleled legitimacy and that a greater development leadership role will incentivise reforms further, the UK Government should support the UN to play a leading role in a number of critical development areas, including:

- coordinating responses to global economic challenges
- international aid effectiveness policy
- environment and food policy
- conflict policy
- managing and coordinating climate change financing, as well as negotiations.

Particularly, the United Nations humanitarian system is under great pressure, both to respond to the growing number of climate-related disasters and to tackle chronic crises – including protracted conflicts. UN agencies are a vital part of this system but, despite improvements in performance in recent years, are still in need of reform in regard to:

- Improved coordination, under UN leadership, between the UN agencies, NGOs, the Red Cross/Red Crescent, 'non-traditional' humanitarian actors and national authorities. For this, the role and competence of the UN Humanitarian Coordinator and sectoral leads must be enhanced, and UN agencies must become better managed and less territorial
- Improved UN performance in needs assessments, delivery (where provider of last resort), fast and fair allocation of resources, and accountability to beneficiaries
- Greater investment in building local and national humanitarian response capacity in developing countries themselves
- Improved responses to food crises, including ending reliance on in-kind food aid and investing more in reducing vulnerability; clarifying the roles of the World Food Programme (WFP) and the Food and Agriculture

- Organisation (FAO) and ensuring their coordination with other international bodies
- Ensuring that the UN system, including UN High Commissioner for Refugees (UNHCR), plays an active role in improving the protection of civilians.

Yet, BOND is eager to emphasise that UN reform is already happening with the “One UN” pilot projects having progressed well and other UN bodies have taken the need for change on board and are delivering. DFID needs to support the UN to build on these achievements and take forward reform efforts in other areas.

Current and future global economic challenges require genuinely global solutions and therefore need to be discussed in a truly representative forum. Giving the UN a leading role in co-ordinating such discussions would be an important step forward, and proposals, such as that made by the Stiglitz Commission to establish a “Global Economic Council” at the UN should be explored in full.

Current efforts to establish and implement international aid effectiveness standards have been undermined by donor dominance of this process through the OECD. The international aid effectiveness agenda would benefit significantly from such a process being managed by a more representative body such as the UN’s Development Cooperation Forum (DCF).

As a crucial part of UN reform the White Paper should emphasise the need for a strengthened and fully-funded gender entity headed by an Executive Director with the rank of Under Secretary General. This is essential to delivering the necessary capacity and accountability to achieve gender equality, and the related MDGs.

### **9.3 The Role of the World Bank and IMF**

The World Bank and IMF are still governed undemocratically, impose harmful conditions on poor countries and their development effectiveness is questioned. Further UK support for the World Bank and IMF should be dependent on ambitious reforms to governance, conditionality and impact assessment, as well as a full review of the policy compatibility of these institutions and far greater scrutiny and accountability.

The White Paper should reflect the need for an ambitious outcome to the current round of World Bank governance reforms, which commits the institution to become a genuine partner between lenders and borrowers, based on the principle of parity of voice and vote. DFID should also support an outcome of the ongoing disclosure policy reviews that means the Bank and Fund adopt the good practice principles set out in the Global Transparency Initiative’s charter for IFIs.

DFID should continue to advocate hard for an end to the use of economic policy conditionality by the World Bank and IMF. It is critical that the institutions who have been the flag-bearers of the Washington Consensus across the developing world publicly commit to a new model of assistance that means they do not attach conditions to their aid or emergency funding in these highly sensitive areas.

Much of the assistance provided by the World Bank and IMF is in the form of loans, not grants, which contribute to poor countries’ debt burdens and increase their influence through the imposition of policy conditions. The White Paper should therefore stress the need for more grant-giving to poor countries.

The World Bank's role on health, social protection, gender equality, transport and environment needs to be reviewed to see how it could best support the development efforts of bilateral donors, civil society, the UN and others. Particularly, any expansion of the World Bank's role in health should be seriously questioned. The recently published ten year evaluation of the World Bank shows very poor results for health including its role in health systems strengthening through SWAPs. In simplifying the global health architecture and expanding the availability of funding for health systems strengthening, the UK Government should consider the role of other multilaterals which have far better accountability and delivery records such as the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM).

Any future role for the World Bank with regard to climate financing should be dependent upon appropriate institutional reform, a shift in the World Bank group investment portfolio to ensure it is supporting low carbon development and a fit with an overall financial governance system that ensure that all decisions on finance distribution (nationally, regionally, sectorally) are taken under the auspices of the UNFCCC.

The World Bank needs to fundamentally rethink its strategy to move away from an unbalanced preoccupation with the private sector.

#### **9.4 EU Institutional reforms**

Development is not a matter of development policy only. Other policy areas – often with much larger budgets – also have an important impact on the lives of people in the South. The EU has a legal obligation to ensure Policy Coherence for Development (PCD) by taking an integrated approach to external relations, security, economic and development policies. This includes the need to take account of development objectives in all activities likely to affect developing countries and to put in place coherent social, economic and security policies that promote the right to sustainable development and responsible citizenship both for citizens of the EU and for the rest of the world

EU institutional reforms and the EU budget have the potential to significantly influence the way European development cooperation can attain its objective of poverty eradication by ensuring greater coherence between development policies and other EU external policies.

The next 18 months will be a crucial time that will define the EU's institutional architecture and budgetary system for years to come with the European Parliament elections, a new European Commission, a review of the EU budget and the discussions around institutional reforms and the ratification of the Lisbon Treaty underway. These changes will have significant implications for EU development and humanitarian policies and for the way development cooperation and humanitarian assistance are implemented.<sup>11</sup>

The upcoming reform processes carry a unique opportunity to ensure that there is greater coherence between development cooperation and other EU external action

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<sup>11</sup> BOND has laid out our vision for strengthening the EU's impact in international development. See "Vote Global – European Parliament elections 2009. International development manifesto" [http://www.bond.org.uk/data/files/uk\\_manifesto\\_final.pdf](http://www.bond.org.uk/data/files/uk_manifesto_final.pdf)

policies and to improve effectiveness and the impact of EC development cooperation. However, they also bring a potential danger of increased politicisation of development cooperation or instrumentalisation of development funds for implementing foreign policy objectives.

It is vital that, whatever direction the EU decides to take on future institutional reforms, the White Paper must emphasise that poverty eradication needs to remain the primary objective of European Development Policy and coherence must be ensured between the EU external affairs and development objectives as stated in the European Consensus on Development, to avoid subordinating development instruments to a narrowly defined foreign policy agenda or Europe's commercial objectives.

Therefore, the EU should respect the specific place and objectives of development cooperation as an independent policy within the EU and on an equal footing with EU foreign, security and commercial policy agendas.

The White Paper must commit to support a separate and independent administrative structure within the European Commission responsible for development policy. Development Cooperation and Humanitarian Aid should be on equal footing with, and independent from, Common foreign and Security Policy within the rest of the Treaty.

DFID also needs to insist on having a Commissioner for Development on equal footing with the other Commissioners. The Commissioner should have a say not only in policy formulation and funding but also on implementation of development policies. Furthermore, the Development Directorate should be responsible for development policy and programming in all developing countries – African, Caribbean, Pacific, Asian and Latin American.

It needs to be ensured that the EU budget should promote and anchor sustainability and poverty eradication as the overarching principles of the EU's international cooperation, including within the fields of trade, development aid and development education. Separate legal instruments should be established to finance other external policy areas, such as foreign policy, defence and security. Financial allocation for these instruments should be additional to development funding.

At European level, DFID should promote transparent decision making on institutional reforms as well as improved stakeholder involvement, including civil society. The UK Government should particularly push the EU for full transparency in its economic policy decisions, opening up committees such as the C133 and the General Affairs and Economic Council (GAERC) to full public scrutiny and accountability.

But most importantly, whatever the outcome of the forthcoming EU institutional reforms, the White Paper must manifest the political will by the UK Government to ensure that the new arrangements work and that member states commitments to poverty eradication and the achievement of the MDGs are adequately funded and fully implemented.

## **9.5 European aid**

Aid delivered through the European Commission has improved hugely in recent years, particularly in regard to providing budget support. The recent innovation of

6-year MDG contracts under the European Development Fund (EDF) is potentially some of the highest quality aid in the world, and is paying for teachers and health workers in many developing countries. The White Paper should commit the UK Government to make increased additional voluntary contributions to the EDF.

By tying budget support to outcomes in health and education, the Commission stands in positive contrast with some of the other providers of budget support, such as the World Bank, which include many harmful economic policy conditions in their aid packages.

## **9.6 Regional Institutions and Global Funds**

Regional banks can play an important role in tailoring responses to regional crises. The White Paper should promote a greater role for them, yet, regional banks also need to improve transparency, engagement with civil society and have a stronger pro-poor focus. DFID needs to support regional institutions especially the African Union to support a coherent and well-managed development approach which is owned by African governments.

Global Funds can play a vital role in providing targeted ODA towards the MDGs. International institutional reform efforts should prioritise multilateral effectiveness and allow for Global Funds to continue with their comparative advantage. Further reforms should consider economies of scale through merged and simplified process e.g. GFATM/GAVI Health System Strengthening applications and expansion of remit e.g. GFATM becomes Global Health Fund when and if significant sustainable funding is secured.

## **9.7 Improving global aid effectiveness by improving mutual accountability**

The development of mutual accountability mechanisms – spaces for agreeing and monitoring of mutual commitments by donors and recipients – is vital to making aid relationships more equitable, accountable and effective.

The most important mechanism to promote mutual accountability in relation to aid effectiveness at the international level is the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action and the implementation of these commitments needs to be reiterated in the White Paper. However, the Paris process has suffered from a number of weaknesses which have limited its achievements in promoting mutual accountability, including being dominated by donors, ignoring issues of concern to recipients, weakly promoting reforms and not monitoring progress independently.

Although the OECD is taking steps to improve the participation of recipient countries in the governance of the Paris process, the goal of the development community should be for a successor to the Paris Declaration to be managed by a more representative body. This should assist efforts to design a more progressive, ambitious and inclusive successor process. One body that may be able to play such a role is the UN's Development Cooperation Forum (UNDCF), which has already begun to promote wider dialogue on and provide inputs to the Paris process.

In the White Paper, DFID should commit to an active role in opening up the Paris process to wider stakeholder engagement, supporting the emerging role of the

UNDCF on aid effectiveness issues and preparing the way for it to design and manage a more progressive, ambitious and inclusive successor to the Paris process.

At the country level, such mechanisms can help to promote accountability at the point of delivery of aid. However, progress to date in improving mutual accountability on aid at the country level has been disappointing, with donors making only limited commitments, even through the most progressive mechanisms, and independent monitoring only being employed in 2-3 countries.

Experience has shown that the emergence of spaces for mutual accountability at the country level requires donors to take the initiative in promoting dialogue on standards they should meet; and that independent monitoring is vital to achieving effective scrutiny.

DFID is already playing a leading role in many of the more progressive mutual accountability mechanisms in operation at the national level. DFID should therefore utilise this experience to ensure that it is taking all steps possible to promote the emergence of comprehensive, progressive national mutual accountability mechanisms in all countries in which it is operating.

### **9.8 Measuring the results of aid**

Independent monitoring and evaluation (M&E) of aid programs is vital to improving aid effectiveness and this should be done with recipients leading the process as much as possible. However, DFID is currently failing to put sufficient resources into M&E of its aid, does not approach M&E in a systematic and comprehensive way, and fails to undertake M&E independently.<sup>12</sup>

The Independent Advisory Committee on Development Impact (IACDI) has laid out a range of recommendations for improving DFID's M&E, including providing more resources for M&E, empowering the Evaluation Department to set and monitor M&E standards across the organisation and laying out the steps for making DFID's M&E truly independent.<sup>13</sup> The White Paper needs to outline how DFID will implement these recommendations to improve its M&E and meet best practice.

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<sup>12</sup> "Evaluation Independence at DFID", International Advisory Committee on Development Impact, Aug 2008

<sup>13</sup> Ibid